

# MONEY AND GAMBLING: PRACTICE, INSIGHT, EVIDENCE (MAGPIE)

A STRATEGIC ROADMAP

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In September 2019, Gamble Aware and University of Bristol's Personal Finance Research Centre (PFRC) launched a three-year programme to explore how the financial services industry – including banks, building societies, lenders, e-money firms, credit reference agencies, regulators and trade bodies - can help reduce gambling-related harm in the UK. The programme is called *Money and Gambling: Practice, Insight, Evidence* – or MAGPIE for short.

The MAGPIE programme has user experience at its heart - where users include people affected by gambling, the gambling industry and its workforce, financial services firms, advice and guidance providers, regulators and others.

In MAGPIE we aim to:



Develop practical, evidence-informed resources to help reduce gambling-related harm.



Bring together a cross-sector 'coalition of the willing' that is interested and committed to bring about change.

**This Strategic Roadmap sets out the background and direction for our MAGPIE programme and explains our first Programme Priority: a 'model' spending blocker for credit and debit cards.**

It draws on several sources of data that we describe in the **Appendix**: a rapid review of evidence; analysis of online forum data; an audit of spending controls on credit and debit cards; and expert dialogues.

## The scale of problem gambling

*Around one million people in Britain are defined as ‘problem’ gamblers or ‘moderate-risk’ gamblers.*

In Britain, the gambling industry is worth £14.5 billion<sup>1</sup> (Gambling Commission 2019a). About half (46%) of adults aged 16+ say they participated in at least one form of gambling<sup>2</sup> in the previous four weeks. Of these, 82% had gambled in person and 40% had gambled online (Gambling Commission, 2019b).

It is estimated that 0.7% of adults (16+) are ‘problem’ gamblers, who gamble with more severe negative consequences and a possible lack of control. **This equates to roughly 361,666 people.** A further 1.1% are ‘moderate-risk’ gamblers, who experience a moderate level of problems leading to some negative consequences (Gambling Commission 2019b). **This equates to roughly 568,333 people.**

There are growing concerns about online gambling, which is set to increase to 50% of the total British market over the next few years.<sup>3</sup> Health Survey data for 2015 shows that problem gambling rates were 5.1% among adults gambling online,

up from 4.2% in 2012 (Gambling Commission, 2018).

Problem and moderate-risk gamblers may especially benefit from help to control their gambling. However, our programme focus is as much about early intervention and prevention as help and support for people already adversely impacted by gambling – including gamblers but also affected others such as family and friends.

## Gambling-related harm: A public health issue

Gambling-related harm is now recognised to be an important public health issue, which affects not only the health and wellbeing of individual gamblers but also their families, friends, communities and wider society (Wardle et al, 2018).

Gambling-related harms are wide-ranging and relate to money and finances; relationships; physical and mental health; work and study (Langham et al, 2016).

Looking at money and finances, we know for example that people experiencing gambling problems are more likely to use high-cost credit; and to have debt problems (Personal Finance Research Centre, 2018).

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<sup>1</sup> Measured by Gross Gambling Yield per annum, which is broadly defined as the amounts staked by customers minus winnings paid to them.

<sup>2</sup> Including the National Lottery.

<sup>3</sup> Measured by Gross Gambling Yield per annum, which is broadly defined as the amounts staked by customers minus winnings paid to them.

In an online survey of people affected by gambling-related harm, 76% of gamblers had built up debt as a result of gambling, as had 44% of affected others. Three in ten gamblers in the survey (27%) had used payday loans to fund their gambling (Nash et al, 2018). By way of comparison, 1% of UK adults use payday loans each year (FCA, 2017).

For every person with a gambling problem, it is estimated that between **six and ten additional people are affected**, such as friends, family and colleagues (Swanton et al, 2019; Nash et al, 2018).

