



City of Westminster

Licensing Committee Report

Meeting:	<i>Licensing Committee</i>
Date:	<i>22nd March 2017</i>
Classification:	<i>For General Release</i>
Title:	<i>Use of gambling research in future policy development and targeted support</i>
Wards Affected:	<i>All</i>
Financial Summary:	<i>There are no financial impacts associated with this report.</i>
Report of:	<i>Director of Public Protection and Licensing</i>

1 Executive Summary

- 1.1 This briefing note outlines the current research and thinking around vulnerability and the risk of harm from gambling associated with these groups in certain areas across the City.
- 1.2 It also outlines research on the impact of high concentrations of gaming venues in certain areas and high densities of Fixed Odds Betting terminals (FOBTs)
- 1.3 The Cabinet Member for Public Protection and Licensing has agreed the development of the gambling policy in line with the proposals within section 4 and the directed support and partnership approach to area based vulnerability as set out in section 5.

2. Recommendations

- 2.1 The Committee is asked to provide views on work to date and suggested approach.
- 2.2 The Committee is asked to note the indicative timescales set out in this report.

3. Background

- 3.1 The Council is responsible for licensing local gambling within its area. The main gambling activities are provided within gambling premises which must be licensed by the Licensing Authority. The licensing of gambling premises is regulated within the Gambling Act 2005 (the Act). The Act has three licensing objectives:
 - 1. to prevent gambling from being a source of crime or disorder, being associated with crime or disorder or being used to support crime
 - 2. to ensure gambling is conducted in a fair and open way
 - 3. to protect children and other vulnerable persons from being harmed or exploited by gambling
- 3.2 Westminster is the leading local authority on gambling licensing within the United Kingdom. It has the highest concentration of gambling premises within the United Kingdom (122 licensed premises), the largest number of casinos within a local area (22 out of a total of 167 across England and Wales) and we are the first local authority in the country to refuse two betting shop applications and review another for local area based risk. The Council's Licensing Service has been proactive in working in with the Gambling Commission which is the National Regulator, alongside gambling operators and gambling care providers. Westminster's approach to licensing of premises used for gambling is considered to be the most robust in the United Kingdom.
- 3.3 The Licensing Service, as part of its wider work on assessing applications for gambling premises, sought to identify those vulnerable groups with an increased risk of experiencing harm as a result of gambling. It also sought to identify their locations within Westminster. In 2015, the council partnered with Manchester City Council to commission Geofutures: Gambling and Places Research Hub to undertake this research to explore area-based vulnerability to gambling-related harm.
- 3.4 The output from this research was the publication of two reports. The first report set out the evidence base in terms of those groups at risk of gambling related harm and was titled ['Exploring area-based vulnerability to gambling-related harm: Who is vulnerable? Findings from a quick scoping review'](#). This report was published in July 2015. This report also defined gambling related harm and supporting evidence. . Gambling related harm can be defined as:

“Harm or distress of any kind caused or exacerbated by a person's gambling, and includes personal, social or economic harm suffered by the person, their spouse, partner, family and wider community, or in their workplace or society at large.”

- 3.5 The second report used the groups identified within the first report and mapped them across Westminster and Manchester, based on a newly developed risk matrix. This report was titled [‘Exploring area-based vulnerability to gambling-related harm: Developing the gambling related harm risk index’](#). This report was published in February 2016. The Risk Matrix for Westminster is attached as Appendix one.
- 3.6 The report established that there were five key hotspot areas within the City where a higher proportion of people were located who may be at risk of gambling related harm. These areas are:
1. North West (Harrow Road)
 2. Paddington and Edgware Road (North)
 3. West End (North)
 4. West End (South)
 5. Victoria and Pimlico
- 3.7 Each area has distinct vulnerability traits which require various approaches based on where gambling premises are located within the City. Even though the risk matrix has identified these hotspots within the City this does not mean that there are no risks of gambling related harm outside of these hotspot areas. The matrix indicates that within those hotspots there are high concentrations of risk factors which heighten the risk of harm.

4. Gambling Local Risk Assessments

- 4.1 In April 2016 a new Operating Licensing Condition of the Gambling Commissions Licence Conditions and Codes of Practice (LCCP) came into effect. This condition required all premises based gambling operators to undertake a local gambling risk assessment of their premises and the potential impact that the premises and its operation may have on the licensing objectives. The condition made it a requirement for the gambling operator to consider local area information provided by the Licensing Authority via their Statement of Licensing Principles for Gambling (Licensing Policy).
- 4.2 The Gambling Commission did not produce a standard template for these risk assessments. It was therefore decided that Westminster’s Licensing Service would develop guidance and a risk assessment process, in partnership with Coral Racing Limited. Westminster led the way in this approach, and a large number of local authorities adopted this guidance. Gambling operators also adopted the risk assessment template and process from this document.
- 4.3 The Licensing Service has been working with gambling operators within Westminster, emphasising the significance of findings from the Geofuture reports. We have seen some very good risk assessments that have considered the local issues identified within the research findings and risk matrix. However, there has also been some resistance from a national betting operator who has produced a standard risk assessment document for all of their premises and has not properly considered the local risks. The

Licensing Service is in discussions with the Gambling Commission about the next steps associated with this operator.

