

Research Briefing

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Gambling white paper: A reading list

1	Background	2
1.1	The Gambling Act review (December 2020)	2
1.2	The gambling white paper (April 2023)	3
2	Select committee publications	8
3	Stakeholder comment	8
4	Media and blogs	9

1 Background

The [Gambling Act 2005](#) regulates gambling in Great Britain. It is underpinned by three licensing objectives:

- preventing gambling from being a source of crime or disorder, being associated with crime or disorder, or being used to support crime.
- ensuring that gambling is conducted in a fair and open way.
- protecting children and other vulnerable persons from being harmed or exploited by gambling.

An [operating licence](#), issued by the [Gambling Commission](#), is required to provide gambling facilities to consumers. Requirements for licensees are set out in the Commission's [Licence Conditions and Codes of Practice](#) (September 2022). Where an individual or company uses premises to offer gambling, a [premises licence](#) will also be needed. These are issued by licensing authorities. The Commission has issued [guidance to licensing authorities](#) (April 2023). Details of the Commission's [regulatory powers](#) and [enforcement action](#) are available online.

In April 2023, the Government published the white paper: [High stakes: gambling reform for the digital age](#). It includes plans to update gambling rules and regulations to protect vulnerable people.

This briefing discusses the background to the white paper and its proposals, followed by related select committee publications, stakeholder commentary and media articles.

1.1 The Gambling Act review (December 2020)

The Government published a [Gambling Act review](#) on 8 December 2020.¹ Its purpose was to examine whether the 2005 Act provided the right “balance of regulation” in the digital age.

The review noted concerns that too many people were “still experiencing significant harm” when gambling. There was therefore a need to look at whether “further protections” were needed to prevent the exploitation of vulnerable people. At the same time, the review wanted to respect the freedom of adults to choose how they spend their money, and the “value of a responsible industry which protects players, provides jobs and pays taxes”. The review focused on:

¹ DCMS, [Review of the Gambling Act 2005 Terms of Reference and Call for Evidence](#), 8 December 2020 (accessed 2 June 2023)

- the protection of online gamblers, including rules to minimise the risks associated with online products and the use of technology to support harm prevention.
- the impacts of the advertising and marketing of gambling products and brands.
- the Gambling Commission's powers and resources.
- the availability and suitability of redress arrangements for individual customers who feel they have been treated unfairly by gambling operators.
- children's access to Category D slot machines, the effectiveness of age controls, protections for young adults, and the age limit for society lotteries.
- changes to the land-based sector introduced under the 2005 Act, particularly for casinos, and whether they were still appropriate.

A call for evidence on the review closed on 31 March 2021.

1.2 The gambling white paper (April 2023)

There were around 16,000 responses to the Gambling Act review. The Government originally planned to issue its response by the end of 2021,² but the [gambling white paper](#) was published on 27 April 2023. In a statement to the House of Commons, [Lucy Frazer, the Secretary of State for Culture, Media and Sport, observed that smartphones had “transformed” gambling](#) and that the temptation to gamble was “everywhere”. While the “overwhelming majority” of gambling was done safely and within people’s means”, for some it could lead to addiction and “shattered families; lost jobs; foreclosed homes; jail time; suicide”.³

Lucy Frazer said the white paper would update gambling rules and regulations to “protect the most vulnerable while also allowing everyone else to enjoy gambling without harm”.⁴ It sets out proposals for reform in six areas, summarised below. Further background and detail is given in the white paper.

² [PQ 16165 \[on the Gambling Act review\]](#), answered 22 June 2021

³ [HC Deb 27 April 2023 c941](#)

⁴ [HC Deb 27 April 2023 c943](#)

Online protections

The white paper notes that some elements and products of online gambling are associated with an “elevated risk of harm”.⁵ However, it says that technological developments also offer new opportunities to protect players. The Government’s proposals on online gambling include the following:

Account level protections

The Gambling Commission will consult on new obligations requiring operators to check if a customer’s gambling was likely to be harmful in the context of their financial circumstances. There would be “unintrusive checks” at moderate levels of spend, to check for financial vulnerability indicators – the white paper proposes that these should take place at £125 net loss within a month or £500 within a year.

