



Regulation

UK government confirms Gambling Act review will target credit cards and loot boxes

Boris Johnson's Conservative government confirms manifesto pledge will be launched

Robert Simmons | 20 December 2019



The UK government has said it will conduct a full-scale review of the 2005 UK Gambling Act, as confirmed in the Queen's speech on Thursday at Westminster.

In the speech, the government said it would review the act "with a particular focus on tackling issues around online loot boxes and credit card misuse".

A review of the 2005 Act formed one of the pledges made by the Conservative party in its 2019 election manifesto, with Prime Minister Boris Johnson calling it an "analogue act for a digital age".

David Clifton, director of Clifton Davies consultants, claimed the industry should not fear the outcome of a review as much as if the Labour Party had won the recent UK election.

He said it would be a mistake for operators to expect the current online gambling regulation status quo to continue, however.

The issue of credit card misuse in gambling has been the subject of industry-wide debate over the last year, with the Gambling Commission (UKGC) calling for a blanket ban on their use in online gambling in July.

"The currently awaited outcome of the Gambling Commission's gambling with credit cards consultation might well negate the need for law reform proposals on that issue but I expect to see in due course the introduction of a 1% GGY mandatory RET levy," Clifton said.

Whether loot boxes in video games constitute gambling has yet to be formally settled by the government, despite its 'immersive and addictive technologies' enquiry calling for a ban on the sale of loot boxes to children in September.

However, in a report released on Thursday, the Royal Society for Public Health has called for loot boxes and skins betting to be classified as legally-recognised forms of gambling for under 18s, potentially making them subject to Gambling Commission regulation.

The report commissioned by GambleAware aimed to assess attitudes to gambling among young people aged between 11 and 24. Of these, 58% cited loot boxes as forms of highly addictive gambling, rising to 60% with skins betting.

Clifton claims that widening the statutory definition of gambling to include loot boxes is highly likely, given the remarks made in the Queen's speech.

"Government reviews of legislation take time so, while some principles may be established during the course of next year, I reckon it's going to be 2021 at the earliest before legislative changes come into effect," he added.

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