



Gambling and Debt Pathfinder Study

By Carolyn Downs and Ryan Woolrych

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Executive summary

About the study

The Gambling and Debt Pathfinder Study was funded by GamCare and the Money Advice Trust (MAT), and supported by the Salvation Army.¹ This study critically examines the nature of the relationship between gambling and debt. This has been achieved by investigating the wider social issues associated with gambling-related debt, in order to understand the strategies used by individuals and families coping with gambling-related debt and explore the help-seeking strategies employed by problem gamblers and debtors.

The need for a study of the relationship between gambling and debt was recognised independently by GamCare and MAT. The research was supported by the Salvation Army, the largest non-statutory provider of social care services in the UK. The Salvation Army's involvement was particularly valuable in facilitating the participation of homeless people in this research. The research team have also benefitted greatly from the knowledge, support and advice of Geoffrey Godbold (when Chief Executive of GamCare), Eileen Kinghan (GamCare) and Jim Fearnley (MAT). Our thanks go to

¹ GamCare, a registered charity, is the leading national provider of advice, practical help, support and counselling to anyone suffering through a gambling problem. The Money Advice Trust (MAT) is a registered charity formed in 1991 to increase the quality and availability of free, independent money advice in the UK with the aim of reducing unmanageable debt among UK consumers. The Salvation Army was established in 1865 as a church and registered charity and is now one of the largest and most diverse social providers in the UK after the government. The Salvation Army is funded through donations from its members, the general public and, where appropriate, local authority and government grants.

these people and to all who have helped make this study possible through their participation.

Overview of research methods

A mixed-methods approach was adopted over a twelve-month period, and included the following data collection approaches:

- A survey was designed to ascertain levels of awareness of gambling and debt support services and to establish a preliminary understanding of the links between gambling, expenditure and debt. A control group completed this survey and 246 survey forms were returned.
- 173 gambling and debt scoping surveys were completed with a non-control group, consisting of individuals who have current or previous gambling or debt problems, with a view to establishing key indicators of indebtedness, types of gambling behaviours, and typical help-seeking pathways.
- Eighteen in-depth, semi-structured interviews were conducted. Seventeen interviews were conducted with problem gamblers and people with problem debt at various stages of the help-seeking process, and one interview was conducted with a family member of a problem gambler. The interviews explored participants' experiences of gambling-related debt, problem management and help-seeking behaviours.
- Three in-depth, semi-structured interviews were undertaken with representatives from the credit and banking industry to establish an overview of working protocols for dealing with individuals presenting with problem gambling and debt.

- Two regional focus groups were conducted with gambling counsellors, debt advisers, healthcare professionals, representatives of the gambling industry, and problem gamblers. The focus groups were designed both to explore the ways in which issues relating to problem gambling and debt are understood and approached in advice and other support settings, and consider how principles of socially responsible gambling could be understood in the context of debt advice
- Case study analysis was undertaken of the GamCare Users Forum, www.moneysavingexpert.com and www.debt.co.uk examining data over the last 24 months. The comments provided insight into the daily lives and experiences of problem gamblers including gambling-related debt impacts, typical help-seeking behaviours, and levels of debt for 40 individuals with gambling problems. This aspect of the research was undertaken by Karen Grieg (Manchester Metropolitan University) and Andrew Thomas (University of Wales).

Key terms

Gambling-related debt: This term is applied where a significant proportion of debt has occurred as a result of an individual's gambling behaviour. This can be directly or indirectly incurred debt. Directly incurred gambling-related debt occurs when a person spends money directly on a gambling activity, leading that person into debt. Indirectly incurred gambling-related debt occurs when an individual, having spent money on gambling, then falls into debt as they cannot meet other financial commitments.

Holistic: This term is used to suggest approaches to treatment that are integral and inclusive of the whole person, in which the

individual's entire well-being is considered, incorporating physical, emotional, spiritual, mental, social and environmental factors.

Life-course debt: This term is applied where an individual is a non-gambler or only gambles sporadically. Such individuals have problem debt that has occurred as a result of life events such as redundancy, divorce or the death of a significant other.

Problem debt/over-indebtedness: This is a contested area, with a range of definitions and indicators in use. Two commonly adopted measures are those designed by Elaine Kempson (2002) using debt-service ratios of spending more than 25% of gross income on credit commitments, or spending more than 50% of gross income on credit commitments and household commitments. However, these are indicative definitions rather than exclusive ones, and other key indicators are also important in defining problem debt or over-indebtedness.

