Press release: Government to cut Fixed Odds Betting Terminals maximum stake from £100 to £2

The maximum stakes on Fixed Odds Betting Terminals (FOBTs) are to be reduced from £100 to £2 to reduce the risk of gambling-related harm, Minister for Sport and Civil Society Tracey Crouch announced today.

The move comes off the back of a <u>consultation</u> with the public and the industry to ensure that we have the right balance between a sector that can grow and contribute to the economy and one that is socially responsible and doing all it should to protect consumers and communities.

The government wants to reduce the potential for large losses on FOBT (category B2) machines and the risk of harm to both the player and wider communities. Following analysis of consultation responses and advice from the Gambling Commission, the government believes that a cut to £2 will best achieve this.

The <u>Gambling Commission</u> has also been tasked to take forward discussions with the industry to improve player protection measures on B1 and B3 category machines, looking at spend and time limits.

DCMS Secretary of State Matt Hancock said:

When faced with the choice of halfway measures or doing everything we can to protect vulnerable people, we have chosen to take a stand. These machines are a social blight and prey on some of the most vulnerable in society, and we are determined to put a stop to it and build a fairer society for all.

Minister for Sport and Civil Society Tracey Crouch said:

Problem gambling can devastate individuals' lives, families and communities. It is right that we take decisive action now to ensure a responsible gambling industry that protects the most vulnerable in our society. By reducing FOBT stakes to £2 we can help stop extreme losses by those who can least afford it.

While we want a healthy gambling industry that contributes to the economy, we also need one that does all it can to protect players. We are increasing protections around online gambling, doing more on research, education and treatment of problem gambling and ensuring tighter rules around gambling advertising. We will work with the industry on the impact of these changes and are confident that this innovative sector will step up and help achieve this balance.

In addition to the reduction to FOBT stakes the government has today confirmed:

- The Gambling Commission will toughen up protections around online gambling including stronger age verification rules and proposals to require operators to set limits on consumers' spending until affordability checks have been conducted.
- A major multi-million pound advertising campaign promoting responsible gambling, supported by industry and GambleAware, will be launched later this year.
- The Industry Group for Responsible Gambling (IGRG) has amended its code to ensure that a responsible gambling message will appear for the duration of all TV adverts.
- Public Health England will carry out a review of the evidence relating to the public health harms of gambling.
- As part of the next licence competition the age limit for playing National Lottery games will be reviewed, to take into accounts developments in the market and the risk of harm to young people.

In order to cover any negative impact on the public finances, and to protect funding for vital public services, this change will be linked to an increase in Remote Gaming Duty, paid by online gaming operators, at the relevant Budget.

Changes to the stake will be through secondary legislation. The move will need parliamentary approval and we will also engage with the gambling industry to ensure it is given sufficient time to implement and complete the technological changes.

Notes to Editors

For further information please contact: DCMS Press Office on: 020 7211 6276 / 6971

- Gambling is devolved in Northern Ireland, but substantially reserved in Scotland and Wales. However, as of 23 May 2016, the Scottish Parliament and Scottish Ministers have the executive and legislative competence to vary the number of high-staking gaming machines authorised by a new betting premises licence in Scotland. Under the Wales Act 2017, identical powers were transferred to the Welsh Ministers and the National Assembly for Wales.
- We are committed to working constructively with devolved administrations as we move towards implementation of the £2 stake limit on B2 gaming

machines.

- B1 machines are in casinos with a maximum stake of £5 with a maximum pay-out of £10,000 (or progressive jackpot of £20,000)
- B3 machines are located in casino, betting, arcade and bingo venues with a maximum stake of £2 and a maximum pay-out of £500.
- Remote Gaming Duty is paid by all companies who earn revenue through offering online gaming to British residents. It is currently set at 15% of operator's profits.