



The Gambling Business Group
Upper Deck, Admirals Quarters, Portsmouth Road,
Thames Ditton, Surrey KT7 0XA
Tel: 07860 588680
E-Mail: peter@gamblingbusinessgroup.co.uk

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Office of the Leader
Leader of Brent Council
Brent Civic Centre
Wembley HA9 0FJ

To: cllr.Muhammed.butt@brent.gov.uk

Dear Councillor Butt,

Re Business rates reform and support for our high street

We wrote to you in April 2025, in response to your open letter for which we are still awaiting a response (*copy attached for ease*).

We have sight of your letter to the Prime Minister dated 23 July and we yet again have concerns about the statements contained therein.

As stated last year 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.

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 available to them.

Industry and local and national regulators want well run businesses on their high streets; businesses that protect their customers and have social responsibility at the heart of what they do.

Driving legitimate, highly regulated businesses off the high street, does not reduce demand, it risks moving consumers into the black market, where protections do not exist.

As we stated last year, we are keen to work with you and all Local Authorities to ensure that goal is achieved, and hope that this year you will take up that offer.

Apologies for the length of this response but we trust that the following information helps your understanding of the legitimate land based gambling industry.

Reduction in business rates

We echo your sentiments in welcoming the Prime Minister's 20% reduction in business rates for pubs, social clubs and live music venues. However, we would like to see this reduction extended to other businesses on the high street, including the gambling sector. We would not support funding one sector's relief by increasing rates on another high street sector as that simply redistributes pressure rather than supporting high streets overall.

Similarly, we do not see the need for additional powers for local councils to manage gambling applications.

Gambling premises provide a strong community-based product, so increasing rates on gambling premises or indeed tightening the controls further, would decimate the high streets even further and risk driving customers to a more unsociable way of gambling and interacting in everyday life.

Licensing Authority powers

At the High Street Gambling Reform debate on 8th January 2026, Ian Murray, the (then) Minister for Creative Industries Media and Arts, summarised the powers that local authorities have had since the Gambling Act came into force:

"They play a crucial role in the regulation of gambling up and down the country. They have a wide range of powers - a suite of powers and tools - in relation to gambling premises. Licences are subject to guidance issued by the Gambling Commission and its licensing objectives. Licensing authorities are given broad powers to set conditions that require licensed gambling to be carried out in a way that is consistent with keeping gambling fair and open. During the licensing process, licensing authorities can attach conditions to premises licences to which operators must adhere.

All local authorities should publish a statement of principles on gambling licensing outlining local issues, priorities and risks. In those statements, licensing authorities can identify high-risk areas and specify local risks. Operators must take steps to mitigate those risks in their applications. I fully acknowledge and understand what hon. Members have said about the "aim to permit" principle, but we do not believe that the premises licence application process is a foregone conclusion. The "aim to permit" principle is subject to strict conditions, including that the licence application is consistent with the local authority's gambling policy statement. It is worth saying that "aim to permit" is a licensing issue, not a planning issue. Once a licence is granted,

licensing authorities have extensive powers of monitoring and enforcement, and I would encourage them to use them.

Planning permission is always required to create gambling premises or for a change of use to gambling premises such as a bingo hall or a betting shop, and the planning system has to be used.”

To expand on the Minister’s points, in considering applications, s153 of the Gambling Act 2025 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).

Earlier this year, in addition to these powers, s153A was added via the English Devolution and Community Empowerment Act 2026, giving licensing authorities the power to publish gambling impact assessments (GIAs), which may limit further numbers of premises or locations of premises where they are not likely to be reasonably consistent with one or more of the licensing objectives.

We acknowledge that GIAs have yet to be implemented pending the consultation and subsequent publication of statutory guidance for LAs by the Gambling Commission. However GIAs, along with the 4 existing criteria for determining applications provide LAs with a much broader range of controls to regulate local gambling offerings than the “stringent legal grounds” cited in your letter suggests.

We note that the Prime Minister has heard your calls for the removal of “aim to permit” from the Gambling Act, even before GIAs have come to in force, and thus no opportunity to evaluate them.

It is worth noting that the Gambling Commission in exercising its functions under this Act also “*shall aim to permit gambling*”, in so far as the Commission thinks it reasonably consistent with pursuit of the licensing objectives.(s22b of the Gambling Act). An Operating Licence from the Commission is required before the business can apply for a premises licence. Therefore the Gambling Commission has already deemed the business fit and proper, when it applies to the LA for its premises licence.

Numbers of Gambling Premises

You state that “*too many operators continue to apply for licences....*” And mention “*taking a firm approach towards the further proliferation of these premises*”.

Gambling premises represent a relatively small proportion of licensed high street premises.

