

## **CABINET – 18TH JANUARY 2018**

### **Report of the Overview Scrutiny Group**

#### **ITEM 7                      DEVELOPMENT OF CHARNWOOD LOTTERY**

##### Purpose of Report

To consider the comments and recommendations of the Overview Scrutiny Group in relation to the agreement for the establishment of a local authority lottery for Charnwood to support the local voluntary and community sector.

##### Recommendations of the Overview Scrutiny Group

1. that an addition be made to recommendation 5 to include the wording that the criteria used for the inclusion of good causes would be in line with the criteria used by the Grants Panel to assess funding applications.
2. that an additional recommendation be made for a review of the scheme after the first year.
3. that the Cabinet be informed that the Group supports the recommendations as set out in the report of the Head of Neighbourhood Services.

##### Reason

1. To make clear that the same robust process was being used for the lottery as the existing Grants scheme.
2. To ensure that a formal review is carried out to measure the success of the scheme and its viability for the future.
3. Having considered the report and asked questions of the Head of Neighbourhood Services and the Neighbourhoods and Partnerships Manager on the matter, the Group concluded that it would be appropriate for the Cabinet to approve the recommendation set out in the report.

##### Meeting Discussion

Following questions from the Group, the Head of Neighbourhood Services and the Neighbourhoods and Partnerships Manager provided the following responses:

- (i) There was concern over the gambling element of the lottery and the potential for members of the public to become addicted to buying tickets and taking part. The Group was assured that individual accounts would be monitored and this lottery was considered low risk due to the minimal amount of money to be won and the lack of instant gratification. The scheme was also accredited by the gambling association and support would be clearly advertised on the web pages should people need it.

- (ii) The lottery was confirmed as being online although people could sign up and purchase tickets over the phone. There was a minimum sign up of a few weeks but no set amount of tickets applicants needed to purchase.
- (iii) The potential loss of interest in the lottery over time was raised by the Group along with the concern that charities would depend on the money as a reliable stream of income for it then to be lost. The information from Gatherwell, the external provider was that the lottery worked well with the support of the local organisations and the proactive marketing of the lottery. It would also be made clear to organisations that any money received from the lottery was additional to their regular income and should not be relied upon.
- (iv) Aylesberry Vale Council was cited as the example of how the lottery would work. The Group was advised that they were selling an average of 2500 tickets a week and generating an addition of £76,000 per annum for local organisations.
- (v) The Group was provided with a breakdown of how the ticket sales would be split and noted that 10% of the ticket sale would be allocated to the central fund operated by the Council. At the date of the meeting it was unclear how that income would be utilised. To facilitate transparency the Group suggested that it made clear to individuals purchasing tickets that 10% of the ticket sale would be allocated to the central fund operated by the Council.

\*since the minutes were published the Chair wished to make an addition in relation to the breakdown of ticket sales, to make the point clear for Cabinet. As follows: the breakdown of the ticket sale was based on 50% going to the applicant's chosen organisations and 10% allocated to the central fund operated by the Council. However if the applicant did not make their own choices the 50% of the sale would go into the central fund along with the 10% already allocated making a total of 60% to be used by the Council.

### Policy Justification and Previous Decisions

Scrutiny Committee Procedure 11.12 sets out the procedure by which a report of a scrutiny committee should be considered by the Cabinet.

### Implementation Timetable including Future Decisions and Scrutiny

The information on this in the Cabinet report is not affected by the recommendation of the Overview Scrutiny Group.

### Report Implications

The following implications have been identified for this report.

#### *Financial Implications*

There are no further financial implications associated with the recommendation of the Overview Scrutiny Group.

*Risk Management*

There are no specific risks associated with the recommendation of the Overview Scrutiny Group.

Key Decision: Yes

Background Paper: Overview Scrutiny Group Minute 68 2017/18,  
15th January 2018

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