

PROBLEM GAMBLING POLICY



SINN FÉIN DOCUMENT



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Executive Summary

Many people enjoy the activity of gambling and do so responsibly.

However, for some people and their families, gambling can become a serious problem.

Sinn Féin recognise the need for greater action to help those at risk when it passed the below motion at the party's Ard Fheis in November 2017.

This Ard Fheis:

- ***Notes that gambling is an increasing problem across the whole island of Ireland, in particular amongst young people;***
- ***Commends the work that local communities, the GAA and other organisations are doing to tackle gambling and its underlying causes;***

Calls for:

- ***Recognition that gambling is a public health issue;***
- ***More support services to be provided to address gambling and to assist people with gambling problems;***
- ***Sinn Féin to develop a comprehensive policy on gambling including proposals for the regulation of advertising, promotion and sponsorship by gambling businesses.***

On foot of that motion, Sinn Féin undertook a consultation process engaging with a range of representatives of the industry, addiction services, and poverty-focused NGOs from across the island.

This policy document, which focuses on problem gambling and the interventions necessary to prevent and respond to it, is the outcome of that work.

The document provides an overview of the legislative context and makes the case for further governmental action. It explores the issue of problem gambling with respect to gambling generally, online gambling, advertising, children and young people, casinos, and Fixed Odds Betting Terminals.

Our recommendations include:

- **Introduce modern legislation on gambling which takes account of, and accommodates a faster response to future, technological advances in order to**

ensure comprehensive coverage of gaming, gambling, and betting, whether land-based or online.

- Establish an Independent Gambling Regulator whose functions would include administering a Problem Gambling Fund in order to help minimise problem gambling, to be financed by a mandatory levy or license fee on the industry.
- Introduce a requirement for age verification to precede gambling activity online. The extension of an electoral database checking facility to enable this in a speedier fashion should be explored.
- Participation in multi-operator self-exclusion schemes, designed and overseen by the Gambling regulator, should be a licensing condition for anyone operating in the Irish market whether a shop, on track or online.
- Sweden’s Playscan system, through which gambling online is monitored and players are alerted when they engage in behaviour that is statistically associated with the onset of problem gambling, should be adapted and introduced.
- Introductory, free or matched bet type offers should be made illegal.
- When signing up for an online account, a standard warning should be required. It should appear prominently on the registration page highlighting the potential negative impacts including the risk to a person’s credit rating.
- The Gambling Regulator to explore the introduction of deposit limits and daily time limits for those identified as at risk of problem gambling.
- Broadcast advertising should not be allowed pre-watershed, i.e. between 6am and 9pm, and a similar bar should be extended across online platforms and no advertising should target under-18s or families with children.
- The Gambling Regulator should introduce, oversee, and enforce rules on advertising by the industry, including requirements around the nature, prominence, and duration of warnings to be contained in all ads.
- In relation to casinos, the new legislation should provide for the regulation and licensing of all forms of gambling in all settings, excluding private abodes and dwellings, it should enshrine and provide for the implementation of the public policy objective of separating alcohol and gambling.
- Regarding Fixed Odd Betting Terminals, the new legislation and gambling regulator should provide for separate licensing regimes for ‘gaming machines’ as distinct from ‘amusement machines’ and ‘amusement with prize machines’. The non-permittance of gaming machines in pubs and bookies in the South should be retained. This approach should be extended to the North also, with a transition period of two years for those pubs and bookies that have FOBTs in situ already. During the transition period, the max stake reduction to £2 per bet should apply.

Introduction

Many people enjoy gambling and they do so responsibly. However, for some people and their families, gambling can become a serious problem.

Baineann cuid mhór daoine sult as an chearrbhachas. Déanann siad sin go stuama agus go freagrach. Mar sin féin, éiríonn an chearrbhachas ina fhadhb thromchúiseach ag roinnt daoine agus ag a dteaghlaigh.

Amharcann an cháipéis seo ar thionchar an chearrbhachais fhadhbaigh ar fud na hÉireann. Meastar an dóigh dul i ngleic le fadhb an chearrbhachais fhadhbaigh chun cuidiú agus cosaint a thabhairt dóibh siúd is mó atá i gcontúirt.

Sinn Féin are fully aware that many people who gamble can do so without becoming addicted. The purpose of this document is to help and protect those in need and not to stop those who gamble safely for fun and enjoyment from doing so.

It also explores many different strands of gambling and the negative effects these can have for some members of society including Fixed Odd Betting Terminals (FOBTs), casinos, online gambling, and the impact gambling has on children and young people.

The paper will make a series of recommendations including the urgent introduction of an independent Gambling Regulator in the north and south of Ireland, a Problem Gambling Fund, and a greater emphasis on the protection of children and vulnerable adults.

