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Call for Evidence Gambling, Licensing and Lotteries Team  
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1<sup>ST</sup> December 2016

Dear Whom Concerned

**Response to the Call for Evidence: Review of Gaming Machines and Social Responsibility Measures**

Please find enclosed the detailed response of Castle Leisure Limited in relation to the above review and call for evidence.

Yours sincerely



**Department for Culture Media & Support, Review of Gaming Machines and Social Responsibility Measures**

Name:

Organisation: Castle Leisure Limited

**Question 1**

What, if any, changes in maximum stakes and or prizes across the different categories of gaming machines support the Government's objective set out in this document. Please provide evidence to support this position.

**Response:**

Castle Leisure does not propose any changes to the maximum stakes and prizes.

**Question 2**

To what extent have industry measures on gaming machines mitigated harm or improved player protections and mitigated harm to consumers and communities. Please provide evidence to support this position.

**Response:**

Operators and the Industry have collectively invested and continues to invest in systems to mitigate harm and improve player protection, which is evidenced as follows:

- 1) The Industry continues to participate in annual age verification testing whereby individuals who appear to be of the age of 21 or under visit a licensed premise and attempt to join as a new member or who is an existing member who appears to be of the age of 21 or under and attempts to proceed directly to gamble.

Castle Leisure retains a 100% pass rate across our estate of 11 Bingo Clubs for the third year since the testing was introduced demonstrative of the robustness of age of entry controls and staff training.

- 2) Information is available to players on responsible gambling at all times, which includes discreet removable literature available in gaming areas, reception areas and lavatories in addition to displays on digital displays throughout each Club, on Gaming Machines and ATMs which detail the contact numbers for GamCare.
- 3) Staff Training in relation to social responsibility and 'Know Your Customer' is undertaken on Induction of new staff and annually thereafter, or sooner pending any regulatory changes or enhancements to Company procedures and policy relating to social responsibility.

- 4) The Compliance Executive for the Company attends and contributes to Industry forums, including the Bingo Association Standing Compliance Committee and the IGRG Training project.
- 5) Introduction of the undertaking of Local Area Risk Assessments by all licensed operators assesses local risks of each retail Bingo Club in relation to crime and disorder, fair and open provisions and protecting the young and vulnerable.

As part of the assessment of crime and disorder local crime statistics are assessed to ensure any increased risks arising from a 'local' area can be effectively managed by that site/Operator.

Services provided locally to each retail Bingo Club in relation to vulnerable persons, for example homeless shelters and gambling support services are also assessed to ensure any increased risks arising from the 'local' area can be effectively managed.

Premises Risk Assessments are reviewed periodically inline within any changes within the local area or as a minimum annually.

- 6) In March 2016 the Bingo Industry Multi Operator Self-Exclusion Scheme was implemented, which has positively enhanced player protection.

Any person who requests self-exclusion from a licensed Bingo premise, which includes some High Street venues and Holiday Parks, enters into a self-exclusion agreement to restrict access to all licensed Bingo premises in the UK.

Any person who requests self-exclusion must provide a photograph and sign the Conditions of the exclusion.

The Bingo Industry Self-Exclusion Scheme provides a central Industry database of individuals who have requested self-exclusion which Operators have direct or integrated access to.

Any individual who attempts to breach a self-exclusion by swiping a historical membership card or attempting to join as a new member with exact or similar credentials will be flagged by the central database enabling site Management to promptly interact. All interactions are logged.

- 7) 'Know Your Customer' forms part of the Company Social Responsibility and Anti Money Laundering programme, undertaken through structured periodic review and appraisal of customer attendance and stakes/wins/losses.

Centrally led by the Compliance Executive and in conjunction with Club Management back office systems, including CCTV are utilised to review spend/win/loss levels of £100 or more per week.

The outcome of Know Your Customer reviews may result with a Management interaction with the relevant customer relating to spend/loss levels and gambling responsibly and or source of funds. Findings from reviews and customer interactions are recorded accordingly.

In the event the Company has concerns over the level of customer spend, however a customer refuses to attempt to control spend levels and or frequency of attendance, the Company will withdraw membership for a defined period.

Year to date the Company has withdrawn membership from two customers where concerns over spend levels were raised, yet the customers denied the need for assistance.

- 8) In July 2016 Castle Leisure underwent a valuable appraisal of policies and procedures relating to Social Responsibility completed by GamCare.

The GamCare Certification process included Club inspections and interviews with the Chief Executive, Company Executives, Club Management and departmental staff.

GamCare Certification was awarded to our Company for successfully implementing social responsibility and procedures to meet the requirements within the GamCare Player Protection Code of Practice.

Going forward our policies and procedures continued to be reviewed to ensure efficiency in aiding harm minimisation.



