

GAMBLING COMMISSION

GCM(15)06

Minutes of the meeting of the Board of Commissioners

Victoria Square House, Birmingham (Boardroom)

17 September 2015

Attendees: Mary Chapman
Robin Dahlberg
Philip Graf (Chair)
Alison Hastings
Anthony Lilley
Walter Merricks
Jonathan Scott
Trevor Pearce
Graham Sharp
Peter Teague
Jenny Williams

Apologies: None

In attendance: Linzi Cooke (for item 4)
Sarah Gardner
Ben Haden
Sue Harley
Sarah Harrison
Paul Hope (for items 4 & 5)
Elaine King (Notes)
Neil McArthur
Sharon McNair (for item 8)
Pradeep Rajania (for item 5)

The Chair of the Gambling Commission welcomed Sarah Harrison to the Commission.

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 23 July were approved.
2. Matters arising from the minutes:
 - The minutes needed to record that the Chair of the Remuneration Committee had provided the Board with a summary of the discussions which took place at the Remuneration Committee meeting held immediately before the Board meeting. The Board approved the Committee's recommendations regarding the CEO bonus and noted the approach to be taken to senior management bonus payments for November.

3. The rolling actions were noted.

Item 2: Report from the National Lottery Committee: Minutes of the July National Lottery Committee meeting: GCP(15)49 and National Lottery Committee annual report: GCP(15)50

4. The Chair of the National Lottery Committee provided the Board with a summary of the key operational issues discussed at the September Committee meeting. The minutes of the July National Lottery Committee were noted.
5. The Board was provided with an update to the discussions at the monthly meeting with Camelot which took place on 16 September.
6. The planned changes to taking place to Lotto on 10 October were noted.
7. The NL Committee Annual Report including the decisions taken during the course of the year was noted.
8. Camelot's five-year plan is due to be discussed at the October Committee meeting. All Commissioners are to be invited to attend.

Item 3: Report from the Chief Executive: GCP(15)51

9. The Chief Executive introduced the report which summarised the key operational activities undertaken since the last Board meeting. Updates on action undertaken since the report was prepared were provided.
10. The Board noted updates on the following issues:
 - Regulatory returns – all outstanding returns, due in the reporting period, have now been received
 - Developments to the e-services hub – an online portal for operators to manage their account, submit regulatory returns, key events and customer funds all in one place
 - Meetings with DCMS and discussions about the next triennial review
 - Casino Roadmap
 - Victims' Code
 - Complex cases
 - National online self-exclusion scheme
 - The government's response to the DCMS Select Committee review of society lotteries has been published. A paper outlining the implications for the Commission is to be presented for Board review in the autumn.

Item 4: Proposed amendments to licence conditions and codes of practice (LCCP) for all operators in relation to the prevention of crime associated with gambling: GCP(15)52

11. The final draft of the consultation document was circulated to the Board in early September for comment.
12. The Manager – Sector and Thematic introduced the paper and advised that comments from the Board have been incorporated, along with comments received from our external legal adviser.
13. The Board approved the consultation document subject to minor drafting changes, delegating final sign-off to the Chief Executive.

Item 5: Socially responsible rewards consultation: GCP(15)53

14. The Manager – Sector and Thematic introduced the paper which advised the Board of the proposed consultation on changes to Licence Conditions and Codes of Practice (LCCP) social responsibility code 5.1.1: Rewards and bonuses. The Board was advised that the objective of the proposed consultation is to revise a small part of the code, which will not lead to a change in policy intent, but an improvement in how we codify that policy intent.
15. The Board was invited to provide a steer on the current proposals.
16. Discussions focused on the current and future marketing of rewards and how the industry is able to determine whether a reward is socially responsible.
17. The Board asked for a paper to be prepared for discussion at the October Board meeting. This would assist in understanding where the proposed consultation fits in with work being undertaken more broadly on fairness, openness and social responsibility. The Board also requested that proposed revisions, as detailed in paragraphs 23 and 24, are included to reflect Commissioners feedback.

Item 6: Corporate Governance Framework: GCP(15)54 and Resolution to approve revised membership of Audit Committee: GCP(15)62

18. The Commission's Corporate Governance Framework (the Framework) is reviewed annually. The last review took place in September 2014.
19. The General Counsel introduced the document and outlined the proposed revisions to the Framework for consideration and approval.
20. The Board approved the changes to the framework subject to minor drafting changes.
21. The Board approved the revised membership of the Audit Committee noting the appointment of Ann Harris (independent member of the Audit Committee) and that Graham Sharp was no longer a member.

Item 7: Review of the effectiveness of the enhanced compliance approach to dealing with complex cases: GCP(15)55

22. The paper sets out the conclusions and recommendations of a review which was undertaken of enhanced compliance in relation to complex cases as agreed in the 2015 / 2016 business plan.
23. The General Counsel introduced the paper and invited the Board to consider the recommendations of the review.
24. The Board indicated that they would like to see more prominent external communication of decisions and outcomes and asked for a timeline and plan to be presented at the December Board meeting.
25. The Board agreed to the recommendations and asked for an assessment of the effectiveness of the review to be presented in 12 months time.

Item 8: Removal of the requirements for personal functional licences (PFL) in casinos: GCP(15)56

26. The Programme director – Licensing and Compliance introduced the paper which outlined the Commission’s proposals in relation to the removal of the requirements for PFLs in casinos.
27. The Board considered the issues and agreed with the recommendations. The date for commencement of the consultation has yet to be agreed. The consultation document is to be sent to the Board for approval.
28. The Board also asked that we be clear in our communications that these proposals are designed to decrease regulation for the industry.

Item 9: Financial report – August 2015: GCP(15)57

29. The Board noted the report.

Item 10: Quarterly Research briefing: GCP(15)58

30. The Board noted the comprehensive changes to the presentation of the report.

Item 11: Making gaming machines available for use – consultation: GCP(15)59

31. The Senior Manager – Betting introduced the paper which sought to outline the policy proposals and key issues for review in advance of the proposed consultation ‘Making gaming machines available for use’.
32. A paper and consultation document is to be presented for approval at the October Board meeting. If required Commissioners will have the opportunity for additional discussion on 21 October (in advance of the Board meeting). Recently appointed Commissioners are to be offered the option to receive additional information outlining the background to the issues.

Item 12: Guidance to local authorities – consultation paper: GCP(15)60

33. The Manager – Sector and Thematic introduced the paper and invited Board approval of the publication of the GLA 5th edition (GLA5) responses document.
34. The Board approved publication and noted the next steps regarding the dissemination of the key messages in the GLA5 edition.

Item 13: Testing strategy – pre-consultation briefing paper: GCP(15)61

35. The Board noted the briefing paper. The final consultation document will be circulated to the Board for information (via correspondence) prior to publication.

Item 14: AOB

36. The Chair formally thanked Jenny Williams for her contribution to the Gaming Board of Great Britain and latterly the Gambling Commission and wished her well for the future.