



Dear Councillor Brent

**Re: Urgent need for gambling reform to address community harms**

As way of introduction the [Gambling Business Group](#) is the leading representative body for the cross-sector, land-based section of the gambling industry. We are proud to have a broad membership base, comprised of Adult Gaming Centres (AGCs), Bingo, Betting, Pubs, Machines and Suppliers, alongside supporting businesses including legal, licensing, finance and consultancy organisations. Our Members are committed to the highest standards of responsible gambling and want to ensure that those most vulnerable are protected.

We have sight of your letter to the Secretary of State on 2<sup>nd</sup> April, and whilst we welcome the statement that you and the cosignatories are “*not calling for an outright ban on gambling in any form*”, we are concerned about some of the unevidenced statements in the letter.

Gambling is one of the most rigorously regulated sectors of the British economy and, for land-based gambling operators on the high street, that regulation is double as both the Gambling Commission (the Commission) and the Local Licensing Authority (LA) have a range of powers. However as we set out below LA tools such as licensing policy statements and inspections are often underutilised.

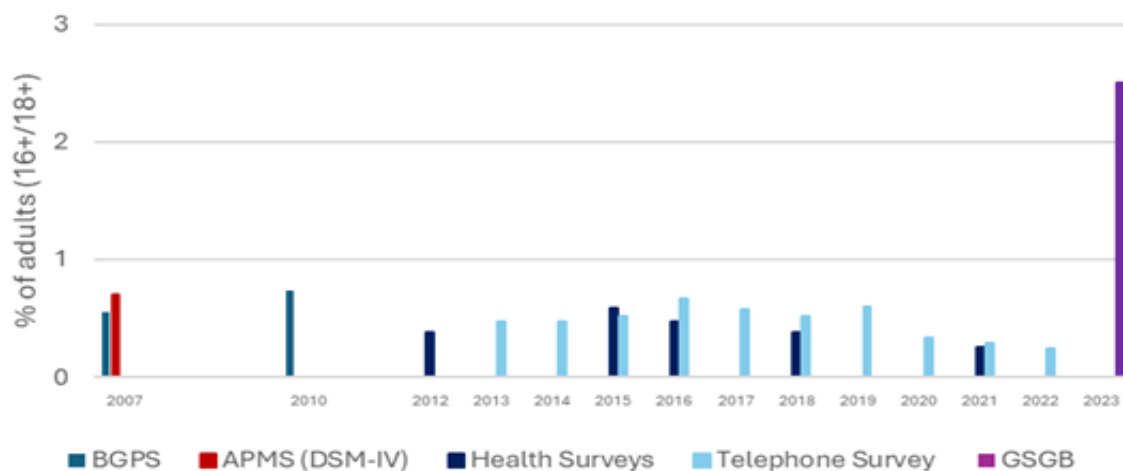
Industry and local (and national) regulators want well run businesses on their high streets that protect their customers and have social responsibility at the heart of what they do. We are keen to work with you to ensure that goal is achieved.

Apologies for the length of this response but we trust that the following information helps your understanding of an industry which “Millions of us enjoy gambling every year and most suffer no ill effects,” ([High Stakes: gambling reform for the digital age, 2023, “The White Paper”](#)).

**1 “Gambling harms is a growing issue across the country”.**

Since 2007, the [Problem Gambling Severity Index](#) (PGSI) has been used to estimate the population prevalence of ‘problem gambling’ in Great Britain. As Figure 1 shows, rates have been consistently in the range of 0.3% to 0.7% over that period.

Figure 1: Estimated rates of PGSI problem gambling in Great Britain (2007-2023)



- *BGPS – British Gambling Prevalence Survey (National Centre for Social Research)*
- *APMS - Adult Psychiatric Morbidity Study (NHS)*
- *Health Surveys (NHS)*
- *Telephone Surveys (GC)*

The Commission's Gambling Survey for Great Britain (GSGB) however, reports a rate of 2.5% - ten times higher than the figure reported in the NHS Health Survey for England 2021, but there are questions over the reliability of this number.

