



# Gambling Related Harm APPG

## Gambling Related Harm APPG Minutes

**Date:** Wednesday 4th November 2020

**Time:** 3pm

**Location:** Virtual

**Chair:** Carolyn Harris MP

**Minutes taken by:** James Olney, Interel UK

### Members Present

- Carolyn Harris MP
- Ronnie Cowan MP
- Richard Holden MP

### External Guests

- Nigel Railton – Chief Executive, Camelot
- Tiffany Trenner-Lyle – Camelot
- John White – Chief Executive, bacta
- Joseph Cullis - bacta
- Katherine Morgan – Interel Consulting UK
- Holly Ramsey – Interel Consulting UK
- James Olney – Interel Consulting UK
- Jo Lloyd – Office of Carolyn Harris MP
- Iain Fraser - Office of Ronnie Cowan MP
- Chloe Black - Office of Fiona Bruce MP
- Sophia Worringer – Office of the Rt Hon. Sir Ian Duncan Smith MP
- Sarah Swinglehurst – Office of Carolyn Harris MP

### Minutes of the Meeting 3pm – 4pm

#### **Discussion of US election and lockdown vote.**

**CAROLYN HARRIS MP** opened the meeting and explained that both herself and Richard Holden would have to leave early to vote in the Chamber – at which point **RONNIE COWAN MP** would take over the chair. **LORD FOSTER** sends his apologies. She welcomed **NIGEL RAILTON**, Chief Executive of Camelot – the operator of the National Lottery – and invited him to give evidence to the Group.

**NIGEL RAILTON** thanked the Group for inviting him and introduced himself as the Chief Executive of Camelot UK since 2017 - Camelot has been the licence Holder and operator of the National Lottery since its launch in 1994. He noted that he had appeared before the group in different circumstances before and that the National Lottery has recently been focused on getting funds together for communities across the UK to help in the fight against Covid-19.

**NIGEL RAILTON** explained that Camelot's objective as the operator of the National Lottery is to maximise returns to National Lottery Good Causes by selling products in a socially responsible way – they can only continue to support good causes if they operate responsibly.

**NIGEL RAILTON** believes that Camelot's strategy works – the National Lottery is played by 10s of millions of people in a healthy safe and enjoyable way and in the last year 39 million people played the National Lottery. The inherent risk of problem play associated with National Lottery products is low and the data supports that. He noted that - in line with the National Lottery's highly regulated status - player protection is a priority right across the business to insure that risk remains low.



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**NIGEL RAILTON** noted that he understood that the Group had been specifically at “Children and Gambling” and had heard from academics on the topic few weeks ago. He wanted to start by talking about the work Camelot does to prevent underage play, how it ensure products do not appeal to children, and to address directly the calls for the National Lottery to move to a new minimum age of 18.

**NIGEL RAILTON** said that a key focus at Camelot has always been on preventing under-16s being able to purchase and play National Lottery games. They train their retailers on how to spot potential under-age purchasers, and have a long running programme called Operation Child (running since 1998) – a mystery shopper programme that tests retailers to make sure they’re asking young people for ID upon purchase. In 91% of cases the retailer accurately asks the young person to show ID. Camelot do three visits in total – and on the third visit, if the retailer fails again, the terminal is removed. Camelot usually have a 100% pass rate on third visit and to give some context, one terminal is removed per year. The scheme operates at enormous scale – Camelot visit 11,600 shops per year – and so are testing one in four National Lottery retailers every year with high levels of compliance.

**NIGEL RAILTON** said that Camelot are always looking at getting the compliance rate higher and use rates with alcohol and cigarettes as a comparative. They believe 91% is a really good place to work up from and should provide some confidence that trained retailers are enforcing the rules correctly. He noted that Camelot have a good relationship with trading standards and share best practise. In the online environment, they use the detail provided by new registrants to carry out ID checks via Experian, which relies on a credit history. This means it’s difficult for those without a history to register – therefore it is not possible to register or play lottery games online under the age of 16, and is even difficult to register at 16 as young people are not likely to have a credit history.

