

PRIME MINISTER

NATIONAL LOTTERIES

*1* *don't want*  
*work done on 'official' national lotteries.*  
*1* *agree that smaller ones can help at*  
*the voluntary level.*

The Home Office letter of 13 May attached gives you the opportunity to register any comments on the way further work on the possibility of national lotteries, e.g. for the NHS, should be handled. The note refers to the possibility of the National Hospital Trust lottery being referred to the Crown Prosecution Service; I understand it now has been. So there are considerable doubts about the lawfulness of this particular scheme. Clearly while the CPS lotteries continue it would be appropriate for Government to maintain a low key posture.

But you may want to consider if you want to give any steer to further work on all this. John O'Sullivan's note of 8 May (which you have already seen) gives a cautious welcome to the possibility of a national lottery, possibly for inclusion in the NHS Review White Paper. I am instinctively more doubtful about the idea and doubt whether national lotteries have much role to play. On a local basis I think lotteries can be a successful means of raising net additional funds for specified projects. At the national level I doubt whether once you have allowed for all the offsetting macro-economic effects there will be much additionality.

Your own comments in the House on the current NHS lottery scheme were conditional on whether the idea proved to be legal. So if the current deliberations lead to the conclusion that it is not legal I do not think your comments commit you to any particular course of action.

Content to await the outcome of the current legal deliberations and not to carry out major further work on possible new national lottery projects?

*Y*  
*is*

Or

Do you want further work now to be done on the options?

*No*

*PAGG.*

(PAUL GRAY)

20 May 1988

*mt*