Problem gambling: Repeated episodes of gambling that a person is progressively unable to resist, and which dominate their life to the detriment of their social, occupational, material and family values and commitments (WHO, 2007).

Key findings

Gambling-related debt

This study identified that access to money was central to the activity of gambling, and that significant debt was caused by problem gambling for all but the wealthiest individuals. Gambling-related debt was evidenced through secured and unsecured credit commitments not being met, arrears with household bills and cutting back on key household items such as food and clothes.

Data collected on gambling-related debt over the period of the study suggests that gambling debts averaging more than £60,000² might be common among gamblers with unmanageable debt. This figure was much higher than the £17,500 average debt disclosed by clients in counselling with GamCare in the organisation's *Care Services Report* (GamCare, 2007).

The existence of gambling-related debt also increased the likelihood of individuals taking out unsecured and secured forms of credit for consolidation purposes, and experiencing more serious forms of debt action by creditors, such as visits from third-party debt collection agents and the use of County Court proceedings as a recovery tool, which can lead to County Court Judgments (CCJs).

A key theme arising from this research is that the management of all causes of debt has consequential impacts on a broad range of complex social and emotional behaviours and interactions at individual and household level. Yet there were important differences noted between life-course debt and gambling-related debt.

Gambling-related debt was more likely than life-course debt to lead to relationship difficulties or relationship breakdown at the family level. This study found that the burden of the gambling and the debt problem was often shared with immediate partners and had an impact on other household members, financially and emotionally.

There was a strong tendency for family members to feel an initial sense of resentment and bitterness towards the gambler in debt who was regarded as the source of financial difficulties, and 'blame', 'responsibility' and 'trust' were emerging themes. Resolving gambling-related debt was potentially a far more complex matter

² Note: 'outliers' were removed from the sample in order to get the most honest estimate of gambling debts.

than dealing with life-course debt, requiring a person-centred, holistic approach, capable of providing help and support to the individual and their immediate family.

Gambling-related debt was also likely to have more severe detrimental impacts on the health and well-being of individuals and families than problem gambling or problem debt in isolation. Twinned problems of gambling and debt exacerbated the psychosocial issues associated with problem identification and management. Difficulties overcoming the associated stigmas and stereotypes of 'gambling' and 'debt' impacted on the success rates of those seeking help and advice. Managing gambling as an addiction and debt as a financial problem resulted in detrimental health and well-being impacts at individual and family level.

Employment and employability

Both problem gambling and associated debt impacted on employment in a number of ways. The survey results indicated that problem gamblers appear to have a higher unemployment rate than the UK national average, although this finding would need to be supported in a larger sample of respondents. Problem gamblers who had no support systems in place often feared having an income above subsistence level because it would give them access to disposable income and credit to fund gambling activity.

Participants in paid employment had greater access to bank accounts and credit, and thereby the potential to continue gambling activity. Also, when in employment, rent and council tax (or at least a proportion of these costs) became the responsibility of the individual, who could no longer rely on the benefits system to deal with these expenses. This meant that the individual needed to take

on a new responsibility for managing their finances, which they were unable to do within the context of the gambling problem.

The interviews suggested that problem gamblers who were employed were often unable to concentrate on tasks at work because of their preoccupation with gambling, and some stole time from work in order to gamble. These interviewees were at a higher risk of being made unemployed than individuals with life-course debt, as a result of disciplinary action taken by employers in response to behaviours induced by the problem gambling.

Participants also noted that their productivity levels deteriorated, as they diverted time and effort away from their work tasks towards gambling and the need to service their gambling addiction. Evidence from the interviews conducted with problem gamblers revealed that where participants were in a position of significant responsibility and had access to a company's finances, the company could potentially be at risk of serious financial loss through theft or embezzlement; some interviewees admitting stealing significant sums from businesses in order to support their gambling habit.

