

GENERAL SYNOD

Fixed-Odds Betting Terminals

A note from the Secretary General

The Church of England and gambling

1. The Mission and Public Affairs Division of the Archbishops' Council engages regularly with the Department of Culture, Media and Sport, with the Gambling Commission and with the Responsible Gambling Strategy Board, as well as with GambleAware (formerly the Responsible Gambling Trust) and other bodies involved in research, education and treatment in relation to gambling.
2. MPA works closely with partners who have also been engaged in gambling issues for a long time: notably the Salvation Army, Quaker Action on Alcohol and Drugs, the Joint Public Issues Team of the Baptist, Methodist and United Reformed Churches and the Evangelical Alliance. An All-Party Parliamentary Group is currently conducting an Inquiry into betting machines, and has taken evidence from most of these faith groups including MPA. A key point for them was to find out whether Christian groups are arguing from a position of opposition to all forms of gambling. MPA was able to assure them that this is not the starting position of any of the Christian groups engaged in this dialogue with government. There is a range of opinion among Christians on the legitimacy of various kinds of gambling.

Gambling as a leisure pursuit

3. It is explicit government policy, over successive governments, that gambling is a healthy leisure pursuit enjoyed by great numbers of people, and that therefore the flourishing of the gambling industry is part of the aspiration towards economic growth and prosperity. The view also tends to be that taken more overtly by the industry, that there is a small minority of 'problem gamblers', people with a specific kind of vulnerability who need to be protected and offered treatment when necessary. These two stances - that gambling is a good, and there is a small minority who may be harmed by it - have arguably led to a focus on light-touch regulation, while putting resources into finding and helping those who may be subject to harm.

Self-regulation

4. Sections of the industry have been more willing in the recent past to introduce visual warnings about risk, and some measures in relation to self-exclusion and automatic interruption of escalating patterns of play through, for example, on-screen warnings. These measures have been welcome, and are likely to have had some impact, but they are not sufficient to address the systemic problems of easy-access high-speed high-stake betting. While it is probably not physically possible to put £18,000 in an hour into a B2¹ machine, this is the theoretical maximum and large amounts are frequently staked in single sessions. The introduction of an automatic interruption to play at £50 of cumulative stake in one session has had an effect, but it seems that one common effect

¹ Fixed -Odds Betting Terminals, FOBTs, in England and Wales have a maximum stake of £100 and maximum prize of £500. £97 of every £100, in aggregate, is returned to players: these are the 'fixed odds'. B2 is the name of the regulatory category for this type of machine.

is to reduce total staking in a session to between £40 and £50, suggesting that the impact may be marginal.

FOBT and other forms of gambling

5. The concerns of the Archbishops' Council cover the whole range of gambling, including the growth of online gambling, the impact and proper control of advertising, and not least the effect on children and families. Attention is properly paid to all classes of betting machine; highly-coloured language about FOBTs has sometimes risked giving some opposing groups the opportunity to portray those who believe £100 is too high a stake as engaged in a witch-hunt. Nevertheless Archbishops' Council staff have consistently, since the 2008 Synod, pressed the view that a £100 stake is too high.
6. There is considerable evidence that higher stakes bring risks. Research by the Responsible Gambling Trust found that within a sample of loyalty card holders (whose activity can be tracked exactly), 82% of gamblers who placed average bet sizes of £13.40 or more were people with some level of problem gambling. Calls to GamCare are a useful indicator of levels of harm. Their 2015-16 annual report showed that offline gambling constituted 51% of reported activities (the remainder was online): of this 51%, betting shops accounted for 37% of the total, while 23% of the total related to gaming machines within betting shops². The figures suggest at least that FOBTs represent a significant proportion of calls to helping agencies.
7. The concern with B2 machines does not imply that other forms of gambling are free of harm. Many towns have arcades, for example, where there may be very limited supervision. Spend on B3 games (maximum stake £2) has risen in such Adult Gaming Centres from £93.5m in 2008/9 to over £165m in 2015/6. Casinos, still relatively few in number, are also high-risk places, in spite of the levels of supervision. There is no clear evidence that B3 play leads on to B2 play, even where they are on the same machine, although it may be reasonable to suppose that this can happen.

