Consultation on online slots game design and reverse withdrawals

Overview

We are consulting on changes to the design of online slots - specifically to make them safer for consumers.

We know that the success of many technology companies, digital content creators and gaming machine games designers depends on their ability to establish and maintain the engagement of their consumers on their web, mobile apps and – in premises – gaming machines.

We also know that speed of play, frequency of betting opportunities, as well as other factors on offer can increase addiction and risk of harm. The proposed changes outlined within this document will help to mitigate these risks for slots players.

Our interest in online slots is because it is the largest online gambling product by Gross Gambling Yield (GGY) - played by relatively few but with a high average spend. Structurally it has a number of features which can combine to significantly increase intensity of play.

This means it poses a relatively high risk, reflected in its associated problem and moderate-risk gambling rates.

We will evaluate the impact of the controls and friction proposed in this consultation to reduce the intensity of the play experience for consumers and will take further action if necessary.

Proposals around the design of slots games are just the first step in keeping players safe. Slots is an area which has seen technological innovation in terms of product design and we expect operators to continually show an equal, and indeed greater, commitment to innovate in terms of consumer protection.

Regulatory intervention needs to keep pace with this and the proposals in this consultation form part of a comprehensive package of work we are taking forward to make online gambling safer.

Introduction

1 What is your name?

Name

2 What is your email address?

If you enter your email address then you will automatically receive an acknowledgement email when you submit your response.

Email

3 What is your organisation?

Organisation

4 Privacy notice

As part of this call for evidence, we may decide to publish your name and organisation on our website to indicate that you have responded to this consultation. We have asked you to indicate your consent to the Commission publishing your name and organisation to indicate you have responded to this call for evidence.

Please select only one item

◯ I CONSENT to the publication of my name and organisation to indicate I responded to this consultation

◯

 I DO NOT CONSENT to the publication of my name and organisation to indicate I responded to this consultation

Why are we consulting?

Our focus on online slots is driven by our concerns about the accelerating intensity of online slots games, in terms of time and money spent by players.

In October *<http://www.gamblingcommission.gov.uk/news-action-and-statistics/Media-resources/Speech-web-pages/CEO-Breakfast-briefing-Neil-McArthur-October-2019.aspx>* last year, the Commission brought together industry CEOs and laid the ground for trialling a more collaborative approach to improving player protections. During the event and through the various working groups that have taken place since, we challenged the industry to develop bold and effective methods to making slots games safer for consumers.

This consultation focuses specifically on online slots games.

In response to our challenge, industry has produced a draft code of conduct for Betting Gaming Council (BGC) members. Proposals include:

> i. a reduction in game cycle intensity by implementing a minimum game cycle, and removing features designed to make play faster such as turbo or slam-stop.

> ii. the removal of split-screen slots games, which have been associated with intensive play and highlighted as a potential risk.

We consider that some of these industry suggestions will make online slots games immediately safer for consumers and propose to incorporate them into the regulatory framework. However, we do not consider that the measures proposed by industry are, by themselves, sufficient. This consultation goes further to keep slots players safe in a number of other additional areas.

We consider that these proposals will provide consumers with further protections. However, the strength in the proposals will come from effective compliance by operators. Over the last few years the Commission has escalated the enforcement action it has taken when operators fail to protect consumers.

The industry can expect what our chief executive has described as 'relentless escalation' to continue when we see consumers not being protected from harm.

Our focus on online slots, with a particular concern about the accelerating intensity of these games, is driven by technology and designs that aim to increase the time and spend of players.

The following concerns predate the current Covid-19 crisis but the current situation does bring them into sharper focus and increases the potential risk for some players:

> i. Participation in online slots is currently around 1.2% of adults. At the same time GGY continues to increase, making the online slots market worth an annual £2.2bn (Gambling Commission **Industry Statistics** *<https://www.gamblingcommission.gov.uk/news-action-and-statistics/Statistics-and-research/Statistics/Industry-statistics.aspx>*) at the end of September 2019. GGY from online slots has grown by around 50% since we started to collect point of consumption data in 2014. Set against the relatively small participation figure, this implies a sharp increase in average spend per consumer during this time.

