

Title: Parent Zone response to the Gambling Commission Age Verification Consultation.

Introduction

Parent Zone specialises in providing support to parents and families responding to the challenges of a digital age.

Our mission is to make the internet work for families. We reach over **5 million families** a year through our various programmes including:

www.parentinfo.org our free national newsfeed service for schools delivered in partnership with the CEOP command of the National Crime Agency. Parent Info provides information to parents on all of the issues caused or amplified by the internet. From Gambling to Self Harm, Cyberbullying to CyberCrime.

Digital Parenting magazine in partnership with Vodafone providing a physical magazine to families handed to them by the professionals they trust. This year we will be sending 2 million copies of the magazine to schools, police forces and social workers. The magazine is only sent by request – schools and professionals order as many copies as they need. To date, it has reached over 5 million families.

[Parent Lounge](#) our online space where parents complete our digital parenting programme and access our parenting experts delivering support via our Live Chat service. The lounge has over 1000 visits a day with over 50,000 parents taking our online Parenting in The Digital Age parenting programme in the last year. The programme is the only digital parenting programme available in the UK and is currently being adapted for use in Romania, India, Finland, Norway, Pakistan, Myanmar and Bangladesh funded by Telenor, the national telecoms company in Norway.

Dove Self Esteem Programme in partnership with Unilever this programme helps parents to play their part in improving girls' self-esteem.

Digital Life Skills, in partnership with Vodafone Global delivering parent sessions designed to help parents build children's digital literacy and life skills. The programme will be delivered in 9 countries including the UK.

Resilient Families Programme funded by the Home Office delivering pupil, parent and professional training on the subject of online radicalisation and extremism. The programme includes online and face to face training and has reached over 70,000 families since its launch in 2016.

Internet Legends in partnership with Google, delivering internet safety assemblies to primary school children in England and Wales. The programme is being scaled to reach more schools and families in 2018.

Digital Schools working with schools throughout the UK to provide a complete digital resilience based education including online safety lessons, parent facing support including online digital parenting courses and training for teachers and support staff.

Digital Families Events our annual programme of events including an internet safety conference in partnership with CEOP and the Scottish government's internet safety summit.

Finally, we conduct research with parents, children and professionals including:

How are we doing? Research conducted with children to ask them how they think the first generation of digital parents are doing. The Perfect Generation. Research with children and teachers to ask whether they felt social media was having an adverse impact on their mental health. The Digital Family. An exploration of the risks and opportunities families face online.

Our response:

Our response reflects the concerns parents have raised with us and covers the areas in which we have expertise. Where possible, we have addressed the specific questions in the consultation.

Background

Parent Zone has been working with parents to help them guide their children through the challenges and opportunities of digital life since 2004. In that time, the increasing number of easy-access unlicensed gambling sites available to children has been disproportionate to the less than 20% of parents that feel they need to discuss gambling with their children.¹ This increased accessibility for children and unawareness of parents has allowed staggering numbers of children to gamble in the UK, with 14% of 11-16-year-olds having gambled in the past week, 1.7% being problem gamblers.² Many of these children are completely unaware of the negative consequences of their actions, spiralling into issues about how they value money. Parents often do not feel confident in talking to their children about these issues, in part because of a lack of in-depth knowledge of the link between gambling and gaming. In June 2018, we published a report into [Skin gambling: teenage Britain's secret habit](#), which explained skin-gambling and its links to gaming. It also revealed that increasing numbers of children are finding ways to navigate around the law and gamble using skins.

The naturalisation of skin-gambling as part of gaming and the lack of regulation is of great concern to us. We believe age-verification on licensed sites is only half of the issue because as long as unlicensed skin-betting sites and loot boxes continue to exist, children will continue to experience the risks of gambling, picking up habits along the way. It is with this in mind that we welcome the Gambling Commission's age-verification consultation and believe it is an important opportunity to push for an investigation into unlicensed online gambling sites, ones which allow large numbers of children to gamble outside of the law.

We also wanted to take this opportunity to raise the concern of children's data, to make sure that the privacy rights of children are protected. In accordance with the UNCRC, which the UK has ratified, a child is anyone who is under the age of 18 unless "under the law applicable to the child, majority is attained earlier".³ For online gambling in the UK, the legal age is 18. As stated by the International Commissioner's Office, "children need particular protection when you are collecting and processing their personal data because they may be less aware of the risks involved".⁴ Children's privacy rights are the same as adults under GDPR, which provides them

¹ [Media Smart - Talking to youth about online gambling](#)

² [Gambling Commission - Young Persons Survey 2018](#)

³ [UN Convention on Rights of the Child](#)

⁴ [ICO - Guide to Child Data Protection](#)

with rights to access their personal data, request rectification, object to processing and have their personal data erased.⁵ We support the transparency and fairness provision of the consultation and we recommend that this extends to protecting the data rights of children who have accessed gambling under the 72-hour rule. Explaining in a child-friendly way about where their data has gone, and ensuring that it is deleted, will not only protect their data rights but may also help them realise the data risks of underage online gambling, helping build their digital resilience.

