

Can I hold a race night, casino night or poker night for charity?



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You should read all of the information before organising an event

A non-commercial race night is an event where participants stake money on the outcome of live, recorded or virtual races. A non-commercial casino night is an event where participants stake money on casino-style games, such as poker or roulette. The money raised from the event is called the proceeds.

Apart from reasonable costs, proceeds:

- **must not be used for private gain**
- **must all be given to a good cause** (including any entrance fees, sponsorship, the difference between stakes placed and payout made).

Reasonable costs would include costs reasonably incurred, for example by providing any prizes and for betting slips.

If third parties are selling goods or services at your event, for example if someone is selling refreshments, this does not count as money raised for the charity or good cause and can be retained by that third party.

Race nights

Race nights can be run for charitable purposes. However, in some circumstances, they can only be run by a licensed betting operator and after the premises owner has notified the local authority.

Broadly there are **three types** of race night. Type one and two can be organised for charitable purposes.

Type one: Non-commercial gaming

The selection of a 'horse' by a participant is totally dependent on chance, and no 'odds' or 'form' are available to assist selection.

An example would be the use of archive films of horseracing without revealing the details of each race.

Such nights can be run without a licence, or any other form of permission, providing the operation of the gaming falls into one of the three categories described below.



■ Incidental lottery

It is possible to operate a race night as an incidental lottery. The lottery is incidental to an event. The lottery must be promoted wholly for a purpose other than that of private gain, that is, the lottery can only be promoted for a charity or other good cause.

There are no limits on the amount that players may be charged to participate in an incidental lottery, but no more than £500 may be deducted from the proceeds of the lottery for the cost of prizes which may be in cash or in kind. There is no maximum value on **donated** prizes. No more than £100 may be deducted from the proceeds in respect of the expenses incurred in organising the lottery.

You can only sell tickets during and at the event. The results can be drawn at the event or after it has finished. It is recommended that you make it clear to participants when the result of the lottery will be decided.

The lottery cannot involve a rollover of prizes from one lottery to another.

An example of a 'race night' run as an incidental lottery is where a horse is picked at random for each paying customer who is then awarded a prize if the horse wins the race.



■ Non-commercial prize gaming

The players must be told what good cause will benefit from the profits of the gaming. The prizes must be advertised in advance and must not depend on the number of people playing or the stakes raised.

In non-commercial prize gaming, the 'race' determines the individual winner or winners, for example, those who have paid are allocated or select a named horse in the race. The winners are then awarded the prizes that had been advertised in advance.



■ Non-commercial equal chance gaming

Equal chance gaming, which also includes games such as poker or bingo, is gaming where the chances are equally favourable to all participants and players are not competing against a bank.

The maximum amount that a player may be charged is £8 per day (this includes entrance or participation fees, betting stakes and any other payments in relation to the gaming). Organisers must ensure that the total amount paid out in prizes remains below £600 in total across all players.

However, where an event is the final one of a series in which all of the players have previously taken part, a higher prize fund of up to £900 is allowed.

This could take place, for example, where each participant pays a fee for a randomly selected 'horse' in each 'race' and the participant with the winning horse or the person who selected the winning horse receives a prize commensurate with the stakes placed.



Type two: Occasional use notices

This type of race night relies on bets being taken by a licensed betting operator, including cases where odds and form are available to gamblers.

It can only be organised at sporting venues under an occasional use notice (OUN). It does not matter whether the sporting event on which the bets are taken is held at that venue. Also the sporting event on which the bets are taken does not need to be taking place at the same time as the betting under the OUN.

An OUN must be sent in writing to the relevant local authority in advance of the event and be copied to the chief officer of police for the area in which the venue is located (or, in Scotland, the chief constable of the police force for the area). OUNs may not be used for more than eight days in a calendar year in respect of any one venue.

The person administering the betting under an OUN must have a Gambling Commission operating licence (that is, must be a licensed bookmaker). For further information about betting under an OUN see **section 39** of the Gambling Act 2005.



Type three: Private gaming

Private gaming may only occur in a place to which the public does not have access (a private dwelling, hostel, hall of residence or similar establishment).