Problem gambling is commonly defined as gambling which is 'characterised by difficulties in limiting money and/or time spent on gambling which leads to adverse consequences for the gambler, others, or for the community'.

This document addresses problem gambling whether in betting shops, casinos, or online. It is inclusive of gaming, gambling, and betting. The north of Ireland has the highest rate of problem gambling in comparison to that of England, Scotland, and Wales. The north has approximately four times the number of problem gamblers that England has. No prevalence study, based on the same criteria used in two separate gambling prevalence surveys for the north of Ireland and used by the British Gambling Commission, has been carried out in the south. Recently, data has been published relating to the Gambling Results of the 2014/15 Drugs Prevalence Survey. The veracity of this data has been questioned, and Sinn Féin does not consider it a sound empirical platform on which to create an all-Ireland strategy to tackle problem gambling. However, by extrapolating the relevant data from similar countries, the Irish Institute of Public Health have estimated that approximately 1% of the population in the south, or 40,000 people, experience problem gambling. A similar report by H2 Gambling Capital stated that the South had per capita gambling losses of £414 in 2016/17. These were the third largest in the world behind Australia and Singapore.

Ní théann an chearrbhachas fadhbach i bhfeidhm ar an chearrbhach amháin. Cuireann sé isteach ar chaidrimh le céilí saoil, páistí, daoine muinteartha, cairde agus comhghleacaithe.



**FOR THOSE WHO DEVELOP A PROBLEM,
IT CAN RESULT IN:**

- **FINANCIAL DIFFICULTIES**
- **DEPRESSION**
- **ANXIETY**
- **RELATIONSHIP BREAKDOWN**
- **SUICIDE**
- **SUBSTANCE MISUSE**
- **REPUTATIONAL DAMAGE**
- **WORKPLACE ISSUES**
- **CRIMINAL ACTIVITY**

(Problem Gambling Ireland, 2016)

This document highlights that the gambling sector is badly in need of new and robust regulation to protect the most vulnerable. In the short-term, this regulation and the associated structures and manifests will differ north and south, but Sinn Féin's approach and outcomes remain the same on an all-Ireland basis.

Background and legislative context

In the North, gambling (other than the National Lottery) is regulated under the Betting, Gaming, Lotteries and Amusements Order 1985 and its subordinate legislation. The courts and district councils licence gambling activities, the Department for Communities licenses track betting, and the PSNI enforces the law.

Gambling in the South is primarily governed by the Betting Act 1931; the Gaming and Lotteries Acts 1956 and the National Lottery Act 2013. Gaming and betting in the South of Ireland is governed by the following bodies:

- The National Lottery in the South is regulated by the Office of the Regulator of the National Lottery (ORNL)
- The Department of Justice is responsible for issuing certificates for personal fitness (required for applications for remote betting and remote betting intermediaries)
- The Irish Tax authority (the Revenue Commissioners) is responsible for the awarding of betting and remote betting licences and also polices remote betting operators to ensure that they are licensed and pay the appropriate level of duty
- The Advertising Standards Authority for Ireland publishes and monitors compliance and advertising standards
- An Garda Síochána and the District Courts provide licences for small and charitable lotteries.

In the North, the relevant department (Department for Communities) acknowledges that the legislation is complex and outdated. The legislation has not kept pace with the increased technological developments, including online gambling which is often referred to as remote gambling.

A review of the North of Ireland's outdated gambling policy, practice and law had been under the consideration of the then Department for Social Development for a number of years. A public consultation on the 'Future Regulation of Gambling in Northern Ireland' was published in February 2011. The Minister for Social Development (Nelson McCausland, MLA) announced in January 2013 his intention to update and improve gambling laws in the North which would include for example:

- A new section in the legislation dealing with the protection of children and young people

- The adoption of gaming machines categories and standards currently used in Britain;
- Lifting some restrictions on advertising
- Retaining the current ban on casinos.

However, the bill was not introduced.

Just like in the North, the law in the South has not kept pace with the technological developments in gambling. While relatively comprehensive Heads of legislation were published in 2013, the issue has suffered from government inertia since. Five years of inaction later, on 10th January 2018, the Government directed that the 2013 General Scheme of the Gambling Control Bill be updated.

It is intended that the new law will become the primary legislative vehicle governing the licensing and regulation of land-based and online bookmakers and betting exchanges. The updated Scheme is expected to include greater controls on online gambling and on advertising, promotions and sponsorship including enhanced safeguards for children and young people.

The 2013 General Scheme included proposals for the Minister for Justice and Equality to become the sole licensing authority and regulator of gambling. However this may change during the update with weight now growing behind a proposal for an 'independent' regulator.