**NIGEL RAILTON** explained that ensuring National Lottery products don’t particularly appeal to young people or vulnerable groups is also important – and Camelot constantly assess if there could be an appeal to young people in our product through the development process. They do not target advertising and marketing to people under 18 – and even specifically exclude them. They ensure that any advertising of products does not particularly appeal to young people in line with ASA rules.

**NIGEL RAILTON** noted that the minimum age for playing the National Lottery is 16, as set by Parliament in 1994. This is not something that Camelot can unilaterally change though they know that the Government is looking at this. Whilst they do not see many young people at 16 or 17 playing the National Lottery – and noted that DCMS say there is no current evidence of a significant risk of harm to 16 or 17 year olds, - Camelot have been very clear that if the Government wants to raise the minimum age to 18 in a precautionary way that they will support that and will implement it, as soon as they’re instructed to do so. He does think it’s appropriate to look at this now – time has moved on since the National Lottery was launched in 1994 and on Camelot’s side they’ve been looking at practical measures and have a plan to implement this when necessary.

**NIGEL RAILTON** concluded by saying that Camelot recognise that because of the National Lottery’s scale they must do everything they can to reduce consumer harm where possible - even though they recognise that the inherent risk of problem play associated with the National Lottery is low. Fundamentally, their responsibilities and their scale mean they must do everything they can to prevent under-age and excessive play as best as they can - which requires constant learning and review.

**CAROLYN HARRIS MP** thanked **NIGEL RAILTON** for his evidence and noted that she recalled to origins of the national lottery as a televised draw once a week. She asked when the National Lottery moved away from that kind of wholesome participation intended to support local charities to massive online presence pushing instant win games. She asked why the shift had occurred – was it motivated by profit?

**NIGEL RAILTON** replied that the National Lottery as an institution has to keep up with consumer trends and the market - that the environment has moved on significantly since 1994 - otherwise sales and Good Cause returns would be very low. He believes that the National Lottery is very distinct from gambling and that customers do want higher draw frequencies, more immediate wins. Fundamentally, the National Lottery generates £30million a week for Good Causes – and that wouldn’t be possible if they hadn’t kept up with the market.

**NIGEL RAILTON** explained that the difference between the National Lottery and the gambling sector is that social responsibility and responsible play has always been at the heart of how they operate the business. He recalled at his last appearance before the APPG, credit cards were mentioned – the National Lottery has never taken credit cards. He noted that anyone who plays online has their identity checked via Experian. At a retail level, last year Camelot



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trained 44,000 retailers to look for excessive play, and their underage programme has been running since 1998. He noted that though the National Lottery is different, its purpose remains the same.

**CAROLYN HARRIS MP** noted that **NIGEL** mentioned £30million was generated a week for Good Causes and asked how much profit Camelot makes in a week?

**NIGEL RAILTON** said about £1.5million, but also noted that Camelot had invested about £300million in this license period.

**CAROLYN HARRIS MP** noted his mention of training high-street retailers to identify underage players - are Camelot putting the same protections into practise online? What is the justification for pushing online products to young people who cannot afford them.

**NIGEL RAILTON** offered facts to put National Lottery activity into context. He noted that the National Lottery has about 7.6million digital players, but of people in the age group 16 – 17 they only have about 3,300 active accounts – and it isn't possible for someone under 16 to get an account. He also explained that when someone starts playing at age 16 or 17, Camelot don't market any games to them (including instant win games), they monitor their behaviours and suspend the accounts of anyone showing signs of harm.

**CAROLYN HARRIS MP** asked how much would have to be spent to show signs of harm?

**NIGEL RAILTON** noted that it's not just about spending levels but about methods of play.

**CAROLYN HARRIS MP** replied that logic would suggest that young people that age would not have an income to gamble - so at what stage would a spend be harmful for a 16 year old?

