

## 2021 North Devon Council Response to the Gambling Act Statement of Principles Consultation

Q Proposed amendment (Section 2): To add a disclaimer indicating that the document is based upon the Gambling Commission's Guidance (01 April 2021), subject to change in accordance with legislation

Response given:

No issues

Q Proposed amendment (Part A Section 3): Update numbers of currently licensed establishments and other statistics in the 'Geographical Area' section.

Response given:

Agree, this is important.

Q Proposed amendment (Section 6): Update the section 'The Over-Riding Principle' in line with current Gambling Commission Guidance.

Response given:

No issues, but councils should ensure that they carefully consider the Commission's Guidance and be prepared to challenge change or existing processes.

Q Proposed amendment (Section 15): Update the section 'General points regarding Gaming Machines' to specify that local risk assessments must be provided on a variation application.

Response given:

Agree, this is important.

Q Proposed amendment (Part B - Premises Licenses) (NOTE: Figures 1 and 2 of Section 1.6). Re-word definition of 'premises' with inclusion of diagrams to provide information on buildings divided into more than one premises.

Response given:

Agree, operators must ensure that any changes made to layouts take into account the provisions of the Social Responsibility Codes. This is often overlooked.

Q Proposed amendment (Section 5): To ensure that the external appearance of all premises, providing bingo facilities, are clearly identifiable by the customer.

Response given:

Agree, but I've never witnessed any issues with bingo premises not clearly advertising that they are a bingo premises. However, if operators should ensure that if they have adjoining gambling licensed premises that customers are aware that the premises are separate.

Q Proposed amendment (Part C - Section 1): Unlicensed Family Entertainment Centres (UFECs):

- a) Formatting error: To highlight that the expectations apply to both applicants and existing premises
- b) Encourage premises to sign up to the British Amusement Catering Trade Association (BACTA) Voluntary Code
- c) Add Expectations on Compliance Inspections (for which premises will already be aware of)

Response given:

Agree with all of these. It is good practice for operators to be made aware of the format of Compliance Inspections to ensure that their policies, procedures and Risk assessments are in line with the LCCP.

Q Proposed amendment (Part C section 2): Automatic entitlement of two machines:

- a) Provision of three or more machines in alcohol licensed premises by way of a permit.
- b) Text to be added to highlight that we expect compliance with the Gambling Commission's Code of Practice for Machines in Pubs.
- c) Expectation surrounding compliance with the Gambling Commission's Code of Practice on Equal Chance Gaming in Clubs and Premises is echoed.
- d) Consultation with the Police and Gambling Commission is a new addition for three or more machines and the information expected to be provided.

Response given:

Agreed.

If there is anything else you think should be added or amended please tell us about this:

Response given:

Operators often complain that compliance assessments are inconsistent so it is vitally important that (a) operators are aware of and understand the format and purpose of Compliance assessments and (b) council officials follow the correct format for assessments previously advised to operators.

# GOSSCHALKS

BY EMAIL ONLY  
Licensing Department  
North Devon Council

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Date: 09 September 2021

Dear Sirs,

## **Re: Gambling Act 2005 Policy Statement Consultation**

We act for the Betting and Gaming Council (BGC) and are instructed to respond on behalf of the BGC to your consultation on the review of your Gambling Act 2005 Statement of Principles.

### **The Betting and Gaming Council**

The Betting and Gaming Council (BGC) was created in 2019 as the new standards body for the UK's regulated betting and gaming industry. This includes betting shops, online betting and gaming businesses, bingo and casinos. Its mission is to champion industry standards in betting and gaming to ensure an enjoyable, fair and safe betting and gaming experience for all of its members' customers.

BGC members support 119,000 jobs and account for £4.5 billion to the Treasury annually in tax. Recent study also showed that BGC members contributed around £7.7 billion in gross value added to the UK economy in 2019.

The gambling industry is integral to the survival of sport. Betting companies spend over £40 million a year on the English Football League (EFL) and its clubs. Horse racing, an industry estimated to be worth £3.5 billion a year to the UK economy and which generates 85,000 jobs receives over £350 million per annum through the Horse Racing Industry Levy, media rights and sponsorship. Darts and Snooker receive in excess of £10 million per annum which represents 90 % of all sponsorship revenue.

