

## The Board of Trustees

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4 August 2023

Dear Trustees',

## Re: Position Paper on Proposed Changes to PowerLottery Prize Pool

### Introduction

As part of our commitment to ensuring the long-term sustainability and effectiveness of our fundraising activities, the Electrical Industries Charity Limited is considering potential changes to the prize structure of the powerLottery, a UK society lottery operated by our charity. We recognise the importance of maximising the funds generated to support our charitable initiatives while ensuring a compelling and rewarding experience for our participants.

### Income generated from the Lottery



### Proposed Changes

## Supporting our people through life's challenges

After careful consideration and consultation with our stakeholders, we are proposing a reduction in the prize pool for the powerLottery. Specifically, we suggest decreasing the prize pool for the two major draw days, which currently offer £10,000 in prize money in June and December, to one major prize of £10,000, two 6 monthly prizes of £5,000 and changing the number of prizes monthly.



#### Current Prizes:

Prizes	Monthly Costs	Annual Costs
1 x £1,000	£1,000	£12,000
7 x £500	£3,500	£42,000
7 x £250	£1,750	£21,000
10 x £100	£1,000	£12,000
15 x £50	£750	£9,000
Major Prize 2 x £10,000		£20,000
<b>Total Cost</b>	<b>£8,000</b>	<b>£116,000</b>

#### Revised Prizes:

Prizes	Monthly Costs	Annual Costs
5 x £500	£2,500	£30,000
5 x £250	£1,250	£15,000
5x £100	£500	£6,000
15x £50	£750	£9,000
2 x £5,000		£10,000
Major Prize 1 x £10,000		£10,000
<b>Total Cost</b>	<b>£6,250</b>	<b>£80,000</b>

### Saving to the bottom line is £36,000

#### Rationale

The rationale behind this proposed change is to strike a balance between offering an attractive lottery experience to our participants and optimising the funds available to support our charitable endeavours. By reducing the prize pool, we can direct a portion of the funds towards our welfare programmes, educational scholarships, and other vital services within the electrical industries community.

#### Supporting our people through life's challenges

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While the current prize pool of £10,000 for the major draw days has been well-received by our participants, we believe that a reduction to one major prize of £10,000, two 6 monthly prizes of £5,000 will still provide an exciting opportunity for players to win a significant prize while allowing us to allocate more funds towards our charitable mission.

### Consultation and Feedback

We understand that any changes to the powerLottery can impact our supporters and stakeholders. As such, we are committed to seeking feedback from our beneficiaries, partners, and participants to ensure that the proposed changes align with their expectations and aspirations.

We welcome all feedback and suggestions on these proposed changes and will take into account the viewpoints of our stakeholders before finalising any decisions.

### Legal steps to implement this change

Making changes to a society lottery, such as the powerLottery, involves a legal process that includes compliance with relevant regulations and obtaining necessary approvals. Here is an overview of the legal process for making changes to a society lottery in the UK:

- 1. Review Current Terms and Conditions:** Start by reviewing the current terms and conditions of the powerLottery. Identify the specific changes you wish to make, including the proposed reduction in the prize pool and other modifications.
- 2. Consultation and Feedback:** Before implementing any changes, engage in consultation with stakeholders, including participants, beneficiaries, partners, and any relevant authorities. Seek feedback on the proposed changes and consider the input received during the decision-making process.
- 3. Amend Lottery Terms and Conditions:** Prepare updated terms and conditions reflecting the proposed changes. Ensure that the new terms are clear, comprehensive, and comply with relevant laws and regulations.
- 4. Notify the Gambling Commission:** As a society lottery operator, you must notify the Gambling Commission about the proposed changes. This notification must include details of the amendments and any other relevant information.
- 5. Compliance with Gambling Act 2005:** Ensure that the proposed changes to the powerLottery comply with the provisions of the Gambling Act 2005, which governs society lotteries in the UK. Pay attention to regulations regarding prize limits, ticket sales, advertising, and responsible gambling practices.
- 6. Approval from the Gambling Commission:** Depending on the nature of the changes, you may need to seek approval from the Gambling Commission. This is especially important if the proposed changes significantly alter the operation or scope of the lottery. This is unlikely to be needed but we plan on notifying anyway.
- 7. Inform Participants:** Inform all participants about the upcoming changes to the powerLottery. Provide clear and transparent communication about the amendments, effective dates, and any implications for ticket holders. This will be done on the Website.
- 8. Update Marketing Materials:** Update all marketing materials, websites, and promotional content to reflect the changes. Ensure that the new prize pool and other details are accurately presented in all communication channels.
- 9. Implement the Changes:** Once all necessary approvals and notifications are in place, proceed with implementing the proposed changes to the PowerLottery. Ensure a smooth transition for both participants and the charity.

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## Supporting our people through life's challenges

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10. **Ongoing Compliance:** After implementing the changes, continue to comply with all relevant laws, regulations, and conditions set out by the Gambling Commission. Regularly review the lottery's performance and assess the impact of the changes.

### Conclusion

The Electrical Industries Charity Limited remains dedicated to transparency, fairness, and the well-being of our beneficiaries. We believe that the proposed reduction in the prize pool for the major draw days will enable us to continue making a positive impact within the electrical industries community while ensuring the sustainability of our fundraising efforts.

We encourage all stakeholders to share their thoughts and concerns with us during this consultation period. Your feedback is essential in shaping the future of the PowerLottery and our ability to support those in need.

Thank you for your attention to this matter, and we look forward to your continued support in making a positive impact on the electrical community through our joint efforts.

Yours faithfully,



Jess Vailima

**Managing Director**

**The Electrical Industries Charity Limited**