REPORT TO:	East Lothian Licensing Board
MEETING DATE:	23 November 2017
BY:	Clerk of the Licensing Board
SUBJECT:	Consultation on Proposals for Changes to Gaming Machines and Social Responsibility Measures

1 PURPOSE

1.1 To allow the Board to discuss the Consultation on Proposals for Changes to Gaming Machines and Social Responsibility Measures and to formulate a response.

2 RECOMMENDATIONS

2.1 That the Board considers the Government's Consultation on Proposals for Changes to Gaming Machines and Social Responsibility measures and to decide on responses to the questions posed.

2.2 To authorise the Clerk of the Board to submit the Board's response to the Consultation.

3 BACKGROUND

3.1 The Government announced a review of gaming machines and social responsibility measures in October 2016. The objective of the review was to ensure that there was an appropriate balance between a sector that can grow and contribute to the economy and on that is socially responsible and doing all it should to protect consumers and communities. The Government put out a call for evidence and has now developed the proposals contained in the consultation (Appendix 1).

3.2 The Government believes that the current regulation of B2 gaming machines, often referred to as fixed odds betting terminals, is inappropriate to achieve its objective of protecting consumers and wider communities. It is therefore consulting on regulatory change to the maximum stake, looking at options between £50 and £2, in order to reduce

the potential for large session losses and therefore to the potentially harmful impact on the player and their wider communities.

3.3 The gaming industry proposes increases to the stakes and prizes, and the permitted number and allocations across other categories of machine (B1, B3, B3A, B4, C and D) but the Government takes the view that retention of the current regulatory regime will better protect players form potential harm. The Consultation therefore also considers social responsibility measures across gaming machines that enable high rates of loss, on player protection in the online sector, on a package of measures on gambling advertising and on current arrangements for the delivery of research, education and treatment.

3.4 The Consultation will close on 23 January and it may therefore not be possible to bring the formal response to a Board Meeting. The Board is therefore asked to delegate submission of the Boards response on its behalf.

4 POLICY IMPLICATIONS

4.1 None

5 INTEGRATED IMPACT ASSESSMENT

5.1 The subject of this report does not affect the wellbeing of the community or have a significant impact on equality, the environment or economy

6 RESOURCE IMPLICATIONS

6.1 Financial - None

6.2 Personnel - None

6.3 Other - None

7 BACKGROUND PAPERS

7.1 None

AUTHOR'S NAME	Kirstie MacNeill
DESIGNATION	Clerk of the Licensing Board
CONTACT INFO	01620 827164 kmacneill@eastlothian.gov.uk
DATE	9 November 2017

Department for
Digital, Culture
Media & Sport

Consultation on proposals for changes to Gaming Machines and Social Responsibility Measures

October 2017

Contents

Ministerial Foreword

The Government wants a healthy gambling industry that responsibly generates investment and employment. For millions of people gambling is a leisure activity and to support the industry, the Gambling Act 2005 permitted licensed gambling to be offered and advertised within a well regulated framework. This Act created a strong independent regulator, the Gambling Commission, whose job it is to keep gambling free of crime, ensure it is fair and open, and protect children and vulnerable people from harm or exploitation.

The Act was implemented under the Labour government 10 years ago. In that time, we have seen significant changes to the market, to public perceptions of gambling, and to our understanding of harm across the gambling landscape.

Upon announcing this review we set out that the objective is to look across the industry and determine what, if any, changes are needed to strike the right balance between socially responsible growth and the protection of consumers and the communities they live in. This Government is determined to address this balance, to step up and act to ensure that appropriate measures are in place to protect the vulnerable people that are exposed by the current weaknesses in protections.

I am clear that our approach should not just be about tackling headline problem gambling rates, but about managing the risk of gambling-related harm to the player and more widely to families, friends, employers and neighbourhoods. With this in mind, this consultation brings forward a package of proposals which responds to strong evidence and public concerns about the risks of high stakes gambling on the high street, with the aim of enhancing player protections on gambling machines that enable high rates of loss in short periods of time.

While some parts of the industry have put forward proposals to raise stake and prize limits, increase the number of machines, or bring new products to the market, I am not minded to bring forward significant changes at this time. While the Government welcomes ideas for socially responsible growth, any proposals must be backed up with clear evidence of adequate player protections and effective risk management strategies.

I am also aware of the significant growth in online gambling in recent years, which now accounts for 44% of the commercial gambling sector, with 10% of adults across Great Britain now participating in online gambling. The Government considers that more needs to be done to promote responsible play and protect consumers in this sector. The Gambling Commission is examining the online sector and encouraging operators to increase action to identify harmful play, design and pilot better interventions and put in place measures that work. We want to see the online sector fully engage with these objectives and this programme of work. In the meantime, we are strengthening existing protections relating to online gambling and outlining a

package of measures on gambling advertising to minimise the risk to the most vulnerable.

While the outcome of this review will be better protections for players, we also want to take this opportunity to think carefully about how to ensure that those who are experiencing gambling-related harm receive the help they need. We want to see industry and others step up to meet this challenge, with the support of the Government where needed, to transform the way those with addiction or harmful behaviours are supported.

I look forward to hearing from you on this important consultation, and I look forward to working with all interested parties to achieve our objective of a safe and sustainable industry.

TRACEY CROUCH MP
Minister for Sport and Civil Society
Department for Digital, Culture, Media and Sport
October 2017

Executive Summary

The Government announced a review of gaming machines and social responsibility measures in October 2016. The objective of the review was to ensure we have the right balance between a sector that can grow and contribute to the economy, and one that is socially responsible and doing all it should to protect consumers and communities, including those who are just about managing. We received 275 responses to the call for evidence and the submissions received have helped to inform our preferred proposals outlined below in regards to stakes and prizes on gaming machines, the availability of gaming machines and the wider social responsibility agenda. The responses to the call for evidence (with the exception of responses from the general public) have also been published alongside this consultation so that respondents can see the evidence that we have drawn on in developing these proposals. The main proposals put forward in the consultation are as follows:

1. We believe that the current regulation of **B2 gaming machines** is inappropriate to achieve our stated objective. We are therefore consulting on regulatory changes to the maximum stake, looking at options between £50 and £2, in order to reduce the potential for large session losses and therefore to potentially harmful impacts on players and their wider communities.

2. While the industry proposes increases to the remaining **stakes and prizes, permitted numbers and allocations across other categories of machine** (B1, B3, B3A, B4, C and D gaming machines), we believe retention of the current regulatory environment will better protect players from potential harm than industry's proposed increases.

3. We are aware that the factors which influence the extent of harm to the player are wider than one product, or a limited set of parameters such as stakes and prizes. These include factors around the player, the environment and the product. We are therefore also consulting on **corresponding social responsibility measures across gaming machines that enable high rates of loss, on player protections in the online sector, on a package of measures on gambling advertising and on current arrangements for the delivery of research, education and treatment (RET).** Within this package, we want to see industry, regulator and charities continue to drive the social responsibility agenda, to ensure that all is being done to protect players without the need for further Government intervention, and that those in trouble can access the treatment and support they need.

1. Chapter One: Introduction

1.1. Ten years on from the implementation of the Gambling Act 2005, the gambling industry has evolved significantly, with the growth of the gaming machine market, increases in gambling advertising and a significant shift towards online gambling. While headline rates of problem gambling and at risk rates have been relatively stable in this time, the latest statistics show an increase in problem gambling rates from 0.6% of the population in 2012 to 0.8% of the population in 2015. Around a further 2 million people were identified as being at risk of problem gambling.[1]

1.2. The Government is also concerned about the potential harm being caused to vulnerable people which would not be reflected in headline problem gambling rates. Gambling-related harm goes wider than the harm experienced by those identified as problem gamblers and also affects families of gamblers, their employers, communities and society more widely.

1.3. On 24 October 2016 the Government launched a review of gaming machines and social responsibility measures which began with a call for evidence. The Government's objective in initiating this review was to ensure we have the right balance between a sector that can grow and contribute to the economy, while also ensuring it is socially responsible and doing all it should to protect consumers and communities, including those who are just about managing.

1.4. The call for evidence sought evidence-based proposals on:

- Maximum stakes and prizes for all categories of gaming machines permitted under the Gambling Act 2005;
- Allocations of gaming machines permitted in all licensed premises under the Gambling Act 2005;
- Social responsibility measures for the industry as a whole to minimise the risk of gambling-related harm, including but not limited to gaming machines.

1.5. 275 responses were received from:

- Gambling industry
- Local Authorities
- Parliamentarians
- Faith Groups
- Charities
- Members of the public

[1] http://www.gamblingcommission.gov.uk/PDF/survey-data/Gambling-behaviour-in-Great-Britain-2015.pdf

- Think-tanks/Academics

1.6. A full list of respondents is set out in Appendix B and related submissions received during the call for evidence will be published on the gov.uk website.

Next steps

1.7. The government is now bringing forward proposals across all strands of the review which we will consult on for 12 weeks. An Impact Assessment containing a cost/benefit analysis of the proposals has been published alongside this document.

1.8. This is a public consultation in which we welcome views from all parties with an interest in the way that gambling is regulated in Great Britain. The consultation period will run from 31/10/2017 to 23/01/2018 and there is a summary of the questions in chapter 7. You can respond to this consultation using our online survey.

1.9. In addition, if you have any evidence to support your position then please send this to gamblingreviewconsultation2017@culture.gov.uk. By evidence, we are not seeking opinions, but published research, data or supporting analysis.

1.10. Gambling is devolved in Northern Ireland, but substantially reserved in Scotland and Wales. However, as of 23 May 2016, the Scottish Parliament and Scottish Ministers have the power to vary the number of high-staking gaming machines[2] authorised by a new betting premises licence in Scotland. Under the Wales Act 2017, identical powers were transferred to the Welsh Ministers and the National Assembly for Wales. We are committed to protecting the devolution settlements and will continue to work constructively with devolved administrations going forward.

1.11. This consultation is intended to be an entirely written exercise. Please contact the gambling and lotteries team if you require any other format e.g. Braille, Large Font or Audio. For enquiries about the handling of this consultation, please contact the DCMS Correspondence Team, heading your communication “Consultation on proposals for changes to Gaming Machines and Social Responsibility Measures”.

1.12. Copies of responses (with the exception of responses from the general public) will be published after the consultation closing date on the Department’s website: www.gov.uk/culture. Information provided in response to this consultation, including personal information and any additional evidence supplied, may also be published or disclosed in

[2] Defined in the Scotland Act as gaming machines for which it is possible to stake more than £10 in respect of a single game; at present, this is possible only with sub-category B2 gaming machines.

accordance with the access to information regimes (these are primarily the Freedom of Information Act 2000 ("FOIA"), the Data Protection Act 1998 ("DPA") and the Environmental Information Regulations 2004).

1.13. Please notify us if any aspect of your response should be considered confidential. We also intend to share responses with the Gambling Commission, please inform us if you do not consent to this. If you want the information that you provide to be treated as confidential, please be aware that, under the FOIA, there is a statutory Code of Practice with which public authorities must comply and which deals, amongst other things, with obligations of confidence. In view of this, it would be helpful if you could explain to us why you regard the information you have provided as confidential. If we receive a request for disclosure of the information, we will take full account of your explanation, but we cannot give an assurance that confidentiality can be maintained in all circumstances. An automatic confidentiality disclaimer generated by your IT system will not, of itself, be regarded as binding on the department. The department will process your personal data in accordance with the DPA, and in the majority of circumstances, this will mean that your personal data will not be disclosed to third parties.

2. Chapter Two: B2 gaming machines (Fixed-Odds Betting Terminals)

Overview of findings

2.1. As outlined in the call for evidence, gaming machines are divided into categories depending on the maximum stake and prize available, the nature of the prizes and the nature of gambling for which the machine may be used, as well as the premises where they can be provided (see Appendix A). Certain categories of machines are limited to fewer types of gambling premises, for example, sub-category B1 machines are only permitted in casinos, while B2 machines are permitted in casinos and bookmakers. The call for evidence generated a substantive proportion of submissions regarding B2 machines, more commonly referred to as Fixed-Odd Betting Terminals (FOBTs); this chapter therefore addresses these machines independently of the other categories.

2.2. In response to the call for evidence, there was widespread support for a reduction in stake limits for B2 machines to £2. This is supported by the Local Government Association (LGA) and by 93 local authorities (LAs) across England and Wales from across all political parties (although we only received 27 submissions to the call for evidence from LAs, 93 LAs supported a Sustainable Communities Act submission in 2015 calling for a reduction to £2). This is also supported by a variety of campaign groups, charities and faith groups (those publicly supporting this proposal include the Church of England, Methodist Church and Quaker Foundation). In addition we received a submission from the All-Party Parliamentary Group on FOBTs which is calling for a reduction to £2 and a petition from the campaign group, 38 degrees, with over 100,000 signatories calling for a "crackdown on addictive betting machines and adverts" and "limits on how much people can gamble on betting machines in one go."

2.3. The main arguments referenced in these responses focused on the disparity between the maximum stakes on B2 machines of £100 and the maximum stake on other gaming machines in accessible locations of only £2. Respondents argued that the £100 maximum stake was linked to gambling-related harm, wider harm to communities, and in some instances, anti-social behaviour.

2.4. As part of the call for evidence, the betting sector, represented by the Association of British Bookmakers (ABB), did not seek an increase in either stake or prize limits across the gaming machine categories permitted in betting shops but has argued for the need to maintain the status quo, specifically on B2 machines. Gaming machine suppliers, Inspired Gaming and Scientific Games, also submitted evidence in support of the status quo on B2 machines. The ABB argued that

income from B2 machines has become increasingly important to maintaining the viability of many high street betting shops. In addition, the ABB stated that there is no correlation between the increased number of B2 machines over time and levels of at-risk and problem gambling during the same period, and that B2 machines do not cause increased harm to problem gamblers. They also argue that session losses and potential harm are not just about stake, but about the interplay between stake, spin speed and the return to player ratio.

2.5. The Government acknowledges that B2 machines are important to the economic viability of many betting shops which currently employ around 53,000 people nationally. However, we cannot ignore the evidence put forward as part of the call for evidence to support action, or the persistent concerns from many stakeholders and local communities about these types of gaming machines and their potential impact on players and wider communities.

