

Responses Received to the Gambling Policy Consultation 2013 undertaken between 16/01/13 – 10/04/13

Date Received	Comment	Name of Organisation
21/01/13	<p><u>Introduction</u> 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>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, a bookmaker 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>	Fairer Gambling Organisation

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.

Extension of opening hours

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 FOBT gambling and increased consequential addiction, harm and crime.

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.

Crime and disorder in betting shop vicinity

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.

Primary use of the betting shop

By virtually every factor the primary use of the LBO is FOBT gaming not OTC betting.

	<u>OTC Betting</u>	<u>FOBT Gaming</u>
Gross gaming yield	50%	50%
Turnover	20%	80%
Transactions	20%	80%
Wagers	5%	95%

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%.

The turnover ratios are obtainable from bookmakers' annual accounts. The transactions estimate is based on a

	<p>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: <i>“[FOBTs] rely on players repeatedly re-staking their winnings.”</i> 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> <p><u>Key to abbreviations</u> Fixed Odds Betting Terminals (FOBTs), Licensed Betting Shops (LBOs) over-the-counter (OTC) Local Authorities (LAs) Gambling Commission (GC) Machine Game Duty (MGD) Amusement Machine Licensing Duty (AMLD)</p>	
22/01/13	The Policy appears to fit the bill – I would seek no further amendments.	West Mercia Police
20/03/13	<p>NB The numbers referred to are the paragraphs in the consultation copy of the policy statement.</p> <p>1.1 Remove “just” from third line.</p> <p>1.5 – second bullet point, first line – there’s an extra “to” that needs to be deleted</p> <p>1.6 – should we include the Strategic Licensing Committee in the list</p> <p>1.9 – remove “all of the area licensing offices” and replace with “the main Council offices in Shrewsbury, Oswestry, Wem, Bridgnorth, and Ludlow”; are we doing the libraries or not?</p> <p>1.10 – Refer to Public Protection – remove the word “Team”</p>	Safer and Stronger Communities, Public Protection

