

GAMBLING COMMISSION

The Gambling Commission's betting integrity decision making framework

November 2020

1 Introduction

- 1.1 The aim of the Betting Integrity Programme is to protect British consumers against the risks associated with betting on events that have been manipulated for betting purposes or involve misuse of inside information related to betting markets.
- 1.2 This document is aimed at those bodies the Commission might work with in respect of betting integrity. It sets out the Commission's processes and decision making framework in the context of betting integrity, from when it first receives a piece of information through to when a case is closed.
- 1.3 The Sports Betting Intelligence Unit (SBIU) is the intelligence hub of what has become known as the UK's national platform¹. The national platform supports collaborative working between the Commission, law enforcement agencies, betting operators and sport governing bodies (SGBs) to help address match fixing and betting integrity issues in the UK.
- 1.4 This document may be revised from time to time to reflect any developments in the Commission's approach.

2 Background

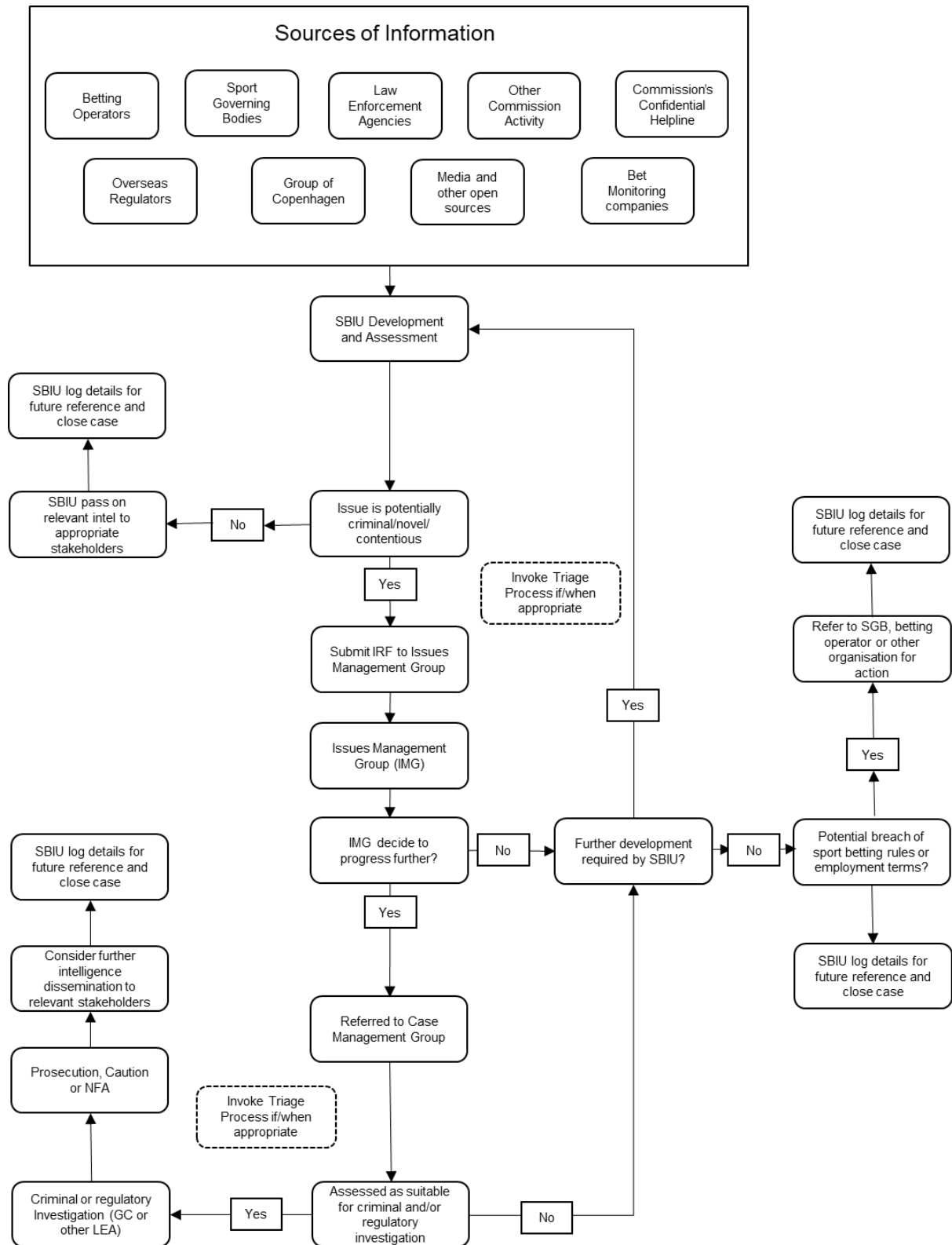
- 2.1 The overall aim of the Commission, and its partners, is to reduce the likelihood of corruption and where it is discovered to cause it to end. This is best achieved by working together on a combination of prevention, disruption and sanction opportunities. It should be noted that betting in Great Britain is not restricted to sport; bets can be placed on a number of different markets such as political markets, TV talent competitions, winners or nominees of awards or novelty bets such as the colour of the Queen's hat at a royal event. The decision making framework applies equally to each of these markets i.e. it is not restricted to sports betting.
- 2.2 There are various other publications that help set out and support the Commission's decision making processes, most notably the Licensing, Compliance and Enforcement policy statement, the Licensing Conditions and Codes of Practice (LCCP), the SBIU Terms of Reference, the Betting Integrity Policy Position Paper, the Misuse of Inside Information Paper and the In Play (In-Running) Betting Paper.
- 2.3 A key component of the Commission's work on betting integrity is LCCP licence condition 15.1 which requires betting operators to share information on suspicious or irregular market activity with the Commission.
- 2.4 Under the Gambling Act 2005 (the Act) the Commission has powers to prosecute offences of cheating and to void bets. Our powers to prosecute cheating offences apply where a person cheats at gambling or where they do anything for the purposes of enabling or assisting another to cheat at gambling.
- 2.5 If the SBIU receives information that indicates potential criminality, the Betting Integrity Triage Process can be invoked.
- 2.6 In such cases, relevant stakeholders will meet to discuss the available intelligence. This allows each party to understand the potential issues and agree what action can

