



FROM THE EARL OF COURTOWN  
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During the Gambling (Categorisation and Use of B2 Gaming Machines) Bill Second Reading on Friday 11 March you raised the issue of B2s in Scotland. I am sorry that I was unable to respond to you at the time and promised to write to you.

The term 'Fixed Odds Betting Terminal' is not defined in the Gambling Act 2005, but is generally used only to refer to sub-category B2 gaming machines, which have a maximum stake of £100 and a maximum prize of £500. As the Secretary of State will retain the power to change the definitions of the Categories and sub-categories of gaming machines under the Gambling Act 2005, the Government considered it appropriate that the legislative and executive competence to be transferred by the Scotland Bill should not be expressed in terms of a single sub-category of gaming machine. Defining the scope of the competence to be transferred by reference to machines on which it is possible to stake more than £10 for a single play is intended to embrace the spirit of the Smith recommendation. The £10 figure is also intended to represent an amount which is low enough to capture what is commonly thought of as a Fixed Odds Betting Terminal (i.e. a sub-category B2 gaming machines), but sufficiently high as to let more modest gambling to continue and provide a long term constitutional settlement.

More generally the Government continues to remain alive to the topic of FOBTs. The Smith Commission was explicit in its recommendations in this area and by delivering this, the Scottish Government will have new powers, supplementing existing ones, to design and implement new policy to address its concerns in this area.

I hope you find this letter helpful. I am writing in similar terms to Lord Collins of Highbury and will also place a copy in the House Library.

**THE EARL OF COURTOWN**

Lord Mackay of Clashfern  
House of Lords