

AGENDA ITEM 8

RURAL, ECONOMIC AND ENVIRONMENTAL AFFAIRS COMMITTEE

3rd JUNE 2015

REPORT OF HEAD OF REGULATORY SERVICES

FIXED ODDS BETTING TERMINALS

1.0 PURPOSE OF REPORT

- 1.1 To inform members about Fixed Odds Betting Terminals, the law in relation to them, and other matters relating to their use and effect.

2.0 RECOMMENDATIONS

2.1 It is recommended that:

- (i) The Committee notes these issues with relation to The Gambling Act 2015.
- (ii) The Committee resolves that there is insufficient evidence at the local level to justify supporting the campaign to limit stakes to £2.00

3.0 KEY ISSUES

- 3.1 Fixed Odds Betting Terminals (FOBTs) were introduced in 2001, they are electronic machines that play a variety of games. Each machine accepts bets for amounts up to a pre-set maximum and pays out according to fixed odds on a simulated outcome of the game. The games offered are single player versions of a range of gambling games such as roulette.
- 3.2 The Gambling Act 2005 classified FOBTs as B2 Gaming Machines and allows for up to four of these machines to be sited on betting premises only. (Betting Shops and Adult Gaming Centres). The maximum stake on a single bet is £100 and the maximum prize is £500.
- 3.3 Betting Shops Operating Licences are granted by the Gambling Commission on the basis of primary use and this, in the case of Betting Shops, relates to over the counter business. Therefore FOBTs should be ancillary to the betting shop's main activity.
- 3.4 The Council has been approached by a concerned party within the gambling industry, seeking support for a campaign to limit stakes to a maximum of £2. The letter cites that numerous other councils have expressed their concerns and gives examples of other Authorities who have supported the campaign. It also provides examples of cases where crime was associated with such machines.
- 3.5 It is considered that there is a lack of information on this subject to establish a causal link between the existence of the machines and resultant problems. Furthermore, there is no information indicating any problems at the local level associated with such machines.

4.0 POLICY AND CORPORATE IMPLICATIONS

- 4.1 Melton Borough Council's Statement of Licensing Policy does not refer to Fixed Odds Betting Terminals as these are controlled by the Betting Shop Operating Licence which is issued by The Gambling Commission.

5.0 FINANCIAL AND OTHER RESOURCE IMPLICATIONS

5.1 There are no financial or other resource implications.

6.0 LEGAL IMPLICATIONS/POWERS

6.1 Melton Borough Council is responsible for the issue of Gambling Premises Licences and, as a Responsible Authority under the Gambling Act 2015, the Gambling Commission would have to be satisfied as to the operation and use of these machines within the premise otherwise they would not issue an Operating Licence and therefore a Premises Licence would have no effect.

6.2 Under The Fixed Odds Betting Terminals Bill 2015, it was proposed that a new planning use be created for Betting Shops with Fixed Odds Betting Terminals and Planning Authorities would have to assess the demand for these machines. This went through its first reading in the House of Commons but Parliament has been prorogued which means that this Bill will go no further. It is unknown, at this stage, whether this will be presented to Parliament again.

7.0 COMMUNITY SAFETY

7.1 These machines have proved controversial and are criticised for the large amounts of money that can be gambled and lost. Critics also claim that these machines have strong 'reinforcing features' and have a causal role in problem gambling. Any evidence on the exact causal role of these machines and problem gambling is inconclusive, hence the controversy.

7.2 The Responsible Gambling Strategy Board, a body advising the Gambling Commission, has said that there is a complex relationship between Gambling machines and problem gambling which is poorly understood.

8.0 EQUALITIES

8.1 There are no matters relating to equalities.

9.0 RISKS

9.1 The risks associated with these machines are referred to in 7.1.

10.0 CLIMATE CHANGE

10.1 There are no matters relating to climate change.

11.0 CONSULTATION

11.1 No consultation required.

12.0 WARDS AFFECTED

12.1 All wards.

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Appendices : A – Request from Hippodrome Casino