

# Betting, Gaming, Lotteries and Amusements (Amendment) Bill

Second Stage Briefing Monday 20 September 2021

- On Monday 20 September, MLAs will debate the second stage of the Betting, Gaming, Lotteries and Amusements (Amendment) Bill.<sup>1</sup>
- Northern Ireland has the highest rate of problem gambling in the UK.
- CARE NI believes that Executive action on gambling regulation falls short since it does not:
  - tackle the high rate of problem gambling;
  - provide funding for help to overcome problem gambling;
  - regulate online gambling; nor
  - regulate the operation of fixed odds betting terminals (FOBTs), which is a legally grey area.
- Rather than taking the necessary steps to address the lack of appropriate regulation in Northern Ireland which contributes to our higher problem gambling prevalence figure, it is politically misjudged to allow more gambling via high street betting shops on Sunday; and to introduce an optional power for a statutory industry levy rather than making it compulsory.
- **We urge to attend the debate and raise these issues at Second Stage.**

## Introduction

1. CARE (Christian Action Research and Education) Northern Ireland believes the current legislative and policy framework in place in Northern Ireland based on an order from 1985 is fundamentally flawed. It is failing our society and especially those who are vulnerable to gambling-related harm. **We believe a public health approach to responding to the challenges posed by gambling-related harm is the right approach to take.** Given the historically high rates of individuals who demonstrate gambling related harm, we believe that there should be no liberalisation of gambling in Northern Ireland certainly before the presenting problem, the complete absence of regulation in key areas like FOBTs and online gambling, is addressed. In the current context in which Northern Ireland finds itself, the focus on liberalisation before proper regulation is politically misjudged and fails to recognise the challenges facing Northern Ireland.

## Prevalence of Gambling Related Harm

2. Gambling addiction can prove enormously damaging for individuals, families and communities, leading to debt, family breakdown and criminal activity. Numerous news stories in NI just from recent years illustrate this.<sup>2</sup> In certain cases, it can even tragically lead individuals to take their own lives.<sup>3</sup> **It should be an objective of any future NI regulation to protect children and other vulnerable individuals from being harmed or exploited by gambling.**

<sup>1</sup> Bill as introduced and [Explanatory and Financial Memorandum](#)

<sup>2</sup> See for example, "Man jailed for workplace fraud," Irish News, 10 September 2020,

<https://www.irishnews.com/news/northernirelandnews/2020/09/11/news/man-jailed-for-workplace-fraud-2062916/>;

"Ex-GAA club treasurer spared jail over £100K fraud," BBC News, 8 July 2020, <https://www.bbc.co.uk/news/uk-northern-ireland-53333169>;

"Newry man charged in huge 'catfish' child abuse investigation," BBC News NI, July 31 2019, <https://www.bbc.co.uk/news/uk-northern-ireland-49176248>;

"Belfast chef jailed for transporting drugs haul 'regrets' role," *Belfast Telegraph*, June 21 2019, <https://www.belfasttelegraph.co.uk/news/northern-ireland/belfast-chef-jailed-for-transporting-drugs-haul-regrets-role-38238764.html>;

"Football talent who turned to crime to fund gambling addiction after injury ended career is jailed for a year", *Irish News*, May 14 2018, <https://www.irishnews.com/news/2018/05/15/news/football-talent-who-turned-to-crime-to-fund-gambling-addiction-after-injury-ended-career-is-jailed-for-a-year-1329602/>;

<https://www.irishnews.com/news/2018/05/15/news/football-talent-who-turned-to-crime-to-fund-gambling-addiction-after-injury-ended-career-is-jailed-for-a-year-1329602/>;

<sup>3</sup> "Lewis had it all, but the gambling killed him... it never gets any easier", *Belfast Telegraph* 25 March 2017,

<https://www.belfasttelegraph.co.uk/news/northern-ireland/lewis-had-it-all-but-the-gambling-killed-him-it-never-gets-any-easier-35562795.html> and

"How Gambling Addiction cost our boy his life," *Fermanagh Herald*, February 5 2017, <http://fermanaghherald.com/2017/02/gambling-addiction-cost-boy-life/>

3. The table overleaf sets out the data on the so-called problem gambling prevalence based on the most recent health surveys. The Department of Communities (DoC) 2016 research found that 2.3% of the adults surveyed were deemed to be "problem gamblers" If scaled up to the population level, the number of individuals experiencing gambling related harm would equate to more than 40 thousand adults living in NI.<sup>4</sup> A further 4.9% of adults were classed as moderate risk of being "problem gamblers".<sup>5</sup> **NI has a significantly higher prevalence of gambling related harm than other jurisdictions in the UK.** At the time the DoC reported in 2016, they gave the problem gambling rate in England as 0.5%, Scotland 0.7% and Wales 1.1%.<sup>6</sup>
  
