


Strategic Narrative

For Board approval	
For Board briefing	
For Board steer	
For Board information	

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Summary

1. This paper:
 - updates the Board on progress with the development of the strategic narrative;
 - asks the Board to adopt the latest draft of the narrative; and
 - informs the Board of the planned next steps for the narrative.

Background

2. The strategic narrative originated from an Executive Board awayday with Liz Mohr in November 2013. The process is not intended to create a new strategy or to revise the existing one; rather, it provides a means to record the Commission's strategy in a format which is easy to follow and which forms a simple framework for communication, both internally and externally.
3. The narrative structure has four tiers – vision, strategic objectives, sub-objectives, and goals. It was developed down to the third (sub-objective) tier during December and January 2013 (including at an Executive Group awayday with Liz Mohr in December) and was discussed and approved at Executive Board in January 2014.
4. The Board was briefed on the development of the narrative in the Chief Executive Officer's Report to its January meeting. The Board noted the content of the first three levels of the narrative (vision, strategic objectives and sub-objectives) as they then stood.
5. The narrative has now been extended to the final (goals) tier. This will enable us to link the narrative to workstreams and key milestones. In addition, we will be able to map our outcome performance measures onto the narrative.
6. The development has been progressed with the help of a working group made up of Matthew Hill, Neil McArthur, Gail Hatfield, Sheila MacLucas and Mark Harris.

Issue for decision

Approval of the narrative

7. The narrative will be a living document, in the sense that its content will change over time, as the Commission's strategies (also reflected in our business plans) change. Nevertheless, it would be helpful to agree a finalised version of the narrative to form the basis of the further work planned, as discussed below.
8. As indicated above, Board considered and noted the top three tiers of the narrative at its January meeting. Since then, the final tier (goals) has been added and reflects comments made by working group members. This latest version is attached to this paper at **Annex A**. It is broken down (for ease of reading) into an overview and then a separate sheet for each of the three objectives. It has been discussed and approved by Executive Group at its April meeting.
9. The Board is therefore asked to adopt the latest draft of the full narrative, subject to any changes agreed at the meeting.

Next steps

Relationship with the Board strategic outcome framework

10. The Board has previously adopted the Board strategic outcome framework, in which key outcome performance measures are monitored against an overall vision and three outcomes:

Vision:

“Public policy and debate on gambling is based on expert advice for Government, public and other stakeholders. The Gambling Industry has a culture which supports a safe leisure activity, providing transparency for consumers.”

Outcomes:

*“Regulation is efficient and effective;
The industry takes responsibility for the licensing objectives; and
Public policy on gambling is well informed by expert advice.”*

11. We are presently undertaking work to:
- confirm that the strategic narrative is consistent with, and reflects all the thinking contained in, the Board strategic outcome framework; and
 - map the outcome performance measures against the strategic narrative.

This will enable us to work to a single, common expression of the Commission's strategy. We will report progress on this at your next meeting.

Connection to activities (workstreams)

12. As indicated above, a key purpose of the narrative is to form a link to workstreams. This has the benefit of clearly linking workstream activity to our strategy and, ultimately, the licensing objectives. It should also assist in highlighting duplication or absence of workstream activity, if any. In addition, we can map key workstream milestones and outcome performance measures onto the narrative.
13. To this end, we are holding sessions with workstream leads across each of the 'delivery' programmes. We are making good progress and sessions have been held with Licensing and Compliance; Evidence and Analysis; and Sector and Thematic Impact workstream leads. The aim has been to identify the primary goal to which each workstream relates. The outcomes from these sessions (which require further analysis) are under development and will be circulated for information – hopefully at or before the meeting.
14. These sessions have also commenced work on mapping outcome performance measures onto the narrative. This will require further work with the teams, but should be more straightforward once we have completed mapping the workstreams against the goals in the narrative.

15. A further update on progress on this aspect of the project is presently planned for the June or July meeting of the Executive Board, and will then be reported for information to the Board.

National Lottery programme

16. The strategic narrative as it presently stands does not cover the Commission's duties in respect of the National Lottery. We agreed at a relatively early stage that we would proceed initially with a narrative for the duties under the Gambling Act only, but that we would develop a separate narrative for the National Lottery and then assess how best it could be incorporated into the initial narrative. Our expectation is that the first two over-riding duties in respect of the National Lottery (propriety and player protection) will be absorbed into the narrative as developed, with the third over-riding duty (maximising returns) forming a separate part of the combined narrative.
17. To this end, we have asked the NL programme to develop a separate narrative. This is now underway and is presently scheduled to come to the June meeting of the Executive Board for discussion.

'Enabling' workstreams

18. A number of workstreams cannot be mapped directly onto the narrative. These are the 'enabling' workstreams – those that are internally facing such as HR and finance.
19. We have given some thought to how to address this point. In some areas, it is possible to group workstreams and activities within broader 'strategies'. An example is the HR workstreams, which would fit within a people strategy. For such groupings, it would be possible to use the narrative structure to describe how they fit together (which we have started doing for HR). Another possible example of such a grouping is the finance and business planning workstreams.
20. In other areas, we think that such an analysis would be of little value. Examples would include IT, facilities and the secretariat. In these cases, it would be possible to identify where other workstreams require specific support from, or have dependencies on, the 'enabling' workstream.
21. We intend to undertake further work in this area and to report back as part of the update to the Executive Board.

Communication of the narrative

External communication

22. The narrative provides us with a useful structure for external communication of the Commission's activities – for example in the annual review. We can use it partially where appropriate – for example, based around a single strategic objective or only taken down to sub-objectives. Finalisation of the narrative will enable us to start applying it in this way.
23. It is not clear that external communication of the narrative itself would, at this time, serve a useful purpose. However, it would be worthwhile reconsidering in due course.