2.6. Based on the evidence we received, we do acknowledge and welcome the shift in attitudes within industry on the social responsibility agenda. However, we have concerns that (i) the bookmaking sector, and indeed the wider industry, has provided little evidence that self-regulatory measures introduced since 2013 have made any significant impact on the rates of problem gambling, or on the degree of harm experienced by individuals;[3] (ii) measures taken to date do nothing to counter the wider social impact and the potential amplification of harm for those living in the most deprived communities; (iii) it is not clear whether previous regulatory action in this area, in the form of the £50 staking regulations, has had a measurable impact on harm. The Government evaluation of this measure found that there was a drop in stakes above £50, but an increase in stakes between £40-50.[4]

2.7. We therefore remain concerned about the current regulation of this sub-category of machine in terms of the impact on players and their wider communities. There are still large numbers of higher-staking machines in accessible locations, often in more deprived areas, where it is possible to lose a large amount of money very quickly.

2.8. We acknowledge that headline problem gambling rates have remained statistically stable since the introduction of B2 machines as well as before this point. However, headline problem gambling rates may not be significantly affected by a single form of gambling,[5] and an over-reliance on this single metric may mask widespread harm caused to those who are most vulnerable. We are concerned that there remain consistently high rates of prevalence of problem gamblers among

[3] https://about.gambleaware.org/media/1167/abb-early-impact-report-final-report.pdf & https://about.gambleaware.org/media/1335/pas-evaluation_final-report_13102016.pdf
[4] https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/493714/Evaluation_of_Gaming_Machine__Circumstances_of_Use___Amendment__Regulations_2015.pdf
[5] Participation rate on B2 gaming machines is approximately 1.5% of the adult population.

machine players in betting shops (11.5% of players are problem gamblers and a further 32% are considered at risk of harm),[6] that a high proportion of gross expenditure on machines in betting shops is attributed to problem gamblers;[7] and that a high proportion of the number of problem gamblers who present for treatment identify machines in betting shops as their main form of gambling.[8]

2.9. In regards to the specific issue of stake size, we know from industry data, published by the Gambling Commission, that the high-staking nature of B2 machines that offer a maximum stake of up to £100 can lead to significant losses in a short space of time. In comparison to other gaming machines, B2 machines generate a greater proportion and volume of large-scale losses (for example, more than £500 in a session).[9] The same industry data, published by the Gambling Commission, also found that losses are larger and sessions longer for those who bet at the maximum stake than those who play at a lower level.[10] The amount of money lost in a session and length of sessions are good proxies for gambling-related harm, and such losses might be harmful even to those who would not be defined by a survey screen as problem gamblers. In addition, research published by GambleAware, while making clear that gambling-related harm is not necessarily about one product in one environment, also stressed that problem gamblers are disproportionately found at higher stakes and are more frequent users of the maximum stake.[11]

2.10. We are particularly concerned that the above factors are amplified by the concentration of betting shops (and therefore B2 machines) in areas of high deprivation. The same package of GambleAware research found that areas containing a high density of machines tend to have greater levels of income deprivation and more economically inactive residents[12]; players of B2 machines also tend to live in areas with greater levels of income deprivation than the population average; and alongside problem gamblers, those who are unemployed are more likely to use the maximum stake more often than any other socio-economic group.[13]

---

[6] Health survey for England and Scotland 2012 showed that problem gambling rate was 7.2% rate amongst machine players in LBOs (of which B2s are the predominant machine). NatCen data for England, Scotland and Wales for 2015 showed that this figure had increased to 11.5% though this change was not considered statistically significant.
http://www.gamblingcommission.gov.uk/PDF/survey-data/Gambling-behaviour-in-Great-Britain-2015.pdf
[7] http://about.gambleaware.org/media/1259/natcen-secondary-analysis-of-loyalty-card-survey-final.pdf p.6
[8] http://www.gamcare.org.uk/publications/annual-reviews-and-statistics
[9] http://www.gamblingcommission.gov.uk/news-action-and-statistics/news/2017/New-data-to-inform-government-gambling-review.aspx
[10] Ibid
[11] http://about.gambleaware.org/media/1259/natcen-secondary-analysis-of-loyalty-card-survey-final.pdf
[12] Contextualising machine gambling characteristics by location - final report - A spatial investigation of machines in bookmakers using industry data, Geofutures, 2015
[13] https://about.gambleaware.org/media/1259/natcen-secondary-analysis-of-loyalty-card-survey-final.pdf

Policy options for consultation

2.11. Taken together, we think that the weight of evidence set out above justifies government action on B2 machines, but we acknowledge that there is limited evidence to inform exactly at what level the revised maximum stake should be. In outlining options for consultation, we are seeking to balance the potential impact on the economy and leisure gamblers against the need to reduce gambling related harm. For each option we outline staking patterns which set out the proportion of sessions which include certain stake levels, the spread of problem or at-risk gamblers at each staking level, and the relationship between high-level session losses (>£500), as a proxy for harm, and staking levels.

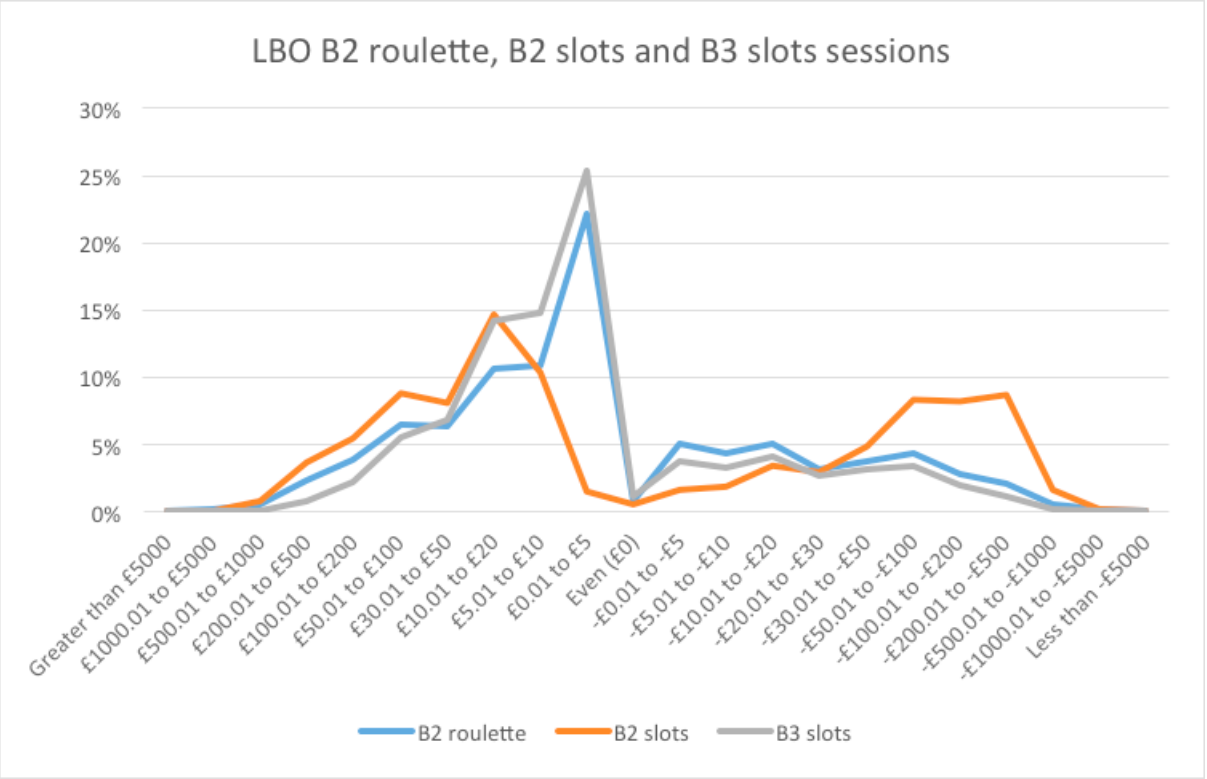
2.12. These are illustrative options, and in practice, subject to views at consultation, the maximum stake could be changed to levels other than the ones set out, and could also be accompanied by corresponding measures to improve player protections on these machines.

2.13. B2 machines offer a variety of games to players which we describe here as slots or non-slots. By slots, we are referring to a game which is mechanical or virtual in nature and which uses spinning reels, discs or other representations of moving or changing symbols. By non-slots we are referring to virtual games of the type played in casinos, primarily roulette, and other virtual sporting events such as horse and dog tracks.

2.14. The most popular non-slot game on a B2 machine is electronic roulette (approx 62.8% of the total Gross Gambling Yield (GGY)[14] of £1.8bn attributed to B2 machines is non-slots, the majority of which is accounted for by roulette). B2 slot games make up 6.5% of the total GGY and the remaining 30.7% is made up of B3, B4 and C slot content (majority B3) which are also available on the same terminal in Licensed Betting Offices (LBOs). The options set out below are designed to take into account the differences in content as well as the way in which players play the different games. For example, with regard to B2 slots, industry data provided to the Gambling Commission[15] during the call for evidence highlighted that there were a higher proportion of sessions with higher losses playing B2 slots than playing B2 roulette (see figure 1). Taking session losses as a proxy for potential harm, we think there are grounds for a greater reduction of the maximum stake for this type of game.

[14] GGY is defined as the amount retained by operators after the payment of winnings but before the deduction of the costs of the operation (e.g. fees and betting and gaming duty).
[15] Ibid

Figure 1. Session losses on B2 gaming machines in LBOs (source: Gambling Commission)



Consumer loss *Consumer win*

2.15. We are also aware that large session losses, and therefore potential harm, can be influenced by a combination of factors including stake size, spin speed and the return to player ratio (i.e. the minimum guide over time at which the machine pays out to players). We therefore think that options around maximum stake could be combined with corresponding measures aimed at other contributing factors to harm on machines, including the tracking and monitoring of play, spin speed and nudge type measures to improve player control. We also think there is a case for the introduction of similar measures on other gaming machines, such as category B1 and B3 machines (more detail in chapter 5):

2.15.1. We think that the tracking and monitoring of play has the potential to better inform policy decisions in regards to gaming machines as well as provide for more targeted interventions for problem gamblers on machines. We have requested more advice on this issue from the Gambling Commission.

2.15.2. Spin speed is another factor, alongside stake size, which can determine the amount that a player can lose in a given session. Currently the Gambling Commission's technical standards set the spin speed at 20 seconds on a B2 machine. This could be flexed on roulette content, for example, to better reflect roulette in a casino which has a spin speed of over a minute.

2.15.3. Finally, nudge-type measures would be aimed at giving players more control over the way in which they play the machines, and would include tools such as time and spend limits, with hard stops when limits are met.

2.16. A comprehensive cost/benefit analysis of all options is set out in the Impact Assessment published alongside this document.

Option 1 - Maximum stake reduced to £50 on all B2 content

2.17. In April 2015 the previous Government introduced measures on B2 machines to limit stakes to £50 for players that did not play through an account card or seek approval for stakes above £50 with staff in LBOs. This resulted in a large shift towards plays below £50. Under this option we could bar any play above £50 by bringing the maximum stake down to £50. This option therefore represents a minimal change to the status quo. We note the following points on this option:

- There is minimal play above £50 with approximately 99% of sessions ending with an average stake up to £50.[16]
- At or above £50, 46% of players were identified as problem gamblers and 41% were at risk of harm. 13% were categorised as neither problem nor moderate/low risk gamblers.[17]
- Of the sessions on B2 (non-slots) which ended with losses to the player greater than £500, approximately 73% of these sessions involved an average stake of £50 or less.

Option 2 - Maximum stake reduced to £30 on all B2 content

2.18. We note the following points on this option:

- Approximately 90% of sessions end with an average stake up to £30.[18]
- At or above £30, 42% of players were identified as problem gamblers and 42% were at risk of harm. 16% were categorised as neither problem nor moderate/low risk gamblers.[19]
- Of the sessions on B2 (non-slots) which ended with losses to the player greater than £500, approximately 17% of these sessions involved an average stake of up to £30.[20]

[16] http://www.gamblingcommission.gov.uk/news-action-and-statistics/news/2017/New-data-to-inform-government-gambling-review.aspx

[17] RGSB advice in relation to DCMS review - http://www.rgsb.org.uk/Publications/Publications.aspx

[18] http://www.gamblingcommission.gov.uk/news-action-and-statistics/news/2017/New-data-to-inform-government-gambling-review.aspx - These are average stakes per session, not the single maximum stake per session so more players will be affected in practice than the percentages shown here.

[19] RGSB advice in relation to DCMS review - http://www.rgsb.org.uk/Publications/Publications.aspx

[20] http://www.gamblingcommission.gov.uk/news-action-and-statistics/news/2017/New-data-to-inform-government-gambling-review.aspx

Option 3 - Maximum stake reduced to £20 on B2 non-slots and £2 on B2 slots

2.19. We note the following points on this option:

- Approximately 82% of sessions end with an average stake up to £20.[21] In addition, we know that the average stake is also around £20.
- At or above £20, 42% of players were identified as problem gamblers and 44% were at risk of harm. 13% were categorised as neither problem nor moderate/low risk gamblers.[22]
- Of the sessions on B2 (non-slots) which ended with losses to the player greater than £500, approximately 6% of these sessions involved an average stake of up to £20. [23]

Option 4 - Maximum stake reduced to £2 on all B2 content

2.20. We note the following points on this option:

- Approximately 17% of sessions end with an average stake up to £2.[24]
- At £2 or below, 19% of players were identified as problem gamblers and 49% were at risk of harm. 32% were categorised as neither problem nor moderate/low risk gamblers.[25]
- Of the sessions on B2 (non slots) which ended with losses to the player greater than £500, approximately 0.001% of these sessions involved an average stake of £2 or less.[26]

Q1. Do you agree that the maximum stake of £100 on B2 machines (FOBTs) should be reduced?

If yes, what alternative maximum stake for B2 machines (FOBTs) do you support?

If you have any evidence to support your position then please send to gamblingreviewconsultation2017@culture.gov.uk. When sending in evidence please provide your name and email address so that we may contact you. By evidence, we are referring to published research, data or supporting analysis.

[21] http://www.gamblingcommission.gov.uk/news-action-and-statistics/news/2017/New-data-to-inform-government-gambling-review.aspx

[22] RGSB advice in relation to DCMS review - http://www.rgsb.org.uk/Publications/Publications.aspx

[23] http://www.gamblingcommission.gov.uk/news-action-and-statistics/news/2017/New-data-to-inform-government-gambling-review.aspx

[24] http://www.gamblingcommission.gov.uk/news-action-and-statistics/news/2017/New-data-to-inform-government-gambling-review.aspx

[25] RGSB advice in relation to DCMS review - http://www.rgsb.org.uk/Publications/Publications.aspx

[26] http://www.gamblingcommission.gov.uk/news-action-and-statistics/news/2017/New-data-to-inform-government-gambling-review.aspx

3. Chapter Three: Stakes and prizes on other gaming machines

Overview of findings

3.1. As part of the call for evidence, the Government requested evidence-based proposals on maximum stakes and prizes for all categories of gaming machines permitted under the Gambling Act 2005. Following analysis of these submissions and the evidence provided in support of these proposals, the Government has put together two options for consultation on stakes and prizes:

- Industry proposals
- Government's preferred options

3.2. The following section summarises the Government's considerations around these packages and the rationale underpinning its preferred options for each gaming machine category. More detail of these considerations and a comprehensive cost/benefit analysis is set out in the Impact Assessment published alongside this document.

