

GAMBLING COMMISSION

GCM(14)04

Minutes of the meeting of the Board of Commissioners

Victoria Square House, Birmingham (Boardroom)

22 May 2014

Attendees: Mary Chapman
Robin Dahlberg
Philip Graf (Chair)
Rachel Lampard
Anthony Lilley
Walter Merricks
Graham Sharp
Peter Teague
Jenny Williams

Apologies: Robert Foster

In attendance: Rebekah Eden (for item 10)
Dean Farmer (for item 9)
Amanda Fox (for item 7)
Sarah Gardner
Ben Haden (for item 1- 5)
Sue Harley
Mark Harris
Matthew Hill
Elaine King (Notes)
Neil McArthur
Julia Mackisack
Jeanette Pugh
Alistair Quigley (for item 5)
Pete Rangeley (for item 7)
Tim Tyler (for item 11)

Declarations of Interest – No interests were declared

Item 1: Minutes and action points of the last meeting

1. The minutes of the meeting held on 20 March 2014 were approved.
2. Matters arising from the minutes:
 - DCMS lawyers are currently reviewing the Management Agreement. Sign-off is expected shortly
 - Voluntary settlements – interim working arrangements are in place. Approach to be set out and brought to Board for sign-off, recognising the need for flexibility to tailor the approach to suit the circumstances of any particular case.

3. The rolling actions were reviewed and updated.

Item 2: Report from the Remuneration Committee

4. The Chair of the Remuneration Committee provided the Commissioners with a summary of issues discussed at the meeting held earlier in day.

Item 3: Report from the Audit Committee

5. The Chair of the Audit Committee (the Committee) provided the Commissioners with a summary of the discussions held at the 21 May meeting.
6. The Committee reviewed two internal audit reports; noted the National Lottery Commission annual report and accounts (April – September 2014). The Committee reviewed the Gambling Commission annual report and accounts.
7. The Chair of the Committee advised the Commissioners that the final version of the annual report and accounts is due to be reviewed at its June meeting. The Chair of the Committee expects to be in a position to recommend that the Board sign-off a final version at the June Board meeting.

Item 4: Report from the National Lottery Committee

8. The Chair of the National Lottery Committee provided the Commissioners with an overview of the discussions from the last meeting.
9. Camelot has announced that Dianne Thompson, CEO of Camelot Group, is to retire in October 2014. Over the next six months, the group will be separated into two functions. Andy Duncan will become CEO of Camelot UK Lotteries Limited (CUKL), and Nigel Railton will become CEO of Camelot Global Services Limited. Both will take up their new positions in October 2014 and will report to Lee Sienna, the Chairman of the Camelot Group of Companies.
10. The Board also reflected on the recent Board to Board meeting with Camelot. The Programme director – National Lottery is to provide further advice to the National Lottery Committee and, as necessary, to the Board, on Camelot 's compliance with the Combined Code on Corporate Governance.

Item 5: Report from the Chief Executive: GCP(14)29

11. The Chief Executive introduced the paper which summarised the key workstream activities undertaken since the last report.
12. The Commissioners were provided with a further oral summary update on:
 - Expiry of the current lease on VSH. A business case is being developed and will be issued to the Commissioners for approval prior to its submission to the Government Property Unit
 - Sports Betting Integrity – a talk by David Forrest on Asian Betting Markets has been arranged to take place at VSH on 5 June. Commissioners are invited to attend; a recording will be made for those who are unable to attend in person.

- Complex cases – the Luxury Leisure appeal was allowed. The Commission is considering its position but officials advised that an appeal would not be the best way to pursue the licensing objectives; an update will be provided at the next Board meeting to agree next steps.

Item 6: Report from the Player Protection Reference Group (PPRG): GCP(14)30

13. The Chair of PPRG introduced the report which outlines the latest areas to have been considered by the group. In both areas (customer interaction and technical standards) the group recommended no immediate action.

Item 7: Strengthening the defences: Social responsibility update May 2014: GCP(14)31

14. Colleagues from the Social Responsibility workstreams provided the Commissioners with an update on workstream progress following the launch of the LCCP review.
15. The update builds on the discussion at the Board policy awayday which set out the scope and timetable for the review of social responsibility codes in the LCCP.
16. The paper contained details of the next steps for the review: LCCP social responsibility review with a particular focus on underage gambling; customer interaction and self-exclusion.
17. The Commissioners asked for a paper to outline in more detail the issues relating specifically to underage gambling.

Item 8: Strategic Narrative: GCP(14)32

18. At its January meeting the Board noted the top tiers of the Strategic Narrative; since then the Narrative has been developed by a working group.
19. The Director introduced the final draft of the Narrative approved by Executive Group; it now includes a final tier (goals). The Commissioners were advised that engagement with colleagues across the Commission is underway to explore with them how the workstreams to which they are contributing can be mapped to the Narrative.
20. The Commissioners discussed the Narrative and noted that it will be used, as appropriate, to provide a structure for external and internal communications. The next steps to embed use were noted, including in relation to the structure of the annual review.
21. The Commissioners provided comments, approved the adoption of the Narrative and noted next steps, including the development of the National Lottery elements and alignment with the outcome performance framework. Progress will be reported to a future meeting.

Item 9: Draft accounts and annual report: GCP(14)33

22. The issue of whether to have a joint or separate Chair/CEO statement was discussed and, on the basis there was good precedent for either approach, a combined statement would be retained at least for this year.

23. The Board Adviser introduced the report. Comments from Commissioners have been received and have been taken into account in producing the revised draft. The Audit Committee is to review the report again at its June meeting and if appropriate will recommend to the Board that it approves the annual report and accounts.

Item 10: Compendium of reports - headline results: GCP(14)34

24. The Research Manager and Programme director Evidence and Analysis introduced the paper which provides the Commissioners with details of the key findings from Health Survey England and the Scottish Health Survey.
25. The Commissioners discussed the headline results and noted the plans for production of the compendium reports and progress to date
26. A paper outlining the Commission's participation and prevalence evidence gathering strategy is to be presented at the July Board meeting.

Item 11: Anti-money laundering workstream two-year plan: GCP(14)35

27. The Senior Manager – Compliance and anti-money laundering introduced the paper which follows-on from the discussion at the March Board. The paper sets out how the Anti-money laundering workstream will meet the goals outlined in the previous paper.
28. The Commissioners noted the paper.
29. A presentation providing Commissioners with an overview of key AML issues and relevant case studies will be undertaken in July.

Item 12: Financial report: GCP(14)36

30. The report was noted

Item 13: Quarterly research briefing: GCP(14)37

31. The report was noted.

Item 14: RGSB quarterly update: GCP(14)38

32. The report was noted.