¹ As defined in Article 13 of the Council of Europe's [Convention on the Manipulation of Sports Competitions](#) .

be taken and by whom in relation to both criminal and sports investigations. Appendix 1 provides an overview of the process.

- 2.7** We also have powers to make an order to void individual bets accepted by, or through, the holder of a betting specific licence.
- 2.8** Pursuing a criminal sanction will not always be possible and often will not be the most effective or efficient approach to take. It is difficult to prove that the result of an event has been manipulated simply by watching it; instead, a criminal case will very often rely on establishing relationships between those involved and identifying the flow of money.
- 2.9** In some cases, a SGB sanction may be more appropriate and can act as a timely deterrent. This is because the standards of proof required for a civil sanction are lower than those required for a criminal sanction. SGB's rules can be an effective control to achieve joint aims and the decision making framework is reflective of these considerations. However, each case will be considered on its merits and to inform potential action by stakeholder. Furthermore, SGB action does not rule out the possibility of a criminal charges being brought where appropriate.
- 2.10** Once a piece of information is received there are broadly four key partners who can be involved in a case – the Commission, SGBs, betting operators and the police (and/or other law enforcement agencies).
- 2.11** The flow chart on the next page, in general terms, sets out how a case progresses and the decision making processes. However, it should be noted that this model does not purport to capture all circumstances and the approach may vary. The flow chart will aid understanding of the structure and different sections of this document.

