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## **The Gambling Act 2005 Gaming Machines in Clubs, Pubs and Other Alcohol Licensed Premises**

### **Introduction**

The gambling laws, including those relating to Gaming (Fruit) machines, are being updated and a new regime for regulation has been established by the Gambling Act 2005 ("the Act"). The new laws will come into force on 1 September 2007.

The Act, which contains 362 sections and 18 schedules, and is accompanied by more than 40 statutory instruments, will ultimately regulate all gambling in Great Britain with the exception of the National Lottery and spread betting. This includes arcades, betting establishments, bingo halls, casinos, clubs (including members clubs), commercial clubs and miners welfare institutes, pubs and other alcohol licensed premises, lotteries, gaming machines, and gaming machine supply repair and maintenance operators.

This article focuses on gaming machines in clubs, pubs and other alcohol licensed premises.

### **Clubs**

If your club already has a registration under Part II or Part III of the Gaming Act 1968 it is important to check whether this will expire before 31 August 2007. If so, the club needs to apply to the Licensing Justices on or before that date for renewal.

If successful, the Club's registration will be renewed and when the new Act comes into force on 1 September 2007, it will be treated as having been granted either a Club Machine Permit (Part II registrations) or a Club Gaming Permit (Part III Registrations).

It is important to note that an application for renewal of an existing registration must be made 2 months before that registration is due to expire.

There is a potential catch for the unwary in relation to permits which expire on or shortly after 1 September 2007 as you will need to apply for renewal under the new system to the Licensing Authority (normally the local authority) and not the Licensing Justices and such application must be made at least 2 months before the expiry of the existing registration. For example, if your registration expires on 3 September, you should apply under the new Act no later than 3 July 2007.

A club machine permit will entitle the club to offer up to 3 category B4 machines which will have a maximum stake and prize of £1 and £250 respectively.

A club gaming permit will entitle clubs to offer up to 3 category B4

machines as well as facilities for equal chance gaming (within certain limits) and other games prescribed by the Secretary of State from time to time.

### **Pubs And Other Alcohol Licensed Premises**

Most pubs and other alcohol licensed premises currently offer fruit machines under the authority of a permit granted under section 34 of the Gaming Act 1968.

If your existing permit expires before 31 August 2007 you should apply to the Licensing Authority (normally the local authority) for renewal in the usual way. The permit will continue to have effect after 1 September 2007 as if it were a Licensed Premises Gaming Machine Permit issued under the new Act. You will be entitled to offer for use the number of machines authorised by the existing permit.

If your existing permit expires after 1 September 2007 then the procedure you adopt will depend on the number of machines for which you require authorisation:

- **Up to 2 gaming machines** – you will have an automatic entitlement to 1 or 2 category C or D machines subject to a simple notification procedure. You simply need to notify your Licensing Authority prior to the expiry of your existing section 34 permit.
- **More than 2 gaming machines** – if you wish to offer more than 2 machines then you must make an application to the Licensing Authority at least 2 months before the expiry of the existing permit for a Licensed Premises Gaming Machine Permit. For example, if your section 34 permit is due to expire on 3 September 2007, you should apply under the new Act no later than 3 July 2007.

It should be noted that the right to renewal applies only to those premises with a bar authorised to serve drinks without food. Hotels or restaurants which can only offer alcohol with food will not be able to use the notification procedure to renew or make an application for a new Licensed Premises Gaming Machine Permit.

### **Non Licensed Premises**

It should be noted that under the new regime fruit machines are to be phased out in take away food shops, minicab and taxi offices, guest houses and other non arcade and non licensed premises. Existing permits will be allowed to run their course but will not be capable of renewal.

If you require assistance making an application or further advice, please contact **Glyn Evans** on **01934 637911** or email **evans@powellslaw.com**.

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