

MEDWAY COUNCIL RESPONSE

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

The current timescale of 3years for reviews would appear to be sensible with the proviso that should there be a significant change in technology/industry this should prompt an earlier review.

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.

No comment

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

No comment

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

Before a package can be agreed on, a full investigation needs to be carried out to understand the current problems with Gambling addiction before a decision is made on any increase in stake/payout and number of machines per premises.

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

Before a package can be agreed on, a full investigation needs to be carried out to understand the current problems with Gambling addiction before a decision is made on any increase in stake/payout and number of machines per premises.

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.

Before a package can be agreed on, a full investigation needs to be carried out to understand the current problems with Gambling addiction before a decision is made on any increase in stake/payout and number of machines per premises.

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?

Before a package can be agreed on, a full investigation needs to be carried out to understand the current problems with Gambling addiction before a decision is made on any increase in stake/payout and number of machines per premises.

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?

Before a package can be agreed on, a full investigation needs to be carried out to understand the current problems with Gambling addiction before a decision is made on any increase in stake/payout and number of machines per premises.

Gambling addiction may have an adverse effect on the objective - to prevent gambling from being a source of crime and disorder, being associated with crime or disorder or being used to support crime;

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

Yes – there maybe merit in this proposal in respect of Casinos. Our main concerns in respect of gambling addiction are currently in respect of B2 machines

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?

No change or increase from £4,000 to £7,000 providing it can be proven that there are no increases in harm/gambling addiction

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

No comment

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?

No comment – industry best placed to answer

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?**
- b) If so, in what way?**
- c) Who stakes where, what are the proportions, what is the average stake?**
- d) What characteristics or behaviours might distinguish between high spending players and those who are really at risk?**
- 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?**
- f) What impact would this have in terms of risks to problem gambling?**
- g) What impact (positive and negative) would there be in terms of high street betting shops?**

The Leader of the Labour Party has asked that the Orford presentation be forwarded, together with a consultation response prepared. There are no other comments from the Council for this question.

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?

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

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

A recent BBC survey of the Medway area gave results that of 138 people surveyed, 20% had a gambling addiction problem in relation to B2 machines.

Medway Council (all party leaders and relevant officers) met with the Gambling Commission on 31 January 2013 to discuss the Council's concerns about the situation and see what measures might be adopted by the Council to supplement any legislative provisions.

In relation to B2 machines, the Council would like legislation to reduce the number of machines per premises or lower the stakes and prizes available. Alternatively, for the government to give more powers to local government to refuse premises licences on the grounds that the revenue from the gambling machines should be lower than that from betting.

Medway Council has been pro-active to address this issue by devising a Voluntary Code, which will be one of the first in the country. It is intended to route the introduction of the proposed Voluntary Code via the Safer Medway Partnership. However, this is no substitute for regulatory legislation.

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?

Yes

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

No comment

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?

Yes

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?

No comment – industry best placed to answer how the benefits weigh up against their working towards the objectives

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

No comment

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?

Yes

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?

No comment – industry best placed to answer how the benefits weigh up against their working towards the objectives

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

No comment

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

Yes

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?

No comment – industry best placed to answer how the benefits weigh up against their working towards the objectives

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?

Yes

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?

Yes

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?

Yes

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?

No comment – industry best placed to answer how the benefits weigh up against their working towards the objectives

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

No comment

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)*

Yes

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)*

Yes

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

No comment

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

No comment – sector best place to answer

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

No comment – sector best place to answer

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

No comment – sector best place to answer

For further information/sight of documentation, please go to: -

<https://www.gov.uk/government/consultations/consultation-on-proposals-for-changes-to-maximum-stake-and-prize-limits-for-category-b-c-and-d-gaming-machines#download>

BBC South East Today Questionnaire

BBC South East Today conducted a questionnaire of users of betting shops in Chatham and Gillingham, Kent over 6 days between 18th and 30th March 2013.

Researchers spoke to users of the main betting shops in Chatham and Gillingham.

Researchers spoke to users on Monday, Tuesday, Wednesday, Thursday, Friday and Saturday.

