

GAMBLING COMMISSION

GCM(15)06

Minutes of the meeting of the Board of Commissioners

Victoria Square House, Birmingham (Boardroom)

23 July 2015

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

Apologies: Alison Hastings
Graham Sharp

Observer: Sarah Harrison

In attendance: Laura Balla (for item 8)
Linzi Cooke (for item 7)
Sarah Gardner
Ben Haden (for items 1-4)
Sue Harley
Matthew Hill
Paul Hope (for item 7 & 8)
Elaine King (Notes)
Neil McArthur
Fiona Phillip (for item 8)
Nick Tofiluk

Declarations of interest: Jonathan Scott declared an interest in relation to agenda item 4.

Item 1: Minutes and action points of the last meeting

1. The minutes of the meeting held on 18 June were approved subject to a minor drafting change.
2. Matters arising from the minutes:
 - The Gambling Commission's annual report and accounts 2014/ 2015 were published on 14 July.
 - The Board approved by correspondence: Project Mint: change to Match two online prize claiming.
 - The responses document to the annual assurance statement supplementary consultation was published on 21 July.
3. The rolling actions were reviewed and noted.

Item 2: Report from the Remuneration Committee

4. The Chair of the Remuneration Committee advised the Board that she would provide a summary of the discussions which took place at the meeting held earlier in the day at the private session.

Item 3: Report from the National Lottery Committee

5. The Programme Director for the National Lottery programme provided the Board with a summary of the key issues discussed at the July Committee meeting. Issues discussed, in addition to those specific items mentioned below included an update on the changes to Lotto, digital strategy and Euromillions. The minutes of the meeting will be provided to the Board in due course.
6. The Board was provided with a review of the discussions from the June Board-to-Board meeting including an update on revisions to Camelot management arrangements.

Nth promotions

7. The Committee had agreed to a Camelot proposal to trial a Lotto Nth Promotion. This followed the clearing of related contentious items by the Board as part of its earlier consideration of Project Mint.

£10 IIWG

8. At the August 2014 Committee meeting the proposed introduction of a £10 IIWG was not approved. Camelot was invited to provide additional information and re-submit the proposal which they did at the July 2015 Committee meeting. A two-year trial of the £10 IIWG approved taking account of improvements made in Camelot's proposal on player protection and prize volatility impact on good causes.

Other business discussed

9. The Chair asked for a background paper on Project Amigo a month ahead of any decision meeting on the proposal.

Item 4: Report from the Chief Executive: GCP(15)41

10. The Chief Executive introduced the report which summarised the key operational activities undertaken since the last Board meeting and provided updates on developments since the report was produced.
11. The Board noted updates on following issues:
 - The number of transitional licences is now down to 31
 - The appointment of an Interim Head of Communications
 - Greene King – hearing date is set for 8 October
 - DCMS staffing up date
 - Remote security audits
 - Complex cases - updates
 - Annual Assurance Statement
 - Regulatory panel decisions
 - Security audits

**Item 5: Fees review: phase one. Progress on discussion paper for consultation:
GCP(15)42**

12. At the June Board meeting the Board was advised that a preliminary discussion paper outlining the Commission's approach to fee setting would be distributed by mid-July.
13. Distribution of the discussion paper has been delayed to ensure that all issues requiring debate are comprehensively covered in the paper. The Board was asked to review the content via correspondence and agreed to delegate final sign-off to the Chair and Chief Executive. The paper will be sent to Commissioners by the first week of August.
14. The Board discussed the report approving the overall timetable and the general approach outlined in the paper.
15. The Chief Executive advised that the Commission and DCMS have been discussing the proposals and the need not to pre-empt decisions on matters for ministers.
16. The Board asked for the issue of whether to retain personal functional licences be considered separately from the main fees discussion paper with a policy proposal presented to the September Board meeting.

Item 6: RET update and action plan:GCP(15)43

17. The Director – Regulatory Risk and Analysis introduced the paper updating the Board on the voluntary arrangements for research, education and treatment.
18. The Board discussed the paper noting key issues of concern.
19. The Chair provided an update to his meeting with Neil Goulden which took place on 21 July.
20. The Board noted the outline plan of action discussing the next steps and options to progress refinement of the RGSB strategy. Consultation with stakeholders is planned for September with a view to publishing a revised strategy in the autumn.
21. The Board suggested a further discussion to discuss next steps at either the September or October Board meeting.

**Item 7: Changes to Licence Conditions and Codes of Practice – crime review:
GCP(15)44**

22. The Manager – Sector and Thematic (LCCP) introduced the paper which provides the Board with background on the proposed consultation on changes to the crime-related elements of the Licence Conditions and Codes of Practice (LCCP).
23. The proposed consultation focuses on the elements in the LCCP linked to crime prevention and in particular money laundering. It will consult on changes to support good operator practices and enable us to tackle poor practice more effectively. It will also gather opinions on other emerging areas. Areas covered will aim to support and complement the forthcoming 4th European Union Anti-Money Laundering Directive, though this is not the only driver for the consultation.
24. The Board noted the areas which are being considered for review and asked for a paper to be circulated which would clearly outline the nature of proposed changes and their rationale including in particular where specific changes to LCCP or policy is being proposed.

25. The Board agreed to provide comments in advance of the September Board meeting at which outstanding issues if any could be addressed.
26. The final consultation document would be circulated to the Board for information with detailed sign-off delegated to the Chair and Chief Executive.

Item 8: Gambling participation and prevalence of problem gambling – update: GCP(15)45

27. The Research Manager introduced the paper which provided the Board with an update on the participation and prevalence workstream.
28. The key areas of the paper focused on the commencement of an online survey; improvement of the methodology for the telephone participation survey and findings from secondary analysis of participation data for 2008 – 2014.
29. The presentation by the Research Manager focussed in more detail on the current surveys being undertaken: the quarterly telephone survey; Health Survey screen; young person's omnibus and the online tracker.
30. The Research Manager provided the Board with a summary of the key issues including mode and location of play, number of accounts, spend trajectory; key trends in secondary analysis, gambling and economic status and remote gambling.
31. The Board asked for another presentation in December to include the latest findings from the quarterly telephone participation survey.

Item 9: ICT Strategy 2015 – 2018: GCP(15)47

32. The Programme director- Support Services which provided the Board with a high level view of the ICT Strategy for 2015 - 2018.
33. The plans and milestones for implementation of the strategy are currently being refined to ensure that detailed plans are in place.
34. The Executive are to discuss the plans in more detail at the October Executive Group meeting. The Board was advised that an update to these discussions and an revised high level strategic plan are to be presented at the October Board meeting. A progress update incorporating implementation and embedding plans is to presented at the December Board meeting.

Item 10: Financial report – June 2015: GCP(15)48

35. The Board noted the report.

Item 11: AOB

36. The Chair formally thanked the Board Adviser – Corporate Affairs for her contribution to the Gambling Commission since early 2007. The Chair wished her well for the future.