

GAMBLING COMMISSION

Protecting betting integrity

May 2019

1 Introduction

- 1.1 The Gambling Commission (the Commission) was set up under the Gambling Act 2005 to regulate commercial gambling in Great Britain. We are committed to keeping crime out of gambling, ensuring gambling is conducted fairly and openly, and the vulnerable protected from harm or exploitation by gambling.
- 1.2 We are also committed to raising standards in relation to sports betting integrity, as outlined in our [corporate strategy](#) 'Making Gambling Safer and Fairer'.
- 1.3 This document summarises the Commission's policy and approach to protecting betting integrity, which is primarily concerned with sports betting. It should be stated that the principles within this document also apply to betting on non-sporting events; for example, the winners of film awards or outcomes of TV talent competitions.
- 1.4 The integrity of betting, given its scale and popularity with the British public, is important to maintain and protect. Consumers must have confidence and belief that when they place bets, they are doing so on markets that are fair, free from betting related corruption and with British licensed operators that are effective in managing risk.
- 1.5 Given the global nature of sport and gambling, we also need to understand international influences on sport, betting and communications if we are to fully realise and manage the current and emerging risks.
- 1.6 There is evidence from abroad of increasingly sophisticated and organised criminal activity related to the provision of illegal betting and manipulation of sports results. Intelligence suggests that these criminal groups reportedly view match fixing and betting corruption as a less risky criminal activity compared to other offences such as drug smuggling or people trafficking.
- 1.7 There have been incidents of corruption in the UK but these seem to generally be opportunistic rather than linked to organised crime. Based on current evidence, we believe that the risks of systemic corruption of sports betting and sports activities in the UK are currently less than that experienced in other jurisdictions. However, we are aware that we cannot assume that this position will be maintained. We know the impacts of such corruption would have a significant detrimental impact to the interests of the public, the ethical and commercial interests of sport and the betting industry and would harm Great Britain's reputation as a safe place to bet and host sports competitions.
- 1.8 It is expected there will continue to be situations where individuals seek to profit from betting by using insider knowledge or by choosing to ignore the rules of their sport or the terms of their employment. These infringements cannot be ignored, though it will not always be appropriate to prosecute these persons through the Criminal Justice System. Alternatively, there may be more effective measures which can be taken by sports governing bodies and employers who have legal power to do so.
- 1.9 The threat of 'match fixing' (or match manipulation¹) and corrupted sports betting is an increasingly high profile international issue. The Council of Europe, European Union, Interpol, International Olympic Committee (IOC) and other international sports organisations are actively seeking to address the issue and the presidents of the IOC, FIFA and UEFA have spoken publicly of their concerns.

¹ As defined in the [Macolin Convention](#): "Manipulation of sports competitions" means an intentional arrangement, act or omission aimed at an improper alteration of the result or the course of a sports competition in order to remove all or part of the unpredictable nature of the aforementioned sports competition with a view to obtaining an undue advantage for oneself or for others.