4. In 2016, the NI problem gambling prevalence figure was **a staggering four and a half times greater than that of England.** When the NIO report on gambling in NI was debated in the Lords in 2019 the level was described as "*extraordinary*" by the NIO Minister.<sup>7</sup> A 2019 BMJ article argues that there needs to be a much broader understanding of public health harms as a result of gambling, since it is not the only individual gambler that is affected with an estimated additional 5 to 10 people.<sup>8</sup> Given over 40,000 people are considered problem gamblers, this means over 200,000 people in Northern Ireland are affected to some degree by problem gambling.

| Country                              | Year | Problem Gamblers | Moderate Risk | Low Risk |
|--------------------------------------|------|------------------|---------------|----------|
| GB <sup>9</sup>                      | 2021 | 0.4%             | 0.7%          | 2.0%     |
| Wales <sup>10</sup>                  | 2016 | 0.8%             | 3.3%          |          |
| Scotland <sup>11</sup>               | 2017 | 0.8%             | 0.9%          | 2.7%     |
| Young people across GB <sup>12</sup> | 2020 | 1.9%             | Not published |          |
| Northern Ireland <sup>13</sup>       | 2016 | 2.3%             | 4.9%          | 6.7%     |

## What this Bill does and does not do

### Gaming Machines and FOBTs

5. CARE NI welcomes the introduction of an offence of inviting a person under 18 to play gaming machines (clause 7). However, the Bill does not tackle a key element of regulating gaming machine: addressing the legally grey area of the status of fixed odds betting terminals (FOBTs).
  - 5.1. We have long been concerned about the regulatory framework governing gaming machines in this jurisdiction. **It is imperative future regulation should cover all types of gaming machine** and not leave legal grey areas, as has been the case for Fixed Odds Betting Terminals.<sup>14</sup> There should be a requirement for the Department or regulatory body in charge of regulation **to know how many gaming machines are in operation and their location.**

<sup>4</sup> Based on the [mid-year 2020 population](https://www.nisra.gov.uk/sites/nisra.gov.uk/files/publications/MYE19-Bulletin.pdf) of 1.896m (all ages). 2.3% would mean 43,597 problem gamblers. <https://www.nisra.gov.uk/sites/nisra.gov.uk/files/publications/MYE19-Bulletin.pdf>

<sup>5</sup> 2016 Northern Ireland Gambling Prevalence Survey, Department for Communities Northern Ireland, <https://www.communities-ni.gov.uk/sites/default/files/publications/communities/2016-ni-gambling-prevalence-survey-main-report.pdf> page 24. This figure includes all forms of gambling, including the National Lottery

<sup>6</sup> *Ibid.*, Figure 4.2, page 24

<sup>7</sup> <https://hansard.parliament.uk/pdf/lords/2019-09-09> Column 1395

<sup>8</sup> Wardle H et al, *Gambling and public health: we need policy action to prevent harm*, BMJ 2019;365:l1807 <https://www.bmj.com/content/365/bmj.l1807>

<sup>9</sup> Statistics on participation and problem gambling for the year to June 2021, Gambling Commission, July 2021, <https://www.gamblingcommission.gov.uk/statistics-and-research/publication/statistics-on-participation-and-problem-gambling-for-the-year-to-june-2021#files>

<sup>10</sup> <https://www.gamblingcommission.gov.uk/PDF/survey-data/Participation-in-gambling-and-rates-of-problem-gambling-%E2%80%93-Wales-2016.pdf>

<sup>11</sup> <https://www.gamblingcommission.gov.uk/PDF/survey-data/Participation-in-gambling-and-rates-of-problem-gambling-Scotland-2017.pdf> No question on gambling was included in the 2018 survey

<sup>12</sup> *Young People and Gambling 2020*, Gambling Commission, 5 November 2020, <https://www.gamblingcommission.gov.uk/statistics-and-research/publication/young-people-and-gambling-2020>

<sup>13</sup> <https://www.communities-ni.gov.uk/sites/default/files/publications/communities/2016-ni-gambling-prevalence-survey-main-report.pdf>

