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Friday, 5 October 2018

To: The Members of the **EXECUTIVE**  
(Councillors: Moira Gibson (Chairman), Richard Brooks, Mrs Vivienne Chapman,  
Paul Deach, Colin Dougan, Craig Fennell, Josephine Hawkins, Alan McClafferty and  
Charlotte Morley)

Dear Councillor,

A meeting of the **EXECUTIVE** will be held at Council Chamber, Surrey Heath House, Knoll Road, Camberley, GU15 3HD on Tuesday, 16 October 2018 at 6.00 pm. The agenda will be set out as below.

Please note that this meeting will be recorded.

Yours sincerely

Karen Whelan

Chief Executive

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## **AGENDA**

### **Pages**

#### **Part 1 (Public)**

**1. Apologies for Absence**

**2. Minutes**

**3 - 8**

To confirm and sign the open minutes of the meeting held on 12 September 2018 (copy attached).

**3. Declarations of Interest**

Members are invited to declare any interests they may have with respect to matters which are to be considered at this meeting. Members who consider they may have an interest are invited to consult the Monitoring Officer or the Democratic Services Officer prior to the meeting.

**4. Questions by Members**

The Leader and Portfolio Holders to receive and respond to questions from Members on any matter which relates to an Executive function in accordance with Part 4 of the Constitution, Section B Executive Procedure Rules, Paragraph 16.

- |           |  |                |
|-----------|--|----------------|
| <b>5.</b> | <b>Community Fund Grant Applications</b>         | <b>9 - 16</b>  |
| <b>6.</b> | <b>Surrey Heath Community Lottery</b>            | <b>17 - 24</b> |
| <b>7.</b> | <b>The Community Matters Partnership Project</b> | <b>-</b>       |
|           | Report to follow.                                |                |
| <b>8.</b> | <b>Corporate Enforcement Policy</b>              | <b>-</b>       |
|           | Report to follow.                                |                |
| <b>9.</b> | <b>Exclusion of Press and Public</b>             | <b>25 - 26</b> |

**Part 2  
(Exempt)**

- |            |  |                |
|------------|--|----------------|
| <b>10.</b> | <b>Exempt Minutes</b>  | <b>27 - 28</b> |
|            | To confirm and sign the exempt minutes of the meeting held on 12 September 2018 (copy attached). |                |

**Minutes of a Meeting of the Executive  
held at Council Chamber, Surrey Heath  
House, Knoll Road, Camberley, GU15  
3HD on 12 September 2018**

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+ Cllr Moira Gibson (Chairman)

+ Cllr Richard Brooks	+ Cllr Craig Fennell
+ Cllr Mrs Vivienne Chapman	+ Cllr Josephine Hawkins
+ Cllr Paul Deach	- Cllr Alan McClafferty
+ Cllr Colin Dougan	+ Cllr Charlotte Morley

+ Present

- Apologies for absence presented

In Attendance: Cllr Rodney Bates, Cllr Bill Chapman, Cllr Edward Hawkins, Cllr Katia Malcaus Cooper, Cllr Robin Perry, Cllr Ian Sams and Cllr Valerie White

**21/E Minutes**

The open and exempt minutes of the meeting held on 17 July 2018 were confirmed and signed by the Chairman.

**22/E Camberley Multi-story Car Parks Tariff Review**

The Executive received a report proposing increases to the tariffs for the Council's multi-storey car parks in Camberley Town Centre: Main Square Car Park and Knoll Road Car Park. Charges had not been increased since 2014 and the proposed charges reflected the 9% increase in inflation since the last increase to tariffs.

The Executive was reminded that the car parks were often the first impression that visitors had of a town and that maintaining them to a high standard required regular and significant investment. It was noted that, since 2014, over £800,000 had been spent on improving the car parks; this had included the introduction of a ticketless ANPR system, refurbishing stair cores and lifts, resurfacing of floors including the provision of wider spaces, and replacing the lighting with energy efficient LED lighting.

Members were informed that the funding of these improvement works over a 25 year period would cost the Council approximately £90,000 per year. The proposed tariff increase, which was estimated could generate an additional £170,000 per annum, would be used to cover this cost as well as fund further enhancements.

