

Overview of the measures in the ABB's Social Responsibility Code and NCF's 'Playing Safe' statement of principles

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Summary

1. This paper outlines the Association of British Bookmakers' Code for Responsible Gambling and Player Protection and the National Casino Forum's Responsible Gambling Statement of Principles, with commentary on the content of those codes and progress with implementation. The paper therefore provides context to the Commission's forthcoming review of the social responsibility and player protection elements of the Licence Conditions and Codes of Practice and Guidance to Local Authorities.

Background

2. The government's 2013 review of gaming machines stakes and prizes acknowledged the public and political concern that had manifested around B2 gaming machines (FOBTs) which are available only in betting and casino premises (although are only very rarely deployed in the latter). As part of that consultation the government explained that it wished to consider whether there was sufficient evidence to support a precautionary reduction in the stake and/or prize level for B2s, and also welcomed views on whether there might be other harm mitigation measures which would provide a better targeted response than changes in stake and prize levels. The consultation produced little tangible evidence on FOBTs which could inform policy making. However, in the context of growing public concern about these machines, the bookmaking industry was challenged to produce formal measures that would serve to mitigate the potential impact that such machines might have on problem gambling levels.
3. The casino industry was provided an uplift in category B1 gaming machines' stakes and prizes (B1 only available in casinos), but government was clear that such changes were contingent upon how far the industry was willing to commit to trialling other sorts of harm mitigation measures. The potential social impact of such a level of increase led the government to seek additional assurances from the casino sector about what improvements it could offer to consumer protection to address the potential risks.
4. The ABB and NCF produced, respectively, a code and a statement of principles for improving social responsibility measures among their constituent members. The Association of British Bookmakers (the ABB) published its "Code for Responsible Gambling and Player Protection in Licensed Betting Offices in Great Britain" (the Code) in September 2013. The key elements of this Code came into effect on 1 March 2014, and in January 2014 the ABB also announced a tranche of additional measures that it would implement, when they understood from Ministers and the Commission that their original Code provided insufficient assurance that they were taking social responsibility, particularly in relation to FOBTs, seriously. These are outlined in this paper with commentary.
5. The National Casino Forum (NCF) produced the "Playing Safe" statement of principles for responsible gambling during the autumn of 2013. NCF stresses that it does not consider that these published principles constitute a "code", but rather a demonstration of the casino industry's commitment to doing more than the minimum as required by LCCP to promote socially responsible gambling.
6. **[Exempt information under section 36 of the Freedom of Information Act]**

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8. Alongside any package of measures introduced by government, possibly including restrictions on advertising and local government controls on gambling premises, the Commission will publically bring forward its focus on reviewing LCCP player protection provisions with a view to mandating a higher degree of player monitoring and customer interaction, and improving self exclusion and underage gambling controls.

The ABB Code published September 2013 – key elements

9. The code was composed largely of measures that the industry ought to have been delivering already (legislative requirements, licence conditions etc) or which they had already been doing for other reasons (e.g. the Safebet Alliance, which was a voluntary code of safety and security standards for bookmakers of March 2010, focussing primarily on crime and staff safety in bookmakers; premises). There is comparatively little that was genuinely new. However, the offer to implement and evaluate the new measures did represent a step forward (although the value of the exact measures has yet to be determined, and the ability of operators to link individual players to sessions still remains very limited). The Government expects the industry to carefully evaluate the effectiveness of these measures, and will look to the success of the code in reducing harm as a demonstration of the industry's commitment to the licensing objectives.

Chapter 3 of the Code Covers the ABB's commitment to harm minimisation strategies.

