

## Research and Information Service Briefing Paper

Paper 04/25

9 January 2025

NIAR 215-24

## The regulation of gambling in Northern Ireland and key developments in other jurisdictions

#### **Eleanor Murphy**

This paper provides an overview of the regulatory framework for gambling in Northern Ireland including the regulation of online gambling. It also explores recent developments in gambling law and policy in Great Britain and the Republic of Ireland.

This information is provided to Members of the Legislative Assembly (MLAs) in support of their duties, and is not intended to address the specific circumstances of any particular individual. It should not be relied upon as professional legal advice, or as a substitute for it.

## 1 Introduction

This is the first of two RalSe papers exploring the issue of gambling regulation in Northern Ireland, that is, the regulatory framework for betting, gaming, lotteries and amusements. The second paper, entitled 'Regulating gambling advertisements in Northern Ireland, provides an overview of the regulation of broadcasting and gambling advertisements in Northern Ireland including consideration of those aspects of the Online Safety Act 2023 that extend to Northern Ireland.

This first paper is structured as follows:

- Section 2: provides an overview of the legislation regulating gambling in Northern Ireland including the responsibilities of bodies such as the courts, local government, the PSNI, and the Department for Communities. This section also explores issues around the regulation on online gambling including the absence of Northern Ireland-specific legislation on online gambling and the role of the Gambling Commission.
- Section 3: unlike in Great Britain and the Republic of Ireland, there is no independent regulator for gambling in Northern Ireland. This section provides an overview of potential options.
- Section 4: explores some of the views of the previous Committee for Communities around issues such as independent regulation, online gambling, the control of gambling advertising and sponsorship, and the protection of children, young people and vulnerable adults.
- Section 5: this final section of the paper provides an overview of recent developments in gambling regulation in the Republic of Ireland and Great Britain. These are important developments for the Committee to note given the cross-border nature of the gambling industry. This section looks at new legislation recently enacted in the Republic of Ireland that contains measures to regulate online gambling, to establish a new independent regulator, to create an industry levy (a Social Impact Fund), and to control gambling advertising and sponsorship. This section also provides an overview of the Review of gambling in Great Britain which began under the then Conservative Government in 2020. Whilst

gambling is largely devolved to Northern Ireland, many aspects of the Review are likely to have UK-wide implications. For example, the regulation of online gambling, advertising and sponsorship, consumer redress and protection for those gambling online.

# 2 The regulation of gambling Northern Ireland: an overview

Gambling in Northern Ireland (other than the National Lottery<sup>1</sup>) is regulated under <u>The Betting, Gaming, Lotteries and Amusements (Northern Ireland)</u> <u>Order 1985</u> as amended by the more recent <u>Betting, Gaming, Lotteries and</u> <u>Amusements (Amendment) Act (Northern Ireland) 2022</u>. The 1985 Order regulates a range of betting, gaming, lotteries and amusements operators and activities. This includes:

- Betting in land-based bookmaking offices.
- Betting at tracks (for example, dog tracks).
- Gaming in bingo clubs.
- The use, supply and maintenance of gaming machines.
- Small scale amusements with prizes.
- Lotteries and society lotteries (but not the National Lottery).

The 1985 Order is broadly modeled on much older law for Great Britain (i.e. the Betting, Gaming and Lotteries Act 1963, the Gaming Act 1968 and the Lotteries and Amusements Act 1976). However, these Acts in Great Britain have long since been repealed and replaced by the <u>Gambling Act 2005</u> which provided a new regulatory regime for gambling in GB. One significant constraint associated with the 1985 Order is that it has not kept pace with rapid technological developments including the availability of online gambling services and products and the associated impact many of these have on gambling-related harm.

<sup>&</sup>lt;sup>1</sup> The National Lottery is a reserved matter and is legislated from Westminster.

The current legislative framework for gambling in Northern Ireland is arguably more conservative, in some respects, than that of Great Britain. The Gambling Act 2005 relaxed or liberalised many of the previous restrictions on gambling in GB. For example, it introduced new categories of casino and applied a new and less restrictive regime for gaming machine stakes and prizes. Comparatively, Northern Ireland has rejected calls for high stakes commercial gaming such as that associated with land-based casinos.

