

**Advice to licensing authorities on club
gaming permits and club machine
permits: Gambling Act 2005
Second edition**

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Introduction

The Gambling Act 2005 (the Act) introduced a range of permits for gambling which are granted by licensing authorities (LAs). Permits provide a means to offer gambling where the stakes and prizes are low or where the gambling is not the main function of the premises. The permits regulate gambling and the use of gaming machines in specific premises.

The purpose of this advice note is to set out a number of matters that LAs should consider before a permit is issued and once the permission has been granted. This note should be read in conjunction with:

- Parts 25 and 29 of the Gambling Commission's (the Commission's) *Guidance to Licensing Authorities*
- the Commission's code of practice on equal chance gaming in clubs and premises with an alcohol licence
- the Commission's gaming machine permits code of practice and Schedule 12 to the Act, which contains the provisions relating to club gaming permits and club machine permits.

This advice note does not constitute guidance for the purposes of section 25 of the Act.

1 Defining clubs, miners' welfare institutes and alcohol-licensed premises

- 1.1** The Act defines alcohol-licensed premises and two types of club for the purposes of gaming, namely members' clubs (including miners' welfare institutes) and commercial clubs. This is an important distinction in respect of the gaming that may take place. In particular, when determining whether a club is able to apply for and be issued with a permit, the LA must consider whether the club is a genuine members' club or a commercial club within their meaning in the Act.

Members' club

- 1.2** A members' club is a club that is not established as a commercial enterprise, and is conducted for the benefit of its members. Examples include working men's clubs, branches of the Royal British Legion and clubs with political affiliations. Members' clubs may apply to their local LA for club gaming permits and club machine permits.
- 1.3** The Act prescribes that members' clubs must have at least 25 members and be established and conducted 'wholly or mainly' for purposes other than gaming, unless the gaming is restricted to bridge and whist. Members' clubs must be permanent in nature, but there is no need for a club to provide alcohol.
- 1.4** Before granting a club gaming permit which, for example, will permit the playing of poker with unlimited stakes and prizes, LAs must satisfy themselves that the club is not wholly or mainly devoted to gaming (including poker). Even if a club offers other sport and activities, if the majority of the club's activities is gaming judged by income, time spent on activities or some combination of these measures, then the club's purpose will not be 'wholly or mainly' for purposes other than gaming. Those clubs that hold club gaming permits and conduct themselves in such a way that gaming is the main activity, are in breach of the Act and may render themselves liable to prosecution by the LA.
- 1.5** Clubs that offer poker as the main activity or on a commercial basis must have a casino operating licence and premises licence.

Miners' welfare institute

- 1.6** Miners' welfare institutes are associations established for recreational or social purposes. They are managed by a group of individuals made up of at least two thirds of miners'

representatives or use premises regulated by a charitable trust which has received funds from one of a number of mining organisations.

- 1.7** Miners' welfare institutes may apply for club gaming permits and club machine permits.

Commercial club

- 1.8** A commercial club is a club established for commercial gain (whether or not they are making a commercial gain). Examples include snooker clubs, clubs established as private companies and clubs established for personal profit. There are established tests to determine a club's status. In case of doubt, legal advice should be sought. Commercial clubs may only apply for club machine permits.
- 1.9** The Act prescribes that commercial clubs must have at least 25 members and be established and conducted 'wholly or mainly' for purposes other than gaming, unless the gaming is restricted to bridge and whist. Commercial clubs must be permanent in nature, but there is no need for a club to have an alcohol licence.
- 1.10** Even if a commercial club offers other activities, if the majority of the club's activities is gaming (including poker) judged by income, time spent on activities or some combination thereof, then the club's purpose will not be 'wholly or mainly' for purposes other than gaming.
- 1.11** Clubs that offer poker as the main activity or on a commercial basis must have a casino operating licence and premises licence.

Alcohol-licensed premises

- 1.12** Premises which are covered by an on-premises alcohol licence authorising the supply of alcohol for consumption on licensed premises under Part 3 of the Licensing Act 2003 or, in Scotland, the Licensing (Scotland) Act 2005 can offer certain types of gaming. The Act stipulates that the premises must contain a bar at which alcohol is sold and, in addition, that there is no condition on the alcohol premises licence which requires that alcohol can only be served with food. This means that the premises must be dedicated bar premises as opposed to restaurant type premises. These premises are referred to as alcohol-licensed premises in this document.
- 1.13** Gaming and the use of gaming machines is only permitted on these premises during the hours that the premises licence allows the sale of alcohol. Premises which are not clubs, but sell alcohol, are not able to apply for club gaming or club machine permits.