It was suggested by some Members that it was not an appropriate time to increase charges due to the current uncertainty in retail, including recent uncertainty concerning the town's anchor store. Members also noted that footfall was currently down in the Town Centre, although it was advised that this could have been attributed to the above average weather that summer and there was evidence that

footfall was increasing again. It was therefore proposed that the charges be reviewed in 12 months' time when the retail position was better known. A further proposal was made that the increases should be introduced once the current schedule of car park works was completed.

The Executive endorsed the proposal for up to 100 discounted season tickets of £150 per annum to be made available for Camberley Town Centre workers earning the living wage or below; the tickets would be available on a first-come, first served basis and would require the applicant to provide a copy of a payslip or a letter from their employer as proof of earnings.

Whilst it was agreed not to amend the Scheme of Delegation of Functions to Officers to enable automatic inflationary increases to tariffs in line with inflation, Members supported a biennial review of the charges by the Executive to ensure that charges remained at the right level.

**RESOLVED that**

- (i) the car parking tariffs, as set out at Annex 1 to the agenda report, be agreed, to come into effect after the completion of the works detailed in paragraph 1.3 of the agenda report and following the statutory Traffic Regulatory Order process; and**
- (ii) subsidised annual permits of £150 per annum be made available for Camberley Town Centre workers earning the living wage or below.**

**23/E Out of Town Pay & Display Car Park Tariff Review**

The Executive received a report proposing changes to the charging regime at Bagshot, Burrell Road, Chobham and Watchetts Road car parks. Car parking tariffs in these out of town car parks had not been reviewed since 2009. At present the operation and maintenance of these car parks was subsidised by approximately £50,000 per annum, after deducting charges.

The proposed tariffs had been increased to reflect the 27.5% increase in inflation since 2009 and also included the introduction of a 40p tariff for the first 2 hours' stay, which had previously been free. In recognition that a number of local businesses depended on short "stop and shop" visits by customers, it was proposed to make available 8 free of charge 30 minute parking spaces for short stay use in each car park.

The Executive considered the loss of the 2 hours free parking and the introduction of the 30 free bays. It was suggested that 30 minutes was not sufficient time to visit the shops and amenities in any of the affected areas and that the proposed charging policy could have a detrimental impact upon the local businesses. Members also suggested that the 2 hours free parking helped maintain a turnover in the car parks, thereby supporting the shops' trade. In addition, concerns were raised that losing the 2 hours free parking would have a detrimental impact on those dependent on it for visiting doctors' surgeries and other healthcare services.

Whilst the Executive supported the review of the charging regime by Members biennially, it was felt that tariffs should remain the same for the present time.

Members noted that discussions had previously taken place with some of the Parish Councils concerning opportunities for them to take over the management of the car parks in their parish areas and agreed to ask officers to make further enquiries on this matter with all of the Parish Councils.

**RESOLVED not to amend the current car parking tariffs at Bagshot, Burrell Road, Chobham, and Watchetts Road car parks.**

#### **24/E Council Tax and Housing Benefits - Application of Civil Penalties**

The Executive considered a report requesting the introduction of a policy for imposing Council Tax and Housing Benefit civil penalties.

Members were informed that legislation allowed for civil penalties to be imposed for failing to give accurate information or for failing to advise of a change in circumstances in relation to any Council Tax discount, exemption or Council Tax Reduction Scheme. It also allowed for civil penalties to be imposed in relation to Housing Benefit where a person had been negligent in the information they had provided, or where a person has failed without reasonable excuse to inform the Council about a change in their circumstances. There was, however, currently no legislative provision for penalties to be applied in respect of Business Rates.

The introduction of the civil penalties was intended to provide an incentive for people to provide accurate and timely information which would ensure that they pay the correct amount of Council Tax and receive the correct level of support or Housing Benefit.

The Executive was informed that before imposing a civil penalty, consideration would be given as to whether a person was considered to be vulnerable and therefore whether a civil penalty was appropriate.

Whilst it was emphasised that penalties would only be imposed in cases of intent, concerns were expressed that some of the wording in the policy could be open to interpretation and it was suggested that the Citizens Advice Bureau (CAB) and Frontline should be consulted before its adoption. It was therefore agreed to authorise the Executive Head of Finance to finalise the wording following consultation with the CAB and Frontline and thereafter implement the Policy.