In an online survey of people affected by gambling-related harm, 36% of families with children couldn't afford day-to-day essentials because of a family member's gambling, which negatively impacted on family wellbeing (Nash et al, 2018). Harms experienced by the **wider community** include gambling-related relationship breakdown, reduced productivity and crime (Swanton et al, 2019; Wardle et al, 2018).

A public health approach to gambling means altering the environment in ways that help prevent or reduce gambling-related harms, for example placing restrictions on gambling adverts; removing ATMs from gambling venues; or making tools and resources readily available to people affected by gambling.

## Why look at the role of financial services?

MAGPIE is the opportunity for an independent, in-depth exploration of the ways in which the UK financial services industry can help reduce gambling-related harm, an area where currently there is a dearth of academic research (Swanton et al, 2019).

Based on our examination of the evidence and the expert dialogues we've conducted so far, we believe there is a strong rationale for the financial services industry to be involved. **We set out five important reasons below.** This is not an exhaustive list and it will undoubtedly grow over the course of the programme.

In our early discussions, we heard fears that gambling operators might be 'let off the hook' if financial services take a more active role in reducing gambling-related harm. We are clear that financial services can only ever provide one part of the answer. To deliver a step-change in the reduction of gambling-related harm requires cross-sector effort across a range of regulatory and other interventions.

## #1 Financial services have significant reach into the UK population.

Most UK adults are connected to the financial services system - and there are now many new ways to connect to the system as well.

Around 50 million adults have a bank account and a debit card; and 34 million have a credit card (UK Finance, 2019). In 2018, 8.5 million (mostly younger) people were registered for mobile payments, e.g. Apple Pay (ibid). According to PayPal, around 20 million UK shoppers use its online payments system.<sup>4</sup>

This means that financial services have significant reach into the UK population, including to people who experience, or are at risk of, gambling-related harm. In a 2018 survey, for example, 40% of survey respondents who reported gambling problems had used credit cards for gambling, (Gambling Commission, 2019c).

Assisting the financial services industry to exercise this reach positively and effectively is especially important given that **only a minority of people with gambling problems seek professional help to deal with their gambling** (Rodda et al, 2018; Suurvali et al, 2008). When people do seek help

to deal with their gambling, it is usually once the problem is severe (Hing et al, 2015).

## #2 Financial services firms have a unique window into their customers' financial situation.

Financial institutions hold large amounts of data about their customers' financial situations, including their spending patterns in some cases.

This means they could potentially intervene where they identify excessive spending on gambling (Swanton et al, 2019), such as signposting to gambling support services (Nash et al, 2018) or making customers aware of 'spending blocks' (see #3 below) or other tools.

Our expert dialogues show that financial firms are nervous about proactively intervening where they see signs of gambling-related harm. Reasons include fear about adverse customer reactions; accusations of 'nanny-state' interference; and concerns about reputational risks.

While it remains unclear how customers might react to proactive contact in practice, we do know there are drawbacks with the alternative - which is for customers to disclose their

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<sup>4</sup> <https://www.paypal.com/uk/home>

gambling issues to financial services firms.

There is evidence that people in vulnerable situations often find it difficult to disclose their circumstances to their bank (Collard et al, 2018). And some of the same barriers that stop people seeking professional help for gambling - such as shame and denial (Giroux et al, 2017) - may also prevent them disclosing their situation to a financial services firm.

There have been calls for banks and creditors to provide guidance and training to their staff so they feel more comfortable talking to customers about gambling addiction (Swanton et al, 2019; Nash et al, 2018) and are able to deal with customer disclosure appropriately. This will be one of the future priorities in the MAGPIE programme.

### **#3 Financial services firms can offer customers tools to help them manage their gambling spend.**

Some UK banks and lenders now offer optional 'spending blocks' so that customers can stop themselves using a credit or debit card to gamble. This works by banks and lenders blocking any spend on gambling-related merchant category codes (which classify a business by the types of goods or services it provides).

If someone tries to use their card to gamble online or in a gambling venue when they have activated a spending block, the card should be declined (although they may go on to pay to gamble in some other way).

