

## Contents

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	<b>Summary</b>	<b>2</b>
	<b>Fixed-Odds Betting Terminals APPG: Resolution letter</b>	<b>3</b>
	Letter from the Commissioner to Mr Malcolm George, 2 May 2017	3
5	<b>Written evidence</b>	<b>6</b>
	1. Letter from Mr M George to the Commissioner, 31 January 2017	6
	2. Letter from the Commissioner to Ms Carolyn Harris MP, 9 February 2017	8
	3. Email from Ms Carolyn Harris MP to the Commissioner, 22 February 2017	11
10	4. Email from the Commissioner's Office to Ms Carolyn Harris MP, 23 February 2017	11
	5. Letter from Ms Carolyn Harris MP to the Commissioner, 1 March 2017	11
	6. Letter from the Commissioner to the Registrar of Members' Financial Interests, 2 March 2017	13
	7. Letter from the Commissioner to Ms Carolyn Harris MP, 2 March 2017	14
15	8. Letter from the Registrar to the Commissioner, 9 March 2017	15
	9. Email from Ms Harris's office to the Commissioner's Office, 14 March 2017	18
	10. Email from the Commissioner's office to Ms Harris's office, 14 March 2017	18
	11. Letter from Ms Carolyn Harris MP to the Commissioner, 15 March 2017	18
20	12. Letter from the Commissioner's office to Ms Carolyn Harris MP, 16 March 2017	20
	13. Letter from Ms Carolyn Harris MP to the Commissioner's Office, 4 April 2017	21
	14. Letter from the Commissioner to Ms Carolyn Harris MP, 18 April 2017	22
	15. Letter from Ms Harris to the Commissioner, 24 April 2017	23

## Summary

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5 The allegation I investigated was that the Fixed Odds Betting Terminals All-Party Parliamentary Group (the group) had breached transparency rules applying to such groups when reporting on an inquiry they had conducted, the interim findings of which were submitted in evidence to the Department of Culture, Media and Sport.

10 Having corresponded with the chair of the group, I found the group had breached paragraphs 21, 22, 23 and 25 of the Guide to the Rules on All-Party Parliamentary Groups. The chair acknowledged and apologised on behalf of the group for these breaches, and took prompt action to rectify the omissions. I noted that the group had been open about their status as an All-Party Parliamentary Group and I was satisfied that the group had not sought to mislead others about that status.

While I identified a number of breaches of the rules, I found they were all at the less serious end of the spectrum and I concluded the matter using the rectification procedure available to me through Standing Order No 150.

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## Fixed-Odds Betting Terminals APPG: Resolution letter

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### Letter from the Commissioner to Mr Malcolm George, 2 May 2017

5 I wrote to you on 9 February, saying that I would begin an inquiry into your allegation about the Fixed-Odds Betting Terminals APPG (the group). I have now concluded my work.

After correspondence with Ms Carolyn Harris MP, the chair and registered contact, for the group, I have concluded that the group has acted in breach of several of the Rules for APPGs. I found that:

- 10       • When publishing the report of the group's inquiry into Fixed-Odds Betting Terminals, the group should have identified those present at meetings when evidence was taken from non-members. (Paragraph 21 of the Guide to the rules requires minutes to be published in respect of all of a group's meetings at formal meetings of the group, which would include those  
15       attended by an outside speaker. Such minutes should include decisions taken and a list of attendees.) The omission of that information from the report, in the absence of the publication of discrete minutes, put the group in breach of paragraph 21 of the Guide to the Rules.
  
- 20       • The group should have included the disclaimer set out in paragraph 23 of the Guide to the rules, or an equivalent, in the letter sent to the Department of Culture, Media and Sport in response to its call for evidence and published by the group as an interim report. The disclaimer, or an  
25       equivalent, should also have been included on the front cover of the group's final report when it was first published, as well as on the press releases associated with the interim and final reports. The omission of a sufficient disclaimer on each of those four publications put the group in breach of paragraph 23 of the Guide to the Rules. However, I welcome the fact that the group acted very promptly to put right the omission of the  
30       disclaimer from their final report when they became aware of your complaint. I agree with Ms Harris that it had, nonetheless, been clear that the evidence to the Department was submitted by an All-Party Parliamentary Group. I am satisfied that there was no attempt to mislead the Department about the group's status. I agree with Ms Harris, that the rules about the inclusion of a disclaimer on a press release could be  
35       clearer and my office will take that into account when the Guide to the Rules is next reviewed. I welcome Ms Harris' assurance that the group will follow the Registrar's advice on that point in the meantime.
  
- 40       • I have found no evidence that the Group failed to register on time a £3,000 payment made to them by *Praesepe*. Paragraph 17 of the Guide requires groups to update their register entries within 28 days of any registrable

change occurring. I have seen evidence that the payment from *Praesepe* was received on 10 February. The payment was registered on 27 February 2017, i.e. 17 days after receipt.