> ii. As a result of the Covid-19 crisis, we have reported on our concerns about the potential risks brought about by the market shift to more intensive online products, such as slots. We have focused **our response** *<https://www.gamblingcommission.gov.uk/news-action-and-statistics/news/2020/Gambling-Commission-instructs-tighter-measures-to-protect-consumers-during-lockdown.aspx>* on these risks highlighting those who gamble on a large number of products. We have also previously highlighted the risks faced by certain groups such as **younger people** *<https://www.gamblingcommission.gov.uk/news-action-and-statistics/Media-resources/Speech-web-pages/Raising-Standards-Our-Priorities-Your-Opportunities.aspx>* .

iii. Research indicates that gambling related harm can arise from a combination of factors working together to create a powerful psychological response that reduces self-awareness and leads to some individuals gambling for extended periods beyond what they intended. For example, in their review of product-based harm minimisation, Parke, Parke & Blaszczynski (2016) found that problem gamblers tend to be more motivated to gamble because of the need to detach (i.e. relax or escape) or modify mood; and evidence suggests that faster, more continuous games best accommodate that need. We are concerned that some of the structural characteristics of online slots may fuel such intensity.

iv. Our research into why consumers gamble indicates that 24% of participants in online slots reported that they had experienced a **hot state** *<https://www.gamblingcommission.gov.uk/news-action-and-statistics/News/blog-how-gambling-fits-into-peoples-lives>* , where they self-reported as having binged whilst playing online slots. This finding ranks online slots as the gambling product with the highest binge rate amongst the respondents to this research. We also know problem gambling and moderate-risk rates are higher for online slots as a product, but importantly that these rates seem to be increased for certain groups such as younger people, for whom the risk of gambling related harm appears to be larger.

v. The ongoing **patterns of play research programme** *<https://about.gambleaware.org/media/1747/1-patterns-of-play-presentationgcrgsbga4june2018.pdf>* continues but we consider that we already have sufficient evidence to make the proposals contained within this document, without having to wait for this research to publish. However, we are mindful that the data in that project will provide an important description of play across a number of products and will be vital in providing a baseline to help us to fully evaluate the impact of specific player protections.

vi. Advice from our **Digital Advisory Panel** *<https://www.gamblingcommission.gov.uk/about/Who-we-are-and-what-we-do/Digital-Advisory-Panel.aspx>* (DAP) also highlighted the need for additional steps or "friction" to reduce the likelihood that players of online slots felt pressured into placing "impulsive bets". This aspect of speed of play was also reflected in part of the discussions held with **Experts by Experience** *<https://www.gamblingcommission.gov.uk/news-action-and-statistics/News/experts-by-experience-interim-group-created>* and from the user survey conducted by GamCare.

The aim of this consultation is to make play of online slots safer by:

- adopting some proposals from the industry working group and ensuring a consistent approach for all relevant licensees, not just BGC members; and
- consulting on additional ways to keep consumers safe - over and above the contents of the draft code provided by industry.

Our own research indicates that customers that are considered to be higher risk for gambling related harm do not always coalesce around a particular game or one specific feature.

With this in mind we think that there are a number of additions to the BGC proposals which would make a further significant impact. These are reflected in the consultation.

Specifically, we are seeking views on proposals to:

- Reduce the intensity of online slots
- Improve the information available to consumers that play slots
- Prohibit reverse withdrawals

We do not think that these are the only ways that online slots could be made safer through game design. We are also interested in gaining wider perspective on other aspects of game design to consider for future changes. For example, our **Experts by Experience group** *<http://www.natlotcomm.gov.uk/news-action-and-statistics/news/2020/Experts-by-Experience-interim-group-created.aspx>* has raised questions in relation to stake levels and the potential to label products differently to help customers understand potential risk better.

Another example proposed by our DAP is the consideration of outcome performance measures, in terms of both the game design process and then product performance across the market, where the focus is primarily on the product rather than the individual player.

We will explore these in future stages of our work on safe game design, which also has useful links to the wider work being developed on measuring outcomes and impacts of regulatory action.

The proposals in this consultation form part of a comprehensive package of work we are taking forward to make online gambling safer. We will continue to review the evidence base, evaluate the impacts of this work, and consider what further regulatory measures or advice to Government may be necessary.

We will also shortly be consulting on changes to Customer Interaction Guidance, which will include details about how operators should tailor their interventions where there appears to be some sizeable variation in the risks posed to different groups of consumers. This is particularly relevant in a high intensity game such as online slots.

