



department for  
**culture, media  
and sport**

# Gambling Act 2005

Transitional Arrangements

December 2006

improving  
the quality  
of life for all

Our aim is to improve the quality of life for all through cultural and sporting activities, support the pursuit of excellence, and champion the tourism, creative and leisure industries.

# Guidance

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## INTRODUCTION

This guidance explains the arrangements that the government has put in place for the commencement and implementation of the Gambling Act 2005.

We anticipate that the guidance will be of particular interest to:

- existing operators in the gambling industry;
- potential new entrants to the gambling industry;
- pubs, clubs and other non-gambling premises, which currently offer gaming machines and other forms of gambling;
- licensing authorities (licensing boards in Scotland);
- licensing justices (sheriffs in Scotland).

## STRUCTURE OF THE PAPER

The paper is divided into chapters covering the main constituent parts of the gambling industry, and the relevant permissions which will be in force when the new Act is implemented. You will only need to read the chapter relating to your sector.

Each chapter is divided into two parts:

- Existing operators – information for existing operators on:
  - what you need to do to keep your existing permission current between now and 1 September 2007; and,
  - what permissions you will need under the new Act and how to obtain them.
- New operators – information for new operators:
  - who want to obtain a first permission to operate between now and 1 September 2007; and,
  - on what permissions you will need under the new Act and how to obtain them.

## CONTINUATION RIGHTS AND GRANDFATHER RIGHTS

In each chapter, you will find details of how the government is making good on the commitments it made during the Act's passage through Parliament to guarantee certain rights for existing operators. It may be helpful to provide a definition of the two terms here:

- **Continuation rights** – This describes the right of existing operators to continue to be able to operate in business without interruption after 1 September 2007, even if their applications for the equivalent permission under the new Act have not been determined by that date. In general, to qualify for continuation rights, operators will need to have had a current permission on 31 August 2007, and have made advance applications for the equivalent permissions by the dates stipulated in the transitional arrangements.

- **Grandfather rights** – This describes the right of operators with a premises based permission under the existing legislation to get that permission converted into the equivalent permission under the 2005 Act. The circumstances in which grandfather rights apply, and any exceptions, are explained in more detail in the relevant chapters. Certain grandfather rights will also apply to pubs and other alcohol licensed premises, and these rights are explained in Chapter 6.

## CONSULTATION

These arrangements have been drawn up following a three month formal consultation period which began in February 2006, and which involved licensing authorities, the industry and other interested parties. We are grateful to everyone who responded to the consultation paper. We are particularly grateful to LACORS for the extensive contribution they have made to ensuring that these arrangements are robust and consistent with the general principles that were set out in the February consultation paper.

Summaries of the main points to emerge from the consultation are included in the regulatory impact assessments that have been published alongside the relevant Orders giving effect to the transitional arrangements.

The transitional arrangements have also been drawn up in conjunction with, and agreed by, Scottish Ministers. Where special arrangements will apply in Scotland, these are highlighted in the text. Please note that, unless otherwise indicated, all references to “licensing authority” will include a reference to the “licensing board” in Scotland.

## LEGAL BACKGROUND

This guidance is intended to be a user friendly guide to the transitional arrangements for the implementation of the Gambling Act 2005.

The transitional arrangements are contained in three main Orders laid before Parliament:

- The Gambling Act 2005 (Transitional Provisions) Order 2006 [2006 No. 1038] laid on 4 April 2006;
- The Gambling Act 2005 (Transitional Provisions)(No.2) Order 2006 [2006 No.1758] laid on 5 July 2006;
- The Gambling Act 2005 (Commencement No.6 and Transitional Provisions) Order (due to be laid in early December 2006).

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# Arcades

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## SUMMARY

To operate an adult gaming centre or licensed family entertainment centre after 1 September 2007 you will need:

- an operating licence – apply to the Gambling Commission between 1 January and 27 April 2007;
- a premises licence – apply to your licensing authority between 30 April and 30 July 2007;
- any personal licences appropriate to your business – apply to the Gambling Commission between 1 January and 29 June 2007.

To operate an unlicensed family entertainment centre after 1 September 2007, you will need:

- an FEC gaming machine permit – apply to your licensing authority between 30 April and 30 July 2007.

# Chapter 1 part 1:

## Arcades – existing operators

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1.1 This part applies to existing operators of arcades with permits issued under Section 34 of the Gaming Act 1968, and who want to continue to operate their business after 1 September 2007.

### 1.2 What do I need to do if my existing arcade permit expires before 1 September 2007?

Nothing. Your existing permit has been automatically renewed until 31 August 2007. You can if you want write to your licensing authority to obtain a copy of your renewed licence, and it will provide a copy free of charge. However, there is no requirement to do so.

### 1.3 What categories of arcade does the Gambling Act 2005 create?

The Gambling Act 2005 creates three new categories of arcade:

- **Adult gaming centres** – AGCs will be able to offer up to four Category B3 gaming machines, in addition to an unlimited number of Category C and D gaming machines. They will be strictly for over 18s only, and children will not be allowed in any part of the premises.
- **Licensed family entertainment centres** – Licensed FECs will be able to offer an unlimited number of Category C and D machines. Children will be allowed to enter licensed FECs and to gamble on Category D machines. Any category C machines must be located only in over-18 areas.
- **Unlicensed family entertainment centres** – Unlicensed FECs will be allowed to offer an unlimited number of Category D gaming machines. Children will have free access and be allowed to gamble on the Category D machines.

### 1.4 What do I need to do if I want to continue to operate my business after 1 September 2007?

If you currently hold a permit under Section 34(5E) of the 1968 Act, and wish to operate your arcade as an AGC or licensed FEC, you will need to make advance applications under the 2005 Act:

- to the Gambling Commission for a gaming machine general operating licence for an AGC or FEC;
- to your licensing authority for an AGC or FEC premises licence; and,
- to the Gambling Commission for any personal licences required by your business.

If you currently hold a permit under Section 34(1) of the 1968 Act, and wish to operate your arcade as an unlicensed FEC, you will need to make an advance application to your licensing authority for a family entertainment centre gaming machine permit. You will not need to apply to the Gambling Commission for an operating licence or any personal licences.

### 1.5 How long will my new licences last?

AGC and FEC operating, premises and personal licences will be of unlimited duration. You will not need to apply again unless your circumstances change.

You will, however, be required to pay an annual fee to the Gambling Commission in respect of your operating licence and to your licensing authority in respect of your premises licence. You will also be required to pay a periodic maintenance fee to the Gambling Commission in respect of your personal licence(s).

FEC gaming machine permits will be granted for ten years. There is no annual fee.

## Operating licences

### 1.6 How do I obtain my operating licence?

You should apply to the Gambling Commission between 1 January and 27 April 2007.

The Gambling Commission has issued its own guidance on the application procedures, and what you need to submit with your application. You can find this on the Gambling Commission's website: [www.gamblingcommission.gov.uk](http://www.gamblingcommission.gov.uk)

### 1.7 Will I qualify for continuation rights?

If you submit your advance application by 27 April 2007 you will qualify for continuation rights. This means that you will be treated as having an interim operating licence effective from 1 September 2007, even if your application has not been resolved by that date.

It is important to note that, even if you are operating by virtue of continuation rights, you will still be expected to abide by any relevant operating licence conditions and codes of practice that come into force on 1 September 2007. You will also remain subject to the review provisions set out in the Act.

The Gambling Commission must specify the conditions that will apply to your category of interim operating licence. Information about the licence conditions and codes of practice that apply to your sector is available on the Commission's website.

### 1.8 What happens if I don't apply to the Gambling Commission by 27 April 2007?

The Gambling Commission will still process your application, and will do all it can to resolve your application as quickly as possible. However, you will lose your entitlement to continuation rights. This means that if your application has not been resolved by 1 September 2007, you will have to

cease trading on that date until such time as your application has been resolved.

### 1.9 Will I qualify for grandfather rights?

The government has guaranteed that the premises aspects of current permissions will be grandfathered. This means that if you hold a premises-based permission under the existing law (for a betting shop, bingo hall, casino or arcade), you will be guaranteed the equivalent premises licence under the new Act.

The government did not believe that it was appropriate to grandfather operating licences, as no-one should be exempt from the requirement to establish their suitability to be granted an operating licence. For the overwhelming majority of responsible operators in the industry, this should present no problems.

## Premises licences

### 1.10 How do I obtain my premises licence?

You should apply to your licensing authority between 30 April and 30 July 2007.

### 1.11 Will I qualify for continuation rights?

Yes, if you hold a valid permit issued under Section 34(5E) of the 1968 Act, and you submit your advance application before 31 July 2007, you will qualify for continuation rights. This means that you will continue to be able to operate from 1 September 2007, even if your application has not been resolved by that date.

It is important to note that, even if you are operating by virtue of continuation rights, you will still be expected to abide by the relevant mandatory and default premises licence conditions that come into force on 1 September 2007. You will also remain subject to the review provisions set out in the Act.

We are recommending to licensing authorities that, when they acknowledge receipt of your application, they will notify you that your application has been received in time and as such, if you hold an existing permission, you will qualify for continuation rights. They will also provide you with a summary of the mandatory and default premises licence conditions that will apply to the category of premises licence for which you are applying.

#### 1.12 Will I qualify for grandfather rights?

Yes – if you are an existing operator, and you apply for your premises licence before 1 September 2007, you will be guaranteed a premises licence (except in the circumstances described in the next question).

Your Section 34(5E) permit will qualify you for grandfather rights either as an AGC or licensed FEC. You will need to decide which category of new arcade you wish to operate as under the new Act.

A single Section 34(5E) permit will not entitle you to more than one grandfathered premises licence under the new Act.

#### 1.13 Are there any circumstances in which the licensing authority can refuse my application?

The licensing authority could only refuse your application for a premises licence if:

- you have failed to submit any information that the licensing authority needs to process your application; or,
- it is obvious to the licensing authority from the plan of your premises that you will be unable to comply with any condition attached to the category of premises licence for which you are applying.

Further information about these circumstances is provided below.

#### 1.14 What will I need to submit with my application?

You will be able to obtain information about application procedures from your licensing authority. More information about applying for premises licences, including the application form, will also be available on the DCMS website.

However, in summary, you will need to submit the following with your application:

- a completed premises licence application form;
- a plan of the premises, which includes some basic information about the situation and layout of the premises;
- the prescribed application fee.

#### 1.15 Will any special arrangements apply during the transitional period?

The application form will give you two choices. During the advance application period, you must opt for one option or the other:

- fast track application – you can opt to accept in full the mandatory and default conditions that the government will attach to the type of premises licence you are applying for; or,
- non-fast track application – you can apply to vary any of the default conditions that apply to the category of premises licence for which you are applying.

Whichever option you choose, if you are an existing operator, you will be guaranteed to obtain a premises licence with the mandatory and default conditions attached to it. This makes good on the government's commitment to give grandfather rights to existing operators.

You will not be permitted to make both a fast track and a non-fast track application. If you do

make both applications, your licensing authority will be required to refuse your non-fast track application.

#### 1.16 What is the difference between the two procedures?

(i) Fast track grandfathered premises licence application

##### Key features

- the licensing authority must grant it;
- the new mandatory and default conditions will be attached to your premises licence and nothing more;
- the licensing authority will not be able to amend default conditions or attach additional conditions at the point of issue (after issue, your premises licence may be reviewed like any other);
- it will involve a straightforward administrative procedure with no requirement for a hearing, to publish notice of the application or to notify responsible authorities;
- responsible authorities or interested parties will not be able to make representations;
- the application will be subject to a lower fee reflecting the reduced amount of work for the licensing authority in dealing with the application.

(ii) Application for a grandfathered premises licence with a default condition excluded or varied (non-fast track application)

##### Key features

- the licensing authority must ultimately grant at least a premises licence with the new mandatory and default conditions attached to it (ie as in (i) above);
- the licensing authority may grant or refuse your request to exclude or vary a default condition;

- where the licensing authority grants the request, it may attach other conditions. This may, for example, relate to the same matter dealt with by the default condition, but it does not necessarily have to be so limited;
- all the normal requirements relating to the making of an application for a premises licence will apply, including the requirements to publish notice of the application and to notify responsible authorities;
- responsible authorities and interested parties may make representations;
- there may be (but will not necessarily be) a requirement for a hearing;
- your application will attract a higher fee to reflect the increased costs incurred by the licensing authority.

#### 1.17 What will happen if I make a mistake in my application form, or if there is an error or omission in my plan? Will the licensing authority automatically refuse my application?

No. The licensing authority will notify you of any error or omission. If you fail to rectify any error, the licensing authority may then refuse your application. If the application qualifies for continuation rights (because it was made before 31 July 2007), the licensing authority will specify a period of not less than 14 days for rectifying the error or omission. If you fail to do so within this period the continuation rights will lapse.

#### 1.18 What will happen if the licensing authority believes that, on the basis of the plan of my premises, I will be unable to comply with a condition attached to the licence under the new Act?

The licensing authority will give you notice in writing indicating that it believes that, on the basis of your plan, the proposed premises is

incompatible with a condition, explaining what that condition is and requesting information showing how you will meet the relevant condition, including an amended plan. You will be given a minimum of 14 days to comply with this request, and your licensing authority cannot grant the licence until you comply. If you qualify for continuation rights, the licensing authority will specify a period of not less than 14 days for complying with the request. If you fail to comply within this period, the continuation rights will lapse.

### Personal licences

#### 1.19 How many personal licences will I need and which people in my business will need them?

The Gambling Commission will issue separate guidance on who in your business requires a personal licence. If you qualify as a small scale operator, you will not need to obtain any personal licences, and the Gambling Commission will also publish advice on the operation of this exemption.

#### 1.20 How do I obtain my personal licences?

You should apply to the Gambling Commission between 1 January and 29 June 2007. Information about application procedures and application forms will be available on the Commission's website.

#### 1.21 Will I qualify for continuation rights?

Yes. As long as you apply before 30 June 2007, you will qualify for continuation rights. You will be treated as having been granted a personal licence until such time as your application is determined, even if this is after 1 September 2007.

### Family entertainment centre gaming machine permits

#### 1.22 How do I obtain my family entertainment centre gaming machine permit?

You should apply to your licensing authority between 30 April and 30 July 2007.

#### 1.23 Will I qualify for continuation rights and grandfather rights?

Yes. If you have a valid Section 34(1) permit, similar rules relating to continuation rights and grandfather rights that apply to premises licences will apply to FEC gaming machine permits.

#### 1.24 What will I need to submit with my application?

You will be able to obtain information about application procedures from your licensing authority. Further information about applying for FEC gaming machine permits will also be available on the Gambling Commission and DCMS websites.

#### 1.25 Will any special arrangements apply during the transitional period?

If you hold a valid permit and so qualify for a grandfathered FEC gaming machine permit, the licensing authority will be required to grant your application. It will be treated in broadly the same way as a fast track grandfathered premises licence application, and a reduced application fee will apply.

#### 1.26 Are there any circumstances in which the licensing authority can refuse my application?

The same rules that relate to applications for grandfathered premises licence applications will apply.

## Special circumstances

### 1.27 What happens if my existing permit is cancelled before 1 September 2007?

In the rare event that an existing permit is cancelled before 1 September 2007, the following arrangements will apply:

- the Gambling Commission will continue to be able to resolve any outstanding applications for operating and personal licences, but you will lose your entitlement to continuation rights;
- if you have already been issued with a new premises licence or permit under the new Act, that licence or permit will lapse on the date on which your licence under the old Act was cancelled or revoked;
- if your application for a grandfathered premises licence or permit under the new Act is still outstanding, the licensing authority must refuse your application.

### 1.28 What happens if I want to make substantial alterations to my premises during the transition period?

Grandfather rights only apply where the application for a premises licence under the new Act relates to the same or substantially the same premises as those to which the Section 34 permit relates.

If you are planning to make substantial alterations to your existing premises, you may wish to consider applying first for a grandfathered premises licence for your existing premises. You would then need to apply to your licensing authority to vary your new premises licence.

## Chapter 1 part 2: Arcades – New operators

1.29 This part applies to operators who:

- wish to apply for a first arcade permit before 31 August 2007; or,
- who already have an outstanding application for an arcade permit under the existing law.

### 1.30 **What do I do if I want to apply for a first arcade permit before 31 August 2007?**

You may continue to apply in the normal way to your licensing authority (currently your local council in Scotland) for a Section 34 permit until 27 April 2007. No further applications under the existing legislation will be permitted after this date.

### 1.31 **Assuming my application for a permit under the old Act is successful, how do I then convert it to a new licence or permit under the 2005 Act?**

Broadly the same transitional arrangements will apply as for existing operators. You will still need to make advance applications for operating, premises and personal licences or for a permit under the new Act, and you should ensure that you make these applications by the dates stipulated above (at whatever point consideration of your application under the old legislation may have reached).

Your licensing authority will not be able to resolve your application for a premises licence under the new Act until your application under the old legislation has been resolved.

It will be your responsibility to notify the Gambling Commission in writing if the application under the old legislation is granted. You must do so within 14 days of the application under the old legislation being granted. If you fail to do so, you will lose any entitlement to continuation rights.

### 1.32 **What will happen if my application under the old legislation is withdrawn or refused?**

If your application under the old legislation is withdrawn or refused, the licensing authority will be required to refuse your application for a grandfathered premises licence or permit under the new Act.

The Gambling Commission may still consider any application for operating and personal licences under the new Act. However, you will not be entitled to continuation rights as an operator.

### 1.33 **Will I qualify for continuation rights?**

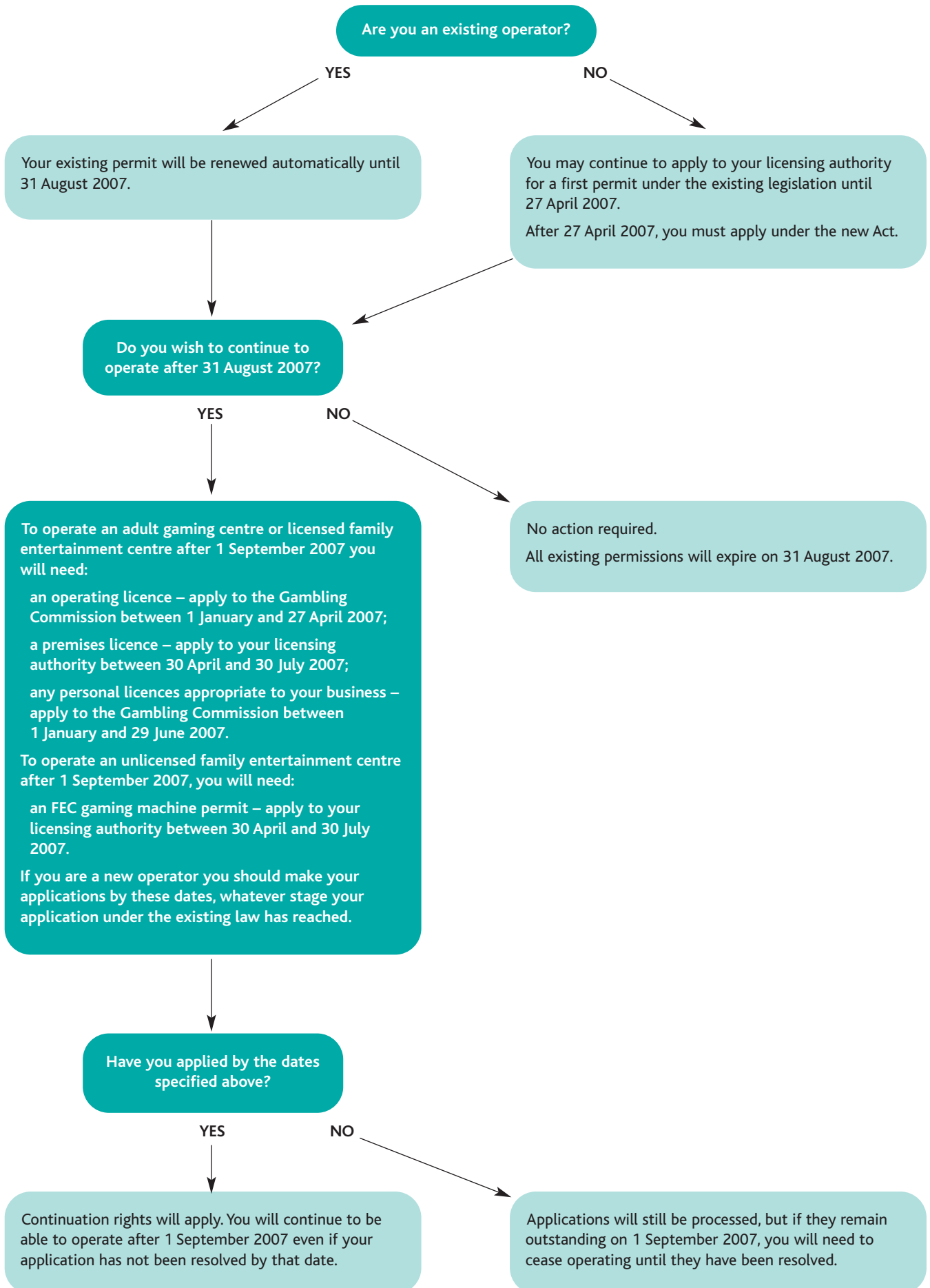
If your application under the existing legislation is resolved before 31 August 2007, but your advance applications under the new Act remain unresolved on that date, you will qualify for continuation rights.

