



Liaison Committee

Corrected oral evidence: Social and economic impact of the gambling industry—follow-up

Wednesday 17 June 2026

Noon

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Members present: Lord Ponsonby of Shulbrede (The Chair); Baroness Alexander of Clevedon; Baroness Fookes; Baroness Garden of Frognal; Baroness Gill; Lord Smith of Hindhead.

Members of the former Select Committee on the Social and Economic Impact of the Gambling Industry present: Lord Butler of Brockwell, Lord Filkin, Lord Foster of Bath.

Evidence Session No. 3

Heard in Public

Questions 17 – 28

Witnesses

Baroness Twycross, Minister for Museums, Heritage and Gambling, Department for Culture, Media and Sport; Sarah Fox, Deputy Director for Gambling and Lotteries, Department for Culture, Media and Sport; Sarah Gardner, Acting Chief Executive Officer, Gambling Commission.

USE OF THE TRANSCRIPT

This is a corrected transcript of evidence taken in public and webcast on www.parliamentlive.tv.

Examination of witnesses

Baroness Twycross, Sarah Fox and Sarah Gardner.

Q17 The Chair: Welcome to the third panel this morning. I will kick off with the opening question. It is about the Gambling Commission and to understand the scale and breadth of gambling harms and whether they have improved or otherwise since the Committee's report in 2020. Can you give us a summary of how many people in Great Britain, including children, are harmed by gambling each year and what types of harm are experienced? Specifically to the Minister, in your opinion, what is the cause of the gambling harm outlined by the Gambling Commission? Do you believe that the current rules governing gambling advertising stop children being put at risk? If you want to make an opening statement, please do.

Sarah Gardner: I am currently acting chief executive of the Gambling Commission; normally I am deputy chief executive. The Gambling Commission's role is to regulate all commercial gambling and the National Lottery, with the exception of spread betting, which is regulated by the Financial Conduct Authority. In advertising, which is of particular interest to the Committee, we have a different sort of role, which is limited in some ways because of the way that advertising more generally is regulated, included by the ASA.

On the question about harms, I should perhaps preface my comments by saying that in our research we consider "harms" to be quite a broad term. We think about the impacts of gambling on people's health, their relationships and their resources, and we think about them in terms of the person who gambles, as well as the people around them. I will set out what we understand about harms in the context of what we know about gambling participation overall by both adults, and by children and young people.

You asked about the timeframe since 2020. The key development since then is that, over that period, we have been developing the Gambling Survey for Great Britain, which is the largest survey of its type in the world looking at gambling behaviours. We engage with about 20,000 respondents on that each year. The GSGB, which is what I will call the Gambling Survey for Great Britain for short, annual report for 2024 showed that nearly half of participants—48% of adults aged 18 or over—participated in some form of gambling in the past four weeks, which is just shy of 26 million people. If you exclude people who say that they participated only in lottery draws, that goes to 28%.

In terms of screening for problems with gambling, the survey uses the problem gambling severity index. A score of eight or more on that index is defined as people who may be gambling with negative consequences and a possible lack of control. It is important for me to make clear that that is distinct from and must not be confused with addiction, which clearly needs a clinical diagnosis and is not something that could be diagnosed by people running a survey. Among all participants, including

those who had not gambled, 2.7% had a PGSI score of eight or more indicating that. That was statistically stable compared to the previous year.

In terms of types of harm, of adults who gambled in the past 12 months, the most reported severe consequence was relationship breakdown due to their gambling, with 1.6% of people who had gambled reporting that. The most frequently reported potential adverse consequences—those are things that the survey asks them to mention that happen at least occasionally—were things like reducing spending on everyday items, lying to family, using savings or borrowing money in order to fund gambling. Then if I move to affected others, about half—again, 48%—of all participants, so that is consistent with the wider participation figure, reported that someone close to them gambled, even if occasionally. Of those who reported that someone close to them gambled, 5.3% had experienced one or more severe consequences from someone else's gambling. Again, relationship breakdown was the most common reported consequence from someone else's gambling.

