

Response from Margaret Hodge MP to the Government's Review of Gambling Machines and Social Responsibility Measures

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Q1. What, if any, changes in maximum stakes and/or prizes across the different categories of gaming machines support the Government's objective set out in this document? Please provide evidence to support this position.

Fixed Odd Betting Terminal (FOBT) machines allow up to £100 to be bet every 20 seconds and can be highly addictive. High stake gambling of B2 FOBTs permitted by the limited licensing and planning regulations has led to a high concentration of betting shops in my constituency. The number of betting shops in Barking and Dagenham is now at an all-time high. There are currently fifty-one gambling premises registered in Barking and Dagenham. 20% of these betting shops are in Barking Town Centre.¹ There has been a 21%² increase of gambling premises since 2008 after the Gambling Act 2005 was enacted. Before 2008, there were forty-two gambling shops in Barking and Dagenham.

Q2. To what extent have industry measures on gaming machines mitigated harm or improved player protections and mitigated harm to consumers and communities? Please provide evidence to support this position.

I have not witnessed any impact from the supposed social responsibility measures put in place by bookmakers in Barking and Dagenham. In fact things have got worse. Betting shops are targeting vulnerable communities and areas of deprivation with over twice as many betting shops situated in the poorest 55 boroughs compared with the most affluent 115.³ Barking and Dagenham is one of the poorest boroughs in London but estimates show that my constituents spent £38,732,500 on FOBTs prior to September 2015.⁴

So called 'social responsibility' measures are also doing nothing to address the crime-related issues in Barking and Dagenham. An example can be seen with Abbey ward, where over 20% of the borough's betting shops are situated, and which has the highest rate of crime in the borough.⁵ Crime statistics show that in the past year police received 213 computer-aided dispatches (CADs), which are calls to the police, from betting shops in Barking and Dagenham for either anti-social behaviour or crime related incidents⁶. The majority of CADs from bookmakers tend to be for *violence against the person*,⁷ which is one of the most prevalent crimes in the borough.⁸

Q3. What other factors should Government be considering to ensure the correct balance in gaming machine regulation? Please provide evidence to support this position.

The Government should consider devolving more regulatory powers to local authorities. The London Borough of Barking and Dagenham Council is restricted in its ability to deal with high street

¹ London Borough of Barking and Dagenham Statistics

² London Borough of Barking and Dagenham Statistics from 2008

³ [Campaign for Fairer Gambling \(2014\)](#)

⁴ Campaign for Fairer Gambling at <http://www.stopthefobts.org/>

⁵ Met Police Crime Ward Mapping - <http://maps.met.police.uk/access.php?area=E09000002&sort=area>

⁶ Barking and Dagenham Met Police CAD Statistics 1st November 2015 – 31st October 2016

⁷ Barking and Dagenham Met Police CAD Statistics 1st November 2015 – 31st October 2016

⁸ Met Police Crime Ward Mapping - <http://maps.met.police.uk/tables.htm>

clustering as the Gambling Act 2005 has created a lax licensing regime, limiting any meaningful control from local government.

Under s169 of the Gambling Act, local authorities have a legal obligation to aim to permit licences. The most that can be done is to attach conditions to licences. This however does not help the council tackle the existing over-concentration. Furthermore, Councils cannot reduce the number of FOBT machines in any particular betting premises or reduce the stakes of the high stake machines i.e. FOBTs (section 172 of the Act).

I am told that in the few cases where local authorities have attempted to refuse licences this has led to long drawn out legal appeals. The local authority's decisions are likely to be contested by gambling companies and appeals are likely to be long and expensive, consuming resources which Barking and Dagenham simply cannot afford.

Q4. What, if any, changes in the number and location of current gaming machine allocations support the Government's objective set out in this document? Please provide evidence to support this position.

Changes to the Gambling Act 2005 enabled the proliferation of FOBTs, between 2007 and 2015. The number of FOBTs on high streets throughout Britain doubled to 34,704.⁹ In my constituency, each betting outlet has a limit of four FOBT machines which offer casino style content including games such as roulette at up to £100 a spin. In response to the cap, bookmakers have opened multiple premises in clusters to facilitate more machines because FOBTs guarantee a profitable return. Clearly this undermines the limit in place and therefore stronger restrictions should be introduced to reduce the number of FOBT machines located so closely to each other. I fully support calls for the maximum stake on FOBT machines to be lowered to £2 which would bring the stakes in line with other on-street gaming machines.

Q5. What has been the impact of social responsibility measures since 2013, especially on vulnerable consumers and communities with high levels of deprivation?

I have witnessed very little impact from the measures taken by gambling companies to help vulnerable players and their communities. Barking Town Centre is overwhelmed with betting shops and I receive complaints from constituents concerning anti-social behaviour related to betting shops and these complaints have also been raised at my regular coffee afternoons with local residents.

The concentration of betting outlets is bad for the High Street and stops other shops locating and opening in the area. Furthermore, compared to other shops betting shops do not create employment locally in the same numbers. Estimates suggest that for every £1bn spent on FOBTs as many as 20,000 jobs are lost in the wider consumer economy whilst only 7,000 are created in the betting industry.¹⁰

Q6. Is there anything further that should be considered to improve social responsibility measures across the industry? Please provide evidence to support this position.

In order to improve social responsibility measures, the industry needs to be held accountable at a local level and stronger regulatory powers need to be in place for local authorities. It can become

⁹ Industry statistics April 2011 to March 2015, Gambling Commission (2016)

¹⁰ Howard Reed, [The Economic Impact of Fixed Odds Betting Terminals](#), Landman Economics (2013)

extremely costly for the Council to try and curtail the number of betting shops in the borough. I believe that stronger regulatory powers are needed.

The opening hours of betting shops should also be considered; opening from 8am – 10pm makes it extremely easy for vulnerable adults to access high stake gambling. For those with an addiction, the clustering of betting shops in a central location can make it extremely difficult to avoid gambling.

Q7. Is there any evidence on whether existing rules on gambling advertising are appropriate to protect children and vulnerable people from the possible harmful impact of gambling advertising?

I feel current rules do not protect children or vulnerable people from the harmful impact of gambling advertising. Gambling advertising should not be visible in betting shop windows. Walking from Barking station to my constituency office is less than a 500m walk, yet there are a total of 23 poster advertisements in the six gambling shops that I walk past on Station Parade and Ripple Road. This is clearly encouraging my constituents to gamble and due to the clustering of betting shops in Barking Town Centre and their central location, these advertisements are viewed by people of all ages, including children.