The results are as follows;

Total number of respondents	138
Number who had played FOBT	69
Total number who said that they have a gambling problem	20
Number of FOBT players who said they had a gambling problem	14
Total number who said that they were addicted to FOBTs	19
Total number of respondents who said they were in debt	32
Total number of those addicted to FOBTs who said they were in debt	7
Total number of FOBT users who said they were in debt	17
Of the 69 who had played an FOBT, this number played every day	12
Of the 69 who had played an FOBT, this number played once or twice a week	27
Of the 69 who had played an FOBT, this number played once or twice a month	13
Of the 69 who had played an FOBT, this number played very infrequently	17
This number spent £1-10 on FOBT in any one day	32
This number spent £11-30 on FOBT in any one day	19
This number spent £31-100 on FOBT in any one day	9
This number spent £101-200 on FOBT in any one day	4
This number spent £201+ on FOBT in any one day	4
Number of respondents who played their first FOBT aged under 16	4
Number of respondents who played their first FOBT aged under 18	6
Number of respondents who played their first FOBT aged under 21	13
Number of respondents who played their first FOBT aged over 21	33
Total number of FOBT users who said that a 2 machine limit in bookmakers would make them less likely to play the machines	27
Total number of FOBT users who said that a £2 max stake would make them less likely to play the machines	35
Number of respondents who are unemployed	72
Number of FOBT users who are unemployed	11
Total number of respondents with debts less than £100	1
Total number of respondents with debts between £101-£300	5
Total number of respondents with debts between £301-500	3
Total number of respondents with debts between £501-1000	4
Total number of respondents with debts between £1001 - £5000	6
Total number of respondents with debts in excess of £5001	10
Total number of FOBT users with debts less than £100	1
Total number of FOBT users with debts between £101-£300	5
Total number of FOBT users with debts between £301-500	1
Total number of FOBT users with debts between £501-1000	0
Total number of FOBT users with debts between £1001 - £5000	3
Total number of FOBT users with debts in excess of £5001	4

Submission to the Triennial Review of Gaming Machine Stakes and Prizes:
[Individual/Organisation name]

This is a consultation response to the DCMS document Gambling Act 2005: Triennial Review of Gaming Machine Stake and Prize Limits. In particular it relates to the Chapter 4 Social Impacts and Problem Gambling and refers to selected text as follows.

4.1 The Gambling Act 2005 is underpinned by three licensing objectives. These are:

- To prevent gambling from being a source of crime and disorder, being associated with crime or disorder or being used to support crime;
- To ensure that gambling is conducted in a fair and open way;
- To protect children and other vulnerable persons from being harmed or exploited by gambling.

Fixed Odds Betting Terminal (FOBT) content - stakes in excess of £2 and/or games based on casino table games such as roulette and blackjack - on betting shop B2 machines is not in compliance with the prevention of harm objective.

B2/FOBT machines are also in contravention of the objective keeping crime and disorder out of gambling. Recent evidence highlighted in Hackney identified that 262 crimes over a one year period; equating to 5 crimes a week were directly attributable to betting shops. The data showed that criminal damage accounted for 74.4% of offences reported and 'FOBTs were damaged in 80% of reports for criminal damage offences. Rowdy / inconsiderate behaviour was raised in 42.4% of incidents.

4.6 A qualitative assessment of the relative risk across the different machine categories has been undertaken by government with reference to the threat of problem gambling both in the vulnerable adult population and amongst children. This will be refined through the responses to the questions in this consultation and data supplied by the Responsible Gambling Strategy Board.

The DCMS assumption that the status quo on B2s implies no increase in risk to player protection is false. It assumes that there are no players that have not already been exposed to B2s, no players who will increase their engagement with B2s, no growth in the number of B2s, no extension in the hours of operation of B2s and no changes in B2 game content that could cause extra risk.

There is ample evidence that B2s are strongly associated with problem gambling as in the following professional academic research documents and we would like to bring to your attention the following evidence relating to Betting shop B2/FOBT machines:

This research paper "Disordered gambling and gambling involvement in the British Gambling Prevalence Survey 2007" describes betting shop B2s [FOBTs] as **"virtual gaming machines (e.g. virtual roulette) at a bookmaker's location"** and describes them as having **"the strongest association with gambling related problems"** and identifies that as a **four-fold level of association**.

The Summary of this research "The 2007 British Gambling Prevalence Survey: Considering Gambling Involvement" states in the results that **"When controlling for involvement, gambling via virtual gaming machine [betting shop B2s - FOBTs] was the only gambling type that remained significantly and positively associated with disordered gambling."**

A research paper "What Proportion of Gambling is Problem Gambling? Estimates from the 2010 British Gambling Prevalence Survey" has not yet been published but is summarised in the document "People with Gambling Problems are making a Massive Contribution to Gambling Profits."