#### **RESOLVED that**

- (i) the adoption of the policy for imposing Council Tax and Housing Benefit Civil Penalties, as set out at Annex A to the agenda report, be agreed in principle;**
- (ii) the finalisation of the wording of the policy be delegated to the Executive Head of Finance following consultation with the Citizens Advice Bureau and Frontline; and**

- (iii) **a report on the application of the policy be brought to the Executive following a year of its operation.**

**25/E Response to the Government Funding Review**

The Executive considered a draft response to the Government's consultation on the 2019/20 Local Government settlement. It was agreed to make a minor amendment to the final sentence in response to Question 1 by replacing the reference to 'land' with 'infrastructure'. It was also agreed to expand the response to Question 2 to provide examples of social cares services provided by district councils.

**RESOLVED to agree the Council's response to the 2019-2020 Local Government Finance Settlement Technical Consultation Paper, as set out at Annex A to the agenda report, as amended.**

**26/E Council Finances as at 30 June 2018**

The Executive received a report summarising the Council's finances at 30 June 2018.

The report requested authority to add 2 revenue items to the 2018/19 budget relating to carry forwards that had not been on the carry forward list approved by the Executive at its meeting on 17 July 2018. The requested budget carry forwards were £90,000 for Swift Lane and £31,000 for Chobham flood reserve.

The Executive also considered a request to add 2 projects to the 2018/19 capital programme, as follows:

- **Playground refurbishment at Evergreen Road** - cost £10k The first project was the refurbishment of the playground equipment at Evergreen Road at a cost of £10k, to be funded by Community Infrastructure levy (CIL) monies.
- **Play Area and Path Link on land north of the Ridgewood Centre** – the projected related to a residential development of 100 dwellings on land at the Ridgewood Centre. The developer had provided a contribution of £70k to secure a footpath between the site and the highway network to the north across council owned land; the remainder of the funding was to provide improvements to the existing play area on Council owned land.

It was reported that applications had been invited from the Ministry of Housing, Communities and Local Government for groups of councils to become Business Rates pilots for 2019/20. As the deadline for applications was soon it was agreed to delegate authority to the Executive Head of Finance to complete and submit the application on behalf of the Council.

**RESOLVED that**

- (i) **the financial position at 30 June 2018 be noted;**

- (ii) **£90,000 for Swift Lane and £31,000 for Chobham flood reserve be added to the 2018/19 revenue budget; and**
- (iii) **the completion and submission of an application for Surrey Heath to be part of a Surrey Business Rates pilot and/or pool for 2019/20 be delegated to the Executive Head of Finance.**

**RECOMMENDED to Full Council that the 2018/19 capital programme be amended to include £10k for the playground refurbishment at Evergreen Road and £70k for Local Equipped area of play on land north of the Ridgewood Centre.**

## **27/E Annual Report on the Treasury Management Service and Actual Prudential Indicators for 2017/18**

The Executive received a report detailing the authority's treasury management performance during the year as well demonstrating compliance with the 2017/18 Prudential Indicators.

**RESOLVED to note the report on Treasury Management including compliance with the 2017/18 Prudential Indicators.**

## **28/E Exclusion of Press and Public**

In accordance with Section 100(A)(4) of the Local Government Act 1972 (as amended) and Regulation 5 of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012, the press and public were excluded from the meeting for the following items of business on the ground that they involved the likely disclosure of exempt information as defined in the paragraphs of Part 1 of Schedule 12A of the Act as set out below:

Minute	Paragraph(s)
21/E (part)	3
29/E	3
30/E	3
31/E	3

Note: Minute 29/E is a summary of matters considered in Part II of the agenda, the minutes of which it is considered should remain confidential at the present time.

## **29/E Property Acquisition**

The Executive made decisions in relation to the acquisition of property in support of the ongoing provision of local services and to assist employment and economic development in the drive to work area.

## **30/E Urgent Action**

The Executive noted Urgent Action which had been taken in accordance with the Scheme of Delegation of Functions to Officers.

**31/E      Review of Exempt Items**

The Executive reviewed the reports which had been considered at the meeting following the exclusion of members of the press and public, as it involved the likely disclosure of exempt information.

