


Report from the Player Protection Reference Group

For Board approval	
For Board brief	
For Board steer	
For Board information	

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Executive summary

1. This paper provides an update for the Board on progress made by the Player Protection Reference Group (Reference Group), which met last on 23 January 2014.
2. As well as noting progress since the last report, the Board is asked to endorse the recommendations made by the Reference Group as set out below in relation to the following:
 - assessment of product risk
 - complaints and disputes
 - marketing and advertising
 - gambling prevalence data capture.
3. In these areas the recommendations make minor suggestions but in no case does the Reference Group recommend that significant or urgent action is needed.

Progress to date and emerging recommendations

4. The key points arising from the meeting of the Reference Group are:

Assessment of product risk

5. The Reference Group received an initial paper on combating problem gambling at its October 2013 meeting. This high level paper concluded that, broadly, regulation by both Commissions aimed to limit the risk associated with permissible but potentially harmful products.
6. The January paper moved on from the overview to consider in more detail how the legislation and Commission practices address product risk. The Reference Group noted the following:
 - That there are fundamental differences in approach to managing product risk, between the two components of the Commission. The National Lottery's pre-approval approach is driven by statute and the Gambling Commission's more permissive approach is driven by practicality and proportionality within the context of its legislation. Having considered the background to how the Commission and the National Lottery programme assess product risk and the rationale for the different approaches, the Reference Group found that there are clear, well understood, justifiable reasons.
 - It noted that there are instances where the approach is similar, in particular, where products are new or where the National Lottery has created class licences. There is likely to be convergence over time as product type and sales channels also converge but that there was limited scope for expansion of National Lottery class licences.

7. The Reference Group recommends that:
 - No action is currently required in this area but a joint working group to share knowledge in both areas should be explored as part of consideration of emerging products and risks associated, with a view to a shared understanding of risk becoming part of regular business.

Complaints and disputes

8. Complaints and disputes had been identified as requiring priority scrutiny because of the differences in approach by the National Lottery programme and the wider Commission in complaints handling.
9. The National Lottery programme has a more direct interaction with complainants on Camelot conduct. It was noted, however, that the National Lottery programme acts as a regulator and not a complaint handler (where it would have the capacity to resolve complaints).
10. **[Exempt information Under section 31 of the Freedom of Information Act 2000]**

Marketing and advertising

11. A further issue which had been identified as requiring priority scrutiny was marketing and advertising, in particular, the use of imagery/branding on advertising material and the marketing of free bets and bonuses.
12. The Reference Group noted that approaches are already appropriately aligned through common adherence to the CAP and BCAP codes.
13. The Reference Group did request that further consideration should be given to how work on consideration of the use of cartoon imagery is progressed.
14. The Reference Group recommends that:
15. No immediate work is required in the area, noting that the Marketing and Advertising workstream and the National Lottery programme will liaise closely to ensure the position remains under regular review. The Reference Group will receive further report on the use of cartoon imagery.

Gambling prevalence data capture

16. Gambling prevalence data capture had been identified as requiring priority scrutiny because the collection of gambling prevalence data for children and adults has been previously undertaken separately by the National Lottery Commission and the Gambling Commission.
17. The Reference Group reviewed the rationale for any difference in approach and whether there were any issues for the merged organisation.
18. The Reference Group noted that the merger provided opportunities to combine resources ensuring best value for Commission funding whilst improving the organisation's knowledge. The paper noted the intention to undertake the following:

19. To continue to produce the young people's annual prevalence survey (previously undertaken by the National Lottery Commission) for the foreseeable future, which will be presented as Commission research;
20. It is intended that for the 2014 underage prevalence study that the Commission will fund a problem-gambling screen. This provides a cost effective way for the Commission to obtain up to date problem gambling rates for schoolchildren and will add value to understanding National Lottery play;
21. Understanding the patterns of and impact of gambling participation longitudinally would be very valuable for both the Commission and National Lottery programme. The Reference Group noted the development of the longitudinal Millennium Cohort Study and the significant opportunity it offered to further understanding, if it was possible to place questions on it
22. The Commission will explore opportunities for including 16-18 age range within its participation data collection.
23. As a result the Reference Group recommends that:
24. the approaches to prevalence data capture are not incompatible
25. and activity underway to harmonise the overall approach further is noted.

Next steps

26. At the meeting the Reference Group reviewed the schedule for planned work, and the associated timescales. Work will continue to closely monitor the plan to ensure it stays on track and the group will be updated as applicable.
27. Full papers considered can of course be made available to those Commissioners not directly involved.

Recommendations

28. The Board is asked to endorse the recommendations set out above.