

Internet Safety Strategy team
Department for Digital, Culture, Media and Sport
100 Parliament Street
London
SW1A 2BQ

6 December 2017

Dear Madam,

Consultation on the Government's Internet Safety Strategy

Gambling-related harm is conspicuous by its absence from the draft **Internet Safety Strategy**, referenced only in relation to a potential funding model. As currently drafted, the document overlooks the growing and significant safety issues arising from internet gambling. While the concurrent consultation on gambling policy is considering some of these concerns, for completeness and to ensure any response directed at the online world does not overlook these problems, we believe the Internet Safety Strategy should fully address the internet's role in relation to gambling-related harm, particularly for children.

As the leading, independent, national charity tasked to fund research, education and treatment services to help minimise gambling-related harm in Great Britain, we are submitting this response in the hope that this omission may be rectified.

About GambleAware

Guided by the [National Responsible Gambling Strategy](#), the charity's strategic aim is to broaden public understanding of gambling-related harm as a public health issue and to help those that do develop problems get the support and help that they need quickly and effectively. GambleAware is a commissioning and grant-making body, not a provider of services.

We believe that the most effective approach to reducing gambling-related harm is to take a wide range of actions which in aggregate, will have the desired impact:

- **Education** – ensuring that everyone understands better how gambling works and the associated risks, and that we build resilience across society, in particular among young people
- **Public awareness** – ensuring the public know where to find help and advice when gambling-related harms arise for themselves or for others they care for

- **Detection** – ensuring that gambling businesses monitor consumers' behaviour, building systems to detect early signs of problematic gambling
- **Intervention** – ensuring appropriate action taken either by staff or systems or both, when signs of problematic gambling are detected
- **Breaks-in-play, limits and self-exclusion** – providing tools to assist consumers to break-in-play, limit or cease gambling
- **Consumer advice** – making brief interventions and self-help available online to help people to manage their own gambling
- **Treatment** – providing easy access to the right forms of advice and support and, when necessary, treatment at the right time for those experiencing problems
- **Mutual aid and relapse prevention** – providing ongoing support to maintain the levels of control achieved through treatment

Context

Online gambling accounts for £4.7bn of gross gaming yield, having grown by 10% in the past year.¹ 34% of all commercial gambling now takes place online. When online purchases of National Lottery tickets and scratch-cards are included, we are fast approaching **half of all gambling taking place online**, which, for the most part, is available 24 hours a day, 365 days of the year.

Both online and offline gambling are regulated in Britain by the Gambling Commission. However, the current powers to regulate gambling are relatively new and the regulator freely admits that the online world is developing at a fast pace and requires it to be constantly monitored.²

There are significant differences between the regulation of gambling online and offline, which directly conflicts with one of the consultation's three fundamental principles - "What is unacceptable offline should be unacceptable online".

For example, all offline gambling is subject to stake and prize limits. Online, no such limits exist while there are also few protections yet in place, such as multi-operator self-exclusion.

In August 2017, the Gambling Commission announced that 888.com, one of Britain's biggest online gambling firms, was to pay a record penalty package of over £7.8million as a result of serious failings in its handling of vulnerable customers. Specifically, the discovery of significant flaws in 888 UK Limited's social responsibility processes, which aim to protect consumers from gambling-related harm.³

In October 2017, the Gambling Commission and the Advertising Standards Association (ASA) wrote jointly to online gambling operators regarding featuring images that are likely to appeal particularly to under 18s.⁴

¹ <http://www.gamblingcommission.gov.uk/news-action-and-statistics/news/2017/Latest-industry-statistics.aspx>

² <http://www.gamblingcommission.gov.uk/news-action-and-statistics/news/2017/Risks-of-children-being-exposed-to-gambling-online.aspx>

³ <http://www.gamblingcommission.gov.uk/news-action-and-statistics/news/2017/Gambling-firm-888-to-pay-over-7.8million-for-failing-vulnerable-customers.aspx>

⁴ <http://www.gamblingcommission.gov.uk/news-action-and-statistics/news/2017/Warning-over-adverts-likely-to-appeal-particularly-to-under-18s.aspx>

In November 2017, the Gambling Commission revealed significant concern to ensure online gambling firms are treating customers fairly. Working with the Gambling Commission, the Competitions and Markets Authority (CMA) has found many online gambling operators could be breaking consumer protection law, through terms and conditions of bonus promotions that are not clear and instances where they have restricted customer rights and ability to access their own money and winnings.⁵

In December 2017, the Gambling Commission warned the public avoid illegal private lotteries available online via social media sites.⁶

In the light of these events, it seems to us to be self-evident that any future Internet Safety Strategy ought to give due attention to gambling as a potential 'online harm'.

Children and young people

In relation to children and young people the following may be helpful.

