



Fixed Odds Betting Terminals APPG

**Report from the Fixed Odds Betting
Terminals All Party Parliamentary Group**

**Inquiry into the Implementation of the £2
Stake Reduction**

October 2018

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Introduction

On 17 May 2018, the Government announced that it would reduce the stake on Fixed Odds Betting Terminals (FOBTs) from £100 to £2. The Fixed Odds Betting Terminals All Party Parliamentary Group (FOBT APPG) very much welcomed this announcement which is something the Group and many others had long been campaigning for. Given the huge social harm being caused by these machines, this was the right decision to have made.

The FOBT APPG were, however, deeply concerned to hear subsequently from the Treasury that this much needed stake reduction may not be implemented until April 2020.

On this basis, the technical change to FOBT gaming machines would not be made until almost two years since making the stake reduction announcement. When the harm being caused by FOBTs to families and communities is taken into account, it is our view that this proposal to delay implementation by two years would be wholly excessive. As commentators noted, bookmakers were being given the same time to change a gaming machine as the UK had to negotiate its exit from the European Union.

It is now three years since the Government first began consulting on reducing the FOBT stake. Since then over £3.6bn has been lost, often by the most vulnerable in our society. Day after day the losses mount up. In fact every second £57 is lost on FOBTs. We all receive tragic letters from people and families whose lives have been devastated by the addictive nature of these machines. They do no good to people's lives or our communities, they are purely a means for bookmakers to profiteer from the poor and vulnerable.

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



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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 received 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 the users and their families, a recent report by the well-respected economic think tank, the Centre for Economic and Business Research (Cebr), shows that problem gambling is also a huge cost to the Government. It estimates that this cost to the UK is £1.5bn per annum when its impact on wider social welfare is taken into account – including areas such as employment, mental health and financial stability.¹ Public and mental health organisations, faith groups including the Church of England (which has been very vocal in its concerns), academics and others have also described the destructive impact which FOBTs can have on families and whole communities. 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.

We have also seen human tragedies with young men taking their own lives because of their addiction to these machines. Beyond this, FOBTs are impacting society more widely driving violent crime and money laundering.

It was for all of these reasons that a wide coalition of voices called initially for the £2 stake. This came from Parliamentarians across the political divides. The call also came from local government including 93 local authorities, esteemed academics, community groups, the Royal Society for Public Health, businesses and the Church of England. The Archbishop of Canterbury also called for the stake to fall to £2.

¹ Centre for Economics and Business Research Report on Fixed Odds Betting Terminals, April 2018.



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Therefore, when the Government said it would delay the stake reduction on FOBTs, the FOBT APPG launched an inquiry over the summer looking at the urgent need for implementation.

In this new inquiry we heard from a range of key witnesses including the Minister for Gambling, Tracey Crouch MP, the Executive Director of the Gambling Commission, the Church of England, Games Manufacturers and most powerfully of all from the families of those who had taken their own lives due to gambling and FOBT addictions. We are grateful to all of those who gave evidence to us, without them this inquiry would not have been possible. A full list of witnesses is set out at Annex B and we also received further written representations. This report sets out the findings from our inquiry.



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Key findings

Below are the key findings from our inquiry.

The bookmakers have effectively set out three main arguments to delay the stake reduction. These are that:

- A significant amount of technical time is needed to make the changes to these machines.
- There will be an extensive financial impact on the Treasury due to the loss in FOBT revenue and the impact of job losses and potential bookmaker closures.
- That there will be mass redundancies in bookmakers.

Below, we address each of these in turn and set out our key findings:

Firstly, on the implementation period required to make technical changes: We have looked very carefully at this issue and spoken to those in industry who make and supply the games and FOBT machines. The bookmakers and games manufacturers have said:

- They need 9-12 months to prepare the games on FOBT machines for the stake reduction.
- They will not begin making the necessary changes to FOBT machines until the Statutory Instrument (SI) has been agreed in Parliament despite knowing exactly what the content of the SI will be as the legislation has now been set out at the European level.

Yet, having said how long it will take and that they will not begin making changes until the SI has been passed in Parliament, the games manufactures conceded to us that:



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- They have a financial stake in all B2 games and machines and make profit from them. It is therefore in their financial interest to delay the implementation of these machines for as long as possible.
- If an earlier date for implementation was set – even as early as 1 Feb next year they would actually be able to meet this.
- It would be entirely possible just to remove all B2 and B2/B3 hybrid content games very quickly. These could then be reintroduced if they needed to make changes to accommodate the stake reduction.

We spoke to the Executive Director of the Gambling Commission, Tim Miller. He confirmed to us that there would be nothing to stop the bookmakers making the stake reduction voluntarily. We wrote to the bookmakers and they declined to do so.

From the evidence we have heard, it is clear to us that the bookmakers are being misleading and disingenuous to claim such a long time is required to make the technical changes. Clearly the profit they make from FOBTs provides an incentive to delay the reduction as long as possible.

We have also spoken on a confidential basis to experts in the field who assure us that, at most, a period of up to three months would be required to make the technical changes to machines. Tracey Crouch MP, the Minister for Gambling, gave evidence to our inquiry. She confirmed that her expectation was that bookmakers and games makers should have already begun making the necessary changes to reduce the stake and the only change set out in the SI will be to reduce the stake. There is therefore clear visibility of the requirements which will be set out. She also indicated that she gave little credibility to the claims of the bookmakers about the implementation period required.



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Secondly, on the impact on the public purse and the need to delay the implementation to lessen the reduced financial return to the Treasury: We would like to underline that firstly, it is morally reprehensible that the Government is propping up its finances through taking revenue from FOBTs which in turn take money often from those who can least afford it. Secondly, the Government is proposing increasing Remote Gaming Duty from April 2019. It is arguably not therefore morally justifiable to continue to gain revenue from FOBTs for a further year when an alternative revenue stream will have been put in place.

In addition, the Centre for Economics and Business Research (Cebr) has just released a new report², looking at the financial impact of a delay in reducing the £2 stake to April 2020. The Cebr find that:

- The bookmakers will earn somewhere in the region of £348-£540 million more GGY from FOBTs for each year of delay in implementation of the new maximum stake.
- Just over £100 million in GVA contributions to GDP could be lost in net terms for each year of delay in implementation. This could, in turn, delay the realisation of a potential net boost in employment of about 2,800 jobs.
- HM Treasury can be expected to lose somewhere in the range of £98-£132 million for each year of delay in implementation. These findings are based on an increase in the Remote Gaming Duty (RGD) rate from the current 15% to 20% at the same time as introduction of the £2 maximum stake on FOBTs.
- For the Treasury not to make a net gain but just to break even RGD would need to be set at 17.4%, while the maximum required rate would be 18.1%.

