



Department for
Digital, Culture
Media & Sport

Nigel Huddleston MP
Parliamentary Under Secretary of State
for Sport, Tourism and Heritage
4th Floor
100 Parliament Street
London SW1A 2BQ

www.gov.uk/dcms
enquiries@dcms.gov.uk

Lord Grade of Yarmouth
House of Lords
London
SW1A 0PW

INT2020/28610/DC
21 December 2020

Dear Lord Grade,

Thank you for your letter of 11 December regarding the publication of the government's response to your Committee and the Terms of Reference and Call for Evidence of the Gambling Act Review.

I appreciate your desire to see the government take action on issues you have identified as priorities. Making sure we have the right protections in place for the safety of children and vulnerable people remains an essential priority for the government. We and the Gambling Commission have acted repeatedly this year to strengthen protections, including banning gambling using a credit card, mandating integration with GAMSTOP, and introducing new requirements on operators for customer interactions and monitoring during Covid-19. Since the publication of your Committee's report in July, we have completed a bespoke call for evidence on loot boxes, introduced strict new rules on VIP schemes, and completed a consultation on new rules for online game design and reverse withdrawals which will be announced early next year. The Commission's challenge to industry on using advertising technology to actively target online adverts away from children and vulnerable people resulted in changes to the Gambling Industry Code for Socially Responsible Advertising in October, and in November BACTA announced that it will prevent under 18's accessing cash payout category D slot machines.

I can reassure you that this energy will continue while we progress the wider Review. The Gambling Commission recently launched a consultation and Call for Evidence on customer interaction requirements including robust affordability checks, and the Advertising Standards Authority is currently consulting on changes to gambling advertising content rules to minimise the potential for them to appeal to children and vulnerable people. We are also considering proposals for an uplift in the Gambling Commission's fees, to make sure they have the resources they need. None of this work to better protect customers is being put on hold pending the outcome of the Review.

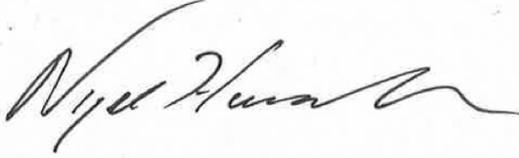
You are correct that many of the recommendations made by your Committee could be made without primary legislation, although some – including changes to bring loot boxes within scope of gambling regulation by defining their contents as money or money's worth – cannot be achieved through secondary legislation and would require the Gambling Act 2005 or other legislation to be amended should we decide to take them forward. Having read the Terms of Reference published alongside our Call for Evidence, you will know that we are embarking on the most comprehensive review of gambling regulation for the past 15 years. It is vital not only that we consider all available and relevant evidence, but that we consider these issues in the round. This Review is a chance for us to make sure that we have the right regulation in place to put the gambling sector on the best footing for the next generation, and we are committed to getting it right by taking a considered and coherent approach.

In considering the minimum age for playing the National Lottery, we have been keen to strike a balance between making this change quickly and giving businesses the time they need to ensure a smooth transition. In the consultation document published in July 2019, the government indicated that it would introduce these reforms at the start of the next licence in 2023. I have committed to bringing this forward significantly, with legislation coming into force in October 2021, and by working with the Gambling Commission and Camelot to act sooner where possible. To that end, I am pleased that they are aiming to complete all of the changes that are needed for online channels by April 2021.

However, the sale of National Lottery products in retailers is a hugely complex operation. This change will affect over 44,000 retailers. The Better Regulation Framework recommends that regulation affecting businesses should come into force on one of two common commencement dates; 6th April or 1st October. From consultation responses and discussions with the operator, it is clear that the 6th April is too soon to deliver this change effectively. On that basis, the legislative change will come into force on 1st October, however we intend for this to be the final backstop at which changes will be introduced. Where changes can be brought in sooner, I expect the operator to do so and I am pleased that the operator is planning to introduce changes in the retail sector over the course of the summer. I believe the government's approach recognises the need to act quickly, whilst ensuring that sufficient time is available for these changes to be implemented smoothly.

I am happy to assure you that the evidence your Committee received and the thorough and thought provoking report it produced will be an essential contribution to the evidence that informs the Gambling Act Review, and I remain grateful to you and your Committee for your work to collect and produce them.

Kind regards,

A handwritten signature in black ink, appearing to read 'Nigel Huddleston', is centered on the page. The signature is fluid and cursive, with a long horizontal stroke at the end.

Nigel Huddleston MP
Parliamentary Under Secretary of State for Sport, Tourism and Heritage