

NATIONAL LOTTERY ACT 2006

EXPLANATORY NOTES

COMMENTARY ON SECTIONS

Section 15: The Big Lottery Fund: functions

30. *Subsection (1)* amends section 23 of the 1993 Act to allow the Big Lottery Fund to distribute the money in the National Lottery Distribution Fund allocated to prescribed expenditure that is charitable or connected with health, education or the environment. *Subsection (2)* inserts new provisions into the 1993 Act setting out the functions of the Big Lottery Fund.
31. New section 36B sets out the Big Lottery Fund's main power to distribute funds. The Fund will be able to make grants or loans, or make or enter into other arrangements, in distributing funds. The Secretary of State will be able to limit by order the amounts that the Big Lottery Fund may distribute on types of expenditure prescribed by new section 22(3A). In practice, these order making powers will be exercised together. Both orders are subject to affirmative resolution procedures.
32. New section 36C allows the Big Lottery Fund to distribute non-Lottery funds provided such funds are for expenditure that is charitable or connected with health, education or the environment. Examples might be third party funds from Government Departments or charitable foundations that wished to make use of the Big Lottery Fund's distribution infrastructure.
33. New section 36D allows the Big Lottery Fund to give advice about the distribution of Lottery money and applications for Lottery grants.
34. New section 36E requires the Big Lottery Fund to comply with any directions given to it by the Secretary of State and by the devolved administrations in relation to their devolved expenditure. Directions in relation to policy are confined to matters which must be taken into account in distributing money. The Secretary of State alone has the power to give directions under subsection (3) relating to operational matters such as financial management, staffing and accounts and to give directions under subsection (2) relating to non-devolved expenditure and English devolved expenditure. Before giving directions the Secretary of State must consult the Big Lottery Fund and, except for expenditure relating to England, the devolved administrations.
35. *Subsection (4)* provides that the devolved administrations have the sole power to give directions in relation to Welsh, Scottish and Northern Ireland devolved expenditure. They must consult the Big Lottery Fund and seek the Secretary of State's consent before giving directions in relation to devolved expenditure.