

## Planning Scheme Amendment C307: Gaming Policy

17 October 2017

Presenter: Emma Appleton, Manager Urban Strategy

**Purpose and background**

1. On 19 July 2016, the Future Melbourne Committee endorsed a review of Council's gaming machine policy in the Melbourne Planning Scheme and requested that a draft amendment to the Planning Scheme be prepared for consideration. The purpose of this report is to seek the endorsement of the Future Melbourne Committee to request authorisation from the Minister for Planning to prepare and exhibit Amendment C307, which introduces a revised Gaming Policy into the Planning Scheme. Management also proposes for Council's consideration, a draft decision making framework that can be used to guide submissions to the Victorian Commission for Gambling and Liquor Regulation (VCGLR).

**Key issues**

2. Gaming venues are legal in Victoria and can provide social and recreational opportunities. However, substantial evidence suggests that gaming venues can have detrimental impacts on the individuals who gamble, their families, and the broader community, resulting in financial stress, relationship breakdown, family violence, health and wellbeing impacts, reduced work and study performance, and criminal activity. Electronic Gaming Machines (EGMs) are particularly associated with gambling related harms. According to the Victorian Responsible Gambling Foundation, whilst three per cent of the adult population are 'problem gamblers', over 90 per cent of problem gamblers report participation with EGMs.
3. The use and/or installation of EGMs in a venue require two separate approvals: a licence from the VCGLR under the *Gambling Regulation Act 2003* and planning approval under the *Planning and Environment Act 1987*. Council has a clearly defined role in making submissions to the VCGLR and in determining the outcomes of planning permit applications (see Attachment 2).
4. While Council does not support gaming, its role in gaming machine approvals or refusals is limited by the legislation. It is therefore proposed that Council pursues a harm minimisation approach that aims to reduce the demand for EGMs and support those most at risk of harm from problem gaming.
5. There are opportunities outside the statutory processes to oppose gaming, promote responsible gaming and reduce gaming related harm. These are discussed in the decision making framework and include advocacy to State Government (including advocacy for the inclusion of uncapped areas in the City of Melbourne within the municipal cap), strategic partnerships, collaboration, service delivery, and capacity building. The City of Melbourne is one of nine local governments leading the Alliance for Gambling Reform. This is a "*collaboration of organisations with a shared concern about the deeply harmful and unfair impacts of gambling and its normalisation in Australian culture*". The alliance campaigns for reforms in the gaming industry to reduce the harm it causes, for example by seeking a \$1 maximum bet on EGMs, changes to opening hours and access to cash machines, stronger regulation of machine design to limit addictive features, and increased local government and community say over the planning approval of EGMs.
6. The City of Melbourne engaged social planning consultant, Symplan (the consultant), to prepare a revised local policy to guide planning decisions for the use and installation of EGMs as well as a draft decision-making framework to guide Council submissions to the VCGLR (see Attachments 3 and 4). The local policy has had legal review.
7. The local planning policy includes provisions to guide the location of venues, their size and layout and the separation of gaming and non-gaming uses (see Attachment 2). The policy discourages locating venues where opportunistic gaming is likely, or close to predominantly residential areas or areas with a high concentration of vulnerable populations (such as close to social housing, student housing and gambling support services). It encourages venues to offer alternative forms of leisure and entertainment and ensures the EGMs are separated from other venue facilities and passers-by.
8. The draft decision-making framework provides guidance to minimise the impacts of gaming and to demonstrate leadership in the prevention of gaming related harm. It considers the social and economic impact of applications on the municipality, venue suitability, and net detriment to community wellbeing. The decision making framework is an assessment tool that can help guide Council in all its roles relating to gaming.

**Recommendation from management**

9. That the Future Melbourne Committee:
  - 9.1. seeks authorisation from the Minister for Planning to prepare and exhibit Planning Scheme Amendment C307
  - 9.2. endorses the draft decision making framework for consultation
  - 9.3. authorises the Director City Strategy and Place to make any further minor editorial changes to the policy, decision making framework and background report if required.

**Attachments:**

1. Supporting Attachment (page 3 of 157)
2. Council roles and responsibilities (page 4 of 157)
3. Draft Planning Scheme Amendment documents including proposed policy (page 6 of 157)
4. Draft decision making framework reference document (page 22 of 157)
5. Draft Background report reference document (page 56 of 157)

## Supporting Attachment

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### Legal

1. Divisions 1 and 2 of Part 3 of the *Planning and Environment Act 1987* deal with planning scheme amendments.
2. Legal advice has been obtained in request to the policy.

### Finance

3. The costs for preparing and processing Planning Scheme Amendment C307 are provided for within the 2017–18 budget.

### Conflict of interest

4. No member of Council staff, or other person engaged under a contract, involved in advising on or preparing this report has declared a direct or indirect interest in relation to the matter of the report.

### Stakeholder consultation

5. The consultant undertook stakeholder consultation to inform her work on the decision making framework, reference document and background report. This included semi-structured phone interviews with venue operators and service providers (industry bodies and organisations that work with people affected by gaming) operating within the City of Melbourne.
6. Further external consultation is proposed as part of the Planning Scheme Amendment process when the amendment is on public exhibition. In addition to standard notice, officers will undertake community information sessions.

### Relation to Council policy

7. The recommendations relate to the following Council plans and policies:
  - 7.1. Council Plan 2017-21 Goal 2 – A City for People
  - 7.2. Local Planning Policy Clause 22.12 (Gaming Premises) of the Melbourne Planning Scheme

### Environmental sustainability

8. Environmental sustainability issues or opportunities are not relevant to this proposal.

# GAMING LEGISLATION AND COUNCIL ROLES AND RESPONSIBILITIES

## Legislation

The use and/or installation of electronic gaming machines (EGMs) require two separate approvals - a license from the Victorian Commission for Gambling and Liquor Regulation (VCGLR) under the *Gambling Regulation Act 2003*, and planning approval from the responsible authority under the *Planning and Environment Act 1987*. This legislation is further described below.

### Planning and Environment Act, 1987

Section 60 of the *Planning and Environment Act 1987* outlines matters that must be considered and matters that may be considered by the responsible authority in decisions to grant a permit for the use or installation of EGMs.

Must be considered:

- Melbourne Planning Scheme
- Objectives of Planning in Victoria
- All objections and submissions received
- Decisions and comments of a referral authority
- Any significant effects (including social and economic) of the proposal

May be considered:

- Any approved strategic plan
- An adopted Planning Scheme Amendment

### The Melbourne Planning Scheme

A permit is required for the use/installation of EGMs within the City of Melbourne under Clause 52.28 of the Melbourne Planning Scheme.

In considering an application, Council can consider the **location** of the venue or machines, the **social and economic impacts of the location** of the venue or machines and the **appropriateness of the venue**.

Therefore, the proposed gaming policy seeks to provide guidance targeting these three areas.

Council role: Determine the outcome of applications for the use/installation of EGMs where City of Melbourne is the Responsible Authority

### Gambling Regulation Act, 2003

Section 3.3.7 (1) of the *Gambling Regulation Act 2003* stipulates that the VCGLR must not grant an application for approval of premises, unless satisfied that:

- The premises are, or will be, suitable for the management and operation of gaming machines
- The net economic and social impact of approval will not be detrimental to the wellbeing of the community within the municipality

Additionally, the VCGLR must also consider whether the size, layout and facilities of the premises are, or will be, suitable.

Council role: Make submissions to the Gaming Commission on applications

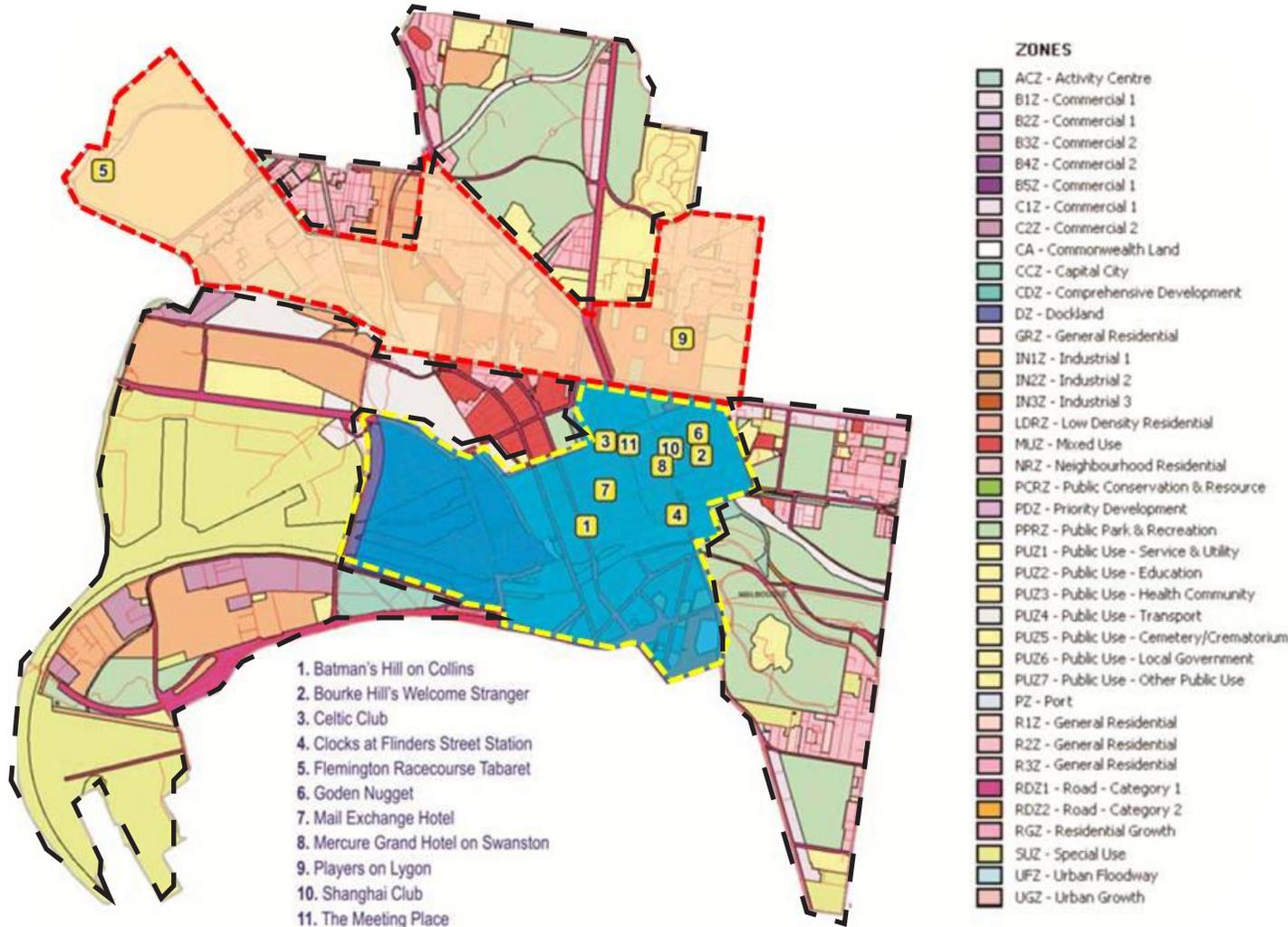
### Other opportunities

Other opportunities exist for Council involvement in minimising gambling related harms outside of these legislative instruments, this includes:

- Advocacy
- Partnerships (Alliance for Gambling Reform, led by City of Melbourne and eight other Councils)
- Service delivery

# Victorian State Government

The City of Melbourne has three different areas in terms of ‘capping’ regulations that apply. These caps are determined by the State Government (Minister for Gaming and Liquor Regulation) under Section 3.4 of the *Gambling Regulation Act, 2003*.



