

# **EXECUTIVE COMMITTEE**

**5<sup>th</sup> February 2019**

## **POLICIES FOR REDITCH COMMUNITY LOTTERY SCHEME**

Relevant Portfolio Holder	Councillor Tom Baker-Price, Portfolio Holder for Corporate Management
Portfolio Holder Consulted	Yes
Relevant Head of Service	Judith Willis, Head of Community Services
Wards Affected	All
Ward Councillor Consulted	N/A
Key Decision	

### **1. SUMMARY OF PROPOSALS**

- 1.1 Members are requested to approve the Business Plan and suite of policies to enable the implementation of the recently approved Redditch Community Lottery Scheme.

### **2. RECOMMENDATIONS**

**The Executive Committee is requested to RESOLVE that**

- 1) The attached Business Plan and suite of Policies found in Appendix 1 - 6 of this report be approved, and implemented for the Redditch Community Lottery Scheme.**
- 2) The Head of Community Services in consultation with the relevant Portfolio Holder be granted delegated authority to adapt the policies as and when required to ensure ongoing compliance with the rules and regulations set by the Gambling Commission as per our lottery licence.**

### **3. KEY ISSUES**

#### **Background**

- 3.1 On 5<sup>th</sup> September 2018, the Executive Committee approved the establishment of a local lottery. As part of its commercialism programme, Redditch Borough Council continues to explore how it can deliver better services and outcomes for residents whilst addressing the continued reductions and pressure on budgets.
- 3.2 The original business case illustrated how developing a Community Lottery for Redditch, could contribute to meeting pressures on discretionary funding to local good causes.
- 3.3 To establish and implement the Redditch Community Lottery, it is necessary to produce an overarching Business Plan and a suite of

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supporting policy documents to ensure the effective running of the lottery, support and safeguarding for lottery players and to meet the requirements of the Gambling Commission to acquire the necessary lottery licence.

- 3.4 A new Business Plan and suite of policy documents have therefore been produced to set out the overarching parameters that the scheme will work within and can be found Appendix 1 - 6.

**Financial Implications**

- 3.5 As listed in the original Business Case (approved by the Executive Committee on 5<sup>th</sup> September 2018), the initial set up cost was £10k. The ongoing costs for the licence renewal, marketing and staff costs are estimated at £2,500 per annum and is expected to be largely met through the 10% share of ticket sales set aside for the Council.

- 3.6 Redditch Borough Council currently makes an annual allocation for grant funding for voluntary community sector, not for profit organisations. Applying this successful lottery model has the potential to keep the benefits enjoyed from this system of discretionary funding and could reduce the Council's costs to provide them.

**Legal Implications**

- 3.7 The Council will be required to apply to the Gambling Commission for an Operator Licence which will govern the operation of the lottery.
- 3.8 Appropriate delegated authority will need to be in place to allow changes to be made to the lottery policies (as and when required) to ensure compliance with the rules and regulations of the Gambling Commission as licence holders for the Redditch Community Lottery.
- 3.9 An external lottery manager, ("ELM") will be appointed through a procurement exercise.
- 3.10 The relationship between the Council and the ELM will be formalised through a contract, the main obligation being on the ELM to deliver the lottery online.

**Customer / Equalities Implications**

- 3.11 As part of the original Business Case, an Equality Impact Assessment for the Redditch Community Lottery was carried out and submitted as part of the report.

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## **4. RISK MANAGEMENT**

- 4.1 The suite of policies submitted for approval with this report are there to support the Council as licence holders, deliver the Redditch Community Lottery as effectively as possible and in accordance to the rules and regulations set by the Gambling Commission.
- 4.2 The policies will also allow the Council to ensure that there are sufficient safeguarding measures in place for all players of the lottery, particularly the most vulnerable residents with the borough and more widely.
- 4.3 All funds are managed on behalf of the Council by the ELM and the jackpot prize is always an insured sum. There is no rollover and if there is more than one winner they all win the £25k.
- 4.4 For the ongoing costs of the Annual Licence Fee and Annual Lotteries Council Membership (approximately £1,000) to be met through the 10% share of ticket sales set aside for the Council, a total of 10,000 tickets must be sold each year otherwise there will be a small annual cost to the Council.
- 4.5 The operational risk essentially lies in people not choosing to buy tickets. Should the Redditch Community Lottery fail to achieve the volume of tickets sales predicted, the project will not be able to achieve its aim to bring in additional funding to support the wider VCS Grants Programme.
- 4.6 Should the Redditch Community Lottery fail to become established and achieve its aims and objectives, the Council would be able to consider its option not to renew its licence, and close the scheme down. This may be a risk to the reputation of Redditch Borough Council and may result in the Council losing its initial set up costs for the project.

## **5. APPENDICES**

Appendix 1: The Redditch Community Lottery Business Plan.

Appendix 2: Implementation of Procedures Policy.

Appendix 3: Social Responsibility in Gambling Policy.

Appendix 4: Children and Vulnerable Persons Protection Policy.

Appendix 5: Protection from Source of Crime and Disorder Policy.

Appendix 6: Fair and Open Gambling Policy.

## **6. BACKGROUND PAPERS**

- Executive Report and Business Case, 05.09.18, Redditch Local Lottery.

**REDDITCH BOROUGH COUNCIL**

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