However, if your application under the old legislation has not been resolved by 31 August, you will not qualify for continuation rights as there will have been no existing permission to continue.

### 1.34 **What do I do if I want to obtain a first licence or permit after 27 April 2007?**

No further applications will be permitted under the existing legislation after 27 April 2007. If you wish to apply for a permission to operate an arcade after that date, you will need to apply under the new Act to the Gambling Commission for operating and personal licences, and to your licensing authority for a premises licence, or to your licensing authority for an FEC gaming machine permit, depending on which category of arcade you wish to operate.

## ARCADES



# Betting

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## SUMMARY

To operate a betting shop after 1 September 2007 you will need:

- an operating licence – apply to the Gambling Commission between 1 January and 27 April 2007;
- a premises licence – apply to your licensing authority between 30 April and 30 July 2007;
- any personal licences appropriate to your business – apply to the Gambling Commission between 1 January and 29 June 2007.

To operate as an on-course bookmaker after 1 September 2007, you will need:

- an operating licence – apply to the Gambling Commission between 1 January and 27 April 2007;
- any personal licences appropriate to your business – apply to the Gambling Commission between 1 January and 29 June 2007.

To operate as a pool promoter for sports other than horse racing and dog racing after 1 September 2007, you will need:

- a pool betting operating licence – apply to the Gambling Commission between 1 January and 27 April 2007.

Special transitional arrangements will apply to tracks and other sports stadia, and guidance on this is included in Chapter 2.3.

## Chapter 2 part 1: Existing operators

- 2.1 This part applies to holders of the following permissions under the Betting, Gaming and Lotteries Act 1963, and who want to continue to operate their business after 1 September 2007:
- bookmaker's permits issued under Schedule 1;
  - betting agency permits issued under Schedule 1;
  - betting office licences issued under Schedule 1;
  - tracks licensed for betting under Schedule 3;
  - operators registered as pool promoters under Schedule 2;
  - horse racecourses with a certificate of approval issued by the Levy Board under section 13;
  - holders of licences authorising an inter-track betting scheme under paragraph 2 of Schedule 5ZA.
- 2.2 The first section deals with betting shops, and what operators of betting shops will need to do to continue to be able to operate their businesses after 1 September 2007. The second section deals with operators of new betting shops. The third section explains how the arrangements will vary for holders of the other permissions listed above.

### Betting shops

2.3 **What do I need to do if my existing permission expires before 1 September 2007?**

If you are currently operating a betting shop you should already have a bookmaker's permit and a betting office licence issued by your licensing justices (licensing boards in Scotland) which are valid until the spring of 2009, so this circumstance should not arise.

2.4 **What do I need to do if I want to continue to operate my betting shop after 1 September 2007?**

You will need to make advance applications under the 2005 Act:

- to the Gambling Commission for a non-remote general betting operating licence;
- to your licensing authority for a betting premises licence; and,
- to the Gambling Commission for any personal licences required by your business.

If you are currently operating any remote services by virtue of your existing betting permit, you will also need to apply to the Gambling Commission for a remote operating licence.

2.5 **How long will my new licences last?**

Betting operating, premises and personal licences will be of unlimited duration. You will not need to apply again unless your circumstances change.

You will, however, be required to pay an annual fee to the Gambling Commission in respect of your operating licence, and to your licensing authority in respect of your premises licence. You will also be required to pay a periodic maintenance fee to the Gambling Commission in respect of your personal licence(s).

### Operating licences

2.6 **How do I obtain my operating licence?**

You should apply to the Gambling Commission between 1 January and 27 April 2007.

The Gambling Commission has issued its own guidance on the application procedures, and what you need to submit with your application. You can find this on the Gambling Commission's website: [www.gamblingcommission.gov.uk](http://www.gamblingcommission.gov.uk)

2.7 **Will I qualify for continuation rights?**

If you submit your advance application by 27 April 2007 you will qualify for continuation rights. This means that you will be treated as having an interim operating licence effective

from 1 September 2007, even if your application has not been resolved by that date.

It is important to note that, even if you are operating by virtue of continuation rights, you will still be expected to abide by any relevant operating licence conditions and codes of practice that come into force on 1 September 2007. You will also be subject to the review provisions set out in the Act.

The Gambling Commission must specify the conditions that will apply to your category of interim operating licence. Information about the licence conditions and codes of practice that apply to your sector is available on the Commission's website.

## 2.8 What happens if I don't apply to the Gambling Commission by 27 April 2007?

The Gambling Commission will still process your application, and will do all it can to resolve your application as quickly as possible. However, you will lose your entitlement to continuation rights. This means that if your application has not been resolved by 1 September 2007, you will have to cease trading on that date until such time as your application has been resolved.

## 2.9 Will I qualify for grandfather rights?

The government has guaranteed that the premises aspects of current permissions will be grandfathered. This means that if you hold a premises-based permission under the existing law (for a betting shop, bingo hall, casino or arcade), you will be guaranteed the equivalent premises licence under the new Act.

The government did not believe that it was appropriate to grandfather operating licences, as no-one should be exempt from the requirement to establish their suitability to be granted an operating licence. For the overwhelming majority

of responsible operators in the industry, this should present no problems.

## Premises licences

### 2.10 How do I obtain my premises licence?

You should apply to your licensing authority between 30 April and 30 July 2007.

### 2.11 Will I qualify for continuation rights?

If you hold a valid betting office licence issued under Schedule 1 to the 1963 Act, and you submit your advance application by 30 July 2007, you will qualify for continuation rights. This means that you will continue to be able to operate from 1 September 2007, even if your application has not been resolved by that date.

It is important to note that, even if you are operating by virtue of continuation rights, you will still be expected to abide by the relevant mandatory and default premises licence conditions that come into force on 1 September 2007. You will also be subject to the review provisions set out in the Act.

We are recommending to licensing authorities that, when they acknowledge receipt of your application, they will notify you that your application has been received in time and as such, if you hold an existing permission, you will qualify for continuation rights. They will also provide you with a summary of the mandatory and default premises licence conditions that will apply to the category of premises licence for which you are applying.

### 2.12 Will I qualify for grandfather rights?

Yes – if you are an existing operator, and you apply for your premises licence before 1 September 2007, you will be guaranteed a premises licence (except in the circumstances described in the next question).

### 2.13 Are there any circumstances in which the licensing authority can refuse my application?

The licensing authority could only refuse your application for a premises licence if:

- you have failed to submit any information that the licensing authority needs to process your application; or,
- it is obvious to the licensing authority from the plan of your premises that you will be unable to comply with any condition attached to the category of premises licence for which you are applying.

Further information about these circumstances is provided below.

### 2.14 What will I need to submit with my application?

You will be able to obtain information about application procedures from your licensing authority. More information about applying for premises licences, including the application form, will also be available on the DCMS website.

However, in summary, you will need to submit the following with your application:

- a completed premises licence application form;
- a plan of the premises, which includes some basic information about the situation and layout of the premises;
- the prescribed application fee.

### 2.15 Will any special arrangements apply during the transitional period?

The application form will give you two choices. During the advance application period, you must opt for one option or the other:

- fast track application – you can opt to accept in full the mandatory and default conditions that the government will attach to the type of premises licence you are applying for; or,

- non-fast track application – you can apply to vary any of the default conditions that apply to the category of premises licence for which you are applying.

In general, the only default condition that will apply to premises licences will relate to gambling hours – the hours each day that gambling will be permitted on the premises.

For betting shops, the default hours we have proposed for gambling on the premises are 07.00 to 22.00 every day all year round (in effect, we are proposing to remove the current distinction between summer and winter opening hours).

Whichever option you choose, if you are an existing operator, you will be guaranteed to obtain a premises licence with the mandatory and default conditions attached to it. This makes good on the government's commitment to give grandfather rights to existing operators.

You will not be permitted to make both a fast track and a non-fast track application. If you do make both applications, your licensing authority will be required to refuse your non-fast track application.

### 2.16 What is the difference between the two procedures?

(i) Fast track grandfathered premises licence application

#### Key features

- the licensing authority must grant it;
- the new mandatory and default conditions will be attached to your premises licence and nothing more;
- the licensing authority will not be able to amend default conditions or attach additional conditions at the point of issue (after issue, your premises licence may be reviewed like any other);

- it will involve a straightforward administrative procedure with no requirement for a hearing, to publish notice of the application or to notify responsible authorities;
- responsible authorities or interested parties will not be able to make representations;
- the application will be subject to a lower fee reflecting the reduced amount of work for the licensing authority in dealing with the application.

(ii) Application for a grandfathered premises licence with a default condition excluded or varied (non-fast track application)

#### Key features

- the licensing authority must ultimately grant at least a premises licence with the new mandatory and default conditions attached to it (ie as in (i) above);
- the licensing authority may grant or refuse your request to exclude or vary a default condition;
- where the licensing authority grants the request, it may attach other conditions. This may, for example, relate to the same matter dealt with by the default condition, but it does not necessarily have to be so limited;
- all the normal requirements relating to the making of an application for a premises licence will apply, including the requirements to publish notice of the application and to notify responsible authorities;
- responsible authorities and interested parties may make representations;
- there may be (but will not necessarily be) a requirement for a hearing;
- your application will attract a higher fee to reflect the increased costs incurred by the licensing authority.

#### 2.17 What will happen if I make a mistake in my application form, or if there is an error or omission in my plan? Will the licensing authority automatically refuse my application?

No. The licensing authority will notify you of any error or omission. If you fail to rectify any error, the licensing authority may then refuse your application. If the application qualifies for continuation rights (because it was made before 31 July 2007), the licensing authority will specify a period of not less than 14 days for rectifying the error or omission. If you fail to do so within this period the continuation rights will lapse.

#### 2.18 What will happen if the licensing authority believes that, on the basis of the plan of my premises, I will be unable to comply with a condition attached to the licence under the new Act?

The licensing authority will give you notice in writing indicating that it believes that, on the basis of your plan, the proposed premises is incompatible with a condition, explaining what that condition is and requesting information showing how you will meet the relevant condition, including an amended plan. You will be given a minimum of 14 days to comply with this request, and your licensing authority cannot grant the licence until you comply. If you qualify for continuation rights, the licensing authority will specify a period of not less than 14 days for complying with the request. If you fail to comply within this period the continuation rights will lapse.

#### Personal licences

#### 2.19 How many personal licences will I need and which people in my business will need them?

The Gambling Commission will issue separate guidance on who in your business requires a

personal licence. If you qualify as a small scale operator, you will not need to obtain any personal licences, and the Gambling Commission will also publish advice on the operation of this exemption.

#### 2.20 **How do I obtain my personal licences?**

You should apply to the Gambling Commission between 1 January and 29 June 2007. Information about application procedures and application forms will be available on the Gambling Commission's website.

#### 2.21 **Will I qualify for continuation rights?**

Yes. As long as you apply before 30 June 2007, you will qualify for continuation rights, and you will be treated as having been granted a personal licence until such time as your application is determined, even if this is after 1 September 2007.

### **Special circumstances**

#### 2.22 **What happens if my existing permit or licence is cancelled before 1 September 2007?**

In the rare event that an existing permit or licence is cancelled before 1 September 2007, the following arrangements will apply:

If your betting office licence is cancelled:

- if you have already been issued with a new premises licence under the new Act, that premises licence will lapse on the date on which your licence under the old Act was cancelled;
- if your application under the new Act is still outstanding, the licensing authority must refuse your application for a grandfathered premises licence. You may, of course, if you wish make a new application under the new Act for the appropriate licence.

If your bookmaker's permit is cancelled, the Gambling Commission will continue to be able to resolve any outstanding applications for a betting operating licence and personal licences, but you will lose your entitlement to continuation rights.

#### 2.23 **What happens if I want to make substantial alterations to my premises during the transition period?**

Grandfather rights only apply where the application for a premises licence under the new Act relates to the same or substantially the same premises as those to which the betting office licence under the 1963 Act relates.

If you are planning to make substantial alterations to your existing premises, you may wish to consider applying first for a grandfathered premises licence for your existing premises. You would then need to apply to your licensing authority to vary your new premises licence.

## Chapter 2 part 2: Betting shops – New operators

2.24 This part applies to operators who:

- wish to apply for a first betting shop licence before 31 August 2007; or,
- who already have an outstanding application for a betting shop licence under the existing law.

2.25 **What do I do if I want to apply for a first bookmaker's permit and betting shop licence before 31 August 2007?**

You may continue to apply in the normal way to your licensing magistrates (licensing boards in Scotland) for both permissions until 27 April 2007. Applications under the existing legislation made after this date will not be granted.

2.26 **Assuming my application for a permit under the old Act is successful, how do I then convert it to a new licence or permit under the 2005 Act?**

Broadly the same transitional arrangements will apply as for existing operators. You will still need to make advance applications for operating, premises and personal licences under the new Act, and you should ensure that you make these applications by the dates stipulated above (at whatever point consideration of your application under the old legislation may have reached).

It will be your responsibility to notify the Gambling Commission in writing if the application for a bookmaker's permit under the old legislation is granted, enclosing a copy of the permit. You must do so within 14 days of the application under the old legislation being granted. If you fail to do so, you will lose any entitlement to continuation rights.

Your licensing authority will not be able to resolve your application for a betting premises licence under the new Act until your application for a betting office licence under the old legislation has been resolved. Again, it will be your responsibility to notify the licensing

authority in writing that your application under the 1963 Act has been determined and to enclose with your notification a copy of the relevant betting office licence.

2.27 **What will happen if my application under the old legislation is withdrawn or refused?**

If your application for a bookmaker's permit under the old legislation is withdrawn or refused, the Gambling Commission will still consider your applications for operating and personal licences under the new Act. However, you will not be entitled to continuation rights as an existing operator.

If your application for a betting office licence under the old Act is withdrawn or refused, the licensing authority must refuse your application for a grandfathered premises licence under the new Act.

2.28 **Will I qualify for continuation rights?**

If your application under the existing legislation is resolved by 31 August 2007, but your advance applications under the new Act remain unresolved on that date, you will qualify for continuation rights.

However, if your application under the old legislation has not been resolved by 31 August, you will not qualify for continuation rights as there will have been no existing permission to continue.

2.29 **What do I do if I want to obtain a first licence or permit after 27 April 2007?**

Any applications under the existing legislation made after 27 April 2007 will not be granted. If you wish to apply for a permission to operate a betting shop after that date, you will need to apply under the new Act to the Gambling Commission for operating and personal licences, and to your licensing authority for a premises licence.

## Chapter 2 part 3:

# Other operators in the betting industry

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2.30 This part explains what the holders of other betting permissions, including tracks, will need to do to obtain the equivalent permissions under the new Act.

### On-course bookmakers

- 2.31 If you currently hold, or are applying for, a bookmaker's permit to operate only as an on-course bookmaker, and wish to continue to operate after 1 September 2007, you will need to make advance applications to the Gambling Commission for a general betting operating licence and any personal licences required by your business.
- 2.32 The same arrangements that apply to a betting shop seeking to convert its bookmaker's permit into a general betting operating licence will apply.
- 2.33 Bookmakers who only operate on-course will not require a premises licence.

### Betting agency permits

- 2.34 If you currently hold, or are applying for, a betting agency permit issued under Schedule 1 of the 1963 Act, and wish to continue to operate after 1 September 2007, you will need to make advance applications to the Gambling Commission for a general betting operating licence and any personal licences required by your business.
- 2.35 The same arrangements that apply to a betting shop seeking to convert its bookmaker's permit into a general betting operating licence will apply.

### Registered pool promoters – sports other than horse racing and dog racing

- 2.36 If you are currently registered, or are applying for registration, as a pool promoter under Schedule 2 of the 1963 Act, and wish to continue to operate pool-betting for sporting events other than horse racing and dog racing after 1 September 2007, you will need to make advance applications to the Gambling Commission for a pool betting operating licence and for any personal licences required by your business.
- 2.37 Broadly the same arrangements that apply to a betting shop seeking to convert its bookmaker's permit into a general betting operating licence will apply.
- 2.38 It is important to note that, if you currently operate pool betting on a remote as well as a non-remote basis, you will need to obtain both a remote and a non-remote pool betting operating licence under the new Act.
- 2.39 Pool promoters currently register with their licensing authority (local council in Scotland), and a continuation fee becomes payable to their licensing authority on 1 January each year. The annual fee that becomes due on 1 January 2007 will be waived. However, registered pool promoters will continue to have to reimburse their licensing authority for any costs associated with the appointment of an accountant, in accordance with the requirements set out in Paragraph 12 of Schedule 2 of the 1963 Act.

### Dog tracks

- 2.40 If you currently hold a track betting licence under the 1963 Act for a dog track, you will need to make an advance application under the new Act to your licensing authority for a betting premises licence for a dog track.

- 2.41 The transitional arrangements will be broadly similar to those that apply to betting shops seeking to convert their 1963 Act betting office licence into a betting premises licence under the new Act. You will qualify for grandfather rights.
- 2.42 You will not require a betting operating or personal licence in addition to your betting premises licence unless you also intend to operate your own facilities for betting at the track.
- 2.43 If you are offering facilities for pool betting at a dog track, either by virtue of your track betting licence, or by virtue of a written authorisation given under section 16(1) of the 1963 Act, you will also need to make advance applications under the new Act to the Gambling Commission for a pool betting operating licence for dog racing and for any personal licences required by your business.
- 2.44 Broadly the same arrangements that apply to a betting shop seeking to convert its bookmaker's permit into a general betting operating licence will apply.
- 2.45 It is important to note that, where you are an existing pool betting operator by virtue of one or more section 16(1) authorisations, any continuation rights will be limited to the tracks to which the section 16(1) authorisations relate.
- 2.46 If the holder of a track betting licence in respect of a dog track under the 1963 Act is applying for that licence to be transferred to another person, and that application has not been resolved, the transferee may also make advance applications as an existing operator for:
- a betting premises licence for a dog track; and/or
  - a pool betting operating licence.
- 2.47 Both the transferor and the transferee will potentially qualify for continuation rights and grandfather rights in respect for the track concerned, where both make the appropriate advance applications. The transferee will, however, only qualify for continuation rights if the application is successful before 1 September 2007.

#### **Horse racecourses**

- 2.48 If you currently hold a certificate of approval for a horse racecourse under Section 13 of the 1963 Act, you will need to make an advance application under the new Act to your licensing authority for a betting premises licence in respect of a horse racecourse.
- 2.49 The transitional arrangements will be broadly similar to those that apply to betting shops seeking to convert their 1963 Act betting office licence into a betting premises licence under the new Act. You will qualify for grandfather rights.
- 2.50 The only exception to this general rule is in the case of holders of Section 13 certificates issued under the 1963 Act in respect of point to point courses. Operators of point to point courses will not be required to obtain betting premises licences under the new Act. Instead, they will be able to take advantage of new arrangements under section 39 of the new Act for occasional use notices. These arrangements, which will not come into force until 1 September 2007, will enable operators to offer betting on tracks up to eight times a year by way of a simple notification procedure.

#### **Other sports**

- 2.51 If you currently hold a track betting licence under the 1963 Act for any other track or sports venue, you will need to make an advance

application under the new Act to your licensing authority for a betting premises licence.

- 2.52 The transitional arrangements will be broadly similar to those that apply to betting shops seeking to convert their 1963 Act betting office licence into a betting premises licence under the new Act. You will qualify for grandfather rights.

