

GATESHEAD METROPOLITAN BOROUGH COUNCIL
COMMUNITIES AND PLACE OVERVIEW AND SCRUTINY COMMITTEE
MEETING

Monday, 31 October 2016

- PRESENT:** Councillor P Dillon (Chair)
- Councillor(s): P Craig, D Davidson, S Dickie, J Graham, M Hood, H Hughes, J Simpson and A Wheeler
- APOLOGIES:** Councillor(s): T Graham, L Caffrey, K Dodds, D Duggan, K McCartney, J McClurey and C McHugh

CPL13 MINUTES OF THE LAST MEETING

The minutes of the meeting held on 12 September 2016 were approved as a correct record subject to Cllr Simpson's apologies being noted.

CPL14 OSC REVIEW - IMPACT OF GAMBLING ON THE BOROUGH - EVIDENCE GATHERING

The Committee undertook its second evidence gathering session on the review into the impact of gambling on the Borough. The session focused on the use of Fixed Odds Betting Terminals (FOBTs).

It was reported that FOBTs are electronic machines placed in betting shops, a variety of games can be played on these machines, including; bingo, racing, roulette and slot games. They are pre-set to a maximum stake and pay out, paying out on fixed odds. FOBTs were first introduced in 1999 and in 2001, following changes to taxation of gambling, this allowed new lower margin games such as roulette to be played on FOBTs, therefore increasing the number of FOBTs.

The Gambling Act 2005 classified FOBTs as B2 gaming machines and it was estimated in 2007 that there were 30,000 FOBTs in place, more recent figures in 2012 estimate this is now 33,500. The Gambling Act allows for up to four machines in each betting premises, it also set a maximum stake on a single bet at £100 and a maximum prize of £500. Within Gateshead there are 42 licenced betting premises, therefore potentially 168 FOBTs, it is likely that the maximum FOBTs will be in place as they are lucrative.

It was noted that FOBTs are controversial as they have addictive qualities so have a causal role in problem gambling as large amounts of money can be lost in a relatively short space of time. It was reported that the Campaign for Fairer Gambling is campaigning for the maximum stake to be reduced to £2, however the Association of British Bookmakers (ABB) claims there is no evidence of links between FOBTs and problem gambling. In addition, the Responsible Gambling Strategy Board has

said that the correlation between FOBTs and problem gambling is poorly understood. Although it did acknowledge the regulatory dilemma of balancing the enjoyment of those who gamble responsibly against protecting the minority who are at risk.

Committee was advised that the initial introduction of FOBTs was controversial because the legal status of the machines was debatable, therefore there was no limit on the stakes and where the machines could be placed. Concerns were raised in 2003 resulting in a code of practice being published which meant that no more than four machines could operate in one place, the maximum prize would be £500 and the maximum stake £100, the speed of play was also restricted. When the Gambling Act was a Bill concerns were raised by various charities about problem gambling linked to FOBTs. However, this did not change the stake or prize limits already in place. During passage of the Gambling Act the maximum number of FOBTs was negotiated with the industry and during this time Tessa Jowell stated that FOBTs were on probation and there was no certainty as to whether they would remain as there was no clear evidence as to their effect. However, earlier this year Baroness Jowell called for action to be taken over B2 machines.

It was reported that in 2008 the Gambling Commission undertook research into the causal links and attraction of FOBTs to problem gamblers. Similarly the Culture, Media and Sport Committee looked at this issue in 2012, however it was found that there was no solid evidence as to their role in problem gambling. The Association of British Bookmakers (ABB) also found that there was no causal links between FOBTs and problem gambling, and instead referred to the economic and social benefits of licensed betting offices. The ABB also stated that if the maximum stake was reduced to £2 this would result in 90% of betting shops and 40,000 jobs being put at risk and a loss of £650million in tax. It was pointed out that these findings of the ABB have been challenged by an independent economic organisation.

