



# ***Executive Response to Scrutiny Report on Impact of Gambling on Vulnerable Communities***

Consideration by Neighbourhood Services and  
Community Involvement

Scrutiny Commission: 22 March 2017

Executive Lead: Councillor Waddington

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## **Useful information**

- Ward(s) affected: All
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- Report version number plus Code No from Report Tracking Database: 20170307  
Executive Agreed Response to Scrutiny FINAL

## ***Suggested content***

### **1. Purpose of report**

To present the Executive's response to the recommendations of the Scrutiny Review on the Impact of Gambling on Vulnerable Communities.

### **2. Summary**

- 2.1 Within Leicester there are 268 premises licensed under the Gambling Act. Of these 63 are betting shops. The remainder are premises with permits for gaming machines, adult gaming centres and bingo halls.
- 2.2 The review was initiated by councillors concerned about the impact of gambling, and in particular that of B2 machines in Licensed Betting Offices, commonly known as Fixed Odds Betting Terminals (FOBTs), on vulnerable individuals and vulnerable communities.
- 2.3 The NSCI Scrutiny Commission published its recommendations in April 2016.
- 2.4 The response and rationale is set out in the report and Appendix One

### **3. Recommendations**

It is requested the NSCI Scrutiny Commission:

- Consider and comment on the response of the Executive as set out in the report and Appendix One.

### **4. Background**

- 4.1 Within Leicester there are 268 premises licensed under the Gambling Act. Of these 63 are betting shops. The remainder are premises with permits for gaming machines, adult gaming centres and bingo halls.
- 4.2 Leicester City Council has a Gambling Policy for 2016-2019. This was approved by Council on 26 November 2015 Council, as required by the Gambling Act 2005.

- 4.3 When Leicester City Council considers an application for a gambling licence, or reviews an existing licence, the relevant committee or sub-committee has to consider the application against a range of criteria:
- 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
  - Protecting children and other vulnerable persons from being harmed or exploited by gambling.
- 4.4 The review was instigated by members concerned about the impact of gambling, and in particular that of B2 machines in Licensed Betting Offices, commonly known as Fixed Odds Betting Terminals (FOBTs), on vulnerable individuals and vulnerable communities.
- 4.5 The NSCI Scrutiny Commission published its recommendations in April 2016.
- 4.6 The Executive considered officer recommendations on 23 February 2017 and approved the response as set out in this report.
5. **Gambling Scrutiny Recommendations**
- The Scrutiny recommendations are detailed in Appendix One. Below are key issues and responses.
- 5.1 Development of Local Area Profile
- 5.1.1 A number of recommendations of the report relate to the production of a local area profile, which will identify geographically based risks to people who are vulnerable to harm from gambling. The purpose of the profile will be to enable premises in high risk areas to be identified and to enable operators to include measures in their risk assessments to protect the vulnerable people identified.
- 5.1.2 **The production of a local area profile is part of the Council’s gambling policy and the recommendations in this area can be implemented in full by Regulatory Services.**
- 5.2 Use of the task group report as a campaigning tool
- 5.2.1 The task group report provides a valuable evidence resource on the effects of gambling in Leicester and can be used to promote the Council’s position on changing licensing law, particularly in relation to fixed odds betting terminals.
- 5.2.2 **This can be taken forward by a combination of Regulatory Services, Press Office and Scrutiny Officers.**
- 5.3 Medway Voluntary Partnership Agreement
- 5.3.1 This agreement was made between Medway Council and the Association of British Bookmakers. The agreement aimed to deliver in two areas. Firstly, a regular forum between the Licensing Authority, police and betting providers to

discuss crime and anti-social behaviour associated with betting premises. Secondly, a mechanism by which problem gamblers could exclude themselves from a number of premises within the area.

5.3.2 The ABB reported that when the forum meetings took place, it was clear that the police had no instances of crime and disorder to report. This provided a reassurance, but the forum meetings have now been discontinued.

5.3.3 The Association of British Bookmakers has now launched a self-exclusion mechanism which is operational nationwide, which is their recommended approach. A person who believes they have gambling problems can use a free phone telephone number to speak to an operator and agree which betting premises or other gambling establishments, such as casinos that they wish to be excluded from. This can be updated by the caller at any time. The caller is also given contact details for support groups for problem gamblers.

5.3.4 **It is agreed by Executive that rather than an agreement which replicates the Medway agreement, a meeting is held with the British Association of Bookmakers, police and other stakeholders, perhaps annually, to agree initiatives to be taken forward.**

#### 5.4 Planning Policies

5.4.1 There is an opportunity to include measures in the local plan which aim to prevent harm to local communities from gambling.

5.4.2 **The Planning service is able to take this approach forward, whilst accepting** that the policies need to be lawful and approved by a government inspector.

#### 5.5 STAR

5.5.1 The Housing Service has the STAR project are not in a position to carry out any further work in relation to the gambling impact on its clients in the near future. **Star will share its case data to enable, if appropriate, a further review around gambling harm.**

#### 5.6 Education

5.6.1 **The PSHE & Citizenship Advisory Service (PCAS) - Education and Children's Services Department, confirms that, subject to outcome of spending review, it is able to support our secondary schools (11-16) around gambling as part of their support of the PSHE and Citizenship curriculum,** but cannot lead on a programme for Universities and Colleges of Further Education.

#### 5.7 Safeguarding and Information Management

5.7.1 There are a number of recommendations in the report which propose that the city council takes action to support vulnerable individuals who are affected by problem gambling. This includes specialist advice, signposting and maintaining common databases. However this does not currently form part of the council's

core business.

- 5.7.2 With regards to signposting, this is already a responsibility of many council services, who may, in the course of their main duties, interact with people who gamble and who appear to be in need of support. Services such as housing and adult social care will signpost these people to existing support services, for example debt advice or Gambler's Anonymous.
- 5.7.3 The fees that are charged by the Council have a prescribed maximum set by regulation. Section 212 2(d) sets out that the Council "*shall aim to ensure that the income from fees of that kind as nearly as possible equates to the costs of providing the service to which the fee relates (including a reasonable share of expenditure which is referable only partly or only indirectly to the provision of that service)*".
- 5.7.4 There is no express statutory provision to allow the Council to include in the fee an element to fund the provision of support services for gamblers. Government guidance and recent case law is that the 'service' to be provided and passed on in charges is to be interpreted narrowly. In 2006 DCMS Guidance suggested that the fees could be set to include the costs of tackling unlicensed gambling. However, the latest judgement in a long running legal case, Hemmings v Westminster, CJEU 2016, brought under the Provision of Services Regulations 2009 indicates that even this is not permissible and licensing fees must be based on the costs of running the 'authorisation regime'.
- 5.7.5 **Licensing fees are not available as a method of sourcing funding for specialist advice interventions.**
- 5.7.6 **Council departments will look to improve their capability to report and share information on gambling related issues whilst adhering to data-protection requirements.**
- 5.7.7 Advice has been taken from Adult Social Care in relation to any safeguarding duties that the Council may have. The specific duty to undertake an adult safeguarding enquiry is defined by the Care Act 2014.
- 5.7.8 Adult Social Care is responsible for making safeguarding enquiries about individuals who have care and support needs, are at risk of harm or abuse from others and are unable to protect themselves from this abuse. Thus people who are vulnerable because of their gambling behaviour are not necessarily in need of a safeguarding intervention. Some people who gamble may also have care and support needs and be at risk of harm / abuse from other people; the existing multi-agency safeguarding framework would be used to assist these individuals.

## 6. Consultation

- Paul Conneally Advisory Teacher for Drugs Education – Education and Children's Services Department
- Ruth Lake – Director Adult Social Care and Safeguarding
- Grant Butterworth – Head of Planning

- Suki Supria – Head of Service Housing
- Rachel Hall – Licensing Manager
- Lauren Hilton – Public Affairs Manager Association of British Bookmakers

## **7. Financial, legal and other implications**

### 7.1 Financial implications

No significant financial implications are expected to arise directly from this report, however any specific initiatives that may arise should be properly costed and the funding identified –

Colin Sharpe, Head of Finance, ext. 37 4081.

### 7.2 Legal implications

There are no specific legal implications arising from this report.

Jeremy Rainbow – Principal Lawyer (Litigation) - 371435

### 7.3 Climate Change and Carbon Reduction implications

None

### 7.4 Equalities Implications

Landman Economics have produced a succinct overview of the main equalities considerations in their report on the economic impact of FOBT. Although 3-4% of the population uses FOBT, players account for 66% of UK gaming machine losses – indicating the significant adverse impact of these gaming machines. The profile of users given in the Landman report is that of young men, under the age of 35, unemployed and from low to middle income households. They found a clear link between FOBT and deprivation with 34% of betting shops found in the most deprived quartile. On a positive note, this group of gamblers is most likely to contact gambling helplines than all other types of gamblers – supporting the use of this approach as a mitigating action to reduce the potentially devastating impact on those using FOBT. It is likely that these national trends are reflected locally within Leicester.

