

Guidance Notes on Small Society Lotteries

If your organisation wants to raise money by running a small lottery, you need to be registered with the Falkirk Council Licensing Board. If the main or principal office of your organisation is outwith the Falkirk Council area, you should register with the Licensing Board whose area it is in.

The total value of tickets to be put on sale in a single lottery must not exceed £20,000. The total value of tickets to be put on sale for all lotteries in a calendar year, must not exceed £250,000. If you plan to exceed either of these values then they will be classed as a large lottery operator, and must be licensed with the Gambling Commission instead.

How do I apply?

You can only register if your small society lotteries are those run on behalf of a society which is established and conducted:

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

You are not allowed to establish a society whose sole purpose is to run lotteries - it must have some other purpose.

Societies must be able to prove, both upon registration and throughout the period of the registration, that they are a bona-fide non-commercial society and that the proceeds of any lottery are devoted to those purposes.

How much will it cost?

The fee to register your society is £40.

How long will my registration last for?

Registration relates to a calendar year. Once your society is registered, there is an annual fee of £20.

Are there any rules in relation to running a small society lottery?

Yes, there are rules covering the proceeds of the lottery, the lottery tickets, prizes

Proceeds:

Since the purpose of Society Lotteries is to raise money for non-commercial causes, a minimum of 20% of the money raised by the lottery is channelled to the aims of the Society. A maximum of 80% of the proceeds may be deducted for expenses and prizes.

Returns to the Licensing Board:

The Society must send returns to the Licensing Board with which it is registered, following each lottery held stating:

- The arrangements for the lottery – specifically the date on which the tickets were available for sale, the dates of any draw and the value of prizes, (including any donated prizes and any rollover);
- The total proceeds of the lottery;
- The amounts deducted by the promoters of the lottery in providing prizes, (including prizes in rollovers);
- The amounts deducted by the promoters of the lottery in respect of costs incurred in organising the lottery;
- The amount applied to the purpose for which the promoting society's conducted (which must be at least 20% of the proceeds); and
- Any expenses incurred in connection with the lottery were not paid for by deduction from the proceeds, including the amount of expenses and the sources from which they were paid.

These returns must be sent to us no later than three months after the date of the lottery draw, or in the case of "instant lotteries" (scratch cards) within three months of the last date at which tickets were on sale. The return must be signed (electronic signatures are acceptable if the return is sent electronically) by two members of the society, who must be aged 18 or over, are appointed for the purposes in writing by the society.

We are required to retain returns for a minimum period of three years from the date of the lottery draw. The return will also be made available for inspection by the general public for a minimum period of 18 months following the date of the lottery draw.

Lottery Tickets

Lotteries may involve the issuing of physical or virtual tickets to participants (a virtual ticket being non-physical, for example in the form of an email or text message). The purchaser of a small society lottery 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 responsibility at the society for promoting small lotteries, or (if there is one) the external lottery manager; and
- either the date of the draw, or information that enables the date to be determined.

The requirement to provide this information, however, can be satisfied if the participant can retain the message electronically or print it.

Lottery tickets may only be sold by persons aged 16 and over to persons aged 16 and over.

- Tickets must not be sold in a 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, however, be sold from a kiosk, in a shop or door-to-door.

Prizes

Prizes awarded in small society lotteries can be either cash or non-monetary or partly the one and partly the other.

In the event of any change to the name, address, identity etc of the person responsible for the small lottery, that change must be notified immediately in writing to Falkirk Licensing Board.