

SEFTON METROPOLITAN BOROUGH COUNCIL

RESPONSE TO CONSULTATION ON PROPOSALS FOR CHANGES TO GAMING MACHINES AND SOCIAL RESPONSIBILITY MEASURES

Q1. Do you agree that the maximum stake of £100 on B2 machines (FOBTs) should be reduced? If yes, what alternative maximum stake for B2 machines (FOBTs) do you support?

This Council agrees that the maximum stake of £100 on B2 machines should be reduced. It is our opinion that the new stake should be £2.

For your information on 21 September 2017 at full Council it was RESOLVED that:

This Council notes:

- 1. The prevalence of Fixed Odds Betting Terminals (FOBTs) in betting shops, often referred to in the media as “the crack cocaine of gambling”.*
- 2. That, unlike fruit machines in pubs, bingo halls and amusement arcades where cash stakes are limited to £2, gamblers can bet with cash or via a debit card up to £100 every 20 seconds on FOBTs, more than four times as fast as the rate of play in casinos.*
- 3. That in 2012, over £1.5bn was lost on FOBTs across the UK. More profit was made from FOBTs than from the National Lottery, when according to the most recent British Gambling Prevalence Survey, 56% of the population play the Lottery, but just 4% play FOBTs.*
- 4. Empirical evidence that suggests FOBTs are the most addictive form of gambling.*
- 5. Research carried out by Geofutures, which found there to be four times as many betting shops in areas of high unemployment than in areas of low unemployment.*
- 6. This same research estimates that £207,480,458 was gambled with £9,647,841 lost on FOBTs in Sefton in 2016 alone.*
- 7. Nationally, more than 80% of turnover in betting shops and more than half of profits are derived from FOBTs. Less than 20% of stakes in betting shops are over the counter.*
- 8. A recent economic analysis undertaken by Landman Economics, commissioned by the Campaign for Fairer Gambling, which assessed the impact of FOBTs on local economies and across the wider economy. The report concluded that every £1bn spent on FOBTs produces a net reduction of 13,000 jobs, compared to if spent in the wider consumer economy. The projected doubling of revenue from FOBTs by 2023 could cost a further 23,000 jobs across the economy.*
- 9. Concern that the Government has not addressed the issues caused by FOBTs, and the announcement made by Maria Miller MP, Secretary of State for Culture, Media and Sport, on 10 October 2013 in response to the Triennial Review of gaming machine stakes and prizes, where the stakes on FOBTs were unchanged.*
- 10. The Government has proposed measures that will require players who wish to stake over £50 per spin to seek permission from staff. This wrongly implies stakes up to £50 are safe, and that staff intervention is an effective means of ensuring player protection.*

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11. *The position in the Republic of Ireland where the Government has introduced legislation to outlaw FOBTs in betting shops.*

This Council believes that the increase in FOBTs is causing significant problems and believes that the Government should either use the existing legislative framework, or introduce legislation to outlaw B2 casino games in betting shops.

Sefton Council launched a young people's outreach problem gambling programme (BigDeal) delivered through Beacon Counselling Trust and GamCare. Awareness raising sessions for groups of young people and training for professionals working with this age group which provides information about risks that problem gambling poses and how to recognise signs and symptoms. Beacon Counselling Trust also provides free problem gambling counselling to individuals and family members affected by the issue.

At the very least, local authorities should be given the powers to protect the local amenity and wellbeing of communities by:

- (1) stopping the proliferation of betting shops and*
- (2) reducing the maximum stakes and slowing down the speed of play.*

This Council resolves to request:

- 1. The Chief Executive to write to Helen Grant MP recommending a reduction in the maximum bet per spin on FOBTs to £2; and*
- 2. The Chief Executive writes to the three Sefton MPs, Peter Dowd, Bill Esterson and Damien Moore declaring this Council's support for their proposal under the Sustainable Communities Act 2007, which calls on the Government to reduce the maximum bet per spin on FOBTs to £2.*

Q2. Do you agree with the government's proposals to maintain the status quo on category B1?

This Council agrees that the status quo should be maintained. The reason being that we are concerned as to the impact on player behaviour of raising the linked jackpot, and that there were no specific proposals made to address the risk of increased player harm made by the industry.

Q3. Do you agree with the government's proposals to maintain the status quo on category B3?

This Council agrees that the status quo should be maintained. We also note the contention that B3 machines are now responsible for much of the growth in gaming machine revenue for those sectors that are permitted to offer this content and we share the Government's concerns about an increase to the maximum stake on player protection grounds.

