GUIDANCE NOTES ON GAMING MACHINES IN Pubs AND OTHER ALCOHOL LICENSED PREMISES

Following the implementation of the Gambling Act 2005 on the 1 September, all alcohol licensed premises with a bar authorised to service drinks without food, will be required to either register or apply for a gaming machine permit with their local authority. These regulations replace those of the Gaming Act 1968 under which all Section 34 permits were issued. The following notes are designed specifically for alcohol licensed premises that make gaming machines available.

There are further notes available on our website for premises such as bingo halls or betting shops. Please also refer to the Gambling Act 2005 for the full regulations.

DEFINITION OF A GAMING MACHINE

Section 235 of the Act sets out the definition of a gaming machine and covers all types of gambling activity that can take place on a machine, including betting on virtual events. In particular:

- there remains a distinction between skill machines and gaming machines, in that skill machines are unregulated
- there are important exemptions for equipment not considered to meet the criteria of a gaming machine, even when gambling can be performed on it, eg a home PC which could be used for remote gambling.

Please refer to the Information sheet on gaming machines.

<table>
<thead>
<tr>
<th>Category of machine</th>
<th>Maximum stake</th>
<th>Maximum prize</th>
</tr>
</thead>
<tbody>
<tr>
<td>C</td>
<td>50p</td>
<td>£35</td>
</tr>
<tr>
<td>D – money prize</td>
<td>10p</td>
<td>£5</td>
</tr>
<tr>
<td>D – non-money prize</td>
<td>30p</td>
<td>£8</td>
</tr>
</tbody>
</table>

Category D machines with a 10p stake are entitled to offer prizes of up to £5 in cash, or up to £5 in cash and £3 in non-monetary prizes. Category D machines with a 30p stake can offer £8 in non-monetary prizes only.
KEY CHANGES

Some of the key changes introduced by the Act are:

- Automatic entitlement of up to 2 cat C and/or D machines subject to a simple notification procedure under Section 282 (see Guidance notes on Automatic Entitlement to Gaming Machines)
- If more than 2 gaming machines are made available, then a Licensed Premise Gaming Machine permit will be required under Section 283.
- All permit holders will be required to comply with the Code of Practice drawn up by the Gambling Commission.
- All permits/notifications must be applied for by the person who holds the LA2003 Alcohol Premise Licence.

APPLICATION PROCESS

- Please download the prescribed form Alcohol Licensed Premises Gaming Machine Permit Application
- Applications must be made by the person(s) or the organisation that hold the LA2003 premises licence authorising the sale of alcohol for the premises for which the application is made.
- The application must be made to the authority in whose area the premises are wholly or partly situated.
- You may apply for any number of category C and/or D machines.
- The prescribed fee should be enclosed (see Fee table)

DETERMINATION OF APPLICATION

- In determining an application we must have regard to the licensing objectives and to the statutory guidance issued by the Commission.
- Any other matters which are considered relevant to the application will also be taken into account.
- The Commission and Police do not require notification.
- This authority may grant or refuse an application.
- In granting the application the number and category of gaming machines may be varied, and the permit issued as soon as possible after that.
- If an application is refused, or granted for a different number or category of machines, the applicant will be informed of the intention to do so and be given an opportunity to make representations (orally, in writing, or both).

ISSUE OF PERMIT

- Once an application has been determined, a prescribed permit will be issued detailing the:
  - person(s) or organisation to whom it is issued
  - number and category of gaming machines
  - address of the premises
The holder of the permit must ensure that it is kept on the premises to which it relates and it must be produced on request for inspection by a constable, enforcement officer or local authority officer. An offence would be committed if the permit was not made available.

If the permit is lost, stolen or damaged, the holder may apply for a copy. A prescribed fee will apply.

Permits are indefinite and continue in force so long as the premise continues to have an alcohol licence, and the holder of the permit continues to hold that licence. The permit will lapse if surrendered or the premise licence holder’s name changes.

All permit holders must comply with the Code of Practice issued by the Commission. These can be found on the Gambling Commission website www.gamblingcommission.gov.uk. Transcripts will be attached to the permit on issue.

FEES

All applications carry a fee (see Fees table)

The holder of a permit will pay a first annual fee within 30 days after it comes into effect, or within 12 months of the issue date, whichever is the sooner.

Thereafter there will be an annual fee which will be paid before each anniversary.

If a permit holder fails to pay the annual fee, the permit will be cancelled.

CHANGE IN CIRCUMSTANCES

If there is a change in the holder’s name, then notification should be sent along with the prescribed fee. An amended permit will be issued.

If the permit holder wishes to vary the number of machines and/or category of machines authorised, they must submit an application with the prescribed fee.

When a person applies for the transfer of an alcohol Premises Licence (LA2003), they will also need to apply separately for the transfer of the licensed premises Gaming Machine Permit. Both applications require a fee and should be sent to the licensing team (Alcohol Licensed Premises Gaming Machine Permit Application).

CANCELLATION OF A PERMIT

The council are able to cancel a permit in specified circumstances which include:

- when the premises are used wholly or mainly by children or young persons
- if an offence under the Act has been committed
- if the annual fee has not been paid
The court may order forfeiture of a permit if the holder is convicted of a relevant offence. Before a permit is cancelled we must:

- give at least 21 days’ notice to the holder of our intention giving the reasons for the cancellation
- consider any representations made
- hold a hearing if requested
- comply with any prescribed requirements for the procedure to be followed.

The cancellation will not take effect until the period for appealing against that decision has elapsed, or (where an appeal is made) until the appeal is determined by the magistrate’s court.

Please refer to the separate **Guidance Notes on Automatic Entitlement to Gaming Machines** for notification of two or less gaming machines.

Reference materials available on the Gambling Commission website [http://www.gamblingcommission.gov.uk](http://www.gamblingcommission.gov.uk) include:

- Gambling Act 2005
- Gaming Machine Permits Code of Practice
- Gaming in Clubs and Premises with an Alcohol Licence

**Contact details for Basingstoke and Deane Borough Council:**

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