

Small society lotteries

SUMMARY

Up to 31 August 2007, you may apply to your licensing authority for a first registration under the 1976 Act, or to renew such a registration, in the normal way.

A similar system of registration will operate under the new Act. On 1 September 2007, existing registrations will be converted automatically into a registration under the new Act.

Your first annual fee under the new Act will become due on 1 January 2008. Special arrangements will apply in Scotland where responsibility for registrations is being transferred from local councils to licensing boards.⁶⁶

Chapter 9 part 1: Small society lotteries – Existing operators

9.1 This part relates to societies which currently promote lotteries with proceeds of less than £20,000, which are required under Schedule 1 of the 1976 Act to register with their licensing authority, and who wish to continue to operate after 1 September 2007.

9.2 What new arrangements will apply under the 2005 Act?

Broadly similar arrangements to those currently in operation under the 1976 Act will apply. Small society lotteries will be exempt from the full operating licence requirements of the new Act. Instead, they will be required simply to register with their local authority. The requirements relating to registration and the filing of records are set out in Parts 4 and 5 of Schedule 11 to the new Act.

In Scotland it is important to note that the registering authority will no longer be your local council but your licensing board.

9.3 What will happen to my existing permission on 1 September 2007?

On 1 September 2007, existing registrations under the 1976 Act, which are current on that date, will be converted automatically into a registration under the new Act.

9.4 What conditions will be attached to my converted small society lottery registration?

It is important to note that from 1 September 2007 you will be required to abide by all the rules relating to small society lotteries in the new Act. You will be able to find details of the new rules on the Gambling Commission and DCMS websites.

9.5 Will I continue to have to pay an annual fee?

Yes. As now, you will need to pay an annual fee to your licensing authority to keep your registration current. The first such fee will have to be paid by 1 January 2008.

9.6 Will I be sent a copy of the converted small society lottery registration?

Your local authority will confirm your registration under the new Act when it writes to remind you that the annual fee is payable.

9.7 What special arrangements will apply in Scotland?

In Scotland, as the responsibility for registering small society lotteries is being transferred, we are also requiring local councils to provide specified information to licensing boards in relation to the societies that they have registered. The licensing board must then register the society for the purposes of Schedule 11 to the 2005 Act as soon as possible once it receives that information.

Your council will be responsible for notifying your society that:

- it will be registered by the relevant licensing board for the purposes of the 2005 Act;
- from 1 September 2007 until it is formally registered by the licensing board, the society can promote lotteries without being registered; and,
- until it is registered it is still subject to the requirement to file records under paragraph 39 of Schedule 1 of the 1976 Act.

9.8 I currently sell some of my tickets on the society's website or by telephone, will I still be able to do this by virtue of my converted lottery operating licence?

Yes. Small society lotteries are exempt from the wider requirements relating to remote gambling, and you will not need a remote lottery operating licence, provided

you stay within the proceeds limits for small society lotteries. **Gambling Act 2005** –
Transitional arrangements **67 Gambling Act 2005** – Transitional arrangements

9.9 Will my converted registration mean that I am able to run lotteries up to the proceeds limits in the new Act, in addition to lotteries I may have run earlier in the year up to the proceeds limits in the existing legislation? In other words, will societies be able to run lotteries which generate £250,000 in proceeds twice in 2007?

No. The transitional arrangements provide that in the calendar year 1 January to 31 December 2007, you will only be able to run lotteries with proceeds of up to £250,000.

9.10 What happens to lotteries for which tickets were sold prior to 1 September, but which are not completed until after 1 September 2007?

While the requirements are largely the same under old and new legislation, we were conscious that some societies may be running lotteries prior to 1 September 2007 in line with the requirements of the 1976 Act, which won't be completed until after the new Act comes into force. Examples of this include a person who has paid in advance for 52 weeks' entry in a weekly lottery, or a society selling scratch cards which may have been printed some time ago.

The transitional arrangements provide that where a ticket or chance in a lottery was sold before 1 September 2007, similar tickets or chances for the same lottery could continue to be sold after that date, provided the lottery is completed by 1 March 2009.

From 1 March 2009 all lotteries will need to comply with the full requirements set out in Schedule 11 to the Gambling Act 2005. 68

Chapter 9 part 2: Small society lotteries – New operators

9.11 This part applies to operators who:

- wish to obtain a first registration as a small society lottery with their local authority before 1 September 2007; and,
- wish to go on operating a small society lottery under the new Act.

9.12 What do I do if I want to apply for a first registration before 1 September 2007?

You should apply to your local authority (local council in Scotland) for registration under the 1976 Act in the normal way. If your application is successful, your registration will be granted in the normal way and your next renewal fee will become due on 1 January 2008.

As long as you apply on or before 31 August 2007, your local authority will still be able to resolve your application under the old Act, even if it is not able to do so until after 31 August.

You will then be treated like any other existing operator, and on issue your registration will be converted automatically into a small society lottery registration under the new Act.

9.13 What do I do if I want to apply for a first operating licence on or after 1 September 2007?

You must make an application to your local authority for registration under the 2005 Act. **Gambling Act 2005 – Transitional arrangements**