### **Inter-track betting scheme**

- 2.53 If you currently hold a licence to operate an inter-track betting scheme under paragraph 2 of Schedule 5ZA to the 1963 Act, you will need to make advance applications under the new Act to the Gambling Commission for a remote pool betting operating licence restricted for dog racing and for any personal licences required by your business.
- 2.54 Broadly the same arrangements that apply to a betting shop seeking to convert its bookmaker's permit into a general betting operating licence will apply.

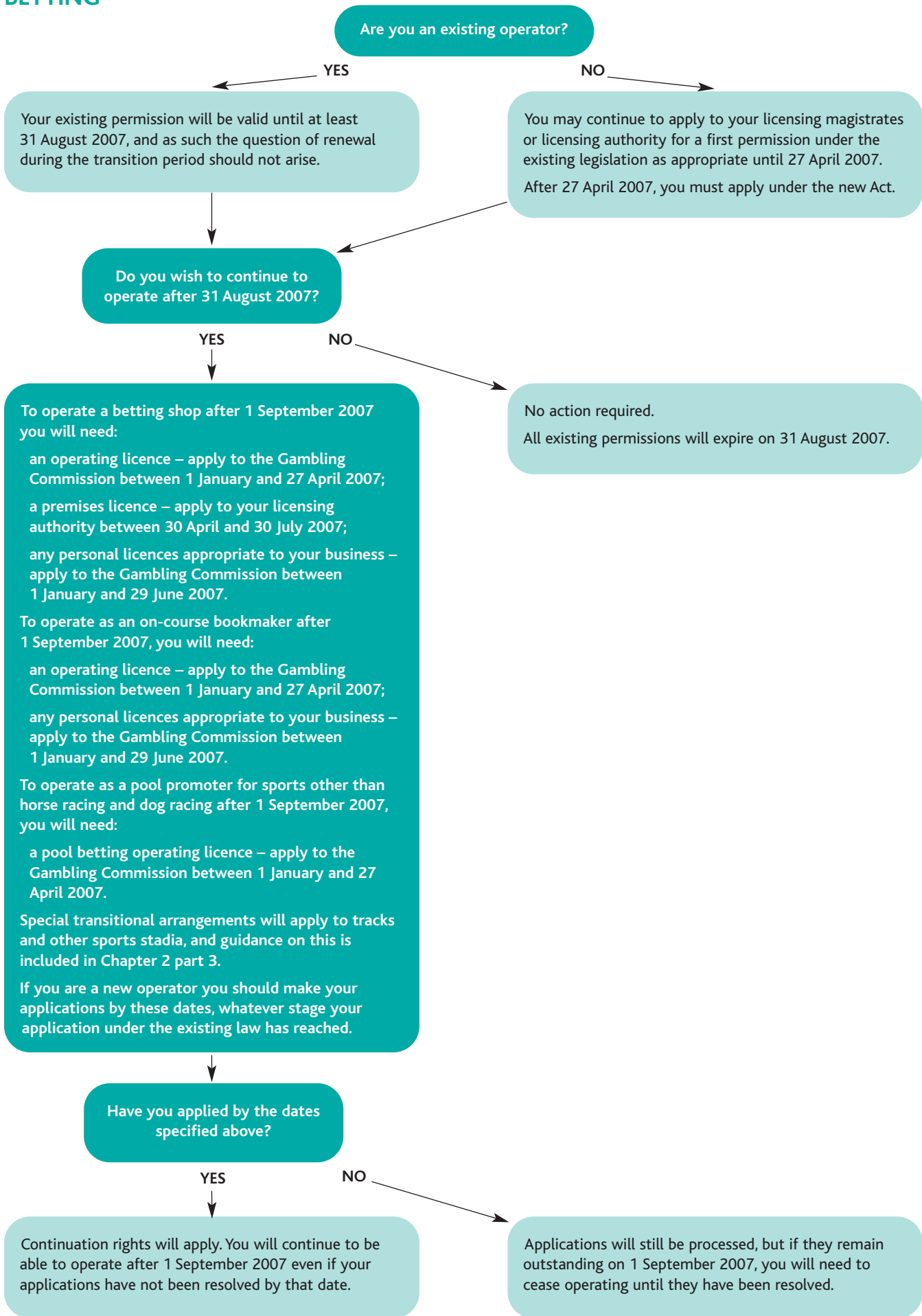
### **Betting intermediaries**

- 2.55 If you are currently operating as a betting intermediary, and wish to continue to operate in this capacity after 1 September 2007, you should make advance applications to the Gambling Commission for a remote (or non-remote) betting intermediary operating licence, and for any personal licences required by your business.
- 2.56 As this is a new permission under the 2005 Act, you will qualify for continuation rights whether or not you currently hold a bookmaker's permit, as long as you apply for your operating licence by 27 April 2007 and for your personal licences before 30 June 2007.

### **Remote betting facilities**

- 2.57 If you currently operate any form of remote betting facilities by virtue of a bookmaker's or betting agency permit, you will need to make advance applications to the Gambling Commission for a remote general betting operating licence and for any personal licences required by your business.
- 2.58 If you are an existing operator, you will need to apply to the Gambling Commission by 27 April 2007 for your operating licence, and by 29 June 2007 for your personal licences, to qualify for continuation rights.

# BETTING



# Bingo clubs

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## SUMMARY

To operate a bingo club after 1 September 2007 you will need:

- an operating licence – apply to the Gambling Commission between 1 January and 27 April 2007;
- a premises licence – apply to your licensing authority between 30 April and 30 July 2007;
- any personal licences appropriate to your business – apply to the Gambling Commission between 1 January and 29 June 2007. All existing Section 19 certificates will continue to have effect until 31 December 2009.

# Chapter 3 part 1:

## Bingo clubs – Existing operators

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3.1 This part applies to existing operators of a bingo club who wish to continue operating a bingo club under the 2005 Act.

### 3.2 What do I need to do if my existing bingo licence expires before 1 September 2007?

Nothing. Your existing permission has been automatically renewed until 31 August 2007. You can if you want write to your local magistrates' court (licensing board in Scotland) to obtain a copy of your renewed licence, and they will provide a copy free of charge. However, there is no requirement to do so.

### 3.3 What do I need to do if I want to continue to operate my business after 1 September 2007?

You will need to make advance applications under the 2005 Act:

- to the Gambling Commission for a bingo operating licence;
- to your licensing authority for a bingo premises licence;
- to the Gambling Commission for the appropriate personal licences required by your business.

### 3.4 Remote bingo operating licence

If you make available any of the following facilities to customers, you will also need to obtain an ancillary remote bingo operating licence from the Gambling Commission:

- linked bingo;
- handheld bingo terminals;
- automated bingo terminals.

Further information on the ancillary remote bingo operating licence is available from the Gambling Commission.

### 3.5 How long will my new licences last?

Bingo operating, premises and personal licences will be of unlimited duration. You will not need to apply again unless your circumstances change.

You will, however, be required to pay an annual fee to the Gambling Commission in respect of your operating licence, and to your licensing authority in respect of your premises licence. You will also be required to pay a periodic maintenance fee to the Gambling Commission in respect of your personal licence(s).

## Operating licences

### 3.6 How do I obtain my operating licence?

You should apply to the Gambling Commission between 1 January and 27 April 2007.

The Gambling Commission has issued its own guidance on the application procedures, and what you need to submit with your application. You can find this on the Gambling Commission's website: [www.gamblingcommission.gov.uk](http://www.gamblingcommission.gov.uk)

### 3.7 Will I qualify for continuation rights?

If you submit your advance application by 27 April 2007 you will qualify for continuation rights. This means that you will be treated as having an interim operating licence effective from 1 September 2007, even if your application has not been resolved by that date.

It is important to note that, even if you are operating by virtue of continuation rights, you will still be expected to abide by any relevant operating licence conditions and codes of practice that come into force on 1 September 2007. Information about the licence conditions and codes of practice that apply to your sector is available on the Commission's website. You will also remain subject to the review provisions set out in the Act.

### 3.8 **What happens if I don't apply to the Gambling Commission by 27 April 2007?**

The Gambling Commission will still process your application, and will do all it can to resolve your application as quickly as possible. However, you will lose your entitlement to continuation rights. This means that if your application has not been resolved by 1 September 2007, you will have to cease trading on that date until such time as your application has been resolved.

### 3.9 **Will I qualify for grandfather rights?**

The government has guaranteed that the premises aspects of current permissions will be grandfathered. This means that if you hold a premises-based permission under the existing law (for a casino, betting shop, bingo hall or arcade), you will be guaranteed the equivalent premises licence under the new Act.

The government did not believe that it was appropriate to grandfather operating licences as no-one should be exempt from the requirement to establish their suitability to be granted an operating licence. For the overwhelming majority of responsible operators in the industry, this should present no problems.

## **Premises licences**

### 3.10 **How do I obtain my premises licence?**

You should apply to your licensing authority between 30 April and 30 July 2007.

### 3.11 **Will I qualify for continuation rights?**

If you submit your advance application before 31 July 2007, you will qualify for continuation rights. This means that you will continue to be able to operate from 1 September 2007, even if your application has not been resolved by that date.

It is important to note that, even if you are operating by virtue of continuation rights, you will still be expected to abide by the relevant mandatory and default premises licence conditions that come into force on 1 September 2007. You will also remain subject to the review provisions set out in the Act.

We are recommending to licensing authorities that, when they acknowledge receipt of your application, they will notify you that your application has been received in time and as such, if you hold an existing permission, you will qualify for continuation rights. They will also provide you with a summary of the mandatory and default premises licence conditions that will apply to the category of premises licence for which you are applying.

### 3.12 **Will I qualify for grandfather rights?**

Yes – if you are an existing operator, and you apply for your premises licence before 1 September 2007, you will be guaranteed a premises licence (except in the circumstances described in the next question).

### 3.13 **Are there any circumstances in which the licensing authority can refuse my application?**

The licensing authority could only refuse your application for a premises licence if:

- you have failed to submit any information that the licensing authority needs to process your application; or,
- it is obvious to the licensing authority from the plan of your premises that you will be unable to comply with any condition attached to the category of premises licence for which you are applying.

Further information about these circumstances is provided below.

### 3.14 **What will I need to submit with my application?**

You will be able to obtain information about application procedures from your licensing authority. More information about applying for premises licences, including the application form, will also be available on the DCMS website.

However, in summary, you will need to submit the following with your application:

- a completed premises licence application form;
- a plan of the premises, which includes some basic information about the situation and layout of the premises;
- the prescribed application fee.

### 3.15 **Will any special arrangements apply during the transitional period?**

The application form will give you two choices. During the advance application period, you must opt for one option or the other:

- fast track application – you can opt to accept in full the mandatory and default conditions that the government will attach to the type of premises licence you are applying for; or,
- non-fast track application – you can apply to vary any of the default conditions that applies to the category of premises licence for which you are applying.

In general, the only default condition that will apply to premises licences will relate to gambling hours – the hours each day that gambling will be permitted on the premises.

For bingo halls, the default hours we have proposed for playing bingo on the premises are 09.00 to midnight every day.

Whichever option you choose, if you are an existing operator, you will be guaranteed to obtain a premises licence. This makes good on

the government's commitment to give grandfather rights to existing operators.

You will not be permitted to make both a fast track and a non-fast track application. If you do make both applications, your licensing authority will be required to refuse your non-fast track application.

### 3.16 **Will this be my only chance to vary a default condition on my premises licence?**

No. If you do decide not to seek to vary a default condition during the advance application period, you will be able to do so at any time after your premises licence is granted.

### 3.17 **What is the difference between the two procedures?**

(i) Fast track grandfathered premises licence application

#### **Key features**

- the licensing authority must grant it;
- the new mandatory and default conditions will be attached to your premises licence and nothing more;
- the licensing authority will not be able to amend default conditions or attach additional conditions at the point of issue (after issue, your premises licence may be reviewed like any other);
- it will involve a straightforward administrative procedure with no requirement for a hearing, to publish notice of the application or to notify responsible authorities;
- responsible authorities or interested parties will not be able to make representations;
- the application will be subject to a lower fee.

(ii) Grandfathered premises licence with application to vary default conditions (non-fast track application)

### Key features

- the licensing authority must ultimately grant at least a premises licence with the new mandatory and default conditions attached to it (ie as in (i) above);
- the licensing authority may grant or refuse your application to vary a default condition;
- where the licensing authority grants the request, it may attach other conditions. This may, for example, relate to the same matter dealt with by the default condition, but it does not necessarily have to be so limited;
- all the normal requirements relating to the making of an application to vary a licence will apply, including the requirements to publish notice of the application and to notify responsible authorities;
- responsible authorities and interested parties may make representations;
- there may be (but will not necessarily be) a requirement for a hearing;
- your application will attract a higher fee to reflect the increased costs incurred by the licensing authority.

#### 3.18 **What will happen if I make a mistake in my form, or if there is an error or omission in my plan? Will the licensing authority automatically refuse my application?**

No. The licensing authority will notify you of any error or omission. If you fail to rectify any error, the licensing authority may then refuse your application. If the application qualifies for continuation rights (because it was made before 31 July 2007), the licensing authority will specify a period of not less than 14 days for rectifying the error or omission. If you fail to do so within this period the continuation rights will lapse.

#### 3.19 **What will happen if the licensing authority believes that on the basis of the plan of my**

#### **premises, I will be unable to comply with a condition under the new Act?**

The licensing authority will give you notice in writing indicating that it believes that, on the basis of your plan, the proposed premises is incompatible with a condition, explaining what that condition is and requesting information showing how you will meet the relevant condition, including an amended plan. You will be given a minimum of 14 days to comply with this request, and your licensing authority cannot grant the licence until you comply. If you qualify for continuation rights, the licensing authority will specify a period of not less than 14 days for complying with the request. If you fail to comply within this period the continuation rights will lapse.

### Personal licences

#### 3.20 **How many personal licences will I need and which people in my business will need them?**

The Gambling Commission will issue separate guidance on who in your business requires a personal licence.

#### 3.21 **How do I obtain my personal licences?**

Special transitional arrangements will apply to any existing operational and management staff who already hold certificates issued by the Gambling Commission under Section 19 of the Gaming Act 1968. All such certificates will continue to have effect until 31 December 2009. Anyone currently holding a red, white or pink certificate will not need to apply for a personal licence until 2009.

If, after 1 June 2007, you change your place of work or intend to perform a role beyond that permitted by your current certificate, you will need to apply for the appropriate personal licences under the new Act.

If you or a member of your business requires a first certificate under Section 19, you may continue to apply to the Gambling Commission for such a certificate until 1 June 2007. After that date you must apply for the relevant personal licence under the new Act. In this circumstance (and uniquely so), any personal functional and management licences that are issued in this way will be capable of having effect before 1 September 2007.

Information about application procedures and application forms will be available on the Gambling Commission's website.

### 3.22 **What new conditions will be attached to my certificate of approval after 1 September 2007?**

All existing certificates of approval that are rolled over in this way will equate either to a personal management licence or to a personal functional licence under the new Act, whichever is appropriate. This means that where a condition attached to your operating licence requires you to ensure that a specific operational function is performed by the holder of a personal functional or management licence, that requirement will be fulfilled if it is performed by a person holding the equivalent certificate of approval.

## **Special circumstances**

### 3.23 **What happens if my existing licence or certificate of consent is cancelled or revoked before 1 September 2007?**

In the rare event that an existing licence or certificate of consent is cancelled or revoked before 1 September 2007, the following arrangements will apply:

- if a certificate of consent is revoked, then (unless the operator has one or more other valid certificates of consent) the Gambling

Commission will continue to be able to resolve any outstanding application for an operating licence, but you will lose your entitlement to continuation rights;

- where the licence under the 1968 Act ceases to have effect, because it is cancelled or because the associated certificate of consent is revoked, then if you have already been issued with a new premises licence under the new Act, that premises licence will lapse on the date on which your licence under the old Act was cancelled or revoked;
- if in such a case your application for a grandfathered premises licence under the new Act is still outstanding, the licensing authority must refuse your application.

### 3.24 **What do I do if I want to apply to transfer my existing bingo licence before 1 September 2007?**

You should continue to apply in the normal way to the Gambling Commission for a certificate of consent and to the licensing magistrates for the transfer. The Gambling Commission and licensing magistrates will continue to be able to receive such applications up to 31 August 2007.

However, both the transferor and transferee will need to ensure that they have made the appropriate advance applications under the new Act if they are to ensure that the business can continue to be able to operate without interruption.

Both the transferor and the transferee should be advised to make advance applications to the Gambling Commission and the licensing authority. Where the application for transfer is successful, the transferee will need to notify the licensing authority of the transfer of the licence to him, before the licensing authority will be required to grant the premises licence to him. Where the application for transfer is

unsuccessful, the licensing authority will not be able to grant the premises licence to the transferor until they have been notified by him of that fact.

If the application for transfer is successful, the licensing authority will be required to grant the transferor's application for a premises licence under the new Act, and to refuse the transferee's application.

If the application for transfer is unsuccessful, the licensing authority will be required to refuse the transferee's application for a premises licence under the new Act, and grant the transferor's application.

## Chapter 3 part 2: Bingo clubs – New operators

3.25 This part applies to operators who:

- wish to apply for a first bingo club licence before 31 August 2007; or,
- who already have an outstanding application for a bingo club licence under the existing law.

### 3.26 **What do I do if I want to apply for a first bingo licence before 31 August 2007?**

You should continue to apply in the normal way first to the Gambling Commission for a certificate of consent, and then to your licensing magistrates (licensing boards in Scotland) for a bingo licence.

All applications for certificates of consent and licences must be made by 27 April 2007. Special arrangements will apply, and you will not need to wait until the Gambling Commission has resolved your application before applying to the licensing magistrates/licensing boards for your licence. You should ensure that you make your application to the licensing magistrates/licensing boards by 27 April 2007.

Please note that the licensing magistrates/licensing boards will not be able to resolve your application until the Gambling Commission has resolved your application for a certificate of consent.

### 3.27 **Assuming my application for a licence under the old Act is successful, how do I then convert it to a new licence under the 2005 Act?**

Broadly the same transitional arrangements will apply as for existing operators. You will still need to make advance applications for operating, premises and personal licences under the new Act, and you should ensure that you make these applications by the dates stipulated above (at whatever point consideration of your application under the old legislation may have reached).

It will be your responsibility to notify the Gambling Commission in writing if the application under the old legislation is granted. You must do so within 14 days of the application under the old legislation being granted. If you fail to do so, you will lose any entitlement to continuation rights.

Your licensing authority will not be able to resolve your application for a bingo premises licence under the new Act until your application for a bingo club licence under the old legislation has been resolved. Again it will be your responsibility to notify the licensing authority in writing that your application under the 1968 Act has been determined and to enclose with your notification a copy of the relevant bingo club licence.

### 3.28 **What do I do if I have an application for a first bingo licence under the old Act that is still outstanding?**

If you have applied to the Gambling Commission for a certificate of consent and that application remains unresolved, you should ensure that you apply to the licensing magistrates/licensing boards for your licence by 27 April 2007, even if your certificate of consent application remains unresolved on that date.

You should also make advance applications under the new Act to the Gambling Commission for operating and personal licences, and to your licensing authority for a premises licence, as if you were an existing operator.

### 3.29 **What will happen if my application under the old legislation is withdrawn or refused?**

If your application for a certificate of consent under the 1968 Act is refused, as now the licensing magistrates/licensing boards will be required to refuse your application for a bingo club licence under the 1968 Act, and your

licensing authority will be required to refuse your application for a premises licence under the new Act. The Gambling Commission will, however, continue to be able to consider your applications for operating and personal licences under the new Act, but you will not be entitled to continuation rights as an existing operator.

If your application for a bingo club licence under the 1968 Act is refused by the licensing magistrates/licensing boards, your licensing authority will be required to refuse your application for a bingo premises licence under the new Act.

