

GAMBLING ACT 2005

SMALL SOCIETY LOTTERY - GUIDANCE NOTES

From 1st September 2007 the Gambling Act 2005 replaced the provisions of the Lotteries and Amusements Act 1976 and from that date those Societies registered with Torbay Council under the 1976 Act were automatically registered under the new 2005 Act.

The main objectives of the Gambling Act 2005 are;

- Preventing gambling from being a source of crime or disorder, being associated with crime and disorder, or being used to support crime;
- Ensuring that gambling is conducted in a fair and open way; and
- Protecting children and other vulnerable people from being harmed or exploited by gambling.

What is a Lottery?

A lottery is where persons pay to participate in an arrangement to win one or more prizes. The prizes must be allocated by a process which relies wholly on chance.

Small Society Lotteries

Small societies are able to operate lotteries by holding a Small Society Lottery Registration, issued by their local authority providing they meet the following criteria:

Society status – the society in question must be 'non-commercial'.

A society is defined as non-commercial, under the Act 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
- For any other non-commercial purpose other than that of private gain.

Size of lottery - the total value of tickets to be put on sale per single lottery must be £20,000 or less, or the aggregate value of tickets to be put on sale for all their lotteries in a calendar year must not exceed £250,000. If the organisation running the lottery plans to exceed either of these values then they will be classed as a large lottery operator, and must be licensed with the Gambling Commission.

The society will be required to be registered with their Local Authority in the area where their principal office is located. The cost of the registration is £40.

Limits placed on Small Society Lotteries

- At least 20% of the lottery proceeds must be applied to the purposes of the society;
- No single prize may be worth more than £25,000
- Every ticket in the lottery must cost the same and the ticket fee must be paid to the society (i.e. the society must take payment) before entry into the draw is allowed.
- The Gambling Act 2005 removes the £2 maximum limit on the ticket price.

Regulations under the Act

Paragraph 39 of the Act requires that following a small society lottery a returns form, showing financial information must be completed by the small society and;

- Be sent to the Licensing Authority no later than 3 months after the date of the lottery draw;
- Signed by two members of the Society who are appointed for the purpose in writing by the Society, or if it has one it's governing body.
- Accompanied by a copy of the written agreement of members appointment.
- Once registered with the Licensing Authority the Gambling Commission will be notified and the Society's details will be added to their register.

Lottery/Raffle tickets

Lotteries may involve the issuing of a physical or virtual ticket to participants (a virtual ticket being non-physical, for example in the form of an email or text messages) (if it is a virtual ticket the participant must be able to retain the message or print it out) Schedule 11 (36) requires that the purchaser of a small society lottery/raffle ticket must receive a document which identifies;

- The name of the promoting society
- The price of the ticket (must be the same for all tickets);
- The name and address of the member of the society who is designated as having the responsibility at the society for promoting small lotteries, or (if there is one) the external lottery manager; and
- The date of the draw.
- No lottery tickets may be sold by or to person under the age of 16 years.
- Raffle tickets should not be sold in the street (this includes shopping malls).

Application Forms and Annual Fees – for a Lottery Registration

If you would like to apply for a Lottery Registration under the Gambling Act 2005 please use the contact details below. There is an application form to complete and the fee for a new application is £40.

Once a Registration has been made it will be of unlimited period unless cancelled by the Society or the Licensing Authority. There will not be a renewal application process and you will

not be issued with a new Permit each year. There will however be an annual fee to be paid each year which is currently £20. If the annual fee is not paid the Registration will lapse. The Licensing Section will write to you when the annual fee is due.

Incidental “Non Commercial” Lotteries/Raffles – These do not require a registration.

An incidental non-commercial lottery is one that is not promoted for private gain and which is incidental to a non commercial event and the tickets are sold and prizes drawn at the event. Examples may include a raffle using cloakroom tickets held at a school fete, or at a social event such as a dinner dance. An event is deemed non-commercial if all the money raised at the event, including entrance fees, goes entirely to purposes that are not for private gain. Therefore a fundraising social event with an entrance fee would be non-commercial if all the profits went to the society but would be commercial if some of the profits were retained by the organiser.