**RESOLVED that**

- (i)      Minute 29/E and the associated agenda report remain exempt for the present time, but the decision be made public following the completion of negotiations; and**
- (ii)    the Urgent Action reported at minute 30E remain exempt for the present time.**

Chairman



## **Community Fund Grant Applications**

### **Summary:**

**To consider grant applications to the Council's Community Fund Grant Scheme received by 30<sup>th</sup> June 2018.**

### **Portfolio: Support and Safeguarding (Cllr Josephine Hawkins)**

Date Signed Off: 5<sup>th</sup> August 2018

**Wards Affected: All**

### **Recommendation**

**The Executive is asked to consider awarding a grant to the applicants from the Council's Community Fund Grant Scheme.**

## **1. Key Issues**

- 1.1 To qualify for a grant from the Community Fund, applications must meet the Council's objectives from the 5 Year Strategy and must demonstrate a benefit to the local community. All awards are made at the discretion of the Executive. Each of the applicants is a not for profit organisation. Each project recommended for a grant must be well planned with a sound financial basis.
- 1.2 Information on the Community Fund Grant scheme is provided on the Council's website and articles are regularly published in the Council's Heath scene magazine promoting recent successful awards.
- 1.3 All decisions on grant awards rest with the Executive. The Executive can also add conditions to the awarding of any grants as it sees fit.

## **2. Resource Implications**

- 2.1 The Council has its own Community Fund from which it provides grants of up to £25,000 to assist local 'not for profit organisations' with the delivery of community projects. Total project costs of up to £2,000 can attract 75% funding and total project costs over £2,001 can attract up to 50% funding from the scheme.
- 2.2 There are two submission deadlines each year, namely 30 June and the 31 December. This report includes the applications received by 30 June 2018.
- 2.3 The Portfolio Holder reviewed three applications on 5 August 2018 and recommended that three applications are supported. An analysis of each of the bids is included in Annex A. Details the supported applications are located in Annex B.

- 2.4 The total amount requested from the three applications total £30,130. However, it is recommended a total spend of £16,380 is awarded from an existing reserve of **£242,000 as at 1<sup>st</sup> April 2018**. The summary information is included in Annex B. No payments are made until after evidence is submitted that the work is completed.

### **3. Options**

- 3.1 The Executive has the option to;
- i. Fund the organisations in line with the proposed amount in Annex B;
  - ii. Fund the organisations to a greater or lesser amount of their requested sum;
  - iii. Not fund the organisations.

### **4. Proposals**

- 4.1 It is proposed that the Executive agree the proposed awards set out in Annex B from the Community Fund Grant Scheme.

### **5. Corporate Objectives and Key Priorities**

- 5.1 The funding of voluntary organisations allows the Council to meet its objectives to:
- Work in partnership with local organisations to provide support to the community and diverse open space and recreation facilities.
  - Understanding and supporting local voluntary groups.
  - Significantly contribute to civic pride through the provision of events and green spaces.
  - Work in partnership with the voluntary and third sector to extend opportunities in the Borough.
  - Encouraging greater involvement from local clubs and organisations including volunteering.

### **6. Equalities Impact**

- 6.1 The Community Grant Fund has been equality impact assessed.

<b>Annexes</b>	<b>Annex A – Summary of Bids</b> <b>Annex B – Proposed Grant Awards</b>
<b>Background Papers</b>	<b>Application Forms</b>
<b>Author/Contact Details</b>	<b>Jayne Boitoult - Community Partnership Officer</b> <a href="mailto:jayne.boitoult@surreyheath.gov.uk">jayne.boitoult@surreyheath.gov.uk</a>
<b>Service Manager</b>	<b>Louise Livingston - Executive Head of Transformation</b>

## Annex A – Summary of Bids

### **Applicant: Windlesham Field of Remembrance**

**Project: To relocate the War Memorial and to create a new landscape garden to complete the new community hall and car parking.**

**Grant requested: £20,000**

**Project cost: £41,784**

This community based project has taken over 10 years to come to fruition from the continuous hard work fundraising by the Windlesham Field of Remembrance trustees.

The overall project which comprises of replacing the pavilion, the carpark and landscaping and relocating the War Memorial has a total cost of £623,000. Funds have been sought from many National and local sources such as the Football Foundation who have awarded £277,000 and the London Marathon Trust who have awarded £95,000, plus the local fundraising of buying a brick etc. The applicant confirms that 80% of the funds are now secured, with a £20,000 funding bid being considered by Windlesham Parish Council in September, this will be presented by Rob Reynolds who is both a member of the Field of Remembrance Trust and a Parish Councillor.