Staff training and awareness

10. The following measures were included.
 - Training of shop staff to recognise a wider range of problem gambling indicators and to identify those customers at risk of developing a gambling problem. (The ABB has not yet provided a list of what such indicators might be).
 - All shop staff will be actively encouraged to 'walk the shop floor' as part of an enhanced customer engagement role, including initiating customer interaction in response to specific customer behaviour which needs to be addressed.
 - All ABB members will nominate a member of staff who will be responsible for responsible gambling on a local basis and will receive additional training to deal with more complex responsible gambling interactions.
 - Compliance objectives will be added to the performance agreements of all relevant middle and senior managers working for ABB members and compliance will be a standing item agenda at betting shop-level performance reviews. (Some of the larger operators such as Ladbrokes have initiated this, but pan-ABB implementation has not been confirmed).
11. The new minimum industry standard for staff training includes the following (although it should be noted that these measures should be standard practice in accordance with LCCP so should not be regarded as going beyond existing principles)
 - Provision of appropriate information on the effects of problem gambling
 - Recognition and identification of the indicators of problem gambling
 - Conflict management
 - Customer interaction in response to specific customer behaviour, referral, and follow-up processes
 - Effective self-exclusion processes at a local level

- The application of a Think 21 policy, especially with regard to machine players
- The identification of vulnerable groups
- Regular refresher training

Self-exclusion

12. The ABB reiterated its commitment to maintain a central self-exclusion register, including arrangements for exclusion from the operator's other gambling channels (e.g. online platforms). ABB committed to:
- provide helpline numbers for all the major betting operators to customers who wish to exclude across different betting shop operators
 - pro-actively encourage customers to also self-exclude from other gambling premises such as arcades, bingo halls and casinos in the immediate local area
 - consult and collaborate with other trade bodies, RGT and RGSB with a view to developing monitoring mechanisms (to test the effectiveness of these measures) and improving the above self-exclusion processes before March 2014
13. Developments in these areas have so far been very limited, but the Commission will need to take a rapid stock-take of where this scheme, plus other elements of this and the NCF Code, have reached (in order to inform the Commission's development of national self-exclusion measures in 2014 and beyond).

Age verification

14. The largest ABB members (William Hill, Ladbrokes, Coral, Paddy Power and Jennings Group) already conduct Think 21 test purchasing on a regular basis. The ABB recognised that "there needs to be even more focus on ensuring that gaming machines cannot be accessed by young people and we need to meet the challenges faced by betting shop staff by developing an environment where intervention and challenge around gaming machines is a "non-negotiable". ABB members are also committed to siting all machines where they can be adequately supervised from the counter".
15. The ABB committed to:
- revise and re-launch its High Street Betting Industry Action Plan with a focus on age verification compliance. ABB members will ensure staff get specific training to prevent underage access to machines. In particular, to encourage the use of a remote counter facility (which shuts down machines from use) to prevent play prior to the completion of appropriate age verification procedures.
 - fund a new programme of compliance testing undertaken by an independent test purchasing company for independent ABB members where necessary before March 2014
16. Progress in this latter area has also been limited. While the test purchasing scheme for independent members has been launched, the number of independent members seems remarkably low based on the ABB website's assertion that it has around 100 members. Only around 25 independent members have committed to the scheme as of March 2014. We are in correspondence with ABB to ascertain why this figure is so low, and how it squares with the commitment (as published in the code) to "make compliance with this code of conduct mandatory". ABB have apparently increased the number of

members involved and have re-stated their commitment to implementing an effective scheme. This round of correspondence continues.

Advertising and Promotions

17. The code's commitment is to:
 - proactively promote Responsible Gambling messages such as Gamble Aware and the National Gambling Helpline in all shops. The ABB Responsible Gambling Committee will review the effect of these messages before March 2014.
 - The ABB Responsible Gambling Committee will address any concerns about advertising (raised by the industry itself or the public); with members being held to account for any individual cases which, whilst not breaching regulations, are against the spirit of the legislation. The committee will also have regular discussions with the responsible authorities on this issue.
18. The ABB announced additional measures in relation to advertising and promotions in January 2014 (and which are outlined below).