<p>1.11 – Remove “It should be noted”. Leave it as “This policy statement will not</p> <p>2.2 – Not entirely sure what this adds, but if we’re going to retain it again don’t feel the need to say “It should be noted” at the start of the sentence.</p> <p>2.3 – Re-word as - “In line with Section 153, the Licensing Authority is aware that when making decisions concerning</p> <p>2.3- Third bullet point “In accordance with the authority’s Policy Statement” and add a fourth point “And ensuring that decisions are reasonably consistent with the licensing objectives.”</p> <p>5.8 – 4th line – there’s an extra “as” that needs to be deleted and add a comma after 2005 in 5th line.</p> <p>5.10 – “..... If there are any doubts individuals are advised to contact Public Protection for clarification.”</p> <p>Enforcement – I don’t think we are sufficiently clear about principles to be applied re our powers under S.346. I can see what we’re getting at but suggest an additional paragraph is added that states “In respect of the Licencing Authority’s power to institute criminal proceedings in respect of the offences specified in Section 346, the Licensing Authority will follow the Authority’s guidelines laid down in its Better Regulation and Enforcement Policy, or equivalent policy document.”</p> <p>7.8 – “.....request to Public Protection or on line at</p> <p>8.2 – Remove “It should be noted” and state “ Local Licensing Authorities will not, in any way, be involved in licensing remote gambling. (remove “at all”) This will”</p> <p>9.2 – Make the order of the list the same as in 2.3 and make words consistent.</p> <p>9.3 – “Moral objections to gambling are not a valid reason to reject applications for premises licences as detailed in the Gambling Commission’s guidance for local authorities. In addition, unmet demand is not a criterion for a licensing authority to consider. The licensing authority will not, therefore, accept objections where they are based on moral or unmet demand grounds.”</p>	
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<p>9.4 – 5th line – there’s an extra “be” at the end of the line.</p> <p>9.6 – Remove “It should be noted that” and state “An applicant</p> <p>9.17 – no need for children to have a capital C.</p> <p>9.24 – Remove “It is noted that” and state “There are conditions that the licensing authority are not permitted to attach to premises licences, which are;..... Consequently, this licensing authority will not attach such conditions.”</p> <p>19.1 – where a “premises” (not premise). No need for “It should be noted that”; just state “The applicant must show...”</p> <p>19.2 & 19.3 – I understand what the Commission’s guidance is but are we saying we do what the Commission’s guidance says?; it’s unclear to me exactly what our position is in respect of these particular permits. Can it be re-worded?</p> <p>19.4 – “ This licensing authority is not permitted to attach conditions to this type of permit and consequently will not do so.”</p> <p>22 & 23 – What’s our position? It’s implied that our position is the same as the Gambling Commission’s guidance, but we don’t state this explicitly. Can we add something in that make our position clear.</p> <p>24.3 Don’t need the “It should be noted that”; “The licensing authority cannot allow betting operators to provide gaming machines at tracks by virtue of an occasional use notice as this is not permitted. Gaming machines may be made</p> <p>General comment – Can we decide whether licensing authority does/does not need capital letters and then be consistent. I don’t mind which it is, but not being inconsistent looks poor.</p> <p>Comment Received from Public Protection</p> <p>Please can all references to Statement of Principles be changed to read Gambling Policy Statement</p>	
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<p>18/02/13</p>	<p>NB The numbers referred to are the paragraphs in the consultation copy of the policy statement.</p> <p>1.1 Shropshire Council is the Licensing Authority under the Gambling Act 2005 for the county of Shropshire excluding Telford and Wrekin. Shropshire is a diverse, large, predominantly rural, inland county, situated in the West Midlands. With a population of just 293,400 and at only 0.92 persons per hectare or 237.7 persons per square mile, compared to a national figure of 4.0 persons per ha, or 1,037.3 persons per square mile the County is one of the most sparsely populated . The total area of Shropshire is 319,736 hectares, or 1,235 square miles .Shropshire sits on the far western edge of the West Midlands region and borders Wales and the North West region. Deleted this sentence as the data does not appear to have been updated since 2007 and does not reflect all of the new unitary authorities.</p> <p>1.2 The map and supporting information attached to the policy shows the overall deprivation in Shropshire. The highest concentration of deprivations are visible mainly within the urban areas.</p> <p>1.7 The consultation took place between 16th January 2013 and 10th April 2013 and followed the Code of Practice on Consultation published in 2008 by the Better Regulation Executive.</p> <p>1.12 In determining the Policy, the Licensing Authority had regard to guidance issued under the Gambling Act 2005 and gave appropriate weight to the views of those it consulted. In determining what weight to give particular representations, the factors taken into account were:</p> <ul style="list-style-type: none"> • Who made the representation (their expertise or interest) • Relevance of the factors to the licensing objectives • How many people expressed the same or similar views • How far the representations related to matters that the licensing authority should be including in its policy statement <p>2.3 This Licensing Authority is aware that, as per Section 153, in making decisions about premises licences and temporary use notices it should aim to permit the use of premises for gambling in so far as it thinks fit:</p> <ul style="list-style-type: none"> • In accordance with any relevant Code of Practice issued by the Gambling Commission under Section 24 of the Act 	<p>Licensing, Public Protection</p>
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	<ul style="list-style-type: none"> • In accordance with any relevant guidance issued by the Gambling Commission under Section 25 of the Act <p>Reasonably consistent with the licensing objectives and in accordance with the authority's Statement of Principles and Policy</p> <p>3.1 In producing this statement of principles and policy, the Licensing Authority declares that it has had regard to the licensing objectives of the Gambling Act 2005, the guidance issued by the Gambling Commission, and any responses from those consulted on the statement of principles and policy.</p> <p>5.6 Each case will be decided upon its merits. This Authority will not apply a rigid rule to its decision-making. It will consider the examples of considerations provided in the Gambling Commission's Guidance to local authorities, issued in September 2012. It will also consider the Gambling Commission's Guidance that "business interests" should be given the widest possible interpretation and includes partnerships, charities, faith groups and medical practices.</p> <p>7.2 This Licensing Authority's principles are that:</p> <p>It will be guided by the Gambling Commission's Guidance for Local Authorities and adopt the principles of better regulation. This Authority will endeavour to be:</p> <p>9.1 Premises Licences will be subject to the permissions/restrictions set-out in the Gambling Act 2005 and any subsequent regulations. Licensing Authorities are able to exclude default conditions and also attach others, where it is believed to be appropriate.</p> <p>9.4 Definition of "premises" - Premises is defined in the Act as "any place". Section 152 prevents more than one premises licence applying to any place. However, it is possible for a single building to be subject to more than one premises licence, provided they are for different parts of the building and the different parts of the building can be reasonably be regarded as being different premises. Whether different parts of a building can properly be regarded as being separate premises will always be a question of fact in the circumstances. However, the Gambling Commission does not consider that areas of a building that are artificially or temporarily separate can be properly regarded as different premises.</p> <p>9.5 This Licensing Authority takes particular note of the Gambling Commission's Guidance for local authorities which states that:</p> <ul style="list-style-type: none"> •Licensing Authorities should take particular care in considering applications for multiple premises licences for a building and those relating to a discrete part of a building used for other (non-gambling) 	
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purposes. In particular they should be aware of the following:

- The third licensing objective seeks to protect children from being harmed by gambling. In practice that means not only preventing them from taking part in gambling, but also preventing them from being in close proximity to gambling. Therefore premises should be configured so that children are not invited to participate in, have accidental access to, or closely observe gambling where they are prohibited from participating.

