

**TITLE OF REPORT: OSC Review – The impact of Gambling on the Borough
– interim report**

REPORT OF: Strategic Director, Communities and Environment

SUMMARY

The Communities and Place Overview and Scrutiny Committee have carried out a review of the impact of gambling in Gateshead as part of the 2016/17 programme. This report sets out the final recommendations of the review.

Background

1. This report sets out the findings of the Communities and Place Overview and Scrutiny Committee (OSC) in relation to a review of the impact of Gambling on the Borough. This final report sets out the main issues raised, evidence to support these and seeks approval for the recommendations outlined as part of the review process.
2. The report includes details of:
 - the aims and scope of the review
 - how the review was carried out
 - issues emerging from the review
 - recommendations

The aims of the review

3. The Council agreed that the OSC should carry out a review drawing upon local and national evidence and focussing on:
 - **Gambling in Gateshead** – the distribution, types and number of premises licensed for gambling and how this has changed over time; the types of gambling taking place in the borough
 - **The legal framework for regulation of gambling and the role of the regulators** - the Gambling Act 2005 and the respective roles of the Gambling Commission and Gateshead Licensing Authority; the impact of other regulatory regimes on gambling activity
 - **Local and national concerns about gambling** - evidence and observations from local and national regulators, operators, trade bodies, treatment providers, charities and public agencies

- **Developing research evidence on gambling related harm** - a review of recent developments and best practice and how it can be used in Gateshead to minimise gambling related harm.
4. The review was led by Gateshead Council but incorporated input from partner organisations involved in the regulation and analysis of gambling activities to ensure that it reflected the best evidence available.
 5. On 20 June 2016 it was agreed that the scope of the review would focus on the four areas set out in 3. above.

Policy Context

6. The Committee recognised that understanding the harm caused by problem gambling and the regulation of gambling activities plays an important part in realising the Council's overall vision for Gateshead as described in Gateshead's Sustainable Community Strategy (the refreshed Vision 2030):

"local people realising their full potential, enjoying the best quality of life in a healthy, equal, safe, prosperous and sustainable Gateshead"
7. The Gambling Act 2005 came into force in 2007 and put in place a comprehensive and cohesive regulatory regime based on three fundamental objectives:
 - preventing gambling from being a source of crime or disorder, being associated with crime or disorder, or being used to support crime
 - ensuring that gambling is conducted in a fair and open way; and
 - protecting children and other vulnerable persons from being harmed or exploited by gambling
8. The Committee recognised that understanding the nature of the changes in the way that gambling is conducted and the harms that can be caused by irresponsible and problem gambling is fundamental in promoting these objectives.
9. Gateshead Council's Gambling Act 2005 Statement of Principles 2016 - 2019 sets out an intention to examine and publish information (Local Licensing Guidance) about localities in the borough to assist gambling operators in assessing the local risks to the licensing objectives posed by the provision of gambling facilities at each of their premises so that they can put in place policies, procedures and control measures to mitigate those risks.
10. The Committee recognised that in order for this information to be relevant and useful it is essential that a comprehensive examination is made of the available data and its relevance to gambling related harm.

How the review was carried out - Methodology

11. This review is the result of four evidence gathering sessions of the OSC between September 2016 and January 2017. The sessions involved presentations to the Committee on 12 September 2016, 31 October 2016, 5 December 2016 and 30 January 2017.
12. During the review the Committee heard evidence from:
 - Officers from Gateshead Council (including Licensing Officers, the Public Health Team, the Community Safety Team, and Safeguarding Adults)
 - The Gambling Commission - the body responsible for granting operating and personal licences for commercial gambling operators and personnel working in the industry
 - Gamcare - an independent national charity providing information, advice, support and free counselling for the prevention and treatment of problem gambling.

Issues emerging from the review

13. As a result of the evidence gathering sessions the following issues were identified:

The number and distribution of licensed gambling premises in Gateshead

14. There are a relatively small number of premises licensed for gambling in Gateshead. There are no casinos, 3 bingo premises, 42 betting premises, 11 adult gaming centres and 1 family entertainment centre. The number of premises has remained largely stable since the Gambling Act 2005 came into force. They are however a prominent feature of the main shopping areas of the borough which is a common theme across the nation.

Other gambling in the borough

15. Certain numbers and categories of gaming machine are permitted in premises licensed for the sale of alcohol. There are also 82 registered small society lotteries in Gateshead.
16. It was recognised by the Committee that a huge amount of gambling goes on in the borough which is outside of the control of the Council as licensing authority. This includes the National Lottery, scratch cards and online gambling. The potential amount of money that goes out of the borough through this route is a matter of concern. The amount of promotion and advertising of gambling on television is also a matter of concern.