Betting machines and crime

8. There is a lack of incontrovertible evidence on links between betting machines and crime, although there are several pointers to a potential connection. Police figures for London show a rise in incidents in the vicinity of these outlets, and Gambling Commission figures in 2015 showed an increase of 20% in police call-outs to betting shops from one year to the next. The Commission observed that the figures 'do not identify the reasons for these police call-outs or relate them to particular products offered on the premises'. Use of machines for money-laundering may also be an issue.

The Mission and Public Affairs Council: submission to the government review

9. There have been Triennial Reviews of the levels of stakes and prizes for betting machines of all categories, and the Mission and Public Affairs Council have made submissions to these, always raising the issue of the anomalous maximum stake level for B2 machines. Currently, the Department is engaged in a wider 'Review of Gaming Machines and Social Responsibility', to which the Mission and Public Affairs Council has made a submission. The outcome of this review is awaited.

² Up to three activities can be cited and recorded by each caller to GamCare, so these figures do not correlate directly to numbers of callers.

10. The MPAC submission in 2016 began, 'The lack of clear evidence on impacts of stake and prize levels means that there is no case at all for any increase in either, on any machine. Although B2 machines are the most contentious because the maximum stake is so unacceptably high, category C and D machines are high-risk in a different way, because the accessibility and lack of supervision or controls means that habits and attitudes can be developed in relation to gambling which may lead to deleterious effects further down the line. This applies most acutely to the access which children have to category D machines.'
11. On FOBTs in particular, the submission said: 'Serious, high-stake gambling ... rightly belongs in an environment which builds in a number of protections. These include a defined threshold for access, involving identifiability of the customer through membership or registration of some kind, and clear provision for limits, monitoring and support in an integrated process of management of the distinct risks of serious gambling.'
12. 'Our position is not that the £100 stake has become problematic over time, so that it now needs to be moderated. Our position is that it was a grievous mistake in the first place, and should be reversed forthwith. Everything else about street-access gambling, including all the other machines, is on a casual recreational scale, which fits the pattern of risk-limited options in a local environment where those offering loans or alcohol or tobacco or lottery tickets or skateboarding or cinema or many other activities and products do so within shared understandings of the levels of risk and risk management appropriate to an open-access environment embedded in a local community.'

Basing decisions on evidence

13. The present phase in gambling regulation began with the Gambling Act 2005. The general pattern since then has been that there has been very little change, because a standard government response to calls for change has been that there is insufficient evidence to justify it. The Synod motion in 2008 pointedly said that there should be a levy. There was not, and research, education and training from that time have been dependent on, and funded almost entirely by, the gambling industry through voluntary contributions. This remains unsatisfactory. Although efforts are made to ensure that these activities are kept independent of direct interference by the industry, there is much strong evidence in similar fields (tobacco, alcohol) that funding of research by those with a vested interest is always problematic. The amount of research and the release of data by the industry for independent scrutiny, have increased in recent years, but the sustained protestation of a lack of evidence by successive governments which have not wished to fund the production of evidence is wearing thin. The precautionary principle has in effect been turned on its head: instead (pending compelling evidence) of taking the option which causes least risk of harm, governments have taken the option which causes least change to the status quo.

Location, location

14. Many church members and leaders have observed that betting shops tend to be located, and indeed to be clustered, in areas of deprivation. Useful research has been carried out by Geofutures. One of their findings was that 'Areas close to betting shops tend towards higher levels of crime events, and resident deprivation, unemployment, and ethnic diversity'. Some local authorities have developed ways of measuring the cumulative impact of clustering of betting shops, and recent proposals in Parliament by

the Bishop of St Albans have sought to extend the powers of local authorities in deciding whether or not to grant licences for specific locations, as well as addressing the issue of maximum stake. RGT research has shown the problem gamblers had lower income levels than non-problem gamblers: 31% had an income of less than £10,400 p.a. compared with 24% for non-problem gamblers.

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