Gambling Regulator and Problem Gambling Fund

New and improved regulation is required and all sectors of the gambling, gaming, and betting industry agree there is a need for a Gambling Regulator.

In Sinn Féin's view, this regulator and its powers should be established by way of primary legislation sponsored by the Ministers for Justice and Communities respectively. It must be an independent office.

Currently, when it comes to avoiding and responding to problem gambling, only voluntary codes of practice exist and these are created by various sectors of the industry themselves. Different sectors of the industry also lay blame for problem gambling at the door of others and call their competitors out either for not following existing legislation or their own codes of practice. All sides paint a picture of confusion, light touch regulation, and inadequate control.

That said, it is important to recognise these codes of practice as welcome efforts by the industry itself, made in the absence of necessary government action. Likewise, voluntary contributions by the sector to treatment centres of their own choosing are, while again welcome in the absence of government action, not a sufficient or viable long term solution.

As there is no central regulator, it is up to the myriad of Departments and bodies, referred to at the beginning of this policy document, to enforce the various provisions relevant to them. Some of this legislation goes back to the 1930s.

Any new regulator must have the power to regulate the entire sector, save the national lottery which is already covered. It must be backed up by legislation, both primary and secondary, that takes account of the very significant technological changes over recent years.

The consequent secondary legislation such as Ministerial Orders or Statutory Instruments and regulations from the Regulator itself should be used to keep concurrent with ongoing and future advances in technology to ensure that no operator can circumvent the new legislation.

The primary legislation in each jurisdiction should establish a Gambling Regulator, list its functions and provide for its operation. Beyond that, it would be the regulator itself that does the day to day work of licensing, regulating, investigating, reporting and sanctioning – with provision for appeal of decisions to the Courts.

All stakeholders dealing with the consequences of problem gambling have



consistently complained that there is no prevalence study of problem gambling in the South, something which is vital for the design and planning of solutions. Recent data released by the Department of Health in the south is nearly five years old and that is not a good enough base for policy formation. What is needed is a dedicated problem gambling survey with a straight comparison with the north, with Scotland, with Wales, and with England. Therefore, the new Gambling Regulator should also make regular reports to the Ministers for Communities and Justice, the Assembly Committee for Communities and the Oireachtas Committee on Justice and Equality on the prevalence of problem gambling among the population, its impacts, and the costs of responding to same.

The Gambling Regulator should administer a Problem Gambling Fund. The purpose of the Problem Gambling Fund would be to help minimise problem gambling and its effects and its functions would include:

- Commissioning gambling and problem gambling prevalence studies
- Developing models of best practice in prevention and treatment of problem gambling having regard to international experience and the views of relevant medical bodies and support groups
- Public education and awareness raising programmes
- Production of associated materials and resources for use by services
- Distribute funding to addiction service providers and ensure service quality

The Problem Gambling Fund should be financed by a levy or license fee on the industry.

The Gambling Regulator should set the rate payable, subject to the approval of the Minister, and payment should be mandatory for all operators. It should be set at a rate that recognises some parts of the industry are also contributing to the Exchequer via betting taxes while others don't and, if possible, using a formula that takes cognisance of the varying levels of harm to which different forms of gambling give rise.

New Zealand offers an example of one such 'polluter pays' style formula. There, the rate to be paid by operators is weighted, based on the rates of presentation by players from the gambling sub-sector in question to problem gambling services and player expenditures.

NEW ZEALAND GAMBLING ACT 2003

Section 320, Calculating levy

(1) The formula in subsection (2) provides a mechanism for allocating among gambling operators, and collecting from them, the approximate cost of an integrated problem gambling strategy.

(2) The following formula is to be used to assist in estimating the proposed levy rates payable by gambling operators:

$$\text{levy rate} = \{[(A \times W1) + (B \times W2)] \times C \pm R\} \div D$$

where—

A is the estimated current player expenditure in a sector divided by the total estimated current player expenditure in all sectors subject to the levy

B is the customer presentations to problem gambling services that can be attributed to gambling in a sector divided by total customer presentations to problem gambling services in which a sector that is subject to the levy can be identified

C is the funding requirement for the period for which the levy is payable

D is the forecast player expenditure in a sector for the period during which the levy is payable

R is the estimated under-recovery or over-recovery of levy from a sector in previous levy periods

W1 and **W2** are weights, the sum of which is **1**.

In setting the rate, the Regulator should also have regard to the annual spend by the

industry on gambling advertising and gambling promotion.