## Capital City Zone

The Capital City Zone is uncapped. It is excluded from regional caps and municipal caps that apply elsewhere. The central city is one of the only places in Victoria that is free of any EGM caps. Nine of the 11 venues within the City of Melbourne are located in this area (shown as Area

## Regional capped areas

Regional caps apply within 20 local governments in Victoria where relatively high densities of EGMs exist, high expenditure and concentrations of socioeconomic disadvantage. In the City of Melbourne, a regional cap applies to Carlton, North Melbourne, Flemington and Kensington. This cap is subject to a maximum of 177 EGMs. Two of the 11 venues in the municipality are located in this Area (Area A).

## Municipal capped areas

A municipal cap of 10 EGM entitlements per 1,000 adults applies in Area C. In this area, the maximum numbers of EGMs permitted is 188.

- Area A  Regional cap (Kensington and North Melbourne) – 177 EGM entitlements
- Area B  CBD, Southbank, Docklands – Uncapped
- Area C  Municipal cap (10 machines per 1000 people)

## MELBOURNE PLANNING SCHEME

### AMENDMENT C307

#### EXPLANATORY REPORT

##### **Who is the planning authority?**

This amendment has been prepared by the City of Melbourne which is the planning authority for this amendment.

The Amendment has been made at the request of the City of Melbourne.

##### **Land affected by the Amendment**

The Amendment applies to all land covered by the Melbourne Planning Scheme.

##### **What the amendment does**

The Amendment implements the recommendation of the Melbourne City Council Gaming Policy Review, April 2015 (Ratio) which was to develop a new local planning policy for gaming. The Amendment also amends the Municipal Strategic Statement to insert relevant references to electronic gaming machines and amends the Schedule to Clause 52.28 Gaming to further prevent convenience gambling.

##### **Strategic assessment of the Amendment**

##### **Why is the Amendment required?**

The Amendment is required to update the existing Local Planning Policy for Gaming (Clause 22.12) to guide decision-making in relation to the installation and use of electronic gaming machines across all areas of the municipality. The updated policy facilitates the assessment of the social and economic impacts of gambling and guides the appropriate location and operation of electronic gaming machines. It also provides greater understanding for applicants and the community as to Council's position and requirements in relation to electronic gaming machines and planning permit applications.

In particular, the Amendment is required to:

- minimise gaming-related harms to individuals and the community
- ensure that gaming machines are situated in appropriate locations and premises to prevent convenience gambling
- ensure that where gaming machines operate, they do so as part of the overall range of social, leisure, entertainment and recreation activities and facilities
- reduce the concentration of gaming machines and gaming venues
- ensure that gaming venues do not detract from the amenity of surrounding uses
- ensure that the location and operation of gaming machines achieves net community benefit
- discourage the proliferation of gaming premises in locations where the predominant use is residential.

The amendment to Clause 21.10-6 *Cultural/Arts and Entertainment Facilities* strengthens Council's capacity to ensure that electronic gaming machines operate as part of the overall range of entertainment activities in the municipality.

The amendment to Clause 21.12 *Hoddle Grid* strengthens Council's capacity to reduce the existing concentration of electronic gaming machines in the Hoddle Grid where they contribute to convenience gambling.

The amendment to the Schedule of Clause 52.28 updates the list of shopping complexes where the installation or use of a gaming machine is prohibited.

The Amendment is supported by the City of Melbourne Electronic Gaming Machine Decision-Making Framework, 2017 and the City of Melbourne Electronic Gaming Machine Review Background Report, 2017.

### **How does the Amendment implement the objectives of planning in Victoria?**

The Amendment is consistent with the following objectives for planning in Victoria as outlined in Section 4 of the *Planning and Environment Act 1987*:

- 1(a) to provide for the fair, orderly, economic and sustainable use, and development of land
- 1(c) to secure a pleasant, efficient and safe working, living and recreational environment for all Victorians and visitors to Victoria
- 1(g) to balance the present and future interests of all Victorians
- 2(a) to ensure sound, strategic planning and co-ordinated action at State, regional and municipal levels
- 2(d) to ... provide for explicit consideration of social and economic effects when decisions are made about the use and development of land
- 2(g) to encourage the achievement of planning objectives through positive actions by responsible authorities and planning authorities.

The Amendment implements these objectives by giving direction to the appropriate location and operation of electronic gaming machines in the municipality, protecting vulnerable communities from the harmful effects of gambling, and providing guidance in relation to the effective consideration of social and economic impacts during the planning permit assessment process.

### **How does the Amendment address any environmental, social and economic effects?**

The Amendment relates to the use and installation of electronic gaming machines and will have no environmental effects.

The Amendment addresses social and economic effects of gambling on electronic gaming machines by:

- protecting those most at risk of the social, economic and health impacts of gambling-related harms
- providing guidance in relation to achieving a balance between the social and economic benefits and harms to the community
- outlining the requirements for the preparation of a robust assessment of the social and economic effects of a proposal to use or install electronic gaming machines at the planning permit stage.

### **Does the Amendment address relevant bushfire risk?**

The Amendment will not have any impacts on bushfire risk within the municipality.

### **Does the Amendment comply with the requirements of any Minister's Direction applicable to the amendment?**

#### Ministerial Direction: The Form and Content of Planning Schemes

The Local Planning Policy for Electronic Gaming has been prepared in terms of the requirements of this Direction.

#### Ministerial Direction 9: Metropolitan Strategy

The Amendment supports *Direction 4 – Melbourne is a distinctive and liveable city with quality environments* as follows:

- protecting the sporting, cultural, and arts precincts from inappropriate development (Direction 4.2) by ensuring that electronic gaming machines are appropriately located and operated, and function as part of the overall range of entertainment uses
- facilitating opportunities for effective community participation in decisions relating to the installation and use of electronic gaming machines (4.6)

The Amendment will not compromise the implementation of the Metropolitan Planning Strategy as it gives direction to achieving accessibility to gaming venues while minimising convenience gambling.

#### Ministerial Direction No. 11: Strategic Assessment of Amendments

The Amendment has been prepared in accordance with the requirements set out in this Direction.

#### Ministerial Direction 15: The Planning Scheme Amendment Process

This Amendment will be consistent with the guidance provided by this Direction.

### **How does the Amendment support or implement the State Planning Policy Framework and any adopted State policy?**

The Amendment is consistent with the following provisions of the State Planning Policy Framework:

- Clause 10.02 Objectives by giving guidance to the appropriate location and operation of electronic gaming machines and the assessment of relevant environmental, social and economic factors associated with electronic gaming machines in the interests of net community benefit.
- Clause 11.03-2 Activity centre planning by facilitating the appropriate location of electronic gaming machines in activity centres.
- Clause 17.01-1 Business by facilitating development that meets the community's needs for entertainment in the interests of net community benefit.
- Clause 17.01-3 Tourism in Metropolitan Melbourne by giving preference to the location of electronic gaming machines in activity centres.

### **How does the Amendment support or implement the Local Planning Policy Framework, and specifically the Municipal Strategic Statement?**

The amendment strengthens the Local Planning Policy Framework by providing specific guidance on the appropriate location and operation of gaming machines in the municipality, articulating Council's position on electronic gaming machines and application requirements, and supporting decisions made in terms of Clause 52.28 Gaming.

The amendment is consistent with the objectives of Clause 21.10-6 which are to provide a diverse range of leisure, arts, cultural and entertainment facilities' and enhance the City as Victoria's pre-eminent cultural and entertainment location. This will be achieved by ensuring that electronic gaming machines are provided as part of the overall range of social, leisure, entertainment and recreation uses in the municipality.

### **Does the Amendment make proper use of the Victoria Planning Provisions?**

The Amendment makes proper use of the Victoria Planning Provisions by amending the existing Local Planning Policy for Gaming to ensure that it aligns with the strategic, regulatory and decision-making framework within which gaming machines operate

### **How does the Amendment address the views of any relevant agency?**

The Amendment is being placed on exhibition and will accordingly be referred to relevant agencies for consideration.

### **Does the Amendment address relevant requirements of the Transport Integration Act 2010?**

No requirements of the Transport Integration Act 2010 are relevant to the Amendment.

## Resource and administrative costs

- **What impact will the new planning provisions have on the resource and administrative costs of the responsible authority?**

The Amendment will streamline Council's planning permit process in regards to assessing planning permits under the Melbourne Planning Scheme. The Amendment will not have any significant impact on resource and administrative costs of the responsible authority as a planning permit is currently required to use and install an electronic gaming machine and the Amendment does not alter existing or introduce new permit triggers.

## Where you may inspect this Amendment

The Amendment is available for public inspection, free of charge, during office hours at the following places:

City of Melbourne  
Planning and Building Reception Counter  
Level 3, 240 Little Collins Street  
MELBOURNE VIC 3000

The Amendment may also be viewed online at the City of Melbourne website:  
<http://www.melbourne.vic.gov.au/building-and-development/urban-planning/melbourne-planning-scheme/planning-scheme-amendments/Pages/planning-scheme-amendments.aspx>

The Amendment can also be inspected free of charge at the Department of Environment, Land, Water and Planning website at: [www.delwp.vic.gov.au/public-inspection](http://www.delwp.vic.gov.au/public-inspection).

## Submissions

Any person who may be affected by the Amendment [and/or planning permit] may make a submission to the planning authority. Submissions about the Amendment must be received by .

A submission must be sent to:

City of Melbourne  
GPO Box 1603  
Melbourne 3001

## Panel hearing dates

In accordance with clause 4(2) of Ministerial Direction No.15 the following panel hearing dates have been set for this amendment:

- directions hearing: [insert directions hearing date]
- panel hearing: [insert panel hearing date]

*Planning and Environment Act 1987*

**MELBOURNE PLANNING SCHEME**

**AMENDMENT C307**

**INSTRUCTION SHEET**

The planning authority for this amendment is the City of Melbourne.

The Melbourne Planning Scheme is amended as follows:

**Planning Scheme Ordinance**

The Planning Scheme Ordinance is amended as follows:

1. In Local Planning Policy Framework – replace Clause 21.10-6 Cultural/Arts and Entertainment Facilities with a new Clause 21.10-6 Cultural/Arts and Entertainment Facilities in the form of the attached document.
2. In Local Planning Policy Framework – replace Clause 21.12 Hoddle Grid with a new Clause 21.12 Hoddle Grid in the form of the attached document.
3. In Local Planning Policy Framework – replace Clause 22.12 Gaming with a new Clause 22.12 Gaming in the form of the attached document.
4. In Particular Provisions – Clause 52.28 Gaming, replace Schedule 3 with a new Schedule 3 in the form of the attached document.

End of document

## 21.10 INFRASTRUCTURE

12/09/013  
C162

Growth and development in the municipality will require a matching provision of infrastructure. The expansion and upgrading of roads, utilities, community facilities and public open space will be required to service the growth of resident, worker and visitor populations. Key to this planning is to facilitate the efficient use of existing infrastructure, reinforce those key elements and plan for future needs and requirements.

### 21.10 – 1 Renewable energy and efficient water use

12/09/013  
C162

**Objective 1 To develop integrated precinct utilities to reduce greenhouse gas emissions and increase resilience to climate change.**

Strategy 1.1 Encourage precinct wide integrated water management systems including water sourced from tri-generation power systems.

Strategy 1.2 Encourage precinct wide integrated tri-generation systems to distribute power, heating, cooling and water.

### 21.10 – 2 Open Space

12/09/013  
C162

**Objective 1 To maintain, enhance and increase Melbourne’s public open space network and promote greening of the City.**

Strategy 1.1 Support the development and implementation of Park Master plans.

Strategy 1.2 Ensure parks, gardens, waterways and open spaces remain a prominent element of the City’s structure and character.

Strategy 1.3 Ensure there is no net loss of the area of public open space and secure new public open space where opportunities arise.

Strategy 1.4 Support the maintenance and creation of a variety of public open space to meet the needs of the growing population for formal and informal outdoor recreation.

