

## Appendix 1 Document 3

### **Merkur Slots UK Limited and Merkur Bingo & Casino Entertainment UK Limited response to London Borough of Barking & Dagenham Consultation on its draft Statement of Gambling Principles 2022-2025**

The Merkur Group of companies is a leading national operator of bingo, AGC and FEC premises with clear and proactive policies to promote the Gambling Licensing Objectives. Operators of premises licences have full authority to provide their services by the provision of an Operating Licence granted by the Gambling Commission. The UK's gambling regulator has therefore approved the measures implemented and those policies have been developed that ensure responsible trading in accordance with gambling legislation, the licensing objectives and the Licence Conditions and Codes of Practice.

#### **Foreword**

We strongly disagree with the commentary included in the draft policy as it does not appropriately identify the permissive regime envisioned by Parliament and implemented by the Gambling Act 2005. The Authority's policy, as per section 349 of the Gambling Act 2005, should contain the principles that it proposes to apply in exercising its functions under the Gambling Act 2005, it is therefore not an appropriate document to contain additional commentary, which is beyond the scope of the policy's function, and it should be removed.

#### **The Local Area Profile**

It is acknowledged the Commission's Licence Conditions and Codes of Practice, Social Responsibility Code 10.1.1. formalised the consideration for local risk assessments. Under Gambling Commission LCCP provisions operators will be required to complete local area risk assessments that identify risks posed to the licensing objectives and how these should be mitigated. We refer the Authority to the Regulators' Code, which provides that in making an assessment of risk, regulators should recognise the compliance record of those they regulate and take an evidenced based approach to determining the priority risks in their area of responsibility.

Under paragraph 52, the policy states 'this authority considers that it is necessary to seek to strictly control the number of facilities for gambling in areas, where it is most vulnerable residents may be placed at an increasing risk.' The paragraph also states, 'all areas shown within the local area profile as being at high overall risk of gambling related harm, are generally considered inappropriate for further gambling establishments.'

The purpose of a local area profile is to identify potential risks to the Licensing Objectives, which assist operators to ensure that proportionate policies and procedures are implemented to mitigate against those risk.

High risk areas must only be identified where empirical evidence is adduced that clear gambling related harm would be caused by the presence of gambling related premises. Identification of theoretical risk factors such as area demographics, proximity to other premises and deprivation should only be included where local evidence is available, which quantifies the ascertainable risk to be mitigated. Any proposed measures to address risks identified should be proportionate, effective and tailored to specific concerns identified

Without local evidence of harm associated with existing gambling premises, any suggestion of cumulative impact is purely theoretical and any presumption of refusal or suggestion of the Authority seeking to 'strictly control' premises is in direct conflict with the governing legislative framework, specifically the S.153 aim to permit principle, and is open to legal challenge.

Operators will continue to consider new premises locations within the scope of the licensing objectives.

#### **Bingo**

Paragraph 128 of the proposed policy states that 'Bingo should be the main activity with gaming machines an ancillary offer. To prevent a situation where a bingo premises licence is obtained primarily to benefit from the gaming machine entitlement that it provides, this Authority will wish to satisfy itself that bingo is intended to be the principle activity.'

Bingo premises are permitted by law to operate gaming machines. It is not within the Authority's remit to determine a licensee's proposed business model or restrict the activities operated during specified hours unless evidence led concerns are identified which cannot be mitigated by an operators control measures. It

remains incumbent on all licensees to ensure premises are operated in accordance with the governing legislation and implement extensive and effective policies procedures and control measures to ensure that all permitted gambling activities are operated in a socially responsible manner. Any presumption of refusal is in direct conflict with the permissive licensing regime.

Paragraph 128 further states that 'All tablets or devices shall be maintained fully charged and available for use at all times' and 'There shall be sufficient seating provided to enable all tablets or devices to be played upon the premises at one time'

There is no requirement for tables or seating to be required. As previously stated, all operators need to be fully compliant with the LCCP requirements, in which facilities for tables and chairs is not one. We strongly urge this to be removed from the draft policy. Again, enforcement of both statements above would be subject to legal challenge.

### **Betting**

Paragraph 133 states 'Where fixed Odds Betting Terminals (FOBTs) are provided, these gaming machines should be located within direct line sight of the supervised counter.'

It is appreciated, the recommendation by the policy however, there is no requirement for FOBTs to be in sight of a supervised counter. There is no requirement for this under the LCCPS. It should also be noted the FOBTs are not gaming machines.

### **Conclusion**

We are committed to working in partnership with the Gambling Commission and local authorities to continue to promote best practice and compliance in support of the licensing objectives.