



department for
culture, media
and sport

Clubs

The Gambling Act 2005:
Changes that affect your business.

Information for members' clubs, commercial clubs and miners' welfare institutes currently registered under Part II or Part III of the Gaming Act 1968, on changes in gambling licensing under the Gambling Act 2005

Gambling law in Great Britain is changing. On 1 September 2007 the Gambling Act 2005 comes into force. This includes new rules for the provision of gambling in clubs and a new system for licensing gambling in clubs. This leaflet provides information on the new permits for clubs and how and when you will need to obtain them.

What are the new permits?

There are two kinds of club permits under the new Act:

- *Club gaming permit* – Enables clubs to offer up to three gaming machines, plus facilities for equal-chance gaming (subject to certain conditions) and two bankers' games: pontoon and chemin de fer. It is broadly equivalent to Part II registration under the existing legislation (the Gaming Act 1968).
- *Club machine permit* – Enables clubs to offer up to three machines. It **does not** authorise the provision of any other facilities for gaming (but see exempt gaming below). It is equivalent to Part III registration under the existing legislation.

What kind of machines can I offer after 1 September?

The new law establishes several categories of gaming machines. It restricts the gaming machines that can be operated in a club to categories B3A, B4, C and D. The level of stakes and prizes generally define the category of a machine. For further information contact the Gambling Commission.

Do we have to have a permit to offer gaming in our club?

No, the Gambling Act allows equal-chance gaming to take place in clubs without a permit. But this is subject to various conditions and there is a limit on the levels of stakes and prizes for poker and bingo. This is called "exempt gaming". The provisions for exempt gaming do not authorise any other form of gambling or making gaming machines available for use. More details are available from the DCMS website, the Gambling Commission or your local licensing authority (or licensing board in Scotland).

When do we have to get a new permit?

If your current registration expires before 31 August 2007:

- You should apply to your licensing justices (sheriffs in Scotland) and renew it in the normal way.
- If successful, your application will normally be renewed for up to 10 years for a Part II registration and five years for a Part III registration.
- As long as you apply on or before 31 August 2007, your licensing justices/sheriffs will still be able to resolve your application under the old Act, even if it is not able to do so until after 31 August.
- You only need to apply for a Gambling Act 05 permit when your existing registration is due to expire.

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If your current registration expires after 31 August 2007:

- You should apply to your licensing authority for a Gambling Act 05 club gaming or club machines permit.
- You will need to apply before the expiration date of your current registration to qualify for continuation rights and grandfather rights (explained below).

Fees for Gambling Act 05 permits

When you apply for your Gambling Act 05 permit, you will have to pay an application fee of £100 (providing you apply before your registration under the current regime expires). You must also pay an annual fee of £50. The first annual fee is to be paid within 30 days of the date your permit takes effect. After that, the annual fee must be paid before the anniversary of the date your permit takes effect. The application and annual fees are the same for both permits. The permits last for 10 years.

For example, if your permit is issued on 30 September 2007, you must pay £50 for the first year of your permit by 30 October 2007. You must then pay another £50 by 30 September 2008 for the second year of your permit.

Grandfather rights and continuation rights

Continuation rights – allow you to continue providing gambling whilst your application for a Gambling Act 05 permit is being determined.

Grandfather rights – guarantee that a club registered under the existing legislation will be granted the equivalent permit under the 2005 Act (subject to conditions).

- If you currently hold a Part II registration under the 1968 Act, you will be entitled to a club gaming permit under the 2005 Act.
- If you currently hold a Part III registration under the 1968 Act, you will be entitled to a club machine permit under the 2005 Act.

What happens to my Part II or Part III registration after September 1?

On 1 September 2007, you will be treated for the purposes of the 2005 Act as having been granted the relevant new permit:

- Clubs registered under Part II will be treated as if they hold club gaming permits.
- Clubs registered under Part III will be treated as if they hold club machine permits.

You will need to apply for a permit under the new Act before your registration under the 1968 Act would have expired.

Note that from 1 September 2007 you will be required to abide by any rules relating to the new permits in the new Act and accompanying regulations, as well as the relevant Gambling Commission codes of practice. You will be able to find details of the new rules and copies of the codes of practice on the Gambling Commission's website.

Can I provide bingo?

Yes you can provide bingo if you have a club gaming permit or as a form of exempt gaming. However, there are strict limits concerning the level of stakes and prizes for bingo. If your club offers bingo and the level of stakes and prizes exceeds £2,000 per week (this is known as "high turnover bingo"), contact the Gambling Commission or your licensing authority as soon as possible to find out more about the new rules. You may need to obtain a Gambling Act 2005 operating licence.

Further Information

For further information on permits contact your local licensing authority.

For information on high-turnover bingo, codes of practice and general gambling queries contact the Gambling Commission – www.gamblingcommission.gov.uk or 0121 230 6666

For other information relating to the Gambling Act 2005 and the implementation of the Act contact the Department for Culture, Media and Sport – www.culture.gov.uk