² Centre for Economics and Business Research Report, September 2018



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- The size of the resulting loss to society is potentially significant. For instance, if a £2 maximum stake on FOBTs resulted in a 25% reduction in problem gambling amongst B2 machine players, then society could lose the benefits of reduced fiscal costs worth £47 million for each year of delay in implementation, as well as reduced welfare costs worth £255 million to problem gamblers themselves and worth £84 million to their families and wider social networks.
- These estimates double if the lower maximum stake were to reduce B2 problem gambling by 50%, producing a total annual loss to society of £770 million for each year of delay. The total loss to society of a two year delay could be as high as £1.2 billion if the £2 maximum stake could be expected to reduce problem gambling amongst B2 players by 75%.
- The value of such losses to society could be even greater once the distributional aspects of the policy are considered – specifically the fact licensed betting offices (and, thus, FOBTs) tend to be concentrated in relatively deprived areas.

In short, the only beneficiary of a delayed stake reduction would be the bookmakers and games manufacturers to the tune of over £1bn. The Treasury and wider society would see net losses, particularly in our most deprived communities.

On the third issue which has been raised about potential job losses: Of course we share concerns about any potential job losses in the UK and these are an important consideration. We would, however, highlight that the Cebr also note that the stake reduction could in fact lead to job creation. They note that just over £100 million in GVA contributions to GDP could be lost in net terms for each year of delay in implementation. This could delay the realisation of a potential net



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boost in employment of about 2,800 jobs in far more profitable areas of employment.

Landman Economics has also reported on the boost to jobs elsewhere in the economy which is likely once the stake on FOBTs are reduced. Landman Economics estimated the amount of employment supported by a certain quantity of expenditure on FOBTs compared with the employment supported by the same quantity of consumer expenditure on other goods and services in the economy. Because expenditure on FOBTs supports relatively little employment compared with consumer expenditure elsewhere in the economy, the analysis concluded that £1bn of “average” consumer expenditure supports around 21,000 jobs across the UK as a whole, whereas £1bn of expenditure on FOBTs supports only 4,500 jobs in the UK gambling sector. This implies that, other things being equal, an increase of £1bn in consumer spending on FOBTs destroys over 16,000 jobs in the UK.

Equally, bookmakers have already begun restructuring their businesses to other areas which will provide continuing employment. Any job losses would be spread around the country. Bookmakers are diffuse across our high streets. Bookmaker shop closures (which would be welcomed by many communities, faith groups and local councils) would lead to the end of 1 or 2 jobs at most which is a manageable impact in terms of local redeployment.

Finally, we would underline that the most important reason to implement the stake reduction urgently is a moral one. It is an issue of social justice and it is an issue that must be resolved. The Government has acknowledged that FOBTs are a social blight and that it must now act on them. It is not right for one corporate interest to profit at the expense of people's lives.

The FOBT APPG heard evidence from families who had been harmed by FOBTs including Liz and Charles Ritchie whose son Jack tragically took his own life in 2017, aged only 24, due to a gambling addiction that began with FOBTs. Jo



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Holloway's only child Daniel also took his own life last year following a gambling addiction to FOBTs and latterly online gambling. These are tragic testimonies of which there are many more.

The harm being caused by FOBTs cannot go on. It is now time for the Government to do the right thing. It is time for it to stop bending to the will of a large corporate interest, namely the bookmakers, and implement a £2 stake on Fixed Odds Betting Terminals now.

**Carolyn Harris MP,
Chair, Fixed Odds Betting Terminals All Party Parliamentary Group**



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Evidence Sessions – Session 1

In our inquiry we took evidence from a range of stakeholders. Below we set out the findings from each session.

In our first evidence session the Group heard from: Rokhsana Fiaz OBE, Mayor of Newham Council; Tim Miller, Executive Director, Gambling Commission Josephine Holloway, Gambling with lives, Liz Ritchie, Gambling with Lives, Charles Ritchie, Gambling with Lives, Terry White, Former FOBT Addict, Matt Zarb-Cousin, Former FOBT Addict.

Mayor Fiaz began by setting out the impact that FOBTs were having on the Borough of Newham. She said that the most important aspect of the debate were the lives and families who have been devastated by the effects of FOBTs far more than the retail and economic arguments. She said that this was her 11th week as the Mayor of Newham and gave tribute to the work of her predecessor, **Sir Robin Wales**, on his contribution to the campaign for stake reduction. She said that these machines were fuelling crime and anti-social behaviour in Newham which is in turn damaging the high street. She added that the announcement of the £2 stake was a welcomed relief to Newham residents and the implementation of a £2 stake will help transform lives. She thanked the coalition partners in the campaign for their hard work. She added that the campaign is now in a new phase and will be demanding for an immediate implementation. She added that:

- £20 million is lost by Newham residents every year on FOBTs usually by those who are least able to afford it.
- Newham Council is the 25th most deprived local authority in England and yet has over 80 bookmakers.
- The MoneyWorks programme to help residents in financial hardship has seen that majority of the cases it handles has an element of gambling in it.



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- Police are called to bookmakers 1.2 times a day as a result of violence and anti-social behaviour.
- Figures by the Local Government Association, shows that people stand to lose £3bn between now and April 2020 if the implementation of a £2 stake is delayed.
- Should the Treasury delay the implementation, they would collaborating with the irresponsible part of the gambling Industry. This would be a betrayal and prevarication.

When asked about the powers local authorities have Rokshana Fiaz said that local authorities were doing the best they could given the constraints on their powers. They are hamstrung in their ability to tackle the clustering of betting shops and more powers were need in order for them to retrospectively react.

When asked if local authorities had the powers to revoke planning licenses of bookmakers, **Rokhsana Fiaz** said they were not. They had 8 cases where the planning inspectorate ruled against Newham and as such currently there are no laws that would allow local authorities revoke planning licenses. She proposes that the Gambling Act 2005 is amended to include new powers that would allow bookmakers lose their license on grounds of causing public nuisance and being a risk to public health.

The Mayor said it would be useful to have information on the number of smashed FOBT machines.

The Council was asked if it had been involved in revoking planning licenses and asked if Newham Council has the power to stop new planning licenses and licences up for renewal.

Rokshana Fiaz said that Newham has tightened its regime on granting planning licenses. The issue however is dealing with pre-existing shops. Newham



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currently has over 81 shops this have been opened over the past 10-12 years and on the 8 occasions they have challenged the planning licenses they have.

The MPs asked whose job it was to revoke the planning licences. At this point **Carolyn Harris** asked **Tim Miller** to join the witnesses.

Tim Miller said that the job of the Gambling Commission as the national regulator is to grant licenses to bookmakers as an entity and not single shops. He added that local authorities were not utilising the powers they currently have, effectively. For example, they do not carry out inspections of betting shops as often as they should. He said that this would help strengthen their argumentation for greater powers.

