GAMBLING COMMISSION

Industry statistics

April 2014 to March 2017
Updated to include October 2016 to September 2017

GAMBLING COMMISSION

Contents

Headline findings

The headline findings in this report indicate areas of interest across the industry or within each sector, highlighting percentage changes and changes in trends.

£13.9bn

Total Gross Gambling Yield (GGY) of the Great Britain gambling industry
(Oct 16 – Sep 2017) (0.7% increase from Apr 2016 – Mar 2017)

106,366

Total number of employees in the Great Britain gambling industry
(Sep 2017) (0.8% decrease from Mar 2017)

8,532

Total number of betting shops in Great Britain
(Mar 2018) (3.2% decrease from Mar 2017)

649

Total number of bingo premises in Great Britain
(Mar 2018) (2.0% increase from Mar 2017)

152

Total number of casino premises in Great Britain
(Mar 2018) (2 more than Mar 2017)

1,810

Total number of licensed arcades in Great Britain
(Mar 2018) (3.5% decrease from Mar 2017)

£4.9bn

Total GGY for the remote sector
(Oct 2016 – Sep 2017) (3.7% increase from Apr 2016 – Mar 2017)

35%

Market share of the remote sector
(Oct 2016 – Sep 2017) (1.0% increase from Apr 2016 – Mar 2017)

183,928

Total number of gaming machines in Great Britain
(Oct 2016 – Sep 2017) (0.7% decrease from Apr 2016 – Mar 2017)
(excludes those requiring only a local authority permit)

£1.5bn

Contributions (to good causes) from The National Lottery
(Oct 2016 – Sep 2017) (0.6% increase from Apr 2016 – Mar 2017)

£251m

Contributions to good causes from large society lotteries
(Oct 2016 – Sep 2017) (1.7% decrease from Apr 2016 – Mar 2017)

Executive summary

Industry Statistics provides analysis of the gambling industry in Great Britain. Aggregated information is presented by sector, which includes data on gaming machine numbers and their Gross Gambling Yield (GGY), and employee numbers.

This report reflects headline findings that describe the current gambling market and is accompanied by a detailed data file.

The GGY for the industry was £13.9bn in the year October 2016 to September 2017, as reported by operators licensed and regulated by the Gambling Commission. The gambling industry demonstrates a continuous growth overall of 0.7%.

Remote gambling (online) is the largest sector by GGY. This sector constitutes 35.2% of the overall market with £4.9bn GGY. Within the remote sector, casino games have generated £2.7bn in GGY, predominantly through slots games (£1.8bn). GGY for remote betting totals £2.0bn and is dominated by football and horse betting.

Non-remote betting GGY has decreased by £93.7m currently totaling £3.3bn to make it the second largest sector by GGY. GGY for off-course and pool betting activities declined by £93.5m and £5.0m respectively over the last reporting period whilst on-course betting and machines have increased by £0.8m and £4.0m during the same period. Machines GGY currently represents 58.2% of the total off-course GGY. Total betting premises have declined for the fourth consecutive year to 8,532.

National Lottery GGY equivalent has increased by £35.9m to £3.0bn. The primary contribution to good causes increased by £10.5m to £1.5bn. Ticket sales also increased by £103.0m to £7.0bn during this period.

Non-remote bingo sector GGY has decreased slightly to £681m, 46.8% of which is derived from machines.

The non-remote casino sector has seen a decrease of £8.1m in casino games GGY, from £956.9m to £948.7m, led by American Roulette which has decreased by £18.8m to £335.8m. Blackjack has seen a slight decrease from £180.6m to £178.3m. Electronic gaming, a growth area within casinos, has seen a year-on-year increase and currently stands at £169.6m.

In the arcades sector, Adult Gaming Centres show a slight increase in GGY, now reporting £360.1m, up from £356.5m last period. Increases can be seen in all machine categories. GGY for licensed Family Entertainment Centres has decreased, now reporting £63.2m. Note that this data does not include Unlicensed Family Entertainment Centres which operate using a permit from the local authority.

Large society lotteries, traditionally the smallest market share along with arcades, have seen a GGY equivalent decrease to £431.1m, with balance to good causes at £251.0m, a £4.2m decrease from the last reporting period. However this is still the second highest contribution figure reported to date.

