



National Lottery Act 1998

1998 CHAPTER 22

PART I

PROVISIONS RELATING TO THE NATIONAL LOTTERY

The new good cause

6 The new good cause and the re-allocation of lottery money

- (1) Section 22 of the 1993 Act (apportionment of money in Distribution Fund) shall be amended in accordance with subsections (2) to (6) below.
- (2) After subsection (3)(e) (20 per cent. of balance of sums paid into National Lottery Distribution Fund to be allocated for expenditure on projects to mark the year 2000 and the beginning of the third millennium) there shall be inserted—

“and

 - (f) 13 $\frac{1}{3}$ per cent. shall be allocated for expenditure on or connected with health, education or the environment.”
- (3) In subsection (3)(a) (20 per cent. to be allocated for expenditure on or connected with the arts) for “20 per cent.” there shall be substituted “16 $\frac{2}{3}$ per cent.”
- (4) In subsection (3)(b) (20 per cent. to be allocated for expenditure on or connected with sport) for “20 per cent.” there shall be substituted “16 $\frac{2}{3}$ per cent.”
- (5) In subsection (3)(c) (20 per cent. to be allocated for expenditure on or connected with the national heritage) for “20 per cent.” there shall be substituted “16 $\frac{2}{3}$ per cent.”
- (6) In subsection (3)(d) (20 per cent. to be allocated for charitable expenditure) for “20 per cent.” there shall be substituted “16 $\frac{2}{3}$ per cent.”
- (7) In section 30 of the 1993 Act (winding up of fund allocated under section 22(3)(e)) in subsection (1)(b) (substitution of higher percentages for the percentages which on

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31st December 2000 are specified in section 22(3)(a) to (d)) after “(a) to (d)” there shall be inserted “and (f)”.

- (8) In subsection (1) of section 44 of the 1993 Act (interpretation of Part II) after the definition of “the Distribution Fund” there shall be inserted—

““education” includes training and the provision of activities for children;

“the environment” includes the living and social environment;”.

- (9) This section shall apply in relation to sums paid into the National Lottery Distribution Fund under section 21(2) of the 1993 Act on or after 14th October 1997.

- (10) The Secretary of State shall make such re-allocations of—

- (a) the money held in the National Lottery Distribution Fund at the commencement of this section,
- (b) the money invested by the National Debt Commissioners under section 32 of the 1993 Act as at the commencement of this section, and
- (c) the proceeds (as defined in section 32(4) of the 1993 Act) of the money mentioned in paragraph (b) above,

as are designed by the Secretary of State to give effect to the provisions of this section.

7 **The New Opportunities Fund**

- (1) In section 23 of the 1993 Act (the distributing bodies) after subsection (5) there shall be inserted—

“(6) So much of any sum paid into the Distribution Fund as is allocated for expenditure on or connected with health, education or the environment shall be held in the Distribution Fund for distribution by the New Opportunities Fund (established under section 43A).”

- (2) After section 43 of the 1993 Act there shall be inserted—

“The New Opportunities Fund

43A The New Opportunities Fund

- (1) There shall be a body corporate known as the New Opportunities Fund.
- (2) Schedule 6A makes provision in relation to the New Opportunities Fund.

43B Functions of the New Opportunities Fund

- (1) The New Opportunities Fund—
 - (a) may make grants out of any money they receive to fund or assist in the funding of projects, or
 - (b) may make or enter into arrangements,
 which are designed to give effect to such initiatives concerned or connected with health, education or the environment as may from time to time be specified in an order made by the Secretary of State.

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- (2) In making a grant under this section, the New Opportunities Fund may impose such conditions as they think fit, including conditions requiring the amount of a grant to be repaid forthwith on breach of any condition.
- (3) The New Opportunities Fund may do anything that they consider desirable for enabling them to determine—
 - (a) the projects in respect of which grants under this section are to be made; or
 - (b) the arrangements which are to be made or entered into under this section.
- (4) The New Opportunities Fund may for the purpose of enabling them to exercise their functions acquire and dispose of land.

