

[Home](#) [For licensing authorities](#) [GLA](#)

Part 24: Unlicensed family entertainment centres

1. **[Introduction](#)**
2. [Applying for a permit](#)
3. [Granting or refusing a permit](#)
4. [Lapse, surrender and forfeiture](#)
5. [Renewal](#)
6. [Maintenance](#)

Introduction

24.1 Unlicensed family entertainment centres (uFEC) are able to offer only category D machines in reliance on a gaming machine permit. Any number of category D machines can be made available with such a permit, although there may be other considerations, such as fire regulations and health and safety, to take into account. Permits cannot be issued in respect of vessels or vehicles.

24.2 uFECs are premises which are 'wholly or mainly' used for making gaming machines available (S238 Gambling Act 2005). The permit cannot therefore be granted for an entire shopping centre, airport or bowling alley, for example.

24.3 A permit lapses if the licensing authority informs the permit holder that the premises are not being used as an FEC (Schedule 10 (14) Gambling Act 2005). Further guidance is set out at paragraph 22.5.

24.4 If the operator wishes to make category C machines available in addition to category D machines, the operator will need to apply for a gaming machine general operating licence ([Family Entertainment Centre](#)) from the Commission and a premises licence from the licensing authority.

24.5 Schedule 10 of the Act sets out the application process and regulatory regime for FEC gaming machine permits.

Applying for a permit

24.6 The application for a permit can only be made by a person who occupies or plans to occupy the premises to be used as an uFEC and, if the applicant is an individual, he or she must be aged 18 or over. Applications for a permit cannot be made if a premises licence is in effect for the same premises. The application must be made to the licensing authority in whose area the premises are wholly or partly situated.

24.7 The licensing authority must specify the form and manner in which the application should be made, and specify what other information and documents (such as insurance certificates, plans of building, and so on) they require to accompany the application. Applications must be accompanied by a fee, as prescribed in regulations (SI No 454/2007: The Gambling Act 2005 (Family Entertainment Centre Gaming Machine)(Permits) Regulations 2007 and SSI No 309/2007: The Gambling Act 2005 (Fees)(Scotland) Regulations 2007) set by the Secretary of State for England and Wales and Scottish Ministers for Scotland.

24.8 In its statement of policy, a licensing authority may include a statement of principles that it proposes to apply when exercising its functions in considering applications for permits. In particular it may want to set out the matters that it will take into account in determining the suitability of the applicant. Given that the premises is likely to appeal particularly to children and young persons, licensing authorities may wish to give weight to matters relating to protection of children from being harmed or exploited by gambling and to ensure that staff supervision adequately reflects the level of risk to this group. Licensing authorities are also encouraged to also specify in their statement of policy that a plan for the uFEC must be submitted.

Granting or refusing a permit

24.9 The licensing authority can grant or refuse an application for a permit, but cannot add conditions. An application for a permit may be granted only if the licensing authority is satisfied that the premises will be used as an uFEC, and if the chief officer of police has been consulted on the application. In considering the application, the

licensing authority shall have regard to this guidance and may have regard to the licensing objectives (Schedule 10, paragraph 7 of the Act). The licensing authority may also consider asking applicants to demonstrate:

- a full understanding of the maximum stakes and prizes of the gambling that is permissible in uFECs
- that the applicant has no relevant convictions (those that are set out in Schedule 7 of the Act)
- that employees are trained to have a full understanding of the maximum stakes and prizes.

24.10 The licensing authority may not refuse an application unless it has notified the applicant of the intention to refuse and the reasons for it, and given them an opportunity to make representations orally or in writing or both. The rights of appeal in relation to permits are discussed in [Part 12](#) of this guidance.

24.11 If a permit is granted, the licensing authority must issue it as soon as is reasonably practicable. The Secretary of State has set out the form of the permit in regulations (SI No 454/2007: The Gambling Act 2005 (Family Entertainment Centre Gaming Machine) (Permits) Regulations 2007). The permit must specify the person to whom it is issued, the premises it relates to, the date on which it takes effect, the date on which it expires and the name and address of the licensing authority issuing it.

24.12 The permit will have effect for ten years, unless it ceases to have effect because it is surrendered or lapses or is renewed. There is no annual fee for FEC gaming machine permits. Permits that were first granted under the Act will expire in 2017.

24.13 If the person to whom the permit is issued changes their name, or wants to be known by another name, they may send the permit to the issuing authority for amendment, together with the appropriate fee. The authority must comply with the request and return the permit to the holder.

Lapse, surrender and forfeiture

24.14 The permit may lapse for a number of reasons, namely:

- if the holder ceases to occupy the premises
- if the licensing authority notifies the holder that the premises are not being used as an uFEC
- if an individual permit holder dies, becomes incapable by reason of mental or physical incapacity, becomes bankrupt, or sequestration of his estate is ordered

- if the company holding the permit ceases to exist, or goes into liquidation.

24.15 The purpose of the second reason listed above is to ensure that there is no erosion of the principle that an uFEC permit should be obtained for premises that are wholly or mainly used for gaming machines. Licensing authorities would need to use this power in circumstances in which, since the grant of the permit, other activities have been introduced in the premises that mean the gaming machines have become ancillary.

24.16 In the last two circumstances listed above, the Act provides that the personal representative (in the case of death), trustee of the bankrupt estate or liquidator of the company may rely on the permit for a period of six months as though it had effect and was issued to them.

24.17 The permit may also cease to have effect if the holder surrenders it to the licensing authority. Notice of such surrender must be accompanied by the permit, or by an explanation of why the permit cannot be produced.

24.18 If the permit holder is convicted of a relevant offence the court may order the forfeiture of the permit. The court may order the holder to deliver the permit to the licensing authority and it must, in any case, notify the licensing authority that it has made a forfeiture order as soon as is reasonably practicable after making the order. Such an order may be suspended by a higher court, pending appeal.

Renewal

24.19 In accordance with paragraph 18 of Schedule 10 of the Act, an application for renewal of a permit must be made during the period beginning six months before the permit expires and ending two months before it expires. The procedure for renewal is the same as for an application. The licensing authority may only refuse to renew a permit on the grounds that:

- an authorised local authority officer has been refused access to the premises without reasonable excuse
- renewal would not be reasonably consistent with the licensing objectives. In this respect, the licensing authority will have the benefit of having consulted the chief officer of police and will be aware of any concerns that have arisen about the use of the premises during the life of the permit.

24.20 The duration of the permit will not be curtailed while a renewal application is pending, including an appeal against a decision not to renew.

Maintenance

24.21 The permit must be kept on the premises and it is an offence not to produce it when requested to do so by a constable, an enforcement officer, or an authorised local authority officer.

24.22 If a permit is lost, stolen or damaged, the holder may apply for a replacement, subject to paying a fee that has been set by the Secretary of State or Scottish Ministers in regulations. The licensing authority must grant the application if it is satisfied that the permit has been lost, stolen or damaged and a report has been made to the police. The licensing authority should issue a copy and certify it as a true copy of the original permit.