Accessing help and advice: awareness

Participants with gambling-related debt reported a number of difficulties in accessing information regarding advice and other support services. Those with gambling problems felt that they were ill-informed or unaware of available support services. Problem gamblers identified the importance of having access points within the community as sources of information and advice. Often family members reported that they did not know where to access support (for themselves or the problem gambler), and many chose to self-manage the problem within the household or family unit. A need was identified for gambling awareness and financial capability

education across all age cohorts, so that individuals are offered information that meets their needs and those of their families. Problem gamblers identified lack of financial capability as a serious problem affecting their ability to identify and manage their money problems. Almost all the problem gamblers with debt reported being unable to manage their money, and the most successful resolution of gambling and debt problems occurred in situations where a family member assumed control of all financial matters and provided the necessary support for the individuals to participate in a treatment programme. Treatment was not necessarily delivered via an external agency and internal family structures and support mechanisms were equally important.

Additionally, there was evidence of family-derived financial capability support, so that as the gambler developed new skills in managing money they were allowed increased responsibility for the household finances. This also happened in some non-family settings, where community finance workers took on a similar role in supporting the individual to manage and assume responsibility for their finances.

Accessing help and advice: signposting and multi-agency working

Problem debt was a common trigger for help-seeking by those with gambling-related debt. Families often realised that a family member had a gambling problem as a result of their discovery of the extent and level of the debt through having had sight of financial statements or correspondence from debt management companies, or home visits from debt recovery companies.

Although family members often knew they could get help to deal with their debts via organisations such as National Debtline, Citizens Advice and the Consumer Credit Counselling Service (CCCS),

there was very limited awareness of gambling support organisations such as GamCare. Equally, there were serious misconceptions about the type of help that gambling support organisations might offer, which acted as a barrier to contacting them in the first place.

Individuals with gambling problems often felt that either partial self-exclusion from gambling activities or agreeing a repayment package with creditors equated to solving the gambling problem. In most cases, this approach resulted in a breakdown of the repayment plan and a recurrence of the problem gambling behaviour.

Accessing help and advice: the NHS

The NHS was identified as a possible access point for individuals seeking help with gambling-related debt. The shame associated with confiding in friends and family about gambling and debt (and indeed gambling and debt in isolation) was a significant barrier to individuals seeking help for their stress and anxiety-related symptoms. Individuals who informed GPs that they needed help with problem gambling and debt-related issues felt that GPs lacked knowledge about the nature of problem gambling and did not give them effective referrals to sources of help, advice and support.

Some GPs opted to refer patients to mental health services, including drug and alcohol teams and NHS counselling or cognitive behaviour therapy. However, many mental health services did not have a remit to assist problem gamblers, while others were not able to offer the specialist support that was needed.

A further significant barrier to accessing help and advice was the judgemental attitude that some practitioners within the health and social care service had about problem gambling and debt. Some participants reported that they disengaged from the help-seeking process because of the prevailing attitudes towards and

perceptions of problem gamblers of health practitioners, although this differed by practitioner and geographical area.

Accessing help and advice: industry

The process of self-exclusion was discussed with problem gamblers.³ Many problem gamblers found it difficult to present for self-exclusion, citing the negative connotations associated with problem gambling as a significant barrier to disclosure. Often, self-exclusion failed to work effectively, as the individual would switch to alternative gambling operators or other forms of gambling.

There is a patchwork of effective practice in relation to self-exclusion across the gambling industry, with evidence of online companies rigorously monitoring accounts and signposting people to GamCare, but this approach was not widespread. Many online operators are not subject to the UK Gambling Act 2005 and its Licence Conditions and Codes of Practice (LCCP),⁴ as they are based overseas. Some of these may be companies operating under jurisdictions that are 'white listed' by the UK's regulator, the Gambling Commission; others are not. GamCare also works with the industry to improve the protection of online players and recognises best practice through a GamCare Certification. Gambling

³ Self-exclusion is a scheme provided by gambling operators, which allows individuals to mandate operators to refuse services to them for a minimum period of six months. It requires that the individual personally visit each set of premises that they might use (e.g. casinos, bookmakers, bingo halls, race courses, greyhound tracks, amusement arcades and adult gaming centres) with a photograph, and complete a self-exclusion form. Self-exclusion can also be facilitated by online gambling operators.

⁴ The LCCP requires operators to have in place player protection and social responsibility measures, such as providing information on responsible gambling, sources of help and facilitating self-exclusion.

operators that participated in the research focus groups identified a need for a joined-up self-exclusion service, with agreed and enforceable responses to requests for self-exclusion, and a mechanism for sharing data between online and land-based gambling operators.

