

RAFFLES GUIDE

GUIDANCE ON HOW TO RUN A
RAFFLE OR SWEEPSTAKE FOR
CHILDREN ON THE EDGE





Raffles, tombolas and sweepstakes are a great way to boost your fundraising and can help raise money for Children on the Edge.

Lotteries, raffles and sweepstakes are some of the most regulated forms of fundraising, so we've created this guide to help you make sure that your fundraising is safe and legal.

Raffles, sweepstakes, lucky squares, some prize draws are all defined as a "lottery" under the Gambling Commission.

The Gambling Commission is the regulatory body who govern gambling in England, Scotland and Wales and describe these three essential ingredients which make a lottery:



1 WHEN YOU HAVE TO PAY TO ENTER THE GAME

2 WHEN THERE IS ALWAYS AT LEAST ONE PRIZE

3 WHEN THE PRIZES ARE AWARDED BY CHANCE



In this guide the term “lottery” covers anything that have these three elements. It could be a raffle, sweepstake, lucky squares game, customer prize give-aways. “Paying to enter” may also include making a purchase to enter.

You must follow the rules for the type of lottery you plan to run. Otherwise you could break the law and face fines from the Gambling Commission.

This guide is written as advice provided by Children on the Edge only, please also read the full guidelines available at the Gambling Commission website, or speak to our fundraising team.

There are four main types of lottery that don't require a license.

- 1 Event Lottery**
- 2 Small Society Lottery**
- 3 Workplace Lottery**
- 4 Customer Lottery**

Each type of lottery has different requirements. We have outlined examples of each, with a checklist of requirements for each type of lottery.

CONTACT US

Supporters can speak to our fundraising team by calling **01243 538530** or emailing us at **fundraising@childrenontheedge.org**



EVENT LOTTERY (INCIDENTAL)

The simplest way to organise a raffle is to have one as part of an existing face to face (in person) event. This is known as an incidental, non-commercial lottery and does not require a licence or registration with your council to run.

There are however some restrictions which you must adhere to, see page 5.

EXAMPLES

A community theatre group wants to hold a tombola during the interval at their Christmas panto

A direct sales consultant wants to hold a tombola during a face to face customer evening

With this type of lottery you cannot:

- X** sell tickets online
- X** sell tickets on social media
- X** sell tickets in advance of the event

EVENT LOTTERY (INCIDENTAL)

Restrictions which you must adhere to:

- You can only run this lottery to raise money for charity, not for private gain.
- If you are part of a direct sales business you can't sell items as part of the raffle, or game, as this would be for private gain.
- We recommend, where possible, asking for prizes to be donated. if you do purchase prizes costs claimed against the draw proceeds must not be more than £500.
- We advise not purchasing prizes from your own business, or direct sales business as this is for private gain.
- Must be held at a face to face event eg a fete, direct sales customer evening, a training event, a community event.
- You cannot raise funds, or sell tickets on social media or online.
- You can only sell tickets to people attending the event.
- You can only sell tickets on the same day of the event.
- You cannot sell tickets in advance of the event.
- We advise only selling tickets to people aged 16 and over.
- The lottery can't be the main reason for holding the event. It must take place alongside a one-off event.
- You must provide physical tickets to those taking part, for example using cloakroom tickets or printed tickets.
- The prize draw can be held either during your event or after but you must let participants know when the draw will take place.
- Gift Aid cannot be applied to the money raised from raffles as legally buying a ticket does not count as a donation.

We advise visiting the Gambling Commission website to read the guidance in full.



SMALL SOCIETY LOTTERY

A small society lottery has a top limit of £20,000 in ticket sales. This type of raffle allows you to sell tickets in advance and the draw can be advertised to the general public.

You must register your raffle with your local authority licensing department and this will involve a small annual fee.

There are however some restrictions which you must adhere to, see page 7.

EXAMPLE

A community group holding a raffle or prize draw to raise money for Children on the Edge, where they sell the tickets in advance of the draw.

With this type of lottery you **must**

- ✓ register first with your local authority and with Children on the Edge.
- ✓ have printed tickets following the restrictions on page 5.