However, the Gambling Act 2005 also introduced what is in many respects an enhanced regulatory structure in comparison to that which currently exists in Northern Ireland. This included the establishment of a single regulatory body known as the <u>Gambling Commission</u>, a non-departmental public body whose powers primarily extend to England, Scotland and Wales. It is the role of the Commission to:

- Advise the UK government on gambling policy.
- Control and regulate commercial gambling in GB.
- Enforce the law on gambling.
- License gambling operators (including gambling activities that are provided remotely/online).
- Promote socially responsible gaming.

There is **no similar single independent regulatory body for gambling in Northern Ireland**. Rather betting, gaming, lotteries and amusements are regulated by a number of bodies in Northern Ireland. That is:

- The courts and local councils license and certify most gambling activities. The Northern Ireland Courts and Tribunal Service (NICTS) is responsible for granting (and renewing and revoking) land-based bookmakers licences, bingo club licences and gaming machine certificates.
- Local councils are responsible for the registration of society lotteries.
- The **Department for Communities** are responsible for granting track licences.
- The **Police Service of Northern Ireland (PSNI)** are responsible for the enforcement of the legislation.

 The regulation of gambling advertising in Northern Ireland is regulated by a number of bodies including the Gambling Commission, the Advertising Standards Authority (ASA) and Ofcom. This issue is explored further in a separate RalSe paper entitled 'Regulating gambling advertisements in Northern Ireland' (NIAR 215-24).

The Gambling Commission's remit in law in Northern Ireland is currently somewhat limited as gambling is largely a devolved matter. However, given that consumers in Northern Ireland access the same online gambling operations as those in Great Britain, consumers in Northern Ireland are offered a degree of protection via the Gambling Commission's regulation and oversight. For example:

- The <u>Gambling (Licensing and Advertising) Act 2014</u> requires remote gambling operators to obtain a licence to advertise and carry out transactions with consumers in GB (and consumers in NI are likely to be accessing similar websites);
- The 2014 Act makes it an offence to advertise remote gambling in Northern Ireland unless they have a <u>remote operating licence</u> and comply with the Gambling Commission's <u>Licence Conditions and Codes</u> <u>of Practice (LCCP)</u> and <u>social responsibility</u> measures; and
- The Gambling Commission has an arrangement with payment processors such as Visa and Mastercard, who have agreed to voluntarily block transactions between UK consumers and unlicensed gambling operators and sites.

However, in the absence of specific Northern Ireland-based legislation on online/remote gaming and gambling there is still no additional, Northern Ireland-specific, licensing and regulatory measures with respect to remote gambling operators. The most recent piece of gambling law in Northern Ireland, the Betting, Gaming, Lotteries and Amusements (Amendment) Act (Northern Ireland) 2022, did not contain such measures given the scale of the work required. Rather this issue was to be examined as part of the second stage of reform. As Committee are already aware, the second stage of reform will not happen in the current mandate.

In the absence of such legislation, Departmental officials had outlined to the Committee (at its <u>meeting</u> of the 21 November 2024) some of the recent engagement with the Gambling Commission and Secretary of State for Culture, Media and Sport:

 The Northern Ireland Executive Ministers for Communities, Health and Education have written to the Secretary of State for Culture, Media and Sport seeking early engagement around the issue of a <u>UK-wide gambling</u> <u>industry levy</u> and gambling advertising.

Note that in November 2024, the UK Government <u>announced</u> that it would bring forward a statutory levy on gambling profits with funds generated going to the research, prevention and treatment of gambling harms. The Betting, Gaming, Lotteries and Amusements (Amendment) Act (Northern Ireland) 2022 did provide regulation making powers for the Department for Communities to introduce an industry levy for land-based gambling operations but not remote gambling operations.