Strategy 1.5 Ensure that development in and surrounding the City’s parks and gardens does not adversely impact on the solar access, recreational, cultural heritage, environmental and aesthetic values, or amenity, of the open space.

Strategy 1.6 Protect heritage significant trees and landscapes in parks and heritage areas.

Strategy 1.7 Provide an integrated network of public open spaces in Urban Renewal areas.

**Objective 2 To provide a diversity of uses in parks where consistent with Park Master plans.**

Strategy 2.1 Ensure parks are safe and accessible.

Strategy 2.2 Protect and enhance the biodiversity and habitat value of the City’s parks, gardens, open space and waterways.

Strategy 2.3 Ensure that activities, buildings and works in the City’s parks and gardens are consistent with Parks Master plans.

Strategy 2.4 Discourage activities, buildings and works that are not specifically related to the park and its use and that lead to the alienation of the park.

### 21.10 – 3 Education facilities

12/09/013  
C162

**Objective 1 To support education activities.**

Strategy 1.1 Support primary, secondary and tertiary education facilities, whilst protecting the amenity of Residential and Mixed Use zoned areas and the heritage values of areas with cultural heritage significance, consistent with the local amenity.

Strategy 1.2 Support interaction and collaboration between education institutions, and business and industry by promoting their co-location compatible with the amenity of existing residential uses and areas of heritage significance.

**Objective 2 To ensure a high standard of ‘soft infrastructure’ to support innovative activity and education.**

Strategy 2.1 Support accommodation, services and facilities, which serve and attract a highly skilled labour pool.

Strategy 2.2 Support the provision of facilities and services for students and researchers.

Strategy 2.3 Support affordable accommodation options for students.

**21.10-4**

**Health Facilities**

12/09/013  
C162

**Objective 1 To support medical, and research activities.**

Strategy 1.1 Support the operation of the City’s hospitals and their intensive care–trauma facilities and capacity.

Strategy 1.2 Support the clustering of hospitals and their continued operation and development in their current locations.

Strategy 1.3 Support interaction and collaboration between medical and research institutions, and business and industry by promoting their co-location compatible with the amenity of existing residential uses and areas of heritage significance.

Strategy 1.4 Discourage uses or development near hospitals that prejudice public safety or risk reducing the efficiency or safe delivery of acute health care, trauma and emergency services (including 24 hour emergency helicopter access).

Strategy 1.6 Ensure that all new knowledge and innovation uses manage off site impacts such as noise, traffic generation and parking.

**Objective 2 To encourage research and development uses throughout the City.**

Strategy 2.1 Encourage research and development uses throughout the municipality.

Strategy 2.2 Encourage research and development activity clusters, including biotechnology uses, throughout the municipality.

**21.10-5**

**Community Facilities**

12/09/013  
C162

**Objective 1 To provide facilities which meet the needs of the community.**

Strategy 1.1 Provide new community facilities, where needed, in strategic re-development sites and in areas of population growth and development.

Strategy 1.2 Integrate new community facilities or renewed community facilities with residential developments in order to provide the appropriate balance and mix of facilities.

Strategy 1.3 Encourage co-location of complementary facilities.

Strategy 1.4 Ensure all future community facilities can accommodate multipurpose uses where appropriate and can be adapted to suit the needs of the community.

21.10-6

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C307

**Cultural/Arts and Entertainment Facilities**

**Objective 1 To provide a diverse range of leisure, arts, cultural and entertainment facilities.**

Strategy 1.1 Discourage the concentration of sexually explicit adult entertainment, amusement parlours and gaming venues in the Central City.

Strategy 1.2 Support quality public institutions, including art galleries, libraries and museums, throughout the municipality, where consistent with the local amenity.

Strategy 1.3 Support entertainment, music and cultural attractions in Commercial and Mixed Use Zones, where consistent with the local amenity.

**Objective 2 Enhance the City as Victoria's pre-eminent cultural and entertainment location.**

Strategy 2.1 Support and encourage the growth of a vibrant cultural environment in the Hoddle Grid, Southbank and Docklands, by supporting entertainment uses, music and the arts.

Strategy 2.2 Support the City's major sports facilities and parks in recognition of their national significance.

Strategy 2.3 Promote the Docklands waterfront as a tourism and leisure destination of State significance.

**Objective 3 To minimise gaming-related harms**

Strategy 3.1 Ensure that the location, design and operation of gaming venues across the City minimises gaming related harms to the individual and the community.

21.10-7

12/09/013  
C162

**Communications infrastructure**

**Objective 1 To ensure that Melbourne has the infrastructure and capacity to meet anticipated information, communication and technology (ICT) needs.**

Strategy 1.1 Encourage the incorporation of information, technology and communication infrastructure in new developments.

Strategy 1.2 Encourage co-location of communications infrastructure.

**Objective 2 To minimise the visual impact of communications infrastructure and other utilities infrastructure.**

Strategy 2.1 Ensure that the presence and visibility of communications infrastructure and utilities in heritage areas or upon parkland does not unreasonably impact on the heritage place or precinct, or on parkland values.

**21.12 HODDLE GRID**

30/07/2015

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Proposed

C307

**Housing**

- Support permanent and short term residential development in the Hoddle Grid that accommodates a diverse population.

**Economic development**

- Encourage the development of a range of complementary precincts within the Hoddle Grid that offer a diverse range of specialist retail, cultural and entertainment opportunities.
- Discourage the spatial concentration of gaming machines.
- Encourage the retention and enhancement of specialised shopping and entertainment precincts within the Hoddle Grid, particularly, Hardware Lane, Chinatown, Collins Street and Little Collins Street.
- Support entertainment, bars, eating and other evening uses throughout the Hoddle Grid.
- Support the Retail Core as a compact, high-density retail precinct and facilitate easy pedestrian access.
- Support the consolidation of education clusters on the northern and western edges of the Hoddle Grid and in Flinders Street.
- Ensure the Northbank of the Yarra River has increased open space opportunities.
- Support the Queen Victoria Market as a retail and tourist facility, and as a heritage asset of State significance.
- Ensure the form and use of development around the Queen Victoria Market does not detract from its amenity nor compromise its 24 hour function.

**Built Environment and Heritage**

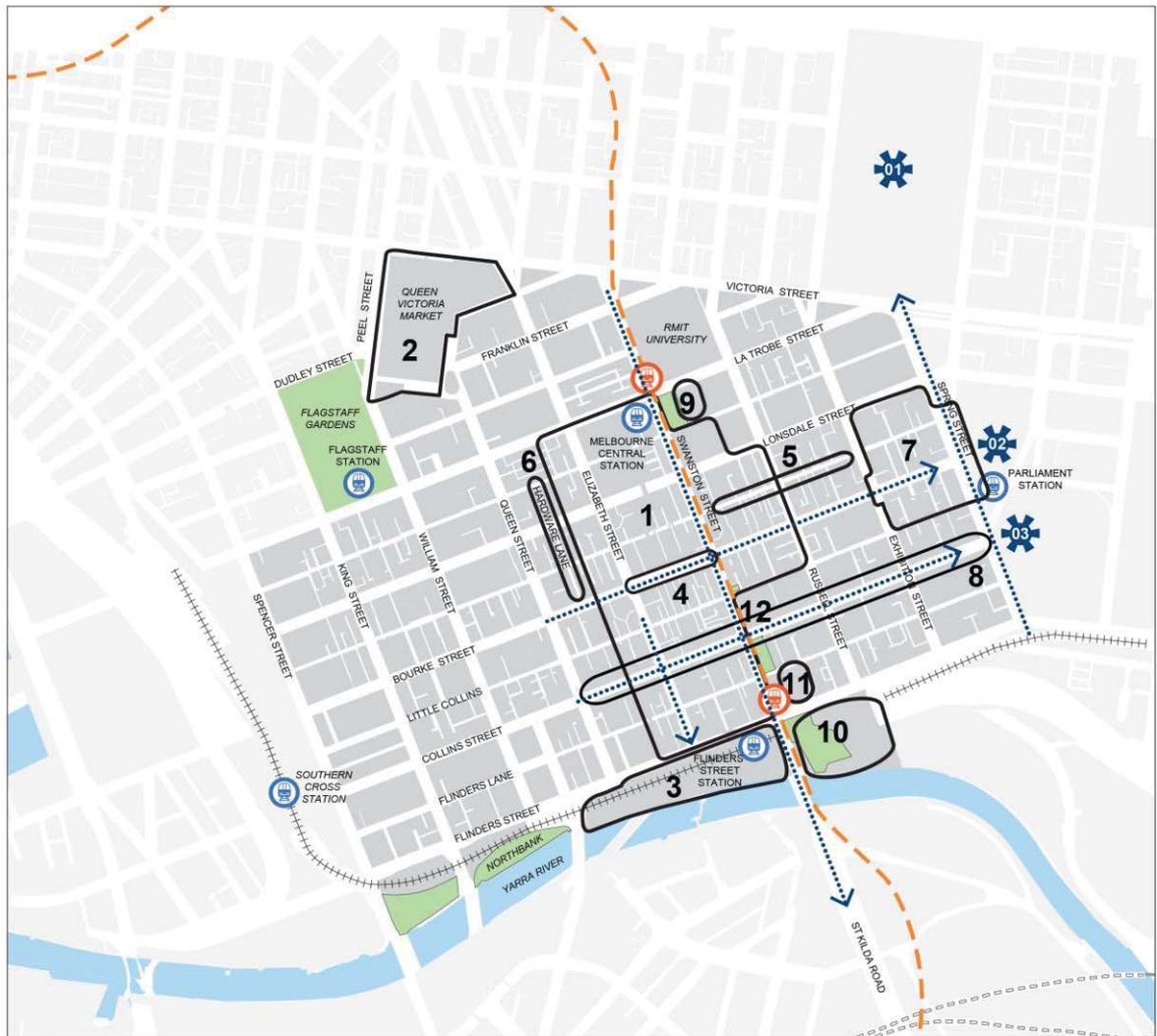
- Protect the regular grid layout, laneways, tree-lined boulevards and identified significant public open spaces.
- Protect the scale of important heritage precincts, boulevards and other unique precincts that rely on a consistency of scale for their image, including the Retail Core, Chinatown, Hardware Lane, Flinders Lane, Bourke Hill, Parliament, the Melbourne Town Hall, and the churches on Flinders and Collins Streets.
- Facilitate the civic and ceremonial function of Swanston Street.
- Enhance Swanston Street as part of a boulevard axis which runs from Princes Park to St Kilda Road.
- Maintain a low rise form and streetscapes in the Retail Core and along key views to ensure an intimate pedestrian scale and views to key buildings are maintained.
- Ensure a clear edge between the taller built form of the Capital City Zone and the Docklands Zone and the lower form of the surrounding areas.
- Ensure a strong contrast in scale of development along Elizabeth Street from the lower scale areas to the north of Victoria Street and the higher scale of the Capital City Zone.
- Ensure the area bounded by Latrobe and Victoria Streets and Elizabeth/Peel Streets has a lower scale than the Hoddle Grid and provides a contrast in built form scale between the lower scale of Carlton and North Melbourne and the higher scale of the Hoddle Grid.
- Ensure that the design of tall buildings in the Hoddle Grid promote a human scale at street level especially in narrow lanes, respects the street pattern and provides a context for heritage buildings.

- Ensure that new tall buildings add architectural interest to the city's sky line.
- Ensure tower buildings are well spaced and sited to provide equitable access to an outlook and sunlight for all towers.
- Ensure high quality and robust public space design in arcade and laneway upgrades.
- Link arcades and laneways in the Hoddle Grid.
- Encourage arcade and laneway links between streets and public spaces.
- Ensure development fronting streets creates a continuous building edge and integrated streetscape.
- Ensure that security treatments for shop fronts allow for views into the premises at night and positively contribute to the streetscape.
- Ensure the ground level design of shop fronts on Swanston Street contribute to its role as a pre-eminent retail and lifestyle avenue and entry axis to the Retail Core.
- Ensure sunlight penetration in the middle of the day to key public spaces, appropriate to their role and function.
- Protect the Yarra River and its south bank from overshadowing throughout the year.

