

Review of Gaming Machines and Social Responsibility Measures

Response to Call for Evidence



This is the response to the Call for Evidence from Leeds City Council, licensing authority for the Leeds district.

The Government's objective for this review is to look across the industry and determine what, if any, changes are needed to strike the right balance between socially responsible growth and the protection of consumers and wider community.

Gaming machine maximum stakes and prizes

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?

The Council is concerned about the link between gaming machines and problem gambling. Research shows that Leeds could have between 10 – 12,000 problem gamblers, with a possible 48,000 at risk of problem gambling. Any measure that could reduce the harm of gambling on our most vulnerable citizens would be welcomed, and this may include a reduction in the stakes and prizes, especially for category B3 machines which are accessible on every high street in Leeds.

However, the council is not in a position to recommend specific changes to each of the categories. This is a matter best argued by the campaigning groups, the Gambling Commission and the industry as they have access to the evidence relating to impact each stake and prize, along with drop rate and speed of play has on problem gambling and vulnerable people.

Q2. To what extent have the 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.

We welcome the £50 maximum bet without intervention, but we do not believe this goes far enough to protect players. However, without access to player behaviour statistics it is very difficult for the council to make a judgement on the impact of the industry measures.

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

When considering the issue the Government should be mindful of the fact that the gaming machines in betting offices, and other places, are essentially electronic casino machines, with the most popular game being roulette. As they are electronic, networked and controlled from a central place it is a simple matter to alter the stakes and prizes across the entire estate. Should the Government seek a reduction in stakes and/or prizes in one category, they should be careful that it doesn't encourage the industry to categorise their machine estate to another category that may have different technical specifications.

Gaming machine allocations

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.

The sector which represents that most concern to the licensing authority are betting shops, due to the high stakes and prizes gaming machines in these premises as well as concerns over single manning leading to less supervision. The council would be disappointed if this sector had a relaxation of the number of machines they are permitted to site on their premises.

In addition there is concern that the converted casinos are using their ability to move their licences with the intention to create larger premises with increased availability of gaming machines. In Leeds there are 4 converted casinos. One operator now owns three of the casinos in Leeds. The company has recently applied to split one of the premises and operate two casino licences side by side in the same building. The council, in its role as licensing authority, believes this is so that the company is able to offer more gaming machines in the one premises and this is borne out by their reluctance to install a floor to ceiling separation of the two premises. This demonstrates a continued interest by some casinos to increase the availability of gaming machines in their premises.

In past years there has been an increase in betting shops on the high street, specifically in deprived areas. As the licensing authority is unable to take into consideration the need for more betting premises in an area, it is unable to control this clustering through the licensing regime. Although a relaxation on the number of machines in betting shops would reduce the need for more betting shops, it does not resolve the issue of availability of gaming facilities in our most deprived areas. This is of particular concern as there is significant evidence to suggest that people on reduced incomes and who live in the most deprived areas are more likely to experience problems with their gambling.

As referred to in the Foreword to this consultation by the Minister for Sport, Tourism and Heritage, the problem gambling rate across the country is less than 1%. Recent research undertaken by Leeds Beckett University on behalf of Leeds City Council provided further analysis of the available national surveys and has found that gambling behaviour and problem gambling are not equally distributed across the country.

New analysis presented in the Leeds study found that problem gambling rates vary among people living in different types of area in England. For example, a combined analysis of the British Gambling Prevalence Survey (2010) and the Health Survey for England (2012) found that problem gambling rates varied from 0.3% for those living rural areas to 1.3% in Major Urban areas. Specifically the analysis highlighted that those living in more northern areas (and London), major urban areas, urban areas which are more densely populated, English metropolitan districts and London boroughs, those living in wards classified as industrial, traditional manufacturing, prosperous or multicultural are more likely to have higher rates of problem gambling. This evidence suggests that the government should look to limit the distribution of gaming machines within high risk areas, and in locations where higher levels of at risk groups reside.

Social responsibility measures

Q5. What has been the impact of social responsibility measures since 2013, especially on vulnerable consumers and communities with high levels of deprivation? Please provide evidence to support this position.

This is difficult for the council to comment on, as the figures around player behaviour are not made available to them. This matter may be better commented on by the Gambling Commission, the campaigning groups and the industry.

However the council is invested in providing support and advice to vulnerable consumers and communities through its funding of advice and addiction services. The council's research into problem gambling has

shown us that problem gambling is a hidden addiction. For example Citizens Advice provided the following comment to researchers:

“It’s a hidden problem ... only a handful [clients] open up to gambling cost. Most go to lengths to avoid it; they will tell you about what’s spent on cigarettes or in the pub but not gambling beyond the odd scratch card. We see [there is] real shame associated with gambling debt when it gets to these [acute] situations ... and you cannot help someone with something they are not prepared to put on the table”.

Unless debt advice and addiction services are specifically asking about problem gambling as a cause for debt it will be difficult to judge the impact of social responsibility measures through any other method than through player behaviour and self-referral. However services are careful to take a non-judgemental approach in their work with clients. While seeking debt advice may be an opportunity to help someone start to address a gambling problem, to enquire too closely about gambling issues may create barriers that would deter some from seeking further advice.

This goes some way to explain why it is difficult to ascertain a benchmark on the impact of gambling on the wider community, and subsequent improvements following measures, by directly canvassing people with debt issues.