**NIGEL RAILTON** explained that across 3,300 accounts, the average spend of a 16 or 17 year old online is £2 a week. However, questions of affordability are complicated – he is aware that the Gambling Commission are doing an affordability study now, and Camelot are working with them on that issue. In terms of the controls Camelot have in place, he noted that they look at patterns of play, whether people are chasing losses, whether people are playing at certain times of night, the types of play that they show. Of these 3,300 active accounts, they see perhaps one sign of problem play a quarter because not many people play at that age.

**CAROLYN HARRIS MP** noted that the UK is the only country in the world that offers any kind of gambling to under 18s. She asked if he believes that anyone should be allowed to gamble under the age of 18?

**NIGEL RAILTON** replied that he has three children under 16 and would be happy with them playing National Lottery products. The reason why is that he knows the rigour that Camelot go through designing their games and the controls that they have in place. However, that is only his opinion and he would understand if the Government wished to raise the age to 18. Camelot are ready, willing and able to implement the change.

**CAROLYN HARRIS MP** asked if the national lottery would be better placed by not waiting for the Government to institute a minimum age of 18 but instead to actively get that process underway itself.

**NIGEL RAILTON** explained that Camelot cannot unilaterally decide to do that as they are only the operator, and hold a license issued by the Gambling Commission. As such, they have a license obligation to make products available to 16 and 17 year olds and if they don't do so they are in breach of their license.

**CAROLYN HARRIS MP** noted that the Group could write to the Gambling Commission and ask them to vary the terms of the license – would Camelot expect them to refuse to do so?

**NIGEL RAILTON** noted that he could not say what the Gambling Commission would say, though he would hope that they would not say no. However, he explained he was trying to answer honestly and explain that they did not have the ability to raise the age unilaterally and Camelot would be fined if they didn't comply with their license obligation to make the products available. The choice that they do have is in how we market those products – which is why they don't market the products to 16 and 17 year olds, they don't offer instant win games on home screens when people register at 16 or 17. He reiterated that when the Government decide to move the minimum age to 18, they will implement it immediately but cannot do so without instruction.



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**CAROLYN HARRIS MP** suggested that on a reputational level it would be much better if Camelot were to come forward with that offer rather than wait for the Government to tell them to make the change.

**RICHARD HOLDEN MP** raised NIGEL's comments about his children playing National Lottery products and asked how much a 16 or 17 year old can play online a week maximum.

**NIGEL RAILTON** said that the wallet load limit a week for anyone is £350 a week – but that is a limit, not a target.

**RICHARD HOLDEN MP** asked if he would be happy with his 16 or 17 year old children spending £350 a week.

**NIGEL RAILTON** reiterated that £350 is a limit, not a target.

**RICHARD HOLDEN MP** explained that he knew that but was asking if he would be happy for his children to use National Lottery products for £350 a week at 16 years old?

**NIGEL RAILTON** said that nobody at 16 or 17 gets anywhere near that limit.

**RICHARD HOLDEN MP** repeated his question – would he be happy with his 16 or 17 year old playing national lottery products for £350 a week – noting that he could vary those rules if they wanted to.

**NIGEL RAILTON** said that his children wouldn't have that sort of money at 16 or 17 – and not many children would.

**RICHARD HOLDEN MP** noted that they could have a part or even full time job and asked again if he would be happy with his children £350 a week on National Lottery products?

**NIGEL RAILTON** reiterated the figures on the average spend.

**RICHARD HOLDEN MP** asked if no-one is spending £350 a week, why is the limit so high, why does Camelot not reduce it?

**NIGEL RAILTON** noted the figure is a limit across the board for all digital players.

**RICHARD HOLDEN MP** asked why they don't limit it for 16 and 17 year olds in particular?

**NIGEL RAILTON** said that Camelot continue to review the controls and processes in place.

**RICHARD HOLDEN MP** noted that a license variation wouldn't be required for that change. He asked if the £2 a week average spend was mean, median or mode of average spend?

**NIGEL RAILTON** said that digital sales for 16 to 17 year olds are about £1million pounds a year – compared to total digital sales at £3billion this year – on average there are about 3,300 accounts at any one time so the average is calculated by the value of transactions a year divided by the number of people playing.

