



Response to DCMS Consultation on proposals for changes to Gaming Machines and Social Responsibility Measures

23rd January 2018

Introduction

The Salvation Army is a Christian church and registered charity present in 700 communities throughout the UK. We engage in a programme of practical action to serve the community and help those who are in need, whether practically, emotionally or spiritually.

We provide a range of services tailored to the needs of those who are homeless, unemployed, people with addictions, older people, those seeking to be reunited with a family member, victims of human trafficking, victims of major emergencies, emergency responders and local community members. We also engage in the democratic process to fight for greater social justice for those we seek to serve

Problem gambling is a very serious social and public health issue and urgent action is required to amend public policy. The use of slot machines, including high-stake machines which are highly addictive, is a matter of deep concern for us. Through our work supporting people who are vulnerable across the country, we see gambling addiction as a cause for a host of other social problems from alcohol dependency, to relationship breakdown and homelessness.

The Salvation Army is uniquely positioned to analyse the impact of gambling on the lives of some of the most vulnerable in society. There is some evidence that Homeless people are ten times more likely to be problem gamblers than the UK population as a whole.¹

The Salvation Army does not condemn people who engage in gambling. However, members of The Salvation Army voluntarily refrain from gambling, standing in solidarity with those who suffer from its harm. We work publicly to dismantle the structural causes of addictive behaviour. This leads us to an intentional focus on working to address the impact of alcohol and drug misuse and reckless gambling.

The Salvation Army have many years of experience of speaking to successive Governments on gambling policy. We were instrumental in making representations on the 2005 Gambling Act so that no 'Super' Casinos were built in the UK. However in recent years the huge growth in internet gambling and in the spread of addictive slot machines to high street bookmakers² have each contributed to fresh public concern about the social harm gambling can cause.

The Salvation Army's message has been consistent; we desire action on Fixed Odds Betting Terminals (FOBTs) to reduce their devastating impact.

Specifically, we are clear that firm action needs to be taken to minimise the damage caused by B2 machines. However, we believe that there are also broader concerns which must be taken into consideration moving forward. These are.

- Determined and vigilant action to ensure the growth in B3 machines does not further proliferate
- Effective action to regulate the growth in on line gaming
- Effective efforts to stem advertising gambling around sports events on TV
- Effective efforts designed to prevent the targeting of children with gambling adverts
- Greater gambling industry funding for gambling research and treatment
- More effective licencing and planning powers for local authorities

¹ Sharman, S., Dreyer, J., Aitken, M., Clark, L., & Bowden-Jones, H. (2014). Rates of problematic gambling in a British homeless sample: A preliminary study. *Journal of Gambling Studies*, DOI 10.1007/s10899-014-9444-7.

- More effective controls for vulnerable individuals who engage in gambling via player protection

The Salvation Army believes the government already possesses sufficient evidence to take action on highly addictive gambling machines. On the substantive question of the most appropriate stake for FOBT's we are already on record in calling for the maximum stake on FOBTs to just £2 a spin.³ On the basis of the precautionary principle we are calling for the maximum stake on B2 Machines to be fixed at £2.

In our submission we draw upon case studies of the people we have supported who have had their lives negatively impacted by problem gambling with particular reference to the impact of gaming machines and online gambling. We also cite a sample of the extant evidence base which alludes to the problematic nature of gambling and gambling machines.

The Evidence

A range of secondary literature, reports and analysis attest to the problematic nature of gambling and the harmful impact of Fixed Odds Betting Terminals. We highlight a brief samples below:

- GambleAware's analysis submitted to the government's gambling review revealed the extent of losses on controversial 'Fixed Odds Betting Terminals' (FOBTs). The charity analysed data from betting activity and found that in 5.4m sessions over a ten month period, 3% of the total included at least one bet of £100, while those who staked the maximum typically did so more than once per session. It also found extreme cases of significant losses in one session. In fact 'Seven gamblers lost more than £10,000 in a day while using controversial fixed-odds betting terminals (FOBTs) during a 10-month period'⁴
- According to NHS National Problem Gambling Clinic, nearly 50% of all the clinic's patients reported FOBTs as particularly problematic.⁵
- Whilst only a small proportion of the population use FOBTs, for example around 3 percent of adults in England, FOBT users are much more likely to be 'problem gamblers' and much more likely to contact gambling helplines due to gambling addiction or other related problems than are almost all other types of gamblers. The profile of FOBT users typically includes young men (aged under 35), who might be unemployed and/or from low-to-middle income households.⁶
- GamCare saw an 18% rise in clients in treatment across England, Scotland and Wales⁷. According GamCare, use of machines in betting shops was the main gambling activity disclosed to the National Gambling Helpline in 2016-17.⁸
- Recent research published by the Gambling Commission indicates that levels of problem gambling, whilst statistically stable, are still are cause for concern. According to the research

3 See Appendix

4 'Gamblers lost more than £10,000 on Fixed Odds Betting Terminals', The Guardian, 14 March 2017, <https://www.theguardian.com/uk-news/2017/mar/12/fixed-odds-betting-terminals-losses-government-gambling-review>

5 'Gambling Act was a 'mistake' confesses Senior Labour Politician', Channel Four, 6 August 2012 - (<http://www.channel4.com/info/press/news/gambling-act-was-a-mistake-confesses-senior-labour-politician>)

6 'The economic impact of Fixed Odds Betting Terminals: 2015 update', Landman Economics November 2015, <http://www.stopthefobts.org/wp-content/uploads/2016/02/The-Economic-Impact-of-Fixed-Odds-Betting-Terminals-2015.pdf>

7 Gamcare Annual Review 2016-17 - http://www.gamcare.org.uk/sites/default/files/file_attach/GamCare%20Annual%20Review%202016-17.pdf

8 Briefing Paper GamCare Annual Statistics 2016/17 - http://www.gamcare.org.uk/sites/default/files/file_attach/Briefing%20Paper%20-%20GamCare%20Annual%20Statistics%202016-17.pdf The briefing paper states that 'The main gambling activities disclosed by callers were machines in betting shops (19%), online betting (16%), online casino games (11%) and online slots (11%).'

‘1.4% of gamblers were classed as problem gamblers (0.8% of the population), with 6.4% at-risk (3.9% of the population)’.⁹

Case Studies

The Salvation Army’s work with vulnerable people drives our concerns about the configuration of the gambling sector and the harm it can cause. The following case studies demonstrate experiences of those individuals whom we have assisted and have experienced gambling addiction. There appears to be a clear pattern that exposure to gaming machines is highly addictive and detrimental for the individual involved.

To protect anonymity some details of specific case studies have been changed. The case studies focus on:

- Gambling at a young age that leads to a destructive FOBT addiction.
- A disposition towards gambling that becomes immensely problematic due to FOBT use.
- A gambling habit caused by exposure to betting on horse racing, casino use and addictive online gambling which had a profoundly devastating impact on the individual concerned.
- A gambling habit that became addictive and destructive when the individual started using gaming machines.
- Evidence collated by The Salvation Army which details the significant proximity of betting shops to our homeless centres.

a) Case Study One - Luke - The North West of England

Luke started gambling when he was 11 and became a compulsive gambler at 16. By the time he reached the age of forty he had a mental breakdown.

Luke says that the causes of his problems were rooted in FOBTs misuse and betting shops. Luke started to use FOBTs from a young age and also visited casinos but never extensively participated in online gambling.

For a long time Luke has been in and out of Salvation Army services and has been known to the organisation for over ten years. He originally came to one of our Lifehouses (homeless hostels) and has since kept in touch, including with members of a local church.

Luke reports that going to church twice a month helps him and it is also a place where he can get advice. He stopped himself from getting a credit card, which prevented him from gambling online (however, this in turn has affected his life, especially in terms of accessing different kinds of financial services where a credit card may be needed).