It was noted that the Campaign for Fairer Gambling commissioned research which found that the average regular B2 gambler loses roughly £2,000 per year. The research also stated that, in terms of FOBTs, the highest ratio of use is by 16-24 year olds, low income and unemployed gamblers. The Campaign for Fairer Gambling recommends; reducing the number of FOBTs to one per licensed premises, a £2 maximum stake, the removal of table top games and reducing the spin frequency from 20 seconds to one minute, which would potentially make playing less addictive.

The Triennial Review was undertaken in 2013 and it was found that there was little material based on robust evidence around the social impact of B2 machines. It was noted therefore that the Government's option was for the machines to remain until robust evidence was found, although concern about potential harm and public concerns were acknowledged.

Committee was advised that Government has taken some action in relation to B2 machines and in 2014 the Department of Culture Media and Sport published a document and new regulations. This now means that, although the maximum stake on FOBTs remains at £100 any bet over £50 will require face to face interaction, therefore this would make it more likely for the customer to think about the decision

making. It was reported that evaluation of these regulations was carried out and it was found that there was a low uptake of counter authorisation, however instead customers were staking below £50 repeatedly. In the Government's response to the evaluation it was stated that a larger proportion of people gambling are now making more conscious decisions.

It was reported that in 2014 an ABB a code of practice was published which introduced a number of measures relating to FOBTs, this included; suspensions in play if voluntary time and money limits are reached, mandatory alerts when players have been playing for 30 minutes or when £250 has been spent. It was confirmed that as of yet there is no evidence of the positive impact of these measures.

It was noted that the Senet Group is a group of gambling operators, launched in 2014, the group agreed not to advertise gaming machines in betting shop windows and also dedicated 20% of shop window advertising to responsible gambling messages. It was also reported that a Player Awareness Scheme was launched in 2015, this allows systems to analyse a players behaviour on FOBTs when they are logged into a customer account. This helps analyse players and enables users to be challenged and will be independently evaluated by PricewaterhouseCoopers.

Committee was advised that Newham Council lodged a proposal with the DCLG to reduce the maximum stake on B2 machines to £2, however this was rejected as it was stated that local authorities had not made the most of the powers available to them under planning and gambling law.

It was reported that an All Party Parliamentary Group has launched an inquiry into FOBTs, evidence will be sought from a range of organisations. The first evidence session was held in July 2016 and the findings will be published early in 2017. Committee was also provided with information about a call for evidence from Government last week into FOBTs and the harm caused to players and communities, this closes on 4 December.

Committee was invited to question and comment on the information received.

The point was made that the industry will not take action due to the impact on profit, therefore anything that can be done to limit the amount that can be put in in one go has to be welcomed. It was acknowledged that officers are looking at how other local authorities are joining into the debate and at a recent LGA Conference links were made with officers from Leicester City Council who undertook a similar review.

It was suggested that the problem lies in the fact that there is no limit on the number of licensed betting premises. It was confirmed that the number of premises has not increased significantly but a lot have now moved to more prominent areas of the high street, for example there are now two of the same brand shops on one street which would allow eight FOBTs to be in operation on one street. It was also clarified that there is a presumption to grant licenses when planning permission has been granted, this is because there would have needed to be proof of harm to prevent a premise from opening.

The point was made that the framework agreement by the LGA and the ABB to promote partnership working should be endorsed. It was also suggested that research should be undertaken on the impact of betting shops on people living close by. It was noted that in future evidence gathering sessions Public Health, Police and Adult Social Care have been invited to take part and present their data in terms of Gateshead.

It was questioned whether FOBTs are permitted in amusement arcades as young people could access these. It was confirmed that FOBTs are not permitted in amusement arcades and B2 machines are more problematic due to the speed at which they can be played and the consequential addiction. Similarly it was noted that bingo halls are only permitted to have 20% of the total number of their machines as B3 and B4 machines, which have a maximum stake of £2.

It was suggested that the checklist for Councillors contained in the LGA Gambling Regulation Councillor Handbook should be looked at in terms of considering Gateshead's approach to gambling and that other bodies within the Council be included, for example Licensing and Regulatory and Planning and Development Committee. It was also suggested that a survey or consultation exercise could be carried out with local residents to obtain their views on the situation. It was noted that Public Health may have this information already and it was agreed that local charities should be engaged with to ascertain what the problems are in the Gateshead demographic prior to any survey being carried out.

