

Betfred, 7 Old Christchurch Road, Bournemouth, BH1 1DR

Application for Betting Premises Licence under the Gambling Act 2005

Response by Betfred to Representation Received by Interested Party

1. Introduction

1.1 Betfred acknowledges the representation received from Councillor Robert Chapman, regarding this application in respect of 7 Old Christchurch Road, Bournemouth, BH1 1DR. Betfred wishes to respond to that representation and explain its proposal in the light of the relevant licensing objectives.

1.2 At the outset however it should be noted that there have been no representations received from any of the Responsible Authorities tasked with the responsibility of scrutinising this application, so as to ensure that any grant falls squarely within to Section 153 of the Gambling Act 2005. Accordingly, in deciding whether this application falls to be granted, having regard to the terms of Section 153, Betfred pray in aid particularly the decisions taken by the Licensing Authority and the Police not to object.

2. Betfred the Company

2.1 Betfred presently trade 5 licences in the Licensing Authority's area, and as a Company, it operates 1370 shops Nationwide. It is the Country's 4th largest Bookmaker and operates with the benefit of an Operating Licence issued by the Gambling Commission.

2.2 As the Licensing Authority may know, Betfred was first established by brothers Fred Done (from whom the company now gets its trading name) and Peter Done, in 1967 in Salford. It is widely regarded in the industry, and beyond, as an "Independent" Bookmaker providing a competitive independent package of terms and conditions, distinct from those terms offered by the likes of the "Big 3" Ladbrokes, William Hills and Coral and other smaller independents. A significant part of its growth in recent years has been through new applications for licences such as this one.

2.3 Consequently, Betfred contend that they are extremely well versed and experienced in opening up and trading successfully, new betting shops, particularly in the context of the regulatory regime now established under the Gambling Act 2005. Indeed Betfred are not aware of any regulatory concerns that have come to the attention of either the Licensing Authority or the Police, in respect of any of their existing betting licences in the Licensing Authority's area, since the licences were granted under "Grandfather Rights" in September 2007.

2.4 And finally, when determining whether the grant of this application would undermine a relevant licensing objective sufficient to justify a refusal, Betfred would particularly draw the Sub-Committee's attention to its recent acquisition of the Tote from the Government in the summer of 2011. It is respectfully submitted that had the Government (or indeed the Gambling commission) had concerns regarding Betfred's "fitness and propriety" and ability to run (successfully) high street betting offices (without regulatory

concerns and without undermining the licensing objectives) then they would not have been allowed to have acquired the Tote.

3. **Licensing Objective Section 1(a) Gambling Act 2005**

“Preventing gambling from being a source of crime or disorder, being associated with crime or disorder or being used to support crime”

3.1 Betfred has considered this licensing objective, to which the Sub-Committee must have regard, particularly in the light of the representation that has been received.

3.2 Betfred intend to fully promote this licensing objective and contends, in the light of all the matters to which reference will be made, that the grant of this licence would be reasonably consistent with this licensing objective. In particular:-

1. Betfred work with the Police; attend regular meetings and are keen to work together with the pro active Licensing Unit in addressing issues of crime and disorder should any arise.
2. Betfred’s Security Manual, which demonstrates a high level of commitment to ensuring that this licensing objective is promoted, will be available at the hearing.
3. All members of staff are expected to be familiar with, and adhere to, the standards and policies to be found in the Company’s Security Manual, a copy of which is always maintained in the branch. Regular audits are undertaken by the Area Manager, the Company also have a team of Security Managers who are also responsible for supporting staff in this important area of compliance.
4. To further detail the particular security features that will be available in these premises, the Licensing Authority will be provided with a copy of a security features brochure. This illustrates the security features that will be installed at the premises in the event of the licence being granted and, to the extent that the Sub-Committee think it necessary or desirable, such features can be made the subject of appropriately worded special conditions (see below).
5. The layout plan submitted with the application shows a spacious betting office. All areas of the shop can be easily and comfortably supervised and the frontage to the premises will be relatively open with a fully glazed front door. The toilets are to remain locked when not in use.
6. The main betting activity of the shop, and hence the focus of the betting facilities, will be the main gantry to the right of the shop. It is intended for this shop to have an 8 screen multiview gantry. Ancillary to that provision is the FOBT zone, which is in a position where it can be seen directly from the main counter. CCTV will also enhance the levels of supervision throughout the shop.
7. The premises will be fitted out to a very high standard, commensurate with the location of these premises in the heart of the retail area of

Bournemouth. Every effort will be made to ensure that the fit out is appropriate to its location.

