

# GAMBLING COMMISSION

GCM(17)4

## Minutes of the meeting of the Board of Commissioners

Victoria Square House, Birmingham (Boardroom)

27 April 2017

**Commissioners:** John Baillie  
Stephen Cohen  
Sarah Harrison (CEO)  
Alison Hastings  
Walter Merricks  
Bill Moyes (Chair)  
Sarika Patel  
Trevor Pearce  
Simone Pennie  
Jonathan Scott  
Catharine Seddon

**Executive Directors:** Sarah Gardner  
Neil McArthur (General Counsel)  
Nick Tofiluk

**In Attendance:** Anna Howe, Programme Director (observing)  
Simon Knee, Head of Finance (Item 2.3)  
Helen Rhodes, Programme Director, Regulatory Strategy (Item 3)  
Mark Wagstaff, Head of Governance  
Sue Harley, Tim Miller

**Apologies:** [staff names of those other than the leadership team have been redacted]

### **Item 1: Welcome, apologies and declarations of interest**

1. The Chair welcomed Anna Howe as an observer.
2. No new interests were declared that were not already recorded in the register of interests.
3. The Chair explained to the Board that he had two items that he wanted to discuss before moving on to the main agenda.

#### Commissioner recruitment

**[This is exempt from publication under section 43 of the Freedom of Information Act.]**

#### National Lottery

**[This is exempt from publication under section 43 of the Freedom of Information Act.]**

### **Item 2: Minutes and actions**

4. The minutes of the meeting held on 23 March 2017 were approved subject to minor amendments
5. The rolling actions were reviewed and updated.

### **Item 3: Report from the Chief Executive**

6. The CEO presented her report, which included:
  - summary of key activity in April and look ahead to May, in relation to organisational performance, the latest iteration of the balanced scorecard and the impact of the General Election on our work and the external environment
  - National Lottery update
  - financial report.
7. The Board noted the Performance Pack and CEO Highlight Report.
8. The CEO confirmed that a new COO had been appointed, David Pemberton. He will be attending briefing sessions with Exec next month before starting in June.
9. The CEO highlighted that the staff engagement day on 4 April had been a success with a focus on improving staff awareness of performance management arrangements and approaches to achieve greater wellbeing. The vibe on the day had been very encouraging and helped tap into staff enthusiasm for engagement including on development of the Corporate Strategy.
10. The CEO informed Board that the Exec had undertaken a stocktake on the change programme. The plans for year two of the programme were now being implemented and a positive session on this had been held with the Leadership Team that week.
11. **[This is exempt from publication under sections 22 and 43 of the Freedom of Information Act.]**

12. **[This is exempt from publication under section 35 of the Freedom of Information Act.]**
13. **[This is exempt from publication under section 35 of the Freedom of Information Act.]**
14. **[This is exempt from publication under section 35 of the Freedom of Information Act.]**
15. **[This is exempt from publication under section 35 of the Freedom of Information Act.]**
16. The CEO highlighted that officials were undertaking an internal stocktake, in particular relating to track play and account data.
17. The Board raised concerns whether the announcement of the election caused problems in regards to publication of our response to the Enforcement principles consultation. The CEO confirmed that the announcement did not affect our plans and the enforcement consultation response would be back before the Board at the May meeting. She also advised that the CMA had pushed back its decision on the terms and conditions work until end of June following the announcement.
18. The Board noted that the Remote Technical Standards response document would be published next month. This would ensure greater consistency and clarity in the information made available to consumers. The Board also noted that the Chairman would be speaking at The Gambling Regulators European Forum in May and that the first cut of the National Lottery forecasting model would be available at the end of May.
19. The Board reflected on its meeting with RGSB held earlier in the month. The meeting had gone well and provided a very useful information exchange.  
**[This is exempt from publication under section 36 of the Freedom of Information Act.]**
20. The Board noted that phase one of the remote advice had been completed and phase two had commenced with a deadline of September. The recommendations would not be made until next year and updates on progress would be provided to the Board. Board questioned the length of the timetable to complete the work given that new Ministers might wish to focus on remote. The CEO indicated that she would consider further.
21. The Board discussed the Balance Scorecard and asked about the red RAG rating of the operating licence and personal licence application determinations. Nick Tofiluk explained that the figures reflected that Licensing had had a number of internal changes due to restructuring and process redesign.
22. **[This is exempt from publication under section 43 of the Freedom of Information Act.]**
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28. [This is exempt from publication under section 43 of the Freedom of Information Act.]
29. [This is exempt from publication under section 43 of the Freedom of Information Act.]

**Item 3: Corporate Strategy update GCP(17)24**

30. Helen Rhodes presented her slides highlighting the emerging findings from the internal and external engagement.
31. The Board discussed the themes emerging from the internal feedback and the external responses that had been received to date. The deadline for responses was 12 May and Helen explained that she was actively targeting trade associations, operators, consumer bodies and ADR bodies for responses.
32. The Board noted that the internal feedback from staff had a positive tone with key messages around robust decision making, being knowledgeable and efficiency.
33. Allowing that feedback to date was limited, the Board questioned whether the Commission's agreed priorities were being received sufficiently strongly. The CEO noted that, both externally and internally, there were calls for clarity on where the Commission wanted to focus, but there would always be need for flex to reprioritise, to respond to events.
34. Responses had also focused on the language the Commission used and the time taken explaining and understanding jargon. Some potentially interesting themes were emerging about innovation, both in regulation and fostering industry innovation for the benefit of consumers.
35. The Board noted that a further, substantive discussion was scheduled for the May meeting.

**Item 4: Amendments to the Corporate Governance Framework GCP(17)25**

36. The Chairman reminded the Board that this piece of work had arisen from discussion with them and the Executive late last year and at the January meeting to develop improvements to the Corporate Governance Framework.
37. The Chairman explained that the proposals had been developed further, including through subsequent discussions with the Committee chairs. This meant that a number of the documents within the framework had been amended, not just the committee terms of reference as was originally proposed.

38. Mark Wagstaff explained that they had taken the opportunity to review the whole framework and drew the Board's attention in particular to:
- The Commissioner Code of Conduct which had been revised to reflect concerns raised by some Board members about the rules around visits to premises that the Code of Conduct for Commissioners had been amended to reflect comments Board members had made in relation to visits to operators. The revised draft also provides clearer guidance on acceptance of hospitality
  - The Whistleblowing Policy had been rebranded as Public Interest Disclosure
  - Approval was sought to move to a three yearly cycle to review the framework.
39. The Chairman advised that the revised Terms of Reference for the Audit Committee would be reviewed by the Board at a later date.
40. The Board were asked to approve the revised framework.
41. The Board discussed the proposed changes to the framework and welcomed the rebranding of the Whistle Blowing Policy. The Board approved the revised framework in principle subject to Committee Terms of Reference being finalised and some a small further amendments to other documents. The Board also agreed to move to a three-yearly review of the framework.

**Item 5: Board Performance Group update**

42. John Baillie provided the Board with an update.
43. The Board noted that the Group were currently involved in discovery and research and that it would be speaking with a number of Board members in due course.

**Item 6: Society Lotteries**

44. **[This is exempt from publication under section 40 of the Freedom of Information Act.]** provided the Board with an overview of the Society Lotteries sector.

**Item 7: AOB**

45. There were no other matters arising.