

Please find attached the consultation response into the Gambling Review from Scotland's Towns Partnership.

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?

Scotland's Towns Partnership (STP) is Scotland's largest towns' collective; representing and promoting the diversity of our towns and places, and supporting those organisations and groups that have an interest in them. Our members are drawn from the public sector, private business and the voluntary sector.

The Association of British Bookmakers (ABB) in Scotland is a core partner of STP. We work closely with ABB and its members to promote town centres at a time when the growth of online retail is taking its toll on the traditional high street.

I have followed the debate about FOBTs with great interest. It is regrettable that the debate has, in many cases, been based on misinformation and a failure to appreciate the enormous investment that bookmakers have made in terms of improving tracking and support for at risk and problem gamblers.

During visits to a number of betting shops, I have been impressed by the professionalism of shop staff and their evident commitment to responsible gambling. I have talked at first hand to staff and have been impressed by the level of care they extend to their customers. It is clear that bookmakers have made a considerable investment in developing new tools to monitor player behaviour, many of them unique to betting shops. I am conscious too that betting shops have made concrete efforts to improve support in the community for those who are at risk. In Scotland, ABB has funded outreach work in schools across the west of Scotland to highlight the risks associated with problem gambling to young people, and launched a community responsible gambling campaign in the Highlands, working in partnership with local agencies. This approach is to be applauded and is in stark contrast with many other sectors of the gambling industry.

STP is particularly concerned about the growth of lotteries, which now account for 25% of gambling spend, but are not subject to the same level of scrutiny as FOBTs. In many cases, these lotteries are open to players over the age of 16 and are heavily promoted during daytime television. Many customers would be surprised to note the relatively small sums donated by such lotteries to good causes.

We believe that the focus on FOBTs in recent years has been disproportionate, not least since these machines were introduced in 2001 and problem gambling levels have remained statistically stable over this period, according to the independent Gambling Commission. Furthermore, these machines account for just 13% of gambling spend in the UK, but support tens of thousands of jobs and ensure that betting shops remain competitive in an increasingly digital market.

Opponents of betting shops argue, falsely in our view, that bookmakers draw money out of the local economy, and that money spent in bookmakers is essentially lost to other retailers. On the contrary, evidence shows that bookmakers act as a magnet, attracting 6 million customers into town centres who then go on to spend money on other retailers. The notion that betting shop closures would give rise to more coffee shops, craft shops and wine bars is fanciful given that the number of vacant retail premises is rising in Scotland.

Such arguments ignore the substantial direct and indirect contribution betting shops make to the economy. The industry employs over 52,000 staff, almost twice as many as the rest of the industry. Those staff invest their wages in the local community which, in turn, helps support other retailers and service providers.

Furthermore, the industry maintains a huge retail estate, with around 8,500 shops across the UK. Collectively, betting shops contribute more than £1.1 billion in taxes and £80 million in business rates, and also make a significant investment in our towns through property rental income.

STP is also aware of a study by ESA Retail for ABB which shows that more than one third of customers visit their local bookmaker on a daily basis and 82% visit at least weekly. Furthermore, 89% of betting shop customers combine their trips with visits to other local businesses at least sometimes. In Glasgow, 39% of respondents usually spend more than £20 in other local shops.

It is clear, therefore, that betting shops attract customers into our towns and, in doing so, help to generate revenue for other businesses on the high street. It also stands to reason that further shops closures – more than 300 closed between March and September 2017 alone – will deprive our town centres of much need rental income, business rates and customer footfall. Moreover, as more shops close, it is highly likely that gamblers will simply be displaced to alternative gambling venues that offer fewer safeguards, or trained staff, to support those at risk of gambling related harm.

For these reasons, STP does not believe that it is necessary to reduce stakes on gaming machines in betting shops. We would oppose any further regulation of an industry which is not only a vital part of the fabric of our high streets but is leading the way in promoting responsible gambling, in shops and in the wider community.

Chief Officer, Scotland's Towns Partnership