

17th January 2022

Paula Bradley MLA
Chairperson of the Committee for Communities
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Dear Ms Bradley

I would be grateful if you would circulate this letter to members of the DFC Committee prior to your meeting tomorrow.

I refer to the recent publication of the DFC Draft Code of Practice for Gambling operators. We are of course aware of and respect the need for social responsibility within our industry. It is at least good to read in the Draft Code that the Department respects and supports the good practice already existing within the gambling industry. However, the Draft code is just not workable and if introduced would certainly mean the end of our industry and the immediate loss of jobs. It should be remembered that our industry is 100% supportive of tackling those problem gambling through social responsibility measures and good practice. That said, the overwhelming majority of our customers do enjoy availing of our services by behaving responsibly and complying with our existing voluntary code.

We will be responding in more detail as fully as we can in the short time available. In the meantime, I thought it would be useful to briefly explain why the draft is unworkable by way of the following bullet points. I have limited my initial comments to just some of the main issues.

1. A consultation period of 4 weeks is inadequate. Under Section 75 of the Northern Act 1998, it is recommended that adequate time must be allowed for any consultation process. The time scale recommended in the Act is 12 weeks. This draft leads to complex issues which are more complicated than the legislation itself. A minimum consultation period of eight to ten weeks is surely a statutory and reasonable requirement.
2. Compulsory affordability checks on all customers of land based gambling outlets, or for that matter any retail, hospitality or leisure outlets do not, we believe, exist anywhere else in the world. GB are still to publish a white paper on this subject but only in respect of online gambling. The questions that our staff would have to ask of our customers are similar to those that a Bank or a Building Society might ask for a 6 figure + loan. No customer could realistically be expected to provide such information to our members staff in order to play a gaming machine. Our customers play with their own cash and we do not give credit or accept credit cards. To have a record of every customer's play would be virtually impossible. It would also be possibly discriminatory against customers and their rights to privacy in their financial affairs. Certainly this would raise data protection issues for our members. Based on what is proposed our industry would require a computer system capable of tracking all players activity in the gambling sector. Such a requirement would challenge government, never mind an industry. Our customers would turn to criminal operators or go online. All our members premises would cease to exist with the resultant loss of amenity, unemployment and loss of taxes to the economy.
3. ATM's are provided in many of our members premises for the use of debit cards, not credit cards. We also have change machines to enable customers to obtain smaller amounts of change. To ban their use would deprive our customers of a most basic facility. We do not give credit or accept credit cards.

4. Gaming machine testing is a technically complicated matter and in G.B is primarily restricted to B3. Machines, i.e. machines which currently have a maximum stake of £2. and a maximum prize of £500. The vast majority of the machines in N.I. do not fall into this category and are of a type that no longer exist in G.B. The draft fails to mention specifically what are the terms of reference of the testing, making any testing impossible

In any event to test all the different types of machines in use in N.I. Would take years, cost many millions of pounds and would require software listings which manufacturers would be unlikely to make available. Assuming, as we understand is intended, stakes and prizes are to be changed to GB levels then new machines would be tested to GB standards, without the need for further testing. To provide the social responsibility software and technical features on jackpot and higher limit machines is not technically possible on the majority of machines in N.I. No machines exist that comply to the described features and it would take years to develop them.

Legacy machines are not mentioned in the legislation although GB permitted their continued use in amending legislation. Do the Department think that the industry should replace its entire estate of machines to GB machines? And if this is the case there would have to be consideration of compensation to facilitate any such transfer and this would be unduly expensive to the tax payer.

5. A proposed implementation date for the code as being the date the Bill receives Royal Assent would mean the entire industry would be non compliant from day one.
6. In the absence of a regulator even a reasonable code would be difficult to enforce with a level playing field.

In the interest of relative brevity, I will close now and say that at the appropriate time NIACTA would be pleased to appear before your committee again to discuss and further explain our serious concerns about this Draft Code. It would be unreasonable and indeed unfair to proceed any further on this consultation process until the Committee and Department hear from the industry on the disastrous consequences of precipitous action.

Yours sincerely



Gerald Steinberg
Chairman
NIACTA