

*These notes refer to the National Lottery (Funding of Endowments) Act 2003 (c.23)  
which received Royal Assent on 18 September 2003*

## **NATIONAL LOTTERY (FUNDING OF ENDOWMENTS) ACT 2003 (C. 23)**

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### **EXPLANATORY NOTES**

#### **INTRODUCTION**

1. These explanatory notes relate to the National Lottery (Funding of Endowments) Act 2003 (c.23) which received Royal Assent on 18 September 2003. They have been prepared by the Department for Culture, Media and Sport in order to assist the reader of the Act. They do not form part of the Act and have not been endorsed by Parliament.
2. The notes need to be read in conjunction with the Act. They are not, and are not meant to be, a comprehensive description of the Act. So where a section or part of a section does not seem to require any explanation or comment, none is given.

#### **SUMMARY AND BACKGROUND**

3. The key objective of this Act is to clarify that all Lottery distributors (set out in section 23 of the National Lottery etc. Act 1993) are able to distribute Lottery monies by funding endowments (including permanent endowments) – both for the purpose of establishing endowments as well as for contributing to those already in existence.
4. The National Lottery etc. Act 1993 gives the distributing bodies power to distribute lottery money for meeting expenditure of the types specified in section 22 of that Act. It does not define ‘expenditure’ or contain any express reference to the funding of endowments. This Act amends the 1993 Act to expressly permit the Lottery distributors to distribute Lottery monies by funding endowments if they so wish.

#### **TERRITORIAL EXTENT**

5. Legislation relating to the National Lottery is reserved to the UK Parliament and as with the National Lottery etc. Act 1993, this Act extends to England, Wales, Scotland and Northern Ireland.

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#### **COMMENTARY ON SECTIONS**

6. The Act amends sections 22, 25 and 25B of the 1993 Act (which deal with the apportionment and application of monies by distributing bodies) and sections 38, 41 and 43B (which deal with the grant making powers of the statutory distributing bodies) by adding to each section provision for the powers of the distributing bodies to include power to distribute money for the purpose of establishing or contributing to endowments.

7. It also inserts into section 44 (interpretation) a definition of “endowment” which includes permanent endowments.

8. Section 1(9) provides for these endowments to have retrospective effect.

#### **COMMENCEMENT**

9. The Act came into force immediately on Royal Assent.

#### **HANSARD REFERENCES**

9. The following table sets out the dates and Hansard references for each stage of this Act’s passage through Parliament.

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<b>Stage</b>	<b>Date</b>	<b>Hansard reference</b>
House of Commons		
Introduction	11 December 2002	Vol 396 Col 286
Second Reading	28 February 2003	Vol 400 Cols 527-543
Committee	6 May 2003	Hansard Standing Committee C
Report and Third Reading	20 June 2003	Vol 407 Cols 606-634
House of Lords		
Introduction	23 June 2003	Vol 650 Col 11
Second Reading	11 July 2003	Vol 651 Cols 588-600
Committee	9 September 2003	Vol 652 Col 150
Report	Not taken	N/A
Third Reading	16 September 2003	Vol 652 Col 768

**Royal Assent** – 18 September 2003 House of Lords Hansard Vol 652 Col 1139  
House of Commons Hansard Vol 410 Col 1122

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