

John Penrose MP
House of Commons,
LONDON,
SW1A 0AA



Thursday, 22nd March 2012

RE: Evidence linking B2 machines to problem gambling

Dear Mr Penrose,

I write to you as founder of the Fairer Gambling Campaign, which is dedicated to proactively highlighting the three objectives of the Gambling Act [2005], and how both ineffective legislation and regulation is leading to the failure of their achievement. Like yourself, we delivered evidence to the ongoing Culture, Media and Sport Committee inquiry into Gambling, and so took great interest in some of your comments to the Committee.

During conversations regarding the prevention of problem gambling and the role FOBTs play in its creation, you asked for "firm evidence [that FOBTs cause problem gambling], not anecdote or concern". In response, we request that you consider the following points:

1. If Tessa Jowell's assertion that FOBTs are on probation still stands (and there is no reason to doubt this is still the case), and if the UK Gambling Commission (UKGC) is charged to enforce the Gambling Act's objective to prevent problem gambling; why is government and UKGC not engaged in obtaining the evidence it needs? Surely there needs to be a method of assessing whether an objective of the Act is being met?

If FOBTs are no longer on probation, could you advise me who the "probationer" was, when the "probation" ended, on what grounds the "probation" ended and how the public was advised that the "probation" had ended.

2. If government wants proof "beyond reasonable doubt" and is unable to commission academic research to deliver to this standard; then is government implying that no evidence level would be adequate?
3. There are already multiple sources of information to draw on including the website of The New Statesman which has published a blog on the subject for a number of years, amassing thousands of posts. To take one case, David Armstrong of Norwich recently admitted to local media that his FOBT addiction had cost him £100,000 over the past 4 years. Due to the sheer volume of these cases, they are not mere anecdotes - they are real people with real problems.
4. The British Gambling Prevalence Survey (BGPS) 2010 showed a 50% increase in problem gambling since the previous survey in 2007. It identified 18 gambling activities, and highlighted 5 activities as having the highest prevalence of problem gambling. Of those 5 activities, the one at which participants engaged in the least number of other gambling activities was FOBTs. FOBTs are by now the single largest UK gambling activity,

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despite only being available for around 10 years. Showing that FOBTs are the primary driver of UK problem gambling.

5. Further, the BGPS showed that compared to the other 17 activities, FOBTs have:
 - a.) The joint highest ratio of use by 16 to 24 year old gamblers
 - b.) The second highest ratio of use by unemployed gamblers
 - c.) The highest ratio of use by the lowest income quintile gamblers
 - d.) The third highest ratio of at-risk high-time and high-spend gamblers
6. Astoundingly, the average win per FOBT per hour used (not per hour accessible) is over £30. But the BPGS identified gamblers losing only £7 per hour as high-spend gamblers. Put simply, the BGPS, whilst correctly identifying the trends, is only revealing a fraction of the reality of problem gambling.
7. For casino roulette the amount the players lose as a percentage of the amount of player funds used (the retention percentage) is 15%. For FOBTs the UKGC does not obtain the retention percentage and the bookies don't make it public! Because roulette is the main game (over 90% of play) on FOBTs, because FOBT roulette is over 3 times faster than casino roulette, because FOBT players have generally lower funds than casino players, the FOBT retention percentage could be as high as 50% or even 75%. A high retention percentage on a high volume activity is clear evidence of addictive content.

We regard our evidence as being above a preponderance of evidence standard and being a clear and convincing evidence standard. We are not aware of any unbiased rational refutation of the above evidence. (Proponents of addictive gambling content argue that the 50% increase could be a statistical aberration, and that there has not been an increase. In order to maintain integrity in that position they should explain that it is just as likely that problem gambling has actually increased by 100%. Obviously they fail to do this, so showing their bias.)

The Fairer Gambling Campaign made a written submission to the DCMS hearing referencing this evidence, but was not permitted to give oral evidence. This was not surprising, as a previous advert of the campaign had attracted one objection - from the politicians of the All-Party Betting and Gaming Committee.

So the very same hearing that you asked for the evidence could have investigated our evidence and could have asked the bookmakers to provide the retention percentage. But it chose not to do so. We hope that you are not just another politician who places tax generation and pleasing lobbyists above the interests of constituents and communities, and look forward to your response.

Yours sincerely,

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