



National Lottery Act 1998

1998 CHAPTER 22

PART I

PROVISIONS RELATING TO THE NATIONAL LOTTERY

Licensees

2 Financial penalties for breach of conditions in licences.

(1) After section 10 of the 1993 Act (revocation of licences) there shall be inserted—

“10A Financial penalties for breach of conditions in licences.

- (1) If the Director General is satisfied that a person has contravened a condition in a licence under section 5 or 6, he may impose a financial penalty on that person in respect of the contravention.
- (2) The matters to which the Director General may have regard in imposing a financial penalty include the desirability of both—
 - (a) deterring persons from contravening conditions in licences under section 5 or 6, and
 - (b) recovering any diminution in the sums paid to the Secretary of State under section 5(6) which is attributable to the contravention.
- (3) If the Director General proposes to impose a financial penalty on a person, he shall serve on that person a notice—
 - (a) stating that the person has contravened conditions in the licence,
 - (b) identifying the contraventions in question,
 - (c) stating that the Director General proposes to impose a financial penalty,
 - (d) specifying the amount of the financial penalty,
 - (e) stating the Director General’s reasons—
 - (i) for the imposition of a financial penalty, and

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- (ii) for the amount of the financial penalty,
 - (f) stating the person to whom the financial penalty is to be paid and the manner in which, and place at which, payment may be made, and
 - (g) stating the effect of subsections (5) and (12).
- (4) A notice under subsection (3) must state that the person may, within the period of 21 days beginning with the date of the notice, either—
 - (a) make written representations about the matter to the Director General, or
 - (b) notify the Director General in writing of the person’s intention to make oral representations,and that the right of appeal conferred by section 10B is dependent on the person having made such written or oral representations.
- (5) If, within the period mentioned in subsection (4), the Director General receives neither—
 - (a) written representations, nor
 - (b) written notification of the person’s intention to make oral representations,the financial penalty shall become payable at the end of that period.
- (6) The Secretary of State may make regulations as to the procedure to be followed where a person’s intention to make oral representations is notified to the Director General as mentioned in subsection (4).
- (7) The regulations may in particular make provision—
 - (a) for the financial penalty to become payable if the person fails to comply with any requirements imposed by or under the regulations, and
 - (b) as to the hearing by the Director General of oral representations.
- (8) If—
 - (a) any written representations against the imposition of the financial penalty are made as mentioned in subsection (4), or
 - (b) any oral representations against the imposition of the financial penalty are made in accordance with regulations under subsection (6),subsection (9) shall apply.
- (9) Where this subsection applies, the Director General shall after taking the representations into account—
 - (a) decide whether or not to impose a financial penalty, and
 - (b) serve a further notice on the person informing the person of the decision.
- (10) Where the decision is to impose a financial penalty, the further notice must—
 - (a) identify the contraventions in question,
 - (b) specify the amount of the financial penalty imposed,
 - (c) state the Director General’s reasons—
 - (i) for the imposition of a financial penalty, and
 - (ii) for the amount of the financial penalty,

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- (d) state the person to whom the financial penalty is to be paid and the manner in which, and place at which, payment may be made, and
 - (e) state the effect of subsections (11) and (12).
- (11) A financial penalty imposed by virtue of a decision under subsection (9) becomes payable on the date of the further notice.
- (12) A person on whom a financial penalty is imposed is required to pay the penalty within the period of fourteen days beginning with the date on which the financial penalty becomes payable.
- (13) If the whole or any part of a financial penalty is not paid within the period mentioned in subsection (12), then as from the end of that period the unpaid balance from time to time shall carry interest at the rate for the time being specified in section 17 of the ^{M1}Judgments Act 1838.
- (14) A financial penalty imposed on any person, and any interest accrued under subsection (13) in respect of the penalty, shall be recoverable from that person as a debt due to the Secretary of State from that person (and the person's liability to pay it shall not be affected by the person's licence ceasing for any reason to have effect)."
- (2) In section 11 of the 1993 Act (directions to the Director General in respect of his functions under sections 5 to 10) for "sections 5 to 10" there shall be substituted "sections 5 to 10A".
- (3) In section 21 of the 1993 Act, in subsection (2) (Secretary of State to pay into the National Lottery Distribution Fund all the sums paid to him by virtue of section 5(6)) after "section 5(6)" there shall be inserted " or 10A".
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- (5) Subsection (1) above has effect in relation to any contravention, after the coming into force of that subsection, of a condition in a licence under section 5 or 6 of the 1993 Act, whenever granted.

Textual Amendments

F1 S. 2(4) repealed (1.4.1999) by 1998 c. 22, s. 26, **Sch. 5 Pt. I**; S.I. 1999/650, **art. 2(c)**.

Marginal Citations

M1 1838 c. 110.

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