2 Background

- 2.1 The past few years has seen a significant increase in awareness and reporting of sports betting integrity issues, particularly in the higher profile sports, which have been well documented. Evidence of corrupt betting in the UK has been in the main limited to what appear to be discrete cases, opportunistic in nature, rather than being evidence of systematic and systemic corruption. However, we cannot afford to be complacent in thinking that UK sports betting and sport is immune from the continued threats of organised criminal activity.
- 2.2 In 2009, DCMS established a Sports Betting Integrity Panel, drawing together representatives of the betting industry, the police, players, sports governing bodies (SGBs), the legal profession and the Commission to make recommendations on the design and implementation of a collaborative approach to protect the integrity of UK sport and betting.
- 2.3 The Panel's report, commonly known as the Parry Report, made a series of recommendations, central to which was that the betting industry, sports governing bodies and associations, the Commission and police should commit to activity within their sphere of competency to prevent and deter those posing the threats. In addition, the report recognised how a collaborative approach could maximise the collective impact by working together to deal with the short and longer term issues. The recommendations included establishing the [Sports Betting Intelligence Unit](#) within the Commission to deal with reports of betting-related corruption.
- 2.4 Building on outcomes of the Parry Report, the Sports Betting Integrity Forum (SBIF) was established in 2012 to develop Britain's approach to protecting sport and sports betting against the risks to integrity. It brings together representatives from sports governing bodies, betting operators, sport and betting trade associations, law enforcement and gambling regulation. The Forum is part of Britain's national platform to address the risks of match-fixing and threats to sports betting integrity.
- 2.5 The purpose of the Forum is to support and coordinate partners' individual and collective efforts in developing and implementing [the Sports and Sports Betting Integrity Action Plan](#) (SBI Plan) which sets out the UK's strategy for protecting integrity in sport and sports betting. The Forum keeps pace with the increasing complexities, such as international influences, focusing on prevention, disruption and deterrents. This approach reflects the belief that match-fixing presents a major and continuing challenge for the governance, culture, reputation and operational capabilities of sports and sports betting operators. The Commission is lead partner on the SBIF.
- 2.6 The UK has also signed the [Council of Europe's Macolin Convention](#), which sets out the framework for managing risks associated with the manipulation of sporting events across Europe and beyond. In line with this framework, the SBIU and the SBIF form Britain's national platform for managing betting integrity. The Commission represents the UK on the Council of Europe's [Group of Copenhagen](#), the network of national platforms which collaborates in the fight against betting integrity at an international level.

3 Our strategy

- 3.1 The Commission remains committed to sustaining the national approach to managing betting integrity as defined in the SBI Plan. We will continue to work with partners and stakeholders in the betting industry, sport (including but not limited to SGBs, player associations and industry bodies) and law enforcement agencies to identify the vulnerabilities, support preventative action and strengthen the deterrents to corruption in betting. The collective objective is to prevent and discourage involvement in betting

integrity issues by understanding the opportunities to subvert existing controls and making it more likely that those involved can be identified and appropriate sanctions imposed.

- 3.2 To achieve this goal and support international efforts to combat the threats we are engaged with European and international efforts to develop effective operational collaborations.
- 3.3 The Commission sees itself playing an important role through the continual development of the Sports Betting Intelligence Unit (SBIU), working in collaboration with partner organisations to identify the corruptors and corrupted. We aim to identify the longer term threats and to implement approaches that prevent and deter those that pose the greatest risk. To achieve this goal, we have established effective operational cooperation with our partners to maintain our understanding of the scale and scope of the threats presented to UK interests.
- 3.4 The Commission will work on the principle of being risk-based and proportionate in determining the focus and scale of our activity.
- 3.5 Whilst any lack of integrity related to how an event is managed will detract from the fairness and openness of that event and the interests of the sport involved, the Commission's focus will be upon integrity matters directly related to betting. Specifically, where the outcome of an event has been influenced with the intention of benefiting through betting on it or where misuse of information is used when placing a bet. This includes making an assessment to consider if the offence of cheat has been committed.
- 3.6 The Commission understands the importance of upholding betting integrity to sporting bodies, the betting industry and to the public. It is familiar with methods used in other countries to promote betting integrity such as restricting the types of bets offered or approving sports governing bodies' rules before allowing betting on those sports. The Commission has the power to impose such restrictions. However, the Commission does not consider, based on the available evidence, that such intrusive or resource intensive methods are warranted or would be effective in Great Britain, although we will continue to monitor developments in this area.

4 Effective collaboration

- 4.1 We will work with partners to establish effective information exchange arrangements and promote the effective use of information to enable SGBs, betting operators and law enforcement, both nationally and internationally, to gain a better understanding of the risks faced and the options to manage those risks. The SBIU will act as the UK's information and intelligence gateway.
- 4.2 We will encourage and where appropriate facilitate sports governing bodies and betting operators to have effective direct agreements on joint working.
- 4.3 Memorandums of Understanding (MOUs) that set out how we will work together are in place where appropriate with some organisations. The Commission will continue to review MOU requirements to sustain current agreements and initiate new ones as and when deemed necessary.

5 Working with betting operators

- 5.1 The Commission will sustain its engagement with British licensed operators and others to maintain effective information exchanges. We will ensure that operators have appropriate clarity as to the work of the SBIU and the requirements of the Commission as to assurance that their controls are effective as set out in the [Licence Conditions and Codes of Practice](#). We will continue to work with betting operators' associations and trade bodies and other

regulators on a national and international basis and will seek feedback as to how our national approach can be improved.