These incidental lotteries are exempt under the Gambling Act 2005 and therefore can take place without the need for a Small Society Registration providing they meet the following requirements:

- **Tickets must only be sold at the premises during the event, and the result must be made public while the event takes place.**
- The promoters of lottery may not deduct more than £500 from the proceeds in respect of the cost of prizes.
- The promoters of lottery may not deduct more than £100 from the proceeds in respect of the cost of other expenses, such as printing tickets or hire of equipment.
- The lottery cannot involve a roll over
- Tickets can be cloakroom tickets or printed tickets especially created for the draw.

Further Information

Licensing Section, Torbay Council, Town Hall, Castle Circus, Torquay, TQ1 3DR

Phone: 01803 208025; Email: Licensing@torbay.gov.uk

Website: www.torbay.gov.uk/business/licensing/gambling/lottery/

For more information on the Gambling Act 2005 you may wish to view the Gambling Commission's website at www.gamblingcommission.gov.uk or contact them on 01212306666

This form is prescribed by regulation 3(1)(a) of the Small Society Lotteries (Registration of Non-Commercial Societies) Regulations 2007

APPLICATION FORM FOR REGISTRATION OF NON-COMMERCIAL SOCIETY

If you are completing this form by hand, please write legibly in block capitals using black ink.

To: The Licensing Section
Torbay Council
Town Hall
Castle Circus
Torquay
TQ1 3DR

TORBAY COUNCIL

SECTION A – Details of society applying for registration

1. Name of society:

2. Address (including postcode) of office or head office of society:
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3. Telephone number of society:.....

4. Please state the purpose (s) for which the society is established and conducted
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5. If the society is a registered charity, please give the society's unique charity registration number:

6. Has the society held an operating licence under the Gambling Act 2005 in the period of five years ending with the date of this application?

Yes No

7. If the answer to question 6 is 'Yes', has the operating licence been revoked in the period of five years ending with the date of this application? Yes No

8. If the answer to question 7 is 'Yes', please state the reasons for revocation and enclose a copy of the notice of revocation if one is available.

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9. Has the society applied for and been refused an operating licence in the period of five years ending with the date of this application? Yes No

SECTION B – General information about person applying on behalf of society

10. Name:

11. Capacity:

12. Address (including postcode)

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.....

13. Daytime telephone number:

SECTION C – Contact details for correspondence associated with this application

14. Please tick one box as appropriate to indicate address for correspondence in relation to this application:

Address in section A Address in section B Address below :

Address (including postcode)

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.....

Telephone number:

Email address (if the applicant is happy for correspondence in relation to this application to be sent via e-mail)

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SECTION D – Declaration

15. Please complete the following declaration and checklist:

I [full name]:

- a. make this application on behalf of the society referred to in Section A and have authority to act on behalf of that society.
- b. enclose payment of the registration fee of £40.
- c. **confirm that, to the best of my knowledge, the information contained in this application is true. I understand that it is an offence under section 342 of the Gambling Act 2005 to give information which is false or misleading in, or relation to, this application.**

Signature:

Date:/...../.....
(DD / MM / YYYY)

Capacity:

Note to societies applying for registration:

The application will be refused if in the period of five years ending with the date of the application:

- (a) an operating licence held by the society has been revoked under section 119(1) of the Gambling Act 2005, or**
- (b) an application for an operating licence made by the society has been refused.**

The application may be refused if the local authority think that:

- (a) the society is not a non-commercial society,**
- (b) a person who will or may be connected with the promotion of the lottery has been convicted of a relevant offence, or**
- (c) information provided in or with the application is false or misleading.**

For further information please contact the Council's Licensing Section:-

Telephone	01803 208025
Fax	No fax facility
Email	licensing@torbay.gov.uk
Address	Licensing Section, Torbay Council, Town Hall, Castle Circus, Torquay, TQ1 3DR

Information and an online application form also available on the Council's website: www.torbay.gov.uk/business/licensing/gambling/lottery/

LOTTERY TICKETS EXAMPLE

*******Five important things to check*******

Price per ticket must be the same for each ticket

£1.00

“Society Name”

In aid of

Grand Raffle

First Prize a Bottle of Champagne

And other excellent prizes!