Carolyn Harris MP (Chair) began the second evidence session of the APPG by welcoming and thanking Tim Miller for appearing before the group and noted that they she and Iain Duncan Smith met with him earlier in the year to discuss the Gambling Commission's advice to DCMS following its publication.

Tim Miller said that in the two years he has been at the Gambling Commission, the most powerful argument for stake reduction on Fixed Odds Betting Terminals are the stories from the families of those who have lost their lives as a result of these machines. Their stories shows the human impact not just to individuals but to communities. He said that bookmakers should not view a delay as an opportunity to 'take their foot off the pedal'. It should not be seen as a good thing. A delay should not be seen as an excuse for bookmakers not to take their responsibilities seriously.

Iain Duncan Smith asked to what extent has the Gambling Commission been in discussions with DCMS, HMT or the industry on the implementation period and if the Gambling Commission itself has taken a view on the timescale required to deliver the new stake limit.

Tim Miller said that the Gambling Commission had not had any discussions on the implementation period with the Government. He said that the Association of



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British Bookmakers had written to him requesting a meeting to discuss the implementation period and the impact on the industry, which he declined. The Gambling Commission itself has no view on the timescale as it chose not to look at the requirements needed to bring in the stake reduction when publishing their advice; as it inevitably would have led to them looking at the impact of stake reduction on the bookmaking industry and they did not want that to influence their advice. In their advice they recommended a substantial stake reduction as one of the requirements to address the harm caused.

Tim Miller set out the process of implementation :

- The machine manufacturer would make changes to the software
- Those changes would then be independently evaluated by testing houses that are licenced. The question of testing house capacity then arises at this point but that is one for them.
- The industry and Government then need to see if there are other things the industry needs to set in place ahead of the reduction.

He said that the Gambling Commission's advice is that a substantial stake cut was required to address the harm that has been identified with these machines and until that stake cut has been put in place, the risk of harm remains.

Iain Duncan Smith then asked that since the Gambling Commission's advice is to substantially reduce the stake, would it not be a good idea to look at the implementation period and say to the Government that the delay would leave people at risk to harm consistent to their advice. He also asked if the Gambling Commission would undertake a review into the time required to implement the £2 stake.

Tim Miller said he was not sure it would be the right way for the regulator to address this. Their advice is clear that a stake cut is imperative to reduce the harm caused by the machines. As the regulator their focus is on how their powers should be used to tackle the issue of harm.



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Iain Duncan Smith that the regulators role in this should be to set out to the betting industry what would be a reasonable timescale to implement what the Gambling Commission recommended in its advice.

Tim Miller said that the stake reduction is just one of the recommendations put forward and there are other measures within their advice. They are acting within areas their powers sit and if the Gambling commission were to take a review into the implementation period there is a risk that there focus might be divided.

Carolyn Harris asked if the Gambling Commission would write to the Government supporting the APPG's call for an immediate implementation? **Tim Miller** said he was unable to speak on behalf of the Commission's board. They have been clear in their advice on the requirement for stake reduction, if it is not in place, the problem will persist. He added that if bookmakers are genuinely committed to reducing harm, there is no reason the industry has to wait to reduce the stake.

Iain Duncan Smith said that the Gambling Commission has the power to nudge the bookmaking industry and ask for the reasons why they are unable to reduce the stake until the implementation date has been set.

Tim Miller said that as a public body he had some reservations about this. In the Gambling Act 2005, Parliament clearly separated the functions between the Gambling Commission, Government and local authorities and asking the industry to implement immediately would be seen to be disrespecting that separation of powers. However, they will continue to be clear with the industry to take more actions around harm and the stake cut is one element of that. If the Gambling Commission only focuses on stake cut there is a risk that the industry will not take on board the other measures.

Iain Duncan Smith asked if he could write to the bookmakers to reduce the stake as soon as possible to reduce the risk of harm following the Government's announcement.



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Tim Miller said the Commission could do that. The sooner the new stake is implemented, the sooner the harm will be addressed. The concern is if the regulator states that the industry must reduce the stake, there is an expectation that there will be consequences if they do not and on this occasion the regulator has no powers to take action if they do not.

Carolyn Harris asked if Tim Miller would commit to writing to the bookmakers asking them to voluntarily reduce the stake. **Tim Miller** said he cannot commit to it but would certainly discuss this with the Gambling Commission board.

Carolyn Harris said the APPG has written to all the major bookmakers asking them to voluntarily reduce the stake and the bookmakers who have responded so far, have refused. Carolyn Harris asked if **Tim Miller** would at least commit to writing by September.

The group then heard from those whose lives have been harmed by FOBTs.

Matt Zarb-Cousin began by sharing his story with the group.

- He said that he had lost £20,000 on FOBTs by the age of 20 and took him a number of years to get back on his feet.
- He said the addiction had a massive impact on his life, although it was not about the losses for him but rather the impact on his mental health.
- He further said that he had suffered from depression for many years after he stopped gambling and noted that this was an area worth considering when discussing gambling related harm.
- He said losses are only useful for measuring harm.

Terry White started by describing himself as an ex-FOBT addict.

- He said the word addict is used deliberately so as to highlight that he is not a problem gambler.



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- He said that FOBTs were very dangerous whether they were played in a betting shop or online. The online sector is very dangerous and needs to be looked at.
- He added that the operators' behaviour towards the customers and staff is distasteful and they are not listening to fact that a £2 stake needs to be implemented immediately.
- He has been told by industry insiders, as he used to work in the industry, that the technical changes could be made within two months. As if the stakes were to be increased, these changes would have been made within days.
- He added that due to clustering, he has noticed underage gamblers in betting shops and operators are not carrying out age verification tests and councils are not inspect these premises.
- **Mr White** added that at the height of his addiction, he attempted to take his own life by taking an overdose as the mental health impact of the addiction is far reaching.

Iain Duncan Smith asked Mr White how much he lost during his addiction and what his vocation was. **Mr White** responded that he lost a quarter of million pounds and said he accrued the money as a professional poker player and gambler. He added that these machines were casino-style machines that should not be in betting shops. He noted that the 20 second spin cycle on the machines had a damaging effect particularly with the repeat button that can see players lose up to £300 with 60 seconds. In a casino, it is 2 minutes between spins which allows the gamblers to calm down, stopping the dopamine from kicking in.

Iain Duncan Smith asked **Terry White** why he stopped gambling. **Mr White** said he ran out of money after losing £41,000 in an afternoon in a Ladbrokes betting shop. Although he went in with £1,000 cash, he went to the staff at the counter 8 times asking for £5000 on his card each time. He noted that the staff did not intervene at any point to ask if he had a gambling problem. **Iain Duncan**



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Smith asked how long he was in the shop and if he did anything other than the FOBTs. **Mr White** said this was over 6-7 hours and he was at the machines the entire period. He suggested that the Gambling Commission should look at Malta and the responsible gambling measures they have put in place.

