

# Arcades

## The Gambling Act 2005: Changes that affect your business

Gambling law in Great Britain is changing. On 1 September 2007 the Gambling Act 2005 will come into force. All current legislation will no longer have effect. This means you will have to get new licences and/or permits to continue operating. The following provides information on what new licences and permits you will need under the new Act and how to obtain them.

### What do I need to apply for?

That depends on what sort of arcade you wish to operate. The new laws establish three new categories of arcade:

- Adult gaming centres (AGC)
- Licensed family entertainment centres (licensed FEC)
- Unlicensed family entertainment centres (unlicensed FEC)

To operate as an **AGC** or a **licensed FEC** you will need to apply for the appropriate operating and personal licences from the Gambling Commission. You will also need to obtain the appropriate premises licence from your licensing authority (the local council).

To operate as an **unlicensed FEC** you will need to apply for a permit from your licensing authority.

### When do I have to apply?

If you currently operate an Arcade and wish to continue to operate on 1 September you must apply for new licences or permits by the following dates.

**27 April** – deadline for **operating licence** applications to obtain continuation rights (see below if you missed this deadline)

**21 May** – licensing authorities start accepting applications for premises licences and permits

**29 June** – deadline for applications for **personal licences** to obtain continuation rights

**30 July** – deadline for applications for **premises licences** and **permits** to obtain continuation rights

**31 August** – deadline for applications for permits and premises licences to obtain grandfather rights

**1 September** – Gambling Act 05 in force, current legislation repealed.

### **Continuation rights and grandfather rights**

If you apply by the dates above you will qualify for continuation rights and grandfather rights. These are important because:

#### *Continuation rights*

- allow you to continue operating after 1 September 2007, even if your application under the new laws has not been determined.

#### *Grandfather rights*

- guarantee that an operator of an arcade under the existing legislation will be granted a permit or premises licence under the 2005 Act (subject to conditions)
- only apply to new unlicensed FEC permits or premises licences. If you currently have a Section 34(5E) permit you qualify for grandfather rights in respect of either a licensed FEC or an AGC (you have to choose one or the other. You can not apply for both).

In either case the licence must be for the same premises as the current permit. If you have a Section 34 (1) permit you will only have grandfather rights in respect of an unlicensed FEC permit. Again, the new permit must be for the same premises as the old permit. If you currently operate more than one premises you will be entitled to grandfather rights for each permit you hold under the current law.

### **How do I apply?**

Application forms for operating and personal licences are available from the Gambling Commission (0121 230 6666). Application forms for premises licences and permits are available from your licensing authority as follows:

London Borough of Tower Hamlets Licensing Section

Mulberry Place (AH)

Po BOX 55739

5 Clove Crescent

London

E14 1BY.

### **What happens if I missed the deadline for operating licence continuation rights?**

If you applied for your operating licence after 27 April you will not be entitled to continuation rights for that licence (if you have not applied for an operating licence you should do so as soon as possible). However, you should still apply for a premises licence and any personal licences required by the deadlines above as you are still entitled to continuation rights for those licences. These will allow you to continue operating from 1 September if your operating licence *is* granted by that date, even if your personal and premises licences have not been issued. If your operating licence application *is not* granted by 1 September you will have to cease operating, despite your continuation rights for your other licence applications. For further details please consult the Gambling Commission or your licensing authority.

### **What do I need to do if I want to sub-divide my premises?**

Any licence or permit subject to grandfather rights must relate to the same premises as your existing section 34 permit. If you wish to sub-divide your premises to operate more than one gambling premises on that site, additional rules and procedures will apply. These are outlined in the transitional arrangements document available from the DCMS website ([www.culture.gov.uk](http://www.culture.gov.uk)) and Gambling Commission guidance.

For details contact your local licensing authority as follows: (or the Gambling Commission)

London Borough of Tower Hamlets Licensing Section  
Mulberry Place (AH)  
Po BOX 55739  
5 Clove Crescent  
London  
E14 1BY

### **Will I need to change the way I operate after 1 September?**

The new Act contains different rules and conditions for the provision of gambling. Even if you have continuation and grandfather rights, you will have to abide by the new Legislation, any operating licence conditions, codes of practice, personal licence requirements and the mandatory and default conditions for your premises type after 1 September.

### **Summary – for an operator with existing permissions under current legislation**

To operate an **adult gaming centre or licensed family entertainment centre** after

1 September 2007 you will need:

- an operating licence – apply to 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.
- a premises licence – apply to your licensing authority between 21 May and 30 July 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 21 May 2007 and 30 July 2007.

**Have you applied by the dates specified above?**

**Yes**

Continuation rights will apply. You will continue to be able to operate after 1 September 2007 even if your application has not been resolved by that date.

**No**

Applications will still be processed, but if they remain outstanding on 1 September 2007, you will need to cease operating until they have been resolved.

**Further Information**

For information on operating and personal licences contact the Gambling Commission –

Website: [www.gamblingcommission.gov.uk](http://www.gamblingcommission.gov.uk) or  
Tel: 0121 230 6666

For further information on premises licences contact your local licensing authority as follows:

London Borough of Tower Hamlets Licensing Section  
Mulberry Place (AH)  
Po BOX 55739  
5 Clove Crescent  
London  
E14 1BY

For other information relating to the Gambling Act 2005 and the implementation of the Act contact the Department for Culture, Media and Sport –  
[www.culture.gov.uk](http://www.culture.gov.uk)