<sup>14</sup> [http://www.niassembly.gov.uk/globalassets/documents/official-reports/social-dev/2012-2013/130207\\_bettinggaminglotteriesamusementsbill\\_dsdbriefing.pdf](http://www.niassembly.gov.uk/globalassets/documents/official-reports/social-dev/2012-2013/130207_bettinggaminglotteriesamusementsbill_dsdbriefing.pdf) see pages 2 and 5

- 5.2. While we welcomed the decision of the larger gambling operators in this jurisdiction to voluntarily reduce the maximum stake on Fixed Odds Betting Terminals to £2, not all FOBTs in NI observe this and **we do not believe, in any event, that it should be up to the gambling operators to determine the maximum stake.**<sup>15</sup>
- 5.3. There should be a **comprehensive set of consumer protection measures** introduced for gaming machines including self-exclusion; the ability to set time and spend limits; have mandatory alerts; prohibit mixed play between what are defined as B2 and B3 games under GB law and algorithms to identify problematic play; allow the use of tracking data as long as the data protection issues are addressed; and that data is used only with the player's consent.
- 5.4. Players should not be able to use their debit or credit card as a direct form of payment with gaming machines or any other form of gambling. A ban on credit cards for gambling has been in effect in Great Britain since April 2020.<sup>16</sup> **CARE recommends that the same ban should be in place in Northern Ireland.** Although some gambling operators may have voluntarily introduced the ban at the same time right across the United Kingdom, it seems likely that some providers will continue to accept credit cards in the absence of a law prohibiting their use for this purpose in Northern Ireland. Moreover, this important matter of public policy should not be left to whether providers wish to abide by GB law voluntarily.
6. It is extremely disappointing that this Bill which is intended to deal with gaming does not address FOBTs. **CARE NI recommends that the Executive should amend the Bill to do so.**

### Statutory Levy

7. Clause 14 introduces a power to have an industry levy but does not require that it be implemented. By necessity, the levy proposal in this Bill is only limited to bookmakers, bingo clubs and amusement permits which would reduce its effectiveness in raising money to support individuals experiencing gambling disorder or addiction.
8. The power in this Bill is like that in the GB Gambling Act 2005.<sup>17</sup> The House of Lords Select Committee on the Social and Economic Impact of the Gambling Industry, the Westminster All Party Parliamentary Group on Gambling Related Harm, the Social Market Foundation, the Gambling Commission and the Advisory Board for Safer Gambling have all recommended that the levy should become mandatory.<sup>18</sup>
9. Moreover, and of crucial importance, money for Research, Education and Treatment on gambling harms is needed more urgently in Northern Ireland than anywhere else in the UK because of the high levels of gambling related harm in Northern Ireland. Information was provided in 2019 that the Northern Ireland Turf Guardians Association had provided £24,000 to Dunlewey Addiction Service in the previous year and that the Northern Ireland Amusement Caterers Trade Association also provides funding (unspecified) to Dunlewey and a dedicated helpline through Gamcare.<sup>19</sup> Given the estimate of more than 40,000 NI adults likely to be experiencing gambling disorder or addiction, **the lack of funding from the industry is stark.** In the context where five of the biggest gambling

<sup>15</sup> <https://care.org.uk/news/2019/01/more-ni-bookmakers-announce-reduction-in-fobt-maximum-stake>

<sup>16</sup> <https://www.gamblingcommission.gov.uk/news-action-and-statistics/News/gambling-on-credit-cards-to-be-banned-from-april-2020>  
<https://www.gamblingcommission.gov.uk/PDF/Consultation-responses-2020/Credit-card-responses-document-final-for-the-pdf-version.pdf>

<sup>17</sup> <https://www.legislation.gov.uk/ukpga/2005/19/section/123>

<sup>18</sup> House of Lords Select Committee on the Social and Economic Impact of the Gambling Industry: *Gambling Harm - Time for Action*, July 2020, para 557.  
<https://publications.parliament.uk/pa/ld5801/ldselect/ldgamb/79/79.pdf>

Gambling Related Harm All Party Parliamentary Group, *Online Gambling Harm Inquiry*, June 2020, page 5, <http://www.grh-appg.com/wp-content/uploads/2020/06/Online-report-Final-June16-2020.pdf>

Social Market Foundation, *Gambling Review and Reform, Towards a New Regulatory Framework*, August 2020, page 55, <https://www.smf.co.uk/wp-content/uploads/2020/08/Gambling-review-and-reform-August-2020.pdf>

Gambling Commission, *Strategy 2018-2021*, page 12, <http://www.gamblingcommission.gov.uk/PDF/Strategy-2018-2021.pdf> ;