Iain Duncan Smith asked **Mr White** if they were other people in the betting shop when he was there and roughly how long were they on the machines.

Mr White responded that there were and they spent a minimum of 30 minutes to an hour on the machines. For problem gamblers, there is always a reason to have another spin, either to chase the losses or to win more money. In a 30 minutes session, a gambler could have had 90 spins on a FOBT, whereas in a casino it would have taken 2 hours. He also added that he had evidence of staff being given bonuses when gamblers lose.

Carolyn Harris asked **Matt Zarb-Cousin** and **Terry White** if they are able to visit a bookmaker. **Terry White** said he cannot whilst **Matt Zarb-Cousin** said he could. **Mr Zarb-Cousin** added a most gamblers will begin playing a FOBT at the lowest stake level and gradually increase their stake level as they become more desensitised to the machines. The stake reduction would help eliminate the addictive roulette content and will limit the capacity of the machines to introduce players into a higher range of gambling, which is not within their affordability.

Carolyn Harris noted that there was another FOBT user who was meant to appear before the group, he however, had unfortunately relapsed.

Terry White also added that he worked with a gambling addiction charity in Cardiff called the Living Room and they were concerned with the amount of gambling addiction.

Carolyn Harris asked **Josephine Holloway** to share her story with the group.



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Josephine Holloway said that her son **Daniel Clinkscates** had taken his own life on 12th October 2017. The coroner's office were perplexed by the suicide as he seemed very successful and asked if she knew what the cause of the suicide might have been. Ms Holloway told the coroner her son had a gambling problem for years. She was told by the coroner that the problem would not be included on his death certificate as a cause of death.

Ms Holloway added that if these deaths are not recorded as having being caused by gambling, there is no way to ensure, the Gambling Commission, the Government and the public are made aware of this issue. The harm done to the individuals and families cannot be assessed.

She added that her son was young and vulnerable when he started to gamble. The only help she could find for him 18 years ago was gamblers anonymous and was told that if left untreated gambling addiction could lead to suicide.

She said there is a view that gambling addicts are flawed, greedy and weak and as such the cause of the problem was not looked at and the onus is always left to the addict to take responsibility for their own actions.

Her son lost £10,500 on a session, although he was a high rate taxpayer, he was losing all his money to gambling and borrowing money from payday loan companies. It was a hidden addiction.

- In April 2017 in Sheffield, a young man takes his own life in a gambling related suicide.
- In September 2017 a young man from East Sussex, takes his own life in a gambling related suicide.
- In October 2017, Daniel Clinkscates takes his own life in a gambling related suicide.
- In November 2017, another young man from Sheffield takes his own life in a gambling related suicide.



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In May 2018, a source close to the Gambling Commission told **Ms Holloway** that close to 2 million people were now addicted to gambling and the self-referral system is the only way for these individuals to get help and less than 1% of them will be seen.

Ms Holloway concluded that the impact of any delay in implementing the £2 stake is absolutely clear, for addictive gamblers these machines have been and will continue to be devastating. A delay could lead to many more suicides and create more addicts. The machines need tough controls and regulations.

Liz Ritchie introduced herself and said her son Jack, took his own life in November 2017 and since then, they have set up a charity called Gambling with Lives. The charity is currently in contact with 20 families whose relatives have taken their lives as a result of FOBTs.

She added that up until now, the voices of families impacted by the machines have not been heard. The statement that the bookmakers have blood on their hands, it true. The UK is the only country that allows these machines on its high street. It is a corruptive and neurotic state that puts money and profit before the lives of children and young people, allowing them to be corrupted by the machines.

Ms Ritchie said Jack was 17 when he walked into a bookmakers with a group of friends in his lunch hour at school and they gambled with their dinner money, sometimes going hungry in order to gamble. It became normalised. She said he fell into the classic pattern of an addict as he had a big win when he first began gambling, winning £500 on two successive spins. He went back after school to collect £1,000 in cash, unknown to his parents. She said they monitored vices such as drugs and alcohol but it did not occur to them that gambling addiction was a possibility that could create a life-threatening illness. She added that the UK now has a generation of usually, young men who are susceptible to gambling addiction. Even if FOBTs were eradicated the effect on mental health will still



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linger leading to damaging consequences in the future. There is an pending public health crisis and nothing seems to be done.

Charles Ritchie added that Jack received £5,000 from his grandmother, which gave him the ability to carry on gambling unlike his friends.

- He said they discovered his gambling habit after a year and worked together with him to help him. They self-excluded him from all the bookmakers in Sheffield, which showed his desperation.
- He added that unbeknownst to his parents, Jack almost immediately went online and started gambling at very small amounts of money. Over the course of his life, Jack did not lose more than £13,000 in 7 years. He had his first major slip at university when he received his student grant. When his parents discovered it, they purchased some self-exclusion software for his computer. He was gambling free for a year.
- He also said they had no idea of the complexity and seriousness of the addiction. He had a major relapse when he got his first graduate job and was then able to apply for loans and credit cards. His parents were not aware that he was gambling again.

Liz Ritchie said that gambling is an intermittent addiction and this is not understood. **Matt Zarb-Cousin** added that there is a new phenomenon called 'Binge gambling', facilitated by newer types of gambling products particularly FOBTs and online where gamblers can bet continuously. In the past in order to bet a hundred times, punters would have needed to watch a hundred races which would have taken hours. Now this can be done within half an hour.

Liz Ritchie said the language needs to be changed as the addicts do not 'fall off the wagon' but are targeted by bookmakers. Even when addicts have self-



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excluded, they become targets to the bookmakers because they are individuals the bookmakers know will binge and chase their losses.

Carolyn Harris asked that if she was referring to direct marketing advertising.

Liz Ritchie said she was referring to individuals who had self-excluded but yet received emails and pop-ups from bookmakers. Jack was free for seven months before he died. They are not aware of what triggered his suicide as they have not been able to access his computer yet but suspect he had received a 'pop up', email or free gift of some kind to trigger his habit.

Iain Duncan Smith asked if Jack was gambling exclusively on FOBTs. **Charles Ritchie** said initially he was, until his parents self-excluded him from all the bookmakers in the city and then he went online. He then mainly gambled online on the same sort of game with exactly the same processes.

Iain Duncan Smith asked what his vocation was. **Liz Ritchie** said he did studied History at University. He worked at Capita as a graduate. He resigned from the job to take part in an NCVO programme and went to Kenya on a voluntary work project and travelled teaching English as a foreign language in Vietnam.

Iain Duncan Smith asked what his income at the time he took his life. **Charles Ritchie** said he was earning around £1000 upwards a month which was a substantial amount of money in Vietnam. He turned his life around in the last 18 months of his life and wanted to do something more fulfilling and satisfying with his life, this is why he left his graduate job in London and started volunteering.

