Draft Regulations laid before Parliament under section 355(4)(i) of the Gambling Act 2005, for approval by resolution of each House of Parliament.

DRAFT STATUTORY INSTRUMENTS

2007 No.

BETTING, GAMING AND LOTTERIES

The Categories of Gaming Machine Regulations 2007

Made - - - -

Coming into force - -

The Secretary of State makes the following Regulations in exercise of the powers conferred in sections 236 and 355(1) of the Gambling Act 2005(**a**).

In accordance with section 355(4)(i) of that Act a draft of this instrument was laid before Parliament and approved by a resolution of each House of Parliament.

Citation and commencement

1. These Regulations—

(a) may be cited as the Categories of Gaming Machine Regulations 2007;

(b) come into force on the day after the day on which they are made, or 1st September 2007, whichever is the later.

Interpretation

2.—(1) In these Regulations—

"Act" means the Gambling Act 2005;

"charge for use" means the amount a person pays for using a gaming machine once;

"machine" means a gaming machine within the meaning of section 235 of the Act;

"prize value" means the amount or value of any prize(**b**) which can be won as a result of use of a gaming machine once.

(2) Subject to paragraph (3), a person is to be treated for the purposes of these Regulations as using a gaming machine once, even where he uses the machine to gamble more than once, if the payment for each gamble is made before he is able to know the result of any of them.

(**a**) 2005 c.19.
(**b**) "Prize" is defined in section 239 of the Gambling Act 2005.

(3) Paragraph (2) does not apply in relation to a gaming machine in respect of which—

(a) the charge for use may only be paid by means of a single coin or token,

(b) the coin or token must be inserted into the machine to pay the charge for use, and

(c) whether or not a person using the machine wins a prize is determined (wholly or in part) by—

(i) the position in which the coin or token comes to rest after it has been inserted into the machine, together with the position of other coins or tokens which have previously been inserted into the machine to pay a charge for use, or

(ii) if the insertion of a single coin to pay the charge for use enables the person using the machine to release one or more tokens within the machine, the position in which such tokens come to rest after being released, together with the position of other tokens which have previously been so released.

(4) In paragraph (3) "token" means an object of money's worth.

Definition of Category D gaming machine

3.—(1) Where a machine is a non-money prize machine, it is a Category D machine if—

(a) the maximum charge for use is no more than 30 pence; and

(b) the maximum prize value is no more than £8.

(2) Where a machine is a money-prize machine, it is a Category D machine if—

(a) the maximum charge for use is no more than 10 pence; and

(b) the maximum prize value is no more than £5.

(3) In any other case, a machine is a Category D machine if—

(a) the maximum charge for use is no more than 10 pence; and

(b) the maximum prize value is no more than £8, of which no more than £5 can be a money prize.

(4) In paragraph (1) the reference to a non-money prize machine is to a machine in respect of which every prize which can be won as a result of using the machine is a non-money prize.

(5) In paragraph (2) the reference to a money-prize machine is to a machine in respect of which every prize which can be won as a result of using the machine is a money prize.

(6) Subject to paragraph (7), in this regulation "money prize" means a prize—

(a) in the form of cash or a cheque (or partly in the form of cash and partly in the form of a cheque), or

(b) in the form of a document or object which—

(i) enables the person entitled to it to redeem its value, on the premises where the machine is made available for use, in the form of cash or a cheque (or partly in the form of cash and partly in the form of a cheque), and

(ii) may, but need not, also enable that person to use it to pay for goods or services available on the premises where the machine is made available for use, including facilities for gambling,

and "non-money prize" is any prize which is not a money prize.

(7) A document or object is not a money prize if it is something which ordinarily is capable of being used for a purpose other than one referred to in paragraph (6)(b).

Definition of Category C gaming machine

4. A machine is a Category C machine if—

(a) the maximum charge for use is no more than 50 pence;

(b) the maximum prize value is no more than £35; and

(c) it is not a Category D machine.

Definition of Category B gaming machine

5.—(1) There shall be five sub-categories of Category B to be known as sub-categories B1, B2, B3, B3A and B4.