8. Betfred contends there is nothing unique or unusual in the locality as regards trading a licensed betting office. They already trade two shops in Bournemouth and operate in similar locations elsewhere.
9. Betfred would also wish to draw the Sub-Committee's attention to the Voluntary Code of Safety and Security National Standards for Bookmakers; a Code arising from the Safe Bet Alliance of which Betfred is an active member. In the event of a licence being granted for these premises, Betfred fully intend to adhere to the Code as set out by the Safe Bet Alliance. A copy can be made available on request.

4. Licensing Objective Section 1(c) Gambling Act 2005

"Protecting children and other vulnerable persons from being harmed or exploited by gambling"

- 4.1 Betfred have also considered this licensing objective very carefully and, in the light of all the matters to which reference will be made below, contends that the grant of this application will also be reasonably consistent with this third licensing objective.
- 4.2 To ensure that Betfred retains, at the heart of its estate operations, adherence to all of the licensing objectives and, in particular, licensing objective three, the Company employ a Compliance Manager, Mr Jim Winder. He is responsible for ensuring that all of Betfred's staff are conversant with and adhere to the Company's established policies and procedures designed to ensure compliance. That is also achieved through the network of Regional Managers, Area Managers and Area Supervisors working throughout the country. But, in particular:
 1. In every Betfred shop is a Social Compliance Manual, a copy of which will be available at the hearing. It is maintained and kept up to date by the Shop Manager. The Sub-Committee is invited to consider the stated principles of the Company and, in particular, the approach to licensing objective three.
 2. Persons under the age of 18 are not permitted to enter any of Betfred's licensed premises and staff are given a number of tools to support them in their efforts to prevent under age gambling;
 - Under age signage
 - Promotion of the Citizen Card
 - An under 18 log to record all instances of refusal
 - A shop self audit form to ensure literature and signage remains in place

Betfred is also a member of the BAVA; the Bookmakers Age Verification Alliance. This is an ABB (Association of British Bookmakers) led group comprising Betfred and the other four major bookmakers. As a group, it meets regularly to review best practice and analyse the results of its independent 3rd party testing programme.

3. Additionally Betfred have adopted the "Think 21" best practice, which means that although signage states that the legal age is 18, in order to err on the side of caution and so as to assist with prevention, staff are asked to broaden their validation checks to include anyone who looks to be under 21. Moreover staff can only accept identification that meets a number of stringent criteria, including the need for it to contain a photograph; the holders date of birth, and it must also be valid and legible. The steps taken by staff to adhere to this are also regularly monitored by Management on shop visits.
 4. Care will be taken with the design, layout and external appearance of the premises so as to ensure that it is not attractive to children. Betfred also takes care in the design of promotional material so as to ensure that it will not encourage the use of any of their premises or facilities by children or young persons. Neither does Betfred believe that the actual location of the premises, in the heart of Bournemouth's retail area, will present unique or particular difficulties in adhering to this licensing objective.
 5. When concerned with the protection of vulnerable persons from being harmed or exploited by gambling, Betfred maintains policies and procedures to ensure that this licensing objective is promoted in all of its shops. Betfred seeks to promote socially responsible gambling, and the Sub-Committee specifically referred to the Social Compliance manual that has already been referred to. The Sub-Committee is invited to have regard to the responsible approach advocated by Betfred, and pay particular heed to the self exclusion procedures and monitoring forms available in the branch for staff to complete.
 6. And again, in the event that the Sub-Committee consider it necessary or desirable, Betfred are willing to agree to suitably worded special conditions (see below).
- 4.3 Betfred invites the Sub-Committee to note that the levels of problem gambling in this country have been consistently low. And there is no evidence to suggest that increasing betting shops in whatever area, results in a corresponding increase in the levels of problem gambling. Indeed Betfred does not expect or anticipate that there will be substantial growth in the overall level of betting activity in this locality in the event of the licence being granted. Predominantly the application is designed to provide a spacious, prominent, well presented, convenient, first class national independent alternative betting facility, from the National Operators already trading in the Town Centre.
- 4.4 Consequently, although Betfred have no evidence of gambling addiction in the area or problem gambling, arising from the use of the existing betting offices, given the lack of growth in demand and the measures designed to promote this licensing objective, Betfred believes that the grant of this licence will be reasonably consistent with the licensing objective of protecting children and other vulnerable persons from being harmed or exploited by gambling.