This summary provides an estimate that the amount lost by betting shop B2/FOBT problem gamblers was at least **£297 million** in 2010, being more than the estimated total of problem gambled losses at several other leading gambling activities combined. It also indicates that the percentage of total betting shop B2 losses from problem gamblers was **23%**, being over double the collated estimate of the percentage of total losses from problem gamblers at the other leading gambling activities.

Also there is relevant evidence in the NatCen research, released in March 2013 by the Gambling Commission. The last section of the Machines in bookmakers' summary identifies the typical betting shop B2 player profile and states that this profile is more vulnerable to gambling-related harm. It states that the ***"Prevalence of past year participation on bookmakers' machines has increased since 2007. Greatest increases were observed among men aged 16-34, where past year estimates increased from 9% in 2007 to 14% in 2010"***.

The same NatCen Report has highlighted that **"The profile of people who played machines in bookmakers remained similar in 2007 and 2010, though the gap between men and women widened, the age profile became younger and a greater proportion were from lower income groups, though this was related to age."** This correlation with lower income groups even determined by age is borne out by the obvious clustering of betting shops and B2 machines in more deprived areas.

The type of gambler that is most vulnerable to problem gambling harm, male, young, unemployed or on low income is also the type of gambler who is most likely to cause harm to individuals and society as a result of problem gambling. Therefore the socio-economic cost of betting shop B2s is likely to be higher per gambler than any other gambling activity. As the total amount lost by gamblers on betting shop B2s is now exceeding the total amount lost by gamblers on any other gambling activity, then the total socio-economic cost of betting shop B2s is far higher than that of any other gambling activity.

Summary of recommendations

In light of the above empirical evidence, all the DCMS proposals in respect of B2 machines are incorrect. The evidence provided suggests that the B2 category should be discontinued.

Existing B2 machines could easily be converted to B3s by removal of the B2 content.

The game content which includes copies of casino table games such as roulette and blackjack and allows stakes above £2 (the FOBT content) would be removed. B3 content that is themed on casino table games such as roulette or blackjack would still be allowed.

The B3 stakes and prize limits would remain at the Package 4 current B2 and B3 levels of a £2 maximum stake and a £500 maximum prize.

Links to relevant studies/information:

- [Gambling Commission Industry Stats March April 2009 – March 2012- December 2012.pdf](#)
- [Examining machine gambling in the British Gambling Prevalence Survey March 2013.pdf](#)
- [Professor Linda Hancock's submission to the DCMS review of the Gambling Act 2005: A Bet Worth Taking.pdf](#)
- ["Disordered gambling and gambling involvement in the British Gambling Prevalence Survey 2007".pdf](#)
- [BASIS: "The 2007 British Gambling Prevalence Survey: Considering Gambling Involvement".pdf](#)
- ["People with Gambling Problems are making a Massive Contribution to Gambling Profits".pdf](#)

FOBTs: No Ordinary Commodity

Jim Orford

University of Birmingham

Founder Gambling Watch UK

Presentation at the meeting:

The Campaign for Fairer Gambling: Stop the FOBTs
House of Commons, London, 11th February 2013

My Argument Against FOBTs

- Gambling is potentially dangerous
- Machine gambling is particularly dangerous
- FOBTs are very dangerous

Gambling is Dangerously Addictive

- Self-exclusion (and pre-commitment)
- Gamblers Anonymous
- Accepted as an addiction by WHO
- Surveys show British prevalence of problem gambling similar to that of illicit drug problems (and rising)

