



**SPORT+
RECREATION
ALLIANCE**

4TH FLOOR
BURWOOD HOUSE
14-16 CAXTON STREET
LONDON SW1H 0QT

T 020 7976 3900
F 020 7976 3901

INFO@SPORTANDRECREATION.ORG.UK
WWW.SPORTANDRECREATION.ORG.UK

Gambling Commission Fees Discussion Paper – Submission by the Sports Betting Group

The Sports Betting Group

The Sports Betting Group (SBG) brings together the governing bodies of the major sports and player associations to consider threats to the integrity of sporting competition and to promote best practice in tackling sports betting corruption. The SBG was formed in 2010 following the report of the Sports Betting Integrity Panel chaired by Rick Parry. We work closely with others who have an interest in preserving sports betting integrity, including the Gambling Commission, and further information can be found at: www.sportsbettinggroup.org.

Protecting the integrity of sport and sports betting is a key priority for sports governing bodies and player associations and we recognise the role played by the Gambling Commission in achieving this objective. In this context, the way in which fees to are set to cover the costs of the Commission's integrity functions is important and the Sports Betting Group welcomes the opportunity to respond to the discussion paper.

Comments on the discussion paper

While we do not have specific comments on the detailed fee-setting proposals in the paper, the SBG would make the following key points:

- Protecting the integrity of sport and sports betting must continue to be a key priority for the Commission and be resourced appropriately. The establishment of the Sports Betting Integrity Forum to deliver the Sport and Sports Betting Integrity Action Plan is a welcome step and the Commission has provided a helpful leadership role in this area. However the challenge is to ensure this good work is built upon and that the resources match the scale of the SBI Action Plan's ambition to make the UK a recognised leader in terms of betting integrity. In this context, it is important that the Commission's fees are set at a level that ensures resources are available to implement the Plan in full.
- Any fee structure put in place should be flexible enough to keep pace with developments in the gambling sector and, by extension, changes to the nature of betting corruption threats. In recent years the sports betting market has grown significantly whilst at the same time undergoing a radical shift towards online, remote betting. Further, the Gambling (Licensing and Advertising) Act 2014 has brought new operators within the regulatory framework, a number of whom are now in the process of consolidating into a smaller number of large operators. Looking ahead, these developments will pose new and different challenges to the integrity of sport and sports betting. The fee structure therefore needs to reflect the consequences of these shifts in terms of the Commission's integrity-related functions and enable sufficient costs to be recovered regardless of the way in which the market develops.

- The costs of integrity-related activity can often be difficult to predict with certainty, in particular due to costs incurred in carrying out criminal investigations and prosecutions. In this context we believe the Commission should consider introducing some form of discrete contingency fund to ensure resources are available in the event the Commission needs to undertake additional integrity activity, for example to pursue a criminal investigation using its powers under the Gambling Act 2005. Any such fund could be rolled over where there is an underspend for use in future years. An alternative might be some form of annual ex-post adjustment levied on operators to cover costs where they have exceeded the forecast. Overall, it would be disappointing and send the wrong message if activity to tackle sports betting corruption, particularly the pursuit of criminal wrongdoing, were to be curtailed simply due to lack of funds.

**Sports Betting Group
October 2015**