SBIU Decision Making Flow Chart



3 The Commission's approach and decision making framework

Sources of information

3.1 The Commission receives information from a variety of sources, including but not limited to:

- Betting operators
- Bet monitoring companies
- Sport Governing bodies (SBGs)
- Law enforcement
- Commission's confidential hotline
- Media and other open sources
- Other regulators
- Group of Copenhagen²

SBIU development and assessment

3.2 Having received the information, the SBIU will look to establish whether there is any potential criminal activity.

3.3 The SBIU will also consider whether the activity falls within its terms of reference, in particular whether the activity:

- relates to a sporting event that occurred in Great Britain, and/ or
- involves parties³ based within Great Britain, and/ or
- actively occurred under a Gambling Commission licence .

3.4 The quality and detail of information provided may vary substantially. Whilst the SBIU will assess all information provided it must prioritise its use of resources. Accordingly, it may be that not enough information is available to warrant further work on an issue at that stage. However, all information is logged and if further relevant intelligence came to light, the issue could be looked at again.

Decisions on how to progress the intelligence gathered

3.5 SBIU will assess the intelligence gathered to decide on the most appropriate course of action. At this point the following potential next steps are available for consideration:

- No further action – for example, this could be due to a legitimate explanation being identified that accounts for suspicious betting activity or insufficient information is available to proceed with a regulatory or criminal investigation. However, all information received will be logged for intelligence purposes in line with Data Protection principles and the Commission's own policies.
- If the SBIU are satisfied that there is potential criminal activity the issue will be referred to the Issue Management Group (IMG) for a decision as to how it will be progressed. Broadly speaking this establishes whether the Commission could progress a case or if it should be referred to another law enforcement agency with broader powers.

² The Council of Europe's network of national platforms

³ Examples of 'Parties' could include participants as defined by a sports governing body, employees of a betting operator, employees of a TV or telecoms company etc

- Refer to a SGB – this could be where there is potentially a breach of a sport's rule. The SGB would be best placed to identify and pursue any breaches of rules, regulations or codes of conduct
- Refer to betting operator/employer – this could be where there is potentially a breach of employment terms and conditions or contracts of employment. The relevant organisation would then decide how to proceed.
- Refer to international stakeholders, most likely via the network of national platforms (known as the Group of Copenhagen) or via Interpol or Europol.

3.6 Our investigatory powers, such as those under Regulation of Investigatory Powers Act 2000 (RIPA) and Proceeds of Crime Act 2002 (POCA), can only be utilised when investigating a potential crime. As such we could not use our powers once we consider an issue unsuitable for criminal investigation.

Issue Management Group

3.7 Cases are progressed to IMG via an Incident Referral Form (IRF). Included within an IRF is a synopsis of the key issues, including any risks or breaches of licencing objectives/ or Social Responsibility Code and a reference to any alleged offences under the Gambling Act 2005 (or other legislation).

3.8 The purpose of the IMG is to ensure that emerging issues or trends are escalated appropriately within the Commission.

3.9 The potential outcomes from IMG can include;

- Further intelligence development
- Referral to SGBs or betting operators/employers for disruptive (including disciplinary) action
- Escalate to the Case Management Group (CMG)

Case Management Group

3.10 The purpose of the CMG is to ensure that the Commission responds appropriately to key issues, which due to their scale, complexity or novelty are of strategic significance to the Commission. The CMG's role is to identify and manage emergent risks and provide clarity, support and direction to Commission casework.

3.11 Escalated IRFs will be discussed at the fortnightly CMG. However, there are arrangements in place if there are time critical issues that require more immediate action. An allocated Case Manager will be in attendance for direction regarding their allocated IRFs. CMG will ensure that the Case Manager has a steer on the focus of investigation, risk priorities, resource requirements and communications.

Effective use of resources

3.12 An underlying aim of this approach is to ensure that criminal activity ceases. This means that the partners involved can use their resources in the most effective and efficient way possible to achieve an effective combination of prevention, disruption and sanction.

Investigation (Commission or Police)

- 3.13** The Commission's broad policy framework in relation to the investigation and prosecution of offences under the Act, including the Commission's powers is set out in the Commission's document [Licensing, compliance and enforcement policy statement \(June 2017\)](#). Investigations in respect of betting integrity can be taken individually by the police or Commission or the lead can be taken by one and supported by the other as outlined in the Triage Process (Appendix 1). This arrangement can change during the course of a case depending on developments.

