



When announcing its review of the UK's Gambling Act 2005 in December 2020, the Government referenced "growing public concern about the relationship between sport and gambling". This became one of the key areas for consideration in its call for evidence, although it sought evidence on both "the positive and negative outcomes of this relationship". The Gambling Commission said in its advice to Government for the review that it "recognise[s] public concern about the prevalence of gambling advertising and sponsorships – particularly when associated with high-profile professional sports – and its potential impact on children and vulnerable people. Without further action, it risks undermining trust and confidence in the licensing objectives and the regulatory regime."

The writing was already on the wall for one of the most visible connections between sport and gambling: front of shirt sponsorship in football's Premier League. In the run up to the publication of the Government's White Paper in April 2023, the Premier League clubs reached a voluntary agreement with the Government to end front of shirt sponsorship by gambling companies, from the end of the 2025/26 football season. Whilst the Government legislating in this area would have taken time, the voluntary timing put forward gives clubs additional time to let existing sponsorship agreements run their course and even, as we have seen in recent weeks, enter a new deal running for up to three years.

The impact of football sponsorship on children was a key factor leading to this development, with the Government commenting in the White Paper that "We recognise that as the pinnacle of our national sport, the English Premier League has an especially high profile and high following of children. The Premier League has announced that it will remove gambling sponsors from the fronts of players' shirts, aimed at reducing children's exposure to gambling brands in a way which might appeal to them, in line with new advertising rules."

What does the future hold?

Northridge Law's **Melanie Ellis** examines the close relationship between sport and gambling.

Notwithstanding this agreement, the close relationship between sport and gambling is certain to continue. Gambling operators will no doubt continue to provide much needed funding to football clubs, including by continuing as front of shirt sponsors in lower leagues. SkyBet has just announced the renewal of its sponsorship of the English Football League and gambling logos will no doubt shift to shirt sleeves and other locations in the Premier League. Other sports will no doubt be the beneficiaries of any diversification away from football sponsorship.

In addition to the shirt sponsorship agreement, a further voluntary arrangement between sports governing bodies is anticipated, to create a cross-sport Code of Conduct. All sports governing bodies are expected to work together to determine what measures "are appropriate to protect their fans". The Government wants this to be common to "all sports", although horse racing and greyhound racing are expected to implement separate measures, due to their inherent reliance on betting. A further exception on the operator side will be the National Lottery, which is also inherently linked with sport through the provision of significant funding.

In terms of the format this Code of Conduct may take, whilst the Government envisages compliance from within sports being enforced through governing bodies, it also considers that the Code might be included either within individual sports' rulebooks or within the gambling industry's code for socially responsible advertising. This two options reflect quite different approaches: whether the Code is included within rules set by the sports or gambling industry places a different emphasis on responsibility for compliance with the code. Although in the White Paper the Government anticipates working "with the sports bodies to refine the code over the coming months", the fact that the format of the Code is apparently so far undecided indicates it may take some time to be finalised. The varying impact and importance of gambling sponsorship within different sports also indicates that reaching agreement on the measures may take some time.

The Government sets out "example principles" for the Code. Whilst these may not translate directly to the final Code once negotiated by the various governing bodies, the Code is likely to at least attempt to address the objectives of these suggestions:

- A commitment to reinvestment of funds from sponsorship into development/grassroots activities.
- Kits without sponsor logos to be ensured for athletes aged under 18 or adults who have religious or health reasons to object to wearing gambling sponsors; and replica kits without logos to be available in adult sizes.
- In stadiums used for professional-level competition, gambling advertising should not be visible in or from dedicated family areas.
- Operators to cover costs of education for sportspeople and staff on gambling-related harm from an independent provider.
- A proportion of sponsorship inventory to be used for dedicated safer gambling messaging.
- A commitment only to accept sponsorship from firms operating under licence from the Gambling Commission.

Part of the Government's justification for not imposing new legislation or regulations in this area was the stricter gambling advertising rules already put in place by the Advertising Standards Authority (ASA). Sponsorship arrangements are not within the ASA's remit, but its new "strong appeal" rule does affect arrangements where athletes appear in advertising for the gambling brand. We are beginning to see the bounds of how the strong appeal rule is interpreted by the ASA, in a series of rulings since the rule came into force in October 2022. Four rulings relating to the use of football players in gambling advertising have drawn a distinction between those currently playing football at a top level (players in the Premier League and top international clubs have been found to be of strong appeal) and retired top players (Micah Richards and Peter Crouch were considered to not be of strong appeal).

The latest decision from the ASA was the first ruling involving a sport other than football, in this case the advert was a tweet for bet365 which featured Chris Eubank Jr, a current professional boxer.

Unlike football, boxing is not considered by the ASA to be of "inherent strong appeal" to under 18s, due to being an "adult-oriented" sport. However, the advertiser was still expected to assess Eubank's likely appeal to under 18s, as Twitter is a platform which does not robustly verify users as over 18.

The ASA considered Eubank's profile both generally and on social media, where he had a large following on Instagram and Facebook. Eubank also had a TikTok accounts, where 31.7% of his followers were registered as under 18, however he had a small total following on that platform compared to the others. Overall, only 10,905 of his



followers were under 18 which represents less than 1% of the total 1.7m followers, so the ASA determined his social media audience did not imply strong appeal to under 18s.

Eubank had also appeared on the TV show *Celebrity Gogglebox*, but this was shown after 9pm and, as this show was primarily aimed at an adult audience, the ASA did not consider this changed the position. A similar view was taken in relation to Peter Crouch's appearance as a judge on the TV show *the Masked Dancer*, where data showed that children made up only a small proportion of the audience.

The ASA concluded that Eubank was not of strong appeal to under 18s. It remains to be seen how these principles will apply to other athletes in other sports, however it is useful to note that viewing data for the boxing event featured in the advert, which had a "majority" viewing by adults, was also a factor in the ASA's decision. A consideration of the social media following of the athlete combined with viewing figures for the sport or event in which they appear could provide a reasonable basis for future partnerships.

Between the White Paper and the ASA's rulings, a picture is beginning to emerge that it is only in topflight football that the historical close relationship with gambling is likely to be seriously challenged. However, the content of the proposed Code of Conduct will be key, with the potential for negotiations between the various sports governing bodies having a significant impact on gambling sponsorships in the future.

Melanie is a gambling regulatory lawyer with 13 years' experience in the sector. Melanie advises on all aspects of gambling law including licence applications, compliance, advertising, licence reviews and changes of control. She has acted for a wide range of gambling operators including major online and land-based bookmakers and casinos, B2B game and software suppliers and start-ups. She also frequently advises operators of raffles, prize competitions, free draws and social gaming products.

Melanie has a particular interest in the use of new technology for gambling products and novel product ideas.

