Dear [Name],

GAMBLING ADVERTISING

Thank you for your letter dated 29 September following up on questions you raised during Lord Chadlington’s debate on gambling advertising on Thursday 14 September.

As you mention, gambling advertising on social media platforms is subject to the advertising codes in the same way as advertising in other mediums. Earlier this year the Committee of Advertising Practice issued guidance to social media advertisers on targeting advertising away from children and the Industry Group for Responsible Gambling recently strengthened its Industry Code for Socially Responsible Advertising to add further provisions on social media marketing.

All operators must be licensed by the Gambling Commission, which has been working closely with the Advertising Standards Authority on the issue of marketing by affiliates. A condition in the Licence Conditions and Codes of Practice holds operators responsible for the actions and behaviours of their affiliates on their behalf.

The call for evidence for the gambling review asked for evidence about social responsibility measures across the gambling industry, including protections around gambling advertising. The review will be published later this month.

With regard to skins gambling, the Gambling Commission is working to tackle the risks posed by illegal in-game item gambling. Earlier this year it successfully prosecuted the operators of a website providing illegal gambling facilities for in-game items, making it the first regulator in the world to bring such an action.

It is only where in-game items can be traded or exchanged outside a game platform, that they acquire a monetary value. Where facilities for gambling with such items are offered to consumers in Britain a Gambling Commission licence is required. Such a licence would come with stringent conditions to prevent underage gambling among other player protection controls. If no licence is held, the Commission uses a wide range of regulatory and criminal powers to take action.
Skin gambling websites currently targeting British consumers are doing so illegally and the Commission continues to be alerted to and investigate a number of such websites. Alongside work to disrupt these websites' activity, the Commission is also seeking to engage with a wide variety of stakeholders including child protection groups and mainstream media to highlight the risks of these websites to parents, consumers and the wider public.

It is important to distinguish between the illegal provision of skins gambling and licensed betting operators providing regulated opportunities for adults to bet on eSports (professional competitive computer gaming), in the same way as they are able to bet on other sporting events. In its position paper published in March, the Commission recognised that eSports is an attractive activity for children. However, existing controls are in place to protect children from gambling harm. Licensed operators are required to have in place controls to prevent underage gambling, such as age verification checks.

The Commission monitors the participation of children in gambling (legal or otherwise) via a range of data sources including complaints, intelligence reports, academic research and its annual Young People and Gambling Survey. For the first time in 2017 the survey included specific questions in relation to eSports and video gaming. The results of the survey will be published soon.

On the wider question of keeping children safe on social media, the Internet Safety Strategy was published on 11 October. As part of the Strategy, we are formally consulting on a range of safety initiatives, including a social media code of practice, a levy to support educational programmes and technical solutions and transparency reporting to help inform future policy. The Strategy also considers options for working with the online video games industry to improve video gaming safety. The government is committed to working with industry and others to promote awareness and understanding of parental controls and advice on safe video gaming.

I hope you find this letter helpful. I will also place a copy in the House library.

With best wishes,

Baroness Chisholm of Owlpens

Baroness Howe of Idlicote
House of Lords