You should particularly note that it is a condition of private gaming that no charge is made for participation (and that includes an entrance fee or other charge for admission), nor may any amounts be deducted from stakes or prizes. A deduction from or levy on money staked or won by participants in gaming is a charge for participation in the gaming. It is irrelevant whether the charge is said to be voluntary or compulsory, particularly if customers are prevented from playing if they do not make the “voluntary” donation, or there is strong peer pressure to make the donation.

If you have any concerns about the legality of your event you should seek independent legal advice

You should also note that people joining a club to attend and take part in a “private” event are likely to still be regarded as members of the public, particularly if club membership is acquired only a short time before the event, and in order to attend the event. The courts will not readily allow “membership” status to be abused in order to circumvent the law in this way.

No profits can be made from private gaming, irrespective of how the organiser intended to use those profits even if intended for charitable purposes.

You can access the Gambling Act 2005 in full on www.legislation.gov.uk

Casino nights

A non-commercial casino night can be run without a licence, or any other form of permission, providing the operation of the gaming falls into one of the three types:



Type one: Non-commercial prize gaming

The players must be told what good cause will benefit from the profits of the gaming before placing a bet. The prizes must be advertised in advance and must not depend on the number of people playing or the stakes raised.

The casino gaming determines the individual winner or winners, for example by counting who has the most casino chips at a set time. The winners are then awarded the prizes that have been advertised in advance.

If you have any concerns about the legality of your event you should seek independent legal advice



Type two: Non-commercial equal chance gaming

Casino nights can be held as non-commercial equal chance gaming. Equal chance gaming includes games such as poker or bingo, where the chances are equally favourable to all participants and players are not competing against a bank.

In non-commercial equal chance gaming the charitable funds are usually raised through an entrance fee, participation fee, or through other payments related to the gaming. The maximum amount that a player may be charged is £8 per day (this includes entrance or participation fees, stakes and any other payments in relation to the gaming).

You must ensure the total amount paid out in prizes remains below £600 in total across all players. However, where an event is the final one of a series in which all of the players have taken part in another event of the series held on a previous day, a higher prize fund of up to £900 is allowed.

If you have any concerns about the legality of your event you should seek independent legal advice



Type three: Private gaming

Private gaming may only occur in a place to which the public does not have access (a private dwelling, hostel, hall of residence or similar establishment).

You should particularly note that it is a condition of private gaming that no charge is made for participation (and that includes an entrance fee or other charge for admission), nor may any amounts be deducted from stakes or prizes.

A deduction from or levy on money staked or won by participants in gaming is a charge for participation in the gaming. It is irrelevant whether the charge is said to be voluntary or compulsory, particularly if customers are prevented from playing if they do not make the “voluntary” donation, or there is strong peer pressure to make the donation.

You should also note that people joining a club to attend and take part in a “private” event are likely to still be regarded as members of the public, particularly if “club membership” is acquired only a short time before the event, and in order to attend the event. The courts will not readily allow “membership” status to be abused in order to circumvent the law in this way.

No profits can be made from private gaming, irrespective of how the organiser intended to use those profits **even if intended for charitable purposes**.



Poker nights

Poker is equal chance gaming. You do not need a licence, permit or any other form of permission to run a non-commercial equal-chance gaming night (for example, a poker night organised to raise money for charity), as long as you comply with the statutory conditions, including any limits on participation fees, and stakes and prizes.

The players must be told what good cause is to benefit from the profits of the gaming.

Poker nights

Stakes and prizes

No matter how many games you run or a participant expects to play in, they must not make more than one payment (whether as an admission or participation fee, stake or other charge, or a combination of those charges), and this payment must not exceed £8 (per person).

The total amount or value of prizes for all the games played at your event must not exceed £600. If you are running more than one event on the same premises and on the same day, you must still comply with the £8 participation fee and £600 total prize limit.

If you are running a series of events held on separate days, the limits of £8 and £600 apply separately to each event. In the final event of a series, where people have qualified by playing at previous events in the series, the total amount or value of prizes for all the games played at the final event can be up to £900.

Money's worth

Please be aware that for stakes and prizes, the maximum values include both money and money's worth.

Money's worth is the fair or full equivalent of the money that is paid and includes: payment in-kind, vouchers, goods, donated items, goody-bags, buy-ins at other poker tournaments, or other items which have a value.

You may also find it helpful to read our quick guide to poker in pubs which is available on our website

keeping gambling fair and safe for all

www.gamblingcommission.gov.uk

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