He reflects that cash machines are always located close to betting shops, which makes for easy access. There is such a prevalence of betting shops nowadays - so much so that it is nearly impossible to avoid them. Years ago he would plan a walking route through town in order to avoid betting shops, as he knew where they were - now, he says, it is almost impossible to do this given the number of betting shops around.

In his view, TV advertising is a big problem in his opinion, which has become increasingly pervasive: *“you can’t sit at home without being bombarded by gambling advertising... you can’t avoid it right now”*.

Luke shared with The Salvation Army his observation that the gambling industry is specifically preying on poorer communities.

⁹ Gambling Commission 24 August 2017 - <http://www.gamblingcommission.gov.uk/PDF/survey-data/Gambling-behaviour-in-Great-Britain-2015.pdf>

b) Case Study Two - James in Cheshire

James was interested in horse racing from a young age. He would place bets on both football and horse racing, at the time, this wasn't problematic. However, in the last eighteen months things got out of control through the use of '*roulette machines*' in betting shops. He says through interaction with these machines '*I was hooked*'.

It is clear that through interaction with gaming machines James experienced a different and much more addictive and destructive gambling experience. He reflects that he would bet £100 at a time and as this habit spiralled he eventually lost his home, his job and '*everything*'.

It was only when he was at rock bottom that he looked for help. His addiction to gaming machines had a detrimental impact on his mental health and James recalls that '*it was an obsession*'. James found help at Gamblers Anonymous who held sessions at his local Salvation Army Corps (church). He has found genuine help and this began the road to recovery.

James has self-excluded himself from all the betting shops in his town and this has done him '*the world of good*'. He had a connection with The Salvation Army at an early age and is now attending church and has re-discovered his faith in vibrant way. He says that he didn't have the strength on his own to combat his addiction and appreciates the support he has received on his journey to transformation.

James now volunteers three days a week for his local Corps and he hopes to become a Salvation Army soldier (member) in due course. James declares that '*I am now a completely different person*'. He can now walk past a betting office and not feel the pull to go in. He has strong belief and this has rescued him from a destructive pathway that nearly drove him to suicide.

c) Case Study Three - 'Patrick' in Yorkshire

Patrick stayed at a Salvation Army Lifehouse (homeless hostel) and said:

"I was referred to The Salvation Army because I was homeless. I became homeless due to a number of factors, some of which were my fault and some were outside factors. The main reason I ended up homeless was depression and a gambling problem, which I'm glad to say I've beaten and I'm well on the road to recovery."

"I had been living on own - my wife and I have been divorced for some years and I have a son and daughter. I am normally gregarious and very sociable but my depression and gambling led to me distancing myself from close relatives; I barricaded myself away and became a recluse."

"My gambling addiction came about when I was working away. I'm a skilled engineer by trade, was reasonably good at my job and I thoroughly enjoyed it. If you asked me when I started gambling, I couldn't tell you, but I can tell you when I finished as I'm glad I have."

"When I worked away from home I would spend long hours in hotels so I had access to casinos - I used to go to the horseracing quite a lot, and was relatively good at it, although I enjoyed the day out rather than the wager. In the job, I was staying at hotels five nights a week so I was bored - I couldn't drink as I had to drive the following day."

"I also got into online gambling - if it's just figures on the screen as opposed to pounds in your hand, it's just numbers, whether you're winning or you're losing. When you physically handle money there's a buzz involved, but numbers on a screen, there's not. You turn into a robot. It's 9 o'clock, I'd better start gambling - absolutely nonsense!"

"I coped with my addiction for about five years - the turning point came when I was spending money I

didn't have and everything came to a head in my life.

"I lost my job because of the gambling; it was affecting how I was doing my job and it was bad publicity for the figurehead for the company to be out and about gambling and in the hotel. It affected the way I portrayed myself. I had a mini breakdown. Looking back, there were many traumatic experiences in my life and negative feelings that I had probably bottled up and resurfaced later on with the gambling and depression. I lost my baby daughter at only six hours' old prior to my separation from my wife; I had come from a broken home and didn't want my children to experience that - I felt a failure.