Proposals from industry

3.3. The following table summarises industry proposals received as part of the call for evidence on stakes and prizes. Analysis of these options is set out below:

Table 1. Industry proposals on stakes and prizes

Machine Category	Speed of play	Current Max Stake	Current Max Prize	Ind proposed Stake	Ind proposed Prize
B1	2.5 seconds	£5	£10,000	No change	No change
B1 progressive jackpot	2.5 seconds	As for B1	£20,000	No change	£100,000
B3	2.5 seconds	£2	£500	£2.50	No change
B3A	2.5 seconds	£2	£500	No change	No change
B4	2.5 seconds	£2	£400	No change	No change
C	2.5 seconds	£1	£100	£2	£150
D non-money prize (other than crane grab machine)	n/a	30p	£8	50p	£10

D non-money prize (crane grab machine)	n/a	£1	£50	£2	£75
D money prize	n/a	10p	£5	20p	£8
D combined money and non-money prize (other than coin pusher or penny falls machines)	n/a	10p	£8 (of which no more than £5 may be a money prize)	20p	£10 (of which no more than £8 may be money prize)
D combined money and non-money prize (coin pusher or penny falls machine)	n/a	20p	£20 (of which no more than £10 may be a money prize)	25p	£22 (of which no more than £12 may be a money prize)

Category B1 (primary markets affected: casinos, manufacture and supply)

3.4. The National Casino Forum (NCF), representing the land-based casino sector, requested that the maximum progressive (linked machine) B1 jackpot be raised to £100,000 (currently £20,000). They also asked that machines be permitted to be linked between casino premises, rather than within a single premises as at present, to enable this to be viable.

3.5. The NCF argue that progressive jackpots of this nature are well established in casino jurisdictions internationally, usually with higher prizes, and that the average stake per game in 2016 on progressive linked machines and non-progressive machines in UK casinos was the same, 90p.

3.6. The sector also asked for an amendment to the Gaming Machine (Circumstances of Use) Regulations 2007, increasing the amount which can be deposited and transferred between the bank and play meters on a B1 from £20 to £50.

Category B3 (primary markets affected: arcades, betting, bingo, casinos, manufacture and supply)

3.7. Category B3 machines continue to be the fastest growing gaming machine in the market in terms of numbers and GGY. Due to the availability of B3 content on gaming machines in Licensed Betting Offices (LBOs), this type of gaming machine is actually available on almost 56,000 machines across the casino, betting, arcade and bingo sectors.

3.8. Across all sectors, they now account for approximately £878m[27] in gaming machine GGY (with a 23% increase since 2013/14). B3s received an uplift in maximum stake from £1 to £2 in 2011.

3.9. As outlined above, category B3 gaming machine content is available in a number of different gambling premises. Only the arcade sector (Adult Gaming Centres and Family Entertainment Centres), represented by the British Amusement Catering Trade Association (BACTA), has proposed an increase in the maximum stake limit from £2 to £2.50 on the basis that this would provide an economic stimulus to the sector. No other sectors that can offer B3 content proposed changes to stakes and prizes. In support of its proposal, BACTA commissioned PriceWaterhouseCoopers (PwC) to provide estimates of the economic benefits this would bring. PwC estimate that this uplift would generate £33m (primarily a 6-7% increase in GGY which would equate to £20-23m as well as resulting machine sales) and an increase in taxes of £5m (primarily gaming machine duty). PwC's assessment of 'economic benefit' does not equate to Gross Value Added (GVA) which would also take into account displaced expenditure from other sectors.

Category B3A/B4 (primary markets affected: clubs, manufacture and supply)

3.10. There has been no submission for changes of stake or prize limits on these club-only gaming machines which occupy a niche in the gaming machine market. There is no data currently available to allow DCMS to properly assess performance within this sector.

Category C (primary markets affected: arcades, betting, bingo, pubs, manufacture and supply)

3.11. Category C content (traditional fruit machines) is permitted in bookmakers, arcades, bingo and pubs. Overall there are nearly 72,000 machines across arcades and bingo premises[28] which generated £227m in 2015/16 (up 3% since 2013/14). In addition, there are an estimated 40,000 in pubs which accounts for £594m.[29] The stake and prize limits for category C machines were increased from 50p/£35 to £1/£70 in 2009 and the maximum prize further increased to £100 in 2014.

3.12. On category C machines, BACTA, the British Beer and Pub Association (BBPA) and the Greene King pub chain have proposed an increase in the maximum stake to £2 and the maximum prize to £150.

[27] Includes a statistically negligible amount (0.1%) from category B4 and C play.
[28] 26,715 in arcades (AGCs), 1788 in seaside arcades (FECs) and 43,410 in bingo premises (though this number for bingo is skewed by the use of handheld terminals which are used in large numbers but not technically category C machines).
[29] BACTA commissioned PWC report figures

They argue that category C machines in the pub and arcade sectors are not economically viable and that previous uplifts have slowed the decline in revenue. Each of these organisations provided estimates of the expected economic impact of this change with varying degrees of supporting analysis.

3.13. On behalf of BACTA, PwC estimate that the proposed uplift would generate £72m (primarily increased GGY and machine sales) and £10m tax revenue, with a potential corresponding benefit to the 14-15 manufacturers who produce category C machines. The BBPA argue that the income from gaming machines can be vital in maintaining the economic viability of many pubs. In support of this they have provided evidence suggesting previous increases in 2009 (stake and prize) and 2014 (prize only) led to uplifts in machine revenue and that this proposed increase may see a 10% increase in gaming machine revenue. The BBPA also argues that there is no evidence to show category C machines in pubs are responsible for any increase in problem gambling and do not propose any corresponding social responsibility measures to accompany this increase.

Category D (primary markets affected: arcades; fairs; manufacture and supply)

3.14. Category D content is available in high street arcades (Adult Gaming Centres - AGCs) and seaside arcades (Family Entertainment Centres - FECs). Typical examples of these kind of machines would be crane grabs and coin pushers, featuring both monetary and non-monetary prizes. The stake and prize limits for most category D gaming machines were last changed in 2009, and coin pushers received a stake and prize increase in 2014. The most significant change was a new type, a crane grab machines with a £1/£50 stake/prize ratio; such machines previously operated at 30p/£8 ratio. Despite these uplifts, overall category D machine numbers have declined significantly since 2013/14.

3.15. The arcade sector, represented by BACTA and the British Association of Leisure Parks, Piers and Attractions (BALPPA) is seeking changes across five of the sub-categories (see table 1). BACTA argue that these changes would provide an essential stimulus to the sector. They consider this to be important for their future sustainability, given that while costs to the sector are increasing, they cannot increase the price of play or offer more attractive prizes to increase revenue. While crane grabs and penny pushers have seen increases in recent years, other category D machines, notably reel band gaming machines, have not seen an increase since 1997. PwC estimate that, taken together, these changes would generate £25.9m (primarily increased GGY and machine sales) and an additional £0.6m in tax. They argued that the available evidence on harm to young people from playing category D machines is inconclusive.

Prize gaming

3.16. The industry is calling for an increase in the maximum participation fee from £1 to £2 and a prize increase from £70 to £100 (and from £500 to £1,000 aggregate) on prize gaming.[30] The popularity of prize gaming has waned in recent years and a number of venues have removed their prize gaming units in favour of amusement machines. However, there is still a market for the game, particularly at the seaside. It provides for a more elderly clientele a longer, more sociable opportunity, akin to bingo, but at reduced stake and prize levels in a more convenient location.

Policy options for consultation

3.17. The Government's preferred proposals on stakes and prizes are to maintain the status quo across all categories covered in this chapter, with the exception of prize gaming. Our assessment of the proposals and rationale for this position is set out in more detail below.

B1 gaming machines

3.18. The industry has not provided an estimate of the impact on income or player behaviour of raising the linked jackpot, and there were no specific proposals to address the risk of increased player harm. Before 2014, the maximum progressive jackpot was £4,000, no more than the maximum prize on a single B1 machine. In 2014, the maximum prize on a single machine was raised from £4,000 to £10,000, and the maximum progressive jackpot from £4,000 to £20,000. Without more evidence the Government is therefore not minded to further increase the progressive prize to £100,000 at this point.

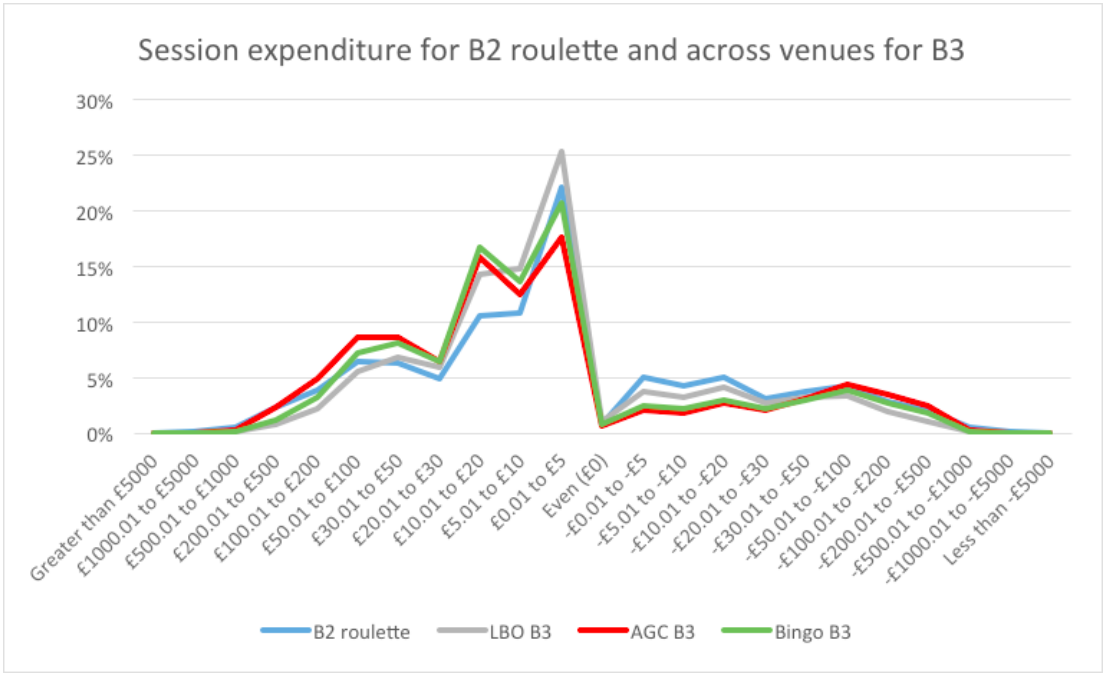
3.19. The current system of cash deposits and transfers provides a basic social responsibility control by slowing the speed at which players can commit funds to gambling, allowing consumers to consider their actions. The industry argument for increasing the cash deposit amount from £20 to £50 on B1 machines is based on historical consistency. The current limit of £20 applied under the previous maximum stake of £2, and was therefore ten times the maximum stake. Since the stake increase to £5, however, the £20 restriction is only four times the maximum stake. Although an increase to £50 would restore the stake to deposit ratio to 10:1, it would also speed up the committed-funds process. We therefore do not propose to implement this proposal unless evidence can be provided as to how operators would manage the risks it generates.

[30] Prize gaming is defined in Section 288 of the Act, and is gaming in which neither the nature nor the size of a prize is determined by the number of persons playing or the amount paid for or raised by the gaming.

B3 gaming machines

3.20. The Government acknowledges that BACTA's proposed increase is likely to provide an economic stimulus to the arcade sector, but this should be balanced with the fact that B3 gaming machines are now the fastest growing gaming machine category in terms of GGY and responsible for much of the growth in gaming machine revenue for those sectors that are permitted to offer this content. The Government also has concerns about an increase to the maximum stake on player protection grounds. Research suggests that there are significant levels of problem gambling amongst players of these machines (4.2% on B3 gaming machines in bingo halls[31] and 11.5% on gaming machines in LBOs, both significantly higher than the headline problem gambling rate).[32] The latest Health Survey data for 2015 also shows statistically significant increases in problem gambling rates on slots (of which B3 gaming machines are included) from 2.6% in 2012 to 5.7% in 2015.[33] In addition, industry data obtained by the Gambling Commission[34] during the call for evidence demonstrates that session losses and session duration on B3s have a comparability with B2s (see figure 2). High session losses and long sessions are good proxies for harm. Government is not therefore convinced that there is a rationale for an increase, but rather, a case for greater player protection measures on this category of machine (see chapter 5 for more detail).

Figure 2 Session losses for B2 roulette and across venues for B3 (source: Gambling Commission)



Consumer loss *Consumer win*

[31] http://infohub.gambleaware.org/wp-content/uploads/2016/07/Bingo-Research-Final-140716.pdf
[32] http://about.gambleaware.org/media/1311/bingo-research-final-140716.pdf
[33] http://www.gamblingcommission.gov.uk/PDF/survey-data/Gambling-behaviour-in-Great-Britain-2015.pdf
[34] http://www.gamblingcommission.gov.uk/news-action-and-statistics/news/2017/New-data-to-inform-government-gambling-review.aspx

B3A/B4 gaming machines

3.21. As noted above, in the absence of relevant submissions on these categories, the Government is not minded to take forward any changes.

Category C gaming machines

3.22. The Government recognises the concerns that exist across the industry about the performance of this machine category in terms of the decline in revenue. However, the Government is concerned about the potential impact on players of another uplift which would give it a comparable maximum stake to B3 gaming machines (but with a lower return to player ratio), which are not permitted in pubs due to the fact that they are less regulated environments, especially as no corresponding changes have been suggested by industry in terms of additional player protection measures. The Government is not therefore minded to take industry proposals forward.

Category D machines

3.23. While there is an economic case to support the affected sectors, Great Britain is the only jurisdiction internationally to permit gambling for under 18s (primarily in seaside arcades and on category D machines) and as such Government recognises the concern among some respondents to the call for evidence regarding the prospect of stake and/or prize increases on these types of machine. The call for evidence highlighted that although problem gambling rates among young people (12-15 years of age) are fairly static (at around 0.4%), there are areas of concern, primarily that there is an association between early gambling participation and problem gambling in adulthood.[35] Given concerns raised on the principle of stake and prize increases on products available to children, and the fact that the industry has not proposed any strengthening of its player protections, we are not therefore minded to take any of the industry's proposals forward.