The Landman Economics report on economic impacts of FOBT - <https://www.politicshome.com/news/uk/culture/opinion/campaign-fairer-gambling/82494/economic-impact-fixed-odds-betting-terminals>

Irene Kszyk, Corporate Equalities Lead, ext 374147.

7.5 Other Implications (You will need to have considered other implications in preparing this report. Please indicate which ones apply?)

None

**8. Background information and other papers:**

The Impact of gambling on vulnerable communities, A Review Report of the Neighbourhood Services and Community Involvement Scrutiny Commission, April 2016.

**9. Summary of appendices:**

Appendix One contains agreed officer comment and recommended response to each recommendation from the Scrutiny Commission.

**10. Is this a private report (If so, please indicated the reasons and state why it is not in the public interest to be dealt with publicly)?**

No

**11. Is this a “key decision”?**

No

## Appendix One: Response to Recommendations of the Gambling Scrutiny Report

	Recommendation	Council service able to resource and deliver	Comments	Response
	<b>Licensing</b>			
1	<p>In response to evidence from the chair of the licensing and public safety committee, consideration should be given to:</p> <ul style="list-style-type: none"> <li>enhanced and systematic training for committee members (based at least in part on the LGA members' guide to gambling licensing issues)</li> </ul>	Regulatory Services	<p>Training is already provided immediately before every gambling hearing.</p> <p>However, there were no gambling hearings in the last twelve months.</p>	Leicester City Council's Licensing Section will provide training in consultation with the Chair of Licensing
2	<ul style="list-style-type: none"> <li>the possibility that membership of the committee extends for more than one year to allow members' experience and knowledge to improve over time.</li> </ul>	City Mayor	The City Mayor has the option to extend membership of the Licensing Committee.	The City Mayor will consider the need for the Licensing Committee to retain experience and knowledge in Gambling issues when he next considers appointments.



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3	<p>Leicester City Council (LCC) adopts a local area risk assessment which takes into account the location of the licensed operation in relation to:</p> <ul style="list-style-type: none"> <li>• Other betting establishments</li> <li>• Food banks</li> <li>• Schools and educational establishments catering for youngsters</li> <li>• between the ages of 13 and 24 and this should include play areas</li> <li>• Job Centres</li> <li>• Establishments which provide services for vulnerable groups such as hostels, substance misuse and related clinics and recovery centres</li> </ul> <p>This project be funded from income from gambling licence fees.</p>	Regulatory Services	Risk assessments produced by existing gambling premises.	Leicester City Council will undertake a local area assessment and will assess new applications for gambling premises against local risks.
4	<p>Other factors to be used in the preparation of an area profile may also include:</p> <ul style="list-style-type: none"> <li>• vulnerable people (particularly those with vulnerable mental health issues - an analysis of GP and other health data, and data referenced in pars</li> </ul>	Regulatory Services	As above	

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	<p>1.2.6-1.2.10</p> <ul style="list-style-type: none"> <li>economic resilience (levels of unemployment and low wage or part time/zero hours employment).</li> </ul>			
5	<p>Fees from licence applications and renewals may with community advantage be used to:</p> <ul style="list-style-type: none"> <li>Fund the creation and maintenance of a local area risk profile for the City of Leicester</li> </ul>	Regulatory Services	Consultant will be procured to undertake the work which will be paid for from licensing fees.	Leicester City Council will create and maintain a local area risk profile for the City of Leicester and will fund this from licencing fees.
6	<p>Association of British Bookmakers (ABB) members, Leicester City Council licensing representatives, police and other interested parties should set up a local forum (on the lines of the Medway Voluntary Partnership Agreement) with the aim of reducing the risk of impact of gambling on vulnerable individuals and communities.</p> <p>Terms of reference to be agreed by the members should include provision for identifying specific local risks and preparing action plans to mitigate against</p>	Regulatory Services	A review of local forums set up elsewhere indicates that they have not been maintained	<p>Based on officers' review of local forums set up elsewhere we do not consider a local forum based on the Medway Voluntary Partnership Agreement to be a sustainable arrangement.</p> <p>Leicester City Council will convene an annual meeting with the ABB, Police and other interested</p>