### **Transport**

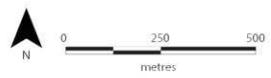
- Ensure that pedestrian use is given priority in the Hoddle Grid.
- Facilitate the development of the Bourke Street Mall as a high quality pedestrian and retail space.
- Ensure that developments provide weather protection along key pedestrian routes and areas, where this does not conflict with building or streetscape integrity.
- Ensure that the design of buildings and public realm in the Hoddle Grid enhances the safety of pedestrians, visitors and occupants of buildings.
- Ensure streets and open space are physically and visually linked to the waterfront, where practicable.
- Develop better links between the south western edge of the Hoddle Grid and the Yarra River.
- Develop better links between the water side entertainment and recreational attractions of the north and south banks of the Yarra.
- Encourage the provision of pedestrian links to the Queen Victoria Market from surrounding areas.

Figure 6: Hoddle Grid



- Local Area Boundary
- Rail Station
- Rail Network
- Proposed Melbourne Metro Rail Station
- Proposed Melbourne Metro Rail Alignment
- Freeway Tunnel
- Public Open Space
- Waterways
- Key Views
- Landmarks
  - Royal Exhibition Building
  - Parliament Building
  - Treasury Building

- 1** Retail Core
- 2** Queen Victoria Market
- 3** Flinders Street Station
- 4** Bourke Street Mall
- 5** Chinatown
- 6** Hardware Lane
- 7** Bourke Hill
- 8** Collins Street
- 9** State Library of Victoria
- 10** Federation Square
- 11** St Pauls Cathedral
- 12** Melbourne Town Hall



**22.12 GAMING**

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Proposed  
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This policy applies to all planning permit applications to install or use a gaming machine under Clause 52.28 of the Melbourne Planning Scheme.

**22.12-1 Policy basis**

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Proposed  
C307

As the Capital City, the City of Melbourne is Victoria’s pre-eminent cultural and entertainment location, providing entertainment for residents, visitors and tourists, and services that satisfy the needs of the community.

Gambling is a legal form of entertainment. Gaming machines are recognised as the form of gambling associated with the greatest harms to individuals, their families and the broader community. Evidence draws a link between convenience gambling, socio-economic disadvantage and gambling-related harms. Convenience gambling involves spontaneous decisions to use gaming machines.

There are both concentrations of socio-economic disadvantage, and groups at an elevated risk of gambling-related harm throughout the municipality. The municipality is expected to experience a growth in population, potentially increasing the demand for gaming machines in the future.

This policy guides the responsible authority’s decisions on planning applications for gaming machines. It describes criteria for the appropriate location, design and operation of gaming venues across the City, including the areas that are subject to a regional and municipal cap and the CBD/Hoddle Grid that is not subject to a cap.

**22.12-2 Objectives**

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C307

To minimise gambling-related harms to individuals and the community.

To ensure that gaming machines are situated in appropriate locations and premises to prevent convenience gambling.

To ensure that where gaming machines operate, they do so as part of the overall range of social, leisure, entertainment and recreation activities and facilities.

To reduce the concentration of gaming machines and gaming venues.

To ensure that gaming venues do not detract from the amenity of surrounding uses.

To ensure that the location and operation of gaming machines achieves net community benefit.

To discourage the proliferation of gaming premises in locations where the predominant use is residential.

**22.12-3 Policy**

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Proposed  
C307

It is policy to locate gaming machines in accordance with the following criteria:

**Location**

Gaming machines should be located:

- Where the community has convenient access to a choice of non-gaming entertainment, leisure, social and recreation uses that operate at the same time as the gaming venue in the surrounding area such as hotels, clubs, cinemas, restaurants, bars, theatres, galleries, exhibition centres, sporting venues and indoor recreation facilities.
- Where they would make a positive contribution to the redistribution of gaming machines away from relatively disadvantaged areas, as defined by the latest SEIFA Index of Relative Socio-economic Disadvantage.

Gaming machines should not be located:

- In buildings used for residential purposes
- Within locations where the predominant surrounding land use is residential.

- Within 400m walking distance or clear line of site of:
  - an existing or approved gaming venue
  - shopping complexes and strip shopping centres
  - public transport interchanges
  - concentrations of social housing (housing for people on lower incomes that is owned or leased by the Department of Health and Human Services, registered housing associations or not-for-profit housing organisations)
  - student accommodation
  - a gambling sensitive service or facility that is used by people experiencing or vulnerable to gambling-related harms such as the offices of specific problem gambling services, financial counselling services and material and financial aid services.

### Venue design and operation

Gaming machines should operate in venues that:

- Offer alternative forms non-gambling activities, such as social, leisure, entertainment and recreation activities during gaming hours
- Where the gaming area is physically, visually and functionally separated from non-gambling facilities, passersby, pedestrian and vehicular access and car parking
- Has signage that is of high quality design and does not detract from the visual appearance and amenity of the surrounding area.

Gaming machines should not be located in venues:

- That operate for 24 hours per day
- Where the gaming area is more than 25 per cent of the total leasable floor area that is open to the public.

## 22.12-3

### Application requirements

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Proposed  
C307

An application for a new gaming venue or the addition of gaming machines to an existing gaming venue must be accompanied by the following information to the satisfaction of the responsible authority:

#### *Proposal details*

- A description of the proposal including the following, where applicable:
  - how the application is consistent with the State and Local Planning Policy Framework
  - existing and proposed number of gaming machines at a venue and within the municipality
  - details regarding the transfer of gaming machines, including number of gaming machines to be transferred, potential changes to the density of gaming machines per 1,000 adults in the municipality and local areas, and potential changes to the number of venues in the municipality
  - details regarding changes to gaming machine expenditure (at a municipal and venue level, per gaming machine and per adult)
  - existing and proposed number of people employed as a direct result of the proposal
  - pedestrian counts outside the venue on different days and at a variety of times
  - range and operating hours of non-gaming facilities and activities within the venue, including areas licensed to serve and consume alcohol
  - extent of the community contributions and their beneficiaries.

#### *Location assessment*

- A description of the location of the venue, including the following:
  - zoning of the proposed venue and land uses within 400m

- location of the proposed venue in relation to facilities associated with day to day activities such as shops, major community facilities and public transport networks and hubs that would contribute to convenience gambling
- location of social support services within 400m of the proposed venue including problem gambling services, financial counselling services and material and financial aid services
- location of, distance to and operating hours of gaming venues within 400m of the proposal site
- location and operating hours of alternative non-gaming social, leisure, entertainment and recreation uses, both within the gaming venue and within 400m of the venue.

*Venue design and operations:*

- Detailed plans of the design and layout of the venue, including the location of all existing (where applicable) and proposed gaming machines, location of existing (where applicable) and proposed gambling and non-gambling facilities, entrances and exits to the gaming lounge, screening, façade treatment, external signage, external lighting, pedestrian and vehicle access and car parking.
- Details of the venue’s non-statutory harm minimisation and responsible gambling practices.
- Details demonstrating how the proposal will achieve net community benefit over and above any statutory community contributions scheme.

*Social and economic benefits*

- The findings from an academically rigorous representative survey of residents, businesses, community organisations, agencies and service providers within a 400m radius of the proposed venue. The survey should measure current and anticipated levels of community satisfaction (i.e. happiness, contentment, wellbeing) from living, working and recreating in the local area, and the potential impact of the proposal on current and anticipated levels of community satisfaction.
- A robust assessment, prepared by a suitably qualified person, that details the following, where applicable:
  - SEIFA Index of Relative Socio-economic Disadvantage of the SA1 within which the venue is located, and adjoining SA1’s
  - the impact of the proposal on groups vulnerable to gambling-related harms as a result of their socio-economic and health profile within 400m of the proposal site and the site from which the gaming machines are to be transferred
  - the impact of the proposal on venues from which gaming machines are to be transferred
  - the impact of the proposal on employment in the municipality
  - the potential for the proposal to contribute to the local economy
  - the impact of the proposal on the health and wellbeing of the community, including a discussion on the potential net community benefit associated with the proposal.

**22.12-3 Decision guidelines**

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Proposed  
C307

Before deciding on an application the responsible authority will consider, as appropriate:

- Whether the proposal will achieve the objectives and outcomes of this policy.
- Whether the proposal will increase gambling-related harm
- Whether the proposal can demonstrate that there is to be a net community benefit beyond any statutory community contributions scheme
- Whether the proposal will contribute to the levels of socio- economic disadvantage and/or have any other adverse impacts on vulnerable communities

- Whether the location of the gaming machines would result in convenience gaming
- Whether the proposal would create, or contribute to an existing, spatial concentration of gaming venues
- Whether patrons will have access to non-gaming entertainment and recreation facilities in the surrounding area and in the gaming venue that operate at the same time as the gaming machines
- The impact of the proposal on the safety, amenity, character, tourism and cultural assets of the surrounding land area and municipality.

**22.12-3**

**References**

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Proposed  
C307

*City of Melbourne Electronic Gaming Machine Decision-Making Framework, 2017*

*City of Melbourne Electronic Gaming Machine Review Background Report, 2017*

## SCHEDULE TO CLAUSE 52.28 GAMING

### 1.0 Prohibition of a gaming machine in a shopping complex

Installation or use of a gaming machine as specified in Clause 52.28-3 is prohibited on land described in Table 1 below.

25/05/2017  
VC133  
[Proposed C307](#)

**Table 1**

Name of shopping complex and locality	Land description
<del>Australia-on-Collins</del> <a href="#">St Collins Lane</a> , Melbourne	258-274 Collins Street, Melbourne, also described in C/T Vol. 10117 Fol. 813
The Sportsgirl Centre, Melbourne	234-250 Collins Street, Melbourne, also described in C/T Vol. 9894 Fol. 335
The Southern Cross, Melbourne	113-149 Exhibition Street, Melbourne, being land on the west side of Exhibition Street, Melbourne between Bourke Street and Little Collins Street
Melbourne Central Shopping Centre, <a href="#">Melbourne</a>	Land between La Trobe Street and Lonsdale Street, Melbourne, also described in C/T Vol. 10038 Fol. 995 and C/T Vol. 10070 Fol. 149
Southgate Plaza, Southbank	Part of the Southgate Complex, Southbank Promenade, Southbank
Lygon Court Shopping Centre, Carlton	368-386 Lygon Street, Carlton, approximately 30 metres north of Faraday Street
<a href="#">QV, Melbourne</a>	<a href="#">278-300 Swanston Street, Melbourne</a>
<a href="#">Emporium Melbourne</a>	<a href="#">269-321 Lonsdale Street, Melbourne</a>
<a href="#">Harbour Town, Docklands</a>	<a href="#">420-454 Docklands Drive, Docklands</a>
<a href="#">South Wharf Retail</a>	<a href="#">20-30 Convention Centre Place, South Wharf</a>
<a href="#">Spencer Outlet Centre, Docklands</a>	<a href="#">163-261 Spencer Street, Docklands</a>

### 2.0 Prohibition of a gaming machine in a strip shopping centre

25/05/2017  
VC133

A gaming machine as specified in Clause 52.28-4 is prohibited in all strip shopping centres on land covered by this planning scheme.

**City of Melbourne**  
**Draft electronic gaming Machine**  
**Decision-making framework**  
October 2017

This report was prepared by Symplan on behalf of the City of Melbourne.

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## Executive summary

This Decision Making Framework outlines the objectives and actions Council will adopt in order to minimise Electronic Gaming Machines (EGM) harm. Once adopted by Council, the decision making framework will underpin decisions Council makes in fulfilling its statutory roles in preventing and minimising harms associated with gaming. This includes making submissions to the Victorian Commission for Gambling and Liquor Regulation (VCGLR) under the *Gambling Regulation Act 2003* on applications for gaming approval, and assessing applications for planning permits to install and use Electronic Gaming Machines (EGMs) under the *Planning and Environment Act 1987* and Melbourne Planning Scheme. The draft Framework also outlines opportunities for Council to engage with this issue through advocacy, partnerships and service provision.

