Dear Sir/Madam,

Consultation on Society Lotteries Reform

Thank you for the opportunity to respond to your consultation on Society Lotteries.

GambleAware is an independent charity tasked to fund research, education and treatment services to help reduce gambling-related harms in Great Britain. Guided by the National Responsible Gambling Strategy, the charity works to broaden public understanding of gambling-related harms as a public health issue, to advance the cause of prevention of such harms, and to help those that do develop problems get the support and help that they need quickly and effectively.

The lotteries sector occupies a unique place in the gambling industry. We know that for many organisations, lotteries are viewed as a means of fundraising first and foremost rather than a form of gambling. Many society lotteries consider themselves as very different from the other operators in the gambling industry.

We fully recognise and understand that lotteries are operating in a different environment with different objectives to other gambling sectors. Nevertheless, despite those differences, lotteries are a form of gambling which is why the law requires a licence from the Gambling Commission (or registration with a local authority) and compliance with the licence objectives set by Parliament, and regulations put in place by the Gambling Commission to keep play fair and safe.

The current consultation does not consider any potential impact on the protection of consumers resulting from a Society Lottery reform, most notably in the form of increased financial limits. This omission may increase a general misconception that safer gambling measures are not relevant to lotteries. It is GambleAware’s contention that lotteries have a particular responsibility when it comes to the promotion of safer gambling and the protection of their players, since more people participate in gambling through lottery products than any other form.

We know that the more problematic your gambling becomes, you will typically gamble on seven or more products or activities, and it is very likely this will include the most popular and easily accessible form, lottery products. Given the overall number of participants, and the nature of problem gamblers to play on multiple products, the lottery sector has more contact with problem gamblers than any other gambling sector.
While the reported prevalence rates of at-risk and problem gamblers in the lotteries sector may be relatively low, the large number of players means that lotteries do have a particular responsibility to promote safer gambling, especially as their products are also legally accessible to 16 and 17 year-olds.

The Minister is correct when acknowledging that “since the introduction of the Gambling Act 2005, there have been significant changes in the lottery sector and the environment in which lotteries operate”\(^1\). The lotteries sector is indeed evolving and diversifying quickly. Many lottery operators are now successfully promoting ‘instant-win’ products by selling scratch-cards and/or migrating their activities online – Gambling Commission research indicates that both of these forms of gambling have a higher rate of at-risk and problem gambling. Driving growth of sales through technological innovation changes the relative hierarchy of potential harm as society lottery products move away from play that is lower risk (in relation to the licence objectives) towards gambling products with higher levels of risk to players.

We understand that deciding how to “achieve a balance between enabling the sustainable growth of society lotteries on the one hand while also protecting the unique position of the UK-wide National Lottery” is the main aim of this consultation. However, the decisions made as a result of this consultation should take into consideration any potential impact on the protection of consumers. Lottery products are gambling products, and, given their reach and accessibility, the protection of consumers and promotion of safer gambling must be a priority for all concerned.

This requires all lotteries to be operated with at least basic precautions in place to protect players. Staff and volunteers need an appropriate level of training in identifying players at risk, and to be aware of where to direct them for further help, if only by reference to BeGambleAware.org or the National Gambling Helpline (0808 8020 133). All promotional materials, electronic and physical, and tickets, scratch-cards and websites should carry links to the BeGambleAware.org website, and the helpline. And systems should be in place as necessary to identify harmful patterns of play online as well, with suitable interventions made when players are identified as at-risk. The sector also needs to provide its fair share of funding towards the provision of advice and support through the established voluntary system of funding for Research, Education and Treatment.

With appropriate player protection in place, concerns about gambling-related harms need not stand in the way of a thriving society lottery sector.

Yours sincerely,

Iain Corby
Deputy Chief Executive