

Review of the Gambling Act 2005: response from Samaritans

Introduction

Samaritans' vision is that fewer people die by suicide. Every seven seconds, somebody contacts Samaritans for help and our volunteers spend over one million hours responding to calls for help every year.

We welcome the opportunity to respond to this consultation and support the Government's objectives to ensure that the regulatory framework offers sufficient protection from harm and is fit for the digital age.

Gambling-related harms are the negative impacts from gambling on the health and wellbeing of individuals, families, communities and society. They can be experienced for a short time or over the long term and have a wide range of effects on individuals, their families and friends and finances and health. The severity of outcomes from gambling related harms varies but there is an established – and accepted – association between gambling and suicide. Analysis has found that one in five people experiencing problems with their gambling behaviour had thought about suicide and one in twenty had made a suicide attempt in the past year, and that this group remained at far higher risk than others even after other factors were taken into account.¹ People experiencing gambling related harm are therefore a risk group for the experience of suicidal thoughts, attempts and death by suicide.

Estimates of the extent of gambling related harm vary but as the consultation document notes approximately 0.5% of the adult population experience serious problems related to

¹ Wardle, H. *et al.* (2019). *Problem gambling and suicidal thoughts, suicide attempts and non-suicidal self-harm in England: evidence from the Adult Psychiatric Morbidity Survey 2007*. Available at: <https://www.gamblingcommission.gov.uk/PDF/Report-1-Problem-gambling-and-suicidal-thoughts-suicide-attempts-and-non-suicidal-self-harm-in-England-evidence-from-the-Adult-Psychiatric-Morbidity-Survey-2007.pdf>

gambling, measured against particular thresholds of harm.² While this equates to about 300,000 directly affected individuals, the social harm from gambling will affect many more people around them.

Samaritans is committed to playing our part in reducing gambling-related harm. We have been funded by the Gambling Commission to create best practice guidelines for the industry on suicide prevention, in line with similar guidance we have developed for online platforms and for media reporting of suicide. We are also developing elearning and face to face training to support gambling operators working with customers in crisis as part of this project. The evidence that we have gathered from stakeholders and experts by experience to develop our best practice tools has also informed this response.

The most recent statistics from treatment provider Gamcare indicate that 11% of the 25,542 gamblers contacting their helpline had experienced suicidal thoughts, either currently or in the past, with 62% of callers mentioning anxiety and stress.³

The consultation document notes that there are ‘essential public health elements to any discussion of gambling’. While we welcome the work that the DHSC is doing, including establishing gambling-related harms NHS treatment services, this public health approach needs to drive changes to the regulatory landscape too. Harm reduction needs to be at the heart of these reforms and the way that their implementation is measured.

We have responded to those parts of the consultation that are most relevant to our vision that fewer people die by suicide. However, given the widespread interest in this issue and the likely volume of consultation responses, we anticipate that suggestions from other respondents with different expertise will also further our mission.

² Gambling Commission. (2021). *Problem gambling screens*. Available at: <https://www.gamblingcommission.gov.uk/news-action-and-statistics/Statistics-and-research/Problem-gambling-screens.aspx>

³ GamCare. (2020). *Helpline Annual Statistics: year ended 31st March 2020*. Available at: <https://d1ygf46rsya1tb.cloudfront.net/prod/uploads/2020/10/GamCare-Helpline-Statistics-Report-2019-20-FINAL.pdf>

If you would like any further information about this response, please contact Mubeen Bhutta and Julia Waltham, Joint Head of Policy, Public Affairs and Campaigns at juliaandmubeen@samaritans.org

Online protections

Q1: What evidence is there on the effectiveness of the existing online protections in preventing gambling harm?

Existing online protections are not sufficiently effective to prevent harm and suicide related to gambling. Gambling related harm is a public health issue, requiring a consistent response from operators which prioritises harm reduction. In practice, this means that online protections should address the roots of harm, alongside facilitating intervention when harm has occurred, to prevent suicide.