The BGC has four principal objectives. These are to –

- **create a culture of safer gambling throughout the betting and gaming sector, with particular focus on young people and those who are vulnerable**
- **ensure future changes to the regulatory regime are considered, proportionate and balanced**
- **become respected as valuable, responsible and engaged members of the communities in which its members operate**

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- **safeguard and empower the customer as the key to a thriving UK betting and gaming industry**

Before we comment on your draft policy document, it is important that the backdrop against which the comments are made is established.

### **Betting and Gaming in the UK**

Betting and gaming is an incredibly important part of the UK leisure and hospitality industry, employing over 70,000 people, including 50,000 in betting, 13,000 in casinos and 10,000 people directly employed online. The betting and gaming industry contributes £8.7 billion Gross Value Added to the UK economy & contributes £3.2 billion to HM Treasury. In addition, casinos contribute over £120 million to the tourism economy each year.

Betting and gaming is widely enjoyed in the UK. Around 30 million people participate in some sort of gambling, whether that is on the National Lottery, placing a bet in betting shops, playing in casinos or at bingo. The overwhelming majority of these people do so safely without reporting any problems.

Any consideration of gambling licensing at the local level should also be considered within the wider context.

- the overall number of betting shops is in decline. The latest Gambling Commission industry statistics show that the number of betting offices (as of March 2020) was 7681. This is reducing every year and has fallen from a figure of 9137 in March 2014. Covid 19 had a devastating effect on the betting industry. The number of betting offices in June 2020 was down to 6461.
- planning law changes introduced in April 2015 have increased the ability of licensing authorities to review applications for new premises, as all new betting shops must now apply for planning permission.
- In April 2019 a maximum stake of £2 was applied to the operation of fixed odds betting terminals
- successive prevalence surveys and health surveys tells us that problem gambling rates in the UK are stable and possibly falling.

### **Problem Gambling**

Problem gambling rates are static or possibly falling. The reported rate of 'problem gambling' (according to either the DSM-IV or the PGSI) was 0.8% of the adult population in 2015, in 2016 it was 0.7% and in 2018 it was 0.5% of the adult population.

This is termed statistically stable but is encouraging that we might finally be seeing a reduction in problem gambling due to the raft of measures that have been put in place recently both by the industry, the Gambling Commission and the Government – from a ban on credit cards, restrictions to VIP accounts, new age and identity verification measures and voluntary restrictions on



advertising. These rates have remained broadly the same since the introduction of the Gambling Act 2005.

Whilst one problem gambler is too many, both the Government and regulator both say there is no evidence that problem gambling has increased in recent years.

During the Covid-19 period of lockdown, both the Gambling Commission and Government have acknowledged that problem gambling levels have not increased.

In June 2020, the BGC's five largest members committed to increasing the amount they spend on research, education and treatment (RET) services from 0.1 per cent to 0.25 per cent of their annual revenue in 2020, 0.5 per cent in 2021, 0.75 per cent in 2022 and 1 per cent in 2023. The five operators confirmed they will provide £100 million to GambleAware charity to improve treatment services for problem gamblers.

Rates of 'problem gambling' in the UK are low by international standards – compared to France (1.3%), Germany (1.2%), Sweden (2.2%) and Italy (1.27%).

The BGC supported the creation of the new NHS gambling treatment clinics who have promised 22 clinics, 3 of which are open now. We are pleased that the NHS have committed to work to increase the number of clinics in the UK in addition to existing services delivered by Gordon Moody Association and GamCare's 120 treatment centres located throughout the UK.

The BGC welcomes the Gambling Commission's National Strategy as a way of accelerating progress on responsible gambling and tackling problem gambling. Our members are fully committed to meeting this challenge and are working tirelessly to deliver new responsible gambling initiatives including technology that tackles problem gambling and supporting a statutory levy and increased funding for problem gambling clinics.

