



Department for  
Digital, Culture  
Media & Sport

# Government response to the consultation on society lottery reform

**16 JULY 2019**

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## Ministerial Foreword



In June 2018 my predecessor Tracey Crouch MP launched a consultation on amending the sales and prize limits for society lotteries. Lotteries are a vital fundraising tool for many charities, community groups, sports clubs and other non-commercial organisations, and the Government had heard worrying evidence that the existing limits, which had not been raised for almost a decade, were acting as a barrier to raising much needed funds. At the same time, the Government also heard concerns that larger lotteries were in direct competition with the National Lottery, potentially reducing equally important funding.

The consultation aimed to ensure that the overall lotteries framework enabled both society lotteries and the National Lottery to thrive, and that society lotteries could grow and increase their returns to good causes without undermining the unique position of the National Lottery. The Government set out a range of options, and alongside increasing society lottery limits also considered the impact of reductions to the draw and prize limits.

We received over 1,600 responses to the consultation and I am grateful to everyone who shared their views. In coming to a view on the final package it was important to balance needs across the sector, and ensure that growth in one area was not at the detriment of another. In particular, we received a range of views on the potential impact of significant growth by the larger lotteries, both on funding within the sector, but also on players who may not always have the same degree of clarity, for example about the odds of winning a prize, about society lotteries that we would expect from other products regulated under the 2005 Gambling Act. I welcome the Gambling Commission's commitment to look at consulting on some of these issues.

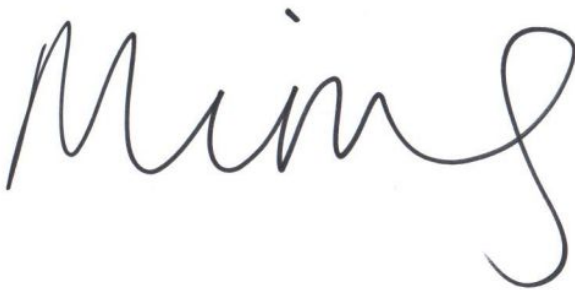
In keeping with the preferred options outlined in the consultation document, we will raise the per draw limit from £4m to £5m and the maximum prize from £400,000 to £500,000. This will allow significant headroom for growth, and the Gambling Commission will monitor the wider impact. My Department will keep under review further increases to prize levels, including up to £1m, if we have a clear evidence base on the impact of these changes.

Alongside these changes we will raise the annual sales limit to £50m, which will enable significant administration savings by removing the need in future for the majority of larger societies to set up additional lotteries to avoid breaching the limits. Societies will be able to

increase the proportion of their lottery proceeds that go to good causes, ensuring a more efficient sector that is easier for players to understand.

Having considered the evidence, I am sympathetic to calls from the largest society lotteries to raise the annual sales limit even further. However this is a significant increase, and I am concerned that the regulatory framework is not currently sufficiently rigorous for societies raising funds at this scale. It is therefore my ambition to launch a further consultation looking at giving large society lotteries the choice of a £50m or £100m annual licence, with regulatory requirements in proportion to their size. In particular I am keen to consider potential additional requirements for these largest societies, with a particular focus on the information provided to consumers and the amount returned to good causes.

Above all, responses to the consultation have reminded us of the significant contribution made to life in this country by both society lotteries and the National Lottery, and in particular the reliance of many organisations on funding from both sources. It is of fundamental importance that both can continue to flourish in the years to come. As the Minister responsible not only for lotteries, but also sport and civil society, I have a deep commitment to ensuring that the decisions made in relation to this sector are fit for the future. This commitment is shared by my wider Department in full awareness of the role society lotteries play in supporting a wide range of our sectors. It is therefore important that we continue to take the time to consider the impact of reforms properly and increase our evidence base through monitoring the impact of changes, to ensure that good causes continue to benefit for years to come.

A handwritten signature in black ink, appearing to read 'Mims', written in a cursive style.

Mims Davies MP

## 1. Executive Summary

1.1 Society lotteries operate to raise money for good causes, and pre-date the National Lottery. The legal history of applying limits to the maximum size of a draw, annual proceeds and top prize date back to at least 1963. When the National Lottery launched in 1994, the limits imposed on society lotteries were increased as a concession to them from the new competition. Since then, the framework of limits has served to keep the society lotteries sector relatively small, and to keep it distinct from the National Lottery.

1.2 The aim of the consultation was to consider options for making changes to the society lotteries framework to enable both the National Lottery and society lotteries to thrive, and consequently to grow overall returns to good causes. In March 2015, the then Culture, Media and Sport Select Committee held an enquiry into society lotteries, and recommended reforms to the sales and prize limits, subject to comprehensive advice from the Gambling Commission.

1.3 We asked the Gambling Commission to consider three objectives in giving its advice:

- that the regulatory framework should not be overly burdensome, and new entrants to the society lotteries market should not face unnecessary barriers;
- that public trust and confidence in society lotteries and the good causes with which they are associated should be maintained;
- that reform should not jeopardise the position of the National Lottery and its returns to good causes.

1.4 Large society lotteries are regulated by the Gambling Commission. The current legal limits that society lotteries operate within are, for large society lotteries, a per draw size of £4 million, a maximum prize of £25,000 or 10% of a draw's proceeds - meaning an effective cap of £400,000 - and an annual limit of £10 million. They also have to return a minimum of 20% to the good cause(s) they support, with the remaining 80% split between prizes and expenses. Small society lotteries operate within defined thresholds of per draw sales not in excess of £20,000, and annual sales not in excess of £250,000, and do not require a Gambling Commission licence, but instead must be registered with local authorities. The legislation specifies they must not be operated for private profit or gain, only as a means to raise money for good causes. It is a diverse sector with many different business models, and the average return to good causes across the sector is well above the stipulated minimum, at 44% in 2018. Society lotteries are not subject to tax, in line with the long-standing principle of not taxing charitable fundraising. However some charities contract out the operation of their lotteries to external service providers (External Lottery Managers, also referred to as ELMs) and these companies are subject to corporation tax in the usual manner.

1.5 The society lotteries reform consultation ran from June to September 2018, and as a result we will be making the following changes to the current limits:

### Large society lotteries:

- **Increase** the individual per draw sales limit from £4 million to **£5 million**;
- **Increase** the individual per draw prize limit from £400,000 to **£500,000**;

- **Increase** the annual sales limit from £10 million to **£50 million**, with the ambition to introduce a split tier licence for large society lotteries so long as we can be assured this will increase returns to good causes across the sector. We aim to run a second consultation to gather evidence about the case for an upper tier licence of £100m, and what additional licensing conditions should be attached;

Small society lotteries:

- **No change** to existing per draw and annual sales limits.

1.6 We are sympathetic to calls from the society lottery sector to raise the annual limit to £100 million, however this is a significant increase and there is little concrete evidence on the wider impacts of such an uplift. We therefore view the increase to £50 million now as a first step in the process, which will enable us to monitor the impact on the sector and build an evidence base, particularly with regard to the effect on good causes returns. It is our aim to launch a further consultation on introducing a higher tier licence, to allow for a society to sell up to £100 million annually, should it so choose. This will gather evidence about what additional licensing conditions should be attached to improve clarity for players and boost returns to good causes and the case for a further extension to £100m.

1.7 It is important to us that society lotteries demonstrate the highest levels of transparency, and the Gambling Commission are planning to consult on measures to tighten the licensing framework for society lotteries, looking in particular at the information provided to players on how the proceeds of a lottery are used (including publishing breakdowns of where all money is spent), and the good causes that benefit. We will also be looking further to consider how best to increase transparency in relation to executive pay and will seek further advice from the Gambling Commission. We will look to legislate if necessary if these measures do not go far enough.

## **2. Introduction**

2.1 In June 2018 the Government published a consultation on society lottery reform, seeking views on potential changes to sales and prize limits for large and small society lotteries. This followed on from a Call for Evidence in December 2014, which invited views on the wider lottery landscape, and the then Culture, Media and Sport Select Committee enquiry into society lotteries which reported in March 2015.