This led Professor Patrick Sturgis of the London School of Economics and Political Science, in his independent [evaluation](#) of the GSGB to highlight the risk that the GSGB substantially overstates rates of harmful gambling:

*"Until there is a better understanding of the errors affecting the new survey's estimates of the prevalence of gambling and gambling harm, policy-makers must treat them with due caution, being mindful to the fact there is a non-negligible risk that they substantially over-state the true level of gambling and gambling harm in the population"*

As a result of this "non negligible risk" the Commission [published guidance](#) to support users in how to use the statistics given they are different to statistics published previously, stating:

*The GSGB should not be used:*

- *to provide direct comparisons with results from prior gambling or health surveys*
- *as a measure of addiction to gambling*
- *to calculate an overall rate of gambling-related harm in Great Britain*
- *to gross up the prevalence of problem gambling or the consequences of gambling to whole population (until further work is completed)."*

## 2. Cost to the NHS

We are keen to understand where the cited figure of £1.77bn annual pressure to the NHS has come from.

If this is a reference to the [2023 OHID Gambling related harms evidence review](#), then the figure is both misquoted and misleading.

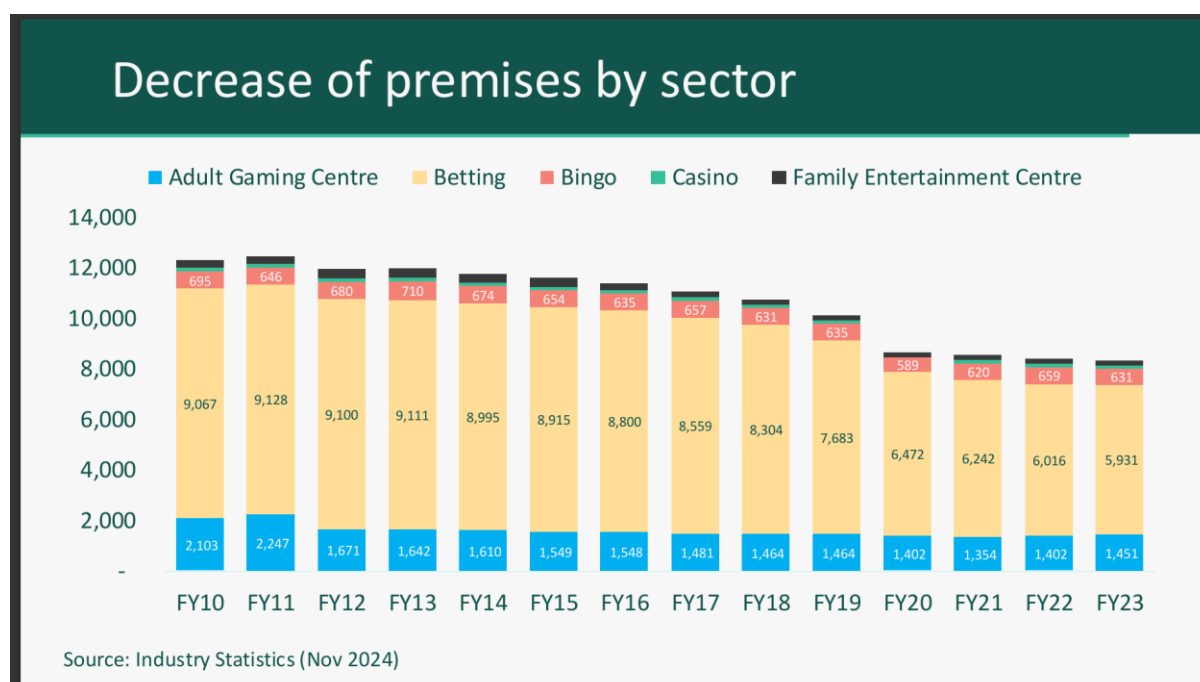
The OHID report showed a range of £1.05bn to £1.77bn and of that upper limit £.1.36bn are wider societal intangible costs.

The analysis estimated that the annual excess direct financial cost to government associated with harmful gambling is equivalent to £412.9 million, £119.5m of which related to health costs, but it is unclear from the OHID report if these are NHS costs.

