

Community Lottery – Results of the Consultation with the Community and Voluntary Sector



Councillor Ashley Yeates, Cabinet Member for Regulatory Services, Housing & Wellbeing

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**Community Housing
& Health (Overview
& Scrutiny
Committee)**

Key Decision? YES
Local Ward All
Members

1. Executive Summary

1.1 This report provides the information from the consultation undertaken with the Community and Voluntary Sector and any other interested party about the potential formation of a Community Lottery.

2. Recommendations

- 2.1 That Members consider and comment on the consultation responses.
- 2.2 That Members recommend that Cabinet approve the establishment of a local lottery scheme.

3. Background

- 3.1 At the September meeting of this Committee a report was considered on the potential formation of a Community Lottery.¹
- 3.2 The Committee decided “that it would need to consider the results of the consultation with the local community and voluntary sector before being able to fully endorse the idea”.²
- 3.3 Consultation has been carried out by the means of a survey and the report is included in (Appendix A). Comments from organisations have been anonymized. The headlines from the responses are:
 - Only 28% of respondents said they wouldn’t or were unlikely to sign up.
 - Of those organisations that wouldn’t or were unlikely to sign up one of the reasons was that they were already signed up to or ran a lottery.
 - Others had a moral/religious objection to using a lottery for funding good causes.
 - Several organisations felt it would have a positive impact and particularly liked that it would support local organisations and groups.
 - One respondent commented that the running costs of the proposed lottery exceeded the industry standard. The proposed lottery will return 60% of the proceeds to good causes which significantly exceeds the legal minimum of 20 %. Early research into this comment indicates that the levels referred to are typical for a small society lottery which has smaller prizes and is not a like for like comparison.

Any procurement process for a partner external lottery manager will seek to ensure value for money and the best return to good causes.

- 3.4 Support Staffordshire circulated the survey to all its members in this District and encouraged them to respond and we sent it to all Community and Voluntary organisations we had contact details for, it was also available to all on the website and was promoted through the Council’s Social Media platforms.
- 3.5 Presentations were also made to the Lichfield and District VCSE Locality Forum and We Love Lichfield Board to promote the consultation.

Alternative Options	<ul style="list-style-type: none"> • A local lottery is not set up.
Consultation	<ul style="list-style-type: none"> • The Community and Voluntary sector has been consulted as detailed in the report and any other interested party has had the opportunity to respond via the website.
Financial Implications	<ul style="list-style-type: none"> • There are no financial implications from the consultation process.
Contribution to the Delivery of the Strategic Plan	<ul style="list-style-type: none"> • Funding of the local Community and Voluntary Sector supports the strategic priorities of: • Vibrant and Prosperous Communities by supporting our residents the local economy, jobs and training. • Healthy and Safe Communities by helping people to be active and continue to live independently and be involved in volunteering. • Clean, Green, Welcoming places to live by supporting organisations that encourage and support volunteers who contribute towards protecting our heritage and looking after green spaces.
Equality, Diversity and Human Rights Implications	<ul style="list-style-type: none"> • Voluntary and community groups provide support to a range of groups and in particular children, older people and people with disabilities.
Crime & Safety Issues	<ul style="list-style-type: none"> • A number of the organisations currently supported contribute towards community safety including supporting victims and witnesses of domestic abuse and support for victims of anti-social behaviour.
GDPR/Privacy Impact Assessment	<ul style="list-style-type: none"> • No implications identified.
Health & Wellbeing Implications	<ul style="list-style-type: none"> • There is a risk that a lottery could contribute to problem gambling and negatively impact upon an individual’s and their families Health and wellbeing. Lotteries are the most common type of gambling activity across the world, and considered to be a ‘low risk’ form with respect to the emergence of problem gambling. This is due to its relatively controlled form. Any Lottery will need to help mitigate against many of the issues related to addictive gambling by <ul style="list-style-type: none"> • Being only playable via by pre-arranged sign up and non-cash methods • No ‘instant’ gratification or ‘instant reward’ to taking part • Be fully compliant with the Gambling Commissions licensing code of practise, which includes self-exclusion and links with support organisations.

Due to these factors it is reasonable to believe that this type of Lottery will not significantly increase problem gambling and that the benefits to those organisations which positively impact upon Health and wellbeing in the District from the proceeds of such a lottery, outweigh the possible negative issues.

	Risk Description	How We Manage It	Severity of Risk (RYG)
A	Information from other LA's performance is limited in terms of both the numbers running these schemes and the length of time they have been operated and their local operating conditions. Limited data is available on associated staffing costs is available so inadequate resources may have been allocated. Therefore, any financial forecasts based on this data carry risk.	Annual review of performance.	Yellow
B	That the scheme does not attract sufficient ticket purchases per week to make the scheme viable. Increasing the percentage of funds available to distribute will increase the likelihood of this. If the scheme becomes unviable then it can be ceased and the Council would not reapply for its licence; the council will also have incurred financial risk in set up costs.	Ongoing review of performance.	Green
C	The Community and Voluntary Sector don't widely support the Lottery which would result in it being unsuccessful as the proposed model relies on ticket sales being largely driven by the sector.	Engagement and consultation with the sector has indicated that a lottery would be supported but the sample size is small. This risk would be reduced by using the services of an experienced local authority to promote the scheme to the good causes and design the marketing strategy.	Yellow
D	Reputational, in that the scheme is seen to encourage gambling (see paragraph 3.18).	The design of the scheme and ongoing review will mitigate this risk.	Green
E	Some organisations that deliver the Council's priorities are not successful through the Lottery model	The Council will be able to distribute unspecified purchases, the percentage that goes into the central pot and its own funding to mitigate this.	Yellow
F	Has a negative impact on the fundraising activities of other good causes in the District.	Ongoing engagement with the Community and Voluntary Sector as part of its performance review, the consultation to date has not raised this as a concern.	Green

Background documents; Review Scope and funding agreements

1. <https://democracy.lichfielddc.gov.uk/documents/g189/Public%20reports%20pack%2012th-Sep-2018%2018.00%20Community%20Housing%20and%20Health%20Overview%20and%20Scrutiny%20Commi.pdf?T=10>
2. <https://democracy.lichfielddc.gov.uk/documents/s4383/Item%208%20-%20Minutes%20-%2012%20September%202018%20Draft-GD%20LR%20DB.pdf>