5. Gambling Policy Development

- 5.1 The Council's Gambling Licensing Policy has to be reviewed every three years. This was undertaken in 2015. It was decided at the time, in collaboration with Councillor Aiken that we would undertake a minor amendment to the policy, but undertake a full review once the research was completed and views on the policy approach to it was devised. Throughout 2016 the Licensing Service has been looking at the policy approach for gambling.
- 5.2 The service believes that a fundamental review of the current policy is necessary. The original policy was developed from a template produced at the time by LACORS. The current policy is very generic and is still within the format established in 2006 when the Act came in.
- 5.3 The Licensing Service has commenced scoping a new policy document for gambling. The policy will be based around the new risk based approach that has been introduced by the Gambling Commission. The new policy will be made up of a number of parts which are based on three specific themes. These themes are geographical and local information (local area profiles), policies relating to gambling premises and permit and other authorisation approach.

Local Area Profiles

- 5.4 The Local Area Profiles (LAP) will be a new concept within the policy document. The LAP will contain local information relating to Westminster. It will include the research findings and the risk matrix as well as key information on crime, care provisions, school and special education facilities and sensitive premises (homeless hostels, alcohol and drug addiction centres, gambler anonymous meeting locations, etc). The aim of the LAP is to set out the information that gambling operators need to consider for new applications or when updating their risk assessments for existing premises.

Special Consideration Zones

- 5.5 The LAP will establish five zones, which have provisionally been called Special Consideration Zones. The zones are the locations of the hot spots identified within the Geofutures risk matrix. These zones will have special policy significance as if a new or variation application is made for premises in that area then they will have to meet a higher threshold than other applications outside of these zones. Applicants will be expected to specifically set out how they will address the key risk factors for these areas within their risk assessments. The Licensing Authority will assess these and determine whether it feels that the steps suitably mitigate the risks of harm in these areas. If applicants do not sufficiently address the concerns then the Licensing Authority may refuse the application on that basis.

Special Policy

- 5.6 The Licensing Service is considering whether the Council establishes the concept of special policies for certain risk areas where there is a history of poor compliance. A

potential area to be considered under special policy provision is Harrow Road and the Prince of Wales Junction. Due to the level of risk within that area and the previous refusal and review there may be sufficient evidence to support a restriction on any new gambling premises due to the impact on the licensing objectives.

Cluster Policy

- 5.7 In September 2016 Geofutures published a further piece of research which was funded by the Responsible Gambling Trust (RGT) which is funded by the gambling industry. This report was titled '[Examining the effect of proximity and concentration of B2 machines to gambling play](#)'. This research used betting operator loyalty card data to examine the relationship between concentrations of category B2 gaming machines (Fixed Odds Betting Terminals FOBT's) in betting shops and gambling behaviour.
- 5.8 The research found that there were higher gambling prevalence rates in those who had a risk or were considered to be problem gamblers to non-problem gamblers when there are more betting shops in a local area. There was evidence to show that problem gamblers and those who scored a moderate risk of gambling harm were higher in these areas. The research identified that higher density concentrations of B2 gaming machines in betting shops are associated with stronger patterns of gambling.
- 5.9 The Licensing Service has identified 11 clusters of gambling premises (3 or more within 400m of each other) within Westminster (see Appendix two). These are:
1. Victoria
 2. Pimlico
 3. Mayfair (West)
 4. Mayfair (East)
 5. Soho and China Town
 6. Baker Street (North)
 7. Edgware Road (South)
 8. Edgware Road (North)
 9. Queensway (North) and Church Street
 10. Queensway (South)
 11. Harrow Road
- 5.10 It is intended to include a cluster policy that requires operators to have heightened measures in place to identify and support those who may be at risk or who are problem gamblers. Measures may include more support information on site, additional staffing levels to detect those who show signs of gambling related harm and a heightened level

of staff training in identification of problem gambling signs and signposting to local support services.

- 5.11 It is intended to have specific standalone parts to the policy which relate to the six categories of gambling premises (Casinos, betting shops, betting tracks, Bingo, Adult Gaming Centres and Family Entertainment Centres). Each part will contain the policy requirements for those premises and the applications associated with them. The policy requirements and justification will be specific to that licence category. This provides the opportunity to ensure that gambling operators are specifically looking at the relevant policies and the requirements that the Council has set out relating to that gambling operation. It will also enable the Council to specifically review and consult on amendments to those parts at any point within the three year statutory cycle. This will enable specific consideration to that gambling operation and allow for a simpler consultation process.
- 5.12 The proposed new policy for gambling will be significantly different than any other local authority policy in the Country. It will also be the first to use local information to specifically create areas where the test for consideration of applications will be higher based on the local risks. The intention is to include the knowledge and approach that the Council has taken over the 10 years. The aim for the policy is to clearly set out the Council's approach and enable it to be a document that applicants and existing operators must properly consider before applying for or amending an existing licence.

6. Targeted Care Provision and Support

- 6.1 The gambling risk matrix also provides opportunities to target the risk of gambling in hotspot areas. The Licensing Service has been working with Gamcare, which is a prominent national problem gambling care provider. This organisation is based in Clapham with hubs and commissioned services across the country. Gamcare provides telephone support and counselling as well as 'one to one' and group counselling. 'Gambling Support' information from Gamcare is provided in the vast majority of gambling premises and their helpline is prompted on machines and on posters.
- 6.2 Discussions have taken place to consider the potential benefits and opportunities of a partnership with Gamcare and the Council. A number of proposals are being considered, including the following;
- Co-branded gambling support information which is specifically designed for the groups identified within the Geofutures research.
 - Provision of counselling/targeted support for Westminster residents and those using commissioned services by Gamcare.
 - Provision of training by Gamcare to staff within commissioned services on identifying those who are at risk or suffering from gambling related harm, and signposting them to support.
 - Provision of education to young people on the potential dangers of gambling, both on line and premises based,

6.3 The Licensing Service will be looking to work with existing partners such as Public Health, the Homeless Team and other relevant services to develop an approach to support the most at risk groups. For example the partnership with Gamcare can be used to support the Council's Rough Sleeping Strategy. It was identified in research commissioned by the Homeless Team that 11.9% of those using Council commissioned homeless hostels were at risk of gambling related harm. In male residents that rose to 40% were at risk to gambling related harm. The Rough Sleeping Strategy is committed to providing problem gambling support services.

6.4 Early discussions indicate that limited funding would be required to fund Gamcare services. Gamcare would require accommodation to enable one to one or group counselling sessions. There will be some cost associated with branded messaging, if that were agreed, and education to young people. Gamcare would also be in a position to provide education to young people on the dangers of gambling (online as well as premises based). The education service would require funding but it could be considered as part of further developing this partnership if targeted support services were successful.

7. Risk and mitigation

7.1 Westminster's lead in this area and this new approach to gambling policy may pose a risk of challenge from certain areas of the gambling trade. The draft policy will go through a thorough internal scrutiny which will include legal experts. Once the draft is approved for consultation it is intended to consult widely on the new statement in late spring for a period of 12 weeks. The Licensing Service will also undertake a number of workshops to set out the rationale for our policies and also record attendee's views as part of the wider consultation.

8. Next Steps

8.1 The risk matrix was the first of its kind in the United Kingdom. It used national and local data. As data is updated there is a need to update the data that has developed the matrix. Other evidence, such as low income and the impact on gambling related harm, which had little evidence when the research was completed, is now emerging. This new data set relating to low income could change the matrix and identify a new at risk group within Westminster. The Licensing Service has discussed the cost of updating the current data sets and incorporating the new low income evidence into the matrix with Geofutures. The cost to carry out that piece of work is approximately £15,000.

8.2 The Licensing Service has had discussions with Public Health about conducting a gambling risk prevalence audit of service users. That audit would require each service user to complete a short questionnaire. The results of that questionnaire can then be assessed to score the risk of gambling related harm to that person. The results could enable a better weighting and evidence base of the actual gambling risk rate between those who are more at risk to gambling related harm. For example we would be able to establish what the average risk is for those who have alcohol or drug addiction, those who are homeless or those who have mental health problems or learning disability. This would provide the Council with more evidence to support its work on preventing gambling related harm. It can also be used to support policy development and lobby the government on the risks associated with gambling.

- 8.3 The Licensing Service plans to provide further updates to the Cabinet Member for Public Protection and Licensing on the propose gambling licensing policy within the next few months. Once the approach and draft policy document has been reviewed by legal and approved by the Cabinet Member a 12 week consultation period will commence. Following the completion of that public consultation the consultation responses and planned approach relating to the policy will be put before the Cabinet Member in September/October 2017. If agreed the policy will be put forward for decision November 2017 with a suggested publication date on 6th January 2018.