In terms of children and young people, the Gambling Commission publishes a report each year, normally around November, the young people and gambling report. The most recent one comes from 2025 and is published in full on our website. The data I will give you here relates to that report. That report concerns itself with 11 to 17 year-olds. Around half of that age group tell us in that survey that they have experienced some form of gambling in the past 12 months, but it is worth being clear that that could be anything from helping a family member choose their lottery numbers, picking out the colours they like on a Grand National horse or something like that. It is some kind of touch point with gambling. Thirty per cent of young people in that age group say they have spent their own money on gambling in the past 12 months. Boys are more likely to do so than girls. The most popular forms of gambling in that age group are ones that are legal for them to play: 35% had played arcade gaming machines of the sort that children are allowed to play—penny pushers, crane grabs and so on—and 19% had placed a bet for money between friends or family.

In that survey, the screening for problem gambling is a youth-adapted version of the DSM-IV problem gambling screen. To give you an example of how it is adapted, in the adult version, adults may be asked, for example, whether they have committed any illegal acts in order to fund gambling such as forgery or theft, whereas children are asked things like, "Have you spent money you needed for something else, like a bus fare or dinner money?", to make it more applicable to childhood. In 2025, 1.2% of that age group—that is, 11 to 17 year-olds—scored four or more on that youth adapted screen.

In terms of harm, a small proportion of those who had spent their own money on gambling in the past 12 months—2%--noted that that had led them to miss school at least once. That was down from 5% the year before. Around one in 20 young people who use their own money to

gamble said that they had told lies to family or friends or had got into arguments at least once because of gambling in the past 12 months. In terms of children and young people affected by others, 29% told us that they had seen a family member they live with gamble; 7% of those reported that that led to tension or arguments in the home that they felt were related to gambling. Four percent felt that their parent or guardian had less time to spend with them due to gambling and one in 10 of those who had seen a family member gamble said they felt sad or worried about family members gambling.

Baroness Twycross: I am Fiona Twycross, the Gambling Minister. I do not have a lot to say in terms of opening remarks and setting the scene, except that I am committed and this Government are committed to reducing gambling harm and we are taking a number of measures to make sure we do. We take it very seriously, particularly given its potential impact on children, young people and the vulnerable.

One of the points to stress is the absolute need for us to be evidence-based and evidence-led in our policy-making. In my view, sound public policy-making demands rigorous evidence evaluation, including on how we avoid unintended consequences.

I am proud of what the department is delivering. The statutory gambling levy is a major transformation in this space. In its first year, it raised just under £120 million, which more than doubles the amount of funding of the voluntary levy. For the first time, the levy will provide independent and sustainable funding on gambling-related harms, research, prevention and treatment. Every year, 20% of the statutory levy will be put towards research, which will strengthen our evidence base on gambling-related harms, including research on gambling advertising. The department has also embedded a levy-funded policy fellow, whose research will be focused primarily on gambling advertising, because we think it is really important that we get any policy intervention right.

The current rules are robust and are very clear about advertising not being targeted at children. Gambling adverts cannot appear in media created for children or in which children make up 25% or more of the audience. That applies to broadcast media, including TV programmes and online. The ASA has also made clear that operators advertising online must not rely on a user's declared age on sign-up when targeting adverts for these products; they must also use data on users' interests to form a view of their likely age to help prevent adverts being seen by children who might have given a false date of birth on sign-up, because they were too young to join the platform in question.

I have had regular meetings with the ASA, and I am pleased to say that, in October 2025, the ASA updated guidance to rule that personalities or influencers with social media followings totalling at least 100,000 under-18s across all platforms is indicative of a strong appeal to children and young people. That updated, strengthened guidance strengthens the enforcement of social responsibility codes, clarifies the rules and sets higher standards to further prevent harm.

I am confident in the regulation that is undertaken by the ASA. I also refer the committee towards the ASA's evidence, which highlights how it is progressively using AI in this space to help monitor ads. We also believe—and I am delighted—that the social media ban for under-16s will help reduce children and young people's exposure to gambling adverts and potential gambling harm.

Sarah Fox: I am the deputy director for gambling and lotteries in the DCMS. As policy officials, you have already heard a lot about evidence in the hearings today. There is a lot of evidence out there. We do not look for a single piece of evidence that will necessarily trigger a policy intervention or a specific number that means that we will take an action or not; we look at the cumulative impact of all the evidence out there and the trends that come through. One of the trends that comes through a lot of the surveys is the different gambling harms from different products. So we tend to do our different policy interventions trying to focus on where the evidence shows that there is a need for us to do an intervention.

