



5 August 2005

Peter Dean
Chairman
Gaming Board for Great Britain
Berkshire House
168-173 High Holborn
London
WC1V 7AA

Dear Mr Dean,

THE INTRODUCTORY GUIDE TO THE GAMBLING COMMISSION

I am writing to introduce our organisation to you and to outline our thoughts on the proposed Introductory Guide to the Gambling Commission. May I take this opportunity apologise for the lateness of our reply but absolutely confirm that this is an issue of crucial importance to the licensed retail industry and *ALMR's* members.

The Association of Licensed Multiple Retailers

The Association of Licensed Multiple Retailers was set up in 1992 to promote the interests of the independent companies within licensed retailing. It is run by a small permanent staff based in Ealing and it responds to an elected Council of Members.

ALMR is the only national trade body dedicated to representing the interests of on-trade retailers – principally pub, bar, club and restaurant operators. Unlike other trade bodies it does not represent producer interests. Currently we have 96 companies are in membership, between them owning and/or operating nearly 29,000 outlets – around half the UK pub and bar estate. Members include major pub companies such as Punch Taverns and Enterprise Inns – whose pubs are operated as individual small businesses – national chains of managed operators such as Regent Inns and Laurel and the retail estate of many regional brewers. However, the bulk of our membership is derived from small independent companies operating 50 outlets or less under their own branding.

ALMR's Response to the Consultation

ALMR welcomes the creation of the Gambling Commission to regulate all commercial gambling within the UK and is supportive of the wider powers it will gain on its transition from the current Gaming Board.

Transitional Timetable

ALMR welcomes the clarity that is provided by publication of details on the Commission's intended timetable for transition arrangements to the new regime. The Association is also pleased to note the Commission's intention to publish guidance for local authorities at the earliest possible opportunity; further detail can be found below.



We are however concerned that the lack of clarity on 'grandfather rights' is creating confusion within the industry and local government as to whether publicans must reapply for licences if their stock of machines is larger than the statutory number granted. *ALMR* calls on the Gambling Commission to bring pressure to bear on DCMS to make a statement at the earliest possible opportunity outlining their stance on 'grandfather rights' in order to give clarification not only to the industry but also to local authorities.

The Commission's approach to regulation

ALMR appreciates the Introductory Guide to the Commission setting out in broad strokes the approach that will be taken to regulation and looks forward to the publication of the Commission's Statement of Policy on Licensing and Regulation, and the greater levels of clarity that this will provide the industry.

ALMR hopes that the Commission will fulfil successfully its intention to keep the regulatory regime to the minimum needed to implement the regime and asks that a 'light touch' is used wherever possible to minimise the regulatory burden to the industry.

Codes of Practice

ALMR welcomes any code of practice designed to prevent irresponsible behaviour by less scrupulous companies. We would welcome any opportunity to work with the Gambling Commission on any proposed Code of Practice aimed at ensuring the responsible use of AWP's in pubs.

Local Authority Guidance

ALMR welcomes the Commission's commitment to the early development of local authority guidance and urges them not to repeat the mistakes made during the implementation of the Licensing Act.

However, the Association is very concerned over the increases in power afforded to local authorities under the new regime – particularly with respect to Section 284 giving them the ability to remove pub's statutory machine entitlements. We would welcome guidance at the earliest possible opportunity outlining the circumstances in which a local authority might revoke a premises' statutory entitlement.

The lack of clarity on many issues is causing widespread uncertainty within the industry and has the potential, as with the delays to Licensing Act guidance, to result in over regulation through a lack of understanding of their role by local authorities. It may also lead to a significant increase in costs to an industry already feeling the effects of the increased costs of obtaining alcohol licenses.

The Triennial Review

Whilst aware that the review of stakes and prizes is not covered by this consultation we would like to take this opportunity to put forward some brief thoughts on the abolition of the Triennial Review.

We accept the decision of the Government not to implement the recommendations of the Gaming Board in 2004, immediately preceding the passage of the Gambling Bill through



Parliament. However, *ALMR* is concerned that this will result in no alteration to machine stakes and prizes for the foreseeable future.

We believe that, if the status quo of stakes and prizes remains, the AWP industry will have died by 2007. In addition to the obvious direct consequences this will have on businesses that design, manufacture and distribute such products, it could also lead to the closure of many pubs as AWP's provide a vital element of the profits in those businesses already working on the margins of commercial viability. Consequently *ALMR* calls on the Commission to introduce the new stakes and prizes recommended by the 2004 Triennial Review at the earliest possible opportunity.

ALMR also urges the Commission to give serious consideration to reinstating the triennial review, or some form of structured review process, in order to remove uncertainty from the market. The Association has also written to DCMS on this issue.

We hope to work closely with the Gambling Commission in any way it can to help resolve these issues. We are also keen to assist in producing clear and concise guidance for local authorities in order to allow them to discharge their responsibilities under the Gambling Act and efficiently and equitably as possible.

If you have any further questions on any of the issues raised above, please feel free to contact me.

Yours sincerely,

Nick Bish
Chief Executive