
NATIONAL LOTTERY COMMISSION

**MINUTES OF THE MEETING HELD ON TUESDAY 13 SEPTEMBER 2011
1000-1500 HRS AT WIGMORE STREET**

PRESENT:

Commissioners

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

Officers

Joy Watkins
Ben Haden
Justin Oldham
Marcia Boys - Secretariat

ITEM 1: APOLOGIES

1. No apologies were received.
2. There were no declarations of interest.

ITEM 2: APPROVAL OF MINUTES OF 12 JULY AND MATTERS ARISING

3. Commissioners identified changes required to some sections of the minutes. Subject to these amendments, the minutes were agreed.
4. Commissioners noted the actions list.

ITEM 3: CHAIR'S UPDATE

Board Effectiveness Report

5. During the July Commission meeting, the Chair had agreed to provide Joy Watkins with comments in relation to parts 4 and 5 of Section A of the Board Effectiveness Report, which dealt with individual Commissioners' review of their effectiveness in delivering their role, and feedback to the Chair on the conduct of Commission meetings. Having concluded all Commissioner appraisals, the Chair had decided that it would be useful instead to report direct to the Commission with points that had arisen. The main points that emerged were as follows:
 - a. Commissioners felt that, over the past year, meetings and conduct of Commission business was effective and there had been improvements in Commissioner contributions and teamworking as well as in the papers and recommendations provided by the Executive;
 - b. However, further thought was required when drawing up agendas as to the timing allowed for the discussion of agenda items, particularly where there were complex issues to be considered before reaching decisions;

Restricted - Commercial

- c. it was helpful for Commission papers to signpost the key issues;
- d. Commissioners found it helpful to receive a steer from the Chair as to the focus for discussions, especially on particularly complex items;
- e. Given the pace of change in the Lottery and gambling environments it could be a challenge for Commissioners to be able to keep up to date. it was important to schedule regular Commissioner updates and briefings regarding issues of interest;
- f. Commissioners acted as ambassadors for the National Lottery and for the work of the Commission. There had been fewer opportunities for external representation given the business of the past year, and it was important to consider future opportunities in the light of the key priorities facing the Commission over the coming year..

Meeting with Philip Graf

Paragraph 6 (in part) [Minutes redacted S43 (2) Commercial]

- 6. The Chair reported that she had had an update meeting with Philip Graf, .
- 7. It was noted that the dates and times for one to one meetings between some of the Commissioners and Philip Graf had yet to be agreed. The Chair suggested that Commissioners should liaise with Beverley Griffiths to finalise meeting dates.
- 8. It was agreed that it would be helpful for Commissioners to meet with Philip Graf and Jenny Williams to discuss the merger and any issues of interest to both the Commission and the Gambling Commission. **ACTION: MH to invite Philip Graf and Jenny Williams to attend a future Commission meeting.**

Chair to Chair meeting with Lee Sienna and Dianne Thompson

- 9. The Chair advised Commissioners that she and Mark Harris would be attending a Chair to Chair meeting with Lee Sienna and Dianne Thompson on the afternoon of 13 September.

Paragraphs 10-12 [Minutes redacted S43 (2) Commercial]

Public Chair's Forum

- 13. The Chair informed Commissioners that the Public Chairs' Forum had published 'Transparency in Arm's Length Bodies – A Guide to Best Practice'. She agreed to circulate this to Commissioners. **ACTION: AW.**
- 14. The Chair advised Commissioners that the Public Chairs' Forum would be issuing a review of good corporate governance in Arm's Length Bodies in November 2011.

ITEM 4: REMUNERATION COMMITTEE UPDATE

Restricted - Commercial

15. Mary Chapman reported that the Remuneration Committee had held a meeting on 13 September from 0915 – 1030. The principal issues for discussion had been the Commission's relocation to Birmingham, staff decisions regarding the relocation, the structure of the Commission in the period leading up to the merger, and how some Commission activities could be delivered through a shared services arrangement with the Gambling Commission.
16. Commissioners noted their thanks to staff who were ensuring that the Commission continued to fulfil its statutory functions during difficult circumstances.

