Dear Sirs

Please find the our response to the detailed questions below.

I have only included answer to the specific questions that relate to us.

Roar Betting supports the industry position that was submitted & is referred to as Package 3.

The overriding point behind all this is as follows:

**The Reduction in Stakes & Prizes will not have the desired effect of reducing problem gamblers**. It is equivalent to saying that pub only serving half pints will reduce alcoholism.

We, the operators are at the coal face everyday. Please listen to us; **the way to reduce problem gamblers is by more customer interaction**.

Questions

*Package 3:*

**Question 6:** Do you agree with the government’s assessment of the proposals put forward by the industry (Package 3)? If not, please provide evidence to support your view.

*“Category B2*: The government acknowledges the ABB’s arguments about the importance of B2 machines to the economic viability of betting shops. It also acknowledges the widespread concerns from other stakeholders about these machines. However, the causal link between B2s and problem gambling remains poorly understood (although the association between gaming machines, particularly high stake, high prize machines and gambling-related harm is widely accepted); without such evidence there is a risk of introducing disproportionate and untargeted regulation that could cost jobs.”

* **Electronic gaming machines have been in betting shops for over a decade – during which time no empirical evidence has ever been produced to support the anecdotal claims that they cause problem gambling.  Quite the opposite in fact - the most recent peer reviewed and independently produced research, the 2010 Gambling Prevalence Study, shows that there has been a 25% reduction in the number of problem gamblers who used gaming machines.**
* **There is relatively little relevant evidence from studies carried out on adult gamblers in Great Britain (Parke & Griffiths, 2006; 2007).  The evidence from the overseas research is not directly applicable to Great Britain because the characteristics of Electronic Gaming Machines (EGMs) in other jurisdictions may be different (e.g. scale of provision can be different; other differences include frequency of wins, speed of game and the combination of stake size and prize).  And from the available research, there is no consensus on the extent to which EGMs (including those considered the high-stake, high-prize gaming machines in Great Britain) cause gamblers to become problem gamblers (Griffiths 2008).**
* **Our position is that if there is no evidence to support intervention, or evidence as to the interventions likely outcome, it would be wrong to proceed with a course of action which would have negative impact on jobs, communities and the wider-economy.**
* **The Responsible Gambling Trust has announced that it is to commission the biggest ever programme of academic research into Category B gaming machines in Britain which can be found in betting shops, bingo halls, adult gaming centres and casinos - to understand better how people behave when playing these machines and what helps people to stay in control and play responsibly.  We welcome the Government’s call for an evidence based debate around electronic gaming machines and betting shop operators have agreed to give full access to NatCen as part of their research project for the Responsible Gambling Trust.**

*Package 4: Category B2*

**Question 13:** The government is calling for evidence on the following points:

1. Does the overall stake and prize limit for B2 machines, in particular the very wide range of staking behaviour that a £100 stake allows, give rise to or encourage a particular risk of harm to people who cannot manage their gambling behaviour effectively?
2. If so, in what way?
* **We do not believe that the current limits on stakes and prizes for B2 machines give rise to or encourage a particular risk of harm to people who cannot manage their gambling activity effectively.**
* **As the Government says in its impact assessment we believe the machines are “low risk” in relation to problem gambling.  Gambling addiction is person centric and not product led.**
1. Who stakes where, what are the proportions, what is the average stake?
2. What characteristics or behaviours might distinguish between high spending players and those who are really at risk?
3. If there is evidence to support a reduction in the stake and/or prize limits for B2 machines, what would an appropriate level to achieve the most proportionate balance between risk of harm and responsible enjoyment of this form of gambling?
4. What impact would this have in terms of risks to problem gambling?
* **There is no empirical evidence to suggest that any lower level would have an impact on the risks to problem gambling or provide an appropriate balance between risk of harm and responsible enjoyment of this form of gambling.**
1. What impact (positive and negative) would there be in terms of high street betting shops?
* **The Government does not propose different levels of stakes and prizes and has not included such levels in its impact assessment.  However, if the Government was to accept the proposal of some stakeholders to reduce the stake from £100 to £2 and keep the prize at £500, in line with B3 levels, this would have a catastrophic impact on the number of betting shops and jobs in the UK.**

