



Policy Submission

**Submission to the
National Lottery Review Group**

February 1997

COMBAT POVERTY AGENCY

**SUBMISSION TO THE NATIONAL LOTTERY
REVIEW GROUP**

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SUMMARY OF RECOMMENDATIONS

General

1. An independent regulator should be appointed for the National Lottery who would monitor
 - (i) the operation of the lottery, especially its effects on low income groups, on charities and its links with gambling; and
 - (ii) the disbursement of surplus funds, especially transparency, distribution and the impact of the expenditure.
2. Predominantly, national lottery funds should be additional, and should not be used for general government purposes. A significant proportion of the funds should be used to support developmental and innovatory work. The extent of additionality should be reviewed every five years.
3. Voluntary and community organisations should be the main beneficiaries of lottery funding. Priority should be given to groups tackling poverty and disadvantage.

Lottery Revenue

4. An independent study, commissioned by the independent regulator or other body independent of the lottery's operation, should be undertaken on revenue raised by the national lottery, with a particular focus on the contribution made by low income groups. The Combat Poverty Agency would be willing to assist with and advise on such a study.

Disbursement of Lottery Funds

5. The State should take a percentage of the surplus lottery funds for provision of state services; the remainder should be allocated by independent boards or existing state agencies with particular expertise in the relevant areas, such as the Arts Council or Sports Council.
6. An additional special category should be added on Social Solidarity in addition to the current four categories. Funding under this head would be for voluntary and community organisations tackling poverty and social exclusion. An independent board or existing state agency could be given responsibility for allocating the funds under this head.

7. A wide ranging consultation exercise involving voluntary and community organisations throughout Ireland should take place on the disbursement of the national lottery funds. This could be undertaken initially by the Review group or the independent regulator, but should then be undertaken on an ongoing basis by the proposed Boards/State Agencies.
8. The transparency of the lottery in its disbursement and allocation of funding should be improved, through the comprehensive introduction of a standard application procedure with clear guidelines and criteria; the publication of lists of organisations funded and the production of an annual report.
9. Research should be undertaken to investigate the operation of national lotteries in other countries, paying particular attention to evaluations and reviews which have taken place.
10. A guide of models of good practice in the allocation and disbursement of lottery funds should be compiled and made available by the Review Group.

Priorities for Lottery Funding

11. At least 20% of surplus lottery funds should be allocated into a Social Solidarity Fund (as an additional category) to promote social solidarity through tackling poverty, disadvantage and exclusion.
12. In addition, all the lottery heads ie. (i) youth, sport, recreation and amenities; (ii) arts, culture and national heritage; (iii) the Irish language; and (iv) health and social services should contain a cross-cutting theme of tackling poverty and disadvantage.
13. A number of areas currently in receipt of lottery funding should continue to receive such funding as a priority. These have been identified as:
 - the Community Development Programme
 - lone parents groups
 - women's groups working with disadvantaged and excluded women
 - developmental work with community groups in rural areas, with a particular focus on addressing issues of poverty and exclusion.

14. A number of possible new or additional priority areas are identified for lottery funding. These are:
 - funding for local community and voluntary organisations working to tackle the problem of drug use in their areas
 - funding to support community development work on gay and lesbian issues
 - funding to support community development work which is tackling domestic violence in disadvantaged communities.
15. The lottery funding allocation for special projects for disadvantaged youth should be opened up so that new projects can join the programme and that, in general, that the programme be extended in recognition of the importance of the development of disadvantaged young people, possibly through supporting collaboration and networks of organisations working together to address educational disadvantage.
16. Lottery funding should be specifically allocated to support sports activities in disadvantaged communities, particularly for disadvantaged young people.
17. The national lottery allocation should assist in the establishment of a Developmental Community Arts Fund.
18. There should be particular priority under all categories for supporting work with particularly disadvantaged and excluded groups, such as
 - the Travelling Community
 - people with disabilities
 - people out of home, particularly outside the Dublin area
 - ethnic groups and refugees.