The preparation of this Decision Making Framework does not in any way mean that Council supports gaming. However gaming is a legal activity and Council has a role in the prevention of gambling related harm.

The City of Melbourne is Victoria's Capital City and the heart of metropolitan Melbourne. It is the location of much of Victoria's premier economic and cultural infrastructure, providing a world class range of commercial, cultural, leisure, entertainment, research, education and residential uses. EGMs form part of the entertainment offer in the City.

EGMs are recognised as the form of gambling associated with the greatest harms for individual users, their families and the broader community.

The social and economic impacts of gambling-related harm include:

- financial harm
- relationship disruption, conflict or breakdown
- emotional or psychological distress
- reduction in physical and mental health and wellbeing
- cultural harm
- reduced performance at work or study
- criminal activity
- community and service delivery.

There are also social and economic benefits associated with EGMs such as:

- provision of social, leisure and recreational activities and facilities
- revenue generation for the State government and venue operators
- allocation of cash and in-kind community contributions
- venue investment, employment, and tourism.

The use and/or installation of EGMs require two separate approvals - a license from the VCGLR under the *Gambling Regulation Act 2003*, and planning approval from the responsible authority under the *Planning and Environment Act 1987*.

Key considerations under both the *Gambling Regulation Act 2003* and the *Planning and Environment Act 1987* are the potential social and economic impacts of the proposal on the community.

While the *Gambling Regulation Act 2003* focuses on the suitability of the venue, the key land use planning considerations under the *Planning and Environment Act 1987* are the suitability of the location and premises.

## 1 Introduction

EGMs, which are a legal form of entertainment, are recognised as the form of gambling associated with the greatest harms for individual users, their families and the broader community.

This Framework provides Council's approach to managing EGMs and will guide Council in its statutory responsibilities under the *Planning and Environment Act 1987* and the *Gambling Regulation Act 2003*.

These roles relate to assessing applications for planning permits to install or use EGMs and making submissions to the VCGLR in relation to applications to establish new gaming venues or vary existing gaming licences under the *Gambling Regulation Act 2003*.

The Framework also underpins Council's other roles with respect to safeguarding the health and wellbeing of the community.

The evidence base underpinning the Framework is presented in the *City of Melbourne Electronic Gaming Machine Decision-Making Framework and Electronic Gaming Machine Review Background Report, 2017*.

## 2 Harm minimisation

As the Capital City, the City of Melbourne plays a significant role in providing entertainment for visitors and tourists, and services that satisfy the needs of the community. The 'community' of the City of Melbourne consists of residents, workers, students and visitors.

Although the use of EGMs can be associated with social and economic benefits, they are also associated with social and economic harms.

Current legislation which permits EGMs, generally aims to manage them through regulating the location and operation of gaming premises.

Within this context, Council can adopt a harm minimisation approach that seeks to accommodate the demand for gaming while protecting individuals and groups at an elevated risk of gaming-related harms. The harm minimisation approach seeks to support individuals and groups within the community to adopt healthy lifestyle choices and behaviours, while protecting those most vulnerable to the impacts of gambling-related harms.

The three interventions that underpin the harm minimisation approach are:

- reducing the demand for EGMs
- reducing the supply of EGMs in a community
- supporting those most at risk of harm from gambling.

## 3 The City of Melbourne context

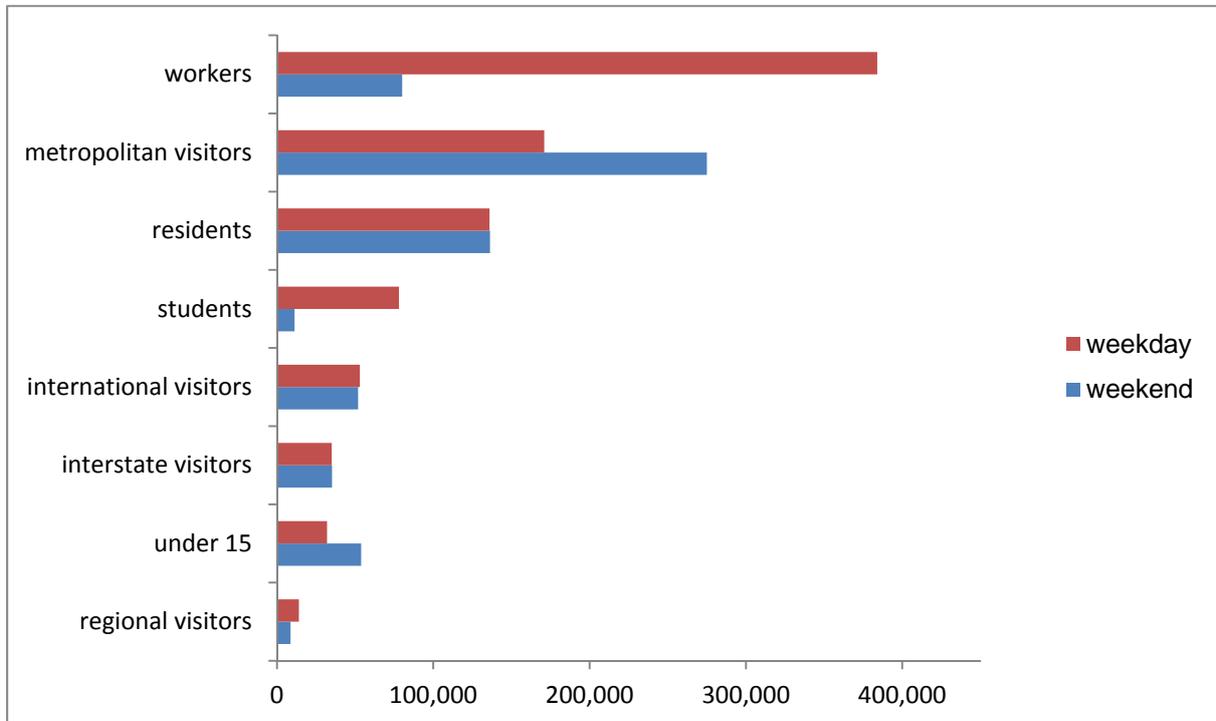
### 3.1 The role of the city

The Central City operates 24 hours a day, seven days a week, providing the setting for major events and festivals that attract visitors from the metropolitan area, Victoria, interstate and globally.<sup>1</sup> It also acts as a major transport hub, linking the City with greater Melbourne, regional Victoria and beyond.

In 2017, the residential population of the City of Melbourne is estimated to be 137,542. It is projected to increase to 202,000 by the year 2030.<sup>2</sup> The areas projected to experience the largest residential population increase are located in the western portions of the municipality, in Fishermans Bend, West Melbourne and Docklands.

As Figure 1 below shows, an estimated average of approximately 770,000 people enter the municipality each week day, and 516,000 on each day of the weekend (not including residents)<sup>3</sup>. Of these daily users, the largest proportion comprises workers, followed by metropolitan visitors, students, international visitors, interstate visitors, children under 15 years of age and regional visitors.

**Figure 1: Estimated daily population within the City of Melbourne<sup>4</sup>**



### 3.2 Gaming data

Melbourne currently has 11 operating gaming venues. Of these, nine are located in the Hoddle Grid, one is located in Carlton and one is located in Flemington.

Key statistics associated with EGM use and expenditure in the municipality for the Financial Year 2015–16 are illustrated in Appendix 3. They show that compared with metropolitan Melbourne and Victoria, the City of Melbourne had an above average number of EGM licenses and number of venues. Expenditure was also greater in total, per adult and per EGM compared to the metropolitan and Victorian average and there was a greater density of EGMs per 1000 adults. Average expenditure in the venues located in the Hoddle Grid is more than double the average expenditure in the other two venues in Carlton and Flemington.

These statistics exclude Crown Casino. Crown Casino is the only casino in Victoria and is the 11<sup>th</sup> largest casino in the world. Its revenue is more than double that of the largest casino in Las Vegas. It is located in Southbank and is integrated into the Crown Casino Entertainment Complex which includes hotels, shops, cafes and restaurants, cinemas and live entertainment.

This Complex forms part of a wider entertainment precinct comprised of the Melbourne Exhibition Centre, Melbourne Convention Centre and Melbourne Aquarium. This precinct, together with the Southbank Arts Precinct, Docklands Stadium and sports precinct comprised of the Melbourne Cricket Ground, Melbourne Park and AAMI Park, are key destinations for metropolitan, regional, state, national and international visitors. At present, Crown Casino is licensed to operate 2628 EGMs.

The EGM expenditure and density figures for the City of Melbourne produced by the VCGLR do not incorporate the EGM expenditure and number of EGMs in Crown Casino. As a result, total EGM expenditure and density of EGMs in the City of Melbourne is much higher than described in the VCGLR data.

### 3.3 City of Melbourne gaming venues

There are a number of both similarities and differences between the gaming venues in the City of Melbourne and gaming venues in suburban and regional municipalities in Victoria.

Similarities include:

- The requirement for the venues to have a liquor licence: the operating hours for the gaming venue may not exceed those permitted under the liquor licence.
- The promotion and advertising of gaming is prohibited under the *Gambling Regulation Act 2003*. A number of venues in the municipality, as with suburban venues, offer membership rewards program cards which provide rewards on money spent in the venue, including in the gaming lounge. The membership rewards programs permit the promotion, advertising and marketing of all products offered at the venue, including gaming.
- The range of non-gaming entertainment and leisure activities typically includes live entertainment, sports bars, dining and function rooms.
- The venues provide other gambling activities such as TAB and Keno.
- External access to the venue is through a single entrance and internal access to the gaming lounge is generally through the bistro and/or public sports bar areas.

The following features apply only in Melbourne:

- The majority of gaming venues are located in an area that is not subject to either a municipal or regional cap on the number of EGMs. This reduces Council's capacity to manage the concentration and density of EGMs in this part of the municipality.
- There is a very wide range of non-gambling social, leisure, recreational and entertainment uses in the areas surrounding gaming venues.
- The ten gaming venues located in the Hoddle Grid and Carlton function as both convenience and destination gaming venues. These venues are located in close proximity to shopping facilities and major public transport hubs and routes. However, they also function as 'destination' gaming venues as their catchment is large and includes people from metropolitan Melbourne, regional Victoria, Australia and overseas.
- Crown Casino, which is regulated by a separate statutory instrument, is located in the uncapped area of the municipality. The scale of this gambling venue significantly increases access to EGMs and all forms of gambling to the City's users.
- The gaming lounges in venues are typically more visible from both the street and from within the venue itself.
- Venues do not typically provide car parking, children's play areas or recreational activities such as bowls, tennis or golf.
- Venues are located on smaller parcels of land which limits their capacity to provide non-gambling activities.
- They may apply to operate for 24 hours per day.
- The patron profile and membership base is more diverse, transient and comes from a wider catchment because they are drawn predominantly from workers and visitors.
- Most of the venues are busier during the weekdays compared with the weekends, even though weekend patronage is stimulated by sporting and cultural events.
- Utilisation rates are more variable within the municipality, with venues located more centrally being busier during the working week, while venues located close to the train stations and the major sports and arts precincts being busier over the weekend.

The goals, objectives, and actions, in this Framework recognise, and take into account the impact of these key features.

## 4 Impacts of gaming, gambling related harms and prevalence of gaming

This Section describes the social and economic benefits and harms resulting from gaming. It includes a definition and statistics regarding the prevalence of gambling-related harms in Victoria, and the key physical socio-economic and health determinants of these harms.

The evidence base underpinning this Section is presented in the *City of Melbourne Electronic Gaming Decision-Making Framework and Gaming Policy Review Background Report, 2017*.

