

Summary of responses to Gambling Consultation 2012

Responders: Trade

From:	Response	whether accommodated or reasons not
Racecourse Association	<p>I am writing on behalf of the Racecourse Association, the trade association for horse racecourses in Great Britain. We have reviewed the revision of statement of gambling licensing policy for Brighton and Hove City Council, to which we would like the opportunity to respond on behalf of our members.</p> <p>Separate Licenses for Certain Facilities (paragraph 2.8) – The RCA is supportive of the Council's view that arrangements regarding separate premises licenses for off-course operators will be at the discretion of the racecourse and the betting operator.</p> <p>Location (paragraph 4.2 page 11) - The proposed location of gambling premises may be taken into account when assessing the application. The RCA is supportive of The Council's recognition that the location of racecourses will not have altered since its foundation, and cannot be transferred to another location.</p> <p>Door Supervisors (paragraph 2.5 page 8) - The Councils are asked to be aware that under the Licensing Act 2003 and the Private Security Industry Act 2001, racecourses are already required to provide licensed door supervisors in some roles. In line with the stipulation that the Council will seek to avoid duplication with other regulatory regimes, the Councils should not impose any further provisions relating to door supervisors.</p> <p>Betting machines (paragraph 2.17 pages 10-11) - The Councils are asked to</p>	Support for current policy

	note that racecourses do not hold Operating Licenses and consequently any betting machines on racecourses will be provided by other operators. The racecourses will contractually require these operators to fulfill any conditions with regard to the provision and supervision of these machines.	
Brighton Racecourse	By telephone – in total support of existing policy.	Support for current policy
Campaign for Fairer Gambling	<p><u>Introduction</u> The Campaign for Fairer Gambling has been concerned about B2 machines, also known as Fixed Odds Betting Terminals (FOBTs), in Licensed Betting Shops (LBOs) for some time. The maximum stake of £100 with a spin nearly every 20 seconds on addictive roulette content, in easy-access minimal-control LBOs is totally illogical. By comparison the maximum stake on a casino slot machine is generally £2. The vast majority of the turnover on FOBTs is on roulette, which is a faster pace than casino roulette, resulting in faster FOBT gambler losses.</p> <p><u>Concentration of betting shops</u> Analysis should commence with reflecting on what the LBO sector would look like if FOBTs had not been introduced. It is logical to assume there would have been similar trends as in many other sectors. These are a reduction in the total number of units and an increase in the size of the units. Inevitably this would have resulted in a far lower concentration than is currently the case.</p> <p>Simply, it is FOBTs that have led to an increase in the number of units – which has led to clustering – because of a limitation of 4 machines maximum per shop. A 15% increase in the number of LBOs since 2000 (1,100) is also accompanied by an increase in retail floor space as bookmakers re-site traditional over-the-counter (OTC) betting shops onto High Street mini-casino locations with larger floor space.</p>	<p>Already law</p> <p>N/A</p>

