

WALSALL COUNCIL LICENSING SUB-COMMITTEE

29th MARCH 2023

IN THE MATTER OF ADMIRAL, 9-11 PARK STREET, WALSALL, WS1 1LY

WITNESS STATEMENT OF MARK THOMPSON

I, **MARK IAN THOMPSON**, of Fifth Avenue Plaza, Queensway, Team Valley Trading Estate, Gateshead, NE11 0BL will say as follows:-

1. I am the Risk and Compliance Director for the applicant company Luxury Leisure and its sister companies Talarius Ltd and RAL Ltd, which together operate Adult Gaming Centres ("AGCs"), Family Entertainment Centres ("FECs") and Bingo licensed venues (the Business). They are part of the global Novomatic group of companies and have the requisite operating and premises licences in order to trade.
2. I joined the Business in October 2014 as Head of Security and Compliance and was appointed to my current role on the 1st of January 2022. I oversee a team of 17 in total, focussing on security and regulatory compliance, reporting directly to the CEO, although I work closely with the COO, the Regional Directors and Group General Counsel on certain issues where required. My team comprises of 5 compliance staff made up of a national manager, a Data Protection Officer, a Safer Gambling Manager, a Customer Care Manager and an administrator, all of whom report to me. In addition, I have a further team of 12 security staff who also provide a field audit function. This covers a range of operational processes, including cash handling and security measures but also compliance processes. The team also provide an investigative function for the Business, reactively investigating reports or suspicions of dishonesty and wrongdoing. I am also the appointed Money Laundering Reporting Officer for the Business.
3. Prior to taking up my role, I was a Police Officer, serving in the Metropolitan Police Service for almost 15 years. I served mostly as a Detective, attaining the rank of Detective Sergeant by the time that I left the service. I worked in both volume and specialist crime, having at different times responsibility for investigating serious acquisitive crimes such as robbery and burglary, as well as domestic violence and hate crime, and I also spent 4 years investigating homicide.

4. I refer to the letter dated 23rd August 2022 from Elizabeth Speed, Group General Counsel for Novomatic UK, under which this application for an AGC premises licence was submitted. I confirm that the contents are accurate. To assist, I expand on a few points below.
5. The Business is the largest operator of AGCs in Great Britain, with acknowledged very high standards of operation and probity. I have held a Personal Management Licence issued by the Gambling Commission since I entered the industry in 2014.
6. Those of our employees who occupy the specified management offices hold PML's issued by the Gambling Commission in accordance with the licence condition 1.2.1 of the Licence Conditions and Codes of Practice issued by the Commission. We were also one of the first major operators to be asked by the Commission to complete and file Annual Assurance Statements. This is an ongoing comprehensive review of the effectiveness of a business's governance and risk management arrangements in facilitating positive consumer protection and addressing gambling-related harm and crime prevention measures.
7. This detailed tool helps to ensure that the board are actively involved in setting the strategy in relation to compliance with the LCCP as well as promoting safer gambling and in completing that statement demonstrate their accountability. Each filed Statement is thoroughly considered by the Gambling Commission.
8. We take training of staff very seriously. All staff must, during their induction training, complete two core modules on Social Responsibility (SR). This is delivered as eLearning through the Admiral Academy which is a virtual platform to deliver our training. This training is in addition to the training development which James Sturgess also describes in his statement. The first SR module introduces the student to the licensing objectives and contains sections on Access to Gambling by Children and Young Persons, Customer Interaction, signposts to sources of help and self-exclusion. The second module contains sections on complaints and dispute resolution, Access to Premises (the Commission's enforcement officers), Money Laundering and Terrorist Financing, employment of children and young persons, advertising standards, incidents that require police assistance and the requirement to provide the commission with annual returns. This sets out the regulatory landscape in which we operate and their responsibilities to uphold the licensing objectives. A number of refresh modules on individual topics such as self-exclusion and customer

interaction, from within these core training modules are then completed by staff at least biannually. These include subjects such as Anti Money-Laundering and Terrorist Financing, customer interaction and age verification. We continue to review and augment the training we provide on matters of compliance and social responsibility. For example, in the last 2 years we added a module on Child Sexual Exploitation. We do not permit any children or young persons (whether alone or with adults) in our AGC venues, but we nonetheless provide this training to staff to ensure they maintain the highest levels of awareness of the issues which might arise. We try to provide our employees with the appropriate training to allow them to properly perform their role and ensure they play their role in enabling the Business to meet its wider obligations and responsibilities as a gambling sector operator which takes its responsibilities very seriously.

