

**RUSHMOOR GOOD CAUSES LOTTERY**

**1. PURPOSE**

- 1.1 This report seeks approval in principle to the establishment of a local good causes lottery.

**2. BACKGROUND**

- 2.1 Aylesbury Vale District Council launched the first online local authority lottery (Vale Lottery) in November 2015, operating on the principle of raising money within the community for the community and empowering local good causes to raise funds. This initiative has received considerable publicity and is currently well established.
- 2.2 Aylesbury Vale work with an External Lottery Manager (ELM) to provide the infrastructure to enable local good causes to benefit directly from the proceeds of the lottery.
- 2.3 Vale Lottery has over 100 causes signed up to its lottery and is already raising over £60,000 per year for good causes.

**3. BENEFITS**

- 3.1 The provision of a local lottery supports the Council's voluntary and community sector whilst moving the Council away from being a direct funding provider to the role of enabler.
- 3.2 The voluntary and community sector are able to access lottery funding that is designed for them and at no cost to them. It provides a mechanism for them to raise funds whilst maintaining their relationship with their supporters.

**4. POTENTIAL DELIVERY MODEL**

- 4.1 It is proposed to develop a scheme similar in nature to that of the Vale Lottery as illustrated below:
- Tickets are purchased for £1 (per week) and each ticket has a 1 in 50 chance to win
  - Prizes are likely to be in the range of free tickets for matching 2 out of 6 numbers to a maximum prize of £20,000 for matching all 6 numbers
  - Draws are every Saturday with results posted live online
  - Players sign up online and payment is via Direct Debit or payment card (taken either on a monthly recurring plan or a 3 / 6 / 12 month one-off payment)
  - Players can purchase multiple tickets for multiple good causes

- Winning players are notified via email and receive prize money directly into their nominated account or can donate their prize to a nominated good cause
- Good causes are paid their income automatically on a monthly basis

4.2 60% of all ticket sales go to the good causes (of which, 50% goes to the individual cause/s nominated by the purchaser and 10% goes to a central fund supporting many causes).

20% of all ticket sales go into the prize fund .

20% (inclusive of VAT) goes to the ELM for the running costs of the lottery including all banking and transaction fees, running the website, player support and marketing.

4.3 The participating good causes promote the lottery to their supporters (with the assistance of the ELM) and so directly benefit from the level of time and resource they choose to put into the scheme. They will each have a dedicated webpage promoting their cause and players can choose to nominate which good cause/s they wish to support.

4.4 The Council's role is to launch and promote the lottery to the good causes who may wish to sign up, to apply for a Local Authority Lottery Licence from the Gambling Commission and to authorise monthly payments to the good causes and quarterly return forms.

4.5 In addition, the Council will need to define eligibility criteria for good causes wishing to join the lottery and approve applicants based on these criteria. It is recommended that Borough Services Policy and Review Panel in conjunction with the Portfolio Holder for Concessions and Community Support be requested to oversee the development of eligibility criteria, for subsequent consideration by Cabinet.

4.6 The points set out in paragraphs 4.1 to 4.5 are typical features of a local lottery as in the Aylesbury Vale model but other ELM's may offer variants.

## **5 FINANCIAL IMPLICATIONS**

5.1 As the running costs of the ELM are to be met from a proportion of the ticket sales, there is no on-going financial commitment for the Council in terms of running the lottery itself. However, there will be some staff time involved in the authorisation of payments, the completion of quarterly returns, applying for and maintaining the lottery licence and approving new applications from local good causes. It is believed that this can be contained within existing resources.

5.2 There is a small annual cost for the licence (around £1,000) and some marketing costs may be incurred for the launch. Once full details are known these will be agreed in consultation with the Cabinet Member for Concessions and Community Support.

## **6 CONCLUSIONS**

- 6.1 The establishment of a local good causes lottery enables a new, participative way of working with our local voluntary and community sector, allowing the Council to move to an enabling role while providing the infrastructure for local causes to raise funds in a way that might otherwise be cost-prohibitive or not of sufficient scale for them to do alone.
- 6.2 Funds can be raised for specific good causes, giving the community a direct connection to supporting the causes of its choice. In addition, a central fund is built up to benefit a wide range of causes.
- 6.3 The administrative draw on the Council can be kept to a minimum via use of an ELM meaning that scarce resource is not expended in the on-going management of the lottery.

## **7 RECOMMENDATIONS**

It is recommended that Cabinet;

- (a) Approve the principle of establishing a Rushmoor Good Causes Lottery and authorise the Corporate Director, in consultation with the Cabinet Member for Concessions and Community Support, to finalise the details of the scheme
- (b) Request that the Borough Services Policy and Review Panel in consultation with the Portfolio Holder for Concessions and Community Support oversee the development of eligibility criteria for the good causes wishing to apply to join the scheme
- (c) Approve the commencement of the procurement process to secure an External Lottery Manager and to award the contract based on the procurement criteria specified in the tender process

**IAN HARRISON**  
**CORPORATE DIRECTOR**