



# National Lottery Act 1998

## 1998 CHAPTER 22

### PART I

#### PROVISIONS RELATING TO THE NATIONAL LOTTERY

##### *Distributing bodies*

#### **9 Manner of distribution.**

- (1) In section 25 of the 1993 Act (application of money by distributing bodies) after subsection (1) there shall be inserted—

“(1A) The manner in which a body may distribute any money paid to it under section 24 includes making or entering into arrangements for or in connection with meeting expenditure (including arrangements with respect to vouchers); and this subsection shall apply notwithstanding anything to the contrary in any enactment or instrument relating to the functions of the body.”

- (2) In section 44 of the 1993 Act (interpretation of Part II) after subsection (3) (which is inserted by section 8 above) there shall be inserted—

“(4) Any reference in this Part to the distribution of money shall be construed as including the making or entering into of arrangements in accordance with section 25(1A) or 43B; and related expressions used in this Part shall be construed accordingly.”

#### **10 Power of distributing bodies to solicit applications.**

In section 25 of the 1993 Act (application of money by distributing bodies) after subsection (2) there shall be inserted—

“(2A) A body which distributes money under subsection (1) shall have power to solicit applications from other bodies or persons for any of the money which the body so distributes, notwithstanding anything to the contrary in any enactment or instrument relating to the functions of the body.

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(2B) In determining whether a decision of a body concerning its distribution of money under subsection (1) was unlawful, it shall be immaterial whether or not the body, or any person acting on behalf of the body, solicited an application from a body or person for such money.”

## **11 Delegation by distributing bodies of their powers of distribution.**

(1) After section 25 of the 1993 Act there shall be inserted—

### **“25A Delegation by distributing bodies of their powers of distribution.**

- (1) A body which distributes money under subsection (1) of section 25 may appoint any other body or person to exercise on its behalf any of its functions relating to, or connected with, the distribution of money under that subsection (including its function of making decisions as to the persons to whom such distributions are to be made)—
  - (a) in any particular case, or
  - (b) in cases of any particular description.
- (2) The persons who may be appointed by a body under subsection (1) include a member, employee or committee of the body itself.
- (3) A body which makes an appointment under subsection (1) may defray out of any money paid to it under section 24 any expenses incurred by the appointee in consequence of the appointment.
- (4) Power to accept any such appointment as is mentioned in subsection (1) is conferred by this subsection on the following bodies—
  - (a) any body which distributes money under section 25(1),
  - (b) any charity or any charitable, benevolent or philanthropic institution,
  - (c) any body established by or under an enactment, and
  - (d) any body established by Royal Charter.
- (5) A body appointed by virtue of subsection (1) to exercise a function on behalf of another may itself appoint any of its members or employees, or a committee, to exercise the function in its stead, but only if—
  - (a) the terms of the body’s appointment by virtue of subsection (1) so permit, and
  - (b) the body has power apart from this section to appoint a member or, as the case may be, an employee or committee of the body to exercise some or all of its functions.
- (6) Subject to the following provisions of this section—
  - (a) a body which distributes money under section 25(1) may establish a committee for the purpose of exercising on behalf of the body any such function as is mentioned in subsection (1), and
  - (b) a body falling within any paragraph of subsection (4) may establish a committee for the purpose of exercising on behalf of any body which distributes money under section 25(1) any such function as is mentioned in subsection (1).
- (7) A committee established under subsection (6)—

