

Lottery Central Fund Best Practice

Summary

This document has been created to provide you with guidance around managing the central fund of your lottery and with some direction around how you could consider using the funds raised. The intention is to provide you with some best practice advice to help support the healthy growth of your lottery as well as ensure you are mindful of your obligations to meet the required standards of the Gambling Commission (GC) around this area (if you are a GC licensed lottery).

[Click here to see a shining example of lottery management best practice](#)

Keeping compliant

(This information is correct at the time of writing June 2021)

GAMBLING COMMISSION GUIDANCE:

If you are a local authority, you may run a lottery to raise funds to cover anything for which you have the power to incur expenditure, for example, local community projects, arts centres or parks and leisure facilities.

Ref: www.gamblingcommission.gov.uk/for-licensing-authorities/LA-lotteries.aspx

It is your responsibility as the 'Lottery Operator' to ensure you are fully up to date with the most recent GC requirements for your licence.

The Gambling Commission expects you to provide clear detail to the public on how your lottery funds have been used. The GC seek clear detail on:

- How the funds are intended to be used.
- How to apply for the available funds (see below).
- What previous funds have been used for. Typically, Lottery Operators will create a webpage on **their own site** (not your lottery site) and provide a link to this on the Central Fund cause web page of the lottery website. You may wish to list the causes that have successfully received funding.

Gatherwell cannot validate your compliance. If you have any questions relating to compliance, please speak to your Account Manager at the GC.

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On Your Own Website

Create a page on your own website about the Lottery Grants. We recommend including the information listed below. If this information is not yet available, create a holding page that can be updated with full details at a later date.

- Eligibility criteria (we recommend that being an active cause on the lottery is a condition of eligibility)
- Application process, plus an 'apply for funding' button
- Previous projects/causes that have been funded by the lottery
- A button linking to the cause sign-up page on your lottery website

If there is no application process, i.e. the funds have been added to your overall grant funding budget, you can simply note this on your Central Fund cause web page.

Distributing the funds

How you distribute your Central Fund is up to you (in accordance with the Gambling Commission guidance above). Here are some of the options:

1. Community Grant Scheme

You could simply establish a Community Grant Scheme, and allocate the funds to local causes of your choice. Central Fund grants are a fantastic opportunity to generate engaging marketing messages and celebrate the success of your lottery. We recommend allocating the grants to wide a variety of projects/causes. This will help to promote your lottery, thank your community and show potential new good causes what they could achieve.

Update the description on your Central Fund good cause page as follows:

The Lottery Grant Fund will open to applicants on {date}. Applicants wishing to apply for funding MUST FIRST be registered on the lottery and selling tickets by {date}. Register Here (link to Good Cause page)

To find out more about applying for Lottery Funding visit www.your-site-url.com (link to the relevant page on your own site).

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2. Good Cause Sign-Up Incentive

Create an incentivised good cause recruitment campaign, and use this messaging in all of your content to encourage new good causes to sign up. A good example of a sign-up incentive would be an annual draw for registered good causes, with a cash prize. Market this well in advance so new good causes have enough time to register and sell tickets before the closing date. An example call to action (CTA) you could use is:

Register your good cause today to raise unlimited funds on {lottery name}. Register now, and you'll be entered into the bonus prize draw to win £250 cash for your cause!

[Example image for use on a digital screen – includes grant information](#)

[Example image for use on a digital screen – for good cause recruitment only](#)

3. Grant Funding Draw

Enter all good causes that are selling tickets on the lottery into a **Grant Funding Draw** to win a split of the funds. For example, 10 causes could each win a % of the funds available. You could use [random.org](https://www.random.org) to conduct the draw and select the winning causes. Should you do this, we recommend that only good causes who have sold a **minimum 20 tickets** per week will be entered into the draw.

4. Supplement Your Main Grant Scheme

You could add your lottery funds into your overall fund granting pot. If you go down this route, we recommend that you ring-fence a portion of funds to incentivise good cause recruitment (see above). This will help the lottery and its central pot grow and flourish.

Remember, you are responsible for making payments to all good causes you award funding to. Gatherwell does not get involved in this process.

We would encourage you to avoid awarding a grant to every single good cause on your lottery. This would be a lot of work for your Finance Team!

Marketing

If you are using your Central Pot to create a grant scheme or draw, we recommend that you use this as an opportunity to market your lottery, generate cause sign-ups, and attract new players. Take a look at our example marketing messages below, and use fresh, eye-catching imagery that resonates with good causes.

In the run up to the date, consider announcing the news via the following channels:

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- News feature on your lottery website
- Your own website
- Press release
- Staff intranet and/or internal staff comms
- Community newsletter
- Email to community databases e.g. sports clubs
- Local digital screens and channels
- Social media countdown (use accounts with the largest following)*

Gatherwell can help you raise awareness of your campaign by sending out an email from the lottery mailbox to all your good causes. Just contact your account manager at Gatherwell with the content of the email before your campaign is due to start and we will happily do that for you.

** Facebook is a great way to encourage people to read your content so create as many organic posts as you wish. You may be tempted to run boosted posts or paid Facebook adverts. If you plan to do this, you must be whitelisted by Facebook. We recommend that you only proceed if you have access expert who is trained in creating paid Facebook advertising!*

Example marketing messages:

THREE WAYS TO GET FUNDING FROM {LOTTERY NAME}

1. Sign-up your good cause by {date} to be entered into the annual bonus draw to WIN £250 for your cause
2. Sell 50 tickets a week to bring in over £1k annually
3. Apply for our annual lottery grants scheme

Register your good cause here: {link to cause sign-up page}

{Lottery name} has raised {£xx} for the local community this year!

As a result, we have 10 x £500 to give away in grant funding! To be considered applicants must be a good cause on {Lottery name}.

Apply for funding here: {link to application info}

'Is your not-for-profit group looking for more money?

Thanks to the generous support of local people, {Lottery name} has £xx in grant funding available for not-for-profit groups throughout {locality}.

Read more here {link to News article}

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News/Press Release Content

If you're writing a news story or press release about your Central Pot Funding, case studies are a great way to get people engaged and spread the word. If you've got stories from previous successful applicants to your Lottery Grant programme, then use these to highlight the benefits to good causes of signing up to the lottery.

Don't worry if it's the first time you're distributing funds. You can still generate content by reaching out to a variety of good causes registered on your lottery, and asking them how they are using the funds they have raised from ticket sales.

It's also a great idea to write an article or press release **after** your grant funding has been announced. Once again, your good causes can help you to generate content. You could ask them questions such as the ones below:

- How much money did they receive?
- What was their reaction to the news that they had been successful?
- How will the funding be used?
- How will this benefit the local community

Any stories you create from the causes in receipt of funding should promote the benefits of joining your lottery so that they resonate with other similar causes, motivating them to apply to be a good cause on your lottery too! Pair this with an incentive to win even more additional funding and there it is - a real no brainer for your local causes to sign up and raise more money!

To find out more about using your News feature on your lottery website, check out the guide below:

[How To Use Your New Tab](#)