Q18 Lord Foster of Bath: I entirely agree with the Minister on the vital importance of having evidence to back up any regulatory change. I also agree with Sarah Fox that there is a lot of evidence already out there. I just wonder whether both of you will agree with me when you come to answer in a second. Since the committee reported way back in 2020, there has been a huge welter of new information and research. Do you accept that this country now has more research evidence on the link between gambling and advertising than almost any other country in the world? Many other countries with far less research evidence have decided that that evidence is sufficient to take action, when we are not here.

I turn, first, to the Gambling Commission and point out very specifically that, back in 2021, the Gambling Commission did some research itself. Forget everybody else's research; the research you did, "Understanding How Consumers Engaged with Gambling Advertising in 2020", which you published in June 2021, pointed out that gambling advertising led to people who were not gambling to start gambling, people who were already gambling to gamble more and people who had deliberately stopped gambling to start again. Are you still standing by that type of evidence? Is it backed up by any more recent evidence that you have received?

Sarah Gardner: The starting premise is that there is clearly a commercial point to advertising, which is to prompt behaviour in consumers. So, in some senses, what you described there was not a surprise; otherwise, why would anyone spend money on advertising?

We are delighted to see the investment being made, particularly through the statutory levy, as the camp we are in is to welcome more research in this area. That said, there are some key points, and I think you have touched on them there. We do not need to wait and have not waited for the perfect evidence base—if that even exists—to emerge before taking action, because it is clear that some things should not happen. In particular, advertising must not target children and vulnerable people and

try to prompt them to gamble more than they should. That is why, driven by pieces of evidence like the one you have described, much of the action that we have taken has been in those areas.

Our view is also that there is a customer journey in gambling. We try not to look at things like advertising in isolation; it is about the package of things we are doing to make that overall customer journey safe for everyone, but with a particular focus on children and vulnerable people.

Lord Foster of Bath: Thank you for that. Almost a yes or no will do: is the Gambling Commission accepting that gambling advertising, marketing and sponsorship lead some people to start gambling, those who are gambling to gamble more and those who have stopped, for whatever reason, to start again? Do you accept that based on any evidence that you have seen subsequent to 2021?

Sarah Gardner: On a precautionary basis, we accept that there is a point to advertising; it is about prompting consumers to gamble with, I hope, legitimate businesses. I have a quite separate concern about advertising by illegal operators, which is a very serious danger, particularly to children and vulnerable people, and because of the way that they are exposed through things like social media and so on. Whether or not the evidence base suggests, in a very definitive way, that advertising prompts more gambling, and in particular gambling by the wrong people—by which I mean children and vulnerable people—our job is to protect children and vulnerable people in particular and that is where our focus has been.

Baroness Twycross: Can I come in?

Q19 **Lord Foster of Bath:** I was going to ask a very specific question, Minister, if I can. You have made very clear, and the department and perhaps the Government have made very clear, that you currently have no plans to make any change in relation to advertising. I want to explore why you have made that decision, in the light of the huge amount of evidence we have and what the Gambling Commission has just said. I know, because it is on the record—you have told me yourself and other Ministers within the DCMS have said it—that you actually want the gambling industry to grow as part of the Government's growth agenda. You believe that the gambling industry can grow and, at the same time, still reduce levels of gambling harm. Could you just confirm on the record that that is the case and explain why you are not going to take action? Thank you for all the discussions you had with me on this; I am genuinely grateful.

Baroness Twycross: That is fine. I have been open about the fact, and I would like to clarify, that we would like to see a regulated, licensed sector grow at the same time as we work really hard, across the piece, with industry, bodies such as the ASA and some of the social media platforms to make sure that we do not see people pushed from the licensed, regulated, taxed sector through to the illegal sector. We have done a lot of work to try to ensure that we understand what measures we can take

that will help us reduce illegal gambling, such as the taskforce we have, which involves the support of the Gambling Commission, legal operators and social media streams. I think we also had input from police and crime commissioners and payment providers.