2 Permitted and exempt gaming in clubs, miners' welfare institutes and alcohol-licensed premises

- 2.1** The Act creates two types of equal chance gaming permissible in clubs, miners' welfare institutes and alcohol-licensed premises: 'permitted gaming' and 'exempt gaming'.

Permitted gaming

- 2.2** Permitted gaming is equal chance gaming and two bankers' games, pontoon and chemin de fer, permissible through the grant of a club gaming permit. A club gaming permit can only be granted to a members' club or miners' welfare institute. A club gaming permit cannot be granted to a commercial club or other alcohol-licensed premises.
- 2.3** Other than in the case of clubs established to provide the prescribed games of bridge and whist, clubs seeking club gaming permits must be established 'wholly or mainly' for purposes other than gaming. Where a club gaming permit is granted there are no limits on the stakes and prizes associated with permitted gaming.

Exempt gaming

- 2.4** Exempt gaming is equal chance gaming generally permissible in any members' club, miners' welfare institute, commercial club or alcohol-licensed premises. Such gaming must be ancillary to the purposes of the premises. This exemption is automatically available to all such premises, but is subject to statutory stakes and prize limits determined by the Secretary of State.
- 2.5** The Secretary of State has set both daily and weekly prize limits for exempt gaming in alcohol-licensed premises¹. Different, higher stakes and prizes are allowed for exempt gaming in clubs². These limits are set out in the attached appendix.
- 2.6** Exempt gaming must be supervised by a nominated gaming supervisor and comply with the Commission's code of practice on equal chance gaming in clubs and premises with an alcohol licence, issued under section 24 of the Act.

3 Conditions on club gaming permits

- 3.1** Club gaming permits are only available to members' clubs and miners' welfare institutes. The Act sets out conditions that a club must meet to get a club gaming permit. They are:
- (a) *in respect of equal chance gaming:*
- the club or institute must not deduct or levy money from sums staked or won
 - the participation fee must not exceed the amount prescribed in regulations
 - the games must take place on the premises and must not be linked with a game on another set of premises. Games are considered to be linked if:
 - the result of one game is, or may be, wholly or partly determined by reference to the result of the other games
 - the amount of winnings is wholly or partly determined by the participation of more than one set of players
 - the game is split by sites so that part of one game is played on one site and another part is played elsewhere
 - each person who participates must be:
 - a member of the club or institute who applied for membership, was nominated for membership, or became a member, at least 48 hours before he participates, or
 - a guest of a member of the club or institute³
 - the holder complies with the Commission's code of practice on equal chance gaming in clubs and premises with an alcohol licence.
- (b) *in respect of other games of chance:*
- the games are prescribed in regulations - currently only pontoon and chemin de fer are prescribed
 - no participation fee is charged otherwise than in accordance with the regulations
 - no amount is deducted or levied from sums staked or won otherwise than in accordance with the regulations
 - the public, children and young persons must be excluded from any area of the premises where the gaming is taking place
 - each person who participates must be:
 - a member of the club or institute who applied for membership, was nominated for membership, or became a member, at least 48 hours before he participates, or

¹ The Gambling Act 2005 (Exempt Gaming in Alcohol-Licensed Premises) Regulations 2007 (SI 2007/1940).

² The Gambling Act 2005 (Exempt Gaming in Clubs) Regulations 2007 (SI 2007/1944).

³ Existing case law may assist in determining whether a person is a "bona fide guest" of a member. The case of *Mackley v Ladup Ltd* (1974) 139 JP Jo 121 sets out guidelines in determining whether a guest is legitimate or not. In particular, if the court finds that (i) the person invited as a guest had no previous acquaintance with the member, and (ii) the sole reason for the invitation was to allow the invitee to take advantage of the gaming facilities, then the person invited is unlikely to be considered to be a genuine guest of a member.