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- (a) must consist of or include one or more members, or one or more employees, of the body establishing the committee, but
  - (b) may include persons who are neither members nor employees of that body.
- (8) Any power conferred on a body by subsections (1) to (7) is so conferred—
  - (a) to the extent that the body would not have the power apart from this section, and
  - (b) notwithstanding anything to the contrary in any enactment or instrument relating to the functions of the body.
- (9) In this section—
  - “charity” means a body, or the trustees of a trust, established for charitable purposes only;
  - “charitable, benevolent or philanthropic institution” means a body, or the trustees of a trust, which is established for charitable purposes (whether or not those purposes are charitable within the meaning of any rule of law), benevolent purposes or philanthropic purposes, and which is not a charity.
- (10) For the purposes of this section—
  - (a) the trustees of a trust shall be regarded as a body, and
  - (b) any reference to a member of a body shall, in the case of a body of trustees, be taken as a reference to any of the trustees,and references to a committee shall be construed accordingly.
- (11) Any reference in this section to a member of a body includes a reference to the chairman or deputy chairman of (or the holder of any corresponding office in relation to) the body.”
- (2) In section 26 of the 1993 Act (directions to distributing bodies) after subsection (3) there shall be inserted—
  - “(3A) In exercising any power under section 25A, a body which distributes money under section 25(1) shall comply with any directions given to it by the Secretary of State.”
- (3) In subsection (4) of that section, after “Directions under subsection (3)” there shall be inserted “ or (3A) ”.
- (4) After subsection (4) of that section there shall be inserted—
  - “(4A) Directions under subsection (3A) may in particular—
    - (a) impose limits on the amount of money which may be distributed by a body under section 25(1) by virtue of decisions made on its behalf by bodies or persons not falling within section 25A(2), and
    - (b) require a body, before appointing any body or person not falling within section 25A(2) to exercise on its behalf any function of making decisions concerning the distribution of money under section 25(1), to obtain the approval of the Secretary of State to its plans for making such appointments.”
- (5) In Schedule 5 to the 1993 Act (the National Lottery Charities Board) in paragraph 2 (committees) sub-paragraphs (4) to (6) (which are superseded by amendments made

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by this section) shall cease to have effect, and after sub-paragraph (6) there shall be inserted—

“(7) Subsection (7) of section 25A shall apply in relation to any committee of the Charities Board as it applies in relation to a committee appointed under subsection (6) of that section.”

- (6) In paragraph 3 of that Schedule (tenure of office) in sub-paragraph (4)(a) (removal on grounds of absence from meetings) for “or (as the case may be) from meetings of the committee without the committee’s consent” there shall be substituted “ or from meetings of a committee of the Board without the committee’s consent ”.

## 12 Joint schemes for distribution of money by distributing bodies.

- (1) After section 25A of the 1993 Act there shall be inserted—

### “25B Joint schemes for distribution of money by distributing bodies.

- (1) A body which distributes money under subsection (1) of section 25 may, in accordance with the following provisions of this section, participate with one or more other such bodies in a joint scheme for the distribution of money under that subsection.
- (2) A body may participate in a joint scheme if the principal purposes of the joint scheme include purposes for which the body has power to distribute money under subsection (1) of section 25, notwithstanding that the body would not, apart from this section, have power to distribute money under that subsection for meeting expenditure on some of the particular projects for which money may be distributed under the scheme.
- (3) Money shall not, under a joint scheme, be distributed for meeting expenditure on any particular project unless the expenditure is such that—
- (a) at least one of the bodies participating in the joint scheme has power, acting alone, to distribute money under section 25(1) for meeting the expenditure, or
  - (b) two or more of the bodies participating in the joint scheme, taken together, have power between them to distribute money under section 25(1) for meeting the expenditure.
- (4) Nothing in subsection (3) affects the liability of each body participating in a scheme in relation to the distribution of any money under section 25(1) under the scheme.
- (5) Schedule 3A contains supplementary provision in relation to joint schemes.”
- (2) In section 44 of the 1993 Act (interpretation of Part II) the following definition shall be inserted at the appropriate place in subsection (1)—
- ““joint scheme” means a joint scheme under section 25B;”.
- (3) After Schedule 3 to the 1993 Act there shall be inserted the Schedule 3A set out in Schedule 3 to this Act.

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### **13 Strategic plans for distributing bodies.**