- 5
- Ms Harris has told me that while the “vast majority” of the hard copy letters sent by the group include a hyperlink to the group’s website (where their funders are listed) it is possible that some have not included that link. The list on their website was, however, incomplete because it did not include as a donor of a benefit in kind, the name of the organisation providing the group’s secretariat, *Interel*. The group has been transparent about *Interel* providing secretariat services but it was not stated clearly that they had done so on a pro-bono basis. During the period for which *Interel* had provided pro bono services, the group were in breach of paragraph 25 of the Guide to the Rules. Ms Harris offered to have the wording changed on the group’s website and I consider that action, together with the inclusion of a link to the website on all of their headed notepaper in future to be sufficient to rectify this breach of the rules.

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    - Given that the secretariat assisted in the preparation of the group’s published report, *Interel’s* status as a donor should have been acknowledged on the cover of the publication. Ms Harris has told me that *Interel* provided a pro bono service until the group began to receive funding.<sup>1</sup> The group’s most recent register entry shows a donation in kind from *Interel* for the period from 19 April 2016 to 31 December 2016.<sup>2</sup> In so far as that overlapped with the group’s work on the inquiry, the donation should have been acknowledged. It was not, and that omission was also a breach of the rules. (Paragraph 22 of the Guide to the Rules requires groups to make clear where a report or other publication has been compiled or funded by an external individual or organisation.) Ms Harris has accepted this advice and assured me that the breach has been rectified.

20

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30 In light of the above, I have upheld your allegation of a breach of the rules by the APPG. Ms Harris has acknowledged and apologised on behalf of the group for the breaches I have identified. She has also committed the group to take suitable steps to avoid further breaches of these rules. I am satisfied from the explanations given that there was no deliberate attempt to mislead, and that this matter can now be concluded.

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I will report the matter briefly to the Committee on Standards. In due course, this letter and the relevant evidence (a copy of which I enclose) will be made available on my parliamentary webpages.

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<sup>1</sup> WE15

<sup>2</sup> <https://www.publications.parliament.uk/pa/cm/cmallparty/170329/fixoddsbettingterminals.htm>

I am sending a copy of this letter to Ms Harris.

*2 May 2017*

## Written evidence

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### 1. Letter from Mr M George to the Commissioner, 31 January 2017

5 As the Chief Executive of the Association of British Bookmakers,<sup>3</sup> the trade association for high street betting shops, I would like to make a formal complaint against the All-Party Parliamentary Group on Fixed Odds Betting Terminals that I contend are in breach of the rules in the Guide to Rules on All-Party Parliamentary Groups (2015).

10 The overarching reason for submitting this complaint is that we believe that the All-Party Group on Betting Terminals has not been transparent about their nature, membership and funding in publishing two reports and two press releases. The reports are 'FOBT APPG Interim report' published on 6 December 2016 and the 'Fixed Odds Betting Terminals Inquiry report' on 31st January 2017 and their accompanying press releases. These reports and their accompanying press releases fail to declare the official standing of the Group and fail to acknowledge funding from 15 companies and organisations that have commercial vested interests in the contents of the reports. The failure to make these declarations has caused considerable confusion as to the official standing of this Group and the weight that should be attached to the contents of these reports and press releases. This is demonstrated by the reputational damage caused to our industry and has had a negative impact 20 on the shareholders of some of our members.

The applicable rules to this complaint are set out in point 13 under the heading 'Maintaining transparency'. This complaint relates to the following rules: 21, 22, 23 and 25. Taking each of these in turn I will set out the reasons for the complaint and the supporting evidence.

#### 25 **Maintaining transparency**

30 *"21. Groups must be transparent about their nature, membership and funding. In particular, they must avoid presenting themselves in a way which could lead to confusion with Select Committees. They must make full disclosures of any support received for their publications. An APPG must:*

*c. publish on its website (or provide on request- NB. Groups which do not have websites must instead make this information available on request) the following information:*

35 *iii. minutes of past formal meetings (which should record both attendance and decisions) A formal meeting is one at which one or*

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<sup>3</sup> Mr George subsequently wrote to me to confirm that he wished to submit the allegation on his own behalf as a private individual - The text of that letter not reproduced here

*more decisions is, or it to be, taken, or a vote is to be held; or which includes an outside speaker.*

5 As set out in Annex A of the FOBT APPG report, 27 outside speakers attended 7 meetings of the group. However, the group has not published any formal minutes of these meetings.

### **Information to be shown on reports and other publications**

10 *"22. If a report or other publication has been compiled or funded by an external individual or organisation, this should be made clear on the front cover (or equivalent - If it is an online publication) through wording such as: "This Report was researched by xxx and funded by xxx"."*

15 The All-Party Group two published reports and press releases fail to comply with rule 22 by making clear on the front cover (or equivalent online publication) that the report has been compiled or funded by an external individual or organisation. The register of All Party Parliamentary Groups as at 6 January 2017 states that the group received registerable benefits to the value of £3,000 from the following organisations – Bacta; Campaign for Fairer Gambling; LM Consultants Ltd; Novomatic; JD Wetherspoon Ltd and the Hippodrome Casino. In addition the Group has received benefits in kind of between £10,501 and £12,000 from Interel Consulting UK Ltd.