### **Question 3**

What other factors should Government be considering to ensure the correct balance in gaming machine regulation. Please provide evidence to support this.

#### **Response:**

The assessment of risk arising from the higher stake and prize category of Gaming Machines and the location and number of premises in which such Gaming Machines are made available is key to ensure the correct balance of machines and that the reputation of Gaming Machines is fairly represented for the Industry as a whole.

The provision of Gaming Machines made available in Bingo Clubs across the Categories B3, C and D present lower risk in comparison to higher stake and prize category machines which are frequently available in high street locations.

The lower risk arising from the provision of Gaming Machines in Bingo Clubs is evidenced and managed as follows:

- 1) Bingo Clubs are primarily membership based venues providing a variety of Bingo and Gaming Machines together with food and beverages.
- 2) Membership databases enable operators to have a strong foundation to know their customers.
- 3) The timings and structure of Bingo sessions provides customers with variety and breaks from playing.
- 4) Recent independent research undertaken by Ipsos MORI supports that the most widespread gambling activity in a Bingo Club is playing bingo (83%).
- 5) Recent independent research undertaken by Ipsos MORI evidences that of the 28% of customers playing Gaming Machines in Bingo Clubs only 20% of customers play Gaming Machines for over one hour and only 2% for more than 3 hours.
- 6) The key driver for attendance to a Bingo Club historically and continues to be for social benefits as it provides a rounded opportunity to socialise in a safe and controlled environment.
- 7) Recent independent research undertaken by Ipsos MORI evidences that only 8% of customers who attend a Bingo Club spend the duration of their visit alone.

- 8) Staffing levels are configured to maximise the customer service experience and to ensure customer behaviour and changes in customer behaviour can be observed and reported accordingly to Management enabling efficient interactions with customers to be undertaken as necessary.
- 1) Staff Training in relation to social responsibility and 'Know Your Customer' is undertaken on Induction of new staff and annually thereafter, or sooner pending any regulatory changes or enhancements to Company procedures and policy relating to social responsibility.
- 9) The Company continues to invest in social responsibility to mitigate player harm and maximise player protection supporting and contributing to Industry initiatives as appropriate.

#### **Question 4**

What, if any, changes in the number and location of current gaming machine allocations support the Government's objective set out in this document. Please provide evidence to support this position.

#### **Response:**

Castle Leisure does not recommend any change to the number and location of Gaming Machines available.

#### **Question 5**

What has been the impact of social responsibility measures since 2013, especially on vulnerable consumers and communities with high levels of deprivation?

#### **Response:**

Findings from the recent independent research undertaken by Ipsos MORI evidences problem gambling in Bingo Clubs of 2.5%, which has fallen since the results of the Gambling Prevalence Survey in 2010 which evidenced problem gambling of 3.1%.

In the recently published statistics from GamCare only 1% of calls are from Customers playing at Bingo Clubs.

The above findings would evidence that the enhancements in social responsibility measures have been beneficial in managing the risk of harm to the vulnerable.

### **Question 6**

Is there anything further that should be considered to improve social responsibility measures across the industry? Please provide evidence to support this position.

#### **Response:**

To ensure the effectiveness of social responsibility measures, it is paramount that information available to customers is clear and consistent and that systems are developed to aid Operators to proactively monitor spend and play patterns.

Proposed improvements to social responsibility measures include:

- 1) Standardised Industry sector messaging sign posting customers of where and how to obtain further advice and support in relation to responsible gambling. This includes messaging on removable literature, marketing communication and Gaming Machine screens/cabinets.
- 2) Integration of prompts on Gaming Machines to alert players to time spent playing and amount of cash in at industry sector agreed intervals.
- 3) Facility for customers to set time and cash in levels on Gaming Machines to be made available by machine manufacturers across a wider scope of Category of Gaming Machines.
- 4) Wider implementation of account based play.
- 5) Implementation of cashless systems twinned the points 2-4 above would enable Operators to obtain more detailed information on player spend patterns and realise efficiencies in Operators systems for 'Know Your Customer'.
- 6) Enhanced Industry sector responsible gambling related staff training to further aid early intervention.

**Question 7**

Is there any evidence on whether existing rules on gambling advertising are appropriate to protect children and vulnerable people from the possible harmful impact of gambling advertising.

**Response:**

Castle Leisure does not have any evidence that the existing rules on gambling advertising are not appropriate to protect children and vulnerable people from the possible harmful impact of gambling advertising.

**Question 8**

Any other relevant issues, supported by evidence that you would like to raise as part of this review but that has not been covered by questions 1-7?

**Response:**

Challenging market conditions have and continue to adversely impact income streams from Gaming Machines across the Industry, with cost inflation unable to be recovered through volume or price rises.

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