The new building will host the pre-school, a café facility, and library area and have available meeting rooms for a multitude of uses for community groups. The applicant has a waiting list from local organisations who would like to use the newly available facilities when completed.

Following supportive consultation from the community for the whole project together with the planning consent approval, the building works for the pavilion commenced in August, and will be completed later in 2018. The landscaping and relocation of the War Memorial that is located in Kennel Lane (opposite the junction with Pound Lane) will commence in January 2019, this will follow the conditions set out with the planning consent 16/0973 and the applicant has confirmed that no specific requirement is required in this instance from the memorial trust.

**Recommendation and rationale:** The Council are supportive of this scheme and would like to award a grant of £10,000 towards the specific works outlined within the application. This is calculated on the basis of the proportional benefit within the whole of the Surrey Heath area.

**Applicant: Camberley Judo Club**

**Project: To purchase a Pre-used Mini-bus.**

**Grant requested: £7,500**

**Project cost: £17,000**

Camberley Judo Club is an established centre for excellence locally and attracts up to 25 athletes who live on the site in Camberley. The club is trying to increase the numbers attending clubs, which is presently around 60 per week, by reaching out to the local schools in delivering a mobile Judo to them as an after school activity, at present 9 schools have expressed an interest in this (of which 3 are outside the Surrey Heath) which is estimated to add a further 200 pupils per week.

The minibus will also enable greater ease of accessibility to the athletes in attending competitions, without having to hire transport or rely upon parents to use their cars.

The club has applied to other funds to contribute towards this project, and over the past two years have secured three Surrey County Council Member grants, a Rotary donation and a previous donation from this Community Fund scheme that awarded £8,500 towards the new on site conditioning gym.

The club have confirmed that once purchased the mini-bus costs to keep it on the road will be met by ongoing fundraising of the organisation.

**Recommendation and rationale:** It is suggested that the Council Executive agree an appropriate award at around £5,000 considering the previous Community Fund grant in 2016, and add a condition to ensure that this project is fully compliant of all relevant governance.

**Applicant: Beacon Frontline Debt Service**

**Project: To purchase 6 laptops and 4 phones**

**Grant requested: £ 1,380**

**Project cost: £1840**

The Beacon Frontline Debt Service opened its doors to clients in August 2017. It is hosted at the Beacon Church in Berkshire Road and is open on a Monday, Wednesday and Thursday from 8.00am – 5.00pm. In its first year the 5 volunteers led by Richard Birt, helped 45 clients. The organisation is supported financially by the Beacon Church, who provides the host facilities and operational costs to date.

In order for the service to develop it requires to purchase 6 laptops, four of which are to be used by the volunteers to deal with their cases, and two for use by clients to help with applying for benefits etc. Also required is the purchase of 4 mobile phones. At present there is one mobile phone, and one laptop.

**Recommendation and rationale:** The Council is supportive of the application and would grant the full funds request of £1,380 or 75% whichever is the lesser as per the application to enable the purchase of the new equipment as outlined above.

## Annex B – Proposed Grant Awards

Applicant	Project Details	Project Cost £	Amount Sought £	Amount Proposed £	Suggested Conditions
<b>Windlesham Field of Remembrance</b>	Relocate War Memorial and landscape gardens	41,784	20,000	10,000	SHBC to be acknowledged of the Community Fund Grant Award.
<b>Camberley Judo Club</b>	To purchase a pre-owned Mini-bus	£17,000	£8,750	£5,000	To ensure that the organisation is fully compliant, with all relevant governance issues.
<b>Beacon Front-Line Debt Service</b>	To purchase 6 laptops, and 4 mobile phones for volunteer and client use	£1,840	£1,380	£1,380	That the equipment be donated to another Local Frontline if the scheme ceases to operate
<b>TOTAL</b>		<b>£60,624</b>	<b>£30,130</b>	<b>£16,380</b>	

**N.B. All Grants to be subject to a general rule that SHBC is acknowledged by the recipient as having awarded the grant.**

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## **Surrey Heath Community Lottery**

### **Summary:**

To introduce a new Surrey Heath Community Lottery that will generate funds to support good causes within the Borough and enable voluntary not for profit organisations to access funds from this Council initiative.

