



City of Westminster

Westminster City Council's response to
Department for Digital, Culture Media & Sport
consultation on proposals for changes to
Gaming Machines and Social Responsibility
Measures

Dated: January 2018

1. Introduction

- 1.1 Westminster City Council's welcomes the governments consultation on its proposals to change Gaming Machines and Social Responsibility Measures relating to gambling regulated under the Gambling Act 2005 (2005 Act). Westminster City Council has been a leading local authority relating to gambling licensing under the 2005 Act.
- 1.2 Westminster currently has one of the highest concentration of gambling premises, the highest number of casinos and one of the top three local authorities with the largest number of betting shops in the Country. The Council licences 101 Betting shops, 22 casinos, 9 Adult Gaming Centres, 1 Bingo and 1 Betting Track (Lords Cricket Ground) licensed. We have estimated that Westminster has over 1000 category B gaming machines located within its gambling licensed premises. We know that 404 of these are category B2 gaming machines located in betting shops. The area surrounding Leicester Square and China Town has the highest concentration of gambling premises anywhere in the Country. This area contains 22 licensed premises, made up of 13 betting shops, 5 casinos and 4 Adult Gaming Centres.
- 1.3 Westminster has been the first local authority in the Country to commission two pieces of research specifically looking at the risks to the vulnerable from gambling. The first was a small study looking at the risk of gambling related harm associated with the homeless¹. The second, which was a much more ambitious piece of work looked to identify which groups of the population were more likely to be at risk to being vulnerable and produce an index to enable them to be mapped within the Westminster².
- 1.4 The larger study was undertaken by Geofutures, and we co-funded this work with the Local Government Association and Manchester City Council. There has been a focus from the gambling industry on problem gambling prevalence rates and that harm only relates to individuals who participate in gambling. However, the impact of problem gambling and its harm is much wider and effects not only those who gamble. It was clear from some of the stories we had heard or read when considering applications that the risk of harm from gambling can be much wider. One of the key objectives of this study was to identify what gambling related harm was and its scope. The study defined gambling related harm as "adverse consequences arising from someone's gambling engagement that could affect the individual, their family, friends, broader social network or community"³. Gambling related harm can be short lived or experienced over a long time frame and an individual didn't need to be a "problem gambler" to experience harm.

¹ Rate of Problematic Gambling in a British Homeless Sample: A Preliminary Study 23rd January 2014

² Geofutures - Exploring area-based vulnerability to gaming-related harm: Who is vulnerable? Findings from a quick scoping review 13th July 2015 and Exploring area-based vulnerability to gaming-related harm: Developing the gambling-related harm risk index 9th February 2016

³ Geofutures - Exploring area-based vulnerability to gambling-related harm: Who is vulnerable? Findings from a quick scoping review 13th July 2015

- 1.5 The Council has been focusing on how it can work with licensed premises and other key stakeholders to reduce the impact of gambling related harm beyond the individual. It is important that when we consider gambling related harm that we consider the wider impact on loved ones, friends and colleagues of the gambler. We believe we have been effective in expanding the discussion and consideration beyond the individual and to enable a more open view of the potential risks of harm to the wider community.
- 1.5 Westminster has been very active in supporting and working with the Gambling Commission (Commission) on best practice for local authorities on regulating premises under the 2005 Act. We welcomed the Social Responsibility measures brought in by the Commissions Licence Conditions and Codes of Practice in 2016 to ensure that gambling operators were actively identifying and mitigating risks locally. Although gambling operators are producing local gambling risk assessments to meet the Commissions requirements there are concerns that some operators aren't effectively considering the risks that their operation may have on those who are at higher risk to being vulnerable to gambling related harm.
- 1.6 We have and continue to work closely with licensed premises operators, gambling care providers, police, other stakeholders and the Gambling Commission to actively assess and regulate premises based gambling within our City to ensure that we support businesses to operate and grow whilst protecting those who are vulnerable to harm are protected.
- 1.7 We hope that these submissions will assist the government in considering the right course of action with respect to gaming machines and social responsibility measures for gambling.

2. B2 gaming machines (Fixed-Odds Betting Terminals)

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?