This role of the regulator could also feed into other agencies' work such as, for example, health service authorities. In the South to date, the Health Service Executive's annual service plan has never featured gambling addiction. Yet, there should be provision in the Service Plan for gambling addiction treatment in the public sphere. This should specify how many staff in the various Community Health Organisation Areas will be assigned in order to try to create access to a full spectrum of services for all who need them. This should be informed by annual problem gambling prevalence surveys produced by the Gambling Regulator.



Online gambling

Although the majority of people who gamble either online or in bookmakers do so responsibly, there are some who do not and online gambling is further adding to the scale of problem gambling. It is estimated that around 3% of the European population struggle with an online gambling addiction. It is believed that one in five online gamblers may suffer from some form of problem gambling. Even though online gambling addiction is diagnosed using the same criteria as 'regular gambling', there are many features of internet gambling that potentially make it more addictive and dangerous.

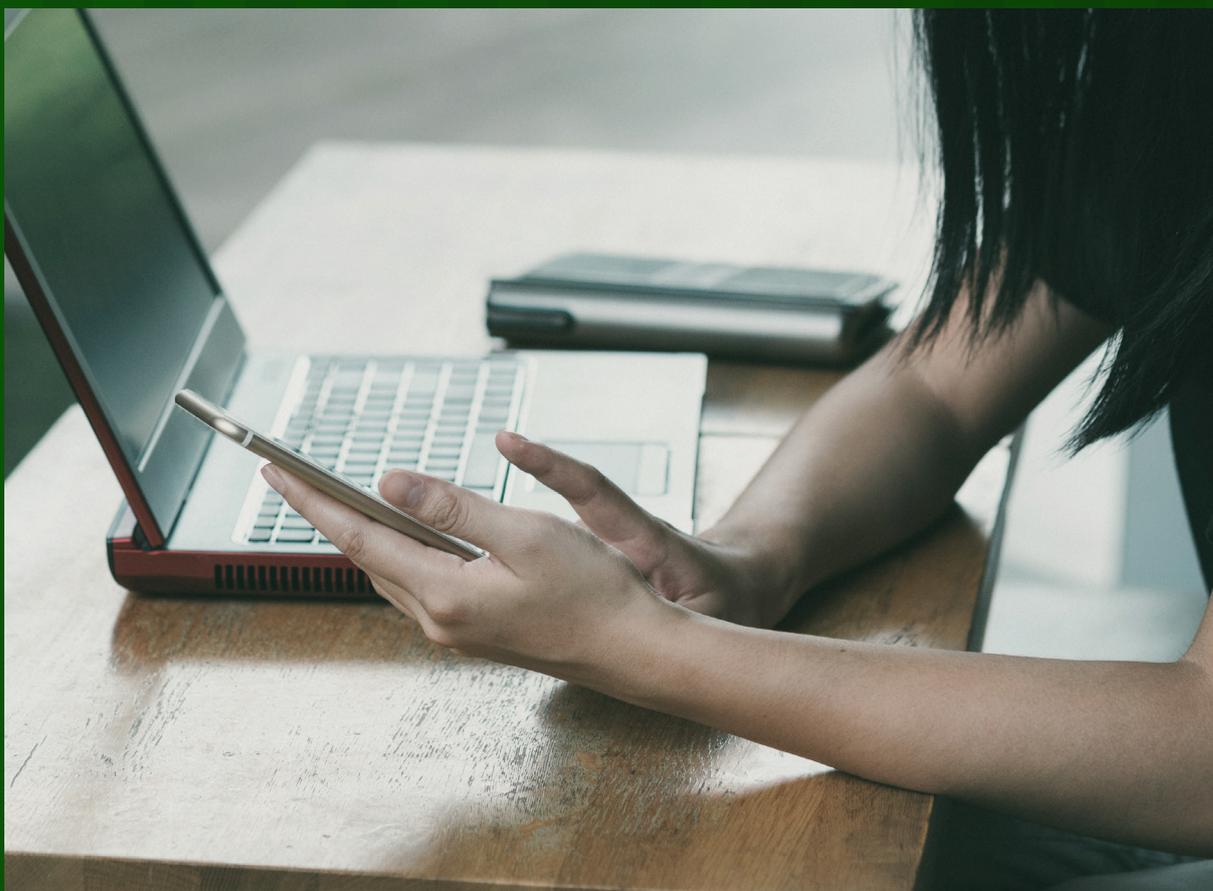
One of the main risks of online gambling is its greater accessibility. If a problem gambler spends two or three days gambling at a bookmaker, someone will likely notice (for example, his friends, family, staff, etc.). In contrast, online gamblers can play from the comfort of their own home, work, through their phones or laptops without anyone being aware that they are actually gambling. Online gambling is a twenty-four-hour gambling industry that can be accessed from anywhere unlike Betting shops which have a set opening and closing time. This therefore illustrates the severity and growing concern of online gambling.