2.2 We asked the Gambling Commission to provide advice on the Select Committee's recommendations considering three objectives:

- that the regulatory framework should not be overly burdensome, and new entrants to the society lotteries market should not face unnecessary barriers;
- that public trust and confidence in society lotteries and the good causes with which they are associated should be maintained;
- that reform should not jeopardise the position of the National Lottery and its returns to good causes.

2.3 The consultation ran from 29 June to 7 September 2018. We received over 1,600 responses from a wide range of organisations including society lotteries, the National Lottery sector, charities (many of them recipients of both society lottery and National Lottery funding), trade bodies, retailers and Parliamentarians, as well as members of the public. Ministers and officials also held meetings with key stakeholders to discuss the Government's proposals, and to hear their views in more detail. In general, opinion has been polarised, with society lotteries and their beneficiaries strongly supporting the reform proposals (or even higher increases), and the National Lottery sector and its beneficiaries strongly opposing any change to the limits. Many respondents have also noted the importance of funding from both for charities and voluntary organisations.

### **Aim of the reforms**

2.4 The aim of the consultation was to consider options for making changes to the society lotteries framework to enable both the National Lottery and society lotteries to thrive, and consequently to increase the returns that the sector as a whole generates for good causes. To put this into context, this is the third element in a package of reforms that included banning betting on EuroMillions<sup>1</sup> and Gambling Commission action to increase transparency in how society lotteries are run, and to improve its data to allow better monitoring and analysis of the lottery market<sup>2</sup>.

2.5 Although they operate on a significantly smaller scale than the National Lottery, society lotteries also play an important role in supporting good causes across the UK and it is important to ensure reforms strike the right balance within the wider lottery sector. We recognise the major impact the National Lottery has had on our national life, and want that to continue into the future. In its 25 years, the National Lottery has raised £40 billion for good causes, and recent changes the current operator has put in place are helping to ensure its

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<sup>1</sup> Legislation came into effect in April 2018.

<sup>2</sup> Changes to Gambling Commission licence conditions came into effect in April 2018.

success continues. This includes a new strategy aimed at boosting National Lottery sales, by winning back customers and drawing in new players. A programme of work is also underway to celebrate the National Lottery's 25th Birthday in November 2019, to highlight the good causes National Lottery funding supports and the benefits playing the National Lottery brings to the UK. The Gambling Commission have begun work on the competition for the fourth licence, considering how best to ensure it remains fit for the future.

2.6 The consultation covered Great Britain only, as Northern Ireland has separate legislation. Small society lotteries in Northern Ireland are overseen by local authorities in a similar manner to those in Great Britain. The National Lottery operates throughout the UK.

### **Consultation responses**

2.7 We received 1,629 responses to our consultation from a variety of organisations. A list of unique respondents is included at Annex A. There were a series of consultation questions published as an online survey, which were completed anonymously with respondents indicating the sector to which they belonged. We received 641 completed responses via this method. We also received 175 written responses, 16 responses from UK and Scottish Parliamentarians, and about a further 800 responses to two organised campaigns from individuals and organisations, which submitted duplicate copies of the same letter. DCMS Ministers also held meetings with key stakeholders.

2.8 Online survey responses: We received responses from a wide range of sectors: members of the public - 52% (333), beneficiaries of society lottery funding - 21% (134), society lotteries - 14% (88), local authorities - 3% (17), and other (including beneficiaries of National Lottery funding, public bodies, and other organisations) - 11% (69).

2.9 Written responses: We received longer written responses from key stakeholders including individual society lotteries, the operators of the largest umbrella society lotteries and their associated promoting charities, the National Lottery operator Camelot, National Lottery distributing bodies, beneficiaries of lottery funding (either from society lotteries, the National Lottery or both), devolved national governments, local government organisations, retailers, and other interest groups.

2.10 Campaign responses: Approximately half of all responses to the consultation took the form of template letters or emails from two organised campaigns. These were all in favour of the highest suggested uplifts to the per draw sales, prize and annual sales limits. As these campaigns accounted for a significant share of the total responses, this has impacted on the overall proportions favouring higher limit changes. We have taken this into account in our analysis of responses for each option.



### 3. Relationship between Society Lotteries and the National Lottery

#### What are society lotteries?

3.1 Society lotteries are an important fundraising tool, raising a record £314 million in the year to September 2018. They are operated by charities and other non-commercial organisations, such as sports clubs and local authorities. They can only be run for the benefit of good causes and cannot be run for private gain, although a local authority can use the funding generated by its lottery for anything on which it incurs expenditure. The Gambling Act 2005 sets limits on the level of proceeds a society lottery can raise per draw and annually, and also caps the maximum prize that can be offered. The Act distinguishes between large society lotteries which are licensed by the Gambling Commission, and small society lotteries which are registered with local authorities.

3.2 There are currently around 500 societies holding around 850 Gambling Commission licences to operate lotteries (due to many societies holding both remote and non-remote licences), and it is estimated that there are over 50,000 small societies registered to operate lotteries with local authorities. Incidental, private or customer lotteries, which are exempt from requiring a licence or registration, are excluded from these reforms.

3.3 Table 1 below shows the key characteristics of both large and small society lotteries, compared to the National Lottery. In addition, each society lottery must return a minimum of 20% of the proceeds to the purposes of the society (the good cause), and expenses must be reasonable<sup>3</sup>.

**Table 1: Key characteristics of Society Lotteries and the National Lottery**

	Small society lotteries	Large society lotteries	The National Lottery
<b>Percentage return to good causes</b>	Must return 20% minimum	Must return 20% minimum (44% average across all large society lotteries) <sup>4</sup>	No minimum (varies across type of game, average 25% from 1994-present)
<b>Maximum draw size</b>	£20,000	£4 million	Unlimited
<b>Maximum prize</b>	£25,000	Higher of £25,000 or 10% of sales (i.e. up to £400,000)	Unlimited (varies across game type and depends on size of draw)
<b>Maximum annual sales</b>	£250,000	£10 million	Unlimited
<b>Tax</b>	None. (ELMs pay corporation tax in usual manner).		12% Lottery Duty

<sup>3</sup> Section 254(2) of the Gambling Act 2005 defines profits of a lottery as the proceeds of a lottery minus (among other things) "other costs reasonably incurred in organising the lottery".

<sup>4</sup> Average calculated from total proceeds of all large society lotteries and corresponding returns to good causes.

<b>Regulatory/ Licensing</b>	Have to register with a Local Authority	Requires a Gambling Commission licence	Regulated by the Gambling Commission
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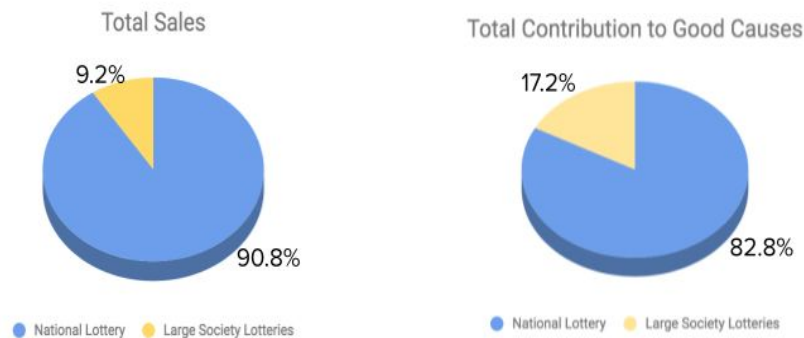
3.4 Society lotteries pre-date the National Lottery. The current legal limits have applied for at least a decade, with the per draw and prize limits dating back to 2009 and the annual limit dating back to 2005. The legal history of applying limits to the maximum size of a draw, annual proceeds and top prize date back to at least 1963. The historical policy rationale for applying a regulatory framework limiting the sector in this way was to prevent gambling from becoming widespread. In 1994 when the National Lottery launched, the limits imposed on society lotteries were increased, as a concession to them from the new competition. Since then, the framework of limits have served to keep the society lotteries sector distinct from the National Lottery.