### 3. Numbers of gambling premises.

Contrary to the comments “Communities like Brent are experiencing a groundswell of gambling operators”, and “the communities we serve are experiencing these detrimental impacts, owing to a proliferation of gambling venues”, the numbers of land-based gambling premises are decreasing not increasing.

The Commission’s [November 2024 Industry data](#) shows there was a combined total of 12,307 AGC, Betting, Bingo Casino and FECs in 2011. By 2024 that number had dropped across all sectors to a total of **8329**, with the largest declines seen in Betting and AGCs.



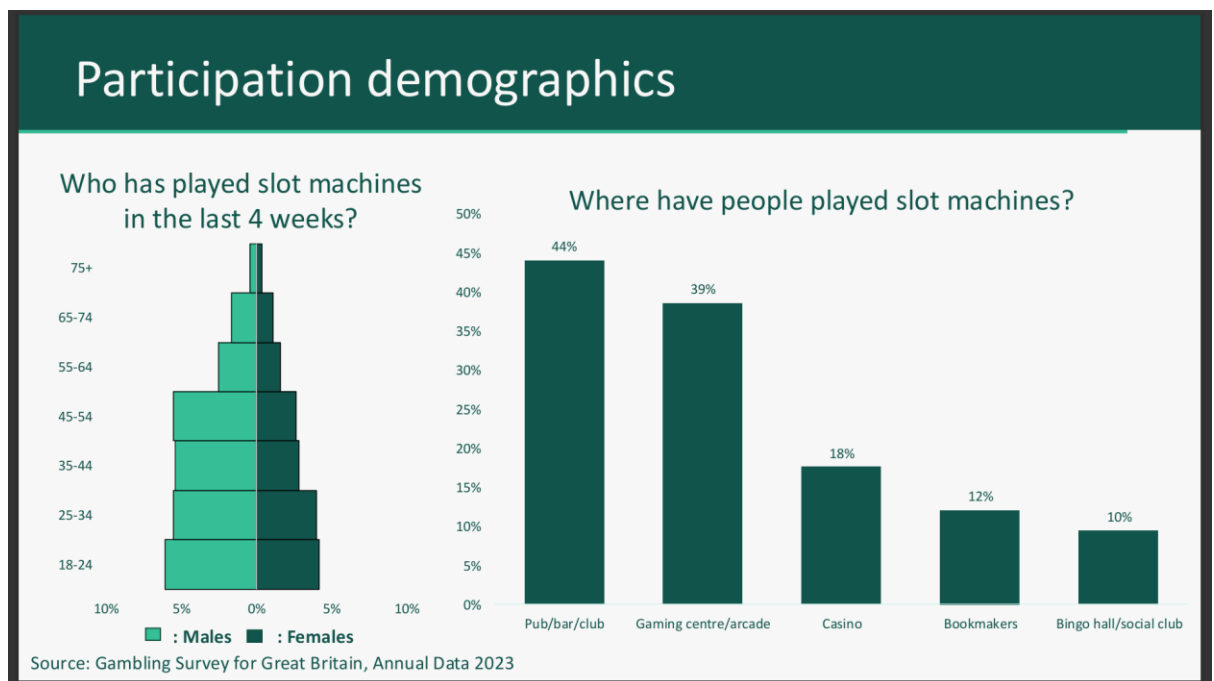
The Gambling Commission’s latest data on participation rates (below), sets out how people are gambling and where, highlighting that lottery ticket purchases are by far the most popular gambling activity.

As I am sure you are aware physical lottery tickets are purchased in supermarkets and newsagents and other retail premises, not in gambling premises. There are over 12,000 supermarkets alone in the UK (Source: [Top 10 Supermarket Retail Chains In The UK | ESM Magazine](#)).

Data from the [Gambling Commission’s Gambling Survey for Great Britain \(GSGB\) Year 2, Wave 3](#) shows:

- Overall participation in any gambling activity (in the past 4 weeks) was 49%, remaining stable throughout 2023 and 2024.
- The online gambling participation rate (in the past 4 weeks) was 38%. This figure falls to 16% when lottery draw only players are removed.
- The in-person gambling participation rate (in the past 4 weeks) was 29%. Excluding lottery draw only players, the participation rate was 19%.
- The most popular gambling activities (in the past 4 weeks) were lotteries, including National Lottery draws (32%) and other charity lottery draws (16%). Following lotteries, the next 3 most popular activities were scratchcards (13%), betting (10%) and online instant win games (7%). Compared to the previous period (wave 2, 2024) participation in betting decreased by 2 percentage points.