Prize gaming

3.24. We are content that industry proposals to increase stake from £1 to £2 and prizes from £70 to £100 (£1,000 aggregate) on prize gaming are in keeping with the objective of this review and that these activities are low risk. We therefore propose to take these changes forward. However, while the current use of prize gaming does not pose significant risks, we will ask the Gambling Commission to alert us to any developments which would change this assessment.

[35] Keatley, David *Young People, Gambling and Gambling-Related Harm: Pathways into and out of danger* Gambleaware, (2017)

Q2.Do you agree with the government's proposals to maintain the status quo on category B1 gaming machines?

Q3.Do you agree with the government's proposals to maintain the status quo on category B3 gaming machines?

Q4.Do you agree with the government's proposals to maintain the status quo on category B3A gaming machines?

Q5.Do you agree with the government's proposals to maintain the status quo on category B4 gaming machines?

Q6.Do you agree with the government's proposals to maintain the status quo on category C gaming machines?

Q7.Do you agree with the government's proposals to maintain the status quo on all category D gaming machines?

Q8. Do you agree with the government's proposals to increase the stake and prize for prize gaming, in line with industry proposals?

If you have any evidence to support your position then please send to gamblingreviewconsultation2017@culture.gov.uk. When sending in evidence please provide your name and email address so that we may contact you. By evidence, we are referring to published research, data or supporting analysis.

4. Gaming machine allocations

Overview of findings

4.1. The Government also requested evidence-based proposals on allocations of gaming machines permitted in all licensed premises under the Gambling Act 2005. Most proposals received were from the casino sector. This chapter outlines the proposals received from each sector, and the assessment which the Government has made following analysis of the submissions and evidence provided.

Casinos

Proposals from industry

4.2. The National Casino Forum (NCF) requested the following changes to machine allocations:

Table 2. Casino overview

Casino type	Numbers of casinos in operation	Current machine maximum	Current machine: table ratio	Industry request
Small (defined under the 2005 Act)	2 (one more in development)	80	2:1	3:1 ratio, no change to maximum
Large (defined in 2005 Act)	4	150	5:1	No change to ratio, increase maximum to 500
Converted 1968 Act licences	139	20 (category B)	No ratio	3:1 ratio, maximum 80 machines

4.3. The sector argued that current machine entitlements (as outlined in the table above) are restrictive by international standards. They said that customers often queue for machines at busy times, that terrestrial casinos are the most highly-regulated part of the gambling sector and that they have been leaders on player protection. NCF also argued that the 2:1 ratio in Small 2005 Act casinos makes the model financially unviable. Other responses from casino operators mirrored the NCF's submission, although one proposed an increase in the Large 2005 Act casino machine:table ratio to 8:1.

4.4. The industry estimated that the benefits of allowing an 80 machine cap with 3:1 ratio across Small and 1968 Act casinos would be: £100m

Gross Value Added (GVA) to UK economy; an extra 1,000 jobs, 75% outside London; increased casino revenue of £175m (from all activities, not just machines) and increased tax of £65m.

4.5. The NCF's submission also included the following requests:

4.5.1. Allow a new higher stakes machine for high-end (Mayfair) casinos, which they said cater for a 'high roller' international clientele. Mayfair casinos currently have few or no machines, as B1 stake and prize limits mean that such machines hold no interest for their customers. They suggested that the limits for this new machine could be a £50 stake and £100,000 prize.

4.5.2. Allow the provision of dedicated tablets for customers to access their online accounts, not to count against machine allocation or to be subject to stake and prize limits.

4.6. Casinos are more highly regulated than other environments in that their numbers and locations are limited, in recognition of the levels of high stakes gambling they offer. However, they are permitted to serve alcohol and many are open 24 hours a day. The majority are no longer member-only venues.

4.7. There are currently around 3,000 machines in all casinos in total (compared to around 35,000 in betting shops, 63,000 in bingo premises and 76,000 in arcades). However, B1 gaming machines offer the highest prize limit, which is the reason that they were reserved for casinos.

4.8. According to the Ernst & Young report 'Stimulating Growth in the UK casino industry', which was commissioned by the industry, aligning the 1968 Act casino and small 2005 Act casinos with a 3:1 machine-to-table ratio and new overall cap of 80 machines would result in an estimated 2,175 more machines across the casino estate, an increase of just over 70%.

4.9. A recent study of tracked play on B1 machines[36] showed the majority of card holders visited infrequently and either won or lost small sums. However, a small (but not insignificant) proportion did show signs associated with harm, such as prolonged play and heavy losses. In 2014, 8% of play sessions studied resulted in a loss of more than £200 (3% more than £300), and 11% of sessions lasted three hours or more.

4.10. The report found that intensity of play, measured by machine player losses per minute, was significantly higher late at night and in the early hours compared with other times. Casinos (including B1 machines)

[36] https://about.gambleaware.org/media/1368/tracked-play-revision-14-12-16.pdf https://about.gambleaware.org/media/1164/evaluating-the-impact-of-the-uplift-of-stakes-and-prizes-on-b1-gaming-machines-in-casinos.pdf

were busiest at 10 pm but they were as busy at 2am as at 6pm. A report by the same authors evaluating the effect of the increase in B1 stakes and prizes in 2014 found that "greater increases in B1 spending after uplift occurred in these relatively vulnerable groups: the young, those from deprived areas, late night players."[37]

Policy options for consultation

4.11. We welcome progress that the casino sector has made on player protection. This includes introducing the first national self-exclusion scheme, as well as developing capabilities for real-time machine play tracking, increasing slot supervision and commissioning and trialling work on algorithms to help identify risky play and intervene with customers. However, as with gaming machines across the industry, there is currently little direct evidence to show the impact that these measures have had on gambling-related harm. Further, B1 machines do not currently provide players with any facilities to help them manage their own gambling (for example, the opportunity for the customer to set limits which is available on B2 machines).

4.12. While the Gambling Commission confirms that allowances for machines in 1968 Act converted casinos in Great Britain are currently significantly lower than in the majority of comparable jurisdictions (for example other European countries), machine allocations are determined by what is right for this country rather than being brought automatically in line with international comparators.

4.13. The Government is therefore minded to maintain the status quo on casino machine allocations at present. We encourage casinos to work with the Gambling Commission on measures to enhance protections for machine players, as outlined in chapter 5. We would want to evaluate the impact of changes such as these before considering further changes to gaming machine regulation.

4.14. Regarding the proposals for a new higher stake machine for high-end casinos, these casinos are distinct in practice and in their clientele, but not in the nature of their premises licences. Little evidence was provided by the sector to support this proposal, and a key challenge would be how it could be implemented so that only high-end casinos could make the new category available for use. The Government therefore does not support this proposal.

4.15. We are not minded to allow casinos to provide dedicated tablets to access remote accounts, without these tablets counting against machine allocation or being subject to stake and prize limits. This would effectively circumvent the rules which govern the maximum

[37] Forest, McHale and Wardle, Evaluating the impact of the uplift of stakes and prizes on B1 gaming machines in casinos, GambleAware 2015

stake and prize levels on slots games offered on casino premises. There is nothing to stop customers accessing their remote accounts on their own devices if they wish, but we do not think it appropriate for a casino to offer tablets restricted to its own online offerings (presumably with incentives for customers to use those tablets rather than their own) where that would not count as a 'gaming machine'.

4.16. The Government also proposes to amend the Gambling Act 2005 (Gaming Tables in Casinos) (Definitions) Regulations 2009 to make clear that only tables for multi player live gaming, operated by a casino dealer[38], will qualify as a gaming table for the purposes of attracting a machine allowance in both Small and Large Casinos. Neither partially automated nor wholly automated gaming tables will count as "gaming tables" for these purposes. The Government's intention is to preserve the approach underpinning the Act that there should be a balanced mix on casino premises of real gaming tables (which are staffed by dealers or croupiers, monitored by inspectors and should be the core of a casino's product offer) and gaming machines and automated gaming equipment. A balanced offer means that customers can make a choice about whether to play on gaming tables, which are more social in nature, as opposed to gaming machines and other automated gaming equipment where there is less potential for human interaction.

Qualified alcohol licensed premises (public house)

Proposals from industry

4.17. The Greene King pub chain (though not the BBPA) submitted a proposal to raise the automatic entitlement to category C or D gaming machines from two to four in pubs. This proposal seems to be predicated on a combination of factors including the fact that LBOs are permitted four B2 gaming machines and, they argue, the lack of evidenced gambling problems related to category C machines.

Policy options for consultation

4.18. The Government notes that this proposal was only submitted by one pub chain and was not supported by the trade body representing the pub industry. It also notes that the Gambling Act 2005 allows pubs two category C or D gaming machines as of right and that Local Authorities (LAs) can permit an increase in this number if it deems appropriate. In addition, the Government notes that pubs are ambient gambling establishments and therefore lack both dedicated staff for the gambling function and more thorough social responsibility codes as there are with premises that are permitted more gaming machines. The Government is therefore minded to retain the status quo with local

[38] Those defined as "ordinary gaming tables" in the Gambling Act 2005 (Mandatory and Default Conditions) (England and Wales) Regulations 2007

authorities determining the appropriate number of machines in pubs beyond two.

Adult Gaming Centres (AGCs)

Proposals from industry

4.19. The arcade sector (represented by BACTA) have proposed the introduction of a new sub-category of gaming machine (sub-category B5). The proposal is for the B5 gaming machine to have a maximum stake of £10 and maximum prize of £125 with a proposed spin cycle of 30 seconds. BACTA argues that this new category of machine would allow operators to offer a more varied selection of products including, what they describe as "low stake roulette" or horse racing style products which, due to their popularity, would ensure the machine's commercial viability. BACTA has estimated that each new machine would generate GGY of approximately £300 per week. In support of this proposal PwC has submitted that the manufacture of 10,000 of these gaming machines would generate an economic benefit of £165m and increased taxes of £25m. There would be a one off benefit from additional machines sales of £39m with £9m in VAT being generated. Accompanying the proposal to introduce a new sub-category of gaming machine (as set out above), BACTA propose introducing a 10% cap on the number of new B5 machines permitted in an AGC. A cap of 20% for category B3 machines currently exists; this proposal would therefore create a new 30% cap for category B gaming machines in AGCs.

Policy options for consultation

4.20. While government recognises the case for innovation in the sector, there are concerns around the introduction of a new category of machine on the high street in light of potential changes to B2 machines. We would want to evaluate the impact of other changes outlined in this document before considering further changes to gaming machine regulation. We would also seek to explore in more detail how this machine would function and any corresponding player protection measures. We are therefore not minded to agree to this request for a new category of higher stakes machine at this time.

Q9. Do you agree with the government's proposals to maintain the status quo on allocations for casinos, arcades and pubs?

If you have any evidence to support your position then please send to gamblingreviewconsultation2017@culture.gov.uk. When sending in evidence please provide your name and email address so that we may contact you. By evidence, we are referring to published research, data or supporting analysis.

Other gaming machine issues: Contactless payments on gaming machines

Proposals from industry

4.21. Industry respondents from across all sectors, with the exception of bookmakers, submitted proposals for the introduction of contactless payments on gaming machines. Industry respondents cited the increase in contactless payments on the high street as the primary rationale for change, and argued that contactless payments on gaming machines are required to align with customer spending habits. It was also argued that this would increase gaming machine revenue and increase customer protection.

Policy options for consultation

4.22. Current legislation prevents the use of credit or debit cards as a means of direct payment for gaming machines and so the introduction of contactless payments would be a significant shift from the current regulatory framework. The rationale for not allowing the use of credit and debit cards as a means of direct payment to gaming machines is to give players more control over their play which may result from uninterrupted play generated by the use of cards as opposed to cash.[39] It remains the Government's view that the use of credit or debit cards as a direct form of payment to gaming machines would be a backward step in the protection of vulnerable players and it does not intend to progress this proposal.

Q10. Do you agree with the government's proposals to bar contactless payments as a direct form of payment to gaming machines?

If you have any evidence to support your position then please send to gamblingreviewconsultation2017@culture.gov.uk. When sending in evidence please provide your name and email address so that we may contact you. By evidence, we are referring to published research, data or supporting analysis.

[39] https://about.gambleaware.org/media/1362/pbhm-final-report-december-2016.pdf

5. Social responsibility (SR) measures

5.1. As part of the call for evidence, Government requested responses on the effectiveness of social responsibility measures implemented by industry since 2013 and on the effects of gambling advertising.

5.2. This chapter sets out findings in four areas covering: player protection measures on gaming machines, online gambling, gambling advertising and the provision of research, education and treatment (RET) into, and in response to, gambling-related harm.

(i) Player protection measures on gaming machines

Overview of findings

5.3. A number of respondents to the call for evidence highlighted the perceived inadequacies of industry codes on social responsibility, specifically on gaming machines, primarily citing the lack of evidence of impact and effect of the measures. Where evaluation has taken place, primarily of the measures introduced by the bookmakers on B2 machines, it is not clear that the measures have been as effective as they could have been. While these evaluations proved inconclusive, we think there is value in trialling interventions and further refining and evaluating as appropriate.

5.4. The evaluation of the Association of British Bookmakers' (ABB) code on social responsibility,[40] of which the headline measure related to the introduction of voluntary time and money limit setting on B2 gaming machines, was published in May 2015 and concluded that only 0.5% of machine sessions in the first month after implementation included a voluntarily set threshold. They could not establish if this was because players did not want to use the function, or did not know about it. Due to the small proportion of sessions that included a voluntarily set threshold they were unable to draw any conclusions on the impact of this tool on players' behaviour. In addition, we welcome that the evaluation of the Player Awareness System (PAS) rolled out by ABB members on B2 machines was published in October 2016.[41] It found that although this measure had potential, there was a considerable way to go before it could be considered successful.

5.5. We also recognise the effort and resource now being put into responsible gambling activities across the industry as a whole, but we believe there is a need for considerable improvement in methods of identifying harmful play on all gaming machines that enable high losses (B1, B2 and B3 gaming machines across all venues) and in the

[40] https://about.gambleaware.org/media/1167/abb-early-impact-report-final-report.pdf
[41] https://about.gambleaware.org/media/1335/pas-evaluation_final-report_13102016.pdf

development of interventions to help players who might be suffering harm. The RGSB publication analysing industry progress echoes this, concluding that *"there is still much to do if the [National Responsible Gambling] Strategy is to make visible progress towards its objectives"*, with a need to increase the pace of delivery over the next 12 months.[42]

5.6. One of the areas of agreement captured in the responses to the call for evidence on this issue is that the factors which influence the extent of harm to the player are wider than one product or a limited set of parameters, such as stakes and prizes, and include factors around the player, the environment and the product. It also highlighted risks associated not just with B2 gaming machines but with other category B gaming machines, specifically B3s.

