

# Information about Running a Club Lottery or Raffle

Haywards Heath & District Probus Club



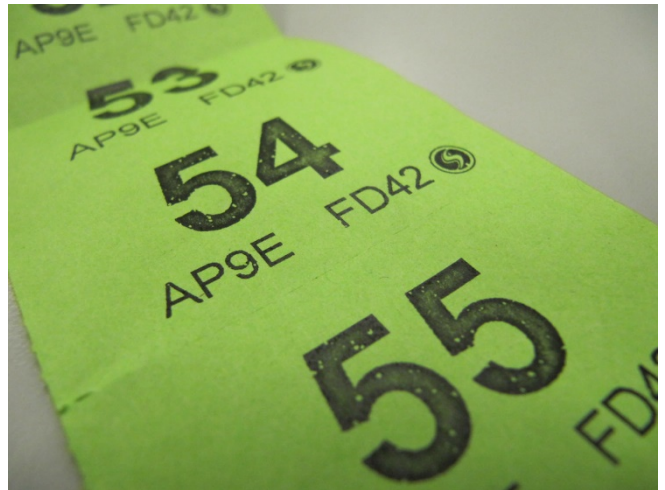
## Running a Club Lottery or Raffle

Lotteries are a form of gambling. Raffles, tombolas and sweepstakes are all classed as lotteries. The information below is relevant to private societies: such as a sports club, a community group, Probus clubs, Masonic Lodge and any other type of organisation, provided they have not been created or run for a reason connected to gambling.

### PART I

The following is based on Guidance from the Gambling Commission, [HERE](#). As stated above, lotteries, raffles and some competitions are forms of gambling, so before you start organising, you should check if your fundraiser is **classed as a lottery**. You'll also need to check if you need permission before you start selling tickets.

The law says you can run a lottery, raffle, tombola or sweepstake with people in a club, and no licence is required. It is known as a *private society lottery*. You must be a member of the society or club and have permission to run this type of lottery. Those taking part must be members of the society or guests who visit the society premises.



Picture Credit: "Raffle tickets" by HowardLake is licensed under CC BY-SA 2.0

### You can raise money with a private society lottery

A private lottery can be used to raise funds for your club, group or organisation, as long as the money is spent on a relevant cause.

#### Examples

- A tennis club could run a lottery to raise money for new equipment.
- You can also use a private society lottery as a fundraiser for a charity or other good causes.
- A private members club could run a lottery to raise money to buy the kit for a local football club.

### Who can buy tickets?

You can sell tickets to members of your private society and to people who aren't members of your society or club. However, non-members can only buy tickets on your society's physical premises, for example, at a clubhouse or where members usually meet.

### Ticket requirements

You must provide physical tickets to the people playing. However, there are no specific rules for what needs to be printed on the tickets.

You must make sure that:

- people pay the same price for each ticket
- the rights created by the ticket are non-transferable
- you only sell physical tickets: you can't sell tickets online.

### Where can the draw take place?

You can only conduct the draw at your private society's physical location (see above). It can't be done online.

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## Can I claim my costs?

Yes, you can claim money for prizes and reasonable running costs using the money you raise.

## Prizes

Prizes cannot be rolled over to another lottery.



Picture Credit: "Fiesta Basket Raffle Prize" by cobalt123 is licensed under CC BY-NC-SA 2.0

## PART 2

### The law in England, Wales and Scotland

Based on Guidance from the Fundraising Regulator, see [HERE](#).

In the law of England, Wales and Scotland, a lottery is a type of gambling which has three essential characteristics.

- You must pay to enter the 'game'.
- There is always at least one prize.
- Prizes are awarded purely by chance.

The [Gambling Act 2005](#) created six categories of lotteries.

1. Private lotteries, including:
  - private-society lotteries;
  - work lotteries; and
  - residents' lotteries.
2. Lotteries that are held at events (known as 'incidental lotteries').

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3. Customer lotteries. (Please note that, as customer lotteries cannot make a profit, they are not suitable for **fundraising**.)
4. Small-society lotteries.
5. Large-society lotteries.
6. Local-authority lotteries. (These are run by local authorities and so are outside the scope of the code.)

Each type of lottery has its own standards, and you can find an overview of these in the [Gambling Commission Guidance](#).

A lottery run by or for the benefit of a **charitable institution** will fall under the definition of a society lottery. However, that does not prevent you or those fundraising on your behalf from running lotteries under another appropriate category.

Lotteries that fall within categories 1 and 2 above do not need a licence or permission from any authority if the **charitable institution** meets the rules that apply. Tombolas, lotteries and raffles held at events that fall within category 2 are a common type of **fundraising**. These do not need a licence or permission from any authority (although you should get permission from the event **organiser** or site owner). For more information, see the Gambling Commission's [Guidance on organising small lotteries](#).

For lotteries that fall within categories 4 and 5, the society must have the relevant permission from either a local authority (in the case of small society lotteries) or the Gambling Commission (in the case of large society lotteries) before marketing or selling tickets. You can visit the Gambling Commission's website for more information on [small-society lotteries that don't need a licence](#) and [society lotteries that do require a licence or registration](#).

Sometimes, large **charitable institutions** outsource part of the work involved in running large-society lotteries to an external lottery manager (ELM). You can find Gambling Commission guidance on ELMs [here](#).

**Caution: No advice is implied or given in articles published by us. This guide is for general interest only - it is always essential to take relevant advice on specific issues. The facts are believed to be correct as at the date of publication, but there may be certain errors and omissions for which we cannot be responsible.**

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