

BUSINESS SUPPORT OVERVIEW & SCRUTINY COMMITTEE

3 JULY 2014

UPDATE ON DISCUSSIONS WITH THE GAMBLING COMMISSION

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Summary

This report provides an update on discussions with the Gambling Commission and the attempts to start a Medway Responsible Gambling Partnership.

1. Budget and Policy Framework

1.1 Decisions about individual licensing applications are determined by sub-committees of the Licensing and Safety Committee, whilst Full Council has responsibility for the setting of strategic policy including the Statement of Gambling Policy (policy framework) and the Statement of Licensing Policy.

2. Background

2.1 This Committee received a report in June 2013 notifying them that the Council had met with the Gambling Commission on **31 January 2013** to discuss Fixed Odds Betting Terminals and concerns about the link with problem gambling.

2.2 Mr Burkitt of the Gambling Commission had explained the statutory role of his organisation in licensing individual betting and gaming operators and the linked role of the Council in licensing premises. Members established the limited ability the Council had to use any of its statutory powers to tackle the issues that concerned Members. On a more positive note the possibility of entering into some sort of voluntary code of conduct with betting and gaming operators in Medway was discussed.

2.3 Following that meeting invites were sent to the Association of British Bookmakers (ABB) and to the various betting and gaming operators in Medway to attend a meeting to discuss a voluntary code of conduct.

2.4 That meeting took place on **8 May 2013** at Gun Wharf again chaired by Councillor O'Brien with attendance from Councillors Maple and Juby and officer support. There were 15 representatives of the Medway Gaming &

Betting Industry and the ABB. A constructive discussion took place after a site visit to a local betting shop. There was agreement that both the trade and the Council had a responsibility to tackle problem gambling. There was agreement that the mechanism for capturing this shared agenda could be some form of written partnership agreement under the name the Medway Responsible Gambling Partnership (MRGP). Two versions of an agreement were circulated at the meeting. One version drafted by the Council and linking to the responsibilities the trade already have to watch out for problem gamblers and to take appropriate action. The other was drafted by the ABB who wished to focus on the positive impact that betting and gaming has in Medway in terms of jobs created and council tax contributions.

- 2.5 William Hill agreed to host the first meeting of the MRGP with a date to be fixed. In the meantime progress was to be made towards a single composite written agreement.
- 2.6 It was anticipated that the first meeting of the MRGP could take place in July 2013 to agree a composite partnership agreement and to agree steps to implement the agreement.
- 2.7 No such meeting has taken place. In September 2013 after a drop in levels of communication, the ABB issued their own Code of Responsible Gambling and Player Protection.
- 2.8 This is available on their website <http://www.abb.uk.com/news/abb-code-for-responsible-gambling-and-player-protection/>
- 2.9 This document contained some initiatives such as measures to improve “Self Exclusion” as a means to tackle problem gambling which had been discussed at our May meeting. In particular the concept that a gambler could self exclude from one brand of betting establishment but that such a self exclusion could be honoured by a competitor brand was included.
- 2.10 Attempts to convene the MRGP have not been successful despite assurances, with some late minute cancellations.

3. Options

- 3.1 Members have considered other options and have looked with interest at the approach of other Councils and the on-going national debate about FOBTs and problem gambling. There are polarised views nationally about the links of FOBTs to problem gambling and addiction. There are similarly divergent views on the prevalence of gambling establishments and deprived areas.
- 3.2 Other councils have looked to their licensing powers as have the Gambling Commission and the question of whether a “primary gambling activity” condition in the Gambling Act 2005 is breached by the over use of FOBTs as opposed to traditional betting. These attempts have not so far been successful.
- 3.3 There has also been a national debate on the need for a change to planning legislation to allow local planning committees to consider the need for any change of the applications to gambling premises. There have been news articles about the link of FOBTs to organised crime and their use for money

laundering. There has also been an announcement by the Chancellor of the Exchequer to increase tax on FOBTs

- 3.4 The Council has kept a dialogue with the Gambling Commission open and has also spoken to the Local Government Association about its attempts to get a local partnership started as part of a review of what Council's have been doing in response to public concern about FOBTs and problem gambling.
- 3.5 Councillors Hicks, Maple and Juby conducted a set of unannounced Medway gambling establishment visits in late March 2014 which provided useful local information about the understanding of Medway operators of the new ABB Code of Responsible Gambling. There was mixed knowledge of the Code with some employees due to attend training. It was also interesting to note that many of the operators favoured traditional betting rather than FOBTs. There was broad support for some form of local partnership.
- 3.6 Councillor Hicks put forward a motion to the last Full Council meeting (24 April 2014)). That was approved and letters were sent to the Chancellor of the Exchequer and the Secretary of State for Health. Copies of the correspondence are attached at appendices A-C

4. Advice and analysis

- 4.1 The number of gambling establishments in Medway has remained broadly the same over the last seven years with a slight increase overall, as can be seen from Table 1 below. The minus figures indicate the years when a betting premises licence was surrendered.