- 2.1 There has been a considerable amount of coverage and discussion associated with betting shops, B2 gaming machine entitlement and the clustering of these venues in the high streets across England, Scotland and Wales.
- 2.2 The Council has been aware of the concerns raised by other local authorities relating to clustering, and in London particularly from the London Borough of Newham. Newham's concerns, like a large number of London Boroughs and Metropolitan Council's across the Country was associated with the clustering of betting premises and the availability of B2 gaming machines in a local area.
- 2.3 Newham put forward a proposal under the Sustainable Communities Act to amend the Maximum Stake for B2 machines to £2 as this would in their view

address the clustering issues. Westminster was asked to support this proposal in 2014. The LGA also came to support this proposal. At the time the Council was preparing to commission the Geofutures research study. It was our view at that time that there was insufficient evidence to identify whether the maximum stake was the key element that was creating the risk of harm.

- 2.4 It is our belief that there are a number of factors relating to these gaming machines, such as game or spin speed, design, return to player percentages, etc that need to be considered together with the maximum stake and prize and then changes should be made to reduce the risk of those relevant factors. We are pleased that the government has recognised that additional research is needed on these other factors as well as changing the current maximum stake.
- 2.5 Since 2014 there has been a number of research studies relating to actual payer participation data as well as studies taken on by other academics, including our own which is now demonstrating that there are risks associated with these machines and that one of the concerns is the maximum stake of the B2 machines.
- 2.6 Westminster has been very effective in assessing the local risks and implementing more stringent measures on betting shop operators. These relating to ensuring that operators design premises that have good lines of sight to machines to identify when a problem gambling intervention is necessary, that there are sufficient members of staff on the premises when they are busy to monitor player behaviour on the machines, that staff are aware of the local risks groups and that gambling care information is readily available in the languages that are relevant for the area where there is a minority group that may be more at risk to gambling related harm.
- 2.7 Based on the current evidence available action needs to be taken to reduce the risk associated with B2 gaming machines. Therefore, we now agree that it is necessary for the government to reduce the maximum stake for category B2 gaming machines from £100 to £2. We believe that option 4 which proposes to reduce the maximum stake to £2 on all B2 content is the option that presents the least risk at this time. We understand that this will have a significant impact on licensed betting shop operators as the income from these machines currently represented over 50% of the businesses revenue. Unfortunately, the measures that have been put in place by the operators themselves have not proved to be effective in reducing the risk of or harm to those who may be vulnerable from these machines.
- 2.8 We do have concerns about what may happen with betting shops within Westminster if the proposal to reduce the maximum stake to £2 is implemented. We are already aware that gambling operators are assessing their options and considering different models to mitigate any impact. This could result in betting shops becoming Adult Gaming Centres and seeking to offer a number of B3 gaming machines. This would drastically increase the

number of machines in the area and with the concerns over B3 machines and the risk that they pose this isn't something that we would be keen to see.

- 2.9 The other risk that we are aware of is that operators start looking to use online gambling and facilitating that within these venues. These activities may be permitted without the need for any permission or assessment as they are not regulated. These activities may involve the use of the venues and screens within them to link to personal web enabled devices offering online gambling.
- 2.10 The primary concern at the moment is the maximum stake and that needs to be reduced to £2 in light of the evidence presented. Westminster City Council will continue to be pro-active to ensure that gambling applications are considered in light of the risk that they pose and balance the needs of our residents and visitors with the needs of the businesses to ensure a safe and prosperous economy for all. We support the government's approach to reducing the maximum stake at this time for B2 gaming machines.

3. Stakes and prizes on other gaming machines

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

- 3.1 We agree with the government's approach to keep the maximum progressive jackpot at £20,000. With all industry proposals to increase any maximum stake and prizes there should be a clear proposal on how they intend to protect the risk of player harm through problem gambling.
- 3.2 The proposal from the casino sector to increase the cash deposit and transfer from £20 to £50 is understandable within the historical context of having a 10:1 ratio of the cash deposit amount to maximum stake. However, the current ratio has been in place since the maximum stake was last increased. We agree with the government's proposal not to amend the deposit and transfer limit at this time until evidence can be provided by the casino sector on how they intend to manage the risk that any increase to this amount may create.

