

Lottery Managers

External lottery managers are required to hold a lottery operator's licence issued by the Commission to manage any lottery, including small society lotteries registered with a licensing authority.

However, individuals or firms can and do provide services to a society or local authority lottery without assuming the role of an external lottery manager. When determining whether a third party is a "service provider" only, or has assumed the role of external lottery manager, the degree of management undertaken by both the promoter and the sub-contractor will be crucial factors. Key indicators will include:

- who decides how the lottery scheme will operate;
- who appoints and manages any sub contractors;
- the banking arrangements for handling the proceeds of the lottery;
- who controls the promotional aspects of the lottery; and
- who sells the tickets and pays the prizes.

Societies employing an unlicensed external lottery manager commit an offence, and they will need to satisfy themselves that any external lottery manager they employ holds a lottery operator's licence issued by the Commission. This can be achieved by consulting the publicly-accessible register of operating licences held on the Commission's website, at www.gamblingcommission.gov.uk. Licensing authorities should advise societies planning to use or already using an external lottery manager that they should do this, and may also wish to verify that it has been done.