

Consultation on Society Lottery Reform
Response from Creative Scotland
September 2018

1. Introduction

Creative Scotland is the public body that supports the Arts, Screen and Creative Industries across all parts of Scotland on behalf of everyone who lives, works or visits here.

We enable people and organisations in Scotland to work in and experience the arts and creative sectors. We do this by helping others to create culture through developing great ideas and bringing them to life.

"We want a Scotland where everyone actively values and celebrates arts and creativity as the heartbeat for our lives and the world in which we live; which continually extends its creative imagination and ways of doing things; and where the Arts, Screen and Creative Industries are confident, connected and thriving."
[Unlocking Potential, Embracing Ambition](#), a shared plan for the arts, screen and creative industries, 2014.

We aim to achieve this vision through four key functions:

- **Funding** support for individuals and organisations working in the arts, screen and creative industries.
- **Advocacy** on behalf of these sectors, both nationally and internationally.
- **Development** support for these sectors so that they can continue to grow and thrive.
- **Influencing** others to understand the value that the arts, screen and creative industries deliver.

Creative Scotland's overall budget for 2018/19 is £90m, which we receive from the Scottish Government (70%) and the National Lottery (30%).

We distribute this funding to the sectors we serve through [three funding routes](#): Regular Funding over three years for organisations; Open Project Funding for individuals and organisations for programmes of work for up to two years; Targeted Funding to support specific sectors, projects and initiatives (including Film & TV production).

National Lottery funding is particularly important for Open Project Funding and for Targeted Funds such as our support for Screen. Recent examples of projects we support across Scotland through Open Project Funding can be found [here](#).

In August 2018 we launched [Screen Scotland](#), the new dedicated partnership for Screen in Scotland, delivering enhanced support for all aspects of Scotland's Screen sector – Film and TV – supported with a £20m budget, 35% of which comes from the National Lottery.

Background

The UK Government is consulting on proposals to reform Society Lotteries, particularly in terms of pricing and reviewing the current caps that exist.

Creative Scotland is one of four National Lottery distributors in Scotland and National Lottery income makes up 30% of our budgets. These budgets are disbursed, primarily through an application process, to organisations and individuals across the arts, screen and creative industries and across all parts of Scotland. As such, National Lottery income is critical to the strength and vibrancy of culture in Scotland and anything that might impact on this income is of great interest to everyone who works in or cares about creativity in Scotland.

In recent years, the National Lottery has been under pressure, including from increased competition from Society Lotteries, which has impacted negatively on the amount of money available to good causes through National Lottery proceeds.

Creative Scotland has commented extensively on this issue and its potential impact on public funding for the arts, screen and creative industries in Scotland, including as part of our [Creativity Matters](#) campaign, aimed at increasing awareness of the value of public funding – including National Lottery funding – for culture in Scotland.

With the above in mind, consultation is of great interest to Creative Scotland and to the people, projects and organisations that we support through our distribution of National Lottery income.

Our response to the consultation is provided below.

Creative Scotland's response to the consultation

In terms of the law, the UK Government has a duty to ensure that the net proceeds of the National Lottery are as great as possible.

Our understanding of this is that the DCMS and the Secretary of State have a consequent duty to ensure that any new policies and/or legislation does nothing to impact negatively on National Lottery proceeds and, indeed, have a duty to actively promote and support the National Lottery so that proceeds can grow and, therefore, make an ever greater contribution to good causes across the UK.

Balanced with the above, Creative Scotland recognises the role of local Society Lotteries and the work that they do in providing funding for many of the organisations that we support in the cultural sector in Scotland. In most cases, Society Lottery support supplements and complements the funding support that we can provide through the National Lottery and on behalf of the Scottish Government.

It is also important to remember that, as a Non-Departmental Public Body and a National Lottery distributor, Creative Scotland is accountable to the Scottish Parliament and the Scottish Government.

Camelot is also regulated by UK Government legislation and its practices and operations are highly scrutinised. Importantly, the amount that Camelot can spend on promoting the National Lottery is regulated and has set limits.

These are limits and regulations that do not apply to the same extent to Society Lotteries.

We are therefore very concerned that the options presented in this consultation will have a negative impact on National Lottery proceeds, on the subsequent contribution to good causes and on the quality of life for people and communities across UK society.

We are particularly concerned that the proposition of increasing the individual draw limit for Society Lotteries from £4m to £5m and the proposition of raising the individual prize limits from £400,000 to £500,000 will negatively impact the attractiveness on the National Lottery for ticket buyers and have a detrimental effect on proceeds available to good causes.

Similarly, the proposed increase of the annual sales limit for Society Lotteries from £10m to £100m - a tenfold increase - presents a significant detrimental risk to the future of the National Lottery.

There is nothing presented in the consultation in terms of evidence to provide reassurance that the proposed changes to Society Lotteries will not impact negatively on the National Lottery and therefore reduce the amount of money available to good causes in Scotland and the rest of the UK.

Creative Scotland does not support the preferred options set out in the consultation and are particularly concerned that, if actioned, these options will have a detrimental impact on the levels of funding available for the arts, screen and creative industries – and other good causes – through the National Lottery in Scotland.

ENDS

**Creative Scotland
3 September 2018**

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