

GAMBLING ACT 2005 UPDATE

Committee	Licensing Committee
Officer Contact	Stephanie Waterford x7232
Papers with report	Appendix 1 - Section 6 Gambling Commission Guidance to Licensing Authorities Appendix 2 - Early Day Motion - Fixed Odds Betting Terminals Appendix 3 - Parliamentary Briefing Paper
Ward(s) affected	All

HEADLINE

This report provides an update for Committee Members on a number of recent developments regarding the Gambling Act 2005.

RECOMMENDATION

That the Committee notes the update.

Clarification on the operation of Small Society Lotteries

At the meeting of the full Committee in April 2016, Members were updated on the Legislative Reform (Exempt Lotteries) Order 2016, which explained the changes to the regulation of incidental non-commercial, private society, work, and residents lotteries.

Members asked officers to clarify whether these changes would have any impact on Small Society Lottery Registrations which local non-profit groups would have to obtain in order to operate raffles/lotteries.

Small Society Lotteries are administered under Parts 4 and 5 of Schedule 11 of the Gambling Act 2005. A registration must be obtained where:

- The lottery is promoted wholly on behalf of a non-commercial society;
- It is a small lottery, i.e. proceeds below £20,000 per draw & £250,000 per year;
- A minimum of 20% of the proceeds are applied to the purpose of the society;
- Prizes have a maximum value of no more than £25,000

Non-commercial groups are typically, school parent/teacher associations, Scout/Guides groups, political associations, religious groups and local fund raisers etc.

The Chairman specifically enquired whether schools would have to register in order to carry out fundraising activity. The requirement for schools to register small society lotteries is unaffected by the Legislative Reform (Exempt Lotteries) Order 2016. However, as a result of the Legislative Reform (Exempt Lotteries) Order 2016, if the fundraising activity falls within the category of "incidental lottery" there is no need for the school to register with

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either the Council or Gambling Commission. In order to qualify for the "incidental lottery" exemption, all proceeds from the lottery must be utilised for non-commercial purposes. All tickets must be sold at the event, and the draw must be held during the event. A school would not come within the exemption if some tickets are sold prior to the event, or the draw is held at a later date. Deductions from the profits must not exceed £100 to cover costs or £500 to pay for prize.

Additionally, the raffle must be "incidental" to a larger fundraising event such as a school fete. For example, it would not come within the exemption if tickets were sold to parents at the school gates, and the raffle is drawn before the fete takes place, because there is then no larger event for the raffle to be incidental to.

An alternative option is for the school to use the exemption for a "Private Society" lottery. The school may only advertise the raffle and sell tickets on its own premises. The governing body should designate one or more people as "promoters" to sell tickets, and these promoters must be authorised in writing by the governing body. In addition, there is other information that must be printed on each raffle ticket, including the names of all the promoters, so there is a requirement to print bespoke tickets.

Local Area Profiles

The Gambling Commission's Guidance to Local Authorities, published September 2015, sets out the process and factors for consideration in respect of local area profiles. The guidance provides local authorities with an opportunity to map out their local area based upon local issues and assess how gambling licences may impact on the local landscape.

The relevant section of the guidance has been included as Appendix 1.

Should Hillingdon wish to develop local area profiles, a change of Gambling policy will be required.

Officers are currently consulting with Senior Managers and the Cabinet Member to gain direction on this.

Fixed Odds Betting Terminals

1. Early Day Motion 61 Fixed Odd's Betting Terminals

On 23rd May 2016, an early day motion was submitted for debate regarding the proliferation of Fixed Odd's Betting Terminals (FOBT's).

Officers will keep the Committee informed of developments as this progresses through the Parliamentary Process.

A copy of the EDM is attached as Appendix 2.

2. Parliamentary briefing paper relating to Fixed Odd's Betting Terminals

A Parliamentary briefing paper has been published relating to Fixed Odd's Betting Terminals.

A copy of the briefing paper is attached as Appendix 3.

Implications on related Council policies

None at this stage.

Legal implications

None at this stage.

Financial Implications

None at this stage.

Background Papers / Further Reading Material

NIL.