Advisory Board for Safer Gambling Progress Report on the National Strategy to Reduce Gambling Harms, June 2020, page 1, <http://www.rgsb.org.uk/PDF/Progress-Report-on-the-National-Strategy-to-Reduce-Gambling-Harms.pdf>

<sup>19</sup> Report pursuant to section 3(11) of the Northern Ireland (Executive Formation etc) Act 2019 – Gambling, September 2019,

[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/829465/To\\_publish\\_online\\_-\\_report\\_pursuant\\_to\\_section\\_3\\_11\\_-\\_Northern\\_Ireland\\_-\\_Executive\\_Formation\\_etc\\_Act\\_2019\\_-\\_Gambling.docx.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/829465/To_publish_online_-_report_pursuant_to_section_3_11_-_Northern_Ireland_-_Executive_Formation_etc_Act_2019_-_Gambling.docx.pdf) page 3

companies<sup>20</sup> have committed to giving £100 million pounds over a four-year period to funding treatment and support for problem gamblers in GB, where the problem is less acute,<sup>21</sup> the sums committed in NI look derisory.

10. CARE Northern Ireland **recommends that financial support should be provided by the gambling industry for research, treatment and education through the introduction of a compulsory levy** on gambling operators providing services to consumers either on or offline in this jurisdiction. The sums raised by the levy should not be controlled by the gambling companies. The funds should be independently managed and distributed by an independent body.

### Sunday opening for Betting Shops

11. The Bill will allow Sunday opening of betting shops (clauses 2 and 3). CARE believes that in a context where: i) the presenting gambling challenge in Northern Ireland pertains to a complete absence of any kind of regulation in key areas like online gambling and FOBTs and ii) the problem gambling prevalence figure in Northern Ireland is over four times that of England, and where some people have tragically lost their lives, it is quite extraordinary that a key provision in the first substantial piece of Northern Ireland gambling legislation since 1985, should be to propose less regulation of betting shops.
12. Moreover, this deregulation is likely to have a disproportionately negative impact of problem gambling in Northern Ireland which suffers from the highest level of internet poverty in the UK. Evidence shows that problem gambling impacts the less well-off and since 14% of households in Northern Ireland have never had access to broadband and 22% of homes with children have no internet access,<sup>22</sup> it means that those who do gamble in Northern Ireland are likely to make use of betting shops, making an extra day's access to betting shops problematic (a 16.67% increase).
13. There are also the important considerations surrounding the need to protect 'time off in common' and the negative impact of that for employees in betting shops who find that the one day on the week they get to spend together as a family will be taken from them.
14. CARE Northern Ireland **recommends that betting shops should not be able to open on a Sunday.**

### No Action on Technology and Gambling

15. This Bill does not tackle the key area of online gaming. It is **essential that online gambling comes within the new regulatory framework as soon as possible for three reasons:**
  - 15.1. Online gambling is now a substantial part of the gambling market. Approximately 40% of the gambling market in GB is remote (online gambling).<sup>23</sup> 50% of online gambling is via mobile phones; and 96% takes place at home.<sup>24</sup> No recent figures are available for this jurisdiction, although it is likely they are not significantly different here than the rest of Great Britain. While internet poverty might mean that this challenge is slightly more limited in Northern Ireland, it will remain very considerable.
  - 15.2. The current law in Northern Ireland is inadequate since the 1985 Order, the legislation primarily governing gambling in this jurisdiction, **"contains no provisions which relate to online**

<sup>20</sup> William Hill; Bet365; GVC, which owns Ladbrokes Coral; Flutter, formerly known as Paddy Power Betfair; and Sky Betting & Gaming

<sup>21</sup> <https://hansard.parliament.uk/Commons/2019-07-02/debates/E0B3E909-E0A1-40A5-B465-9D7CEDDF491E/ProblemGambling>

<sup>22</sup> [https://www.ons.gov.uk/people-population/migration-and-immigration/articles/2019-07-02/InternetusersUK-OfficeforNationalStatistics\(ons.gov.uk\)](https://www.ons.gov.uk/people-population/migration-and-immigration/articles/2019-07-02/InternetusersUK-OfficeforNationalStatistics(ons.gov.uk))

<sup>23</sup> [Northern Ireland: faring badly | Poverty and Social Exclusion](https://www.gamblingcommission.gov.uk/statistics-and-research/publication/taking-a-more-in-depth-look-at-online-gambling)

<sup>24</sup> Taking a more in-depth look at online gambling, Gambling Commission, 7 June 2021. <https://www.gamblingcommission.gov.uk/statistics-and-research/publication/taking-a-more-in-depth-look-at-online-gambling>