### 3.30 **Will I qualify for continuation rights?**

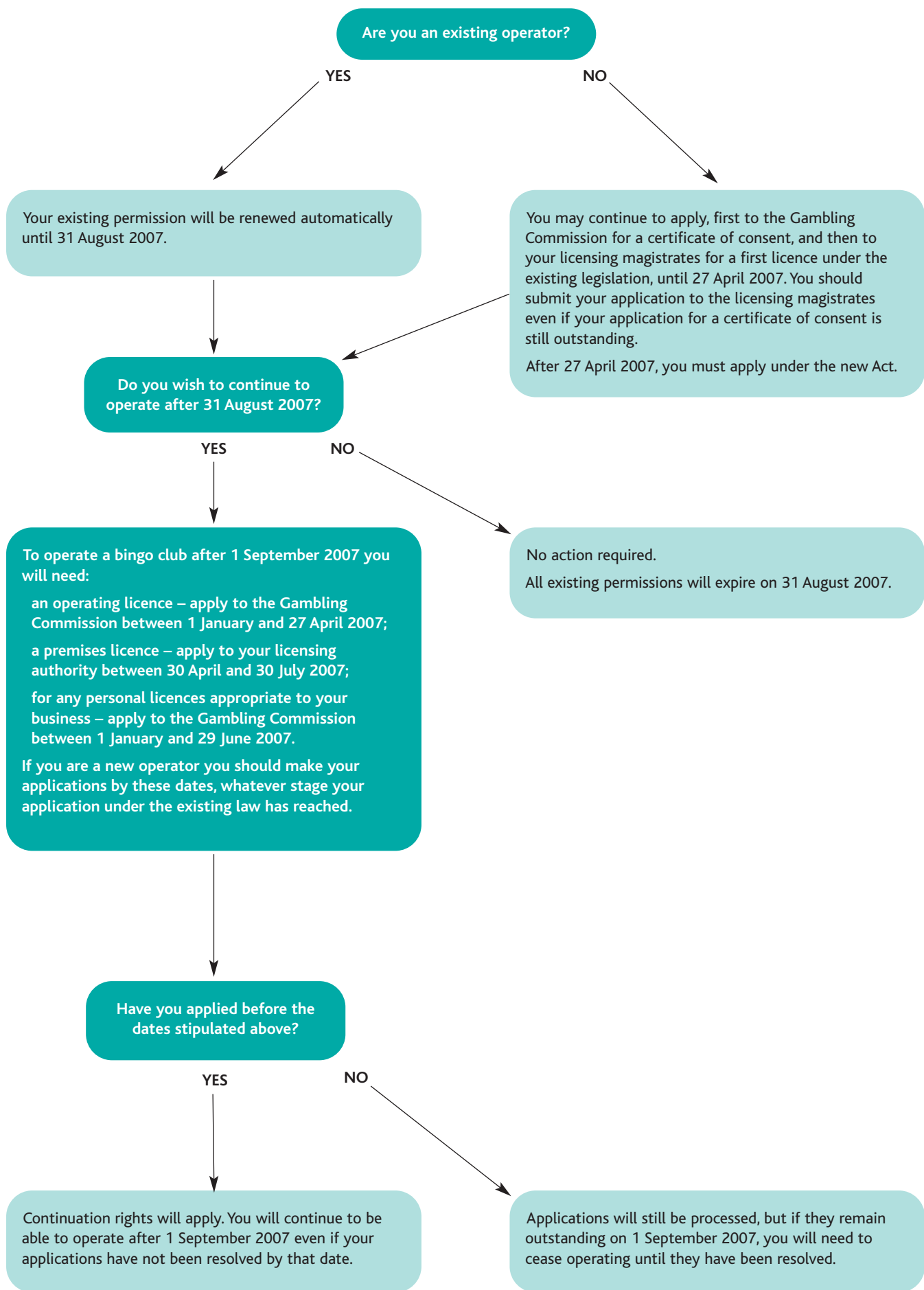
If your application under the existing legislation is resolved before 31 August 2007, but your advance application under the new Act remains unresolved on that date, you will qualify for continuation rights.

However, if your application under the old legislation has not been resolved by 31 August, you will not qualify for continuation rights as there will have been no existing permission to continue.

### 3.31 **What do I do if I want to obtain a first licence after 27 April 2007?**

No further applications will be permitted under the existing legislation after 27 April 2007. If you wish to apply for a new licence after that date, you will need to apply under the new Act to the Gambling Commission for operating and personal licences, and to your licensing authority for a premises licence.

# BINGO



# Casinos

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## SUMMARY

To operate a casino that has previously been licensed under the Gaming Act 1968 after 1 September 2007, you will need:

- an operating licence – apply to the Gambling Commission between 1 January and 27 April 2007;
- a premises licence – apply to your licensing authority between 30 April and 30 July 2007;
- any personal licences appropriate to your business – apply to the Gambling Commission between 1 January and 29 June 2007. All existing Section 19 certificates will continue to have effect until 31 December 2009.

To operate one of the one regional, eight large and eight small casinos permitted by the Gambling Act 2005, you will need:

- an operating licence – you may apply to the Gambling Commission after 1 January 2007;
- one of the 17 premises licences on offer – apply to any of the licensing authorities that have been given the right to issue these licences once the competitions for the licences begin – expected to be in the summer of 2007;
- any personal licences appropriate to your business – apply to the Gambling Commission after 1 January 2007.

# Chapter 4 part 1:

## Casinos – existing operators

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4.1 This part applies to existing operators of a casino licensed under the Gaming Act 1968 who wish to continue operating a casino under the 2005 Act.

### 4.2 What do I need to do if my existing casino licence expires before 1 September 2007?

Nothing. Your existing permission has been automatically renewed until 31 August 2007. You can if you want write to your local magistrates' court (licensing board in Scotland) to obtain a copy of your renewed licence, and they will provide a copy free of charge. However, there is no requirement to do so.

### 4.3 What do I need to do if I want to continue to operate my business after 1 September 2007?

You will need to make advance applications under the 2005 Act:

- to the Gambling Commission for a casino operating licence;
- to your licensing authority for a converted casino premises licence;
- to the Gambling Commission for the appropriate personal licences required by your business.

### 4.4 Remote casino operating licence

If you make available any of the following facilities to customers, you will also need to obtain an ancillary remote casino operating licence from the Gambling Commission:

- handheld gaming terminals;
- semi-automated table games of the sort permitted by section 235(2)(h) of the new Act;
- wholly automated table games of the sort permitted by section 235(2)(i) of the new Act.

Further information on the ancillary remote casino operating licence is available from the Gambling Commission.

### 4.5 How long will my new licences last?

Casino operating, premises and personal licences will be of unlimited duration. You will not need to apply again unless your circumstances change.

You will, however, be required to pay an annual fee to the Gambling Commission in respect of your operating licence, and to your licensing authority in respect of your premises licence. You will also be required to pay a periodic maintenance fee to the Gambling Commission in respect of your personal licence(s).

## Operating licences

### 4.6 How do I obtain my operating licence?

You should apply to the Gambling Commission between 1 January and 27 April 2007.

The Gambling Commission has issued its own guidance on the application procedures, and what you need to submit with your application. You can find this on the Gambling Commission's website: [www.gamblingcommission.gov.uk](http://www.gamblingcommission.gov.uk)

### 4.7 Will I qualify for continuation rights?

If you submit your advance application by 27 April 2007 you will qualify for continuation rights. This means that you will be treated as having an interim operating licence effective from 1 September 2007, even if your application has not been resolved by that date.

It is important to note that, even if you are operating by virtue of continuation rights, you will still be expected to abide by any relevant operating licence conditions and codes of practice that come into force on 1 September 2007. You will also remain subject to the review provisions set out in the Act.

The Gambling Commission must specify any conditions that will apply to your interim operating licence. Information about the licence conditions and codes of practice that apply to your sector is available on the Commission's website.

#### 4.8 **What happens if I don't apply to the Gambling Commission by 27 April 2007?**

The Gambling Commission will still process your application, and will do all it can to resolve your application as quickly as possible. However, you will lose your entitlement to continuation rights. This means that if your application has not been resolved by 1 September 2007, you will have to cease trading on that date until such time as your application has been resolved.

#### 4.9 **Will I qualify for grandfather rights?**

The government has guaranteed that the premises aspects of current permissions will be grandfathered. This means that if you hold a premises-based permission under the existing law (for a casino, betting shop, bingo hall or arcade), you will be guaranteed the equivalent premises licence under the new Act.

The government did not believe that it was appropriate to grandfather operating licences as no-one should be exempt from the requirement to establish their suitability to be granted an operating licence. For the overwhelming majority of responsible operators in the industry, this should present no problems.

### **Premises licences**

#### 4.10 **How do I obtain my converted casino premises licence?**

You should apply to your licensing authority between 30 April and 30 July 2007.

#### 4.11 **Will I qualify for continuation rights?**

If you submit your advance application before 31 July 2007, you will qualify for continuation rights. This means that you will continue to be able to operate from 1 September 2007, even if your application has not been resolved by that date.

It is important to note that, even if you are operating by virtue of continuation rights, you will still be expected to abide by the relevant mandatory and default premises licence conditions that come into force on 1 September 2007. You will also remain subject to the review provisions set out in the Act.

We are recommending to licensing authorities that, when they acknowledge receipt of your application, they will notify you that your application has been received in time and as such, if you hold an existing permission, you will qualify for continuation rights. They will also provide you with a summary of the mandatory and default premises licence conditions that will apply to the category of premises licence for which you are applying.

#### 4.12 **Will I qualify for grandfather rights?**

Yes – if you are an existing operator, and you apply for your premises licence before 1 September 2007, you will be guaranteed a premises licence (except in the circumstances described in the next question).

You will be issued with a converted premises licence, which will mean that:

- (i) the casino will not be subject to the minimum size requirements which will otherwise apply under the 2005 Act;
- (ii) the converted casino premises licence will not count towards the limits specified in section 175 of the Act (the so-called 1-8-8 formula);

- (iii) the gaming machine entitlement under the 2005 Act will be modified so that it authorises the casino to make available 20 category B gaming machines, or an unlimited number of Category C or D gaming machines – in line with the entitlements of casinos under the 1968 Act.

#### 4.13 **Are there any circumstances in which the licensing authority can refuse my application?**

The licensing authority could only refuse your application for a premises licence if:

- you have failed to submit any information that the licensing authority needs to process your application; or,
- it is obvious to the licensing authority from the plan of your premises that you will be unable to comply with any condition attached to the category of premises licence for which you are applying.

Further information about these circumstances is provided below.

#### 4.14 **What will I need to submit with my application?**

You will be able to obtain information about application procedures from your licensing authority. More information about applying for premises licences, including the application form, will also be available on the DCMS website.

However, in summary, you will need to submit the following with your application:

- a completed premises licence application form;
- a plan of the premises, which includes some basic information about the situation and layout of the premises;
- the prescribed application fee.

#### 4.15 **Will any special arrangements apply during the transitional period?**

The application form will give you two choices. During the advance application period, you must opt for one option or the other:

- you can opt to accept in full the mandatory and default conditions that the government will attach to the type of premises licence you are applying for; or,
- you can apply to vary any of the default conditions that applies to the category of premises licence for which you are applying.

In general, the only default condition that will apply to premises licences will relate to gambling hours – the hours each day that gambling will be permitted on the premises.

For casinos, the default hours we have proposed for gambling on the premises are 12.00 to 06.00 every day.

Whichever option you choose, if you are an existing operator, you will be guaranteed to obtain a premises licence with the mandatory and default conditions attached to it. This makes good on the government's commitment to give grandfather rights to existing operators.

You will not be permitted to make both a fast track and a non-fast track application. If you do make both applications, your licensing authority will be required to refuse your non-fast track application.

#### 4.16 **Will this be my only chance to vary a default condition on my premises licence?**

No. If you do decide not to seek to vary a default condition during the advance application period, you will be able to do so at any time after your premises licence is granted.

#### 4.17 What is the difference between the two procedures?

(i) Fast track grandfathered premises licence application

##### Key features

- the licensing authority must grant it;
- the new mandatory and default conditions will be attached to your premises licence and nothing more;
- the licensing authority will not be able to amend default conditions or attach additional conditions at the point of issue (after issue, your premises licence may be reviewed like any other);
- it will involve a straightforward administrative procedure with no requirement for a hearing, to publish notice of the application or to notify responsible authorities;
- responsible authorities or interested parties will not be able to make representations;
- the application will be subject to a lower fee.

(ii) Grandfathered premises licence with application to vary default conditions (non-fast track application)

##### Key features

- the licensing authority must ultimately grant at least a premises licence with the new mandatory and default conditions attached to it (ie as in (i) above);
- the licensing authority may grant or refuse your application to vary a default condition;
- where the licensing authority grants the request, it may attach other conditions. This may, for example, relate to the same matter dealt with by the default condition, but it does not necessarily have to be so limited;
- all the normal requirements relating to the making of an application to vary a licence will

apply, including the requirements to publish notice of the application and to notify responsible authorities;

- responsible authorities and interested parties may make representations;
- there may be (but will not necessarily be) a requirement for a hearing;
- your application will attract a higher fee to reflect the increased costs incurred by the licensing authority.

#### 4.18 What will happen if I make a mistake in my form, or if there is an error or omission in my plan? Will the licensing authority automatically refuse my application?

No. The licensing authority will notify you of any error or omission. If you fail to rectify any error, the licensing authority may then refuse your application. If the application qualifies for continuation rights (because it was made before 1 August 2007), the licensing authority will specify a period of not less than 14 days for rectifying the error or omission. If you fail to comply within this period the continuation rights will lapse.

#### 4.19 What will happen if the licensing authority believes that, on the basis of the plan of my premises, I will be unable to comply with a condition under the new Act?

The licensing authority will give you notice in writing indicating that it believes that, on the basis of your plan, the proposed premises is incompatible with a condition, explaining what that condition is and requesting information showing how you will meet the relevant condition, including an amended plan. You will be given a minimum of 14 days to comply with this request, and your licensing authority cannot grant the licence until you comply. If you qualify for continuation rights, the licensing authority will specify a period of not less than 14 days for

complying with the request. If you fail to comply within this period the continuation rights will lapse.

### Personal licences

#### 4.20 **How many personal licences will I need and which people in my business will need them?**

The Gambling Commission will issue separate guidance on who in your business requires a personal licence.

#### 4.21 **How do I obtain my personal licences?**

Special transitional arrangements will apply to any existing operational and management staff who already hold certificates issued by the Gambling Commission under Section 19 of the Gaming Act 1968. All such certificates will continue to have effect until 31 December 2009. Anyone currently holding a red, grey or white certificate will not need to apply for a personal licence until 2009.

If after 1 June 2007 you change your place of work or intend to perform a role beyond that permitted by your current certificate, you will need to apply for the appropriate personal licences under the new Act.

If you or a member of your business requires a first certificate under Section 19, you may continue to apply to the Gambling Commission for such a certificate until 1 June 2007. After that date you must apply for the relevant personal licence under the new Act. In this circumstance (and uniquely so), any personal functional and management licences that are issued in this way will be capable of having effect before 1 September 2007.

Information about application procedures and application forms will be available on the Gambling Commission's website.

#### 4.21 **What new conditions will be attached to my certificate of approval after 1 September 2007?**

All existing certificates of approval that are rolled over in this way will equate either to a personal management licence or to a personal functional licence under the new Act, whichever is appropriate. This means that where a condition attached to your operating licence requires you to ensure that a specific operational function is performed by the holder of a personal functional or management licence, that requirement will be fulfilled if it is performed by a person holding the equivalent certificate of approval.

### Special circumstances

#### 4.22 **What happens if I am applying to convert my existing casino licence into one of the new regional/large/small casinos permitted by the new Act?**

Any existing casino will be free to apply for any of the one regional, eight large or eight small casino premises licences permitted by the new Act. We do not expect the competitions for these licences to begin until the summer of 2007 at the earliest. Any existing casino which is considering applying for one of the new premises licences should, therefore, be advised to make advance applications for operating and premises licences as described above to ensure that the right to operate the casino is not lost in the event that it is unsuccessful in the competition for the new premises licence.

#### 4.23 **What happens if my existing licence or certificate of consent is cancelled or revoked before 1 September 2007?**

In the rare event that an existing licence or certificate of consent is cancelled or revoked before 1 September 2007, the following arrangements will apply:

- if a certificate of consent is revoked, then (unless the operator has one or more other valid certificates of consent) the Gambling Commission will continue to be able to resolve any outstanding application for an operating licence, but you will lose your entitlement to continuation rights;
- where the licence under the 1968 Act ceases to have effect, because it is cancelled or because the associated certificate of consent is revoked, then if you have already been issued with a new premises licence under the new Act, that premises licence will lapse on the date on which your licence under the old Act was cancelled or revoked;
- if in such a case your application for a grandfathered premises licence under the new Act is still outstanding, the licensing authority must refuse your application.

#### 4.24 **What do I do if I want to apply to transfer my existing casino licence before 1 September 2007?**

You should continue to apply in the normal way to the Gambling Commission for a certificate of consent and to the licensing magistrates (licensing boards in Scotland) for the transfer of the licence. The Gambling Commission and licensing magistrates will continue to be able to receive such applications up to 31 August 2007.

However, both the transferor and transferee will need to ensure that they have made the appropriate advance applications under the new Act if they are to ensure that the business can continue to operate without interruption.

Both the transferor and the transferee should be advised to make advance applications to the Gambling Commission and the licensing authority. Where the application for transfer is successful, the transferee will need to notify the licensing authority of the transfer of the licence

to him, before the licensing authority will be required to grant the premises licence to him. Where the application for transfer is unsuccessful, the licensing authority will not be able to grant the premises licence to the transferor until they have been notified by him of that fact.

If the application for transfer is successful, the licensing authority will be required to grant the transferor's application for a premises licence under the new Act, and to refuse the transferee's application.

If the application for transfer is unsuccessful, the licensing authority will be required to refuse the transferee's application for a premises licence under the new Act, and grant the transferor's application.

#### 4.25 **What do I do if I want to apply to relocate or substantially alter my existing casino premises either before 1 September 2007 or subsequently?**

Prior to 1 September 2007, operators will continue to be able to apply to relocate or substantially alter their premises as they always have done under the 1968 Act. The Gambling Commission and licensing magistrates/licensing boards will continue to be able to receive such applications up to 31 August 2007.

After 1 September 2007, holders of converted casino premises licences will be able to apply to their licensing authority. It is important to note that they will only be able apply to relocate to alternative premises within the jurisdiction of their existing licensing authority.

## Chapter 4 part 2: Casinos – New operators

4.26 This part applies to operators who:

- wish to apply for a first casino licence before 31 August 2007; or
- who already have an outstanding application for a casino licence under the existing law.

### 4.27 **What do I do if I want to apply for a first casino licence before 31 August 2007?**

The final date for applications for a certificate of consent in respect of a new casino was on 28 April 2006. If you did not apply for a certificate of consent by that date, you can no longer obtain a casino licence under the 1968 Act.

### 4.28 **What happens if I applied for a certificate of consent on or before 28 April 2006?**

The Gambling Commission will resolve your application in the normal way. You will then need to apply to your licensing magistrates/licensing boards for a casino licence.

All applications for licences must be made to the licensing magistrates/licensing boards by 27 April 2007. Special arrangements will apply, and you will not need to wait until the Gambling Commission has resolved your consent application before applying to the licensing magistrates/licensing boards for your licence. You should ensure that you make your application to the licensing magistrates/licensing boards by 27 April 2007.

Please note that the licensing magistrates/licensing boards will not be able to resolve your application until the Gambling Commission has resolved your application for a certificate of consent.

### 4.29 **Assuming my application for a licence under the old Act is successful, how do I then convert it to a new licence under the 2005 Act?**

Broadly the same transitional arrangements will apply as for existing operators. You will still need

to make advance applications for operating, premises and personal licences under the new Act, and you should ensure that you make these applications by the dates stipulated above (at whatever point consideration of your application under the old legislation may have reached).

Your licensing authority will not be able to resolve your application for a converted casino premises licence under the new Act until your application for a casino licence under the old legislation has been resolved. Again, it will be your responsibility to notify the licensing authority in writing that your application under the 1968 Act has been determined and to enclose with your notification a copy of the relevant casino licence.

### 4.30 **What will happen if my application under the old legislation is withdrawn or refused?**

If your application for a certificate of consent under the 1968 Act is refused, as now the licensing magistrates/licensing boards will be required to refuse your application for a casino licence under the 1968 Act, and your licensing authority will be required to refuse your application for a premises licence under the new Act. The Gambling Commission will, however, continue to be able to consider your applications for an operating licence and personal licences under the new Act.

If your application for a casino licence under the 1968 Act is refused by the licensing magistrates/licensing boards, your licensing authority will be required to refuse your application for a premises licence under the new Act.