1. The Combat Poverty Agency

The Combat Poverty Agency is a state agency which works for the prevention and decrease of poverty and social exclusion and the reduction of inequality in Ireland by striving for change which will promote a fairer and more just, equitable and inclusive society. In particular the Agency seeks to address the consequences of poverty by working for the empowerment of those who are marginalised and excluded as a result of poverty and by addressing the problems that are manifested in disadvantaged urban and rural communities. It is a centre of expertise on poverty issues, policies and practices. A key element of its work is advising government on all aspects of economic and social planning in relation to poverty.

The Agency has a number of issues which it would like to raise in relation to National Lottery funding. These are addressed in the following submission.

2. General Introduction

2.1 Operation of the Lottery

There are a number of issues in relation to the operation of the national lottery which the Agency believes are important and which need to be addressed. These include, in particular, the operation of the lottery, especially its effects on low income groups and the disbursement of funds, particularly with respect to transparency, distribution and impact of the expenditure. In order that the national lottery operates as independently, fairly, and openly as possible the Agency makes the following recommendation:

Recommendation 1: An independent regulator should be appointed for the National Lottery who would monitor

- (i) the operation of the lottery, especially its effects on low income groups, on charities and its links with gambling; and***
- (ii) the disbursement of funds, especially transparency, distribution and the impact of the expenditure.***

2.2 Additionality of Lottery Funding

When the National Lottery was set up in 1986 the clear intention was that all lottery money would be additional to government spending, and would not be used for general government purposes. The government was to decide on allocations, and these allocations would be clearly shown as part of the annual estimates. A recent examination of the national lottery¹ showed that contrary to the commitments made in 1986 lottery funding was, in fact, used for general governmental purposes, and the level of additionality was only between 7% and 11%.

¹ Harvey B (1995) *The National Lottery: Ten Years On*. Policy Research Centre, National College of Industrial Relations, Dublin. This submission draws heavily on Harvey's report on the national lottery which is the first detailed examination of the process by which the National Lottery is allocated in Ireland. It is particularly relevant given its focus on the role in which the lottery plays for voluntary and community organisations.

Recommendation 2: The Agency recommends that, predominantly, national lottery funds should be additional, and should not be used for general government purposes. A significant proportion of the funds should be used to support developmental and innovative work. The extent of additionality should be reviewed every five years.

It is recognised that it is arguable, at this stage, as to what is truly additional expenditure and what would be funded by the government anyway. However, we believe that additionality is an important principle by which the disbursement of lottery funding should be guided.

2.3 Voluntary and Community Organisations as the Main Beneficiaries

It was stated at the outset that the focus of beneficiaries of the lottery funds was to be entirely on voluntary organisations and good causes. Voluntary organisations would be able to apply to individual government departments. The Agency believes that voluntary and community organisations should be the main beneficiaries of the lottery funds. This is in line with the initial parameters under which the national lottery was to operate. Harvey's examination of lottery fund spending recognises that it is difficult to distinguish the amounts within surplus lottery funding which have gone to voluntary and community organisations as against statutory organisations, but Harvey has estimated that about 37% of the national lottery allocation goes to voluntary and community organisations compared to 63% to government, statutory or semi-state agencies. Thus, only about one third of lottery funding goes directly to voluntary and community organisations even though it was envisaged that they would be the main beneficiaries.

Even though initially voluntary organisations were encouraged to apply to government departments for lottery funding, in practice many government departments did not see the lottery as a mechanism for funding voluntary bodies, and the opportunities for applying to many departments for lottery funding does not exist.

Recommendation 3: Voluntary and community organisations should be the main beneficiaries of lottery funding. Priority should be given to groups tackling poverty and disadvantage. Consideration should also be given to innovative mechanisms and new opportunities for local government and the health boards to direct lottery funding to community and voluntary groups.

3. Lottery Revenue

- 3.1 The lottery has raised substantially more income than originally anticipated. In 1995, for example an estimated £265.4 million was raised by the lottery of which £84.9 million was disbursed from the National Lottery Fund. However, this is less than 1% of the total national budget in that year.