The question is about what we can do to stop people going to the illegal market. We think that there is some correlation between people's activity and increased exposure to advertising; it can have an impact on participation. However, just going back to the point I made earlier about the need for evidence-based policy-making, it is currently hard, despite the plethora of research, to establish a very clear causal link that suggests that advertising does lead to increased levels of gambling-related harm. That is why, within DCMS, with a portion of the money from the statutory levy which this Government introduced, we are going to have a research fellow specifically looking at advertising, because we accept that we need to look at what we do. When I said that we are not going to take any further action on advertising, that does not mean I will not talk to the sector and to bodies about what more they can do on a voluntary basis. We do not have plans to legislate at this time on advertising, but I have regular conversations with the Betting and Gaming Council, for example, on what more they can do, or with other organisations such as BACTA.

The Chair: We will jump to Lord Smith to ask his question, because there is a lot of overlap with what we were just talking about.

Q20 Lord Smith of Hindhead: What has happened is that Lord Foster of Bath, not for the first time, has asked my question and pinched the entire thing. However, I can ask this question. If a person plays just the National Lottery once each week, no scratchcards or instant wins, which are quite addictive, just the draw-based paper games—Lotto, EuroMillions, Thunderball, HotPicks and Set For Life—they would spend about £1,000 a year and they are a hero. They have supported the Olympic team; they have rebuilt historic buildings in every diocese in the UK; they have done X, Y and Z—the list goes on and on. They are a hero; they have supported those causes— isn't it great? But if a person were to have an online betting account and they were spending £1,000 a year on that, they would be regarded by many people as being almost a social degenerate and probably unable to get a mortgage.

Can you see the muddle we have got into where if you spend £1,000 gambling on the National Lottery you are a hero, but if you spend £1,000 on an online betting account you have got a bit of a problem? When are we going to try to even that up and try to even up the advertising? What are we going to do about that? You are saying that the Government have no plans to restrict advertising, but there is advertising everywhere. We are sending out a message that one is great for the UK and another one is awful. Do you have any views on that?

The Chair: Before you answer, there are two supplementary questions, if we can do those together.

Baroness Alexander of Clevedon: This is a question for the officials and for the Minister. The framing you both offered for the gambling industry is regulated and unregulated. That, of course, is the framing that the industry offers. That puzzles me, because if you were to ask the public about what has changed since 2020 I think they would say that the framing is between traditional gambling, if you will, and the rise of online, which is actually a much more fundamental change in the policy environment. The evidence is that we now have business models that were not conceived of in 2020. Notably, we have heard it in evidence today that 60% of the profits used to come from 5%, troubling as that was. We are now in a position that, with the rise of online, 86% of the profits rely on those who are experiencing gambling harm. Given, for example, the recent moves on social media and children, I really would like to press DCMS and the Ministers on why they think the framing of regulated/unregulated is the right way to think about the policy challenges, rather than in the context of new business models and the rise of online, which we are rightly seeing the Government rise to in other sectors.

Baroness Fookes: This is for the Minister. Prior to the Budd report and the 2005 Act, which changed the outlook altogether, the official view had been that gambling as a whole was to be tolerated but not encouraged. May I take it that the Minister does not agree with that basic approach?

Baroness Twycross: There is a lot to unpack. I am going to start with Baroness Alexander's point about regulated versus unregulated, or we could say legal versus illegal. It would be really odd if a Minister in a department did not have concerns over an illegal market, or an unregulated market, that I cannot invite in to talk to about how it is tackling gambling harms. I can invite the regulated sector in—whether that is the charities that are working really hard to address gambling harm, or the sector, which employs an estimated 75,000 people in this country—and I can have conversations with them about how they are tackling gambling harm. We want to stop illegal gambling, and that is why we have the Illegal Gambling Taskforce. We recognise the difference between more traditional forms, if you like, and online gambling, and that is reflected in the tax regime.

Regarding lottery versus gambling, that is not a picture that I entirely recognise, Lord Smith. Yes, I celebrate what the lottery does; it is an amazing institution. Do I make those decisions on mortgages that a bank might make? No. I have not had any evidence given to me to say that is the case. I might bring in Sarah in a moment to say whether I am right in that, but nobody has raised that with me before today. I am happy to go away and look into whether that is an actual issue or just somebody's concern.