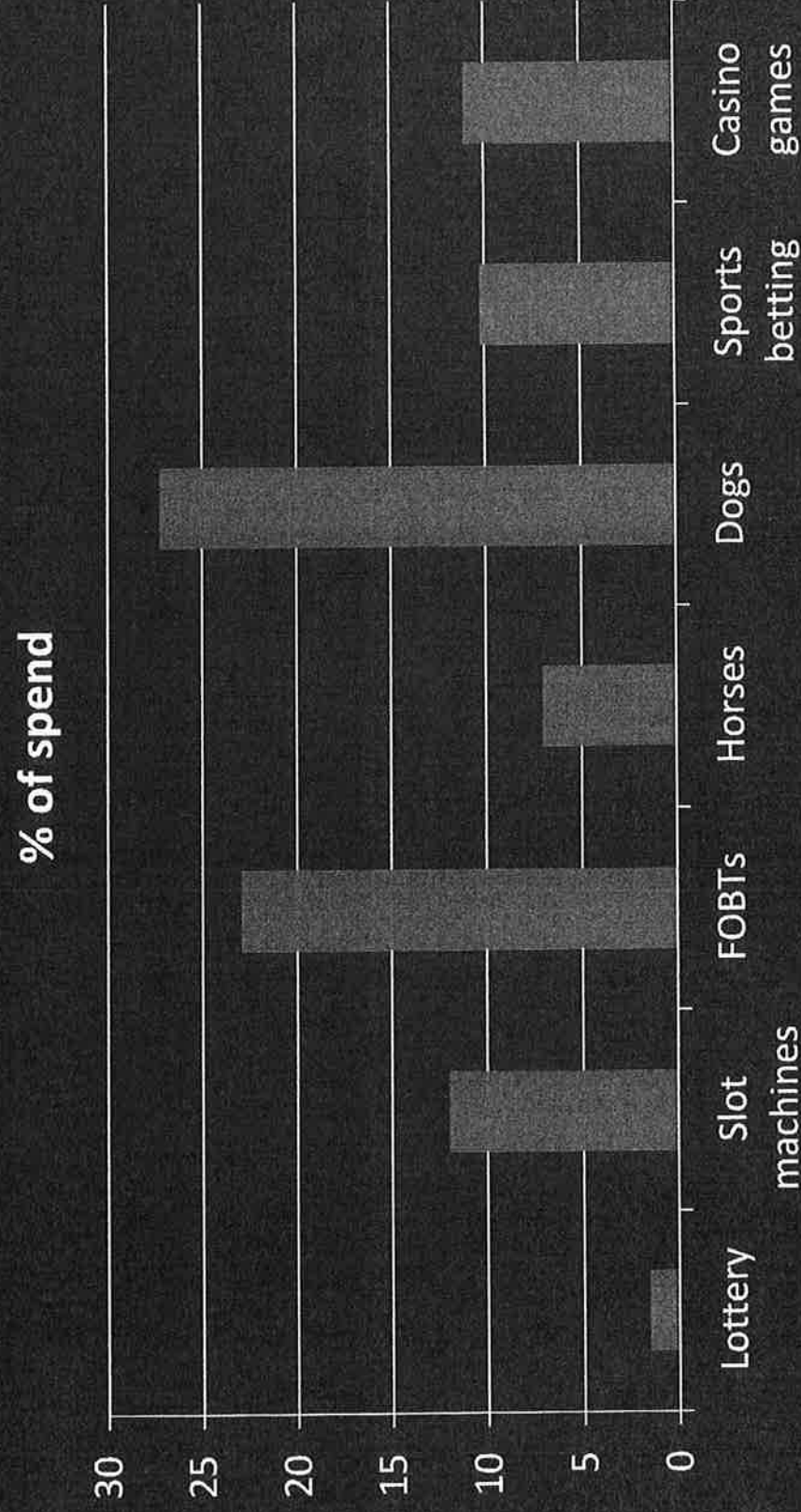
Gambling Machines: Addiction by Design

- Embody the laws of habit development: intermittent reinforcement
- Allow fast, continuous play
- Encourage an illusion of control, choice, skill
- Very effective mood modifiers
- Have been rapidly advancing technologically
- Now dominate gambling establishments

FOBTs combine a number of features which would lead us to expect them to be very dangerous

- Speed
- Illusion of choice and skill
- High stakes, therefore potentially rapid, large losses
- Accessible on the high street (contrary to the 'regulatory pyramid' principle)

Estimated percent of spend attributable to those with gambling problems (BGPS 2010)



'Chris', talking to Gambling Watch UK

- I have lost £9,000 in less than two hours on the FOBT machines, and around £25,000 in five months. I had the money on my debit card and I just emptied it. I have spent from 9am to 9pm standing in the same spot without water or going to the toilet. I was always trying to win back what I had lost... The government has to stand up and be counted, they put us in this conundrum when they allowed the FOBT's... They now need to control this.

‘John’, talking to Gambling Watch UK

- The people who are coming to GA are getting much younger - we have members as young as 15 or 16. And it's the casino-style Fixed Odds Betting Terminals that are causing all the problems. Around 80-90% of our members had become addicted to these machines... Government needs to listen to this, and limit both the number of machines and the stakes.

Some Common Complacency Statements

- Gambling is just like any other entertainment commodity
- The prevalence of problem gambling is very low
- Problem gambling is largely due to individual vulnerability; the product is basically safe
- Negative attitudes to gambling are a thing of the past
- We have no choice but to accept gambling liberalisation