Government position and options for consultation

5.7. As part of the work that industry is taking forward under the objectives of the National Responsible Gambling strategy,[43] we would therefore like to see industry trial and evaluate additional measures on B1, B2 and B3 gaming machines to improve player protections and to create parity across category B gaming machines, the majority of which are in highly accessible locations.

5.8. As previously referenced, we think there is particular merit in the introduction of the following measures across B1, B2 and B3 gaming machines based on stake and prize levels available and what we know about the way in which these machines are played, and would like to see industry work with the Gambling Commission on these issues. If there is insufficient progress in this space, we and the Gambling Commission will consider whether additional requirements need to be placed on affected licence holders:

5.8.1. Evidence suggests that voluntary time and spend limit setting is more effective than compulsory limits in terms of players keeping to the limits that they set, but that take up has been negligible in regards to existing measures on B2s. We would like to see further work done to encourage take up on existing measures (on B2 gaming machines) and work done on the introduction of these measures on B1 and B3 gaming machines. 'Hard stops' when limits are met, i.e. the ending of sessions, should also be considered as an accompanying measure;

5.8.2. Mandatory alerts when certain time and spend benchmarks are reached. Evidence suggests that these can be effective at improving player control but must be trialled and evaluated routinely to ensure effectiveness with players;

5.8.3. Prohibiting mixed play between B2 and B3 (only applies in practice to gaming machines in betting shops). Industry data

[42] http://www.rgsb.org.uk/PDF/Strategy-progress-report-2016-2017.pdf
[43] http://www.rgsb.org.uk/PDF/Strategy-2016-2019.pdf

obtained by the Gambling Commission[44] as part of the call for evidence highlighted that session losses were high on sessions that contained mixed play. We think this measure will improve player control by making it more apparent to players when they are transitioning between different content on a single terminal; and

5.8.4. The utilisation of algorithms to identify problematic play on gaming machines. Although there is a long way to go to utilise the wealth of data available on gaming machines, we believe that this measure has the potential to be an effective intervention tool for those most at risk.

5.9. In addition, we have asked the Gambling Commission to advise us on the costs and benefits of introducing a form of tracked play on B1, B2 and B3 gaming machines. By tracked play, we do not necessarily mean that players would be required to provide verified personal information about themselves to their gambling operators. It could be a process by which players would register and be given some way of tracking their play (e.g. a number, a QR code) without providing this information. An approach like this would address player concerns about sharing personal data with gambling operators, but still provide data to better understand harm and the effectiveness of interventions. We note that there are significant potential benefits to this measure, including improved data about gaming machine play and therefore enhanced ability to target interventions, prevent underage and self-excluded players from gambling, and to evaluate the impact of interventions. We would also welcome views from industry and others about this measure, including potential costings and process and timing of implementation. Finally, we would like to see industry establish a process with the RGSB, GambleAware and the Gambling Commission in which data on how gaming machines are played is routinely shared, for the purposes of monitoring, evaluation and research.

Q.11 Do you support this package of measures to improve player protection measures on gaming machines? If you have any evidence to support your position then please send to gamblingreviewconsultation2017@culture.gov.uk. When sending in evidence please provide your name and email address so that we may contact you. By evidence, we are referring to published research, data or supporting analysis.

For industry:

Can you provide estimates about (a) the potential implementation and running costs of this package of measures; and (b) the potential delivery timescales for these changes?

[44] http://www.gamblingcommission.gov.uk/news-action-and-statistics/news/2017/New-data-to-inform-government-gambling-review.aspx

(ii) Online gambling

Overview of findings

5.10. The call for evidence invited views on the effectiveness of social responsibility measures across the gambling industry. A number of respondents raised online gambling, with some respondents questioning in particular whether the controls in place to protect young and vulnerable people are effective.

5.11. The Government is committed to ensuring young and vulnerable people are protected from gambling-related harm - both online and offline. The recently published Internet Safety Strategy[45] looks at how we can ensure Britain is the safest place in the world to be online. The Strategy considers the responsibilities of companies to their users, the use of technical solutions to prevent online harms and government's role in supporting users. Alongside this, the Government is clear that the gambling industry must play its part in limiting online harms and protecting consumers.

5.12. Like other consumer products and services, gambling has seen a rapid growth in the online sector. With many of the online operators based offshore, the Government moved to tackle the risks this posed by bringing forward legislation in 2014. The Gambling (Licensing and Advertising) Act 2014 brought offshore online gambling websites within the regulatory remit of the British regulator, meaning that all online websites - no matter where they are based - offering gambling services to consumers in Britain require a licence from the Gambling Commission and must adhere to the Licence Conditions and Codes of Practice (LCCP)[46] attached to their operating licence. These include requirements to prevent underage gambling and money laundering, and to ensure that gambling is provided in a socially responsible way. Player protection requirements include ensuring that consumers have access to gambling management tools such as financial limits, reality checks, 'time-outs' and can request to self-exclude from a gambling website. The licence conditions are kept under review to ensure they reflect developments in the industry or emerging evidence on the most effective means of promoting socially responsible gambling.

5.13. Statistics published[47] by the Gambling Commission in May 2017 show that the online sector generated £4.5bn in GGY and the Commission estimates there are around seven million individual consumers gambling online in Britain. Just over half of this gross profit was generated by online casino and slot games. While land-based venues

[45] https://www.gov.uk/government/consultations/internet-safety-strategy-green-paper
[46] http://www.gamblingcommission.gov.uk/PDF/LCCP/Licence-conditions-and-codes-of-practice.pdf
[47] http://www.gamblingcommission.gov.uk/news-action-and-statistics/news/2017/Latest-industry-statistics-published.aspx

account for 56% of the profits made by the commercial gambling market in Britain[48] the online sector has grown rapidly. Alongside this, there has been a corresponding growth in the volume of advertising for online gambling which is considered in the next section of this document.

5.14. The most recent statistics on gambling participation and problem gambling are taken from the report on Gambling Behaviour in Great Britain 2015[49], published in August 2017, which showed an increase in problem gambling rates and participation in online gambling - although the proportion deemed 'at-risk' had declined since the last survey in 2012. The results found that 10% of the adult population participated in online gambling or betting in the past year (7% in 2012). Among those who did participate in online gambling, problem gambling rates were 5.1% (4.2% in 2012). Looking at more specific products within the online market, the survey found that 4% of the adult population participated in online slots, casino or bingo (3% in 2012), while problem gambling prevalence rates among this group were 10.6% (6.3% in 2012). We are clear that developments in the online gambling sector need to be monitored closely and the Gambling Commission are keeping this under review.

5.15. While all online operators are subject to the same or equivalent regulatory requirements as land-based operators, there have been cases where operators' compliance with the rules has fallen short. This is being tackled, with the Gambling Commission recently introducing a revised enforcement strategy which includes higher penalties for those found to have breached the licence conditions. This will act as a strong deterrent to those who do not take their obligations seriously. In addition, a number of new requirements or initiatives which aim to improve standards across the online sector and enhance the social responsibility measures currently in place are in progress.

Figure 3. Tougher approach to enforcement

In July 2017, the Gambling Commission introduced a revised enforcement strategy which aims to put customers first and raise standards across the industry. The strategy includes higher penalties for those found to have breached the licence conditions, particularly where the Commission identifies systemic and repeated failings. The Commission have removed the previous bias in favour of settlement, putting all regulatory tools, including licence review, on an equal footing. This revised approach will act as a strong deterrent to those who do not take their obligations seriously. In September 2017, the Commission imposed a record £7.8m penalty package against online operator 888 as a result of serious failings in its handling of vulnerable customers between September 2014 and September 2016. The Commission also ordered an independent audit of 888's processes relating to customer protection.

[48] Excludes National Lottery and large society lotteries.

[49] This report provides information about gambling behaviour in Great Britain using data combined from the Health Survey for England 2015, the Scottish Health Survey 2015 and the Wales Omnibus in 2015.

Free bets and sign-up offers

5.16. The Competition and Markets Authority (CMA) are currently investigating possible unfair terms and misleading practices around online gaming sign-up promotions and free bet promotions. In June 2017, the CMA opened enforcement cases against several online gambling firms suspected of breaking consumer protection law. In addition to this enforcement action, the CMA opened a new line of investigation into unfair terms and practices that could restrict customers' rights to withdraw money in their online gaming and betting accounts.

5.17. The CMA will provide an update on its investigation later this year. The Gambling Commission is working with the CMA to deliver sector-wide change in the areas of concern identified and to drive improved compliance with consumer protection law in the gambling sector. The Government fully expects the gambling industry to ensure terms and conditions are clear to consumers.

5.18. Bonus and promotional offers must only be made available in a socially responsible manner which is consistent with the licensing objectives. Such offers should never be marketed at young or vulnerable people, those who have self-excluded or those who have been identified as at risk of gambling-related harm. The Gambling Commission has the power to restrict the use of bonus and promotional offers which are designed to induce and encourage gambling. The Commission are monitoring the industry's approach to managing risks to the licence conditions arising from such offers and will consider whether regulatory intervention is required if operators fail to demonstrate they are sufficiently managing the risks. The Gambling Commission has the Government's full support in this work and we will continue to monitor this area to ensure these types of promotions are effectively regulated.

Customer interaction - identifying those at risk of gambling-related harm and making effective interventions

5.19. Unlike land-based gambling, all online gambling is account-based, which means operators know who their customers are, what they are spending their money on, and their patterns of gambling. This provides opportunities for operators to use customer data to identify and minimise gambling-related harm.

5.20. The Commission has found that standards and approaches to identifying those at risk of gambling-related harm and making effective interventions vary widely across the industry in their approach and delivery of customer interactions. While a number of operators are already developing and operating algorithm-based systems to identify

harmful behaviours and activity, very few operators were able to review and evaluate the effectiveness of their approach.

5.21. The industry is working collaboratively with GambleAware to identify good practice, pilot responsible gambling messaging and understand the information players need to help them manage their own gambling, as well as new approaches to staff training around social responsibility.

5.22. In August 2017 GambleAware published phase two of the research they commissioned to explore the potential usefulness of industry-held data and behavioural analytics to identify harmful or risky behaviour.[50] This research found the industry could accurately detect problem gamblers using data held by operators today, with a refined set of 22 predictive markers used to create a customer specific risk score. The markers could be used to inform tailored interventions based on different risk thresholds. This is a key area of opportunity for operators to strengthen their processes to identify and minimise gambling-related harm.

5.23. The next phase of GambleAware's research into harm minimisation online is expected to conclude in 2019. The research aims to provide a best practice model that can be used by online gambling companies in their responsible gambling operations, including recommended interventions which have been evaluated for their effectiveness to reduce the risk of gambling-related harm.

5.24. The Government welcomes steps taken by some operators to incorporate behavioural analytics into their responsible gambling systems and the Commission's work to raise standards across the sector.

5.25. The Commission intend to draw on the findings and outcomes of the GambleAware research to inform their ongoing approach to raising standards across the industry. The Commission have already concluded that, in order to raise standards in this important area of player protection, they will need to make changes to the Licence Conditions and Codes of Practice (LCCP) and to issue guidance to the industry setting out expectations around customer interaction. The Commission will continue to enhance their understanding of the most effective methods of identifying people at risk of gambling-related harm and intervening to assist them, ahead of a consultation on changes to the LCCP next year.

Enhanced player protection

5.26. All licensees are required to make information readily available to their customers on how to gamble responsibly and how to access

[50] https://about.gambleaware.org/research/research-publications/

information about, and help in respect of, problem gambling. There are a range of online gambling management tools which operators must provide including:

- measures to help individuals monitor or control their gambling, such as restricting the duration of a gambling session or the amount of money they can spend;
- timers or other forms of reminders or 'reality checks' where available;
- self-exclusion options; and
- information about the availability of further help or advice.

5.27. The Gambling Commission recently announced revised technical standards placing new requirements on online operators. From April 2018, operators must:

- ensure consumers are able to directly access 3 months' worth of account and gambling information, with a minimum period of 12 months available on request;
- Ensure customers can access information about their net deposits (defined as the running total of all deposits minus withdrawals for the lifetime of the account);
- set financial limits across their entire gambling account as well as individual games.

5.28. These improvements will ensure greater consistency and clarity across the sector and help consumers to manage their gambling.

Self-exclusion

5.29. Self-exclusion is an important harm minimisation tool for those people who recognise they have a problem with gambling. It is a requirement under the Gambling Commission's Licence Conditions and Codes of Practice that every operator must exclude individuals upon their request.

5.30. A new multi-operator self-exclusion scheme for online gambling, called GAMSTOP, is expected to be in place by the end of 2017. This will allow customers to self-exclude from all online gambling operators licensed by the Commission in a single step. The website will also set out other measures that are available to help people manage their gambling and will signpost specialist advice and support services.

5.31. We welcome this important development, that will significantly strengthen the self-exclusion arrangements available for online gamblers. We want to see the industry promote awareness of the scheme and do more to increase the take up of this, and other responsible gambling tools that are available.

Government position for consultation

5.32. While we welcome the positive industry led initiatives outlined above, we also note concerns expressed by the Gambling Commission that the pace of change by the industry to enhance the measures currently in place to protect consumers and promote responsible gambling has not been fast enough.

5.33. We expect the industry to accelerate its work wherever possible. In particular, we expect industry to:

- Ensure that implementation of the new multi-operator online self-exclusion scheme is completed at the earliest opportunity. Industry must promote awareness of the scheme, and other responsible gambling tools that are available, so that more customers who would benefit from them use them. And there should be an evaluation of this scheme (GAMSTOP) to ensure it is delivering the benefits we want to see for those who want to self-exclude;
- Act on the findings of GambleAware's existing research into harm minimisation in the online sector and trial a range of harm minimisation measures to strengthen their responsible gambling policies and processes;
- Evaluate the action they take and share outcomes among industry, to raise standards across the sector;
- Respond constructively to the interim findings from the next phase of GambleAware's research into harm minimisation in the online sector, expected later this year, and adopt any findings which could strengthen existing responsible gambling policies;
- Commit to adopt in full the final findings of the next phase of GambleAware's research, expected to be completed in 2019.