SMALL SOCIETY LOTTERY

Restrictions which you must adhere to:

- Proceeds must be less than £20,000 for a single draw.
- You need to register your lottery with your local authority. You'll need to complete an application form and pay a registration fee to your local council. It can take up to 6 months to apply.
- You will need to pay a £20 renewal fee each year.
- You also need to register your raffle and your license details with Children on the Edge.
- Although you do not require a licence from the Gambling Commission you must still make sure your tickets adhere to the rules set by the Gambling Commission.
- You will need a person registered as the promoter, they are responsible for the lottery for following this guidance. You cannot register under the name of Children on the Edge.
- You must provide printed tickets showing the name of the person registered as the promoter, the name of local authority the lottery is licensed under, the ticket price, the name and address of the organiser and the date of the draw.
- You must provide a report to Children on the Edge and to your local authority; of your raffle income, prizes, costs and proceeds that will be donated to charity.
- You can only sell tickets to people aged 16 and over.
- Tickets must be sold at a consistent price. You cannot offer discounts eg "buy one get one free" or "£2 each and 3 for £5"
- 20% or more of the proceeds must go to Children on the Edge.

We advise following the guidance of your local authority and visiting the Gambling Commission website to read the guidance in full.



WORKPLACE LOTTERY

This type of raffle allows you to sell tickets in your place of work and in advance of the draw. You can either raise money for Children on the Edge or just do the lottery for fun.

There are however some restrictions which you must adhere to, see page 9.

EXAMPLE

A group of colleagues holding a sweepstake to raise money for Children on the Edge.

With this type of lottery you **cannot:**

- X** sell tickets online
- X** sell tickets on social media
- X** promote the lottery online

WORKPLACE LOTTERY

Restrictions which you must adhere to:

- You cannot make a profit, or private gain.
- If the lottery is not to raise money for a charity, proceeds have to be used for prizes.
- Everyone who is taking part in a work lottery must all work at the same physical location, such as an office, factory, school.
- A workplace lottery isn't suitable for a direct sales organisation, where people do not work at the same building or physical location.
- You cannot run a work lottery across multiple sites or across a business where people work remotely.
- You can only sell tickets face to face at the physical location of the workplace.
- You only sell physical tickets to colleagues when you're all at your place of work.
- You can't sell tickets online, via email or over the telephone.
- You must provide physical tickets to the people playing.
- Tickets must be sold at a consistent price. You cannot offer discounts eg "buy one get one free" or "£2 each and 3 for £5"
- Tickets are non-transferable, you can't pass the ticket on to someone else.

We advise visiting the [Gambling Commission](#) website to read the guidance in full.



CUSTOMER LOTTERY

This is a type of raffle where the tickets are sold to customers and the prizes are products from the business, or a voucher to use at the business.

This type of lottery cannot be used for fundraising for Children on the Edge or any charity.

Restrictions which you must adhere to:

- It is illegal to make a profit from customer lotteries.
- All of the money raised by ticket sales must be used to pay for prizes.
- Follow any other guidelines provided by your place of business or direct sales business.

EXAMPLES

A hairdressers wants to run a raffle for customers using the money to a buy a £50 voucher as a prize.

A direct sales consultant wants to run a sweepstake using the money raised to pay for prizes from their business to give away.



How about holding an incidental raffle with your customers at a face to face event instead?
See pages 3 and 4 for guidelines.



Lotteries are regulated under the Gambling Act 2005, except in Northern Ireland where they are regulated by the Betting, Gaming, Lotteries and Amusements Order 1985 and Lotteries Regulations.

A licence is generally required where tickets are sold throughout a geographical region, in advance of the draw and where proceeds from ticket sales exceed a prescribed amount. The legal and administration requirements of licensed lotteries are complex, so individuals and groups fundraising in aid of Children on the Edge are not able to organise their own large society lotteries.

GAMBLING COMMISSION

In addition to this guide please also refer the Gambling Commission website.

www.gamblingcommission.gov.uk

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