Liz Ritchie said Jack loved life and his death was not as a result of a gradual decline and this a very familiar path for the other young men who have taken their lives as a result of gambling addiction.

- She said he had gambled on 15 separate occasions in the 18 months before he died. His suicide was a shock and surprise to his family.



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- She said in his suicide note he wrote that he had been gambling all day and his parents have since been able to discover that he spent his last day gambling. At this point he was incapable of making a rational decision. He was on his way to work that evening and had set out with his teaching materials and was in an Uber which took him past the rooftop restaurant where he had been before. He went to the restaurant, ordered a drink which he did not finish.
- She said he wrote them a note and sent them an email. Jumped over the high barriers, face inwards and throwing himself backwards from the sixth floor.

Iain Duncan Smith asked how much he had lost that day. **Liz Ritchie** said he lost no more than £2,000. A common misperception is that the addiction is about money and it very rarely is. The machines are addictive and the high dopamine release affects their decision making capabilities making them chase their losses, increasing risk taking. The FOBT content in the betting shops is the same as online. She said his note was full of self-loathing with a feeling that he could never get better. She added that there is a normalisation of gambling in our society. The language of problem gambling, of responsible gambling means that the people who are gambling feel like they are flawed. These are sacrificial deaths.

Iain Duncan Smith asked if Jack was in any way addicted to anything other than gambling. **Liz Ritchie** emphatically said he was not.

Charles Ritchie said that whilst research might show that some groups of people are susceptible to addiction, without a doubt all of the young man in Gambling with Lives were very normal, ordinary. They were not troubled.



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He added that neither Jack or his parents had any inkling of the risk gambling posed. Gambling is an hidden addiction, and gambling related suicide is invisible.

Charles Ritchie said he was appalled on discovering the gaps in knowledge when it comes to gambling related suicides. Gambling with Lives figures shows that 250-260 deaths per year are related to gambling. Whilst this might not be an accurate figures but there is no awareness of the number of deaths caused by gambling.

Liz Ritchie said the charity will be launching a publicity campaign in the autumn warning parents of the dangers of gambling. If they had been warned, Jack would still be alive.

Iain Duncan Smith asked why gambling addiction appears to be a male problem. **Terry White** said that because of the work he does, he has seen that gambling addiction among women is on the increase. Women tend to be more ashamed about their problem.

Carolyn Harris said that she also receives messages from women with this problem. **Liz Ritchie** added that bookmakers were deliberately abusing the natural development of young men. Their natural desire to compete, win, take risks, to be a hero...these are natural masculine attributes society rewards.

Matt Zarb-Cousin further said that gambling addiction is unique in that it is the only addiction whereby addicts can convince themselves that carrying on with the activity will help them win their way out of the problem. That is the dangerous aspect that fuels the delusion, rationalising the behaviour.

He added that a young person's brain is not fully developed until they are 22 and therefore susceptible to forming long lasting habits at that stage.

Liz Ritchie said that problem gambling is created in order to make money and is not a natural occurrence.



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Ronnie Cowan asked **Charles** and **Liz** to explain how Jack was targeted after self-excluding. **Charles Ritchie** said they have evidence of instances where people who have self-excluded and stopped gambling are enticed back through post, email and pop ups. The widow of one of the young men who died was contacted by the bookmaker he gambled with, saying they hadn't heard from him in a while and sent him two bottles of champagne through the post.

Carolyn Harris said she had also received emails about this and had evidence of targeted emails to invite them to gambling. **Tim Miller** said the Gambling Commission took action in an incident last year where an individual who had self-excluded was sent marketing emails by the bookmaking companies. The difficulty is dealing with pop-ups that appear as a result of browsing history.

Charles Ritchie said that Jack had bought the self-excluding software which only excludes the individual on their machine. He bought it on the Sunday before he passed away and it either didn't operate on his machine or he was able to gamble online via other devices. There needs to be a precautionary approach to this problem.

Terry White added that it is irresponsible and reprehensible for bookmakers to contact individuals who have expressly asked to be self-excluded, by advertising other gambling options on the phone and via other means.

Liz Ritchie said it would be helpful if it were no longer referred to as responsible gambling or problem gambling. It causes the addicts to feel that they are the problem and this feeling can lead to suicide. They can be referred to as gambling addicts or people harmed by gambling.

Carolyn Harris concluded by saying she had also lost a son, although under completely different circumstances, but she understands the pain the families are in and the anger they feel.



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She said the APPG have only concentrated on FOBTs as it's the issue that was brought to their attention. There is appetite for the group to look into other forms of gambling but not until the £2 stake is implemented.

Carolyn Harris said the Treasury were invited to the session to hear the stories from the families, to broaden their horizon to the consequences of gambling but they declined to attend.



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Evidence Session Two

In the second evidence session, the FOBT APPG heard from Tracey Crouch MP, Parliamentary Under Secretary of State for Sport and Civil Society.

Carolyn Harris MP (Chair) began the evidence session of the APPG by welcoming and thanking the Minister for appearing before the group to give an update on the implementation of the gambling review. She expressed her thanks to the Minister for the support and help she has given the group to see the stakes reduced on FOBTs.

Tracey Crouch MP began by thanking the Chair for the invitation. She said that the Gambling Review was a much wider than the issues around the B2 machine. However, it became apparent that FOBTs were a sensitive matter and it emerged to be the issue that got the most interest in the review.

Tracey Crouch MP added that she recognises that this a very important issue for most people and that she is pleased to have been able to take forward the issues as part of the gambling. The Government made the announcement on the measures required to protect the vulnerable in society, on the 17th of May 2018. The department were struck by the evidence presented about the potential harm of FOBTs, in particular where the machines are placed in society. The evidence had previously been considered more anecdotal, however from the review it became apparent that the evidence was in fact indicative of a problem.

The **Minister** further said that her department looked at all the evidence of harm, the risk of harm and came to a conclusion that the right thing to do is to reduce the stake to £2. She was struck by the number of people who were gambling addicts, the impact it had on them and their families.

Tracey Crouch MP stated that currently the Department are in the final stages of preparing the Statutory Instrument which they intend to lay before Parliament, this quarter and its implementation will be within this financial year. She added



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that she has been open with her colleagues who know that the implementation lies with the Treasury. Her Department's responsibility is to look at the legislative aspects. She added that she suspects that there will be an announcement in the Autumn Budget on the implementation of the FOBT stake. It was in the review that the changes would coincide with the increases in Remote Gaming Duties (RGD), which at the moment is not equivalent to the FOBT duty. The increase would lessen the impact of stake reduction on the Treasury. She added that the implementation date will be in the budget and nothing will be announced before the budget.

Carolyn Harris MP thanked the Minister for her comments and asked if her Department are working towards an early implementation. **Tracey Crouch** said they were and had always maintained that the implementation would be in the next financial year.