ITEM 5: CLIP Reference Group update

17. Robert Foster reported that the Reference Group had met on 1 August and on 30 August. It had been impressed with the standard of work undertaken to date by the Commission's advisers.

Paragraphs 18-19 [Minutes redacted S43 (2) Commercial]

ITEM 6: CHIEF EXECUTIVE'S REPORT

20. Mark Harris presented the report to Commissioners.

Items for decision

Paragraphs 21-35 [Minutes redacted S43 (2) Commercial]

Items for discussion

36. Commissioners noted that specific proposals would be advanced for Commissioner consideration in due course.

Paragraphs 37 and 38 (in part) [Minutes redacted S43 (2) Commercial]

38. Commissioners agreed that staff could progress the proposals under delegated authority, providing updates at Commission meetings each month and escalating any issues as necessary.

Code of Practice on Top Prize Management

39. Commissioners also agreed that staff could take decisions, under the scheme of delegations, on Camelot's proposals for changes to the Code of Practice on Top Prize Management.

Progress Reports

Relocation/merger

Paragraph 40 [Minutes redacted S43 (2) Commercial]

Other issues

The Health Lottery

Paragraphs 41-42 [Minutes redacted S43 (2) Commercial]

Responsible Gambling Fund

43. Mark Harris advised Commissioners that the RGF had decided to wind down.
44. Commissioners noted the above and the remaining sections of the Chief Executive's report.

ITEM 7: RETURNS PERFORMANCE UPDATE

45. Ben Haden presented the report to Commissioners. The purpose of the report was to provide Commissioners with information on returns to good causes, sales performance and issues relating to the operator's performance in these areas during the Third Licence.
46. Commissioners noted the contents of the report.

ITEM 8: EU GAMBLING LAW -PRESENTATION

47. Mark Harris gave a presentation to Commissioners on EU Gambling Law.
48. Commissioners indicated that the presentation had been very helpful. As some slides differed from those previously circulated with the Commission papers, Commissioners requested copies of any updated slides. **ACTION: MH**

ITEM 9: REVIEW OF COMPLIANCE WORKPLAN - PRESENTATION

49. Justin Oldham gave a presentation which demonstrated that the Compliance team was on track to deliver the work outlined in its annual work plan.
50. Commissioners noted the presentation.

ITEM 10: CAMELOT HALF-YEAR PRESENTATION IN OCTOBER

51. Ben Haden submitted the paper to Commissioners. The report suggested a new framework for future update meetings and suggested that the Commission should write to Camelot, in advance of the meeting, indicating the issues to be addressed and the relative weighting to be attached to each issue.
52. Commissioners suggested further issues that could be addressed either at the October meeting or at future update meetings. Commissioners mandated Mark Harris and Ben Haden to agree the final format for the meeting.

ITEM 11: SYNDICATE MANAGER, COMMUNITIES AND SYSTEMS PLAY

Paragraphs 53-54 [Minutes redacted S43 (2) Commercial]

55. Commissioners noted that there were a wide range of considerations to be taken into account by staff before the key issue of whether to grant a deferral could be referred to Commissioners for decision.

ITEM 12: FUTURE COMMISSION BUSINESS

Paragraphs 56 (b) [Minutes redacted S43 (2) Commercial]

56. Commissioners agreed that:
 - a. the Commission meeting on 11 October should be extended from 1000 to 1600;
57. CLIP Reference Group members agreed that the meeting on 31 October should be scheduled for 1000. Mary Chapman indicated that she would not be able to attend on that date.
58. In relation to the dates for Commission meetings in 2012, Commissioners agreed that meetings should continue to be held on the second Tuesday of each month and asked staff to make appropriate arrangements.

ITEM 13: FUTURE COMMISSIONER ATTENDANCE

59. Commissioners noted the report.

ITEM 14: REVIEW OF MEETING

60. No issues were raised.

DATE OF NEXT MEETING

61. The next Commission meeting would take place on 11 October 2011, 1000-1600.

ITEM 15: ANY OTHER BUSINESS (Commissioners only)

62. There was a private discussion between Commissioners. Staff left the room during these discussions.

Confirmed as an accurate record by the Chair:

Signed:

Dated: