



**South
Derbyshire**
District Council

Gambling Act 2005

Small Society Lottery Registration Guidance

Lotteries are regulated under the Gambling Act 2005. Large lotteries are regulated by the Gambling Commission and will require the promoter to hold an operating licence.

Small society lotteries require registration with the Licensing Authority. The registration will be for the society or any separate branch of such a society on whose behalf the lottery is promoted. The society must apply to the Licensing Authority who is responsible for the area that their principal office is located in.

The society must be a non-commercial organisation. A society will be a non-commercial organisation 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.

The society must have been established for one of the permitted purposes listed above and the proceeds of any lottery must be devoted to those purposes. It is not permissible to establish a society whose sole purpose is to facilitate lotteries.

The main example of a lottery is a raffle held for fundraising purposes.

There is no requirement for a society to register if the tickets for a raffle are sold and drawn on the same day i.e. school fete.

Lottery Limits

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 the lotteries in a calendar year must not exceed £250,000.

If the society plans to exceed or exceeds either of these values they cannot be registered with the Licensing Authority and must be licensed with the Gambling Commission as a large lottery.

The following limits are placed on small society lotteries:

- At least 20% of the proceeds must be applied to the purposes of the society;
- No single prize may be worth more than £25,000;
- Rollovers between lotteries are only permitted where every lottery affected is also a small society lottery promoted by the same society and the maximum single prize is £25,000.

Lottery Tickets

Tickets can be physical or virtual (for example an email or text message).

Every ticket must cost the same and payment must be received before the ticket is entered into the draw.

All tickets must state:

- The name of the promoting society;
- The price of the ticket;
- The name and address of the promoter of the society (or the external Lottery Manager if there is one); and
- The date of the draw or information which enables the date to be determined.

The requirement to provide this information can be satisfied by providing an opportunity for the participant to retain the message electronically or print it.

Tickets may only be sold to persons aged 16 years or over.

Tickets should not be sold in a street but may be sold from a kiosk, in a shop or door to door.

Written records of any unsold and returned tickets must be maintained for a period of one year from the date of the lottery draw.

Lottery Returns

The society must submit a return to the Licensing Authority after each draw. This must be done NO LATER than three months after the date of the lottery draw.

The return must be signed by two members of the society (who must be aged 18 or over) who are appointed in writing by the society for that purpose. Proof of the appointment must be provided with the initial return. The return can be submitted via post or electronically to licensing@south-derbys.gov.uk

The return is a standard form but all sections of the return must be completed before being submitted to the Licensing Authority.

Prizes

Prizes can either be cash or non-monetary.

Prizes, combined with any expenses, must not exceed 80% of the total proceeds of the draw. Donated prizes would not count towards this 80% limit but should still be declared on the return following the draw and are still subject to the £25,000 limit for any single prize.

Annual Fees

A fee of £20 is payable by the anniversary of the grant of the registration. An invoice will be sent to the promoter two months before the anniversary date. Failure to pay the annual fee by the anniversary date will result in the registration being cancelled. A new registration will be required if the society wishes to continue offering lotteries for which a £40 fee will be required.

Along with the invoice, a form will be sent to request confirmation of the details of the society. This form should be returned with the annual fee.

No new registration will be issued on receipt of the annual fee.

Change of Details

If there are any changes to the name and/or address of the promoter or society then you must notify the Licensing Authority of the changes. This notice must be in writing either via the post or email. The Licensing Authority will update their records accordingly.

If the people appointed to sign the returns change then the new appointment letter must be submitted to the Licensing Authority with the next return.

Contact Details

If you have any questions or require any advice in relation to small society lotteries then please contact the Licensing Authority on the following details:

In writing South Derbyshire District Council
 Council Offices
 Civic Way
 Swadlincote
 Derbyshire
 DE11 0AH

Email licensing@south-derbys.gov.uk

Telephone 01283 595 724 / 765