As we go on to discuss below, our first research study in the MAGPIE programme explores what a 'model' blocker on credit and debit cards might look like from the perspective of people affected by gambling.

Our expert dialogues highlighted other products and features that might help people control their gambling spend as well. For example, account holders can ask their bank or building society to lower the daily amount they can withdraw from an ATM (although this is not necessarily advertised by banks and building societies). For people comfortable using financial technology, there are online tools and apps that assist with personal financial management.

### **#4 UK financial services firms must treat customers, including vulnerable customers, fairly.**

While a relatively small proportion of people are categorised as 'problem' gamblers, gambling-related harms impact not only individual gamblers but others as well, like partners and family members.

This means that **potentially quite large numbers of financial services customers may be in a vulnerable situation as a result of gambling**. They could be financially vulnerable, for instance, as a result of gambling-related debt; or struggle to deal with financial services firms as a result of mental health problems linked to gambling.

Financial services firms that are regulated by the Financial Conduct Authority must treat all their customers fairly, including those in vulnerable situations (FCA, 2018).

While some financial services firms are taking steps to improve how they support customers in vulnerable situations (Fitch et al, 2017), work by the FCA shows that not all firms treat these consumers fairly, leaving them at significant risk of harm (FCA, 2019).

As a result, the FCA has drafted guidance that sets out its expectations of firms around the fair treatment of vulnerable customers along with examples of good and poor practice (ibid). This guidance is not specific to gambling, however, and as noted above there have been calls for firms to offer their staff guidance and training so they feel more comfortable talking to customers about gambling addiction (Swanton et al, 2019; Nash et al, 2018).

There is also the risk that unscrupulous financial services firms exploit consumer vulnerabilities, such as gambling, for profit. UK consumer advocates, for example, are concerned that some loan providers pay marketing platforms to show adverts for short-term credit to people who have recently visited online gambling sites. Regulatory action might be indicated if loan firms are found not to be treating these customers fairly.

#### **Case study: How banks can support people affected by gambling**

The Commonwealth Bank of Australia has introduced a gambling support service for its customers with help available from its Financial Assist Sensitive Matters team and an optional gambling and cash block for its credit card holders.

<https://www.commbank.com.au/support/gambling-support.html>

#### **#5 There is a business case for financial services to get involved.**

Financial services firms incur costs as a result of gambling and gambling-related harm that impact their bottom line, such as the costs of gambling-related bad debt and fraud. It is reported, for example, that **17.5% of reported frauds over £50,000 in 2016-**

**2017 were motivated by gambling,** equating to £350 million (BDO, 2017).

It should make business sense, then, for firms to take action to prevent gambling-related harm among their customers. This applies equally to their employees. There are around 1.1 million jobs in the financial and insurance sector in the UK (3.1% of all jobs) (Rhodes, 2019). In our expert dialogues, one major bank told us it had seen an increase in reports of gambling-related misconduct among its employees.

Our programme is an opportunity to better understand the business costs of gambling to the financial services industry and the potential benefits of firms investing in the reduction of gambling-related harm.

### **Our first Programme Priority: a 'model' spending blocker on debit and credit cards**

MAGPIE comprises a series of studies that will look at ways in which financial services can help reduce gambling-related harm.

The programme will produce new evidence and resources with a view to creating a **step-change in policy and practice** around gambling-related harm.

Our first study in the programme explores what a 'model' spending blocker on debit and credit cards might look like from the perspective of people affected by gambling; and how the impact of spending blocks might be measured.

Here we provide some background to this first study and explore what spending blocks are already available in the UK and any evidence about their effectiveness.

### ***Self-exclusion from spending on gambling***

While in the past year several formal 'spending block' products have been introduced by financial services organisations, there is evidence that gamblers have long been using informal mechanisms to control their spending on gambling.