### 4.31 **Will I qualify for continuation rights?**

If your application under the existing legislation is granted before 31 August 2007, but your advance application under the new Act remains

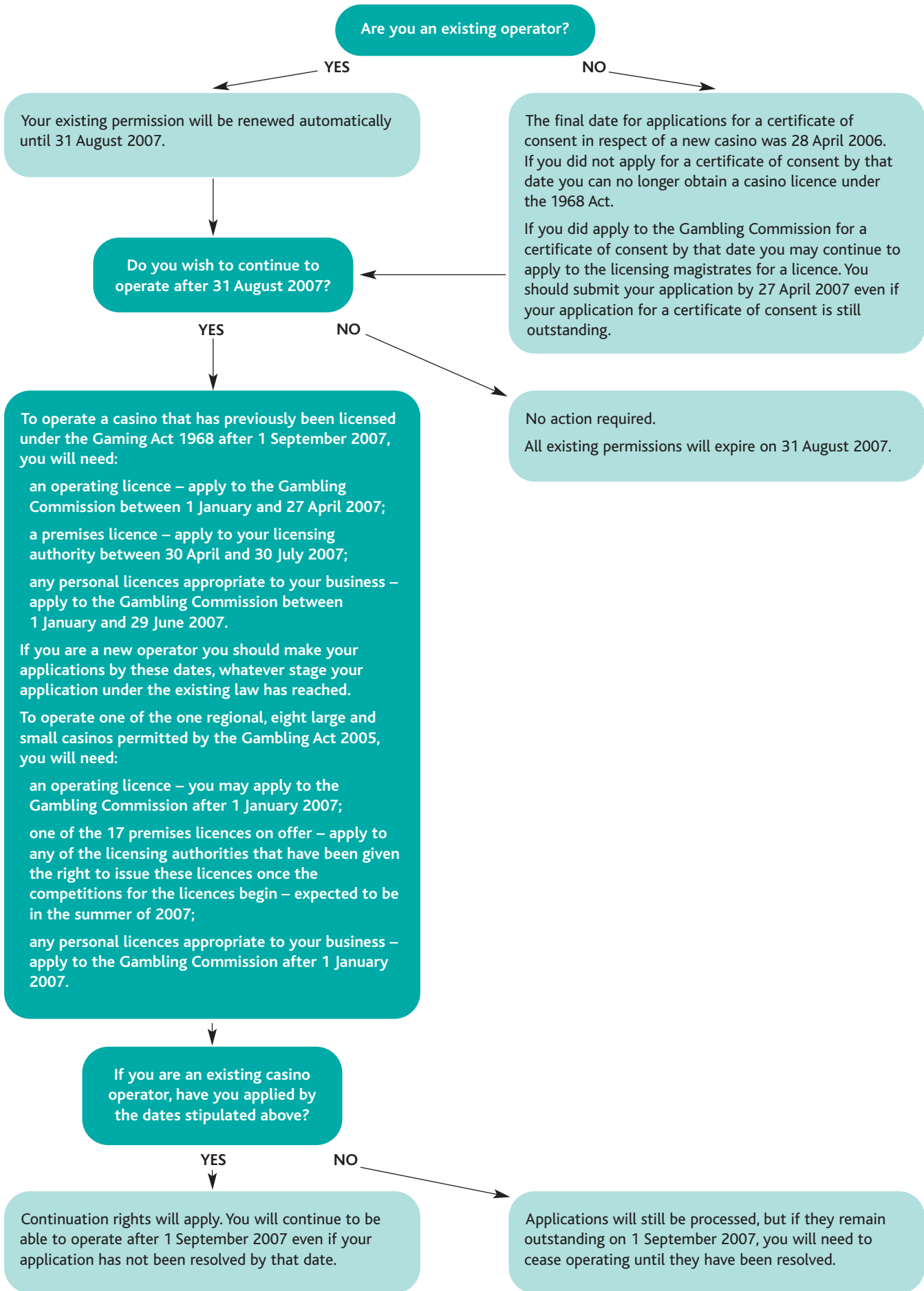
unresolved on that date, you will qualify for continuation rights.

However, if your application under the old legislation has not been resolved by 31 August 2007, you will not qualify for continuation rights as there will have been no existing permission to continue.

**4.32 What do I do if I want to obtain a first licence after 27 April 2007?**

No further applications for casino licences will be permitted under the existing legislation after 27 April 2007, even if you have already obtained a certificate of consent. If you wish to apply for a first licence after that date, you will need to apply under the new Act to the Gambling Commission for operating and personal licences, and to the relevant licensing authorities for one of the one regional, eight large and eight new casino premises licences permitted by the new Act.

# CASINOS



# Clubs

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## SUMMARY

Before 31 August 2007, you may apply to your licensing magistrates (sheriffs in Scotland) to renew existing Part II and Part III registrations, or for a first registration, in the normal way.

After 1 September 2007, the following arrangements will apply:

- a club registered under Part II will be treated as if it holds a club gaming permit under the 2005 Act;
- a club registered under Part III will be treated as if it holds a club machine permit under the 2005 Act;
- these arrangements will expire on the date on which your current registration is due to expire.

You should apply to your licensing authority for the relevant permit under the new Act at least two months before the date on which your registration is due to expire. At that stage the club registration will be converted into a actual club gaming or club machine permit.

## Chapter 5 part 1: Clubs – Existing operators

5.1 This part applies to members' clubs, commercial clubs and miners' welfare institutes, which are already offering gaming machines and other gaming under the system of registrations under Part II and Part III of the Gaming Act 1968, and who wish to go on offering these facilities under the new Act.

### 5.2 What do I do if I need to renew my existing Part II or Part III registration before 31 August 2007?

You should apply to your licensing justices (sheriffs in Scotland) in the normal way. If successful, your application will normally be renewed for up to ten 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.

### 5.3 What do I do if my existing Part II or Part III registration expires on or after 1 September 2007?

You should apply to your licensing authority for the relevant permission under the new Act at least two months before the expiry date of your registration.

For example, if your registration expires on 2 September 2007, you should apply under the new Act no later than 2 July 2007.

5.4 What permission will I require under the new Act?

The 2005 Act replaces the current system of registration with two new permissions:

**Club machine permit** – This permit will entitle clubs to offer up to three Category B4 machines,

with a maximum proposed stake and prize of £1 and £250. It will not, however, authorise the provision of any other facilities for gaming. It is the equivalent to Part III registration under the existing legislation.

**Club gaming permit** – This permit will entitle clubs to offer up to three Category B4 gaming machines (as above), plus facilities for equal chance gaming (subject to certain limits) and such games as are prescribed by the Secretary of State in regulations. It is broadly the equivalent to Part II registration under the existing legislation.

### 5.5 How long will my new permission last?

Both new permits will last for ten years. A renewal fee will apply at the end of this period.

Holders of both permits will also be required to pay an annual fee to their licensing authority.

### 5.6 When will I need to obtain my new permission under the 2005 Act?

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 two months before your registration under the 1968 Act would have expired.

It is important to 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, and by the Gambling Commission's code of practice for the location and operation of gaming machines in clubs. You will be able to find details of the new rules and a copy of the code of practice on the Gambling

Commission's website. We will also seek to raise awareness about the new rules and code of practice through trade bodies in the run up to 1 September 2007.

The relevant rules relating to club gaming and club machine permits set out in Schedule 12 of the Act will also apply. These include the rules relating to the cancellation and forfeiture of permits.

**5.7 Will I need anything in addition to my certificate of registration under the 1968 Act to prove my entitlement under the new Act?**

No. Your existing certificate of registration is all you need. You will, however, need to ensure that you apply for a permit under the new Act at least two months before your existing registration was due to expire.

**5.8 Will I qualify for continuation rights?**

Yes. If you apply at least two months before the expiry date of your existing registration, or automatically converted permit, you will continue to be able to offer the gaming facilities you do now until such time as your application has been resolved.

**5.9 Will I qualify for grandfather rights?**

Yes. All clubs with an existing permission will have until two months before the date on which their registration under the 1968 Act would have expired to apply for a grandfathered permit under the new Act. Provided you apply two months in advance:

- 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.

You will only lose your grandfather rights in the rare event that your existing registration is cancelled.

**5.10 How do I make my application?**

You will be able to obtain information about application procedures from your licensing authority. More information about applying for permits will also be available on the Gambling Commission and DCMS websites.

In Scotland, procedures equivalent to Schedules 12 and 13 dealing with clubs and pubs will be set out in regulations made under section 285 of the Act. The Scottish Executive will consult separately on a draft of such regulations and special arrangements will apply in Scotland in case of any delay in getting them in place. The Scottish Executive will issue further advice on this point in due course.

**5.11 Are there any circumstances in which the licensing authority can refuse my application?**

The licensing authority could only refuse your application for a grandfathered permit if you have failed to submit any information which must be given when applications are made. Where the licensing authority writes requesting the relevant information it will not be under a duty to grant the application until the information is provided. If the licensing authority specifies a period in the notice (being not less than 14 days), but you fail to comply with the request before the end of that period, continuation rights will be lost. However the licensing authority will still be under a duty to grant the grandfathered permit once the information is supplied.

**5.12 Will any other special arrangements apply as a result of the transfer of responsibility for gaming in clubs from licensing magistrates to licensing authorities?**

Yes. The transitional arrangements place a duty on the magistrates courts to transfer certain information relating to the registrations that they have made to the appropriate licensing authority on or as soon as is practicable after 1 September 2007. After 1 September 2007, if you have any issue relating to your gaming or gaming machine permission, you should address this to your licensing authority. A similar situation applies in Scotland where the function transfers from the sheriff court to licensing boards.

## Chapter 5 part 2: Clubs – New operators

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5.13 This part applies to members' clubs, commercial clubs and miners' welfare institutes, which:

- wish to offer gaming machines and other gaming for the first time before 1 September 2007; and
- who wish to go on offering these facilities under the new Act.

5.14 **What do I do if I want to apply for a first registration before 1 September 2007?**

You should apply to your licensing justices/sheriffs for the relevant registration in the normal way under the old legislation. If successful, as with new registrations currently, your registration will be granted as follows:

- Part II registration – for one year;
- Part III registration – for five years.

As long as you apply on or before 31 August 2007, your licensing justice/sheriff 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.

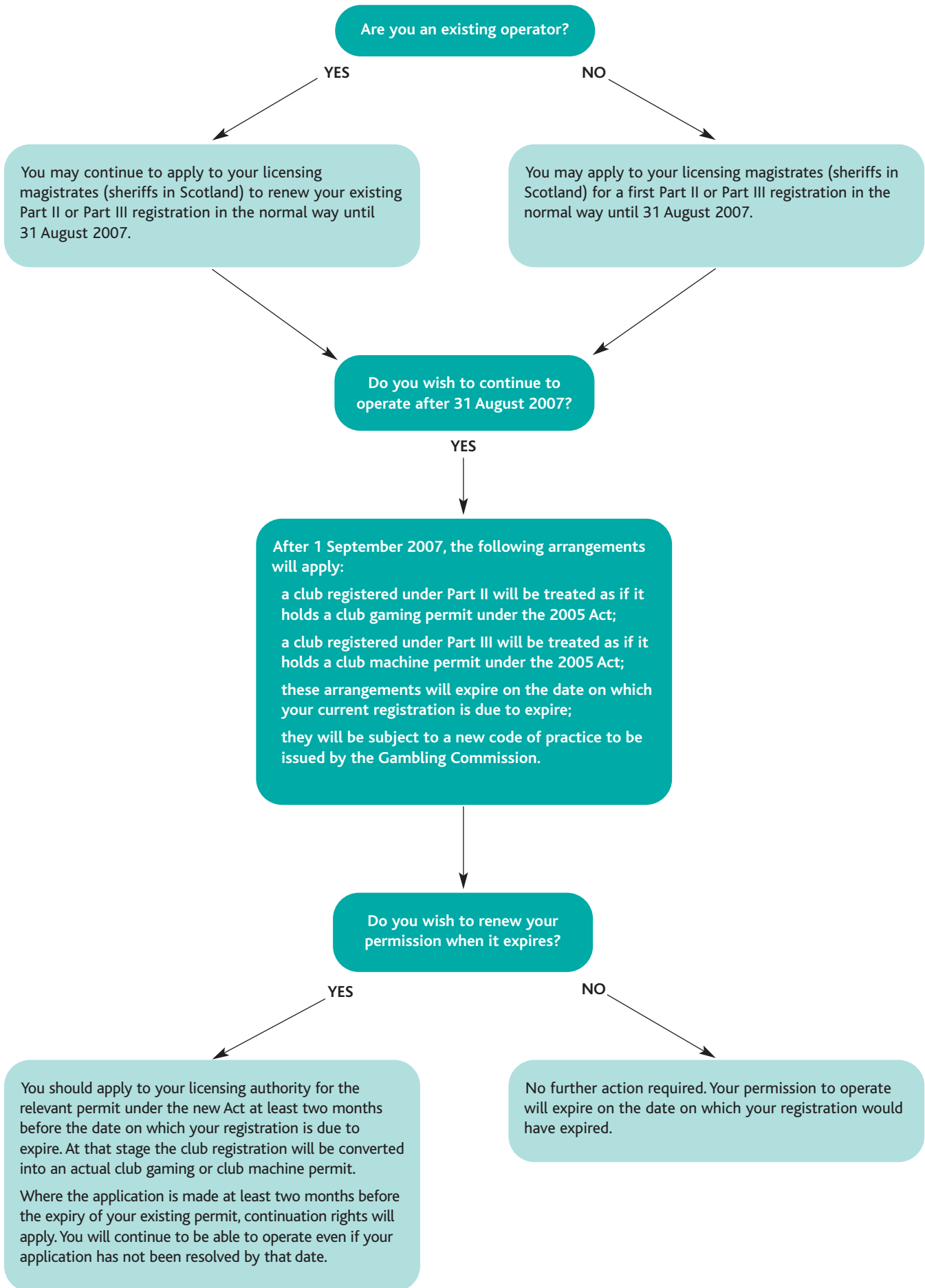
You will then be treated like any other existing operator, and you should follow the same advice set out above to convert your registration into the relevant permit under the new Act.

New operators may also apply to their licensing authority for a permit under the new Act from 1 June 2007, but it is important to note that they would not be able to operate by virtue of a 2005 Act permit before 1 September 2007.

5.15 **What do I do if I want to apply for a first permission to begin on or after 1 September 2007?**

You must make an application to your licensing authority for the appropriate permit under the 2005 Act. Applications may be made from 1 June 2007.

## CLUBS



# Pubs and other alcohol licensed premises

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## SUMMARY

Up to 31 August 2007, you may apply to your licensing authority to renew your existing Section 34 permit, or for a first Section 34 permit, in the normal way.

Your existing Section 34 permit will continue to have effect after 1 September 2007 as if it were a licensed premises gaming machine permit issued under the new Act.

After 1 September 2007, the following arrangements will apply:

- Up to two gaming machines – Pubs will have an automatic entitlement to two gaming machines, subject to a simple notification procedure. You should make this notification to your licensing authority prior to the expiry of your existing Section 34 permit.
- More than two gaming machines – Pubs which want to offer more than two gaming machines will need to apply to their licensing authority for a licensed premises gaming machine permit. You should apply at least two months before the date on which your Section 34 permit is due to expire.

## Chapter 6 part 1: Pubs – Existing operators

6.1 This part applies to pubs and other alcohol licensed premises which are already making gaming machines available by virtue of a permit issued under Section 34 of the Gaming Act 1968 either by the licensing magistrates or, since November 2005, by their licensing authority under the Licensing Act 2003. In Scotland, this function is carried out by licensing boards.

6.2 It is important to note that this chapter does not relate to any businesses which are not arcades and which are currently operating what will become Category D gaming machines by virtue of a permit granted before 1 August 2006 by their local authority. Businesses in this category like chip shops and taxi offices are dealt with in chapter 7.

### 6.3 **What do I do if my existing Section 34 permit expires before 31 August 2007?**

You should apply to your licensing authority in the normal way. If successful, your application will be granted for three years.

As long as you apply on or before 31 August 2007, your licensing authority 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. However, you should note that all such permits will cease to have effect on 31 August 2010.

### 6.4 **But I thought I had to apply to the licensing magistrates for my Section 34 permit, not my licensing authority?**

Responsibility for issuing Section 34 permits to pubs and other alcohol licensed premises was transferred to licensing authorities in November 2005 as a result of changes made by the Licensing Act 2003. Licensing authorities will continue to be responsible for authorising the use of gaming machines in pubs under the Gambling Act.

### 6.5 **What do I do if my existing Section 34 permit expires on or after 1 September 2007?**

What you need to do will depend on how many gaming machines you plan to offer. The 2005 Act replaces section 34 permits with two new permissions:

Up to two gaming machines – Pubs and other alcohol licensed premises (with a bar authorised to serve drinks without food) will have an automatic entitlement to one or two gaming machines (Category C or D), subject to a simple notification procedure.

If you wish to offer up to two machines, you will need to make your notification to your licensing authority prior to the expiry of your existing Section 34 permit.

More than two gaming machines – Pubs and other alcohol licensed premises (with a bar authorised to serve drinks without food) which want to offer more than two gaming machines will need to apply to their licensing authority for a licensed premises gaming machine permit.

If you wish to offer more than two machines, you will need to apply to your licensing authority at least two months before the date on which your existing Section 34 permit is due to expire. For example, if your Section 34 permit is due to expire on 2 September 2007, you should apply under the new Act no later than 2 July 2007.

In Scotland, procedures equivalent to Schedules 12 and 13 dealing with clubs and pubs will be set out in regulations made under section 285 of the Act. The Scottish Executive will consult separately on a draft of such regulations and special arrangements will apply in Scotland in case of any delay in getting them in place. The Scottish Executive will issue further advice on this point in due course.

### 6.6 How long will my new permission last?

The automatic entitlement and licensed premises gaming machine permit will be of unlimited duration. Once you have it, you will not need to apply again unless your circumstances change.

Holders of licensed premises gaming machine permits will be required to pay an annual fee to their licensing authority.

### 6.7 Will I have to abide by any new rules after 1 September 2007?

Your existing Section 34 permit will continue to have effect after 1 September 2007 as if it were a licensed premises gaming machine permit issued under the new Act. You will continue to be entitled to offer the same number of gaming machines that your Section 34 permit entitled you to offer.

It is important to note that from 1 September 2007 you will be required to abide by the Gambling Commission's code of practice for gaming machines in alcohol licensed premises. You will be able to find a copy of the code of practice on the Gambling Commission's website, and we will also seek to raise awareness about the code of practice through trade bodies in the run up to 1 September 2007.

The relevant rules relating to licensed premises gaming machine permits set out in Schedule 13 of the Act will also apply to your permit. These include the rules relating to the cancellation, forfeiture and transfer of permits.

### Automatic entitlement – notification procedure

#### 6.8 I only have one or two gaming machines, and don't want any more. How will the automatic entitlement work?

There is a simple notification procedure:

Before your section 34 permit expires, you should write to your licensing authority notifying it of your intention to make one or two gaming machines (Category C or D) available in your pub, in accordance with the automatic entitlement.

Further information about the notification procedure will be available from your licensing authority, and on the Gambling Commission and DCMS websites.

It is important to note that you will need to submit the prescribed fee with your notification. If you do not, you will forfeit your automatic entitlement, and if you continue to offer gaming machines in your premises you will be doing so illegally.

### Licensed premises gaming machine permit

#### 6.9 I currently have three or more gaming machines and wish to offer the same number in the future. How do I obtain a licensed premises gaming machine permit?

No later than two months before the expiry date on your section 34 permit, you should apply to your licensing authority for a licensed premises gaming machine permit.

#### 6.10 Will I qualify for continuation rights?

Yes. If you apply at least two months before the expiry date on your Section 34 permit, you will continue to be able to make your gaming machines available for use until your application is finally resolved.

#### 6.11 Will I qualify for grandfather rights?

Yes. Particular grandfather rights will apply to pubs and other alcohol licensed premises. If you currently have a Section 34 permit authorising three or more machines, you will be entitled to a

licensed premises gaming machine permit which authorises the same number of gaming machines under the new Act.

You will only lose your grandfather rights in the rare event that your Section 34 permit is cancelled or forfeited.

Holders of Section 34 permits authorising two machines or less will technically not qualify for grandfather rights, as they will have an automatic entitlement to offer up to two gaming machines under the new Act. The automatic entitlement means that they will not be disadvantaged in any way.

**6.12 What will I need to submit with my application?**

You will be able to obtain information about application procedures from your licensing authority. More information about applying for permits will also be available on the DCMS website.