- Entrances and exits from parts of a building covered by more than one premises licences should be separate and identifiable so that the separation of different premises is not compromised and people do not 'drift' into a gambling area. In this context it should normally be possible to access the premises without going through another licensed premises or premises with a permit

- Customers should be able to participate in the activity named on the premises licence.

9.8 Should any specific policy be decided upon as regards areas where gambling premises should not be located, this policy statement will be updated. This licensing authority will consider very carefully whether applications for premises licences in respect of certain gambling premises located very close to a school or a centre for gambling addicts should be granted in light of the third licensing objective. It should be noted that any such policy does not preclude any application being made and each application will be decided on its merits, with the onus upon the applicant showing how the concerns can be overcome.

9.17 It should be noted that Children (defined in the Act as under 16s) and young persons (16-17) may take part in private and non-commercial betting and gaming, but the Act contains a number of restrictions on the circumstances in which they may participate in gambling or be on premises where gambling is taking place. An adult is defined as 18 or over. In summary:

- Casinos cannot admit anyone under 18 and Regional Casinos will not be allowed to permit under 18s into the gambling area.
- Betting Shops cannot admit anyone under 18
- Bingo Clubs may admit those under 18 but must have policies to ensure that they do not gamble, except on Category D machines
- Adult Entertainment Centres cannot admit anyone under 18
- Family Entertainment Centres and premises with a liquor licence (i.e. pubs) can admit under 18's and whilst there is no minimum age for players of Category D machines, the holder of

	<p>any permit or premises licence has to comply with the codes of practice issued by the Gambling Commission on the location of and access to gaming machines by children and young persons.</p> <ul style="list-style-type: none"> • Horse and Dog Tracks can admit under 18s and they may have access to gambling areas on race days only. Tracks will be required to have policies to ensure that under 18s do not participate in gambling and whilst there is no minimum age for players of Category D machines, the holder of any permit or premises licence has to comply with the codes of practice issued by the Gambling Commission on the location of and access to gaming machines by children and young persons. <p>9.26 For premises other than casinos and bingo premises, operators and licensing authorities may decide that supervision of entrances/machines is appropriate for particular cases. Section 178 of the Gambling Act 2005 sets out a definition of “door supervisor”, and provides that where a person in such a role is required to hold a licence issued by the Security Industry Authority (SIA), that requirement will have force as though it were a condition on the premises licence.</p> <p>13.1 This licensing authority notes that the Gambling Commission’s Guidance states: “Children and young people are allowed into bingo premises; however they are not permitted to participate in the bingo and if category B and C machines are made available for use, these must be separated from areas where children and young people are allowed.</p> <p>13.3 Section 172(7) provides that the holder of a bingo premise licence may make available for use a number of category B machines not exceeding 20% of the total number of gaming machines which are available for use on the premises. Premises in existence before 13 July 2011 are entitled to make available eight Category B machines, or 20% of the total number of gaming machines, whichever is the greater. The holder of bingo premises licence granted on or after 13 July 2011 but before 1 April 2014 is entitled to make available a maximum of eight category B machines or 20% of the total number of gaming machines, whichever is the greater; from 1 April 2014 these premises will be entitled to 20% of the total number of gaming machines only. Regulations state that category B machines at bingo premises should be restricted to sub-category B3 and B4 machines and not B3A lottery machines.</p> <p>15.5 Gaming machines.- The Licensing Authority will follow guidance from the Gambling Commission as to where such machines may be located on tracks and any special considerations that should apply in relation, for example, to supervision of the machines and preventing children from playing them. This licensing authority notes the Commission's</p>	
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	<p>Guidance that licensing authorities therefore need to consider the location of gaming machines at tracks, and applications for track premises licences will need to demonstrate that, where the applicant holds a pool betting operating licence and is going to use his entitlement to four gaming machines, these machines are located in areas from which children are excluded.</p> <p>19.3 The Guidance also states: “An application for a permit may be granted only if the licensing authority is satisfied that the premises will be used as an unlicensed FEC (Family Entertainment Centre), and if the chief officer of police has been consulted on the application. This authority will consider asking applicants to demonstrate:</p> <ul style="list-style-type: none"> • A full understanding of the maximum stakes and prizes of the gambling that is permissible in unlicensed FECs; • That the applicant has no relevant convictions (those that are set out in Schedule 7 of the Act) by providing a Criminal Records Check at enhanced level from the Disclosure and Barring Service that is no more than three months old; <p>20.1 There is provision in the Act for premises licensed to sell alcohol for consumption on the premises, to automatically have 2 gaming machines, of categories C and/or D. This application can only be made by/or on behalf of the holder of the premise licence under the Licensing Act 2003. The premises merely need to notify the licensing authority. If the person ceases to be the holder of the on licence for the sale of alcohol, the automatic entitlement to the two gaming machines will also cease. The licensing authority can remove the automatic authorisation in respect of any particular premises if:</p> <ul style="list-style-type: none"> • Provision of the machines is not reasonably consistent with the pursuit of the licensing objectives; • Gaming has taken place on the premises that breaches a condition of section 282 of the Gambling Act (for example, the gaming machines have been made available in a way that does not comply with the requirements on the location and operation of gaming machines) <p>22.1 Members Clubs and Miners’ welfare institutes (but not Commercial Clubs) may apply for a Club Gaming Permit or a Club Gaming machines permit. The Club Gaming Permit will enable the premises to provide no more than three gaming machines (3 machines of categories B3A, B4 C or D but only one B3A machine can be sited as part of this entitlement), equal chance gaming and games of chance as set out in on the Gambling Commission’s website – www.gamblingcommission.gov.uk. A Club</p>	
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Gaming machine permit will enable the premises to provide no more than three gaming machines (3 machines of categories B3A, B4, C or D but only one B3A machine can be sited as part of this entitlement).