DKM² found that in 1995 63% of adults played national lottery every week. In general, the profile of National Lottery participants reflects the profile of the

² DKM (1996) *An Assessment of the Economic Impact of the National Lottery 1987 - 1995*. Prepared for An Post National Lottery Company

population as a whole, although there are some differences in the age distribution. Certain socio-economic groups have higher than average participation rates - skilled workers, unskilled workers and unemployed people.

Average weekly expenditure by regular Lottery participants was £3.11 in 1995. People classified as at work spent £3.15, people classified as in home duties spent £2.71, and unemployed people spent £3.26. The key issues here are not so much the amount spent, which varies little across groups, but the proportion of total income that this is and the proportion of high spenders ie. those who spend on average more than £6 per week on the lottery. People on low incomes generally have the same level of spending on the national lottery as other income groups.

However, the lottery works as a very regressive method of income redistribution, at least on the income side.³ The £3.26 spent each week by unemployed participants accounts for 5.2% of the estimated average weekly unemployment payment (1995). This compares with 1.5% for a person on £200 per week (spending on average £3.15 per week) or 1% for a person with a disposable income of £300 per week. These figures are clearly regressive and would be even more so if account was taken of the number of people per household. It therefore appears that it costs relatively more for low income groups to participate in the lottery. However, this is not unusual, as people on low income tend to spend over half of their disposable incomes on food, expenditure on other goods will account for a relatively high proportion of their income. As noted by Walsh (1990): *"As a means of revenue collection, therefore, the lottery is regressive and inequitable ... If the kernel of poverty is the unequal distribution of resources, then the lottery only reinforces a wider pattern of social inequity"*.

Also of concern is the 7% of participants who regularly spend more than £6 per week. When examined by socio-economic group 9% of the unemployed are shown as regularly spending more than £6 per week - this is almost 10% of their weekly income. Although there is no evidence of the lottery influencing consumer purchasing patterns, charitable fund-raising, or gambling there should be concern if people are regularly spending relatively large amounts of money on the lottery.

Information on these issues is relatively limited. However, it is clear that lower income groups are major contributors to the national lottery, and that a case can be made for redistributing the majority of this income to disadvantaged areas and disadvantaged communities, based on principles of need and redistribution. However, until further research is undertaken on this issue the socio-economic characteristics of national lottery participants and their contribution to national lottery revenue remains limited.

Recommendation 4: That an independent study, commissioned by the independent regulator or other body independent of the lottery's operation, should be undertaken on revenue raised by the national lottery, with a particular focus on the contribution made by low income groups. The Combat Poverty Agency would be willing to assist with or advise on such a study.

³ See Walsh, J. (1990) Loadsamoney - poverty and the National Lottery. *Poverty Today*.

4. Disbursement of Lottery Funds

4.1 The National Lottery Fund

The National Lottery Fund was set up by the Minister for Finance under the National Lottery Act 1986. All of the surplus generated by the National Lottery Company in each year is attributed to the Fund. In 1995 the funds distributed to beneficiaries amounted to £84.9 million. Total expenditure from the fund has exceeded £610 million over the period 1987-1995. The money raised by the national lottery is, under the National Lottery Act, allocated to four broad areas. In 1995 the proportions of spending in these areas were as follows: youth, sport, recreation and amenities - 32% (£27.5m); arts, culture and national heritage - 25% (£20.8m); the Irish language - 9% (£7.4m); and health and welfare - 34% (£29.2m).

The DKM study contains information on the public's awareness of organisations benefiting from the national lottery. 40% of survey respondents thought that too little funding was being provided to benefiting organisations. In particular, participants expressed a preference for substantially increased community health allocations, even at the expense of other areas. An NCIR study⁴ found that suggestions for the distribution of national lottery funds were that more should be allocated to the "needy", more to health care and generally that there should be more equity in the distribution of funds.

Under the National Lottery Act, the government is empowered to make allocations of national lottery funds outside the scope of the 4 broad categories. This procedure has been used on six occasions. These were to designate additional categories in the areas of youth, welfare, amenities, the Dublin Millennium, the National Heritage and Expo.

