

Gaming machine exclusions

The definition of gaming machines in the 2005 Gambling Act also defines a number of machines that are not considered to be gaming machines under the Act, as **Nick Arron** and **Charlotte Meller** explain

Gaming machines are the most prevalent form of gambling in our high streets. They are found in licensed casinos, bingo venues, betting shops, adult gaming centres, both licensed and permitted family entertainment centres, and in pubs, clubs and fairgrounds. The Gambling Commission industry statistics annual report for the year ending March 2025 included reference to 8,234 licensed gambling premises in Great Britain, all but a handful of which provide gaming machines of one sort or another. The Commission reported 185,000 gaming machines in Great Britain.¹

Section 235 of the Gambling Act 2005 provides the definition of gaming machine:

In this Act “gaming machine” means a machine which is designed or adapted for use by individuals to gamble (whether or not it can also be used for other purposes).”

Section 235 then carves out nine different types of exceptions, defining types of machines that have the characteristics of gaming machines in that they are designed or adapted for individuals to gamble, but which instead are not treated by the Act as gaming machines. This article looks in more detail at three of the more commonly found exceptions found under s 235.

Self-service betting terminals

Section 235(2)(c) of the Act sets out that:

a machine is not a gaming machine by reason only of the fact that it is designed or adapted for use to bet on future real events.

Self-service betting terminals (SSBTs) automate the process that can be conducted in person, for example placing bets on live events such as horse racing, as a substitute for placing a bet over the counter.

The Act therefore exempts SSBTs from regulation as a gaming machine and therefore they neither count towards

the maximum permitted number of gaming machines, nor have to comply with any stake or prize limits. They do however have to provide information on how to gamble responsibly and how to access help.

However, where a machine is made available to take bets on virtual races (results and / or images generated by computer to resemble races or other events) that machine is a gaming machine and counts towards the maximum permitted number of gaming machines and must meet the relevant category limitations for the premises.



Example of a self-service betting terminal

SSBTs in betting premises and casinos

SSBTs can only be sited in betting licensed premises, casinos and at tracks.

Section 181 of the Act contains an express power for licensing authorities to attach a licence condition to a betting premises licence or to a casino premises licence restricting the number of SSBTs, their nature and the circumstances in which they are made available, namely:

S181 Betting machines

(1) A condition of a betting premises licence may relate to—

(a) the number of machines used on the premises for the purpose of making or accepting bets;

¹ Gambling Commission, Industry Statistics - Annual report - Financial year April 2024 to March 2025 - Official statistics, published 25 November 2025, <https://www.gamblingcommission.gov.uk/statistics-and-research/publication/industry-statistics-annual-report-financial-year-april-2024-to-march-2025>.

(b) the nature of those machines;
 (c) the circumstances in which those machines are made available for use.

(2) A condition of a casino premises licence may relate to—

(a) the number of machines used on the premises for the purpose of making or accepting bets;
 (b) the nature of those machines;
 (c) the circumstances in which those machines are made available for use.

(3) In this section “condition” means a condition imposed by virtue of section 167, 168 or 169.

Licensing authorities should consider matters such as the ability of employees to monitor the use of these machines by children and young persons or by vulnerable people, when considering whether to impose a condition to restrict the number of SSBTs.

SSBTs at tracks

Unlike betting premises and casinos there is no restriction on the number of SSBTs that may be in use, but licensed operators must, by virtue of their operating licence conditions, supervise such terminals to prevent them being used by those under 18 years of age.

There is no formal requirement on track premises licence holders to involve themselves in the procedures used by betting operators to supervise their SSBTs (unless specific local conditions specifying supervisory arrangements are added to the track premises licence by the licensing authority). Some betting operators may agree for supervisory assistance to be provided by employees of the track premises licence holders, but this is a commercial matter between the track owner and betting operators.

A Gambling Commission licence is required to make SSBTs available. If an operator with a general betting and / or pool betting operating licence, who also holds a track premises licence issued by the licensing authority, wishes to site SSBTs at the track, an ancillary remote pool betting operating licence is also required.