The problem with Fixed Odds Betting Terminals (FOBTs)

17. The review highlighted the increase in the prevalence of FOBTs and identified that there are potentially 168 of these in Gateshead's 42 licensed betting premises.
18. It also highlighted the concerns from many different bodies around these machines - that it is possible to lose large amounts of money playing on them and that there are associations between these machines and problem gambling and gambling addiction.
19. The review examined the national debate around the limitations of the evidence available to establish causal links between FOBTs and problem gambling and addiction to gambling and highlighted the reluctance of Government to curtail the availability of these machines in the absence of clear correlations and associations.
20. The review also highlighted the wide range of initiatives, schemes, research and inquiries which are currently being carried out to further understand the concerns raised.

The lack of evidence about the scale of harm caused by problem gambling in Gateshead

21. The review examined the available data sources about problem and at-risk gambling and their relation to the borough of Gateshead. It also highlighted to members the known risk factors associated with problem and at-risk gambling and the kinds of harm they are more likely than other people to experience.
22. Members were advised however that while a wide range of local agencies services and bodies were approached to provide evidence on the extent of gambling related harms in Gateshead there was simply none available. It is apparent that there does not currently exist a mechanism to record and measure problems caused by gambling in our local community, and none were able to provide local statistics about specific problems, nor the number of individuals or families affected by them.

The role of the Gambling Commission and the relevance of local area profiles

23. Members heard a presentation from Rob Burkitt, the lead for Shared Regulation and Better Regulation at the Gambling Commission. Rob set out the role of the Gambling Commission and an overview of its priorities for 2016/2017.
24. In particular Rob drew Members' attention to the expectation of the Commission that gambling operators have an understanding of the locality in which their premises are situated and any impact their premises may have on persons in the area who may be more vulnerable to gambling related harm and should carry out local risk assessments to ensure that they have a full understanding and awareness of their local surroundings.

25. Members were advised that gambling operators have been contacted by the Commission regarding the need to accelerate the pace at which they are putting consumers at the heart of business decisions. It was also highlighted that the harmful effects of gambling will be picked up as part of Public Health campaigns in the future as it is recognized that this is a feature of a wider issue.
26. Members recognised the importance of the working relationship between the Commission and the Council and were keen for it to continue.

Recent research into the way local authorities can protect vulnerable people from gambling related harm by improving the understanding of local area risk

27. Members were informed about some work commissioned in 2015 by Westminster and Manchester Councils to explore what area-based vulnerability to gambling related harm might look like.
28. The study firstly identified the groups in society that are potentially most vulnerable to harm from gambling and then brought this information together to create local risk indices and visually display them, showing areas with greater concentrations of people who are more likely to be vulnerable to harm.
29. Members were informed about the results of the study for Manchester and Westminster and the range of different factors which contributed to the heightened risk in their areas.
30. The recommendations of the study were shared with Members.

The role of the charity Gamcare in providing information, advice, support and counselling for the prevention and treatment of problem gambling.

31. Members received a presentation from the learning and development Manager of Gamcare an independent national charity providing information, advice, support and free counselling for the prevention and treatment of problem gambling.

Final recommendations

32. The following points summarise the key findings from the OSC's review of the impact of gambling in Gateshead
 - (1) The Council should use every opportunity to contribute to the national debate about the harms that can be caused by irresponsible and problem gambling.
 - (2) The Council should continue to develop its productive working relationship with the Gambling Commission.

- (3) The Council should contribute to the continuing debate and proposed consultations on the harms associated with fixed odds betting terminals.
- (4) The Gambling Commission's introduction of Local Area Risk profiles represents a new opportunity for Gateshead Council to think more deeply about the protection of vulnerable people from gambling-related harm. The Council should develop Local Area Risk Profiles for the borough.
- (5) Gateshead Council as a licensing authority should examine the range of data available locally and evaluate how this can be used in Local Area Risk Profiles.
- (6) Gateshead Council as a licensing authority should also begin to consider what data and evidence is missing and establish closer working links with other services within the Council and with partner agencies to develop a better knowledge base and a better range of data
- (7) That further update reports be provided to the OSC on a regular basis.

Recommendation

33. The Committee is asked to agree the final recommendations as outlined above and that the Committee agrees to the Chairperson presenting this report to Cabinet as representing the Committee's findings and recommendations from the review process.

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