

CABINET – 17TH SEPTEMBER 2020

Report of the Head of Neighbourhood Services Lead Member: Councillor Harper-Davies

Part A

ITEM 8 CHARNWOOD COMMUNITY LOTTERY REVIEW

Purpose of Report

To review the Charnwood Community Lottery scheme 18 months after the first lottery draw in line with the original Cabinet report recommendations (18 Jan 2018 Min 80).

Recommendations

That Cabinet notes the content of the report and support is given to the continuation of the Charnwood Lottery.

Reason

To keep Cabinet informed on the progress of the Charnwood Community Lottery since it was introduced.

Policy Justification and Previous Decisions

The Council's Corporate Strategy 2020 – 2024 makes a commitment to support our communities by delivering a range of services which not only help residents, but also empower them to make a positive difference in their local areas.

On the 18th January 2018 a report went to Cabinet to seek agreement to the establishment of a local authority lottery for Charnwood to support the local voluntary and community sector. Cabinet approved the recommendation and Charnwood Community Lottery was launched in August 2018 with first lottery draw taking place on the 29th September 2018.

Neighbourhoods & Community Wellbeing Scrutiny received an update report on the 9th July 2019 as a 6 month review of progress. Recommendations were made on how to increase awareness and build up tickets sales.

Implementation Timetable including Future Decisions and Scrutiny

No further reviews are scheduled unless advised otherwise.

Report Implications

The following implications have been identified for this report:

Financial Implications

There are annual costs of £692 for the lottery license and £350 for Lottery Council Membership. These are include as part of the budget. The income to the Charnwood Community Fund, which is the general good cause fund which is administered by the Borough Council and is spent on support to the local voluntary and community sector is not in line with the original projections, but is dealt with as part of the budget process.

Risk Management

There is no risks directly associated with this report. The risks associated to the development and operating of the the Lottery were covered in the Cabinet report in January 2018.

Key Decision: No

Background Papers: Charnwood Community Lottery Cabinet Report 18th
January 2018 Min 80.

Charnwood Community Lottery Progress Report –
Neighbourhoods and Community Wellbeing Scrutiny 9th
July 2019

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Part B

Charnwood Community Lottery

1. The establishment of Charnwood Community Lottery was approved at Cabinet on the 18th January 2018 and an Established Lottery Management company (ELM) called Gatherwell was recruited to provide the running and administration of the Lottery.
2. Following the application process, the licence approval was given by the Gambling Commission on the 16th July 2018 for Charnwood Community Lottery.
3. The Lottery was officially launched on the 4th September and the first draw took place on the 29th September and included additional prizes to help celebrate the launch. A total of 571 tickets were sold.
4. For every £1 ticket sold 60p goes to benefit local good causes of which 10p goes into the General Good Cause Fund which includes revenue from the Charnwood Community Fund. The remaining money goes towards prizes and the administration and running of the lottery.
5. The average number of weekly ticket sales for 2018/19 was 837, 2019/20 was 738, 2020/21 is 782. The business plan has a target to reach 1000 ticket sales a week.
6. The total revenue raised in 2018/19 (Sept to March) was £9624, 2019/20 it was £19,172 and 2020/21 (April to July) it is £6473 to support Charnwood's Voluntary and Community Sector. This income is based on 50p per ticket.
7. In 2018/19, £1975 was raised for the Charnwood Community Fund (as part of the revenue above), in 2019/20 it was £3741 and in 2020/21 to date it is £1251. This income is based on 50p per ticket.
8. In 2018/19 the General Fund (Charnwood Community Fund + 10p per ticket sales) was £3899, in 2019/20 it was £7579 and in 2020/21 (todate) it is £3,545 (based on Gatherwell financial reporting system).
9. In 2018/19 the Charnwood Community Fund had an average of 87 regular supporters buying approximately 152 tickets per week and this has increased over the 2 years since its launch to 98 regular supporters averaging 154 tickets per week.
10. The revenue generated by the Charnwood Community Fund goes into a General Fund alongside the 10p per ticket sales revenue. This is administered by Charnwood Borough Council, contributing to the Council's increased financial support to the voluntary and community sector.
11. The Charnwood Community Lottery continues to buck the predicted trend seen with other Council Lottery schemes where the General Fund (Charnwood Community Fund ticket sales plus 10p per ticket sales) takes up to 60% of the ticket sales. In Charnwood the split averages at 20% General Fund and 80%

registered good causes. Whilst this has resulted in less income coming into the General Fund, it is a positive result for the 'Good Causes' who have secured regular commitment from their supporters. Further work needs to be done to increase ticket sales in general, but also generate support for the general good causes fund to help achieve income targets.

