



Gambling Related Harm APPG



The Rt Hon John Whittingdale MP
Minister for Media and Data
Department for Digital, Culture, Media and Sport
100 Parliament Street
London
SW1A 2BQ

Date 22 July 2021

Dear Minister,

New forms of online gambling

We are writing to draw your attention to a series of new forms of online gambling and “quasi-gambling” which we believe the department should take into account in the Gambling Act review.

Last week, the Gambling Related Harm All Party Parliamentary Group took evidence on new forms of online gambling and gaming, examples of which are described below, which we are deeply concerned about. Not all are currently classified as gambling and so users are not given the appropriate protections despite their potential to cause harm. Given this, the nascent nature of them, their exponential growth and the likelihood of new forms emerging in the future, it is essential that they are considered as part of the Gambling Review. The Review must establish mechanisms to research, review and, where relevant, re-classify these activities without primary legislation, to provide appropriate safeguards. Failing to include these new forms of gambling in the review will mean that legislation will very rapidly not be fit for the digital era and effectively be out of date on publication.

We were also concerned by your Parliamentary answer on 16 July 2021 (34545) in response to Carolyn Harris’ question about new forms of gambling. You noted that “The government regularly engages with the Gambling Commission and other bodies to discuss emerging trends, including esports betting.” Esports betting is not an ‘emerging trend’ but is in fact an established form of gambling that requires appropriate safeguards as we set out below.

New forms of gambling online

Our inquiry session heard from Dr. Heather Wardle (University of Glasgow), Dr. David Zendle (University of York) and an expert by experience, Danny Cheetham. During the session they explained the convergence between online gaming and gambling. In particular, we heard about slot streaming, social casinos, esports betting and loot boxes (see below).

Two of the most significant activities are not classified as gambling but have the hallmarks of activity which could lead to gambling harm. Social casinos (casino like apps, where players pay for additional spins but cannot take home any winnings) are some of the most popular apps worldwide, with an estimated 3-4% of UK adults playing them (David Zendle). Slot streaming, which is live streaming of gambling activity on video sharing platforms, is growing exponentially. This is without safeguards for viewers, which may include children. We heard that 35.2m hours of slots were watched on Twitch last month (Danny Cheetham).



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In addition, we understand that some operators are offering betting and gambling via WhatsApp. Because this is not classified in the same manner as online platforms, vulnerable customers using the service are not protected by exclusion schemes. This is a great concern. We ask the government to address this loophole as soon as possible.

Esports betting

Esports is a major global market which attracts millions of viewers and significant amounts of sponsorship, particularly from gambling businesses. Although betting is regulated, the ability of platforms to offer multiple in-play bets through the sport has potentially harmful consequences. This was the subject of significant discussion at our meeting last week.

Acting in a similar manner to online slots, players can make multiple small bets which scale their losses over time. We believe it is imperative that the government ensures the forthcoming review and future activity by the Gambling Commission considers the potential impact and harms caused by this activity, and any new safeguards which might be required.

Loot boxes

Last year we were pleased to see the Gambling Commission consultation on loot boxes. There is growing evidence of the impact of these features in computer games and their potential to lead to gambling-related harms. Just last week we heard from academic Dr. Heather Wardle, who has conducted research with 15-17 year olds. They concluded loot boxes were “coercive and controlling.”

Your colleague Caroline Dinéage has confirmed through a Written Ministerial Statement that a response to the call for evidence is due in the coming months. However, we continue to hear about the harm loot boxes can cause and urge you to act as soon as possible. Can you confirm whether primary or secondary legislation is required to address the problem?

We and our respective groups in parliament look forward to working with you, your ministerial colleagues and officials on these important issues and ask that action on these areas is included as a matter of urgency within the remit of the gambling review.

Yours sincerely,

Carolyn Harris MP
Chair, APPG for Gambling Related Harm

Lord Foster
Chair, Peers for Gambling Reform