5.34. We want to see a robust and consistent approach to harm minimisation and the prevention of gambling-related harm across the industry. We do not believe it is acceptable for operators to wait for the final outcome of the research to improve their processes when significant findings have already been published by GambleAware. While evidence of the most effective methods of identifying gambling-related harm and providing effective interventions continues to build, we consider that operators should look to adopt a more risk-based approach to their responsible gambling policies. The Government, and the Gambling Commission, will be paying close attention to industry progress in this area and will act accordingly.

5.35. The Government welcomes and supports the Gambling Commission's work on driving up standards across the online industry to address the risk of harm. It is essential that the regulatory action taken by the Commission results in better approaches to harm minimisation.

5.36. The Gambling Commission has made clear it will consider restricting the use of bonus and promotional offers if operators cannot appropriately manage the risks presented by such offers. The Government is also concerned about the prevalence of free bet offers and fully supports the Commission's stance in this area. We will continue to monitor closely developments in this area and keep the need for further intervention under review.

5.37. While gambling on virtual games on gaming machines is subject to stakes and prize limits, there are currently no limits placed on virtual games offered by online operators. The Responsible Gambling Strategy Board (RGSB) provided advice to the Gambling Commission in relation to the Government's call for evidence and commented that the justification for this could only be that, when compared to operators of gambling premises based in Great Britain, online operators have better (account based) data to monitor play and intervene where harm is identified. We agree with the RGSB that it is vital that the online sector capitalises on the data it holds and demonstrates it is actively supporting its customers and helping to manage the risk of harm from gambling. We are clear that the risk of harm should not be affected by whether individuals are gambling online or in land-based venues.

5.38. As such, the Government acknowledges that the Commission has a broad range of powers to regulate and respond to changes in this sector. We want to see the Commission exercise the full breadth of the powers available to it to manage the risks arising from the rapid growth of the online sector. Wherever Gambling Commission identifies specific risks to the licensing objectives we expect it to take prompt action to ensure that young and vulnerable people are protected from gambling-related harm. If the Commission's powers prove insufficient to manage any new or emerging issue or risks, then the Government will consider putting in place additional legislative controls.

5.39. As part of the Gambling Commission's commitment to raise standards across all gambling sectors it is currently undertaking a wide-ranging review of the online sector. The Commission is examining data, market trends, consumer participation and action by online operators on social responsibility and crime. This will build the evidence base over the next year and inform any future action in relation to online gambling.

Q.12 Do you support this package of measures to improve player protection measures for the online sector?

If you have any evidence to support your position then please send to gamblingreviewconsultation2017@culture.gov.uk. When sending in evidence please provide your name and email address so that we may contact you. By evidence, we are referring to published research, data or supporting analysis.

(iii) Gambling Advertising

5.40. The call for evidence asked if existing rules were appropriate to protect children and vulnerable people from the possible harmful impact of gambling advertising. Responses were received from broadcasters, the advertising industry and Advertising Standards Authority (ASA)/ Committees for Advertising Practice (CAP), sporting bodies, academics, charities and members of the public.

Overview of findings

5.41. Numbers of betting and gaming advertisements have increased substantially over the past decade. Before provisions in the Gambling Act 2005 came into force in September 2007, only bingo and lotteries could advertise on TV. The lifting of restrictions led to rapid growth; this also coincided with the dramatic increase in online gambling (as outlined in the section above), with most gambling advertising on television and in other media now being for online gambling sites.

5.42. In 2013 a major Ofcom study showed that gambling advertising impacts on TV - one person seeing one advert, the primary measure for advertising - rose more than fivefold for adults between 2005 and 2012, growing from 5.8bn impacts to 30.9bn. Children were seeing more than three times as many gambling adverts in 2012 than 2005. Since 2005 the use of social media, and advertising via social media sites, has also grown very significantly.

5.43. In 2014 the Government asked the Advertising Standards Authority (ASA), Committees for Advertising Practice (CAP/ BCAP), gambling industry and the Gambling Commission to carry out a four-strand review of gambling advertising. This concluded that there was no evidence that would justify further restrictions at that time. Industry took voluntary steps to tighten the Gambling Industry Code for Socially Responsible Advertising, including banning sign-up offers targeted solely at new customers before 9pm.[51] This was announced in August 2015 and the new code came into effect in February 2016. The Gambling Commission also tightened its Licence Conditions and Codes of Practice (LCCP) to increase the sanctions available to it in cases of misleading advertising. In 2015 CAP/BCAP consulted on whether they should tighten their guidance on content but received very few responses.

5.44. The 2014 reviews took into account a major research survey by Dr Per Binde, Associate Professor of Anthropology at Gothenburg University, published by the Responsible Gambling Trust (now GambleAware). This concludes that advertising's impact on problem gambling

[51] http://igrg.org.uk/wp/wp-content/uploads/2015/12/Gambling-Industry-Code-for-Socially-Responsible-Advertising-Final-2nd-Edition-August-2015.pdf

prevalence is 'likely to be neither negligible nor considerable, but rather relatively small'. It is one of many environmental factors which contribute to prevalence (the total effect of the environment may be substantial). It identified that further research still needed to be done, including on the impact of different types of message.

5.45. Problem gambling has remained statistically stable despite the rise in advertising, although gambling-related harm is harder to measure. Children's participation in gambling and their levels of problem gambling have declined since 2007.

5.46. CAP/ BCAP rules, as well as the industry voluntary code, already restrict the content of gambling advertising and where it can be shown. Adherence to these rules is also reflected in the Gambling Commission's Licence Conditions and Code of Practice (LCCP).

Figure 4. Existing restrictions on advertising (CAP/ BCAP rules)

Broadcast gambling adverts may not be placed in or around programmes aimed at under-18s or likely to appeal particularly to them (the prohibition is below 16 in the case of lotteries and pools).

Advertisements for gambling must not:

- Portray, condone or encourage gambling behaviour that is socially irresponsible or could lead to financial, social or emotional harm
- Exploit the susceptibilities, aspirations, credulity, inexperience or lack of knowledge of children, young people or other vulnerable people
- Suggest that gambling can provide an escape from personal, professional or educational problems such as loneliness or depression
- Suggest that gambling can be a solution to financial concerns, an alternative to employment or a way to achieve financial security
- Portray gambling as indispensible or as taking priority in life; for example over family, friends or professional or educational commitments
- Suggest that gambling can enhance personal qualities, for example, that it can improve self-image or self-esteem, or is a way to gain control, superiority, recognition or admiration
- Suggest peer pressure to gamble nor disparage abstention
- Link gambling to seduction, sexual success or enhanced attractiveness
- Portray gambling in a context of toughness or link it to resilience or recklessness
- Suggest gambling is a rite of passage
- Suggest that solitary gambling is preferable to social gambling
- Be of particular appeal to children or young people, especially by reflecting or being associated with youth culture
- Feature anyone gambling or playing a significant role in the ad if they are under or appear to be under 25 years old. No-one may behave in an adolescent, juvenile or loutish way
- Exploit cultural beliefs or traditions about gambling or luck
- Condone or encourage criminal or anti-social behaviour
- Condone or feature gambling in a working environment (with an exception for licensed gambling premises)

Under the **voluntary industry code**, the only forms of gambling advertising permitted before 9pm on TV are for bingo, lotteries and sports betting (only around sporting events). Free sign up offers targeted at new customers are banned before 9pm and the website address for GambleAware must remain on the screen for at least 10% of an advert's length. There are other stipulations for online, print and radio advertising. All television and print adverts must carry an 18+ or 'no under 18s' message, except for lotteries, where the equivalent age is 16.

5.47. Content rules apply to all media, including online advertising. Children are not allowed to participate in most forms of gambling and it is an offence under the Gambling Act to invite a child to gamble.

5.48. Between January and September 2017, 631 complaints about gambling advertising were received, resulting in 500 discrete ASA cases. 34 of these were investigated formally and 25 were upheld or upheld in part. A further 42 cases were resolved with advertisers informally by their agreement to change or withdraw an advertisement. Compared with the average quarter in the preceding 12 months, Q3 2017 saw a 20% decrease in complaints about gambling advertisements.

5.49. The majority of complaints received by ASA relate to misleading free bet and bonus offers rather than breach of the codes regarding protection of vulnerable people. All television adverts must be pre-cleared by Clearcast, and all radio adverts by RadioCentre, which helps ensure compliance.

Call for evidence responses

5.50. Responses to the call for evidence focused mainly on television adverts but several pointed out that advertising is moving increasingly online. Of the public responses, 145 included comments on advertising and the campaigning organisation 38 Degrees submitted a 100,000 signature petition calling for action on advertising as well as B2 gaming machines (FOBTs).

Volume and scheduling of advertising

5.51. Many of the 145 public responses argued that there is too much gambling advertising on TV, citing the devastating effects of problem gambling and calling for advertising to be banned or heavily restricted because it promotes or 'normalises' gambling. This included, but was not limited to, concern about children seeing adverts during the day.

5.52. Responses from academics pointed out that many children watch television after the watershed, especially from the age of 11. On advertising in general, they argued for a need to focus on the impact on vulnerable people, not the general population. A mental health campaign group suggested a ban on broadcast adverts between 12am and 6am, to protect the mentally ill and those impaired by drink or drugs. It also said that a tool to block online gambling sites and advertising should be made available to vulnerable people.

5.53. Broadcasters, the ASA/CAP, the Advertising Association and sporting bodies cited the conclusion of Per Binde that the impact of advertising on problem gambling is small, the lack of any rise in problem gambling

to correspond with the increase in advertising since 2007, and the conclusion of the reviews into gambling advertising in 2014. They pointed out that investment in sport and sports coverage, in particular free-to-air coverage, depends heavily on gambling advertising.

5.54. Broadcasters provided figures for gambling advertising impacts since Ofcom's research in 2012. These show that the number of adverts seen by children and young people aged 16-24 continued to rise until 2013, and has declined since. In 2016 children aged 4-15 saw 25% fewer gambling adverts than they did in 2012, and children aged 10-15 saw 28% fewer. This is in line with Ofcom research showing children spending more time online.[52] The number of adverts seen by adults has remained stable with a small decline from the peak in 2013.