4.2 Independent Boards

The allocation of funds for the current 4 areas is distributed across 38 government sub-heads in 13 different government departments.⁵ In some countries lottery funds are distributed by "independent" bodies. In the UK, for example, funds are disbursed through 5 boards: the Arts Council, the Sports Council, the National Heritage Memorial Fund, the Millennium Fund and the National Lottery Charities Board, instead of through government departments. While there has been some criticism of the allocation process of the UK lottery being slow-moving and lacking accountability to the parliament these criticisms are largely unsubstantiated. The Agency believes that urgent attention should be given to the use of independent boards with relevant expertise, such as in some cases the relevant state agencies; in cases where no such state agency exists consideration should be given to the establishment of an independent board. Under such a system the government could take a certain percentage of lottery funds, to be used for state services, as currently, and the remainder would go to independent boards. A suggested structure is summarised in the following table.

⁴ National College of Industrial Relations (1994) *Reaching Out: Charitable Giving and Volunteering in the Republic of Ireland*. National College of Industrial Relations.

⁵ Strictly speaking these funds are distributed across "votes", which broadly coincide with government departments. However, some departments have more than one vote and some state agencies have their own dedicated vote.

Table 1: Suggested Structure of Independent Boards for Disbursement of Lottery Funds

Area	Body with Responsibility	Notes
Youth, Sport, Recreation, Amenities	"Youth Board" Sports Council	Consideration should be given to the establishment of an independent board to allocate funds for youth projects.
Arts, Culture, Heritage	Arts Council	
Irish	Bord na Gaeilge	
Health & Social Services	Consideration to be given to appropriate board for this category	Given experience to date there is a need to consider the best Board structure for the allocation of funds in the health and social services area - health boards have lacked transparency. In addition health boards are seen as devolved government boards rather than as independent.
Social Solidarity	Consideration to be given to appropriate board for this new category	Seen as an important new category. The Combat Poverty Agency could play an advisory role in the establishment of the Fund and in the allocation of funding.

Table Note: All Boards/Agencies should have a cross-cutting theme of tackling poverty and disadvantage.

This suggested structure is in line with the initial vision of the role of lottery funding, ie. that it would be additional. It is recognised that this would need to take place over a period of time, given the current level of spending by the government in these areas. However, given the current economic climate and tax buoyancy this is an opportune time to address this issue.

The proposal above also suggests that the Government should make an additional allocation outside the scope of the 4 broad categories. We would suggest that this should be in the area of promoting social solidarity by having a special category for addressing poverty and social exclusion. This would be particularly appropriate at the current time given the development of the National Anti-Poverty Strategy. This is an extremely important area and could benefit greatly from the specific establishment of a Social Solidarity Fund. The Combat Poverty Agency, given that it is the state agency with responsibility for supporting anti-poverty work and community development, could play an advisory role in the establishment of the Fund and in the allocation of funding.

Recommendation 5: The State should take a percentage of the surplus lottery funds for provision of state services; the remainder should be allocated by independent boards or existing state agencies with particular expertise in the relevant areas, as outlined in the Table above.

Recommendation 6: An additional special category should be added on Social Solidarity in addition to the current four areas. Funding under this head would be for voluntary and community organisations tackling poverty and social exclusion. An independent board or existing state agency could be given responsibility for allocating funds under this head. The Combat Poverty Agency could play a role in this regard.

4.3 Consultation

Since the initiation of the national lottery in Ireland in 1986 no consultation has taken place with voluntary or community groups, even though it was explicitly stated that voluntary organisations would be the main beneficiaries. In the UK, for example, prior to the introduction of their national lottery the National Lotteries Charities Board consulted with a wide range of voluntary organisations throughout the UK to discuss the most effective means of operating the lottery.

In Ireland, under the proposed structure set out in Table 1, existing Boards taking on responsibility for the allocation of lottery funds could establish Advisory Committees, which should undertake consultation and invite nominations from the relevant voluntary and community organisations on to their Advisory Committees. New Boards should undertake consultation and invite nominations from the relevant voluntary and community organisations on to their Boards.

Recommendation 7: A wide ranging consultation exercise involving voluntary and community organisations throughout Ireland should take place on the operation of the national lottery. This could be undertaken initially by the Review Group or an independent regulator, but should then be undertaken on an ongoing basis by the proposed "Boards".

