

# National Lottery sales fall as Camelot fights to keep franchise

## What did Camelot report today?

Players have “tightened their belts” due to the [cost of living](#) issue, one not unique to the operator of the [National Lottery](#) which it has run since 1994.

It did raise £1.91 billion for good causes, up by over 1% on a year ago even though [sales](#) were down 3.5% to £8 billion.

[Camelot](#), owned by Canada’s Ontario Teachers’ Pension Plan, aims to keep about 1% of sales as profits, with the rest going in costs and to charity.

## Hasn’t it just lost the franchise?

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Yes, to Allwyn, led by Czech billionaire Karel Komarek.

Camelot claims the Gambling Commission got this decision “badly wrong” and has launched a legal challenge – it has had success doing just that in the past.

Camelot thinks Allwyn is a more risky operation and that this “risk factor” should have been part of the thinking.

Lottery insiders say that the Commission had to find a new operator this time around or just accept that Camelot would run the lottery forever.

Since it costs around £10 million to put together a bid for the National Lottery, it seems unlikely anyone would have done so again if Camelot won again.

Critics also say the proportion of ticket sales going to good causes has fallen. And that Camelot has no divine right to run the lottery.

And that since around 50 independent people assessed the competing bids, the process was surely fair enough.

## **Why did lottery sales fall?**

A 7% fall in Instant cards to £3.4 billion was blamed. “This was largely down to greater competition for people’s attention and spend after the lifting of Covid restrictions, followed by growing economic uncertainty over the latter part of the year,” Camelot said.

Retailers account for 60% of sales, a focal point of criticism for those who say Camelot has totally failed to embrace the digital age.

Camelot notes that internet sales fell as lockdown ended.

Chief executive Nigel Railton said: “Camelot has once again raised a record amount for good causes from ticket sales, and

has also ensured that a record-equalling £3.1bn was once again generated for society through good causes, lottery duty and retailer commission, at a time when other funding sources are being squeezed.”

In March, Camelot was fined £3.15 million by the watchdog for failures to do with its mobile app.

## **What is Allwyn?**

Allwyn has a ten-year licence from 2024 and is owned by the Sazka Group which runs lotteries across Europe. It says it will modernise the business and cut the cost of UK tickets. It has promised a “fresh start” to a franchise that does feel rather out of date. It wants to put the National Lottery “back at the heart of our country”.

The people that helped the bid include former Sainsbury CEO Justin King and Sir Keith Mills, a noted marketer who invented air miles at BA. He also delivered the London 2012 Olympics.