### 4.1 Impacts of EGMs

Research has found that EGM gambling has been identified with several harms.<sup>5</sup> The social cost of gambling in Australia has been estimated at \$4.7 billion every year.<sup>6</sup>

#### **Social and health and wellbeing related harms include:**

- Family breakdown
- Crime
- Emotional distress (relationship break-ups, family violence, suicidal thoughts, attempted suicide)
- Reduced physical and mental health and wellbeing
- Drug and alcohol abuse
- Tobacco smoking
- Stigma, shame and increased social isolation
- Deception.

#### **Economic harms include:**

- Change in expenditure in local businesses and other entertainment providers
- Value of profits/taxes from gaming that leaves the municipal district
- Increased demand for community support services
- Effect of gaming on community life
- Job change costs
- Productivity loss outside work
- Bankruptcy
- Financial of cost of divorce and separation
- Indirect costs on the health system and human services sector
- Consumer loss from excessive gambling expenditure
- Costs to venue operators of harm minimisation measures.

While the above harms have a considerable impact on individuals, their networks and the broader community, a number of benefits have been noted.

#### **Social and health and wellbeing benefits include:**

- Form of entertainment and leisure
- Provision of venues in which people socialise
- Provision of subsidised meals and entertainment
- Provision of cash and in-kind contributions (such as use of facilities) to community organisations
- Provision of opportunities to volunteer (clubs)

- Value of profits/taxes from gaming that benefits other municipal districts.

**Economic benefits include:**

- Tax revenue for State government
- Employment
- Investment
- Supply contracts for local businesses as a result of renovations, goods and services
- Tourism.

These social and economic harms are experienced by the individual, their families and the broader community. This Framework will support Council in fulfilling its role in preventing and minimising harm to individuals and communities most at risk.

## 4.2 Risk of gambling related harms

Gaming can lead to problem gambling, and cause gambling related harm for individuals, families and the broader community. This Framework will support Council in fulfilling its role in preventing and minimising harm to individuals and communities most at risk.

Problem gambling has been defined as:

*Experiencing difficulties in limiting money and/or time spent on gambling which leads to adverse consequences for the gambler, others, or for the community.<sup>7</sup>*

Gambling-related harm has been defined as:

*Any initial or exacerbated adverse consequence due to an engagement with gambling that leads to a detriment to the health or wellbeing of an individual, family unit, community or population.<sup>8</sup>*

The Productivity Commission has estimated that between 1.9 per cent and 3.1 per cent of the population experience moderate or high risks of gambling-related harm.<sup>9</sup> A study in Victoria found that 0.81 per cent of Victorian adults were classified as problem gamblers, with a further 2.79 per cent being classified as moderate risk gamblers.<sup>10</sup>

EGMs pose the greatest risks to existing and potential problem gamblers.<sup>11</sup> They account for around 80 per cent of presentations to counselling agencies, and over 90 per cent of problem gamblers report participation with EGMs.<sup>12</sup> In addition, one in six people who use EGMs regularly has a serious addiction<sup>13</sup> and for each additional EGM introduced into an area, there will be an increase in problem gambling, by an average of 0.8 problem gamblers per EGM.<sup>14</sup>

It is estimated that each person with gambling problems has between 5 and 10 people in their lives who are also affected by their gambling, either directly or indirectly.<sup>15</sup> These may include immediate family members, employees and employers, friends and team mates.<sup>16</sup> It has been estimated that for every person with a gaming problem, there are between 5-10 people facing serious emotional or financial consequences as a result.

Studies have found that it is not only problem gamblers who experienced compromised health and wellbeing with low and moderate-risk gamblers accounting for the majority of aggregate years of health life lost in Victoria.<sup>17</sup>

There is evidence demonstrating that postcodes with no EGMs were associated with fewer family incidents and domestic violence assaults compared with postcodes that have EGMs.<sup>18</sup>

### 4.3 Factors increasing the potential for gambling related harms

The following physical, socio-economic, and health factors are recognised as increasing the potential for an individual or community to experience gambling-related harms (refer to Table 1)<sup>19</sup>

**Table 1 – Factors increasing the potential for gambling-related harms<sup>20</sup>**

<p><b>Socio-economic</b></p> <ul style="list-style-type: none"> <li>• low educational attainment</li> <li>• personal income in the medium highest and medium lowest income quartiles</li> <li>• relative socio-economic disadvantage</li> <li>• unemployment</li> <li>• residents of social housing</li> <li>• employed as labourers, sales workers and machinery operators and drivers.</li> </ul>
<p><b>Socio-demographic</b></p> <ul style="list-style-type: none"> <li>• aged 18-24 years</li> <li>• older people aged 55-64 years particularly those experiencing social isolation</li> <li>• not speaking English at home or non-Caucasians</li> <li>• Aboriginal and Torres Strait Islander (4.1% higher than non-Indigenous Australians).</li> <li>• migrants and people from culturally and linguistically diverse (CALD) communities, particularly Asian groups including Vietnamese, Chinese and Korean</li> <li>• living in group households</li> <li>• communities experiencing low social capital, evidenced by volunteering rate.</li> </ul>
<p><b>Health and wellbeing status</b></p> <ul style="list-style-type: none"> <li>• people experiencing psychological distress or compromised mental health and wellbeing</li> <li>• people who smoke, consume alcohol and become intoxicated while gambling</li> <li>• people seeking treatment for substance abuse disorders.</li> </ul>
<p><b>Life experiences</b></p> <ul style="list-style-type: none"> <li>• taking on a mortgage, loan or making a repayment</li> <li>• people with higher number of negative life experiences affecting themselves and their families for instance divorce, legal difficulties and financial issues</li> <li>• people experiencing trauma, social isolation, boredom and loneliness, particularly among older people and women</li> <li>• people experiencing changes in their personal circumstances such as death of someone close to them, divorce, legal issues, relationship issues</li> <li>• people gambling for reasons other than social reasons, to win money or general entertainment.</li> </ul>

### 4.4 Vulnerability in the City of Melbourne

The populations of the central, southern and northern areas of the municipality, including Melbourne, Southbank, Carlton, North Melbourne and Parkville display the most indicators of gambling related harms. These areas contain ten of the 11 EGM venues as well as Crown Casino.

The populations of the western areas including Docklands and Fishermans Bend display the least determinants of gambling-related harms. There are no EGM gambling venues in these areas.

With the exception of Fishermans Bend, all other areas have a significantly higher proportion of students compared with the municipality. In addition, Melbourne, Carlton, North Melbourne, West Melbourne and Parkville have relatively high proportions of young people aged 15–24 years.

The North-West Metro region, which includes parts of the City of Melbourne and adjoining municipalities of Maribyrnong, Moonee Valley and Hobsons Bay to the north and west, has been included in the high EGM expenditure band (where average EGM expenditure for adults was higher than the Victorian average) indicating that the risk of gambling-related harm is therefore also higher<sup>21</sup>.

## 5 The regulatory context

This Section outlines the key features of the City's regulatory context that underpins the Framework.

The use and/or installation of EGMs in a venue requires two separate approvals: a licence from the VCGLR under the *Gambling Regulation Act 2003* and planning approval under the *Planning and Environment Act 1987*. As stated above Council has a role in both making submissions to the VCGLR and in determining outcomes of planning permit applications.

The State Government of Victoria has jurisdiction over these Acts. They are also responsible for setting caps that apply to EGMs within Victoria, which limit the number of machines permitted overall in a particular area or municipality.

### 5.1 Gambling Regulation Act 2003

Under the *Gambling Regulation Act 2003* the VCGLR is the decision-maker for approving premises as suitable for gaming. In determining an application the Commission must be satisfied that the net economic and social impact of an approval will not be detrimental to the wellbeing of the community.

Section 3.3.7 (1) of the *Gambling Regulation 2003* stipulates that the VCGLR must not grant an application for approval of a premises, unless satisfied that the premises are (or will be) suitable for the management and operation of gaming machines, and that the net economic and social impact of the approval will not be detrimental to the wellbeing of the community within the municipality. The VCGLR must also consider whether the size, layout and facilities of the premises are (or will be) suitable.

The *Gambling Regulation Act 2003* requires that the Commission notify relevant responsible authorities of an application to establish a gaming venue or amend a venue operator's licence.

Council is able to make a submission concerning the economic and social impact of the proposal on the wellbeing of the community of the municipal district within which the premises are located. This assessment may also take account of the impact of the proposal on surrounding municipal districts.

Individuals are able to make a submission independently of Council, and the Commission is required to take all submissions into account.

Council and the applicant for gaming approval may apply to the Tribunal for review of the Commission's decision on the application.

### 5.2 Municipal and regional caps within the City of Melbourne

The Minister for Gaming is responsible for setting caps that apply to particular areas within Victoria.

The total number of gaming machines allowed in Victoria is 30,000. Of these 2628 are allocated to Crown Casino and the remaining 27,372 are allocated to clubs and hotels throughout the State.

On 7 July 2017, the Minister for Consumer Affairs, Gaming and Liquor Regulation announced that the number of EGMs operating in hotels and clubs in Victoria will remain

capped at 27,372. As of June 2017, 26,365 EGMs were operating in Victoria. This is 1007 EGMs below the cap and means that the number of EGMs in Victoria may be permitted to increase.

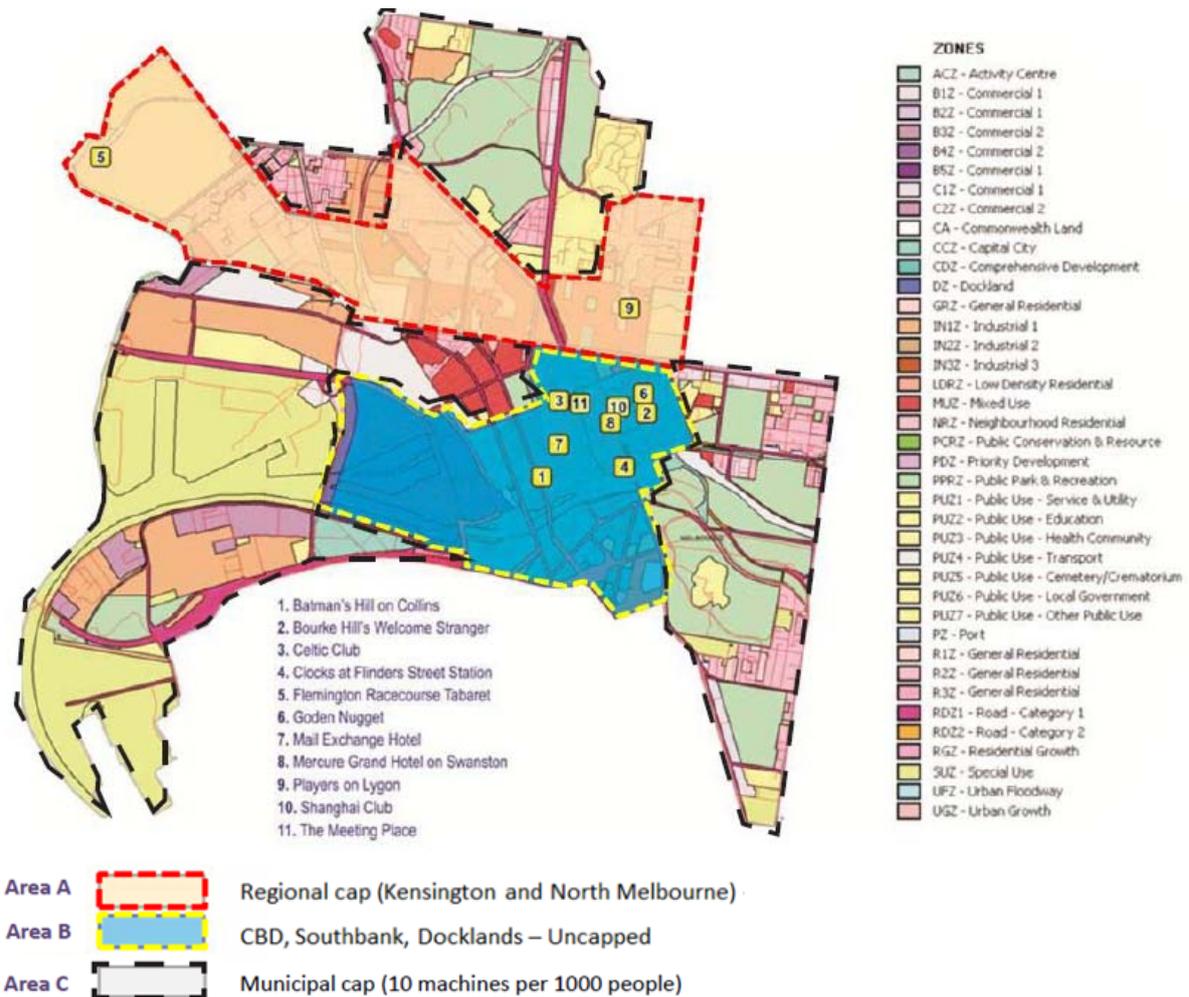
There are both capped and uncapped areas in the City of Melbourne (see Figure 2 below).

