

## APPENDIX B

### Summary of Licences/Permits which may be issued by the Licensing Authority under the Gambling Act 2005

#### 1.0 Premises Licences

- 1.1 Where an individual or company proposes to offer gambling for which an operating licence is required, and which is premises based, that individual or company will also need to apply for a premises licence.
- 1.2 In accordance with section 150 of the Act, premises licences can authorise the provision of facilities on:
- (a) casino premises;
  - (b) bingo premises;
  - (c) betting premises, including tracks and premises used by betting intermediaries;
  - (d) adult gaming centres (for category B3, C and D machines); and
  - (e) family entertainment centres (for category C and D machines) (Note that separate to this category, the licensing authority may issue a family entertainment centre gaming machine permit, which authorises the use of category D machines only.)

#### 2.0 Provisional statements

- 2.1 Section 204 of the Act provides for a person to make an application to the licensing authority for a provisional statement in respect of premises that he or she:
- expects to be constructed;
  - expects to be altered; or
  - expects to acquire a right to occupy.
- 2.2 Developers may wish to apply for provisional statements before they enter into a contract to buy or lease property or land to judge whether a development is worth taking forward in light of the need to obtain a premises licence. It is also possible for an application for a provisional statement to be made for premises that already have a premises licence (either for a different type of gambling or the same type).

#### 3.0 Club gaming permits and/or Club machine permits

- 3.1 **Club gaming permits** - section 271 of the Act makes provision for a licensing authority to grant to members' clubs and miners' welfare institutes (but not commercial clubs) club gaming permits which authorise the premises to provide gaming machines (as well as equal chance gaming and games of chance as prescribed in the regulations). The club gaming permit has certain conditions, including that in respect of gaming machines, no child or young person uses a category B or C machine on the premises and that the holder of the permit

complies with any relevant provision of a code of practice about the location and operation of gaming machines.

3.2 **Club machine permit** – If a club does not wish to have the full range of facilities permitted by a club gaming permit or if they are a commercial club (which are not permitted to provide non-machine gaming, other than exempt gaming under section 269 of the Act) they may apply to the licensing authority for a club machine permit under section 273 of the Act. This would authorise the holder of the permit to have up to three gaming machines of either categories B4, C or D.

3.3 The Act sets out the conditions that will apply to the club machine permit, including that in respect of gaming machines, no child or young person uses a category B or C machine on the premises and that the holder of the permit complies with any relevant provision of a code of practice about the location and operation of gaming machines.

#### **4.0 Unlicensed Family Entertainment Centres**

Family Entertainment Centres (FECs) will perhaps be most commonly located at seaside resorts, in airports and at motorway service centres and will cater for families, and would also include unaccompanied children and young persons.

4.1 If the operator of a family entertainment centre wants to make category C machines available in addition to category D machines, the operator will need to apply for an operating licence from the Gambling Commission and a premises licence from the licensing authority.

4.2 If, however, an operator wants to be able to offer only category D machines, an application may be made to the licensing authority for the grant of a gaming machine permit for an “unlicensed family entertainment centre”. In this context, unlicensed means that the premises does not hold licences as outlined in 4.1 above and relies on a permit issued by the licensing authority instead.

#### **5.0 Alcohol licensed premises – notifications**

5.1 Section 282 of the Act provides an automatic entitlement to make available two gaming machines (of category C or D) for use in alcohol licensed premises. To take advantage of this entitlement, the person who holds the on-premises licence must give notice to the licensing authority of their intention to make gaming machines available for use and must pay the prescribed fee.

5.2 Licensing authorities have no discretion to consider the notification or turn it down. They can, however, remove the automatic authorisation in respect of any particular premises by making an order under section 284 of the Act. That section provides for the licensing authority to make such an order if:

- Provision of the machines is not reasonably consistent with the pursuit of the licensing objectives;

- Gaming has taken place on the premises that breaches a condition of section 282, for example, the gaming machines have been made available in such a way that does not comply with requirements on the location and operation of gaming machines;
- The premises are mainly used for gaming; or
- An offence under the Gambling Act has been committed on the premises.

## **6.0 Licensed premises gaming machine permits**

6.1 Licensing authorities may issue licensed premises gaming machines permits for any number of category C or D machines in licensed premises. Where a permit authorises the making available of a specified number of gaming machines in particular premises, this will effectively replace, and not be in addition to, any automatic entitlement referred to in 5.0 above.

## **7.0 Small society lotteries**

7.1 The Act states that a lottery is unlawful unless it is run in accordance with an operating licence issued by the Gambling Commission or it is an exempt lottery (The National Lottery is controlled under separate legislation). The exemptions are:

- Incidental non-commercial lotteries: those that are run as an additional amusement at non-commercial events with tickets sold only during the event, such as a raffle at a dance or church fair;
- Private lotteries: those that require membership of a society, place of work or single residential unit (e.g. a raffle at a student hall of residence);
- Customer lotteries: run by occupiers of a business for the benefit of the customers who buy tickets sold on the premises (e.g. a supermarket holding a hamper raffle); and
- Small society lotteries.

7.2 Local authorities are responsible for the registration of small society lotteries in their area. These are non-commercial societies as defined in the act which states that a society is non-commercial if it is established and conducted:

- For charitable purposes;
- For the purpose of enabling participation in, or of supporting, sport, athletics or a cultural activity; or
- For any other non-commercial purpose other than private gain.

