

*Draft Order laid before Parliament under section 14 of the Legislative and Regulatory Reform Act 2006, for approval by resolution of each House of Parliament.*

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DRAFT STATUTORY INSTRUMENTS

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**2016 No.**

**BETTING, GAMING AND LOTTERIES**

**The Legislative Reform (Exempt Lotteries) Order 2016**

*Made* - - - - **\*\*\***  
*Coming into force* - - *6th April 2016*

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(1) 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 affirmative resolution procedure (within the meaning of section 17 of that Act) applies in relation to the making of this Order.

In accordance with section 17(2) of that Act, the draft has been approved by a resolution of each House of Parliament after the expiry of the 40-day period referred to in that provision(2).

**Citation, commencement and extent**

1.—(1) This Order may be cited as the Legislative Reform (Exempt Lotteries) Order 2016 and comes into force on 6th April 2016.

(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(3), 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”;

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

(2) The expression “40-day period” is defined in section 16(7)(b) of the Legislative and Regulatory Reform Act 2006.

(3) 2005 c.19.

- (c) in paragraph 1(2), omit “non-commercial”;
- (d) omit paragraph 2;
- (e) in each of paragraphs 3 to 7(1), 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) in paragraph 13(2), the words “organised in such a way as to ensure that no profits are made” become paragraph (a);
  - (c) after paragraph 13(2)(a), insert—
    - “, or
    - (b) promoted wholly for a purpose other than that of private gain.”;
  - (d) 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) except where the lottery has been organised in such a way as to ensure that no profits are made, and”;
  - (c) in section 263 (penalty), after subsection (2), insert—
    - “(3) In the application of subsection (1) to England and Wales in relation 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(4) 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(5), in section 175 (exemption for incidental non-commercial lottery), omit “non-commercial”—
- (a) in the heading; and
  - (b) in subsection (2).

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(4) 2003 c.44.

(5) 2003 c.17; section 175 was substituted by paragraph 20(2) of Schedule 16 to the Gambling Act 2005.

Date

*John Whittingdale*  
Secretary of State  
Department for Culture, Media and Sport

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## 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. The exemption now applies to lotteries which are incidental to an 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 apply to any private society lottery promoted wholly for a purpose other than that of private gain; it is no longer limited to any of the purposes for which the society in question is conducted.

A work lottery or a residents’ lottery is now exempt in two circumstances, where the lottery:

- is promoted wholly for a purpose other than that of private gain; or
- is not organised in such a way as to ensure that no profits are made.

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 promoted wholly for a purpose other than that of private gain. By article 4(1)(a), the maximum imprisonment for an offence committed under 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 from the Department for Culture, Media and Sport, 100 Parliament Street, London SW1A 2BQ. It is also published with the Explanatory Document alongside this instrument on [www.legislation.gov.uk](http://www.legislation.gov.uk).