

Overview and Scrutiny Committee

8th July 2021

The Redditch Community Lottery

1. Introduction and Background

- 1.1. In September 2018, the Executive Committee approved the establishment of a local lottery. As part of its commercialism programme, Redditch Borough Council looked at how it could deliver better services and outcomes for residents whilst addressing the continued reductions and pressure on budgets. The lottery was an idea formed through this programme.
- 1.2. Redditch Borough Council currently makes an annual allocation for grant funding for voluntary community sector organisations. Applying this lottery model has the potential to keep the benefits enjoyed from this system of discretionary funding and should also reduce the Council's costs to provide them.
- 1.3. Redditch Community Lottery delivers benefits to local Good Causes. Any group or organisations matching the agreed criteria can apply to join.
- 1.4. Redditch Community Lottery has an overarching Business Plan and a suite of 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.
- 1.5. The Council also has a contract in place with its External Lottery Manager (ELM), Gatherwell Ltd. who delivers the online lottery on the Council's behalf.
- 1.6. Progress reports for the Redditch Community Lottery were presented to the Overview and Scrutiny Committee in July 2020 and January 2021 by the Redditch Partnership and VCS Grants Manager. The Overview and Scrutiny Committee requested a further update report to follow 6 months later – this report forms the basis of the update to the Committee.

2. Timeline of activity

- 2.1. The table below shows a brief timeline of activity for the development and implementation of the Redditch Community Lottery.

05.09.18	The Executive Committee approved the establishment of a local lottery.
05.02.19	The Executive Committee approved the required Redditch Community Lottery Business Plan and associated Policies.
20.09.19	The Gambling Commission Licence was awarded to the Redditch Borough Council.
12.11.19	The 'Good Causes' Launch Event took place at the Redditch Town Hall.
17.12.19	Tickets went on sale for the Redditch Community Lottery
18.01.20	The first Lottery draw took place

3. How it Works

3.1 A weekly online lottery draw takes place every Saturday at 8pm. Tickets cost £1 a week and consist of 6 numbers. Players can choose numbers or do a lucky dip. Each ticket can either support the central cause (causes we choose as the Council) or a specific Good Cause listed on the website. The jackpot prize of £25,000 is an insured prize (arranged as part of the ELM contract). Supporters can either pay Direct Debit or payment card with either a monthly recurring payment or a 1/3/6/12 month payment upfront. Winners will be notified via email and are paid directly into a nominated account or they can donate their winnings to the Good Cause.

3.2 Each pound spent on the lottery is split in the following way – 50% goes to Good Causes, 10% goes to the central fund (this is RBC and will cover costs with the rest reallocated to the VCS through the grants programme), 20% goes towards prizes, 17% goes to the ELM with 3% VAT (which RBC can claim back).

4. Facts and figures

4.1. The table below (Redditch Community Lottery Business Plan) shows the ‘possible levels’ of engagement for the Redditch Community Lottery:

Year	Ticket Price £	% of RBC Player Pop.	Number of Players	Tickets bought per week	Number of weeks	Gross Return	RBC share (10%)	Good Causes (50%)	Prizes (20%)	ELM (17%)	VAT (3%)
1	1	1.00%	682	1	52	35456	3546	17728	7091	6028	1064
2	1	1.50%	1023	1	52	53184	5318	26592	10637	9041	1596
3	1	2.00%	1364	1	52	70912	7091	35456	14182	12055	2127
4	1	2.50%	1705	1	52	88641	8864	44320	17728	15069	2659
5	1	3.00%	2046	1	52	106369	10637	53184	21274	18083	3191

4.2. As of 16th June 2021, there are 32 ‘Good Causes’ now signed up to the Redditch Community Lottery with a further 3 applications in the process of being completed/submitted. There are currently 184 players actively involved with an average of 1.74 tickets purchased per player. Further to the previous report in January 2021 this shows an increase in Good Causes signed up to the Redditch Community Lottery; a slight decrease in the number of players from 198 to 184 although the average of ticket purchases per player has increased. Unfortunately, the current number of players falls below the prediction for the first year of 682 players. This has impacted on the amount of income generated by the Lottery which is below what is also predicted in the table below.

4.3. The table below shows how this translates into revenue from the lottery (up to 16th June 2021):

	Central Fund	Good Causes	Total
Total Tickets	8,259	16,912	25,171
Total Players	136	245	369
Revenue (annual)	8,259	16,912	25,171
Good Causes revenue (annual)	4,129.50	8,456.0	12,585.50
Operator Revenue (annual)	825.90	1,691.20	2,517.00
Total Operator Revenue - Central Fund + Others (annual)	4,955.40	1,691.20	6,646.60
Total Good Causes Revenue (annual)			15,102.60

For approximately 18 months of operation, the amount of money generated in total is £25,171 with a total of 369 people who played the lottery. The amount of funding

which the Council receives as part of their 10% of all ticket sales is £2,517.10. The Council also received £4,129.50 from players choosing the Community Lottery Fund as their “good cause”. The amount generated for other VCS good causes is £8,456.00. The remaining money is allocated to Gatherwell, prizes and VAT (which we can claim back).

