

Reading Borough Council

Summary of Responses to the Proposed Statement of Gambling Licensing Principles Consultation

Name of Respondent	Gosschalks LLP obo The Betting and Gaming Council
<p>Comments and Recommendations from Respondent:</p> <p>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.</p> <p><u>The Betting and Gaming Council</u></p> <p>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.</p> <p>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. London's casinos alone contribute over £120 million to the tourism economy each year.</p> <p>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.</p> <p>The BGC has four objectives. These are to -</p> <ul style="list-style-type: none"> • 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 • safeguard and empower the customer as the key to a thriving UK betting and gaming industry <p>Before we comment on your draft policy document, it is important that the backdrop against which the comments are made is established.</p>	

Betting and Gaming in the UK

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.

This consultation comes at a time when many BGC members with land-based premises are recovering from the devastating impact of the pandemic. Premises were closed for much of 2020 and throughout much of 2021. The casino sector, for example, was closed for over half of 2020 and for over half of 2021 (to date). The pandemic has put an enormous strain on the company balance sheets of casino operators.

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.

Figures published by the Gambling Commission in October 2021 show that the rate of problem gambling in the year to September 2021 was 0.3%, having fallen from 0.6% the previous year. The moderate risk rate has also decreased significantly to 0.7% in the year to September 2021 compared to 1.2% in the year to September 2020.

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 raft of measures that have been put in place recently both by the industry (in terms of protecting players from gambling-related harm), the Gambling

Commission and the Government (a ban on credit cards, restrictions to VIP accounts, new age and identity verification measures and voluntary restrictions on advertising) have contributed to problem gambling rates now being lower than they were at the passage of the 2005 Gambling Act.

Both the Gambling Commission and Government have acknowledged that problem gambling levels have not increased. It has reduced.

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.

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 also recognises 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 to deliver new responsible gambling initiatives including technology that tackles problem gambling and increased funding for problem gambling clinics.

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.

Working in partnership with local authorities

The BGC is fully committed to ensuring constructive working relationships exist between betting and gaming 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 and operators is a key part of this and the opportunity to respond to this consultation is welcomed.

Considerations specific to the draft statement of Gambling Licencing Principles January 2022.

We welcome the statement in paragraph 9.2 that the presumption upon application will be to grant the application without conditions and that conditions will only be considered where they are needed to take cognisance of the licensing objectives/LCCP/guidance. The final part of this paragraph, however, should be redrafted. This states that applicants are required to demonstrate how they will mitigate risks both within the local area risk assessment *“and the submission of conditions if deemed appropriate.”*

This suggestion that an applicant is to suggest its own conditions should be deleted. Whereas this is a fundamental part of the licensing process within applications under Licencing Act 2003, under Gambling Act 2005 there is no process, expectation or requirement for an applicant to “suggest conditions.”

Response from Licensing Authority:

Paragraph 9.2 of our draft policy states *‘It is required for applicants to demonstrate how they will mitigate the risks within their local area and this should be done via a local area risk assessment and the submission of conditions if deemed appropriate’*. The above comments have been considered and no change to the draft policy will be made because the section in bold, above, only

requires an applicant to propose conditions where they have identified that they are appropriate due to a particular risk that is not mitigated by any mandatory or default conditions.

All Gambling Act 2005 premises licences are subject to mandatory and default conditions which are designed to be, and usually are, sufficient to ensure operation which is reasonably consistent with the licensing objectives. The section headed 'General Principles' should be clear that additional conditions will only be imposed where there is clear evidence of a risk to the licensing objectives in the circumstances of a particular case which is not already adequately addressed by the policies, procedures and mitigation measures described in an applicant's risk assessment.

Response from Licensing Authority:

Following the comments above, paragraph 9.2 has been amended to confirm that mandatory and default conditions usually the only conditions required to be attached to a licence, however, in particular cases of risk to the licensing objectives, additional conditions will be attached to mitigate those risks.

It is important that the policies, procedures and mitigation measures to address risks identified by the risk assessment are dealt with via that document rather than by way of licence conditions as the risk assessment is a dynamic document which (in accordance with SR Code provision 10.1.2) must be reviewed if there is a significant change in local circumstances. As risks change or new risks are identified, the policies, procedures and mitigation measures to address those identified risks may be changed very quickly. However, if the mitigation measures are the subject of premises licence conditions, then an application for variation of the premises licence will be required to change those conditions. This could delay any change and would cause unnecessary expense and administration for both operators and the licensing authority.

The heading to section 10 refers to 'Primary Gambling Activity.' This is a term which is no longer used by the Gambling Commission and this heading (and indeed and the contexts of section 10 should be amended to reflect this).

The Gambling Commission now uses the term 'appropriate licensing environment' and section 10 needs to do no more than state the requirements of SR Code provision 9.1. This requires (in so far as betting premises are concerned) that gaming machines may be made available for use where there are also substantive facilities for non-remote betting provided and available in the premises.

Response from Licensing Authority:

Following the comments above, section 10 has been amended to remove an erroneous statement that the term 'Primary Gambling Activity' is used in the Gambling Commissions guidance and Licence Conditions and Code of Practice as this is no longer the case. We maintain, however, that the term remains in our policy as it is still an important principle, with the terminology being easy to understand.