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

- 3.3 We agree with the government's proposal to maintain the status quo for B3 stakes and prizes. The Council shares the concerns raised by the government that there are significant levels of problem gambling associated with these machines. Although any increase in the maximum stake or prize will create a risk to those who may be vulnerable to harm there are still other factors that are not known concerning the machines design and operation that may be a contributing factor to that risk. It is our view that further research is required on all category B (especially B2 and B3) gaming machines to seek to understand what those factors are (game speed, return to player amount,

game type, stake, prize, etc). By undertaking that research, in co-operation with the gambling sector will enable a more in-depth and thorough knowledge of what factors increase the risk and attract those who are problem gamblers. Suitable mitigation can then be considered and implemented either through the Commissions technical standards or via regulation such as maximum stakes and prizes.

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

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

3.4 We agree with the government's proposal that the status quo for both category B3A and B4 gaming machines should be maintained.

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

3.5 The Council understands the views expressed by the respondents to the call for evidence that there are concerns associated with the economic viability of these machines. However, the main concern that the Council has with any proposals to increase the stake and prize of these machines are that there are sufficient measures to mitigate any risks. The British Bear and Pub Association (BBPA) have stated that "there is no evidence to show category C machines in pubs are responsible for any increase in problem gambling". However, the risk in any changes to the stakes and prizes must be considered in respect of the environment where they are made available for use.

3.6 Gaming machines with a higher stake and prize limit than the current category C thresholds within alcohol licensed premises would present a higher risk than where they are made available in an environment where alcohol is not provided. The proposed increase by the BBPA is aimed to maximise the appeal of these machines and therefore increase the economic viability of them, especially in pubs. However, this increase, without any proposed risk mitigation through social responsibility measures is likely to increase the risk in the levels of problem gambling of those using these machines. The government has identified its concerns within para 3.22 on the potential impact on players by increasing the stake and prize. This is expressly stated for premises (e.g. pubs) where they are considered to be less regulated environments. We agree with the governments views and support maintaining the status quo for these gaming machines.

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

- 3.7 We agree with the proposal to maintain the current stake and prize levels on category D gaming machines. We do not feel that any changes to stakes and prizes on these machines, which are accessible by children and young people should be considered unless there are robust and effective measures put forward to mitigate the risk of gambling related harm to children and young people.

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

- 3.8 The government propose to accept the industry suggestion to increase the maximum stake from £1 to £2 and the increase the maximum prize limit from £70 to £100 (and from £500 to £1000 aggregate). The government has stated that this proposal is considered to be in keeping within the review and is low risk. We believe that the proposed increase in both stake and prize limits for this type of machine is significant. These machines can be played by children and young people and an increase in these machines may present a risk.
- 3.9 We do not believe that any increase in the stake or prize should be implemented without sufficient proposals for mitigation through player protection methods designed for children and young people. The government are asking the Commission to alert them in the event there are any developments that would change the government's current view on these machines. However, it is our view that this should be considered in more detail before changing the machine stakes and prizes due to the potential impact on children and young people. It is not clear that the government have adequately considered the risk to children as they refer to a more elderly clientele using these machines when in our view that children and young people are more likely to be drawn to these machines.

4. Gaming machine allocations

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

- 4.1 Westminster does not have the power to grant any new large or small casinos and therefore it is our submission that we cannot comment on whether the ratio of gaming machines to tables should be amended. We do feel that the relevant local authorities and the casino sector are the key parties in considering both the economic benefits and the risk of harm on these proposals.
- 4.2 The Council does licence 22 converted casinos (casino licence converted from the 1968 Act to the 2005 Act). These casinos range from retail style casinos to high end member's casinos. All converted casinos are currently limited to 20 category B gaming machines but have no table to machine ratios.