5. Particular measures proposed to meet the licensing objectives

5.1 Betfred anticipates that the Sub-Committee will give consideration to a number of measures when determining this application in the light of its Statement of Gambling Policy. Where relevant, Betfred contends as follows:

- An appropriate and sufficiently robust proof of age scheme will be in operation in the premises;
- CCTV will be available and can be made the subject of an appropriately worded condition;
- An entry control system, through the use of a magnetic lock, can be provided as part of the premises security specification;
- The one entrance to the premises, and the FOBT playing area, is capable of being supervised from behind the main counter;
- Notices and signage appropriate for underage and Gamcare will be prominently displayed throughout the premises. All of Betfred's shops meet the display of information requirements set out in the Gambling Act and the LCCP;
- In the event of this licence being granted, it will not be Betfred's intention to depart from the standard default hours for betting premises licences, and will open at times common to the other bookmakers in the locality;
- A self exclusion scheme will be in operation in the premises, and for any customers who have self-excluded from Betfred's existing shops in the area, such self-exclusion shall also carry over and will apply to this shop;
- Gamcare leaflets will be displayed in the premises and staff will be sufficiently trained to assist those customers who require assistance in that regard.

5.2 In addition, the Sub-Committee is also invited to attach weight to those other measures proposed by Betfred so as to promote the licensing objectives. These include, amongst other things;

- Toilets to be kept locked when not in use;
- Covert pin hole CCTV camera at the entrance to the premises;
- Adherence to the Safe Bet Alliance Voluntary Code of Safety and Security;
- Auditing of social compliance policies and procedures by shop staff and area management;
- The maintenance of logs for the recording and reporting of underage refusals and self exclusions;
- Appropriate induction and refresher training for all staff on social compliance;
- The careful design of the frontage and any promotional literature used to advertise Betfred's facilities.

6. The premises

6.1 The premises the subject of this application previously traded as Santander.

6.2 Betfred is proposing to take a new 10 year lease with at an annual rent of £70,000 and is also investing £120,000 in the refurbishment of the premises. In addition, Betfred is providing local employment; as a minimum, opportunities will be available for 3 full time and 2 part time staff, along with a cleaner.

7. Conditions

7.1 As the Guidance from the Gambling Commission makes clear; "In cases where an authority is concerned whether a grant would be in accordance with, for example, the guidance in this document, this can be resolved by the imposition of appropriate licence conditions" (paragraph 5.5).

7.2 Betfred is therefore willing, should the Sub-Committee consider it necessary, to discuss any additional special conditions which it feels would be "appropriate", having regard to the issues raised in the letter of representation.

7.3 However, in the light of Betfred's experience of trading in the town centre, it does not believe that a condition requiring them to have door supervision would either be proportionate or indeed necessary. And to Betfred's knowledge, none of the other shops in Bournemouth or elsewhere in the Licencing Authority's area, are required to have door supervision as a condition of their licence.

7.4 In addition, Betfred trade in the most challenging and demanding of locations throughout London, and in all the major cities of the country including Birmingham, Liverpool, Leeds, Newcastle and Glasgow. Nowhere is Betfred required to operate with door supervision as a condition of its premises licence, and such a condition would, Betfred respectfully submits, be grossly disproportionate and unmerited.

8. Demand and locality

8.1 As the Sub-Committee knows, and will be advised, the number of betting offices in a given locality and the demand for the facilities that are proposed is a "statutory disregard". "In determining whether to grant a premises licence a Licensing Authority may not have regard to the expected demand for the facilities which it is proposed to provide" (Section 153(2) Gambling Act 2005).

8.2 Reference to this statutory disregard can also be found in the Guidance from the Gambling Commission (paragraph 5.6) and in the Licencing Authority's Statement of Gambling Policy at 8.1.2.

8.3 However, although the number of licensed betting offices in a given area is not, by itself, a relevant consideration, Betfred wishes to make it clear to the Sub-Committee, lest there be any misunderstanding, that the grant of this application would not result in a proliferation of licensed betting offices in the Town Centre of Bournemouth.