11.1.2 ('Local area profile and local area risk assessment') indicates that applicants will be expected to demonstrate how their operations shall not exacerbate issues of anti-social behaviour in the locality or undermine the licensing objectives. This first sentence of this paragraph should be redrafted as that is not the requirement under Gambling Act 2005. An applicant is required to show how the proposed operation would be reasonably consistent with the licensing objectives and conduct a risk assessment to identify risks to the licensing objectives and state policies, procedures, mitigation measures to address those risks. It is not a requirement to show how an operation shall not exacerbate issues of anti-social behaviour. In any event, as recognised by paragraph 12.3, low level anti-social behaviour is an issue of nuisance which is not relevant to any consideration of risk to the licensing objectives under Gambling Act 2005. Accordingly, paragraph 11.1.2 should be redrafted.

Response from Licensing Authority:

Anti-social behaviour is not a licensing condition under the Gambling Act 2005, as it is under the Licensing Act 2003, however, we believe it is important for an applicant to recognise any anti-social behaviour problems in the locality of their proposed operation in order to not exacerbate the problem, especially if in the circumstances of any case public nuisance may be tantamount to crime and/or disorder, which is a licensing objective under the Gambling Act 2005.

Section 28 (relationships with planning polices) should also be redrafted. The final sentence indicates that applicants should have regard to the Reading Central Area action plan and the issue of clustering in relation to betting premises. The Gambling Act 2005 (s210) is clear that the licensing authority shall not have regard to whether a proposal by an applicant is likely to be permitted in accordance with the law relating to planning or building. On the basis that planning permission cannot be a consideration of the licensing authority when considering an application for grant of a gambling premises licence then there should be no reference to this within the policy. Accordingly, the final sentence of Section 28 should be deleted.

Response from Licensing Authority:

Section 28 recognises that matters of Building Control and Planning are dealt with separately to the Licensing function. This section merely advises applicants that they should regard other Reading Borough Council policies or strategies when applying for a licence. No decision of the Licensing authority will take regard of whether or not a proposal by the applicant is likely to be permitted in accordance with the law relating to Planning or Building Control.

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.

Name of Respondent	GamCare
<p>Comments and Recommendations from Respondent:</p> <p>Thank you for reaching out to GamCare with your local authorities new draft principles. This helps to ensure that gambling activity is conducted safely and with due diligence in your area</p> <p>Across the UK, 335,000 people are classed as problem gamblers and a further 2.5 million at risk across the UK. It's also estimated that there are 5 million people are affected by someone else's gambling. As a cross cutting social issue that impacts housing, homelessness, community safety and families, gambling is estimated to cost the UK £1.2bn per year. GamCare has services that can address the problems in your borough.</p> <p>As the leading provider of treatment, education, advice and support for anyone affected by problem gambling, GamCare is uniquely positioned to support local authorities by developing integrated and tailored strategies to address problem gambling in your area by providing:</p> <ul style="list-style-type: none"> • Increased accessibility to leading treatment services in your area • Bespoke guidance for Local Authorities • Ensuring the highest independent quality standards for gambling businesses with our Safer Gambling Standard • Targeted support to those most at risk from gambling harms • A range of training, consultancy, auditing and engagement services for both local authorities and the gambling industry <p>With representatives all around the UK, GamCare has the knowledge and expertise to work with and assist frontline services in your area to provide targeted support and assist with referrals.</p> <p>In January, we will be updating our offer for local authorities.</p> <p>For more detail on how we can support you, email: policy@gamcare.org.uk. You can also visit our website here: www.gamcare.org.uk</p> <p>Response from Licensing Authority:</p> <p>This response contains no recommendations.</p>	

Name of Respondent	GamCare
Comments and Recommendations from Respondent:	
<p>Thank you for consulting us on your draft Statement of Principles under the Gambling Act 2005.</p> <p>Due to resource constraints on a small charity, we are not able to offer specific feedback on your policy. However, you may find GambleAware's recently published interactive maps useful, which have been designed for use by local authorities. The maps show the prevalence of problem gambling severity in each local authority and ward area as well as usage of, and reported demand for, treatment and support for gambling harms.</p> <p>GambleAware also strongly commends two publications by the Local Government Association which set out the range of options available to local authorities to deal with gambling-related harms using existing powers:</p> <ul style="list-style-type: none"> • https://www.local.gov.uk/tackling-gambling-related-harm-whole-council-approach • https://www.local.gov.uk/gambling-regulation-councillor-handbook-england-and-wales <p>GambleAware is also fully supportive of local authorities which conduct an analysis to identify areas with increased levels of risk for any reason. In particular we support those who also include additional licence requirements to mitigate the increased level of risk. Areas where there are higher than average resident or visiting populations from groups we know to be vulnerable to gambling harms include children, the unemployed, the homeless, certain ethnic-minorities, lower socio-economic groups, those attending mental health (including gambling disorders) or substance addiction treatment services.</p> <p>Finally, GambleAware is a leading commissioner of prevention and treatment services for gambling harms. It provides these functions across England, Scotland and Wales and its work is underpinned by high quality research, data and evaluation. We encourage all local authorities to signpost people to the National Gambling Helpline on 0808 8020 133 and also www.begambleaware.org. Both are part of the National Gambling Treatment Service and offer free, confidential advice and support for those who may need it.</p>	
Response from Licensing Authority:	
<p>Following the comments above, we have added paragraph 11.1.6 which references that there is publicly available data and that we would expect applicants to take cognisance of this resource to assist in the creation of their local area risk assessment.</p>	