

HOMES & COMMUNITIES COMMITTEE

22 NOVEMBER 2021

NEWARK AND SHERWOOD COMMUNITY LOTTERY ALLOCATION OF FUNDING FROM INCOME GENERATION PROPOSAL

1.0 Purpose of Report

1.1 To provide Committee with an update on the progress of Newark and Sherwood Community Lottery since its launch in May 2021 and to secure approval for the process of spend for income generated through both the lottery 'Central Fund' and 'Operator Fund'.

2.0 Background Information

2.1 Newark and Sherwood Community Lottery launched in May 2021, with 26 draws to date. There are currently 54 Good Causes within the District signed up to the lottery, meeting the annual target of 50 within 3 months of its launch date. A range of 'Good Causes' are benefiting from the lottery including charities, sports clubs, community and youth groups and other non-for profit organisations, with the most successful receiving over £170 worth of funds a month. Case studies and positive feedback from registered 'Good Causes' can be found in Appendix A.

2.2 At present, the lottery is forecast to generate approx. £22,600 each year, with a full breakdown of finances available in Appendix B. The team is aiming to increase this forecast as further awareness is created through both a targeted marketing plan and positive word of mouth.

2.3 Players can choose for 50p of their £1 ticket to be donated to either a specific 'Good Cause' registered with the lottery or for it to go towards the 'Central Fund'. As referenced in Appendix B, the annual income generated through the lottery into the 'Central Fund' is estimated to be approx. £3500. In addition, 10p from every £1 ticket contributes towards the Operator Fund, where annual totals are estimated to be approx. £3600.

3.0 Proposals

3.1 The first key proposal is that the total income generated through the 'Central Fund' is used to establish a 'lottery within a lottery', whereby funds are distributed to registered 'Good Causes' through a 6 monthly raffle style draw. It is suggested that one-off awards of £500 are granted to successful groups, with the amount of awards available at each draw dependant on the total income generated into the 'Central Fund'. For example, if a total of £1500 is generated in 6 months, 3 awards of £500 will be available in that particular raffle.

3.2 To ensure both a transparent and fair raffle process is established, it is proposed that the draw is filmed or takes place via an appropriate streaming platform such as Facebook Live. Successful 'Good Causes' would also become exempt from the following round of awards, but reintroduced into the process afterwards. Likewise, whilst there would be flexibility in how the awards are spent, it is expected that 'Good Causes' are able to demonstrate how their award contributes towards the achievement of the Council's Community Plan objectives.

3.3 The second key proposal is that the income generated through the 'Operator Fund' is used as anticipated to cover operational costs associated with the delivery and maintenance of the lottery. This includes the annual renewal of both the Gambling Commission Licence and Lotteries Council Membership, as well as marketing costs, totalling up to approximately £1000PA. With an estimated £3600 generated annually through the 'Operator Fund', it is proposed that the remaining funds (approx. £2600) contribute towards the raffle draw in addition to the 'Central Fund' income, as outlined above in 3.2.

4.0 Equalities Implications

4.1 There are no negative equality implications associated with this proposal and the distribution of the Council's share of lottery proceeds will directly benefit those organisations that have registered with the lottery and contributed to its success by promoting it to its supporters.

5.0 Digital Implications

5.1 There are no significant digital implications in respect of this report. It can be noted that the majority of ticket sales and promotion of the lottery is online, however, players do have the option to purchase tickets over the phone, should they wish to do so. Likewise, the proposed raffle draw is expected to be streamed online but can be publicised by our Communications team in additional formats if necessary, and to ensure accessibility for all.

6.0 Financial Implications – FIN21-22/7115

6.1 There are no additional financial implications as a result of this report.

7.0 Community Plan – Alignment to Objectives

7.1 The Newark and Sherwood Community Lottery has already started to generate much needed revenue for over 50 'Good Causes' and the proposals in the report will ensure that the Council maximises the value of the lottery to deliver further benefits to the registered organisations and thereby making a positive contribution to the Council's Community Plan 2020 – 2023 objectives primarily 'create vibrant and self-sufficient communities where residents look out for each other and actively contribute to their local area' and 'improve health and wellbeing of local residents'.

8.0 RECOMMENDATION(S):

8.1 **It is recommended that Committee approve:**

- a) **The proposed method and process of spend for income generated through Newark and Sherwood Community Lottery 'Central Fund' (3.1 and 3.2), and the 'Operator Fund' (3.3).**
- b) **That the process for spending income generated through both the 'Central Fund' and 'Operator Fund' is reviewed on an annual basis, with the flexibility to adapt and modify the process if required, subject to Member approval as part of the annual report.**

Reason for Recommendation(s)

To ensure that the distribution of the Newark and Sherwood Community Lottery receipts are deemed to appropriate and make a positive difference to the community and support the Council's Community Plan objectives wherever possible.

Background Papers

Nil.

For further information please contact Andy Hardy on Ext 5708

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Appendix A - Feedback from Good Causes

<u>Good Cause</u>	<u>Comments</u>
Newark Foodbank	<p>The Community Lottery has been a very useful additional income stream for the Foodbank. While it cannot provide all the financing required by the Foodbank, it helps us diversify our income sources. On present performance the Lottery is likely to raise over £700 for the Foodbank. Coupled with the added benefit that 50 % of the lottery ticket price goes to local good causes, the Community Lottery provides an opportunity for those who may not be able to contribute in other ways, such as volunteering personally, to still play a role and feel engaged in the local community.</p> <p>The Community Lottery plays a significant part in the District's role of engaging and facilitating participation in community programs leading to better health and well-being.</p>
Bilsthorpe Heritage Museum	<p>We have a few supporters who have won prizes and received more than we expected from the lottery, which has helped us in these difficult times, providing an income that we would have previously relied on coffee mornings and visitors for.</p>
North Muskham Village	<p>The community, including the players will benefit from the lottery funds plus we will give a "gift" or a free buffet to the players at the village fayre or other community event. Most if not all the players I suggest play the lottery not because of the win potential but to put something back to the community with the added bonus of potentially winning.</p>

Appendix B - Overview of Lottery Finances

<u>Accounting Period</u>	<u>Operator Income (10p)</u>	<u>Central Fund Income (50p)</u>	<u>Good Cause Income (50p)</u>
May 2021	£117.90	£136.00	£453.50
June 2021	£311.20	£313.50	£1242.50
July 2021	£323.80	£297.50	£1331.50
August 2021	£408.00	£381.50	£2,299.50
September 2021	£333.10	£331.50	£1334.00
Annual Forecast	£3600.00 (current average x 12)	£3500.00 (current average x 12)	£15,500.00