

GAMBLING COMMISSION

GCM(15)09

Minutes of the meeting of the Board of Commissioners

Victoria Square House, Birmingham (Boardroom)

3 December 2015

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

Apologies:

In attendance: Jo Cartwright (for item 4)
Ben Haden
Sue Harley
Ann Harris
Joanne Higgs (for item 8)
Paul Hope (for item 8)
Elaine King (Notes)
Simon Knee
Neil McArthur
Sharon McNair (for item 5)
Fiona Phillip (for item 7)
Peter Rangeley (for item 5)
Chris Rogers (for item 4)
Nick Tofiluk
Helen Venn (for item 4)
Harry Warren (for item 5)

Declarations of Interest – Graham Sharp and Anthony Lilley had an interest in item 6, which was noted prior to the discussion of that item.

The Chair formally thanked Mary Chapman, Graham Sharp and Anthony Lilley for their contributions to the Gambling Commission and their significant work for the Commission committees.

Item 1: Minutes and action points of the last meeting

1. The minutes of the meeting held on 29 October were approved.
2. There were no matters arising from the minutes.
3. The rolling actions were reviewed and updated.

Item 2: Report from the National Lottery Committee

4. The Chair of the National Lottery Committee provided the Board with an update on operational issues.
5. The Chair-to-Chair meeting took place on 2 December.
6. There was no Committee in November however papers were reviewed by correspondence. The next meeting is scheduled for January 2016.

Item 3: Report from the Chief Executive

7. The Chief Executive introduced the report summarising the key operational activities undertaken since the last Board meeting. Additional updates on work that had been undertaken after the report was prepared were provided. This included:
 - Jenny Williams (former CEO) left the Commission on 20 November
 - The Commission's Exec team had a constructive team away day.
 - A business plan stock take was undertaken at the beginning of November to review progress against the business plan and a scoping exercise for the 2016/2017 business plan. The Board noted that re-phasing of some projects is to be undertaken.
 - The Government's Comprehensive Spending review.
 - Discussions with DCMS regarding the machines review.
 - HIO update.
 - Internal communications.
 - Two consultations Testing-strategy for compliance with remote gambling and software technical standards (3 December) and Controlling where gaming machines may be played (30 November).
8. The Interim Head of HR provided the Board with a summary of the key findings from the employee survey and the proposed related action plans.
9. The Board noted the report.

Item 4: Response to DCMS request for advice on CMS Select Committee Recommendations overview: GCP(15)73

10. The Director - National Lottery programme, provided the Board with a summary of the headline issues, principles to be applied and future steps in relation to the response to the request for advice from DCMS on the CMS Select Committee Recommendations. The advice is due to be submitted by the end of December.

Society lotteries – proceeds and prize limits: GCP(15)74

11. The Director – National Lottery programme, introduced the paper which sought Board approval for the recommendations that will form part of the advice to DCMS in relation to the society lotteries aspects.
12. The Board discussed the background to the key issues and the current position in relation to the wider remit requested by DCMS.
13. The Chair summarised the Commission's agreed position and asked that the executive include a covering note with recommendations mentioning the National Lottery Fourth Licence competition.
14. The Board approved the recommendations.

Item 5: Responses to the fees discussion paper and proposed next steps: GCP(15)75

15. The Manager (Fees workstream) introduced the paper which provided the Board with a summary of stakeholders' responses to the key issues within the Commission's fees discussion paper. The discussion paper outlined a number of specific policy proposals which the Commission expected to form the basis of subsequent advice to government.
16. The Manager (Fees workstream) presented an explanation of cost allocations and an analysis of alternative fees structures for recovering those costs, with conclusions to recommend that a modified version of the current banded structure of fees was preferable for this review of fees.
17. The Board considered the recommendations outlined in the meeting. Following these discussions the Board agreed to approve the policy positions as outlined that will underpin our advice to government on fees.
18. Further to those approved policy positions, the Executive committed to review the costs associated with licence variations for growing businesses, and that alternative fees structures would be reviewed again in the future.

Item 6: Amendments to the Corporate Governance Framework: GCP(15)76

19. The proposed changes to the Corporate Governance Framework were discussed. Final approval of the proposals will be carried out by correspondence.

Item 7: Online survey – social responsibility: GCP(15)77

20. The Research Manager introduced the presentation and provided the Board with a summary of the methodology used in the development of the online survey.
21. The report related to the findings of the surveys undertaken in June, September and October. The research questions covered: Information provided to players and customer interactions; understanding of return to player messaging; awareness and reasons for self-exclusion and awareness and use of gambling management tools.
22. The Board note that the level of awareness of information to players and gambling management tools is of concern.

23. The next steps and policy implications were noted. Further qualitative research by colleagues is to be undertaken to further understanding of how gamblers use game information and how this information could be communicated to have the most impact.
24. Upcoming publications were noted.

Item 8: RGSB consultation on a proposed strategy for 2016 -2017 to 2018-19

25. The Chair welcomed Sir Christopher Kelly to the meeting. The Chair outlined the background to the current RGSB consultation on the proposed strategy.
26. The draft strategy and consultation response pro-forma were emailed to stakeholders in November and posted on the RGSB website. Sir Chris provided additional background to proposals and invited the Board to give their views on the six consultation questions set out in the RGSB pro-forma section.
27. The Board provided feedback on several key themes.
28. The Chair invited Sir Chris to return to the Board once the Strategy had been completed to provide further information and, in particular, details of action planning for the implementation of the strategy.

Item 9: Financial report – October 2015: GCP(15)78

29. The Financial report for October provided the Board with an overview of the Commission's financial performance for the first seven months of the financial year.

Item 10: Quarterly research briefing 04/15 (December 2015): GCP(15)79

30. The briefing note provided the Board with a short summary of gambling focussed research that has been published recently or is due to be published in the near future.
31. The Board noted the report.

Item 11: Better regulation – update: GCP(15)80

32. The report provided the Board with a summary of the better regulation initiatives being developed by central government which could have an impact on the Commission's regulatory approach.

Item 12: Shared regulation – update: GCP(15)81

33. The report provided the Board with an update on the progress of the shared regulation workstream.

Item 13: Enhanced compliance – next steps: GCP(15)82

34. The report outlined the Commission's revised approach to enhanced compliance. The Board noted the report.

AOB:

35. There was no other business.