Investigation - Sports Governing Body

- 3.14** Where or when appropriate, some cases may be referred to a SGB to consider potential breaches of sports rules. The Commission will support SGBs where appropriate and in line with the SBIU ToRs

Information to SGBs and Operators during investigations

- 3.15** The Commission may, where appropriate, share information with SGBs and betting operators during investigations. It may be feasible for a SGB to prepare or progress disciplinary cases under sports rules at the same time as a criminal one and it may be appropriate for betting operators to take appropriate action in their own right. These should be the subject of joint discussions as part of the Triage Process to ensure neither the criminal nor the disciplinary action could negatively impact on the other.

Voiding

- 3.16** The Commission has powers to void individual bets either as a disruptive end in itself or as a stage on the way to a prosecution. More detail about this power is set out in section 5.49 of Licensing, compliance and enforcement policy statement (June 2017).
- 3.17** Where the Commission exercises this power, any contract or other arrangement relating to the bet will be void, and any money paid in relation to the bet must be returned to the person who paid it. The power to void a bet only applies to the parties to a specific bet; it does not apply to all bets placed on an event.
- 3.18** In some circumstances the Commission would provide information to operators to support any action they may take relating to suspension or non-payment of bets that are deemed to be unfair.

Enforcement

- 3.19** Following an investigation the Commission may proceed to prosecution, issue a caution or decide to take no further action. Information concerning the framework for deciding how to proceed following an investigation is set out in section 6.8 to 6.11 of Licensing, Compliance and Enforcement policy statement (June 2017).
- 3.20** The Commission may take action if failings by a licensee are found to be a factor and would deal with such cases under our regulatory powers.

- 3.21** Whilst the Commission can take prosecutions itself, often such court cases will be led by the relevant prosecuting authority, particularly where a police force has either led an investigation or been involved in one. Whether or not to prosecute will often be a decision for them in the first instance. If the Crown Prosecution Service, (or Procurator Fiscal if a case is being investigated by Police Scotland) does not think it appropriate to prosecute, the Commission is unlikely to proceed independently with a criminal investigation unless there are exceptional circumstances (for example, the need to set a legal precedent).

SBIU dissemination

- 3.22** Following the outcome of a case, including where there is no further action, the SBIU may disseminate information to other parties. The information that can be shared will be dependent on the case and any legal restrictions which may apply. The SBIU would also welcome any relevant information from partners on the completion of any action taken by them regarding lessons learnt or emerging themes, to feed back into the wider strategic intelligence picture.

Sharing information with partners

- 3.23** The Commission will generally look to share information with partners where it is considered appropriate to do so. Generally, and particularly for non-law enforcement partners, this will be in a summarised format. The Commission is usually more able to share data with law enforcement agencies for the purpose of criminal investigations.
- 3.24** Section 30⁴ and Schedule 6⁵ of the Act provide a limited list of third parties with whom the Commission may provide information received by it in the course of its duties. However, the Commission may choose to provide information to parties not listed on Schedule 6 where this is considered appropriate in furtherance of the licensing objectives and is not prohibited by any statutory provision or legal principle. Where necessary, information provided by the Commission to third parties may be subject to conditions, including the requirement to apply adequate information handling procedures. The Commission would not be able to pass data to those that do not have appropriate information handling procedures.
- 3.25** All disclosures of personal data made by the Commission will be subject to the requirements of the Human Rights Act 1998 and the Data Protection Act 2018 and [General Data Protection Regulation](#) (GDPR).

⁴ [Section 30, Gambling Act 2005](#)

⁵ [Schedule 6, Gambling Act 2005](#)

Keeping gambling fair and safe for all

For further information or to register your interest in the Commission please visit our website at: www.gamblingcommission.gov.uk

Copies of this document are available in alternative formats on request.

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Betting Integrity Triage Process

