

Skin gambling: what parents should know

Skin gambling is a form of unregulated online gambling which involves betting 'skins' collected in games. Parent Zone's <u>report into skin gambling</u> found that one in 10 children aged 13 to 18 in the UK have tried it. More than a quarter have heard of it.

Here's what you need to know:

What are skins?

In online games, skins alter the appearance of characters or weapons. Players use them to customise their game. While mainly aesthetic, with no impact on play, skins may still be valued as a sign of success and progress. Some games allow players to buy them, or pay to open loot boxes that contain them, using real money or a game's in-game currency. Others reward players with skins after completing challenging tasks.

Some skins will only be owned by top-tier players or those who have been lucky enough to hit the loot box 'jackpot' - and this makes them exclusive. Thanks to their rarity value, gambling sites allow trade in skins as chips that can be waged in games of chance then converted into cash.

How are they gambled?

Skin gambling is a PC gaming phenomenon. You can't gamble in the course of the games, or on the platforms such as Steam where games are sold. Gambling takes place on third-party sites, which are not endorsed or condoned by services like Steam (which has completely <u>distanced itself from them</u>), and players can then cash in their winnings for real money on additional, unaffiliated sites.

Third-party skin gambling sites deploy Steam's open API (Application Programming Interface) to allow players:

- To access their skin collections as chips for games of chance like roulette and coin toss. Players can cash in their winnings for real money, although they may, of course, lose.
- To place bets on the outcome of Esports matches using skins as currency, removing the staked skins from a player's Steam library and returning them plus winnings (or not) at the end of the match.

This activity is similar enough to a lottery to be deemed gambling under the <u>Gambling Act</u> <u>2005</u>. In the UK, the Gambling Commission, responsible for regulating most forms of





gambling, <u>has said</u> that since players are able to withdraw real money, skin gambling sites require a license. To qualify for a gambling license, online casinos must uphold a number of rules — among them, robust age verification to ensure they are not available to children and young people.

Rarely, however, do skin gambling sites seek licenses. When the culprits are identified by the authorities and taken down, others quickly take their place.

What are the risks and how can we help children stay safer?

- Children may not be aware that skin gambling sites are illegal, or fully grasp how much money they could lose. You might like to explain that some sites entice players to log into their Steam accounts and gamble, making too-good-to-be-true offers or guaranteeing valuable wins.
- Tell them that if they stumble upon one of these sites, they shouldn't pursue the offers, and should, ideally, talk to you. If your child knows you're aware of the challenges they face online, they're more likely to talk to you.
- As with any form of gambling, there's a risk of developing addictive behaviour. Games
 of chance are by their nature intriguing and can appear to offer a surefire way to secure
 some attractive loot for their character. Problematic gambling in children can be quite
 tricky to spot: the symptoms vary from person to person and can also signify other
 problems. Shying away from social activities in favour of spending time inside;
 becoming more easily irritated; and not sleeping or eating as much as they used to are
 all warning signals.
- The best thing may be to talk to your child about what they know about skin gambling so as to get a feel for their attitudes.

Where to go for help

If you're worried, these organisations will be able to provide support:

- <u>GamCare</u> is committed to supporting people suffering from problem gambling. You can get in touch by phone or live chat to get information, advice and support.
- <u>BeGambleAware</u> offers free, confidential support to anyone suffering from problem gambling and to people concerned about or affected by someone else's behaviour.
- <u>The Priory</u> can offer information support on most forms of addiction, including gambling.