A more detailed consideration of a customer’s financial position would take place at higher levels of spend, with a proposed threshold of £1,000 net loss within 24 hours or £2,000 within 90 days. The triggers for enhanced checks would be halved for those aged 18 to 24.

Safer games

The Gambling Commission will review and consult on updating design rules for online products. There will also be consultations on:

- a maximum stake limit for online slots games of between £2 and £15.
- a stake limit of £2 or £4 per spin for online slots for those aged 18 to 24.⁶

Marketing and advertising

According to the white paper, there is “good evidence” that advertising can have a “disproportionate impact” on people who already have problems with their gambling.⁷ In addition, some forms of online advertising have a strong appeal to those under 18. While the Government welcomed industry initiatives, it said these did not go far enough. The white paper therefore sets out proposals for:

- the Gambling Commission to review incentives such as free bets and bonuses to ensure they are constructed and targeted in a socially responsible manner.

⁵ DCMS, [High stakes: gambling reform for the digital age](#), 27 April 2023, Online protections – players and products

⁶ As above

⁷ As above, [Marketing and advertising](#)

- the Commission to continue to monitor practices around online VIP⁸ schemes to make sure they are not used to exploit at-risk gamblers.
- the Commission to work to strengthen consent for direct marketing for online gambling, with new and existing customers given more choice on what offers they want (including requiring consent to ‘cross-selling’ new products) and how marketing is sent to them.
- DCMS to work with the Department of Health and Social Care and the Gambling Commission to develop a new, evidence-based model for independently developed safer gambling messages.⁹

Gambling Commission’s powers and resources

To ensure the Gambling Commission has the powers and resources to meet challenges such as the black market or “boundary pushing products” the white paper proposes, among other things:

- a review of the Commission’s licence fees and giving it greater power to set its own fees.
- introducing a statutory levy paid by operators and collected by the Commission. This would fund research, education, and treatment.
- enhancing the Commission’s business disruption capabilities by legislating to give it powers to require internet service providers (ISPs) and payment providers to stop providing their services to black market websites.¹⁰

Dispute resolution and consumer redress

The white paper points out that, between alternative dispute resolution (ADR) providers and the Gambling Commission’s contact centre, around 2,000 customer complaints each year relate to social responsibility, gambling harm and safer gambling. Adjudicating these is out of scope of ADR provision.¹¹ Moreover, even if a Commission investigation into an operator finds social responsibility failings, the Commission cannot require it to refund money to customers. This means the only way for consumers to seek compensation is through costly and time-consuming court action.

The white paper sets out plans for the Government to work with industry and stakeholders to create an independent gambling ombudsman. This would

⁸ High Value Customers (HVCs), also labelled as Very Important Person (VIPs), are customers identified as being of high commercial value to licensees. These customers are provided with enhanced customer service unavailable to the wider customer base.

⁹ DCMS, [High stakes: gambling reform for the digital age](#). Marketing and advertising

¹⁰ As above, [The Gambling Commission’s powers and resources](#)

¹¹ Alternative dispute resolution providers are not generally able to accept and rule on cases that relate to an operator’s failings against the social responsibility code or licence conditions set by the Gambling Commission – see [para 49 of the Gambling Act review](#)

adjudicate complaints relating to social responsibility or gambling harm where an operator has not been able to resolve them. The Government expects the ombudsman to be established within a year. If this approach failed, the Government would legislate to create a statutory ombudsman.¹²

Children and young adults

The white paper states that safeguarding children from gambling-related harm is a priority. While most forms of licensed gambling are illegal for under 18s, and there are requirements to make sure children cannot access gambling in person or online, children and young adults (those aged 18 to 24) remain "particularly susceptible to harm". To further protect these groups, the Government would, among other things:

- legislate so that those aged 16 and 17 cannot access the products of [society lotteries](#) and football pools operators.
- legislate to increase the minimum age to play cash-payout [Category D slot machines](#) to 18 years.
- challenge on-course bookmakers and alcohol licensed premises, which both have low [test purchasing](#) pass rates for underage gambling, to urgently improve age verification measures.
- legislate to strengthen licensing authorities' powers in alcohol licensed premises by making provisions within the Gambling Commission's code of practice binding.¹³

Land-based gambling

The white paper notes that the 2005 Act set out restrictions based on the assumption that restrictions on supply (for example, casino numbers and gaming machine availability) were an important protection.¹⁴