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Q4. Do you agree with the government's proposals to maintain the status quo on category B3A?

This Council agrees that the status quo should be maintained and we note that the industry made no submissions to the Government's Review on these matters.

Q5. Do you agree with the government's proposals to maintain the status quo on category B4?

This Council agrees that the status quo should be maintained and we note that the Industry made no submissions to the Government's Review on these matters.

Q6. Do you agree with the government's proposals to maintain the status quo on category C?

This Council agrees that the status quo should be maintained as we would be concerned as to the potential impact of an uplift to the stakes / prizes on players.

Q7. Do you agree with the government's proposals to maintain the status quo on category D?

This Council agrees that the status quo should be maintained. These machines can be legally played by persons under 18 and we would be concerned as to the impact on player behaviour should the stakes / prizes be raised. We also note that the industry has made no proposals as to how it would strengthen its player protections should stakes / prizes be raised.

Q8. Do you agree with the government's proposals to increase the stake and prize for prize gaming, in line with industry proposals?

This Council agrees that an increase in the stake and prize for prize gaming would be appropriate. These activities are low risk and indeed within Sefton no-one has ever applied for such a permission.

Q9. Do you agree with the government's proposals to maintain the status quo on allocations for casinos, arcades and pubs?

This Council agrees that the status quo should be maintained. We agree that any changes made to the proliferation of these machines should only go forward once possible impacts on players has been properly evaluated and corresponding player protection measures strengthened.

Q10. Do you agree with the government's proposals to bar contactless payments as a direct form of payment to gaming machines?

This Council agrees that contactless payments should be barred as a direct form of payment to gaming machines. We agree with the rationale for currently not allowing the use of credit and debit cards as direct payment on gaming machines as it results in uninterrupted play whilst cash potentially does not. We can see no difference in play afforded by such payment methods and that of contactless payments.

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Q11. Do you support this package of measures to improve player protection measures on gaming machines?

The Council supports the package of measures proposed in order to improve player protection on gaming machines. We would particularly like to see an introduction of “hard stops” into gaming sessions once certain limits have been reached (time or stake) as we feel this measure would be more effective in respect of those gamblers who could be considered as addicts.

Q12. Do you support this package of measures to improve player protection measures for the online sector?

While the Council does not deal with these matters as part of our regulatory functions under the Gambling Act 2005 we agree that any “bonus and promotional offers must only be made available in a socially responsible manner which is consistent with the licensing objectives”. We also agree that “such offers should never be marketed at young or vulnerable people, those who have self-excluded or those who have been identified as at risk of gambling-related harm.”

We support the Gambling Commission on it’s intentions to consider restricting the use of bonus and promotional offers if operators cannot appropriately manage the risks presented by such offers and we therefore support the package of measures proposed in the consultation relating to the online sector. We also support the Competition and Markets Authority (CMA) investigation to examine possible unfair terms and misleading practices around online gaming sign-up promotions and free bet promotions.

Q13. Do you support this package of measures to address concerns about gambling advertising?

The Council is concerned that there appears to have been an increase in the prevalence of gambling advertising particularly around televised sporting events and indeed earlier in the evenings when under 18s may be watching.

We fully support the intention of the Gambling Commission to consult on making compliance with the Committees for Advertising Practice advertising codes a social responsibility code requirement of its Licence Conditions and Codes of Practice (LCCP), which will mean that breaches could be subject to the full range of the Commission’s regulatory powers. As with Q.12 we also support the CMA investigation to examine possible unfair terms and misleading practices around online gaming sign-up promotions and free bet promotions.

Q14. Do you agree the Government should consider alternative options including a mandatory levy if industry does not provide adequate funding for RET?

The Council agrees that a mandatory levy should be imposed on the industry should they not provide adequate funding for research, education and treatment (RET). We agree with the Government that there needs to be more work done in order to

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understand the longer term funding requirements for RET, particularly around treatment and if needs be this should be provided via the industry.

Q15. Do you agree with our assessment of the current powers available to local authorities

Currently a local authority does have powers under its planning remit to control the proliferation of, in particular, betting offices. However it is our opinion that local authorities should be given the powers to protect the local amenity and wellbeing of communities under the Gambling Act 2005 itself rather than via other legislation. This would enable it to (1) stop the proliferation of betting shops; and, (2) reduce the maximum stakes as well as to be able to slow down the speed of play. The Council's Licensing Sub-Committee deals with gambling and it is best placed to deal with such matters.

Q16. Are there any other relevant issues, supported by evidence, that you would like to raise as part of this consultation but that has not been covered by questions 1-15?

There are no other matters we wish to raise.