**RICHARD HOLDEN MP** noted that for individual people the figure could be higher – there may be players who logged on once, and only played once, but there might be some who are spending a lot more than that – you just don't know from that average.

**NIGEL RAILTON** said that a lot of people only play once a month and though there will clearly be people playing more than £2, the tools in place monitor activity and the products aren't marketed to 16 or 17 year olds.

**RICHARD HOLDEN MP** pointed out National Lottery advertising is on television so it is being marketed to 16 and 17 year olds. They watch television and read the paper like anybody else and the products can be sold to them – so by definition the National Lottery is marketed to 16 and 17 year olds even if Camelot may not be targeting them specifically.

**NIGEL RAILTON** noted that 39 million people play the National Lottery every year and that they want them to continue to play – and to play healthily – so Camelot does spend a lot on marketing to get decent returns for Good causes so people will see that advertising. He suggested it was also important to look at the type of advertising that they do – noting that over the lockdown period and over the summer the majority of advertising has been about draw-



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based games and the Covid appeal which is enabled by the National Lottery and at £600million is the biggest financial contribution to tackle Covid outside of central Government.

**RICHARD HOLDEN MP** said that **NIGEL's** comment earlier about "following" the "market" disturbed him – the National Lottery is a totally different product to wider gambling. It's either in the gambling market, in which case it should be regulated like everyone else and under 18s banned, or it isn't. Instant win games and other developments are very different to one weekly draw from his childhood. He noted that with weekly draws there's a time-lag, it isn't instant win - it's not hardcore gambling, it's much more akin to the church fete. Whereas instant win games are in a different place to that – yet the National Lottery are still able to sell to 16 and 17 year olds. If Camelot want to do that and "follow the market," why not ask the Gambling Commission to vary the license? He reaffirmed that he would write to the Commission if it would be of assistance.

**NIGEL RAILTON** also recalled that he played National Lottery when it started in 1994 – though he has not since he worked at Camelot. They launched instant win games in 2003 and the gambling market has in fact replicated different products launched as part of the National Lottery. If there was only one draw a week today, the return to good causes would only be about £5million a week – and if one sees the National Lottery as a force for good with robust responsibility measures, then one draw a week wouldn't work in today's environment.

**RICHARD HOLDEN MP** replied that no-one is suggesting that the National Lottery can't continue with its current four draws a week, but that instant win is concerning because the addictive element is more substantial and is by its nature much more dangerous for people – especially young people.

**NIGEL RAILTON** said that he understands the concerns but the National Lottery has had these products since 2003 and they are different – that's not opinion, but is backed by the data. The data from the GamCare hotline shows that in calls discussing products, National Lottery products are mentioned by less than 2% of people. If you look at PGSI data, the national census data, it's always less than 2%. However, Camelot does recognise that because of their scale they do carry a particular responsibility.

**RICHARD HOLDEN MP** noted that when scratch cards were introduced people had more issues with them than the general lottery – and a similar thing has happened with online scratch cards. He asked if Camelot recognise that as time goes on they're entering very different markets and becoming a very different company, with very different types of audiences and different degrees of risk compared to that baseline lottery play?

**NIGEL RAILTON** replied that they haven't just entered that market – they've been selling scratch cards for 17 years, since 2003.

**RICHARD HOLDEN MP** queried if he meant online scratch cards or just standard scratch cards?

**NIGEL RAILTON** said he meant instant win games, not online scratch cards. He noted that they're different to scratch cards in the way they play out – some take games take 4 minutes to play for example, so they're not quick play. He conceded that they may look similar to some of the gambling products but the characteristics are very different and they all go through the GamGuard process to ensure nothing about the games appeals to people in terms of excess play or underage play. Camelot are very careful to ensure nothing gets to market that doesn't pass their standards test. He also explained that the company use intervention tools to monitor play – including a tool called Mercury which monitors people's behaviours and uses complex algorithms to red flag harmful behaviour, suspend their account and trigger intervention.

**RICHARD HOLDEN MP** asked how much money would have to be sent a week to trigger an intervention?

**NIGEL RAILTON** replied that it's not just spend that acts as a trigger – since is a very blunt instrument and affordability is complicated.