However, with technological developments and the availability of online gambling, the characteristics of gambling products, and the quality of monitoring, had assumed greater importance. The white paper proposes resetting the regulation of land-based gambling while maintaining or strengthening safeguards to protect vulnerable groups and communities from gambling harm.¹⁵

Casinos

Current casino licences originate from two legislative regimes. The Gaming Act 1968 restricted casinos to "permitted areas" based on population density

¹² DCMS, [High stakes: gambling reform for the digital age](#). Dispute resolution and customer redress

¹³ As above, [Children and young adults](#)

¹⁴ The Gambling Commission's website [summarises gaming machine categories, stake and prize limits, and permitted locations](#) (accessed 2 June 2023)

¹⁵ DCMS, [High stakes: gambling reform for the digital age](#). Land-based gambling

and seaside resorts. The 2005 Act introduced large and small casinos. These were intended to be destination venues, with a wider range of activities to attract tourism and investment into areas in need of regeneration. When the 2005 Act was passed, licensees under the 1968 Act could apply to convert those permissions into premises licences under the 2005 Act. The white paper summarises the current restrictions on casinos:

...1968 Act casinos are limited to 20 gaming machines only, regardless of size, unless they restrict themselves to lower stakes machines only. The cap is higher for 2005 Act casinos — 80 for Small and 150 for Large. These limits apply where any machines offered are Category B. Nearly all machines in casinos are Category B1, which has a maximum stake of £5 and is restricted to casinos only.

The 2005 Act casinos are also subject to minimum overall and non-gaming space requirements which were introduced alongside a ratio of machines to tables aimed at ensuring a balanced offer of different products. The new space requirements were also expected to encourage customers to have breaks in play. Betting was permitted in all 2005 Act casinos, and bingo was also permitted in Large ones. The 2005 Act licences (8 Large and 8 Small) were allocated by a Casino Advisory Panel following bids from local authorities. A regional casino, which could have 1000+ machines with unlimited stakes and prizes, was provided for in the Act but the secondary legislation never passed.¹⁶

The white paper proposes:

- allowing some larger 1968 Act casinos to increase their gaming machine entitlement from 20 to 80 machines (at machine to table ratio of 5:1).
- permitting casinos to offer sports betting.
- taking steps to “free up” dormant 2005 Act casino licences and reallocate these licences to other local authority areas.
- permitting high-end casinos to offer credit facilities to attract “high rollers” non-UK residents. Credit would be subject to financial risk and anti-money laundering checks.
- consulting on the introduction of cashless payments in casinos.
- allowing smaller 1968 Act casinos which do not meet the size requirements to benefit from extra machines on a pro rata basis commensurate with their size and non-gambling space, and subject to the same machine to table ratios.¹⁷

Gaming products in bingo premises

The paper’s proposals on gaming machines and products in licensed bingo premises include:

- adjusting the 80:20 ratio which governs the balance of Category B and C and D machines in bingo and arcade venues to 50:50, to ensure that

¹⁶ As above

¹⁷ As above

businesses can offer customers choice and flexibility while maintaining a balanced offer of gambling products.

- legislating to allow specific proposals for new machine games to be tested within planned industry pilots under certain conditions and involving the Gambling Commission.
- legislating to allow trials of linked gaming machines in venues other than casinos, where prizes could accrue from machines linked in a community.
- examining the legislative options and conditions under which licensed bingo premises might be permitted to offer side bets in a more flexible or expanded form within a defined set of parameters and with rules to reduce the risk of harm.¹⁸

The remaining sections of this briefing provide a selection of media coverage, stakeholder responses and other material relevant to the white paper.

