Gaming and Gaming Machines in Clubs and Miners Welfare Institutes under the Gambling Act 2005 – further information

What is a Club?
The Gambling Act 2005 ('the Act') defines two categories of clubs: members clubs including miners welfare institutes and commercial clubs.

Members Clubs
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 us for club gaming permits and club machine permits.

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.

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
Miner's 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.

Commercial Clubs
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. Commercial clubs may only apply for club machine permits.
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 be permanent in nature, but there is no need for a club to have an alcohol licence.

Even if a commercial club offers 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.

Clubs that offer poker as the main activity or on a commercial basis must have a casino operating licence and premises licence.

**Must a club have an alcohol licence or permit in order to provide gaming?**
No, as long as the above requirements are met any club may provide gaming under the Act, whether or not an alcohol licence or permit is held.

**What gaming permissions are available to clubs under the Act?**
There are three types of permission: exempt gaming, Club Gaming Permits and Club Machine Permits. Exempt gaming and Club Machine Permits are available to all three categories of club. Club Gaming Permits are available only to members’ clubs and miners’ welfare institutes. Further details about each of these can be found below.

**Can a club be formed solely to provide facilities for gaming?**
Any club established wholly or mainly for gaming may operate under the exempt gaming provisions. The Act also gives the Secretary of State powers to specify particular kinds of gaming, thereby allowing members clubs established for the purposes of providing such gaming to take advantage of further gaming rights by applying for a Club Gaming Permit. The Secretary of State has decided the bridge and whist should be the only prescribed kinds of gaming and, so long as they don’t provide facilities for other types of non-machine gaming, a bridge or whist club may apply for a Club Gaming Permit.

**What is permitted gaming?**
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

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 the purposes other than gaming. Where a club gaming permit is granted there are no limits on the stakes and prizes associated with permitted gaming.
What is exempt gaming?

Exempt gaming is equal chance gaming generally permissible in any members club, minor’s 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.

The Secretary of State has set both daily and weekly prize limits for exempt gaming in alcohol-licensed premises. Different, higher stakes and prizes are allowed for exempt gaming in clubs.

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-licensed licence.

What are the limits on stakes and prizes for exempt gaming?

Although there are, at present, no limits in the legislation on stakes and prizes for most types of gaming in clubs and institutes, it should be noted that the exempt gaming provisions are intended to facilitate low stakes, low scale gaming activity. Clubs and institutes should therefore take steps to ensure that any gaming permitted on clubs premises remains at low-level.

There are, however, regulations setting limits on poker played in all clubs and institutes under the exempt gaming provisions. There is a stakes limit of £10 per player per game (n.b the limit applies to a game of poker, not a single hand), as well as aggregate stakes limits of £250 per day and £1000 per week for each individual club or institute. So, for example, a club could run a poker game for 25 players paying £10 each, four times per week. The maximum prize in a game of poker is also £250.

What about bingo?

There are no limits on stakes and prizes for games of bingo played in clubs. However, clubs or institutes that wish to offer high turnover bingo (i.e. where stakes or prizes exceed £2000 per week) will require a bingo operating licence from the Gambling Commission.

Do Clubs and Institutes need a permit or licence?

No licence or permit is required for clubs that operate solely under the exempt gaming provisions. Members’ clubs and institutes (but not commercial clubs) that wish to provide additional facilities for gaming may apply for a Club Gaming Permit from us.

What are the advantages of a Club Gaming Permit?

These permits allow clubs to provide facilities for two specific banker’s games – chemin de fer and pontoon (not blackjack) – and to charge higher participation fees (up to £3 per person per day). In addition, gaming in a club or institute that holds a Club Gaming Permit is not subject to the stake and prize limits that apply to exempt gaming.
Club Gaming Permits also allow clubs to provide a total of 3 gaming machines in the following categories:

- B3A: a maximum stake of £1 and prize of £500
- B4: a maximum stake of £1 and prize of £250
- C: a maximum stake of £1 and prize of £70
- D: a maximum stake of 10p and prize of £5 cash; or 30p stake and £8 prize in a non-money prize machine

The use of these machines is subject to certain statutory conditions, and the holder of the permit must comply with the Gambling Commission’s code of practice on the location and operation of gaming machines.

Which clubs can apply for a Club Gaming Permit?
Members’ clubs (including bridge or whist clubs) and miner’s welfare institutes may apply to us for a Club Gaming Permit.

Can clubs charge members for taking part in gaming?
Clubs and institutes operating under the exempt gaming provision may make a charge of up to £1 per person per day for participating in gaming. Where a Club Gaming Permit (or in the case of a commercial club, a Club Machine Permit) is held a charge of up to £3 may be made.

What if a club only want to provide gaming machines?
Members’ clubs (including bridge and whist clubs), miners’ welfare institutes and commercial clubs that wish to provide machine gaming may apply for a Club Machine Permit from us. This type of permit authorises the same gaming machine allowance as that described immediately above, and use of the machines is subject to similar statutory conditions and the same code of practice.

What happens if a club breaks the rules?
Clubs will be expected to monitor any gaming that takes place on their premises, and take all reasonable steps to ensure that it complies with the statutory conditions. Under section 312 of the Act, a police constable or Gambling Commission enforcement officer may enter club premises in order to determine whether gaming carried on there is in accordance with the statutory conditions or the terms of any club gaming or club machine permit.

Any breach of the statutory conditions would render those providing the premises or facilities liable to prosecution under section 33 or 37 of the Act. Any breach of a permit could lead to its cancellation by us and might also constitute an offence under section 33 or 37 of the Act.

Is practical advice available about how to operate gaming in clubs and institutes?
The Gambling Commission has issued a statutory code of practice on gaming in clubs and alcohol-licensed premises which is available from its website.
The above information is intended to provide a general explanation of the regulatory regime under the Gambling Act 2005 and its subordinate legislation, and does not deal with every detail of the legislative provisions, or with the individual circumstances of a particular case.