**Portfolio:** Support & Safeguarding

Date Signed Off: 4 September 2018

**Wards Affected:** All

### **Recommendation**

The Executive is advised to RESOLVE to introduce the Surrey Heath Community Lottery by April 2019 and a new Annual Community Lottery award scheme from April 2020, with the implementation of the lottery delegated to the Executive Head of Transformation in consultation with the Portfolio Holder for Support & Safeguarding.

## **1. Background Information**

- 1.1 The Council provides significant grants and support to voluntary and community organisations in the Borough, in the form of Council Revenue and Community Fund Grant. Schemes for the year 2018/19 have awarded circa £200,000 (including £41,000 of benefits in kind).
- 1.2 The Council budgets are fixed and there are ever growing demands to meet the local needs. It is suggested that this initiative could provide the community an opportunity to support their chosen charity at the same time as a chance of winning up to £25,000, per week (the odds are 1,000,000:1).
- 1.3 A local lottery for Surrey Heath would offer a valuable new income stream for local voluntary and community (not for profit) organisations that could complement our own grant funding arrangements. Since 2015 over 50 councils have set up, or are in the process of setting up local Lotteries to support good causes in their areas.

## **2. The Scheme and Resource Implications**

- 2.1 Many councils have engaged an External Lottery Manager (ELM) and this is formalised by a contractual arrangement with an appointed ELM for the management of the lottery on the Council's behalf, including website management, administration of ticket sales and payments, prize management and marketing.

- 2.2 Gatherwell Ltd is by far the largest provider of council lotteries, with research indicating that it operates all but one of the nearly 50 already established or being developed lotteries.
- 2.3 Given the small number of providers and the fact that only one ELM has a proven track record of working successfully with councils to deliver low cost lotteries, it is suggested that the Council works with this provider, Gatherwell Ltd, on the establishment of the new Surrey Heath Community Lottery. **The Gatherwell model as summarised in Annex A** which offers the flexibility to provide the scheme tailored to meet the requirements of Surrey Heath.
- 2.4 As part of the introduction of the new lottery, Gatherwell would design a bespoke Surrey Heath Community Lottery website in partnership with the Council. This will be updated regularly to attract new players and will be accessible from various electronic devices. Once approved, each good cause will have their own branded page on the website and will be provided with their own bespoke marketing material for the Surrey Heath lottery.
- 2.5 It is crucial to the overall success of this project that it is extensively promoted and marketed and that as many varied local good causes commit to the concept. It is a simple way for them to raise income through their own website and the dedicated council lottery website. Each £1 ticket sale can raise 50p to the selected organisation. To encourage their commitment, there are no administration fees to join the lottery.
- 2.6 The Council's own operational involvement in the lottery, once launched and established will be limited. The control will be retained through an eligibility criterion which is set out in annex B and mirrors the terms for other council lotteries.
- 2.7 As the lottery licence holder, the Council will need to apply for a licence from the Gambling Commission and the nominated lead - Louise Livingston, Executive Head of Transformation - will oversee this process. Payments will be made each month to the good causes from the proceeds of the lottery ticket sales by the ELM.
- 2.8 The Council is required to select a nominated fund itself, as if selected by players this will receive the whole 60% of each ticket sale, otherwise, it will receive 10% of each ticket sale, with the remaining 50% going to the nominated local good cause.
- 2.9 On balance, it is suggested that the funds be accumulated over the year with the first awards to be made in spring 2020 and applications invited to the new scheme nearer that time when the proceeds are known. The scheme is to be named the '**Surrey Heath Annual Community Lottery Award Scheme**': it is intended to award all accumulated funds each year.

This scheme will be operated and managed alongside the existing Council Revenue and Community Fund Grant Scheme and will be administered by the Council's Community Development Officer.

2.10 Some officer time will be required in setting up and administering the lottery (e.g. registering and determining eligible good causes and authorising payments, completing licence application to the Gambling Commission and marketing the lottery), together with the development of a communications plan, to launch both to the local not for profit organisations and community to buy the tickets.