 To identify, with the Gambling Commission, where its remit begins and ends in terms of the regulation of online gambling in Northern Ireland. This is arguably somewhat of an opaque area at the moment and requires such clarity. In the absence of Northern Ireland-specific legislation regulating online gambling, the Gambling Commission do play an important role as it regulates and licenses online gambling businesses that are operating in Great Britain. Consumers in Northern Ireland are likely accessing those same online platforms as consumers in Great Britain. DfC officials are attempting to agree a more co-ordinated approach between the two jurisdictions in a number of areas including the handling of complaints relating to online gambling from consumers in Northern Ireland.

### 3 An independent regulator for Northern Ireland?

There is still clarification and further scrutiny required around whether Northern Ireland should have its own gambling regulator, and if so, whether it should be an independent regulator and what powers it should have. This issue was explored, amongst many other issues, in both the <u>2011</u> and <u>2019</u> departmental consultations on the regulation of gambling in Northern Ireland.

The DfC 2019 consultation was published in the context of no Executive Minister in place but did set out four potential scenarios for a regulator structure without taking a policy decision on the issue. That is:

- Continue the current position (no regulatory body) the consultation paper states that successive Northern Ireland administrations have taken the view that since large-scale commercial gaming is not permitted here, the necessary scrutiny and regulatory functions can be discharged satisfactorily by existing agencies.
- Establish an independent body the consultation paper states that in recent years there has been a move toward independent regulation of licensing and enforcement activities across most European states and beyond, an example of this is the Gambling Commission in Great Britain.
- A government regulator establish a new gambling regulator's office within a government department to undertake particular regulatory functions.
- An existing regulatory body the consultation paper states that another potential option would be to seek the support of another regulator to carry out the regulatory functions required in Northern Ireland. It goes on to state that such a body would need to have experience in either the regulation of gambling or a related subject, one such example might be the Gambling Commission.

The subsequent consultation <u>survey report</u> (published in November 2020) stated that there were "strong levels of support for the establishment of a regulatory body for gambling in Northern Ireland" with over nine in ten respondents (93%) believing a body should be established. Of those who felt there should be a regulatory body, 61% felt that it should be an independent body, 21% a government regulator, 4% an existing regulatory body and 14% stated that they did not know or did not have strong views. However, note that the response rate of the survey was relatively low (a total of 382 responses received). Also, of relevance to the issue of a gambling regulator, is that the

consultation survey report states that the PSNI had expressed a desire to move responsibility for the enforcement of gambling to a more appropriate agency. The report noted that the PSNI felt that gambling was a "social and revenue matter".

One of the options explored by the consultation paper for a new regulatory infrastructure in Northern Ireland was the potential of seeking the support of another existing regulatory body such as the Gambling Commission. As previously highlighted, the Gambling Commission does play an important role in the regulation of online gambling for consumers in the absence of specific-Northern Ireland legislation.

However, it should be noted that the powers and activities of the Gambling Commission have come under increasing scrutiny in recent years and some potential weaknesses in its structure and powers identified. The House of Lords Select Committee report '<u>Gambling Harm – Time for Action</u>' published in July 2020, made a number of recommendations for change, including for example:

- That the UK Government should work with the Gambling Commission to devise a new funding structure in order to provide it with more flexibility and allow it to react and adapt to the fast-changing regulatory requirements.
- It also recommended that a new objective should be added to the aims of the Commission, i.e. the identification and prevention of potential and actual harm.
- That fines currently imposed and penalties agreed by the Gambling Commission do not make a sufficient impact on large corporations and that fines and penalties should not just reflect the seriousness of the offence but the size of the offender.
- In the case of repeat offences or other extreme circumstances the Commission should demonstrate much greater willingness to exercise its power to withdraw an operator's licence.
- The UK Government should conduct a triennial review of the work of the Gambling Commission, taking evidence from a wide range of interested persons and bodies and prepare a report to Parliament including any

changes which may be needed to the Commission's constitution or to the law governing it.

The previous Conservative Government began a <u>Review of the Gambling Act</u> 2005 (which largely regulates Gambling in Great Britain) in 2022. The Review examined, amongst many other issues, whether the Gambling Commission had sufficient investigation, enforcement and sanctioning powers to raise standards in the industry and to impact positively on operator behaviour. The outcome of the review is explored further in the final section of this RalSe paper.