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

Leeds City Council has commissioned research into problem gambling in Leeds. Part of this research included qualitative surveys with problem gamblers. These surveys specifically looked at measures and their impact on problem gamblers. The research found that some gamblers felt that more could be done locally and nationally to improve support for gamblers, including:

- more intensive or accessible Gamble Responsibly notification in venues and online,
- notifications and advice sheets in different languages,
- 24 hour free help-lines,
- television advertisements about the downsides of gambling,
- machine and online ‘pop-ups’ for time and money spent,
- a more robust self-exclusion mechanism which accommodated all AGCs and casinos (betting shops were not mentioned) so that a single branch exclusion affected all premises.
- more flexible approach to treatment, counselling and aftercare would better support those with more intensive needs

We also believe that the industry should be encouraged to better engage at the local level. Local area risk profiles and assessments, when conducted properly, have the benefit of focussing the gaming industry on the potential risks of their activities on the local area. However, in order to take this from mere recognition to action, the industry should be strongly encouraged to better engage with the local authority and local partners to actively address any negative impact their operations may be causing.

In Leeds, as part of the legal requirements which went alongside the granting of a large casino licence, a number of measures were stipulated to ensure that continued monitoring, management and mitigation of any social or health impact of the large casino. One of these measures includes establishing a Responsible Gambling Forum, led by the operator (with an independent Chair) and including a range of local partners including the local authority, health practitioners, support and advice organisations, the Police and faith representatives, although will not include any other industry representatives.

Ideally there should be an obligation for this type of forum to be set up in local areas with operators from all sectors of the gaming industry. This would facilitate increased understanding of the issue of problem gambling and gambling related harm, and also better understanding amongst local agencies of the measures being undertaken by the industry to mitigate harm.

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?

The council does not gather evidence on this matter, as advertising itself is control by the Advertising Standards Agency and the Gambling Commission through their respective codes of practice. However the research commissioned by the council quotes the following:

‘Oaks et al (2012) conducted qualitative interviews with problem gamblers to examine their reasons for ‘relapse’. Along with negative states and emotions, financial difficulties and boredom, environmental triggers such as gambling accessibility and visual gambling cues (ranging from advertising to the venues themselves) were highlighted as factors which push people towards ‘relapse’. ‘

In the city centre, Licensing Enforcement Officers have dealt with complaints about betting office staff handing out cards on the street offering free play to passers-by. That, along with bus stop and other hoarding advertising in deprived areas must impact on the normalisation of gambling.

The Advertising Standards Authority and Gambling Code of Practice do not appear to have set guidance on the distance a gambling poster or billboard can be in proximity to a vulnerable site. Gambling advertising rules are designed to ensure that marketing communications for gambling products are socially responsible, with particular regard to the need to protect children, young persons under 18 and other vulnerable persons from being harmed or exploited by advertising that features or promotes gambling. However there is no specific guidance on how close marketing materials can be in proximity to vulnerable sites.

Recently the council created a mapping tool to assist its large casino with their marketing campaigns. The casino wanted to advertise on bus shelters across the city but needed to ensure the most deprived areas and vulnerable client groups were not targeted.

In organising this mapping tool, the council created a list of potential areas that would be accessed by vulnerable groups and have asked the casino operators to consider not advertising their establishment on bus shelters that are located within 100m of these sites.

On trying to agree a suitable distance, the council established the 100m distance from desktop research which revealed advertising site owners such as JC Decaux have a policy not to run gambling adverts within 50m of a school and operators such as Ladbrokes have a policy not to advertise within 100m of a school. However there is no consistent or standard distance to adhere to.

In order to protect those most vulnerable or susceptible to gambling related harm Leeds City Council took specific themes and mapped them for the casino operator to take into consideration. In order for the casino to not target their marketing campaigns to those under 18, all Universities, schools, colleges and early year centres were mapped across Leeds.

Leeds City Council highlighted on the map the most deprived areas on the map. The Council also highlighted areas with the highest Jobseeker Allowance Rates and asked the casino to be aware of vulnerable groups within these areas.

The council defined vulnerable groups as those who access supported accommodation and food banks. The groups include the homeless, young people, offenders, those with mental health conditions, those recovering from drug and alcohol addictions and older people. Data on the locations of vulnerable groups is highly sensitive and cannot be mapped. Therefore bus shelters that were located within 100 metres of such locations were highlighted instead. The Casino was then advised to avoid bus shelters that were labelled as ‘Restriction Zone Bus Shelters’.

In addition television advertising is directed at people who play online. This is a huge area of growth in the UK market, and one that is relatively hidden from licensing authorities and councils as it is licensed and controlled nationally. Recent statistics published by the Gambling Commission state that online play is now the largest growing sector.

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?

Councils are not provided access to player behaviour statistics or the evaluation of such statistics, however there are increasing calls for local authorities to control local betting offices and casinos. It is difficult to prove the impact gaming machines have on vulnerable people and the wider community because it is under reported by those people seeking debt or addiction advice, even though we know it must be a major cause. Gambling is seen as a shameful activity and to lose on the machines even more so. Full transparency over the amount people are betting and losing at betting offices and the industry working with local services must be the way forward to identify betting premises that are causing harm to the people that live near to them.

Councils are working hard to provide support and advice on debt and poverty issues but without all the facts it is hard to be targeted in our approach. This, along with shrinking budgets and the scaling back of public services, means the future is bleak for people who are seeking advice.

See also the response to Q6.

Contact details

Entertainment Licensing
Leeds City Council
Civic Hall
Leeds LS1 1UR

Phone:
Fax:
Website:
Email:


www.leeds.gov.uk/licensing