**6.13 Are there any circumstances in which the licensing authority can refuse my application?**

The licensing authority could only refuse your application for a grandfathered permit if you have failed to submit any information which must be given when applications are made. Where the licensing authority writes requesting the relevant information it will not be under a duty to grant the application until the information is provided. If the licensing authority specifies a period in the notice (being not less than 14 days), but you fail to comply with the request before the end of that period, continuation rights will be lost. However the licensing authority will still be under a duty to grant the grandfathered permit once the information is supplied.

**6.14 What do I do if I currently have one or two gaming machines and I want to offer more than two in the future?**

You will need to make a fresh application for a licensed premises gaming machine permit under the new Act. Grandfather rights will not apply, and your licensing authority will need to consider the application on its merits. You will, of course, still be able to exercise your automatic entitlement to two machines, even if the licensing authority refuses your application for a permit in respect of three or more machines.

**6.15 What do I do if I currently have three or more gaming machines and I want to offer more than I currently do in the future?**

You will need to apply for a licensed premises gaming machine permit under the new Act. Grandfather rights will only apply to however many machines your Section 34 permit currently entitles you to offer. The licensing authority will be required to issue you with a permit under the 2005 Act authorising that number of machines. The licensing authority will consider your application for more machines on its merits.

## Chapter 6 part 2: Pubs – New operators

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- 6.16 This part applies to pubs and other alcohol licensed premises which:
- want to obtain a first Section 34 permit to offer gaming machines before 31 August 2007; and
  - wish to go on offering these facilities under the new Act.

6.17 **What do I do if I want to apply for a first permit to begin before 1 September 2007?**

You should apply to your licensing authority for a Section 34 permit under the old legislation. If successful your application will normally be granted for three years.

As long as you apply on or before 31 August 2007, your licensing authority 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. However, you should note that all such permits will cease to have effect on 31 August 2010.

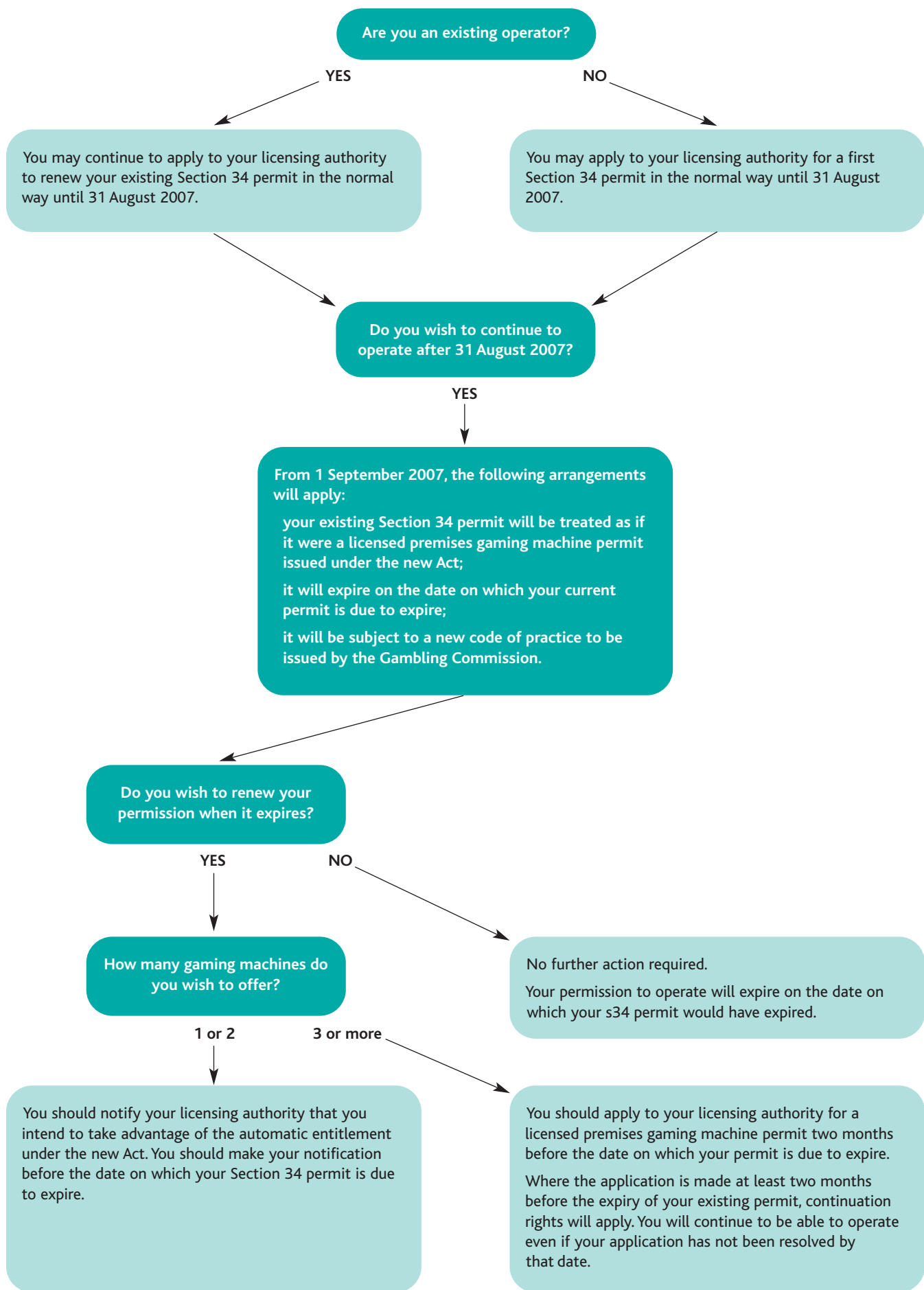
You will then be treated like any other existing operator, and you should follow the same advice above to convert your Section 34 permit into the relevant permission under the new Act.

New operators may also apply to their licensing authority for a permit under the new Act from 1 June 2007, but it is important to note that they would not be able to operate by virtue of a 2005 Act permit before 1 September 2007.

6.18 **What do I do if I want to apply for a first permission on or after 1 September 2007?**

You must make a notification/application to your licensing authority for the appropriate permission under the 2005 Act. Applications may be made from 1 June 2007.

## PUBS AND OTHER ALCOHOL LICENSED PREMISES



## Chapter 7: Section 34(1)(aa) permits – AWP's in chip shops, taxi offices and other non-gambling premises

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- 7.1 Under Section 34 of the Gaming Act 1968, non-gambling premises like chip shops and taxi offices were able to apply for permits for gaming machines. Removing machines from non-gambling premises like these was a cornerstone of the government's approach to the 2005 Act.
- 7.2 Ministers gave effect to this policy when they made an Order laid before Parliament in July 2006 preventing any further applications for the grant or renewal of such permits after 1 August 2006.
- 7.3 That Order also provided for any permits granted or renewed after that date only to have effect until 31 July 2009.
- 7.4 Existing permits will continue to have effect after 1 September 2007 until the date on which they are due to expire, or 31 July 2009, whichever is the earlier date. It will not be possible to renew such permits when they expire.
- 7.5 An information sheet about these changes is available on the DCMS website.
- 7.6 **How will my Section 34 permit be treated after 1 September 2007?**

Where a permit continues to have effect on and after 1 September 2007, it will be treated for the purposes of the 2005 Act in the same way as an FEC gaming machine permit. This means that the relevant paragraphs of Schedule 10 of the new Act, including those relating to the lapse and forfeiture of permits, will apply to these Section 34 permits.

In Scotland, the licensing boards will assume ongoing responsibility for such permits from 1 September 2007, and councils in Scotland will be required to transfer certain information about the permits they have issued to the relevant licensing board.

# Society lotteries

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## SUMMARY

Up to 1 September 2007, you may apply to the Gambling Commission for a first registration under the 1976 Act, or to renew such a registration, in the normal way.

On 1 September 2007, existing registrations with the Gambling Commission, will be converted automatically into remote and non-remote society lottery operating licences under the new Act. The converted licences will expire on the date on which your triennial registration renewal fee under the 1976 Act would have become due.

You should apply to the Gambling Commission for a lottery operating licence under the new Act at least two months before your converted licence is due to expire.

You will also need to apply to the Gambling Commission for any personal licences required by your society, which you should do between 1 January and 29 June 2007.

# Chapter 8 part 1: Society lotteries – Existing operators

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8.1 This part applies to holders of a Gambling Commission society lottery registration under the Lotteries and Amusements Act 1976, and who wish to go on operating a society lottery under the new Act. The same rules would apply to any local authority schemes, but no such schemes are currently registered with the Gambling Commission.

8.2 **What do I do if my existing registration renewal fee becomes due on or before 31 August 2007?**

You should submit your triennial renewal fee to the Gambling Commission in the normal way.

8.3 **What new permission will I require under the new Act?**

The 2005 Act introduces a new lottery operating licence, which will come into effect on 1 September 2007, and will replace the existing system of registrations under the 1976 Act.

As with all operating licences under the new Act, both remote and non-remote lottery operating licences will be available. If, in addition to selling tickets face to face, you currently sell tickets to your lottery by telephone, internet or any other remote means, you will need to obtain both a remote and the appropriate non-remote operating licence under the new Act. For the vast majority of society lotteries, it is unlikely that you will need anything more than an ancillary remote lottery operating licence, but further guidance on this will be available from the Gambling Commission.

You will also need to obtain any personal licences required by your society. The Gambling Commission will issue guidance to societies about who in your organisation will require a personal licence, and on application procedures.

8.4 **What will happen to my existing permission on 1 September 2007?**

On 1 September 2007, existing registrations with the Gambling Commission, which are current on that date, will be converted automatically into a society lottery operating licence under the new Act.

The converted lottery operating licence will expire on the date on which your triennial registration renewal fee under the 1976 Act would have become due.

### Converted society lottery operating licences

8.5 **What conditions will be attached to my converted society lottery operating licence?**

It is important to note that from 1 September 2007 you will be required to abide by all the rules relating to the new lottery operating licences in the new Act, licence conditions and by the Gambling Commission's code of practice for lottery operators. You will be able to find details of the new rules and a copy of the code of practice on the Gambling Commission's website.

8.6 **Will I continue to have to pay the existing fees for each lottery promoted under the society's registration?**

No. The current system of fees for each lottery will be replaced by a simple annual fee to the Gambling Commission. The first such fee will become due within 30 days of the date on which the converted licence is issued by the Gambling Commission.

You will also be required to pay a periodic maintenance fee in respect of any personal licences your society is required to hold.

**8.7 Will I be sent a copy of the converted lottery operating licence?**

Yes. The Gambling Commission will also notify you of the new conditions that will be attached to your converted society lottery operating licence.

**8.8 I currently sell some of my tickets on the society's website or by telephone, will I still be able to do this by virtue of my converted lottery operating licence?**

Yes. Your existing registration will be converted into both remote and non-remote lottery operating licences. The converted licences will entitle you to continue only with those activities that you currently undertake by virtue of your registration under the 1976 Act. This restriction will be achieved by conditions attached to the licence.

**8.9 Will my converted licence mean that I am able to run lotteries up to the proceeds limits in the new Act, in addition to lotteries I may have run earlier in the year up to the proceeds limits in the existing legislation? In other words, will societies be able to run lotteries which generate £10m in proceeds twice in 2007?**

No. The transitional arrangements provide that in the calendar year 1 January to 31 December 2007, you will only be able to run lotteries with proceeds of up to £10m.

**8.10 What happens to lotteries for which tickets were sold prior to 1 September, but which are not completed until after 1 September 2007?**

While the requirements are going to be largely the same under old and new legislation, we were conscious that some societies may be running lotteries prior to 1 September 2007, in line with the requirements of the 1976 Act, which won't

be completed until after the new Act comes into force. Examples of this include a person who has paid in advance for 52 weeks' entry in a weekly lottery, or a society selling scratch cards which may have been printed some time ago.

The transitional arrangements provide that where a ticket or chance in a lottery was sold before 1 September 2007, similar tickets or chances for the same lottery could continue to be sold after that date, provided the lottery is completed by 1 March 2009.

From 1 March 2009 all lotteries will need to comply with all the requirements set out in section 99 of the Gambling Act 2005.

**Renewing converted society lottery operating licences**

**8.11 Will I need to apply to for a new lottery operating licence when my converted society lottery operating licence expires?**

Yes. Unlike other operating licences, converted lottery operating licences because they are automatic, will only last for a finite period. A converted lottery operating licence will expire on the date on which your triennial registration renewal fee under the 1976 Act would have become due.

**8.12 When will I need to apply under the 2005 Act for a new lottery operating licence to replace my converted society lottery operating licence?**

You should ensure that you apply to the Gambling Commission to replace your converted lottery operating licence at least two months before the date on which it is due to expire (ie two months before your triennial renewal fee under the 1976 Act would have become due).

It is important to note that if, for example, your triennial registration renewal fee becomes due on 2 September 2007, you should apply under the new Act no later than 2 July 2007.

If, in addition to selling tickets face to face, you intend to sell tickets to your lottery by telephone, internet or any other remote means, you will need to obtain a remote, as well as a non-remote, lottery operating licence under the new Act.

**8.13 Once I renew my converted licence, how long will my new lottery operating licence be valid for?**

Lottery operating licences will be of unlimited duration. You will not need to apply again unless your circumstances change.

You will, however, continue to have to pay the annual fee to the Gambling Commission.

**8.14 Will I qualify for continuation rights?**

Yes. If you apply at least two months before the expiry date of your converted lottery operating licence, you will continue to be able to run your lottery until such time as your application has been resolved.

**8.15 Will I qualify for grandfather rights?**

No. As with other operating licences, no grandfather rights will apply to society lottery operating licences.

**8.16 What will I need to submit with my application?**

The Gambling Commission has issued its own guidance on application procedures, and what you need to submit with your application. You can find this on the Gambling Commission's website: [www.gamblingcommission.gov.uk](http://www.gamblingcommission.gov.uk)

## Personal licences

**8.17 How many personal licences will I need and which people in my society will need them?**

The Gambling Commission will issue separate guidance on who in your society requires a personal licence. If you qualify as a small scale operator, you will not need to obtain any personal licences, and the Gambling Commission will also publish advice on the operation of this exemption.

**8.18 How do I obtain my personal licences?**

You should apply to the Gambling Commission between 1 January and 29 June 2007.

Information about application procedures and application forms will be available on the Gambling Commission's website.

**8.19 Will I qualify for continuation rights?**

Yes. As long as you apply before 30 June 2007, you will qualify for continuation rights. You will be treated as having been granted a personal licence until such time as your application is determined, even if this is after 1 September 2007.

## Chapter 8 part 2: Society lotteries – New operators

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8.20 This part applies to operators who:

- wish to obtain a first registration as a society lottery with the Gambling Commission before 1 September 2007; and,
- wish to go on operating a society lottery under the new Act.

### 8.21 **What do I do if I want to apply for a first registration before 1 September 2007?**

You should apply to the Gambling Commission for registration under the 1976 Act in the normal way. If your application is successful, your registration will be granted in the normal way and your next renewal fee will become due three years from the date of registration.

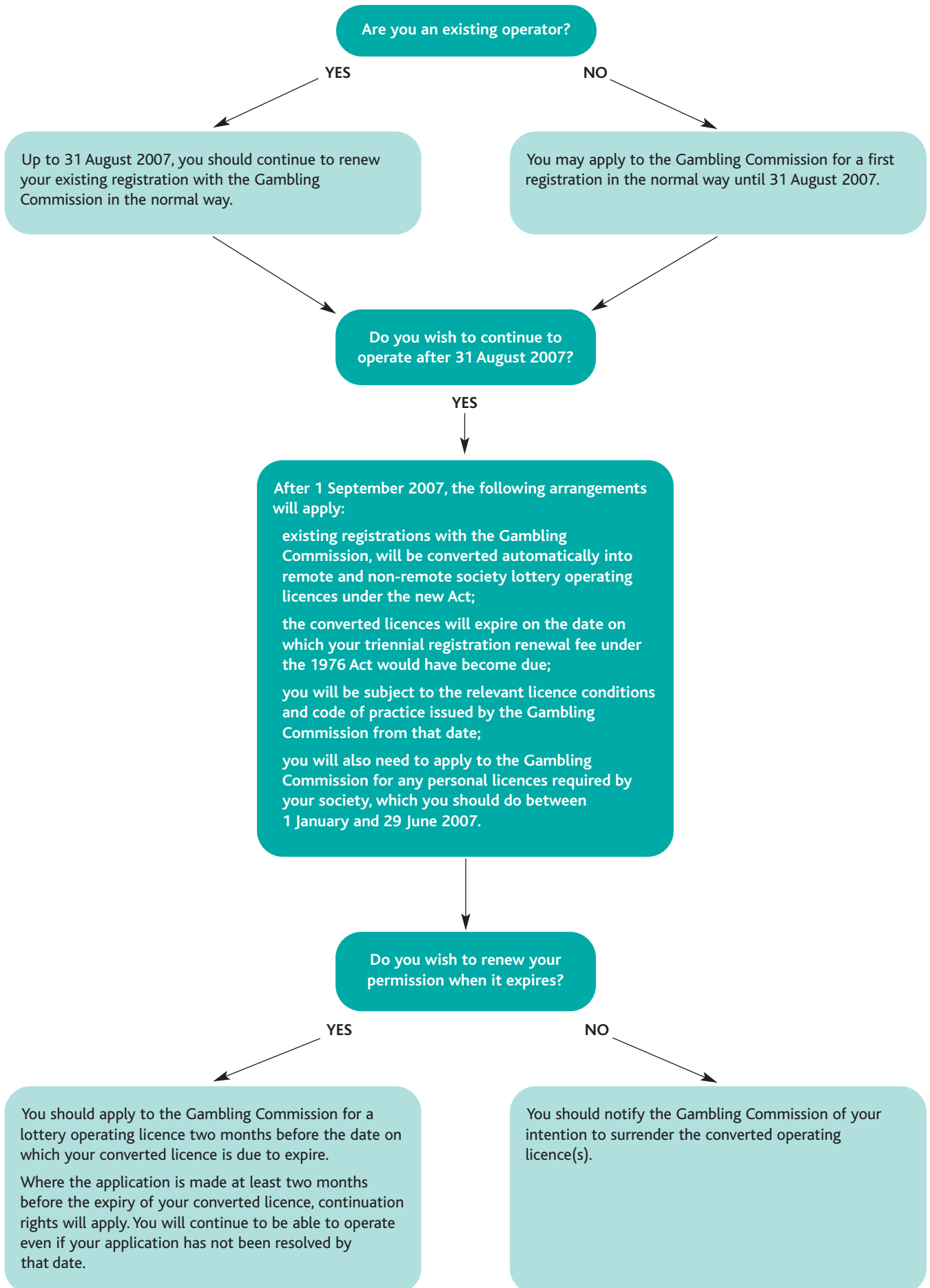
As long as you apply on or before 31 August 2007, the Gambling Commission will still be able to resolve your application under the old Act, even if it is not able to do so until after 31 August.

You will then be treated like any other existing operator, and your registration will be converted automatically into the relevant society lottery operating licence(s) under the new Act. You will then need to apply to renew your converted lottery operating licence in accordance with the procedure outlined above. You will also need to make applications for the relevant personal licences before 30 June 2007.

### 8.22 **What do I do if I want to apply for a first operating licence on or after 1 September 2007?**

You must make an application to the Gambling Commission for the relevant lottery operating licence(s) under the 2005 Act.

## SOCIETY LOTTERIES



# Small society lotteries

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## **SUMMARY**

Up to 31 August 2007, you may apply to your licensing authority for a first registration under the 1976 Act, or to renew such a registration, in the normal way.

A similar system of registration will operate under the new Act.

On 1 September 2007, existing registrations will be converted automatically into a registration under the new Act.

Your first annual fee under the new Act will become due on 1 January 2008.

Special arrangements will apply in Scotland where responsibility for registrations is being transferred from local councils to licensing boards.

## Chapter 9 part 1: Small society lotteries – Existing operators

9.1 This part relates to societies which currently promote lotteries with proceeds of less than £20,000, which are required under Schedule 1 of the 1976 Act to register with their licensing authority, and who wish to continue to operate after 1 September 2007.

### 9.2 **What new arrangements will apply under the 2005 Act?**

Broadly similar arrangements to those currently in operation under the 1976 Act will apply. Small society lotteries will be exempt from the full operating licence requirements of the new Act. Instead, they will be required simply to register with their local authority. The requirements relating to registration and the filing of records are set out in Parts 4 and 5 of Schedule 11 to the new Act.

In Scotland it is important to note that the registering authority will no longer be your local council but your licensing board.

