



Response of The Christian Institute to ‘Review of Gaming Machines and Social Responsibility Measures’

The Christian Institute is a non-denominational charity established for the promotion of the Christian faith in the UK and elsewhere, and the advancement of education. We are supported by around 4,000 churches and church ministers from almost all the Christian denominations, with a total of over 53,000 supporters throughout the United Kingdom.

We hold traditional, mainstream Christian beliefs about gambling. Christians care about the harm caused to individuals, families and entire communities by gambling problems. The Christian Institute campaigned against the liberal regime ushered in by the 2005 Gambling Act. Our 2005 report ‘Gambling with our future’ said: “Layers of sensible restrictions, which for years have controlled the worst excesses of casinos, betting shops and slot machines are to be swept away. This will lead to a massive proliferation of gambling of all forms, transforming beyond recognition the face of the UK gambling industry overnight.”

The current explosion of gambling in Britain cannot be properly understood without acknowledging the significant role of the Blair Government’s 2005 Act in abolishing many important safeguards.

Q1. What, if any, changes in maximum stakes and/or prizes across the different categories of gaming machines support the Government’s objective set out in this document? Please provide evidence to support this position.

There is no doubt that ‘Fixed Odds Betting Terminals’ are causing very significant problems. FOBTs should be abolished altogether (as planned in the Republic of Ireland), or at least have the maximum stake reduced to 50p.

Individuals can lose several thousand pounds in an hour or two playing on FOBTs and, over time, hundreds of thousands of pounds in total (*BBC News online*, 26 August 2015, see <http://www.bbc.co.uk/news/uk-33566034>; *Mail on Sunday*, 21 February 2016).

Fintan Drury, chairman of Paddy Power between 2002 and 2010, has said: “The people who know about FOBTs, who’ve watched and observed and researched how FOBTs are used, say that they are addictive, say that they are dangerous, and all the evidence points to those studies and those comments being accurate. And the amount of money that is invested in them on an annual basis across the UK is, or should be, frightening.” (BBC Panorama, ‘Why Are Gambling Machines Addictive?’, first shown 12 September 2016)

It has been reported more than a third of gaming machine users have problems with gambling (The Guardian, 10 December 2014).

According to GamCare statistics, almost a quarter of the helpline calls received disclose gaming machines in betting shops as the problem (Annual Statistics 2015/16, GamCare, page 5, see http://www.gamcare.org.uk/sites/default/files/file_attach/GamCare%20Annual%20Statistics%202015-16.pdf).

Analysis of the Gambling Prevalence Survey estimates that 23% of the money spent on FOBTs is spent by problem gamblers (Orford, J, Wardle, H, and Griffiths, M, 'What proportion of gambling is problem gambling? Estimates from the 2010 British Gambling Prevalence Survey', International Gambling Studies, 13(1), 2013, pages 9 and 13).

FOBTs are not the only problem. The 2011 raising of maximum stakes on category B3 gaming machines from £1 to £2 was reckless. Now there is evidence of the harm this is causing, including some people incurring losses of thousands of pounds in an evening (BBC News online, 8 November 2016, see <http://www.bbc.co.uk/news/uk-37872831>).

At the very least, the Government should reinstate the previous limit of eight B3 machines per bingo hall and the maximum stake on B3 machines should be put back down to £1.

The majority of the machine revenue in bingo halls comes from category B3 machines, which have tripled in the past 5 years (BBC News online, 8 November 2016, see <http://www.bbc.co.uk/news/uk-37872831>).

Q2. To what extent have industry measures on gaming machines mitigated harm or improved player protections and mitigated harm to consumers and communities? Please provide evidence to support this position.

See Question 5 below.

Q3. What other factors should Government be considering to ensure the correct balance in gaming machine regulation? Please provide evidence to support this position.

Links have been made between FOBTs and money laundering by organised criminals (The Guardian, 9 November 2013; 'FOBTs debate: Money laundering issues are a new battleground', Gambling Insider, see <https://www.gamblinginsider.com/in-depth/2170/fobts-debate-money-laundering-issues-are-a-new-battleground>).

A high rise in reported crime at betting shops has been attributed to gamblers turning violent after using FOBTs. Police were called out to over 9,000 incidents at betting shops in 2014, an increase of 1,600 on the previous year (The Independent, 30 May 2015). In London alone, there were 613 cases of violence and assault linked to bookmakers, and 700 incidents of criminal damage (London Evening Standard Online, 15 February 2016; The Sun, 13 December 2015).

As with many other addictions, some of those involved in using FOBTs will inevitably steal to feed their habit (The Guardian, 27 April 2016).

Q4. What, if any, changes in the number and location of current gaming machine allocations support the Government's objective set out in this document? Please provide evidence to support this position.