4.4 Transparency

In his review of the national lottery Harvey found that contrary to commitments given in 1986 that the lottery would be transparent, the general operation of lottery grants lacks transparency. Although Harvey cites some examples of government departments and State agencies which operate the lottery in a visible manner, the operation in some departments and some health boards remains confused and opaque, and information on how decisions are made is withheld. It is proposed that a new structure of independent boards/state agencies should take on these issues of transparency.

Recommendation 8: That the transparency of the lottery in its disbursement and allocation of funding be improved, through the comprehensive introduction of a standard application procedure with clear guidelines and criteria; publication of lists of organisations funded and the production of an annual report.

4.5 Experience from elsewhere

A number of countries operate national lotteries. It would seem sensible in undertaking a review of the national lottery that research is undertaken to investigate the operation of national lotteries in other countries and in particular to examine any evaluations or review of the lotteries.

Recommendation 9: Research should be undertaken to investigate the operation of national lotteries in other countries, paying particular attention to evaluations and reviews which have taken place.

4.6 Examples of good practice

Harvey's review of the Irish national lottery notes that while there have been many shortcomings in the operation of the lottery, and in the disbursement and allocation of funding, there also exists some good examples of how the lottery funding has been allocated and accounted for. For example, *"As an example of good practice, the sports report of the Department of Education provides considerable detail on how lottery sports money is spent. The Department of Social Welfare's schemes are prominently advertised in the national media, criteria are available, closing dates are set, application forms are available and there is a dedicated unit in the department to provide information for voluntary organisations. Similar high standards are evident in the approach of the Department of the Arts, Culture and the Gaeltacht. The scheme of funding for cultural organisations by the Department of Foreign Affairs has an application form, a closing date, a set amount of money and a committee which makes decisions (and whose names are on the Dail record). There seems no reason why these models of good practice could not be followed in other departments and local authorities."* (Harvey, 1995). In addition, models of good practice from other countries could also be drawn upon.

Recommendation 10: A guide of models of good practice in the allocation and disbursement of lottery funds should be compiled and made available by the Review Group.

5. Priorities for Lottery Funding

5.1 Social Solidarity Fund

Lottery funds have been an important source of income for many of the beneficiaries. However, given the scale of poverty and social exclusion in Ireland⁶ the Agency argues that there should be a priority given to tackling poverty and social exclusion. Such an allocation should be used to promote social solidarity.

Recommendation 11: At least 20% of surplus lottery funds should be allocated into a Social Solidarity Fund (as an additional category) to promote social solidarity through tackling poverty, disadvantage and exclusion.

⁶ A recent report on poverty in Ireland *Poverty in the 1990s*, by ESRI researchers, has shown that while the depth of poverty in Ireland declined between 1987 and 1994, the numbers in poverty remained stable or increased slightly - between one fifth and one third of the Irish population can be said to be living in poverty.

5.2 Focus on Addressing Poverty and Exclusion

At the same time as having a special category for promoting social solidarity, each of the 4 existing areas should contain a cross cutting theme for the disbursement of funds to tackle poverty and disadvantage, see Table 1. Some of these areas are explored in more detail below.

Recommendation 12: All the lottery heads ie. (i) youth, sport, recreation and amenities; (ii) arts, culture and national heritage; (iii) the Irish language; and (iv) health and social services should contain a cross cutting theme of tackling poverty and disadvantage.

The Agency argues that the priority beneficiaries of lottery funding should be disadvantaged and excluded groups. Lottery funding is currently allocated and disbursed to a number of disadvantaged and excluded groups and we believe that this funding is extremely important for community and voluntary groups working in these areas. A number of developmental areas are also suggested for support.

