

## **Review of Gaming Machines and Social Responsibility Measures Call for Evidence**

### **Response from CCGR**

#### **Summary**

1. We are responding to the Government's call for evidence for its Review of Gaming Machines and Social Responsibility Measures.
2. The Christian Centre for Gambling Rehabilitation (CCGR) is an independent charity and our aims are set out below:
  - Through the power of the Gospel, with the abundant grace of our Lord Jesus Christ, we aim to help those trapped in their gambling addiction to give up gambling and turn to God.
  - To provide assistance to families of gamblers.
  - To teach about the damaging effects of gambling.
  - To provide friendship and care to those who seek help and are hurting. Based on our experience, gambling addiction is difficult to overcome solely on willpower alone. We firmly believe that the Gospel of salvation through Christ can change a person's life and completely release gamblers from their gambling addiction. We hope to share the Gospel and our experience to those who seek help, guiding them towards faith in Christ where they can obtain the strength to give up gambling and start a new and joyful life for themselves and their families.
3. We are concerned that the presence of £100 a spin machines in bookmakers continues to destroy the lives of the vulnerable and their families. At the same time, these machines are incompatible with the licensing objectives of The Gambling Act 2005. **Approximately 7 out of 10 of our clients are victims of FOBT in recent years.** In addition, there is widely publicised evidence that B2 gaming machines are strongly linked to gambling related harm experienced by the vulnerable and crime (money laundering and criminal damage). These are elaborated below.

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## **A. Gambling related harm**

A substantial reduction in the £100 stake would lead to a reduction in gambling related harm. B2s combine a number of features which make them particularly dangerous. Like other gambling machines, which are recognised the world over to be more addictive than most other forms of gambling, they allow for rapid play and are programmed to pay out on a schedule designed to encourage continued play. Their harmfulness is mitigated to some extent by keeping the maximum allowed stake low (£2 or less for other gambling machines in Britain). Unlike all other types of gambling machine, B2s (FOBTs) allow for much higher stakes, up to £100. Until they appeared in British betting shops a few years ago, such high stake, continuous machine gambling was unknown on British high streets. Everything that is known about gambling and problem gambling should have led us to expect that they would be particularly dangerous. It is rather like making legally available a new drug which combines the chemical properties of several existing drugs known to be addictive. No proper impact assessment was carried out when B2s were introduced. The 2012 report of the DCMS Committee's investigation of the 2005 Gambling Act recognised this when they referred to FOBTs as 'hard gambling'.

The 2010 British Gambling Prevalence Survey showed a high percentage of B2 players to have gambling problems and roughly a quarter of all takings from B2s to come from people with such problems.

The results of the 2010 British Gambling Prevalence Survey (BGPS) showed, as expected, that a relatively high percentage of those who reported playing B2s at any time in the last 12 months answered questions about problems related to their gambling which put them above the internationally recognised threshold for 'problem gambling' (9% compared to, for example, 4% for other kinds of gambling machine). For those reporting playing B2s at least monthly, problem gambling prevalence rose to 13%. High though those figures are, they underestimate the amount of B2 gambling which constitutes problem gambling. Secondary analysis of BGPS 2010 data, accepted for publication in an academic peer reviewed journal (International Gambling Studies), has estimated that approximately 23% of all takings from FOBTs (stakes minus payouts) are contributed by people who are above the problem gambling threshold (compared to, for example, an estimated 12% for arcade machines and 11% for casino table games) (please refer to the relevant research paper). Further important evidence comes from a secondary analysis of data from the 2007 British Gambling Prevalence Survey. A team from the USA showed that, once a measure of total gambling engagement (the number of separate forms of gambling which a person had engaged in during the last 12 months) was allowed for statistically, B2 machine gambling was the only form of gambling which retained a statistically significant association with problem gambling (LaPlante et al, European Journal of Public Health, 2009).

Problem gambling is notorious for being one of the most hidden addictions. However, recent attention given to the dangers of B2s has encouraged individuals and their family members, despite the stigma still associated with problem gambling, to talk openly about their FOBT addictions – see, for example, the Real Life Stories on the Gambling Watch UK website, or the recent live discussion on BBC Radio 5 Live (9 a.m., Friday, January 11, 2013). At the same time, the Christian Centre for Gambling Rehabilitation and other organisations which provide services for people with gambling problems and their families, such as GamCare, the National Problem Gambling Clinic, have reported that large numbers of their clients and patients are experiencing problems with B2s.

Research published last year by SPICe, the Scottish Parliament Information Centre, found that problem gambling is seven times higher in deprived areas, seven times higher among harmful drinkers and six times higher among the mentally ill. A 2014 survey by 2CV found that 80% of all betting shop users think that FOBTs are addictive, rising to 89% among FOBT users. The survey found evidence of harmful levels of gambling. Users playing weekly or more often account for 63% of session activity and 90% of cash inserted into FOBTs.

A substantial reduction in the £100 stake on a precautionary basis in our view will reduce gambling related harm.

## **B. Crime and Violence**

B2 machines have been strongly linked to crime, in particular money-laundering and criminal damage.

Lord Clement Jones made the following points to Parliament in April 2016 in relation to the £100 stake B2 Machines.

The human misery caused is enormous. Clinical psychologist Anna Henry, who treats gambling addicts, said that FOBTs are designed to foster addiction: “Basically the industry has created casinos in the High Street ... These machines isolate the player, there is nothing to distract him from that screen. Its speed is to encourage frenzy. And thus more spending”.

More crime takes place in betting shops than in any other gambling venue. A freedom of information request to the Gambling Commission revealed 11,232 incidents in 8,980 betting shops from January to December 2014—an average of 1.25 incidents per premises, up from 0.82 the previous year. This compares to just 479 incidents related to the remaining 2,747 venues. These incidents account for 97% of police call-outs to all gambling venues.

The reality is that these machines are highly dangerous products which are a catalyst for problem gambling, social breakdown and serious crime in communities. Just take the case of a gambler in Leeds who was given a two-year sentence for attacking a betting shop worker with a knife. The man had lost £1,000 playing FOBTs—money that was intended to be a deposit on a flat. He said that he was “utterly possessed” by the machines.

FOBTs are also useful to money launderers, as huge amounts of cash can be inserted into the terminals to legitimise the proceeds of crime. There were 633 suspicious activity reports in betting shops last year related to money laundering, but much of it goes unreported. A Gambling Commission report that will be considered by the Treasury said: “The betting sector is regarded as high-risk relative to other gambling sectors. The customer base is varied, and often customers remain anonymous to the operator within the non-remote sector. The reporting and detection of suspicious transactions in the non-remote betting sector is often frustrated by the ability of a customer to remain anonymous”.

### **Conclusion**

1. We are calling on the Government to substantially decrease the stake which can be wagered on a FOBT from £100 to £2 which is the maximum that can be wagered in other high street adult venues, in order to assist to protect the vulnerable from gambling related harm and to address the much publicised impact of B2 machines on association of gambling and crime.

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Department for Culture, Media and Sport  
We welcome views from all parties with an interest in the way that gambling is regulated in Great Britain. The Call for Evidence will close on 04/12/16. Please send responses to: [callforevidence@culture.gov.uk](mailto:callforevidence@culture.gov.uk)