Research, Education and Treatment of Problem Gambling

19. All members will fully support and co-operate with the work of RGT and will make an annual contribution to the research, education and treatment of problem gambling.
20. ABB is willing to work with RGT and RGSB to fully fund a new British Gambling Prevalence Study in 2014. (This was resisted given that data is collected under the Health Surveys and this would be an ineffective use of funds. This has now been superseded, see paragraph 26).
21. **Chapter 4 of the Code Covers the ABB's commitment to harm minimisation strategies for gaming machine players specifically.** The ABB stated that "if monitoring and evaluation (*of the measures outlined below*) by the ABB Responsible Gambling Committee shows the measures are only marginally effective, then ABB and its members are also committed to replacing measures or changing the specific metrics associated with these measures. As new technological solutions emerge they will also be assessed in terms of improving harm minimisation standards".
22. Voluntary Monetary and Time Limits - *Customers will be able to set limits on the maximum amount of money and time spent during a single session of play. This enables customers to plan and pre-set their gambling behaviour. When the player's personal time or money limit is reached, an alert will inform the customer that this money has been spent and the customer will be asked to make a decision as to whether or not to continue to gamble. The question will be asked: 'Do you want to stop playing?' Game play will be suspended for 30 seconds and during this time the screen will display responsible gambling messages. The next spin cycle will not commence until after the break in play. Activation of the alert will also appear behind the shop counter which may offer opportunities for customer interaction.* This came into effect in March 2014, although 5% of premises have been held back as a 'control group' for the first month without these measure being introduced, to allow for a comparison between the premises and therefore (in theory) an evaluation of the effectiveness.
23. The industry recognized that it faced challenges in defining a 'customer session' as personalised data is not recorded on machines. To provide a better and consistent understanding of player behaviour and to make it easier to assess and track data, the

industry committed to agree to a **uniform data set and software specification**. This will include an agreed definition of a player “session” and give each operator the capability to correctly identify the majority of sessions using these agreed definitions before December 2013. (*This has not yet been achieved*).

Mandatory money and time-based reminders – *a mandatory reminder will inform all customers automatically should they have lost £250 (and every £250 thereafter) or that they have been playing for 30 minutes (and every 30 minutes thereafter). This is to provide players with a ‘time out’ period to reflect on whether they wish to continue gambling and could also inhibit a player from using gambling. The alert will also appear behind the shop counter which could offer opportunities for customer interaction. This came into effect in March 2014 (apart from 5% of premises, described above).*

24. **[Exempt information under section 36 of the Freedom of Information Act]**

25. Session data on player cards – *ABB members who offer loyalty cards to customers will utilize the data afforded by cards as a tool for player protection, customer interaction and centralized monitoring. The card users will be able to request their session data which includes money won or lost and time spent on gaming machines. Following the initial establishment of a uniform data set and software specification (see above), requiring further technical development, ABB members will give all customers the voluntary option of accessing, on gaming machines, a time and win/loss summary for their current session before March 2014.*

26. Exception Reporting – *Unusual transactional data, cash-in, and gross win data will be centrally monitored. Analysis may then lead to customer interaction or further investigation as appropriate.*

27. Cash machines in betting shops – *ABB members no longer site ATMs that can be used from within a betting shop (although players can continue to use their debit cards over the counter to load the machines with money).*

Customer Information

- The responsible gambling pages of gaming machines will contain more prominent and clear messaging (e.g. ‘a series of losing spins will not necessarily be followed by a winning streak’)
- Easier access to help pages, explaining RTP, randomness and the voluntary player controls.
- More information leaflets in machines areas, responsible gambling messages appearing more frequently on machines and within the premises.

28. Attached at Annex A are screen shots from Scientific Games B2/B3 terminals which are available in, for example, Ladbrokes and Corals bookmakers. These demonstrate the kinds of messaging that are now available on such machines.

Compliance and Evaluation

29. The ABB has left evaluation as a last-minute consideration prior to implementation on 1 March 2014. In order to provide a comparative analysis and to assess the effectiveness of the measure, 5% of the ABB members’ shops will not have the Code’s provisions adopted for the first month. This will then provide a contrast with the other 95% of shops.

The ABB's supplementary code of additional measures – January 2014

30. ACCESSIBILITY/ADVERTISING

- The five major companies have each agreed to voluntarily restrict LBO trading hours to the mandated 7.00am to 10.00pm from 1st March 2014. Competition law may prohibit the ABB from including this in its Code and thus it must be a matter for each operator.

(This is the existing premises licence default condition, which operators have been varying by application to the LA).

- No advertising of B2 (£100 stake) machine content in LBO shop windows from 1 March 2014.