Question 14:

1. Are there other harm mitigation measures that might offer a better targeted and more effective response to evidence of harm than reductions in stake and/or prize for B2 machines?
* **Betting shop operators take their responsibility to the local communities in which they operate extremely seriously.  Betting shops want to continue to attract a wide spectrum of customers to their stores; they can only do this by offering them a safe and responsible leisure experience.  That is why significant resources are invested into the training of staff members.**
* **A recent regulatory survey shows that a bet is enjoyed responsibly and safely by the overwhelming majority of betting customers.  Overall, gambling industry rates of problem gambling have remained relatively low in the UK at under one per cent since 1999.  One problem gambler, however, is one too many and we are very committed to tackling this issue.**
* **The whole gambling industry raises voluntary contributions worth £5 million each year to help fund research, prevention and treatment of problem gambling.  This work is overseen by the Responsible Gambling Trust which since 2009 has received over £15 million from the gambling industry.**
* **The industry supports the rigorous enforcement of existing legislation; and is committed to the regular review of its codes to ensure that the most up-to-date, relevant and effective processes are in place to identify and support patrons who may be at risk of or experiencing difficulties with their gambling behaviour.**
1. If so, what is the evidence for this and how would it be implemented?
* **An industry code of conduct which sets out measures to enhance customer interaction in relation to gaming machines.**
1. Are there any other options that should be considered?
* **We do not believe there is any evidence or justification for a reduction in stakes and prizes for B2 machines.  We therefore welcome the new research into B gaming machines commissioned by the Research Gambling Trust and funded by the whole gaming machine industry.**
* **We also believe that the British Gambling Prevalence Survey conducted by NatCen in 2010 is the most comprehensive independent, peer reviewed and respected research available about problem gambling in the gambling industry in the UK. We therefore suggest that this survey – using the same methodology as in 1999, 2007 and 2010, is undertaken again by NatCen in 2014. We believe the Research Gambling Trust should fund this.**
* **We would welcome further dialogue with gambling charities and other stakeholders on other harm mitigation measures that could be more effective, than a reduction in stakes and prizes.**

*Package 4: Category B3*

**Question 15:** Do you agree with the government’s proposal to retain the current maximum stake and prize limits on category B3 gaming machines? If not, why not?

**Question 16:** Are there any other options that should be considered?

* **The only machines which are significantly represented in the Licensed Betting Shop (LBO) estate fall within Categories B2 and B3.  As indicated above, we are not seeking any change to the stake and prize levels as they currently apply to B2 machines.  However, we do see a strong business case for taking the increased stake of £2 permitted on B3 machines in 2011 a little step further (to £3) and matching that measure with a corresponding increase in the maximum available prize from £500 to £1000, in line with similar increases being proposed for other machines.**
* **Given the changes could be implemented in 2014 and analysts predict that economic conditions will continue to be difficult; this measure could provide some incentive for growth in the coming years. Evidence since the last increase was implemented suggests that average stake on B3s has increased by around 10%.**
* **Across the estate of  35,000 B2 / B3 gaming machines, Gross Gambling Yield (GGY) from B3 machines per week is approximately 33% of that generated by B2 machines and it is possible that an increased B3 prize level of £1000 might increase this ratio by making the products that much more attractive.  Moreover, if the customer can now bet £2 to win £500 on a particular gaming outcome where he could hitherto only bet £1, it seems logical at these relatively low levels that the “win” opportunity should be increased in line with the stake.**
* **Furthermore, the customer experience would be enhanced.  An increased maximum stake would permit the operator to provide more opportunities for small and medium-sized pay-outs, which are popular with customers and enhance the entertainment value of playing the machines.**