

Planning & Regulatory Services

Legal, HR and Regulatory Services Directorate
London Borough of Hackney
2 Hillman Street
London E8 1FB

020 8356 8134

john.allen@hackney.gov.uk

Caity Marsh
Gambling (Triennial Review)
Dept for Culture, Media & Sport
By email to gambling.consultations@culture.gsi.gov.uk

Dear Caity,

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

I write in relation to the above consultation. Please note that we are using this as an opportunity to highlight the London Borough of Hackney's concerns around betting shops and the frustrations due to the lack of control that local authorities have over them, rather than make specific responses to all of the questions in the consultation document.

The government drive to create growth and stimulate private sector investment within the gambling industry is recognised. However, we wish to echo the statement that any growth cannot be at the expense of public protection.

Our main concern is around the perceived problem of Fixed Odds Betting Terminals (FOBTs). The recent study carried out by the campaign group Fairer Gambling estimated that some £362 million is gambled on betting shop machines in Hackney. We would therefore welcome the research by the Responsible Gambling Strategy Board and would be happy to work with them.

Please see attached our consultation responses.

Yours sincerely



John Allen
Assistant Director



**LONDON BOROUGH OF HACKNEY –
Response to Gambling Act 2005 - Review of Stakes and Prizes Limits (Cat
B, C and D machines)
April 2013**

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

The suggested three year approach seems wise as it allows time to assess the impact of changes on the market and factor in inflation.

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.

We are not aware of any consumer protection measures other than the already established self exclusion policies, GamCare etc. We would question how it would be possible for machine to intervene. One would assume its software would have to employ artificial intelligence to prevent harm whilst at the same time randomly determining the outcome of a game. It is questionable how this can be achieved.

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.

N/A

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

It is agreed that an intervention is necessary at this time.

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

It is agreed that a rise in line with inflation should be rejected. This could have led to a change in the stake/prize limits for B2 machines which is where our concerns lie.

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.

Yes, we are in agreement with this assessment.

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?

Hackney passed a resolution not to issue any casino licence so feel it is inappropriate to comment on questions around B1 machines.

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?

As above, we have passed a 'no casino' resolution.

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

As above, we have passed a 'no casino' resolution.

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?

As above, we have passed a 'no casino' resolution.

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

As above, we have passed a 'no casino' resolution.

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.

See response to Q2 above.

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?

Our main concern is around the apparent targeting by the betting industry of FOBTs in areas of higher unemployment. The recent study carried out by the campaign group Fairer Gambling estimated that some £362 million is gambled on betting shop machines in Hackney. This is of great concern to us and many London Boroughs including our neighbours in Haringey and Tower Hamlets.

There is also evidence in Hackney that operators are clustering their outlets on certain streets as a way to get around the limitation of four B2 machines per premises. For example, in Mare Street Hackney there are 9 betting shops within a one mile stretch. This includes two branches of William Hill directly opposite each other.

The DCMS should seriously consider lowering stakes and prize limits until such time as the Responsible Gambling Strategy Board has concluded its research.

- 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?

Nothing other than planning controls which we are pursuing via the Sustainable Communities Act 2007.

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?

This is agreed.

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

We are not aware of any other options.

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?

This agreed as it provides an incentive to the industry. We do not have any concerns about B3A machines.

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?

Yes, this is agreed.

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

We are not aware of any other options.

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, this is agreed.

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?

Yes, this is agreed.

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

We are not aware of any other options.

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

Yes, this is agreed as it may assist some struggling pubs.

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?

Yes.

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, this is agreed. Whilst it is unlikely that there are any cat D machines in Hackney the proposal is likely to assist the seaside resorts which are finding trading conditions very tough.

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. Again, to assists seaside resorts.

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?

Yes it will.

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

We are not aware of any other options.

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?

We are not aware of any other evidence at this time.

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

We are not aware of any other sectors.

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

It is likely to however we have no evidence to support this view.

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

N/A.