PRESS STATEMENT

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New Responsible Gambling Trust (RGT) and PwC research reveals more work was required before innovative 'Player Awareness Systems' (PAS) can be proven to minimise harmful play on gambling machines.

London, Oct 17: Earlier this year, the Association of British Bookmakers (ABB) asked the Responsible Gambling Trust to commission independent research to assess the initial implementation by UK bookmakers of new 'player awareness systems' for electronic gaming machines. The report, published today, reveals that while considerable progress was made in the first three months of the systems going live, there was still more training, research and development required before bookmakers could be confident that these systems are effectively protecting their customers from gambling related harm.

The study was based on data collected from B2/B3 gaming machines (colloquially known as FOBTs), provided by members of the ABB. PwC compared and contrasted the different systems, processes and controls in order to make early evaluation recommendations to improve PAS implementation across the bookmaking industry.

The PwC review highlighted that the PAS initiative was at the time of study in its infancy. The review concludes that the focus must now shift to developing best practice across the various components as the review highlighted some significant areas for improvement which have been fed back via the ABB's Player Awareness Systems working group.

Key areas for improvement that the study highlighted included:

- The design of the systems and processes was a work in progress. However, it was found to be often undocumented and manual and the detailed testing highlighted that the processes in operation were not always in line with the designed approach.
- There was inconsistent control over the sending out of messages to those players deemed 'at risk', the documenting of the actions taken by the bookmaker and restricting marketing activity to those under review. There was also very little data available about the impact of different types of interactions and messages.
- There was an opportunity to raise greater awareness amongst in-store staff of the PAS initiative through existing training schemes.

- Although this was not originally an objective, one of the operators was able to connect FOBT loyalty card profiles to betting and gaming activities on other platforms (such as online or over the counter betting). This extended the ability of this PAS to build a complete picture of an individual's play and it is hoped that the other operators will consider developing this to ensure a more comprehensive understanding of players' full range of on- and off-line activities.
- There is currently limited information available about the impact of the different permutations of the initiative on the behaviour of potential problem gamblers. A recommendation is made to use control groups in a structured manner to monitor the impact on minimising potential harmful play.
- A further recommendation is made to run data from different operators on the system of the other operators to perform a compare and contrast exercise.

Recognising this review took place very soon after the PAS went live, the ABB has already committed to repeating the analysis after the first full year of operation in order to demonstrate the level of progress they expect this investment by the sector to have achieved by early next year.

Marc Etches, Chief Executive of the Responsible Gambling Trust said:

"We're pleased the bookmakers have taken the groundbreaking research we commissioned that showed the potential for player data to help identify problematic gambling, and have put it to practical use so swiftly. These findings reveal however that more work needs to be done to implement systematic player awareness systems effectively across the bookmaking industry.

Importantly the technology now signposts those worried about gambling-related harm to www.GambleAware.co.uk where they can access support, which we know makes a real difference to those trying to get their gambling under control - or stop completely.

We're calling on bookmakers to respond quickly to the lessons from this research. We want a standardised approach to intervening with vulnerable customers both through on-screen messages and, when required, in person. Further steps also need to include research into the impact of PAS on the behaviour of customers and on minimising potential harmful play. We welcome the invitation from the ABB to conduct a further review of progress early next year.

The wider gambling industry also needs to look at how these principles can be extended to all players, not just the minority who use loyalty cards in bookmakers. Gambling machines are available in many other licensed premises, and all of them would benefit from this smart technology to protect players.

Our relationships with the gambling industry have been a source of criticism, but this research shows how important our engagement with licence-holders is. Working directly with gambling and betting operators ensures that we can facilitate access to their customer data, to compare and share insights, and to audit their efforts independently. In doing so, we act as an impartial, and often critical voice, which helps us have a greater impact on reducing gambling related harm."