- 4.3 It is our view that converted casinos operators feel that they are unduly disadvantaged by the current limits on their licences, especially when taking into account that there are no restrictions on how large a converted casino can be and that small casinos can provide substantially more machines. Westminster licences 22 converted casino and they currently offer a total of 440 B1 gaming machines.
- 4.4 We have found since the introduction of the 2005 Act that a number of casinos have implemented an approach to increase their machine entitlement. These casinos operators have moved casino licences that they owned into premises where they already operate a casino. They have been able to move these licences via the 2005 Acts variation process. Although the 2005 Act has placed specific requirements on access arrangements and prevented a defined premise from having more than one gambling premises these operators have been able to achieve this within the confines of the technical restrictions of the 2005 Act. We currently have 6 converted casino premises licences within 3 buildings, effectively providing 40 gaming machines in each venue. We are satisfied that these premises operate within the context of the 2005 Act and the Commission have also agreed with this approach. The gambling operators have ensured that each licensed premises are separate from each other and there are not overlaps, they provide primary entrances to a street from each of the licensed premises and that no direct access can occur between the two licensed premises. The Council have also imposed conditions on the operation of these premises to ensure compliance.
- 4.5 Casinos are highly regulated and the right environment for higher risk gambling products. We note the concerns raised by the government in relation to the potential risk to gambling related harm and agree that measures and mitigation must be implemented to address those risks. As stated in the governments consultation document at para 4.11 the casino sector has implemented a number of measures to protect players. Direct evidence of its effectiveness is difficult to show at a national level. We agree with the approach that government propose in paragraph 4.13 that casinos are encouraged to work with the Commission on measures to enhance protections for machine players. This should be expanded to include their Licensing Authority who will be aware of the local issues and population mix that are keys to identify local risks.
- 4.6 The Council believes that all category B machines should have the same facilities to enable players to manage their own gambling. The Council believes that the anonymity of using machines is one of the key factors in restricting operator's ability to implement interventions and administer self-exclusions or bans effectively for problem gamblers.
- 4.7 It is the Council's view that converted casinos should not be given a blanket increase as proposed by the industry. However, we propose that the government could introduce a process whereby a converted casino operator can apply to the Licensing Authority and request an increase in the number of gaming machines up to a maximum of 80 machines and with a machine to

table ratio of 2:1. This maximum number and ratio would be in line with the current maximum machine entitlement for small casinos. However, unlike small casinos the maximum of 80 machines will not be an automatic entitlement as the Licensing Authority will have to determine any increase above 20 gaming machines.

- 4.8 The Licensing Authority are best placed to consider whether the increase is suitable based on consideration of the local risk and impact on those who may be problem gamblers. This assessment would specifically look at what measures the operator would put in place to mitigate the risk and how they would evaluate the effectiveness of those measures. The government has specifically identified key risks associated with prolonged play, heavy losses, late night players, the young and those from deprived backgrounds.
- 4.9 Westminster has done a large amount of work on gambling and the risks associated with its residents, visitors and those who work within the City. We have undertaken research to identify key areas where groups who may be more at risk to gambling related harm are located and implemented a robust and effective process for considering gambling applications. The Council as Licensing Authority is therefore in the best place to consider the local risk associated with any increase in gaming machine entitlement. The proposal for a Licensing Authority to consider and determine whether the converted casino gaming machine entitlement for a premises can be increased will provide local autonomy and ensure that there is sufficient consideration of the proposed mitigation identified by the operator to enable the increase in gaming machine numbers.
- 4.10 The proposal to allow the Licensing Authority to consider and determine any increase of gaming machines would be a first for premises licences under the 2005 but it isn't unprecedented within the Act itself. Alcohol licensed premises gaming machine permit applications are considered and determined by the relevant Licensing Authority. Alcohol licensed premises have an automatic entitlement of 2 gaming machines⁴. If the licensee wishes to increase the gaming machines provided on the premises, then an application for a licensed premises gaming machine permit is required. The Licensing Authority will consider the application having regard to the Licensing Objectives, any relevant guidance issued by the Commission and such other matters as it thinks fit⁵.
- 4.11 The government could implement a similar approach for the consideration of increasing the gaming machine entitlement for converted casino premises licences by the Licensing Authority. Although there would be an additional burden on the operator and Authority relating to this process there would be a fee to cover the costs of the Licensing Authority in considering and determine the application. Once considered and if granted the operator would be able to operate with the higher number of machines on their premises and therefore provide them with an economic benefit from that process. Any benefit will be

⁴ Section 282, Part 12, Gambling Act 2005

⁵ Schedule 13, Paragraph 4(1), Gambling Act 2005

mitigated by ensuring that control measures have been implemented reduce the risks associated with the increase of machines.