The Committee may also be interested to note that legislation has recently been passed in the Republic of Ireland to create a new independent Gambling Regulator known as the <u>Gambling Regulatory Authority of Ireland</u>. Further information on this is also provided in the final section of this RalSe paper.

Notably a number of other countries have gambling regulators including, for example:

- France has the <u>ANJ</u> which is an independent authority that reports to Parliament. It regulates licensed gambling and betting games (online, at points of sales and at racecourses) and oversees the responsible gambling policy of casinos.
- Spain has the <u>Directorate General for the Regulation of Gambling</u>, a body under the Ministry of Finance that monitors and supervises gambling activities in Spain.
- Malta has the <u>Malta Gaming Authority</u> which is responsible for granting gambling licences, monitoring licensed gaming, collecting gaming tax on behalf of Government, and ensuring that the sector contributes to the country's development.
- Australia has the <u>ACT Gambling and Racing Commission</u>, an independent body established under the Gambling and Racing Control Act 1999. Its functions include the regulation of casinos, gaming machines, lotteries, racing, betting and online gambling.
- Isle of Man has the <u>Gambling Supervision Commission</u>, an independent statutory body established in 1962. It is responsible for the

licensing of land-based gambling operations and all online gambling activity.

The Committee may wish to consider the issue of regulators in further detail. Important factors to note include:

- The cross-border/cross-jurisdictional nature of the gambling industry between Northern Ireland and the UK and Rol.
- Identification of regulatory, enforcement and sanctioning powers.
- The costs and resources required to set up such a body.
- The preparation time to establish such a body (note that in the Republic of Ireland, plans to establish the new regulator began with the appointment of an interim CEO two years before the legislation establishing the new regulator was enacted).

## 4 The views of the previous Committee for Communities on gambling regulation

The Committee may wish to note the deliberations and views of the previous Committee for Communities on gambling regulation. The previous Committee, in its January 2022 <u>report</u> on the Betting, Gaming, Lotteries and Amusements (Amendment) Bill, expressed the view that new regulatory controls on gambling in Northern Ireland are "long overdue". The Committee were keen that the second phase of gambling reform in Northern Ireland should focus on:

- A gambling regulator for Northern Ireland including examining the role and responsibilities of a regulator. The Committee stated that this should take into consideration developments in other jurisdictions.
- The regulation of online gambling and particularly its impact on children and vulnerable adults. The Committee recommended that

additional protections for children and young people should be included in the second stage of gambling reform in Northern Ireland.

- Age appropriate independent education and awareness for young people on gambling-related harm, the addictiveness of gambling products, and the impact of gambling advertisements and sponsorship.
- Further scrutiny of gambling advertising and sponsorship including exploring issues around gambling company sponsorship of sport team kits and equipment, advertising near sports venues, and scrutiny of inducements that encourage people to start or continue gambling. The Committee highlighted the development of new legislation in the Republic of Ireland to control gambling-related advertising sponsorship.
- **Consumer protection and redress** for those accessing gambling products.
- Placing a greater onus on the gambling industry to fund the research, education and treatment of 'problem gambling' via a gambling levy. The Committee suggested that there should be further research and consultation on a gambling industry levy and how a levy would be calculated and administered.
- A consideration of gambling as a **public health issue** which should be addressed through a cross-departmental approach.
- Taking forward a body of work on the enforcement of gambling legislation taking into consideration issues such as PSNI resource constraints.
- An examination of the impact of National Lottery products on problem gambling in Northern Ireland (e.g. scratchcards and online lottery games).
- A thorough review of **Fixed Odds Betting Terminals (FOBTs)** and the development of a Code of Practice to regulate FOBTs.
- A review of products that could potentially introduce children to gambling such as the availability of 'crane grab' machines in retail outlets, shopping centres and malls.
- A review of issues relating to gaming machines in the second phase of reform including a review of the variety of machines that exist in

Northern Ireland, gaming machine technical standards and stakes and prizes.

#### 4.1 Gambling as a public health issue

The previous Committee also had discussions around whether gambling should be viewed as a public health issue and touched upon the issues of problem gambling and a cross-departmental approach to gambling in Northern Ireland.

