

BUSINESS SUPPORT OVERVIEW & SCRUTINY COMMITTEE

5 JULY 2018

GAMBLING ACT 2005 – GOVERNMENT RESPONSE TO THE CONSULTATION ON PROPOSALS FOR CHANGES TO GAMING MACHINES AND SOCIAL RESPONSIBILITY MEASURES

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Summary

The purpose of this report is to apprise Members of the Government's response to the consultation on proposals for changes to Gaming Machines and Social Responsibility Measures.

1. Budget and Policy Framework

1.1 Functions relating to the Gambling Act 2005 are matters for the Licensing and Safety Committee

2. Background

2.1 In October 2016, the Government launched a call for evidence on gaming machines and social responsibility measures across the industry. This included stakes and prizes and allocations on gaming machines, as well as a review of gambling advertising, online gambling and research, education and treatment for gambling-related harm.

2.2 There were 275 responses to the call for evidence were received, and the submissions received helped to inform the Government's preferred proposals which were subsequently outlined in a consultation that was published in October 2017.

2.3 The consultation ran from 31 October 2017 to 23 January 2018.

- 2.4 A total of 7,361 survey responses were received from a wide range of interested parties.
- 2.5 The Council responded favourably to the proposals, and supported a reduction in the maximum stake on Fixed Odds Betting Terminals (also known as FOBTs and Category B2 gaming machines) from £100 to £2; as did the majority of other local authorities who responded.
- 2.6 This Committee has asked to be informed of the Government's response to this consultation, following previous consideration of reports on the voluntary partnership relating to the promotion of responsible gambling in Medway through the Medway Responsible Gambling Partnership. In October 2015, at the request of this Committee, officers wrote to Minister for Culture, Media & Sport asking for a review of the minimum stake of £100 for Fixed Odds Betting Machines to be lowered.

3. Key outcomes of the Government's Response

- 3.1 The Government's full response can be [viewed online](http://www.gov.uk) at www.gov.uk.
- 3.2 The key changes to note are:
 - 3.2.1 The maximum stakes on FOBTs will be reduced from £100 to £2 with the aim of reducing harm for those most vulnerable by reducing the ability to suffer high session losses, while also targeting the greatest proportion of problem gamblers, and mitigating risk for the most vulnerable players for whom even moderate losses might be harmful.

(Note: no change in prize level has been proposed so it will remain at £500, which will make B2s the same stakes and prizes as B3 machines but B3 machines have faster speeds of play).
 - 3.2.2 Current stake and prize limits for all other gaming machines are to remain as existing for the time being
 - 3.2.3 The Gambling Commission will work with the industry to explore tracked play options and increased player protections on all Category B machines.
 - 3.2.4 Public Health England will conduct an evidence review of health aspects of gambling-related harm to inform action on prevention and treatment.
 - 3.2.5 A major multi-million pound advertising campaign promoting responsible gambling, supported by the industry and GambleAware, will be launched later this year.
 - 3.2.6 The Industry Group for Responsible Gambling (IGRG) has amended its code to ensure that a responsible gambling message will appear for the duration of all TV adverts, and further research

on the effects of marketing and advertising on children, young people and vulnerable groups has been commissioned by GambleAware.

3.2.7 Online gambling operators are expected to act now and trial a range of measures to strengthen the existing player protections in place; the Government and Gambling Commission have highlighted that they have powers to introduce additional controls or restrictions on the online sector if they fail to satisfy expectations.

3.3 It is unknown how quickly the FOBT changes will come into force but there would need to be a lead in time to allow operators to make any necessary amends to their machines, and some of the other changes will take even longer. The industry may even decide to Judicially Review the proposal.

4. Risk Management

4.1 There are no risk management implications arising from this report.

5. Financial and legal implications

5.1 The Government's response does not have any direct financial implications for the Council at the present time.

5.2 There is a possibility that the Government's decisions may, once introduced through secondary legislation (subject to parliamentary approval), lead to a reduction in betting shops, which would reduce the income stream from annual fees, etc.

5.3 The Statement of Gambling Policy ("the policy") under the Gambling Act 2005 is a policy framework document which includes a table of stakes and prizes for each category of gaming machine within its appendices; for information only purposes. A footnote has been added to this to state that stakes and prizes are subject to change, in line with advice received from the Gambling Commission.

5.4 It is not envisaged that any other notable changes to the Policy will be required as a result of the Government's response.

6. Recommendation

6.1 The Committee is asked to note the content of this report.

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Appendices - None

Background papers - None