



*MBM*  
*file*  
*14/11*

OFFICE OF ARTS AND LIBRARIES  
Horse Guards Road  
London SW1P 3AL  
Telephone 01-270 5929

*CEP*

From the Minister for the Arts

C88/5528

Rt Hon Douglas Hurd CBE MP  
Home Office  
Queen Anne's Gate  
LONDON SW1

10 November 1988

*Dear Douglas,*

**INCREASES IN THE MONETARY LIMITS ON LOTTERIES**

I have been most interested to see the proposals attached to your letter of 7 November to John Wakeham.

I was particularly struck by the figures showing the decline in sales of lottery tickets since 1979/80 from £92 million to £21.5 million. As you know, I believe that there is a substantial amount of extra funding for charitable causes that could be unlocked by appealing to the lottery instinct, now that many people have more cash in their pocket. But it is clear that a very substantial increase in the maximum for prizes will be needed to tap this source of funds. I am disappointed both that you are not considering a higher maximum for prizes and that you do not propose to raise that for proceeds. This can only mean that the profits to an arts body would be reduced if it seeks to encourage more support by increasing its prizes. I do not follow the Gaming Board argument that there would be too great a risk of abuse if the proceeds limit were raised. Surely the question of management and accountability arises just as much at £120,000 as (say) £250,000?

I would have liked to see bigger stakes all round, in order to favour fund-raising as part of our overall strategy of encouraging the private sector. However, I would be content for you to consult the professional bodies in the gaming and charitable fields on the proposals as they stand. I would also ask you to invite the views of the Arts Council of Great Britain and the Museums and Galleries Commission at the same time, since they have responsibility for many of the bodies which would ultimately benefit from a revitalised lottery system.

I am copying this letter to those who received yours.

RICHARD LUCE

*~*  
*Ruth J*  
*—*