



Nigel Huddleston MP
Parliamentary Under-Secretary of State for
Sport, Tourism and Heritage
Department for Digital, Culture, Media and Sport

Your ref: INT2020/27454/DC

11 December 2020

Dear Minister,

**House of Lords inquiry into the
Social and Economic Impact of the Gambling Industry**

Thank you for your letter of 7 December 2020 explaining the thinking behind the Government Response to the report of the Select Committee, and for the Response itself. I have also now had an opportunity to read the call for evidence for the Government Review of the Gambling Act. I am grateful for the full response, and I appreciate the work which you and your officials have put into this at a difficult time.

You say in your letter that you will not wait for the outcome of the review to make gambling safe when you need to, and that other work will continue while the Review progresses. I do not however detect either in the Response itself or in the call for evidence any sense of the urgency of the problem. We set out in our report the fact that one third of a million people are problem gamblers, that 55,000 of them are children, and that one problem gambler a day commits suicide. Those figures, though based on the best available evidence, are disputed; yet you will agree that even if the true figure is considerably lower, this is an appalling situation which cannot be allowed to continue.

There have been calls for reform for many years. It is over a year since the Government undertook that it would carry out a review of the Gambling Act. This call for evidence concludes at the end of March 2021. The Government then promises a white paper “next year” setting out proposals for reform. Where primary legislation is required, as must be the case if the Act is to be amended or replaced, this will be in the session 2022-23 at the earliest, and would not come into force before 2024, probably later. You will be aware that the Blair Government decided on the last major review of gambling in 1999, and the 2005 Act came into force in September 2007, eight years later.

Changes which, like the majority of those we recommend, do not require primary legislation would not of course have to wait so long, but they should not have to wait at all; they could be made now rather than waiting for the conclusion of the Review. In July the Clerk to the Select Committee sent to your officials a list of the Committee’s main recommendations, showing how most of them could be implemented without primary legislation, and so in months rather than years. I attach a copy.

You yourself have power to make regulations implementing four of the most important recommendations. I am glad to see that you intend to raise the minimum age for buying national lottery products, but disappointed that this will be delayed until October 2021,

since Camelot states in a press notice that it can complete the necessary work “well in advance of the change in the law”. Surely the change in the law can be brought forward.

On loot boxes, the further consultation has now concluded, no doubt with yet more evidence confirming the need for regulation, yet all you said in your statement was that “further action will be taken, on recommendations, by the government”. Surely now is the time to make regulations classifying loot boxes as games of chance, so that they can be regulated by the Gambling Commission.

You give as a reason for not implementing the mandatory levy that the operators have increased the amount they pay voluntarily for research, education and treatment. I will not repeat the reasons set out in our report, and indeed in a number of parliamentary debates, explaining why voluntary donations are inadequate. The Gambling Commission has repeatedly recommended that you should exercise the statutory power you were expressly given for this purpose.

Advertising is the fourth matter you have power to regulate, and perhaps the most important. You say, as do the industry, that you have not seen evidence of a causative link between exposure to operator logos and problem gambling. Only the industry have the data to show which types of advertising are most successful at targeting which groups. But advertising plainly increases gambling – why else would the industry spend £1.5 billion a year on it? Surely it makes sense for you to use your existing powers to curb those forms of advertising which are most likely to be seen by children and young people.

There are three matters on which I hope I will be able to have your assurance.

First, while it is quite possible that some members of the former Select Committee will reply to your call for evidence, the Select Committee of course cannot. I would be grateful for your assurance that the recommendations of our report, and the reasons for them, will be treated as part of the evidence you receive when you come to formulate Government policy.

Secondly, I would be grateful for the same assurance in relation to the written and oral evidence the Select Committee received, all of which is on the Committee’s website. Much of this evidence will be repeated, but some will not. For example, in oral evidence the then CEO of GVC conceded that affiliates should be licensed in the same way as operators. I would not expect this concession to be repeated in evidence to the Government. Despite what you say, I would not expect the licensing of affiliates in any way to reduce operator accountability.

Lastly, I hope you will not just allow, but encourage, the Gambling Commission to continue to make changes to the licensing conditions and codes of practice in relation to all the matters raised in our report which fall within their responsibility. I have in mind in particular their work on affordability and on VIP schemes. Some people call for the Commission to be abolished and replaced by another regulatory body. As you know, this is not a view shared by the Select Committee. We feel that over the last three years it has made increasingly good use of its powers; it should be supported and encouraged, and given the necessary funding and resources. None of the Commission’s current work should be put on hold simply because the Government is reviewing its policies.

I am sending a copy of this letter to Neil McArthur at the Gambling Commission.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Lord Grade', with a long horizontal flourish extending to the left.

Lord Grade of Yarmouth
Chair of the Select Committee on the Social and Economic Impact of the Gambling Industry