Suicide is preventable, and effective intervention during a crisis can save lives. Online operators collect considerable behavioural data about their customers which can indicate that harm is occurring. These data should be used in a consistent and standardised way to intervene to protect players in real time. Operators can play an important role by identifying harm and responding appropriately, but current practice is inconsistent. Operators we have spoken to were unclear about their responsibilities and the range of interventions at their disposal. People with lived experience have told us about a lack of understanding of harm, poor signposting, and continued marketing or inducements to gamble when they have reported harm.

Operators should utilise the full range of insights about their customers and intervention actions at their disposal to reduce harm. These interventions should be standardised and routinely assessed by the Gambling Commission, with penalties for non-compliance.

Q2: What evidence is there for or against the imposition of greater controls on online product design? This includes (but is not limited to) stake, speed, and prize limits or pre-release testing.

Interventions once harm has occurred must be only one part of a wider response. Online protections must also be made more effective to prevent harm from occurring in the first place, including through product design. There is strong evidence that certain product designs are associated with high levels of addiction and harm.⁴ Speed of play – including the speed with which winnings can be accessed -, repetition, and the ‘always available’ nature of online gambling have been raised as particular points of concern amongst the people with lived experience that we are in touch with.

Slowing the speed of play could both reduce harm and provide the industry with more time to intervene where they identify a risk of harm. Suicide is preventable, and the regulatory framework should be creating as many touchpoints of intervention as possible, including via product design.

The current assessment of new games by the Gambling Commission seeks to established ‘fairness’ for the customer. It does not consider addictiveness or potential harm. An environment that assumes online gambling products are safe to use is not consistent with the evidence that shows clear connections between certain game features and harm. A new system that tests products against harm indicators must be urgently put in place to protect customers. Future changes to product design must be evaluated against harm indicators to contribute to the evidence base around gambling related harm.

The evidence base around the relationship between product design and harm is still developing, but there is robust enough evidence to act decisively now to reduce harm.

⁴ Parke, J. *et al.* (2016). *Key Issues in Product-based Harm Minimisation*. Available at: <https://www.begambleaware.org/media/1362/pbhm-final-report-december-2016.pdf>

Q3: What evidence is there for or against the imposition of greater controls on online gambling accounts, including but not limited to deposit, loss, and spend limits?

There is rarely one reason why someone might take their own life. However, there is a well-established connection between financial stressors, like debt, and suicide.⁵ Gambling can create or contribute to these stressors and so any measures which may limit unaffordable losses, including greater controls on accounts, should be considered as part of a public health response to gambling-related suicide.

Statistics from the National Gambling Treatment Service show that most gamblers (71%) receiving treatment have debts due to their gambling.⁶ It is not just individuals seeking treatment who experience financial stressors from their gambling. A recent study of over 6 million bank accounts showed that higher gambling is associated with a higher rate of a range of financial harms, including using an unplanned bank overdraft, missing a credit card, loan, or mortgage payment, and taking a payday loan. These effects are worse the more someone gambles but are not limited to a small group of 'disordered' gamblers.⁷

People who have experienced suicidal thoughts and feelings related to their gambling have told us that financial harms from gambling are tied to feelings of shame, defeat, and entrapment. They felt they had to hide losses from their friends and family which in turn led to further isolation and limiting of their help-seeking options. All these factors make someone more vulnerable to suicide. Greater controls on online gambling accounts that seek to reduce unaffordable losses, such as deposit, loss and spend limits, are an important part of suicide prevention.

⁵ See, for example: Bond, N. and Holkar, M. (2018). A Silent Killer: breaking the link between financial difficulty and suicide. Available at: <https://www.moneyandmentalhealth.org/wp-content/uploads/2018/12/A-Silent-Killer-Report.pdf>

⁶ GambleAware. (2020). *Annual Statistics from the National Gambling Treatment Service (Great Britain): 1st April 2019 to 31st March 2020*. Available at: https://www.begambleaware.org/sites/default/files/2020-12/annual-stats-2019-20_0.pdf

⁷ Muggleton, N. *et al.* (2021). 'The association between gambling and financial, social and health outcomes in big financial data', *Nature Human Behaviour*.

Q4: What is the evidence on whether any such limits should be on a universal basis or targeted at individuals based on affordability or other considerations?

