

---

**NATIONAL LOTTERY COMMISSION**

**MINUTES OF THE MEETING HELD ON TUESDAY 11 MAY 2010,  
1000-1400HRS AT WIGMORE STREET**

---

**PRESENT:**

*Commissioners*

Dr Anne Wright, Chair  
Mark Harris, CE  
Robert Foster  
James Froomberg  
Mary Chapman  
Sarah Thane

*Officers*

Annette Lovell  
Simon D'Arcy  
Joy Watkins  
Ben Haden  
Marcia Boys (Item 6)  
Keisha Aimuwu, Secretariat

**IN ATTENDANCE:**

**ITEM 1: APOLOGIES AND DECLARATION OF INTERESTS**

Apologies were received from Deep Sagar, Commissioner, although comments on the reports had been received from him prior to the meeting which the Chair related at relevant times. The Chair reminded the Commissioners that the Register of Interests was available at the meeting for any declarations.

**ITEM 2: APPROVAL OF MINUTES AND MATTERS ARISING**

1. The minutes of 13 April 2010 were agreed as a correct record, subject to minor amendments.
2. The following action was discussed in matters arising:
  - Action 127: The Chair advised that the Enforcement Policy had been cleared by herself and the CE and would be published shortly.

**ITEM 3: CHAIR'S UPDATE**

***Gerry Sutcliffe***

3. The Chair advised that she had written to Gerry Sutcliffe, Minister for Sport, on 28 April 2010, following his letter of 25 March 2010 regarding the government's intention to merge the Gambling Commission with the National Lottery Commission subject to the development of a business case and consultation. It was noted that the Chair would be writing to the incoming Secretary of State and the Minister responsible for NLC as well.

## *Restricted - Commercial*

### **Meeting with Andrew Ramsay**

4. A meeting was held on 5 May 2010 with Andrew Ramsay, Director General for Creativity, Culture and Economy, to discuss the potential merger. Those present were the Chair, Brian Pomeroy, Chair of the Gambling Commission and Stuart Roberts and Gwen Davidson, DCMS. It was noted that the first step would be to get a steer from the new government on their plans for the proposed merger. Following this, the merger project would be initiated and this would be undertaken by a special project team.
5. Commissioners considered that it would be useful to be provided with a statement of the objectives for the proposed merger whenever possible.
6. The Chair advised that there had been discussions around Commissioners holding cross memberships with the Gambling Commission in the light of some vacancies on the Gambling Commission Board. Commissioners considered that this would need to be given careful thought due to the potential conflict of interest in serving both Commissions.

### **Upcoming meetings**

7. The Chair would be attending a DCMS Diversity meeting in July and would also be attending the upcoming Chair's Forum being organised by DCMS.

### **ITEM 4: CHIEF EXECUTIVE'S REPORT**

8. Mark Harris presented the report to Commissioners.

### **Delegations**

9. Mark Harris presented Commissioners with a table setting out the reviewed delegation of the Deputy Chief Executive's responsibilities in light of her imminent departure.
10. Commissioners advised that they were content with the revised delegations but stated that the first delegation "to make decisions on functions reserved to the Chief Executive in his absence, where necessary" was broadly phrased and would need to be revised. It was suggested that the delegation be made more specific and should be time based with the possibility of upward referral to the Chair.
11. Commissioners also suggested that the delegations should be worded to reflect actual working practices and it should be clear that the delegations were specific to the current team. Mark Harris confirmed that the delegations do match current working practices and would be reviewed in the event of changes to the senior management structure.
12. Mark Harris took into account the above comments and advised that he would circulate the revised wording to Commissioners for approval, and if it remained unresolved, would present the revised delegations at the June Commission meeting. **ACTION: Mark Harris**
13. Commissioners noted the remaining contents of the report.

**Paras 16-17 [Minutes redacted FOI S43 (2) Commercial]**

***Share Sale Update***

14. Mark Harris updated Commissioners on developments with the share sale.
15. Commissioners had been provided with a briefing pack collated for the meeting between the Share Sale Reference Group members and representatives of OTPP. It was noted that all Commissioners would be involved in making the final decision on the OTPP submission.
- 16.
- 17.
18. Officers anticipated that work on the evaluation of OTPP's proposals would have been concluded by 24 May 2010. It was likely that a report on the share sale would go to the June Commission meeting. The June Commission meeting would be extended in light of the heavy agenda. **ACTION: KA**
19. It was suggested that a Share Sale Reference Group meeting be scheduled for 25 May 2010, ahead of the discussion at the June Commission meeting. **ACTION: KA**

**ITEM 5: DEPUTY CHIEF EXECUTIVE'S REPORT**

20. Annette Lovell presented the paper to Commissioners.

**Paras 21-34 [Minutes redacted FOI S43 (2) Commercial]**

21.