**RICHARD HOLDEN MP** agreed but noted that there must be a spend flag at some level?

**NIGEL RAILTON** said that there was but that wasn't the only thing that acted as a trigger. Tools were looking for where people are, for example, playing after midnight, playing over 2 days, where people are chasing losses, where see people are continually playing the same thing and more.



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**RICHARD HOLDEN MP** said he understood that and was glad that Camelot were taking such action what they're selling is a gambling product - not a lottery product - If people are chasing losses then they're gambling. He noted that they may be attempting to dress up their practises in slightly different wording but if you've got online, instant win games and people are chasing losses than that, to him, is a gambling product - which is the real issue. He asked what proportion of money from instant win games goes to Good Causes as compared to the Lottery itself.

**NIGEL RAILTON** said that the sales balance is roughly 57% draw-based games and 43% instant-win games.

**RICHARD HOLDEN MP** clarified his question - how much goes to Good Causes from instant win compared to draw based games?

**NIGEL RAILTON** said that about £1.3billion from draw-based games and about £0.5billion from instant-win games goes to Good Causes.

**CAROLYN HARRIS MP** asked how much revenue the instant-win games are generating weekly.

**NIGEL RAILTON** asked if she meant from a Good Cause perspective?

**CAROLYN HARRIS MP** clarified that she meant in sales.

**NIGEL RAILTON** said that weekly sales are about £145million in total and that he would break down the figures further. Draw-based games are on average about £90million a week – though this figure has shifted quite significantly over the lockdown period, so he is giving a wide average – scratch cards are about £45million a week and instant-win games are about £20million.

**RONNIE COWAN MP** asked for a list of all lottery products, broken down by revenues each week, how much goes to good causes by product, and the age spread of the people who are playing those products.

**NIGEL RAILTON** agreed to provide that data. He also made the point that the National Lottery is not one game in isolation - it's a portfolio of games.

**CAROLYN HARRIS MP** replied that it was similar to how a gambling business has a portfolio of games.

**NIGEL RAILTON** replied that many businesses have portfolios of products to appeal to different types of individuals.

**CAROLYN HARRIS MP** returned to the issue of sales.

**NIGEL RAILTON** clarified that the sales figure was £145million a week.

**CAROLYN HARRIS MP** noted that from that only £30million goes to Good Causes a week?

**NIGEL RAILTON** agreed.

**CAROLYN HARRIS MP** noted that therefore £115million a week doesn't go to Good Causes?

**NIGEL RAILTON** replied that a lot of the £145million a week goes in prizes – about 50% - to make 9 million winners a week to keep the games vibrant.

**CAROLYN HARRIS MP** asked how much that equates to.

**NIGEL RAILTON** said that he would break the numbers down.

**CAROLYN HARRIS MP** asked if it was roughly equal for what is given to Good Causes?

**NIGEL RAILTON** replied that it was more - about £70 million a week in prizes – and that half of the money sales goes directly back to players via prizes. He also noted that they also pay 5% commission to retailers, and 1% commission when they pay out prizes – which is important keeping a lot of independent retailers open. Prior to lockdown he used to travel the country meeting retailers and Good Causes.



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**RICHARD HOLDEN MP** said that he understood that but Camelot wasn't paying 5% commission to online retailers—so in a way, with the online operation, Camelot is actually taking money away from independent retailers?

**NIGEL RAILTON** said that they allow people to play the National Lottery how they want to play – and when it's online, the 5% commission doesn't go to retailers, it goes to Good Causes instead. However, he said it was a balance – since the National Lottery needs a strong retail presence. He further explained that another 12% of every sale goes in Lottery Duty, which generates about £850million a year for the Treasury. AS such, the National Lottery generates about £3billion a year for society – including Good Causes, Lottery Duty, and retailer commission. Beyond that, the vast majority of the balance goes to prizes - which are important because people need a winning experience to continue to play.