Our proposals

We propose the following key changes to protect consumers:

- a suite of new controls aimed at reducing the potential for consumers to be harmed by their gambling on the most intensive products: online slots.
- removing the ability of operators to reverse customer withdrawal requests.

This proposed suite of enhanced controls will be incorporated within the *Remote gambling and software technical standards* (RTS), which sets out the specific technical standards that licensed remote gambling operators and gambling software operators need to meet.

For a number of the proposals contained within this consultation the manner in which an outcome is achieved will reflect each operator's technical set up. With this in mind, we invite respondents to consider each proposal carefully and provide insight as to how the intended outcomes are best achieved with the resources and technology available.

Defining online slots within the RTS

We do not currently have a separate licence type for remote slots as they are a casino product and caught under the Gambling Act 2005 (the Act) as gaming. Therefore, in order to increase controls on these products we think that the most appropriate way to do so is to define online slots within the RTS.

This new definition is designed to capture all games that are offered to customers as slots, or that operators would recognise as slots. It is intentionally high-level to minimise the risk of games being redesigned to circumvent controls.

We invite views on whether this wording is sufficient to capture all variants, as we are mindful of some non-traditional slots games which have emerged.

Proposed new definition

Term: *Slots*

Definition: *Casino games of a reel-based type (includes games that have non-traditional reels)*

Licensees will be responsible for informing the test house whether the game is a slots title when they submit it for testing.

Any attempts to design, or redesign slot products to circumvent the definition may be considered a breach of RTS.

5 Is the wording of the slots definition sufficiently clear?

Please select only one item

○ Strongly agree   ○ Agree   ○ Disagree   ○ Strongly disagree

Do you have any additional comments on this proposal?

___

Prohibiting multiple slot games

Whilst our framework is supportive of innovation within the context of keeping consumers safe from harm, we have **identified and responded to** *<https://www.gamblingcommission.gov.uk/news-action-and-statistics/news/2020/Games-warning-for-online-operators.aspx>* a number of instances that appear to have run counter to these expectations.

Innovation that is designed to encourage consumers to gamble more intensively, frequently, or by increasing amounts without regard to the consumer's circumstances, appear at odds with the very concept of responsible game design.

It is important that consumers are empowered to stay in control of their gambling and therefore it is vital that product features which appear to have been specifically designed to, or are likely to impair control are either removed or restricted.

It is not just our casework which has identified these risks. In its recent **advice to the Commission** *<https://www.gamblingcommission.gov.uk/PDF/Online-harms-advice.ABSG.pdf>* , the Advisory Board for Safer Gambling (ABSG) highlighted the risks posed by split-screen slots games which have been deliberately designed to encourage consumers to play two slots games simultaneously, concluding that the impact on player control and the potential to increase intensive play means *"this facility cannot be justified in the context of a reasonable approach to safer gambling and protecting players from suffering harm".*

But these risks to consumers are not only from games which are specifically designed for multiple-slot play (i.e. split screens within the individual game) as it may still be possible to play multiple slots games across multiple browsers at the same time.

We are therefore proposing an update to RTS which will require operators to ensure that consumers are only permitted to play one slot game at a time per account across multiple tabs/windows, browsers, applications (apps) or devices.

We accept that preventing this across multiple operators would not be technically achievable until technology evolves to enable this level of oversight. This may, for example, form part of the single customer view challenge, for which further details are available **on our website** *<https://www.gamblingcommission.gov.uk/for-gambling-businesses/Compliance/General-compliance/Social-responsibility/Raising-Standards-Reducing-the-risks-from-online-gambling.aspx>* .

Proposed new requirement RTS 14C

RTS requirement 14C

The gambling system must prevent multiple slots games from being played by a single account at the same time.

RTS implementation guidance 14C

a. The system should either prevent a second slot game from being opened or close the first game when a player chooses to begin play on a different game.

b. Customers should be informed that they are only permitted to play one slot game at a time.

6 Do you agree with the proposal to limit the number of slot games that can be played to one per account at a time?

Please select only one item

◯ Strongly agree ◯ Agree ◯ Disagree ◯ Strongly disagree

Do you have any additional comments on this proposal?