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	<p>these risks, including:</p> <ul style="list-style-type: none"> <li>• regular reports from police and other agencies on antisocial or criminal behaviour associated with, or suspected of being associated with, licensed gambling establishments</li> <li>• Industry reports on interventions against or self-interventions by clients affected by or concerned about gambling behaviour</li> <li>• a clear structure for the referral of concerned or affected individuals to agencies or groups who support people with gambling (or associated) issues</li> <li>• Regular reviews of the operation and development of local area risk assessments</li> <li>• Gambling establishment staff to be clearly trained to deal with vulnerable individuals and groups as identified in the area risk assessments</li> </ul> <p>Fees from licence applications and renewals may with community advantage be used to:</p>			<p>parties to maintain a strategic overview of impact of gambling in the City and initiate any strategic partner responses required to issues arising.</p> <p>The Crime and ASB Group, City Centre Operation Group will address individual issues/incidents connected with gambling as they arise.</p>

	<b>Recommendation</b>	<b>Council service able to resource and deliver</b>	<b>Comments</b>	<b>Response</b>
	<ul style="list-style-type: none"> <li>• Fund if necessary the creation and maintenance of a partnership with the ABB and other relevant groups within the city of Leicester. This could be a shared cost with the ABB and other bodies</li> <li>• Fund or part-fund the organisation of a seminar for all relevant agencies within the city to raise the awareness of the issue, co-ordinate future action and involve a range of agencies</li> </ul>			
	<b>STAR</b>			
7	Supporting Tenants and Residents (STAR) and Citizens Advice Leicestershire (CAL), as front line agencies dealing with vulnerable individuals and communities, are recognised as appropriate lead agencies to gather information about the impact of gambling on individuals and within communities.	STAR (Housing)	STAR will undertake a mapping profile of all of its clients in the City that are being supported due to their vulnerability . This will be part the Area Profile	STAR will contribute to the production of the area profile based on surveys of its client base.
8	STAR be asked to conduct at least one more survey to augment the local information available to the council and	STAR (Housing)	STAR is happy to share its case data to enable if appropriate a further review around gambling	

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	local communities.		harm.	
<b>Safeguarding and Information Management</b>				
9	<ul style="list-style-type: none"> <li>Establish common databases tracking gambling issues across city council, police and fire service data, working with third sector and other voluntary bodies where appropriate</li> </ul>	None proposed.	<p>A common database if considered not to be feasible.</p> <p>Hosting common databases is likely to be expensive in terms of developing, coordinating and maintaining them.</p> <p>This could not be resourced by licensing fees.</p> <p>This information relates to individuals and to establish common databases, it would be necessary for individuals' information to be included. This could only be done with each individuals specific consent.</p> <p>As the information relates to vulnerable individuals, it may be</p>	<p>Departments will be asked to review their ICT systems and ensure that service requests, service needs and incidents arising out of or related to gambling can be 'marked' and reported whilst meeting data-protection requirements.</p>

	Recommendation	Council service able to resource and deliver	Comments	Response
			considered to be a ‘safeguarding’ issue. However, the statutory framework for Adult Social care does not extend safeguarding duties to people who are problem gamblers.	
10	<ul style="list-style-type: none"> <li>• Other agencies be also asked to collect and co-ordinate data, including Leicestershire Police and Leicestershire Fire and Rescue Service (which are mapping data on vulnerable individuals and households), the Public Health department and NHS, and members of the Social Welfare Advice Partnership (SWAP).</li> <li>• A common methodology<sup>1</sup> should be adopted for data gathering be established which can also link into national database systems.</li> <li>• All interested parties and agencies, including the Gambling Commission be invited to a seminar to agree a strategy and methodology for the</li> </ul>	Regulatory Services	<p>This would be relevant if common databases were established.</p> <p>This would require common hosting and implementation of databases. No lead agency has been identified which could resource and undertake this work.</p> <p>It is uncertain what benefit the common databases would produce.</p>	<p>A multi-agency database that pools and shares information on individuals with gambling addictions is not supported on grounds of data-protection, technical feasibility and cost.</p> <p>Leicester City Council will convene a multi-agency meeting to consider data on gambling issues that it might be beneficial to collect and collate and a common methodology to do so.</p>