The overall number of gaming machines across the industry has continued on an upward trend to 183,928. Machine GGY has also increased in all sectors except bingo and FECs, and in most machine categories except for Category C. Betting shops continue to generate the highest machines GGY at £1.8bn. Across all sectors, Category B2 machines have generated £1.8bn, representing the highest category for GGY.

The number of licensed activities has increased by 0.6% to 3,709 and the number of licensed gambling premises in Great Britain has fallen, by 2.9%, to 11,143.

Industry overview

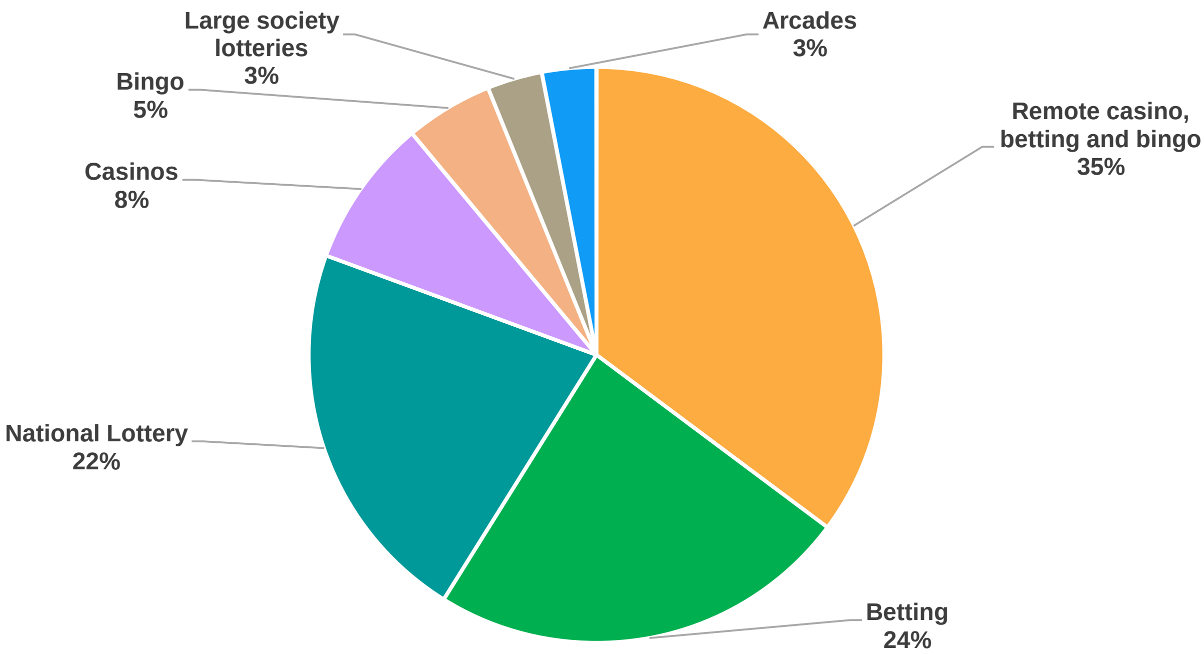
Gross gambling yield

During the period October 2016 to September 2017, the regulated GB gambling industry generated a gross gambling yield (GGY) or equivalent[1] of £13.9bn, a 0.7% increase compared with the previous reporting period.

Table 1: Industry GGY by sector (£m)

Sector	Apr 2015-Mar 2016	Apr 2016-Mar 2017	Oct 2016-Sep 2017
Arcades (non-remote)	418.06	421.77	423.24
Betting (non-remote)	3,321.67	3,383.09	3,289.36
Bingo (non-remote)	693.10	687.01	681.33
Casinos (non-remote)	999.38	1,163.54	1,157.86
Remote casino, betting and bingo	4,251.82	4,716.16	4,890.21
National Lottery (remote and non-remote)	3,416.80	2,978.60	3,014.55
Lotteries (remote and non-remote)	379.27	441.21	431.11
TOTAL	13,480.11	13,791.38	13,887.66