*"23. All APPG reports and publications should also bear the following disclaimer on the front cover (or equivalent – If it is an online publication):*

25 *"This is not an official publication of the House of Commons or the House of Lords. It has not been approved by either House or its committees. All-Party Parliamentary Groups are informal groups of Members of both Houses with a common interest in particular issues. The views expressed in this report are those of the group"."*

The two aforementioned reports and press releases fail to include the above disclaimer at any point within these publications.

### 30 **Sources of funding**

*"25. An APPG must identify sources of external funding on its headed paper; or must include on it a link to the Register or to a website where those sources are listed."*

35 The All-Party Group has failed to declare in the Register of All-Party groups, a financial benefit from the company 'Praesepe' as having donated £3,000.

Additionally, the Group has failed to disclose on its websites or publications the benefit in kind that it receives from 'Interel Consulting Ltd'.

5 We contend, therefore, that these reports and press releases have been published without the transparency required to ensure an informed debate and with findings which directly benefit the interests of those who have funded the reports whilst at the same time impacting negatively on the business models of bookmakers operating legally and within a highly regulated environment.

Should you require any further information please do not hesitate to contact me: [MalcolmGeorge@abb.uk.com](mailto:MalcolmGeorge@abb.uk.com) or on 0207 434 2111.

10 31 January 2017

## 2. Letter from the Commissioner to Ms Carolyn Harris MP, 9 February 2017

15 I would welcome your help, as chair of the Fixed Odds Betting Terminals APPG (the APPG), with a complaint I have received from Mr Malcolm George about that APPG. Paragraph 3 of the Guide to the Rules on All-Party Parliamentary Groups (the Guide to the Rules) says that *"Each Group's Chair and Registered Contact, who must be a Member of the House of Commons, is responsible for ensuring that the group complies with the rules of the House, and that if any person or organisation provides a secretariat or support services, that person or organisation is aware of and complies with those rules."*

20 I enclose a copy of Mr George's letter, which I received on 1 February. (Mr George has since written to me to confirm that he is making his complaint in a private capacity, while for transparency making clear his role as Chief Executive of the Association of British Bookmakers Ltd.) The essence of his allegation is that the APPG has not followed the House's rules on transparency. Specifically, Mr George  
25 alleges that the APPG has:

- failed to publish formal minutes of seven formal meetings listed in the report *"Fixed Odds Betting Terminals – Assessing the Impact"* published on 31 January 2017;
- 30 • not made clear on the front cover of that report that it was compiled or funded by an external individual or organisation;
- failed to include the disclaimer required under the House's rules in:
  - the interim report published in December 2016
  - the report published on 31 January 2017; and
  - the accompanying press releases,

- not registered a financial benefit of £3,000 it received from “*Praesepe*”
- failed to disclose on its websites or publications the benefit in kind received from *Interel Consulting Ltd.*

### The Relevant rules

5 Paragraph 21 of the Guide to the Rules on All-Party Parliamentary Groups says;

10 “Groups must be transparent about their nature, membership and funding. In particular, they must avoid presenting themselves in a way which could lead to confusion with Select Committees. They must make full disclosures of any support received for their publications. An APPG must:

a)...

b)...

c) Publish on its website (or provide on request) the following information

- 15 — (i) A list of active members (both parliamentary and external);
- (ii) Dates of meetings, both past and future
- (iii) Minutes of past formal meetings (which should record both attendance and decisions”

20 A footnote to sub-paragraph 21(c) explains that a formal meeting is one at which one or more decisions is, or is to be, taken or a vote is to be held; or which includes an outside speaker.

Paragraphs 22 and 23 say:

25 “22. If a report or other publication has been compiled or funded by any external individual or organisation, this should be made clear on the front cover (or equivalent) through wording such as “This report was researched by xxx and funded by xxx.”...

23. All APPG reports and publications should also bear the following disclaimer on the front cover (or equivalent):

30 “This is not an official publication of the House of Commons or the House of Lords. It has not been approved by either House or its

*Committees. All-Party Parliamentary Groups are informal groups of Members of both Houses with a common interest in particular issues. The views expressed in this report are those of the group."*

Paragraph 25 says:

- 5            "25. An APPG must identify sources of external funding on its headed paper; or must include on it a link to the Register or to a website where those sources are listed."

I would be grateful to have your comments on the allegation and, in particular, it would be helpful to know:

- 10           • whether you were aware of the requirements above, as set out in the Guide to the Rules which was approved by the Standards Committee on 24 February 2015; and
- whether you consider that the APPG has met each of the requirements set out in the paragraphs above, and if not, where it falls short.