Iain Duncan Smith MP asked if DCMS had undertaken any research on the necessary technical changes required on the FOBT machines to reduce the stake. **Tracey Crouch** responded that her Department are currently undertaking this work. However, the announcement was made in May and therefore responsible members of the gambling industry would have started the preparatory work.

Iain Duncan Smith asked if the Department is aware or has a sense of which organisations have already started carrying out work on the technical changes and which ones are yet to begin. The **Minister** said she is not aware of any, the Department will find out and write to the group.

Ronnie Cowan MP asked the Minister if there would be an early budget and if so, would this push the implementation date further back. The **Minister** responded that she was not aware of the speculations of an early budget.

Gerald Jones MP asked if the Minister could clarify if the implementation date would be by April 2019 or within the financial year starting in April 2019. The **Minister** confirmed that it was the financial year starting in April 2019.



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Gerald Jones MP asked if the Minister's Department had looked into the claims made by bookmakers on the number of job losses as a result of the reduction in FOBT stakes, as they seem to be overstated.

The **Minister** said that her Department is currently working with DWP to look at the potential impact on job losses. The gambling review did not look at the potential impact on jobs. That said, she added that there has been a drive from bookmakers to shift a lot of their business online, prior to the FOBT state reduction taking place. As a result, there has already been a number of shop closures over the past few years that are unrelated to FOBTs. The Minister is sure that there will be an impact on jobs and her Department are working with DWP and there will be support available.

Carolyn Harris MP asked how optimistic the Minister is, that the £2 stake would be implemented by April 2020.

The **Minister** responded that she is hopeful it will be implemented in 2019. She added that her Department are working hard to see the £2 stake implemented quickly, as they recognise the issues and the harm the machines have caused.

Carolyn Harris asked if DCMS had undertaken any research or assessment on the potential harm a 2020 implementation might cause. The **Minister** said that there had not been any done specifically looking at FOBTs.

Iain Duncan Smith asked the Minister if she thought the Gambling Commission should have been more proactive and intervened to address the harm FOBTs are causing. The **Minister** said she disagreed with this view and that the Commission carried out its responsibilities by recommending a range of stakes FOBTs could be reduced to, to significantly reduce the harm caused, among which a £2 stake was mentioned.



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Iain Duncan Smith then asked if the Minister thought it would be a good idea for the Commission to carry out work looking at the impact of the level of harm caused by FOBTs would be over a set period of time. The **Minister** said that they may be able to draw figures based on the evidence they currently have and break it down on a 12 month cycle.

Carolyn Harris then said this would be a golden opportunity for the Commission to have publicly called for an early implementation. The **Minister** then said she does not agree that it is the Commission's role to call for an early implementation. They are there to implement and regulate and it is not their role to express their view in that way.

Stuart McDonald MP asked if the SI will include any other measures apart from the FOBT stake. The **Minister** responded no.

Stuart McDonald MP asked the Minister if she would persuade her colleagues in the Treasury to appear before the group. **The Minister** said she would be unable to.

Carolyn Harris said that herself, Ronnie Cowan and Iain Duncan Smith would write to the Treasury again. **Ronnie Cowan** said he wanted to bring to the Minister's attention that Hamleys, the toy store were selling a toy slot machine promoted at children. The **Minister** said she would note it and look into it.

The **Minister** said she was conscious that there were a number of people in the room who had played a role in the FOBT campaign and that she would be happy to take questions from the audience. The **Secretariat** of the Group asked the Minister to clarify if the implementation date would be set out in the Statutory Instrument(SI).

The Minister responded not necessarily, it is dependent on timing – if the SI comes before or after the budget. An SI can be passed without having an implementation date defined.



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A **member of the audience** asked the Minister if she was be displeased to hear that the bookmakers had not began carrying out work ahead of the implementation. **The Minister** said she would not be surprised but as far as she was concerned, they were aware of the policy change so the changes should have been made.

A **member of the audience** asked when the SI laid, are the operators of B2s going to be in breach of their Gambling Commission licenses by the third point in the Gaming Act, where they are not protecting the young and vulnerable by reducing the stake. **The Minister** said no, as it is her understanding that it will be tied in with the overall changes in the duty however, she will double check that.

A **member of the audience** asked what arguments might be inhibiting the Treasury's agreement to the earliest implementation. The Minister said she could not say exactly.

A **member of the audience** said the correct assessment of harm caused is very important. Her son took his own life as a direct result of his FOBT addiction, however the coroner did not record this. **The Minister** said she did not know that coroners did not record gambling related suicides. Almost every gambling addict she has met has told her that they had contemplated suicide which she finds shocking. She also added that for the first time the Health Select Committee held an inquiry on suicide they had a professor give evidence exclusively on gambling and their report recognised gambling related suicides as an increasing issue. She hopes that the suicide strategy the Government is looking at, will consider gambling related suicide as an issue.

Carolyn Harris thanked the Minister for her time and for her commitment to the campaign.



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Evidence Session Three

At this session, the group heard from **Phil Horne, Chief Executive Officer, SG Gaming, Steve Collett, Chief Product Officer, Inspired Entertainment, Oliver Hogan, Chief Economist, Centre for Economics and Business Research, Councillor Simon Blackburn, Local Government Association, Martin Kettle, Policy Adviser, Church of England, Howard Reed, Founder, Landman Economics and James Noyes, Associate, ResPublica.**

Carolyn Harris MP (Chair) began the evidence session of the APPG by welcoming and thanking both Phil Horne and Steve Collett for appearing before the group to provide evidence on the timescales and processes that would need to take place in order to reduce the stake on B2 machines.

Steve Collett and Phil Horne began by introducing themselves and both outlined that it would take approximately 9-12 month to make the necessary changes to B2 machines to reduce the stake to £2.

Carolyn Harris MP then asked if the stakes were to be raised would it still take as long as 9-12 months? **Phil Horne** confirmed that the process would still be the same and **Steve Collett** added that the same checks and balances would be needed to raise or lower stakes.

Carolyn Harris MP asked what SG Gaming and Inspired Entertainment's relationship was with bookmakers. **Phil Horne** responded that they do have a relationship with bookmakers, but added that they also have relationships with casinos.

Carolyn Harris MP asked if SG Gaming and Inspired Entertainment take a percentage of what their machines make and whether they would lose money if bookmakers keep as a result of the reduced stake on FOBT machines. **Phil Horne** said there are a variety of agreements in place. He said that a loss of profit for them may be linked to betting shop closures. He also said that there are some agreements in place where there is direct profit sharing with bookmakers,



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but not all. **Carolyn Harris MP** then asked if both witnesses' companies would lose out financially as a result of the reduced £2, to which the witnesses confirmed they would.