4.4. The list below illustrates the funds raised by VCS groups involved with the Redditch Community Lottery for the month period between 03.05.21 to 07.06.21. This gives a snapshot of how much VCS groups currently make **on a monthly basis**:

• Redditch Lottery Community Fund	£221.50
• Bromsgrove and Redditch Welcome Refugees	£59.50
• Where Next	£52.50
• Redditch Association for the Blind	£50.00
• Astwood Bank Community Group CIC	£48.00
• Inspire Community Training	£47.50
• Indigo Arts	£43.50
• Carers Careline	£36.50
• Arts in Redditch	£35.00
• St Basils	£28.50
• Disability Support Project	£25.00
• Cruse Bereavement Care (Worcestershire)	£22.50
• Redditch Cat Rescue	£20.00
• Support Redditch Emergency Network	£15.00
• BluWave Community Transport	£12.50
• New Road Parents	£11.50
• Bromsgrove and Redditch Network	£10.00
• The Old Needle Works Foundation	£10.00
• Sandycroft	£10.00
• Tidy Lives Support CIC	£8.00
• Charlotte & Craig Saving Hearts Foundation	£7.50
• Friends of Feckenham First School	£7.50
• NewStarts	£6.00
• Redditch Baby Bank	£5.00
• Redditch Wheels Project Skatepark	£5.00
• Redditch Youth & Community Enterprise (RYCE)	£2.50
• 1st Redditch Scout Group	£2.50
• Moons Moat Conservation Group	£2.50

4.5. The figures above are from the lottery dashboard which provides the ability to monitor the success of the lottery through the figures provided by it (numbers of Good Causes, numbers of players, income generated for good causes, income generated for RBC as the provider).

4.6. It is important to note that we are still working through unprecedented times due to the Coronavirus pandemic which may have affected the growth of the Redditch Community Lottery. As mentioned in the January report, the survey carried out in October 2020 by Gatherwell Ltd on behalf of the 69 multi-cause lotteries they support (including Redditch Community Lottery) showed that **78% of causes said the lottery helped keep funds coming in during COVID**. Redditch Community

Lottery specific survey results showed **75% of Good Causes said Yes, the lottery helped to keep funds coming in during COVID19.**

4.7. Prizes and winning results - Between 18.01.20 (first draw of the Redditch Community Lottery) and 12.06.21, there have been 589 winning tickets. This is not necessarily 589 individual winners as some players may have won a prize on more than one occasion. The prizes are as follows:

- 508 x 3 extra free tickets
- 51 x £25
- 5 x £250
- 1 x Forest Staycation (National Bolt-On Prize)
- 5 x £100 B&Q Voucher (National Bolt-On Prize's)
- 3 x Monthly Fruit & Veg Home Delivery for a year (National Bolt-On Prize's)
- 5 x FITBIT and Google Nest Mini Bundle (National Bolt-On Prize)
- 1 x £1000 Voucher for Currys PC World (National Bolt-On Prize)
- 5 x £100 Etsy gift voucher PLUS £100 to winner's Good Cause (National Bolt-On Prizes)
- 5 x National Draw Entertainment Bundle

5. Outline of promotion

- 5.1. The Redditch Community Lottery has its own dedicated website www.RedditchCommunityLottery.co.uk which is managed by Gatherwell Ltd. on the council's behalf. There is a dedicated customer services team offering support to both players and local good causes by either telephone or email.
- 5.2. There is a Communications Plan in place which includes Anniversary and Good Cause Recruitment Campaigns and a variety of methods to promote the Lottery including, Social media - Facebook, Twitter; press releases; partnership networks (internal and external) etc.
- 5.3. Approved 'Good Causes' are signed up 'free of charge' and receive their own Redditch Community Lottery webpage and also receive ongoing support with promotional materials, help and advice.
- 5.4. Gatherwell Ltd. offer a range of ways to help grow the lottery and raise more money for Good Causes including the regular National Bolt-On Campaigns.

6. Future ideas for enhancing the lottery

- 6.1. To enable the Redditch Community Lottery to further support VCS groups to increase the revenue they raise the Grants Team will:
 - Continue to carry out targeted campaigns to increase the numbers of Good Causes involved. The original target of 40 good causes by the end of the first year was not achieved although there are now 32 active good causes taking part. Achieving this target may have also been affected by the Coronavirus pandemic.
 - Continue to engage with the National Bolt-On scheme delivered by Gatherwell Ltd. Gatherwell is introducing more campaigns this year by providing 6 offers throughout 2021 - New Year (4th Jan-27th Feb); Spring (2nd Mar-24th Apr); 2 x Summer (27th Apr- 26th Jun and 28th Jun-28th Aug); Autumn (1st Sept- 30th Oct); Christmas (1st Nov-18th Dec).
 - Regularly review the Communications Strategy (Internal/external communications).