

## **APPENDIX 1**

LICENSING ACT 2003

Guidance issued under section 182 of the Licensing Act 2003 171

### **Statutory qualifying conditions for clubs**

The following qualifying conditions for clubs are extracted from the Licensing Act 2003.

#### **62 The general conditions**

- (1) The general conditions which a club must satisfy if it is to be a qualifying club in relation to a qualifying club activity are the following.
- (2) Condition 1 is that under the rules of the club persons may not —
  - (a) be admitted to membership, or
  - (b) be admitted, as candidates for membership, to any of the privileges of membership, without an interval of at least two days between their nomination or application for membership and their admission.
- (3) Condition 2 is that under the rules of the club persons becoming members without prior nomination or application may not be admitted to the privileges of membership without an interval of at least two days between their becoming members and their admission.
- (4) Condition 3 is that the club is established and conducted in good faith as a club (see section 63).
- (5) Condition 4 is that the club has at least 25 members.
- (6) Condition 5 is that alcohol is not supplied, or intended to be supplied, to members on the premises otherwise than by or on behalf of the club.

#### **63 Determining whether a club is established and conducted in good faith**

- (1) In determining for the purposes of condition 3 in subsection (4) of section 62 whether a club is established and conducted in good faith as a club, the matters to be taken into account are those specified in subsection(2).
- (2) Those matters are —
  - (a) any arrangements restricting the club's freedom of purchase of alcohol;
  - (b) any provision in the rules, or arrangements, under which —
    - (i) money or property of the club, or
    - (ii) any gain arising from the carrying on of the club, is or may be applied otherwise than for the benefit of the club as a whole or for charitable, benevolent or political purposes;
  - (c) the arrangements for giving members information about the finances of the club;
  - (d) the books of account and other records kept to ensure the accuracy of that information;
  - (e) the nature of the premises occupied by the club.
- (3) If a licensing authority decides for any purpose of this Act that a club does not satisfy condition 3 in subsection (4) of section 62, the authority must give the club notice of the decision and of the reasons for it.

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#### **64 The additional conditions for the supply of alcohol**

- (1) The additional conditions which a club must satisfy if it is to be a qualifying club in relation to the supplies of alcohol to members or guests are the following.

- (2) Additional condition 1 is that (so far as not managed by the club in general meeting or otherwise by the general body of members) the purchase of alcohol for the club, and the supply of alcohol by the club, are managed by a committee whose members —
- (a) are members of the club;
  - (b) have attained the age of 18 years; and
  - (c) are elected by the members of the club.
- (3) Additional condition 2 is that no arrangements are, or are intended to be, made for any person to receive at the expense of the club any commission, percentage or similar payment on, or with reference to, purchases of alcohol by the club.
- (4) Additional condition 3 is that no arrangements are, or are intended to be, made for any person directly or indirectly to derive any pecuniary benefit from the supply of alcohol by or on behalf of the club to members or guests, apart from —
- (a) any benefit accruing to the club as a whole, or
  - (b) any benefit which a person derives indirectly by reason of the supply giving rise or contributing to a general gain from the carrying on of the club.