- a guest of a member of the club or institute.⁴
- (c) *in respect of gaming machines:*

- that no child or young person uses a category B or C machine on the premises
- that the holder complies with any relevant provision of a code of practice about the location and operation of gaming machines.

3.2 Applicants for club gaming permits must also agree to abide by the Commission's code of practice on equal chance gaming in clubs and premises with an alcohol licence.

4 Factors to consider when granting a club gaming permit

4.1 The LA has to satisfy itself that the club meets the requirements of the Act to obtain a club gaming permit. It is suggested that applicants for permits should be asked to supply sufficient information and documents to enable the LA to take account of the matters discussed in paragraphs 4.2 to 4.4, at the time they submit their applications to the LA.

4.2 In determining whether a club is a genuine members' club, the LA should take account of a number of matters, such as:

- Is the primary purpose of the club's activities something other than the provision of gaming to its members? This is an indicator that it's a genuine members' club.
- Are the profits retained in the club for the benefit of the members? This is the key difference between a members' club and a commercial club.
- Are there 25 or more members? This is the amount a club has to have to qualify.
- Are there genuine domestic addresses on the register of members? Are domestic addresses listed for every member? Are members local to the club? These are all indicators that the member lists are bona fide and are made up of genuine members.
- Do members participate in the activities of the club via the internet? It is less likely to be a genuine members' club if this is the case.
- Do guest arrangements link a member to every guest? Is there evidence of a signing-in register for guests? Guests must be genuine guests of members and not members of the general public.⁵
- Is the 48 hour rule between applying for membership and participating in any gaming properly applied? This is an indication that the club has a proper membership scheme.
- Are there annual accounts for more than one year? This would indicate that the club is permanent in nature, rather than temporary.
- How is the club advertised and listed in directories, including on the internet? If the club is categorised under "gaming" or "poker", it is less likely to be genuine members' club.
- Are children permitted into the club? The more access they have to areas of the premises, the less likely it is that the club is primarily for gambling activities.
- Is there a list of committee members and evidence of their election by the members of the club? Can the club provide minutes of committee and other meetings? These are further evidence that the club is a properly constituted members' club.
- Does the club have a constitution and can it provide evidence that the constitution was approved by the members of the club? This provides further evidence that it is a properly constituted members' club.

4.3 The constitution of the club could also indicate whether it is a legitimate members' club. Amongst the things to consider are the following:

- Who makes commercial decisions on behalf of the club and what are the governance arrangements? Clubs are normally run by a committee made up of members of the club, rather than individuals or managers, who make decisions on behalf of the members. There will normally be a system (consultation, voting, paper ballots, annual

⁴ See footnote 3.

⁵ See footnote 3.

general meetings, special meetings, etc) which allows members to be involved in major decisions concerning the management and running of the club. Such arrangements would be spelt out in the constitution.

- Are the aims of the club set out in the constitution? A lack of aims or aims which involve gaming could indicate that it is not a genuine members' club.
- Are there shareholders or members? Shareholders would indicate a business enterprise linked to a commercial club.
- Is the members' club permanently established? Clubs can't be temporary and must be permanent in nature
- Can people join with annual or quarterly membership? This would indicate that the club is permanent in nature.
- Are there long term membership benefits? This would also indicate that the club is permanent in nature and that it is a genuine members' club. The benefits of membership would normally be set out in the rules of membership.

4.4 Other than bridge and whist clubs, which are separately catered for in regulations, a club cannot be established wholly or mainly for purposes of gaming. In applying for a club gaming permit, a club must therefore provide substantial evidence of activities other than gaming. Useful questions which a LA should consider include:

- How many nights is poker made available? If poker is available for all or most nights with little other activity, then it is likely that the club is established wholly or mainly for gaming.
- Is the poker advertised? If poker is advertised with little or no reference to the other activities of the club, then it is likely that gaming is the main activity of the club and that the poker is run commercially.
- What are the stakes and prizes offered? The stakes and prizes limits must be complied with. Unlimited stakes and prizes are only available to genuine members' clubs once a club gaming permit has been granted. If high stakes and prizes are offered, this is also likely to indicate that gaming is one of the main activities of the club.
- Is there evidence of leagues with weekly/monthly/annual winners? This could indicate that the club's main activity is gaming.
- Is there evidence of non-playing members? If members play poker exclusively, this is an indication that the main or only activity of the club is poker.
- Are there teaching sessions to promote poker? This could be evidence that the club's main activity is poker.
- Is there tie-in with other clubs offering poker through tournaments or leagues? This is also an indication that poker is possibly one of the main activities of the club.
- Is there sponsorship by poker organisations, for example on-line poker providers? Similarly, this could indicate that poker is one of the main activities of the club.
- Are participation fees within limits? The LA could consider club records and adverts for gaming, etc. Fees that exceed the limits could indicate that the gaming is run commercially.