The numbers of land-based gambling premises are dwindling year on year. According to the Gambling Commission's [Industry Statistics annual report](#) there were a total of **8,234** AGC, Betting, Bingo, Casino and FECs in March 2025 (compared to 12,307 in 2011).

The number of premises in Brent is also dropping. The premises register on Brent Council's own website current states there are 75 premises. We can only assume that the 81 referred to in your letter has been taken from the Council's [Gambling Needs Assessment](#) which was last updated in 2024 and therefore doesn't reflect the current true number of premises in the borough.

Betting operators have recently announced further closures of premises across the country (William Hill - 200 closures, Betfred -130 and Paddy Power @60 premises).

In 2024, 82,000 people were employed in the gambling sector (both online and land-based) according to the [latest DCMS publication](#), and that number is reducing with every premises that closes.

Contributing to communities

You state that *"betting shops, adult gaming centres, casinos and bingo halls" do not make the positive contribution to our communities...."*

Can I ask whether you have visited your local gambling premises and spoken to your constituent customers, and spoken to the staff about their customers?

We have.

Staff say:

"Our customers' well-being is paramount and that is the cornerstone of all our training programmes. It's imperative that our business model is laser focused on our customers."

"Our gaming operations are about providing leisure and entertainment to people. Many of those people come from the local community, and that community is our community. So it's incumbent on us and all our colleagues on the high streets and seaside promenades to apply this rule"

Customers note that engagement@

"It's the way that they come up to you, and talk to you. It's just the way they go about suggesting, 'Are you okay? You're not spending more than you can afford?', but they do it very diplomatically"

"Staff interacting with you, and how welcoming they are, and always accommodating to everything that you need"

Gambling premises know their customers – many go the extra mile, for example. sitting with a customer's wife while her husband attended a hospital appointment; providing Christmas dinners to customers who were on their own; telephoning customers that haven't visited for a while to check if they're OK or need help with

shopping. For some customers this social interaction of attending a gambling venue is a key part of their weekly routines.

Many gambling premises operate Ask for Angela and Walk Safe; they get involved in BIDs and Purple Flag and they raise money for local and national charities.

The [More in Common research](#) you refer states that in addition to 27% of people preferring a gambling premises over an empty one, 29% said they didn't know and only 44% said an empty shop front on the high street. The methodology indicates just over 2000 responded to that question.

In contrast the [High Stakes: gambling reform for the digital age](#), published in 2023 stated "*Gambling in its variety of forms is a popular pastime in Great Britain, with nearly **half of all adults participating** in at least one form (including the National Lottery) each month*".

The cost of Gambling Related Harm

Your letter states that the gambling related harms costs in Brent are estimated at £14.3 million. This figure has been taken from the same out of date Brent Gambling Needs Assessment and misquoted.

Your Needs Assessment states

- The economic cost of gambling in Brent is an estimated £14.3 million in 2022 (page 2)
- In Brent, the estimated cost of gambling has risen sevenfold from £2 million in 2012, to £14.3 million ten years later (page 7 and 39,40)

The statements reference "cost of gambling". It is misleading to claim they are all costs of gambling related harm.

The Needs Assessment does not break down those costs between land based, online, the National Lottery, other charity lotteries and scratchcards and illegal gambling activities. It would be helpful and enlightening to see that break down.

Higher business rates

You call for higher business rates to enable councils "*to take stronger action against non-compliance, fraud and unlawful gambling related activity*".

Legitimate licensed gambling premises already pay the following costs:

- Machine Games Duty
- Business Rates
- Licences – both from the Gambling Commission and Local Licensing Authorities. From October the Gambling Commission's Operating Licence fees are increasing 25% and the fee bands are changing so for some operators the actual fee increased range from 60% to over 100%.
- National Insurance & wages
- Tax
- Energy Bills
- Statutory Levy

- Heavy investment in measures to protect consumers

DCMS' Guidance to Licensing Authorities in England and Wales on setting premises licence fees, which is cited in Part 36 of the Gambling Commission's statutory [Guidance to Licensing Authorities](#), makes it clear that: *"the annual fee is to cover the reasonable cost of compliance and enforcement work including dealing with illegal gambling."*

Therefore legitimate land based licensed operators are already funding councils to deal with illegal gambling. Furthermore, from October 2026 the Gambling Commission's Operating Licence fee structure will also see all legitimate licensed operators paying again to fund the Commission's activities to tackle illegal gambling.

Inspections of premises

As stated above licensing authority fees cover the cost of compliance and enforcement work including inspections.

We know from our engagement with the Institute of Licensing, that LAs take a risk rated approach to inspections and that there are very few complaints or issues arising from gambling premises. The police in London have never reviewed a gambling premises licence according to the Chief Licensing Officer at the Met Police.