Another risk that exists relates to the use of credit and debit cards. On the internet, it is sometimes easy to forget that electronic money is still real money. Players may be able to use credit cards, their own or someone else's, to deposit money into an online account to continue to feed their habit. This leads to debt-fuelled betting. This makes the ability to continue to gamble easier when other funds have run out.

Although you must be over eighteen to have a credit card, persons under the age of eighteen can have a debit card and, through this, can create an online account easily. The bookmakers cannot currently verify the age of the gambler immediately. Online gambling providers allow a person to gamble for 72 hours before verifying their age.

While traditional bookmakers may be more easily able to refuse problem gamblers, there is little to prevent a compulsive gambler from accessing online gambling sites at will. Online gambling sites typically do have stated policies on restricting access; for example, to underage players and to those who have voluntarily banned themselves, but their ability to actually enforce this is very debatable. Furthermore, a player banned from one site can simply sign up at another with just a few mouse clicks.

A further issue with online gambling is the prevalence of free joining bets or matched betting that is given to the gambler and also the free bets given throughout their time as



an account holder. This is encouraging more and more people, especially young people, to take up or prolong their gambling.

New legislation and a Gambling Regulator are needed to control online gambling and reduce problem gambling in that context.

There should be no seventy-two-hour window when registering an online gambling account without providing photo identification. Age verification must precede gambling regardless of whether it is conducted in a shop, at a track, or online. The extension of an electoral database checking facility to enable this in a more speedy fashion should be explored.

An automated system that alerts gamblers to risk and supports problem gamblers to get better should be introduced. In Britain GAMSTOP is being introduced by the industry. This is an online multi-operator self-exclusion scheme. We propose that acceding to an online multi-operator self-exclusion scheme, and indeed an appropriate land-based equivalent, should be a licensing condition for anyone operating in Ireland. The scheme should be designed and overseen by the Gambling Regulator.

Ireland should learn from the automated or mandated interventions that have been

introduced in other countries also. For example, a system which is place in Sweden should also be adapted and introduced here. In 2007, Sweden introduced a system called PlayScan. Gambling behaviour online is monitored and players are alerted when they engage in behaviour that is statistically associated with the onset of problem gambling.

There should be greater effort to build public awareness, including through advertising, around the dangers and negative impact online gambling can have on an individual along with their family, friends and others.

In terms of introductory offers and free bets, Sinn Féin propose that all introductory offers should be stopped as was done by Australia in 2017.

Also, when signing up, a standard warning should appear on the registration page highlighting the potential impact online gambling can have on your credit rating in addition to the financial, health and social risks.

Gamblers should be required to set a deposit limit for themselves when setting up an online account – this function is currently available on an opt-in basis. The new primary legislation should also enable the Gambling Regulator to explore and to introduce, if he deems it advisable, specific deposit limits for gamblers identified as at risk of problem gambling. This could have a positive effect in terms of reducing the amount of money people lose while ‘chasing’ their losses.

Advertising, Sponsorship, and Promotion

As of August 2018, over one third of football teams in the English Premier League have shirt and ground sponsors that are either online or high street bookmakers. Domestic law in Ireland, north or south, will have no control over developments such as this. However, some organisations here such as the GAA have banned sponsorship from betting companies. This decision was taken by the Ard Chomhairle, and, in the case of other major sports currently in receipt of sponsorship, it will be up to each governing body to make that decision.

Croke Park currently has no alcohol or gambling advertising visible within the ground. There are no restrictions against this and the GAA does have a partnership with Diageo (Guinness), but this is only for TV and Radio advertising which themselves are subject to Government regulation.

Therefore, Government policy should take account of, and support, initiatives undertaken by sporting bodies themselves, outside of what is required of them by legislation. However, it should also introduce more robust provisions around gambling advertising where it does have the power to do so.



Children require special protection. Broadcast advertising should not be allowed pre-watershed and no advertising should be aimed at those under 18. We would also be pushing for no exemptions in terms of the watershed before, during or after sporting events. This includes advertising events that encourage gamblers to bring along their family, including in many cases those under 18. The advertising of events such as first communions and confirmations to take place in racecourses etc. should not be allowed.

In Britain, there are already voluntary codes of practice around advertising. Ireland needs a compulsory code and it should also place limits on the volume of exposure to advertising. There is a notable increase in betting advertising around major festivals for example. Limits placed would help those already suffering as a result of problem gambling get through these specific periods.