12. The Good Causes registered are very diverse in their size, areas of work and support and this is reflected in their number of supporters and ticket sales. In many cases the organisations are pleased to have any additional income that may contribute to running costs and others are heavily promoting the lottery to gain new supporters and fund specific projects.
13. The Good Causes cover a wide range of areas including homelessness, libraries, community venues, self help groups and advice services. Some signed up to help raise funds for specific projects whilst others are happy to generate enough income to cover insurance costs and other bills.
14. Bradgate Park Trust have been very successful in their own promotional activity and have benefitted from a large supporter group. Many of their supporters have won prizes over the last 2 years, with one of winning the first £2000 prize. In year 2 they have successfully increased their fundraising by 65% on the year before.
15. Most groups have seen consistent weekly ticket sales including the Loughborough Leggo Group who support young people with special needs have maintained consistent ticket sales to help with running costs including accommodation and equipment for activities.
16. It has been identified that additional support is needed to some of the groups who have limited capacity to promote the lottery and have seen low numbers of supporters and ticket sales. In some instances they have welcomed support such as how to use social media more productively and make greater use of the marketing tools provided through the lottery site
17. The grants panel, who oversee the Charnwood Community Grants fund have continued to promote the Lottery to all applicants to Charnwood Grants and have seen income streams in the organisations accounts when applying for grant funding.
18. In the last 8 months only 2 new organisations registered. Several applications have been rejected for not meeting the criteria and others have failed to complete the final registration stages despite support and encouragement from Officers. In most cases there has been a change in their decision to continue the process, sports clubs in particular are often signed up to alternative Lotteries eg FCA Football Lottery.
19. In addition, since March 2020 many VCS organisations have not been operating and have essentially been closed as a result of the COVID pandemic.
20. Since its launch in September 2018 to the date as at 3rd August 2020

- there are 53 Good Causes registered (including the Charnwood Community fund)
 - there are currently 2 new causes waiting for approval
 - there have been 97 weekly draws
 - 72,084 tickets sold, with a weekly average of 700 (the highest weekly ticket sales to date was 811)
 - The total number of registered active players is 782 with an average number of 440 people playing per week.
 - A total of £10,825 prize money has been won by 174 players
 - i. 1 winner of £2000
 - ii. 20 winners of £250
 - iii. 153 winners of £25.00
 - iv. 1415 people won 3 free tickets.
 - A total of £42,325 has been raised to date for both registered good causes and the Charnwood Community Fund
 - Of which £14,023 has been raised for the CBC General Fund (Charnwood Community Fund plus 10p per ticket sales)
21. A target of 1000 weekly ticket sales was set for 2019/20 Business plan and this was rolled over to the 2020/21 Business Plan. The base at that time was 680 - 700 ticket sales per week. There has been steady growth and weekly ticket sales of on average of 760 per week are being achieved. During the beginning of the COVID Pandemic, there was an increase which helped to support the groups that had to temporarily close their doors. The weekly sales peaked at 800 but have since dropped back to 760 a week on average.
 22. The plan now that VCS organisations are beginning their recovery process is to ensure that the Charnwood Community Lottery is promoted to them as a way for them to generate support and generating additional revenue.
 23. During this unprecedented time, it is hard to predict how ticket sales will continue but to date they remain over 760 per week.
 24. Gatherwell the Lottery Management Company have provided several national promotional campaigns to help support their lotteries and incentivise ticket sales through prizes. There is a campaign running currently.
 25. Appendix A shows the groups that are currently registered for the lottery.

Charnwood Lottery Marketing Strategy

26. The marketing strategy from the outset has, on the whole, focussed upon utilising low cost channels for promotion.
27. Marketing activity has been significantly curtailed since the start of the pandemic.

Marketing and promotion to date

28. Since the launch of the Lottery the following has been undertaken :

Media

Eight press releases have been released since the lottery launched in 2018 generating 13 articles in the local press such as the Loughborough Echo, Leicester Mercury and other titles.

Social media

The communications team has conducted a social media campaign across both Twitter and Facebook since the lottery launched utilising the Council's corporate accounts as well as encouraging the Council's other teams such as Loughborough Town Hall and the Markets to share content about the lottery. Messaging has focussed on being a great way to support good causes and being in with a chance of winning £25,000.

In summary:

- A further 2 posts have been boosted at a cost of £20 to promote national bolt-on campaigns.
- A total of nine videos have been filmed and produced in the past two years to showcase groups signed up, lead member and to celebrate the first anniversary. Videos received over 4,000 views combined on Facebook.
- There was a significant amount of social media activity around the launch in September 2018 including live tweeting from the launch event including images and video – the Twitter posts reached around 7,000 accounts.
- The first five Facebook posts about the lottery reached 14,000 people and received 220 link clicks
- Three Facebook posts were boosted at a cost of £170. They reached 22,000 people with 322 link clicks and 70 shares

Marketing materials

- Free quarter page ad in the Loughborough Town Hall panto brochure
- A small spend of £100 on five adverts in Pink Pages between March and July 2020
- The Council obtained two pull-up banners, two lottery boards, t-shirts, posters and leaflets with a total cost of £503.
- An additional prize costing £320 was used to encourage ticket sales.
- The lottery logo was used on bin stickers at Christmas in 2018 and 2019 which contained Christmas refuse and recycling dates