**RICHARD HOLDEN MP** asked for a breakdown of different games, the amounts played on each, and the age profile of those who play them, and the breakdown of how the money is dispersed for each of those and particularly online instant-win games.

**NIGEL RAILTON** agreed to provide the data.

**RONNIE COWAN MP** also asked for a breakdown of for each product, how much is pai back in prize money, how much is brough in for Camelot, how much is paid in commission if that's appropriate, how much money goes to Good Causes, and if they track the age of players on each product.

**NIGEL RAILTON** said it's harder to track data like that in retail - they do omnibus surveys to see how people are claiming to play in retail which they can share. On digital, they know precisely who's playing because play requires registration – and he agreed to provide that data also.

**RONNIE COWAN MP** asked if everyone is agreed that the fastest way to raise the minimum age to 18 if for the Group to intervene in Parliament, if they do so, will Camelot guarantee that there won't be any pushback (as there was from the industry with FOBTs) and that they will begin the change immediately?

**NIGEL RAILTON** agreed and said that they would do it – and that Camelot have already developed the plans. However, he also wanted to set appropriate expectations – though he also wanted to assure the Group that he was not pushing back – and that the National Lottery has 44,000 retailers and every artefact in every retailer and point of sale item has got 16+ on it - It's a lot more straightforward to change on digital – but Camelot would need time to make that change.

**CAROLYN HARRIS MP** asked if the shift can be done online immediately?

**NIGEL RAILTON** replied that it wouldn't be immediate since they would have to do it properly – there would be a question of whether they wanted to have a period where the limit was 18 online and 16 in shops while change caught up. However, the logistical plans are in place – all Camelot need is an instruction to do it, and they will. He did note that that the Covid situation makes it much more difficult for Camelot to deal with retailers at the moment so it could be harder than expected.

**RONNIE COWAN MP** asked if when he talks about making changes across retail outlets, all he means is changing the "16+" signage.

**NIGEL RAILTON** clarified that there's a lot of signage – indoor and outdoor.

**RONNIE COWAN MP** understood his point but asked if it was the signage that was the issue.

**NIGEL RAILTON** reiterated it's fixed signage – so there will be a need to change signage across 44,000 retailers.

**CAROLYN HARRIS MP** suggested that Camelot could simply send the new signage to retailers and ask them to do it.

**NIGEL RAILTON** clarified that this is complex, physical point of sale signage – like on the PlayStations used as terminals.

**CAROLYN HARRIS MP** suggested his protests sounded like pushback.



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**NIGEL RAILTON** promised the Group he was not trying to push-back on the change.

**RONNIE COWAN MP** pointed out that though there were 44,000 outlets to replace signage at, it would not be a single person with a set of ladders attempting to do so. He also pointed out that there was nothing to stop a retailer simply covering over the old signage on the day of the switch – it doesn't need to be glossy and could simply be the case that an "18+" sticker is used to cover over the "16+" sticker.

**NIGEL RAILTON** assured the Group that the plan was not reliant on man and his ladders and a detailed logistical plan was in place.

**RONNIE COWAN MP** asked how long it would take to make the change?

**NIGEL RAILTON** said that Camelot estimated it would take 9 – 12 months.

**Members expressed their general disbelief with the timeframe.**

**RICHARD HOLDEN MP** said that retailers are reacting to Covid regulations that are changing on weekly basis – does Camelot honestly think it will take them 12 months to change the signage on a lottery terminal?

**NIGEL RAILTON** repeated his point that it was not just about internal signage but fixed, external signage.

**RICHARD HOLDEN MP** asked why it was so necessary to change the signage contemporaneously – could it not just be allowed to catch up after the retail ban? He cannot understand why the signage is the major concern in this.

**NIGEL RAILTON** said that a number of things would have to change – signage, scratch cards, playslips - everything in the retail estate has 16+ on it. However, he said that if the Gambling Commission were to say "we want you to change the age to 18 but we're relaxed about you having incorrect signage everywhere", then that would be a different conversation – but Camelot do work to very high standards.

