

# British Gambling Politics – The Road to Hell Book 1: The folly of financial checks

Draft copy solely for review

Dr. Steve Donoghue  
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## **Contents**

|  |     |
|--|-----|
| <b>About the author</b>  | 7   |
| <b>Chapter One: Introduction</b>   | 8   |
| The public policy problem  | 14  |
| Public policy theory   | 15  |
| Moving the goalposts to gambling harm  | 17  |
| What are financial checks  | 19  |
| <b>Chapter Two: A small number of gambler makes the difference</b>                                 | 23  |
| ABSG anti-gambling advice and anti-gambling bankers  | 25  |
| UKGC advice to DCMS  | 32  |
| We already have good regulation  | 40  |
| <b>Chapter Three: The evolution from affordability</b>   | 42  |
| Affordability (poorly) implemented   | 45  |
| Anti-Gambling Lords and Bargaining Bookies   | 46  |
| The Commission doubles down  | 48  |
| The Commission hides public opposition   | 49  |
| The Commission becomes radicalised   | 52  |
| <b>Chapter Four: Affordability and the Gambling Review</b>   | 53  |
| A Review based on false pretences and lobbying   | 54  |
| Questions about the evidence   | 57  |
| <b>Chapter Five: The Culture, Media and Sport Select Committee report into Gambling Regulation</b> | 60  |
| In the anti-gambling corner  | 61  |
| Samaritans join GWL in weaponizing suicide   | 62  |
| Derek Webb's protégé's crocodile tears and other paid supplicants                                  | 75  |
| Anti-gambling activist academics   | 78  |
| Bookies with their backs against the wall  | 86  |
| Charities are a mixed bag of ideologue and realist   | 91  |
| Industry tries to accommodate  | 92  |
| Noyes and his desire for a perpetual PPE seminar   | 94  |
| Wardle's logic failure   | 107 |
| Gambling With Lies live up to their soubriquet   | 110 |
| Government and regulator co-joined in defence of a baseless policy                                 | 115 |
| Wardle doesn't understand gamblers   | 121 |
| Norway as an example?  | 124 |
| Gambling With Lies Lies Again?   | 128 |
| The Committee's report   | 133 |
| The government's response  | 134 |
| <b>Chapter Six: The Gambling White Paper</b>   | 136 |
| White Paper Recommendations  | 137 |
| The response   | 138 |
| <b>Chapter Seven: The White Paper's Financial Impact Assessment</b>                                | 140 |

|   |     |
|---|-----|
| Doubts over the financial assessment  | 141 |
| Even their simplistic and optimistic estimates are a big blow to gambling   | 145 |
| An obvious lack of a realistic impact assessment                            | 146 |
| <b>Chapter Eight: The Gambling Commission's consultation</b>                | 148 |
| Commission only wants small amounts spent on gambling                       | 150 |
| Commission again uses circumstantial evidence at best                       | 150 |
| Shaky foundations for setting thresholds                                    | 155 |
| Dubious disposable income   | 156 |
| Dubious Commission forecasts  | 162 |
| Dubious data  | 163 |
| At a loss about Net Loss  | 165 |
| The critical flaw and the Goldilocks Clause                                 | 172 |
| What to do?   | 176 |
| <b>Chapter Nine: The Gambling Commission's response to the Consultation</b> | 179 |
| Who responded   | 180 |
| Commission's fear of the truth  | 185 |
| The Racing Post seeks the truth   | 187 |
| Commission thinks respondents are wrong                                     | 188 |
| Finally, a forced disclosure with dubious transparency                      | 192 |
| Commission goes Soviet  | 195 |
| Dubious methodology   | 197 |
| Commission's cunning plan   | 207 |
| More conniving by the Commission  | 208 |
| Commission is back-filling  | 211 |
| Commission's perfidious positioning   | 212 |
| Is it really frictionless?  | 216 |
| Marking their own homework  | 217 |
| <b>Chapter Ten: A pushback from racing</b>                                  | 219 |
| Future of Horseracing Debate  | 226 |
| Parliamentary Petition  | 234 |
| Gambling Commission Speeches  | 244 |
| Westminster Hall Debate   | 248 |
| Fallout from the debate   | 303 |
| Interim code on Affordability   | 307 |
| Racing's response to the Gambling Commission's Consultation Response        | 309 |
| How accountable is the Gambling Commission ?                                | 315 |
| The debate moves to taxation  | 349 |
| <b>Chapter Eleven: The Dutch experience</b>                                 | 362 |
| A concise history   | 362 |
| The regulator orders restrictions   | 366 |