- 15        It would also be helpful to have a clear statement of the process through which the Inquiry report was researched, compiled and published, including details of the work undertaken and by whom at each stage, and how that work was funded.

- 20        I have explained to Mr George that, while the inquiry I am initiating today is directed to you as the responsible officer for the Group, my inquiry is about an alleged breach of the rules by the APPG. It is not an inquiry into an alleged breach of the Code of Conduct for Members. I have also made clear to Mr George that my role is to determine whether the APPG has acted in breach of the House's rules and that it is not part of my role to assess whether any breach of the rules has had an adverse impact on bookmakers or any other individuals or organisations.

- 25        I will, in the next few days, include on my parliamentary web-page the fact that I am conducting an inquiry into this complaint about the APPG. I will, as far as possible, follow my usual procedures, which are set out in the enclosed *Commissioner's Information Note*. While my inquiry is in progress, this matter is protected by parliamentary privilege and you should, therefore, not share this correspondence
- 30        with anyone other than those with whom it is strictly necessary in order to answer my questions.

I would be grateful to have your response to this letter by 23 February 2017.<sup>4</sup>

9 February 2017

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<sup>4</sup> Deadline subsequently extended to 1 March

### 3. Email from Ms Carolyn Harris MP to the Commissioner, 22 February 2017

Many thanks for your letter dated 9 February and opened on 20 February (received during Recess). I will of course look through the points made carefully and provide a full response.

- 5 I am somewhat confused by the issue of who is making the complaint. The letter sent by Malcolm George is clearly from the ABB, it is on ABB headed paper, it begins, "As Chief Executive of the Association of British Bookmakers... I would like to make a formal complaint..." and concludes "We contend...."

- 10 As the complaint I have been sent is from the ABB, could you therefore advise if Mr George has withdrawn his initial complaint, and resubmitted one as an individual?

I will of course comply fully with your investigation but given the formal nature of this matter I feel this requires clarification.

*22 March 2017*

- 15 **4. Email from the Commissioner's Office to Ms Carolyn Harris MP, 23 February 2017**

- 20 The Commissioner has asked me to thank you for your email and to confirm that although Mr George wrote first on ABB headed paper in his capacity as the Chief Executive, he subsequently wrote again, using plain paper and his private address. In his second letter, Mr George confirmed that he makes his complaint in his private capacity but said he wished to be open about his professional role.

I hope this is helpful. If there is more information you need, do let us know.

*23 February 2017*

### 5. Letter from Ms Carolyn Harris MP to the Commissioner, 1 March 2017

- 25 I am in receipt of your letter dated 9th February and opened in my office on 20th February (due to recess) in which you enclose a complaint submitted by the Association of British Bookmakers. You have also sent a follow up letter from Mr George in a personal capacity.

- 30 Let me say at the outset that it has always been the Group's intention to comply fully with all requirements on transparency, and indeed we believe we have gone above and beyond the minimum obligations placed on us, if there are any adjustments that we need to make, we will be more than happy to do so.

Our FOBT Inquiry was researched over six months consisting of seven evidence sessions which were held in Parliament. The work was undertaken by the MPs on

the group and support was provided by the Secretariat to the Group, Mr Kenneth Pritchard. The benefit in kind provided by the Secretariat is declared in full to the Registrar, which is also noted below.

5 You have asked me to respond to the allegations in Mr George's initial letter which I have done in turn below:

Failed to publish formal minutes of seven formal meetings listed in the report *'Fixed Odds Betting Terminals: Assessing the Impact'* published on 31st January 2017

10 The meetings referred to were evidence gathering sessions. A summary of the evidence given at each session is included in the Inquiry Report published on the FOBT APPG website, and this is also available on request, in accordance with the rules.

Not made clear on the front cover of the report that it was compiled and funded by external individual organisations

15 No funding was provided specifically for the production of this report. All funding received by the APPG is for the general running of the APPG, and is all declared in accordance with Parliamentary rules to the Registrar and online. When the ABB publicised that they had made a complaint to the Parliamentary Commissioner on this the Group Secretariat contacted the office of the Registrar for clarification on  
20 this matter but it was not immediately clear what the guidance would be in this case. However, when the ABB publicised their complaints on the day of the report launch, we immediately updated the report to include the funders of the APPG in it to go beyond our understanding of the rules, this was done just after 5pm on the  
25 31st January.

Furthermore the Associate Members of the Group, who provide financial support, were read out by Sir Peter Bottomley, our Secretary, at the public launch of the Report in the House of Commons on 31st January, and this was done specifically to ensure full transparency.

30 Failed to include the disclaimer required under the House's rules in a) the interim report published in December 2016; b) the report published in January 2017; and c) the accompanying press release

35 a) The interim report referred to was, in fact, a submission to DCMS's Call for Evidence in the form of a letter, attached for your convenience, and makes clear it is from an All Party Group.