Our analysis of online posts by people seeking support for gambling problems on GamCare forums (see Appendix for details) show various ways to self-exclude or limit gambling spend, such as:

- Leaving your purse or wallet at home, and instead taking out a prepaid card with a small sum of money loaded on it
- Removing debit and credit cards from your purse or wallet and giving them to a trusted third party
- Blocking or limiting ATM withdrawals on debit and/or credit cards



- Covering or scratching-off the security number on the back of your card, so you can't deposit money into online gambling accounts
- Opening a basic bank account with no overdraft facility to limit your access to credit.

While these methods may be effective for some people, they are also imperfect workarounds – for example impeding users' ability to spend money in other, non-gambling-related contexts. It is therefore encouraging that some financial firms now offer customers the ability to block spending on gambling, and other firms are considering similar facilities.

From our expert dialogues so far, media coverage around gambling-related harm and insights from their own businesses seem to have motivated banks and other financial services firms to act, often as part of their wider programmes of work around customer vulnerability.

### ***What 'spending blocks' are available?***

**Table 1** below shows the nine UK financial services firms that we know offer the option of 'spending blocks' on debit and credit cards.<sup>5</sup>

Of these nine firms, three offer blocks on debit cards (Barclays, Monzo, Starling); three offer credit card blocks (Barclaycard, NatWest/RBS, Santander;

and three offer both debit and credit card blocks (CashPlus, HSBC, Lloyds).

Most of the spending block products currently on the market only give customers the option to control their spending on gambling. Barclays, however, allows its customers to control their debit card spending on gambling as well as a range of other commodities and services. With Barclaycard, all 'cash-like transactions' are blocked by setting the cash limit to £0 which blocks gambling and all other cash-like transactions e.g. buying foreign currency.

Based on our expert dialogues, it is worth noting that financial services firms cannot 100% guarantee that gambling transactions will be blocked if a customer activates a spending block on their debit/credit card, as this depends on gambling operators (the merchants) representing their transactions appropriately.

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<sup>5</sup> As at 23 September 2019.

**Table 1 Spending controls currently provided by financial services organisations in the UK (as at 16/12/19)**

Organisation	Credit or debit?	Blocking mechanism	Gambling only?	Turned on via...	Turned off via...
Barclays	Debit	Merchant Category Codes (MCC)	No - also premium rate websites & phone lines; petrol & diesel; groceries & supermarkets; restaurants, takeaways, pubs and bars.	App In-Branch Telephone	App In-Branch Telephone  Immediate de-activation
Barclaycard	Credit	Blocks cash-like transactions	All 'cash-like transactions' are blocked by setting the cash limit to £0. This blocks gambling and other cash-like transactions e.g. buying foreign currency.	Telephone	Once activated, the block on cash-like transactions cannot be deactivated
Cashplus	Both	Merchant Category Codes (MCC)	Can also block ATM withdrawals	App (debit only) Telephone	Telephone  Credit card block takes 24hrs to turn on or off
HSBC	Both	Merchant Category Codes (MCC)	Yes	App In-Branch Telephone	App In-Branch Telephone  Takes 24hrs to deactivate
Lloyds Banking Group (incl. Lloyds Bank, Halifax, Bank of Scotland, MBNA)	Both	Merchant Category Codes (MCC)	Yes	App (credit only) Telephone	App (credit only) Telephone  Takes 48 hrs to deactivate
Monzo	Debit	Merchant Category Codes (MCC)	Yes – although Monzo has announced plans to allow customers to limit their spending at any retailer they choose.	App Webchat Telephone	Speak to customer support via in-app chat and then wait 48 hours before deactivated
NatWest / RBS	Credit	Merchant Category Codes (MCC)	Yes	App	App  Immediate de-activation
Santander	Credit	Merchant Category Codes (MCC)	Yes	Santander Wallet app	Santander Wallet app  Immediate de-activation
Starling Bank	Debit	Merchant Category Codes (MCC)	Yes	App	App  Immediate de-activation. Customers signposted to sources of gambling-related support.