- 4.12 If the proposal to increase the entitlement for a casino was refused there should be an appeals process to the magistrate's court following the same approach as the appeal processes for other decisions made by the Authority under the 2005 Act.
- 4.13 Within this proposal the Licensing Authority would need to have the power to add conditions to the licence if it was felt necessary to enable the entitlement increase. These conditions may regulate the proposed approach by a gambling operator to mitigate risks. For example, conditions may restrict access to the venue or a section of the venue where the additional gaming machines are located to over 25 year olds between the hours of 10pm and 5am. This would mitigate the concern on the impact of young people and also late night players.
- 4.14 To enable this proposal to work effectively the Licensing Authority may find it necessary to specify conditions relating to the gaming machines which is currently prohibited by sections 170 and 172(10) of the Gambling Act 2005. The Licensing Authority and casino operator may agree that the additional machines should be limited to account holders only. There may also be a need, subject to any changes imposed by the government as part of this review that the length of play is limited on gaming machines to a period of 1 to 2 hours, or that if a certain threshold of losses is reached that their session will be terminated unless the customer has had a problem gambling intervention by a member of staff and deemed able to continue. These measures if implemented may address some of the risks associated with length of play and minimising losses. The restriction of gaming machines to account based play would assist in the evaluation of player behaviour and also enable the identification of those at risk or already showing signs of problem gambling. The Licensing Authority would need the power to apply condition on the use of gaming machines within this process.
- 4.15 As Westminster has the largest number of converted casino premises within the Country we feel we are suitably competent to assess and determine any application for an increase in the gaming machine entitlement under this proposal. If the government believes that a trial is necessary to identify whether this is something that could be expanded across England, Wales and Scotland then we are willing to take this on as a trial. A trial would enable an assessment of its effectiveness by the Commission and government. We also believe that some of the government's proposals relating to player protection measures on gaming machines within the government's consultation document at paragraphs 5.8.1 to 5.8.4 could also be implemented as part of this trial proposal.
- 4.16 We agree that the government should not create a new higher stake gaming machine for high end casinos as we cannot see how this would be implemented in practice.

- 4.17 We support the government proposal not to allow casinos to provide dedicated tablets to access remote accounts, without these tablets counting against machine allocation or being subject to stake and prize limits.
- 4.18 The Council has no views on the proposal to amend the Gambling Act 2005 (Gaming Tables in Casinos) (Definitions) Regulations 2009. The proposal relates to the machine entitlement for small and large casinos which are not permitted within our authority area.
- 4.19 The Council are of the view that the current entitlement for gaming machines is sufficient and that there is a mechanism from licensees to apply for an alcohol licensed premises gaming machine permit to enable them to offer more than 2 machines. The permit process is simple and enables consideration of the premises and the proposed number of machines to ensure that the proposal meets the licensing objectives, guidance issued by the Commission and any other consideration necessary. These premises are not appropriate for significant or higher risk forms of gambling. We agree with the government's stance not to change the current machine entitlement for alcohol licensed premises.
- 4.20 The proposal put forward by BACTA to introduce a sub-category of gaming machine (sub-category B5) is not supported by the Council. The proposal is to add a new form of gaming into Adult Gaming Centres. We are concerned with gaming machines that provide gaming that may be considered more attractive to those who are at risk or are problem gamblers, such as electronic roulette. As stated above it is our view that there is a need for a fundamental review of all category B gaming machines to establish which factors create or encourage risk. Bearing in mind the council proposal for the maximum stake for category B2 machines of £2 the proposed stake of £10 for this sub-category would create a new risk of gambling related harm to customers of these premises. We therefore support the governments approach not to add this new sub-category of gaming machine at this time.

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

- 4.21 We do not support the proposal by industry respondents that contactless payment should be accepted on gaming machines. It is our opinion that this would create a significant risk to those who are at risk to or are problem gamblers by spending more than they can afford. It would be easy for a player to lose track of their spending through the use of contactless payment. We agree with the governments statement that this would be a "backwards step in the protection of vulnerable players" and agree that this should not be implemented.