5.3 Community Development Programme - Existing Priorities

In 1995 the Department of Social Welfare spent £4.43 million of lottery money, all of which went to community and development organisations under a number of funding schemes. This is welcomed. The ***Community Development Programme*** is funded from national lottery funds. The Combat Poverty Agency believes that the Community Development Programme is extremely important and that community development has a clear role to play in addressing poverty and exclusion at a local level, while also having the potential to influence change at national level. Community development has been defined as "*a process that deliberately activates, encourages and supports groups of people to participate in collective action in pursuit of common interests, and which contributes to social justice and equity*".⁷

A Community Development Fund was established by the Department of Social Welfare in 1990 in recognition of the role of community development in tackling poverty and disadvantage. The current Community Development Programme (CDP) provides core funding for community development resource centres in areas of social need. Resource centres provide a range of development opportunities, supports and services to community groups. The programme also caters for specialised centres providing support for women's groups, the Traveller community, people out of home and people with disabilities.⁸

Given the importance of the Community Development Programme in tackling poverty and disadvantage and the importance of lottery funding to the Programme the Agency believes that the Community Development Programme should be a priority beneficiary of lottery funds at the present time. This is in the context of the increasing recognition of community development as a key priority in tackling poverty and disadvantage. However, over time consideration should be given to gradually mainstreaming funding

⁷ See Cullen, B. (1989) *Poverty and Community Development*. Dublin: Combat Poverty Agency.

⁸ See Langford, S (1995) "New Supports for Community Development". *Poverty Today*, 27, March/April 1995.

for the CDP, thus gradually freeing up funds for more developmental and innovatory work.

Lottery grants have been made available to *lone parents groups* through the Department of Social Welfare. This funding is to be welcomed. Since the early 1980s there has been a substantial rise in the number of lone parent families. The vast majority of lone parent families are headed by women, they are mainly dependent on the state for their income and they face a higher than average risk of poverty.

Womens groups have received lottery funding from the Department of the Social Welfare. This has contributed to much community development work in disadvantaged areas and communities.

The Community Development Programme, through National Lottery Funding, funds community development projects throughout Ireland, in a range of settings - inner city, urban, suburban and rural. One of the criteria for deciding funding allocations for the CDP is geographical spread. However, it has been recognised that community development has been more difficult in *rural* areas, and that rural CDP projects tend to define disadvantage from a regional underdevelopment perspective.⁹ It is often difficult for rural communities to penetrate and comprehend the local dimension of poverty. It is thus recommended that developmental work with community groups in rural areas, with a particular focus on addressing poverty and exclusion be specifically supported.

Recommendation 13: A number of areas currently in receipt of lottery funding should continue to receive such funding as a priority. These have been identified as:

- *the Community Development Programme*
- *lone parents groups*
- *women's groups working with disadvantaged and excluded women*
- *developmental work with community groups in rural areas, with a particular focus on addressing issues of poverty and exclusion.*

⁹ See Cullen, B (1994) *A Programme in the Making: A Review of the Community Development Programme*. Dublin: Combat Poverty Agency.

5.4 Community Development Programme - Developmental Priorities

Drug use and abuse in disadvantaged communities is increasingly a key issue which requires urgent attention. At a recent conference on "Drugs in Dublin - Working Together, We Can Make a Difference" the President, Mary Robinson, in opening the Conference stated that tackling the issue of drugs was probably the most serious issue currently facing Irish society. She, along with many other speakers, emphasised the link between substance abuse (particularly heroin) and social disadvantage and stressed that local communities have to be given the lead in tackling the problem from the bottom up. However, this requires co-ordination, support and resources. Agency funded research in this area has found that some people in disadvantaged communities had taken up drugs because they were bored. There is therefore a case to be made for the funding of activities for young people in disadvantaged communities. This could be promoted through lottery funding.

A recent study by the Combat Poverty Agency¹⁰ showed that discrimination and prejudice result in *lesbians and gay men* being disadvantaged and excluded from full participation in society. In addition it found about one fifth of gay men and lesbians to be at risk of living in poverty. One of the recommendations of the report was that the Community Development Programme of the Department of Social Welfare should include the lesbian and gay community within its overall programme and provide for specific projects to address lesbian and gay issues. Under the NOW European programme the LEA (Lesbian Education and Awareness) project is receiving funding to design, develop and provide a training programme which prepares participants as education/information providers on lesbian issues to a range of target groups, such as voluntary and community groups. Thus, trained personnel will be available to support work on lesbian issues within a community development context.