Internal communication

24. One benefit of the narrative is that it provides a tool for each member of staff to understand how their own contribution and that of the workstream(s) they are involved in aligns to the Commission's goals and, ultimately, to the licensing objectives. It also

enables them to use the relevant parts of the structure to explain what they do and what their workstream is seeking to achieve to outside audiences.

25. To this end, the intention is to base part of the employee conference on 3 June around the narrative.

Recommendations

26. The Board is asked to adopt the narrative as attached to this report, noting, in particular, that it will be used as appropriate to provide a structure for external and internal communications.
27. The Board is asked to note the next steps for:
 - ensuring consistency with the wording of the Board strategic outcome framework which will enable us to work to a single, common expression of the Commission's strategy;
 - mapping workstreams, milestones and outcome measures for all externally facing programmes other than the National Lottery;
 - the National Lottery programme, which we plan to incorporate into the strategic narrative in due course;
 - recording internal ('enabling') programmes/workstreams; and
 - use of the narrative as part of internal communications.

Keep gambling fair and safe for all by:

- Keeping crime out of gambling
- Ensuring gambling is conducted fairly and openly
- Protecting children and other vulnerable people recognising that gambling is a mainstream leisure activity

We do this by:

.... empowering consumers

A. Empower consumers to manage the risks of gambling

.... raising standards

B. Ensure the gambling industry puts the licensing objectives at the heart of everything it does, and helps raise industry standards

.... building partnership and understanding

C. Advise and work with Government and other partners on gambling and its regulation

A1. Build wider consumer knowledge about gambling

A2. Ensure that consumers have access to tools to manage their gambling behaviour safely

A3. Ensure that protection is in place to stop players suffering harm and, if they do, that mechanisms are in place to offer assistance

B1. Share best practice and advise the industry about regulation and our expectations

B2. License those who are fit to operate and ensure that they continue to meet our expectations

B3. Ensure action is taken against those acting unlawfully, whether by us or an appropriate partner

C1 Build and maintain effective relationships with Government, other regulators, partners and advisers

C2 Use robust evidence to inform and provide high quality advice

C3 Build public confidence in gambling regulation

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C. Advise and work with Government and other partners on gambling and its regulation

C1. Build and maintain effective relationships with Government, other regulators, partners and advisers

C2. Use robust evidence to inform and provide high quality advice

C3. Build public confidence in gambling regulation

C1.1 We provide impartial and well-informed advice, recognised for its quality, to Government

C1.2 We provide advice, guidance and support to licensing authorities to promote the effective delivery of the licensing objectives

C1.3 We work with other regulators (national and international) and agencies to share information and implement approaches to assist in meeting the licensing objectives

C2.1 We collect and analyse data to improve the effectiveness of gambling regulation

C2.2 We compile evidence to inform our view of the industry, issues arising and action that we need to take (either directly or through others)

C2.3 We ensure that the quality of evidence (internal and external) is assessed and that steps are taken as necessary to improve its quality

C3.1 We provide reliable, relevant and accessible information about gambling and regulation, responding promptly to requests for information

C3.2 We keep key stakeholders (eg politicians, interest groups) informed about gambling and regulatory issues and their impact on the licensing objectives

C3.2 We are seen to regulate effectively and promote the achievement of the licensing objectives

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.... raising standards

B. Ensure the gambling industry puts the licensing objectives at the heart of everything it does, and help raise industry standards

B1. Share best practice and advise the industry about regulation and our expectations

B2. License those who are fit to operate and ensure that they continue to meet our expectations

B3. Ensure action is taken against those acting unlawfully, whether by us or an appropriate partner

B1.1 We take every opportunity to encourage licensed operators to take responsibility for delivery of the licensing objectives and raising standards

B1.2 We work to raise standards by identifying best practice and promoting it across the industry

B1.3 We set out clear and explicit expectations for operators and others, and issue guidance on how these can be best met

B1.4 We continuously review our regulatory framework to ensure it remains fit for purpose and that consumers are only offered fair, crime free, safe gambling

B2.1 We place proportionate licence conditions on operators which reduce risk to the licensing objectives

B2.2 We use our compliance and enforcement powers to encourage operators to meet licence conditions and have full regard to regulatory risk, taking remedial action wherever poor performance is identified

B3.1 We use our enforcement powers (both regulatory and criminal) to prevent unlicensed products being offered to consumers

B3.2 We play our part in making sure that events are not affected by gambling related corruption

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.... empowering consumers

A. Empower consumers to manage the risks of gambling

A1. Build wider consumer knowledge about gambling and its risks

A2. Ensure that consumers have access to tools to manage their gambling behaviour safely

A3. Ensure that protection is in place to stop players suffering harm and, if they do, that mechanisms are in place to offer assistance

A1.1 We provide advice to consumers about gambling

A1.2 We work with OFCOM, ASA and others to ensure that gambling marketing and advertising does not mislead consumers or lead to gambling-related harm

A1.3 We ensure that operators provide appropriate information about themselves and about gambling in venues and on websites

A2.1 We promote the development of better, player-focused, harm minimisation measures

A2.2 We ensure that games and rules are fair, open and transparent

A2.3 We seek better ways for consumers to understand the range of outcomes of a gambling transaction

A3.1 We make sure that operators put in place effective arrangements to prevent under age players from gambling

A3.2 We make sure that operators put in place effective arrangements to identify vulnerable players and intervene appropriately

A3.3 We see that consumers know how to complain and get disputes resolved

A3.4 We ensure that consumers know what level of protection is in place for their gambling funds