Lord Smith of Hindhead: It is always nice to raise an original question.

Baroness Twycross: I am happy to come back with a response, but Sarah Fox may have one. In response to Baroness Fookes and whether we have gone from tolerating gambling to promoting it. Going back to my

point around the illegal sector versus the legal, it is one of the few advantages that the regulated or legal sector has over the illegal market. However, I recognise people's concerns about the volume of advertising. One of the things we are really keen to do is to use the subgroup of our Illegal Gambling Taskforce to look at how we can address advertising, which is quite often on social media platforms. We have had direct engagement with those social media platforms. They have told us that, at the moment, they find it hard to distinguish between what is legal and illegal when people approach them. We think that we and the Gambling Commission can work with them to make it clearer to them which advertising they should allow. They have also been clear to me directly that they are happy to work with us to clamp down on advertising by illegal operators. Sarah, did you want to come in on that point about bank accounts?

Sarah Fox: On the lottery versus gambling, it goes back to different products having different levels of harm. We know from most of the surveys out there that doing a lotto draw is the least harmful way of gambling. The dopamine levels that you get from an instant win online are just not there with the lottery. There is a distinction between different products.

Lord Smith of Hindhead: I accept that, but I would argue that scratchcards and the instant wins online, played on the National Lottery or wider, are a gateway to gambling. Of all the games that are played by people with a gambling addiction, the National Lottery is the most widely played game among all the gambling that they do. It is nevertheless a gateway and there is a problem with it.

Sarah Fox: It is the most popular gambling activity, as we said initially. On traditional gambling versus online and illegal versus legal, our 2003 White Paper¹ was purely about that switch from the 2005 conditions, where we were concerned about land-based casinos taking over towns, to the concern being more online and how we level the playing field.

Baroness Alexander of Clevedon: My question then is: how has the rise of online advertising since 2020 changed the policy response of the Government?

Sarah Fox: The rise of online generally has changed the response of the Government and policy officials. It is not just the advertising on its own. On consumer behaviour, we are now seeing people being just as likely to bet online as they are in person in various different ways. We take a rounded approach, because consumer behaviour is changing daily.

Baroness Alexander of Clevedon: In that rounded approach, I am pressing you on how it has changed the approach to online advertising, with respect to the gambling industry and the rise of online gambling.

¹ Note by witness: The intended reference was to the 2023 White Paper.

Sarah Fox: The Gambling Commission brought in a number of measures during that time. We are looking at bringing in a consultation very soon on banning unlicensed sponsorship. There are a number of different measures we have brought in, specifically looking at the online sector. It is very difficult. The broader measures on social media will take us a step further, because then we will be looking not just at gambling in isolation but at that broader mode of advertising and how you do something that tackles the wider harm.

Baroness Alexander of Clevedon: Is the new consultation that you mentioned for the unregulated sector only?

Baroness Twycross: Yes, because at the moment it can legally sponsor sports clubs or a football club, for example, which nobody would agree is a good way forward.

Q21 **Baroness Garden of Frognal:** I am conscious that we still have a lot of questions and are running short of time, so I will try to be very brief. There was a study commissioned by GambleAware that looked at Italy, Spain, Germany, the Netherlands, Belgium and Australia and concluded that Great Britain has by far the most evidence of the negative effects of gambling marketing but, compared to the other jurisdictions, has the fewest restrictions. So, Minister, have the Government studied approaches to the regulation of gambling advertising in other jurisdictions? If so, what lessons have you drawn from that?

Baroness Twycross: My officials have engaged with a number of different countries and jurisdictions, and I have plans to meet a number of people from the countries that have introduced tighter regulation or bans. One of the points I made earlier was about making sure that we do not have unintended consequences. We are keen to learn from those countries that have moved further on advertising restrictions than us and to understand what has and has not worked. We are already seeing signs that some countries have seen unintended consequences. For example, since Italy implemented advertising restrictions, it has seen an increase in sponsorship from illegal financial and crypto organisations. Where we have the possibility of displacement, we need to make sure that whatever action we take in one area does not shift people's behaviour, or the sponsorship or advertising, to areas that are less regulated than the gambling sector.

