Minutes of the third evidence session of the Commission on Crime and Problem Gambling

Thursday 24 September 2020
Meeting held virtually on Zoom, 2:00-3:30pm

Present: Peter Goldsmith (Chair), Jamie Bennett, Matt Burton, Henrietta Bowden-Jones, John Chisolm, Jon Collins, Frances Crook, Elizabeth Morony, Andrew Neilson, Neil Platt, Sarah Ramanauskas, Norma Stephenson, Sue Wade,

Apologies: Andrew Black, Gerda Reith

In attendance: Gemma Buckland, Helen Churcher, Anita Dockley, Laura Janes, Robert Preece, Siham Wootton, Catryn Yousefi

Witness: Lord Chadlington

1. Chair’s introduction

The Chair welcomed Commissioners and gave apologies of those unable to attend. The Chair explained how the virtual session would work – as in the previous virtual session, Commissioners would have their video on, but be muted, and use the ‘Hands’ icon to indicate that they would like to speak.

The Chair informed Commissioners that the evidence session would be recorded for internal use.

2. Briefing session

The Chair explained to Commissioners that Lord Chadlington would attend the meeting at 2:15pm for approximately one hour (15-minute presentation followed by time for questions). The Chair reminded Commissioners of the briefing paper that they had received in advance and that questions had been allocated. The Chair confirmed that Commissioners were happy with their allocated questions - they agreed.

The Chair explained that he would introduce Lord Chadlington and invite him to speak, then invite Commissioners to ask their allocated questions. The Chair noted that supplementary questions may arise and encouraged Commissioners to follow up on these.

The Chair invited Howard League staff to share the hopes and aims for the session. Frances Crook noted Lord Chadlington’s vocal commitment to the issue in Parliament and his notable standing and connections.
3. Lord Chadlington welcome

Lord Chadlington joined meeting at 14:15 and was greeted by the Chair.

4. Lord Chadlington oral evidence session

Lord Chadlington thanked the Chair and expressed delight at the opportunity to give evidence to the Commission. Lord Chadlington outlined the structure of his presentation - he would explain how he became involved in gambling issues and what these issues now are, concluding with three immediate steps that government could take.

Lord Chadlington’s initial interest in gambling came from a marketing point of view. Viewing sport on TV exposed him to gambling advertising and a subsequent realisation of the scale of the problem, whereby gambling was being normalised. As a self-proclaimed addictive personality, Lord Chadlington recognised the risks and practices care in his personal and working life. Rather than being anti-gambling, he is pro-gambling which is legislated appropriately and protects the young and vulnerable. He draws similarities between behavioural change and marketing in reducing smoking and current gambling levels.

Extant legislation (2005 Gambling Act) is irrelevant, due to the proliferation of online gambling (20% internet penetration, increasing to 90% now), and use of mobile phones (both vastly increase an individual’s opportunities to gamble, and readily give details to providers). An awareness of the dangers of gaming followed, in which online games for young children have gambling overtones (e.g. loot boxes). Gaming produces a mental pathway which is very similar to gambling activity and Lord Chadlington is concerned about this link.

Lord Chadlington began campaigning at the House of Lords but found barriers - recent campaigns were very much anti-gambling and other politicians were disinterested. Visits to Henrietta Bowden-Jones’ clinic inspired interest among other politicians (Jeremy Hunt, Matt Hancock). A series of roundtables with the Secretaries of State for Health and DCMS inspired thinking about long term health plans and gambling clinics.

Engaging with the industry, Lord Chadlington identified a level of concern from within about what the industry was producing. Markers of harm were being developed and companies were conscious of their social responsibility.

Lord Chadlington asked the Secretary of State to broker a deal, to bring in the chief executives of the industry to discuss a voluntary 1% levy for research education and treatment. Lord Chadlington felt that it was taking too long for government to take action.

