

CABINET

DATE OF MEETING: 7 SEPTEMBER 2017

**TITLE OF REPORT: HART LOCAL AUTHORITY LOTTERY
DISTRIBUTION OF FUNDS**

**Report of: Corporate Strategy and Policy Development
Manager**

Cabinet member: Councillor David Neighbour, Finance

I PURPOSE OF REPORT

1.1. The purpose of this report is to seek agreement to the distribution of funds to good causes raised by the 'Central Fund' of the Hart Lottery.

2 OFFICER RECOMMENDATION

2.1 The Central Fund be distributed each year (June 2017 – April 2018 this year, and May – April thereafter) between the Chairman's Charity(ies) provided that they meet the Hart Lottery eligibility criteria set out in Appendix I;

2.2 Should none of the Charities chosen meet the eligibility criteria the Central Fund be distributed to eligible Chairman's Charities from the previous year.

3 BACKGROUND

3.1 In December 2016 Cabinet agreed to set up a Hart Local Authority. The Hart Lottery went live for ticket sales in June 2017 with the first draw on 8th July. To be eligible to join, a set of eligibility criteria for good causes were agreed with the Portfolio holder for Finance and Economic Development and by Overview and Scrutiny Committee. The Eligibility Criteria are attached as Appendix I. To date 41 good causes have signed up and further applications are being received.

3.2 The Hart Lottery is a weekly lottery. Tickets cost £1 and 60p of each ticket goes towards good causes. Purchasers can either choose to support a specific good cause or the Central Fund. If a specific good cause is chosen then 50p goes to that good cause and 10p to the Central Fund. If no good cause is specified, then 60p of the ticket price goes into the Central Fund.

3.3 Cabinet agreed that the annual cost of licences and membership fees required to run the lottery would come from the ticket sales (about £1,000) as well as any marketing costs. No decisions were made previously as to where the remainder of the Central Fund would be allocated.

4 CENTRAL FUND

- 4.1 Whilst it is difficult to predict how ticket sales will go over a year, current indications are that in Year 1 the Central Fund will raise about £4,000 a year, with the total raised for good causes being about £20,000.
- 4.2 A mechanism for distributing the remaining funds from good causes needs to be agreed. It would seem most straightforward to allocate these funds (minus licence and membership fees and any marketing costs) to the Chairman's Charity(ies) provided they meet the Lottery eligibility criteria. An alternative would be to distribute the funds through an application process which would be more resource intensive.
- 4.3 In the event that a Chairman's Charity does not meet the eligibility criteria, the funds would be distributed amongst remaining Chairman Charities that do meet the criteria (assuming there is more than one Charity) or if there are none, to eligible Chairman's Charities from the previous year.

5 ACTION

- 5.1 That subject to agreement of the above, those Charities chosen by the Chairman this year be contacted to assess eligibility.

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APPENDICES

- Appendix 1 Hart Local Authority Lottery: Policy for the consideration of applications from good causes to benefit from the Hart Lottery

Hart Local Authority Lottery: Policy for the consideration of applications from good causes to benefit from the Hart Lottery

Hart District Council supports the charity, voluntary and community sector in the District and wants to provide opportunities for this sector to benefit from the Hart Lottery.

This policy applies only to the application of good causes to join the Hart Lottery. It does not apply to any other application process to Hart District Council.

As you will be joining the Lottery under our overall gambling licence (Gambling Act 2005) we have to ensure that organisations meet certain criteria. There is no application fee but you will need to complete our application form.

Your organisation must:

- Demonstrate that you provide community activities or services within Hart District, which are of benefit to the residents of Hart;
- Have a formal constitution or set of rules;
- Have a bank account requiring at least two unrelated signatories;
- Operate with no undue restrictions on membership.

And be either:

- A constituted group with a volunteer management committee with a minimum of three unrelated members that meets on a regular basis (at least three times per year);
- A registered charity with a board of trustees

Or:

- A registered Community Interest Company, and provide copies of your Community Interest Statement, details of the Asset Lock included in your Memorandum and Articles of Association, and a copy of your latest annual community interest report.

We will not agree applications from:

- Groups promoting a particular religious or political belief or activity, or a campaign that does not directly relate to the provision of community activities or services within Hart District;
- Organisations that do not do work within the boundaries of Hart District Council
- Individuals;
- Organisations which aim to distribute a profit;
- Organisations with no established management committee/board of trustees (unless a CIC).

We are also unable to accept applications that are incomplete.

The Council reserves the right to reject any application for any reason.

The Council will reserve its rights to not accept or cease to licence any organisation with a minimum of 7 days notice for any reason. If fraudulent or illegal activity is suspected cessation will be immediate.