4.5 The Commission advises that a visit to the premises before granting of the permit may assist the licensing officer to understand how the club will operate.

5 Conditions on exempt gaming and gaming under a club machine permit

5.1 The Act allows all clubs and miners' welfare institutes to offer machine gaming under a club machine permit. Section 273 of the Act sets out the conditions that will apply to the club machine permit, including that, in respect of gaming machines, no child or young person uses a category B or C machine on the premises and that the holder complies with the Commission's code of practice about the location and operation of gaming machines. Clubs do not have to have permanent premises or to provide alcohol.

- 5.2** The Act also permits clubs and premises with an alcohol licence to offer “exempt gaming” under section 279 of the Act. This is non-machine gaming and is subject to the following conditions:
- the gaming must comply with the regulations set by Secretary of State that limit the stakes and prizes
 - there must not be a levy on the sums staked or won
 - there must be no entry or participation fees
 - the gaming offered must not be linked to gaming in other premises
 - the gaming complies with the Commission’s code of practice on equal chance gaming in clubs and premises with an alcohol licence
 - no person under 18 may participate in the gaming.
- 5.3** The regulations set out the stakes and prizes limits that apply to exempt gaming. These are summarised in the attached appendix. A similar table is attached to the code of practice on equal chance gaming in clubs and premises with an alcohol licence, and the *Guidance to Licensing Authorities*.

6 Factors to consider for exempt gaming and gaming under a club machine permit

- 6.1** The LA should satisfy itself that the poker on offer meets the conditions set out in the Act and relevant regulations. To do this the LA may wish to ask questions of the applicant or ensure that exempt gaming complies with these conditions. The conditions are:
- There must be no rake from the pot (that is, the organiser cannot take any money from the prize fund, or deduct money from the stakes or winnings). LAs should examine the records for gaming or, if possible, observe or get statements about the pot.
 - There must be no side bets. This is probably only going to be possible to verify through observation.
 - Participation fees are within the limits prescribed in the regulations (club gaming only). Is there evidence of excess participation fees in club records, adverts for gaming in or outside of the club or from complaints? Participation fees must not be disguised as charges for dealers, mandatory tipping of dealers, table charges or hire charges. Again, observation of the gaming may be necessary.
 - Prizes are within the limits prescribed in the regulations. Is there evidence that they are excessive from records at the club or alcohol-licensed premises, in adverts for gaming, etc? Note that daily and weekly limits must be monitored by the operator and that “money or money’s worth” (for example, goods) counts towards the prize limits.
 - Where the games are tournaments or leagues, the LA may find it useful to consult the Commission’s general guidance on poker which sets out how the law applies to such games. This should help the LA to determine whether the gaming is within the law from evidence such as records in the club or alcohol-licensed premises and adverts for gaming.

7 Appeals on decisions by the LA

- 7.1** The authority may only refuse an application on one or more of the following grounds:
- (i) for a club gaming permit: the applicant is not a members’ club or miners’ welfare institute
 - (ii) for a club machine permit: the applicant is not a members’ club, miners’ institute or commercial club
 - the premises are used wholly or mainly by children or young persons
 - an offence or a breach of a condition of a permit has been committed by an applicant
 - a permit held by an applicant has been cancelled during the last ten years
 - an objection has been made by the Commission or local chief officer of police.