3.5 In order to sell more than £10 million tickets annually, some of the promoters of larger society lotteries have adopted **umbrella lottery** schemes, under which draws held by different societies are promoted under a single brand. Umbrella lotteries are not defined or recognised in the Gambling Act 2005, but they are entirely legal - each society within the umbrella brand is licensed individually by the Gambling Commission. Tickets are typically sold for each lottery in turn, and the proceeds from one society’s lottery may not be used to fund any of the prizes or expenses in a different society’s lottery promoted under the same brand.

3.6 Umbrella lotteries often incur high administrative costs and can be bureaucratic to operate. They are usually managed by licensed External Lottery Managers (ELMs). The single brand provides considerable marketing efficiencies, driving ticket sales and in turn prizes, although each separate lottery is subject to the current sales and prize limits. There are currently eight umbrella lottery schemes - People’s Postcode Lottery, the Health Lottery, Unity Lottery, Club Draw Lottery, the Weather Lottery, Your School Lottery, The Forces Lottery and the Scottish Children’s Lottery.

3.7 Figure 1 below shows the size of the lottery market in the UK, and the share of sales and returns to good causes. In 2018/19 (to September 2018) National Lottery sales were approximately £7 billion and large society lottery sales were approximately £702 million. For completeness it is important to note that the National Lottery’s total returns to society are higher than shown in Figure 1 due to the fact that only the National Lottery pays Lottery Duty. The National Lottery returned £831 million in Lottery Duty in 2017/18.

**Figure 1: Size of the Lotteries Market in Great Britain**



*Source: Gambling Commission Industry Statistics, May 2019*

3.8 A key feature of the responses to the consultation was the passionate support and value given to funding received by charities and other good causes, from both society lotteries and the National Lottery. Typically, the National Lottery distributors provide time-bound grants to fund specific projects, whereas society lottery funding is usually unrestricted and is therefore able to be used by charities alongside other sources of fundraising to support running costs in line with their charitable purposes, and tend to be locally or thematically focussed. Many respondents highlighted the complementarity between society lottery and National Lottery funding, and 37 of the charities that provided written responses<sup>5</sup> to the consultation said that they were, or had been, beneficiaries of both sources of funding.

3.9 However, Camelot and some National Lottery distributing bodies expressed concerns that the largest umbrella lotteries have evolved in a way that is not in the spirit of the original 2005 Gambling Act, and consider them to be at risk of moving into the distinct space of the National Lottery, operating nationally under a single brand and with a comparable expenditure on advertising and marketing. It could be argued that this is disproportionate given the relative amounts generated for good causes. Additional concerns were raised about the potential lack of clarity for players of umbrella lotteries, as they may think they are playing a single lottery and not be aware of an umbrella lottery’s structure, nor have a clear view of which good cause their tickets support.

3.10 In coming to a final view we have looked carefully at the relationship between society lotteries and the National Lottery and in particular whether changes to the limits risk bringing the two into direct competition. The Gambling Commission has advised that competition

<sup>5</sup> These included Barnardo’s, Depaul UK, Friends of the Earth, Girlguiding, National Trust, National Trust for Scotland, Royal Voluntary Service, Woodland Trust, and Youth Sport Trust.

between society lotteries and the National Lottery to date has been minimal and at the margins. Society lotteries are generally characterised by lower prize, low frequency draws. This contrasts with the National Lottery, with its life-changing jackpots and high frequency draws. The Commission has also advised that small changes to existing limits are likely to have minimal impact on the National Lottery, and that while society lotteries offer a differentiated lottery product with smaller prizes, there is likely to be little substitution between the two. Having considered the evidence presented during the consultation process we continue to share this view, and believe that the changes outlined in this document will support society lotteries to raise more for good causes while maintaining the National Lottery's unique position.

3.11 Some responses received in the consultation also made reference to the recent history of the lotteries sector in the Netherlands, where two state lotteries lost market share and subsequently merged in response to growth of society lotteries there. We have examined the Dutch lotteries sector in some detail and have identified some key differences between the Netherlands and the UK. The Dutch regulatory framework is very different to ours, and while our analysis has been instructive in considering the impact of wider growth and other impacts on the sector, we do not feel the experiences are directly comparable. For example, in the Netherlands there are no limits on the size of draws, annual proceeds or prizes (other than allowing for a maximum of 69 draws a year), so society lotteries can and do offer multi-million euro jackpots comparable to those offered by the state lottery. Dutch society lotteries have to return 50% to charities, whereas the state lottery returns 15% to the state, some of which funds sports and charities. The Netherlands also has different broadcast rules, meaning that the Dutch Postcode Lottery has a far more prominent television presence, producing its own TV shows. For context, we received a response from the Association of Charity Lotteries in the EU (ACLEU) that the introduction of society lotteries in Sweden and Spain had resulted in a positive impact on state lotteries, and boosted overall returns to good causes.

## **4. Small society lotteries**

4.1 The options set out in the consultation were:

- Individual per draw sales limits
  - Retaining the threshold per draw sales limit at which a smaller large society lottery needs a Gambling Commission licence at £20,000;
  - Raising the limit to £30,000;
  - Raising the limit to £40,000;  
(Government has no preferred option)
- Annual sales limits
  - Retaining the threshold annual sales limit at which a smaller large society lottery needs a Gambling Commission licence at £250,000;
  - Raising the limit to £400,000;
  - Raising the limit to £500,000  
(Government has no preferred option)

4.2 Small society lotteries do not require a lottery operating licence from the Gambling Commission, but must be registered with local authorities. There had not been a strong call from the society lotteries sector for us to change sales limits for small society lotteries. However, changing the thresholds at which smaller large society lotteries require a Gambling Commission licence would bring more lotteries into a lighter touch regulatory regime, and therefore reduce regulatory burdens on them, and we consulted on increasing the limits in the light of this objective. The Commission's lowest category for large society lotteries (annual lottery proceeds of up to £100,000) incurs a licence application fee of £147 and subsequent annual fee of £348. In comparison, registration of a small society lottery with a local authority costs £40, with an annual fee of £20. Due to the potential additional burden a change would place upon local authorities, we carried out an additional short targeted additional consultation with local government representative bodies.

### **Summary of consultation responses**

4.3 Only around 60% of total respondents to our wider consultation expressed a view on small society lotteries. The vast majority of responses (93%) were in favour of increasing the small society lottery thresholds. Of those in favour of increasing the thresholds, there was almost total support for increasing the limits to the highest options - per draw sales limit increase to £40,000 (99%) and annual sales limit to £500,000 (98%). Promoters of small society lotteries only made up 7% of the online consultation responses, and overall less than half of all online respondents expressed a view on small society lotteries. Of those responding, the vast majority were in favour of increasing the threshold limits by the maximum amount.

4.4 The local government sector would be particularly affected by these proposed threshold changes, and we received responses from the Local Government Association (LGA), the Institute of Licensing (who surveyed members on the consultation questions with 20 responses), two licensing boards in Scotland, and a handful of individual local councils in England and Scotland. All expressed significant concerns about the proposals, which would increase the demands on local authorities that they said have limited capacity to deal with this work, and are likely to struggle to proactively regulate an increased market, adding that

any changes should be accompanied by an increase in fees charged to small society lotteries for registering.

4.5 We also carried out a separate targeted consultation with sector representative bodies in the devolved countries. The Northern Ireland LGA (where only small society lotteries operate), also expressed concerns about the principle of shifting the administrative burden on to councils in the rest of the UK.

### Conclusions and Government response

4.6 There was little evidence to suggest that increasing the small society lottery limits would result in a significant positive impact. Responses to our consultation supported the position outlined by the Gambling Commission in their advice to us which noted a “*lack of clamour for change*” and highlighted concerns about the capacity of local authorities to regulate more lotteries.

4.7 We note that those in the sector who did respond wanted to see an increase in the limits, however during the consultation we did not receive strong positive evidence of the impact of change on the smaller large society lotteries who would be likely to benefit most from the reforms. We did however hear significant concerns from local authorities about the likely consequences of a change. We have taken into account the concerns of the Local Government Association and others about the capacity of the sector to regulate the increase in small society lotteries that these measures would create, and in particular note that a risk that increasing the thresholds could be that less scrutiny of lottery returns to local authorities is carried out in order to cope with the additional number of registrations.

