

GAMING MACHINES

Do I need a licence?

Information for people who operate in the gaming machine sector

Regulation of the gambling industry in Great Britain is changing. From 1 September 2007, new legislation comes into force that places new responsibilities on gambling operators. Anyone who wishes to run a gambling business in Great Britain and certain other key staff must be licensed by the Gambling Commission.

This leaflet is designed to help you identify whether or not you need to apply for a licence. It explains which activities require a licence and the different types of licence that are available.



GAMBLING
COMMISSION

Why are licences being introduced?

The new arrangements have been introduced to regulate gambling in the public interest. In essence, this means:

- keeping crime out of gambling;
- ensuring that gambling is conducted in a fair and open way; and
- protecting children and vulnerable people from being harmed or exploited by gambling.

We are making sure this happens through a system of licence conditions and codes of practice.

Will I need a licence?

If you plan to manufacture, supply, install, repair or adapt a gaming machine or gambling software; and/or provide facilities for betting, gaming or participating in a lottery in Great Britain you will require a licence. You might be providing these facilities remotely (for example through the internet or telephone)¹, or on premises, including tracks.

There are three different types of licence:

- operating,
- personal, and
- premises.

You will need an **operating licence** if you provide facilities for gambling; and/or manufacture, supply, install, repair or adapt a gaming machine or gambling software.

In addition to an operating licence, you are also likely to need some **personal licences** for people within your organisation, unless you are classified as a small-scale operator and therefore may be exempt. You are generally classed as a small-scale operator if you have three or less people who occupy a qualifying position as named on your licence application. Further details are provided in the Commission's separate leaflet on small-scale operator exemption. In the meantime if you would like to know more, please see our website or contact the enquiries team on 0121 230 6666.

There are two types of personal licence:

- a **personal management licence** for individuals in certain management positions; and
- a **personal functional licence** for people who carry out certain functions.

¹ Gambling is 'remote' when people use technology such as the internet, phone, TV, radio or any other kind of electronic or other communicative device to participate.

You will need a **premises licence** where you are providing gambling services to the public from fixed premises in Great Britain rather than remotely. The local licensing authority where the premises are situated is responsible for ensuring that premises are approved for gambling.

Your business may need all three types of licence, ie operator licence, premises licence and personal licence. This leaflet focuses on operator licences. Further details on personal licences are provided in the Commission's separate leaflet.

I operate in the gaming machine sector, which type of operating licence will I need?

If you are an operator that manufactures, supplies, installs, adapts, maintains or repairs gaming machines, you will need to apply for a **gaming machine technical operating licence**. The type of licence you require will depend on whether your activities are non-remote or remote.

Non-remote gaming machine technical operating licences

There are three types of non-remote activity that can be specified on a gaming machine operating licence:

- a **gaming machine technical (full) operating licence** – this authorises the licensee to manufacture, supply, install, adapt, maintain or repair a gaming machine or part of a gaming machine, including computer software designed for use in a gaming machine;
- a **gaming machine technical (supplier) operating licence** – this authorises the licensee to supply, install, adapt, maintain or repair a gaming machine or part of a gaming machine (but not to manufacture a machine or part of one); and
- a **gaming machine technical (software) operating licence** – this authorises the licensee to manufacture software for a gaming machine, which will be required if you do not hold a gaming machine technical (full) operating licence.

Remote gaming machine technical operating licences

If you wish to undertake activities by means of remote communication, you will need to apply for a **remote gaming machine technical operating licence**.

The particular type of licence you need to apply for (ie full, supplier, software) will depend on the activities you intend to undertake and are as set out above for non-remote licences.

Combined gaming machine operating licence

If your application combines non-remote and remote activities, separate licences will be issued to you covering activities authorised under the non-remote operating licence and separately the activities authorised under the remote operating licence.

When should I apply for my licence?

If you are a new operator, you should aim to submit your operating licence application as soon as possible. If you are a supplier (but not a manufacturer) that already holds a Section 27 certificate and you intend to continue operating your existing business after 1 September 2007, you may do so until your current certificate expires. In such circumstances you should apply for a new operating licence at least two months before the existing certificate is due to expire. Manufacturers must apply for a new operating licence as soon as possible. You will also need to apply to the Gambling Commission for any personal licences required by your business, which you should do before 29 June 2007.

How do I apply for a licence?

You need to apply to the Gambling Commission for operating licences and personal licences. We are now accepting operating and personal licence applications. Copies of the licence application forms, along with guidance notes to help you fill in the forms, are available on our website or by calling us on 0121 230 6666. The forms are available in both hard copy and electronic formats.

To ask for a form, or for further information and advice:

- email us on enquiries@gamblingcommission.gov.uk
- or call our enquiry line on 0121 230 6666.

When you apply for a form, please state whether you would prefer an electronic copy of the interactive form or a paper copy.

If you need a premises licence, you will need to apply to your local licensing authority. They will also be able to provide you with information about their application procedures.

How much will the licence cost?

For operating licences you will need to pay a one-off application fee and an annual fee for each licence. The size of the fee depends on the type of licensed gambling activities you operate or intend to operate. More information about the fee structure for operating licences is available on our website at www.gamblingcommission.gov.uk or phone 0121 230 6666.

A personal management licence costs £330 and a personal functional licence costs £165 (and a further fee is payable every five years).

Further information

This leaflet provides a summary for people who operate in the gaming machine sector. Other leaflets are available for the following sectors: adult gaming centres, betting, bingo, casinos, family entertainment centres, gambling software, lotteries and pool betting.