8.4 The Sub-Committee will be familiar with the Bournemouth Town Centre. Presently there are 6 betting shops in the whole of the town. Councillor Chapman has referenced 5 but Ladbrokes also have a unit at Old

Christchurch Road. Betfred respectfully submits that it would not be unusual for a Town Centre the size and prominence of Bournemouth to have that number of premises trading in competition with each other, particularly in the light of the location of the existing shops and the proposed new shop.

- 8.5 However, in terms of the actual betting locality for the purposes of this application, Betfred respectfully submits that there are just 2 betting offices conveniently serving the heart of Bournemouth Town Centre; Corals on Post Office Road and William Hill on Gervis Place. Consequently, Betfred maintains that this is an application for the grant of a third licence in the heart of the Town Centre.

9. The licensing objectives in the context of the representations received

- 9.1 Betfred contends that the scheme of the Act means that “there is a presumption in favour of permitting the relevant premises to be used for gambling...” (Gambling Commission Guidance 5.5). Accordingly, Betfred submits that the onus is on those raising representations against the grant of an application, to demonstrate that the grant of the licence would not be in accordance with Section 153. Particularly given that both the Licensing Authority and the Police have not objected.

- 9.2 And yet Betfred contends that the representation does not refer to, nor rely upon, any evidence (particularly in relation to the operation of the existing betting offices in the Town Centre) that would justify a refusal of this application, particularly bearing in mind the measures designed to promote the Licensing Objectives and to which reference has already been made.

- 9.3 Betfred does not accept that children and vulnerable persons would be put at risk were they allowed to operate a betting shop in this location.

1. There are already a number of betting offices in the Town Centre and there is no evidence that children and vulnerable persons have been put “at risk” by the provision of betting facilities in these shops.
2. Betfred trade a very large number of their existing betting shops in prominent locations in retail areas across the country, where persons (including families) are drawn (from a wide catchment) to use a range of conveniently located retail and leisure facilities.
3. Such a situation is not unique to Betfred. It is replicated throughout the country for all of the other major bookmakers, which is a matter likely to be within the Sub-Committee’s own knowledge. Betfred submits that it is common to find betting offices trading in localities such as this one and, of itself, that would not give rise to a risk to the licensing objectives sufficient to justify a refusal of the application.
4. The sub-Committee may, for example, be familiar with Poole and Boscombe. In both these locations Betfred operate high profile shops in prominent locations.
5. And in anticipation of the arguments likely to be raised in a consideration of this case, Betfred have also considered the steps taken

by staff in their two existing shops in the Town Centre, so as to ensure that the relevant licencing objectives and the conditions on the premises licences are observed. To date in 2013, staff at the Old Christchurch Road shop have carried out 672 age checks resulting in 29 customers being refused entry, (not because they were under 18 but because they were unable to produce acceptable ID). Similarly, staff in the shop on Commercial Road have carried out 134 checks during the same period with 15 refusals for the same reason. Moreover, on the 6th April 2013 staff at the Old Christchurch Road shop successfully passed an unannounced "test purchasing" exercise, undertaken by an independent company, who are retained by Betfred to check on and validate the age verification procedures in place across their entire estate of shops.

6. Betfred also invites the Sub-Committee to have regard to the fact that there have been no major incidents reported to the Police in either shop in the last 12 months, which may very well explain why the Police are not objecting.
7. As for self-exclusions, Betfred are able to confirm that in the Old Christchurch Road shop there have been 4 self-exclusions this year, and there have been 3 in Commercial Road. Were this licence to be granted, then any self-exclusions currently in force for both of Betfred's existing shops would be carried over to these new premises.
8. Betfred respectfully invite the Sub-Committee to conclude that children and other vulnerable persons will be protected from being harmed or exploited by gambling in the light of the measures that have been outlined above. And that the licensing objectives would not be undermined merely by the presence of a betting office in this prominent location in the Town Centre.
9. Moreover, people who use the Town Centre are already in contact with betting offices given the presence and profile of the existing shops trading in the Town Centre. Betfred respectfully invites the Sub-Committee to conclude that the presence of another betting office in this location would not represent a tipping point which would justify a refusal of this application.

10. Conclusion

- 10.1 Having regard therefore to all the submissions put forward in this response, Betfred believes that the grant of this application would be reasonably consistent with the licensing objectives, and that any concerns that the Sub-Committee may have, can be adequately dealt with through the imposition of appropriate conditions.

Betfred

April 2013