22.

***Retailer Fraud***

23.

*Restricted - Commercial*

24.

25.

26.

27.

28.

29.

***Commercial Services***

30.

31.

32.

33.

34.

**ITEM 6: INTELLECTUAL PROPERTY**

35. Marcia Boys made a presentation to Commissioners on Intellectual Property.

36. Commissioners asked whether a new operator would be able to change the National Lottery logo. The Executive advised that the Commission would have to approve any revised guidelines which proposed the use of an alternative logo.

**Para 37 [Minutes redacted FOI S43 (2) Commercial]**

37.

38. Commissioners noted Condition 21 of the Third Licence, which set out Camelot's rights in relation to the Lottery IP.

**ITEM 7: CORPORATE PLAN 2009-2012 AND 2009-2010 BUDGET REVIEW**

39. Joy Watkins presented the paper to Commissioners. The paper reported progress against the objectives set out in the 2009-12 Corporate Plan and presented the outturn financial position for the year 2009-10.

***Corporate Plan: Strategic Objectives and overview of achievements***

40. Commissioners noted progress against Corporate Plan objectives.

***Budget***

41. Commissioners highlighted the need to present atypical costs in a way that separated them from the normal annual running costs.

42. Commissioners asked why costs relating to the share sale were being borne by the Commission. The Executive advised that legal advice had been taken which had confirmed that the Commission had no power to charge Camelot.

43. Commissioners requested that the shareholder sale costs be separated from the normal running costs in the budget for presentation purposes. **ACTION: Joy Watkins**

44. Commissioners noted the outturn financial position for the year whilst recognising that figures were subject to final audit.

**ITEM 8: REX PERFORMANCE ACHIEVEMENT REPORT**

*Restricted - Commercial*

45. Ben Haden presented the report to the Commissioners. The report provided Commissioners with the first full report resulting from the REx Operator Reporting and Monitoring workstream.
46. Commissioners commended the report.

**Para 47 [Minutes redacted FOI S43 (2) Commercial]**

47.

48. Commissioners advised that the outcomes of the report were very useful and they asked to be informed on what action the Commission would take with Camelot in light of this. They would also welcome the opportunity to consider the implications for forward strategy possibly at the away day. Mark Harris undertook to consider how best to take this forward. **ACTION: Ben Haden and Mark Harris**
49. Commissioners suggested that the report could be tied in with Camelot's presentation to Commissioners on their business plan, going forward. **ACTION: Ben Haden**
50. Commissioners noted research information in the report that analysed the public's perception of how well the Lottery was delivering for those most in need.
51. Commissioners noted the contents of the report.

**ITEM 9: RETURNS PERFORMANCE UPDATE**

52. Ben Haden presented the report to Commissioners. The report provided Commissioners with an update on returns to good causes and sales performance.
53. Commissioners noted the contents of the report.

**ITEM 10: REPORT FROM ONLINE COMMUNITY**

54. Ben Haden and Tom Hoy (Promise Corporation) presented the report to Commissioners. The report provided Commissioners with a de-brief on the project undertaken within the NLC online community to consider what the value of the National Lottery means from the public perspective.
55. Commissioners asked how representative the online community was of the views of the general public. Tom Hoys advised that the communities were useful for obtaining a general understanding of public perceptions, although in cases where specific decisions needed to be made the organisation could consider the option of a scientific panel.
56. Commissioners asked what the next steps were following the developments made with the online community. The Executive advised that the primary output was for it to feed into the REx workstream.

*Restricted - Commercial*

57. Commissioners commended the report on the amount of insight it provided into public perceptions of the National Lottery.

**Paras 58-61 [Minutes redacted FOI S43 (2) Commercial]**

58.

59.

60.

61.

**ITEM 12: KEY PERFORMANCE INDICATORS QUARTER ENDED 31 MARCH 2010**

62. Joy Watkins presented the report to Commissioners. The report provided Commissioners with an assessment of the overall performance of the Commission.

63. Commissioners noted that the structure of the KPI reports would be revisited shortly.

64. Commissioners noted the contents of the report.

**ITEM 13: FUTURE COMMISSION BUSINESS**

65. Commissioners noted the dates set out in the report.

**ITEM 14: REVIEW OF MEETING**

66. Commissioners commended the reports that had been presented. The Chair advised that she and the Secretariat Manager would be liaising regarding the timing of the agenda for future meetings.

**ITEM 15: ANY OTHER BUSINESS**

***Commissioner Business***

*Restricted - Commercial*

67. This was a Commissioner only session and all officers including the Chief Executive and Deputy Chief Executive left the meeting at this point.

**ITEM 16: NEXT MEETING**

68. The next meeting would take place on 8 June 2010, 1000-1400.

***Confirmed as an accurate record by the Chair:***

***Signed:***

***Dated:***