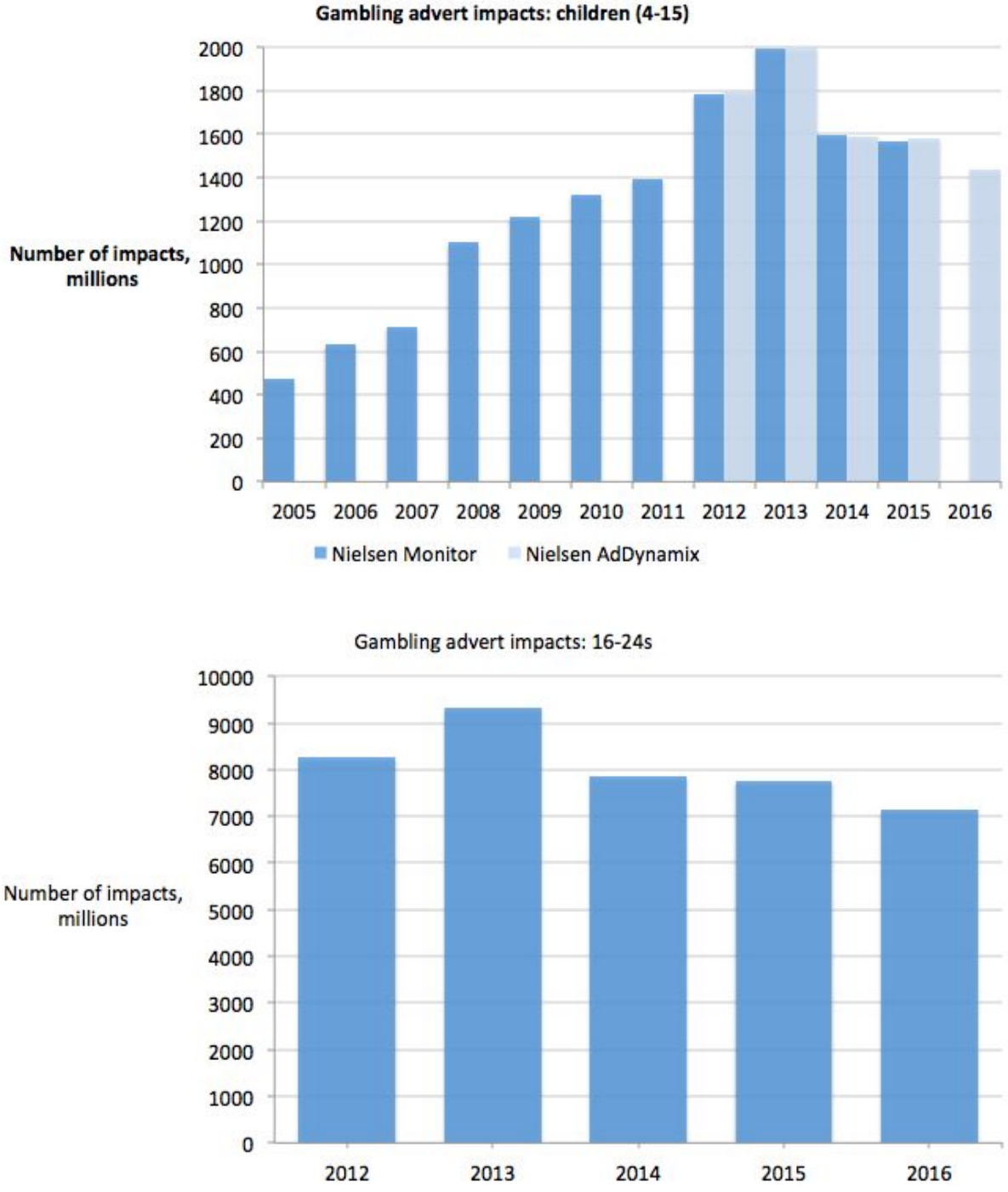
Tone and content of advertising

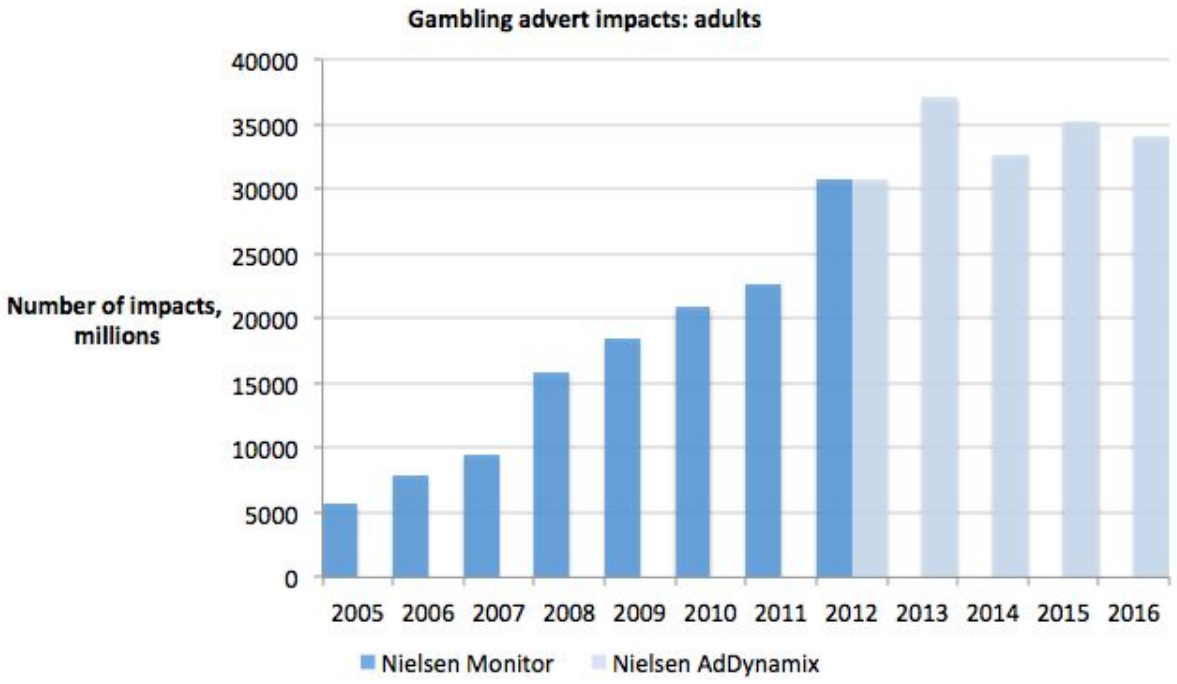
5.55. Relatively little was said in the responses about the tone and content of current gambling advertising. Several public responses argued that it gives a false impression that winning is likely and there is too little information about the risks. Academics pointed out that it is difficult to make an advert which appeals to adults without appealing to teenagers. Industry bodies offered to work with government if it was felt that changes to tone and content were required.

5.56. A campaign group suggested tougher and financial sanctions for breaches of the CAP and BCAP content codes, arguing that the ASA stopping an advert was insufficient sanction as the campaign has usually run its course anyway. Others suggested that the exemption in the voluntary industry code which allows daytime advertising of bingo is outdated, as online bingo sites also offer casino and betting.

[52] Children and parents: media use and attitudes report, Ofcom, November 2016

Figure 5. Gambling advert impacts





Government position for consultation

5.57. For millions of people gambling is a leisure activity and the Gambling Act 2005 permits licensed gambling to be offered and advertised. The Act also makes clear that regulation of gambling is subject to the key licensing objectives: keeping gambling free of crime, ensuring it is fair and open, and protecting children and vulnerable people from harm or exploitation.

5.58. The Government's objective for this review is to ensure it continues to strike the right balance between socially responsible growth and the protection of consumers and wider communities.

5.59. The increase in both broadcast and online gambling advertising in the years following the 2005 Act has clearly been a noticeable social change and caused concern, especially regarding the exemptions to the voluntary industry code which allow daytime advertising around sports events on television. Scheduling restrictions in the advertising codes ensure that no adverts are included in or around programmes targeted at children.

5.60. In considering the proposals in this document, the Government has taken into account the current state of evidence linking gambling advertising to harm, the existing regulatory environment and the protections that are in place, and whether there is a need for further action to protect vulnerable people.

5.61. Regarding the link between gambling advertising and harm, the evidence base has not changed significantly since the survey of

evidence by Per Binde which was published by GambleAware in 2014. As outlined above, this found that the impact of advertising on problem gambling was likely to be rather small, as one factor among many which make up the environment.

5.62. The study found that the prevalence of advertising did not appear to be linked with the prevalence of problem gambling, with some countries with little gambling advertising having high problem gambling rates and others with average or low prevalence and relatively heavy advertising. In the UK, problem gambling has remained relatively stable below 1% of the adult population, despite a very significant rise in advertising. However, the survey did identify the need for further research, in particular on the effect of different messages on vulnerable groups, including children and those with an existing gambling problem. This has been commissioned by GambleAware (see below).

5.63. The Government is clear that on gambling advertising, as with other aspects of social responsibility, more should be done by operators and others who benefit from gambling to minimise the risks to vulnerable people.

5.64. The following section outlines a package of measures and initiatives by regulators, including the Gambling Commission and ASA/CAP, by broadcasters and the gambling industry and by GambleAware. These are intended to address concerns about gambling advertising on a number of levels; by addressing the tone and content of adverts to strengthen protections further, by providing counterbalancing messages to raise awareness of risks associated with gambling and by making sure the Gambling Commission has the right sanctions available to ensure that operators comply with the advertising codes.

Regulators

5.65. Advertising in general in the UK is currently regulated through a combination of self-regulation and regulation by Ofcom (the self/co-regulatory system). This system works well and the Government continues to support it. Gambling advertising (like that for other sensitive products such as alcohol) clearly requires particular protections.

ASA/ CAP guidance

5.66. Since the last gambling advertising review in 2014, CAP has continued to monitor the protections provided by the UK Advertising Codes and the ASA continues to enforce them.

5.67. As shown in Figure 4, the codes require gambling operators to behave responsibly and protect the vulnerable. Adverts must not be targeted

through their placement or content at under-18s. For example, gambling adverts may not appear in children's media and appeals to youth culture or use of individuals (sportspeople or even characters) who are under 25 are prohibited. The codes also prohibit approaches that are irresponsible or might cause harm to people at risk of problem gambling. For example, adverts that play on people's financial worries or that condone specific problem gambling behaviours are prohibited.

5.68. CAP has published additional guidance to support compliance with the rules. This gives advertisers more clarity on what the ASA is likely to consider unacceptable when it enforces against specific advertisements.

5.69. Following the recent publication of guidance on the use of social media marketing and guidance on targeting advertising appropriately to avoid significant child audiences, CAP is also working on dedicated guidance around gambling promotions and the use of affiliates by operators. These will be published by the end of 2017.

5.70. On a wider level, CAP has committed to produce new guidance to protect those at risk of problem gambling. The work will look at, among other things, 'urgent calls to action', where offers are presented in a manner and context that limits the time people have to decide whether to participate. There is some evidence to suggest that such adverts could encourage impulsive behaviour and therefore risk exploiting problem gamblers in particular.

5.71. Problems with impulse control are known to play an important role in problem gambling. Social responsibility measures across sectors often focus on encouraging players to take a break from gambling and ensure gambling is mindful rather than impulsive or automatic. The rise of online gambling means a greatly increased availability of instant opportunities to gamble, at all times of day and without in-person interaction with providers. In this context advertising needs to be especially responsible.

5.72. CAP's guidance will draw on insights from ASA enforcement work and new research and statistics published this year on problem gambling, as well as from our call for evidence. Once it is published, the ASA will use it to interpret the Codes and begin to enforce against individual advertisements. At the same time, Clearcast and RadioCentre, which pre-clear adverts, will begin to apply the guidance in their work.

5.73. The new problem gambling-related guidance is likely to be published early in the new year. CAP will then carry out a similar exercise, to produce another piece of gambling advertising guidance focused on protection of children and young people. That is expected to be

concluded in mid to late 2018. This new dedicated suite of guidance will help reinforce the protections provided by the Advertising Codes.

Gambling Commission

5.74. The Gambling Commission will consult on making compliance with the CAP/BCAP advertising codes a social responsibility code requirement of its Licence Conditions and Codes of Practice (LCCP), which means that breaches could be subject to the full range of the Commission's regulatory powers. This is already the case for the rules relating to misleading marketing practices.

5.75. As mentioned in the preceding section on online gambling, the Commission is also supporting the Competition and Markets Authority investigation to examine possible unfair terms and misleading practices around online gaming sign-up promotions and free bet promotions.

5.76. The Commission published an advice note earlier this year on ensuring direct marketing is not sent to those who have self-excluded from gambling. It has also been working closely with the ASA to address the issue of irresponsible advertorials. These include advertising which purports to be news and often seriously breaches the content restrictions in the advertising codes. The ASA ruled against several operators this year following publication of these stories by rogue affiliates. A condition in the LCCP holds licensed operators responsible for the actions and behaviours of their affiliates.

Online advertising, targeting and social media

5.77. Online advertising uses a number of techniques to work out who is likely to be interested in a product. This includes using information on recent browsing on a particular device (Online Behavioural Advertising), as well as advertising on social media sites.

5.78. This type of marketing is also governed by the CAP codes and must be responsible. For example, Appendix 3 on Online Behavioural Advertising requires that targeted advertisements are clearly labelled and that users can easily opt out. Operators and affiliates must comply with the requirements of the Privacy and Electronic Communications Regulations and the Data Protection Act, and the Information Commissioner's Office may take enforcement action if there is evidence of a breach. The ASA also has the power to take action if it receives evidence of irresponsible targeting.

5.79. However, because advertising is linked to interests, a regular gambler who may now wish to limit or stop their gambling will tend to continue seeing adverts for a time. Being aware of how to use settings to opt out can help to reduce this.

5.80. The Gambling Commission will encourage social media companies, with GambleAware support, to develop user-friendly guides on how a person wishing to limit their exposure to gambling advertising can do so by using settings and preferences within the platforms. This will help those wishing to control or stop their gambling. GambleAware is also commissioning an evaluation of the effectiveness of software which blocks gambling-related content.

5.81. As set out earlier, a new online multi-operator self-exclusion scheme known as GAMSTOP is due to be in place by the end of this year, allowing consumers to self-exclude from all online gambling operators licensed by the Commission in a single step. This will also include removing them from all marketing databases.

5.82. The Industry Group for Responsible Gambling (IGRG) has additionally strengthened the Industry Code on responsible gambling advertising to require operators to age-gate gambling content and gambling channels on social media. This will require them to use the tools provided by social media platforms to ensure their content is inaccessible to under-18s. This will reinforce the CAP guidance published this spring on targeting advertising away from children.

5.83. Through the Digital Charter the Government is looking to create a framework for how businesses, individuals and wider society should act online. This will include how big tech companies can play their part in tackling emerging challenges, such as online harms. We will look to examine the full range of possible solutions, including working with industry and regulators where appropriate.

Responsible gambling advertising campaign

5.84. GambleAware, broadcasters and gambling industry groups have drawn up proposals for a major responsible gambling advertising campaign, to run for two years with a budget of £5-7 million in each year. This will include television adverts, including around live sport, as well as radio, cinema, print and online. The scale is equivalent to or larger than the scale of a major Government public awareness campaign. The aim will be to raise public awareness of risks associated with gambling, as well as signposting to further advice and support where necessary.

5.85. Proposals for the campaign involve new funding from online gambling operators, with airspace and digital media provided by broadcasters. The bodies which are members of the responsible gambling group, Senet, will continue to fund its existing messaging and responsible gambling advertising work but bring this in line with the wider campaign. We would encourage others who benefit from gambling

advertising, including social media platforms and sports bodies, to look at how they can contribute to raising awareness of the potential risks.

5.86. GambleAware will lead the campaign, ensuring the content is independently approved and meets the campaign objectives. It intends to set up a Campaign Board and Delivery Unit, appointing an independent chair of the Board and approving all campaign content.

5.87. The Government welcomes the initiative by broadcasters and the gambling industry to fund and work with GambleAware to deliver a major responsible gambling advertising campaign.

Strengthening evidence base

5.88. New research on the effects of marketing and advertising on children, young people and vulnerable groups has been commissioned by GambleAware after being identified as a priority in the Responsible Gambling Strategy Board's research strategy.

5.89. The overall objectives for this project are to:

- Explore whether gambling marketing and advertising influences children and young people's attitudes towards gambling, in what ways and the impact of this;
- Examine the tone and content of gambling marketing and advertising across all media, including social media affiliates, and explore the potential impact of this on children, young people, and vulnerable people; and
- Identify specific themes and features of gambling advertising that children, young people and vulnerable groups are particularly susceptible to.

5.90. The findings of this research will help inform the development of guidance and protections going forward.

5.91. The ASA and BCAP, with support from Ofcom, are currently developing their approach to monitoring television advertising for several types of products including gambling. This will enable the regulators to check up-to-date information about how much gambling advertising is broadcast, and who is seeing it, with a particular focus on children.

Q.13 Do you support this package of measures to address concerns about gambling advertising?

If you have any evidence to support your position then please send to gamblingreviewconsultation2017@culture.gov.uk. When sending in evidence please provide your name and email address so that we may contact you. By evidence, we are referring to published research, data or supporting analysis.

(iv) Research, Education and Treatment (RET)

Overview of findings

5.92. In order to ensure appropriate and effective player protection systems and to minimise the risk of harm from gambling we want to see industry support for relevant research to build the evidence base, action to raise awareness of the risks and where to find help and support, and support services to those at risk of or experiencing harm. If this voluntary system fails to deliver on these issues, the Government will consider alternative options, including the introduction of a mandatory levy.

The current voluntary system

5.93. Currently, industry are required by the Gambling Commission to make an annual financial contribution to one or more organisation(s) which between them research into the prevention and treatment of gambling-related harm, develop harm prevention approaches and identify and fund treatment to those harmed by gambling. The vast majority of operators donate to GambleAware (formerly the Responsible Gambling Trust) who recommend a voluntary donation of 0.1% of an operator's GGY. In 2016/17, GambleAware raised over £8m from industry, which was then allocated to research, education and treatment services for gambling-related harm, guided by the National Responsible Gambling Strategy published by the Responsible Gambling Strategy Board (RGSB).[53] We welcome progress made recently in this space including:

- The publication of a new National Responsible Gambling Strategy by the Responsible Gambling Strategy Board (RGSB) in April 2016 on which all stakeholders were consulted and now work from to deliver responsible gambling initiatives, including annual progress reports on the delivery of its objectives;
- A complementary research strategy, also published by the RGSB, setting out research priorities until 2019;
- The publication of a refreshed 5 year strategy from GambleAware which aims to treble the number of people who receive treatment in that time and increase its funding target to £10m per year. This revised fundraising target was endorsed by the RGSB as an appropriate sum to meet the current objectives set out in GambleAware's 5 year strategy, but came with the caveat that requirements around, for example treatment, could increase;[54] and
- GambleAware now has an independent chair and a much greater proportion of non-industry members on its board. In

[53] This arrangement between the Gambling Commission, RGSB and GambleAware is referred to as the 'Tripartite system'.
[54] RGSBs current assessment of the funding required by GambleAware to deliver its part in the National Responsible Gambling Strategy equates to £9.3m in 17/18 and £9.5m in 18/19

addition, it has made other governance changes around how it commissions research, and how it manages contracts for treatment to address any concerns of industry influence.

