**Gambling Act 2005: Triennial Review of Gaming Machine Stake and Prize Limits**

**Response of Licensing Advice Project, Westminster Citizens Advice.**

Introduction

The Licensing Advice Project (LAP) at Westminster Citizens Advice provides free, confidential, independent and impartial information, advice and representation to residents of City of Westminster on a range of licensing matters, primarily those related to Licensing Act 2003 and Gambling Act 2005. The service is funded by Westminster City Council.

We submit this response to the Triennial Review based on client feedback.

The LAP’s remit covers only betting shop (other) applications and so responses in the consultation are limited to those questions pertaining to this aspect of the Triennial Review.

Process:

**Question 1: How often should government schedule these reviews? Please explain the reasons for any timeframes put forward for consideration.**

Response: n/a

**Question 2: The government would like to hear about any types of consumer protection measures that have been trialled internationally, which have been found to be most effective and whether there is any consensus in international research as to the most effective forms of machine-based interventions. The government would also like to hear views about any potential issues around data protection and how these might be addressed.**

Response: n/a

**Question 3: The government would like to hear from gambling businesses, including operators, manufacturers and suppliers as to whether they would be prepared to in the future develop tracking technology in order to better utilise customer information for player protection purposes in exchange for potentially greater freedoms around stake and prize limits.**

Response: n/a

**Package 1:**

**Question 4: Do you agree that the government is right to reject Package 1? If not, why not?**

Response: Yes

**Package 2:**

**Question 5: Do you agree that the government is right to reject Package 2? If not, why not?**

Response: Yes

**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.**

**Response: No. See response to Question 13 below.**

**Package 4: Category B1**

**Question 7: Do you agree with the government’s proposal for adjusting the maximum stake limit to £5 on category B1 gaming machines? If not, why not?**

Response: n/a

**Question 8: Do you consider that this increase will provide sufficient benefit to the casino and manufacturing and supply sectors, whilst also remaining consistent with the licensing objectives of the Gambling Act?**

Response: n/a

**Question 9: Do you agree with the government’s proposal for adjusting the maximum prize limit on B1 gaming machines?**

Response: n/a

**Question 10: If so, which limit would provide the most practical benefit to casino and machine manufacturers without negatively impacting on the licensing objectives of the Gambling Act?**

Response: n/a

**Question 11: Are there any other options that should be considered?**

Response: n/a

**Question 12: The government would also like to hear from the casino industry and other interested parties about what types of consumer protection measures have been trialled internationally, which have been found to be most effective and whether there is any consensus in international research as to the most effective forms of machine-based interventions.**

Response: n/a

**Package 4: Category B2**

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

**a) 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?**

Response: The consultation recognises that there are ‘persistent concerns’ from many stakeholders and local communities about category B2 gaming machines. Community groups and residents have communicated such concerns to the LAP in making representations on applications for new betting shops or for extended hours for betting shops. They are not of course in a position to provide firm empirical evidence apart from their own observations and experience based on their roles in the community. However we are aware that various academics have produced studies which link use of B2 machines to problem gambling.

Problem gamblers who have lost large sums of money can then be a cause of anti-social behaviour either in or in the vicinity of betting shops, particularly later at night. This has been witnessed by residents.

The question of B2 machine use has become increasingly prevalent when licensing authorities come to determine licensing applications, be they for new betting shops or extended hours. The issues surrounding use of the machines and ‘primary gambling activity’ has recently led one licensing authority (Newham) to refuse an application for a betting shop on that basis. This demonstrates the growing concern in a number of local authority areas.

**b) If so, in what way?**

Response: The high stake and the way in which it can be staked, and the high frequency of games. This means that relatively large amounts of money can be lost (or indeed won) very quickly.

**c) Who stakes where, what are the proportions, what is the average stake?**

Response: n/a

**d) What characteristics or behaviours might distinguish between high spending players and those who are really at risk?**

Response: The reaction to losing and the customer’s general demeanour.

**e) 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**?

Response: Although it is not one of the 4 options put forward in the Triennial Review, there is a feeling among community groups that it is appropriate to reduce the maximum stake on B2s. We do not have the technical or academic knowledge of the nexus between stake limits and harm caused to propose a specific limit, but we are aware that the Campaign for Fairer Gambling has suggested a reduction to £2, in line with B3s.