5. Social responsibility (SR) measures

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

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- 5.1 We are pleased that the government has identified that there is a need to look at some of the social responsibility player protection measures implemented by some sectors of the gambling industry as these have been ineffective.
- 5.2 As stated previously we feel that there is a need for a fundamental review of the factors that create or promote risks of harm in all category B gaming machines. There has been a focus on the maximum stake and prizes since the introduction of the 2005 Act without any consideration to the other factors that make up the machines play or attraction. These other factors are play speed, spin times, return to player percentages, game design, etc. We welcome the proposal to amend the maximum stake for category B2 machines but we are very aware of the increasing risk posed by B3 machines. We therefore welcome the government's proposal to conduct an industry trial and evaluation of additional measures to improve player protections and to create parity across category B machines.
- 5.3 We are supportive of the proposals set out in paragraphs 5.8.1 to 5.8.4 of the consultation document. We believe that there is a need to further promote the take up of existing measures on category B2 machines and the effective measures implemented on all category B machines. We also believe that there is a need to implement 'Hard Stops' within these machines to force the player, once they reach a certain threshold to cease playing. We also consider the implementation of mandatory alerts to the player on time and spend to be an important factor in any protective measures. However, the style and messaging needs to be carefully considered so as not to become something that players actively dismiss.
- 5.4 As stated above the Council is concerned about the risks that B2 and B3 content has on those who are at risk or are problem gamblers. The mixed play between the B2 and B3 content have been clearly identified as a risk and we support the approach proposed to consider prohibiting mixed play between the two categories.
- 5.5 We are pleased that there are early signs that the algorithms to identify problematic play in other sectors, particularly the online sector is showing positive signs. We support the development of algorithms within gaming machines to identify key indicators to develop proactive and reactive measures to protect players.
- 5.6 An evaluation of player behaviour and identification of risk indicators for players on gaming machines is something that is necessary. The possible approach of providing a player with form of code to enable the recording of their play without the need to collect and retain personal data is positive. This tracked play would provide significant information to enable reactive and proactive player protection measures specifically designed to provide interventions to protect players. However, we believe that it is important to obtain certain personal information to accurately understand effectively the player's behaviour. We believe key information may be age, sex, ethnicity and income to be key data in establishing risk of harm.

- 5.7 We support the government's proposal that information must be shared between Gamble Aware, RGSB and the Gambling Commission on how gaming machines are played.
- 5.8 Westminster is proactive in its evaluation and consideration of gambling operations within the City. We welcome the proposals set out in paragraphs 5.8.1 to 5.8.4 of the government's consultation document and have proposed that if a pilot was considered for consideration of increasing gaming machine entitlements for converted casino premises then we would be supportive of working with gambling operators, the Commission and other key partners to implement and evaluate player protection measures as part of that process.

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

- 5.9 As a local authority Westminster City Council has no regulatory power to consider online gambling. However, as an authority who has seen the impact of gambling on some of our residents, including children, young people and the vulnerable we welcome the Commission and government's views on ensuring that there are effective improvements to player protection measures in this area. The risks of online gambling are a concern, especially where there are examples of online gambling operators not providing sufficient checks or protections to protect children and young people from accessing gambling activities via their sites or apps.
- 5.10 We believe that key information is available to online operators about their customers through the requirement that they must have accounts to play. As such effective measures are easier to implement to protect players and prevent access by children and young people. The access to this customer data should enable them to develop effective measures to prevent any risk of harm which will support wider social responsibility measures across this sector. We support any improvement with multi operator self-exclusions and consistent approaches to other harm prevention measures.

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

- 5.11 The advertisement and marketing of gambling has become a concern since the introduction of the 2005 Act and the lifting of the restriction of advertising gambling. The amount of gambling adverts, particularly before, during and after sporting events and after the watershed can promote and normalise gambling to an audience which includes children and young people. The number of adverts and repetitiveness of them can ingrain that brand with children and young people which may encourage them to attempt to gamble. Our views are shared with a number of the respondents to your original call for evidence.

- 5.12 We agree that there is a need for further research of the effect gambling marketing has on children, young people and the vulnerable. We support the governments approach that more should be done by gambling operators to minimise the risk to vulnerable people.

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

- 5.13 We agree with the current approach that the government is taking relating to the funding for Research, Education and Training (RET). However, we do feel that the voluntary funding approach creates an unbalance with some sectors paying substantially more than others even though this isn't in line with the proportion of the sectors market shares.
- 5.14 We would like to see more of an emphasis on local RET initiatives where operators can fund local initiatives to establish the impacts of gambling on the local community as well as supporting educational and treatment services designed to help children, young people and the vulnerable.
- 5.15 Westminster City Council is currently developing a partnership with Gamcare. This partnership follows the output from the Geofutures research into local vulnerability and the mapping of that vulnerability across our city. The benefits are that Gamcare and the Council will produce specific targeted education information for at risk groups and locate that information where they are located in higher concentrations. We will also see Gamcare counsellors providing one to one and group counselling for anyone who requires it. We are also looking to provide training for Council and voluntary sector staff at homeless, drug and alcohol hostels to enable them to identify at risk behaviours and signpost individuals to treatment. The benefits for our local residents is clear and we are committed to supporting this initiative to ensure our residents are supported.
- 5.16 We hope that the gambling industry will contribute to RET effectively and that there is no need for the government to impose a levy. However, the government should act positively in the future if the voluntary contributions aren't sufficient.