2.11 The duties will be managed from within existing staff resources.

### **3. Costs**

3.1 It is estimated that the start-up costs for a new Surrey Heath lottery would be £7,400, which includes:

- Gatherwell Ltd set-up fees - £3,000 +VAT
- Licence fees and affiliations - £1,400
- Marketing/Launch Expenses - £3,000

3.2 The ongoing annual costs of running the lottery will be up to £1,400 which is the cost of the licence fee, it is intended that these costs will be funded by the 3% VAT recovery cost that is levied for each lottery ticket sale, any excess proceeds will be added to the Surrey Heath Annual Lottery Award Scheme.

### **4. Legal Implications**

4.1 The Gambling Act 2005 creates eight categories of permitted lottery, one of which is a local authority lottery. The Local Authority lotteries are promoted by the relevant council and the net proceeds can be used for any purpose for the authority has power to incur expenditure.

4.2 If the Council is to set-up a Surrey Heath lottery, it must be run under an operating licence issued by the Gambling Commission and would need to comply with the specific licence conditions and relevant codes of practice.

4.3 As suggested, the Council can appoint an ELM to manage the lottery on the Council's behalf in accordance with S.257 of the Gambling Act. The ELM will also need to obtain the necessary consent and operating licence from the Gambling Commission. However, the Council will remain responsible for ensuring that the lottery operates lawfully if an ELM is appointed. Louise Livingston, Executive Head of Transformation is the nominated responsible officer for the Gambling Commission's lottery licence.

4.4 Gatherwell Ltd is the operator of all but one of the nearly 50 established local authority lotteries. It has built a proven track record of working

with Councils to deliver low cost lotteries and offers the flexibility to provide a scheme tailored to Surrey Heath's requirements. From our research it is suggested that Gatherwell Ltd be supported as our nominated ELM partner.

## **5. Risk Management**

- 5.1 There are various risks associated with establishing a new Surrey Heath lottery, such as:
- The voluntary and community sector choosing not to engage with the initiative and;
  - The lottery not performing as well as expected and not producing the anticipated levels of income.
- 5.2 However, these risks do not appear to have been realised in other Council operated lotteries and upon balance they are outweighed by the potential to generate new funding for local voluntary and community organisations. The worst-case scenario is that the initial start-up costs are effectively written-off.
- 5.3 Lotteries are the most common form of gambling activity and are considered to be low risk in terms of problem gambling due to their relatively controlled format. There is also no instant gratification or reward involved. The buying pattern of players can be monitored online and issues mitigated if required. The lottery would also need to comply fully with the Gambling Commission's licensing code of practice.

## **6. Summary**

- 6.1 Executive support is sought for the establishment of a Surrey Heath Community Lottery to raise additional income for good causes in the borough. It is recommended that the Council uses the skills and expertise of an ELM to form a partnership to set up and manage the lottery. Due to the limited number of providers and the fact that only one ELM has a proven track record of working with Council, Gatherwell Ltd is the proposed partner.
- 6.2 The alternative option would be for the Council to recruit the necessary staff and establish the systems to run a lottery in-house, or not to proceed with the concept of a Surrey Heath lottery.

## **7. Options**

- 7.1 The Executive has the option to;
- (i) To support the introduction of the Surrey Heath Community Lottery by April 2019, and a new Annual Community Lottery awarding scheme from April 2020 under the delegated authority

of the Executive Head of Transformation in consultation with the PH Support and Safeguarding.

- (ii) Not to support the proposals.
- (iii) To amend the proposals as the Executive see fit.

## **8. Proposals**

- 8.1 It is proposed that the Executive agree the recommendations as set out in (i) as above.

## **9. Corporate Objectives and Key Priorities**

- 9.1 The funding of voluntary organisations allows the Council to meet its objectives to:
- Work in partnership with local organisations to provide support to the community and diverse open space and recreation facilities.
  - Understanding and supporting local voluntary groups.
  - Significantly contribute to civic pride through the provision of events and green spaces.
  - Work in partnership with the voluntary and third sector to extend opportunities in the Borough.
  - Encouraging greater involvement from local clubs and organisations including volunteering.

## **10. Equalities Impact**

- 10.1 An Equalities Impact Assessment will be completed once the final proposal has been developed pending the decisions made by the Executive.