Figure 1: Industry GGY by sector



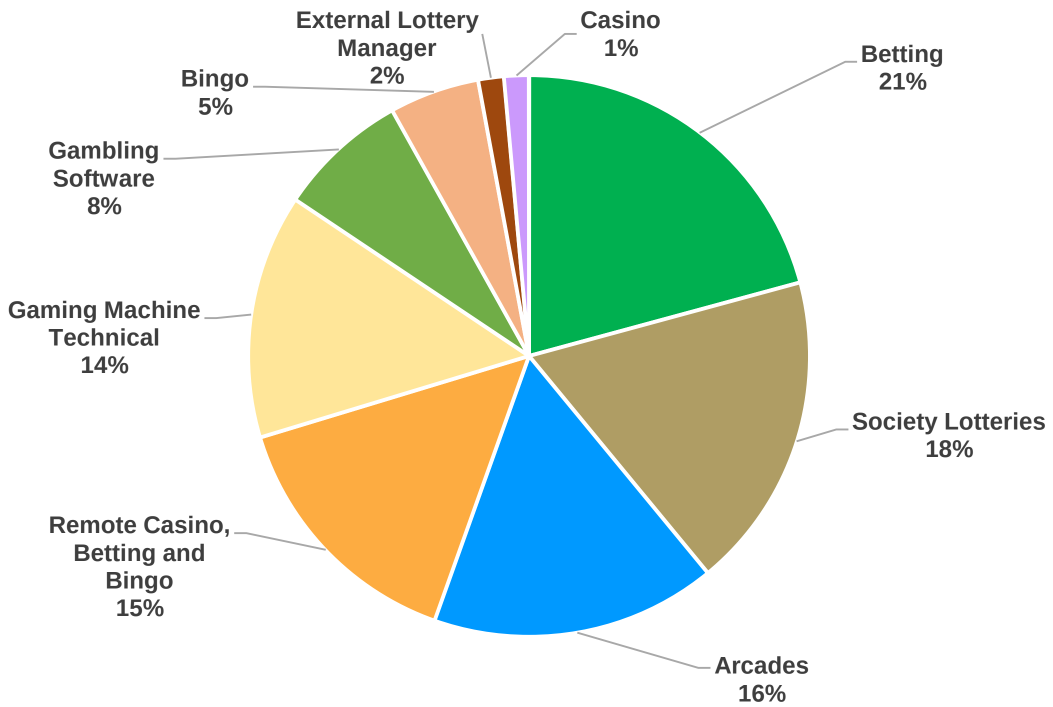
[1] GGY equivalent for the National Lottery and large society lotteries is total proceeds minus total prizes.

Licensed operators

As at 30 September 2017 there were a total of 2,794 operators licensed by the Gambling Commission, 356 of which operate across more than one sector.

Between them, those operators held licences (remote and/or non-remote) that entitled them to conduct 3,709 activities (a 0.6% increase on the previous period).

Figure 2: Licensed activities held by sector



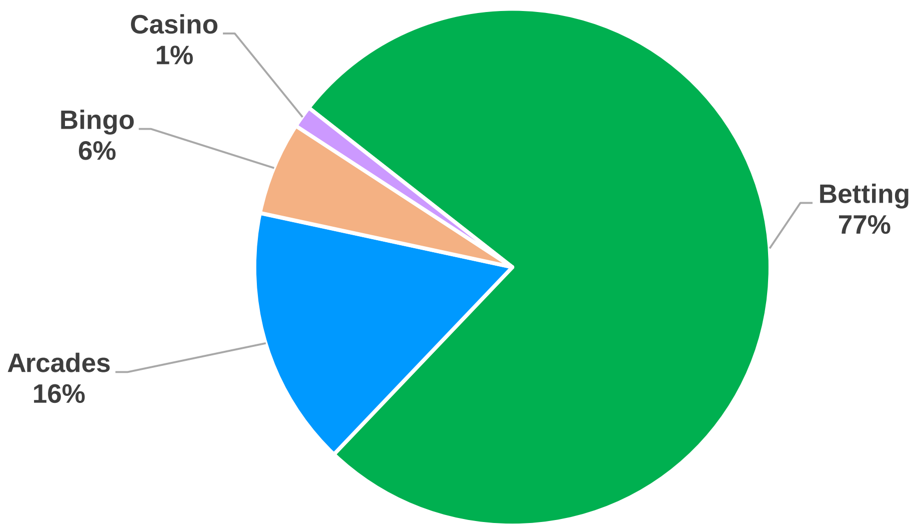
Gambling premises

Across GB, there were 11,143 gambling premises used by licensed operators in March 2018, a decrease of 329 (2.9%) since March 2017.