7 Are there any unintended consequences of this proposal that you wish to make us aware of?

Please select only one item

◯ Yes ◯ No

If answered yes, please use this space for further comments

8 How long do you estimate implementation would take?

Comments

Introducing speed of play limits

Research indicates *<https://about.gambleaware.org/media/1362/pbhm-final-report-december-2016.pdf>* that faster game cycle speed is associated with increased risks to the consumer.

"Frequency of opportunities to bet appears to be a more important risk factor for problem gambling than the number of different gambling activities one participates in… Problem gamblers are more likely to be attracted to activities with high event frequency as they present more opportunities to receive reward"

Currently there is no minimum game cycle speed in remote gambling meaning there is a potential for faster, more intensive products to be available online than in other sectors or environments.

We are proposing to introduce a minimum spin speed for online slots, which will mirror category B3 (mostly slots) gaming machines at a minimum of 2.5 seconds. We also want to add clarity on how a game cycle is determined to ensure the minimum spin speed can be implemented consistently and can properly support another proposal in this consultation on auto-play (see proposal 5).

We indicated in our **advice to Government** *<http://www.gamblingcommission.gov.uk/PDF/Review-of-gaming-machines-and-social-responsibility-measures-%E2%80%93-formal-advice.pdf>* in 2017 that *"B3 play is of at least a similar financial and time-related risk to B2 roulette play"*, based largely around the faster spin speed than was permitted with category B2.

We expect that online operators can mitigate some of the risks presented by fast spin cycle by using some of the controls already in place (such as being able to link play back to the individual consumer and across multiple sessions or products), as well as further controls outlined within this consultation.

Our casework has shown that these mitigations are not always effectively used by operators and so we will evaluate the impact of this change and review our position on spin speed**[1]** *<#_ftn1>* .

Proposed new requirement RTS 14D

RTS requirement 14D

It must be a minimum of 2.5 seconds from the time a game is started until a player can commence the next game cycle. It must always be necessary to release and then depress the 'start button' or take equivalent action to commence a game cycle.

RTS implementation guidance 14D

A game cycle starts when a player presses the 'start button' or takes equivalent action to initiate the game and ends when the button is once again available to use.

A player should commit to each game cycle individually, continued contact with a button, key or screen should not initiate a new game cycle.

---

[1] *<#_ftnref1>* This should not be seen as an indication that 2.5 seconds is perceived as a 'safe' or 'unsafe' game cycle speed, but that it will create parity between the online slots and offline B3 machine spin speed (mostly slots). This will give us a baseline against which to assess going forward.

9 Do you agree with the proposal to introduce a minimum spin speed of 2.5 seconds for slots?

Please select only one item

○ Strongly agree   ○ Agree   ○ Disagree   ○ Strongly disagree

10 Do you agree that the wording of the requirement accurately reflects the intention?

Please select only one item

◯ Strongly agree   ◯ Agree   ◯ Disagree   ◯ Strongly disagree

11 Are there any unintended consequences of this proposal that you wish to make us aware of?

Please select only one item

◯ Yes   ◯ No

If answered yes, please use this space for comments

```



```

12 How long do you estimate implementation would take?

Comments

```



```

13 If there is an expected cost to this proposal, how much do you estimate this to be?

Comments

```



```

Prohibiting player-led "spin stop" features

There are several other product features which contribute to greater intensity of gameplay by enabling consumers to:

- Deliberately speed up play, or
- Provide consumers with an artificial illusion of control, or
- Encourage dissociation from playing the game itself.

We are therefore consulting on the prohibition of in-game features which meet these criteria, including:

- Specific features that reduce the amount of time a consumer has to wait until a result is displayed, usually by reducing or removing altogether the reel spin animation. These can be known as 'turbo' or 'boost' buttons and were identified as a specific risk through our interactions with **Experts by Experience** *<http://www.natlotcomm.gov.uk/news-action-and-statistics/news/2020/Experts-by-Experience-interim-group-created.aspx>* as part of the challenge stakeholder engagement. We think this proposal strongly aligns with our aims to reduce the risks to consumers through the reduction in intensity of slots games.
- Any feature that gives the illusion of control such as player-led spin or reel stop features.

Collectively, the features we are referring to are commonly referred to as 'turbo', 'slam stop' or 'quick spin'. This is not intended to be an exhaustive list but to illustrate the types of features the proposal is referring to.