Domestic violence is a problem which up until recently has received relatively little public attention. Nevertheless, domestic violence is clearly an issue which should be addressed, and this has been recognised by the establishment of an expert group to consider this issue. Domestic violence, poverty and exclusion are often inter-related. The Community Development Programme is increasingly identifying domestic violence as a key issue to be addressed. Some Community Development Projects have already undertaken ground-breaking work in this area. However, the work is difficult and much more remains to be done. The provision of national lottery funding for developmental work in this area could make a significant impact.

¹⁰ See Gay and Lesbian Equality Network and the Nexus Research Cooperative (1995) *Poverty: Lesbians and Gay Men. The Economic and Social Effects of Discrimination*. Dublin: Combat Poverty Agency.

Recommendation 14: A number of possible new or additional priority areas are identified for lottery funding. These are:

- *funding for local community and voluntary organisations working to tackle the problem of drug use in their areas*
- *funding to support community development work on gay and lesbian issues*
- *funding to support community development work which is tackling domestic violence in disadvantaged communities.*

5.5 Disadvantaged Young People

A substantial proportion of lottery funding is allocated to youth, sport, recreation and amenities, though this has declined in recent years from 48% of lottery allocations in 1988 to 33% in 1995. When in 1988, 130 *disadvantaged youth projects* received lottery funding this signified a specific commitment to disadvantaged young people and targeting social need. If the cycle of disadvantage and poverty in Ireland is to be broken a key element in this will undoubtedly be addressing current issues for disadvantaged young people and providing opportunities for them. However, while some of the disadvantaged youth projects no longer receive lottery funding, because they have ceased to exist etc. no new projects have been added. Therefore, unlike the Community Development Programme, which has grown from an initial 15 projects to more than 70 currently, the programme for disadvantaged youth has remained static. Consideration could also be given to the use of lottery funding for the development of networks to tackle educational disadvantage or at least encouraging collaboration between groups and organisations working to address educational disadvantage.

Recommendation 15: It is recommended that the lottery funding for special projects for disadvantaged youth be opened up so that new projects can join the programme and that, in general, that the programme be extended in recognition of the importance of the development of disadvantaged young people, possibly through supporting collaboration and networks of organisations working together to address educational disadvantage.

5.6 Sport in Disadvantaged Communities

Currently all funding for sports in Ireland is provided through the national lottery (Harvey, 1996). While this covers funding for a range of programmes (eg. funding for national governing bodies, elite programmes, provision of facilities, local programmes, *Sport for All* programme) *no funding is specifically allocated to assist disadvantaged communities, organisations or clubs participate in sports activities.* Research on educational disadvantage clearly shows the merits of "extra-mural" activities, such as sport, in motivating young people and in addressing alienation and exclusion. The Agency often receives grant applications from community and voluntary groups seeking financial assistance for local sports activities and events. Unfortunately the Agency's remit and grants schemes' criteria do not enable the Agency to fund such activity. There is clearly a need to support and fund such activity, particularly outside Dublin. While the VECs have a remit in this area, it seems that their programmes are not specifically geared to sports provision and funding in disadvantaged areas.

Recommendation 16: It is therefore recommended that lottery funding be specifically allocated to support sports activities in disadvantaged communities, particularly for disadvantaged young people.

5.7 Community Arts Fund

Developmental community arts has an important role to play in the regeneration of disadvantaged communities and in enriching society. Developmental community arts can help to combat social exclusion. It can assist individuals and communities to develop capacity, confidence, understanding, ideas and communication skills and, thus, equip them to participate in decision making that affects their lives. Developmental community arts is a long-term process of using arts activities within a community development context, with community development objectives.¹¹ Current funding for community arts comes from a wide variety of sources including the national lottery. However, most funding remains small, once-off and short-term. The Agency considers that the setting up of a developmental Community Arts Fund would be a significant funding measure that could support developmental community arts and thus enhance community development, social inclusion and the regeneration of disadvantaged communities. This Fund could initially be funded through lottery funding and should be considered as a priority beneficiary.

Recommendation 17: The national lottery allocation should assist in the establishment of a Developmental Community Arts Fund.