The City of Melbourne is unique in that no cap applies to the Hoddle Grid, Docklands and Southbank. This means that in these areas, there is no mandated limit on the number of EGMs permitted.

There are areas within Victoria where regional caps apply. These caps set by the Minister for Gaming are introduced to prevent further concentration of EGMs in areas of the State identified as being particularly vulnerable to the harm caused by problem gambling. A regional cap applies to parts of North Melbourne, Carlton, Kensington and Flemington. In this capped region, the maximum number of EGM entitlements is 149 machines. This has reduced recently from 177 machines as a result of changes from the State Government announced in September 2017. Two of the existing venues are located in the area covered by the regional cap. At present, these two venues are collectively operating at the maximum capacity of the cap (149 machines). Therefore no further EGMs will be permitted in this region.

Areas outside the uncapped and regional capped areas are covered by a municipal cap on the number of EGMs. This cap is determined by the number of gaming machines per thousand adults, with the maximum number set at 10 machines per 1000 adults. In the City of Melbourne, the maximum number of EGMs permitted in the area covered by the municipal cap is 143 EGMs.

**Figure 1: The City of Melbourne showing capped and uncapped areas overlaid on land use zones**



### 5.3 Planning and Environment Act 1987

Under the *Planning and Environment Act 1987* Council is the responsible authority for determining the outcome of applications for planning permits, except for the following circumstances where the Minister for Planning is the Responsible Authority:

- all developments with a gross floor area exceeding 25,000 square metres
- under the Schedule to Clause 61.10 significant entertainment, transport, sporting, arts and housing precincts in the municipality including the Melbourne Casino Area, Flemington Racecourse, Southern Cross Station, the sports and entertainment precinct surrounding AAMI Park and Melbourne Park, the Arts Precinct, the Melbourne Convention Centre in Southbank, the Games Village precinct in Parkville, the Carlton Housing Precincts.

Under these circumstances, Council has the opportunity to comment on an application for a planning permit or make a submission in relation to a proposed planning scheme amendment.

Under the Melbourne Planning Scheme key provisions relating to the assessment of gaming venues are:

State Planning Policy Framework	<ul style="list-style-type: none"> <li>• Seeks to achieve appropriate land use and development and net community benefit</li> <li>• Encourages the concentration of major entertainment and cultural developments into activity centres.</li> <li>• Discourages large scale entertainment facilities in out-of-centre locations</li> <li>• Seeks to maintain and develop Metropolitan Melbourne as a desirable tourist destination</li> <li>• Encourages initiatives that revitalise the retail core of the Central City, develop city precincts, maintain city safety and provide leisure services.</li> </ul>
Municipal strategic statement	<ul style="list-style-type: none"> <li>• Recognises the role the City plays in providing cultural, leisure and entertainment activities</li> <li>• Discourages the concentration of gaming venues in the Central City.</li> <li>• Identifies strip shopping centres.</li> </ul>
Existing local planning policy for gaming	<ul style="list-style-type: none"> <li>• Discourages gaming premises in residential areas.</li> <li>• Gives preference to top ups over new gaming premises.</li> </ul>

A planning permit is required for the use/installation of EGMs under Clause 52.28 of the Planning Scheme. When assessing an application, Council can consider the location of the venue or machines, the social and economic impacts of the venue or machines and the appropriateness of the layout of the venue.

Clause 52.28 prohibits the location of EGMs in identified shopping complexes and in strip shopping centres outside the Capital City Zone.

## 5.4 Council’s roles and responsibilities

In addition to determining the outcome of planning permit applications and making submissions to the Commission on applications for gaming approvals, Council fulfils several other statutory roles defined by the *Local Government Act 1989* and the *Public Health and Wellbeing Act 2008*.

The roles Council plays in relation to managing gambling activities in the municipality are summarised below (refer to Figure 3).

The City of Melbourne is a member of the Alliance for Gambling Reform, and plays an important role in leading and shaping the advocacy agenda to reduce harms associated with gambling.

This includes advocating to the Federal and Victorian State Governments for the reconfiguration of EGMs so that their addictive features are removed, increasing restrictions on gambling advertising, and increasing regulation on online gambling platforms and sports betting. It also includes advocating to the Victorian State Government for amendments to the local government submission form and submission period to reduce Council’s resources involved in making a submission for applications for gaming approval.

The City of Melbourne can build capacity within the community to reduce their vulnerability to gambling-related harms through the delivery of services, information dissemination, and continuing its strong collaborative relationships with stakeholders and agencies responsible for enhancing and safeguarding the health and wellbeing of the community.

Figure 2 – Council’s roles and responsibilities



## 6 Decision-making framework

This Decision Making Framework, once adopted by Council will underpin decisions Council makes in fulfilling all its roles as outlined in Figure 2 above, in preventing and minimising harms associated with gaming.

### 6.1 Principles

The following principles have emerged from decisions made by Planning Panels Victoria, the Tribunal and the VCGLR under the *Gaming Regulation Act 2003* and the *Planning and Environment Act 1987*.

#### Position on gaming

Gaming is a legitimate form of recreation and there can be benefits to the community.<sup>22</sup>

#### Council's role

Councils have important functions relating to health and wellbeing under the *Local Government Act 1989* and the *Public Health and Wellbeing Act 2008*. These functions give Councils the foundation on which to make informed decisions about the economic and social impact of EGMs on the wellbeing of local communities.<sup>23</sup>

#### Caps on EGM numbers

The imposition of municipal and regional caps on the maximum number of EGMs permissible in a local government area is the State Government's response to a concentration of gaming venues<sup>24</sup>.

#### Community

Typically the community is considered to be the population of the municipality for a gaming application. However, adjoining municipalities may also be considered<sup>25</sup> if the venue is in close proximity to the municipal boundary and if the local Council or community has made submissions in relation to the application.<sup>26</sup>

#### Factors associated with net community benefit

The following factors can contribute to the potential for an application to achieve net community benefit:

- transfer of EGMs from areas of high to low disadvantage<sup>27</sup>
- renovations and provision of additional or different non-gambling facilities and activities<sup>28</sup>
- reduction in trading hours<sup>29</sup>
- non-statutory community contribution allocated to problem gambling services<sup>30</sup>
- screening between gaming and non-gaming floor areas<sup>31</sup>.

## 6.2 Relevant considerations under the two Applicable Acts

Specific considerations are provided for by the *Gambling Regulation Act 2003* and *Planning and Environment Act 1987*.

The Tribunal has recognised that although the application regimes under the *Planning and Environment Act 1987* and the *Gambling Regulation Act 2003* are separate, they are also linked and overlap (refer to Table 2).<sup>32</sup>

Table 2 lists the factors that are relevant in considering applications under the two Acts, and then shows how they apply under each Act.

**Table 2 –Planning and gaming considerations under the relevant legislation:  
similarities and differences**

<b>Factor</b>	<b>Gaming approvals</b>	<b>Planning permits</b>
<b>Legislative instrument</b>	<i>Gambling Regulation Act 2003</i>	<i>Planning and Environment Act 1987</i>
<b>Social and economic impacts</b>	Key decision-making factor	Only required to consider
<b>Community benefit</b>	Achievement of neutral or positive community benefit a statutory requirement	Net community benefit a material consideration but not a statutory requirement
<b>Community</b>	Considered at a municipal scale	Surrounding uses and communities typically within 400m and patrons within 2.5km
<b>Assessment factors</b>	Suitability of venue, for instance focus on design, operations and harm minimisation	Suitability of location and premises for instance focus on land use
<b>Decision-making authority</b>	Gaming Commission	Responsible authority – either Council or the Minister for Planning
<b>Appeals against decision</b>	Victorian Civil and Administrative Tribunal	Victorian Civil and Administrative Tribunal
<b>Convenience gaming</b>	Not a material consideration	Except in the Capital City Zone, EGMs prohibited in shopping complexes and strip shopping centres Preference for EGMs to be located outside core of activity centres
<b>Suitability of premises for operation and management</b>	Size, layout and facilities Guidelines set out in VCGLR Venue Manual Ministerial guideline outlining preferred location of children's play areas Physical and functional separation of gaming and non-gaming activities and facilities	Gaming area required to be 25per cent or less than total area available to the public Provision of a full range of facilities and services to hotel patrons and club members and patrons are a decision-guideline under Clause 52.28 Physical and functional separation of gaming and non-gaming activities and facilities required
<b>Impacts on amenity of surrounding area</b>	Not relevant	Impact on noise, traffic, car parking, land use mix, streetscape
<b>Venue management considerations</b>	Availability of non-gambling social, leisure, entertainment and recreation facilities	Availability of non-gambling social, leisure, entertainment and recreation facilities
<b>Community views</b>	Objections and submissions taken into account	Number of objections must be considered

## 6.3 Strategic action framework

### 6.3.1 Purpose

This strategic action framework describes how Council will fulfil its responsibilities in preventing and minimising gambling-related harms in the community. It is an overarching whole of Council action framework that incorporates actions that will guide Council during the preparation of submissions on applications for gaming approval under the *Gambling Regulation Act, 2003* and assessing planning permit applications under the *Planning and Environment Act, 1987*. It also supports functions of Council as specified in the *Local Government Act, 1989* such as advocating and promoting proposals which are in the best interest of the local community, planning for and providing services and facilities for the community, undertaking strategic and land use planning and making and enforcing laws.

### 6.3.2 Scope

The actions within the strategic action framework cover all Council's roles in relation to preventing and minimising gambling-related harms. The social and economic impact assessment tool (Appendix 2) will assist Council in assessing and considering the potential impacts of both a gaming and planning permit application on the community.

Clause 52.28 and the local planning policy for gaming included as Clause 22.12 of the Melbourne Planning Scheme provide the statutory guidance for Council's decision making in relation to planning permit applications for the use/installation of EGMs. These statutory instruments provide Council with legal tools to implement Council's actions relating to planning applications.

The objectives and actions relating to submissions to the VCGLR, and other objectives and actions relating to strategic partnerships, collaboration and leadership in the prevention of gambling-related harms articulate Council's position, but do not carry the same statutory weight as Clause 22.12 and Clause 52.28 of the Melbourne Planning Scheme.

Nevertheless, in assessing an application for gaming approval, the Commission is likely to give weight to the extent to which the proposal aligns with these objectives and actions as Council has the statutory authority to represent the community's interests.

### 6.3.3 Goals

This strategic action framework is underpinned by the following goals:

- To fulfil Council's statutory role in addressing the harms associated with gaming, enhancing health and wellbeing, and achieving an overall benefit for our community.
- To reduce the prominence of gaming as a form of entertainment.