**CAROLYN HARRIS MP** said that the Group are talking about 16 to 18 year olds vulnerable to exploitation, vulnerable to all kinds of gambling adverts from loot boxes to the National Lottery and yet he is saying it could take up to a year to stop a 16 year old buying a lottery ticket or going online to play. This is not something that she is willing to accept. She recalled the significant opposition from political and industry figures to getting the FOBT limited in place within the appropriate 6 month timeframe – and when the Group won the battle, industry managed – despite their protests about timescale – to make the switch overnight. She's sure that there is a way to make this work – whether it would involve retailers taking responsibility for putting a sticker over a sticker or displaying a sign over the counter that announces a new minimum age. In particular, she cannot see the problem when 16 year olds are already being questioned by the retailer. She questioned if the real issue was linked to the money that Camelot stood to lose.

**NIGEL RAILTON** assured the group it wasn't about the money and this wasn't pushback – he was only trying to be realistic about timeframes based on this logistics to change a system currently geared to sell to 16 year olds – nothing that they can do is overnight.

**RONNIE COWAN MP** clarified that the lottery has always been available to 16 year olds.

**NIGEL RAILTON** said the groups points on logistics were a fair challenge and that he would go away and look at how they could change the plan to do things early. However, he also wanted to be clear that at the moment Camelot were instructed to raise the age to 18, they will do it - there's no pushback.

**RICHARD HOLDEN MP** asked why Camelot didn't push on raising the age themselves – especially since it's only worth £1million a year in sales – why is that worth the issues it causes, especially when you know it's the bad end of the market and you'll get significant positive publicity for being ahead of the game if you went early.

**CAROLYN HARRIS MP** said she would be very nice about the National Lottery if they did.

**RICHARD HOLDEN MP** asked why not ask the Group to go to the Gambling Commission and say "there's an issue here, it's industry wide and we want to take the lead." He queried why they didn't want to be at the forefront.





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**NIGEL RAILTON** repeated that Camelot cannot unilaterally do it – they don't own the National Lottery – they're the operators, they have a license and they have to comply with the license conditions.

**RICHARD HOLDEN MP** said he understood that - so why not ask the Group to help get the license conditions changed?

**NIGEL RAILTON** replied that Camelot had responded to the Government's consultation on the minimum age to say they supported the move – the Government went through a consultation exercise, Camelot support it, Camelot have planned it, Camelot are ready to go, someone just needs to tell them and they'll do it.

**CAROLYN HARRIS MP** asked if they had printed the signs that say "National Lottery is now 18+."

**NIGEL RAILTON** said that they hadn't, but had done the planning on how they're going to do it.

**CAROLYN HARRIS MP** said everybody on here knows that that the change is going to happen – it could be next week, the week after, the week after that – but it's imminent – so why haven't the signs been printed? Why is the online change not ready so all that is needed is a button press? If Camelot aren't ready when the change comes, the explosion from the Group and elsewhere will be unbearable and Camelot don't want to be on the receiving end of that.

**NIGEL RAILTON** repeated that they have done all the planning but it's not just a case of sending out envelopes – but a case of sending out engineers to replace signs on walls and replacing all of the National Lottery stock – but they can do it.

**CAROLYN HARRIS MP** suggested that they are simply waiting for the inevitable to happen – and if they were forward thinking you would have already made arrangements – otherwise Camelot will be caught on the back foot.

**NIGEL RAILTON** said that though it's fair to say they've done a plan, he will go away and look at what can be brought forward. He would welcome a decision sooner rather than later so that they can get on with it. He also noted that this would not be a small task and though it's not about the money, it will cost about £6million to make the switch. The National Lottery is also in the middle of the Covid crisis and has a lot of priorities – and while the minimum age change is one of them, the sooner they receive clarity and can get on with the change the better.

**CAROLYN HARRIS MP** noted that we are also in the middle of an under-18 gambling crisis that's getting worse – and significant normalisation of gambling that's seeing young kids gambling like adults do. She believes that the National Lottery have to take responsibility for being the catalyst for that.