Other promotional activity

- Articles in Council residents' magazine winter 2018, spring, summer and winter 2019 editions.
- Numerous articles in the Council's email alert Charnwood Now which has a current subscriber level of around 6,500
- A promotional event for the lottery's first birthday at Fearon Hall.
- Numerous features in the Council staff magazine One Charnwood
- Lottery has featured on the Council's new email updates
- Leaflets and banners present at events such as Sports Awards/Community Heroes Day
- Banner on Charnwood Borough Council website

29. The lottery currently has 1,040 people registered to play. The following is a summary of how people heard about the lottery:

- 30% Facebook
- 20% friend
- 13% email
- 6% Local press including Loughborough Echo, Leicester Mercury and local parish titles
- 4% Twitter
- 27% Other – including places of work, the Council's website and the bin stickers, posters and search engines

Future Marketing and Promotions

30. In terms of future promotion, the proposal is to continue proactively promoting the Lottery and look at alternative ways of doing this, alongside increasing spend on promotional activities. Proposals include:

- Continuation of the above activities
- Feature more case studies on social media
- Banners on one side of three of the new refuse and recycling vehicles (garden, refuse and recycling) in September 2020 – these have just gone live
- Increase the number of causes signed up would also boost ticket sales
- To boost ticket sales, we are looking to increasing resources around marketing and staffing, from within the team, to support the lottery
- Increased staff resources would lead to increase in activity on social media advertising and the ability to attend local events to promote the lottery

31. Over the next 12 months the plan is to:

- 2nd birthday press and social media

- Continue to encourage causes to register
- Work with signed up organisations on their own promotional activity to their supporters
- Increase levels of promotional activity
 - Social media
 - Advertising at council run venues
 - Invitation to apply to all grants applicants
 - Work with Members to encourage their local groups to join
 - Case studies
- Cost up potential activities including leaflet drops etc
- Have a stall on market days and other local events
- More printed promotional activity, flyers, posters, banners etc

Conclusion

32. The Lottery continues to be a positive way to support the local VCS organisations to generate income. The process to register is simple and the ongoing marketing support from Gatherwell helps the organisations with promotional materials. It has provided a way in which supporters can make weekly contributions to their preferred charities and requires minimum resources from the organisations that often rely heavily on volunteers.
33. The weekly ticket sales have remained consistent with the majority of organisations maintaining a regular level of funding. In many cases the organisations have left the sales to tick over and others have promoted when they can. The recent changes due to the Pandemic have left many of these organisations having to temporarily close their doors and reduce the services they can offer incurring a loss of income. This has also led to a reduction in other opportunities to generate income including fundraising activities. As they look to focus on recovery the Lottery scheme is an ideal way for them to continue to raise funds and increased support will be given to help them to make the most of their Lottery status.
34. Feedback has been very positive from the organisations and they have welcomed the additional income stream which often helps take the pressure of finding funds for things such as insurance or unexpected costs. The steady growth has meant that they have had a reliable income and their lottery management reports help to provide up to date information for budgeting.
35. There continues to be an opportunity to encourage more organisations to join the lottery and with more support than ever being needed it is hopefully a positive way to support the organisations through recovery and beyond.
36. The Lottery promotion on the new fleet will help to have a much visible presence and reminder and will be supported through a comms campaign.

APPENDIX A

Cause name
Charnwood Community Fund
Quorn Local History Group
Anstey Community Library
Coping with Cancer in Leicestershire and Rutland
The Marios Tinenti Centre
Shepshed Toy Library
The Loughborough Leggo Youth Group
Peter Le Marchant Trust
Gorse Covert Community Association Limited
Citizens Advice Charnwood
Shepshed Dolphins Swimming Group
Go-Getta CIC
Living Without Abuse
Loughborough Wellbeing Centre CIC Ltd
Above & Beyond - Developing Potential
Grange Park Centre & The Arc Community Hub
Falcon Support Services
Glebe House (Charnwood) Ltd
The Bridge (East Midlands)
Ashby Road Estate Community Association (ARECA)
Fearon Community Association
The Baldwin Trust
Thurmaston Community Library
Charnwood Stroke Club
Rawlins under 5 Playgroup
Equality Action
Hathern Community Library
Bradgate Park Trust
Cancer Self-Help Group Loughborough
Men & Women in Sheds Loughborough
Shepshed Volunteer Centre
Shepshed Women's Community Choir
Thorpe Acre Scout Group
Enrych East Midlands
Warwick Way Action Group (WAGS)
Loughborough Sea Cadets
Friends of Burton School
East Goscote Village Hall
EAST GOSCOTE COMMUNITY LIBRARY
Steps Conductive Education Centre
Barrow Community Library
Passion Youth Project
Shepshed Special Community Bus
Sidings Park Area Residents' Association
Fibromyalgia Friends Together
Fosse Company of Archers
Rothley Community Library
Friends of Queens Park Loughborough
Loughborough Foxes Women's and Girls FC
Friends of Hallam Fields
Little Bird SOS
Birstall Business Co-operative
1st Nanpantan Scout Group