



GUIDANCE TO SMALL SOCIETY LOTTERY PROMOTERS

A small society lottery is one where the proceeds do not exceed £20,000 and the arrangements for the lottery do not exceed that total for £250,000 aggregated over a calendar year. If they do exceed that amount an Operating Licence is required by the Gambling Commission. You are reminded that all lotteries must comply with the Gambling Commissions code of practice.

The following points must be borne in mind:

- ❖ At least 20% of the proceeds must be applied to the purpose for which the society is conducted.
- ❖ It must not be possible for the purchaser of a ticket to win whether in money, money's worth or partly in one, or partly in the other more than £25,000.
- ❖ Rollovers can be included as long as the prize does not exceed £25,000.
- ❖ The price paid for each ticket must be the same but there is no maximum price for tickets.
- ❖ Lotteries may be linked but are subject to the maximum prize limits.
- ❖ Each ticket must identify the society promoting the lottery, the lottery registration number and the fact that it is registered with the council. The price of the ticket, the name and address of the promoter, or the lottery manager promoting the lottery. The ticket must also give the date of the draw.
- ❖ Lottery promoters should have measures in place to prevent fraud such as the sending of unsolicited mail to non members and limits to the number and value of tickets sold to any one address.
- ❖ The promoter of the lottery must send a statement of the results of the draw within 3 months of the draw taking place. Such a statement must be signed by two adult members of the society who have been appointed in writing to do so. The council will provide lottery promoters with copies of the necessary statement form.

The council must refuse applications in some circumstances, such as there has been a previous refusal in the past 5 years to grant registration. The council may refuse to grant the registration if they think the applicant is not a non-commercial society, or a person connected with a lottery promotion has been convicted of a relevant offence, or information provided in the application was false or misleading.

If the council refuses to grant the application the applicant can then make representations to the council.

The council may revoke registration if it considers they would be obliged or permitted to refuse an application for registration. But the council must give reasons for doing so and specify them when such revocation takes place. In such a case the applicant can appeal to the local Magistrates.

Fees – All **New registrations** will cost **£40 on application**. The **annual** fee for your registration is **£20** and will be payable in the two months prior to the anniversary of your registration. Failure to pay the annual renewal will result in the registration becoming invalid.

Ticket prices – there are no restrictions on ticket prices, but they must all be the same price, contain the name and address of a person who is responsible for the lottery and the date of the draw. Tickets cannot be bought or sold by anyone who is under 16.

Prizes – you will be able to have a rollover of prize funds as long as the total for any single prize does not exceed £25,000 or 10% of the proceeds of the lottery. The Authority can inspect records for any lottery so it is advisable to keep records for all unsold and returned tickets for a year after the draw.

Some societies seek to operate lotteries often called “Hundred Clubs”. These are still legal provided they are within the above limits and requirements.

Records – please note the council is required to retain records for at least 18 months of all lottery registrations and the statements of the amounts raised. Such records are available for public inspection at any reasonable time and copies can be provided on request, but such copies may be subject to a fee.

For more detailed information you may wish to visit the Gambling Commissions website

<http://www.gamblingcommission.gov.uk/for-the-public/Fundraising-and-promotions/Fundraising/Small-society-lotteries.aspx>

Please note previous exemptions still exist for lotteries held at non commercial events such as school fetes or dinner dances and advice is available on request.

PLEASE ALSO NOTE THE INFORMATION CONTAINED IN THIS GUIDANCE DOCUMENT IS THE LICENSING AUTHORITY’S UNDERSTANDING OF THE CURRENT LEGISLATION AND IS SUBJECT TO ALTERATION AT ANY TIME. APPLICANTS ARE STRONGLY ADVISED TO CONSIDER SEEKING ADVICE FROM A QUALIFIED PROFESSIONAL.