"There were other facets - if I had a crisis, I would clam up and not talk about it. I'd bottle the negative emotions.

"Two months after I lost my job, I was evicted from my home. I didn't pay my rent because I had a gambling problem. Like any other addict, and it is an addiction, I had tunnel vision. I didn't even enjoy doing it in the end, in the same way an alcoholic will drink or a drug user will take drugs - it's an addiction; it's self-destructive.

"I lost quite a lot of money. That was the strange thing, when I had a big win, I didn't feel joyful about it. If you asked me now to tell you why I did it, I could stand here all day and I couldn't tell you. It alienated me from my family, I hurt people I loved. Addiction makes you a liar - you lie to yourself, to other people. It didn't turn me into a thief but I imagine it could've done very easily. You lose your self-respect, you know what you're doing, you're lying to yourself and living a false life - it's a plastic life, it's a horrible life that you shouldn't be leading.

"Initially, I stayed at a friend's house. This lasted for a couple of weeks but I felt as though I was imposing. The lack of money prevented me gambling at this stage but mentally I knew I couldn't carry on like this. I was at a fairly low ebb then - I didn't want to stay at my friend's as it was my problem to sort out and their place was not suitable for me. I finished up in an abandoned industrial unit's cellar - it was quite nice as far as cellars go: out of the way, reasonably secure. I'd seen homeless people hanging round the town centre and the problems they'd encountered so didn't want to experience the same issues.

"I didn't tell my daughter I was living there. I told her I was living with friends. I lived there for a month, which is long enough to be homeless; some guys have been homeless a long time and have far worse issues than I have. I still feel relatively lucky - I'm in reasonably good health, I haven't any major illnesses and I've made some friends here - it's a win: win.

"To feed myself - as I wasn't claiming benefits then - I kept doing short-term agency work, using my daughter's address as I'd registered my CV there. I managed to hide that I was homeless from the agency quite well. I felt embarrassed and ashamed about it. It was surreal; go do a day's work and go back to my cellar on a night. My daughter only found out when I eventually told her what I was doing. She was annoyed I hadn't told her, but once I did she told me I needed to see a doctor for my gambling problem and diagnosed me with depression herself, she also encouraged me to go to the Housing Options team. That's what prompted me to go, coming back to that cellar, not feeling despair, joy nor anything - she was right, it was a symptom of my being depressed.

"I was put on strong antidepressants so couldn't operate machinery during that time so then claimed ESA.

"I came to The Salvation Army through Housing Options, run by the local council. The woman who referred me struck a chord with me when I said I never thought I'd end up in this state or condition, she told me 'everybody is only two mortgage payments from being homeless'.

"Being at The Salvation Army with the community help and the help of the staff, which has been tremendous, you do feel you are made to feel a valued member of the community. I think that's helped me more than anything - I've still got a long way to go but I'm well on the way.

"Having crashed, I've had cause to re-evaluate my life. When you crash, you reach bottom, there's only

one way - you can flounder and feel sorry for yourself or you can grab yourself by the bootstraps and say I'm going to get out of this and that's what I'm doing, hopefully.

"Some of the people I've met here are also ex-professionals. There's a general consensus in society - and I was a party to this - that [these places] are full of drunken drug addicts but that's not the case. People have all got different challenges they are facing but they each have something to offer, too."

Patrick was heavily involved in the community gardening project at The Salvation Army, and offered peer mentoring to other residents and giving advice. Whilst with us he said: *"People come to me for advice as they know I like gardening. It's good to pass my knowledge on, to give something back."*

Patrick is an avid gardener and has described how good it felt to be back doing something he once enjoyed and sharing his skills with others.

On the specific question of gaming machines Patrick shared with us that:

"A general observation really, that machines in bookmakers are described as the crack cocaine of gambling. I've seen young guys throwing money in the things and getting frustrated and angry. They bring addiction, no question."