Q22 **Lord Butler of Brockwell:** Perhaps the Gambling Commission can answer this question on the regulatory framework first, to make sure that I have understood it right. As I understand it, operators need a licence from you, and one of the conditions of that licence is that they should obey the guidance set by the Advertising Standards Authority. Is that correct?

Sarah Gardner: It is, yes.

Lord Butler of Brockwell: The Advertising Standards Authority is an independent body—not a statutory body or government body; an independent body—that is funded by the advertising industry. Is that

correct?

Sarah Gardner: That is my understanding, yes.

Lord Butler of Brockwell: Is that satisfactory? You have regulation done by a body that is funded by the advertising industry itself. Is this not a case of the advertising industry setting and marking its own casework?

Sarah Gardner: The ASA is responsible for all advertising, not just gambling advertising. The advantage that gives for a regulator such as the Gambling Commission is that we are not experts in advertising and the ASA is. We see it take a lot of action, including in this sector, both reactively to complaints and proactively. The Minister mentioned the work that the ASA has been doing, which we have been particularly pleased to see, on the use of AI tools to monitor the compliance of gambling ads online. That covers a huge swathe of advertising that happens online.

The critical thing in our relationship with the ASA is that the whole thing has a hard regulatory backstop. One of the reasons why we hardwired into our main rule book, the LCCP, as a condition of licences—this is in our social responsibility codes and therefore attracts potential sanctions up to and including revocation of licence—the requirement that they have to comply with all advertising codes, was to give it that regulatory backstop. The ASA will refer things to us if there are repeated or persistent breaches of its rules and in the event that something somehow falls outside of its jurisdiction. We take those referrals and we will always look at them and engage with the operators directly.

Lord Butler of Brockwell: Has the action taken by the ASA caused you to withdraw any licences for gambling operators?

Sarah Gardner: I would have to check whether we have withdrawn any. We have certainly taken a range of enforcement actions on the back of referrals from the ASA, including ones that have resulted in fines for a range of things where the ASA found that the behaviour was particularly egregious. For example, we had a case where an operator was found to be advertising, possibly inadvertently but in breach of our rules, on pages accessible by children that related to a football club. In that case, we took enforcement action and it faced a fine. We have had other such cases.

Lord Butler of Brockwell: Minister, are you satisfied that this rather inbred structure of regulation is satisfactory?

Baroness Twycross: I am not sure I would describe it as inbred or entirely self-regulatory. It is carried out both on a statutory and voluntary basis. The Committee of Advertising Practice rules are enforced by the ASA, which you are correct in saying, Lord Butler, is independent of the Government, but as compliance with these rules is overseen by the Gambling Commission, I am confident that this is appropriate. We have to use all the tools at our disposal.

It is right that we ask industry to improve its standards, but we have also made it clear—I have made it clear direct to the sector and had discussions with the Advertising Standards Authority on what it is doing, not just on its AI piece but on content marketing and other new forms alluded to by Baroness Alexander of what happens in the media—that we will take further action if we do not see that the system is working.

- Q23 **Baroness Gill:** You have addressed some of the points that I wanted to raise. I appreciate that there is a regular dialogue with the regulated sector. That has shown some results. However, it has been stated that the voluntary measures, such as the whistle-to-whistle ban and the recent 2024 codes of conduct, have been ineffective in reducing the overall exposure to gambling advertisements around sporting events. That is especially the case with gambling advertising on sports kits or near the venues.

To follow on from what Baroness Alexander was saying, there has been a complete changeover in the business model since the last report. Does the Sporting Events Bill not give you an opportunity to try to address some of these things? I am a little concerned about there being no action on advertising. What we heard earlier in the hearing was that unregulated marketing is something that you could really address here and now. It would definitely improve the impact on the level of exposure that young people are experiencing.

Baroness Twycross: We do not have plans to introduce measures in relation to gambling advertising in the Sporting Events Bill. As Members will be aware, it is a framework Bill, but one thing that is discussed in those negotiations in the bidding process would be around gambling and the extent of gambling. The different sporting bodies have different approaches to that. I note that Lord Foster has a number of amendments in for Committee, so that is something that I am looking forward to debating further in Committee, but in answer to your question, no, it does not feel like the appropriate Bill into which to introduce measures of that type.