9. I believe that we were amongst the first operators of venues in our sector, (if not the first), to move to a Think 25 age verification policy and that is our policy in every one of our (age restricted) venues. That is one of the core elements of staff training as borne out by our very high pass rates in the independent age verification test purchasing that is carried out at least twice a year in each venue. In reality, in our experience our AGCs are not attractive to children or young persons and we do not have an issue with them trying to gain access. Despite this and as I have set out above, we still have the appropriate safeguards in place.
10. As Ms Speed mentions at the top of page 2 of her letter of 23rd August 2022, we have been audited and certified by G4 for Responsible Gambling practices and recertified as part of an ongoing cycle.
11. As part of our aim to lead the sector on social responsibly matters, we have introduced the Gamblewise app which works within each venue, providing customers with another tool to support them to manage their gambling behaviours so that they do not become problematic and lead to associated harms. This app allows customers to set themselves limits on the times and locations they want to play and using iBeacon technology, alerts them should they attend a location or visit a venue at a time or date when they have elected not to. The system also alerts staff who are trained to then conduct an interaction with the customer to remind them of the self-imposed limits and to discuss with them their gambling behaviour. This is provided entirely free of charge to the consumer.

12. We also operate a strict self-exclusion policy which allows customers to be excluded from our venues and others in the locality. Indeed, my team are on the key industry users' group for this system, to ensure that it continues to develop and supports players in the best possible way.
13. Concern has been expressed about our proposed venue attracting anti social behaviour and more. As the Local Risk Assessment prepared for the venue shows, we have detailed procedures and training in place to combat any such risk. We are certainly not complacent, but in practice our venues are not magnets for ASB in any event. There is no alcohol; and we have stringent policies to refuse and remove those who are drunk, under the influence of drugs or vulnerable in other ways, such as homelessness. Non-players are not allowed to loiter in our venues and so they are not attractive places for those who might cause ASB to congregate. This is achieved through clear policies about entry and acceptable behaviour, staff training (not least that on conflict management), effective security installations such as the 'live monitored' hold-up alarm systems and measures to control access such as mag lock style mechanisms and door supervision. We have traded our existing AGC in Walsall on Bradford street for many years and we have not experienced the issues mentioned in the objections even though our existing venue is only about a one minute walk away from the application site. For example, I can see in our returns to the Gambling Commission for last year, we had no reported calls for police assistance and in the reports I receive from my security staff, our venue does not feature.
14. All of our stores are fitted with extensive CCTV for coverage and are equipped with the latest HD cameras and digital recording equipment that ensure we retain a minimum of 30 days' footage. The CCTV can be viewed and reviewed remotely by key managers and security staff and in the event of an alarm activation is monitored live at the alarm monitoring station.
15. We install and use 'live monitored' hold-up alarm systems in our venues. They use technologies that allow the monitoring station to view a venue where the alarm has been activated via a live CCTV stream and to communicate with the venue staff through two-way audio. Monitoring station interventions often de-escalate incidents but if there is an emergency, then the call is made to the Police or other emergency service. This has the impact of removing the risk of false activations and the demand on local police resource as well as enabling live monitoring of any event by trained staff who can intervene via the ceiling mounted speakers to assist staff by deterring

potential offenders and de-escalating confrontational situations. Our venues are also fitted with an intruder alarm system and this is monitored.

16. Each of our stores utilises a three system of 'day safe', time-lock safe and deposit safe to reduce the risk of cash loss in the event of a robbery or burglary.
17. We employ third party cash in transit (CIT) services from a nationally recognised professional and experienced CIT service provider, who service all of our stores with cash collection and coin delivery.
18. As Risk and Compliance Director I convene a quarterly meeting of the Business's Compliance Committee. It is attended by a team including the Business's CEO, COO, our three Regional Operations Directors, Ms Speed, the Head of Marketing, Gaming & Service Director, National Compliance manager and Regional Operations managers. During that day-long meeting we analyse our social responsibility data from each venue, including the numbers of customer interactions, self-exclusions, age verification results and developments and regulatory changes. It is all part of a very focussed approach.
19. The applicant, together with its sister company Talarius Ltd are widely acknowledged to be an excellent operator. It has very high standards and does not suffer bad behaviour – nor does it attract it. And that includes at its current Walsall AGC. I cannot see any justification under the Gambling Act 2005 why the application should not be granted.

Statement of Truth

The contents of this witness statement are true to the best of my knowledge and belief.

Signed .....
Mark Thompson

Dated 8th March 2023.....