There should be strong public health warnings on all advertising associated with gambling identifying the damage that problem gambling can cause. Making reference to an industry-funded awareness website is not sufficient. The warnings required for problem gambling should be as candid and terse as those for alcohol abuse. The warnings should refer to the effect on finances, relationships and mental health.

In terms of effects on finances, there should be explicit reference to the consequences that may arise from linking an online betting account with a credit or debit card; that it may impact on a person's credit rating and their ability to take out a mortgage or car loan, for example, along with many other serious implications.

Such warnings should be prominent in still advertisements and of sufficient duration in broadcast or video advertisements.

The Gambling Regulator should introduce, oversee, and enforce rules on advertising by the industry including requirements around the nature, prominence, and duration of warnings to be contained in all ads.

When looking at gambling promotion, we should also take into account the lobbying that is undertaken by the industry. In the South, most sectors must declare their lobbying activities under the Registration of Lobbying Act 2003. However, Horse Racing Ireland is listed on Schedule A of that Act as an exempted body. This means that they can meet politicians and access Government officials without having to declare these engagements or their objectives.

Legislation should be introduced to amend the Schedule to the Registration of Lobbying Act to end the exemption of Horse Racing Ireland and Greyhound Racing Ireland. The fact that these are semi-State bodies does not put them on a par with the likes of An Garda Síochána, therefore they should not be included in the schedule.

Children and young people

The current legislation which exists around gambling in the North and South of Ireland makes it illegal for anyone under the age of eighteen to participate in gambling activity apart from the lottery.

Although in the North, it spells the illegalities of it out, the Gambling Act 2005 introduced in the UK has embedded within it some emphasis on social responsibility through licensing objectives. The Act also contains more explicit and detailed provisions relating to the protection of children and young people in comparison to the current legislative framework that exists here in the North. The three statutory licensing objectives of the British Act are:

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 that gambling is conducted in a fair and open way.**
3. **To protect children and other vulnerable persons from being harmed or exploited by gambling.**

As highlighted earlier, in terms of young people gaining access to gambling, one major way is through online gambling where it takes up to seventy-two hours to verify a customer's details. By this delay, people younger than eighteen have the ability to gamble freely for three days without any checks from a provider and then move on to a new one when the 72 hours is up. This is a huge window that could quite easily lead to young people losing large amounts of money and developing problems. This is extremely worrying and an area that needs to be addressed immediately.

There is also a growing concern that certain online games may act as a pathway to problem gambling for children and young people. Many of these modern video games feature betting systems based around 'loot boxes'. This allows players to pay real money for a chance to win new items or abilities for their in-game characters. The University of York has recently undertaken a study of 8,500 children in regards to loot boxes and problem gambling and the findings have found links between the two.

There has also been a rise in gambling style games targeting children and introducing them to situations similar to gambling albeit without the staking of money.

It is vital that the Gambling Regulator be empowered to protect children from exploitation in this fast emerging online field.

Another problem that feeds into young people gambling is advertisement, also discussed earlier in this document. Gambling advertisement and promotion is becoming more and more pervasive. This is attracting vulnerable young people to gambling. The increase in marketing via social media and networking, from which, despite age checking, it can be difficult to exclude under 18s.

The mental health issues that come with problem gambling are only increasing. The figure for problem gambling amongst young people is increasing thus leading to greater mental health problems. Those affected are more likely to perform poorly in school, engage in alcohol and drug abuse, and experience disruption to family and peer relationships.

In order to tackle the problem, regulations need to introduce a greater emphasis on the protection of children and young people. Ireland should adapt and adopt something similar to Britain's statutory objective of protecting young people contained in their Gambling Act 2005 for example. The protection of children and young people must be paramount in our new laws and a top priority and legal obligation of the Gambling Regulator.

Likewise, age verification of online accounts prior to them becoming operational should be introduced as a requirement for all those operating in Ireland.

In terms of advertising, a bar on gambling advertisements across all platforms from 6am to 9pm with no exemptions should be introduced. This includes, on breaks of live sports shown on television during those hours.

Casinos

The legal position of casinos is far from straightforward.

In the north, while not referenced explicitly, a ban on casinos stems from the Betting, Gaming, Lotteries and Amusements Order 1085 and its subordinate legislation. However, city councils, or committees thereof, have some scope to allow for casino-type facilities to be located in their council area.

In the south, they operate outside existing gambling legislation, which is patchy and often laid down by a local authority rather than central primary legislation. The casinos have been able to operate as private members' clubs that set their own rules. And while the term 'super casino' describing as it does 24-hour Las Vegas style premises may not exist in Ireland, we have no idea how many of these private members' clubs actually do.

