**The Museums Association Response to DCMS Consultation on Society Lottery Reform**

1. **About the Museums Association**

The Museums Association (MA) is a membership organisation representing and supporting museums and people who work for them, throughout the UK. Our membership of over 8000 includes all types of museums, from small volunteer-run local museums to large national institutions and people working in all types of roles from directors to trainees. Founded in 1889, the MA was the world’s first professional body for museums. We lead thinking in UK museums with initiatives such as *Collections 2030* and *Museums Change Lives*, and provide £1.2m per year of funding for museum projects via our Esmée Fairbairn Collections Fund. We receive no regular public funding, and we do not wish to do so. For more information about the Museums Association, see our website: <http://www.museumsassociation.org/home>

1. **Museums and Lottery Funding**

Museums value the contributions that they receive from a variety of different lotteries in the UK.

Museums currently receive funding from three of the National Lottery funding organisations: the Heritage Lottery Fund (HLF); Arts Council England Lottery funding; and the Big Lottery Fund.

National Lottery funding is a vitally important source of funding for museums. HLF alone has awarded £2.41billion since 1994 to 3,727 projects benefiting over 1,100 museums and galleries around the UK. Indeed, in a period of austerity, National Lottery Funding is a growing proportion of total public funding for museums in the UK, although lottery funding has declined in the last year due to reduced lottery revenue.

Society lotteries also provide valuable support for some museums around the UK. Both small and large society lotteries have contributed funding to museum projects. However, the total funding to museums from society lotteries is much lower in absolute terms than the funding made available by the National Lottery.

1. **Society Lottery Reform**

We believe that society lotteries have an important role to play in generating income for good causes across the UK, including museums.

However, in recent years the growth of large umbrella society lotteries has changed the landscape, with umbrella lotteries such as the People’s Postcode Lottery and the Health Lottery enjoying a particularly high profile. These lotteries are less regulated, less transparent and have lower requirements to return income to good causes than the heavily regulated National Lottery.

We are concerned about the potential impact of promoting the growth of society lotteries on the National Lottery, particularly given the recent decline in lottery sales and consequent decline in return to good causes[[1]](#footnote-1). The government should have clear evidence of any existing and potential impacts before making a decision on the liberalisation of society lottery rules. It seems very likely that the proposed tenfold increase in the annual sales limit would have a substantial impact on National Lottery sales given that it would further empower umbrella society lotteries to act as rival ‘national’ lotteries.

At present, National Lottery funding organisations provide a high degree of transparency and accountability, including requirements to return 30% of income from draw-based games to good causes. Society lotteries are not subject to the same levels of oversight and are required to return only 20% of their income to good causes. While the investments that these lotteries have made in the museums sector have been welcome and highly valued by recipients, we believe that any action by the government that allows these lotteries to act as ‘national’ lotteries should also require them to return equivalent proportions of their income to good causes, and be subject to equivalent levels of oversight and accountability as the National Lottery.

As a result of the above:

* **We are opposed to the proposed changes to (i) raise individual draw limits from £4m to £5m; and (ii) to raise individual prize limits from £400k to £500k.**
* **We are particularly opposed to the raising of annual sales limit from the current level of £10m to £100m.**
* **We believe that more evidence is required on the impact of proposed changes on the National Lottery and its funding for good causes before any decision is made.**
1. <https://www.parliament.uk/business/committees/committees-a-z/commons-select/public-accounts-committee/inquiries/parliament-2017/decline-national-lottery-17-19/> [↑](#footnote-ref-1)