40 b) It is very clear to anyone looking at the report that it is from an All Party Parliamentary Group. The Report clearly sets out the scope and remit of the Group, however when this rule was brought to our attention we immediately updated the report with the disclaimer, this was done just after 5pm on the 31st January.

c) It is not clear to me that a disclaimer is required on press releases, I would be grateful if you could confirm if this is the case and the FOBT APPG will of course do so in future if required.

5 Not registered a financial benefit of £3,000 it received from  
'*Praesepe*'

The funding from *Praesepe* was received on 8th February 2017, after the date of Mr George's complaint. This has been fully registered in line with the rules on APPGs.

10 Failed to disclose on its websites or publications the benefit in kind  
received from *Interel Consulting Ltd*

This benefit in kind is fully registered in line with Parliamentary rules and appears on the Register of All Party Parliamentary Groups.

As stated previously the FOBT APPG is completely committed to openness and transparency, we will of course make any changes which are required.

15 I would be more than happy to discuss this further with you.

*1 March 2017*

#### **6. Letter from the Commissioner to the Registrar of Members' Financial Interests, 2 March 2017**

20 I would like to ask for your advice on a matter concerning the Fixed Odds Betting  
Terminals APPG (the group), of which Ms Carolyn Harris MP is the chair.

I am investigating an allegation that the group has failed to comply with several of the rules found in the Guide to the Rules for APPGs. I enclose a copy of the correspondence I have exchanged with Ms Harris which sets out the specific allegations and Ms Harris' response to each of them.

25 I am aware that you and your team regularly provide advice to Members about the  
House's rules for APPGs and Ms Harris refers to advice given to the group's  
secretariat on 31 January 2017.

30 It would be helpful if would provide a copy of any records your team have of that  
advice and of any other discussions or exchanges they have had with the group since  
May 2015 about the House's requirements on any of the issues raised in this inquiry.

I would also be grateful to know what advice your team would have given, if asked,  
about the following points:

- the requirement to publish minutes of “evidence gathering sessions”;
  - the inclusion of disclaimers on reports on other publications and, in particular, whether you would advise the inclusion of a disclaimer on a published response to a call for evidence” and/or within a press release;
- 5 and
- the requirement to publish on websites and other publications benefits in kind which have been registered on the APPG Register.

I would, of course, be happy to receive any other advice or information which you consider relevant to this inquiry.

10 Thank you for your assistance.

*2 March 2017*

#### **7. Letter from the Commissioner to Ms Carolyn Harris MP, 2 March 2017**

Thank you for your letter of 1 March. I will consider carefully the information you have provided.

15 Before I make any decisions, I have written to the Registrar, [name], to seek information from her about the advice her team would generally offer about the interpretation of the APPG rules on transparency if asked. I enclose a copy of my letter to [the Registrar] for information and I will, of course, share her advice with you in due course.

20 In the meantime, it would be helpful if you could assist me with the following:

- clarification of the form in which the £3,000 donation from *Praespe* was made to the group, e.g. by cheque, in cash or via ACT and by whom it was received;
  - any available supporting evidence for the date of receipt of that donation;
- 25
- clarification of whether, prior to 31 January 2017, the group had identified the donation in kind from *Interel Consulting* either on its headed paper or by providing a link to the Register or to a website where the full list of sources were listed (again, it would be helpful to receive any supporting evidence the group can now provide).

30 I would be grateful to have this information as soon as possible and no later than 16 March 2017.

*2 March 2017*

## 8. Letter from the Registrar to the Commissioner, 9 March 2017

Thank you for your letter of 2 March. I enclose copies of relevant communications between this office and All-Party Parliamentary Group on Fixed Odds Betting Terminals.<sup>5</sup> You ask what advice the registry team would have given on various matters. I have set this out below.

### Minutes of evidence-gathering sessions.

The rules are set out in the Guide to the Rules for All-Party Parliamentary Groups. The Guide lists, in paragraph 21, the information which groups must publish. This includes, at subparagraph (c)(iii):

10 *minutes of past formal meetings (which should record both attendance and decisions)*

A formal meeting is defined as “one at which one or more decisions is, or is to be taken, or a vote is to be held; or which includes an outside speaker.” The rules seem clear. If external witnesses are present, minutes of evidence sessions must be published, and this is what we would have advised.

I am pleased to find accounts of evidence sessions published as part of this Group’s report on Fixed Odds Betting Terminals. But they do not show who was present. So, while I welcome them, in my view they fall short of what is required.

### Disclaimers

20 You ask whether we would have advised including a disclaimer when publishing evidence formally submitted to the group, and on a press release.

The Guide to the Rules provides in paragraph 23:

#### Information to be shown on reports and other publications

...

25 *23. All APPG reports and publications should also bear the following disclaimer on the front cover (or equivalent):*

*“This is not an official publication of the House of Commons or the House of Lords. It has not been approved by either House or its committees. All-Party Parliamentary Groups are informal groups of*

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<sup>5</sup> One enclosure only reproduced

*Members of both Houses with a common interest in particular issues.  
The views expressed in this report are those of the Group."*

I am pleased to see that this report on Fixed Odds Betting Terminals now includes this disclaimer on its front cover.