Ronnie Cowan MP asked about the process of reducing the stake and why it would take 9-12 months. **Steve Collet** talked through the steps of making the changes which included generating market specifications, making software changes in code, market material updates, quality assurance tests, compliance reviews, third party testing, statistical analysis, customer acceptance tests and customer training sessions.

Ronnie Cowan MP asked why these changes could not be made now and why they haven't been started as they know that the stake needs to be reduced to £2. **Phil Horne** said that in order to make the changes now they need to understand clearly what the new model would be and have sight of the wording of the Statutory Instrument.

Ronnie Cowan MP then asked the witnesses to confirm that changes to machines had not yet been started. **Phil Horne** said that they have started the preparatory work and that they have had numerous meetings with their customers. **Carolyn Harris MP** then asked if they could just remove the games. **Phil Horne** responded saying that some can be removed without going through the full process.

Carolyn Harris MP pressed as to why they can't start the process now as we know that the stake is going to be £2. **Phil Horne** said that whilst we know £2 is the significant element of the Statutory Instrument, they would be concerned to start the process now as a few years ago they made changes to machines to £50 before having seen the exact wording of the Statutory Instrument and completed the changes. He then went on to say that once the Statutory Instrument was published the requirements laid out were different and therefore they had to do the work again.



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Iain Duncan Smith MP asked what they would do if the Government said that the changes to FOBT machines had to be made by February next year, and how they would cope with the timescale? **Phil Horne** said if the Government determined a date they would ensure their products are legal. They would carry out the processes as described earlier in the session by Steve Collett, but there would be risks associated with this as they wouldn't be able to provide enough number of test plays and would not be able to produce the necessary software that could end up exposing the very players they are trying to protect.

Iain Duncan Smith MP then asked if it would not be better for gaming providers to rapidly modify terminals to restrict any levels of game playing above the level the Government sets?

Steve Collett said they do not have the option of stopping a game and it being still able to function. When restricting the cap to £50 previously, they had to go in and change all of their games to cope with a player doing something above a limit and the game would break.

Iain Duncan Smith MP asked if they could ensure that if someone tried to play at a stake above the cap, the terminal could be changed so that it does not accept anything higher.

Steve Collett said they simply do not have the option of stopping a game with the terminal still being able to function, and they would not be able to make this restriction. **Phil Horne** added that the only way of introducing a £2 stake would be to introduce software changes. He acknowledged that other providers do have different systems, but the example above is not an option on their platforms.

Gerald Jones MP asked for clarification regarding the terminals if it is technically possible to remove specific B2 games from those terminals, and if this is the case, how long would that process take. **Steve Collett** explained that the way their games are built as titles, they have B2 games and B3 games in them, and they do not have the option of just switching off one side of them. There are



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some games that are exclusively B2, but majority are not. He added that it is not possible to switch off just one option.

Gerald Jones MP then asked about contractual obligations. **Phil Horne** said that both SG Gaming and Inspired Entertainment's contractual obligations with their customers are broadly the same. They are only able to operate legal products whilst also needing to provide a certain level of game content with regards to the number of games and style. If for example they withdrew all of their games tomorrow or a proportion of them, then they could be in breach of their customer obligations.

Lord Chadlington asked if it would be of advantage to the witnesses to not make the stake changes for as long as possible, because profits would fall if they had to withdraw their games. And if stakes were to raise would you do this faster? He asked if this was a fair assessment.

Phil Horne said this was an unfair assessment because they still have responsibilities they have to adhere to but they are not in control of the timetable and how long it would take to make the necessary changes. He also added that they need to deliver their contractual obligations to their customers, as well as their obligations to the Gambling Commission. If the Government pushed for a faster pace than SG Gaming are comfortable with then it would introduce risks.

Lord Chadlington then said that Mr Horne did not mention another risk which is their profit. **Phil Horne** responded by saying they have no influence over the timetable.

Carolyn Harris MP asked Mr Horne if in SG Gaming's submission to DCMS' Review on Stakes and Prizes, whether he expressed any concerns about FOBT machines and the vulnerable. **Phil Horne** said that a submission was made but it didn't cover the implementation.



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Carolyn Harris MP then told the witnesses that the Gambling Minister Tracey Crouch MP, who gave evidence to the APPG last week, is assuming preparations to machines are already being made.

Phil Horne said that preparatory steps are being made. **Carolyn Harris MP** said that she didn't think they were preparing as there were steps they could already be taking. She then asked if they could remove the B2 games today.

Phil Horne said they could but this would put them in breach of their customer contracts. **Carolyn Harris MP** then stated that their customers were not instructing them to work towards reducing the stakes as quickly as possible.

Iain Duncan Smith MP asked if the groups the witnesses are associated with, such as the ABB have made representations to the Treasury about the timescales needed to make changes to the machines. Both witnesses were unsure.

Iain Duncan Smith MP asked if the witnesses recommendation would be that the Government sets out a timetable as soon as possible, and if they would meet that even with the risks. **Phil Horne** replied saying he would like the Government to provide an exact timetable and explain the details of this timetable clearly which would be helpful.

Ronnie Cowan MP said that a draft form of the Statutory Instruments has been laid in Europe, so what is stopping them from making the changes? **Steve Collett** said that is a conversation they would need to have with their customers and **Phil Horne** said they would still like to wait to see the precise detail as they need absolute clarity based on past experience.

Ronnie Cowan MP responded saying the detail is £2, what more do they need to know. He also questioned why the witnesses had come to a decision that changes would take 9-12 without having seen the Statutory Instrument.

Iain Duncan Smith MP asked if the ABB has sought their views. **Phil Horne** said they had asked his view on the timescale for changes.



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Carolyn Harris MP asked the witnesses if they were waiting for their customers to tell them to go ahead with the changes. **Phil Horne** said he doesn't need bookmakers to tell them that as they ensure that the machines they offer comply with the law. He said they have no choice at the point the law changes, but would be in breach of their contract if they make changes prior to the law and need to manage both issues.

Carolyn Harris thanked Mr Collett and Mr Horne for their time in attending the session.

Second Part of Session Three

Oliver Hogan explained that the headline from his research is that delaying the implementation of this policy is not good for anyone, except the bookmakers. Even the Treasury is negatively impacted the longer the delay. He also explained further key points from the research:

- HM Treasury could be expected to incur a net loss in tax revenues as a result of delaying the introduction of the £2 maximum stake on FOBTs relative to the situation that would prevail in the counterfactual - no delay in implementation.
- This is assuming, as is the stated intention, the introduction of a contemporaneous increase in the rate at which remote (online) gambling is taxed from the current 15% to 20%. This would be on top of the additional fiscal and social costs that can be expected to be borne by society during the period of delay.
- Thus, HM Treasury can be expected to lose somewhere in the range of £98-£132 million for each year of delay in implementation.