Accessing help and advice: young people's services

Young people with gambling-related debt and problem gambling behaviours felt that they were poorly served by existing service provision. The youth justice and prison service had facilities to treat individuals with drug and alcohol problems, but was reluctant to engage with gambling problems. Young people exhibited extremely low awareness of sources of help for problem debt, and were often reluctant to talk to creditors for fear of the consequences.

Young people often turned to the NHS for advice or help, but there were no NHS gambling-related facilities tailored to young people, and they were often left disenchanted by their experiences of trying to access help. Suicidal thoughts were more common among young people than older people with gambling-related debt and, generally, feelings of hopelessness and despair were identified. Young people reported that the services offered by counselling organisations were not always appropriate. They offered forms of consultation that were difficult to access, and help and advice that was not specific to the ways in which younger people wished to engage or were comfortable with engaging in (venue, approach and/or ethos).

Many of the participants within this study had started gambling at a young age, and often before their early teens. Participants identified a need for awareness education for the upper-primary school age group, perhaps alongside financial capability work with younger age

groups.

Gambling and debt: a reciprocal problem

The research findings identify that the reciprocal relationship between gambling and debt is stronger than previously understood.

It has been acknowledged and well documented in relation to findings from use of problem gambling screens that financial loss as a result of gambling can lead problem gamblers to try to recoup the loss through further gambling, a practice known as 'chasing losses'.

Key recommendations

In-depth recommendations are presented at the end of this report, but some important areas for prioritisation are discussed below.

Workplace learning

It would be useful if integrated financial capability work and gambling awareness education could be provided in the workplace. Employers should also consider uniformly blocking employees having access to gambling websites.

Access points

A recurring theme throughout this study was that problem gamblers had insufficient knowledge of sources of help. Although many of the problem gamblers had heard about GamCare, their families and the professionals from whom help was sought were often not aware of the breadth and depth of services provided by agencies such as GamCare to support problem gamblers and their families. Further

research is required to identify suitable locations where this information could be provided. Findings from interviews with problem gamblers suggest that community settings represent the optimal locations through which to access 'hard-to-reach' groups.

Education

There is a widespread lack of knowledge among the general public about problem gambling and its consequences for gamblers and their family members, which suggests that educational measures need to be more widespread. Gamblers should continue to be targeted but there also needs to be education for the wider public on problem gambling and debt. Awareness-raising might include increasing public knowledge of the risks associated with gambling, and highlighting the indicators that might alert family members to problem gambling. Such work could be delivered through public health campaigns or in a broad range of educational settings. Participants noted that alcohol and tobacco had a much higher profile on the public health agenda than gambling, and as a result people often knew where to go for help with those addictions. Problem gambling and debt was less well situated in the public realm, reflected in the lack of advertising and awareness campaigns.

Signposting and multi-agency working

Resolving gambling-related debt was found to be potentially far more complex than dealing with life-course debt, and required a person-centred, holistic approach, in which help and support was offered to the individual, their family and other care providers. In order to facilitate such an approach, raising awareness of the

widespread and long-term impacts of gambling on families is a priority.

Non-gamblers often do not know where problem gamblers can find help, and this is an important area for development. Developing an effective mechanism for signposting those who seek help for either their gambling or debt problems to relevant organisations is important. The development of non-specialist screening tools for gambling-related debt may provide the means to identify problem gambling earlier and expedite access to necessary help and advice agencies. This will require more effective multi-agency working and agreed pathways for signposting and referral.

The NHS

There is an urgent need for NHS professionals to be more aware of problem gambling. The mental health impacts of gambling and debt problems often result in an individual presenting to frontline health professionals such as GPs, nurses and other medical staff as the first point of contact.

Prevailing attitudes towards gambling and debt, and the ways in which problems are identified and managed by healthcare professionals, are crucial to engaging individuals in the help-seeking process. Awareness raising among healthcare professionals may help mitigate the judgemental attitudes that problem gamblers in this study encountered when seeking help within the NHS, and support the development of a programme to improve physical and mental health outcomes for problem gamblers and their families.

Industry and self-exclusion

The experience of problem gamblers in this study suggests that the process of self-exclusion is not consistent across offline and online gaming operators. The Empowering Communities Count Me Out programme is a national scheme that enables an individual to self-exclude online from any number of premises both locally and nationally. This model offers a one-stop exclusion process for problem gamblers, removing the burden and subsequent demotivation of having to present to a number of different operators within the local area. The expansion of such a service to include the large gambling providers would be of great benefit to problem gamblers.