## **8.0 Prize gaming permits**

- 8.1 Section 288 of the Act defines gaming as prize gaming if the nature and size of the prize is not determined by the number of people playing or the amount paid for or raised by the gaming. The prizes will be determined by the operator before play commences. This type of gaming will also include prize bingo.
- 8.2 A prize gaming permit is a permit issued by the licensing authority to authorise the provision of facilities for gaming with prizes on specified premises.
- 8.3 Certain premises which are authorised for other gambling purposes may provide prize gaming without the need for a prize gaming permit. These include:
- Casinos (except the provision of bingo);
  - Bingo premises;
  - Adult gaming centres
  - Licensed family entertainment centres;
  - Unlicensed family entertainment centres (provided that the gaming consists of equal chance prize gaming); and
  - Travelling fairs (provided that equal chance prize gaming is offered and taken together, the facilities for gambling are an ancillary amusement at the fair).
- 8.4 Children and young persons may participate in equal chance prize gaming only.

## **9.0 Temporary use notices**

- 9.1 Part 9 of the Act sets out the provisions in relation to temporary use notices. These allow the use of premises for gambling where there is no premises licence but where a gambling operator wishes to use the premises temporarily for providing facilities for gambling. Premises that might be suitable for a temporary use notice would include hotels, conference centres and sporting venues.
- 9.2 A temporary use notice may only be granted to a person or company holding a relevant operating licence. For example, the holder of a betting operating licence could apply to provide betting facilities at a snooker tournament.

## **10.0 Tracks**

- 10.1 Tracks are sites (including horse racecourses and dog tracks) where races or other sporting events take place. Betting is a major gambling activity on tracks, both in the form of pool betting (often known as the “totalisator” or “tote”) and also general betting, often known as “fixed-odds” betting.
- 10.2 There is no special class of betting premises licence for a track but the Act does contain rules which apply specifically to premises licences granted in respect of a track.
- 10.3 Under the previous law, licensing authorities already held responsibility for licensing dog tracks (under the Betting, Gaming and Lotteries Act 1963). The new

Act continues this responsibility and extends it to other tracks and racecourses. Premises licences under Part 8 of the Act are the principal form of authorisation for all betting on tracks.

## **11.0 Occasional use notices**

- 11.1 Section 39 of the Act provides that where there is being on a track on eight days or less in a calendar year, betting may be permitted by an occasional use notice without the need for a full premises licence.
- 11.2 Whilst tracks are normally thought of as permanent racecourses, authorities should note that the meaning of “track” in the Act covers not just horse racecourse or dog track, but also any other premises on any part of which a race or other sporting event takes place.
- 11.3 The intention behind occasional use notices is to permit licensed betting operators (with approved permission from the Gambling Commission) to use tracks for short periods for conducting betting, where the event upon which the betting is to take place is of a temporary, infrequent nature. The occasional use notice dispenses with the need for a betting premises licence for the track in these circumstances.

## APPENDIX C

### Categories of gaming machines

Section 236 of the Act provides for regulations to be made which define the four classes of gaming machine: categories A, B, C and D, with category B machines to be further divided into sub-categories. The regulations will define the classes according to the maximum amount that can be paid for playing the machine and the maximum prize it can deliver. The regulations may also define the classes according to the nature of the gambling for which the machine may be used and the premises where a machine may be used.

The Department of Culture, Media and Sport (DCMS) is expected to issue draft regulations for consultation on these categories. The table below sets out the current proposals for the different categories with the maximum stakes and prizes that apply. However, this could be subject to change and this guidance will be updated in due course.

Category of machine	Maximum Stake	Maximum Prize
A	Unlimited	Unlimited
B1	£2	£4,000
B2	£100	£500
B3	£1	£500
B4	£1	£250
C	50p	£25
D	10p or 30p when non-monetary prize	£5 cash or £8 non-monetary prize

The regulations yet to be prescribed will also specify which premises may have which type of sub-divided category B machine, since the Act is silent on this. DCMS has published its proposals and are as summarised in the table below:

Premises Type	Machine Category						
	A	B1	B2	B3	B4	C	D
Regional casino (machine/table ratio of 25-1 up to maximum)	Maximum of 1250 machines Any combination of machines in categories A to D within the total limit of 1250 (subject to table ratio)						
Large casino (machine/table ratio of 5-1 up to maximum)		Maximum of 150 machines Any combination of machines in categories B to D within the total limit of 150 (subject to table ratio)					
Small casino (machine/table ratio of 2-1 up to maximum)		Maximum of 80 machines Any combination of machines in categories B to D within the total limit of 80 (subject to table ratio)					
Pre-2005 Act casinos (no machine/table ratio)		Maximum of 20 machines categories B to D <b>OR</b> C or D machines instead					

Premises Type	Machine Category						
	A	B1	B2	B3	B4	C	D
Betting premises & tracks occupied by Pool Betting			Maximum of 4 machines categories B2 to D				
Bingo Premises				Maximum of 4 machines in category B3 or B4		No limit C or D machines	
Adult gaming centre				Maximum of 4 machines in category B3 or B4		No limit C or D machines	
Family entertainment centre (with premises licence)						No limit C or D machines	
Family entertainment centre (with permit)							No limit on category D machines
Clubs or miners' welfare institutes with permits					Maximum of 3 machines in categories B4 to D		
Qualifying alcohol licensed premises						1 or 2 machines of category C or D automatic upon notification	
Qualifying alcohol licensed premises with gaming machine permit						Number as specified on permit	
Travelling fair							No limit on category D machines
	<b>A</b>	<b>B1</b>	<b>B2</b>	<b>B3</b>	<b>B4</b>	<b>C</b>	<b>D</b>