

Ever fancied turning your local bank into a bookie?



As far as the planners are concerned, a shop 'similar' to a bank.

This is easier than you think under UK planning laws which treats betting shops in exactly the same way as your bank.

The same applies to your building society, estate agent and other professional services. A bookie can seamlessly set up at a vacant shop, in what used to be any of the mentioned uses.

Even former restaurants and cafes are easy targets as London's Chinatown painfully found out. Despite strong protests, backlash and court cases, a new betting shop occupies the heart of Chinatown where all routes lead to it.

The above case shows that The Gambling Act (2005) makes it nearly impossible for councils to refuse Gambling Licencing applications.

While betting shops also provide a service, are they really similar to what they are replacing?

The CCGR and other community groups do not think so and have joined forces to express our dissatisfaction with the current situation. The government has recently performed a consultation into updating its land use classification and our response is detailed below.

CCGR's Response to Government Consultation 07/09/2012:

New opportunities for sustainable development and growth through the reuse of existing buildings: Consultation

At present, local councils have no meaningful control over the number of betting shops within their boundaries. The planning system should be amended with betting shops to be put into their own specific use class so that local authorities and communities can address the serious issues of their proliferation.

As a charity helping problem gamblers, our clients regularly raise their concerns about betting shops to us. The most common problem we hear is that there are too many. For example, there are over 200 gambling premises in Westminster, of which more than 40 betting shops are located within a ten-minute walk of Chinatown. This situation is now blighting the area of Chinatown and affecting the local community.

This obviously has economic implications. A survey by the LGA (2012) found that residents were less likely to visit their local high streets if they were covered in betting shops, and there is a fear that they put off other more desirable businesses from moving in. Furthermore, they feed into a toxic economy of pawnbrokers and pay day loan shops, as gamblers will frequently take out loans to place a bet.

It is widely accepted among gamblers and their helping professionals (social workers, counselors & psychologists) that more gambling opportunities will create more problem gamblers which in turn will create more social problems. The social costs of problem gambling can be incalculably huge. We should consider the consequences caused by problem gambling such as addictions & related mental health issues, debts and bankruptcy, child neglect, domestic violence, broken families, homelessness, unemployment, poverty, anti-social behavior, fraud & embezzlement, increased crime, even suicide and murder. The Government is being short-sighted if they cannot envisage the potential long-term damage this will have on the community, where the vulnerable have no say to avoid the impact of these betting shops.

Despite continual objections, residents and local workers are powerless to prevent the spread of more bookmakers. The Gambling Concern Group of Chinatown in conjunction with London Citizens have attempted to fight three cases but lost all three.

The problem is simple. Under current planning laws, betting shops are classified as A2 financial services – which means they are treated the same way as banks and building societies. All the negative social consequences above show they are clearly the odd one out in that category, and they should not be there. Other commercial outlets that have negative consequences – such as fast food outlets – are put in different use classes to let local people limit them if it needs be. Betting shops need to be treated the same way.

Many betting shops also have betting and gambling machines in store that make many of these shops more akin to amusement centres, rather than being comparable to other types of A2 use.

The fact that betting shops are classified as A2 means they can move into former much cherished pubs, restaurants and financial stores without any need for planning permission whatsoever. The Betfred at 33 Gerrard Street W1D, Ladbrokes at 112 Shaftesbury Avenue London W1D and William Hill at 18 Newport Court in London Chinatown are the latest examples.

The Portas Review, published in December last year, had originally proposed to change the use class of betting shops from “A2” to sui generis (a category all of its own). This would mean every prospective betting shop would have to apply for planning permission, thus giving the local council and local residents the chance to consider the cumulative impact of the clustering of betting shops.

The gambling industry will argue that councils already have sufficient powers to limit betting shops through the Article 4 directions. But the facts and our experience tells us that this is not the case. The LGA themselves have said that Article 4 is a “cumbersome, bureaucratic and costly” means of stopping betting shops, and it clearly is not working. If local councils want to block a store, they have to give a year’s notice, and potentially face colossal compensation claims from hugely powerful and financially well-endowed betting shops. At a time of recession and austerity, no council wants to take that risk.

Although Article 4 could be used to require operators to apply for planning permission rather than have automatic rights to change from A3, A4 or A5 to A2 financial services, they would still be able to apply for planning permission. So to restrict betting shops without a new use class, local authorities would have to have planning policies restricting all A2 uses i.e. bank, building society, estate agent, employment agency, solicitors or other professional or financial service, which is not our intention.

Also without the new use class, an Article 4 direction does nothing to stop banks, building society, estate agents, employment agencies, solicitors etc turning into betting shops as they all remain A2 class.

So whilst Article 4 directions may have some use, it really isn't an acceptable alternative to having a new use class!

We agree with the Portas Review that there needs to be a separate planning class for betting shops that will give councils and residents the power to determine their location and overall numbers. At present, this may be the only true democratic way of letting the local people have a say in the town planning process which will truly reflect the values of the Big Society which the current government strives to promote.

The planning system should provide an opportunity for communities to have a say on what change is appropriate for their neighbourhood and if any change adversely impacts on the local area. Decisions taken at the right level i.e. by local councils and local communities will ensure sustainable development of the local area.

The betting shop issue is not just a planning concern but also a licensing one. Local authorities might be able to exercise greater control on the location of betting shops if gambling legislation were to be reviewed. The Rt. Hon. Harriet Harman QC MP published a report on the Problem of Betting Shops Blighting High Streets and Communities in Low-Income Areas in 2011. The report highlighted that a snapshot of local authority areas has shown that an unintended consequence of the Gambling Act 2005 has been a dramatic proliferation of betting shops in deprived areas and a clear clustering of these shops in high streets in these areas.

Presently, councils have to approve gambling licenses unless they can prove that the prospective shop will impact adversely on the vulnerable or will generate crime and disorder – two criteria that are difficult to prove about a shop before its opening. Despite more bookmakers setting up in poorer areas of towns and cities and often acting as a magnet for anti-social behaviour, there exists no criteria to deny an application on the basis of the number of betting shops that are already operating in a local area.

With gambling likely to increase in the recession and DCMS recommending that we take away the limit on the number of B2 machines in stores, betting shops will only become more profitable and the problem will increase. The media and the general public are increasingly picking up on the problem. DCLG should act before the problem gets out of hand.