Proposed new requirement RTS 14E

RTS requirement 14E

The gambling system must not permit a customer to reduce the time until the result is presented.

RTS implementation guidance 14E

a. Features such as turbo, quick spin, slam stop are not permitted. This is not intended to be an exhaustive list but to illustrate the types of features the requirement is referring to.
b. This applies to all remote slots, regardless of game cycle speed.

14 Do you agree with the proposal to prohibit features designed to deliberately speed up play, provide consumers with an artificial illusion of control, or encourage dissociation from playing the game itself?

Please select only one item

○ Strongly agree   ○ Agree   ○ Disagree   ○ Strongly disagree

Do you have any additional comments on this proposal?

15 How long do you estimate implementation would take?

Comments

16 If there is an expected cost to this proposal, how much do you estimate this to be?

Comments

Prohibiting auto-play functionality for online slots

In our response to the **Strengthening social responsibility** *<https://www.gamblingcommission.gov.uk/news-action-and-statistics/Consultations/strengthening-social-responsibility>* consultation, we acknowledged that by choosing to use auto-play, a player was giving up an element of control and introduced additional controls to counteract this.

Auto-play is also often mentioned in research as a potential contributing factor to gambling related harms, not only because it removes an element of decision making (therefore reduces friction) and time to reflect on the outcome; but because it can act to increase the speed of play and can contribute to creating a dissociative state.

A review by Parke, Parke & Blaszczynski (2016) found that *"there is a strong theoretical foundation to consider automatic play as a risk factor for gambling-related harm",* and that *"evidence indicates that even a relatively brief break in play may reduce gambling persistence in the face of repeated losses".*

As a regulator we constantly assess the risks posed to some consumers by online gambling, particularly through intensive products. We have continued to review the evidence base in this area and our view of the risks has continued to evolve, in particular moved on by our own recent research into how **gambling fits into people's lives** *<https://www.gamblingcommission.gov.uk/news-action-and-statistics/News/blog-how-gambling-fits-into-peoples-lives>* .

In light of this, particularly with reference to online slots games, we are no longer convinced that the risks to some consumers from auto-play are fully mitigated by the controls that are in place.

We are therefore consulting to remove auto-play facility for online slots, which is the product most heavily associated with auto-play functionality.

We are mindful that customers may be able to circumvent the removal of this feature. However, we do not consider this sufficient rationale to not take action in terms of inserting additional friction, where relevant to maximise player protection.

In order to reduce the ability for circumvention, our proposal on game cycle speed sought to make it clear that a continued button/key press must not commence further game cycles.

Proposed new requirement RTS 8C

RTS requirement 8C

The gambling system must require a customer to commit to each game cycle individually. Providing auto-play for slots is not permitted.

17 Do you agree with the proposal to prohibit auto-play on slots?

Please select only one item

◯ Strongly agree   ◯ Agree   ◯ Disagree   ◯ Strongly disagree

Do you have any additional comments on this proposal?

18 How long do you estimate implementation would take?

Comments

```



```

19 If there is an expected cost to implement these proposals, how much do you estimate this to be?

Comments

```



```

Prohibiting effects that give the illusion of "false wins"

We are aware that certain characteristics of slots games designed to enhance the experience, also risk giving the impression of more successful outcomes for consumers than is actually the case.

Win-line animations in conjunction with other stimuli such as sound effects at the end of a game cycle can give the impression that the consumer has profited from their last spin, even when the amount returned is less than the total amount they staked.

As an example, a consumer may have bet four lines at 50p each (total stake £2) and then one line returns £1.50. Whilst in total the spin will have cost them 50p in this example, the single line 'win' may be celebrated, despite their net loss.

This concept is typically referred to as "losses disguised as wins" (LDWs).

We are concerned with the fairness of these celebratory effects, as we consider it important that consumers are empowered to use information about their play to make informed decisions. This includes whether the outcome was a true 'win' in the sense that it returned more than their original, 'total' stake.

We are also aware of the potential psychological effects of indicating wins more frequently than is actually the case, as this could induce a hot state which has been associated with gambling related harm.