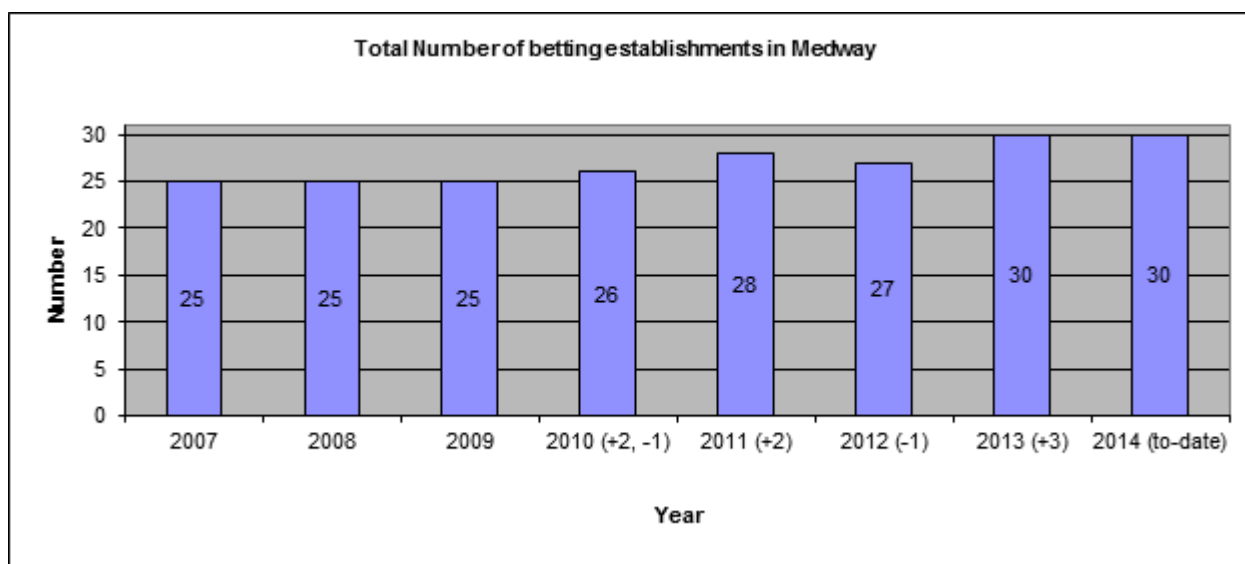


Table 1

- 4.2 We also have a relatively low number off both betting and other gaming premises compared to similar sized authorities as can be seen from Table 2 below. Comment has nevertheless been made about the prevalence of betting establishments in some of our towns in close proximity to each other.

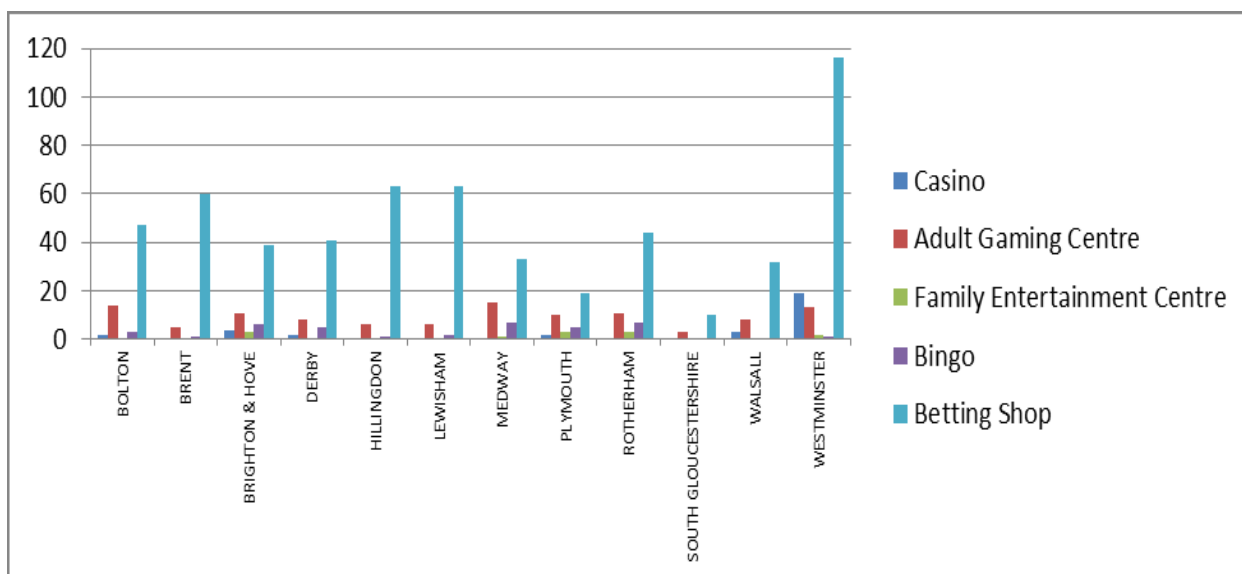


Table 2

4.3 Having seen an apparent reduction in enthusiasm by the ABB on the idea of a local partnership, which Members and local operators see merit in, the logical next step is to consider whether Premises conditions for Gambling and Gaming establishments could include a condition requiring active involvement in a the Medway Responsible Gambling Partnership. Officers are actively considering this. A local partnership would allow local problem gambling issues to be addressed in partnership with local operators. It would ensure that data to support the proper use of the ABBs Code of Responsible Gambling was made available for scrutiny by the partnership and that Local operators were held to account generally by the partnership regarding the Code.

5. Risk management

5.1 Risk management is an integral part of good governance. The Council has a responsibility to identify and manage threats and risks to achieve its strategic objectives and enhance the value of services it provides to the community.

Risk	Description	Action to avoid or mitigate risk	Risk rating
Local concerns about problem gambling are not being addressed.	The MRGP has not been started fully.	Explore the inclusion of Licence conditions re the MRGP on all new premises licences	

6. Consultation

- 6.1 We have maintained an active dialogue with the Gambling Commission and more recently opened discussions with the Local Government Association on this issue.

7. Financial and legal implications

- 7.1 There are no direct financial implications for Medway council concerning this matter at present.
- 7.2 The Council is required by section 5 Licensing Act 2003 to prepare and publish a Statement of Licensing Policy for each 5 year period, and by section 349 Gambling Act 2005 to prepare a publish a Statement of Gambling Policy for each 3 year period. There are no direct legal implications of this report.

8. Recommendations

- 8.1 Members note the report.

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Background papers

None