Industry contributions increased from £13million to £130million per year. Lord Chadlington set up a charity Action Against Gambling Harms (AAGH) to administer the money independently. However, the money was given to GambleAware to
distribute. This illustrated a key problem - the need for completely independent, high quality research which is not seen to be funded by gambling companies themselves.

Lord Chadlington highlighted a need for independent, longitudinal research (5-10-year studies), exploring the current and future situation by sector, demographic etc. Lord Chadlington estimated the cost of such research to be less than £10 million (so, not a large expense in his view). Specialist areas of research that Lord Chadlington is interested in include:

- The relationship between gaming and gambling
- The relationship between gambling and crime
- The relationship between gambling and suicide

Lord Chadlington concluded with the central argument that unless there is good research, there will not be good legislation. A barrier to research and policy on regulation and gambling related harm is the potential threat it might pose to Treasury income. The industry are large contributors to the Treasury, and things that threaten income are low priority, particularly in the context of Covid.

Lord Chadlington identified three things that the government could act on now:

- Start the review of 2005 Act now
- Allocate £20 million to conduct independent research (streams discussed above). It should address longitudinal and sectoral themes, providing roots for legislation
- Develop an independent educational plan for all schools and universities as part of PSHE/well-being curriculums.

Lord Chadlington concluded with the following suggestions to the Commission:

- Be pointed in recommendations/aims to ensure quick results
- Don’t focus on raising the levy, as companies are committed to this.

5. Questions from Commissioners

The Chair thanked Lord Chadlington and opened the floor for questions.

The Chair asked the following question:

You recently chaired a committee that was tasked by several gambling companies to make recommendations about the deployment of funding for safer gambling initiatives, including treatment for problem gambling. Did the committee draw any conclusions about how best to administer funding for research, education and treatment for problem gambling-related crime?

Lord Chadlington explained that gambling companies supported the recommendation that an independent charity should administer the funds. The World Health Organisation were also supportive, noting that it was the best model that they had seen for administering industry raised funds (this meeting took place in February and Henrietta Bowden-Jones was also present). However, the government and the industry ultimately didn’t agree. Lord Chadlington argued that funds must be administered independently otherwise researchers will not accept any money.
In order to regulate and legislate, the government requires research that is pristine and scientifically strong. Lessons can be drawn from anti-smoking campaigns, where the industry already had the research and knew the facts (necessary for marketing etc).

**The Chair asked the following question:**
*Several large gambling operators have committed to increase their contribution to safer gambling measures. Is this contribution sufficient, in your view? What further steps, if any, would you like to see the operators taking to reduce problem gambling-related crime in particular?*

Lord Chadlington responded that the money raised by the levy is sufficient, and the industry have undertaken to provide it. However, questions arise around the ability of chosen organisations to distribute the money.

**Norma Stephenson asked the following question:**
*What model of funding would you propose to increase research, education and treatment for gambling-related crime?*

Lord Chadlington estimate the following funding streams, allocated from a £130 million annual pot:
- £50 million spent annually on treatment
  - Need to ensure clinics are staffed with the right people
  - Need to be careful not to overestimate pace at which treatment can be absorbed
  - Need to learn from previous experiences to improve quality of services
- £50 million spent annually on education
- £15 million spent annually on research into criminal behaviour
  - Noted the Chair’s point about a shortage of existing material and that AAGH are working to assimilate international research
- £30 million spent annually on research

**Henrietta Bowden-Jones asked the following question:**
*What do you see as the challenges for treatment providers in accepting funding directly from gambling companies?*

Henrietta Bowden Jones noted that world-class researchers will not accept money direct from the industry (the experience of the Cambridge research group on behavioural addictions illustrates this).

Lord Chadlington drew comparisons between treatment and research, agreeing that researchers would not accept money from non-independent sources. He alluded to occasions where the industry has tried to influenced research and where researchers have been concerned about the origins and impartiality of funding sources. Regarding treatment, Lord Chadlington explained that the NHS can do treatment independently. What is needed is a strategy to ‘cleanse’ money raised from the industry.
Lord Chadlington explained that the 1% levy is a hypothecated tax which gets used by government when there’s something that’s more important. This money is still coming from the gambling industry but administered via the government (so, not totally independent).