According to Gambling Commission figures for the year to December 2025, the number of bets placed on SSBTs increased slightly by 0.3 percent year-on-year to 39.6 million. GGY decreased year-on-year by 15 percent to £130 million.²

² Gambling Commission, Market overview - operator data to December 2025 (published February 2026) published 5 February 2026, <https://www.gamblingcommission.gov.uk/statistics-and-research/publication/market-overview-operator-data-to-december-2025-published-february-2026>.

Lottery ticket dispensers

Section 235 (2d) (d) sets out that:

a machine is not a gaming machine by reason only of the fact that it dispenses lottery tickets or otherwise enables a person to enter a lottery provided that the results of the lottery—

*(i) are not determined by the machine, and
 (ii) are not announced by being displayed or communicated by the machine without there being an interval, between each entry to the lottery and the announcement, of at least such duration as the Secretary of State shall prescribe by order.*

In simple terms this is a vending machine which dispenses instant-win lottery cards such as scratchcards or pull tab lottery tickets in private society lotteries. The Act defines a private society as “any group or society established for a purpose not connected with gambling”.



Example of a lottery ticket dispenser

Self-contained units dispensing pre-loaded physical society lottery tickets one at a time are often found in private society sports or social clubs, with the clubs making lottery tickets available to members of the society or those on the premises of the society as part of a private society lottery.

The following descriptions apply:

- Lottery ticket dispensers can be configured to hold separate banks of preprinted physical tickets (pull

Gaming machines

tab or scratch cards) which are in effect separate lotteries.

- Systems may be purely mechanical or electro-mechanical in operation.
- The “machine” dispenses the next ticket in the stack. It does not determine the result.
- The result has been determined by the printing on the tickets and the order in which the tickets were loaded into the machine.
- Once all tickets in a stack have been dispensed, one lottery draw is finished.
- A new lottery draw is begun by manually loading a new set of randomised tickets.
- Usually players will cash winning tickets at the bar.

Where a lottery ticket vending machine is used to dispense society or private society lottery tickets it is the responsibility of the promoter of the lottery to ensure that it is operated lawfully, and the required information displayed on the dispensed tickets.

Those who supply, manufacture and /or site lottery ticket vending machines are not required to hold an operating or premises licence or any other permission.

However, some are supplied by licensed gaming machine suppliers, but the operation and / or design of the machine must not constitute a gaming machine.

Confusion can arise with B3A gaming machines where the type of game offered is of limited to lottery style games. The game may appear to offer the player the illusion of some type of gamble or interaction. However, the machine randomises the chances in the lottery and selects one prior to it being printed out or dispensed and thus the machine is determining the outcome. Such a product cannot rely on the exclusion under s 235 (2)(d) and is thus a gaming machine and must meet the requirements of the Gambling Commission’s gaming machine regulations and technical standards.

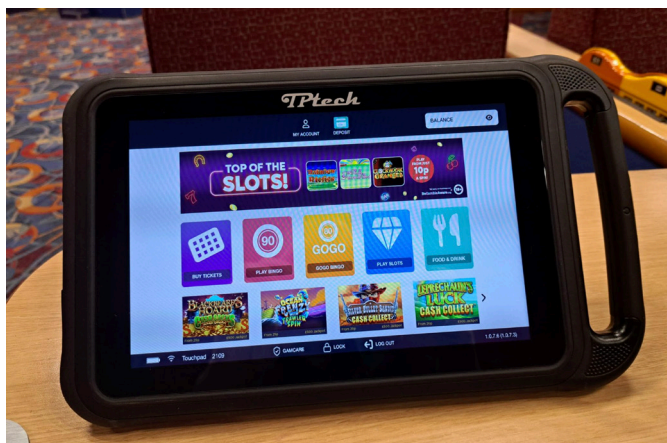
Bingo machines or electronic bingo terminals (EBTs) in bingo licensed premises

Section 235(2)(e) sets out that a machine is not a gaming machine if:

- (i) it is designed or adapted for the playing of bingo, and

- (ii) it is used in accordance with a condition attached to a bingo operating licence under section 75 or 77 by virtue of section 85(2)(b).

Bingo is a traditional form of gambling that has changed and improved rapidly in recent years. This carve out has enabled technological developments in the way bingo can be played in licensed bingo premises, and many bingo players now participate by playing bingo on hand-held tablets in bingo clubs.