The draw will take place on.....

Person Responsible.....*name and address*.....

Registered with Torbay Council in accordance with the Gambling Act 2005 - Small Society Lottery regulations

Small Society Lottery Registration Number:.....

Date of draw

Name of Society registered with C.D.C

The name and address of the member of the Society who is designated as having responsibility at the Society for promoting small lotteries, or (if there is one) the external lottery manager

Registration Number issued by Torbay Council

Lottery ticket example

GAMBLING ACT 2005

Return relating to a Small Society Lottery to which Schedule 11, Part 4 of the Act applies

The following information is required by Schedule 11, Part 4, paragraph 39(2) of the Gambling Act 2005. This Return must be submitted **no later than three months** beginning with the day on which the draw (or the last draw) in the lottery took place. It must be signed by two members of the Society appointed in writing for that purpose by the Society, or its governing body if applicable, **and accompanied by a copy of that appointment**. All signatories must be over 18.

We, being duly appointed members of the Society in compliance with the requirements of the above Act, hereby submit the following statutory Return:

Name of Society:	
Registration Number of Society:	SL
Arrangements for the Lottery including:	
(a) Earliest date on which tickets or chances were sold;	(a)
(b) Latest date on which tickets or chances were sold;	(b)
(c) Winners of prizes in the Lottery were determined on;	(c)
(d) Details of any donated prizes:	(d)
The total proceeds raised from the sale of tickets or chances in the Lottery:	£
The amount deducted from the total proceeds on account of expenses: ①	£

<p>The amount deducted from the total proceeds on account of prizes (including the provision of any prizes in accordance with any rollover): ①</p>	<p>£</p>
<p>Final amount applied to a purpose for which the Society is conducted: ②</p>	<p>£</p>
<p>Whether any expenses in connection with the lottery were paid otherwise than by deduction from proceeds, and if they were: (i) the amount of the expenses (ii) the sources from which they were paid</p>	<p>£</p>
<p>Declaration and Signatures</p> <p>We the undersigned, being two members of the Society who are appointed in writing by the Society, or its governing body, submit this return to the Licensing Authority in accordance with the provisions of Schedule 11 of the Gambling Act 2005.</p> <p>Signed:</p> <p>Print Name:</p> <p>Capacity:</p> <p>Dated:</p> <p>Signed:</p> <p>Print Name:</p> <p>Capacity:</p> <p>Dated:</p> <p>PLEASE NOTE THAT IT IS AN OFFENCE UNDER SECTION 342 OF THE GAMBLING ACT 2005, TO GIVE ANY FALSE OR MISLEADING INFORMATION WITHIN THIS RETURN.</p>	

NOTES ① These amounts combined must not exceed 80% of the total proceeds on account of expenses and prizes. ② A minimum of 20% must be applied for the purposes of the Society.
PLEASE RETURN TO: Community Safety, Torbay Council, C/O Torquay Town Hall, Castle Circus, Torquay TQ1 3DR

ADVICE ON COMPLETING THE GAMBLING ACT 2005 – RETURNS FORM

The Return must be –

- **Signed by two members of the Society who are appointed for the purpose in writing by the Society, or if it has one it's governing body.**
- **Accompanied by a copy of the written agreement of members appointment.**

This is a requirement under the Gambling Act 2005; your organisation/charity must authorise two of its members who will be responsible for signing the returns forms. This must be done in writing and a copy of this agreement must accompany the returns form every time it is submitted.

To help you achieve this please see an example agreement below, which you may choose to adapt.

<p><i>Society Headed Paper</i></p> <p>Small Society Registration Number _____</p> <p>The Committee of <i>(insert Society name)</i> authorise the following 2 members to complete the Returns Forms required under The Gambling Act 2005 Schedule 11 (Paragraph 39) – Small Society Registration</p> <p>Name and address of 1st Member</p> <p>Signature of Member (1) _____</p> <p>Date _____</p> <p style="text-align: center;">And</p> <p>Name and address of 2nd Member</p> <p>Signature of Member (2) _____</p> <p>Date _____</p>
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Please return to: Licensing Section, Torbay Council, Town Hall, Castle Circus, Torquay, TQ1 3DR