Several pieces of research have emphasised the psychological and physical changes that occur with consumer experience of losses disguised as wins. In particular, **Sharman et al 2015 - Dual effects of 'losses disguised as wins' and near-misses in a slot machine game** *<https://www.researchgate.net/publication/277595300_Dual_effects_of_%27losses_disguised_as_wins%27_and_near-misses_in_a_slot_machine_game>* found that LDWs increased the enjoyment of the non-win game outcome with participants experiencing elevated electrochemical or "valence" responses.

For these reasons, combined with our desire that consumers are easily able to understand the content and outcome of their gambling, we are proposing a requirement designed to make it clear to consumers the distinction between true winning spins (an amount greater than total stake is returned) and other spins (an amount less than or equal to total stake returned).

It is of course important for a player to be informed about the outcome of the game and RTS already includes a provision (7E) that the result is sufficiently clear as to be understood. This proposal does not remove the requirement to inform consumers about the result of the game, only those elements which add celebration.

Proposed new requirement RTS 14F

Requirement 14F

The gambling system must not celebrate a return which is less than or equal to the total amount staked.

RTS Implementation Guidance 14F

a. By 'celebrate' we mean the use of auditory or visual effects that are associated with a win are not permitted for returns which are less than or equal to last total amount staked.
b. Where the return is lower than or equal to the stake, the gambling system should not refer to the result as a win.

20 Do you agree with the proposal to require returns below or equal to total stake, to have no sounds or visual effects that are associated with a win?

Please select only one item

◯ Strongly agree   ◯ Agree   ◯ Disagree   ◯ Strongly disagree

Do you have any additional comments on this proposal?

21 How long do you estimate implementation would take?

Comments

22 If there is an expected cost to implement these proposals, how much do you estimate this to be?

Comments

Display of net position and display of elapsed time

We want consumers to be provided with the information necessary to make informed choices about their gambling. The need to empower consumers by having information upfront was identified during the responsible game design challenge but also within the *National strategy to reduce gambling harm*. With this in mind, we are proposing to update RTS 2 and RTS 13 to provide consumers with their net position and time spent during their slots gaming session.

We regard data on spend and time as being amongst the most important in terms of helping players to understand their play, not least because expenditure and time spent gambling were identified as two of the key dynamics of gambling related harms (**Wardle, et al, 2018** *<http://www.gamblingcommission.gov.uk/PDF/Measuring-gambling-related-harms.pdf>*).

Whilst there are a number of other possible data points which may be able to help consumers understand their play, we are mindful that an increasing amount of slots gaming is done through restricted display devices such as mobiles.

We consider it important to maximise the impact of any additional display items and have identified net position and time spent as the two key additions to aid consumers.

Display of net position

The current RTS requirements were updated in 2017 to tighten up account level information that can be accessed by consumers, requiring operators to provide a minimum standard of account and gambling history in easy to understand totals.

Whilst our previous review allowed consumers to access information across their whole account, we consider that consumers should be able to see their current levels of spending whilst playing a slots game, particularly removing any friction associated with checking account details etc.

We consider that a figure of 'net position' is clear in terms of letting the customer know whether or not they are winning or losing during the current gaming session, and by how much.

> <u>**Proposed new requirement RTS 2E**</u>
>
> **RTS requirement 2E**
>
> All gaming sessions must clearly display the net position, in the currency of their account or product (e.g. pounds sterling, dollar, Euro) since the session started.
>
> **RTS Implementation guidance 2E**
>
> Net position is defined as the total of all winnings minus the sum of all losses since the start of the session

Display of elapsed time

The current RTS allows operators to provide consumers with either the current time of day or the elapsed time since the gaming session began if the device clock is obscured. For slots games we propose that the elapsed time of the gaming session must be shown, regardless of whether the device clock is obscured or not. This can be a standalone counter, or displayed alongside a separate clock showing the time of day.

We are aware, like with other proposals, that how this is achieved from a technical standpoint will depend on the systems utilised by operators and the options available as a result. We therefore propose that either the system commence the timer in conjunction with gameplay, or when the slot game is opened.

> <u>**Proposed new requirement RTS 13C**</u>
>
> **RTS Requirement 13C**

All gaming sessions must clearly display the elapsed time since the session started.

