

# Councillor Mike Hancock CBE MP

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Draft Gambling Bill Consultation  
Gambling and National Lottery Licensing Division  
Department for Culture, Media and Sport,  
24, Cockspur Street  
London SW1Y 5DH

25 February 2004

Dear Sir

I am writing to you as MP for Portsmouth South as part of the consultation process on the draft Gambling Bill as many arcade owners in my constituency continue to have severe doubts and reservations about the draft Bill.

Firstly I should explain that Portsmouth continues to be a seaside resort and going to arcades by the whole family including children remains part of the holiday experience. The Budd Report itself said that there was "woeful absence" of research and that "the vast majority [of children playing] come to no long harm." The Government are proposing for Category "D" machines that the maximum stake should be reduced to 10p (from 30p) and that the maximum prize should be reduced from £5 to £8. There is also an indefinite freeze proposed on the stake and maximum payout for these machines. Furthermore the Bill allows the minister to introduce an age restriction on these machines by means of secondary legislation rather than primary legislation and a full vote and discussion in Parliament. I oppose the indefinite freeze and the possibility of introducing an age restriction through secondary legislation.

In addition Category D machines not paying out money are also reduced to a 10p stake and a prize worth £5 (with the exception of cranes which remain with a 30p stake). The industry is concerned that this will erode customer value in the case of cranes with the same stake of 30p but a £5 instead of an £8 prize. And there is concern for other machines that a 10p stake / £5 prize will not be economic for operators. I think that all Category D machines operating non-money prizes should operate on a 30p stake / £8 prize principle. There is a further problem in that "trading up", the practice of saving individual prizes won for a larger prize seems to be proposed to be prohibited for crane machines with a 30p stake. This is in spite of the DCMS and the Gaming Board consistently saying that this issue will not be revisited. I would ask that "trading up" is not prohibited in the Bill.

There does not seem to be a problem with children gambling at the moment, even anecdotally and families enjoy going to arcades. If the Government had come up with some research that it was a problem, I would understand why they would want to introduce restrictions. However I remain

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## **SOMEONE WORKING FOR YOU**

Two Advice Centres:

Every Monday from 5.45-7pm at the City of Portsmouth Girls School. No appointment necessary.

Saturdays by appointment. Please ring 92861055. Website: [www.mikehancock.co.uk](http://www.mikehancock.co.uk)

concerned to do so and put people's businesses and the character of seaside resorts in danger without any evidence of a problem is not justified and illogical.

The second concern is that that amusement arcades open to adults only should be able to compete with other adult-only sectors of the industry on a level-playing field. It is important therefore that Adult Gaming Centres (and indeed Bingo Halls) have the same entitlement to Fixed Odds Betting Machines as Bookmakers.

There are also concerns from arcade owners relating to licensing. The first is that of "Grandfather Rights" of arcade owners. Lord McIntosh in this speech to the 2003 BACTA Convention said that the existing industry would not be endangered. Arcade owners are understandably concerned that local authorities may decide not to grant permits that may have been operating for generations and there is no right of appeal. These matters need to be addressed by the Gambling Bill. Coupled with this, the powers and role of local authorities in licensing operators and their relationship with the Gambling Commission needs to be more clearly defined. There will be some increase in costs with the new Gambling Commission and new requirements and the industry needs to know of these licensing requirements and costs as soon as possible so that it can plan ahead.

Best wishes

Yours sincerely

A handwritten signature in black ink, appearing to read "Mike Hancock". The signature is fluid and cursive, with a prominent initial "M".

MIKE HANCOCK CBE MP