43C Provisions supplemental to section 43B

- (1) In exercising their functions under section 43B the New Opportunities Fund shall comply with any directions given to them by the Secretary of State.
- (2) The Secretary of State shall consult the New Opportunities Fund before giving any directions to them under this section.
- (3) An initiative may be so framed that it applies—
 - (a) throughout the whole of the United Kingdom; or
 - (b) in one or more areas of the United Kingdom.
- (4) Before making an order under section 43B in respect of a particular initiative the Secretary of State shall consult such persons as appear to him to be appropriate.
- (5) Before revoking an order under section 43B the Secretary of State shall consult the New Opportunities Fund.
- (6) Any reference in this section to an initiative is a reference to an initiative specified in an order made under section 43B.
- (7) The report for any financial year of the New Opportunities Fund under section 34 shall set out any directions given to the Fund under this section that had effect during that year.

43D Accounts

- (1) The New Opportunities Fund shall—
 - (a) keep proper accounts and proper records in relation to the accounts, and
 - (b) prepare a statement of accounts in respect of each financial year.
- (2) The statement shall comply with any directions that may be given by the Secretary of State as to the information to be contained in such a statement, the manner in which such information is to be presented or the methods and principles according to which such a statement is to be prepared.
- (3) Copies of the statement shall be sent to the Secretary of State and the Comptroller and Auditor General within such period after the end of the

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financial year to which the statement relates as the Secretary of State may direct.

- (4) The Comptroller and Auditor General shall examine, certify and report on the statement and shall lay copies of the statement and of his report before Parliament.
 - (5) The Secretary of State shall not give a direction under this section without the Treasury's approval.”
- (3) After Schedule 6 to the 1993 Act there shall be inserted the Schedule 6A set out in Schedule 2 to this Act.

8 Provisions supplemental to section 7

- (1) In section 35 of the 1993 Act (accounts of certain distributing bodies) in subsection (7) (section not to apply to the National Lottery Charities Board or to the Millennium Commission) for “or to the Millennium Commission” there shall be substituted “, the Millennium Commission or the New Opportunities Fund”.
- (2) In section 44 of the 1993 Act (interpretation of Part II) after subsection (2) there shall be inserted—
 - “(3) A project or arrangement shall be regarded for the purposes of this Part as concerned or connected with health, education or the environment notwithstanding that it contains incidental provision—
 - (a) which is not concerned or connected with any of those matters; but
 - (b) which is necessary or expedient for the purposes of the project or arrangement.”
- (3) In the House of Commons Disqualification Act 1975, in Part III of Schedule 1 (other disqualifying offices) the following entry shall be inserted at the appropriate place—

“Chairman of the New Opportunities Fund and, if in receipt of remuneration, any other member of that Fund;”.
- (4) The same entry as is set out in subsection (3) above shall be inserted at the appropriate place in Part III of Schedule 1 to the Northern Ireland Assembly Disqualification Act 1975.
- (5) Any consultation undertaken before the commencement of section 7 above in connection with an initiative proposed to be specified in an order made under section 43B of the 1993 Act shall be as effective, in relation to that initiative, as if section 7 above had been in force at the time the consultation was undertaken.
- (6) Where any consultation has been undertaken before the commencement of section 7 above in connection with one or more initiatives proposed to be specified in an order made under section 43B of the 1993 Act, a statutory instrument containing an order under section 43B of that Act which specifies only that or those initiatives shall, notwithstanding the provisions of section 60(2) of the 1993 Act, be subject to annulment in pursuance of a resolution of either House of Parliament.
- (7) The payments which may be made under section 31 of the 1993 Act (payments from Distribution Fund into Consolidated Fund in respect of expenses) shall include a payment of such amount as the Secretary of State with the approval of the Treasury determines to be appropriate for defraying expenses incurred by the Secretary of

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State before the commencement of section 7 above for the purpose of facilitating the establishment of the New Opportunities Fund.