- Q24 **Lord Filkin:** It is very good to hear that you are going to have discussions with Ministers in other countries that have introduced effectively very substantial restrictions on gambling advertising. That is excellent, if not before time. Would you accept that the Government look as if they are behind the public on this issue? There is substantial public support for much more government action to regulate and reduce gambling advertisements.

Baroness Twycross: I accept the point that the public would probably have answered the straight question of whether we should have less advertising by saying that yes, they would like to have less advertising. That is one of the things that is raised with me frequently. To go back to my point about evidence-based policy-making and making sure that we do not take measures that will lead to unintended consequences, I am clear that it is something that we look at on a regular basis. We have the research fellow coming; they have started part-time at the moment, but

they are going to start full-time soon. I am happy to share the evidence that the research fellow produces. At the point at which we take soundings from them about what we have established across that whole piece of research, we will look at whether the evidence suggests that we need to take further action.

I am not sure that it is really my role as a Minister to do just what the public thinks. That is probably a dangerous thing for a Minister to say, but it is up to us to act in the public interest. That is what I intend to do. On a range of issues and actions that I have taken since I became a Minister two years ago, the intention is to act in the public interest to tackle gambling harm and work with the regulated sector to make it as safe as possible for those who want to take part in gambling activity, as almost 50% of the population do on a regular basis.

Lord Filkin: Will you get your officials to look at the very substantial evidence that we have had this morning from academics that there is a very clear link between increased advertising and increased activity, leading to increased harm, particularly for children? Would you consider whether there is a risk of the Government again looking as if they are dragging their feet, as they did with children and social media? Only eventually did the Prime Minister move on that.

Baroness Twycross: With respect, I do not think we have been dragging our feet on gambling reform since we came in. I have implemented a number of measures in the previous Government's White Paper that I think the industry and campaigners did not think were ever going to get across the line, such as the gambling levy. I am confident that I can defend our level of action. I shall not apologise for waiting until our research fellow has looked across the range of evidence to see what action, if any, we should take on advertising. I am clear that it is an issue and that people are concerned about it. We are keen, however, to make sure that we do not tip people into unlicensed and unregulated gambling activities. I do not think that if you stop advertising by the regulated sector you automatically stop advertising by the unregulated sector; by definition, they will not play by the rules, so we need to make sure that the rules protect the public as far as they can.

Q25 **Lord Foster of Bath:** I think the Minister has answered the question. We would all entirely agree that more action needs to be taken on the black market and we welcome the fact that you have set up the working party. We would also want to be very careful about doing anything that could grow the black market. From what you have just said—I think you have given the answer—there would obviously be a fear that, if you reduce the ability of the licensed market to be able to advertise its services, people could therefore move over to the illegal market. That would be one of the unintended consequences you are concerned about. Do you not believe, following the work of your working party, that you will fairly soon be in a position to tackle the illegal market? Can you bring us up to date with where we are? The BGC has already brought forward its five own recommendations for action.

Baroness Twycross: You are right that I am concerned about illegal gambling, as it hurts consumers and the licensed sector, and by default it hurts the Exchequer, because of tax returns. The Illegal Gambling Taskforce, which includes an illegal advertising subgroup, brings together government, industry, platforms, regulators and payment providers. We have the next ministerial meeting taking place next month, where the subgroup will report back, which will identify areas in which we want to go further. The subgroup's work has included tackling the issue of paid-for illegal adverts on social media platforms, such as Meta. It might be worth bringing the Gambling Commission in, because we have allocated an additional £26 million across the next three years to increase investment, resources and capacity to build on its existing work to tackle the illegal market. As I think Sarah mentioned, we have committed to consulting on banning sports sponsorships by unlicensed operators. We want to get it right.

Lord Foster of Bath: I am sorry to interrupt but—because time is very short—for the purposes of this committee's work, what could be available as evidence in relation to advertising in the illegal market that you might be able to provide before we finalise our report, or is that not going to be possible?

Baroness Twycross: We will take it away and look at where they have got to. I have not had any report back from them yet, but they have worked on it with some urgency.

Sarah Fox: We can work on the timings of the report. We can have that, the next taskforce and what comes after that, which is the reporting of the three sub-groups. We will also try to get the consultation on licensed sponsorship out before Summer Recess.