**NIGEL RAILTON** said that the data they have does not support that children are playing the National Lottery in that way – though he does understand that a lot of other gambling products are being used by people under age, which is not acceptable, but the data does not support that the National Lottery is part of that particular problem. Notwithstanding that, they do take their responsibility seriously, and once they get instruction to move to 18 they are ready to go and implement the plan – but cannot do so unilaterally.

**RONNIE COWAN MP** said he understood his position and whilst 's not in his corner he takes the point. He said that if the APPG gets the rules changed, then Camelot will be happy to get in line. However, the one thing he does have concern about is the speed of implementation. He urged NEIL to take the session in the right way as a warning that the change was coming and go back and look at the theory for implementation with your team and get moving so that we can all get to where we want to be – which is with a minimum age of 18.

**NIGEL RAILTON** said it's a fair challenge and one he'll take away and look at.

**RONNIE COWAN MP** said he shouldn't make the Group bring him back to discuss this again.

**CAROLYN HARRIS MP** apologises and handed the Chair to **RONNIE COWAN MP** – she has to head to the Chamber to vote.

**RONNIE COWAN MP** asked if there was anything further to add – noting that he looked forward to receiving the discussed data from Camelot.



## Gambling Related Harm APPG

**NIGEL RAILTON** said he thought there had been some good challenges and conversations in the session and hoped that Members had found his input helpful.

**RONNIE COWAN MP** asked, from an industry perspective, if there were any areas or trends that he had concerns about that the Group should be aware of?

**NIGEL RAILTON** said it was a good question – and noted that Camelot invest heavily in healthier okay and player protection efforts so are always looking for new evidence to reflect changes in society and allow constantly investing in learnings to stay at the forefront of player protection.

**RONNIE COWAN MP** noted that they seem to be proactive in safeguarding people gambling – what lessons have they learnt or what have they seen that have caused them to take action to prevent harm and the Group should be aware of?

**NIGEL RAILTON** said that the data that he sees show's that that the National Lottery is not a significant cause of harm – like the GamCare stats, which should that of the 28,000 calls they get, less than 2% mention National Lottery scratch cards. But what they also know, and feel passionately about, is that of the 425,000 gamblers in the UK, 90% play the National Lottery – because they play everything. They play 7 or 8 different products. Camelot understand that because of their scale they can make a difference – and that's what they try and do. It's very difficult for them to spot problem gamblers in National Lottery data because they're gamblers playing everything. The best place to identify them is on the digital platform – and they do. They know they have about 50,000 problem gamblers (though they are not problem gamblers because of the National Lottery directly) but they see them on our digital play and they do intervene. He said that was one of reasons the National Lottery joined GamStop – so if people opt out on a gambling site –they stop playing National Lottery products as well. He believes that the learning from that is more that more of the gambling industry and the lottery industry working together to share experiences can work well.

**RONNIE COWAN MP** asked if there has been a trend in gambling during the Covid crisis?

**NIGEL RAILTON** said he doesn't know if there is a trend in gambling itself. He said that the trend Camelot saw is that more people went online – spending broadly the same – and people moved from retail to digital. When the Covid crisis hit in march –retail sales used to be about £100million a week, but they dropped to £70million a week overnight – and the digital business increased by about 50%.

**NIGEL RAILTON** continued that they saw a lot of people moving from retail into digital, but also a lot of older people – 65+ - who were starting to play the National Lottery online. Retail has now begun to recover to about £85 - £90 million a week and Camelot are now trading at about pre-Covid levels as the UK head's into the second phase. He also noted that Camelot has had to adjust their business model and operating model to deal with the change in behaviours. Not just people working from home but to give you one example we had to change the way our call centres deal with players - a lot of older people were calling to register and when asked to put in details for an Experian check would not even be aware of what an email was. Camelot made sure that teams were giving people the time and support they needed to play the National Lottery through the period.

**RONNIE COWAN MP** thanked NR for his time – though on many issues they'd have to agree to disagree. The Group look forward to receiving the follow up data and look forward to getting a timescale for change and to work together to get the minimum age raised.

**RONNIE COWAN MP** closed the meeting at 4pm.