When considering the regulatory infrastructure for gambling in Northern Ireland it would be remiss not to mention the significance of an infrastructure for the **support and treatment of individuals experiencing gambling related harm and their families**. Exploring options for the creation of a joined-up treatment system was one aspect of the Northern Ireland Assembly All Party Group on Reducing Harm Relating to Gambling terms of reference for its <u>inquiry</u> into gambling in Northern Ireland. The inquiry report noted the lack of psychiatric treatment and commissioned services for people in Northern Ireland experiencing a gambling addiction and recommended that there be a specialised, expert-led gambling harm treatment service for Northern Ireland.

There is no specific strategy for the prevention and minimisation of gambling related harm in Northern Ireland. However, gaming and gambling addiction is mentioned in the context of community based mental health services in the new <u>Northern Ireland Mental Health Strategy 2021-2031</u>. The strategy also identifies the need to consider support for individuals with mental health needs holistically to ensure that those who have a dual diagnosis of mental ill health and an addiction do not fall between gaps in services. Responding to the needs of those impacted by gambling related harm will require a cross-Departmental, multi-agency, and multi-sectoral approach.

It is important to reiterate that gambling regulation and the prevention and response to gambling-related harm is a cross-departmental issue. The Department for Communities may have a key role as lead department for gambling policy and legislation. However, it is also relevant to a number of other Departments. For example:

- The **Department of Health** in terms of the impact of gambling-related harm and gambling as a public health issue.
- The **Department for Education** in terms of the provision of education for children and young people on gambling-related harm.
- The **Department for the Economy** in terms of business regulation and oversight of employment issues within the industry.
- The **Department of Justice** in terms of the licensing of some gambling activities by the courts and the PSNI's enforcement role in gambling.

It is also a cross-jurisdictional issue, even though gambling is largely a devolved issue, the **UK Department for Culture, Media and Sport** is the lead department for gambling policy and legislation including those gambling issues that are UK-wide (such as advertising). The **Home Office** has a role in crossjurisdictional issues around crime and gambling. **HM Treasury** is responsible for UK-wide gambling taxation. As gambling operators also operate across both north and south, relationships and agreements with the Irish Government and the **new Gambling Authority for the Republic of Ireland** are also important.

Given, this cross-jurisdictional nature of gambling the next section of this RalSe paper looks briefly at some of the recent key developments in gambling law and policy in both Great Britain and the Republic of Ireland.

### 5 Gambling law and policy: an overview of developments in Great Britain and the Republic of Ireland

# 5.1 Review of the GB Gambling Act 2005 – what impact could the Review have on Northern Ireland?

The then Conservative Government published a <u>Review of the Gambling Act</u> 2005 in December 2020. The purpose of the Review was to seek views and evidence on a range of issues in order to ensure that the Act was "fit for the digital age". The Review highlighted some of the challenges in creating an appropriate regulatory environment for gambling in the context of rapid technological advancements:

As with the rest of the economy, gambling has changed enormously in the last 15 years, with smartphones giving opportunities to gamble online almost anywhere and at any time, fast-paced innovation in product design and advertising, and new opportunities to harness technology for the protection of players. The Gambling Commission has broad powers to set and enforce licence conditions, but in recent years a number of high profile enforcement cases have raised concern that too many people are still experiencing significant harm. We want to look at whether our regulatory framework is effective and whether further protections are needed.

The Review covered a broad range of issues:

- Online protections for players and the regulation of online products

   including the effectiveness of existing online protections in preventing harm, the arguments for and against greater controls on product design (e.g. speed of play, stake limits) and gambling accounts, better deployment of consumer data collected by operators to support the government's objectives, and potential risk posed by new and emerging technologies (e.g. crypto currencies).
- Advertising, sponsorship and branding including the benefits and harms caused by gambling advertisements, evidence of the effectiveness of mandatory safer gaming messages in adverts, harms or benefits of promotional offers (e.g. free spins, VIP schemes), positive and negative impact of gambling sponsorship arrangements across sports/esports/other areas, and evidence on the impact of advertising and sponsorship on vulnerable groups.
- Gambling Commission's powers and resources including whether the Commission has sufficient investigation, enforcement and sanctioning powers, a review of the fee system or potential to create financial incentives for operator compliance, barriers to high quality research to inform regulation and policy making, and evidence from other jurisdictions on effective mechanisms for recouping the regulatory and societal costs associated with gambling (e.g. through taxes, licence fees

or statutory levies). This part of the Review also sought views as to whether there was evidence of a significant black market for gambling in Great Britain, or evidence that there is risk of one emerging.