4.8 Having considered all the responses, we do not feel there is a strong rationale for increasing the limits for small society lotteries at this time. We feel it is right that lotteries with per draw sales above £20,000 and annual sales above £250,000 should be licensed under the more rigorous Gambling Commission regime, given the higher degree of oversight and importance of maintaining the integrity of the sector. **We will therefore retain the current limits** for small society lotteries.

## 5. Large society lotteries

### Individual per draw sales limit

5.1 The options set out in the consultation were:

- Retaining the current limit of £4 million;
- Raising the limit to £5 million (Government's preferred option);
- Raising the limit to £10 million;
- Reducing the limit to £2.5 million.

5.2 Our preferred option in the consultation was to increase the per draw sales limit to £5 million, in line with the Gambling Commission's recommendation. The Gambling Commission's advice argued that changes to large society per draw limits should be relatively minor, and that the sector should be closely monitored to understand the impact of it and highlight quickly if it were causing any unintended consequences. This increase should enable the society lotteries sector space to grow, and therefore increase returns to good causes, while maintaining the clear distinction between society lotteries and the National Lottery. The options presented in the consultation also included retaining or reducing the current limit, and increasing it to £10 million. It is worth noting that the two sector leaders currently return amongst the lowest proportion of revenue to good causes - the Health Lottery (20%) and the People's Postcode Lottery (32%). Most of the sector (71%) return over 40% to good causes (see Table 7). A key consideration for raising the limits is to increase returns to good causes.

### Summary of consultation responses

5.3 The vast majority of total responses (88%) were in favour of increasing the per draw sales limit to the highest option of £10 million. Some (13) respondents even suggested going further and increasing the limit to £12 million (which would allow for £1 million sales per month), and a few even suggested that there shouldn't be a limit at all. Looking at the written responses, which provided more detailed views on the proposals, around a third (30%) were in favour of no change to the limit, and two thirds (66%) favouring increasing the limit to £10 million (see Table 2 below):

**Table 2: Summary of per draw sales limit consultation responses**

Option	Online survey	%	Written	%
Remain at £4m (current)	55	10	47	30
Reduce to £2.5m	13	2	-	-
<b>Increase to £5m (Gov pref)</b>	53	10	5	3
Increase to £10m	403	75	103	66

5.4 Increasing the per draw limit to £10 million was one of the key asks of the Lotteries Council, a view echoed by other individual respondents. In its response, the Lotteries Council said "A £10 million draw limit is a still a relatively small change in the limit, given it was doubled from £2 million to £4 million in the four years from 2005 to 2009. In the decade

since, society lottery proceeds have more than tripled – which would suggest a limit of £12 million.” Responding to the preferred option of increasing the limit to £5 million it said “An increase in the per draw sales limit to £5 million, whilst an improvement on the current situation, will result in some Lotteries Council members facing expensive and bureaucratic restructuring by around 2021/2. Again this would impact on good causes funding at that point. The Council thus prefers a £10 million per draw limit.” On the other side of the argument, Camelot’s view is that “...as an absolute minimum, the status quo be maintained to prevent exacerbating future damage to The National Lottery. These limits are the very measures which separate The National Lottery from society lotteries and preserve the balance (between enabling the sustainable growth of society lotteries on the one hand while also protecting the unique position of the UK-wide National Lottery).”

### Conclusions and Government response

5.5 The strong views of the sector, where the majority of consultation responses which argued for £10 million, contrast with the Gambling Commission’s advice to raise the limit to a lower level of £5 million. To reach a final view we analysed evidence about the sector in detail to understand the current dynamics potentially created by the current framework.

5.6 Table 3 below shows that whilst the total number of draws across the sector has grown steadily in recent years, a very small proportion are operating close (defined for our purposes as within 20%) to the current £4 million per draw limit. However, we understand from the Gambling Commission that a consequence of the current framework of limits is that promoters are incentivised to take action before they get close to the existing per draw limits, in order to not be in breach of their Gambling Commission licence, and hence incur a financial penalty. Potential mitigating actions a society may take include setting up a second draw, running a second society lottery or reducing the price of individual tickets. Furthermore, additional advice submitted by the Gambling Commission showed that the number of operators with draws above £2.5 million but less than £3.2 million (i.e. within 20% of the current £4 million limit) increased sharply in 2017. We believe these dynamics in the sector illustrates that the current framework of limits is creating artificial distortions and constraining societies’ ability to raise funds for good causes.

**Table 3: Number and % of Licensed Societies**

	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
<b>Total number of draws</b>	11,475	12,462	12,900	13,137	13,682	14,281
<b>Total number of operators running lotteries</b>	440	442	438	428	436	432
<b>Number of draws within 20% of £4m limit</b>	1	0	3	2	5	0
<b>% draws within 20% of £4m limit</b>	0.01%	0%	0.02%	0.02%	0.04%	0%

Source: Gambling Commission (2018 - latest figures available)



5.7 We recognise that the sector is seeking a £10 million limit, and has lobbied strongly for an increase to this level in order to grow and return more to good causes, and to allow room for future growth. In its consultation response the Health Lottery argued that an increase to £5 million as per the preferred option stated that it “*will become an issue for operators within a relatively short period of time*”. People’s Postcode Lottery have raised similar concerns. However, we did not feel there was compelling evidence of the need of an uplift to this degree across the wider sector. Furthermore, the Gambling Commission advice demonstrates that there is also scant evidence as to the impact of a higher uplift, and we did not receive strong evidence in this area from our consultation. The current limits mean that a lottery with a draw at the current maximum would have to grow its sales by 25% before breaching the more modest higher limit of £5 million, a significant increase which is likely to take place gradually, and for smaller lotteries the potential for growth is even higher.

5.8 We considered carefully the options to maintain the current limit or reduce it. These options did not deliver the aims of enabling society lotteries to grow and increase their returns to good causes, and in fact it would most likely have the reverse effect, exacerbating the need for lotteries to split to raise more funds. Although maintaining the limit at its current level would not immediately impact on most of the sector because so few draws are close to this level, this may act to stifle further growth and we want to take this opportunity to resolve frustrations experienced by the sector. However, we also considered the concerns raised by other stakeholders about the potential impact on the National Lottery of allowing larger society lottery draws, and a key objective of the reforms is to enable society lotteries to raise more for good causes, whilst also maintaining the distinctiveness of the National Lottery.

5.9 The current per draw sales limit of £4 million has been in place since 2009 and we agree with the majority of consultation responses that an increase is desirable for the sector. **We will therefore increase the per draw sales limit from £4 million to £5 million.** We consider that for the vast majority of the sector, the Gambling Commission’s recommended option of increasing the per draw limit to £5 million, combined with the new annual limit of £50 million, will provide both the headroom for future growth and the flexibility to increase the size and frequency of draws as operators wish. Whilst this increase is more incremental than the £10 million preferred by the largest proportion of consultation responses, we believe it will enable the majority of societies to raise more funds for good causes from individual draws, while maintaining a clear distinction with the scale of the draws made for the main National Lottery games such as Lotto (with average weekly sales of £38.4 million) and EuroMillions (with average weekly sales of £35.8 million)<sup>6</sup>. In addition, this more incremental increase alongside the Gambling Commission’s monitoring of the impact on the sector, we will be in a better position to determine the timing and level of possible future increases to ensure the right balance is struck across the whole lotteries sector.

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<sup>6</sup> Source: Camelot (June 2018, based on previous quarter sales).

## Individual per draw prize limit

5.10 The options set out in the consultation were:

- Retaining the current limit of £400,000;
- Raising the limit to £500,000 (Government's preferred option);
- Raising the limit to £1 million;
- Reducing the limit to £250,000.