	<b>Recommendation</b>	<b>Council service able to resource and deliver</b>	<b>Comments</b>	<b>Response</b>
	collection of data on gambling issues and that funding for the seminar could come from gambling charities, licensing fees and local gambling interests.			
11	<ul style="list-style-type: none"> <li>signpost vulnerable individuals to appropriate voluntary or other advice and support agencies (enforcement action issue)</li> </ul>		Betting premises already provide signposting to support agencies with a combination of leaflets, signs and messages displayed on machines. This is a requirement of their licences.	Signposting people to gambling support is not the specific role of any single service within the council, many services will signpost people to available support as part of their wider role. For example adult social care, housing and public health services.
12	<ul style="list-style-type: none"> <li>Procure specialist gambling advice and support for problem gamblers and their families.(enforcement action issue)</li> </ul>	None identified. This is not a core council function	Uncertain how development of a new service could be justified in times of resource reduction.	<p>Leicester City Council is not in a position to procure specialist support services targeting problem gamblers and their families.</p> <p>Fees must be set to cover the cover the costs of running the 'authorisation regime'. Leicester City</p>

	<b>Recommendation</b>	<b>Council service able to resource and deliver</b>	<b>Comments</b>	<b>Response</b>
				Council does not have the statutory powers include in the fees an element to fund specialist services.
13	<ul style="list-style-type: none"> <li>An advice and information campaign on problems associated with gambling and the impact of the issue on individuals, their families and the communities in which they live be devised and delivered within the city.</li> <li>Secondary school students in particular are identified as a potentially vulnerable group in the advice and information campaign.</li> <li>Support and advice agencies such as GamCare and Gamblers' Anonymous be invited to support and take part in any agreed campaign.</li> </ul>	PSHE & Citizenship Advisory Service (PCAS) - Education and Children's Services Department	Some partners have plans to undertake activities in this regard.	<p>It is important that targeted interventions are solidly based on empirical evidence, in line with the local risk assessment and have the support of partner agencies.</p> <p>No commitments are given at this stage.</p> <p>Subject to outcome of spending review, in 2017/2018 an information campaign targeting secondary school students will be undertaken. The progress and reaction of participants will be monitored.</p>



	<b>Recommendation</b>	<b>Council service able to resource and deliver</b>	<b>Comments</b>	<b>Response</b>
	<b>Planning</b>			
14	<p>The Local Plan</p> <p>1.2.3. The commission welcomes the development of a more strategic approach to the control of betting establishments through the use of the Local Plan.</p> <p>It is recommended that applications for planning consent assessed against:</p> <ul style="list-style-type: none"> <li>• Policies which mitigate the risk of harm and protect the licensing objectives</li> <li>• A wider socio-economic context as set out by Nottingham City Council (see pars 2.2.9 and 2.2.10 below)</li> <li>• Local indicators of vulnerable communities; and that</li> <li>• Payday loan premises applications be subject to the same policy objectives and planning framework as set out for gambling establishments</li> </ul>	Planning	.	<p>These considerations are part of the local plan development process.</p> <p>Subject to the approval of the Government Inspector the Local Plan could incorporate policies that promote the task groups objectives including those for Payday loan premises.</p> <p>Applications for planning consent will be assessed as soon as the new policy is adopted.</p>

	<b>Recommendation</b>	<b>Council service able to resource and deliver</b>	<b>Comments</b>	<b>Response</b>
	<b>Campaigning</b>			
15	<ul style="list-style-type: none"> <li>LCC continues to support the LGA campaign to reduce FOBT limits to £2 per bet.</li> <li>Councils be given powers to limit the number of FOBTs per licensed premise</li> <li>LCC calls on Leicester MPs to support or promote legislation to curb the limits on FOBT betting and the clustering of gambling establishments.</li> <li>The council encourages further third party (not the government or the gambling industry) research into to the impact of FOBTs on gamblers, their families and the communities within which they live.</li> <li>LCC and MPs make representations to the Department of Culture Media and</li> <li>Sport in relation to FOBT limits at the next triennial review of stakes and prizes.<sup>3</sup></li> <li>LCC calls on MPs and the LGA to “remind” the Department of Culture,</li> </ul>	<p>Members Support Team, Communications Team, Regulatory Services</p>	<p>This is an existing Manifesto Commitment</p>	<p>Leicester City Council will contribute to the LGA Campaign.</p>

	<b>Recommendation</b>	<b>Council service able to resource and deliver</b>	<b>Comments</b>	<b>Response</b>
	<p>Media and Sport (DCMS) to undertake the triennial review of stakes prizes, and that the review terms of reference include FOBT betting limits.</p> <ul style="list-style-type: none"> <li>• LCC informs the LGA, Gambling Commission, Newham Council and regional Scrutiny network of the findings of this review.</li> <li>• informs the Commons CMS Select Committee of the review and the failure of the department to implement a triennial review of stakes and prizes and requests that it investigates the issue with particular regard to the failure to review FOBT stake limits.</li> </ul>			