Example of an electronic bingo terminal

While there is no statutory definition of bingo in the Act, the Gambling Commission’s guidance *How bingo is defined* sets out three fundamental principles of bingo:

Principle 1: bingo must be played as an equal chance game

Section 8 of the Act defines equal chance gaming thus:

Equal chance gaming

(1) For the purposes of this Act gaming is equal chance gaming if—

- (a) it does not involve playing or staking against a bank, and
- (b) the chances are equally favourable to all participants.

(2) For the purposes of subsection (1) it is immaterial—

- (a) how a bank is described, and
- (b) whether or not a bank is controlled or administered by a player.

Bingo is an equal chance game.

Principle 2: bingo must involve a degree of participation

Players must be required to participate in order to be successful. Participation could, and usually does, involve

human interaction with the game - for example, players actively marking their cards and / or claiming they have won.

While this is the traditional format that bingo has taken for many years, technology is increasingly used as the participant's mode, or agent, in playing out the game which the player has initiated, for example bingo cabinet machines, EBTs or hand-held tablet devices. In this way participation can be made up of a combination of activity taking place both within the mechanic of the game and by the player's own actions.

In light of the exemption for bingo machines at s 235(2) (e), equipment operated by a bingo operating licence for the purpose of playing bingo (for example what are currently known as mechanised cash bingo, EBTs and video bingo terminals (VBTs)) are exempt from controls on gaming machines provided they comply with any conditions set by the Gambling Commission and, in the case of EBTs, do not hold gaming machine content.

Where an EBT offers gaming machine content in addition to bingo content it is considered to be a gaming machine, as well as a bingo tablet, and would count towards the total number of gaming machines or towards the offering of bingo. It is worth noting that the Commission view is that EBTs must only allow participation in one gambling activity at a time and should not therefore contain functionality which allows participation in bingo and gaming machine play at the same time.

Any EBTs that do not offer gaming machine content would not count towards the number of gaming machines.

Similarly, bingo-only cabinet machines that offer gaming machine content would count towards the number of gaming machines.

Principle 3: bingo games must have a clearly defined end point

The third fundamental element of a game of bingo is that it needs to end at a predetermined point or time. This end point

needs to be appropriate, realistic and clearly communicated to players. The period within which a player can claim a prize should be factored into the timeframe of the game. Determining who has won is part of the game.

The Gambling Commission, working with the Bingo Association and Bacta published a list of characteristics which it considered should be present in games, whether or not played by machine, in order for them to be classed as bingo. This statement includes several characteristics specific to "bingo machines", namely:

- The speed of the game, including the time taken to join, should be similar to that of an interval game. Games must not have an auto-play function.
- The machine must provide a facility for the player to extend the playing time by a minimum of 100%.
- The amount that can be staked in a set period should be not greater than on a Category C machine.

Additionally for bingo machines sited in AGCs / FECs:

- The nature or size of the prize offered may not be determined by the number of persons playing; or the amount paid for or raised by the game.
- Bingo machines in FECs will not be made available in areas where children and young people (those under the age of 18) are permitted.

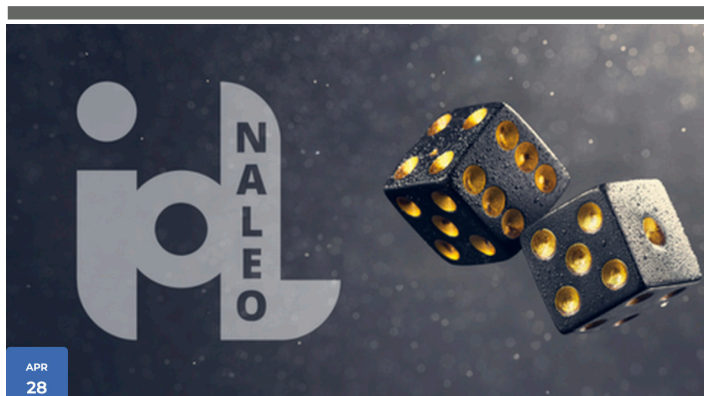
For further reading Part 16 (7) of the *Guidance to Licensing Authorities* provides more details on these and other gaming machine exclusions.

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