- Consumer redress including whether there is a need to change redress arrangements in the gambling sector and whether there are international examples of good practice or models that would be suitable for the GB gambling industry.
- Age limits and verifications including views on the effectiveness of current measures to prevent illegal gambling in both online and land based venues, best practice in other jurisdictions, youth participation in society lotteries and whether there was an association with problem gambling, the minimum age limits for society lotteries and the National Lottery, young people's access to different classes of gaming machine and association with harm in childhood or later life, and whether extra protections are needed for the youngest adults (aged between 18 and 25).
- Land based gambling including evidence of potential changes or harms associated with permitting cashless payments, the regulation of casinos, the effectiveness of the regulation of premises licences issued by local authorities in GB, and the threshold of gaming machines in licensed premises.

Whilst gambling is largely devolved to Northern Ireland, the outcome of the UK Government's review of the Gambling Act 2005 will be particularly pertinent to Northern Ireland should the Review lead to the introduction of further controls on areas of UK-wide interest such as online gambling and advertising. As previously highlighted, even though the Gambling Commission's powers may be somewhat limited in respect of Northern Ireland, the Commission does licence and regulate online gaming operations that are accessed by Northern Ireland consumers. Therefore, any changes to the regulatory, enforcement and sanctions powers of the Commission's advice to the UK Government as part of the Gambling Review is available to access <u>here</u>.

In April 2023 the previous Conservative Government publishes a White Paper 'High stakes: gambling reform for the digital age' outlining its proposals to reform gambling regulation in light of the findings of the Review. The Gambling Commission in conjunction with the Department for Culture Media and Sport are taking forward a programme of work to evaluate those proposals (including, for example, engagement with stakeholders, data collection, surveys and research).

The then Conservative Government's proposals arising from the Review included, for example:

<u>New obligations on operators to conduct checks</u> to ensure affordability and protect against harm. Proposals included:

- For the Gambling Commission to consult on two forms of financial risk check. Firstly, background checks at moderate levels that would take place at £125 net loss within a month or £500 per year. Secondly, a more detailed consideration of a customer's spending at higher levels of spend of around £1,000 net loss within 24 hours or £2,000 within 90 days.
- A consultation on **mandating participation in a cross-operator harm prevention system** based on data sharing.
- A review and consultation on **updating design rules for online products** considering issues such as speed of play.
- Exploring **player-set deposit limits** including an examination of whether these should be mandatory or opt-out rather than opt in.
- Exploring the potential for **regulating prize draws and competitions** that offer significant prizes (e.g. luxury homes or cars) including appropriate controls around player protection and money given to good causes.

Advertising, sponsorship and branding proposals included:

 The Gambling Commission to take forward work to review the design and targeting of incentives such as free bets and bonuses including a consultation on proposed new controls.

- The Gambling Commission to take forward a consultation into ways of providing consumers with more control over the types of gambling marketing they are subjected to.
- Strengthening of informational messaging on the risks associated with gambling and identifying messaging that works in different contexts and audiences.
- Additionally, the then Conservative Government stated that it welcomed commitments from sport governing bodies to develop a cross-sport gambling sponsorship code and welcomed the Premier League's commitment to remove gambling logos from the front of players' shirts.

Proposals for changes to the Gambling Commission's powers and resources included:

- Exploring ways of providing the Commission with greater flexibility to set its own fees in order to respond to issues such as inflation or other emerging challenges (currently fees are amended via secondary legislation).
- Building capacity within the Commission to become a more proactive regulator including increased resources to enable it to use its enforcement powers, to conduct research and analyse and use industry data more effectively in its regulatory activities.
- Increased powers to pursue court orders to require internet service and payment providers to take down or block access to illegal gambling sites.
- A statutory levy on gambling operators to fund projects and services that tackle gambling related harm (currently the industry provides voluntary donations).
- Additionally, to address evidence gaps in research, the Government proposed to engage with key research bodies to stimulate interest and investment in gambling-related research.

