

GAMBLING ACT 2005

SMALL SOCIETY LOTTERIES

EXPLANATORY NOTES FOR THE GUIDANCE OF LOCAL SOCIETIES

1. A small society lottery is a lottery promoted on behalf of a non-commercial society as defined in section 19 of the Gambling Act 2005.

2. Registration of Society

In order to obtain the benefits of the Act, the society (an expression which includes a local branch or section of a society organised on a national or area basis) must be one which is established and conducted wholly or mainly for one or more of the following purposes, that is to say:-

- (a) charitable purposes;
- (b) participation in or support of athletic, sports or games or cultural activities;
- (c) any other non-commercial purpose other than that of private gain

Societies may apply to Solihull Metropolitan Borough Council for registration providing that:-

- (a) the proceeds from any lottery will not exceed £20,000
- (b) the total proceeds from all lotteries promoted during a calendar year will not exceed £250,000

If a society wishes to run lotteries which will exceed the amounts mentioned above, then application for an operating licence must be made to the Gambling Commission.

In the case of registration by Solihull Metropolitan Borough Council, a certificate of registration will be issued by the Solihull Metropolitan Borough Council to the society, unless they consider that registration should be refused because:-

- (1) the society does not appear to fall within the provisions of Section 19 of the act; or
- (2) the Gambling Commission have refused or revoked an operating licence of the society within the last five years (except where such refusal was on the grounds of non payment of fees); or
- (3) a person who will or may be connected with the promotion of the lottery has been convicted of a relevant offence under schedule 7 of the Gambling Act 2005

- (4) information provided in or with the application for registration is found to be false or misleading

If the Solihull Metropolitan Borough Council propose to refuse to register the society they must first give the society an opportunity of being heard, and eventually notify their decision to the society. If registration is finally refused the society has a right to appeal to the Magistrates Court, except where such refusal is for the reason set out in paragraph (2) above.

Even if the society is duly registered, the Solihull Metropolitan Borough Council may subsequently decide that the registration should be revoked if the society no longer falls within the provisions of Section 19 of the Act, or if there is a conviction of any person for an offence as mentioned above. In such a case the procedure applicable to a refusal of registration then applies.

Every registered society must pay to Solihull Metropolitan Borough Council the annual statutory fee of £20.00 on the anniversary of the registration. At any time, however, the society may apply for its registration to be cancelled and the Solihull Metropolitan Borough Council must in any such case cancel the registration accordingly.

3. Conduct of Lotteries

The following conditions apply:-

- (a) the maximum amount that can be deducted for expenses and prizes is 80%, with a minimum of 20% going to the purposes of the society;
- (b) the promoter of the lottery must be a member of the society authorised by the governing body of the society to act as such;
- (c) every ticket distributed or sold must specify the name of the society, the name and address of the promoter and the date of the lottery;
- (d) tickets may not be sold to children under 16 years of age, or given to children under 16 years of age to sell;
- (e) a ticket need not be a paper document, it may also be electronic. If a ticket is an electronic ticket, it must be capable of being printed or stored electronically;
- (f) the price of every ticket distributed or sold must be the same and must be stated on the ticket;
- (g) no person may be admitted to participate in a lottery in respect of a ticket except after payment to the society of the whole price of a ticket, and no money received for or on account of a ticket may in any circumstances be returned;
- (h) no payment other than the price of a ticket may be required of a person as a condition of his admission to participate in a society's lottery;
- (i) the whole proceeds after deducting sums lawfully appropriated on account of expenses or for the provision of prizes, must be applied to

the purposes of the society such as are described in paragraph 2 above;

- (j) no single prize may be worth more than £25,000
- (k) a rollover is permitted providing that every other lottery is a small society lottery conducted on behalf of the same society and, paragraph (j) above shall apply;
- (l) the promoting society must be registered with Solihull Metropolitan Borough Council

4. Returns

When a lottery has been held, the promoter must send a return relating thereto to the Solihull Metropolitan Borough Council, not later than the end of the third month after the date of the lottery. The return must show:-

- (a) the arrangements for the lottery, including the dates on which the tickets were available for sale or supply, the dates of any draw and the arrangements for any prizes, including rollovers;
- (b) the proceeds of the lottery;
- (c) the amounts deducted for the provision of prizes;
- (d) the amounts deducted in respect of other costs incurred in organising the lottery;
- (e) any amount applied to a purpose for which the society is conducted; and
- (f) whether any expenses were defrayed otherwise than by deduction from the proceeds and, if they were, the amount of the expenses and the sources from which they were defrayed.

The return must be signed by two members of the society who have been appointed for that purpose in writing by the society or its governing body, and a copy of this appointment must accompany the return.

A member signing a return must be an adult.