There are 14 casinos represented by the Gaming and Leisure Association of Ireland (GLAI). This takes in 8 counties and covers all provinces. And the gaming industry representatives claim that some bookmakers are broadcasting footage of roulette wheels, either live or fixed, and taking bets on them - effectively turning them into a casino too.

Currently, the only legal 'casinos' are locations where there are machines that comply with Revenue rules. According to Revenue definitions, arcade/amusement machines are games that give players the chance to win no more than an opportunity to play again or a non-monetary prize the value of which is worth no more than €7. There is a law banning casino-style gaming machines such as video roulette, blackjack, and poker in Dublin as laid down by the City Council in a directive. Those machines that comply with Revenue regulations are more likely to be found at amusement arcades.

Action taken by the Revenue Commissioners in June 2018 discovered premises in Dublin City Centre flouting both Revenue Guidelines and Dublin City Council directives highlighting a general shortage of inspection, implementation, or enforcement prior to that. In the absence of new, clear and comprehensive primary legislation the likelihood is that businesses will continue to exploit a fractured and multi-agency legislative framework as regards casinos.

Many of the private members clubs in question which are de facto casinos state that they operate a strict no under-18s policy. They have a stated policy that if you look under 21, you must have ID. In theory at least, visitors to these private clubs must become members which means they have to produce ID. This is also necessary to prevent money

laundering, as well as keeping tabs on the gaming habits of their customers.

However, in reality, at the discretion of the individual casinos, gamers who are not members can simply walk in off the street and get a 'grace visit' every now and then. This means that they do not have to join and do not have to produce ID. There is no limit to how much they spend during this period and this also raises questions around money laundering.

While in the voluntary code of practice of the Gaming and Leisure Association of Ireland, their members pledge not to offer credit in any shape or form to customers. The GLAI also say that they accept credit cards up to €5000. This is itself a form of credit; it is money that the customer does not own.

The Rutland Centre cites alcohol as a major factor in problem gambling occurring on-site. Very often, these private members' clubs are not subject to the alcohol licencing laws. Many customers may visit after other licenced premises have closed hoping to obtain alcohol. If they enter on their 'grace visits', they may well be inebriated and the availability of credit card facility can mean that one trip may cost them over €5000.

New primary legislation is badly needed to bring clarity to the whole area of gaming and casinos - to convert the wide expanse of grey into black and white.

New comprehensive gambling control legislation should provide for the regulation, including licensing, of all forms of gambling in all settings. The primary legislation should also enshrine the public policy objective of separating alcohol and gambling. And the Gambling Regulator should be given a legal mandate to separate the consumption of alcohol from gambling activities in all settings other than private abodes or dwellings by way of regulations, licensing conditions and enforcement.

The use of credit cards for gambling should not be allowed.

In order to prevent casinos 'popping up' outside of those provided for in the law, the new Regulator, proposed in this document, should have the power and staffing resources necessary to carry out regular inspections to ensure compliance with Revenue rules, local and central legislation.

Fixed Odd's Betting Terminals (FOBTs)

FOBTs are electronic machines which contain a variety of electronic games.

GENERAL SCHEME OF THE GAMBLING CONTROL BILL 2012 IN THE SOUTH

“*fixed odds betting terminal*” is an electromechanical device that:

- allows players to bet high stakes, at a high frequency, on the outcome of various games and events with fixed odds,
 - where the games and events are in virtual format, and
 - include such games as would be available in the premises of a holder of a licence in the 2R category [casino games], and
 - where the outcome of events is pre-determined by a random number generator, generally located on a server separate to where the terminal is located.
-

They are widespread in the North of Ireland. These machines were formally legalised in England, Scotland, and Wales in 2005. In England, there has been recent consultation amongst the department for Digital, Culture, Media, and Sport and the maximum stake has just this year been drastically reduced from £100 to £2. This does not apply to the North of Ireland, so therefore the £100 max stake stands. The legal status of the FOBT's in the North is uncertain as the 1985 Order pre-dates the development of these electronic machines.

FOBTs have been described by many researchers and sections of the media as the ‘crack cocaine’ of gambling. This highlights the destructive impact that these machines can have not just on an individual's life, but also the impact it can have on family members or those who are close to them. Problem gambling can lead to a breakdown in relationships, friendships and, in some cases, a near total breakdown in communication between the gambler and the outside world. Trust and theft are just some of the issues that are highlighted in regards to these breakdowns in relationships.

The Centre for Economic and Business Research (Cebr), showed that problem gambling also carries a huge economic and societal cost. Beyond this, FOBTs are affecting society more widely associated with violent crime and money laundering.

One of the main problems that still exists with these machines in the North is the



level of the maximum stake that exists for them. £100 can be gambled every twenty seconds.