- 5.2 As the regulator, the Commission is keen to emphasise that it is the primary responsibility of licensed operators to identify and mitigate the threats to the licensing conditions. We have an expectation that operators will comply with the conditions and have in place mechanisms to identify and act to protect their customers (and their own commercial) interests.
- 5.3 The Commission considers licence condition 15.1 to be of particular importance in this context. In summary this is the requirement for betting operators to share information on suspicious activity with the Commission. A copy of the wording of this licence condition can be found at appendix 1. We expect operators to have in place systems and procedures to identify suspicious or unusual betting patterns which will enable them to report relevant information to the Commission and to SGBs.
- 5.4 The Commission will share information with relevant third parties to meet its statutory duties and only when legally allowed under relevant Data Protection law. This information may be of a general or specific nature that could be used to mitigate emergent risks and promote good practice, recognising the constraints of confidentiality.

6 Working with sport

- 6.1 The Commission has established good working relationships with many sporting bodies. We will continue to build new relationships with organisations seeking to take steps to preserve the integrity of their sport. This includes those with whom we may have had limited or no previous engagement or where we consider the risks to be greatest.
- 6.2 We will encourage and facilitate sport governing bodies to share information with us and with operators about suspicious sporting activity possibly related to betting integrity in order to offer support and help decide on the most appropriate course of action.
- 6.3 We will work with and offer expertise to sports and betting operators, as befits our capability and resource constraints to share good practice and expertise. We will work to understand what education programmes, rules or codes are in place regarding participants betting and the sanctions that can be applied if these are breached.
- 6.4 Where appropriate, we will share with sport governing bodies information about our investigative techniques and procedures to help sports bodies build up their capacity to uphold their own rules and conduct investigations on issues relating to their sport.
- 6.5 We will where appropriate disclose information gathered by the Commission investigations to assist Sports Governing Bodies in applying their disciplinary codes. We will do this in line with the requirements the relevant Data Protection Legislation.
- 6.6 We will explore with SGBs, sports organisations and relevant others (for example, the Sports Betting Group, the Professional Players Federation, UK Sport etc) opportunities for the facilitation of the sharing of best practice.
- 6.7 SBIU will also work with event organisers to [provide bespoke support](#) for international tournaments hosted in Great Britain.

7 Working with other law enforcement agencies

- 7.1** Sports betting investigations can be complex and resource intensive. The Commission recognises the competing priorities and operational challenges faced by law enforcement agencies. In circumstances where the scale and scope of the criminal activity related to sports betting integrity is considered to be of a serious nature then the Commission will engage with law enforcement agencies to discuss them adopting investigations, with Commission support and expertise.
- 7.2** The Commission will continue to raise awareness of the threats and indications of sports betting corruption, the work of the Commission and the support it can offer police and law enforcement. Betting integrity cases often involve parties from a wide geographical range and therefore determining the best route for an investigation to take can prove problematic.
- 7.3** The Commission has working relationships with the National Police Chief's Council (NPCC) and Police Scotland and agreements are in place as to how we exchange information and facilitate joint operational activity. We will work with the National Crime Agency (and other agencies) in identifying the strategic threats to UK interests and specifically addressing the threats posed by the activities of organised criminality. We will contribute towards the UK Threat Assessment when requested.
- 7.4** The SBIU will act as the secure intelligence and information portal between the Commission, law enforcement and other agencies. We will continually engage with and encourage these to identify, collect and share information and intelligence with us on potential betting integrity issues and promote the Commission as providing potential opportunities to add value to their work.