1) Parent Zone recommends that shutting down unlicensed online gambling sites would serve to protect more children from gambling and learning gambling habits

Support: 72-hour rule and verifying free to play games

Parent Zone supports age verification on licensed sites to help reduce the risks of children gambling online. In particular, removing the 72-hour rule and verifying age for free-to-play gambling games on licensed sites would serve to prevent some children from gambling and learning habits at an early stage. However, if we were to apply this rule to the large numbers of unlicensed sites, then we would be protecting more children from gambling and picking up habits.

Concern: Without looking at unlicensed sites, children will continue to gamble and pick up habits

Children are finding ways to gamble alongside their gaming activities, as seen in Parent Zone's recent report which found that nearly 500,000 children are aware of or have participated in skin-gambling.⁶ Skin-gambling is accessible to children because it is linked with gaming. Skins are "cosmetic alterations" in a game which players can buy on the gaming platform Steam, operated by Valve. The API of Steam allows players to easily transfer to another website with their Steam account and their skins. Such third-party websites include online skin-betting sites, which offer traditional gambling games where players can bet their skins. The player then returns to Steam with their potential winnings and then - because of the API - they can access cashing out sites, such as Paypal. With Steam being the main operator in this process, children who like gaming can very easily navigate around this system, without understanding the consequences of their actions.⁷

⁵ [ICO - Guide to Child Data Protection](#)

⁶ [Parent Zone - Skin gambling: teenage Britain's secret habit 2018](#),

⁷ [Gambling Commission - Children Experiencing Gambling 2017](#)

Parents are often unaware of skin-gambling and do not always understand the blurring of skin-gambling and Steam's gaming processes. The 2005 Gambling Act does not explicitly define or acknowledge skin-gambling and combined with territorial difficulties, the regulators may not be able to licence skin-betting sites. Because they are not licensed, these online skin-gambling sites allow children to easily access them and play gambling games. If we are to protect children from gambling, we should not ignore the vast numbers of un-licensed skin-betting sites. Such sites should either be regulated and age verified, under the new provisions in this consultation, or should be shut down.

Concern: Loot-boxes

Alongside skin-gambling, Loot-boxes raise similar concerns. We recommend that when looking to protect children from gambling online, loot-boxes either be licensed and age verified or shut down.

The legalisation of loot-boxes is not universal, with some European countries taking the lead and banning loot-boxes to prevent underage gambling. For example, in 2018, the Dutch gaming authority investigated loot-boxes in 10 games and found they contravened it's Betting and Gaming Act, as the content of the loot-boxes was being determined by chance and prizes were being traded out of the game with a market value.⁸ Similarly, the Belgian authorities have introduced a law that bans some loot boxes. This has placed pressure on the gaming industry resulting in games publishers, such as Square Enix, removing popular games.⁹

We recommend that the UK follows this lead and investigates loot-boxes which in turn, may place pressure on the gaming industry and policy officials to take action on skin-gambling. This would prevent children from gambling underage, in line with the new age-verification legislation.

2) Parent Zone recommends that the data of children who have previously made an account and gambled under the 72-hour rule should be protected in a transparent way

Parent Zone supports that licensees should be transparent about the data which the customer is required to provide, as well as how it will use this data in line with the data protection legislation.

However, we are concerned about the children who may have gambled under the 72-hour rule and their data. We recommend that to protect the GDPR data rights of children, there should be a child-friendly written version of how their data might have been collected if they gambled

⁸ [EuroGamer - The Netherlands and Loot Boxes 2018](#)

⁹ [The Guardian - Belgium Loot-box ban 2018](#)

under the 72-hour rule, and what it might have been used for. Not only would this align with licensees obligations under data protection legislation, but would also educate children on data and their rights. This may help build children's digital resilience to understand where the data risks are and how to deal with them.

Conclusion

Parent Zone supports the recommendations outlined in this consultation but would like to see the proposals go further. In order to protect children from gambling online we need to address the new ways they - and less scrupulous providers - are finding to get around existing legislation.

The 72-hour loophole is clearly problematic as are the free to play games often designed to attract younger users. However, these are only a small part of the youth gambling ecosystem that has emerged and must be addressed.