There is already a precedent for universal limits with the changes brought in for fixed odds betting terminal stakes in 2018. Universal limits align better with a public health approach by seeking to reduce harm for everyone at the outset.

Q5: Is there evidence on how the consumer data collected by operators could be better deployed and used to support the government's objectives?

We have been told consistently by stakeholders and experts by experience that limited data-sharing between operators is a barrier to player protection as well as to growing the evidence-base around gambling harm. Online operators collect a large amount of data on their players, but their knowledge is largely limited to an individual's activity on their own platforms. Some operators have told us that their ability to support people experiencing harm is limited significantly by the fact that individuals can simply move to another platform and continue gambling. A more consistent approach across the gambling environment is crucial to reducing harm.

Some operators have expressed concerns that sharing data to protect customers in this way might violate data protection rules. This is untrue. The Information Commissioner's Office has clearly stated that 'data protection legislation does not prevent gambling operators from sharing the personal data of their vulnerable users.'⁸ It is within operators' means and the requirements of data regulations to share data about vulnerable customers to better protect them. We further welcome work towards a data repository and a Single Customer View which will complement these efforts in the longer term.

⁸ Information Commissioner's Office. (2020). *The Information Commissioner's response to an inquiry on the Social and Economic Impact of the Gambling Industry from the House of Lords Gambling Industry Committee*. Available at: <https://committees.parliament.uk/download/file/?url=%2Fwrittenevidence%2F739%2Fdocuments%2F1449%3Fconvertiblefileformat%3Dpdf&slug=20200316-response-to-the-hols-gambling-industry-committee-inquiry-finalpdf>

Using player behavioural data is only one part of the wider response that is needed. We also want to see operators considering the wider life circumstances of their players, as many of these may be indicators that an individual is at risk of suicide. Stronger and more consistent engagement with customers by trained staff over time, rather than just in a crisis, would help operators to intervene more effectively.

Q6: How are online gambling losses split across the player cohort? For instance what percentage of GGY do the top and bottom 10% of spenders account for, and how does this vary by product?

A disproportionate amount of operator earnings come from people who are experiencing harm from gambling. Estimations of earnings from people experiencing harm range dramatically – one operator recently claimed 4% of its revenue comes from ‘high risk’ players⁹ while a recent survey of 140,000 online gambling accounts found that at least 70% of Gross Gambling Yield (GGY) comes from just 5% of accounts in each of betting, virtual casinos, live casinos, and slots.¹⁰ These discrepancies come from mismatched definitions of harm, arbitrary distinctions between different levels of risk, and a lack of strong evidence based on longitudinal studies. Nevertheless, all figures suggest a significant overreliance of gambling operators on customers who are experiencing harm.

It is vital that the Gambling Commission lead the development of a stronger evidence base, not only to clarify these statistics but to develop a deeper and more complex understanding of the gambling harm which contributes to suicide. This must include a standardised definition of gambling related harm that is used by all operators to report on their customers and practices.

Advertising, sponsorship and branding

⁹ Kindred Group. (2021). *Our Journey Towards Zero*. Available at: <https://www.kindredgroup.com/sustainability/our-journey-towards-zero/>

¹⁰ NatCen. (2021). *Exploring Online Patterns of Play: Interim Report*. Available at: https://www.begambleaware.org/sites/default/files/2021-03/PoP_Interim%20Report_Short_Final.pdf

Q13. What evidence is there on the harms or benefits of licensed operators being able to make promotional offers, such as free spins, bonuses and hospitality, either within or separately to VIP schemes?

We have evidence that operators are not taking an appropriate or consistent approach to protecting vulnerable consumers in their promotional activity, despite requirements in licensing conditions. For example, experts by experience have told us that they have continued to receive communications, offers and enticements to play after they had exhibited harmful behaviour and – as noted above in response to Q5 - that after they had limited their play with one operator there was nothing to stop them simply commencing play with another operator.

The requirement for operators to take ‘all reasonable steps’ to prevent direct marketing to self-excluded customers does not go far enough. There needs to be a complete ban on marketing communications to consumers who have self-excluded or who have registered with GAMSTOP without the need for consumers to give any further consents to put this in place.