31. It remains to be seen whether B3 content continues to be advertised, however. There is very little B2 window advertising in any case, as the roulette games are well established – B3 content is advertised due to the range of slot games and the regular introduction of new content. It is also worth noting that players can move from B3 to B2 slot play (“mega spins”) through just one button press within the B3 game.

- No external (media) advertising of machines in LBO's from 1st March 2014.

32. PROMOTING RESPONSIBLE GAMBLING

- 20% of shop window advertising to be given over to responsible gambling messages from 1 March 2014.
- The Gamble Aware (RGT) website and the National Problem Gambling Helpline to be (more) prominently displayed in LBO's from 1 March 2014.
- The five CEOs have committed to a £1.9 million fund to promote responsible advertising and the ABB Code measures and have engaged Blue Rubicon (consumer PR) to run this campaign, launching in the summer of 2014.

Evaluation of the effectiveness of responsible gambling messaging and advertising would assist (e.g. any effect on B2 machine play).

33. PROMOTING SELF HELP MEASURES

- To promote the “set your own limits” functionality on machines and actively encourage customers to use the facility from 1st March 2014.
- The “cash out now” button to be prominently displayed on the machine screen and to instantly activate “end of play” and “cash out”. This will require technical changes. Estimated to be ready by 1st October 2014.
- To work with RGT to explore the potential for an online (real time) self-exclusion register for both LBO's and across the whole gambling sector.
- To look at the possibility of linking voluntary self-exclusion to the suspension of registered debit cards. This will mean that self-excluded customers can also register their debit cards for exclusion / suspension. We will also explore the

potential to link the card suspension across all sites and across operators. Development time and feasibility is as yet unknown.

34. Self exclusion – during the passage of the Remote Bill Parliament was informed that the Commission would make significant progress towards the establishment of a national remote self-exclusion scheme within six months, and the Secretary of State in her Sunday Times article said she wanted to see progress from the High Street bookmakers on national self exclusion to the same timescale. The Commission will take a lead in developing interim policy measures now with a view to the implementation of a more comprehensive scheme in the long-term. This will draw on existing work including NCF's proposals for national land-based casino exclusion, and the work RGSB and RGT are doing on self exclusion.
35. On debit card work – RGT have not yet explored this with ABB, but it is worth noting that a position on this will form part of the RGSB/RGT report to the Commission on self exclusion, in the spring. We are also in discussion with industry on this development.

COMMITMENT TO RESEARCH AND ONGOING IMPROVEMENTS

- RGT has commissioned Professor Alex Blaszczynski (Sydney University) to analyse what harm mitigation measures on machines have been proven to have worked in other jurisdictions. The ABB/CEO's commit to reviewing Professor Blaszczynski' work with RGT and incorporating any proven and workable measures in a revised/updated ABB Code before the end of April 2014.
 - RGT has commissioned academics¹ to develop a comprehensive list of in-session harm indicators. Once this research is available the ABB/CEOs will incorporate the learning and into a revised/updated ABB Code.
 - The ABB has committed to rigorously evaluate the effectiveness of its current (new) Code and to adapt and updated the Code to incorporate any learnings from the evaluation. The evaluation will be independently commissioned by RGT and paid for by the ABB.
 - Following the above evaluation we would ask the Gambling Commission to make the ABB Code mandatory for all LBO operators through the LCCP and the Machine Technical Standards. October 2014.
 - **[Exempt information under section 41 of the Freedom of Information Act]**
 - The current (Code 1) pop up warnings after every £250 or 30 minutes played will be enhanced to have a mandatory 20 second machine shut down when the limit is reached.
36. On evaluation of the code, there will at best be two data points (June and September) if the ABB evaluate results quarterly, as their code suggests. NatCen's evaluation team has been commissioned to conduct this assessment of impact, but NatCen has stated its concern about the quality of the evaluative measures (5% of shops as a temporary control group). Re: 14 above, the Commission would not seek to mandate the Code in its entirety (and we have been clear to DCMS that it would not be our intention to do so) given that the effectiveness of the measures is unknown and evaluation has not yet commenced.

