The Gambling Act 2005 aims to modernise the law on gambling. It also introduces a new regulator for gambling, the Gambling Commission. This body replaces the Gaming Board for Great Britain.

Responsibility for the licensing of gambling premises is given to local authorities. These include premises licences for casinos, bingo halls, adult gaming centres and licensed family entertainment centres and betting permits for gaming machines in pubs and other alcohol licensed premises.

The Act is intended to be fully operational towards the end of 2007. The proposed timescale for implementation is set out in this newsletter. In the meantime the existing arrangements for the licensing of gambling will continue in operation.

For further information please telephone the Licensing Team on (01427) 676676 or email: licensing.2003@west-lindsey.gov.uk.

Three types of licence are required by the new Act:

- An operator licence
- A personal licence
- A premises licence

Operator's licences and personal licences will be issued and regulated by the Gambling Commission. Responsibility for the issue and regulation of premises licences will lie with the Council (the Licensing Authority).

**Operating Licences**

Operating licences are concerned with the management and conduct of gambling. The licence permits individuals and companies to provide facilities for certain types of gambling. They may authorise remote or non-remote gambling.

**Personal Licence**

Personal licences relate to persons with key operational functions connected with the gambling business. The licence is a formal authorisation to individuals who control facilities for gambling or are able to influence the outcome of gambling. A company cannot hold a personal licence.
Premises Licence

The premises licence will relate to the property where the gambling takes place. The licence will authorise the provision of gaming facilities on casino premises, bingo premises, betting premises (including tracks), adult gaming centres and family entertainment centres.

Other Notices, etc.

Additionally, the Council will be responsible for administering Temporary Use Notices and Occasional Use Notices and registering Small Society Lotteries.

Licensing Objectives

The new regulatory regime has three licensing objectives:

- Preventing gambling from being a source of crime or disorder, being associated with crime or disorder or being used to support crime
- Ensuring that gambling is conducted in a fair and open way
- Protecting children and other vulnerable persons from being harmed or exploited by gambling

The Licensing Authority cannot become involved in the moral issues relating to gambling and must aim to permit the use of premises for gambling in so far as they think it is:

- in accordance with any relevant codes of practice
- in accordance with any relevant guidance issued by the Gambling Commission
- reasonably consistent with the licensing objectives
- in accordance with the Licensing Authority’s Licensing Policy (Statement of Principles)

Gaming Machines

The Secretary of State will make regulations defining the classes of gaming machines to be known as categories A, B, C and D. The regulations will make provision in respect of the amount paid to use the machines, the value of prizes, the nature of prizes and the premises where a machine can be used. The current proposals for general machine categories is as follows:

- D machines – maximum stake 10p and maximum payout £5 cash (or £8 non-monetary prize)
- C machines – maximum stake 50p and maximum payout £25
- B machines – maximum stake £1-£2 and maximum payout £250 – £500
- A machines – no limitations
Licensed Premises Gaming Machine Permits

Public Houses

The holder of a premises licence under the Licensing Act 2003 (authorising the sale of alcohol for the consumption on the premises) will have an automatic entitlement for 2 gaming machines (categories C or D). They will be able to simply notify the local authority and pay the appropriate fee. If they require more than 2 machines they must apply for a licensed premises gaming machine permit under the 2005 Act. If granted the permit must specify the number and category of gaming machines which it authorises.

Club Gaming Permits and Club Machine Permits

A members club may apply for a Club Gaming Permit, which can authorise up to 3 gaming machines (category B, C or D), but there must be a condition on the permit that children and young persons are excluded from the area of the club where the gaming (category B or C gaming machines) is taking place. The holder must also comply with any relevant provisions of a Code of Practice about the location and operation of gaming machines.

Other (non liquor licensed) premises

The new legislation does not allow for single use premises such as fish and chip shops, food take-away premises or taxi booking offices to be granted permits for any gaming machines. Once the permits granted under the old legislation expire, such machines will have to be removed.

Adult Gaming Centres

This is a new category of premises, which will require an adult gaming centre premises licence. Effectively these are amusement arcades and the like which, as well as category D machines, have C (any number) or B (max of 4) machines. Persons under 18 years of age are prohibited from the whole premises.

Family Entertainment Centres (licensed)

A family entertainment centre is a premise other than an adult gaming centre wholly or mainly used for making gaming machines available for use. Any number of C and/or D machines may be provided. Under 18s are permitted access but the category C machines must be properly segregated and managed so they are not used by under 18s.

Family Entertainment Centres (un-licensed)

These are likely to be seaside arcade type premises, which only provide category D machines. They do not require operator licences or premises licences and are controlled through a much simpler permit system.
Fairs

The Act defines a fair as wholly or principally provided by persons who travel from place to place for the purpose of providing fairs and at a place part of which has been used for the provision of a fair on no more than 27 days in that calendar year. They may make one or more category D gaming machines available for use at the fair and may provide facilities for gambling (whether by way of gaming machine or otherwise) provided that the gambling element amounts to no more than ancillary amusement at the fair.

Casinos

The new 2005 Act provides for one regional-sized casino, eight large and eight small casinos to be established in the UK under the new gaming regime.

The Government has set up a Casino Advisory Panel to decide the geographical location of the proposed casinos.

Gambling Act Timetable

The Government has advised that a transitional period from the current licensing system to the new system will commence on 31 January 2007 and will last for around six months. The new licensing system will then come into effect from 1 September 2007. The broad timetable for the implementation of the Act is set out below. This is an indicative timetable only, and may be subject to change at a later date.

3 July 2006
The Council begins consultation exercise regarding the draft licensing policy (statement of principles).

27 September 2006
Draft licensing policy (statement of principles) considered by the Council’s Licensing Committee in light of consultation results.

29 November 2006
Licensing policy (statement of principles) adopted by the Council.

1 January 2007
The Gambling Commission will begin to accept advance applications for permissions under the 2005 Act.

31 January 2007
Licensing authorities will begin to accept advance applications for permissions under the 2005 Act.

1 September 2007
Implementation date for 2005 Act. All licences/permits under 2005 Act take effect from this date. Existing gaming legislation is repealed as at 1st September 2007.

Arcades/Betting/Bingos – permissions issued under existing legislation lapse.
Fees

The Government has decided that premises licence fees will be set via a series of bands, with a prescribed maximum. Licensing authorities will be able to select precise fees from within the bands, limited to cost recovery. This will allow authorities flexibility and the industry a degree of certainty.

What are we doing about the changes?

West Lindsey District Council has started to put in place the foundations for the new licensing system. As part of the transition the Council is required to produce a licensing policy (statement of principles), which it proposes to apply when exercising its licensing functions. However the policy can only be adopted after extensive consultation with licence holders and other interested parties.

The licensing policy will last for up to three years. The policy will need to be reviewed after this period.

Further Information

More information will be published shortly when further guidance from the Government has been made available. In the meantime, should you have any comments or questions then please contact:

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