<sup>24</sup> *Ibid.* See Table "Places where gambled online in the last four weeks". Taking a more in-depth look at online gambling, Gambling Commission, 7 June 2021, <https://www.gamblingcommission.gov.uk/statistics-and-research/publication/taking-a-more-in-depth-look-at-online-gambling> <https://www.gamblingcommission.gov.uk/PDF/survey-data/Gambling-participation-in-2019-behaviour-awareness-and-attitudes.pdf>

**gambling**.<sup>25</sup>

15.3. Online gambling presents special challenges to consumers because unlike betting shops, gambling is available 24 hours a day, 7 days a week from a multitude of different websites. In an Editorial published in late-2017, *The Lancet* noted that "*Less publicised is the growth of online gambling, with a potentially greater danger to health than other forms of gambling, particularly for those younger than 16 years of age.*"<sup>26</sup> In September 2020, a British Government Minister in the House of Lords said, "*online gambling has a much higher risk of harm than land-based gambling*".<sup>27</sup> In Gamcare's 2020/21 report on their helpline data, said, "*Online gambling was reported as problematic by 84% of Helpline callers compared to just 30% for offline gambling in 2021*".<sup>28</sup>

16. **It is essential that new remote gambling legislation in NI tackles young people gambling within online video games using so-called "skins" and "loot boxes"** - whereby in-game purchases become a source of virtual currency and can be used to gamble as **virtual currency**. CARE Northern Ireland is also concerned about **the increase in gambling on e-Sports by those under 18**. ESports is a burgeoning area of competitive video gaming attractive to young people<sup>29</sup> where skins gambling is involved. Like other sports, individuals bet on the outcomes of these video games; and other forms of gambling are associated with these games.<sup>30</sup>

## Conclusion

17. This Bill is a first step in reforming gambling regulation in NI. It lacks ambition and will not regulate the key area of online gambling nor FOBTs; nor does it propose a mandatory industry levy.
18. We urge MLAs to make the case where: i) the presenting challenge in Northern Ireland is the fact that uniquely within the UK, Northern Ireland lacks proper gambling regulation since the latest piece of legislation is from 1985 and predates Fixed Odds Betting Terminals and the internet, ii) NI has a problem gambling prevalence figure that is over four times that of England, that to propose a Bill where a key provision of which is to extend the days betting shops can open rather than to address the absence of regulation is politically misjudged.
19. We urge MLAs to explain the problems with both deregulating betting shops, no mandatory industry levy and the problems of not regulating FOBTs and online gambling; and to ask the Government to pause any changes on betting shops until the wider issues of regulation have first been addressed and then to review matters in light of the problem gambling prevalence figures.

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<sup>25</sup> [http://www.niassembly.gov.uk/globalassets/documents/official-reports/social-dev/2012-2013/130207\\_bettinggaminglotteriesamusementsbill\\_dsdbriefing.pdf](http://www.niassembly.gov.uk/globalassets/documents/official-reports/social-dev/2012-2013/130207_bettinggaminglotteriesamusementsbill_dsdbriefing.pdf) page 2

<sup>26</sup> Problem gambling is a public health concern, *The Lancet*, vol 390, 2 September 2017 [http://www.thelancet.com/pdfs/journals/lancet/PIIS0140-6736\(17\)32333-4.pdf](http://www.thelancet.com/pdfs/journals/lancet/PIIS0140-6736(17)32333-4.pdf)

<sup>27</sup> House of Lords Hansard, 10 September 2020, col 908 <https://hansard.parliament.uk/pdf/lords/2020-09-10>

<sup>28</sup> Helpline Data Summary 2020/21, page 12 [https://issuu.com/tqdh/docs/gamcare\\_helpline\\_data\\_summary\\_issuu?fr=sZWFLZTM5OTMxMzc](https://issuu.com/tqdh/docs/gamcare_helpline_data_summary_issuu?fr=sZWFLZTM5OTMxMzc)

<sup>29</sup> Responsible Gambling Strategy Board's *Children, young people and gambling: A case for action*, 2018, page 10 <https://www.rgsb.org.uk/PDF/Gambling-and-children-and-young-people-2018.pdf>

<sup>30</sup> For a complete list see Table 3 of Macey J, Humari J, eSports, skins and loot boxes: Participants, practices and problematic behaviour associated with emergent forms of gambling, *New Media & Society*, 2019, Vol. 21(1) 20-41 <https://journals.sagepub.com/doi/abs/10.1177/1461444818786216>