

**Motions Submitted to Council**

**In accordance with Chapter 2, Part 2 (Rule 15) of the Council's Constitution**

**Motion 1**

**Submitted by Councillor Ray**

“That this Council, having to face in the coming years the certainty of ever increasing its Council Tax, establish a cross-party working group to look into the feasibility of creating a Thurrock Lottery for the benefit of the residents of Thurrock”

**Monitoring Officer Comments:**

The Council has the legal powers to establish a lottery.

**Local Authority Lotteries**

Licensing authorities may run “local authority lotteries” to raise funds to cover anything for which they have the power to incur expenditure. This should now be viewed in the context of the new “General Power of Competence” granted under the Localism Act 2011

All local authority lotteries must be licensed by the Gambling Commission.

**The criteria applicable to Local Authority lotteries are:**

- Local authority lotteries must apply a minimum of 20% of the gross proceeds of each lottery for any purpose for which it has power to incur expenditure.
- Up to a maximum of 80% of the gross proceeds of each lottery may be divided between prizes and the expenses of the lottery.
- The maximum value of tickets that can be sold in a single lottery is £4 million.
- The maximum aggregate value of lottery tickets that can be sold in any calendar year is £10 million.
- The maximum prize in a single lottery is £25,000 or 10% of the proceeds (gross ticket sales), whichever is greater.
- Rollovers are permitted provided the maximum single prize limit is not breached.

It would be advisable to retain the services of an external lottery manager for such a Gambling Commission registered lottery and they would tend to be interested in larger scale lotteries and would charge a set up fee which would be on top of the overall costs to register, which could be in the region of £5000. There would also be costs in relation to accountancy support for this type of work and perhaps software costs for terminals etc

## **Smaller Society Lotteries**

An alternative is a “smaller society lottery” which could be run by a non commercial society be and also conducted for charitable purposes, or in order to support for example sporting or cultural activities. The Mayors charity could be one example of this.

### **The criteria applicable to small scale lotteries are:**

- Registration must be with the Licensing Authority in whose area the principal office of the society is located (i.e. this Council)
- The lottery must be promoted wholly on behalf of a non commercial society
- The proceeds of a lottery may not exceed £20,000
- The annual proceeds of all lotteries must not exceed £250,000
- The Lottery can be promoted for any of the purposes for which the promoting society is conducted
- At least 20% of the proceeds must be “applied to a purpose” for which the society is conducted
- Rollovers are permitted as long as the maximum limit shown above is observed
- The lottery ticket must identify the society, the price, the name and address of a person of responsibility for the lottery, the date of the draw
- There is no restriction on ticket price but all tickets must be priced the same
- The licensing authority must be satisfied that the small society lottery is constitutionally or conditionally established for non commercial purposes
- Initial registration is and thereafter renewal is a minimal amount which is less expensive than a Local Authority Lottery.

### **Section 151 Officer Comments:**

There are no financial implications at this stage over and above those outlined in the comments made by the Monitoring Officer.

### **Is the above motion within the remit of Council to approve?**

Yes