

# GAMBLING COMMISSION

**PE1439/E**

Andrew Howlett  
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The Scottish Parliament  
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11 January 2013

Dear Mr Howlett

**Consideration of Petition [PE1439](#)** - *Calling on the Scottish Parliament to urge the Scottish Government to urgently review the correlation between the prevalence of betting shops and cheque cashing / pay day loan type shops on our high streets and in our communities, and high levels of poverty and deprivation and to use any evidence found in such a review to support the introduction of new planning powers for councils and other empowered authorities to refuse permission for premises of these types on the grounds of overprovision; when supported by robust statistical evidence of high levels of deprivation in communities to be served by such establishments.*

Thank you for providing the Gambling Commission with the opportunity to comment on the petition and the questions it raises.

The Gambling Commission, working with licensing authorities, regulates most commercial gambling in Great Britain, to deliver the licensing objectives set out in the Gambling Act 2005, which are to keep crime out of gambling, to keep it fair and open, and to protect children and vulnerable people from being harmed or exploited by gambling.

Overall, we see no reason to wish to object to the review proposed in the petition (a review of the "correlation between the prevalence of betting shops and cheque cashing/pay day loan type shops on our high streets and in our communities, and high levels of poverty and deprivation").

However, we would make the following points:

- The petition also calls on the Scottish Government to "use any evidence found in such a review to support the introduction of new planning powers for councils and other empowered authorities to refuse permission for premises of these types on the grounds of overprovision". It is not clear what outcomes the introduction of new powers are intended to achieve. If the aim of the proposals is to reduce the impact of gambling on matter relating to the licensing objectives set out above - particularly in terms of problem gambling - the Commission is of the view that the Act provides licensing authorities with sufficient powers to do so. If the concerns raised relate more to matters of "public amenity", those are best addressed, in the Commission's view, through the planning regime.



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- The Petitions Committee may find it helpful to refer to the 1999 report of the Gambling Review Body (the "Budd Review") for further information about the decision (implemented in the Gambling Act 2005) to abolish the so called "demand test" (which was broadly analogous to what seems to be the proposed "overprovision" powers). In brief, the Budd Review proposed the removal of the test in the interests of removing undue restriction on competition (proposing at the same time that local authorities retain powers to manage local gambling provision).
- It may also be helpful to understand that the phrase "proliferation of betting shops", used frequently in relation to betting shops is in fact something of a misnomer. The number of betting premises has remained relatively stable since the Act was implemented ([as shown on page 12 of the Commission's Industry Statistics which can be accessed from our website](#)). Rather, the removal of restrictions on location of gambling premises has meant that they have tended to "cluster" in areas that are more commercially attractive for a range of reasons (footfall, rents etc): frequently high streets.
- If the aim of the new powers is to help tackle problem gambling, the Commission would not expect the powers to be as effective as they might at first appear. One of the clearest findings of successive [British Gambling Prevalence Surveys](#) is that problem gamblers tend to spend high amounts of time and money on a wide range of gambling activities. It follows that limiting opportunities to gamble by reducing the number of gambling premises on the high street may not necessarily have a significant impact on levels of problem gambling. The Commission considers that it is more important that operators have in place effective policies and procedures for mitigating the harms that might be caused by their products. In this respect, you will be aware that the Commission imposes a set of [Licence Conditions and Codes of Practice](#) on operators. This includes a number of social responsibility codes relating, in particular, to the protection of the vulnerable, such as those who are problem gamblers. Licensing authorities are obliged to have regard to the Codes when considering a premises application, as well as the [Guidance to Licensing Authorities](#) published by the Commission (S 153).

Yours sincerely

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