We did not consult on changing the rule that the maximum allowable per draw prize should be £25,000 or 10% of a draw's proceeds (the "10% rule")<sup>7</sup>. In practice under the current framework of limits, this corresponds to an effective cap of £400,000 based on the current £4 million per draw limit. Maintaining the 10% rule was in line with the Gambling Commission's advice, and we believe that the primary aim of society lotteries is to raise money for good causes. We also consulted on an alternative option of increasing the sales limit to £10 million, but capping the prize at £500,000, which would mean a decoupling of the per draw and prize limit as it stands and a move away from the 10% rule.

5.11 Our preferred option in the consultation was to increase the per draw prize limit to £500,000. This corresponds with our preferred option of increasing the per draw sales limit to £5 million, maintaining the 10% rule. Advice from the Gambling Commission argued that an increase of the prize limit to this level would allow the sector greater flexibility to offer a larger prize in order to entice players, should sales allow, whilst still being smaller than and therefore distinct from the life-changing prizes offered by the main National Lottery draws.

5.12 We also consulted on increasing the per draw prize limit to £1 million, retaining the current limit of £400,000, and reducing the limit to £250,000.

## Summary of consultation responses

5.13 The majority of total responses (82%) were in favour of increasing the per draw prize limit to the highest consultation option of £1 million. A few respondents considered that there should be no limit. The Health Lottery commented during the consultation that the lotteries landscape was being crowded out by various gambling operators and others who could offer more than £1 million as a 'top prize' (for example Sky Super 6s, the Sun or football clubs), and this was being done without any donation to good causes. It argued that *"...it seems perverse that, of all organisations, only society lotteries have a law specifically banning them from offering a £1 million prize. It is to be expected that gambling companies will offer massive prizes but there are many other bodies offering £1 million or much more. The Premium Bonds offers £1 million per month. TV stations and newspapers offer £1 million prizes... Not only are society lotteries banned from entering that space, the sector is seeing more and more charities switching from the lottery model to taking one of these gambling packages from companies like Lottoland... Around 15 football club charities have launched Lotto branded side betting platforms in the last 4 years, offering prizes of up to £400m+, and Lotto Network operates a free, digital fundraising platform enabling charities, sports clubs, local authorities and companies to set up their own branded lotto betting site."*

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<sup>7</sup> Except where it applies to the specific alternative option of increasing the sales limit to £10 million, but capping the prize at £500,000, which would in effect remove the rule.

5.14 We note that the wider landscape in which society lotteries operate is crowded and that there are a wide range of products available to players offering high prizes. However unlike commercial gambling products, the primary purpose of society lotteries is to raise money for good causes, and thus prizes should not be the sole driver of play. Societies have the flexibility to partner with an organisation offering lottery betting if they feel this would generate better returns than a society lottery through higher prizes, and we believe this should continue to be the case, though we have taken action to prohibit bets on the EuroMillions game. We believe that the 10% rule should be maintained. We also remain of the view that the current prize limits do not inhibit sales, as few lotteries offer close to the current maximum prize (and then only for monthly super draws). In retaining the 10% rule, increasing the per draw sales limit to £5 million uplifts the individual draw prize limit to £500,000, which was also our preferred option in the consultation (see Table 4 below for examples of current prizes offered by society lotteries).

5.15 Focussing on online and written responses, online respondents were more evenly split between £500,000 and £1 million options, and almost three quarters of written responses favoured either increasing to £500,000 or retaining the current limit (see Table 4 below):

**Table 4: Summary of per draw prize limit consultation responses**

Option	Online survey	%	Written	%
Remain at £400k (current)	48	9	46	37
Reduce to £250k	10	2	1	1
<b>Increase to £500k (Gov pref)</b>	191	38	45	36
Increase to £1m	247	49	24	19

5.16 Camelot and the National Lottery distributors argued against any increase to the prize limit. They fear that any increase in the size of jackpots offered by society lotteries would increase competition with games in the National Lottery portfolio and potentially cannibalise their sales and hence good cause returns. In particular, they argue that the proposal to offer a £500,000 top prize would “*create direct competition with the National Lottery’s Thunderball game, which also offers a £500,000 top prize*”.

5.17 Around a third of respondents expressed a view on the alternative option of increasing the per draw sales limit to £10 million, but capping the per draw prize limit to £500,000. It received significant support, with 82% in favour of this option. However, the Health Lottery was of the opinion that “*operators should be allowed to offer a top prize of £1 million per draw regardless of sales.....*”

### Conclusions and Government response

5.18 From spikes in sales data and a body of academic literature, we know that large jackpots are a key driver of National Lottery lottery sales, whereas society lottery customers are not motivated to the same degree by large jackpots. In their consultation response, the People’s Postcode Lottery spoke in favour of increasing the prize limit to £500,000, saying

they “believe that this increases flexibility for prizes for society lotteries whilst maintaining the very large difference in prizes between society lotteries and the National Lottery.” In addition, research published by the Gambling Commission (2019) shows that players of society lotteries are more motivated to play by the opportunity to donate to good causes, compared with the National Lottery, with 55% and 15% citing that as a reason for participation, respectively. With the exception of the People’s Postcode Lottery and the Health Lottery, top prizes are fairly modest (see Table 5 below showing a sample of society lottery top prizes):

**Table 5: Top Prizes Offered by Society Lotteries (a sample)**

Society Lottery	Top prize (per draw)	Other draws
People’s Postcode Lottery	Up to £30,000	Current monthly prize is around £180,000
The Health Lottery	Minimum £25,000	Monthly up to £250,000
Age UK	£2,000	Quarterly £25,000
Royal British Legion’s Poppy Lottery	£2,000	Quarterly £20,000
British Heart Foundation	£1,000	Quarterly up to £15,000
Cancer Research UK	£1,000	£15,000 (3 times a year)
Macmillan	£1,000	Quarterly £10,000
Battersea Dogs & Cats Home	£600	Quarterly £3,000

5.19 Although the Lotteries Council have campaigned for a £1 million top prize, and this option received substantial support from consultation responses, considering all the evidence sources presented we think there is not a compelling evidence base that the majority of the sector requires a substantial increase in the per draw prize limit in order to drive growth. The Health Lottery has argued that “[the] jackpot limit of £1,000,000 per draw, regardless of sales, would provide operators and charities the flexibility to offer significantly more attractive jackpots”. However, we feel it is important that the 10% rule is maintained. We are seeking to balance the opportunity for society lotteries to grow with preserving the distinct space the National Lottery operates in, with a key feature being the offer of life-changing prizes.

5.20 Retaining the current limit would be dependent on maintaining the individual per draw sales limit at its current £4 million level. Reducing the limit to £250,000 is likely to maintain the distinction between the sector and the National Lottery and ensure that a high proportion of proceeds goes to support good causes, rather than being returned to players. However, a reduction would limit the freedom societies have to choose how best to run their lotteries, and may increase the administrative costs for those who would have to revise their business models, at least in the short-term. We also considered the alternative option in the consultation of increasing the per draw limit to £10 million but to cap the maximum prize at £500,000. This would enable society lotteries to increase their sales, and returns to good

causes, without enabling them to offer 'life changing' jackpots. This option was particularly favoured by the People's Postcode Lottery. However, as outlined above in the discussion about the per draw limit, this will be increased to £5 million therefore this option does not come into play at this time, but is something we may wish to consider in the future.

**5.21 We will increase the per draw prize limit from £400,000 to £500,000.** Increasing to this level allows for some additional flexibility for those operators that wish to offer a larger prize, whilst remaining distinct from the life-changing prizes offered by the National Lottery. Whilst we recognise that it does then bring the top prize potentially offered by society lotteries directly in line with the National Lottery's Thunderball top prize, we are comfortable that distinction will remain for the National Lottery for three main reasons. Firstly, in practice, a society would have to sell exactly £5 million of lottery tickets to offer a £500,000 prize and we consider this unlikely because they would be at risk of breaching their licence if they went just over that, and very few are even close to operating at this scale. Secondly, the frequency of draws sets the National Lottery's Thunderball apart, at 4 times per week. Lastly, Thunderball sales account for a relatively small proportion of total National Lottery sales (approximately 4% of total sales), and the new per draw prize limit does not compete with the flagship Lotto and EuroMillions draws.