The Commission's [most recent GSGB Annual Survey](#) found that that pubs and clubs accounted for 44% of where people played slot machines. Whilst pub numbers are also in decline the latest figures from the British Beer and Pub Association indicate that there are over [45,000 pubs in the UK](#), although not all site gaming machines.



Despite the decrease in premises, gambling creates local employment opportunities (@82,000 according to the [latest DCMS publication](#)) and provide economic benefits locally through business rates. For the vast majority who take part in visit gambling premises, gambling is their social interaction, their fun and enjoyment, and leisure time. Sometimes their 'only' leisure time and human interaction.

#### 4. Ealing Council Report

Whilst the Ealing research is undated, we believe the study took place a long time ago - can you please confirm the date of the research.

In our meeting with Assistant Chief Constable Rob France, the NPCC Lead for Gambling earlier this year he did not mention any concerns in relation to crime and disorder at land-based premises. We are keen to receive more information of recent studies of crime and disorder related to gambling premises as customer and staff safety is paramount to our Members.

There is a raft of requirements that gambling premises must have to meet the licensing objectives of keeping gambling crime free and keeping their staff and customers safe. Substantial investment is made on the necessary security including having high definition CCTV inside and outside premises and the police have been known to access external CCTV footage as part of evidence of crimes taking place on the high street – crimes which were unrelated to the gambling premises. That footage would not have been available to them if not for the gambling premises investment.

Many gambling premises are WalkSafe safe havens ([WalkSafe](#) is the UK's leading personal safety phone app and businesses that open the evening can be accredited as safe havens); others are involved in local BetWatch (or equivalent) schemes and have introduced customer safety initiatives such as Ask for Angela.

In relation to your proposed six point plan we would offer the following observations:

### 1.Reform the Aim to Permit Policy

Under the Gambling Act 2005 local authorities have broad discretion to regulate local provision of gambling and the Gambling Act gives wide ranging powers to do so. These include the power to:

- Issue a statement of licensing policy setting expectations about how gambling will be regulated in a particular area
- Grant, refuse and attach conditions to premises licences
- Review premises licences and attach conditions or revoke them as a result

Each application must be considered on its own merits and where an application has been made lawfully, and there have been no representations from responsible authorities or other persons, then the application must be granted.

It is worth pointing out that these are exactly the same principles that are applied when considering applications under the Licensing Act 2023.

S.153 of the Gambling Act states that the licensing authority shall aim to permit the use of premises for gambling in so far as it thinks it:

- a. in accordance with any relevant code of practice issued by the Commission
- b. in accordance with any relevant guidance issued by the Commission
- c. reasonably consistent with the licensing objectives (subject to a and b above)
- d. in accordance with the licensing authority's statement of licensing policy (subject to a to c above).

The [Guidance to Licensing Authorities](#) issued by the Gambling Commission (part 1.26) states "*The 'aim to permit' framework provides wide scope for licensing authorities to impose conditions on a premises licence, reject, review or revoke premises licences where there is an inherent conflict with the relevant codes of practice, relevant guidance issued by the Commission, the licensing objectives or the licensing authorities own policy statement.*"

### *Statements of licensing policy & inspections*

Statements of licensing policy form the mandate for managing local gambling provision and set out how the LA views the local risk environment and its expectations in relation to operators with premises in the locality. The Commission's guidance to LAs encourages the development of local area profiles as part of the licensing policy, mapping out key characteristics of the local area. Statements of policy must be prepared and published every 3 years as a minimum.

- Of the 48 council signatories (this includes the 10 councils of the Greater Manchester area) 27% do not appear to have a current licensing policy, or if they do, they are not published on their websites. Others are undated so this figure may be higher.