|   |     |
|---|-----|
| Inconsistency in implementation   | 367 |
| Leads to stricter regulation  | 369 |
| Who knew you could review   | 371 |
| <b>Chapter Twelve: The burgeoning evidence of unintended consequences in the UK</b> | 375 |
| 2021 PWC report   | 375 |
| Racing Post campaign  | 376 |
| Martin Cruddace's missives, parliamentary petitions and an interim code             | 376 |
| 2024 Frontier Economics Report  | 378 |
| 2024 Regulus Partners Report  | 379 |
| 2025 DealMeOut Report   | 382 |
| 2025 Yield Sec Report   | 383 |
| <b>Chapter Thirteen: The response – complacency or dogma</b>                        | 384 |
| Displacement  | 384 |
| Rational Choice Theory  | 384 |
| General Strain Theory   | 385 |
| The Epidemiological Triangle Fallacy  | 386 |
| Three phases of ignorance   | 387 |
| Misinterpreting now for the future  | 390 |
| Finally some research   | 396 |
| Maybe they won't notice   | 401 |
| At least 1,000 illegal gambling websites  | 403 |
| Maybe they won't notice again   | 405 |
| Throwing spaghetti at a wall  | 406 |
| Dog ate my homework?  | 408 |
| Much to blog about nothing  | 411 |
| Yonder is Pravda  | 413 |
| More knowledgeable of the Nolan Sisters than the Nolan Principles                   | 420 |
| <b>Chapter Fourteen: Unintended consequences in Public Policy</b>                   | 422 |
| Doctrine of the anointed  | 423 |
| Catastrophisation   | 423 |
| Never admit   | 424 |
| Gambling is normal and natural  | 425 |
| Unintended consequences of tobacco control  | 426 |
| Public Health is guesswork by the anointed  | 429 |
| How about some testing?   | 430 |
| Unintended consequence of drug control  | 433 |
| <b>Chapter Fifteen: Concluding remarks</b>  | 434 |
| <b>Index</b>  | 438 |
| <b>Bibliography</b>   | 439 |
| <b>References</b>   | 522 |

## **About the author**

Steve Donoughue has been a management consultant specialising in the British gambling for over 30 years. Through his company, [www.GamblingConsultant.co.uk](http://www.GamblingConsultant.co.uk), he advises clients on acquiring licences for remote gambling in the UK and provides compliance advice.

From 2007 until 2024, Steve was the Secretariat of the Parliamentary All Party Betting & Gaming Group, a group of backbench MPs and peers who were interested in and supportive of the British gambling industry.

In 2024, Steve was awarded his PhD from the University of Salford, his theses was entitled: '*Masked Morality, a new theory variant to explain the changes in British gambling policy 2005-2023*'. Steve also has an MBA from Durham University where his dissertation was on the marketing of British racecourses.

Over the years Steve has spoken at numerous gambling conferences, been published in the trade press, appeared on nation TV and in national newspapers and judged a number of industry awards.

Steve has written a number of articles on British gambling politics which can be found on his company website <https://www.gamblingconsultant.co.uk/articles>

## Chapter One: Introduction

By way of introduction, I should first like to offer my apologies for the length of this book. This has been an act of pure self-indulgence and I can only excuse myself by explaining my circumstances. In the Spring of 2025 after gaining my PhD in the politics of gambling, my supervisor suggested I write an article for an academic journal.

I decided to write one on what I considered to be the most important topic in the world of British gambling, affordability and the proposed implementation of financial checks. Simply put, this is about how, for the first time in British history, the state is to intervene into whether someone can spend their own money or not and decide whether to limit that spend. I was (and still am) convinced this is a massive public policy mistake and will cause a massive increase in the black market for gambling and cause untold damage to British gambling industry and its gamblers.