5 *Evidence*

The Guide to the Rules does not specifically say that a group must include a disclaimer when publishing evidence. But the wording "all APPG reports and publications" makes the House's intention clear. In the past, when asked about a specific document, I have advised that any document issued more widely than to a group's members, if not exempted in the Guide to the Rules, ought to carry a disclaimer. The Committee on Standards in their Sixth Report of 2013-14 considered disclaimers important in helping to distinguish APPGs from select committees.

In my view, when this group published material in advance of their final report, this ought to have included a disclaimer in the required format. I would therefore have advised including such a disclaimer in the group's letter to the Department of Culture, Media and Sport, which was published as an interim report. Although it includes a form of disclaimer this does not include the prescribed wording, and in my view it does not satisfy the rules.

20 *Press release*

In my view, for the reasons set out in the last two paragraphs, press releases also require the approved disclaimers.

*Website*

I cannot see a disclaimer on this group's website. In my view the rules require one, in accordance with paragraph 24 of the Guide to the Rules, which says:

*24. A group's website and its social media feed (if any) must give the contact details for the Group's chair, and secretariat and/or public enquiry point (if it has one). All such websites and media feeds must carry a disclaimer as follows:*

*"This is not an official website [or feed] of the House of Commons or the House of Lords. It has not been approved by either House or its committees. All-Party Parliamentary Groups are informal groups of Members of both Houses with a common interest in particular issues. The views expressed in these webpages are those of the group."*

35 I would have advised including this disclaimer on the homepage.

**Details of benefits in kind**

You ask if I would have advised this APPG to publish, on their website and other publications, details of benefits in kind received by the group. Paragraph 22 of the Guide to the Rules provides:

- 5                    *22. If a report or other publication has been compiled or funded by any external individual or organisation, this should be made clear on the front cover (or equivalent) through wording such as: "This Report was researched by xxx and funded by xxx." ...*

10 I do not believe that the rules were intended to require a group, when publishing a report, to reproduce all the benefits then listed in its register entry. If asked I would therefore have advised this group that they were required to list on the front cover of their report the organisations who funded that particular report, or the underlying research, and not those who funded the group more generally.

15 If the report was written, or the research undertaken, by a third party, such as a secretariat, in my view paragraph 22 requires an appropriate note on the cover of the published report. This is so that the reader can see whether any interested bodies or individual outside Parliament has been involved.

20 I should add that lists of parliamentary members and of external funders, are appended to the report on Fixed Odds Betting Terminals which I have found on this APPG's website. I welcome this additional transparency, which goes beyond the current requirements of the rules.

25 Finally, in preparing to answer your letter, I noticed a small typo in the register entry of the Group on Fixed-Odds Betting Terminals. We had recorded an incorrect registration date in relation to the secretariat services provided to the group. It had been recorded as 2017, which we have now amended.

Please let me know if you need anything else.

*9 March 2017*

**Enclosure with the Registrar's letter of 9 March 2017****Extract from file note made on 1 February 2017 by the Assistant Registrar**

30 [Name] of *Interel* rang me on 31 January. They are registered as the group's secretariat and have registered financial benefits received from various sources by the group. She asked about the disclaimer in para 22 of the Guide to the Rules on APPGs and the requirement to state who funded the report.

I said my understanding of this was that if a donor gave the group over £1,500 specifically to meet costs incurred in the production of the report, or if the donor themselves met the costs directly, then the donor must be named in the disclaimer. However, this would not apply if the group had received money from various sources to contribute to its general running cost then used part of that pooled income to meet the cost of producing the report.

#### **9. Email from Ms Harris's office to the Commissioner's Office, 14 March 2017**

Carolyn is just putting together all the information for her response to the Commissioner.

10 Before she can finalise this, she has a query on the clarification that is being asked for on whether, prior to 31 Jan, the APPG identified the donation in kind from *Interel* either on its headed paper or by a link to the Registrar/website where the full list of sources were listed.

15 Carolyn would like to know which section of the rules this refers to as she's not clear on this and wants to ensure she is providing the correct the information.

We are keen to get the response finalised today or early tomorrow if possible, so if you could let us know when you are able to that would be great.

Many Thanks

*14 March 2017*

#### **20 10. Email from the Commissioner's office to Ms Harris's office, 14 March 2017**

Thank you for your email.

Paragraph 25 of the Guide to the Rules says that "*An APPG must identify sources of external funding on its headed paper; or must include on it a link to the Register or to a website where those sources are listed.*"

25 I hope this is helpful.

*14 March 2017*

#### **11. Letter from Ms Carolyn Harris MP to the Commissioner, 15 March 2017**

30 Many thanks for your reply dated 2 march regarding the Fixed Odds Betting Terminals APPG and I look forward to any further advice you receive from [redacted], the Registrar.