**5.22** We will keep this increase under review, to determine what effect the new per draw prize limit has on the wider sector. We will be open to considering further increases in the future, including up to £1 million, once we have a substantial evidence base on the impact of these changes.

## Annual sales limit

**5.23** The options set out in the consultation were:

- Retaining the current limit of £10 million;
- Raising the limit to £50 million;
- Raising the limit to £100 million (Government's preferred option).

**5.24** The current annual limit is particularly restrictive for larger society lotteries. It can limit the frequency, or mean that draws later in the year are kept artificially low. A society selling the current maximum of £4 million tickets per draw can only hold 2.5 draws per year at the current annual limit of £10 million, and this lack of alignment between the per draw limit and the annual limit can cause high administrative costs for some promoters. Alternatively, a society wishing to hold a monthly draw must cap sales at just over £830,000. A weekly draw could only sell around £190,000. Rather than breach its licence conditions, a society is more likely to adopt a different structure for its lottery before it gets close to the sales limits. For example charities such as Macmillan, Royal British Legion and Age UK have all restructured to set up multiple societies each holding a lottery licence, while others such as the Health Lottery, People's Postcode Lottery and Scottish Children's Lottery set themselves up in this way.

**5.25** The preferred option in the consultation was to increase the annual sales limit to £100 million, based on advice from the Gambling Commission that, in combination with recommended individual per draw sales and prize limits, increasing the limit to this level

should not impact negatively on the National Lottery. It was proposed by the Gambling Commission because this should create the ability to raise more funds, offer slightly higher prizes (if proceeds allow); whilst maintaining the distinction between society lotteries and the National Lottery. This is because under the proposed limits, whilst societies will be able to run more 'large' lotteries before hitting the annual aggregate limit, those lotteries individually will still be limited in scale and be capped at offering relatively low prizes. The interplay of the annual, prize and individual draw limits would limit the overall size of society lotteries and thus help to maintain the distinct space the National Lottery operates in. This would also deliver the benefit of reducing administrative costs and bureaucracy, by reducing or removing the need for those lotteries that were nearing the limits to adopt a multiple society or an umbrella lottery structure and thus return more to good causes.

### Summary of consultation responses

5.26 The vast majority of total responses (90%) were in favour of increasing the annual sales limit to the highest option of £100 million. Taking account of just the written responses, around a third (31%) were in favour of no change to the limit, and two thirds (68%) favouring increasing the limit to £100 million (see Table 6 below):

**Table 6: Summary of annual sales limit consultation responses**

Option	Online survey	%	Written	%
Remain at £10m (current)	57	12	49	31
Increase to £50m	15	3	1	1
<b>Increase to £100m (Gov pref)</b>	408	85	106	68

5.27 The strong call to increase the sales limit to £100 million has stepped up since the consultation closed, with significant campaigns, notably from the People's Postcode Lottery and its partners, and an Early Day Motion (Charity Lottery Annual Sales Limit) which was tabled in the House of Commons on 2 April 2019, supporting "...the Government's preferred option of a new £100 million annual sales limit for charity lotteries as it will allow such lotteries to reduce bureaucracy and administration costs and thus return more to good causes... and calls on the Government to implement the new limit as soon as possible." Some respondents wanted us to go even further and abolish the sales and prize limits altogether. Lottovate Ltd, who operate lotteries in Europe but not in the UK, said in its consultation response that their evidence in other countries has shown that opening the market increases innovation and choice, and increases overall funding to good causes without threatening state lotteries.

5.28 The counter position, put forward by respondents including Camelot, some National Lottery distributors, and many charities receiving grants only from this sector, is to support retaining the annual limit at £10 million. They consider that the preferred option of a tenfold increase to the current limit is a significant change, and are concerned it will enable the largest society lotteries to compete directly with the National Lottery. They fear that would lead to the National Lottery's monopoly status being challenged, the market becoming fragmented and potentially an overall reduction in returns to good causes. A number of other wider issues were also raised, in particular about umbrella lotteries and concerns



around how they operate, especially if they continue to grow. These include transparency for players and the risk of player confusion. We have looked at this and agree that there is scope for greater clarity, in particular about the odds of winning, a lack of strategic oversight of what good causes they support, and the balance between the proportion returned to good causes and spent on marketing, advertising and other expenses. However, Camelot did “*support the proposal to reduce administrative burdens for traditional society lotteries*”.

5.29 Many other respondents who were against increasing the annual sales limit to £100 million considered that any increase should be gradual, and that these reforms should not be at the expense of the National Lottery. In particular, there were concerns from the arts sector that it might be more negatively affected than other sectors should National Lottery funding reduce as a consequence, as they argue that society lotteries provide less support for arts provision, activity and projects than they do for other sectors. While we note that it is generally true that there are fewer society lotteries active in the arts sector than the sports sector or the charity sector, this is not a feature of the legislation and non-commercial arts organisations are eligible to set up their own lottery to raise funds.

5.30 We also heard from some charities that increasing the annual limit could have a disproportionately negative effect on smaller organisations that benefit from lottery funding, and that changing the current system risks diluting the National Lottery. Historic England, a key beneficiary of funding from the National Lottery Heritage Fund (NLHF) was concerned that National Lottery income “*is already suffering a severe reduction in the face of increased competition from....existing society lotteries,*” and was afraid that substitution could make funding of large-scale heritage projects more difficult. It also stated that NLHF funding was not provided in isolation, and that their expertise added much more than just funding to projects, which could not be replicated by society lotteries.

## **Conclusions and Government response**

5.31 Increasing the annual sales limit was the most contentious issue for us to consider, and attracted polarised views. The society lotteries sector and their beneficiaries were strongly in favour of increasing the annual sales limit to £100 million, whereas the National Lottery sector and its beneficiaries were strongly against any change to the existing limit due to concerns about the impact this may have on the National Lottery and returns to good causes.

5.32 Having reviewed the different evidence sources submitted as part of the consultation, in line with advice received by the Gambling Commission, we consider that the growth of society lotteries has not had a significant negative impact on the National Lottery to date. We believe that the package of reforms will not result in a negative impact on the National Lottery, and will support our aim that the two sectors remain distinct. Close monitoring by the Gambling Commission will identify any potential issues should they arise. However we also feel that it is right that society lotteries operating at scale should be subject to higher regulatory requirements than smaller lotteries.

5.33 For societies operating at or close to the existing limits, adding additional licences either within an umbrella structure or a multiple society structure, is costly. Prior to the

consultation we heard evidence that the cost of setting up a new lottery licence to be over £140k, and additional annual running costs of around £89k. In its response to the consultation, Cancer Research UK said that it was considering options for growing its lottery, but estimated that moving to a multiple society model would cost around £345k to set up, with additional annual running costs of around £130k, therefore reducing the proportion of income for charitable causes. A significant uplift to the annual sales limit would avoid societies having to incur these costs, and enable more funding to be returned to good causes, and give plenty of headroom to the sector for the future.

5.34 As part of our analysis on the annual sales limit, we have looked closely at the levels of returns to good causes, and the impact of the current limits. Table 7 below shows that the majority of society lotteries return well above the statutory 20% minimum. Most of the sector (71%) are returning over 40%. However, the two largest umbrella lotteries return amongst the least percentage to good causes - the Health Lottery at around 20%, and the People’s Postcode Lottery at 32%, and we are clearly expecting to see a significant increase in returns to good causes as a result of increasing the annual sales limit, as the number of individual societies under the umbrella reduces.

**Table 7: Society lotteries returns to good causes**

Return to good causes	Count	% of total
20 -29.99%	69	15%
30-39.99%	64	14%
40-49.99%	69	15%
50-59.99%	72	16%
60-69.99%	97	21%
70-79.99%	46	10%
80-89.99%	27	6%
90-100%	13	3%
<b>Total</b>	<b>457</b>	<b>100.00</b>

*Source: Gambling Commission*

5.35 While on the one hand it may be felt that there is no immediate need to amend limits to the benefit of societies and External Lottery Managers that have deliberately adopted business models to circumvent the current structure, as they are consequently not limited in their fundraising, the evidence we received during the consultation showed that increasing the limit would enable societies to reduce their costs and increase the proportion of their proceeds they return to good causes. For example, the People’s Postcode Lottery has said that if we increase the annual sales limit to £100 million and per draw limit to £10 million, as a consequence of reduced administrative costs it expects returns to good causes to increase from the current 32% to 40% of sales.