6. Local Authorities

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

- 6.1 Westminster City Council has been proactive in considering the key issues and risks that gambling premises can have on local residents, visitors and people who work within the City. Since the introduction of the 2005 Act we

did initially see an increase in new betting shops and we now have 11 clusters (clusters of 3 or more gambling premises within 200m of each other).

- 6.2 We have been active in developing our Statement of Principles for gambling to address key issues and what the Licensing Authority expectation are for new and existing gambling operators. Our Councillors have identified the concerns over the impact gambling on the vulnerable early on and we have developed a robust approach to considering gambling applications and regulating existing venues.
- 6.3 With the commissioning and publication of the research into local area vulnerability we see the benefit of locally assessed risks of harm and the mitigation that can be implemented to reduce or remove that risk. When the requirement to produce local risk assessments was introduced into the Commissions Licensing Conditions and Codes of Practice we worked with gambling operators to develop a guidance document on what we expected should be considered as part of their local risk assessments. The framework we set out in the guidance which became a model that was adopted by other Licensing Authorities and gambling operators.
- 6.4 We are currently preparing to review our Statement of Principles for January 2019. As part of that we are producing a local area profile to set out the local risks and other key information to assist in the preparation and updating of operator gambling risk assessments. As part of that review we are looking at options to implement policy to require different levels of measures to address heightened local risk. So for example if a new betting shop wished to open in an area where there was a high number of people that may be at a heightened risk to gambling related harm then the expectation for control measures put forward in their risk assessment would be at a high level. If a betting shop application was received for an area not identified as having a significant risk, then the level of control measures required would be less.
- 6.5 We understand why Local Authorities and the LGA are calling for the introduction of a Cumulative Impact provision within the 2005 Act. Obviously if that was to be considered then we would use that tool along with the other tools within the Act. The current wording of the 2005 Act has the presumption to grant the licence. However, this presumption must be balanced in that the application is in accordance with the Commissions Licence Conditions and Codes of Practice and Guidance issued to Licensing Authorities, reasonably consistent with the licensing objectives and meet the requirements of the Licensing Authority's Statement of Principles.
- 6.6 We have effectively used the tools within the 2005 Act to refuse applications for new gambling premises licence based on local risks and where in our view the application does not meet the tests contained in section 153 of the Act. We have also used our powers of review to impose measures on problem premises. The Licensing Authority uses conditions to ratify agreed processes or measures to ensure that compliance is maintained. Conditions have been effective in setting out the requirements that the Licensing Authority consider are essential for maintaining effective measures to mitigate risks.

- 6.7 If a significant incident such as a robbery or assault occurs at a licensed premise the Police and ourselves will immediately engage with the licence holder to identify what took place and what lead to the incident. During that engagement the licence holder is expected to assess what has occurred and identify what action, if any is needed to prevent the reoccurrence. For robberies this has the benefit of identifying any systems that have failed or need amendment. These failures or amendments to existing procedures are rectified and may prevent a similar robbery from occurring or being successful in the future. If needed additional conditions will be proposed to ensure that the failure does not occur in the future. If applicants are agreeable, then they will apply to vary the licence to add these conditions. If, however, they refuse and the Licensing Authority or Police feel that these conditions are necessary then we will use our powers of review to impose them.
- 6.8 The Council would welcome the implementation of a minor variation process similar to that implemented under the Licensing Act 2003. At present for minor changes there is a requirement for operators to apply to vary the licence which will have a 28-day consultation period which enables residents and responsible authorities the opportunity to make a representation. Under a minor variation process the period of consultation could be 14 days and the scope of that consultation could be limited. This would speed up the process for determining minor applications which do not create an impact on the licensing objectives or are in accordance with the Commissions Licence Conditions and Codes of Practice and Guidance to Licensing Authorities; and the Council's Statement of Principles for Gambling. There will be a clear benefit for business and also improve the process for Licensing Authorities dealing with minor changes to existing licences.
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City of Westminster

Licensing Service
Public Protection and Licensing
Westminster City Council
22nd Floor
Portland House
Bressenden Place
Victoria
London
SW1E 5RS



Web: westminster.gov.uk/licensing