### 9.3 **What will happen to my existing permission on 1 September 2007?**

On 1 September 2007, existing registrations under the 1976 Act, which are current on that date, will be converted automatically into a registration under the new Act.

### 9.4 **What conditions will be attached to my converted small society lottery registration?**

It is important to note that from 1 September 2007 you will be required to abide by all the rules relating to small society lotteries in the new Act. You will be able to find details of the new rules on the Gambling Commission and DCMS websites.

### 9.5 **Will I continue to have to pay an annual fee?**

Yes. As now, you will need to pay an annual fee to your licensing authority to keep your

registration current. The first such fee will have to be paid by 1 January 2008.

### 9.6 **Will I be sent a copy of the converted small society lottery registration?**

Your local authority will confirm your registration under the new Act when it writes to remind you that the annual fee is payable.

### 9.7 **What special arrangements will apply in Scotland?**

In Scotland, as the responsibility for registering small society lotteries is being transferred, we are also requiring local councils to provide specified information to licensing boards in relation to the societies that they have registered. The licensing board must then register the society for the purposes of Schedule 11 to the 2005 Act as soon as possible once it receives that information.

Your council will be responsible for notifying your society that:

- it will be registered by the relevant licensing board for the purposes of the 2005 Act;
- from 1 September 2007 until it is formally registered by the licensing board, the society can promote lotteries without being registered; and,
- until it is registered it is still subject to the requirement to file records under paragraph 39 of Schedule 1 of the 1976 Act.

### 9.8 **I currently sell some of my tickets on the society's website or by telephone, will I still be able to do this by virtue of my converted lottery operating licence?**

Yes. Small society lotteries are exempt from the wider requirements relating to remote gambling, and you will not need a remote lottery operating licence, provided you stay within the proceeds limits for small society lotteries.

**9.9 Will my converted registration mean that I am able to run lotteries up to the proceeds limits in the new Act, in addition to lotteries I may have run earlier in the year up to the proceeds limits in the existing legislation? In other words, will societies be able to run lotteries which generate £250,000 in proceeds twice in 2007?**

No. The transitional arrangements provide that in the calendar year 1 January to 31 December 2007, you will only be able to run lotteries with proceeds of up to £250,000.

**9.10 What happens to lotteries for which tickets were sold prior to 1 September, but which are not completed until after 1 September 2007?**

While the requirements are largely the same under old and new legislation, we were conscious that some societies may be running lotteries prior to 1 September 2007 in line with the requirements of the 1976 Act, which won't be completed until after the new Act comes into force. Examples of this include a person who has paid in advance for 52 weeks' entry in a weekly lottery, or a society selling scratch cards which may have been printed some time ago.

The transitional arrangements provide that where a ticket or chance in a lottery was sold before 1 September 2007, similar tickets or chances for the same lottery could continue to be sold after that date, provided the lottery is completed by 1 March 2009.

From 1 March 2009 all lotteries will need to comply with the full requirements set out in Schedule 11 to the Gambling Act 2005.

## Chapter 9 part 2: Small society lotteries – New operators

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9.11 This part applies to operators who:

- wish to obtain a first registration as a small society lottery with their local authority before 1 September 2007; and,
- wish to go on operating a small society lottery under the new Act.

9.12 **What do I do if I want to apply for a first registration before 1 September 2007?**

You should apply to your local authority (local council in Scotland) for registration under the 1976 Act in the normal way. If your application is successful, your registration will be granted in the normal way and your next renewal fee will become due on 1 January 2008.

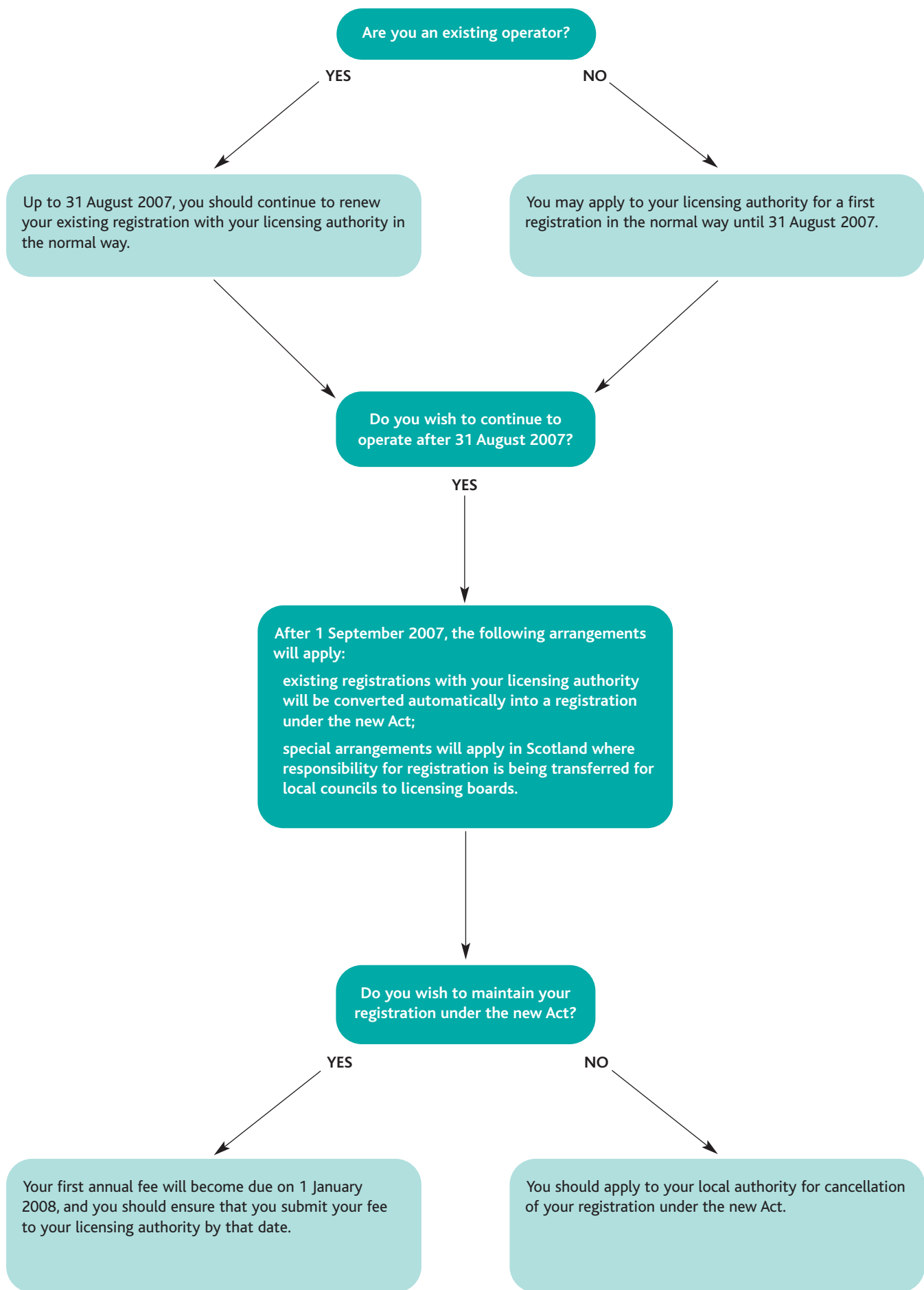
As long as you apply on or before 31 August 2007, your local authority will still be able to resolve your application under the old Act, even if it is not able to do so until after 31 August.

You will then be treated like any other existing operator, and on issue your registration will be converted automatically into a small society lottery registration under the new Act.

9.13 **What do I do if I want to apply for a first operating licence on or after 1 September 2007?**

You must make an application to your local authority for registration under the 2005 Act.

## SMALL SOCIETY LOTTERIES



# External lottery managers

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## SUMMARY

To operate as an external lottery manager after 1 September 2007 you will need:

- an operating licence – apply to Gambling Commission between 1 January and 27 April 2007; and,
- any personal licences appropriate to your business – apply to the Gambling Commission between 1 January and 29 June 2007.

# Chapter 10 part 1: External lottery managers – Existing operators

10.1 This part relates to any operator who has been certified as a lottery manager under Schedule 2A to the Lotteries and Amusements Act 1976, and who wishes to continue to operate as a lottery manager after 1 September 2007. This is the permission currently required by what are known in the sector as external lottery managers.

10.2 **What do I need to do if I want to continue to operate as a lottery manager after 1 September 2007?**

The Gambling Act 2005 replaces the existing certification for lottery managers with a new lottery manager's operating licence. You will need to make an advance application under the 2005 Act to the Gambling Commission for a lottery manager's operating licence, along with any personal licences required by your business.

10.3 **How long will my new licence last?**

A lottery operating manager's licence and personal licences will be of unlimited duration. You will not need to apply again unless your circumstances change.

You will, however, be required to pay an annual fee to the Gambling Commission in respect of your operating licence. You will also be required to pay a periodic maintenance fee in respect of your personal licence(s).

## Operating licences

10.4 **How do I obtain my operating licence?**

You should apply to the Gambling Commission between 1 January and 27 April 2007.

The Gambling Commission has issued its own guidance on the application procedures, and what you need to submit with your application.

You can find this on the Gambling Commission's website:  
[www.gamblingcommission.gov.uk](http://www.gamblingcommission.gov.uk)

10.5 **Will I qualify for continuation rights?**

If you submit your advance application by 27 April 2007 you will qualify for continuation rights. This means that you will be treated as having an interim operating licence effective from 1 September 2007, even if your application has not been resolved by that date.

It is important to note that, even if you are operating by virtue of continuation rights, you will still be expected to abide by any relevant operating licence conditions and codes of practice that come into force on 1 September 2007. You will also be subject to the review provisions set out in the Act.

The Gambling Commission must specify the conditions that will apply to your category of interim operating licence. Information about the licence conditions and codes of practice that apply to your sector is available on the Commission's website.

10.6 **What happens if I don't apply to the Gambling Commission by 27 April 2007?**

The Gambling Commission will still process your application, and will do all it can to resolve your application as quickly as possible. However, you will lose your entitlement to continuation rights. This means that if your application has not been resolved by 1 September 2007, you will have to cease trading on that date until such time as your application has been resolved.

**10.7 Will I qualify for grandfather rights?**

No. The government did not believe that it was appropriate to grandfather operating licences, as no-one should be exempt from the requirement to establish their suitability to be granted an operating licence. For the overwhelming majority of responsible operators in the industry, this should present no problems.

**Personal licences**

**10.8 How many personal licences will I need and which people in my business will need them?**

The Gambling Commission will issue separate guidance on who in your business requires a personal licence. If you qualify as a small scale operator, you will not need to obtain any personal licences, and the Gambling Commission will also publish advice on the operation of this exemption.

**10.9 How do I obtain my personal licences?**

You should apply to the Gambling Commission between 1 January 2007 and 29 June 2007. Information about application procedures and application forms will be available on the Gambling Commission's website.

**10.10 Will I qualify for continuation rights?**

Yes. As long as you apply before 30 June 2007, you will qualify for continuation rights. You will be treated as having been granted a personal licence until such time as your application is determined, even if this is after 1 September 2007.

**Special circumstances**

**10.11 What happens if my existing certification is revoked before 1 September 2007?**

In the rare event that an existing certificate is revoked before 1 September 2007, the Gambling Commission will continue to be able to resolve any outstanding applications for a lottery manager's operating and personal licences, but you will lose your entitlement to continuation rights.

## Chapter 10 part 2: External lottery managers – New operators

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10.12 This part applies to operators:

- who wish to apply for certification as an external lottery manager before 31 August 2007; or
- who already have an outstanding application for certification as a lottery manager under the existing law.

10.13 **What do I do if I want to apply for certification as an external lottery manager before 31 August 2007?**

You may continue to apply to the Gambling Commission for certification in the normal way until 27 April 2007. No further applications under the existing legislation will be permitted after this date.

10.14 **Assuming my application for certification under the old Act is successful, how do I then convert it to a new operating licence under the 2005 Act?**

Broadly the same transitional arrangements will apply as for existing operators. You will still need to make advance applications for operating and personal licences under the new Act, and you should ensure that you make your applications by the dates stipulated above (at whatever point consideration of your application under the old legislation may have reached).

10.15 **What will happen if my application under the old legislation is withdrawn or refused?**

If your application for certification under the existing legislation is refused, the Gambling Commission may still consider your applications for operating and personal licences under the new Act. However, you will not be entitled to continuation rights as an existing operator.

10.16 **Will I qualify for continuation rights?**

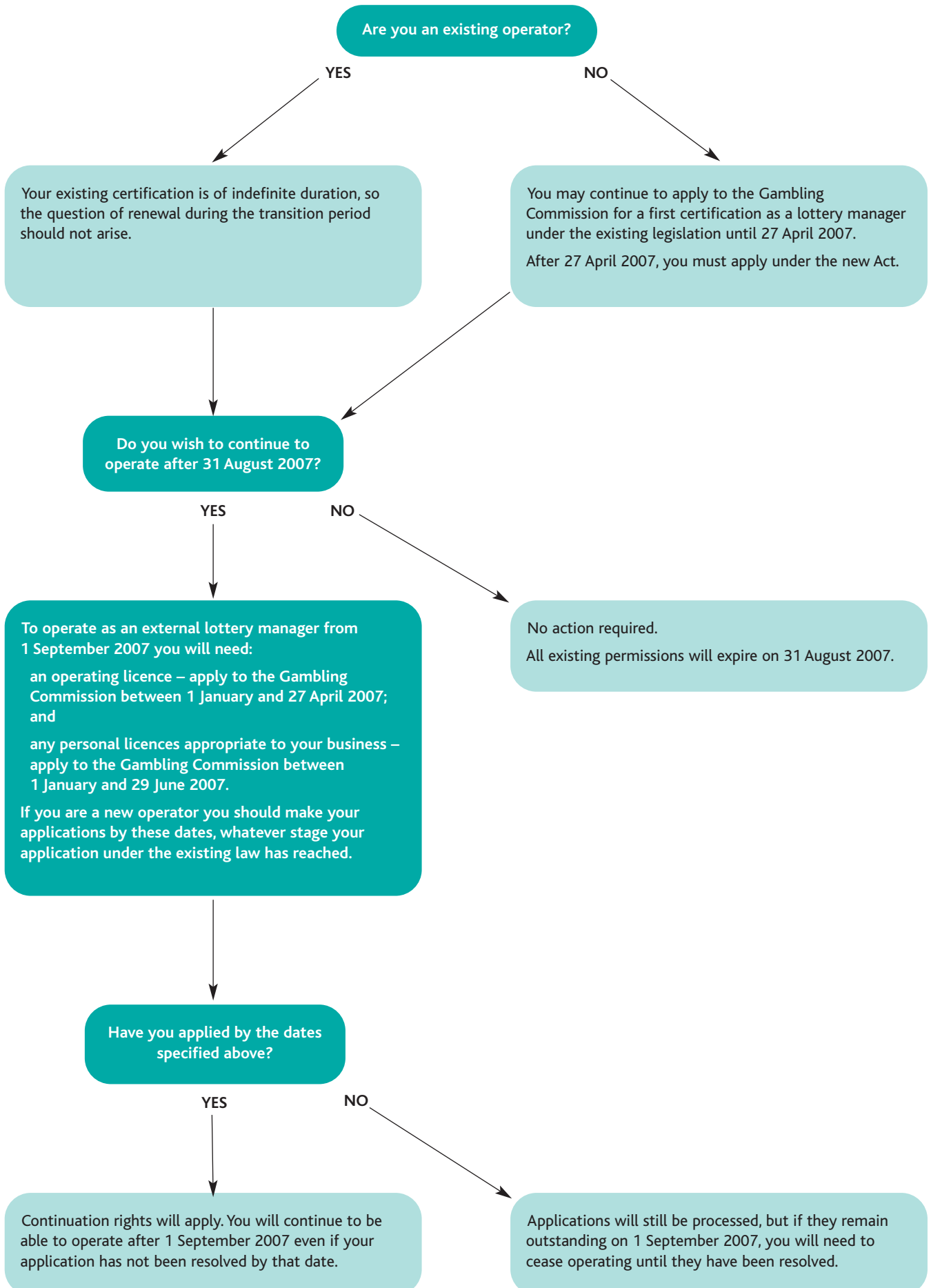
If your application under the existing legislation is resolved before 31 August 2007, but your advance application under the new Act remains unresolved on that date, you will qualify for continuation rights.

However, if your application under the old legislation has not been resolved by 31 August 2007, you will not qualify for continuation rights as there will have been no existing permission to continue.

10.17 **What do I do if I want to obtain a first licence or permit after 27 April 2007?**

No further applications will be permitted under the existing legislation after 27 April 2007. If you wish to apply for permission to operate as an external lottery manager after that date, you will need to apply under the new Act to the Gambling Commission for a lottery manager's operating licence and any necessary personal licences.

## EXTERNAL LOTTERY MANAGERS



# Gaming machine supply or repair

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## SUMMARY

Up to 31 August 2007, you may apply to the Gambling Commission for a first certificate under section 27 of the Gaming Act 1968 authorising the supply and/or maintenance and repair of gaming machines, or renew such a certificate, in the normal way.

Your existing Section 27 certificate will continue to have effect after 1 September 2007, and will continue to be valid until the date on which the certificate is due to expire.

You should apply to the Gambling Commission for a gaming machine technical operating licence at least two months before the date on which your existing certificate is due to expire.

You will also need to apply to the Gambling Commission for any personal licences required by your business, which you should do between 1 January and 29 June 2007.

# Chapter 11 part 1: Gaming machine supply or repair – Existing operators

- 11.1 This part applies to holders of a certificate issued under section 27 of the Gaming Act 1968 authorising the supply and/or maintenance and repair of gaming machines.
- 11.2 **What do I do if my existing Section 27 certificate expires on or before 31 August 2007?**
- You should apply to the Gambling Commission to renew your existing certificate in the normal way. If successful, your existing certificate will be renewed for five years.
- 11.3 **What new permission will I require under the new Act?**
- The 2005 Act introduces a gaming machine technical operating licence, which will come into effect on 1 September 2007, and will replace the section 27 certificate currently issued under the 1968 Act.
- You will also need to obtain any personal licences required by your business. The Gambling Commission will issue separate guidance on who in your business requires a personal licence, and on application procedures.
- 11.4 **What will happen to my existing permission on 1 September 2007?**
- Your existing section 27 certificate will continue to have effect after 1 September 2007, and will continue to be valid until the date on which the certificate is due to expire.
- Your existing certificate will continue to authorise only those activities which it authorised prior to 1 September 2007:
- if your certificate was issued under subsection 1 of section 27, it will continue to authorise the sale of gaming machines;
  - if your certificate was issued under subsection 5 of section 27, it will continue to authorise the repair and maintenance of gaming machines;
- if your certificate was issued under both subsections, it will continue to authorise both activities.
- 11.5 **What do I do if I want to do more than my existing section 27 certificate authorises?**
- Prior to 1 September 2007, you will need to apply to the Gambling Commission for a certificate that authorises the additional activities that you wish to undertake. After 1 September 2007, you will need to apply for a gaming machine technical operating licence under the new Act.
- 11.6 **Will any new conditions be attached to my certificate after 1 September 2007?**
- Yes. From 1 September 2007 you will be required to abide by all the relevant rules relating to the new gaming machine technical operating licence, licence conditions, and by any relevant Gambling Commission code of practice. These include the rules relating to the review, surrender, lapse and forfeiture of operating licences.
- You will be able to find details of the new rules and codes of practice on the Gambling Commission's website.
- Renewing certificates that continue to have effect after 1 September 2007**
- 11.7 **When will I need to apply for an operating licence under the 2005 Act?**
- You should ensure that you apply to the Gambling Commission for a gaming machine technical operating licence at least two months before the date on which your existing certificate is due to expire.

It is important to note that if, for example, your existing certificate expires on 2 September 2007, you should apply under the new Act no later than 2 July 2007.

**11.8 How long will my new operating licence be valid for?**

Your gaming machine technical operating licence will be of unlimited duration. You will not need to apply again unless your circumstances change.

You will, however, continue to have to pay the annual fee to the Gambling Commission.

**11.9 Will I qualify for continuation rights?**

Yes. If you apply at least two months before the expiry date of your existing certificate, you will continue to be able to operate until such time as your application has been resolved.

**11.10 Will I qualify for grandfather rights?**

No. The government did not believe that it was appropriate to grandfather operating licences, as no-one should be exempt from the requirement to establish their suitability to be granted an operating licence. For the overwhelming majority of responsible operators in the industry, this should present no problems.