(2) A machine is a sub-category B4 machine if—

(a) the maximum charge for use is no more than £1;

(b) the maximum prize value is no more than £250; and

(c) it is not a Category C or D machine.

(3) A machine is a sub-category B3A machine if—

(a) it enables a person to participate in a lottery but not in any other form of gambling;

(b) it is made available for use by a members' club or a miners' welfare institute(**a**);

(c) the maximum charge for use is no more than £1;

(d) the maximum prize value is no more than £500; and

(e) it is not a sub-category B4 machine or a Category C or D machine.

(4) A machine is a sub-category B3 machine if—

(a) the maximum charge for use is no more than £1;

(b) the maximum prize value is no more than £500; and

(c) it is not a sub-category B3A or B4 machine or a Category C or D machine.

(5) A machine is a sub-category B2 machine if—

(a) the maximum charge for use is no more than £100;

(b) the maximum prize value is no more than £500; and

(c) it is not a sub-category B3, B3A or B4 machine or a Category C or D machine.

(6) A machine is a sub-category B1 machine if—

(a) the maximum charge for use is no more than £2;

(b) the maximum prize value is no more than £4,000; and

(c) it is not a sub-category B2, B3, B3A or B4 machine or a Category C or D machine.

Allocation of sub-categories

6.—(1) The reference to a Category B machine in section 54(1)(a) (employment on premises with gaming machines) is to be treated as referring to any sub-category of Category B.

(2) The reference to a Category B machine in section 150(1)(c) (adult gaming centre premises licence) is to be treated as referring to sub-categories B3 or B4.

(3) A reference to a Category B machine in section 172 of the Act is to have effect as follows—

(a) in subsection (1)(a) (licensed adult gaming centres) it is to be treated as referring to sub-categories B3 or B4;

(b) in subsections (3)(a), (4)(a) and (5)(a) (licensed regional, large and small casinos) it is to be treated as referring to any sub-category of Category B, except sub-category B3A;

(c) in subsection (7)(a) (licensed bingo premises) it is to be treated as referring to sub-categories B3 or B4;

(d) in subsection (8) (licensed betting premises) it is to be treated as referring to sub-categories B2, B3 or B4.

(**a**) See sections 266 and 268 of the Gambling Act 2005 for the definitions of members' club and miners' welfare institute.

(4) A reference to a Category B machine in section 271 (club gaming permit) or section 273 (club machine permit) is to be treated as referring to sub-category B3A or B4.

Definition of Category A gaming machine

7. A Category A machine is a machine which is not a Category B, C or D machine.

Minister of State
Department for Culture, Media and Sport

EXPLANATORY NOTE

(This note is not part of the Regulations)

Section 236 of the Gambling Act 2005 ("the Act") requires regulations to be made defining four classes of gaming machine, to be known as Categories A, B, C and D. "Gaming Machine" is defined in section 235 of the Act. These Regulations provide the necessary definitions for each category, A to D. These Regulations also provide definitions for five sub-divisions of the Category B machine, to be known as sub-categories B1, B2, B3, B3A and B4.

The definitions contained in these Regulations operate by reference to a maximum amount a person can pay to use a gaming machine once, and a maximum prize which can be won as a result of using a gaming machine once.

Regulation 3 defines a Category D gaming machine and does so partly by reference to whether the machine offers money or non-money prizes, or a combination of both.

Regulation 4 defines a Category C gaming machine.

Regulations 5 and 6 define five sub-categories of Category B machine, and make provision for determining to which sub-category of Category B references in the Act to Category B shall be treated as referring.

Regulation 7 defines a Category A machine as any machine which is not a Category B, C or D machine.

A Regulatory Impact Assessment of the costs and benefits of these Regulations is available from Ben Melton at the Department for Culture, Media and Sport, 2-4 Cockspur Street, London SW1Y 5DH, email: ben.melton@culture.gsi.gov.uk.

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£3.00

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E0863 6/2007 170863T 19585