After section 25B of the 1993 Act there shall be inserted—

#### **“25C Strategic plans for distributing bodies.**

- (1) If the Secretary of State instructs it do so, a body which distributes money under section 25(1) shall, in accordance with the following provisions of this section,  
—
  - (a) prepare and adopt a strategic plan, or
  - (b) review and modify any strategic plan which it has adopted, or
  - (c) replace any strategic plan which it has adopted by preparing and adopting another.
- (2) In this section “strategic plan”, in the case of any body, means a statement containing the body’s policies for the distribution of the money likely to be available to it for distribution under section 25(1).
- (3) A strategic plan must also contain—
  - (a) a statement of any directions given to the body by the Secretary of State under section 26(1) or 43C(1),
  - (b) a statement of the estimate given to the body by the Secretary of State of the money likely to be available for distribution by the body under section 25(1),
  - (c) a statement of the body’s assessment of the needs which the body has power to deal with, in whole or in part, by distributing money under section 25(1), and
  - (d) a statement of the body’s priorities in dealing with those needs by the distribution of money under section 25(1).
- (4) A strategic plan must be such as to demonstrate how the body is taking into account or, as the case may be, complying with the directions mentioned in subsection (3)(a).
- (5) Before adopting a strategic plan, a body shall—
  - (a) consult such other bodies as it thinks fit for the purpose of identifying the needs mentioned in subsection (3)(c) and formulating the policies to be adopted for dealing with those needs,
  - (b) prepare a draft of the proposed plan,
  - (c) send a copy of the draft to the Secretary of State, and
  - (d) after consultation with the Secretary of State, make such modifications to the draft as it considers necessary or expedient.
- (6) Where a body adopts a strategic plan—
  - (a) the body shall send copies of the document containing the plan to the Secretary of State, and
  - (b) the Secretary of State shall lay a copy of the document before each House of Parliament.
- (7) Nothing in this section applies in relation to any body which distributes under section 25(1) money allocated under section 22(3)(e).”

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## 14 The National Lottery Charities Board.

- (1) In section 38 of the 1993 Act (grants to charities etc by the National Lottery Charities Board) after subsection (2) there shall be inserted—

“(3) The Charities Board may for the purpose of enabling them to exercise their functions acquire and dispose of land.”

- (2) Paragraph 4 of Schedule 5 to the 1993 Act (remuneration and allowances etc of members of the Board) shall be amended in accordance with subsections (3) to (6) below.

- (3) In sub-paragraph (1)(a) (which permits the payment of remuneration to the chairman of the Board and the chairman of any committee of the Board) for “the chairman of any committee of theirs” there shall be substituted “ any other member of the Board ”.

- (4) In sub-paragraph (2) (which permits provision to be made in respect of pensions for the chairman of the Board or the chairman of any committee of the Board) for “or chairman of a committee of the Charities Board,” there shall be substituted “ , or in the case of any other member of the Charities Board, ”.

- (5) In sub-paragraph (3) (which permits the payment of compensation for loss of office to the chairman of the Board or the chairman of any committee of the Board) for “or of a committee of the Charities Board” there shall be substituted “ , or ceasing to be a member of the Charities Board, ”.

- (6) Sub-paragraph (4) (approval of Treasury required) shall cease to have effect.

- (7) Paragraph 5 of that Schedule (staff of the Board) shall be amended in accordance with subsections (8) to (10) below.

- (8) For sub-paragraph (1) (Board may appoint such staff as they may determine with the Secretary of State’s approval as to numbers and terms and conditions of service) there shall be substituted—

“(1) Subject to any directions under section 26(3), the Charities Board may appoint such staff as they think fit, on such terms and conditions of service as they think fit.”

- (9) In sub-paragraph (2) (provision may be made in relation to pensions etc with the Secretary of State’s approval)—

(a) at the beginning there shall be inserted “ Subject to any directions under section 26(3), ”; and

(b) the words “with the Secretary of State’s approval” shall cease to have effect.

- (10) Sub-paragraph (4) (consent of Treasury required) shall cease to have effect.

- (11) In Schedule 1 to the <sup>M1</sup>Public Records Act 1958 (definition of public records) the following entry shall be inserted at the appropriate place in Part II of the Table at the end of paragraph 3—

“National Lottery Charities Board.”

- (12) In the entry relating to the National Lottery Charities Board—

(a) in Part III of Schedule 1 to the <sup>M2</sup>House of Commons Disqualification Act 1975 (other disqualifying offices), and

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(b) in Part III of Schedule 1 to the <sup>M3</sup>Northern Ireland Assembly Disqualification Act 1975 (other disqualifying offices),  
for “and any chairman of a committee of that Board” there shall be substituted “ and, if in receipt of remuneration, any other member of that Board ”.

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**Marginal Citations**

**M1** 1958 c. 51.

**M2** 1975 c. 24.

**M3** 1975 c. 25.

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