- 2% of children gambled online in the past week, according to IPSOS Mori's research for the Gambling Commission. 0.4% of children are problem gamblers, with a further 1.6% at-risk of problem gambling. So we should be concerned about the gambling behaviour of 1 in 50 of children aged 11-15.⁷
- 3% of 11-15 year olds have at some point spent their own money on online gambling, but 6% have gambled online using their parents' accounts (either with or without permission). The current prevalence of ever playing gambling-style social games (which are free to play and offer no cash prizes) is 9%.⁸
- Amongst 11-15 year olds, they are most likely to have ever seen gambling advertisements on TV (75%) followed by on social media websites (63%) and other websites (57%). In addition, almost one in ten (9%) follow gambling companies on social media sites, principally Facebook (5%), Instagram (4%) and YouTube (4%).⁹
- Operators holding a licence to supply online gambling for consumption in Great Britain generally apply effective age verification for their websites and do so effectively. However, underage online gambling remains a significant concern. Children can use a false identity, perhaps through borrowed credentials, to gain access to gambling websites.¹⁰
- Quite legally, minors can participate in lotteries from the age of 16.¹¹

⁵ <http://www.gamblingcommission.gov.uk/news-action-and-statistics/news/2017/Time-to-take-action-on-unfair-terms-says-Gambling-Commission.aspx>

⁶ <https://www.thesun.co.uk/money/5062653/warning-over-illegal-lottery-facebook-groups-that-take-cash-and-dont-pay-out/>

⁷ <http://live-gamblecom.cloud.contensis.com/PDF/survey-data/Young-people-and-gambling-2016.pdf>

⁸ ibid

⁹ ibid

¹⁰ <http://live-gamblecom.cloud.contensis.com/PDF/survey-data/Young-people-and-gambling-2016.pdf>

¹¹ <https://www.national-lottery.co.uk/games/in-store/rules>

- There has been a rapid growth in online computer games with gambling-related content. Early in 2016, the Gambling Commission identified 'loot boxes' as a potential risk to children and young people, and, more recently, published its regulatory stance, revealing that such features represent challenges in relation to the current definition of what constitutes gambling.¹²

Research

GambleAware has commissioned a substantial body of independent, high quality research, much of which is ground-breaking, that has contributed substantially to the international body of knowledge about gambling behaviour and harm-minimisation. Details of this research programme can be found here: <https://about.gambleaware.org/research/>.

For example, in 2016, GambleAware published a scoping study undertaken by Demos¹³ into the use of social media and online fora to discuss or interact with gambling. Key findings include:

- Volumes of data across the three platforms we examined were extremely high:
 - 877 Twitter accounts were identified as dedicated to producing content promoting gambling. They sent over 78,000 Tweets during the period of study; two per minute.
 - People following the three most prolific pro-gambling accounts would have received 8,500 Tweets, or one every four minutes.
 - Seven million people around the world follow at least one of these accounts. Within the UK, over 900,000 do so, or one in 20 of the UK's fifteen million regular Twitter users.
 - A free-to-play gambling app on Facebook had more than 14,000,000 likes, and gambling tips pages on Facebook had tens of thousands.
- The vast majority of discussions relating to gambling that were analysed related to sports. Across Twitter and Facebook, explicit gambling offers, tips and odds are wrapped up in broader discussions about sport - the transfers, big matches and tactics.
- About a quarter of Tweets sent from bookmakers, and 15% of messages from Facebook tipsters, were not about gambling, but are jokes and updates from a range of different sports, and commentary on matches and events. This may contribute to the normalisation of gambling as a natural part of being a sports fan, and of appreciating sport.
- Social media is changing what gambling is, and how it is done. This poses new challenges and risks to regulators, as they have to evolve current definitions and frameworks to reflect both a rapidly changing technological landscape and the habits of those who use it.
- Especially important challenges are:
 - New digital currencies and apps: A genre of online apps allow people to undertake activity similar to gambling. Users do not play for cash prizes, but they are encouraged to pay real money for new, app-specific digital currencies, whether 'coins' or 'credits', on which the platform operates.

¹² <http://www.gamblingcommission.gov.uk/news-action-and-statistics/news/2017/Loot-boxes-within-video-games.aspx>

¹³ <https://about.gambleaware.org/media/1191/gambling-social-media-report-demos.pdf>

- New voices: The digital world has allowed new voices, sometimes influential and highly followed, to promote gambling. Most important are the 'tipsters' (also known as affiliates) - organisations and individuals who share specific betting tips to their followers. We identified 572 tipsters and affiliates, and they included some of the most vocal producers of content that promoted gambling.
- Both of these are significant parts of the gambling ecosystem online, yet neither clearly falls within the current regulatory framework. Apps operating with digital currency look and feel like traditional gambling products, but because the winnings do not produce prizes in conventional cash, they are not considered to be licensable gambling. Likewise, tipsters do not themselves handle money, and so are unregulated and have no formal safeguarding responsibilities.

Conclusion

The internet has opened up a range of new gambling opportunities, many of which appeal to children or are accessible by them. No internet safety strategy would be complete without addressing the risk of online gambling-related harm.

Yours sincerely,



Marc Etches
Chief Executive