Underage participating by those aged 11-16 in any gambling activity has declined from 22% to 11% over the past decade; here, 'gambling activity' mainly relates to personal betting (e.g. playing cards with friends) and legal play of lotteries (e.g. participating with consent of parents / guardians). BGC members have a zero tolerance to those under the age of 18 attempting to use their products.

### **Working in partnership with local authorities**

The BGC is fully committed to ensuring constructive working relationships exist between betting operators and licensing authorities, and that where problems may arise that they can be dealt with in partnership. The exchange of clear information between councils and betting operators is a key part of this and the opportunity to respond to this consultation is welcomed.

### **Differentiation between Licensing Act 2003 and Gambling Act 2005 applications**

When considering applications for premises licences, it is important that a clear distinction is made between the regimes, processes and procedures established by Gambling Act 2005 and its regulations and those that are usually more familiar to licensing authorities – the regimes, processes and procedures relating to Licensing Act 2003.

Whilst Licensing Act 2003 applications require applicants to specify steps to be taken to promote the licensing objectives, those steps being then converted into premises licence conditions, there is no such requirement in Gambling Act 2005 applications where the LCCP provide a comprehensive package of conditions for all types of premises licence.

It should continue to be the case that additional conditions in Gambling Act 2005 premises licence applications are only imposed in exceptional circumstances where there are clear reasons for doing so. There are already mandatory and default conditions attached to any premises licence which will ensure operation that is consistent with the licensing objectives. In the vast majority of cases, these will not need to be supplemented by additional conditions.

The LCCP require that premises operate an age verification policy. The industry operates a policy called "Think 21". This policy is successful in preventing under-age gambling. Independent test purchasing carried out by operators and submitted to the Gambling Commission, shows that ID challenge rates are consistently around 85%.

When reviewing draft statements of principles in the past, we have seen statements of principles requiring the operation of Challenge 25. Unless there is clear evidence of a need to deviate from the industry standard then conditions requiring an alternative age verification policy should not be imposed.

The BGC is concerned that the imposition of additional licensing conditions could become commonplace if there are no clear requirements in the revised licensing policy statement as to the need for evidence. If additional licence conditions are more commonly applied this would increase variation across licensing authorities and create uncertainty amongst operators as to licensing requirements, over complicating the licensing process both for operators and local authorities

### **Considerations specific to the draft Gambling Act 2005 Statement of Principles**

On behalf of the BGC we welcome paragraph 6 of Part A which recognises that the overriding principle when exercising its functions under the act is that the licensing authority will aim to permit the use of premises for gambling.

Paragraph 14.9 contains a long list of examples of matters that the authority expects to be taken into account when an operator is undertaking its risk assessment. This list is unnecessary. Everything in the list is part of the urban landscape and would all be identified in an applicant's local area risk assessment which would then outline mitigation measures to address any risks. It is important that the statement of policy recognises that the mere presence of these factors does not change the overriding principle that the authority will aim to permit the use of premises for gambling.

If this list of examples is to remain within the statement of policy then matters that have no relevance to any assessment of risk to the licensing objectives (for example issues of street drinking, youths participating in anti-social behaviour, drug dealing, graffiti/tagging etc) should be removed.

Paragraph 1.17 of part B refers to location of premises and refers to the possibility of a specific policy with regard to areas where gambling premises should not be located. Thereafter, it appears to create a rebuttable presumption of refusal akin to a Licensing Act 2003 cumulative impact area.



These references should be removed. Location will always be relevant in the context of whether a particular proposal is consistent with the licensing objectives. The potential policy referred to in the existing paragraph, however, is likely to be unlawful and is certainly contrary to the "aim to permit" principle (contained within s153 and described as the overriding principle in paragraph 6 of Part A) and therefore references to it and the rebuttable presumption which creates an onus on the applicant overcoming concerns should be removed.

### Conclusion

On behalf of the BGC, we thank you for the opportunity to comment on your draft statement of principles and hope that these comments above are useful. The BGC will work with you to ensure that its members' operation of its premises will operate in accordance with the licensing objectives.

Yours faithfully,



**GOSSCHALKS LLP**