In respect of your first two bullet points, the £3000 from *Praesepe* was paid via bank transfer to *Interel* as the Secretariat of the Group and I enclose documentation

confirming that it was received on the 10th of February 2017. Of course, this is in fact *after* the date of Mr George's allegation that a payment had been received and not disclosed. (You will note the payment includes £600 VAT on top of the £3,000 paid to the APPG.)

- 5 In relation to your third bullet point, I am grateful to you for clarifying that this query relates to section 25 of the rules. The donation in kind from *Interel* is declared fully with the Registrar in line with the Parliamentary rules, and declared on the APPG Parliament website  
<http://www.publications.parliament.uk/pa/cm/cmallparty/170215/betting-terminals.htm>
- 10

- I have reviewed letters that the Group has previously sent. Most of our communications go via email. The vast majority of our letters include a link to the website <http://www.fobt-appg.com/> which lists all our funders. I enclose an example. It is possible that some have been sent without this and I will sure that it is included on all in future. I was not aware from the wording of this rule that it is also meant to cover benefits in kind. We make it very clear on our website that *Interel* provide the secretariat to the Group, however if either you or the Registrar advise us to do so, we will of course be happy to change the wording on our website as required, or to change the link on our letters.
- 15

- 20 I hope this is helpful and of course am happy to provide any further information required.

*15 March 2017*

**Enclosure 1: Example letter**

[contact details redacted]

25 **Associate Membership of the FOBT All Party Parliamentary Group**

I understand that [redacted] would be interested in becoming an associate member of the Fixed Odds Betting Terminals All Party Parliamentary Group. I would like to take the opportunity to thank you for your support and provide you with further information about the Group.

- 30 As you may be aware, the Group is currently undertaking an inquiry "Fixed Odds Betting Terminals - Assessing the Impact". This inquiry is taking the first proper look at all the issues and concerns associated with FOBTs. We are hearing evidence from a wide range of stakeholders impacted by FOBTs, from those who have used the machines, Local Government representatives, academics, policy makers and  
 35 representatives from the gambling sector. We have already heard from FOBT players and Local Government representatives, including [redacted] and the Local Government Association. Alongside the oral evidence sessions, we have collected written submissions from over 20 organisations and individuals.

Following the conclusion of the inquiry, we will publish a report in early 2017 with the findings from our inquiry and recommendations to Government.

I attach a note on the aims and objectives of the group and the inquiry timetable.<sup>6</sup> Please do let the secretariat of the Group know if you would like to attend any of the sessions.

To enable our enquiry to take place we have sought associate members to support the funding of the inquiry and to reflect the wide range of concern about the impact of FOBTs. We are pleased to have been supported so far by the Hippodrome Casino, bacta, the Campaign for Fairer Gambling and Novomatic UK.

10 I would welcome the opportunity to discuss [your] views on FOBTs in further detail with you. As a group we are yet to hear the perspective from pubs. Further information on the Group can be found on the Group's website – [www.fobt-appg.com](http://www.fobt-appg.com). My office would be happy to provide any further information which may be helpful. In terms of making the financial contribution to the group, I refer you to  
15 the Group's secretariat [contact details redacted] who will be able to advise on the procedure for this.

Thank you again for your support with our important work.

## Enclosure 2: Account statement for Interel Consulting UK

Extract only

10/02/17	10/02/17		£3,600 GBP
[Account No redacted] INCOMING BACS BACS/PRAESEPE HOLDINGS [A/C NO REDACTED]		Bank Reference Transaction type	[redacted] 01 Domestic or local SEPA credit transfers

20

## 12. Letter from the Commissioner's office to Ms Carolyn Harris MP, 16 March 2017

25 Thank you for your letter of 15 March 2017. The Commissioner is currently away from the office. She will send a full response to your letter soon after she returns. (We currently expect that to be on 27 March.)

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<sup>6</sup> Not included here - not relevant

In the meantime, I thought it might be helpful to send you a copy of the Registrar's response to the Commissioner's letter of 2 March. If you have any comments on the Registrar's advice, it would be helpful to receive them within the next two weeks.

*16 March 2017*

5 **13. Letter from Ms Carolyn Harris MP to the Commissioner's Office,  
4 April 2017**

Many thanks for your letter of the 16th March, in which you enclose the Registrar's response to the Commissioner dated 9th March.

10 I am grateful for this advice and have replied to the points and recommendations made below:

**Minutes of evidence-gathering sessions**

I note the Registrar is pleased to find accounts of the evidence sessions published in our Report, and note her guidance that these should include who was present at each session, the publication has now been updated to show this.

15 **Disclaimers**

I note that the Registrar is pleased to see that the report now includes a disclaimer on the front cover.

**Evidence**

20 I note the Registrar's findings that the letter submitted to DCMS did include a form of disclaimer but that the prescribed disclaimer wording should be used on letters of this type and the Group will ensure that it is used on any future correspondence of this type.