**The Chair asked the following question:**

*Do you believe that the NHS should be responsible for funding treatment for people who have committed gambling-related offences and who are in contact with the criminal justice system?*

Lord Chadlington would like to see a matched funding scheme, with money coming from both the NHS and the industry, to be administered by an independent body. Lord Chadlington noted that Henrietta Bowden-Jones has done a fantastic job and has pioneered treatment methods. Lord Chadlington wants to ensure that, with NHS help, we have excellent treatment. He suggests setting a 5-year plan that stipulates having as many problem gamblers in treatment as there are problem drinkers… 17% as opposed to 2%.

**Jon Collins asked the following question:**

*You have called for more research into problem gambling, noting that the scale of the issue does not resonate with existing research. Do you have any suggestions about gaps in research on gambling-related crime in particular?*

Lord Chadlington highlighted a problem whereby there is a tendency to attribute harms and negative outcomes directly to gambling. There are, however, lots of other contributing factors. He pointed to levels of debt which are at an all-time high as one contributing factor. We should seek to ascertain what other factors lead to the committal of crimes. Contributing factors will help us to better to understand particular a problem or situation.

The Chair noted that this would be of interest to magistrates. Lord Chadlington agreed, and pointed to other contributing factors such as family, mental health and discipline.

**Jamie Bennett asked the following question:**

*You commented in the Financial Times in 2019 that gambling legislation is so outdated it is “not fit for purpose”. What revisions would you propose to the Gambling Act to address this? Do any of them relate to gambling-related crime?*

Lord Chadlington agreed that current legislation is not fit for purpose. He firstly noted the role of the internet (dark web, organised crime etc. The Home Secretary is looking at this closely). Whilst there was almost no online gambling in 2005, it now constitutes the vast majority. Online gambling is dangerous as it can be done in private spaces, were it becomes intertwined with the personal (e.g. seeing seductive adverts when worrying about a debt at home). A second issue is advertising, for example pre-watershed or personalised promotion. Lord Chadlington noted that a big factor in making the decision to break an addictive habit is a break in exposure - this is very difficult to achieve with online gambling and a mobile phone.
Sarah Ramanauskas asked the following question:
You also said in that article and in Parliamentary debates that tighter regulation is required. What further regulation of the gambling industry would you like to see which would reduce problem gambling and crime? Should this be achieved through legislation or other means?

Sarah Ramanauskas noted that licensing companies are not allowed to create advertise for certain types of bets. She noted the difference between legislation versus regulation.

Lord Chadlington noted that it is essential that we have a regulator that is not concerned with the distribution of money. He highlighted the need for an independent regulator with no connections to gambling companies at all (the Gambling Commission and GambleAware are currently dealing with such reputations). We need another regulation system that absorbs the fines that are raised. The levy must be administered independently and this would clarify a lot of the problems which are perceived to exist.

Sarah Ramanauskas noted that she has struggled to get transparency around the fines and is not entirely sure where all the money has gone.

Lord Chadlington agreed that in addition to questions over the destination of funds, the monitoring and evaluation is insufficient.

Elizabeth Morony asked the following question:
Do you have any intentions for your charity AAGH to undertake any work on problem gambling and crime?

Lord Chadlington answered that AAGH would like to do that but must now compete for funds as the money has been given to GambleAware to administer. New executive staff and trustees have been appointed. AAGH’s role is to ensure that the money is clean and to illustrate to researchers that the money is ‘no strings attached’.

Lord Chadlington is interested in the relationship between gambling and crime; and wants to hear from those who believe gambling led them to commit crime and other contributing factors. When visiting prisons (having worked previously with the Howard League), Lord Chadlington noted that gambling was mentioned anecdotally, but that it wasn’t the sole driving force behind offending and that there were other factors.