RTS Implementation guidance 13C

a. Time displayed should begin either when the game is opened or once play commences
b. Time should run for the duration of the session regardless of whether the customer minimises the session
c. Elapsed time should be displayed in seconds, minutes and hours

23 Do you agree with our proposal to require net position to be displayed at all times within a slots gaming session?

Please select only one item

◯ Strongly agree   ◯ Agree   ◯ Disagree   ◯ Strongly disagree

Do you have any additional comments on this proposal?

24 Do you agree with our proposal to require the elapsed time of slots gaming session to be displayed at all times?

Please select only one item

◯ Strongly agree   ◯ Agree   ◯ Disagree   ◯ Strongly disagree

Do you have any additional comments on this proposal?

25 Are there any unintended consequences of these proposals that you wish to make us aware of?

Please select only one item

◯ Yes   ◯ No

If answered yes, please use this space for comments

```



```

26 How long do you estimate implementation would take?

Comments

```



```

27 If there is an expected cost to implement these proposals, how much do you estimate this to be?

Comments

```



```

Prohibiting reverse withdrawals

The final proposal follows **the update to the Commission's customer interaction guidance in May** *<https://www.gamblingcommission.gov.uk/news-action-and-statistics/Statistics-and-research/Covid-19-research/Customer-interaction-%E2%80%93-Additional-formal-guidance-for-remote-operators-during-COVID-19-outbreak.aspx>* , in which licensees were prohibited from offering withdrawal options for customers until further notice.

'Reverse withdrawal' is a function that allows consumers to change their mind about withdrawing funds from their gambling account by cancelling a withdrawal of part or all of their funds before the transfer to their bank or wallet is completed. They were originally made available in a climate where it took time to complete payments to customers and where identity checks were often conducted at the time of withdrawal; this should no longer be the case.

The Commission has required that identity checks must be conducted in advance of a customer being permitted to gamble and payment processing is both much faster and usually automated.

The use of this function has been considered a potential flag for harm, and in our customer interaction guidance (July 2019), operators were again instructed to monitor its use alongside other gambling activity and take action where they see risk of harm.

On 12 May 2020, the Commission published additional guidance to operators to sit alongside our customer interaction requirements. This additional guidance addressed the specific risks during the period of increased isolation and disruption to support networks of the lockdown period, during which the most engaged gamblers and consumers who are in a vulnerable situation are more at risk of harm from gambling. As a result, the additional guidance stated that operators should prevent reverse withdrawal options for customers until further notice.

This guidance accelerated some of our policy development, having reviewed the evidence, the experiences of some consumers and those with lived experience of gambling harms, and consideration of the risks to consumers compared with the impact on gambling businesses.

We have also drawn on our enforcement case work, where the use of reverse withdrawals has been part of a picture of harm which should have been picked up by operators much sooner, and as a result we have taken these operators to task.

The consumer journey must support effective decision-making by all customers and we consider that there is little consumer benefit to the reverse withdrawal function in a modern gambling and payment processing context.

The evidence that we have gathered shows that the reverse withdrawal function presents a risk to engaged and vulnerable gamblers. It is often used when consumers are at an increased risk of experiencing gambling-related harms – for example, during a prolonged period of gambling or when chasing losses.

The research base includes independent research by **Parke J. & Parke, A. (2019** *<https://link.springer.com/article/10.1007/s11469-018-0049-8>* , **2017** *<https://about.gambleaware.org/media/1610/parke-parke-2017-gtr.pdf>*), **Haeusler et al (2016)** *<https://www.semanticscholar.org/paper/Follow-the-money%3A-using-payment-behaviour-as-for-Haeusler/5dcee256cb2acfa457097eee9788b26a2ded4620>* , as well as our own research.

Our direct engagement with people with lived experience has shown that individuals consider the reverse withdrawal function to be an aggravating factor when experiencing harm – and this is further supported by independent lived experience groups such as Gamvisory and treatment providers.

In their **recent advice paper on online harms** *<https://www.gamblingcommission.gov.uk/PDF/Online-harms-advice.ABSG.pdf>* , our advisor the Advisory Board for Safer Gambling reiterated their support for a ban of the reverse withdrawal facility and streamlined withdrawal processes, stating that *'it should be just as easy for a consumer to take their money out of a gambling account as it is to deposit it'* and that *'when withdrawals take too long, or consumers*

receive marketing offers encouraging them to reverse their withdrawal, this can impede consumers' decisions about when to stop gambling'.