## Spending controls in gaming

There are examples of spending controls in other contexts where gambling harm may materialise. There are significant concerns, for instance, around the links between problem gambling and video games, especially in-game ‘loot boxes’ (Zendle and Cairns, 2019). At present, Playstation offer a parental control facility that enables parents to limit their child’s spending within games, though this is not limited strictly to the purchase of loot boxes or other gambling-related activities.<sup>6</sup>

As with the content blockers mentioned earlier, anyone with the account password can easily turn off this parental control, so those who wish to limit their own spending would have to surrender the management of their account to a third party. While imperfect, this demonstrates that spending controls can be applied in other contexts beyond financial services.

As Table 1 shows, these spending blocks on debit and credit cards all work slightly differently. For example, they differ in the extent to which there is ‘positive friction’ when customers come to turn off a blocker (such as cooling off periods to let them re-consider); and in the nature of the interaction between the firm and the customer. **In this study, we will explore in detail the features offered by different spending blocks and how they work for different customers.**

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<sup>6</sup> <https://www.playstation.com/en-au/get-help/help-library/my-account/parental-controls/ps4-parental-controls/>

We will also look at the business and design decisions that lie behind spending blocks, to understand what barriers exist and what more might be possible.

Our expert dialogues, for example, have highlighted some of the technical challenges that firms face in bringing spending blocks to markets as well as having to make a business case internally for these types of activity.

## *What evidence is there about the effectiveness of spending blocks on debit and credit cards?*

There is currently limited evidence about the effectiveness of spending blockers on debit and credit cards – something we aim to address in this study through collaboration with financial services firms.

Early customer experience of the online bank Monzo’s debit card spending block shows that roughly 25,000 of their one million customers turned on the block (or 2.5% of all customers). Of those who turned on the block, Monzo customer survey data indicates that 15% were concerned about their gambling and among these particular customers:

- Half were not getting any other help.
- They valued the 48-hour cooling off period before the block could be switched off.
- They wanted to deal with it themselves (and might not have a trusted third party to help them) (McFadden and Ledward, 2018).

Most Monzo customers who switched on the spending block did not report being concerned about their gambling and switched on the block for other reasons, for example as a precautionary measure to stop anyone else from using the card to gamble. This indicates that such tools have wider appeal than the target audience.

### ***What can we learn from the gambling literature that might inform the design of spending blocks on debit and credit cards?***

From the gambling literature we have reviewed and the expert dialogues we've conducted to date (see Appendix for details) we have identified **six lessons that might inform the design of spending blocks.**

These six lessons are: (1) understand your audience; (2) make tools available and accessible; (3) positive friction is crucial; (4) spending blocks are one tool in a harm minimisation toolkit; (5) consider unintended consequences; (6) affected others may also need help or support.

We explore these six lessons below.



### **Understand your audience**

People who gamble span a wide spectrum – from those who might never experience gambling-related harm through to people who experience severe gambling problems that cause serious harm to them and those around them.

The evidence from Monzo (above) indicates that spending blocks can have broad appeal, including to people who don't gamble.

Indeed, the gambling literature highlights the importance of challenging the perception that consumer protection tools made available by gambling operators (such as deposit limits and daily spend alerts) are only for 'problem gamblers'. Such tools need to be actively promoted to increase uptake by lower-risk customers for preventative effects (Gainsbury et al, 2019; Griffiths, 2019).

Among people who *do* have gambling problems, qualitative research finds that **gamblers with lower problem severity tend to use non-professional help** such as self-exclusion, peer group support and self-help, rather than professional help (Hing et al, 2015).

This suggests that self-exclusion tools like spending blocks on bank and credit cards may appeal directly to this group of people as a way to keep their gambling spend under control.

In our expert dialogues, treatment providers working with people that have severe gambling problems felt that spending blocks might be particularly effective for their clients who already recognise their gambling triggers and motivations. In their experience, **discussions about spending blocks are useful early in the treatment cycle** because they are an achievable step towards helping clients feel that things can improve.