Appendices

Appendix One – Geofutures Gambling Risk Matrix Westminster

Appendix Two – Westminster Gambling Premises Clusters

Gambling Risk Matrix

Appendix One

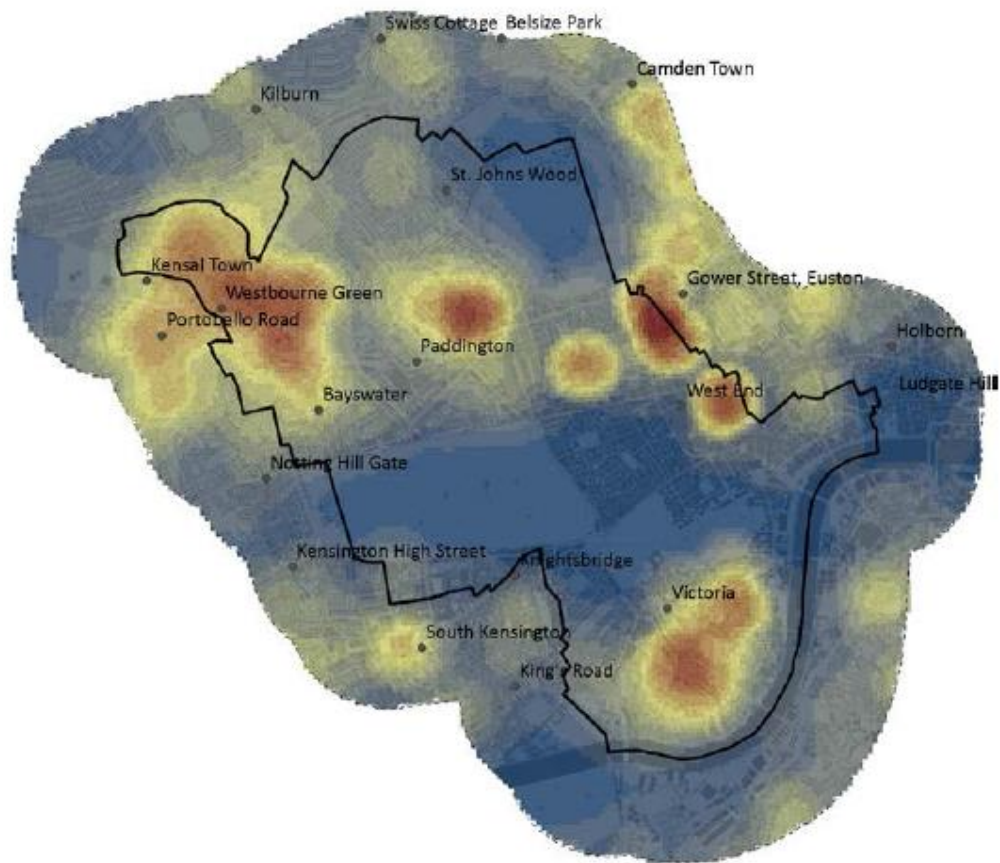
Risk index

Westminster City Council Boundary

Westminster City Council 1km Buffer

Composite Index

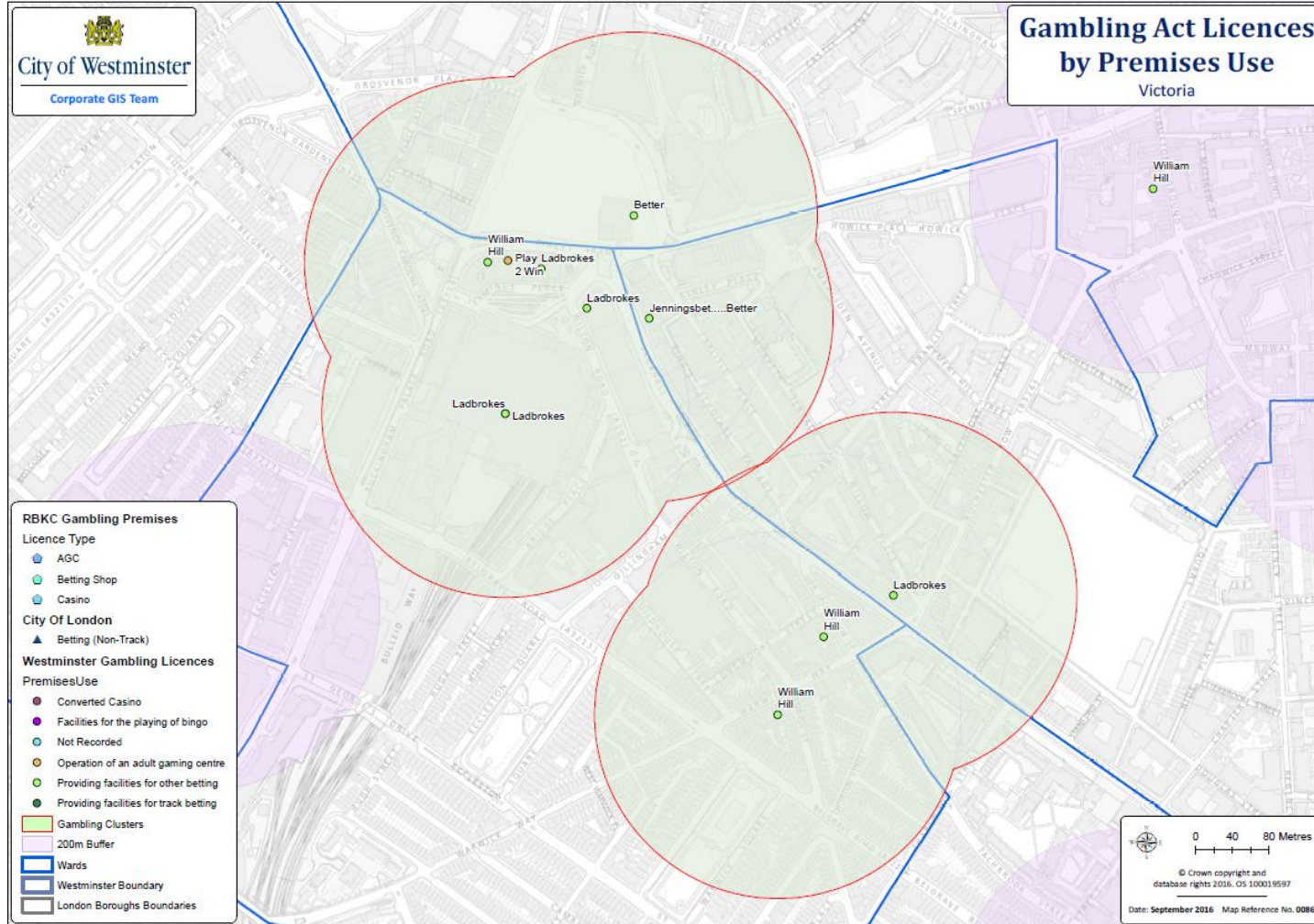
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- 8.1 - 12
- 12.1 - 16.2
- 16.3 - 20.6
- 20.7 - 24.9
- 25 - 29.4
- 29.5 - 34
- 34.1 - 38.9
- 39 - 43.5
- 43.6 - 47.7
- 47.8 - 51.7
- 51.8 - 56.3
- 56.4 - 63.2
- 63.3 - 72.9