¹ Simo Dragecevic at BetBuddy, David Excell at Featurespace and Heather Wardle of NatCen

Measures that were in the draft ABB code that did not appear in the final versions

Demo/free game RTP (return to player)

37. The original draft version of the ABB Code (summer 2013) had stipulated that demonstration games, tournaments and other free plays would be guaranteed to operate at the same statistical target 'return to player percentage' rates as paid game play over a statistically significant amount of plays. Demo and free play versions often perform at higher RTP % rates than the 'real' versions of the same game, potentially creating a misleading picture of how those real gambling versions may perform. This measure was however omitted from the final version of the ABB code. This will be picked up as part of the Commission's review.

Money loading at the counter

38. When gaming machine money is loaded at the counter and if the money loading is outside normal parameters for that customer (or where there are repeated instances by an unknown customer) LBO teams will be trained to recognise the opportunity for customer interaction. This measure appears to have been diluted for the final version, in which there is no reference to identifying a customer's 'normal parameters' or to customer interaction being made on repetitive loading. Rather, the reference is an oblique one to training staff to recognise opportunities for interaction.

The National Casino Forum's 'Playing Safe' Statement of Principles for Responsible Gambling

39. The key concerns with NCF's statement of principles are that there are no timelines included by which to measure implementation of any of the measures included within the statement; and the quality and effectiveness of the measures has yet to be evidenced, with little commitment to evaluate the measures. The key measures within the section of the statement "what we will do next" are:

40. Driving the development of the National Voluntary Self-Exclusion Scheme

NCF had initially announced that this would commence by the end of 2013, but development has been slow. Members of the forum have claimed that Facial Recognition technology is not currently of a form or quality that can provide any benefit to casinos, whether for social responsibility or indeed commercial purposes, and as a result it is currently of little benefit for self-exclusion. Importantly, rather different views seem to be held among the arcades sector, which is trialling this technology and appears to be much more confident in its utility. The Commission will retain a close interest in the immediate future as to how this technology can be used, and will encourage the casino sector to keep in touch with the arcades sector if the technology appears beneficial. We advised NCF that there may be opportunities provided by the technology beyond the scope of self-exclusion i.e. for age recognition and tracking players around a venue.

41. We have encouraged them to press on with their plans, whilst reiterating that they should be more interested in the development of other harm minimisation measures over creating an absolutely perfect self exclusion system. Both the Commission and RGT have advised them that they should not wait for the RGT report on self-exclusion before progressing. Their plans are not being developed in collaboration with other the other trade bodies but they are keeping the other bodies informed of progress.

42. NCF is tendering for a contract which will: allow all casino companies in the UK to share data about individuals who have asked to self exclude; can search the exclusion database via a number of different systems; maintain basic identification records (name, address, DOB) and a colour photo; allow access to the database by an employee of the casino or a person appropriately authorised via a unique pin (for accountability purposes); is capable of comparing and seeking a match with a photograph taken on a Smartphone or i-pad of a person suspected of being a self excluder to photos on the database; can be adaptable to ensure compatibility with accredited facial recognition technology; and is scalable to allow other gambling premises to join the scheme.

Drive the National Young Mystery Shopper policy

43. NCF completed its round of test purchasing in December 2013. Every single NCF member and a couple of COA members agreed to have all of their premises tested for Think 21 compliance (around 98% of all casino in Britain were therefore tested).

44. **[Exempt information under section 41 of the Freedom of Information Act]**

Develop metrics to measure the impact of changes to machine stakes and prizes, and establish an industry standard metric for baseline monitoring of changes

45. NCF have recently claimed to be sceptical of the benefits of account based play (although the casinos offer loyalty cards which are becoming more popular) saying that it could drive consumers to illegal gaming websites, and that the most effective customer interaction was undertaken by experienced casino managers. They are however in touch with data analytics and technology solutions providers regarding sessional data for machines.
46. NCF has so far progressed little beyond the collection of aggregated macro data which would be of little use for social responsibility in that form. Individual casino members of Playing Safe do hold the player-specific data that might be used for enhancing social responsibility measures, and 46% of machine play in casinos is tracked e.g. by means of loyalty card.

Annex: Overview of the measures in the ABB's Social Responsibility Code and NCF's 'Playing Safe' statement of principles

[Exempt information under section 41 of the Freedom of Information Act]