When I sped past the 8-10,000 word limit for an academic article and had hardly got to grips with the topic, I made a decision to write on regardless. What had annoyed me the most about writing the PhD was the strict word limit. I had been forced to make numerous edits and revisions to accommodate this and felt that the full story of British gambling politics wasn't being told just to fit into an arbitrary constraint, which was more there so professors had less work to do and even then, one wasn't completely convinced they had read it all anyway. So, I decided to write without limits, to go down as many pathways of research and examine as many events as necessary to reveal the multiple controversial issues in this history of public policy about gambling.

The other constraint that grated when writing the PhD was the tone I had to use. Academic writing appears to be focussed on two things; indecipherable verbiage and obsessive politeness. I have read journal papers where almost every other word had to be googled to find out its meaning, the objective being to show off the author's knowledge of academic terminology while at the same time bamboozle the reader as very often, there was an inverse correlation between the usefulness of the research and the level of academic waffle. I have also read journal papers where an academic's response to another academic's paper was by making a few platitudes and a jocular comment about the author's approach. This will be in response to an article where the methodology is blatantly flawed, the calculations defective and the author had personally attacked the intelligence and integrity of the responding academic. In my experience, the more of an activist academic the author, the more likely it is for them to act like the latter scenario than the former.

I can assure you that I have not suppressed my tone in this book. I use pejorative terms like anti-gambler, prohibitionist and activist academic. I also accuse people of mis-speaking, hiding evidence, skewing research, spinning and telling stories. All of which, I evidence and am happy to argue the 'toss' over. Just because a politician, charity-worker or academic says they're not anti-gambling, definitely doesn't mean it to be so, if all their efforts have been to restrict gambling. It's a bit like people saying they're not racist, but!

If I do come across as sneering and disparaging about these people, it is because I am. The majority receive public money, directly or in-directly and I believe that this means they have certain principles to abide by, whether that be for being a public servant, a charity worker or an academic, and in the cases of the anti-gambling lobby, I believe they fall seriously short of these standards. To my mind they have warped the conventions of good behaviour to lobby for their own ideological and commercial interests.

Having spent what has seemed like years reading and re-reading this lengthy tome in order to tweak and edit, I am also aware of four topics that I repeat almost incessantly throughout:

1. That financial checks being frictionless for the majority is not the critical issue, it is how the minority of robust punters are treated. Those with complex financial situations mean that a simple payslip and bank statement are not enough to prove what can and can't be afforded. It is these people who provide the fuel that runs the engine of betting and racing and it is these, who if suffering too much friction, will move to the black market and so ultimately destroys regulated racing and betting as we know it.
2. That the claims of inconsistency of affordability checks already being undertaken by the industry for commercial reasons is why it's necessary to introduce financial checks. The reality is that affordability was implemented poorly with the industry given little steer on how to do so and then the Gambling Commission penalised and fined the majority of the industry for implementing affordability not in the way they wanted even though this had not been detailed to the industry. As part of the penalties on the industry, the penalised firms would have to agree to implement affordability in a certain way, which due to the Commission's incompetence was different for each penalised firm. This meant that the industry was forced to provide an inconsistent approach and as it was part of a regulatory settlement, this inconsistency was forced to continue even when affordability was withdrawn. Add to this the fear the operators have of being arbitrarily fined and penalised by the Commission and many operators take a 'belt and braces' approach. All comments by the Commission that affordability was kept by operators for purely commercial reasons have to be taken with a container vessel full of salt.

3. Activist academics, anti-gambling campaign groups and their Parliamentary supporters argue that it is gambling products and advertising that cause problem gambling and ultimately suicide. This is an extremely evidence light statement of what the science tells us. The majority of research tell us that while gambling product is a factor, the major factors in whether someone has a gambling problem is their own mental health issues. The impact of marketing is only found in problem gamblers whose impulses can be triggered by ephemera, as in many addictions. As for gambling related suicide there is no research that provides an explicit causal link between gambling and suicide. All three falsehoods are part of an anti-gambling narrative based on ideology and emotion but without any evidence.