**11.11 What will I need to submit with my application?**

The Gambling Commission has issued its own guidance on the application procedures, and what you need to submit with your application. You can find this on the Gambling Commission's website:  
[www.gamblingcommission.gov.uk](http://www.gamblingcommission.gov.uk)

**Personal licences**

**11.12 How many personal licences will I need and which people in my business will need them?**

The Gambling Commission will issue separate guidance on who in your business requires a personal licence. If you qualify as a small scale operator, you will not need to obtain any personal licences, and the Gambling Commission will also publish advice on the operation of this exemption.

**11.13 How do I obtain my personal licences?**

You should apply to the Gambling Commission between 1 January and 29 June 2007. Information about application procedures and application forms will be available on the Gambling Commission's website.

**11.14 Will I qualify for continuation rights?**

Yes. As long as you apply before 30 June 2007, you will qualify for continuation rights. You will be treated as having been granted a personal licence until such time as your application is determined, even if this is after 1 September 2007.

## Chapter 11 part 2: Gaming machine supply or repair – New operators

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11.15 This part relates to operators who:

- wish to obtain a first section 27 certificate authorising the supply and/or repair of gaming machines before 1 September 2007; and,
- wish to continue to undertake these activities under the new Act.

**11.16 What do I do if I want to apply for a first certificate before 1 September 2007?**

You should apply to the Gambling Commission for a section 27 certificate under the 1968 Act in the normal way. If your application is successful, your certificate will be granted as now for five years.

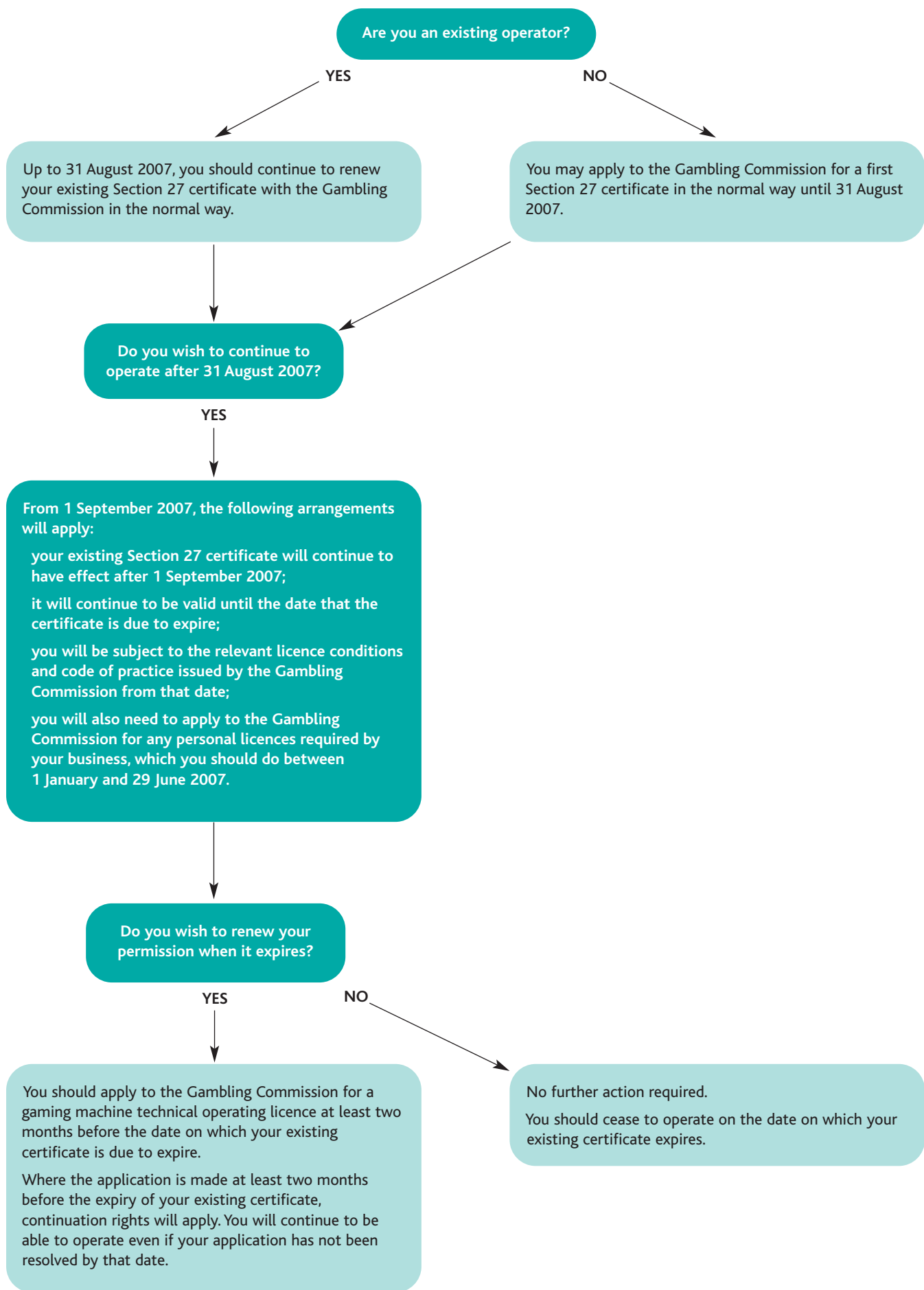
As long as you apply on or before 31 August 2007, the Gambling Commission will still be able to resolve your application under the old Act, even if it is not able to do so until after 31 August.

You will then be treated like any other existing operator, and your certificate will continue to have effect under the new Act. You will only need to apply for a gaming machine technical operating licence under the new Act two months before your certificate is due to expire.

**11.17 What do I do if I want to apply for a first operating licence on or after 1 September 2007?**

You must make an application to the Gambling Commission for a gaming machine technical operating licence under the 2005 Act.

## GAMING MACHINE SUPPLY OR REPAIR



## Chapter 12: Supply and maintenance of single machines – Section 27 permits

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12.1 This chapter applies to holders of permits issued under Section 27 of the Gaming Act 1968 authorising the supply and/or maintenance and repair of gaming machines, and anyone wishing to apply for such a permit either before or after 1 September 2007.

### 12.2 **What new arrangements will apply under the new Act?**

The 2005 Act replaces the existing Section 27 permit with a new single-machine supply and maintenance permit, which as now will be issued by the Gambling Commission. The rules relating to single-machine supply and maintenance permits are set out in section 250 of the new Act.

### 12.3 **What transitional arrangements will apply?**

Any Section 27 permits issued prior to 1 September 2007 will continue to have effect after 1 September 2007, and will expire on the date on which they were due to expire under the 1968 Act.

The Gambling Commission will continue to accept applications under the 1968 Act until 31 August 2007, and will be able to resolve any applications it receives prior to that date under the old Act. If successful, Section 27 permits will be granted as now for three months.

Any applications to the Gambling Commission on or after 1 September 2007 should be made under the new Act. If successful, permits may be granted under the new Act for up to 12 months.

### 12.4 **What is the application process?**

Details of both the existing and new application processes can be found on the Gambling Commission's website. However, in general all that will be required is for you to submit a completed application form and the prescribed fee.

# Prize gaming permits

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## SUMMARY

To operate prize gaming by virtue of a prize gaming permit after 1 September 2007, you will need:

- a prize gaming permit – apply to your licensing authority between 30 April and 30 July 2007.

Holders of certain permissions under the new Act (bingo halls, adult gaming centres, licensed family entertainment centres and holders of family entertainment centre gaming machine permits) will be automatically entitled to offer prize gaming. The 2005 Act also authorises prize gaming to be offered at travelling fairs without the need for a permit.

It is important to note that Part 13 of the new Act, which relates to prize gaming, does not authorise the use of any gaming machines.

## Chapter 13 part 1: Prize gaming permits – Existing operators

- 13.1 This part applies to existing holders of permits for the commercial provision of amusements with prizes (Section 16 permits) issued under Schedule 3 of the Lotteries and Amusements Act 1976, and who want to continue to offer prize gaming after 1 September 2007.
- 13.2 **What do I need to do if my existing Section 16 permit expires before 1 September 2007?**
- Nothing. Your existing permit has been automatically renewed until 31 August 2007. You can if you want write to your licensing authority to obtain a copy of your renewed permit, and it will provide a copy free of charge. However, there is no requirement to do so.
- 13.3 **What equivalent permission does the Gambling Act 2005 create?**
- Part 13 of the new Act replaces and updates Section 21 of the Gaming Act 1968 and Section 16 of the Lotteries and Amusements Act 1976. As under the existing legislation, the holders of certain permissions under the new Act (bingo halls, adult gaming centres, licensed family entertainment centres and holders of family entertainment centre gaming machine permits) will be automatically entitled to offer prize gaming. The Act also authorises prize gaming to be offered at travelling fairs without the need for a permit.
- Other non-gambling premises that wish to offer prize gaming may apply for a prize gaming permit under the new Act.
- Holders of premises licences under the new Act and holders of club gaming permits may not apply for prize gaming permits.
- It is important to note that Part 13 does not authorise the use of any gaming machines. Gaming machines will be regulated by Part 10 of the new Act. Certain equipment used for prize gaming – for example, mechanised cash bingo equipment – will not be treated as gaming machines by virtue of the exemptions to the general gaming machine definition included in Section 235.
- 13.4 **What do I need to do if I want to continue to offer prize gaming in reliance on a prize gaming permit after 1 September 2007?**
- If you currently hold a Section 16 permit under the 1976 Act, and wish to continue to offer prize gaming after 1 September 2007, you will need to make advance applications under the 2005 Act to your licensing authority for a prize gaming permit.
- You will not need to apply to the Gambling Commission for an operating licence.
- 13.5 **How long will my new permit last?**
- Prize gaming permits will be granted for ten years, and are renewable at the end of this period.
- There is no annual fee.
- 13.6 **How do I obtain my permit?**
- You should apply to your licensing authority (licensing board in Scotland) between 30 April and 30 July 2007.
- 13.7 **Will I qualify for continuation rights?**
- If you hold a valid Section 16 permit issued under the 1976 Act, and you submit your advance application by 30 July 2007, you will qualify for continuation rights. This means that you will continue to be able to operate from 1 September 2007, even if your application has not been resolved by that date.
- It is important to note that, even if you are operating by virtue of continuation rights, you will still be expected to abide by any relevant rules and code of practice relating to prize

gaming permits that come into force on 1 September 2007. You will also be subject to the review provisions set out in the Act.

We are recommending to licensing authorities that, when they acknowledge receipt of your application, they notify you that your application has been received in time and as such, if you hold an existing permission, you will qualify for continuation rights. They will also provide you with a summary of the rules that will apply to prize gaming permits.

**13.8 Will any special arrangements apply during the transitional period?**

If you hold a valid permit and so qualify for a grandfathered prize gaming permit, the licensing authority will be required to grant your application. It will be treated in broadly the same way as a fast track grandfathered family entertainment centre premises licence application, and a reduced application fee will apply.

**13.9 Are there any circumstances in which the licensing authority can refuse my application?**

If you hold an existing Section 16 permit, the licensing authority could only refuse your application for a prize gaming permit under the new Act if you have failed to submit any information that the licensing authority needs to process your application.

**13.10 What will I need to submit with my application?**

You will be able to obtain information about application procedures from your licensing authority. More information about applying for prize gaming permits, including the application form, will also be available on the DCMS and Gambling Commission websites.

**13.11 What will happen if I make a mistake in my application form? Will the licensing authority automatically refuse my application?**

No. The licensing authority will notify you of any error or omission and give you a period of no less than 14 days to rectify the error. If you fail to rectify any error within this period, the licensing authority may then refuse your application.

**13.12 What happens if my existing permit is cancelled before 1 September 2007?**

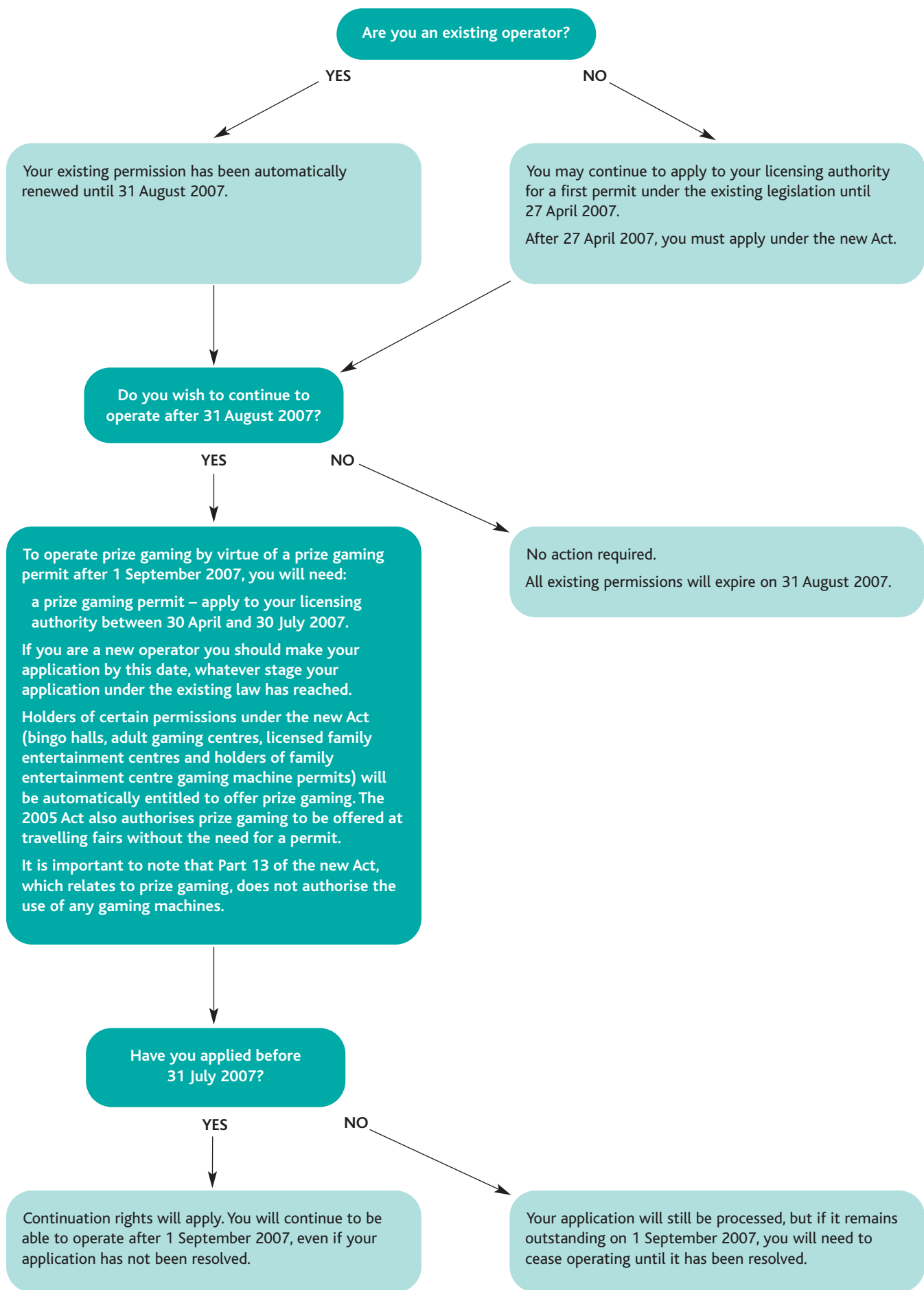
In the rare event that an existing permit is cancelled before 1 September 2007, the following arrangements will apply:

- if you have already been issued with a new permit under the new Act, that permit will lapse on the date on which your permit under the old Act was cancelled;
- if your application for a grandfathered permit under the new Act is still outstanding, the licensing authority must refuse your application.

## Chapter 13 part 2: Prize gaming permits – New operators

- 13.13 This part applies to operators who:
- wish to apply for a first Section 16 permit before 31 August 2007; or
  - who already have an outstanding application for a Section 16 permit under the existing law.
- 13.14 **What do I do if I want to apply for a first prize gaming permit before 31 August 2007?**
- You may continue to apply in the normal way to your licensing authority (local council in Scotland) for a Section 16 permit until 27 April 2007. No further applications under the existing legislation will be permitted after this date.
- 13.15 **I thought I had to apply to the licensing magistrates for my Section 16 permit, not my licensing authority?**
- Responsibility for issuing Section 16 permits was transferred to licensing authorities in England and Wales in November 2005 as a result of changes made by the Licensing Act 2003. Licensing authorities will continue to be responsible for issuing the equivalent prize gaming permits under the Gambling Act 2005. In Scotland, licensing boards will assume this function under the 2005 Act.
- 13.16 **Assuming my application for a permit under the old Act is successful, how do I then convert it to a permit under the 2005 Act?**
- Broadly the same transitional arrangements will apply as for existing operators. You will still need to make an advance application for a permit under the new Act, and you should ensure that you make this application by the date stipulated above (at whatever point consideration of your application under the old legislation may have reached).
- Your licensing authority will not be able to resolve your application under the new Act until your application under the old legislation has been resolved.
- 13.17 **What will happen if my application under the old legislation is withdrawn or refused?**
- If your application under the old legislation is withdrawn or refused, the licensing authority will be required to refuse your application for a grandfathered prize gaming permit under the new Act.
- 13.18 **Will I qualify for continuation rights?**
- If your application under the old Act is resolved before 31 August 2007, but your advance application under the new Act remains unresolved on that date, you will qualify for continuation rights.
- However, if your application under the old legislation has not been resolved by 31 August, you will not qualify for continuation rights as there will have been no existing permission to continue.
- 13.19 **What do I do if I want to obtain a first permit after 27 April 2007?**
- No further applications will be permitted under the 1976 Act after 27 April 2007. If you wish to apply for a prize gaming permit after that date, you will need to apply to your licensing authority under the new Act.

## PRIZE GAMING PERMITS



## Chapter 14: Remote gambling operators

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- 14.1 The 2005 Act establishes a comprehensive system of regulation for remote gambling in Great Britain for the first time.
- 14.2 As this is a new system of regulation, all operators (with the exception of existing registered society lotteries) wishing to offer facilities for remote gambling on or after 1 September 2007 will need to make advance applications to the Gambling Commission for the appropriate remote operating and personal licences.
- 14.3 The Gambling Commission will be able to accept advance applications from 1 January 2007.
- 14.4 Under the existing legislation, some operators have relied on their existing licences or permits to offer remote gambling services. These include holders of bookmaker's permits offering remote betting services, and holders of bingo licences offering linked or multiple bingo. We have sought to flag up the most common examples of where operators are likely to need a remote operating licence, in addition to a non-remote operating licence, in the sector by sector chapters above.
- 14.7 If your application is submitted after these dates, you must not carry on operating after 31 August 2007 unless the required operating and personal licences have been granted.

### **Continuation rights**

- 14.5 Holders of current permissions under the existing legislation will continue to be able to offer these remote services up to 1 September 2007.
- 14.6 To ensure that you can continue to provide these services without interruption after that date, you should submit an operating licence application to the Gambling Commission by 27 April 2007, and any necessary personal licence applications before 30 June 2007, and you will qualify for continuation rights in the same way as non-remote existing operators.

## Chapter 15: Areas not currently covered by existing gambling legislation

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15.1 The 2005 Act also establishes a system of regulation in a number of other areas not currently covered by existing legislation. Various existing operators are likely to come under this category, including:

- gaming machine manufacturers;
- betting intermediaries who do not have a bookmaker's permit;
- gambling software developers and suppliers in the remote gambling industry;
- gaming machine repairers currently working in-house for a gambling operator.

15.2 As with remote operators, as these are new areas of regulation, all operators wishing to operate in these areas after 1 September 2007 will need to apply to the Gambling Commission for the appropriate operating and personal licences.

15.3 The Gambling Commission will be able to accept advance applications from operators from 1 January 2007. Any licences granted under the new Act will take effect on 1 September 2007.

### **Continuation rights**

15.4 Provided existing operators submit an operating licence application to the Gambling Commission by 27 April 2007, and any necessary personal licence applications by 29 June 2007, they will qualify for continuation rights. If your application is submitted after these dates, you must not carry on operating after 31 August 2007 unless the required operating and personal licences have been granted.

We can also provide documents  
to meet the specific requirements  
of people with disabilities.  
Please call 020 7211 6200 or  
email [enquiries@culture.gov.uk](mailto:enquiries@culture.gov.uk)

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