

To: Cabinet
 Date: 18 March 2020
 Report/Comments of: Scrutiny Committee
 Title: Melton Community Lottery

SUMMARY OF REPORT CONSIDERED

Report Title:	Melton Community Lottery
Purpose/Description of Report:	At the request of Scrutiny Committee Members to provide a breakdown of the costs associated with running the Melton Community Lottery.
Key Decision:	N/A
Scrutiny Lead Members:	Cllr Pat Cumbers and Cllr Robert Child
Relevant Portfolio Holder:	Portfolio Holder for Corporate Governance, Access and Engagement

1. Introduction and Overview

The Scrutiny Committee met on 7 January 2020 to consider a report on Melton Community Lottery.

2. Summary of Feedback and Recommendations for Cabinet Consideration

Following feedback from the Scrutiny Committee members in advance of the meeting the Chair suggested the following as possible recommendations at the meeting in January:

a) That Cabinet consider ending the Lottery, as soon as possible.

Reasons:

- The Budget Books indicated that since November 2016, the Lottery had resulted in a large net expenditure chargeable to Council Tax, approximately £95,300 which includes some estimates for 2019-20
- Membership was expected to be approximately 2000 to date. However, current membership was 293 and this continued to decrease

b) That Cabinet consider continuation of the Lottery for a period of 12 months, in order to establish whether it is possible to raise a similar income to that which was predicted in 2016 when the Lottery started.

Reasons:

- Other local authorities were raising substantial amounts, which supported their Good Causes. This Council should be able to do the same.
- A successful lottery would enhance the Council's reputation and the reputation of Melton as a good place to live.
- A successful lottery (with a minimum of annual ticket sales of £88,400, resulting in £53,040 annually to Good Causes) could make a significant difference to the Council's financial position.
Since November 2016, a total of 60,252 lottery tickets have been sold . 60% of the £60,252 received (£36,151) has been paid to Melton's Good Causes – some to nominated Good Causes, the balance to the Council's Good Causes pot.
- Many small Good Causes, such as local sports clubs across the Borough were already raising useful amounts to help cover their costs, which helped to keep residents active and assist social cohesion.

c) That a full assessment be made on the viability of continuing the Lottery. An Action Plan to be put in place should continuation be found viable, assistance be provided to help 'Good Causes' to increase ticket sales and that the management and administration Lottery costs be fully charged to the Lottery, in accordance with Council policy, as stated in the Budget Book.

Reason:

- There was a need for the smaller Good Causes to receive more help, information etc.

Members of the Committee considered the report, the Chairman's recommendations and information provided by the Chairman and provided the following feedback:

- Members acknowledged the Council's conflicting priorities, capacity and resource issues but emphasised that good quality promotion was vital to increase Lottery membership, drive ticket sales, increase revenue and ensure the success of the Lottery.
- Members noted that once the downturn had been identified in 2018, it had been agreed to implement a Task and Finish Group to review the

performance of the Lottery. There had been several attempts to implement the Group but the People Manager had been unable to secure enough Member support to begin this review at the time. However, additional staffing costs had been allocated to the budget in anticipation of this review, which had distorted the support costs for that year.

- Members noted that the report focussed on charges rather than performance but highlighted that the success of the Lottery depended greatly on appropriate funding and support.
- Part D1 of the Business Case, which detailed project management and delivery was highlighted. The Lottery budget had remained the same since it started in 2016 and no additional staff had been recruited to support the Lottery at that time. Instead, the additional support work had been absorbed into the workloads of those already employed by the Council.
- During discussion it was noted that the Lottery was of benefit to small causes and the importance of active promotion during any period of continuation was reiterated.

Following debate the Scrutiny Committee resolved to RECOMMEND to Cabinet that:

- 1) The Lottery should cease unless in 12 months time the numbers, through active promotion by all parties are at least at the same level as at 31 December 2018 i.e. 448 (this figure represents the highest number of members recorded).**
- 2) A report be presented to Scrutiny after 12 months to review and make a recommendation to Cabinet.**

Written by: Scrutiny Committee Chairman in consultation with Members of the Scrutiny Committee