Licensing authority premises

In addition to premises used by licensed operators, there were 53,242 premises where gambling is permitted and controlled by licensing authorities. Data on non-Commission licensed premises can be found in **Licensing authority statistics.**

Figure 3: Premises by non-remote sector



Appendix – Terminology

Account – an account represents an entity (for example, public limited company, limited company, partnership, individual) that holds an operating licence.

Adult gaming centre (AGC) – an arcade comprising a limited number of B3 and B4 machines and an unlimited number of category C and D machines. No one under the age of 18 is allowed to enter.

Betting exchange – also known as a "betting intermediary" means a person who provides a service designed to facilitate the making or acceptance of bets between others.

Breaches of self-exclusion – includes the number of times any self-excluded customer has attempted to gain access to operators' facilities, attempted to gamble, or actually gambled. It is not limited to an attempt to gamble, and includes attempts to enter premises or access online gambling facilities.

Casino drop and win data – is provided voluntarily by casinos (licensed by the Commission) on a monthly basis, and shows the amount of money exchanged for chips in a casino (drop) and the amount retained by the casino (win).

External lottery manager (ELM) – a person or body that makes arrangements for a lottery on behalf of a society or Local Authority of which they are not a member, officer or employee. A society or Local Authority may employ an ELM to promote all or some of its lottery.

Family entertainment centre (FEC) – an arcade comprising unlimited category C and D machines. Under 18s are allowed in FECs but not into the area offering category C machines.

Gross gambling yield (GGY) – the amount retained by operators after the payment of winnings but before the deduction of the costs of the operation.

Licence – an account may incorporate one or more licences. There are three types of licence that an operator account can hold and these are non-remote, remote and ancillary.

Licensed activity – a licensed operator may be authorised to carry out one or more licensed activity. A licensed activity is the actual type of gambling function permitted through an operating licence in a particular sector such as bingo or a lottery.

Numbers – is the term used to capture virtual content and lotto style games such as 49's.

Pool betting – is wagering where the winnings are determined with reference to the total stakes placed on that event.

Proprietary GGY – GGY retained by remote operators which is not subject to a revenue share agreement (ie is completely retained by the individual operator).

Regulatory returns – a means of collecting a range of information from licence holders within the gambling industry in order to monitor compliance with gambling legislation, regulations and the licence conditions and codes of practice, and to inform the Commission's understanding of the industry.

Remote – remote gambling is defined by the Gambling Act 2005 as gambling in which persons participate by the use of remote communication including: the internet, telephone, television, radio and any other kind of electronic or other technology for facilitating communication.

Revenue share GGY – revenue share is defined as GGY which is subject to a contractual arrangement to be shared between two or more Commission licensed operators.

Sector – there are six industry licensed sectors regulated by the Commission – arcades and gaming machines, betting, bingo, casinos, lotteries and remote and gambling software (which includes remote betting, bingo and casinos).

Self-exclusion – is an agreement between an individual and an operator whereby the operator takes all reasonable steps to refuse services or to otherwise prevent an individual from participating in gambling at their premises or by using their facilities. The minimum period of self-exclusion is six months.

Turnover – the amount accrued through the sale of their product (bingo book/betting slip/lottery ticket/software etc) before winnings and overheads/expenses are deducted.

GAMBLING COMMISSION

making gambling fairer and safer

Responsible statisticians:

Andrew Dixon
Senior Data Analyst

Chris Rogers
Head of Profession (Official Statistics)

For further information or to register your interest in the Commission please visit our website at: www.gamblingcommission.gov.uk

Copies of this document are available in alternative formats on request.

Gambling Commission
Victoria Square House
Victoria Square
Birmingham B2 4BP

T 0121 230 6666

F 0121 230 6720

E info@gamblingcommission.gov.uk

Gambling Commission
Published May 2018