	<p>The recent DCMS select committee report recommended an increase in the maximum number of FOBTs per LBO as an anti-clustering measure. But the reality is that there would just be more FOBTs and more clustering of FOBTs and no impact on LBO concentration.</p> <p>Slot machines on the Las Vegas Strip are open 24 hours a day and take around £450 per machine each week. By contrast, trading for far less hours, William Hill takes around £900 a week per FOBT. Bookmakers could easily justify doubling the number of FOBTs nationally, but in areas with higher volumes of activity than the UK average there is every reason to think that a trebling of FOBTs would be viable for bookmakers.</p> <p>Under current legislation there will continue to be a growth in both LBO numbers and LBO concentration stimulated by FOBTs, unless there is appropriate action by Local Authorities (LAs). The replacement of Amusement Machine Licensing Duty (AMLDD) with Machine Game Duty (MGD) in January 2013 will exacerbate the problem of clustering. AMLDD works as a fixed charge per LBO, but this will be replaced with a 20% “profit share” style tax (MGD). Higher end shops will pay more under the new regime, but the change will improve the viability of lower end LBOs, resulting in an increase in LBOs.</p> <p>The prevention of problem gambling and harm to young and vulnerable persons are both licensing objectives. Where those objectives are not being attained then this should provide grounds for denial of licensing. The clustering of LBOs results in problem gamblers moving from FOBT to FOBT, from shop to shop in order to satisfy their addiction.</p> <p><u>Extension of opening hours</u></p> <p>Bookmakers will argue that they want to cater for demand. But the accessibility, marketing and addictive nature of FOBT roulette creates the demand. Extended opening hours means minimal staff providing minimal oversight of increased</p>	N/A
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	<p>FOBT gambling and increased consequential addiction, harm and crime.</p> <p>Bookmakers may purport they want to attract wagering on overseas or esoteric sports at unusual hours. Yet there is very little consumer interest in these products, certainly not enough to justify extended opening hours. Also bookmakers have a long history of refusing wagers at advertised prices if being placed by known competent gamblers. They even refuse wagers at advertised prices by unknown persons if wagers are to win above certain amounts. So bookmakers do not cater for the existing demand for OTC betting and should be denied any extension of hours of operation.</p> <p><u>Crime and disorder in betting shop vicinity</u> FOBTs have resulted in an increase in abuse of staff and crime on premises. Damage to FOBTs is going unreported in some cases. Accepting wagers from under-age gamblers is common on FOBTs. With the lack of sobriety verification of FOBT gamblers there is likely to be crime in the vicinity as a consequence of under-the-influence FOBT gambler losses. But with the impracticality of LAs or police regularly monitoring betting shops and inadequate staff numbers and with no staff willingness to challenge FOBT gamblers, these problems will escalate. Bookmakers are failing in yet more of their licensing obligations.</p> <p><u>Primary use of the betting shop</u> By virtually every factor the primary use of the LBO is FOBT gaming not OTC betting.</p> <table border="1" data-bbox="609 1129 1397 1315"> <thead> <tr> <th></th> <th><u>OTC Betting</u></th> <th><u>FOBT Gaming</u></th> </tr> </thead> <tbody> <tr> <td>Gross gaming yield</td> <td>50%</td> <td>50%</td> </tr> <tr> <td>Turnover</td> <td>20%</td> <td>80%</td> </tr> <tr> <td>Transactions</td> <td>20%</td> <td>80%</td> </tr> <tr> <td>Wagers</td> <td>5%</td> <td>95%</td> </tr> </tbody> </table>		<u>OTC Betting</u>	<u>FOBT Gaming</u>	Gross gaming yield	50%	50%	Turnover	20%	80%	Transactions	20%	80%	Wagers	5%	95%	<p>N/A</p> <p>N/A</p>
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	<p>The gross gaming yield was slightly less than 50% for FOBTs in the year to Sept 2011. But this is of course now a year out-of-date. Bearing in mind that just over 10 years ago the FOBT yields was at 0%, as they had not been introduced, there is every expectation that FOBT yield will soon exceed 50%.</p> <p>The turnover ratios are obtainable from bookmakers' annual accounts. The transactions estimate is based on a similar amount per OTC and FOBT transaction. The wager estimate is in the knowledge that an OTC transaction is usually for a limited number of bets, but that a significant number of different numbers are bet per FOBT roulette transaction. The Gambling Commission (GC) for Great Britain claims in its August Special Bulletin to LAs that space allocation should be a consideration. This is a fallacy as different forms of gambling just require different amounts of space.</p> <p>Further the Bulletin claims that turnover is a misleading factor because: “[FOBTs] rely on players repeatedly re-staking their winnings.”</p> <p>This is exactly how a problem gambler would behave. The propensity to re-stake winnings is also a play style that roulette engenders.</p> <p><u>Summary</u> The GC's Bulletin seeks to support the status quo and minimize the powers of LAs, if the GC's interpretations are adhered to. LAs should not comply with this blatant abuse by the unelected administrators at the Gambling Commission.</p>	
National Casino Industry Forum	<p>I am writing to you as Chairman on behalf of the National Casino Industry Forum (NCiF) the body that represents over 90% of UK land based casino operators.</p> <p>As we know you're aware there is a requirement, under Section 349 of the Gambling Act 2005, for your Authority to publish a Gambling Policy Statement every three years, the next Policy Statement being due to come into force on 31st January 2013, following consultation. As you also know, under the Gaming Act 1968 your Authority is one of the 53 'Permitted Areas' in Great Britain where</p>	

casinos may operate.

As the representative body for the casino industry we would welcome the opportunity to contribute to your consultation process.

Casinos play an important part in the provision of entertainment and hospitality, bringing mature and responsible patrons to our town and city centres. Casinos are an attractive and positive addition to the overall offer of our evening economies, without any of the negative experiences of anti-social behaviour sometimes sadly attributable to late night venues. Last year casinos in the UK hosted almost 19 million visits, and provided an important source of local revenue, which could translate to:

- New £15 million **construction investment** in local authority areas to help to restore confidence locally
- Possibility of Section 106 Agreements to **boost local services**
- Local Authority **business rates boosted** by £250,000 pa
- Areas benefit from **£4-5 million of added value** in the local economy

It is also worth noting that as a, quite properly, highly regulated industry it is also a labour intensive business, providing disproportionately high employment opportunities with typically 100 to 200 staff on a premises. Some current casino venues provide up to 450 jobs (depending on the size of the casino). Employment is met at a local level, often to the young; also the lack of academic qualifications is not a barrier to employment.

Where based, casinos are an important and positive contribution to the night-time economy of an area. They do not contribute to, but instead help to mitigate problems by offering different types of entertainment in the late night economy not centred around social drinking. Casinos add attraction, vigour and variety to our town and city centres and encourage tourism.

	We would welcome and encourage dialogue with your authority to ensure that any casino premises in your area is viewed positively as contributing to the variety of offer in the night-time economy.	
Responders: Residents	None	
Responder: Charity		
Sussex Deaf Association	<p>Would you be able to add in a general exemption statement regarding “low risk club bingo” events for which all proceeds (especially in our case) are distributed fairly between winners, therefore not requiring a gambling licence.</p> <p>The reason for this is because I contacted your department to receive some clarification on whether we required a license or not. I was told that we did not as we did not go over the limit. Are there different costs for gambling limits associated with the licences?</p>	Already law
Religious Society of Friends	Thank you for including us in the council’s triennial review process. We share the concerns so clearly expressed in the January 2010 handbook; we value the council’s continued attention to gambling issues and look forward to receiving any future communication.	Support for current policy
Sussex Police	Having read through your policy I have no suggestions or amendments I wish to make.	Support for current policy
Medical practitioner	As a medical practitioner my principal concern is for the health of the community but, it seems, the effect of gambling on individuals, family welfare and the environment are excluded from consideration when an application for a licence is considered. At paragraph 8.3 I would recommend the addition of a Public Health doctor to those with whom the gambling authority should liaise. I have nothing further to add.	Support for current policy