22.5 Section 273 sets out the conditions that will apply to the club machine permit, including that in respect of gaming machines no child or young person uses a category B or C machine on the premises and that the holder complies with any relevant provision of a code of practice about the location and operation of gaming machines. It should be noted that clubs do not have to have permanent premises or an alcohol licence.

23.1 Part 9 of the Gambling Act sets out the position in relation to temporary use notices. These allow the use of premises for gambling where there is no premises licence but where a gambling operator wishes to use the premises temporarily for providing facilities for gambling. Premises that might be suitable for a temporary use notice include hotels, conference centres and sporting venues. There are a number of statutory limits as regards Temporary Use Notices. Gambling Commission Guidance is noted that "The meaning of "premises" in part 8 of the Act is discussed in point 9.4 of this guidance.

23.2 A temporary use notice may only be granted to a person or company holding a relevant operating licence, in effect a non-remote casino operating licence. Regulations state that temporary use notices may only be used to permit the provision of facilities for equal chance gaming, where the gaming is intended to produce a single overall winner. There can, however, be more than one competition with a single winner held at the individual event covered by a specific temporary event notice.

24.3 It should be noted that betting operators cannot provide gaming machines at tracks by virtue of an occasional use notice. Gaming machines may be made available by betting operators and this is reliant on a betting premises licence, which refers to a specific licensed area, but does not enable the operator to site gaming machines outside of that area.

SUMMARY OF LICENSING AUTHORITY DELEGATIONS PERMITTED UNDER THE GAMBLING ACT

Matter to be dealt with	Full Council	Sub-Committee of Licensing	Officers
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APPENDIX 2

		Committee		
<u>Final approval of three year licensing policy</u>	X			
<u>Policy not to permit casinos</u>	X			
<u>Fee setting</u> (When appropriate)		X (if delegated by full council)		
<u>Application for</u> Premises Licences		Where representations have been received and not withdrawn	Where no representations received/ representations have been withdrawn	
<u>Application for a</u> Variation to a licence		Where representations have been received and not withdrawn	Where no representations received/ representations have been withdrawn	
<u>Application for a</u> Transfer of a licence		Where representations have been received from the Commission or responsible authority	Where no representations received from the Commission or responsible authority.	
<u>Application for a</u> Provisional statement		Where representations have been received and not withdrawn	Where no representations received/ representations have been withdrawn	
<u>Review of a premises licence</u>		X		
<u>Application for</u> Club gaming/ club machine permits		Where objections have been made (and not withdrawn)	Where no objections made/objections have been withdrawn	
<u>Cancellation of</u> Club gaming/ club machine permits		X		

APPENDIX 2

	<u>Application for</u> Other permits			X		
	<u>Cancellation of</u> Licensed premises gaming machine permits			X		
	<u>Consideration of</u> Temporary use notice			X		
	<u>Decision to</u> Give a counter notice to a temporary use notice		X			