- 7.2** The authority may only cancel a permit on one of the following grounds:
- the premises are used wholly or mainly by children or young persons
 - an offence or breach of a condition of the permit has been committed in the course of gaming activities.
- 7.3** Therefore, in considering an appeal the court will determine whether any of these statutory grounds apply. In addition, the court will take into account the following factors:
- any objections made by the Commission or local police chief
 - the authority's duty to have regard to both the Commission guidance and the licensing objectives, and to what extent these duties were discharged.
- 7.4** On an appeal, the magistrates' court or sheriff may take the following action: dismiss the appeal, substitute any decision that the LA could have made, restore a permit, or remit it back to the LA to decide in accordance with a determination of the court; and may make an order for costs. If the decision is remitted to the LA, the same rights of appeal will apply as for the original application.

8 Fast track procedure for permits

- 8.1** There is a fast track procedure for members' clubs in England and Wales that hold a club premises certificate under section 72 of the Licensing Act 2003 (the Licensing Act). Commercial clubs cannot hold club premises certificates under the Licensing Act and so cannot use the fast track procedure. The fast track procedure also does not apply in Scotland.
- 8.2** Where the club holds a club premises certificate, there is no opportunity for objections to be made by the Commission or the police, and the grounds on which a LA can refuse a permit are reduced.
- 8.3** There are three grounds for refusal of a permit by the LA in these circumstances. They are, where:
- the club is established or conducted solely or primarily for gaming (other than bridge or whist)
 - the club is established or conducted solely or mainly for bridge or whist, and also provides gaming of another kind
 - a club gaming permit or club machine permit issued to the club has been cancelled in the preceding ten years.

9 Factors to consider when monitoring club gaming permits

- 9.1** Once the LA has issued a club gaming permit, it is recommended that various aspects need to be considered by LAs in monitoring the club gaming permit. In addition to monitoring whether the club continues to meet the requirements of the Act for a club gaming permit (that is, whether it remains a genuine members' club) and whether the gaming meets the conditions set out in the Act and the relevant regulations, LAs may also wish to consider the issues described in the paragraphs that follow.
- 9.2** Where clubs have computers available for use by members, LAs should be aware that these may be so-called dual use computers which, among other things, allow club members to access gambling websites via the internet. In certain circumstances, these computers may be taken to be gaming machines. Generally, a computer is not a gaming machine merely because there is a possibility of accessing a gambling website via the internet. However, a computer will be taken to be a gaming machine if it is knowingly adapted or presented to facilitate or draw attention to the possibility of it being used for gambling.
- 9.3** It is not possible to provide a definitive list of examples of what constitutes a computer that is knowingly adapted or presented to facilitate or draw attention to the possibility of it being used

for gambling. Each case will need to be looked at individually and ultimately the decision regarding whether a machine is a gaming machine is one for the courts to make.

- 9.4** The precise circumstances in which the facilities are offered – including the environment in which they are offered and the relationship with other gambling facilities provided – will need to be taken into account when assessing the status of those facilities. The Commission has provided the following indicators that may help in making decisions about whether a computer is knowingly adapted or presented to facilitate or draw attention to the possibility of it being used for gambling. This list is not exhaustive, and the presence or absence of any single factor is not necessarily conclusive:
- icons for gambling websites displayed on the desktop screen
 - links to gambling websites available via the start menu
 - screensavers, desktop wallpapers referring to gambling websites
 - internet browsing history or favourites menu containing gambling websites
 - promotional material (posters, flyers) indicating the use of computers for gambling
 - gambling software downloaded onto a computer
 - staff informing customers of the existence of the computer for access to gambling websites
 - emails or other promotional material sent to customers/individuals referring to the availability of computers on premises for gambling purposes.
- 9.5** The Gambling (Licensing and Advertising) Act 2014 amended the Act so that from 1 November 2014, gambling operators that provide facilities for remote gambling or advertise to consumers in Great Britain require a licence issued by the Commission. For example, an operator requires a remote casino operating licence from the Commission if it currently runs or want to run an online casino through remote communication (including computers).
- 9.6** Club premises, computer terminals in the club or the club website may contain gambling advertising from holders of a remote operating licence, issued by the Gambling Commission. Clubs may also offer seats at overseas poker tournaments as prizes in poker tournaments run on the club premises. However, LAs should note that overseas tournaments hosted by an unlicensed operator will amount to an offence under Section 33 of the Act.
- 9.7** Any of the factors mentioned in the preceding paragraphs in this section may give rise to the need to review the club gaming permit or take appropriate enforcement action.
- 9.8** The Commission provides advice and guidance to LAs on permits and related matters and, on a case-by-case basis, will undertake targeted collaborations with LAs in order to establish principle and precedent, and a clear understanding of the legal requirements.
- 9.9** An agency that may also be able to assist LA enquiries is HM Revenue & Customs (HMRC). If a club is trading under the auspices of a club gaming permit (as a members' club) but is in fact a commercial club with, for example, their main activity being poker, they would be liable for gaming duty. LAs should bear in mind that clubs of this nature have premises to maintain, as well as staff and other costs, so the sums involved may be significant. There may also be other aspects of the financing of such clubs that would cause HMRC to become involved.