We welcome the September 2020 guidance from the Gambling Commission aimed at ensuring that VIP schemes are used responsibly. Experts by experience have identified these as an area of concern, and this concern is clearly shared by the regulator. The Commission needs to undertake rigorous and timely assessment of how these new measures are working to ensure that they are meeting the declared aim of eradicating ‘irresponsible incentivisation of high value customers in the future’. The option of banning VIP schemes completely should remain on the table if the new measures do not go far or fast enough or cannot be proven to have eradicated irresponsible practice. An assessment should be carried out to coincide with the next steps from the expected White Paper following this consultation.

Q15 Is there any additional evidence in this area the government should consider, including in relation to particularly vulnerable groups?

We are concerned about the relative paucity of evidence on the impact of advertising on gambling-related harm as identified by the House of Lords Gambling Industry Committee. DCMS and the Commission should consider how the industry challenge on advertising technology could be used to build more understanding of the impact of advertising, not only on vulnerable groups but also the broader influence of advertising on harmful gambling behaviour.

Recently published research has found that people who are incurring the largest online gambling losses are overwhelmingly male (95%) and that online gambling losses increase with age.¹¹ Samaritans has long been concerned that middle aged men on lower incomes are at increased risk of suicide, and further analysis is needed to understand the relationship between patterns of play and suicide risk.

The Gambling Commission's powers and resources

Q19 Is there evidence on whether the Gambling Commission has sufficient investigation, enforcement and sanctioning powers to effect change in operator behaviour and raise standards?

As the National Audit Office and Public Accounts Committee have found, there are clear gaps in the current regulatory framework. We are concerned that they found the Gambling Commission is yet to articulate how it defines which consumers may be vulnerable, unable to help consumers to identify operators that adhere to higher harm-reduction standards, and unable to assess whether enforcement activity has acted as a deterrent against further infractions. Coupled with gaps in the evidence base on gambling related harm and concerns that the regulator is being outpaced on technological change by the industry, we believe that there is a case for moving to a new mandatory levy to fund projects related to gambling related harm. The levy should be set based on the budgetary needs of all aspects of an

¹¹ NatCen. (2021). *Exploring Online Patterns of Play: Interim Report*. Available at: https://www.begambleaware.org/sites/default/files/2021-03/PoP_Interim%20Report_Short_Final.pdf

effective, proactive regulator rather than levies that are then supplemented by voluntary industry contributions.

In addition, we are not aware of any publicly available evaluations of the effectiveness of voluntary industry contributions in reducing gambling-related harms. Without rigorous assessment of impact, there is a risk of operators being able to say that current contributions are sufficient when this may not be the case.

Q22 What are the barriers to high quality research to inform regulation or policy making, and how can these be overcome?

As stated in response to previous questions, gambling operators are not sharing data sufficiently to ensure a consistent approach to protecting vulnerable consumers across the industry. There should also be requirements on operators to make their data more readily available where it supports developing the evidence base on gambling-related harm, including suicidality. These requirements should form part of a new public-health based licensing framework.

As noted above, there is an established – and accepted – association between gambling and suicide. There are, however, several areas where further research is needed. Additional analysis is needed to definitively establish the prevalence of gambling-related suicides, to examine if there is a causal link between gambling and suicide, to explore links between gambling and other suicide risk factors and to establish if young people are more at risk of suicidality from gambling related harm. As stated in response to question 15 there is also a need to further develop the evidence base on advertising and gambling-related harms.

Questions on gambling should be included in the next iterations of the Adult Psychiatric Morbidity Survey and Health Survey for England. We look forward to publication of the evidence review that Public Health England are undertaking on prevention of gambling harms. However, regulatory reform should not wait for a perfect evidence base: there is enough information available already to justify action.

Q24 Is there additional evidence in this area the government should consider?

We are concerned about the length of time it has been since gambling regulation was last reviewed, given the fast-moving evolution of the industry. Concerns have been raised in numerous parliamentary reports before the Government has taken action. This review should therefore build in regular reporting mechanisms such as an annual Ministerial statement to parliament following publication of the Gambling Commission's annual report. Any such accountability mechanisms should include an assessment of the extent to which the regulatory framework is reducing gambling-related harm.