John Chisholm asked the following question:
Can tell us what you think our Commission should focus on and what contribution it should aim to make at the end of its three years?

Lord Chadlington explained that a common problem with parliamentary committee reports is the tendency to provide smorgasbord of recommendations and not highlight priorities. Lord Chadlington encouraged Commissioners to choose one or two priority recommendations to put forth. Commissioners should work together to consider the most important recommendation that the Commission can make and
develop a campaigning slogan. Journalist engagement and the timing of publicity is also key (e.g. a slot on Andrew Marr’s Sunday programme would provide great coverage).

**The Chair asked the following question on behalf of Andrew Black:**
*There is a difference between betting on sport and horseracing, which typically have social and analytical elements; and gambling on online casinos and slot machines, which are more compulsive and typically do not have such elements. Do you think that these different types of gambling should be subject to different regulation and taxation?*

Lord Chadlington agreed that they should be subject to different regulation. In sport, the rules are understood and it’s difficult to fiddle results. This is completely different to casino gambling, and even more so online gambling.

**The Chair asked the following question on behalf of Andrew Black:**
*Should the government do more to limit online gambling in the UK with offshore operators who do not pay tax?*

Lord Chadlington noted that this is a key problem. People set up offshore gambling companies, at which customers lose lots of money. Customers are unable to get their money back, as such companies can quickly close and move. Regulation is the issue here - in the UK, the Gambling Commission has ultimate power to take away a company’s license. Lord Chadlington would seek much tougher rules regarding licencing and would prevent overseas companies being able to market goods/provide services. It is important that customers have recourse to take if they are not treated fairly. We need something that enables complaints and action to follow if you find you have been treated badly by a gambling company. It doesn’t yet exist anywhere in the UK system but did come up with WHO as something of importance.

Lord Chadlington discussed markers of harm, which the industry uses to identify level of risk. Credit card usage used to be one of these markers of harm (illustrating that an individual is gambling beyond their means). The government’s decision to ban the use of credit cards in online gambling is laudable but ill-advised as it removes a marker of harm.

**Neil Platt asked the following question:**
*With your work with Action Against Gambling Harms and in particular the charity Gambling with Lives, have you seen any evidence linking gambling related criminality and suicides?*

Neil Platt noted that he is the lead on one of largest suicide bereavement programmes and shares Lord Chadlington’s view on the complexity of causal factors in suicides

Lord Chadlington noted the nature of behaviour change in young men who gamble. Gambling can induce uncharacteristic behaviour which could include criminality, ‘immorality’, or even suicide. Lord Chadlington shared an anecdote about a young man who had committed suicide, not because of debt, but because of a big win.
Following a 4-day gambling binge and winning spree, he realised he could not control his addiction.

Uncharacteristic behaviour patterns follow the realisation of a loss of control. Lord Chadlington noted the dopamine effect. Suicides related to gambling often do not have warning signs. It becomes private and secret, and families are left feeling that there was nothing they could do to help, and no support options available.

Lord Chadlington noted that one plank of the educational programme should be to educate GPs- they currently do not know the right questions to ask, or how to help someone with a gambling addiction.

The Chair closed the evidence session, thanking Lord Chadlington and his colleague Siham Wootton.

6. Debrief

The Chair opened the debrief.

Frances Crook praised the session and informed Commissioners that minutes would be circulated. She noted that Lord Chadlington made good practical suggestions for the Commission to consider.

Frances Crook suggested that the Commission could have several focal points/singular recommendations throughout its course. These could arise from each piece of research. The Commission would be able to generate focused but frequent media attention in this way.

7. AOB

There was no further business. The Chair praised the session and closed the meeting.

8. Dates of next meetings

**Thursday 29 October 2020** - Carolyn Harris MP and Sir Iain Duncan Smith MP

**Thursday 26 November 2020** - Paul Buck (Chief Executive, EPIC Risk Management), Rebecca Jones (lived experience family member) and Stephen Ramsey (expert by experience)

Minutes agreed by the Chair on 12 October 2020