

# Fixed Odds Betting Terminals



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# What are FOTB's



- They are touch screen electronic gaming machines that offer a variety of games, ranging from casino games such as Roulette, Poker and Black Jack, to electronic slot games and virtual racing
- The term 'fixed odds' means that the odds are fixed 'per spin' and will not change unlike odds for horse races for example

- The result of all games is determined by using a random number generator
- If the outcome of the game results in the player winning then the player will receive their winnings automatically
- All of the games are statistical and can be adjusted by the manufacturer
- As in a real life casino there will be a 'house' edge
- The edge of the games will be between 2.5% and 5%



- The maximum stake is £100 and the maximum prize is £500
- Gamblers can bet with cash or via a debit card
- Each spin takes only 20 seconds

- Every betting shop can have up to four FOBT's
- Between 2002 and 2013 the number of machines has risen to over 34,000
- The profit generated for bookmakers has now reached £1.4 million.
- Ladbrokes, William Hill and Coral make more than £900 per week from each FOBT
- Nationally, more than 80% of turnover and more than half of profits are derived from FOBT's
- Less than 20% of stakes in betting shops is over the counter

- In 2012 more profit was made from FOBT's than the National Lottery
- 56% of the population play the Lottery
- 4% play FOBT's
- Research suggest that FOBT's are the most addictive form of gambling and are now called by some 'the crack cocaine of gambling'

- The average FOBT gambler loses £2,000 per year
- Compared to all other gambling activities FOBT's have:
  - the highest ratio of use by 16 – 24 year old gamblers
  - The highest ratio of use by the lowest income gamblers
  - The second highest ratio of use by unemployed gamblers

- FOBT's are used for money laundering by making low-risk bets with a small relative loss and withdrawing most of the proceeds as a voucher which is exchanged for cash at the shop counter
- This has been acknowledged by the Gambling Commission who, in October 2013 stated that: "FOBT's present a high inherent money-laundering risk"
- Coral was fined £90,000 in profits it made from one drug dealer who had laundered almost £1m in its shops
- Goes entirely against the licensing objective of preventing gambling being a source of crime and disorder, being associated with crime, or being used to support crime



- Under the Gambling Act 2005 Councils are expected to “aim to permit” applications for betting shops even in areas where there is saturation
- Councils also have no power to limit the number of FOTB’s in betting premises or to impose conditions regarding their use

- There are 11 betting shops in Gravesham
- 9 have the maximum 4 FOBT's
- The other 2 are small premises and have 2 machines
- Gravesham has 'bucked the trend' and has had 2 shops close whereas most boroughs have seen a growth in shops

- There is growing concern over these machines, there are media campaigns against them
- Suggested remedial actions are:
  - Reduce the number of machines from four per shop to one
  - Reduce the current maximum stake on FOBT's from £100 to £2 (the same as in casinos)
  - Remove table game contact (such as roulette) from FOBT's
  - Reduce the spin frequency to 60 seconds

- The Association of British Bookmakers have published a code for responsible gambling and player protection
- Harm minimisation strategies will include:
  - Staff training and awareness regarding identifying problem gamblers
  - More encouragement for problem gamblers to ‘self-exclude’
  - Age verification – introducing ‘Think 21’ policies
  - Voluntary monetary limits
  - Voluntary time limits
  - Mandatory money based reminders
  - Mandatory time based reminders



- The issue was recently debated in Parliament where calls for amendments to the current legislation were rejected
- The issue rumbles on .....



- Websites to inform are:
  - [www.stopthefobt's.org](http://www.stopthefobt's.org)
  - [www.abb.uk.com](http://www.abb.uk.com)
  - [www.fairergambling.org](http://www.fairergambling.org)
  - [www.responsiblegamblingtrust.org.uk](http://www.responsiblegamblingtrust.org.uk)
  - [www.gamblingcommission.co.uk](http://www.gamblingcommission.co.uk)