

Draft Order laid before Parliament under section 14 of the Legislative and Regulatory Reform Act 2006; draft to lie for forty days, pursuant to section 16(3) of that Act, during which period either House of Parliament may resolve that the Order not be made.

DRAFT STATUTORY INSTRUMENTS

2015 No.

BETTING, GAMING AND LOTTERIES

The Legislative Reform (Exempt Lotteries) Order 2015

Made - - - - ****
Coming into force - - *6th April 2015*

The Secretary of State for Culture, Media and Sport makes the following Order, in exercise of the powers conferred by section 1 of the Legislative and Regulatory Reform Act 2006(1).

The Secretary of State considers that the conditions in section 3(2) of that Act are satisfied.

The Secretary of State has consulted in accordance with section 13 of that Act, and has laid a draft Order and an explanatory document before Parliament in accordance with section 14.

Pursuant to section 15 of that Act, the negative resolution procedure (within the meaning of section 16 of that Act) applies in relation to the making of this Order.

Neither House of Parliament resolved within the 40-day period referred to in section 16(3) of that Act that the Secretary of State should not make the Order.

Citation, commencement and extent

1.—(1) This Order may be cited as the Legislative Reform (Exempt Lotteries) Order 2015 and comes into force on 6th April 2015.

(2) An amendment or repeal made by article 2, 3 or 4 has the same extent as the provision to which it relates.

Amendments to Part 1 of Schedule 11 to the Gambling Act 2005

2. In the Gambling Act 2005(2), in Schedule 11 (exempt lotteries), in Part 1 (incidental non-commercial lotteries)—

- (a) in the heading to that Part, omit “non-commercial”;
- (b) in paragraph 1(1)(a), for “a non-commercial event within the meaning of paragraph 2” substitute “an event”;

(1) 2006 c.51; see also, in relation to article 4(1)(c), section 6(4).
(2) 2005 c.19.

- (c) in paragraph 1(2), omit “non-commercial”;
- (d) omit paragraph 2;
- (e) in each of paragraphs 3 to 7, omit “non-commercial”;
- (f) omit paragraph 7(2).

Amendments to Part 2 of Schedule 11 to the Gambling Act 2005

- 3.** In the Gambling Act 2005, in Schedule 11 (exempt lotteries), in Part 2 (private lotteries)—
- (a) in paragraph 13(1), after “conducted” insert “or for any other purpose other than that of private gain”;
 - (b) after paragraph 13(2), insert—
 - “(3) Sub-paragraph (2) does not apply where the lottery is promoted wholly for a purpose other than that of private gain.”;
 - (c) omit paragraphs 17 and 18(b), but not the “and” at the end of paragraph 18(b).

Consequential and incidental amendments

- 4.—(1)** In the Gambling Act 2005—
- (a) in section 56(1)(a) (invitation to participate in lottery), omit “non-commercial”;
 - (b) in section 261(1) (misusing profits of exempt lottery)—
 - (i) in paragraph (a), omit “non-commercial”;
 - (ii) omit “and” at the end of paragraph (b);
 - (iii) after paragraph (b), insert—
 - “(ba) a work lottery and a residents’ lottery (within the meaning of Part 2 of that Schedule) promoted wholly for a purpose other than that of private gain, and”;
 - (c) in section 263 (penalty), after subsection (2), insert—
 - “(3) In the application of subsection (1) to an offence committed under section 261(2) by virtue of section 261(1)(ba) before section 281(5) of the Criminal Justice Act 2003(3) comes into force, the reference in subsection (1)(a) to 51 weeks is to be read as a reference to 6 months.”
- (2)** In the Licensing Act 2003(4), in section 175 (exemption for incidental non-commercial lottery), omit “non-commercial”—
- (a) in the heading; and
 - (b) in subsection (2).

Date

Name
Secretary of State
Department for Culture, Media and Sport

(3) 2003 c.44.

(4) 2003 c.17; section 175 was substituted by paragraph 20(2) of Schedule 16 to the Gambling Act 2005.

EXPLANATORY NOTE

(This note is not part of the Order)

This Order is made under section 1 of the Legislative and Regulatory Reform Act 2006. It removes certain restrictions that apply to exempt lotteries regulated by Parts 1 and 2 of Schedule 11 to the Gambling Act 2005.

Article 2 amends the exemption for incidental lotteries in Part 1 of Schedule 11, so that it is no longer limited to lotteries that are incidental to a non-commercial event. As a result, the exemption now applies to lotteries which are incidental to any event, provided that the conditions specified in that Part are satisfied. There is also no longer a requirement for the results of the lottery to be made public while the event is taking place.

Article 3 amends the exemption for “private lotteries” (private society lotteries, work lotteries and residents’ lotteries) in Part 2 of Schedule 11.

The exemption for private society lotteries is expanded so as to now apply to any private society lottery promoted other than for private gain; the promotion of such a lottery is no longer limited to any of the purposes for which the society in question is conducted.

A work lottery or a residents’ lottery can now be exempt even if it is not organised in such a way as to ensure that no profits are made, provided that the lottery is being promoted wholly for a purpose other than that of private gain.

Article 3 also reduces the amount of information that needs to be shown on the face of tickets in a private lottery.

Article 4 makes consequential and incidental amendments, including the extension of the offence of misusing profits of an exempt lottery in section 261 of the Gambling Act 2005 to work lotteries and residents’ lotteries which are organised to make a profit. By article 4(1)(a), the maximum imprisonment for an offence committed under section 261(2) by virtue of section 261(1)(ba) is six months. When section 281(5) of the Criminal Justice Act 2003 comes into force, this will increase to 51 weeks.

A full impact assessment as to the effect that this instrument will have on the costs of business and the voluntary sector is available on the Government website at <https://www.gov.uk/government/consultations/consultation-on-incidental-non-commercial-private-society-work-and-residents-lotteries>. This impact assessment is also published with the Explanatory Document alongside the instrument on www.legislation.gov.uk.