It is important to note that **one or more additional conditions may co-occur with problem gambling** and these comorbidities make the treatment of problem gambling more complex. Women are more likely than men to report some of these additional conditions - such as anxiety and depression, personality disorders, alcohol-related problems, childhood abuse (McCarthy et al, 2019).

People with additional conditions may need extra help from financial services staff to use spending blocks. Our study aims to provide more insight about what types of support people might require in order to use these tools; and whether spending blocks work better for some people than others.

At the same time, because spending blocks can be activated by gamblers themselves, they may help overcome the **emotional and psychological barriers to help-seeking that are more pronounced for women, as well as**

**social barriers** such as transport and childcare (Karter, 2013).

Evidence from programmes that enable people to self-exclude from land-based and online gambling sites indicates that **promotion activities and information materials (including images) should be personalised to target audiences to increase their salience** (Motka et al, 2018; Gainsbury et al, 2015).

Financial services firms could, for example, test personalised messages about spending blocks (or other tools) with customers who show signs of risky patterns of spending on gambling – bearing in mind that gamblers can be more open to suggestion, as flagged in our expert dialogues with treatment and support professionals. Those that offer spending blocks could deliver personalised messages or images when customers attempt to switch off the blocks.



### **Make tools available and accessible**

The gambling literature tells us that **relatively few gamblers use any type of self-exclusion strategy to abstain from or control their gambling** (Swanton et al, 2018).

Lessons from programmes that enable people to self-exclude from land-based and online gambling sites support the idea of **training staff to recognise the indicators of problem gambling** so they

can offer timely support and signposting to tools and resources (Motka et al, 2018).

In addition, the evidence highlights the importance of a **simple enrolment process** (ibid). In the context of self-exclusion from gambling venues and online sites, this typically means being able to exclude from multiple venues and sites in one go.

For financial services that offer spending blocks, it might include making them easy to find (e.g. putting them on a homepage), simple to download (in the case of apps) and intuitive to navigate.

It could also mean that firms proactively offer customers additional options when they switch on a spending block, such as the option to reduce their daily ATM withdrawal limit or overdraft limit; or opting-in to receive information about gambling treatment and support services and self-exclusion schemes.



### **Positive friction is crucial**

Where individuals engage in heavy, problematic gambling they are likely to be in a more emotional ‘hot state’ (Ladouceur et al, 2012), where their decision-making is impulsive and their behaviour is more irrational (Chataway et al, 2018). If they have a spending block on a debit or credit card, in this ‘hot state’ they

may try and remove the block so they can use the card to gamble.

In our expert dialogues, treatment professionals who work with people experiencing gambling problems highlighted the value of positive friction in the form of a ‘cooling off period’ between a customer asking to switch off a spending block and the request being implemented by a bank or lender.

This effectively creates an ‘emotionally safe’ environment (Bowden-Jones, 2018) where people have time to recover from their ‘hot state’ and decide whether to switch off the spending block. Positive friction seems especially important in a world where a lot of ‘natural friction’ has been lost – there are no opening hours online, as one expert noted.

As Table 1 shows, the spending blocks currently on the market in the UK vary in terms of their ‘cooling off’ period – from none to 48 hours. In our study, we plan to explore this and other key features of spending blocks with people affected by gambling and other experts, to understand more about ‘what works’ for different groups and types of gamblers.

For example, it has been suggested that only a permanent spending block that cannot be switched off is likely to work for compulsive or pathological gamblers who are unable to resist

their gambling urges (Bowden-Jones, 2018). Although this option doesn't seem to exist at the moment, **Nationwide Building Society, Halifax** and **Lloyds Bank** have all recently introduced automatic blocking of gambling transactions on their accounts for under 18s, while a range of corporate purchase cards have for a long time had similar controls.

In our expert dialogues, there was some question about whether financial services firms could permanently stop an adult customer from spending their own personal money on an activity like gambling – which suggests this is a regulatory grey area that we could usefully address in our study.



### Spending blocks are one tool in a harm-minimisation toolkit

A public health approach to gambling-related harm aims to provide a safer environment for individuals, families and communities, for example using policy and regulatory levers.