5.36 However, any new limit will apply across the sector and while it is important that it works for the largest society lotteries, it is also important that it is suitable for those operating at a smaller scale. For most promoters, a £50 million limit would mean they no longer need to split into separate societies and hence would be able to generate economies of scale, make administrative cost savings and return more to good causes. It also means that those society lotteries such as Cancer Research UK and the Local Hospice Lottery that are approaching the current annual sales limit can continue to grow and raise valuable funds from their lotteries for their beneficiaries, without having to restrict growth (as they report doing), and believe that this package of reforms will reduce the need to adopt different structures. But even this limit provides a challenge for the very biggest in the sector, and we want to support them to continue to raise funds, while at the same time ensuring they retain the distinct characteristics of a society lottery and do not move into the unique space of the National Lottery. It is our intention with these reforms to return the sector to the trend seen in the earlier part of this decade when society lotteries and the National Lottery were growing in tandem.

5.37 We are sympathetic to calls from the society lottery sector to raise the annual limit to £100 million, however this is a significant increase and there is little concrete evidence on the wider impacts of such an uplift. **We will therefore initially raise the annual sales limit to £50 million, with the ambition of introducing a second higher tier licence with a £100 million annual limit, when we are satisfied this will raise overall returns to good causes and will not negatively impact on the National Lottery.** The initial increase to £50 million will enable us to monitor the impact on the sector and build an evidence base, particularly with regard to the effect on good causes returns. We aim to launch a further consultation on introducing a higher tier licence to gather evidence about what additional licensing conditions should be attached to improve clarity for players and boost returns to good causes as we are particularly concerned that the regulatory framework is not currently suitably robust for larger scale society lotteries. This consultation will allow us to gather evidence on the case for a further increase to £100m. As a result of increasing these limits we expect to see returns to good causes increase across the sector, especially by the largest umbrella lotteries, and we will look at this carefully.

5.38 We share the concerns raised in the consultation responses about the marketing costs and relatively low rate of returns to good causes from the largest umbrella lotteries. Measures to be more fully explored and examined in the consultation could include, for example, a higher stipulated minimum return to good causes and more robust measures to limit the amounts spent on marketing and advertising.

## **6. Next steps**

6.1 Changes to sales and prize limits for large society lotteries can be implemented using the Secretary of State's powers under s99 of the Gambling Act 2005 to vary the limits via a statutory instrument. We hope to lay the draft legislation as early as possible in the autumn and, subject to Parliamentary approval, for the new limits to come into effect in 2020.

6.2 The limits are also detailed in the Gambling Commission's Licence Conditions and Codes of Practice (LCCP), which would need to be amended to match any changes to the legislation. The Gambling Commission may consult on how the LCCP ensures compliance with any legislative change separately.

6.3 It is important that society lotteries demonstrate the highest levels of transparency, and in addition to the changes outlined in this document, the Gambling Commission plan to consult on measures to tighten the licensing framework for society lotteries, looking in particular at the information provided to players on how the proceeds of a lottery are used (including publishing breakdowns of where all money is spent), and the good causes that benefit. We will also be looking further to consider how best to increase transparency in relation to executive pay and will seek further advice from the Gambling Commission. We will look to legislate if necessary if these measures do not go far enough.

6.4 Once we have seen the impact of the £50m annual limit, it is our aim to launch a further consultation on introducing a higher tier licence, to allow for an annual sales limit of £100 million, and to gather evidence about what additional licensing conditions should be attached.

## **7. Annex A: List of unique respondents<sup>8</sup>**

### **Society lotteries**

Hospice Lotteries Association (HLA)

Local Hospice Lottery

People's Postcode Lottery

- People's Postcode Trust
- Postcode African Trust
- Postcode Animal Trust
- Postcode Care Trust
- Postcode Community Trust
- Postcode Culture Trust
- Postcode Dream Trust
- Postcode Heroes Trust
- Postcode Innovation Trust
- Postcode Local Trust
- Postcode Sport Trust
- Postcode Support Trust

Scottish Children's Lottery

The Health Lottery

- People's Health Trust
- The Health CIC's
- The Health Lottery Group

The Lotteries Council

Tower Lottery Partnership

Treetops Lottery (Treetops Hospice)

Tuckwell Chase Lottery

Willow Wood Winners Lottery

### **National Lottery sector**

Arts Council England

Arts Council Northern Ireland

Arts Council of Wales

Big Lottery Fund

British Film Institute

Camelot

Creative Scotland

Heritage Lottery Fund

Sir John Major KG CH

Sport England

Sport Scotland

Sport Wales

The Lottery Forum

### **Devolved Governments**

Scottish Government

Welsh Government

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<sup>8</sup> Excludes individuals who responded to the consultation - these were mainly through the campaigns, and were writing in favour of particular local good causes. In order to maintain anonymity, these respondents are not listed here.

**Local Government**

Institute of Licensing  
Local Government Association  
Perth and Kinross Council  
Sevenoaks District Council (in partnership with London Borough of Bexley,  
Maidstone Borough Council, and Tunbridge Wells Borough Council)  
The Highland Licensing Board

**Trade bodies, retailers and gambling operators**

Association of Charity Lotteries in the EU (ACLEU)  
Association of Chief Officers of Scottish Voluntary Organisations (ACOSVO)  
Association of Convenience Stores (ACS)  
Creative Industries Federation  
Institute of Fundraising (IoF)  
Lottovate Ltd  
McColl's Retail Group  
nfpSynergy  
Spar (UK) Ltd  
The European Lotteries  
The Scottish Charity Regulator (OSCR)  
Wilkinson Bytes Consultancy  
World Lottery Association (WLA)

**Charities**

African Parks Network  
Afrikids  
Amnesty International  
Apopo  
Art Fund  
Barnardo's  
Battersea Dogs & Cats Home  
Book Aid International  
Breast Cancer Care  
British Heart Foundation  
British Library  
Broadway Cinema & Media Centre, Nottingham  
Building Communities Trust  
Canal & River Trust  
Cancer Research UK  
Carers Trust  
Children 1st  
CLIC Sargent  
Creative Skillset  
Daisy Chain  
Dame Kelly Holmes Trust  
Dementia Adventure  
Depaul UK  
Discovery of Talents  
Dogs Trust  
DOVE Workshop, Banwen Community Centre  
Eden Project

Edinburgh International Book Festival  
Ellen MacArthur Cancer Trust  
Farleigh Hospice  
Federation of Museums and Art Galleries of Wales  
Ffilm Cymru Wales  
Film London  
Friends of the Earth  
Friends of the Earth Scotland  
GambleAware  
Girlguiding  
Grandparents Plus  
Greenhouse Sports  
Highland Hospice  
Historic England  
Historic Houses  
HOME  
Hospice UK  
Human Rights Watch  
Into Film  
Keep Britain Tidy  
Liberty  
Lord's Taverners  
Maggie's  
Magic Breakfast  
Marine Conservation Society (MCS)  
Martin House Children's Hospice  
Mary's Meals UK  
Medecins sans Frontieres (MSF)/Doctors without Borders  
Midlands Art Centre (MAC)  
Missing People  
Museums Association  
Museums Galleries Scotland  
National Dance Company Wales  
National Foundation for Youth Music  
National Galleries of Scotland  
National Museum Wales  
National Museums Liverpool  
National Museums Scotland  
National Theatre Wales  
National Trust  
National Trust for Scotland  
Natural England  
NCVO  
Ndlovu Care Group  
Oxfam  
PDSA  
Plan International UK  
Plantlife  
Project Aspie  
Quaker Action on Alcohol and Drugs (QAAD)  
Ramblers GB