Baroness Twycross: If we can, we will make sure it is available to the committee. Obviously, we want it to be informed by the same information that we have.

Q26 **Lord Butler of Brockwell:** Could I ask a question on timing? We have the Sporting Events Bill coming up. I have no doubt that Lord Foster has some excellent amendments, but these opportunities for legislative action do not happen all that regularly. Are you planning to try to reach conclusions on what might be done in time for the passing of the Sporting Events Bill?

Baroness Twycross: No, because it is two separate things. I personally do not think the Sporting Events Bill is the right Bill for measures of this kind. As I said, it is open as a framework Bill for matters to come through when those negotiations about bid-for events are taking place. We will look at the evidence that emerges both from the taskforce and from the work of the research fellow to look at what we can do. I am not sure that we necessarily need primary legislation to take action in this area. I think it is something that is available to us under the 2005 Act as an SI from the Secretary of State.

Sarah Fox: On the unlicensed sponsorship, we can do that with secondary legislation. We do not need primary legislation, which is why we want to do it as quickly as possible—so that we can have it in place in time, not for the next league season, but the season after that, we hope.

Baroness Alexander of Clevedon: I have a very quick point of clarification. You have talked about a research fellow looking at the evidence. Is that research fellow looking at the evidence regarding all advertising or is it exclusively in the unregulated space?

Sarah Fox: It is all advertising. It is not just sport, but all advertising.

Baroness Alexander of Clevedon: Is there a timeline? Obviously, the evidence we have is that lots of other countries have looked at the evidence and decided that there is an evidence base to act on, so doubtless they will be reviewing that. Is there a timeline for that work?

Sarah Fox: No, because we want to get it right. This is the first time we have got the statutory levy in place to have that money available to do that research, and these things take time.

Baroness Twycross: They have only started recently, so I do not want to overegg what it is. The only other point I will make is that some of the jurisdictions that have introduced bans have seen a displacement and a rowing back a little bit. I think that part of the evidence will be the extent to which it has worked in practice where people have introduced it.

Baroness Alexander of Clevedon: It would be incredibly helpful, before we finalise our report, to see the terms of reference of the work that the Government are undertaking—albeit that there is not a finalised timetable. If they have commenced the work, there are presumably terms of reference. That would be helpful to see.

Q27 **Lord Smith of Hindhead:** We have heard so much about the black market in our session today. I thought it might be appropriate, as we are just about to run out of time, to ask the Gambling Commission to update us on how many black market gambling operators the commission has closed down.

Sarah Gardner: In respect of what we have achieved already—the Minister mentioned the additional £26 million over three years, which was announced by the Government in the Budget last year, so we are in the process of upscaling our activity in this area—during the last financial year, we issued 740 cease and desists to illegal advertisers and operators. We reported just shy of 400,000 URLs to various search engines and just under 270,000 of those were removed as a result during the last financial year. We also referred over 1,000 websites to the search engines to ask them to delist those so that they are not accessible to consumers. We disrupted just shy of, I think, 1,200 websites, so they have either been taken down or have been geo-blocked for British consumers.

Our strategy is to ensure that it is difficult to operate illegal gambling at scale in Britain. Our focus has been to target those operators who we think have got reach. That is why we have a particular concern about social media, because that is a way of getting reach for illegal operators.

Lord Smith of Hindhead: The next time you give evidence you should lead with that, because they are quite impressive numbers.

Q28 **Lord Butler of Brockwell:** We have got right through the questions, which is excellent. The special inquiry committee, on which I served, said that "those who are vulnerable to advertisements for gambling products are especially susceptible to messaging which seems to be addressed to them personally". In May 2025, the Gambling Commission implemented an opt-in system for direct marketing on a per-channel and per-product basis. Now that you have had time to see the effects of this, has it worked?

Sarah Gardner: This was a measure that was part of the Gambling Act review White Paper. There is an evaluation programme for all those measures, and I think it is important that it is part of that programme so that we can understand both the impact of individual measures and the package as a whole, given what I said earlier about the customer journey. It will be evaluated, but it is still early days, so it has not been yet.

The Chair: Thank you all very much for coming along.