10 Powers in respect of club premises

- 10.1** Section 312 of the Act prescribes that:
- a constable or enforcement officer can enter club or miners' welfare institute premises, or premises which they reasonably believe to be used by a club or institute, to determine whether:
 - gaming is taking place on the premises or is about to take place on the premises

- any gaming that is taking place or is about to take place on the premises meets the requirements for exempt gaming in section 269 of the Act, a club gaming permit or a club machine permit
- an authorised local authority officer can enter premises in respect of which an application for a club gaming permit or club machine permit has been made for a purpose connected with the consideration of the application.

- 10.2** An enforcement officer is an employee of the Commission designated as an enforcement officer for the purposes of the Act, or a person other than an employee appointed as an enforcement officer for the same purpose. An authorised local authority officer is an officer of a LA designated as an authorised person for the purposes of section 304 of the Act, where the premises are wholly or partly situated in the LA's area.
- 10.3** As the Act indicates that local licensing officers are not authorised to enter club premises under the Act once the club permit has been issued, this has generally been assumed to mean that the LAs lack all the necessary powers and the Commission is, therefore, the default organisation for enforcement action. However, the necessary powers are available to the police and the Commission suggests that LAs, working in partnership with local police forces, have the ability to enforce compliance by clubs where needed.
- 10.4** LAs may also want to consider whether their officers have powers under other relevant Acts, such as the Licensing Act or Local Government Act. In addition, sections 87, 88 and 89 of the Licensing Act give LAs the ability to review club premises certificates, including suspending and withdrawing permits, and section 90 allows LAs to withdraw certificates where it appears to the LA that the club does not satisfy the conditions for being a qualifying club.

11 Private gaming

- 11.1** Private gaming can only occur in a place to which the public does not have access. While primarily aimed at games occurring in private dwellings, this could potentially also apply where a club hires a room in a pub or hotel for a private function where poker is played.
- 11.2** However, there must be a meaningful selection process for participation in the gaming to enable a distinction to be made between members of the general public and those permitted to enter the gaming area (that is, members of the club). If there is no real selection process, and anyone who wishes to enter the area or join the club can do so simply by asking or registering to join, the courts are likely to consider that the general public have access. If this is the case, the gaming will not be private and is likely to be illegal.
- 11.3** LAs are advised that no money can be deducted from any stakes or winnings, and no fee can be charged to take part in the private gaming, regardless of how it is described.

12 Case studies

- 12.1** LAs may find the following case studies helpful when considering applications by clubs for club gaming or club machine permits, investigating the misuse of a permit and considering the review thereof, or considering the unlawful provision of gaming in club premises.

Case study 1: Refusal of a club gaming permit

The club was sited within commercial premises that operated as a snooker club. The commercial premises held a premises licence under the Licensing Act 2003. When considering an application for a club gaming permit by the club, the LA found that the club:

- did not meet the definition of members' club in the Act as it was established for the purpose of gaming
- did not satisfactorily prove that it was established and conducted for the benefit of its members

- offered activities that could already be accessed through the existing commercial premises on a much larger scale and with no membership fee payable
- was trying to circumvent the requirements of the Licensing Act 2003 by setting up a club within a club
- did not have a satisfactory club constitution with regard to the nomination of new members and election of the committee
- provided financial documentation that was inadequate and showed that the applicant's main activity was gaming (in particular, poker).

On the basis of these findings, the LA refused the club gaming permit because the club had failed to demonstrate that it:

- met the definition of a members' club by being established and conducted for purposes other than the provision of facilities for gaming
- was established and conducted for the benefit of its members (and was not otherwise established or conducted as a commercial enterprise).