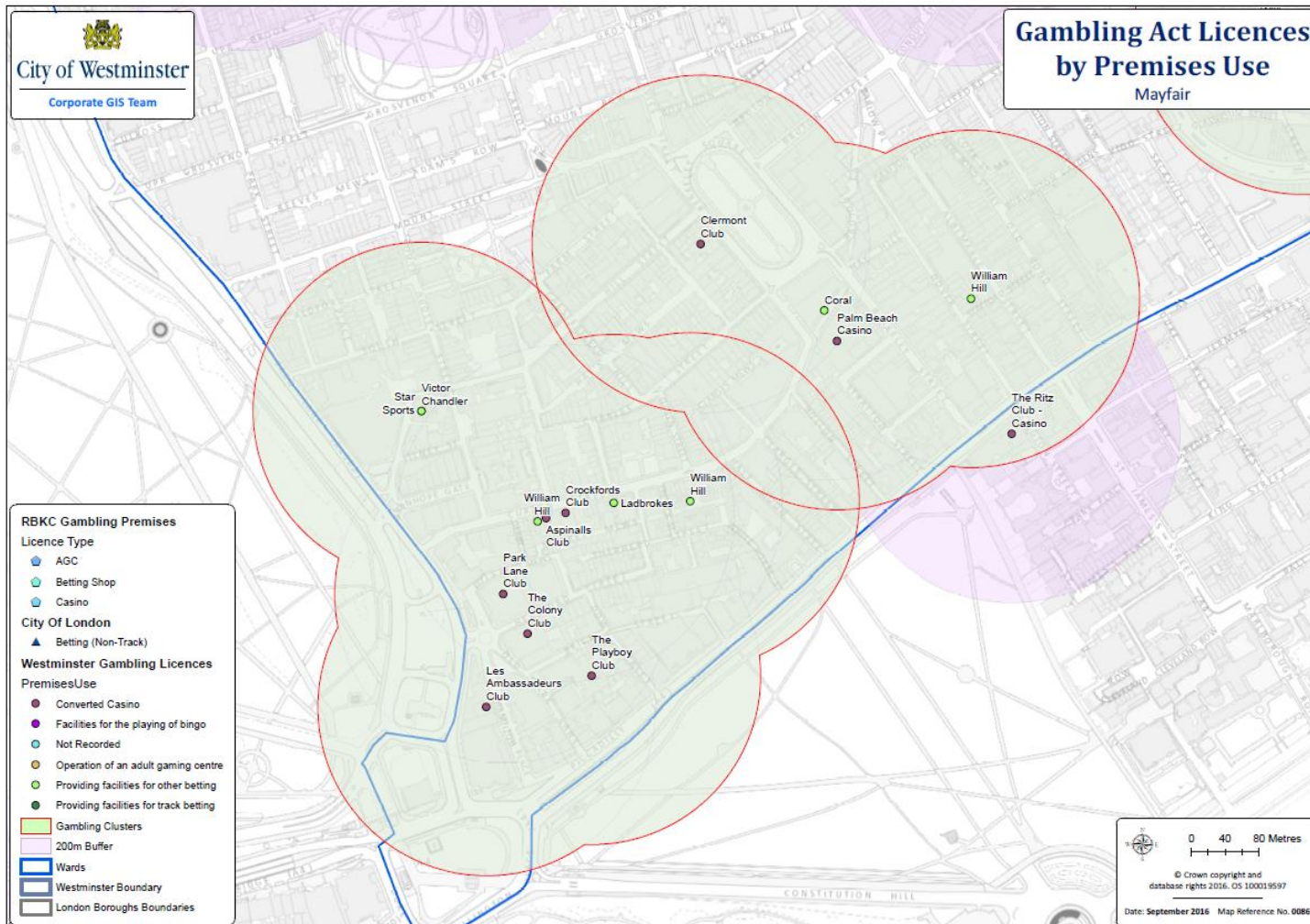


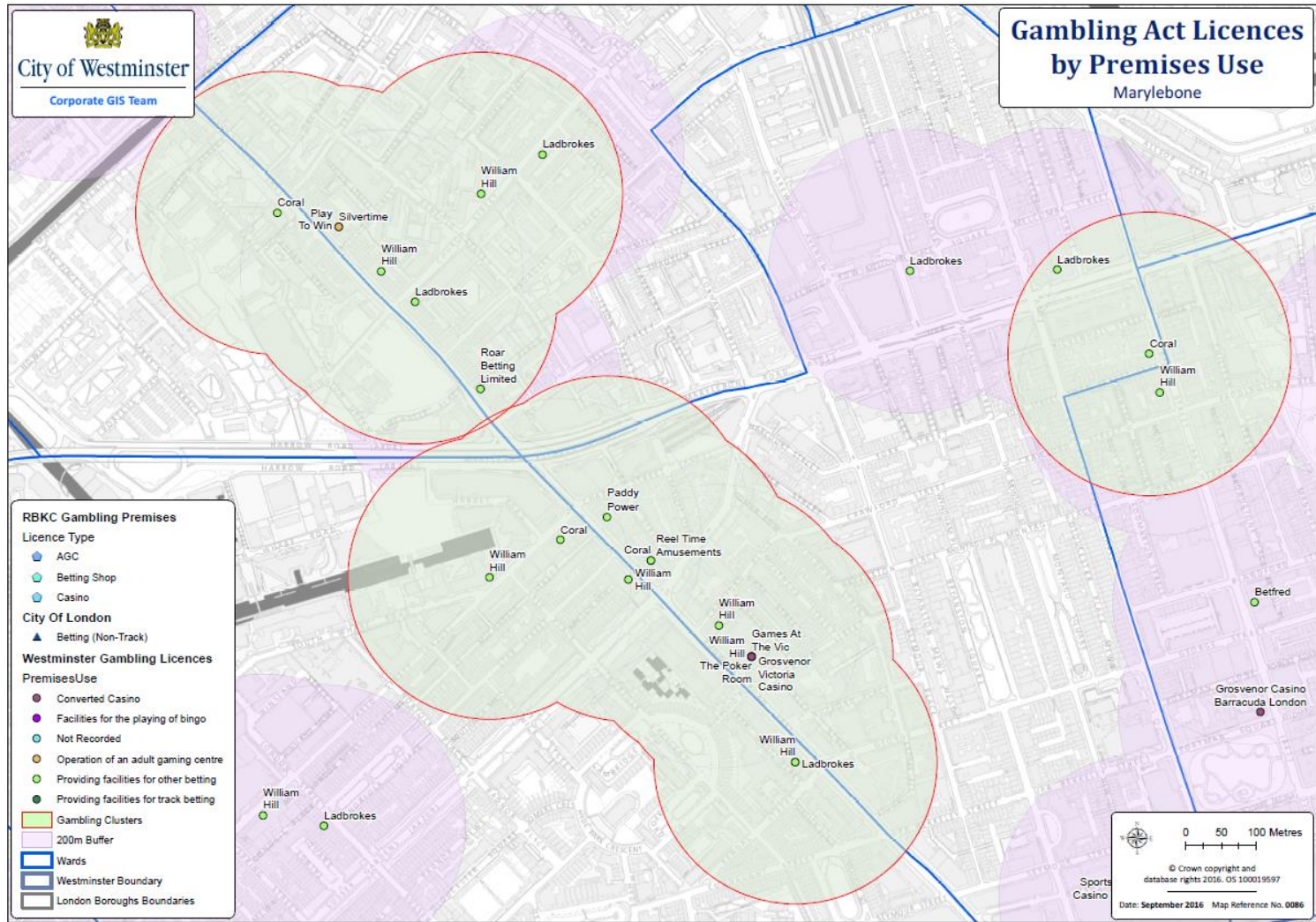
