

SMALL SOCIETY LOTTERIES

GUIDANCE FOR APPLICANTS

WHAT IS A SMALL SOCIETY LOTTERY?

Society lotteries are lotteries promoted for the benefit of a non-commercial society. A society is non-commercial if it is established and conducted;

- For charitable purposes;
- For the purpose of enabling participation in, or of supporting, sport, athletics or a cultural activity, or
- For any other non commercial purpose other than that of private gain.

Societies who run small society lotteries, that is to say lotteries which are not large lotteries (essentially those in which £20,000 (or less) worth of tickets are put on sale and where the society's aggregate proceeds from lotteries do not exceed £250,000 a year) may operate without a Gaming Commission licence provided they register with their local authority.

In order to qualify as an exempt 'small society lottery' a number of conditions must be fulfilled. These are as follows:

Promoted wholly on behalf of a non-commercial society. A non-commercial society is one established and conducted for:

- Charitable purposes;
- The purpose of enabling participating in, or of supporting, sport, athletics, or cultural activity;
- Any other non-commercial purpose, other than private gain.

A small lottery. A small lottery is considered small when it is not large. A lottery is large where:

- Proceeds may exceed £20,000; OR
- Aggregate proceeds during the calendar year exceed £250,000; OR
- During its promotion, the aggregate proceeds for year, may exceed £250,000; OR
- It is promoted in the three calendar years after a large lottery.

Purpose of the Lottery. The Lottery may be promoted for any of the purposes of the promoting society.

Prize.

- At least 20% if the proceeds go to one of the society's purposes; AND
- Maximum prize £25,000.

REGISTRATION - LOCAL AUTHORITY

When making an application to register a small society lottery you must do so to the local authority in the area where their principle office is located. You can get the relevant application form from your local authority. If your local authority is the London Borough of Barnet then you can contact the Licensing Team using the details below:

Licensing Team
London Borough of Barnet
Barnet House
1255 High Road
London
N20 0EJ

Tel: 020 8359 7443 Email: licensingadmin@barnet.gov.uk

In order for an application for registration to be considered it must:

- be made in the prescribed form;
- specify the purposes for which the society is conducted,
- must contain other such information, and be accompanied by such documents, as may be prescribed, and
- must also be accompanied by the registration fee

NT. *Society's who run small society lotteries under registration with local authorities and who sell tickets by means of remote communication (Internet, Telephone etc) will not be required to hold a remote gambling licence issued by the Gambling Commission.*

FEES

As is states above when an application is made it must be accompanied by the prescribed registration fee of £40.00. There is also an annual fee payable to the licensing authority every year. This payment must be made within the period of 2 months before the anniversary of the registration (e.g. if you registered on the 20th September 2007 you would need to pay your annual fee between 20th July 2008 and 19th September 2008 and between the same dates in 2009 and so on). The Annual fee amount is £20.00 (Cheques should be made payable to London Borough of Barnet).

NT. *If the society fail to pay the annual fee within the 2 month period (before the anniversary of the registration) the local authority may cancel the society's registration.*

TICKETS

Where a person purchases a lottery ticket in a small society lottery he/she must receive a document which:

- identifies the promoting society
- states the price of the ticket
- states the date of the draw (or each draw) in the lottery, or enables the date of the draw (or each draw) on the lottery to be determined.
- The price of the tickets shall be the same
- Payment for the ticket must be paid to the promoter of the lottery before any person is given the ticket or any right in respect of membership of the class among whom prizes are to be allocated.
- Membership of the class among whom prizes in a small society lottery are allocated may not be dependent on making any payment (apart from payment of the price of a ticket)
- states the name and address of
 - a member of the society who is designated, by persons acting on behalf of the society, as having responsibility within the society for the promotion of the lottery, or
 - if there is one, the external lottery manager.
- The Act requires that lottery tickets may only be sold by persons over the age of 16 to persons over the age of 16.
- With regards to where the small society lottery tickets may be sold, the Commission recommends that licensing authorities should apply the following criteria to all small society lottery operators that they register:
 - tickets should not be sold in the street, where street includes any bridge, road, lane, footway, subway, square, court or passage (including passages through enclosed premises such as shopping malls); and
 - tickets may be sold from a kiosk, in a shop or door to door.

STATEMENT

The society promoting the Small Society Lottery must send the local authority (Barnet Councils Licensing Team) a statement of the matters outlined below:

- The arrangements for the lottery (including the dates on which tickets were available for sale or supply, the dates of any draw and the arrangements or prizes (including any rollover)
- The proceeds of the lottery,
- The amounts deducted by the promoters of the lottery in respect of the provision of prizes (including the provision of prizes in accordance with any rollover),
- The amounts deducted by the promoters of the lottery in respect of other costs incurred on organising the lottery,
- Any amount applied to a purpose for which the promoting society is conducted, and
- Whether any expenses in connection with the lottery were defrayed otherwise than by deduction from proceeds, and, if they were –
 - i. The amount of expenses, and
 - ii. The sources from which they were defrayed.

The statement must be sent to the local authority.

The statement must be –

- i. Signed by two members (over the age of 18) of the society who are appointed for the purpose in writing by the society or, if it has one, its governing body, and
- ii. Accompanied by a copy of the appointment.

This statement should be given to the local authority (Barnet Councils Licensing Team) no later than three months after the day on which the draw (or the last draw) in the lottery took place.

CANCELLATION

A registered society may apply in writing to the London Borough of Barnet's Licensing Team for their registration to be cancelled.

The Licensing Authority may determine to revoke the registration of a society if it thinks that they would have had to, or would be entitled to, refuse an application for registration if it were being made at that time. Revocations cannot take place unless the society has been given an opportunity to make representations at a hearing or via correspondence.

FURTHER GUIDANCE

If you require any further information or guidance you can contact us on the numbers given above. Alternatively you can contact the Gambling Commission on 0121 230 6666 or visit their website www.gamblingcommission.gov.uk.