RESOLVED - That the comments of the Committee be noted.

CPL15 CASE STUDY - STREET CLEANLINESS

The Committee received a case study on street cleanliness with a focus on enforcement, education and community involvement and service changes following budgetary pressures.

In terms of community initiatives it was reported that over 23 groups have been constituted, including Friends of Groups, Crawcrook and Greenside Environment Group and Ryton Litter Action. These groups are working to carry out a range of environmental improvements. There are also 500 resident volunteers who are regularly working within the Gateshead area as well as awareness initiatives being carried out with a number of schools.

It was reported that three Waste Behavioural Change Workers have been introduced, they are identifying areas of concern to improve the amount and quality of recycling, which in the long term will save money.

It was noted that there is a large resource in developing groups and therefore there is a need for a more proactive approach in how volunteers are managed. It was also recognised that more could be done to publicise volunteering opportunities as only a small percentage of the population currently volunteer. A number of proposals are being discussed to move the service on, however all have resource implications.

Committee was advised that in 2012 a lot of work was undertaken to respond to budget pressures, this has led to new working structures and methods such as shared resources, annualised hours, fleet management moving to waste services to provide more synergy. The Environment Enforcement Team now consists of four full time officers who concentrate on areas of the greatest demand. In addition there is one Dog Warden who is focussing on educating and responding but is also able to issue fixed penalty notices.

In terms of service improvement initiatives, the number of depots has been reduced, training requirements have now been prioritised and are more targeted. Also, staff culture has changed to ensure work is undertaken effectively with current resources, staff views are sought around efficiencies and ideas on how to improve the service. Joint work is underway with The Gateshead Housing Company around enforcement and neighbourhood issues, to offer a more preventative approach. In relation to street cleansing, mechanical sweepers have been reduced from nine to six and are targeted to areas where they are needed the most. It was noted that bins have been replaced by larger enclosed containers to prevent overfilling and vermin.

It was reported that work is continuing to promote services to the commercial sector in order to generate income and also in terms of communication to explain the situation and manage the expectations of customers. It was shown that cleansing and dog fouling requests and complaints are on a downward trend as residents get used to the level of service that can now be offered. Social media is also used to inform customers and work continues with the Customer Service Unit to ensure the correct information is sent out as soon as possible.

Challenges for the service were highlighted, including greater publicity around volunteering opportunities and ensuring sufficient resources to enable effective enforcement and education to prevent the need for as much enforcement.

The point was made that there is a lot of good work ongoing but the information needs to be shared, it was suggested that posters need to be shared with Councillors online so that they can in turn be shared locally. It was also acknowledged that pink spray campaign for dog fouling was successful and should be rolled out across the Borough. It was felt that more should be done to market services, for example horticulture and cleaning services and it was questioned what ideas had been forthcoming from staff in terms of the change programme. It was acknowledged that in terms of trading services this has been concentrated on services which the biggest returns, for example; waste, bereavement services and floristry. It was noted that gardening services was looked at but it was felt that it would be difficult to compete with small businesses and it would be resource intensive. Committee was advised that development of the bereavement service has been supported by the Change Team. It was suggested that more press coverage is required to promote success stories, for example the dog fouling stencils.

The point was made that other organisations should be involved in volunteering work as was seen recently in Felling when Virgin Media took part in a park tidy along with local volunteer groups.

It was suggested that along with posters being available online to print off it would be useful to have diary sheets which would allow residents to evidence incidents such as dog fouling and help work to be more targeted to areas of need. Committee also stated that there was not enough fixed penalty notices issued. It was confirmed that the Behaviour Change Officers are trained to issue fixed penalty notices, however there will be a financial gain by increasing recycling through those officers educating residents.

RESOLVED - That the Committee's comments on the 'Challenges for the Services' be noted.