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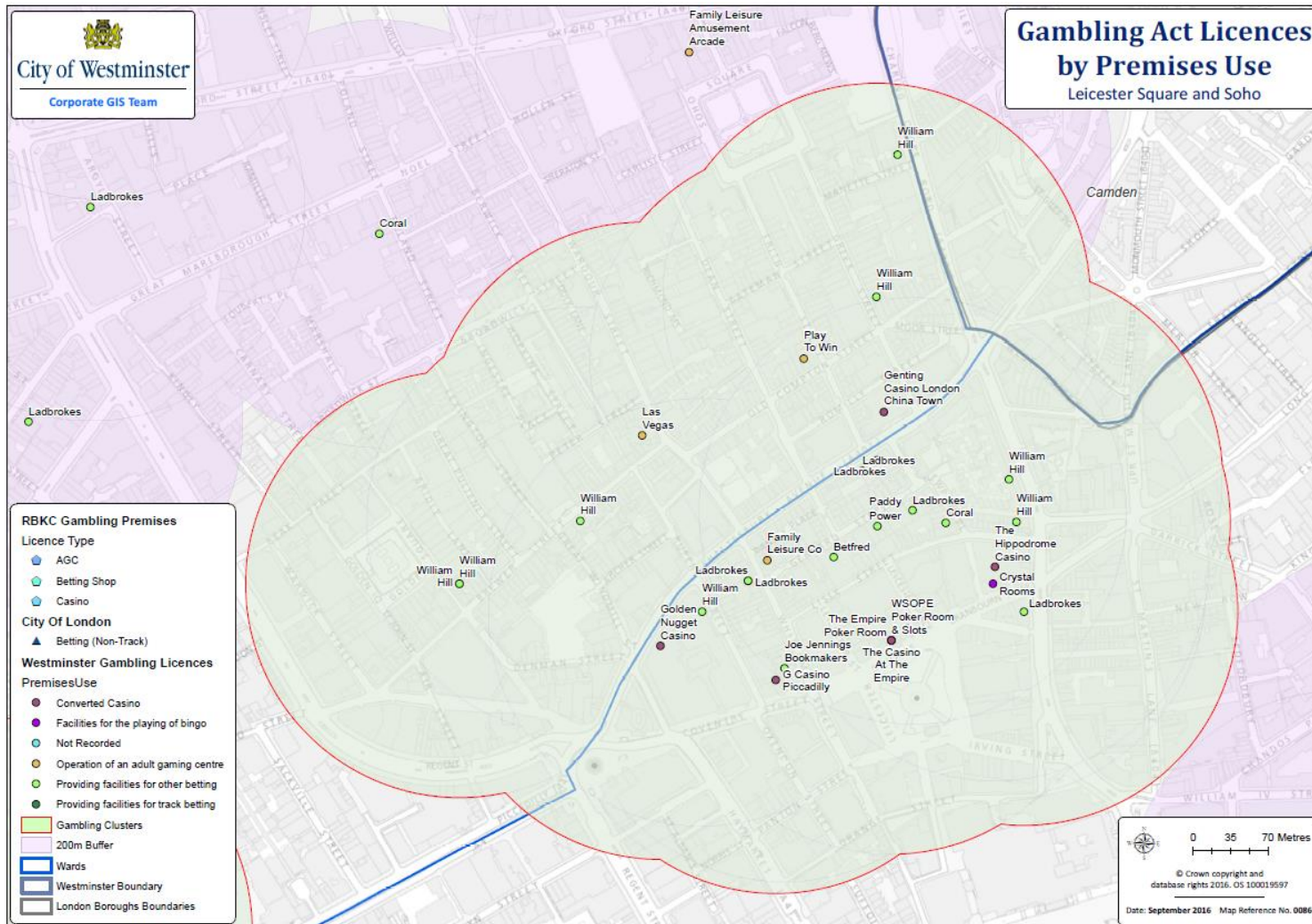
Gambling Premises Clusters