5.94. While progress has been made, this system must remain fit for purpose. We therefore want the three bodies who make up the tripartite system, alongside industry, to work together to continue to build on and improve these arrangements. In addition, we would welcome views, particularly from those currently in or who have received treatment under this system, experts in the field and industry, on how the delivery of RET can be improved in order to achieve its objective of reducing gambling-related harm.

Research

5.95. Research to improve our understanding of gambling-related harm is crucial to the success of the National Responsible Gambling Strategy as well as guiding policy and regulation on gambling matters. We therefore welcome the RGSB's publication in May 2017 of a research programme which sets out the priorities for research to be commissioned in the period from April 2017 to March 2019.[55] We support the aim to fill current evidence gaps, particularly around whether there exists a treatment gap between demand and supply, and encourage a wide range of academics, research agencies, industry and others to help deliver the work.

5.96. At the national level the Department of Health, working with Public Health England, are considering what scope there is for commissioning further research to better understand the impacts of gambling-related harm on health. We will work closely with them to develop this strand of work.

Education/Prevention

5.97. We welcome and support work that GambleAware are taking forward in this space. On prevention/education, this includes:

- Training frontline staff in GP surgeries, Citizen Advice Bureaus (CABs), housing offices and community nurses to help them identify gambling issues, provide interventions and signpost to further support. GambleAware have already funded some CABs to develop a model around this;
- Making funding and resources available to local authorities and charities to support interventions and help tackle and prevent problem gambling;
- Marketing material to promote sources of help and advice, for local authorities to distribute; and

[55] http://www.rgsb.org.uk/PDF/Research-programme-2017-2019-May-2017.pdf

- Leading a public information campaign (see gambling advertising).

5.98. We are encouraged that the Local Government Association (LGA) will be working with GambleAware to help identify interested local authorities (LAs) to ensure maximum reach for this programme of work, which could also include: access to frontline staff; consideration being given to the inclusion of gambling-related harm in LAs Joint Strategic Needs Assessments; and support in gathering data to help better understand the extent and nature of the problems facing local communities in relation to gambling-related harm.

5.99. In addition, the LGA will shortly be developing updated guidance on problem gambling for LAs, which will provide an opportunity to highlight the materials that GambleAware are developing.

Treatment

5.100. While problem gambling figures may under or overestimate the total population of people who could benefit from treatment, the latest data estimated that the problem gambling prevalence rate among adults in Great Britain was 0.8%, which equated to approximately 430,000 people.[56]

5.101. Problem gamblers can already access treatment services in primary and secondary care including specialised mental health services. Local authority commissioned specialist drug and alcohol services may also be able to offer treatment where a service for broader addictions has been specified.

5.102. In addition, we know that problem gambling can cause physical and mental health problems, including anxiety disorders and depression. The Improving Access to Psychological Therapies (IAPT) programme began in 2008 and has transformed treatment of adult anxiety disorders and depression in England. Over 900,000 people now access IAPT services each year, and the Five Year Forward View for Mental Health is committed to expanding services further, alongside improving quality. Although problem gambling is not listed amongst the provisional diagnosis categories that IAPT treats, IAPT practitioners would be able to treat common mental health disorders such as depression and anxiety, which problem gamblers may present with.

5.103. Elsewhere, the Royal College of General Practitioners (RCGP) have developed an online gambling diagnosis and treatment training resource that is available free to all health professionals and Public Health England (PHE) promotes the RCGP online training resource among all health professionals. Going forward:

[56] http://www.gamblingcommission.gov.uk/PDF/survey-data/Gambling-behaviour-in-Great-Britain-2015.pdf

- PHE has previously developed guidance for local authorities on gambling and is exploring what the local needs are; and
- The National Institute of Clinical Excellence (NICE), Department of Health and National Health Service England (NHSE) are considering whether NICE should produce treatment guidance on gambling.

5.104. Currently, the majority of dedicated treatment for gambling disorders is funded by GambleAware who fund the National Gambling Helpline and commissions a national network of treatment services which are locally accessible across Great Britain. While there is insufficient data to demonstrate the extent of a treatment gap, GambleAware aim to treble the number of those receiving treatment over the next 5 years. Currently, this is mostly delivered through GamCare which has networks across Great Britain and is funded by GambleAware. In addition, the National Problem Gambling Clinic, a specialist NHS clinic for problem gamblers, provides services for a proportion of those requiring treatment in England and Wales.

Government position for consultation

5.105. Going forward, we support GambleAware's ambition to open more clinics regionally, and to connect them to the existing GambleAware-funded network of treatment services; in particular, the initiative currently under development with Leeds City Council to establish a Northern NHS Gambling Clinic that would provide treatment to cities across the region. We encourage further engagement with relevant authorities in England, Scotland and Wales that have an interest in investing in the sort of initiative being developed in Leeds.

5.106. We also welcome the progress that has been made to bolster the current voluntary arrangements, including the work that has been done to cost the short term work of delivering the RGSB's National Responsible Gambling Strategy, providing GambleAware with targets for 2017/18 and 2018/19.

5.107. The industry must step up and fulfil their duties under these new targets. We would also like to see more work done to understand the longer term funding requirements for RET, particularly around treatment. For example, if treatment were to reach a materially greater proportion of problem gamblers, and if prevention efforts were increased to pre-empt gambling-related harm more generally, then the funding requirement could be much greater. The voluntary arrangements must be ready to scale up as and when required.

5.108. We will continue to work closely with the Gambling Commission, RGSB and GambleAware to monitor the progress made against objectives set

out in both the RGSB's and GambleAware's strategies and on the issues set out above. We want to see all gambling operators engaging fully with the objectives set out in these strategies as well as the published funding targets. If there is insufficient support for the fundraising targets set by the RGSB, or related concerns about the ability of the current system to deliver the RGSBs strategy, the Government will consider alternative options, including the introduction of a mandatory levy.

Q14. Do you agree that the Government should consider alternative options, including a mandatory levy, if industry does not provide adequate funding for RET?

If you have any evidence to support your position then please send to gamblingreviewconsultation2017@culture.gov.uk. When sending in evidence please provide your name and email address so that we may contact you. By evidence, we are referring to published research, data or supporting analysis.

6. Chapter Six: Local Authorities

Overview of findings

6.1. The call for evidence included a catch all question asking respondents for views on any other issue that they deemed relevant. Under this question, the predominant issue that was raised came from the Local Government Association (LGA) and a number of Local Authorities (LAs), who proposed the introduction of cumulative impact assessments (CIAs) to give more powers to manage gambling at the local level.

6.2. We received responses from 29 local authorities and one submission from the Local Government Association (LGA) to the call for evidence. We did not receive submissions from relevant authorities in Scotland and Wales, but our assessment below applies to the whole of Great Britain. Submissions received called for:

- Further powers for LAs[57] to control gambling at the local level - suggestions focused primarily on the introduction of cumulative impact assessments (CIA) to allow LAs to reject applications for new gambling premises licences; and
- To ensure effective use of a CIA, the introduction of additional licensing objectives in the Gambling Act 2005, which as well as requiring that gambling be fair and open, free of crime and disorder and protect the young and vulnerable, would also cover the 'prevention of public nuisance' and 'improved public safety'.

6.3. In addition, a number of LAs acknowledged the effectiveness of the new planning laws that came into force in April 2015 in England which required a planning application for change of use of a building to a betting shop or the development of new betting shops.

Government position for consultation

6.4. The LGA, alongside a number of LAs, suggested that the introduction of local CIAs for gambling premises may be an effective tool in preventing further clustering, specifically of betting shops. We are keen to support LAs (in England and Wales) and Licensing Boards (in Scotland) in their management of gambling at a local level, but we believe that their objectives can be achieved using existing powers. Specifically, LAs can already set out the same assessment of the risk in a given location under their licensing statement of policy. The Gambling Commission advise that the implementation of this tool varies from one LA to another, but where it is used effectively and updated regularly, for example in Westminster Council, it can be an

[57] Including Licensing Authorities in Scotland

effective tool at rejecting licence applications or imposing conditions on new licences, as would be the case with the introduction of CIAs. We encourage LAs to continue to work closely with the Gambling Commission to ensure the effective deployment of the existing tools at their disposal.

6.5. In addition, where an increase in the number of betting shops is considered to be a local issue, having an up-to-date, relevant local plan policy in place will support the local planning authority in the determination of any applications for planning permission. The National Planning Policy Framework provides the framework within which local planning authorities and their communities can produce their own distinctive local plan which reflects the specific needs and priorities of their area.

Q.15 Do you agree with our assessment of the current powers available to local authorities?

If you have any evidence to support your position then please send to gamblingreviewconsultation2017@culture.gov.uk. When sending in evidence please provide your name and email address so that we may contact you. By evidence, we are referring to published research, data or supporting analysis.

Chapter Seven: Summary of questions

Q1. Do you agree that the maximum stake of £100 on B2 machines (FOBTs) should be reduced? If yes, what alternative maximum stake for B2 machines (FOBTs) do you support?

Q2.Do you agree with the government's proposals to maintain the status quo on category B1?

Q3.Do you agree with the government's proposals to maintain the status quo on category B3?

Q4.Do you agree with the government's proposals to maintain the status quo on category B3A?

Q5.Do you agree with the government's proposals to maintain the status quo on category B4?

Q6.Do you agree with the government's proposals to maintain the status quo on category C?

Q7.Do you agree with the government's proposals to maintain the status quo on category D?

Q8. Do you agree with the government's proposals to increase the stake and prize for prize gaming, in line with industry proposals?

Q9. Do you agree with the government's proposals to maintain the status quo on allocations for casinos, arcades and pubs?

Q10. Do you agree with the government's proposals to bar contactless payments as a direct form of payment to gaming machines?

Q.11 Do you support this package of measures to improve player protection measures on gaming machines?

Q.12 Do you support this package of measures to improve player protection measures for the online sector?

Q.13 Do you support this package of measures to address concerns about gambling advertising?

Q.14 Do you agree the Government should consider alternative options including a mandatory levy if industry does not provide adequate funding for RET?

Q.15 Do you agree with our assessment of the current powers available to local authorities

Q16. Are there any other relevant issues, supported by evidence, that you would like to raise as part of this consultation but that has not been covered by questions 1-15?

Appendix A: Gaming Machine Summary

Machine category	Maximum stake	Maximum prize	Allowed premises
B1	£5	£10,000 (£20,000 linked progressive jackpot on a premises basis)	Casinos
B2	£100	£500	Betting premises and tracks occupied by pool betting and all of the above
B3	£2	£500	Bingo premises, Adult Gaming Centre and all of the above
B3A	£2	£500	Members' club, commercial club or Miners' welfare institute only
B4	£2	£400	Members' club or Miners' welfare club, commercial club and all of the above.
C	£1	£100	Family Entertainment Centre, Qualifying alcohol licensed premises and all of the above.
D (money prize)	10p	£5	Travelling fairs, unlicensed (permit) Family Entertainment Centre and all of the above
D non-money prize (other than crane grab machine)	30p	£8	All of the above
D non-money prize (crane grab machine)	£1	£50	All of the above
D combined money and non-money prize (other than coin pusher or penny falls machines)	10p	£8 (of which no more than £5 may be a money prize)	All of the above
D combined money and non-money prize (coin pusher or penny falls machine)	20p	£20 (of which no more than £10 may be a money prize)	All of the above

Appendix B: List of respondents to the call for evidence

Industry/Trade Associations

ADP Gauselmann UK Ltd
Advertising Standards Authority
Aspers Group
Association of British Bookmakers
Association of Licensed Multiple Retailers
At the Races
Betfred
Bingo Association
British Amusement & Catering Trade Association
British Association of Leisure Parks, Piers and Attractions
British Beer and Pub Association
British Horseracing Authority
Castle Leisure
Commercial Broadcasters Association
Electrocoin
English Football League
Gala Leisure
Gambling Business Group
Genting Casinos UK Ltd
Global Gaming Ventures (Developments) Limited
Greene King
Industry Group for Responsible Gambling
Inspired Gaming
ITV
Hippodrome Casino
Ladbrokes-Coral
Les Ambassadeurs Club Limited
Marston's plc
Mirage Leisure
National Casino Forum
NB Leisure Ltd
Novomatic UK
Opera House Casino
Paddypower Betfair
People's Postcode Lottery
Praesepe
Rank Group plc
Remote Gambling Association
Satellite information Service
Senet Group
SG Gaming
Shipley Leisure Ltd

Sky Betting and Gaming
Sky UK
Sport and Recreation Alliance
Tombola
Viacom
William Hill

Local Authorities

Local Government Association
Barking & Dagenham
Bradford
Ealing
Enfield
Greenwich
Hackney
Haringey
Hounslow
Islington
Knowlsey
Leeds
Leicester
Lewisham
Medway
Newcastle
Newham
North East Lincolnshire
Peterborough
Rochdale
Sedgemoor
Sheffield
Sunderland
Tower Hamlets
Wandsworth
Wolverhampton

Parliamentarians

All Party Parliamentary Group on Fixed Odds Betting Terminals
Patrick Grady MP
Fabian Hamilton MP
Margaret Hodge MP

Faith Groups

Baptist Union
Christian Centre for Gambling Rehabilitation
Christian Institute

Church of England
Church of Scotland
Methodist Church
Quaker Action on Alcohol and Drugs
Salvation Army
United Reformed Church

Charities

Christian Action, Research and Education
GambleAware

Members of the public

We received 167 individual responses from the general public. We also received a petition containing over 100,000 signatures from campaign group, 38 degrees, calling for government to *'Crackdown on addictive betting machines and adverts.'*

Interest Groups/Academics

Advertising Association
Campaign for Fairer Gambling
Gambling Reform and Society Perception
Gamserve
Institute of Economic Affairs
Landman Economics
Law Society of Scotland
London Chinatown Chinese Association
Money and Mental Health Policy Institute
The Outcomes Group
Rethink Gambling
University of Birmingham/Gambling Watch UK, Professor Jim Orford
University of Bristol, Dr Sean Cowlishaw
University of London, City, Dr Margaret Carran
University of London, Goldsmith, Professor Rebecca Cassidy
University of London, Queen Mary, Dr Julia Hörnle