8 International collaboration

- 8.1** Gambling and sport are global, multi million pound industries increasingly commercially linked, for example via ownership and sponsorship arrangements. They are promoted by modern technologies and advertising linking the excitement of sport with that of betting. Proliferation of the interest in and betting on sport has been assisted in the growth of internet use, ever increasing means for communications and 24/7 global access to both betting and broadcasting of coverage of sporting events.
- 8.2** Whilst Britain will remain our primary focus, we recognise that British betting and sport is not immune to influence from external sources and domestic activities can in turn influence events elsewhere. As betting operators and sport have become increasingly globalised by virtue of changing organisations' scope and technology, so has organised crime. The evidence of organised crime groups infiltrating sport for betting corruption purposes both in Europe and in Asia indicates the need to ensure that we are communicating and collaborating with international stakeholders specifically to ensure British interests are protected.
- 8.3** The Commission has neither the remit nor the resource to investigate this international criminality. However, in addition to establishing effective relationships with UK law enforcement agencies we will sustain our engagement with Interpol and Europol and support other foreign law enforcement investigations agencies as appropriate as an intelligence gateway to link them up with others.
- 8.4** Many of the recent international developments have a positive impact for the Commission and others. For example, the Macolin Convention has developed engagement and cooperation between countries in the fight against corruption in Europe and beyond. It offers the prospect of strategies, and operational frameworks that will foster greater information, intelligence exchange and operational collaboration. The Commission and DCMS has been and will be involved in the development of these opportunities as necessary to ensure UK interests are represented.

- 8.5** The regulatory landscape is rapidly changing as countries review and revise their policies with regards to the acceptability of gambling and in particular sports betting. The regulation of gambling is becoming more globally linked through inter regulator contacts, information exchange MoUs and mechanisms and the work of associations such as the Gaming Regulators International Forum (GREF) and International Association of Gaming Regulators (IAGR). We also work closely with the Council of Europe and European Union.
- 8.6** The Commission will engage through these channels to identify and address the threat of corrupt sports betting and will provide information and intelligence it considers appropriate to other regulators and national platforms.
- 8.7** Similarly sport and the betting industry are recognising the international dimensions to addressing the threats to the integrity of their interests. Our engagement with such organisations is being widened to international sports federations or organisations (for example the International Olympic Committee) and international gambling / betting associations. These are both a valuable source of information and potential recipient of information from the Commission subject to the appropriate safeguards.

9 Managing the threats

- 9.1** The Commission will gather intelligence and information to assess what potential offences may have been committed to decide on the proportionate and appropriate response and action. This will include who is best placed to address the offences and what actions or investigations can be carried out simultaneously.
- 9.2** How we do this is set out in the Gambling Commission's [Betting Integrity Decision Making Framework](#)

[Licence Conditions and Codes of Practice](#)

15 Information requirements

15.1 Reporting suspicion of offences etc

Licence condition 15.1.1

Reporting suspicion of offences etc - non-betting licences

All operating licences except betting, betting intermediary, ancillary remote betting, betting host and remote betting intermediary (trading rooms only) licences

- 1 Licensees must as soon as reasonably practicable provide the Commission or ensure that the Commission is provided with any information that they know relates to or suspect may relate to the commission of an offence under the Act, including an offence resulting from a breach of a licence condition or a code provision having the effect of a licence condition.

Licence condition 15.1.2

Reporting suspicion of offences etc - betting licences

All betting operating licences including betting intermediary, ancillary remote betting, betting host and remote betting intermediary (trading rooms only) licences

- 1 Licensees must as soon as reasonably practicable provide the Commission or ensure the Commission is provided with any information from whatever source that they:
 - a know relates to or suspect may relate to the commission of an offence under the Act, including an offence resulting from a breach of a licence condition or a code provision having the effect of a licence condition
 - b suspect may lead the Commission to consider making an order to void a bet.
- 2 Licensees who accept bets, or facilitate the making or acceptance of bets between others, on the outcome of horse races or other sporting events governed by one of the sport governing bodies for the time being included in Part 3 of Schedule 6 to the Act must also provide the relevant sport governing body with sufficient information to conduct an effective investigation if the licensee suspects that they have any information from whatever source that may:
 - a lead the Commission to consider making an order to void a bet
 - b relate to a breach of a rule on betting applied by that sport governing body.
- 3 In 2b above, 'rule on betting' includes any rule about bets the making or acceptance of which would be a regulated activity within the meaning of section 22 of the Financial Services and Markets Act 2000 ('spread betting').

For more information see [Reporting Suspicious Bets](#)

Keeping gambling fair and safe for all

For further information or to register your interest in the Commission please visit our website at:

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