As stated in answer to Q1, FOBTs should be abolished altogether, or at least have the maximum stake reduced to 50p and the gambling 'demand test' reintroduced before premises are granted licences.

The ability of bookmakers to have up to four FOBTs in each shop has led to a clustering of betting shops on the high street, as bookmakers simply open more shops so that they can have more of these lucrative machines (see BBC News online, 1 February 2014, see <http://www.bbc.co.uk/news/uk-25996435>). The 2005 Gambling Act made this possible by repealing the requirement for betting companies to prove unmet demand before opening a shop ('the demand test').

Machine gamblers who live near clusters of bookmakers are over 25% more likely to be problem gamblers than those who do not (Secondary Analysis of Machines Data: Examining the effect of proximity and concentration of B2 machines to gambling play, Geofutures, March 2016, page 23).

A survey of gambling loyalty card holders found that people who were not working, on a lower income or living in more deprived areas played machines more frequently (Gambling machines research programme - Report 2: Identifying problem gambling, NatCen, November 2014, page 8).

There is clear evidence that clustering tends to take place in poorer areas (The Guardian online, 28 February 2014, see <https://www.theguardian.com/society/2014/feb/28/englands-poorest-spend-gambling-machines>; Wardle, H, Keily, R, Astbury, G et al, "'Risky Places?': Mapping Gambling Machine Density and Socio-Economic Deprivation", Journal of Gambling Studies, 30(1), March 2014, pages 201- 212).

Q5. What has been the impact of social responsibility measures since 2013, especially on vulnerable consumers and communities with high levels of deprivation?

These measures have been ineffective and have therefore failed. An evaluation of the early impact of the Association of British Bookmakers (ABB) code found, with respect to FOBTs: "no statistical evidence of any impact...on session length, money gambled and the proportions of gamblers playing for 30 minutes or more and inserting £250 or more into machines during their session" (ABB Code for Responsible Gambling and Player Protection: Evaluation of early impact among machine gamblers, NatCen, May 2015, page 3).

Gamblers are easily getting round the requirements of the April 2015 regulations. A Government evaluation published in January 2016 found that "a large number of players opted to stake below £50 and increase the duration of their session". The evaluation admits that "a degree of uncertainty remains as to the impact of the policy", though it suggests that the results are "broadly" in line with the policy objectives (Evaluation of Gaming Machine (Circumstances of Use) (Amendment) Regulations 2015, Department for Culture, Media and Sport, January 2016, pages 2-3). However,

these policy objectives were very modest. A £50 maximum stake every 20 seconds is still far too high and allows people to lose money very quickly.

Q6. Is there anything further that should be considered to improve social responsibility measures across the industry? Please provide evidence to support this position.

The legal framework urgently needs to be strengthened to protect individuals, families and society from the harmful effects of the 2005 Gambling Act.

Q7. Is there any evidence on whether existing rules on gambling advertising are appropriate to protect children and vulnerable people from the possible harmful impact of gambling advertising?

Prior to the Gambling Act 2005, casinos were banned from advertising and betting companies could not advertise on TV or radio, only in print. The liberalisation under this Act has led to a dramatic increase in gambling advertising spots on television, from 152,000 in 2006 to 1.4 million in 2012 – going from 0.7% to over 4% of all TV advertising (Ofcom, Press Release, Ofcom publishes research on TV gambling adverts, 19 November 2013; Trends in Advertising Activity – Gambling, Ofcom, November 2013, pages 5 and 71). It emerged in October that gambling firms had already spent a record £162m on television advertising in 2016 (The Guardian, 7 October 2016).

The industry code says that only bingo, lotteries and sports betting during live televised sporting events can be advertised before 9pm (Gambling Industry Code for Socially Responsible Advertising, Industry Group for Responsible Gambling, August 2015, paras 30-34; The Daily Telegraph, 25 October 2016). However, this means that sports betting adverts are routinely seen by children. ‘The latest live odds’ are pushed, for example, before football matches and during halftime. 69% of bingo adverts are also shown during the day (between 6am and 5pm) (see Trends in Advertising Activity – Gambling, Ofcom, November 2013, page 15).

Ofcom has found that children aged 4-15 saw an average of 211 gambling adverts in 2012 (Trends in Advertising Activity – Gambling, Ofcom, November 2013, page 4).

Betting companies should be banned from advertising except in print, and casinos should be banned from advertising altogether (a return to the pre-2005 law).

Q8. Any other relevant issues, supported by evidence that you would like to raise as part of this review but that has not been covered by questions 1-7?

It is sometimes argued that reducing the stakes on FOBTs or getting rid of them altogether would cost jobs. However, one report argued that the money spent by consumers on FOBTs could instead support far more jobs if it was spent in other parts of the economy (The Economic Impact of Fixed Odds Betting Terminals, Landman Economics, April 2013, page 3).

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