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- It can be asserted with some certainty that the bookmakers will earn somewhere in the region of £348-£540 million more GGY from FOBTs for each year of delay in implementation of the new maximum stake.
- The consequence of delaying introduction of the new £2 maximum stake on B2 machines is a delay in the realisation of this potential boost to the macro economy.
- Additional tax revenues would flow from such a boost to the macro economy. Specifically, the diversion of B2 spend through attrition from gambling and its re-direction into other personal and leisure purchases would lead to additional flows of VAT, as well as new flows of NICs, income taxes and corporation taxes etc. arising from increased activity in the sectors that supply these purchases.
- Delaying the introduction of the lower maximum stake delays the realisation of the benefit of reductions in fiscal and welfare costs. The size of the resulting loss to society is potentially significant. For instance, if a £2 maximum stake on FOBTs resulted in a 25% reduction in problem gambling amongst B2 machine players, then society could lose the benefits of reduced fiscal costs worth £47 million for each year of delay in implementation, as well as reduced welfare costs worth £255 million to problem gamblers themselves and worth £84 million to their families and wider social networks.

Third part of Session Three

Councillor Simon Blackburn said an early introduction of the policy would have significant benefits to communities. It is clear that policy for the gambling industry is to target deprived areas. He went on to say that the area he represents,



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Blackpool, has effectively become a super casino due to the number of FOBT machines there are on the high streets.

He has seen the harm that continues to be caused from FOBT addiction and the impact on the benefit system and families.

Martin Kettle said that he sees the harm from FOBTs in the communities he meets, but there is more harm seen in the communities he meets in deprived areas. He has seen families who have been split apart. He said that we have already seen five years of damage from these machines and another two years is unnecessary. He also questioned why the delay is happening and why weren't the technical issues sorted before and how companies involved in the timescales can be more open.

Martin Kettle went on to say that there are still many stories of people who are suffering. In the past we didn't know the harm caused from these machines but now we do, and that is why the stakes are being reduced, and the Government is making the decision to delay the implementation of the FOBT stake will full knowledge about the harm.

Fourth Part of Session Three

Howard Reed explained he has previously written reports on the economic Impact of Fixed Odds Betting Terminals mainly commissioned by the Campaign for Fairer Gambling. His main headline piece of research came out two years ago and the conclusions are still very much valid and used similar economic modelling as in the Cebr's latest research, with very similar conclusions.

He went on to explain that the delay in implementation is costing jobs and reducing tax revenues. His research looked into when spending on FOBTs expands, less jobs are supported elsewhere in the economy, and further spending on FOBTs actually ends up being a job destroyer.



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Reducing FOBT expenditure will actually boost jobs, so the impact of delay is costing jobs. A simulation on National Insurance Contribution receipts from other forms of employment if FOBT spending went down was also done, showing FOBTs having an impact on reducing tax revenue too.

James Noyes then explained that he was involved in Respublica's research titled 'Wheel of Misfortune: The case for lowering the stakes on Fixed Odds Betting Terminals', as well as a range of other work on the impact of gambling on communities.

He said that there is an upward trend in societal harm that correlates with FOBTs, particularly in areas of greatest social deprivation. A delay to reducing the maximum stake therefore has an impact on this trend.

The data gap must be filled. We need to build on the frameworks provided by experts like Wardle and Reith in order to assess the societal harm done by types of gambling.

This framework must be integrated as part of our approach to public health, based on a principle of prevention. This is why the delay to reducing the FOBT maximum stake is so important: it effectively presses the pause button on the preventative measures needed to turn around those harmful trends that I have described today.

Lord Chadlington agreed that the data is weak and asked how MPs can help bridge this data gap. **James Noyes** said that existing data sets need to be built upon such as the index of deprivation and data from Local Councils. More needs to be done by the Department of Health and maybe even less so from DCMS. He also added that there is a substantial undercount of problem gamblers.

End.



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Annex A – List of APPG members

Carolyn Harris MP (Chair)

Iain Duncan Smith MP (Vice – Chair)

Lord Chadlington (Vice – Chair)

Ronnie Cowan MP (Vice – Chair)

Stuart McDonald MP

Stephen Timms MP

Neil Parish MP

Sir Peter Bottomley MP

Liz McInnes MP

Graham Jones MP

Ruth Cadbury MP

Hannah Bardell MP

Jeremy Beecham MP

Ian Blackford MP

Kirsty Blackman MP

Fiona Bruce MP

Sir Vince Cable MP

Lisa Cameron MP

Lord Clement Jones

David Crausby MP



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Wayne David MP

Judith Cummins MP

Lord Navit Dholakia

Lord Foster of Bath

Louise Haigh MP

David Lammy MP

Jeremy Lefroy MP

David Linden MP

Jonathan Lord MP

Liz McInnes MP

Jim McMahon MP

Jim Shannon MP

Alan Smith MP

Jeff Smith MP

Alison Thewliss MP

Charles Walker MP

Sammy Wilson MP



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Annex B – List of APPG witnesses

Name	Organisation	Date
Rokhsana Fiaz OBE	Mayor of Newham Council	17.07.18
Tim Miller	Executive Director, Gambling Commission	17.07.18
Josephine Holloway	Gambling with lives	17.07.18
Liz Ritchie	Gambling with lives	17.07.18
Charles Ritchie	Gambling with lives	17.07.18
Terry White	Former FOBT Addict	17.07.18
Matt Zarb Cousin	Former FOBT Addict	17.07.18
Tracey Crouch MP	Parliamentary Under Secretary of State for Sport and Civil Society	05.09.18
Phil Horne	Chief Executive Officer, SG Gaming	12.09.18
Steve Collett	Chief Product Officer, Inspired Entertainment	12.09.18
Oliver Hogan	Chief Economist, Centre for Economics and Business Research	12.09.18
Councillor Simon Blackburn	Local Government Association	12.09.18
Martin Kettle	Policy Adviser, Church of England	12.09.18
Howard Reed	Founder, Landman Economics	12.09.18



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James Noyes	Author of a ResPublica report on FOBTs and academic	12.09.18
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Annex C – APPG Funders

Associate Membership

The Group has agreed for organisations to apply for associate membership of the Group and these members have paid a fee towards the running of the Group.

The following organisations are associate members:

- Bacta
- Campaign for Fairer Gambling
- Deith
- Dransfield Novelty
- Crown Leisure
- Harry Levy Amusements
- Hippodrome Casino
- RAL Limited

Associate Members are external members of the APPG who support its aims and objectives. They have no voting power at meetings of the APPG as set out in the All Party Parliamentary Group rules, or influence over its work.

APPG Supporters

The following organisations are supporters of the FOBT APPG and support its aims and objectives.

- RSPH
- Newham Council
- Local Government Association
- Centre for Social Justice
-

These groups have no voting power at meetings of the APPG as set out in the All Party Parliamentary Group rules, or influence over its work.

For more information, please see www.fobt-appg.com or the [FOBT APPG Register](#)