#### Dispute and consumer redress proposals:

 Currently the Gambling Commission can impose fines on operators but cannot require operators to repay individual customers. The Government proposed to establish an independent ombudsman to adjudicate on complaints relating to social responsibility or gambling harm. It further proposed to legislate on the issue of consumer redress should operators fail to co-operate with the ombudsman.

Proposals relating to safeguarding children and young adults included:

- Encouragement of gambling operators to voluntarily prevent play by 16 and 17 years olds (bringing it into line with the recent age increase to 18 for the National Lottery). Proposed that legislation would then be introduced when Parliamentary time allowed.
- Prevent the use of <u>Category D</u> cash out slot machines by under 18s in order to create a distinction between products for children (e.g. crane grabbers and other non-cash prize machines) and cash-based gambling machines.
- To challenge the industry to tackle under 18s access to gaming machines in venues such as pubs through age verification. The exemption for test purchasing for small venues was proposed to be removed and licensing authorities (in GB) powers in respect of monitoring activity in licensed premises would be strengthened.
- In relation to increased evidence that young adults (aged 18 to 24 are particularly susceptible to gambling-related harm) it was proposed that protections for this group would be increased. This included earlier interventions to assess financial risk, structural controls such as lower stake limits for online slot games, and operators to consider age as a factor when considering customer vulnerabilities.

Proposals for **land-based gambling** included (note that land-based gambling in Northern Ireland is devolved and there would be limited impact in Northern Ireland if such proposals became operational in GB):

- For the Government to work with the Gambling Commission to develop consultation options for cashless payments in land-based gambling venues including player protections. Land-based operators had expressed concern regarding the impact of any ban on the use of debit cards on gaming machines and the impact on their business.
- A review of gaming machine technical standards including exploring evidence on the role of session limits for higher stake and prize machines.
- Legislative options and conditions for allowed licensed bingo clubs to offer side bets.
- Trialing linked gaming machines where prizes can accrue across a community of machines (these are currently permitted in casinos in GB but not other venues).
- Aligning cumulative impact assessments for alcohol and gambling premises in geographic areas and providing local councilors with more power to set licensing conditions and consider applications. A cumulative assessment considers, for example, the impact of certain premises in the area in terms of density, social impact, positive impacts on businesses and local economy, anti-social behaviour, environmental health, resident's views etc.

It is important to note that the new Labour Government has yet to announce its comprehensive approach to the outcome of the Review. However, as highlighted above, there is a large body of work underway by DCMS and the Gambling Commission which may inform the current Government's approach. There are, of course, a variety of views on the approach to gambling regulation in GB and across the UK. The House of Commons Library has published a useful reading list that provides links to some of the responses to, and stakeholder comments on, the Review of the Gambling Act 2005.

The Committee may wish to consider maintaining a close watching brief on the outcome of the Review, particularly those issues that are pertinent to Northern Ireland. It may wish to consider at appropriate intervals seeking updates from the Department on any engagement it has had with either the Secretary of State for Culture, Media and Sport and/or the Department for Culture, Media and Sport, and the Gambling Commission in relation to the outcome of the Review or issues covered in the Review.

#### 5.2 Republic of Ireland – a new legislative and regulatory framework

A new regulatory system for gambling in the Republic of Ireland was enshrined in the <u>Gambling Regulation Act 2024</u> (which was enacted on 23 October 2024). A comprehensive history of the Bill from initial policy formation to enactment is available on the Irish Government website <u>here</u> (see 'The Gambling Regulation Bill – History of the Bill').

