

GAMBLING COMMISSION

GCM(17)2

Minutes of the meeting of the Board of Commissioners

Victoria Square House, Birmingham (Boardroom)

23 February 2017

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

Executive Directors: Sarah Gardner
Sue Harley
Neil McArthur (General Counsel)
Tim Miller

In Attendance: Paul Hope, Programme Director (Item 4)
Simon Knee, Head of Finance (Item 3 and 5)
Helen Rhodes, Programme Director, Regulatory Strategy (for item 3)
Mark Wagstaff, Head of Governance

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

Apologies: Alison Hastings
Nick Tofiluk

Item 1: Welcome, apologies and declarations of interest

1. The Chair welcomed Tamsin Morgan as an observer; Tamsin will join the Commission shortly as Head of Communications.
2. No new interests were declared that were not already recorded in the register of interests.

Item 2: Minutes and actions

3. The minutes of the meeting held on 19 January 2017 were approved.
4. The rolling actions were reviewed and updated.

Item 3: Report from the Chief Executive - Board Performance Pack: GCP(17)07 & 08

5. The CEO presented the Board performance pack, which included:
 - the latest iteration of the balanced scorecard
 - planned events
 - casework update
 - communications report
 - financial report
 - next steps on Corporate Strategy
6. The Board noted the Performance Pack and CEO Highlight Report which included specific updates on:
 - people and performance
 - external engagement
 - National Lottery
7. The CEO provided an update on investment in IT infrastructure. The migration to OneDrive and SharePoint had progressed well and rollout was nearing completion.
8. The CEO confirmed that the role re-evaluation in Licensing was nearing completion with approximately 50 employees affected. The selection process for the reorganisation was completed in February and staff confirmed in new roles effective from 6 March 2017. Throughout the reorganisation, management have consulted with and sought feedback from staff (team meetings, drop in sessions and 1-2-1 sessions).
9. The Board reflected on the Commission's participation at the ICE Conference 2017. The CEO confirmed that a debrief session had been arranged to ensure that learning from the conference was shared effectively.
10. The Board noted the successful outcome of the FutGalaxy case, the first prosecution of an unlicensed gambling website linked to a video game. In context of rapid innovation in gambling offerings, the Board welcomed ongoing work to develop the Commission's policy on eSports and Skins Betting.
11. The CEO highlighted that we would be visited by the Minister for Sport, Tourism and Heritage and the DCMS Permanent Secretary during March.
12. The CEO also confirmed that she and the Chair would undertake a series of meetings with Operators' Boards to reinforce the importance of leadership to delivery of social

responsibility. These meetings would also provide a platform to open dialogue and influence our thinking in developing the corporate strategy to ensure the consumer will remain at its heart.

13. **[Exempt information under section 31 of the Freedom of Information Act 2000]**

14. The Board noted that the Corporate Strategy work was progressing well and was on track to be delivered in the first half of the year. The Board was scheduled to discuss this further at its April meeting.

Item 5: Gambling Review advice: GCP (17)09

15. **[Exempt information under section 36 of the Freedom of Information Act 2000]**

Item 5: Draft Corporate Business Plan GCP(17)11 and Budget GCP(17)10

Draft Corporate Business Plan

16. **[Exempt information under section 40 of the Freedom of Information Act 2000]** presented his slides highlighting key areas of focus for the draft corporate business plan and asked the Board to note that this plan represented a building block in the development of the upcoming Corporate Strategy

- The Board questioned whether DCMS had asked the Commission to report back on its efficiency savings each year and whether the business plan should have a milestone to reflect this. The Chief Executive explained that there was not a specific milestone on this and that progress on efficiency savings would be built into the narrative.
- The Board discussed use of the Corporate Business Plan and the Budget to assess progress and noted that this would be considered by the Business Performance Group.

17. The Chair confirmed we would also be reviewing the arrangements for RET, considering how best to ensure the development of effective services and funding arrangements. This would consider both the potential to make the current voluntary arrangements more robust to meet future challenges, and the practicalities of implementing a statutory levy under s123 of the Gambling Act. The Board agreed there should be a milestone to cover this review.

18. The Board confirmed that with the changes they have suggested they are comfortable that business plan is acceptable for this year.

Budget Paper

19. The Head of Finance presented the Budget paper and slides. The Board was asked to agree the following:

- appropriate level of reserves
- endorse the general approach and direction of travel of the budget
- endorse additional investment, funded through fee income, and reserves to support the forthcoming period of change.

20. The Board discussed the budget paper and agreed a minimum of £5 million for reserves. The Head of Finance emphasised that this was for Gambling Act regulation only and could not be used for National Lottery regulation, which is funded by DCMS grant-in-aid.
21. The Board asked if the National Lottery figures were an informed estimate or gained from substantive information. The Executive Director confirmed that we are discussing this with DCMS.
22. The Board noted that the increase in the National Lottery figures are staff costs and questioned if this meant we were investing heavily in the team. The Executive Director confirmed that planning was taking place on National Lottery resourcing and explained that complexities in this area included preparations for the 4th Licence Competition.

Item 6: Commissioner Stakeholder Engagement

23. The Chair asked the Board to note the contents of the paper and send any comments to himself or the Head of Governance.

Item 7: AOB

24. There were no other matters arising.