**f) What impact would this have in terms of risks to problem gambling?**

Response: It is the perception of those who observe or have knowledge of the effects of problem gambling in their communities that a reduction in stake would reduce the potential for harmful behaviours as a result of gambling. The consultation recognises that ‘it is indisputable that some people are at risk of spending far too much time and money on them (which is why there are controls on numbers and stakes and prize)’. The question is of course whether the limit on numbers (4) and stakes and prizes is the appropriate one to manage the risk. Many think not.

**g) What impact (positive and negative) would there be in terms of high street betting shops?**

Response: High street betting shops seem to be increasingly reliant on revenue from B2 machines for increased profitability/viability. The figures given in the consultation, provided by the ABB, show that there has been a marked increase in the percentage contribution of machine income to average shop profits since 2008. This leads the ABB to conclude that the ‘products on offer are allowed to evolve and develop to meet a growing customer demand’.

There is often concern that the clustering of betting shops, particularly where there are two branches of the same company in very close proximity, is a direct result of the entitlement under Gambling Act 2005 to provide B2 machines. It is noticeable in Westminster, for example, that applications to extend hours for betting shops are very often made in areas there are already large numbers of betting shops in close proximity, for example Chinatown.

**Question 14:**

**a)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?**

Response: A change in either the planning or licensing regimes would give local authorities more power to reflect local community wishes when determining applications for betting shops. Currently, authorities often find their hands tied by the legislation and by the difficulty of obtaining empirical evidence to substantiate the concerns of communities.

**b) If so, what is the evidence for this and how would it be implemented**?

Response: In the former case, a change to the Town and Country Planning (Use Classes) Order 1987 (as amended). In the latter case, a change to primary legislation.

**c) Are there any other options that should be considered?**

Response: n/a

**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?**

Response: n/a

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

Response: n/a

**Package 4: Category B3A**

Response: n/a

**Question 17: Do you agree with the government’s proposal for adjusting the maximum stake limit to £2 on category B3A gaming machines? If not, why not?**

Response: n/a

**Question 18: Do you consider that this increase will provide sufficient benefit to**

**members’ and commercial clubs, whilst also remaining consistent with the licensing objectives of the Gambling Act?**

Response: n/a

**Question 19: Are there any other options that should be considered?**

Response: n/a

**Package 4: Category B4**

**Question 20: Do you agree with the government’s proposal for adjusting the maximum stake to £2 and maximum prize to £400 for category B4 machines? If not, why not?**

Response: n/a

**Question 21: Do you consider that this increase will provide sufficient benefit to**

**members’ and commercial clubs and other relevant sectors, whilst also remaining consistent with the licensing objectives of the Gambling Act?**

Response: n/a

**Question 22: Are there any other options that should be considered?**

Response: n/a

**Package 4: Category C**

**Question 23: Do you agree with the government’s proposal to increase the maximum prize to £100 for category C machines?**

Response: n/a

**Question 24: Do you consider that this increase will provide sufficient benefit to industry sectors, whilst also remaining consistent with the licensing objectives of the Gambling Act?**

Response: n/a

**Package 4: Category D**

**Question 25: Do you agree with the government’s proposal to increase the maximum stake to £2 and the maximum prize to £60 for category D crane grab machines? If not, why not?**

Response: n/a

**Question 26: Do you agree with the government’s proposal to increase the**

**maximum stake to 20p and the maximum prize to £6 for category D complex (reel based) machines? If not, why not?**

Response: n/a

**Question 27: Do you agree with the government’s proposal to increase the maximum stake to 20p and the maximum prize to £20 (of which no more than £10 may be a money prize) for category D coin pusher machines? If not, why not?**

Response: n/a

**Question 28: Do you consider that the increases will provide sufficient benefit to the arcade sector, whilst also remaining consistent with the licensing objectives of the Gambling Act?**

Response: n/a

**Question 29: Are there any other options that should be considered?**

Response: n/a

**Costs and benefits:**

**Question 30: Do you agree with the methodology used in the impact assessment to assess the costs and benefits of the proposed measures? If not, why not? (Please provide evidence to support your answer).**

Response: n/a

**Question 31: Do you agree with the government’s approach to monitoring and evaluating the impact of changes to inform future reviews? If not, why not? (Please provide evidence to support your answer).**

Response: n/a

**Question 32: What other evidence would stakeholders be able to provide to help monitoring and evaluation?**

Response: n/a

**Prize gaming:**

**Question 33: Are there other sectors in addition to bingo that currently provide gaming under prize gaming rules?**

Response: n/a

**Question 34: Were the Government to change the stake and prize limits (including aggregate limits), would this encourage more operators to offer prize gaming?**

Response: n/a

**Question 35: What type of products would the industry look to offer as a result of the proposals?**

Response: n/a