2

Select committee publications

Culture, Media and Sport Committee, [Gambling white paper: Comment from CMS Committee acting Chair Damian Green MP](#), 27 April 2023

Select Committee on the Social and Economic Impact of the Gambling Industry, [Gambling harm - time for action](#) (PDF), HL Paper 79, July 2020

Department for Digital, Culture, Media and Sport, [Government response to the House of Lords Gambling Industry Committee Report](#), December 2020

3

Stakeholder comment

[Our plans for implementation of the Gambling Act Review white Paper](#), Gambling Commission blog, 3 May 2023 (accessed 1 June 2023)

[Our response to the Government's gambling white paper](#), British Association for Counselling and Psychotherapy news [online], 28 April 2023 (accessed 1 June 2023)

[UKHospitality comment on Government publication of white paper response to Gambling Act 2005](#), UKHospitality news [online], 28 April 2023 (accessed 1 June 2023)

¹⁸ As above

[BGC welcome Government gambling white paper](#), Betting and Gambling Council news [online], 27 April 2023 (accessed 1 June 2023)

[AA Comment on the Government's gambling white paper](#), Advertising Association statement [online], 27 April 2023 (accessed 1 June 2023)

[BHA statement following the publication of the Gambling Act white paper](#), British Horseracing Authority statement [online], 27 April 2023 (accessed 1 June 2023)

[Gambling Commission publishes Gambling Act review advice](#), Gambling Commission press release [online], 27 April 2023 (accessed 1 June 2023)

[GambleAware response to the gambling white paper](#), GambleAware news [online], 27 April 2023 (accessed 1 June 2023)

[Gambling Act white paper: what you need to know : Keystone Law](#), Keystone Law keynotes [online], 27 April 2023 (accessed 1 June 2023)

[Gambling Act white paper - reform for the digital age](#), DLA Piper blog, 27 April 2023 (accessed 1 June 2023)

[What are the government's gambling reform plans?](#), CARE news [online], 27 April 2023 (accessed 1 June 2023)

[NHS response to gambling white paper](#), NHS England news [online], 27 April 2023 (accessed 1 June 2023)

[Gambling white paper: GamCare's initial response](#), GamCare news and blog, 27 April 2023 (accessed 1 June 2023)

4 Media and blogs

[Gambling white paper: online protections – stake limits, design standards, single customer view, and much more](#), CMS Law-Now eAlert [online], 30 May 2023 (accessed 1 June 2023)

[The gambling review white paper – the devil will be in the consultations](#), CMS Law-Now eAlert [online], 12 May 2023 (accessed 1 June 2023)

[The wider view of the gambling white paper](#), Gambling Insider [online], 4 May 2023 (accessed 1 June 2023)

[“Hurry up and wait”, gambling white paper consultations criticised in Lords](#), iGamingBusiness [online], 4 May 2023 (accessed 1 June 2023)

[Does the gambling white paper bring major changes to protect vulnerable gamblers?](#), University of Liverpool website, 3 May 2023 (accessed 1 June 2023)

[Gambling reforms will be in force next summer, says minister](#), Times [online], 29 April 2023 (accessed 1 June 2023)

[Flutter chief angers safer gambling groups with comments on new levy](#), Financial Times [online], 29 April 2023 (accessed 1 June 2023)

[Casinos hail reforms, but share frustration over consultations](#), iGamingBusiness [online], 28 April 2023 (accessed 1 June 2023)

[Gambling needs reform, but how far should it go?](#), Telegraph [online], 28 April 2023 (accessed 1 June 2023)

[Gambling industry insiders weigh in on UK's gambling white paper](#), Casino.org [online], 28 April 2023 (accessed 1 June 2023)

[UK's gambling white paper released, delivering good and bad news to the industry](#), Casino.org [online], 27 April 2023 (accessed 1 June 2023)

[The Times view on gambling reforms: high stakes](#), Times leading article [online], 27 April 2023 (accessed 1 June 2023)

[Gambling white paper would make firms fund NHS help for addicts](#), Times [online], 27 April 2023 (accessed 1 June 2023)

[Gambling white paper: doctors and campaigners lament lack of action on advertising](#), BMJ [online], 27 April 2023 (accessed 1 June 2023)

[The Guardian view on gambling reform: fighting the British disease](#), Guardian editorial [online], 27 April 2023 (accessed 1 June 2023)

[I run NHS gambling clinics. The white paper doesn't go nearly far enough](#), Guardian opinion [online], 27 April 2023 (accessed 1 June 2023)

[What's covered in the Gambling Act white paper?](#), iGamingBusiness [online], 27 April 2023 (accessed 1 June 2023)

[Will new gambling regulation fall apart under scrutiny? You bet....](#), CapX [online], 27 April 2023 (accessed 1 June 2023)

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