**Press release**

25 Again, I note the guidance from the Registrar that the specific wording in the prescribed disclaimer should be used on all press releases and we will do so in future.

**Website**

The FOBT APPG carries the prescribed disclaimer on each page.

**Details of benefits in kind**

I note the Registrar's guidance that it is not required to reproduce the list of organisations who fund the Group on the Report, and that the Registrar welcomes the additional transparency of the Group in including the Parliamentary members and external funders of the Group in the Report.

- 5 We also note the Registrar's guidance that the assistance of a Secretariat in preparing the report should be listed on the cover and we have updated the report to include this.

10 I would reiterate that we have always sought to go above and beyond in all aspects of transparency and are very happy to comply with any guidance issued by the Registrar.

Please let me know if you require any further information.

*4 April 2017*

#### **14. Letter from the Commissioner to Ms Carolyn Harris MP, 18 April 2017**

15 Thank you for your letters of 15 March and 4 April 2017. I have considered carefully all the information you have provided, taking into account the advice I have received from the Registrar. (In addition to the advice which I have shared with you, the Registrar has since told me that she had overlooked the disclaimer at the bottom of the group's webpages. Please accept our apologies for that oversight.) Thank you for your clear and unequivocal statements accepting the Registrar's advice.

20 While I am satisfied that there was no deliberate attempt to mislead, the Group has acted in breach of the Guide to the APPG Rules (rules 21, 22, 23 and 25). I, therefore, uphold the allegation.

25 I consider these breaches of the rules to be at the less serious end of the spectrum and, therefore, to be suitable for conclusion through the rectification procedure. (That procedure enables me to conclude an inquiry, without reference to the Standards Committee where I find a minor breach of the rules, and where the relevant Member accepts and apologises for the breach and takes any steps necessary to rectify the matter.

30 Since you have already acknowledged the breaches and taken steps to rectify them – subject to receipt of a written apology on behalf of the group in your response to this letter – I would conclude the matter by writing to Mr George to notify him of my decision. I enclose a copy of the written evidence pack which I would publish once I had written to Mr George. (The draft of that letter to him is the first item in the enclosed evidence pack and sets out in detail the rationale for my findings.)

35 While the content of my letter to Mr George is, of course, a matter for me alone, I would like to give you this opportunity to comment on its factual accuracy before I share my decision with him.

There is one additional point which I would like to raise, arising out of your letter of 15 March. You explained that the £3,000 payment the group received from *Praesepe* is net of VAT. Our advice to groups is that where VAT is applicable, the actual value of the registrable benefit is that inclusive of VAT. This can be recorded in the Register either by including words in the register to show that the figure given is net of VAT or by registering the gross value. Subject to your agreement, I will ask the Registrar to arrange for the words “net of VAT” to be inserted in the Register in respect of the *Praesepe* donation. If this advice is relevant to any other benefits the group has received, please let me know when you reply to this letter so that the Register can be updated.

I can confirm that, subject to your acknowledgment of, and an apology on behalf of the group for, these breaches of the rules, I consider the steps you have identified for the future to be sufficient to bring this inquiry to a final conclusion.

I hope it will be possible to bring this matter to a conclusion before the Dissolution of Parliament and, with that in mind, would be grateful if you would – as soon as possible - let me have a response to these questions and any comments you wish to make on my draft letter to Mr George.

*18 April 2017*

#### **15. Letter from Ms Harris to the Commissioner, 24 April 2017**

Thank you for your letter of 18 April 2017.

Let me say at the outset that I apologise on behalf of the Fixed Odds Betting Terminals APPG for the breaches of the rules you have identified. I am grateful for the guidance provided and we will, as previously advised, make the necessary changes to ensure full compliance with all the rules.

I appreciate that you are satisfied that there was no deliberate attempt to mislead on the part of the Group, and I can confirm that at all times it has been our intention to be open and transparent.

In terms of the factual content of your letter to Mr Malcolm George, I would raise two points.

The first is that there are three references to the Culture, Media and Sport Select Committee on the first page of your draft letter to Mr George. The interim report was in fact submitted to the Department of Media, Culture and Sport, as part of the Call for Evidence into the Review of Gaming Machines, not to the Culture, Media and Sport Select Committee.

The second is to clarify that *Interel* have provided secretariat support on a pro bono basis for the period when the Group was being set up, but not from the period when the Group started to receive funding. After this time, *Interel* have received funding

from the Group to provide secretariat services which will of course be recorded in our annual accounts.

5 In respect of donations to the group and the issue of VAT. I can confirm that all the declared donations are net of VAT and would be grateful if you could ask the Registrar to make the necessary changes you suggest. To confirm this covers declarable donations from *bacta*, *Campaign for Fairer Gambling*, *LM Consultants Ltd*, *Novomatic*, *JD Wetherspoon Ltd*, *Hippodrome Casino* and *Praesepe*.

Once again let me offer my apologies on behalf of the group.

*24 April 2017*