5.8 Other Issues

There are a number of other particularly disadvantaged and excluded groups who the Agency believes should be priority beneficiaries of lottery funding, in tackling poverty and exclusion. These do not always neatly fall under one of the existing categories, and indeed often straddle a number of areas. These are highlighted below.

The ***Travelling Community*** has a relatively low standard of living and a high risk of poverty. They lack many of the basic amenities the settled community take for granted. In particular they experience discrimination at a personal and cultural level. The report of the Task Force on the Travelling Community (1995) examined the needs of Travellers and made recommendations on a range of issues to improve conditions for the Travelling community and to enable Travellers to participate in and contribute to decisions affecting their lifestyle and environment. While, it is recognised that funding to implement the recommendations of the Traveller Task Force Report should come from exchequer allocations, the Travelling Community should also be considered as a priority beneficiary for lottery funding. This need not only be under the Department of Social Welfare - there are other important issues which could be supported by lottery funding in the areas of health, education and culture.

¹¹ See Combat Poverty Agency (1996) *Creating Change: A Strategy for Developmental Community Arts*. Dublin: Combat Poverty Agency. See also Working Group on Poverty (1997) *Poverty: Access and Participation in the Arts. A report by a Working Group on Poverty: Access and Participation in the Arts with research by Jeanne Moore*. Dublin: Combat Poverty Agency and the Arts Council.

Lottery funding has been allocated through the Department of Health to support services for *people with disabilities*. While this is to be welcomed the Harvey review of lottery funding suggested that only a small proportion of health board lottery funds are available for voluntary organisations, even though a contrary public impression has been created. There are three additional issues here. First, in general, funding for people with disabilities and groups working with people with disabilities should be funded from the exchequer. Secondly, the issue identified in the Harvey review should be addressed that, given the original thrust of the lottery that voluntary organisations would be the main beneficiaries, more funding should be made available for voluntary and community organisations addressing disability issues. Thirdly, it should be recognised that disability is not necessarily a health issue and that funding for voluntary and community organisations representing people with disabilities should be supported by lottery allocations in other areas, eg. youth, sport, recreation and amenities; arts, culture and heritage; Irish; and through the proposed social solidarity fund. Community and voluntary organisations working with and for people with disabilities should be priority beneficiaries for lottery funding under all of the existing lottery categories and proposed social solidarity category.

People who are homeless are among the most vulnerable in our society. While comprehensive information on the extent of homelessness is lacking in Ireland, there is documentation to show that poverty and homelessness are inter-related, and that the overall level of government response and support has been inadequate. There are a number of community and voluntary organisations working with the homeless who have often voiced their frustrations at the low level of support and funding from the statutory bodies, particularly the health boards. Although a Homeless Initiative is currently underway in Dublin, for community and voluntary organisations working with people out of home outside the capital city there is often little statutory support or funding to assist them in their work with the homeless. It is suggested that priority should be given to funding community and voluntary organisations working with people out of home, particularly outside the Dublin area.

Voluntary organisations and community groups working with ethnic groups and refugees often find it difficult to obtain funding for the demanding work they do. Ethnic groups and refugees are often very vulnerable, at a high risk of poverty and can be subject to discrimination and exclusion. Lottery funding should be made available to assist community and voluntary organisations in their work with ethnic groups and refugees.

Recommendation 18: There should be particular priority under all categories for supporting work with disadvantaged and excluded groups. Priority beneficiaries are identified as community and voluntary organisations working with and for:

- *the Travelling Community*
- *people with disabilities*
- *people out of home, particularly outside the Dublin area*
- *ethnic groups and refugees.*

6. Conclusion

The Combat Poverty Agency believes that lottery funding does have a beneficial impact for voluntary and community organisations working to reduce poverty and social exclusion in disadvantaged communities. However, this impact could be increased and the current operation of the national lottery substantially improved - by making the funds predominantly additional, by allocating more resources to voluntary and community organisations as was originally intended, and by improving the transparency of the operation of the lottery. Lottery funding has great potential to facilitate community and voluntary organisations undertaking innovatory and developmental work in disadvantaged areas to build on important work already being done. However, this potential can only be realised through a significant reorganisation in the operation of the national lottery.