At an individual level, the literature indicates that gamblers may require multiple interventions to effectively control their gambling urges (Winning Moves, 2018; Hing et al, 2015). In

other words, a spending block on their bank cards may not be enough.

This was reinforced by our expert dialogues and analysis of online posts by people seeking support on GamCare forums. Spending blocks were seen as a useful addition to a harm-minimisation toolkit that might also comprise:

- Self-exclusion from **land-based gambling venues** via schemes such as MOSES<sup>7</sup> and SENSE<sup>8</sup>.
- Self-exclusion from **online gambling** via schemes such as Gamstop<sup>9</sup> and software blockers like Gamban<sup>10</sup>, Gamblock<sup>11</sup> and Betfilter<sup>12</sup>.
- Self-exclusion from gambling **marketing messages and advertisements**.
- **Peer support** from self-help forums and groups.

In addition, compulsive gamblers may seek **professional treatment** where interventions such as counselling to build internal control (Hing et al, 2015) and pharmacological treatments are shown to be effective.

It seems plausible that different people will benefit from **different combinations of tools**, depending on factors such as severity of gambling;

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<sup>7</sup> <https://self-exclusion.co.uk/>

<sup>8</sup> <http://www.nationalcasinoforum.co.uk/voluntary-self-exclusion-sense/>

<sup>9</sup> <https://www.gamstop.co.uk/>

<sup>10</sup> <https://gamban.com/>

<sup>11</sup> <https://www.gamblock.com/>

<sup>12</sup> <http://www.betfilter.com/>

personal circumstances; and psychological make-up.

One aim of our study is to understand more about the role of spending blocks in people's personal toolkits, and what combination of things work for different people – with a view to helping financial services firms offer their customers more personalised and effective responses.



### **Consider unintended consequences**

There is a risk of unintended consequences with any intervention. For example, people who sign-up to self-exclude themselves from gambling venues may instead gamble in places outside their exclusion zone (Chrysalis Research, 2017).

We also need to understand the possible **unintended consequences** of spending blocks on debit and credit cards. **With at least 170 ways of paying for online gambling transactions** (Swanton et al, 2019), there is a real risk that gamblers might switch from cards to cash (including cash deposited in electronic wallets such as Skrill or Neteller) which effectively makes gambling spend invisible; use cards that are not blocked (their own or someone else's); take out other credit, such as high-cost short term loans; or use cryptocurrencies (Gainsbury and Blaszczynski, 2017). There is also a risk

that unscrupulous gambling operators could promote other ways to pay for gambling where cards are declined.

For this reason, in our expert dialogues gambling treatment and support professionals emphasised the importance of thinking creatively around ways to control access to cash. This reinforces our earlier point that spending blocks should be thought of as one tool in a bigger harm minimisation toolkit.



### **Affected others may also need help or support**

For every person with a gambling problem, it is estimated that between six and ten additional people are affected (Swanton et al, 2019; Nash et al, 2018).

The gambling literature highlights ways in which affected others can help and support gamblers. For example, in Singapore family members can act on behalf of someone with a gambling problem and arrange for them to be excluded from gambling venues (Goh et al, 2016). In New Zealand, exclusion cannot be arranged by a third party, but gambling outlets receive guidance that encourages them to do all they



can to take the knowledge of third parties into account.<sup>13</sup>

For UK financial services firms, this raises questions about whether they might accept requests from affected others to activate gambling blocks (including joint account holders) and the unintended consequences they would have to consider, for example related to economic abuse.

Equally, affected others may benefit from help and support themselves, including to protect their money and wellbeing. For this reason, throughout the programme we will consider how financial services firms can help the wide range of people affected by gambling-related harm, not solely people who gamble.

An online survey, for instance, found that 69% of affected others had to cover the costs or debts of the gambler – and in some cases felt coerced into this (Nash et al, 2018).