We are therefore consulting on a proposal to include in the remote technical standards a permanent ban for all gambling operators on offering the reverse withdrawal functionality.

> **Proposed new requirement**
>
> **RTS requirement 14B [New requirement]**
>
> Consumers must not be given the option to cancel their withdrawal request.
>
> **RTS implementation guidance 14B [New implementation guidance]**
>
> Once a customer has made a request to withdraw funds, they should not be given the option to deposit using these funds. Operators should make the process to withdraw funds as frictionless as possible.
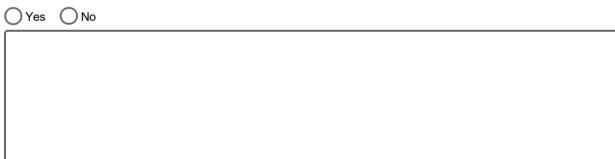
28 Do you agree with our proposal to permanently ban reverse withdrawals for all consumers?

Please select only one item

◯ Strongly agree　◯ Agree　◯ Disagree　◯ Strongly disagree

Do you have any additional comments on these proposals?

[ ]

29 Operators have already implemented this change as a result of the Commission's additional guidance May 2020. Have there been any unintended consequences of this change that the Commission should consider?

Please select only one item

◯ Yes　◯ No

[ ]

30 Operators have already implemented this change as a result of the Commission's additional guidance in May 2020, although we are aware that some operators would need to make further technical changes to make this permanent, and to remove all visibility of the earlier function from their systems. How long do you estimate complete implementation would take?

Comments

31 If there is an expected cost to the implementation of these proposals, how much do you estimate this to be?

Comments

Testing

The **Testing strategy** *<https://www.gamblingcommission.gov.uk/PDF/Testing-strategy-for-compliance-with-remote-gambling-and-software-technical-standards.pdf>* for compliance with remote gambling and software technical standards sets out our requirements for the timing and procedures for the testing of remote gambling products (games and software).

This sets out:

- what the Commission considers to be the types of testing required in order for it to be satisfied that the technical standards are being met
- the circumstances in which independent third-party testing is required and who the Commission considers appropriate to carry out that testing
- the procedures for testing.

This is issued in accordance with sections 89 and 97 of the Gambling Act 2005 and Condition 2.3 of the Commission's Licence Conditions and Codes of Practice (LCCP). The Act allows for the Commission to set technical standards and allows for administration of testing, whilst the LCCP requires relevant licensees to comply with the Commission's technical and testing requirements

We are mindful that some of the changes outlined in this consultation (for example the introduction of the minimum spin speed at 2.5 seconds) may require some existing games to be re-tested. For games that require updating, our normal games testing process set out in our **Testing Strategy** *<https://www.gamblingcommission.gov.uk/PDF/Testing-strategy-for-compliance-with-remote-gambling-and-software-technical-standards.pdf>* will apply.

We are also mindful of the fact that the draft code of conduct received from industry committed BGC members to adhere to several of the requirements contained in this document, including the following.

- 2.5 second spin speed
- Prohibit split-screen slots games
- Removal of 'turbo' buttons and 'slam-stops'

These commitments were made with a commitment of being completed by the end of September 2020, and as such we do not expect that BGC members will have to additionally re-test games which have already been re-tested as parts of the code of conduct commitments.

As a principle, operators must satisfy themselves that they are offering compliant games. Where they are not sure, any existing game will require independent retesting.

All new games published after the commencement date for these requirements will need to be tested.

It is our view that games which are not compliant by the commencement date will need to be temporarily removed until such time as they can be verified. Games that require retesting could be prioritised based on popularity to spread the demand for testing.

We intend to update the Testing Strategy to incorporate any new standards and changes made to the numbering of existing requirements as a result of the changes outlined in this consultation. This could include for example, that a testing report should include whether the licensee declared the game as a slots title.

Before you submit your response

32 How did you hear about this consultation?

Please select all that apply

☐ Social media ☐ Word of mouth ☐ Gambling Commission website ☐ Broadcast (news, TV or radio)

☐ Newspaper (print or online) ☐ Other

If 'other', please specify

```

```

33 Overall, how satisfied were you with our online consultation tool?

Please select only one item

◯ Very satisfied ◯ Satisfied ◯ Somewhat satisfied ◯ Disappointed

How could we improve this service?

```


```