Fees from premises licences and permits must be used for LAs' compliance and enforcement work, which includes undertaking visits to gambling premises, which would enable councils to regulate gambling and see what measures are being taken to protect customers.

- Analysis of the Commission's [annual publication of licensing authority statistics](#) shows that 44% of the 48 council signatories to the letter did not undertake any visits to gambling premises during 2023/24, and a further 15% did not submit their statutory 2023/24 return so we do not know if they undertook any inspections.

We are unclear why additional powers are being requested when all existing tools available to LAs, including statements of policy and inspections, are not being fully utilised.

## 2. Categorisation of Premises

Whilst we do not profess to be planning experts, our understanding is that The Town and Country Planning (Use Classes) (Amendment) (England) Regulations 2020 brought in changes so that Adult Gaming Centres, Betting shops, Bingo halls and Casinos are all sui generis. Planning permission is required to change use to or from a sui generis use, giving local planning authorities more control.

## 3. Planning Applications

Whilst it unclear what is meant by your reference to “*high street casinos*”, as mentioned above there is scope for licensing authorities to undertake a local area assessment and set out expectations about gambling premises and the steps they must take to mitigate any risks.

We are also aware that some councils have considered whether and how planning policies for gambling premises can be reflected in local plans. Knowsley Council has used existing powers under the National Planning Policy Framework to develop a [Town Centre Uses Supplementary Planning Document](#) setting out the Council's approach to the development of hot food takeaways; pay day loan shops; pawnbrokers; and gambling uses.

## 4. Statutory Levy for Gambling Harm Prevention

The Statutory Levy came into effect on 6<sup>th</sup> April. Government has confirmed 50% of all funding generated will be directed to NHS England and appropriate bodies in Scotland and Wales to develop a comprehensive support and treatment system. A further 30% will be allocated for prevention and 20% for research.

We have repeatedly raised concerns with DCMS around the transitional arrangements for the current treatment providers to ensure continuity of funding for the support services they provide to the most vulnerable.

## 5. Overhaul of Gambling Advertising

The White Paper states that “*the continual growth of gambling marketing since 2005 has not resulted in an increase in gambling participation rates, which were higher overall prior to the Act's implementation, or in population problem gambling rates which have remained broadly stable*”.

However the Minister has tasked the Betting and Gaming Council (BGC) to coordinate the industry with doing more to work together to ensure that gambling advertising and sponsorship is appropriate, responsible, and does not exacerbate harm. We understand that the BGC's report is expected soon.

It is worth noting that sports rely on sponsorship from gambling advertising from horseracing, football through to darts and snooker. Gambling brands provided 12% of sports sponsorship revenue according to a 2019 estimate (White Paper).

Additionally DCMS is working with the Department of Health and Social Care and the Gambling Commission to develop a new approach to safer gambling messaging which the industry will adopt when that work is completed.

#### 6. Stop Progress on Proposals to Liberalise Adult Gaming Centres

Whilst it unclear what is meant by the “*GSGB recommendations for B3 machines*”, you will no doubt be aware that DCMS does not intend to progress any changes to the 80/20 machine ratios rule in AGCs and bingo premises at this time.

Additionally the industry is currently engaging with the Commission's consultation on the Gaming Machine Technical Standards. The proposals will introduce additional provisions designed to support and empower consumers to use gaming machines safely at every stage of the customer journey. These Technical Standards apply to all categories of machines including B3s.

In summary, we agree with the Minister, Baroness Twycross, who has [stated publicly](#) that she “*wants a gambling sector in this country that is one we can be proud of - one that offers good jobs, brings social value, and is one that people enjoy*”.

And, as stated at the start, we would like to work with you and your team to improve our collective understanding of gambling and address any inherent prejudices and misinformation that are affecting regulating and decision making and ensure that the gambling sector is one that we can all be proud of, and that the most vulnerable are protected.

**We therefore would like to invite you, or one of your representatives, to attend our Board meeting in central London on 7<sup>th</sup> July**

Please note that we will be sending a copy of this letter to the Secretary of State and all those copied in on your letter, as well as all the co signatories to the letter so they are aware of the same facts and information.

Peter Hannibal

CEO, The Gambling Business Group