



GAMING BOARD TRIENNIAL REVIEW

February 2004

- The Gaming Board for Great Britain is responsible for reviewing the monetary limits applied to all gaming machines every three years and making recommendations to the Secretary of State on maximum stake and prize levels. The last review took place in 2001 and the Board is currently taking submissions for the next one.
- The review will consider the stake and prize limits which apply to existing machine categories as well as the new categories of machine provided for under the draft Gaming Bill. The current levels and proposed changes are set out below and comments will be sought on the appropriateness of both.

<i>Category of machine</i>	<i>Current Limits</i>	<i>Proposed Limits</i>
New casino slot machine	50p stake £2000 prize	No limit on stake or prize
Jackpot machines	50p stake £500 prize for bingo clubs or £250 for other clubs	£1 stake £500 prize
AWP gaming machines	30p stake £25 prize	50p stake £25 prize
Cash/token machines	30p stake £5 prize	10p stake £5 prize

- The ALMR has been invited to submit evidence as part of the review by the end of March. The Gaming Board has asked that such evidence focus on the following issues:
 - why would no increase be detrimental to the industry and/or players
 - what benefits would be perceived by players if there was an increase
 - what changes have occurred since the last review in the market
 - what issues of problem gambling may be raised by an increase
 - what is the expected economic impact of any increase on manufacturers, suppliers and premises siting machines

ALMR Action

- The ALMR will submit a detailed response to the review process arguing for an increase in the maximum stake and prize limits applicable to AWP gaming machines to 50p and £50 respectively. Research suggests that customers would look for a greater increase in prizes to £70 but this is not believed to be politically palatable at the present point in time.
- Both the Gaming Board and DCMS have indicated that increases in the stake and prize limits ahead of gaming reform are unlikely, and point to the substantial increases which have taken place in recent reviews. Pub AWP machines saw a 50% increase in prizes in 1998 and a further 66% increase in 2001. In contrast, club machines saw no increase in prize limits and bingo machines a doubling of the prize in 1998, but casino machines have seen a 700% increase in prize levels over the same period. Despite the 'substantial' increases in pub prize limits, the fact remains that there is a significant and ever widening gap between pub AWPs and jackpot machines which is adversely affecting competitiveness and profitability. A fall back position will therefore be to argue for an increase in the prize limit to take effect from the start of the new regime.
- The submission will also focus specifically on the impact of FOBTs on the sector as justification for a further increase. Further evidence on the economic impact of FOBTs on machine income is being sought from members.

