

<b>Policy and Resources Committee Meeting</b>	
<b>Meeting Date</b>	15 <sup>th</sup> July 2024
<b>Report Title</b>	Funding for Local Authority Good Causes Lottery
<b>EMT Lead</b>	Emma Wiggins, Director of Regeneration and Neighbourhoods
<b>Head of Service</b>	Charlotte Hudson, Head of Housing and Communities
<b>Lead Officer</b>	Stephanie Curtis, Community Services Manager
<b>Classification</b>	<b>Open</b>
<b>Recommendations</b>	1. For Members to agree to fund the Good Causes Community Lottery from General Reserves

## **1 Purpose of Report and Executive Summary**

- 1.1 This report asks the Policy and Resources Committee to agree to fund the Good Causes Community Lottery from General Reserves.

## **2 Background**

- 2.1 Local authorities have been able to set up community lotteries since legislation was passed in 2007. There are currently 68 local authorities licensed to run lotteries by the Gambling Commission and regulated under the Gambling Act 2005. It works by enabling good causes to help themselves with the local authority facilitating this by holding the operating licence in an umbrella manner.
- 2.2 Although the Council provides financial support to the voluntary sector in Swale, increasing budget pressures are making this difficult. A community lottery model has the potential to enhance and extend the Council's support, benefiting more local causes and residents. It extends the Council's support because a wider range of groups will be eligible to participate in the community lottery than are supported through the current funding structures. In addition, the community lottery model makes the Council the facilitator instead of the provider.
- 2.3 An External Lottery Manager (ELM) would be appointed to run the good causes lottery. Once the lottery has been established, ticket sales would cover the ongoing costs for the ELM. There would be some ongoing officer resource required, but this can be met by existing resources within the Communities team. However, there is a funding requirement for the set-up of the project – this would be the first year's costs for the Elm and additional temporary officer resource. These costs are estimated to be £10,800. Consideration has been given as to whether the set-up of the scheme could be managed within the communities' team without additional temporary resource, but other work streams would need to be deprioritised.

- 2.4 There is no existing budget currently identified for the set-up of this project and would therefore fall outside of the budgetary framework.
- 2.5 This proposal was discussed by the Communities Committee at their meeting on the 6<sup>th</sup> September 2023, where it was agreed that a Local Authority Good Causes Lottery be set-up. However, as the set-up costs for the project would fall outside of the existing budgetary framework, a recommendation was made to Policy and Resources Committee to agree how it could be funded. It was discussed by Policy and Resources Committee in October 23, however the recommendations within the report were not agreed.
- 2.6 As six months has now passed since the previous Committee discussion on funding for this project, the Chair of the Communities and Leisure Committee has asked that it is revisited, given that the Committee previously agreed it should be set-up and that it is included within the Corporate Plan.
- 2.7 There were underspends at year end within the Communities service, which have now been returned to General Reserves which it is felt could be allocated to this project.

### **3 Proposals**

- 3.1 For Members to agree to fund the Good Causes Community Lottery from General Reserves.

### **4 Alternative Options**

- 4.1 To not provide funding – This option is not recommended as a agreement was made by the Communities Committee at their meeting on the 6<sup>th</sup> September to progress this project and it is part of the current Corporate Plan.

### **5 Consultation Undertaken or Proposed**

- 5.1 No consultation is currently proposed.

### **6 Implications**

<b>Issue</b>	<b>Implications</b>
Corporate Plan	The delivery of this project is directly linked to the Community Priority: To support local groups and organisations in Swale through the delivery of the member grants programme and review the funding mechanism of a community lottery scheme
Financial, Resource and Property	There are set-up costs required for this project that cannot be met within existing budgets – this includes the year 1 operating costs for the External Lottery Management (ELM) company which are £5,800. Further year costs should be recovered from ticket sales.

	<p>There are resource implications for staffing the setup of the scheme which are to an extent unknown. Officers feel the resource requirement to implement this would be 1 day a week for 6 months – it is estimated that this would cost £5000. Once the scheme is set-up, the ongoing management would be covered by existing staff resource.</p> <p>Funding this project would falls outside the budgetary framework as there is no specific budget or reserve is identified. As such, a decision on how this project can be funded is required from the Policy and Resources Committee.</p>
Legal, Statutory and Procurement	<p>Two responsible Officers will need to be appointed to hold the licence and submit the necessary Remote Society Operating Licence application to the Gambling Commission.</p> <p>The contract between the Council and the ELM will have contractual liabilities. It is understood that the ELMs use standard terms and conditions for their services and it is known that other local authorities have found them acceptable. The Council will ensure that its Legal Department are fully involved in the appointment and contract negotiation process to ensure that all contractual liabilities taken on are acceptable.</p>
Crime and Disorder	None identified at this stage
Environment and Climate/Ecological Emergency	None identified at this stage
Health and Wellbeing	None identified at this stage
Safeguarding of Children, Young People and Vulnerable Adults	<p>The contract to be agreed with the ELM will cover statutory obligations, including Child Safety, Equalities and Safeguarding policies. It will also encompass the issue of gambling responsibly. In addition, the Council will share information about gambling responsibly and this risk will be monitored by the Safeguarding Officer.</p>
Risk Management and Health and Safety	<p>The contract to be agreed with the ELM will include a requirement on them to maintain an up-to-date risk assessment relating to the provision of the service and make this available to the Council.</p> <p>This is a potentially low-risk scheme, which requires low investment, to cover officer time and external implementation support, initial licence fees and annual licence fees.</p> <p>The contract with the ELM would include provision to terminate with 3 months' notice if tickets sales are not projected to be high enough to cover the Council's year 2 and onward costs.</p> <p>However, this risk would only be low if the lottery is run in partnership with an ELM; if it was to be run in house, the</p>

	risks in terms of investment could be extremely high.
Equality and Diversity	An Equalities Impact Assessment will be carried out at the start of the set-up of the project.
Privacy and Data Protection	None identified at this stage

## 7 Appendices

None

## 8 Background Papers

Communities Committee 6<sup>th</sup> September 2023

<https://services.swale.gov.uk/meetings/ieListDocuments.aspx?CId=355&MId=3963&Ver=4>

Policy and Resources Committee 18<sup>th</sup> October 2023 -

<https://services.swale.gov.uk/meetings/ieListDocuments.aspx?CId=353&MId=3985&Ver=4>