

MOBILE GAMES INTELLIGENCE DELANY&CO

UK call for evidence on loot boxes - an update and next steps

TIMELINES AND NEXT STEPS:

Advice from officials on the findings of the call for evidence on loot boxes in video games is currently with DCMS Ministers.

Following a decision from Ministers on the options, particularly whether to include loot boxes in the scope of the review of the Gambling Act, the summary of the call for evidence will be published. It is anticipated by officials that this will be within 2 - 4 weeks.

SUMMARY OF THE EVIDENCE:

The summary of the call for evidence has found no causal relationship between loot boxes and gambling related harm. The call for evidence has however found a correlation between loot boxes and gambling related harm, depression, financial distress and relationship breakdown.

Over 34,000 responses were submitted via the player survey. The summary of the call for evidence currently contains no specific mention of any publisher or developer.

OPTIONS ON THE TABLE:

Officials have presented Ministers with one recommendation and several options.

The sole recommendation is that **loot boxes** should not be included in the scope of the review of the Gambling Act.

The non-exclusive options that have been proposed to Ministers are:

- 1. To strengthen existing consumer protection rules.
- 2. To work with industry on a better, stronger voluntary regime.
- 3. To progress with the Future Games Research program.
- 4. To evaluate the impact of loot box regulation in other countries.
- 5. To explore the potential for including loot boxes in the Online Safety Bill.

OUR VIEW:

We consider this to be a broadly positive position for industry. It is unlikely that Ministers will go against official advice, and so loot boxes will not be treated as gambling. We also consider it unlikely that loot boxes will be included in the Online Safety Bill. While it will be tempting to Ministers, it will be disruptive to an already complicated Bill.