4. There is an overlap between high spending gamblers and problem gamblers but the fact that someone is a high spending gambler does not automatically mean they are a problem gambler. Increasing levels of expenditure and increasing volumes of gambling are good indicators of problematic gambling, but to consider simple instances of expenditure on its own and even to consider occasional expenditure that can't be afforded as problematic is not a correct identification of a problematic gambler. Gamblers know their budgets and manage them, even if that means taking a risk that they may have short term monetary problems if that risk fails.

These statements are so important that I have kept them in numerous places, to reinforce the fact that the anti-gambling campaign has little foundation in evidence is based purely on ideology, religiosity and commercial self-interest and makes un-evidenced claims.

So, I make no apologies for repetition, tone or lack of civility and I do apologise for the length, just not for the content. There are just so many instances of where the actions of stakeholders in the gambling debate have veered away from the traditional view of how policy is made. Traditional public policy is supposedly made after evidence is collected and a problem identified, then experts in the field suggest solutions, trials are implemented and if successful rolled out and a public policy solution is imposed and the benefits reaped. This is obviously an idealised view and there is a large canon of work on how this process is influenced by the views and ideologies of the stakeholders involved and how the outcome is not always as intended. My work found this but to an extreme I hadn't imagined possible.

Why I believe that this book is necessary is during my research, which covers a relatively short period of time, less than a decade, there have been multiple examples of unconventional practices that go completely against the grain of what is commonly expected of 'evidence-based policy making'. I would go so far as to say that what we have is an example of ideological zeal in imposing anti-

gambling measures, based on scant evidence and using flawed and/or biased research to back it up. To add insult to this injury, is the startling ignorance and/or avoidance of the obvious consequences of this approach, a massive increase in the black market for gambling and all the horrors that accompany it. Current gambling policy is based on ideological fabrications and imposed by a regulator acting *Ultra Vires*.

I truly believe that the British gambling industry is in an existential threat situation due to the proposed financial checks. While writing this the government increased gambling taxes by 90%, which I will argue in another work is also an example of ideological zeal that will only further speed the demise of the regulated industry. And this remains my point throughout, people's love for gambling is universal, throughout history and across cultures. The issue we have is that it has also always been binary, in that some love it and some hate it. Almost half of the adult population of Britain gamble, but it appears that the far majority of stakeholders involved in British gambling policy come from the other half. Attempts to restrict gambling or prohibit it have always forced people to the black market, we have enormous amounts of evidence about this from across the world and throughout history. I provide current examples from European countries and the evidence of its growth in the UK. What this book shows is the unwillingness of the prohibitionists to accept this, that unnecessary regulation pushes people to the black market. People don't stop gambling, they just stop gambling legally.

This book is expected to be the first in a series on the topic of British gambling politics which I have called British gambling politics – The road to hell. Obviously the road to hell is paved with good intentions and I do think that there is a scintilla of desire by the prohibitionists to protect people. Though I do think there is far more ideological belief that makes them think people need protecting from gambling, when for by far the majority they really don't. A tiny minority have a problem as they do with most things in life. What motivates the anti-gambling debate is a mixture of religiosity, middle class piety, a desire for academic grants and public sector reward and also simple commercial competitiveness.

If prohibitionists really cared about protecting people from gambling harm they would be far more concerned about the consequences of their regulatory actions. People gambling in the black market have no protections so pushing them there, however inadvertently, is the biggest act of harm.

In the books to follow I will be discussing the Public Health approach to gambling and its activist academics who appear to have relinquished any belief in the traditional concepts of academia, the weaponization of statistics, whether that be misleading suicide numbers, all too dubious problem gambling numbers given

the veneer of officialdom and finally a book on what I think needs to happen from both a legislative, regulatory and public policy perspective to hopefully prevent the demise of this necessary regulated activity.

I hope that what you read will make you angry and make you campaign for change. Britain once had one of the best gambling regimes in the world, it is the actions of an ideologically motivated few that is turning it into hell.