The LA subsequently offered the applicant an appeal under paragraph 25(1) of Schedule 12 to the Act.

Case study 2: Refusal of a club gaming permit

The Commission received a copy of an application for a club gaming permit and decided to lodge objections to the application on the basis that the club is not a members' club within its meaning in the Act. The LA subsequently held a hearing and heard oral evidence from the applicant. Guided by the Act, the Commission's *Guidance to Licensing Authorities*, the LA's statement of principles for the Act, and the evidence received and heard, the LA decided that the applicant was not entitled to a club gaming permit on the following basis:

- the LA was not satisfied that the club was a members' club as defined under section 266 of the Act
- the rules of membership produced by the applicant did not demonstrate that the club had been constituted as a genuine members' club, specifically that there was no provision for members to participate in the management and running of the club, and that it does not set out the objectives or benefits of membership.

Case study 3: Review of a club gaming permit

The club had been granted a club gaming permit, but intelligence activity had later suggested that the club was in breach of several conditions of its permit. After a joint visit to the club by the LA and the police, the LA found that the club:

- was not established and conducted for the benefit of its members
- appeared to be established and conducted almost solely for the purpose of playing poker.

A letter was sent to the club instructing it to comply with the conditions of the club gaming permit within a set time period. The club failed to comply with the instruction and the LA subsequently withdrew the club gaming permit.

Case study 4: Cooperation and shared resources

This case concerned a poker organiser operating in several local authority areas. In this instance, the relevant LAs set up a working group to deal with the case. Following discussions by the working group, a letter was drafted and sent to all the relevant alcohol premises licensees in each LA area setting out the licensees' personal liability for illegal activities conducted on their premises, making direct reference to poker.

The matter and the action taken were then discussed at the regional licensing and enforcement officers meetings so that the scope of this approach was widened to other LAs facing the same issues. The Commission was kept informed of developments in the case.

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Copies of this document are available in alternative formats on request.

Gambling Commission
Victoria Square House
Victoria Square
Birmingham B2 4BP

T 0121 230 6666
F 0121 230 6720
E info@gamblingcommission.gov.uk

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Appendix: Summary of gaming entitlements for clubs and alcohol-licensed premises

	Members' club, commercial club or MW institute without a club gaming permit or club machine permit	Members' club or commercial club with club machine permit	Members' club or MW institute with club gaming permit	Bridge or whist club	Alcohol-licensed premises
Equal chance gaming	Yes	Yes	Yes	Bridge and/or whist only	Yes
Limits on stakes	<u>Poker</u> £1000 per week £250 per day £10 per person per game <u>Other gaming</u> No limit	<u>Poker</u> £1000 per week £250 per day £10 per person per game <u>Other gaming</u> No limit	No limit	No limit	<u>Poker</u> £100 per premises per day £5 per person per game <u>Other gaming</u> £5 per person per game <u>Cribbage & dominoes</u> No limit
Limits on prizes	<u>Poker</u> £250 per game <u>Other gaming</u> No limit	<u>Poker</u> £250 per game <u>Other gaming</u> No limit	No limit	No limit	<u>Poker</u> £100 per game <u>Other gaming</u> No limit
Maximum participation fees (per person per day)	<u>Bridge and/or whist</u> ⁶ £18 <u>Other gaming</u> £1	<u>Bridge and/or whist</u> ⁶ £18 <u>Other gaming</u> £3 (commercial club) £1 (members' club)	<u>Bridge and/or whist</u> ⁶ £20 <u>Other gaming</u> £3	£18 (without club gaming permit) £20 (with club gaming permit)	None permitted
Bankers or unequal chance gaming	None permitted	None permitted	Pontoon Chemin de fer	None permitted	None permitted
Limits on bingo	Maximum of £2,000 per week in stakes/prizes. If more then will need an operating licence.	Maximum of £2,000 per week in stakes/prizes. If more then will need an operating licence.	Maximum of £2,000 per week in stakes/prizes. If more then will need an operating licence.	No bingo permitted	Maximum of £2,000 per week in stakes/prizes. If more then will need an operating licence.

⁶ On a day when no other facilities for gaming are provided