Since this case study was written Patrick has now moved on from the care of The Salvation Army and is back in work.

d) Case Study Four - Jeremy - Northern England

Around six years ago, Jeremy tried his hand at a gambling machine in a betting shop. He'd always had a flutter on the horses and had no problems with that, it was just a bit of fun. But he soon found himself completely addicted to the gambling machines. He would play on gambling machines every day, and spend between £400 to £1,000 on the machines each time.

Jeremy was living on benefits, and soon found that he was having to use loan sharks to try to cover his rent. Within around a year, he was threatened with eviction from his flat due to his inability to pay his rent. He was due to be evicted from his flat in April 2013, but was found a place at Salvation Army accommodation, with just two weeks to go before the eviction date.

Jeremy said:

"I just went into a betting shop and thought I'd give one of the gambling machines a go. I became so addicted to the machines I had to rely on loan sharks, and the rent wasn't getting paid. I spent thousands of pounds on the machines. I tried getting myself barred from the gambling shops - but they'd ban you from a certain region, and so I'd just travel to a nearby city to be able to use the machines."

"I lost my flat, my independence, I got very low."

"The Salvation Army helped me with my issues and mood swings. I am a lot better now - I still do play the gambling machines - so I'm not completely off them but I only ever take between £5 and £10 with me whenever I go out to stop me spending too much on the machines, which is so much better than before. I can go a couple of weeks without playing on a machine. It has taken a lot of will power and help from The Salvation Army."

e) Case study Five - Proximity of gambling outlets to vulnerable people and communities

The Salvation Army's response to the DCMS call to evidence in 2016 highlighted the significant proximity of FOSTs to Lifehouses (homeless hostels). The Salvation Army has previously highlighted the clustering of betting shops in areas where our Lifehouses are located. We note that these areas are not necessarily deprived per se, but would submit that the close proximity of multiple betting shops to vulnerable homeless individuals represents a cause for concern

We analysed the prevalence of betting shops in a two mile radius of 30 of our Lifehouses (a sample from a total of 96). This revealed that:

- 73% of Salvation Army Lifehouses had at least fifteen betting shops in close proximity.
- Two Salvation Army Lifehouses had forty five betting shops in close proximity.
- All of the Salvation Army Lifehouses in the sample had at the very least three betting shops within close proximity.

Appendix

Betting bill backed

A cross-party group of MPs urges ministers to support today's bill limiting stakes on fixed odds betting terminals to £2 a spin

Sir, As *The Times* has reported, successive governments have not adequately addressed the issue of fixed odds betting terminals (FOBTs), the addictive high-speed roulette machines in betting shops. In January 2014, the prime minister acknowledged there was a problem and that action would be taken if there was evidence to justify doing so. Since then, the stories of two tragic suicides linked to FOBTs have emerged, which might have been prevented had the government not delayed reducing the maximum stake.

The evidence shows that those from more disadvantaged backgrounds, particularly young men aged between 25 and 34, are more likely to use FOBTs and are more likely to have problems with machine use. We therefore continue to support most strongly the private member's bill, tabled by Lord Clement-Jones, due to have its second reading in the House of Lords today, which seeks to reduce the maximum stake on FOBTs to just £2 a spin. We urge ministers to give the bill their full support and take appropriate action to deal with the social and economic harms being caused by FOBTs.

Tim Farron MP

Charles Walker MP

David Amess MP

Rt. Hon. Sadiq Khan MP

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Professor Jim Orford, University of Birmingham/Gambling Watch UK

Carolyn Harris MP

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Rt. Hon. David Lammy MP

Graham Jones MP

Gerald Jones MP

Rt. Hon. Frank Field MP

Rt. Hon Stephen Timms MP

Ian Blackford MP

Stuart MacMillan MSP

Lord Foster of Bath

Baroness Masham

Baroness Finlay of Llandaff

Bishop of Stafford

Clive Scowen, Diocesan Synod

Lieut-Colonel Melvin Fincham, Secretary for Communications, The Salvation Army

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Professor Linda Hancock, Deakin University

Dr Charles Livingstone, Monash University

The Times, 11 March 2016

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