Mark Jordan, lead partner from PwC, said:

"Our review covered only the early stages of PAS implementation by the operators. There is clearly a strong desire to understand and develop best practice across the bookmaking industry. However, the design of the systems is a work in progress and our work identified a number of recommended next steps, including designing consistent key performance indicators to report on the impact of the PAS initiative. Overall, progress has clearly been made and the industry's focus

should now shift to developing best practice across the various PAS components as well as making available greater data for research purposes."

The Gambling Commission said:

"We are pleased that the Responsible Gambling Trust (RGT) commissioned work to evaluate the effectiveness of player awareness systems across the industry, and making the findings publicly available demonstrates that it has been a transparent process.

We look forward to seeing how the industry utilises the results to shape best practice for operators in a bid to strengthen the protection of players."

-ENDS-

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NOTES TO EDITORS

The Responsible Gambling Trust commissioned PwC to perform an independent analysis with the aim of understanding the systems that have been implemented by each of the participants, to compare and contrast these in order to share observations, findings and examples of good practice.

The initial scope of the project envisaged a data analysis element that can validate that the scoring element of the systems operate as planned, but due to the early stage of the project, a decision was taken to replace this aspect of the project with some testing of the controls and processes in dealing with 'at risk' flagged customers.

Four betting shop operators which have FOBTs in their high street betting stores participated in the project and allowed PwC access to understand their systems and perform further detailed testing. Between them these four operators represent approximately 80% of the betting shops in the UK. Two leading machine providers also took part in the project, and represented independent bookmakers.

PwC's report recommends the following next steps:
- Expand the project to run anonymised customer data through other operators' algorithms to investigate differences;
- Structured control groups to investigate the impact of PAS on player behaviour and assess the potential to minimise harm;
- Ongoing validation of the controls in place to message, monitor and interact with customers; and
- Design of consistent key performance indicators (KPIs) to report on the impact and progress.

The Responsible Gambling Trust is the leading charity in the UK committed to minimising gambling-related harm. As an independent national charity funded by donations from the gambling industry, the Responsible Gambling Trust funds education, prevention and treatment services and commissions research to broaden public understanding of gambling-related harm. The aim is to stop people getting into problems with their gambling, and ensure that those that

do develop problems receive fast and effective treatment and support. Click here to find out more: http://www.responsiblegamblingtrust.org.uk/

- The Responsible Gambling Trust raises over £7 million each year in voluntary contributions from the gambling industry operating in Great Britain. This donation based system was proposed under the Gambling Act 2005 and is prescribed by the Gambling Commission in its Licence Conditions and Codes of Practice.
- The Responsible Gambling Trust's programme of treatment, education, harm prevention and research are guided by the National Responsible Gambling Strategy, which is defined by the independent Responsible Gambling Strategy Board (RGSB) and endorsed by the Gambling Commission. The RGSB, the Gambling Commission and RGT work together under the terms of an agreement in place since 2012.

PwC is a leading professional services firm with extensive industry experience, data analytics capabilities and experience in understanding different control frameworks and providing recommendations for improvement.

The Player Awareness Systems (PAS) initiative was developed during 2015 by an ABB-led working group that included representatives of Coral, Ladbrokes, Paddy Power, William Hill and machine manufacturers SG and Inspired (on behalf of independent bookmakers) with the UK Gambling Commission as an observer.

How PAS works:

- Systems analyse the behaviour of those playing on gaming machines when they are logged in to a customer account.
- Customer behaviour is then assessed against a range of markers of problem gambling.
- Alerts (via text, email, or on-screen) can subsequently be sent to players. These include signposting to responsible gambling tools such as setting limits on machines or self-exclusion, and directing customers towards the National Gambling Helpline / gambleaware.co.uk or to speak to a member of staff.
- PAS encourages customers to think about how they are gambling. Continued problematic play may result in direct interaction from a member of staff.
- Currently, a variety of analytical algorithms are being used by member companies which will ultimately lead to more effective processes for each operator as best practice and learnings are shared.