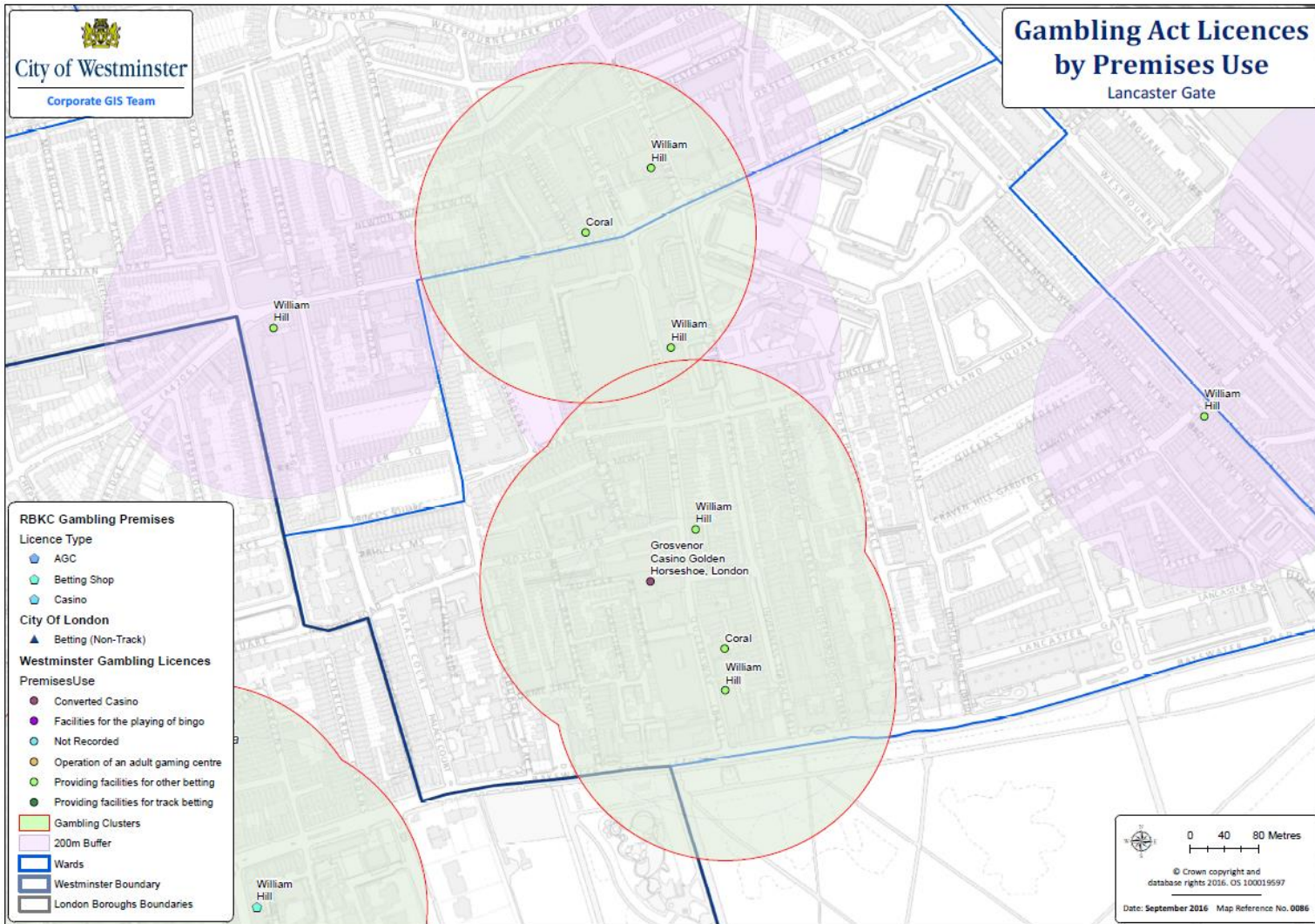
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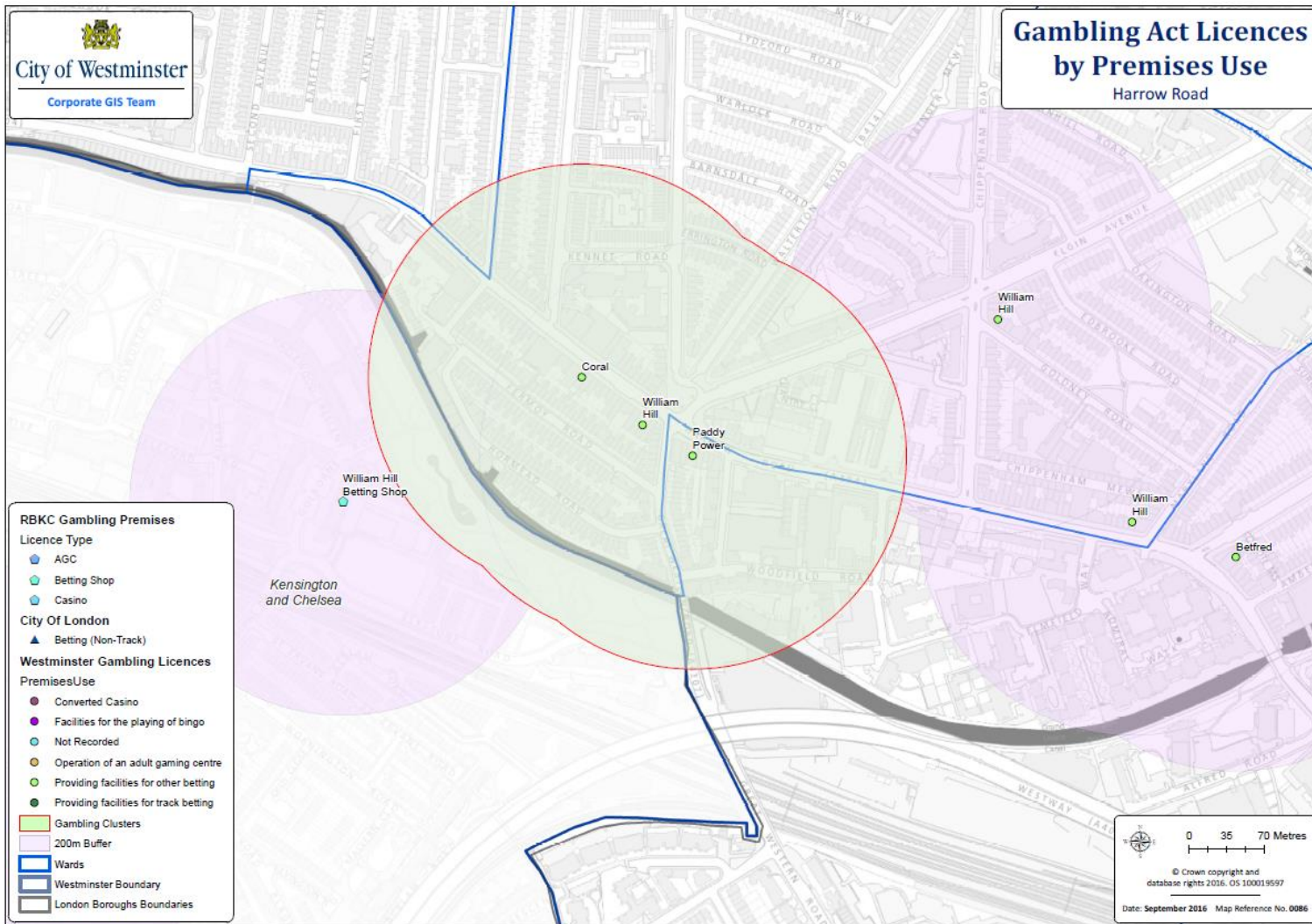












If you have any queries about this report or wish to inspect any of the Background Papers please contact: Mr Kerry Simpkin on 020 7641 1840 or email ksimpkin@westminster.gov.uk