The new 2024 Act contains provisions for:

A **new independent gambling regulator** – to be known as the <u>Gambling</u> <u>Regulatory Authority of Ireland</u> (Údarás Rialála Cearrbhachais na hÉireann). Plans were already under way for the establishment of the new authority before the 2024 Act came into force with the <u>appointment of a CEO Designate</u> of the new authority on 8 September 2022. During this time the CEO Designate was been tasked with preparatory work to ensure that the new body "will be ready to hit the ground running upon its establishment". This includes identifying staffing and resourcing needs and development procedures for how the new Authority will function once operational (for example, the new licensing regime for gambling operators)<sup>2</sup>. Information on the range of regulatory and enforcement powers of the Gambling Regulatory Authority is available <u>here</u>. Under the 2024

<sup>&</sup>lt;sup>2</sup> Department of Justice, 'Minister Browne announces appointment of new CEO Designate of the <u>Gambling Regulatory Authority of Ireland</u>', 12 September 2022.

Act, the Authority will have powers to regulate gambling both in-person (for example, betting shops or casinos) and online/remote betting<sup>3</sup>.

**New regulatory regime for online gambling** – the Gambling Regulatory Authority will license online gaming, lotteries (other than the National Lottery), gambling activities including online casinos, and gambling activities for charitable and philanthropic purposes. The aim of the new licensing framework is to streamline and simplify the older out-dated regulatory approach. In considering whether to grant a new licence, the Authority will apply a 'fit and proper person' approach. That is, issues such as previous compliance with regulatory requirements. Further information on the new licensing framework is available <u>here</u>.

A new National Gambling Register – designed to help address "problem gambling" by enabling people to register with the new Gambling Regulatory Authority in order to exclude themselves from gambling online with licensees. The register will be separate to any exclusion schemes currently operated by licensee. A licensee will not be permitted to allow a person on the Register to gamble or to communicate with a person on the Register in any manner that would encourage them to gamble or that promotes gambling. Breaches could potentially be deemed as an offence and liable on summary conviction to up to 5 years imprisonment and/or a fine at the discretion of the courts.

A new Social Impact Fund – the Act provides for the establishment of a Social Impact Fund to be managed by the Gambling Regulatory Authority. The Social Impact Fund will be funded by mandatory contributions calculated annually on each licensee's turnover. The Fund will finance research and other initiatives that reduce gambling-related harm, support awareness raising and education, and support problem gambling treatment activities. Research institutes, charities and support organisations will be eligible to apply for funding.

<sup>&</sup>lt;sup>3</sup> 'About the Gambling Regulatory Authority of Ireland', gov.ie website. [Accessed 6 January 2025]

**Safeguarding children** – the Act provides for increased safeguards and new offences relating to the protection of children from participating in gambling or accessing premises where gambling activities are offered.

**Advertising** – the Act provides the new Gambling Regulatory Authority with powers in respect of gambling advertising. This includes, for example, the prohibition of advertising that promotes excessive or compulsive gambling, that persons wishing to view gambling via social media will have to opt-in/subscribe to receive it, a watershed prohibiting the broadcasting of gambling advertisements on television and radio between the hours of 5:30am and 9:00pm, and role in specifying the frequency, duration and volume in which gambling advertising will be broadcast. Further information on the new advertising provision is available <u>here</u>. There is an acknowledgement that the Authority will not have a role in advertising which is beyond its remit e.g. gambling on hoardings during English Premier League matches or other such sporting fixtures.

**Sponsorship and inducements** – the Act includes new protections to address sponsorship and the supply of branded clothing and merchandise by gambling companies. For example, a ban on the manufacture, sale or supply of gambling-branded clothing or merchandise aimed at children. The Act also created an offence for a gambling licensee to sponsor an event for children or where the majority of participants are children. It will also be an offence for a licensee to offer a person or group any form of inducement to encourage them to gamble or continue to gamble (examples currently offered by the gambling industry include free bets, VIP treatment, better odds, hospitality). The Minister, in consultation with The Authority may make regulations to limit or prohibit the offer of promotions that directly or indirectly encourage people to gamble.

Given the cross-border nature of gambling, the Committee may wish to consider engaging with the Gambling Regulatory Authority in the Republic of Ireland. The Authority should be in a position to provide the Committee with an overview of its powers and a comprehensive overview of the new <u>Gambling</u> <u>Regulation Act 2024</u>.