



HOUSE OF COMMONS

LONDON SW1A 0AA

Rt Hon Theresa May MP
Prime Minister
10 Downing Street
London
SW1A 2AA

23 January 2018

Dear Prime Minister,

Government Policy on Fixed Odds Betting Terminals

Ahead of the closure of the Government's consultation on 'Proposals to Gaming Machines and Social Responsibility Measures', we the undersigned are calling on the Government to take decisive action and reduce the stake on Fixed Odds Betting Terminals (FOBTs) to £2.

The case for a stake reduction to £2 is now overwhelming.

There are over 33,000 FOBTs in betting shops across the UK in easily accessible locations, providing hard, high stakes gambling across Britain's high streets.

The current FOBT stake maximum of £100 is fifty times higher than that of other widely available gaming machines. In 2015/6, there were over 230,000 individual sessions in which a user lost over £1,000.

FOBTs have come under widespread criticism for encouraging high-stakes gambling and exposing people to the risk of gambling harm. Problem gambling affects 430,000 people in the UK annually. As well as this being a tragedy for gamblers themselves and their families, a recent report by the well-respected



economics think tank, the Centre for Economic and Business Research (Cebr), showed that problem gambling also carries a huge societal cost. It estimates that this cost to the UK is £1.5bn a year when its impact on wider social welfare is taken into account – including areas such as employment, mental health and financial stability.

This Government has stated its commitment to social justice. These machines are creating social injustice. They are having a direct impact on people and families across the country. They are harming the young and vulnerable in our society, whom we have a duty to protect. Often, it is those who can least afford it, who are losing vast sums of money. Indeed, the Cebr notes that the main beneficiaries of a reduction to a £2 stake would be those from deprived areas or on lower incomes, particularly as there are twice as many betting shops in the poorest 55 boroughs of the UK.

Public and mental health organisations, faith groups including the Church of England (who has been very vocal in their concerns), academics and others have also described the destructive impact which FOBTs can have on families and whole communities. They have underlined that they are driving social and mental health problems. We have even seen young men taking their own lives because of their addiction to these machines. Beyond this, FOBTs are affecting society more widely driving violent crime and money laundering.

Moreover, we are concerned that the Government has relied upon data, provided by KPMG in a report sponsored by the Association of British Bookmakers (ABB), to assess the possible impact of stake reduction on the British economy. Unfortunately, this report has not been made public but there are widespread concerns about its validity. Indeed, the bookmaker Paddy Power has commented that this report “is not suitable to be used as part of the evidence base and that data used is incomplete and potentially not representative.” It notes that “whilst a FOBT stake cut is likely to have some impact on the retail bookmaker sector, it will be far less severe than the depiction provided by the ABB.”



The Cebr report finds that the impact of a £2 stake reduction on bookmakers has been exaggerated. The economic impact on bookmakers of lower FOBT stakes could be significantly less than existing estimates have suggested since these do not take account of the range of possible outcomes and behavioural responses that could take place. Their model projects that industry losses from a £2 stake could be up to 47% lower than suggested by the Government's initial impact assessment.

As you will know, it is rare in Parliament to achieve a consensus across our political divides. Yet, those calling for stake reduction come from across the political spectrum, in both Houses of Parliament. We speak as one. The call for stake reduction is coming from local government and 93 local authorities, esteemed academics, community groups, the Royal Society for Public Health, from business and faith leaders. The Archbishop of Canterbury has called for the stake to fall to £2. Even the bookmaker Paddy Power has agreed on the need for dramatic stake reduction citing that this will not adversely affect bookmakers' businesses.

The Government must not waver in helping the vulnerable. It must not row back on its commitment to take action on FOBTs. It must not bend to the power of the bookmaker lobby. The time has come for the Government to act. The health and wellbeing of our country is at issue. We implore the Government to seize this opportunity and make £2 the FOBT stake.

We look forward to your reply.

Yours sincerely,

A handwritten signature in black ink, appearing to be 'Carolyn Harris', written over a horizontal line.

Carolyn Harris MP

Chair, Fixed Odds Betting Terminals All Party Parliamentary Group



Ronnie Cowan MP
Stuart McDonald MP
Stephen Timms MP
Sir Peter Bottomley MP
Rt. Hon. Iain Duncan Smith MP
Tom Watson MP
Lord Clement-Jones
Lord Foster of Bath
The Bishop of St Albans

Lord Beecham
Baroness Richardson of Calow

Lord Ahmed

Lord Dholakia

Lord Singh of Wimbledon CBE

Baroness Howells of St Davids

Baroness Masham of Ilton

Jim Shannon MP
David Lammy MP
Alison Thewliss MP
Gerald Jones MP
David Linden MP
Jo Stevens MP
Lisa Cameron MP
Fiona Bruce MP
Judith Cummins MP
Ruth Cadbury MP
Rt.Hon. Sammy Wilson MP
Christine Jardine MP
Andy Burnham, the Mayor of Greater Manchester
Sir Robin Wales, the Mayor of Newham
The Centre for Social Justice



**Shirley Cramer CBE, Chief Executive, Royal Society for Public Health
The Campaign for Fairer Gambling**

Prof. Bev. John, The University of South Wales

Dr Gareth Roderique-Davies, The University of South Wales

**We are copying this letter to the Chancellor of the Exchequer and the
Secretary of State for Digital, Culture, Media and Sport as well as the
Minster for Sport and Civil Society.**