

Gaming in Pubs

On 1st September 2007 the Gambling Act 2005 was fully implemented. There have been a number of changes to the gambling laws that relate to licensed premises.

To benefit from the changes licensed premises must have a bar which alcohol is served directly to the customers for consumption on the premises (with no requirement that alcohol is served only with food).

Gaming can only take place in pubs at times when they are licensed for the sale of alcohol.

Administration and Enforcement

The Licensing Authority under the Licensing Act 2003 will also be the Licensing Authority for gaming in pubs.

The Gambling commission, Police and Licensing Authority officers will all monitor compliance with the Gambling Act and Codes of Conduct.

Any breach could lead to loss of the automatic entitlement to provide gaming or gaming machines, variation of the number or category of machines allowed or prosecution. Conviction for an offence under the Gambling Act 2005 carries a maximum penalty of imprisonment up to 51 weeks and/or a maximum fine of £5000. It may also result in a review of the Premises Licence granted under the Licensing Act 2003.

Gaming

Customers can play "equal chance" games in pubs without the need for a permit or any other authorisation. Equal chance games are ones that are not played against a bank. They include old pub games such as dominoes and cribbage but also bridge, poker and bingo.

A number of conditions apply to equal chance games in pubs:

- There can be no charge for taking part in the game
- No deductions can be made from stakes or prizes
- Linked games between premises are not allowed
- Children cannot take part

There are not limits on stakes for dominoes and cribbage. The maximum amount that can be staked by a player on any other game is £15.

Except for poker and bingo there are no limits on the value of prizes although they are expected to be "low level".

For poker there are additional limits. The total amount that can be staked on all games of poker in each pub must not exceed £100 per day and the maximum amount that can be won on any game of poker is £100.

In the case of bingo the maximum total stakes or prizes for each pub cannot exceed £2,000 in any week.

A code of practice recognises the provision of equal chance gaming in pubs. Compliance with the Code of Practice is the responsibility of the "Gaming Supervisor", in pubs this will be the Designated Premises Supervisor.

The Code includes the following provisions:

- The gaming must be capable of being supervised by staff
- Procedures must exist to prevent underage gambling
- Staff should be trained to know their responsibilities under the Code
- All payments should be paid in cash before the game begins
- All gaming equipment should be supplied by the premises and not customers
- Gaming Supervisors should ensure a "pleasant atmosphere"

The Code also contains specific provisions for poker:

- Where cash games are allowed the pot should be in sight
- Games organised by or on behalf of the management should not be cash games
- A record must be kept of the number of games played, the number of players and the amount staked to prevent stake and prize limits being exceeded.

In relation to bingo there is a specific requirement in the Code that Gaming Supervisors contact the Gambling Commission if total stakes or prizes for bingo games exceed the £2,000 limit.

Gaming Machines

Gaming machines provided under existing permits that are due to expire after 31 August 2007 can continue to be used until the permit expires. Any more gaming machine will need to have a new permission.

Immediately before the expiry date an existing permit will need to be converted into one of the two new permissions. The action will depend on the number of gaming machine provided.

It is important to note that no fees are payable until conversion of an existing permit.

A pub is automatically allowed to have two gaming machines. All the licence holder need do is notify the Licensing Authority. There is no limit on the number of machines which may be applied for, but the Authority in writing that the entitlement is being exercised and pay the fee of £50. There is no annual fee payable.

For more than two machines a Licensed Premises Gaming Machine Permit is required from the Licensing Authority. There is no limit on the number of machines which may be applied for, but the Authority can restrict the number of category which they allow.

Pubs can only provide category C and D gaming machines. The machines are subject to a maximum stake and prize limits:

Category of Machine	Maximum Stake	Maximum Prize
C	50p	£35
D	10p or 30p when non-monetary prize	£5 cash or £8 non-monetary prize

Only category D machines can be played by children

The fee for the conversion of an existing permit for more than two machines is £100 and there is also an annual fee of £50. The fee for a new permit for more than two machines is £150.

There is also a Code of Practice which relates to gaming machines in pubs. The main provisions include:-

- Machines must be located where they can be supervised by staff or other means (e.g. CCTV)
- A customer must stop using a gaming machine in order to use any ATM available on the premises.

The Code also recommends that permit holders have procedures:

- To prevent underage gambling
- For self exclusion by customers

From 1st November 2007 regulations require certain information to be provided on gaming machines including:

- If appropriate, a warning that the machine may not be played by anyone under the age of 18
- Information telling customers where they can obtain advice about gambling problems
- Information about the chances of winning a prize on the machine
- The category of gaming machine

For further information regarding gambling call the Licensing Team on 01159 888 777 or email licensing@fraserbrown.com