

Report of Head of Elections, Licensing and Registration

Report to Licensing Committee

Date: 9th January 2018

Subject: Consultation on proposals for changes to gaming machines and social responsibility measures

Are specific electoral Wards affected?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
If relevant, name(s) of Ward(s):		
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Is the decision eligible for Call-In?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
If relevant, Access to Information Procedure Rule number:		
Appendix number:		

Summary of main issues

1. 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 responsibility and doing all it should to protect consumers and communities, including those who are just about managing”.
2. The Government is now consulting on the results of the review and main proposals.
3. The consultation document has been distributed to the Council’s Problem Gambling Project Group and the comments from the Financial Inclusion Team and Public Health have been incorporated into a draft response from Leeds City Council.

Recommendations

4. That Licensing Committee review the attached consultation and endorse the attached response as the formal Leeds City Council response.

1 Purpose of this report

- 1.1 To present to Licensing Committee the Governments triennial review of gaming machines, the resulting consultation and the draft Council response.

2 Background information

- 2.1 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. On 24th October 2016 the Government launched a review of gaming machines and social responsibility measures. There was a Call for Evidence, which the Council responded to in conjunction with the Financial Inclusion Team. The Government received a healthy response to the Call for Evidence and is now consulting on proposals across all strands of the review.
- 2.2 The public consultation ends on 23rd January 2018.

3 Main issues

- 3.1 The full consultation document is attached at **Appendix A**.
- 3.2 The main proposals put forward in the consultation are as follows:
 - 3.2.1 The Government believes that the current regulation of B2 gaming machines is inappropriate to achieve their stated objective. They 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.
 - 3.2.2 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), the Government believes retention of the current regulatory environment will better protect players from potential harm than industry's proposed increases.
 - 3.2.3 The Government is 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. They 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, the Government wants 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.
- 3.3 Officers from Entertainment Licensing are coordinating the response from Leeds City Council, and have consulted with members of the Problem Gambling Project Group, which includes officers from Financial Inclusion, Citizens Advice, Public Health, front line support services, NECA, Gamcare, and other interested bodies.

- 3.4 Responses have been received from Financial Inclusion, Public Health and Planning. These have been incorporated into the draft Leeds City Council response which is attached at **Appendix B**.

4 Corporate Considerations

4.1 Consultation and Engagement

- 4.1.1 Consultation has taken place with stakeholders and partners who are part of the Council's Problem Gambling Project Group and Licensing Committee. The responses have been incorporated into the draft council response to the Government's consultation.

4.2 Equality and Diversity / Cohesion and Integration

- 4.2.1 There are no implications for equality and diversity/cohesion and integration.

4.3 Council Priorities and Best Council Plan

- 4.3.1 The licensing regime contributes to the following Best Council Plan 2015-20 outcomes:

- Improve the quality of life for our residents, particularly for those who are vulnerable or in poverty;
- Make it easier for people to do business with us.

- 4.3.2 The licensing regime is linked to the Best Council Plan objectives:

- Supporting communities and tackling poverty, and
- Becoming a more efficient and enterprising council

4.4 Resources and value for money

- 4.4.1 There are no implications for resources and value for money.

4.5 Legal Implications, Access to Information and Call In

- 4.5.1 There are no legal implications, access to information and call in implications.

4.6 Risk Management

- 4.6.1 There are no implications for risk management.

5 Conclusions

- 5.1 The Government's review of gaming machines concludes with this consultation. Officers from Entertainment Licensing have consulted with stakeholders and partners from the Council's Problem Gambling Project Group and with Licensing Committee when formulating the response to this consultation.

6 Recommendations

6.1 That Licensing Committee review the attached consultation and endorse the attached response as the formal Leeds City Council response.

7 Background documents¹

7.1 There are no unpublished background documents that relate to this matter.

¹ The background documents listed in this section are available to download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.