Theoretically, people could gamble away £18,000 an hour.

Another problem with FOBT's is that research suggests that they are mainly found clustered in the most economically- deprived areas. The targeting of these machines at the most disadvantaged people can exacerbate their difficulties and lead to rising debts levels, mental health problems, relationship breakdowns, and even suicide. Likewise, their regular placement inside pubs where alcohol is sold makes intoxicated persons particularly vulnerable.

FOBT's are now the third biggest gambling sector after online gambling and the lottery. Gamblers in the North of Ireland bet more than half a billion pounds on FOBT's per annum.

Currently in the South, FOBTs are not prohibited but, under a 'gentleman's agreement', they are not in bookmakers. Although some FOBT-type machines do exist in small casinos in the South styling themselves 'private members clubs', the FOBT prevalence problem faced in the North is far more acute. The promised legislation in the South is expected to make concrete the prohibition of FOBTs.

In approaching this issue, it is important that a distinction is drawn between ‘gaming machines’ which include FOBTs and ‘amusement machines’ and ‘amusement with prize machines’. The latter two are those machines which are typically found in amusement arcades or halls and funfairs and are governed by the Finance Act 1992 in the South.

FINANCE ACT 1992

Provides that a machine is an “amusement machine” if:

- (a) It is constructed or adapted for play of a game, and
 - (b) The player pays to play the machine by the insertion of a coin or token or card or in some other way, and
 - (c) The outcome of the game is determined by the action of the machine, whether or not provision is made for manipulation of the machine or use of skills by the player, and
 - (d) When played once and successfully by a player, affords that player no more than an opportunity –
 - (i) to play again once more without paying to play, or
 - (ii) to obtain a non-monetary prize which, if available for purchase or a similar item were so available, would not normally exceed €7 in value.
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Permissible prizes in amusements are of a nugatory value. While these machines pose significantly less concerns than FOBTs, they do give rise to a degree of problem gambling nonetheless. This should not be ignored and staff should be trained to recognise signs of problem gambling and mandated to make certain interventions such as alerting customers to dangers, directing them to supports and participating in multi-operator self-exclusion schemes.

The Gambling Regulator should provide for separate licensing regimes for ‘gaming machines’ as distinct from ‘amusement machines’ and ‘amusement with prize machines’. The non-permittance of gaming machines in pubs and bookies in the South should be retained. This approach should be extended to the North also with a transition period of two years for those pubs and bookies that have FOBTs in situ already. During the transition period, the max stake reduction to £2 per bet should apply.

Summary of recommendations

- Introduce modern legislation on gambling which takes account of and accommodates a faster response to future, technological advances in order to ensure comprehensive coverage of gaming, gambling and betting whether land-based or online.
- Establish an Independent Gambling Regulator whose functions would include administering a Problem Gambling Fund in order to help minimise problem gambling, to be financed by a mandatory levy or license fee on the industry.
- Introduce a requirement for age verification to precede gambling activity online. The extension of an electoral database checking facility to enable this in a more speedy fashion should be explored.
- Participation in multi-operator self-exclusion schemes, designed and overseen by the Gambling regulator should be a licensing condition for anyone operating in the Irish market whether a shop, a track or online.
- Sweden's Playscan system, through which gambling online is monitored and players are alerted when they engage in behaviour that is statistically associated with the onset of problem gambling, should be adapted and introduced.
- Introductory, free or matched bet type offers should be made illegal.
- When signing up for an online account, a standard warning should be required. It should appear prominently on the registration page highlighting the potential negative impacts including the risk to a person's credit rating.



- The Gambling Regulator to explore the introduction of deposit limits and daily time limits for those identified as at risk of problem gambling.
- Broadcast advertising should not be allowed pre-watershed i.e. between 6am and 9pm and a similar bar should be extended across online platforms. And no advertising should target under-18s or families with children.
- The Gambling Regulator should introduce, oversee and enforce rules on advertising by the industry including requirements around the nature, prominence and duration of warnings to be contained in all ads.
- In relation to Casinos, the new legislation should provide for the regulation and licensing of all forms of gambling in all settings, excluding private abodes and dwellings, it should enshrine and provide for the implementation of the public policy objective of separating alcohol and gambling.
- Regarding Fixed Odd Betting Terminals, the new legislation and gambling regulator should provide for separate licensing regimes for 'gaming machines' as distinct from 'amusement machines' and 'amusement with prize machines'. The non-permittance of gaming machines in pubs and bookies in the South should be retained. This approach should be extended to the North also with a transition period of two years for those pubs and bookies that have FOBTs in situ already. During the transition period, the max stake reduction to £2 per bet should apply.



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