



June 2019

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National Health Service in the United Kingdom to Launch a Young People's Gambling Addiction Service

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Not so long ago, we assisted an online gambling operator with a challenging, but not unusual, situation. A young man became a new customer of the operator and deposited several thousand pounds within a short period of time. He then won a substantial amount of money, worth nearly six figures. In line with their regulatory responsibilities, the operator sought to confirm the customer's source of funds before paying out the jackpot. When he was first contacted about the source of his funds, he found the process intrusive and was not prepared to accept that the operator was simply doing what was required of them before paying out. The customer provided certain documents but the operator felt that it did not support the level of the customer's initial deposits. As is very often the case, the relationship between the parties swiftly deteriorated as the operator was forced to ask on several occasions for more documents and explanations of the material provided. Before long, the customer decided that the operator was simply looking for an excuse not to pay out his jackpot, and the relationship between him and the operator broke down. The customer threatened to report the operator to the authorities if it refused to pay him his winnings. He also refused to provide any more information to prove his source of funds.

The operator contacted us for assistance and we suggested that it might help if we contacted the customer as an independent party. Over the course of several long calls and various email exchanges, we developed a good rapport with the customer. We carefully explained to him the regulatory obligations on the operator and provided reassurance that it was not trying to avoid paying his winnings. He, in turn, was eventually happy to provide further documents, which ultimately provided comfort that his source of funds was legitimate, following which the operator promptly paid him his winnings. Whilst he was understandably agitated with the operator at first, he was also calm, polite, and reasonable. When he received confirmation that his winnings would be paid, he was as happy and excited as any young man would be to be receiving a life-altering amount of money. Just a few months later, we were shocked to learn that he was dead. He had committed suicide, following a string of gambling losses.

It was hard not to reflect upon this case whilst reading the news yesterday morning that the NHS is set to launch a young people's gambling addiction service, as part of a new network of services for gambling addicts being rolled out as part of the NHS Long Term Plan. What struck us most when we reflected on this young man's death was how, even after a series of long conversations with him, we had not picked up any indications that he was at risk of gambling-related harm, even less that he was in the kind of difficulties that might have resulted in the eventual outcome. It is possible, of course, that his problems started after we engaged with him, or that they were



suppressed during our conversations. Whatever the truth, this unfortunate case is a powerful reminder of the risks that gambling can present and how difficult these issues can be to detect.

We work with a range of operators who struggle on a daily basis with the very difficult question of how to fulfil their responsible gambling (“RG”) obligations, and how to prevent customers from experiencing gambling related harm. To their credit, we have seen those same operators take creative, thoughtful and pragmatic approaches to the problem, often developing innovative algorithms and other tools designed to try and identify potential warning signs so that their specialist colleagues can step in, where necessary, to protect customers who may be placing themselves at risk. Whilst no operator would consider themselves perfect, those with whom we work clearly take this issue seriously. They make genuine attempts to analyse customer data and interact with customers who might be at risk, often in circumstances where, in reality, they are unlikely to suffer any harm whatsoever.

We note also the significant, and entirely correct emphasis that the Gambling Commission (“GC”) has placed on this issue in recent years, penalising operators who fail to adequately protect customers from an RG perspective. However, it is clear that there is room for further learning and cooperation between operators, the GC and other interested bodies in this very difficult area. Cases like the one above provide a stark reminder of just how difficult it can be to identify customers who may be at risk of gambling related harm. Whilst operators clearly understand the need for the GC to police this area robustly, those with whom we speak often struggle with the process in practice.

In reality, indicators that a customer is at risk of harm are often very difficult to identify, even when assisted by the latest technological solutions. Furthermore, whilst there will be certain cases in which it is appropriate for operators to divest themselves of winnings, we have noted an increasing trend of customers who, having seen the scale of the penalties to which operators are being subject by the GC for RG failings, claim to operators that they are suffering from RG issues and threaten to refer operators to the GC, simply in an attempt to scare operators into returning their losses. This is frequently in circumstances where there is no material basis to believe the customer in question has actually suffered harm, beyond the losses that they have chosen to incur.

As with most challenging issues in the gambling industry, we believe that this is an area which merits continued cooperation, dialogue and exchange of ideas and experience between operators and the GC, in a genuine spirit of openness and learning. Whilst gambling provides millions of people in the U.K. with a safe and legitimate form of entertainment, yesterday’s news is an unfortunate reminder of the potential risks associated with gambling. It also reinforces the continued need for operators, with assistance and support from the GC, to:

1. develop innovative solutions to help identify at risk customers;
2. educate customers on the risks of gambling related harm and the support that is available; and
3. identify opportunities for industry wide approaches to these difficult questions, so that operators are competing on a level playing field.

Mental health, gambling addiction and suicide are, of course, complex and emotive subjects. There is naturally a risk that linking suicide to gambling in a binary fashion could, on its own, be misleading. In certain cases, it may be that gambling addiction is one of a number of mental health issues that an individual might be suffering from when they find themselves in difficulty.



Alternatively, it may be that the gambling activity is the manifestation of a different underlying mental health problem.

We note also that, according to the [Office for National Statistics](#), in 2017 (the latest year for which figures are available) there were 5,821 suicides registered in the U.K., three quarters of which were men. It would inevitably be helpful for further research to be conducted to help understand the proportion of these deaths which may have involved gambling as a factor, and the particular products and fact patterns relating to these individuals, in the hope of identifying relevant learnings. An analysis of attempted suicides and of those seeking help or medication for mental health issues would also assist.

Whilst operators undoubtedly have a significant role to play in this process, it is fair to note that neither they (nor, for that matter, the GC) are experts in mental health and addiction. We note the positive opportunities for further sharing of learning and ideas with the NHS, along with other industry bodies and charities who, together, can continue to drive the significant progress being made in this challenging area.

Information about the NHS's young people's gambling addiction service can be found [here](#).



If you have any questions concerning these developing issues, please do not hesitate to contact either of the following Paul Hastings London lawyers:

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