Royal Botanic Gardens, Kew  
Royal Society for Blind Children (RSBC)  
Royal Voluntary Service  
Royal Zoological Society of Scotland  
RSPB  
Save the Children  
Scope  
Scottish Council for Voluntary Organisations (SCVO)  
Scottish Wildlife Trust  
Sistema Scotland  
Sobell House Hospice Charity Ltd  
SportsAid  
St Luke's Hospice  
St Wilfrid's Hospice, Eastbourne  
Strathcarron Hospice  
Street League  
Tenovus Cancer Care  
The Churches Conservation Trust  
The Conservation Volunteers (TCV)  
The Johan Cruyff Foundation  
The National Gallery  
The Office of Gordon and Sarah Brown  
The Salvation Army  
The Wallace Collection  
The Wildlife Trusts  
Theatr Clwyd  
Theatr Genedlaethol Cymru  
Tyne & Wear Archives & Museums  
UNICEF  
V&A Dundee  
Volunteering Matters  
War Child  
Water Aid  
Whizz Kidz  
Wildfowl & Wetlands Trust (WWT)  
Woodland Trust  
WWF UK  
Yorkshire Dales Millennium Trust  
Youth Sport Trust  
Zoological Society of London (ZSL)

**Campaign response charities (1)**

Abbey Recreational Crafts  
Aberchirder and District Men's Shed  
Active Communities (Scotland) Ltd  
Ad Astra Barnsley CIC  
African and Caribbean Community Association Chesterfield  
Afro Innovation Group  
Akash Residents' Association  
Alington House Community Association  
Aspire Ryde

Aspiring Futures CIC  
Autism Hounslow  
Baobao Project  
Barrow Deaf Club  
Bell Green Silver Surfers  
Belvedere Community Centre  
BENS (Bond, Enrich, Nurture, Support)  
Between Here and There  
Blind and Sight Impaired Society (BASIS)  
Bridgend Inspiring Growth  
Brink Productions Limited  
Caerphilly Miners Centre for the Community  
Cambridge Sustainable Food  
Carlisle Community Choir  
Caterpillar Club  
Centre for Entrepreneurship Education Scotland (CEESCOTLAND)  
Chapter (West Cheshire) Ltd  
Cheshire Autism Practical Support Ltd  
CHIL Plymouth  
Claremont First Step Community Centre  
CLEAR Buckhaven & Methil  
CoActive Arts  
Community Action: MK  
Community Interest Luton  
Community Roots CIC  
Counselling Care  
Coventry Men's Shed  
Craigmillar Books for Babies  
Derby West Indian Community Association  
DIAL LEEDS Ltd  
DIAL South Essex  
Disability Advice Project  
Disability Pride Brighton  
Disability Sport Yorkshire  
East Thirsk Community Hall  
Easthall Residents Association  
Eastlea Community Centre  
Ekta – Unity Voluntary Organisation  
Excel Church, Bilston  
Families United  
Fishburn Youth & Community Centre  
Food & Education Enterprise CIC  
Footprints in the Community  
Four Estates  
Gendered Intelligence  
Glasgow Access Panel  
Good Companions (Nottingham)  
Grandparents Parenting Again & Kinship Carers  
Great Yarmouth & Gorleston Young Carers  
Green Futures  
Grimethorpe Activity Zone

Hamilton District Men's Shed  
Happy Times Activities  
Havelock Family Centre  
Headway Wearside  
Healthy Hearts Women's Wellbeing CIC  
Healthy Hopes  
Healthy Me Healthy Communities  
Hodthorpe & Belph Community Association  
Home-Start North East Worcestershire  
Honicknowle Commnet Ltd  
Huntingdonshire Volunteer Centre  
Imagine - Torbay Multicultural Group CIC  
In Di Go  
In2Play CIC  
Inaspectrum  
Indigo Youth Ltd  
Interact Arts CIC  
Involve - Voluntary Action in Mid Devon  
Jigsaw  
Junction Arts  
Justice Football Club United  
Khalsa Youth Football Academy  
Lancashire Lions Visually Impaired Sports Club  
Lazonby & District Swimming Pool Association Ltd  
Lee Gardens Pool Committee  
Lichfield Computer and Social Group  
Little Heroes ASD Support Group  
Livewire Youth Music Project  
Local Welcome  
Loganlea Miners Welfare Charitable Society  
Maesteg Shedquarters  
Making Theatre Gaining Skills CIC  
Many Directions  
Maystar Residents Association  
Mercian Ability Partnership  
Middle Eastern Women & Society Organisation  
Middle Street Resource Centre  
Milan Arts Group  
Millfields Inspired  
Môn CF  
Monty's Community Hub  
Mount Pleasant Road Community Group  
Mountford Growing Community London  
Neath Port Talbot Council for Voluntary Service  
New Options Community & Fitness Centre  
New Wortley Community Association  
Newham Chinese Association  
Newport Tech Club  
Nifty Fifty's  
North Midlands LGBT Older People's Group  
North Wales Association for Multicultural Integration



Notables

Nuneaton & Bedworth Healthy Living Network  
Oakdale House Trust  
Older & Active in East Kilbride  
Our Vision Our Future (OVOF)  
Oxgangs Neighbourhood Centre  
Pakistan Association Huddersfield  
Paston Farm Community Foundation  
Pennywell Youth Project  
Penwith Community Radio CIC (Coast FM)  
People First Dorset  
Peterborough Multi Agency Forum  
Pigtown Theatre CIC  
PlayWorks  
Plymouth Area Disability Action Network (PADAN)  
Plymouth Youth Sailing Club  
Polish Parent and Toddler Community Group  
Precious Gems  
Pride in North Cumbria (PiNC)  
Promoting Roles of Father Figures (PROFF)  
Q4E  
Queen's Park Bangladesh Association  
RainbowBiz CIC  
Rainbow Parents Carers Forum  
Sandwell African Women Association  
sedcat  
SEND Project  
Shabang!  
SHAID Ltd (and PACT HOUSE)  
Shepway Volunteer Centre  
South Stanley Partnership  
SPARC (Supporting People Achieving Real Choice)  
SpLinter Group  
Squash  
Support 4 Change  
Surrey Minority Ethnic Forum (SMEF)  
Symbiont CIC  
Tees Valley Arts  
The Ark Centre  
The Dracaena Centre  
The Dusty Shed  
The Gallan Head Community Trust  
The Gifted Organisation  
The Include Project  
The Zone Youth Committee  
Thornton Lodge Action Group  
Together in Matson  
Toryglen Community Hall  
Twyn Action Group Youth Club  
UCAN Productions  
Visually Impaired Community

Volunteer Dundee  
Waltham Forest Race Equality Council  
West Itchen Community Trust  
Winthorpe Community Partnership  
Woodend Project  
WSA Community Consultants  
You and Me Counselling

**Campaign response charities (2)**

Beyond the Battlefield NI Veterans Charity  
Essex & Herts Air Ambulance  
Farleigh Hospice  
Highland Hospice  
Institute of Imagination  
Local Hospice Lottery  
Planetbuilders  
Quatro PR  
YMCA Exeter

**Parliamentarians (UK)**

Sir David Amess MP (C - Southend West)  
John Baron MP (C - Basildon & Billericay)  
Conor Burns MP (C - Bournemouth West)  
Douglas Chapman MP (SNP - Dunfermline & West Fife)  
Vicky Ford MP (C - Chelmsford)  
Mark Francois MP (C - Rayleigh & Wickford)  
Ben Lake MP (PC - Ceredigion)  
Stephen Lloyd MP (LD - Eastbourne & Willingdon)  
Layla Moran MP (LD - Oxford West & Abingdon)  
Victoria Prentis MP (C - North Oxfordshire)  
Will Quince MP (C - Colchester)  
Jim Shannon MP (DUP - Strangford)  
Tommy Sheppard MP (SNP - Edinburgh East)

**Parliamentarians (Scotland)**

Alasdair Allan MSP (SNP - Western Isles)  
Miles Briggs MSP (C - Lothian)  
Stuart McDonald MSP (SNP - Cumbernauld, Kilsyth & Kirkintilloch East)