As well as the risk of debt and economic abuse, there are also links between verbal and physical violence and problem gambling, with the severity of violence increasing with the severity of problem gambling (Roberts et al, 2019; Suomi et al, 2019; Dowling et al, 2018; Afifi, 2010; Muelleman et al, 2002).

## **What else can financial services firms do to reduce gambling-related harm?**

This Strategic Roadmap sets out the background and direction for MAGPIE and explains our first Programme Priority which focuses on spending blocks on credit and debit cards.

Enabling customers to self-exclude from spending on gambling is just one way in which financial services firms might help. Based on the evidence base that we build over the next three years, we will propose other practical ways in which action by the financial services industry might reduce gambling-related harm.

This includes examining the support that firms are able to offer customers affected by gambling – for example in a debt collection environment – and considering how firms may be able to deal with the sensitive issue of proactively identifying customers in vulnerable situations (including people with gambling problems) from transaction data and offer help.

We will also look to case studies from abroad. The Commonwealth Bank of Australia, for example, does not permit credit card cash advance transactions on ATMs sited in gambling venues (Swanton et al, 2019). There is

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<sup>13</sup>

[https://www.dia.govt.nz/diawebsite.nsf/wpg\\_URL/Se](https://www.dia.govt.nz/diawebsite.nsf/wpg_URL/Se)

[rvices-Casino-and-Non-Casino-Gaming-Exclusion-Order-\(Problem-Gamblers\)-Guidelines#five](#)

evidence that removing ATMs from gambling venues can reduce gambling-related spending, although people with serious gambling problems are likely to access cash elsewhere (McMahon et al, 2019). Some Australian firms prohibit gambling transactions on credit cards (Swanton et al, 2019), a move that is being considered in the UK.

## **Get involved in MAGPIE**

In order to build the evidence-base, we will be working closely throughout the programme with financial services firms – but, more importantly, the programme will place people with lived experience of problem gambling at its centre, as well as those with expertise in the treatment and support of recovering gamblers.

If you're interested in being part of the research programme, or if you simply want to be kept updated, you can join our money and gambling network by visiting the MAGPIE website:

[magpie.blogs.bristol.ac.uk](https://magpie.blogs.bristol.ac.uk).

## **Authors**

This paper was written by Professor Sharon Collard, Jamie Evans and Chris Fitch, of the Personal Finance Research Centre, University of Bristol

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## Appendix – Data sources

This Strategic Roadmap draws on several sources of data that we describe below: a rapid review of evidence; analysis of online forum data; an audit of spending controls on credit and debit cards; and expert dialogues.

### A rapid review of evidence

We used the search engine Google Scholar to find recent academic material (in the last five years) that was relevant to our programme. Search terms included:

- “progress treatment gambling problems”
- “systematic review interventions to treat problem gambling”
- “access to cash and gambling problems”
- “self-exclusion from gambling”.

From these searches, we identified around 100 sources that looked potentially useful. Having reviewed these sources, we used data from around 20 of them in this report.

We also searched non-academic ‘grey’ sources for relevant evidence. These included statistics produced by the Gambling Commission; research conducted by organisations such as market research agencies, think tanks and money charities; and podcasts about gambling and gambling-related harm.

### Analysis of online forum data

We analysed online posts from GamCare’s public forum to understand the different ways in which gamblers may self-exclude or limit their gambling spend, including blocking gambling spend on bank cards. We identified around 80 posts in total that provided useful insights.

### Audit of credit and debit card controls to block gambling spend.

Some UK financial services firms have publicly launched controls on credit and debit cards so that customers can block their spending on gambling. We identified other firms that provide these controls through web searches and personal contacts. We obtained further information about these controls from the firms’ websites and expert dialogues.

### Expert dialogues

To date we have conducted around 20 dialogues – comprising both informal discussions and formal interviews – with a range of experts including people with lived experience of gambling; regulators; gambling treatment and support providers; behavioural scientists; and financial services firms and trade bodies. These cross-sector dialogues will continue to be a key feature over the life of the programme.

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