This lack of complaints and issues are reflected in the number of inspections carried on in gambling premises.

According to the latest [Gambling Commission statistics](#) only 187 licensing authorities out of 350 councils in Great Britain conducted inspections of gambling premises during 2025/26 (a further 10 carried out visits to pubs and no gambling premises). Brent itself only visited 10 of its gambling premises.

124 councils didn't undertake any visits at all (including the Prime Minister's former Mayoral city of Manchester). At the time of writing 29 councils hadn't even bothered to submit their statutory returns.

It is worth noting that that 11 of the councils who were signatories to your letter last year are among those who either did not conduct any inspections or didn't submit their returns to the Gambling Commission.

Brent's own [Gambling Needs Assessment](#), published in 2024, confirms this absence of issues. *"The council's Licensing Team are responsible for inspecting whether the operation of high priority establishments remain in line with policy each year (e.g. whether CCTV cameras work) - but unless there are official complaints, there is no obligation to investigate any further. Since no issues have been reported across the 80-odd gambling premises in Brent, in at least the last five years, none have had to face any scrutiny on whether the preventative measures in place have worked to deter crime and protect vulnerable populations."*

I will reiterate the point that licensing authority fees include the cost of inspection and stress that there is no reason visits cannot take place at any time (without the trigger of a complaint or issue).

Without undertaking those visits LAs do not see firsthand the policies and procedures and multiple layers of controls in place to protect customers and staff.

Without those visits the misinformation and disinformation in the media about gambling is accepted and not challenged by facts.

Without those visits, the economic costs of gambling related are blamed solely on legitimate businesses.

The impact of forcing legitimate gambling premises to close

Proposals to remove "Aim to Permit" as announced by the Prime Minister or increases in business rates will hit the high street, both economically and socially. Britain has already lost thousands of general businesses from the high streets with news every week of another national retailer closing down, and last year we also lost one pub every single day.

This weakens the high street economy, stalls footfall, creates unemployment and reduces business rate income - it is already a desperately worrying situation for local communities without even touching on the Aim to Permit issue or raising business rates.

If more premises are forced to close for economic reasons or refused to be allowed to open in the first place, then more consumers will turn to online gambling, if they haven't already.

The Gambling Commission is solely responsible for the regulation of online gambling, where there are extensive player protection requirements that online operators must comply with. However, **local authorities have NO powers** or say in how their local communities are protected when playing and gambling online.

The bigger concern Prime Minister, for Brent and other councils, for the Gambling Commission and for the regulated industry as a whole, is the growth of the unregulated "black" market, which operates primarily online:

- There are no protections for your constituents;
- They don't contribute to the new Gambling Levy;
- *"a significant proportion" of illegal gambling is connected to wider organised crime* " according to the previous Chief Executive of the Gambling Commission. He also described the illegal online market as *"unsafe, unfair and criminal"*
- He went on to say that *"in other countries in Europe and elsewhere that had materially increased their tax rates and then seen a significant growth in illegal gambling"*

Cllr Butt, you say this is not about stigmatising people who gamble but by continuing your calls for more controls over gambling premises and increases in business rates, it will reach point where it's impossible for gambling businesses to operate on our

high streets, then neither the national nor you, the local regulator “*can keep people safe*”.

By calling for powers to prevent premises from opening, the players considered at risk of harm, the very constituents you and the industry are all trying to protect, may migrate to unregulated online offerings and illegal gambling dens, where all of our protections are not in place or enforceable.

And they will be out of reach of the third sector, currently being funded by gambling business payments to the Gambling Levy. The fewer regulated gambling businesses we have on our high streets, the more unprotected players will become.

In Summary

The GBG is of the view that the solution isn't to take land-based gambling retailers off the high street, but for local authorities and industry to work together to ensure that they each play their crucial role in protecting local people, the local economy and community.

This will ensure continued financial support to the local authorities via the current level of business rates, to the Exchequer through duties (@£4 billion) and the Gambling Levy which has been established to implement protections for vulnerable players to the tune of £100 million per year.

Baroness Twycross said at a recent [Lords debate](#)

I reassure the noble Baroness that we understand the importance of striking the right balance between acting on problem or harmful gambling and ensuring that there are no unintended consequences for those who enjoy a casual bet and do not suffer gambling harm. As I said earlier, we are determined to follow the evidence in how we implement gambling-related policies.”

We echo the Baroness's statement and hope that you will take the time to respond to this letter and take up our offer of working together to produce evidenced based policy, which strikes that right balance.

I am copying this letter to the Prime Minister.

Yours Sincerely

A handwritten signature in black ink, consisting of a large loop followed by a smaller loop and a short horizontal stroke at the end.

Peter Hannibal

CEO, The Gambling Business Group