

ORKNEY ISLANDS AREA LICENSING BOARD

GAMBLING ACT 2005

INFORMATION/GUIDANCE **EXEMPT LOTTERIES – PRIVATE LOTTERIES**

(See also the Board's Information on Small Society Lotteries at www.orkney.gov.uk)

The Gambling Act 2005 can be accessed on the Internet at www.opsi.gov.uk

Further information can also be accessed on the Internet at the following websites –

Department for Culture, Media and Sport – www.culture.gov.uk

Gambling Commission – www.gamblingcommission.gov.uk

Scottish Government – www.scotland.gov.uk

There are 3 sub-categories of private lottery that qualify as exempt lotteries –

Private society lottery – these can only be promoted by authorised members of a society, and tickets can only be sold to other members of that same society, or to persons on the society premises. The lottery may only be promoted for a purpose for which the society is conducted, and the society can be any group or society, provided it is not established and conducted for purposes connected to gambling. Examples of this type of lottery would include those limited to members of a working men's club or a sports club, where guests at the club would not be permitted to participate. The category B3A gaming machines offering lottery games permitted in members' clubs and miners' welfare institutes under regulations fall into this category. Use of these machines is limited to people over the age of 18. (Category B3A gaming machines have a maximum stake of £1 and a maximum prize of £500.)

Work lottery – the promoter of the lottery must work on the premises and tickets can only be sold to other people who work on the same premises. The lottery must not be run for profit and all the proceeds must be used for prizes or reasonable expenses incurred in organising the lottery. An example of this type of lottery could be a sweepstake on the Grand National.

Residents' lottery – the promoter of the lottery must reside on a single set of premises and tickets can only be sold to other residents of the same set of premises (the residency requirement can still be satisfied where the premises are not the sole premises in which a person resides). The lottery must not be run for profit and all the proceeds must be used for prizes or reasonable expenses incurred in organising the lottery. An example of a residency meeting this definition is a student halls of residence.

It is a requirement of the Act that no advertisement for a private society, work or residents' lottery may be displayed or distributed except at the society or work premises, or the relevant residence, nor can such advertisements be sent to any other premises.

Rollovers are prohibited in private lotteries.

Private/

Private lotteries, including category B3A gaming machines offering lottery games, must comply with conditions set out in Part 2 of Schedule 11 to the Act, relating to the price and format of tickets. In summary, these are –

- Ø a ticket in a private society lottery may only be sold or supplied by the promoter or another person who is a member of the same society, in a works lottery by the promoter or another person employed on the same premises, or in the case of a residents' lottery by the promoter or another person who resides on the same premises;
- Ø rights conferred by tickets are not transferrable and this should be made clear on the lottery tickets;
- Ø each ticket must state the name and address of the promoter or promoters of the lottery and the class of persons to whom the promoter(s) can sell or supply tickets; and
- Ø the price paid for each ticket in a private lottery must be the same, must be shown on tickets and must be paid to the lottery promoter before any person is given a ticket.

Private lotteries cannot be conducted on vessels. The Act's definition of a vessel is –

- anything (other than a seaplane or amphibious vehicle) designed, adapted for navigation or other use in, on or over water;
- a hovercraft; or
- anything, or any part of any place, situated on or in water.

Information is also available at www.orkney.gov.uk in respect of the following categories of exempt lottery –

- incidental non-commercial lotteries
- customer lotteries

Anyone requiring further information about this topic should contact the Legal Clerks' Office at the Council Offices, Kirkwall, Orkney KW15 1NY –

by email licensing@orkney.gov.uk

by telephone: 01856 873535 extensions 2229 / 2232

by fax: 01856 876941