<b>Annexes</b>	<b>Annex A - The Gatherwell Model</b> <b>Annex B - Criteria for organisations joining</b>
<b>Background Papers</b>	<b>Gatherwell Ltd Information</b>
<b>Author/Contact Details</b>	<b>Jayne Boitoult - Community Partnership Officer</b> <a href="mailto:jayne.boitoult@surreyheath.gov.uk">jayne.boitoult@surreyheath.gov.uk</a>
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## Annex A - The Gatherwell Model

Gatherwell manage all aspects of the online lottery on the Council's behalf, including processing new players, distributing prizes and awarding funding to good causes. They also have insurance in place to cover jackpot wins and suspension or failure of the lottery. **The £25,000 top winning prize is available to win from week 1.**

Lottery Players sign up online through direct debit or payment card, with Gatherwell processing all ticket sales

There are weekly draw with tickets costing £1. The proceeds of each sale are split as follows:

- £0.60p goes to local good causes
- £0.20p covers prizes
- £0.17p to the ELM (Gatherwell)
- £0.03p VAT (which is reclaimable and to be used to fund the annual lottery fee)

For comparative purposes, 28% of ticket sales from the National Lottery go to good causes, with 27.5% from the Postcode Lottery, and 20% from the Health Lottery).

Individual lottery players have two choices as to how the 60% for good causes generated by the purchase of their ticket is distributed:

- the whole 60% can go to a good cause nominated by the Council
- 50% of the ticket prices can be given to a specified good cause registered with the lottery and selected by the player, with the remaining 10% being allocated to the Council's nominated cause.

Players select a line made up of six numbers running from 0 to 9. Prizes will be awarded according to the numbers of matched numbers as follows:

Matched Numbers	Prize
6	£25,000
5	£ 1,000
4	£ 250
3	£ 25
2	3 free tickets

The odds of winning the jackpot are approximately 1,000,000 to 1 and odds of winning the jackpot are approximately 1,000,000 to 1 with the odds of winning any prize are 50 to 1.

The Council decides the criteria for good causes to be eligible to benefit from the lottery and determines applications from relevant voluntary and community organisations

Based on the model of 60% of ticket sales going directly to good causes, the following table shows the potential annual income generated for eligible voluntary and community organisations.

Weekly Ticket Sales	Income for Good Causes
500	£15,600
1,000	£31,200
1,500	£46,800
2,000	£62,400
2,500	£78,000

As way of an example, the first Council lottery was established by Aylesbury Vale District Council in November 2015. It has gradually built over time and is now raising £86,000 each year for good causes in the district.

## **Annex B – The Criteria for Organisations Joining the Surrey Heath Lottery as Good Causes**

We encourage as many organisations as possible to join the Surrey Heath Community lottery as one of the eligible good causes. As you will be joining under our overall gambling licence (Gambling Act 2005), we have to ensure that organisations meet certain criteria. There is no application fee.

### **Your organisation must:**

- Provide community activities or services within the Borough which meet the need of Surrey Heath residents
- Have a constitution
- Have a bank account
- Operate with no undue restrictions on membership
- Be either:
  - A registered charity, with a board of trustees: or
  - A registered Community Interest Company: or
- Any other constituted group with a volunteer management committee comprising of at least 3 members and which meets at least three times a year.

### **We will not permit applications from:**

- Groups promoting campaigns that do not directly relate to the provision of community activities or services within Surrey Heath
- Organisations what do not work within the Borough boundaries
- Individuals
- Organisations which aim to distribute a profit
- Organisations with no established management committee/board of trustees (unless a CIC)

**We are also unable to accept applications that are incomplete.**

### **The Council reserves the right to:**

- Reject any application for any reason: and
- Terminate the participation of any organisation with a minimum of 7 days' notice for any reason; unless fraudulent or illegal activity is suspected in which case termination will be immediate.



**EXCLUSION OF PRESS AND PUBLIC**

**RECOMMENDATION**

The Executive is advised to RESOLVE that, under Section 100A(4) of the Local Government Act 1972 (as amended) and Regulation 5 of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012, the public be excluded from the meeting for the following items of business on the ground that they involve the likely disclosure of exempt information as defined in the paragraphs of Part 1 of Schedule 12A of the Act, as set out below:

<u>Item</u>	<u>Paragraph(s)</u>
10	3

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