### 6.3.4 Objectives and actions

The following objectives and actions will guide Council in fulfilling all its roles, including making submissions on applications for gaming approval and assessing planning permit applications for the use and/or installation of gaming machines.

In the Table below:

- Objectives 1 and 2 focus on Council's statutory role in promoting healthy, safe and supportive environments
- Objective 3 focuses on Council's leadership role and gives rise to the preparation of the Local Planning Policy for Gaming
- Objectives 4, 5, 6 and 7 provide the framework for the scope of the Local Planning Policy for Gaming.

Table 3 – Strategic Action Framework

<b>1. To promote and facilitate access to non-gambling social, leisure, entertainment and recreation opportunities in the municipality</b>
1.1 Discourage proposals that do not both increase and diversify the range of social, leisure, entertainment and recreation activities and facilities in the municipality.
1.2 Discourage proposals where the gambling activities operate when other non-gambling social, leisure, entertainment and recreation facilities and activities are closed.
1.3 Assess the potential of Council's grants recipients to increase access to non-gambling social, leisure, entertainment and recreation facilities and activities.
1.4 Support programs, activities and facilities that increase the community's access to non-gambling social, leisure, entertainment and recreation facilities.
<b>2. To strengthen harm minimisation through advocacy and collaboration</b>
2.1 Advocate for: <ul style="list-style-type: none"> <li>• inclusion of the uncapped areas under the municipal cap</li> <li>• no increase to the existing maximum number of EGMs currently permitted under the municipal cap (143 EGMs)</li> <li>• no increase to the regional cap limit in Region 14 (149 EGMs)</li> <li>• improvements to the mechanism through which Council makes submissions to the VCGLR</li> <li>• an increase in funding for services that support individuals directly and indirectly affected by gambling-related harms</li> <li>• a statutory requirement for all venue operators to allocate resources to addressing gambling-related harms</li> <li>• changes to the legislative and regulatory framework to limit the advertising of gambling through all media.</li> </ul>
2.2 Collaborate with peak bodies, stakeholders, service providers and community groups in sharing information and advocating for improved harm minimisation measures.
<b>3. To demonstrate leadership in the prevention of gambling-related harms</b>
3.1 Review the Local Planning Policy for Gaming and Clause 52.28 of the Melbourne Planning Scheme in order to effectively manage the location and operation of gaming venues and EGMs in the municipality.
3.2 Utilise the Decision-Making Framework when preparing submissions to the VCGLR, undertaking strategic planning activities, and fulfilling all advocacy and consultation, roles, and activities.
3.3 Liaise with adjoining municipalities and stakeholders when responding to applications for gaming approval in the City of Melbourne in order to gain an understanding of the potential impact of a proposal on the wellbeing of the community across municipal boundaries.
3.4 Make submissions to the VCGLR on applications for gaming approvals in the City of Melbourne and in adjoining municipalities if the proposal is likely to introduce harms in the municipality.
3.5 Adopt an integrated approach to the prevention of gambling related harms by incorporating strategies to address the harms associated with gambling in relevant Council strategies, plans and policies.
3.6 Develop a strong evidence base that can support Council's roles in the prevention of gambling-related harms.
3.7 Prohibit all forms of gambling on Council-owned or managed land, the use of gaming venues for Council activities and events and access to opportunities to gamble online in all Council supported public internet access points.
3.8 Review leasing arrangements to ensure that community groups and sporting clubs are not permitted to advertise or promote gambling-related activity at local venues or via online gambling agencies.
3.9 Review Council community events, activities, programs and social outings to ensure that they do not include venues that operate as gaming venues.
3.10 Collaborate with community groups and clubs to assess their sources of external funding and consider not taking funding from local gaming venues due to their significant revenue from EGM gambling losses.

3.11 Raise awareness in the community of the potential harms associated with gambling and the availability of services to address gambling-related harms.

3.12 Facilitate the inclusion of community views and sentiments on applications for gaming approvals and planning permits applications.

3.13 Facilitate collaboration between Council, stakeholders and venue operators to identify opportunities to collectively address existing and emerging gambling-harm in the community.

#### **4. Protect individuals and communities at an elevated risk of harms**

4.1 Require applications for planning permits to be accompanied by a rigorous and transparent independent assessment of the potential social and economic impacts of the proposal on the community within which it is located.

4.2 Discourage proposals that redistribute the density of EGMs per 1,000 adults and EGM expenditure towards areas of high disadvantage.

4.3 Discourage gaming venues and EGMs that result in exposure of gambling activities to individuals and communities at an elevated risk of gambling-related harms.

#### **5. To ensure that gaming venues are appropriately located**

5.2 Discourage proposals that would:

- Contribute to the disproportionate density of EGMs per 1,000 adults and EGM expenditure within the CBD
- Increase the prominence of gaming in existing communities or establish gaming as the prominent form of entertainment in emerging communities
- result in impulse gambling and increased exposure to gambling activities
- have a negative impact on the amenity and safety of the community.

#### **6. To achieve best practice in the regulation and management of gaming venues and use of electronic gaming machines**

6.1 Discourage proposals where the gaming venue operates beyond 2am and for more than 18 hours per day.

6.2 Encourage venue operators to prepare, adhere to and review venue management plans that transparently describe the venue's harm minimisation practices.

6.3 Encourage venue operators to regularly identify and analyse their patron profile of the venue and gaming lounge.

6.4 Ensure that appropriate conditions are included in planning approvals and that planning permit conditions are adhered to.

6.5 Notify the VCGLR if there is evidence to indicate that the venue operator is not complying with conditions in the gaming approval.

6.6 Encourage venue operators to undertake appropriate consultation activities prior to applying for gaming approval and planning permits to establish a gaming venue or increase the number of EGMs.

#### **7. To maximise the benefits associated with gambling**

7.1 Collaborate with venue operators to:

- seek opportunities to increase the value of non-statutory community contributions that benefit the City of Melbourne
- identify opportunities to allocate non-statutory community contributions to services and agencies that directly address social disadvantage and gambling-related harms in the City of Melbourne.

7.2 Discourage proposals that do not diversify the range of non-gambling social, leisure, recreational and entertainment facilities; generate jobs within the community affected by the proposal; stimulate tourism; or generate supply contracts and complementary expenditures within the City of Melbourne.

## 6.4 Social and economic impact assessment tool

A social and economic impact assessment tool has been provided at Appendix 2. It will assist with the preparation of submissions to the VCGLR and the assessment of planning permit applications to install and use EGMs. It integrates all relevant assessment criteria which are derived from the primary physical, social and economic determinants gambling-related harms. As noted in Clause 22.12 of the Melbourne Planning Scheme, any application for the use/installation of EGMs will need to submit a social and economic impact assessment prepared by a suitably qualified consultant. The tool in Appendix 2 may also assist the relevant consultant in this task.

## 6.5 Monitoring and review

The effectiveness of the objectives and actions in the City of Melbourne Electronic Gaming Decision-Making Framework may be monitored in terms of the following indicators:

- Reduction in density of EGMs per 1000 adults, total EGM expenditure and EGM expenditure per adult in areas and communities considered at an elevated risk of gambling-related harms
- Increase number and diversity of non-gambling activities in municipality.
- Reduction in demand for gambling support services
- A reduction in resources associated with the preparation of submissions to the Commission and planning permit applications
- Increase in cash and in-kind community contributions allocated to services and agencies that address vulnerability to gambling-related harms in the City of Melbourne.

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## Appendix 2 – Social and Economic Impact Assessment Tool

The *City of Melbourne Gaming Social and Economic Impact Assessment Tool* will assist officers gather information for applications for planning permits to use and install electronic gaming machines under the Melbourne Planning Scheme and the *Planning and Environment Act 1987* and for applications for gaming approval considered under the *Gambling Regulation Act 2003*. Unless otherwise indicated, the Tool is relevant to both assessment processes.

The evidence base underpinning this Tool is provided in Section 8 of the *City of Melbourne Electronic Gaming Machine Review Background Report 2017*. Where appropriate, the Tool describes where the information may be found. The Tool consists of three main sections including the application details, an analysis of specific risk and protective factors that may increase or reduce the potential for the proposal to result in gambling-related harms, and the assessment of the potential benefits and harms associated with the proposal.

### Application details

This section describes the physical land use context of the proposal site, the proposed changes to the design and layout (in the case of an existing venue) and the proposed changes to key gaming indicators.

Information	Existing	Proposed
Venue address*		
Venue type (hotel or club*)		
Number EGMs*		
Total expenditure on EGMs in the venue*		
Venue net machine revenue*		
Operating hours*		
Total employment EFT*		
Employment in gaming lounge*		
Harm minimisation measures*		
Non-gambling social, leisure, entertainment and recreation facilities and activities (number and size in m <sup>2</sup> )*		
Location of gaming lounge in relation to non-gaming activities and facilities*		
Liquor licence type and details**		
Statutory community contributions*		
Non-statutory community contributions*		
Land use zone of site*		
Adjoining zoning*		
Surrounding zoning*		
Density of EGMs per 1000 adults (municipal)**		
EGM expenditure per adult (municipal)**		
Adults per venue (municipal)**		

Source of data: \*Application documentation (app docs) \*\*VCGLR

### Risk and protective factors

This section describes specific risk and protective factors that may be associated with the proposal. The risk factors increase the potential for the proposal to contribute to gambling-related harms while the protective factors reduce the potential for the proposal to contribute to gambling-related harms.

Columns highlighted in red represent potential risk factors and harms while columns highlighted in green represent potential protective factors and benefits.

### Venue features, design and operations

The indicators included in this section relate to the changes to key gaming indicators associated with the proposal.

<b>Number of EGMs</b>	<b>Data Source</b>	<b>Yes</b>	<b>No</b>	<b>Comment</b>
Results in net increase in the number of EGMs in the municipality	App docs			
<b>Density</b>	<b>Data Source</b>	<b>Yes</b>	<b>No</b>	<b>Comment</b>
Results in a net increase in density of EGMs per 1,000 adults	App docs			
Results in a density of EGMs per 1,000 adults that is greater than the metropolitan average	VCGLR			
<b>Venue</b>	<b>Data Source</b>	<b>Yes</b>	<b>No</b>	<b>Comment</b>
Results in increase in number of venues in municipality	App docs			
Located in area covered by Regional Cap	VCGLR			
<b>Expenditure</b>	<b>Data Source</b>	<b>Yes</b>	<b>No</b>	<b>Comment</b>
Has an expenditure per attached EGM entitlement above the average for the City of Melbourne	VCGLR			
Results in an increase in expenditure per adult	VCGLR			
Results in an expenditure per adult that is above the average for metro Councils	VCGLR			
<b>Employment</b>	<b>Data Source</b>	<b>Yes</b>	<b>No</b>	<b>Comment</b>
Increases number of people employed in the gaming room	App docs			
<b>Operating hours</b>	<b>Data Source</b>	<b>Yes</b>	<b>No</b>	<b>Comment</b>
Operates after 2am	App docs			
Operates 24 hours per day	App docs			

## Venue features, design and operations continued

<b>Venue design</b>	<b>Data Source</b>	<b>Yes</b>	<b>No</b>	<b>Comment</b>
<b>Gaming room visible from front entrance</b>	Site visit and/or app docs			
<b>Gaming room visible from non-gaming activities</b>	Site visit and/or app docs			
<b>Gaming room visible and audible from children's play area</b>	Site visit and/or app docs			
<b>Gaming room accessed without having to pass through non-gambling activities.</b>	Site visit and/or app docs			
<b>EGMs visible from footpath and street</b>	Site visit and/or app docs			
<b>Smoking area attached to gaming lounge.</b>	Site visit and/or app docs			
<b>Serving of alcohol</b>	<b>Data Source</b>	<b>Yes</b>	<b>No</b>	<b>Comment</b>
<b>Alcohol served in gaming room after other areas of venue closed.</b>	App docs			
<b>Venue operations and management</b>	<b>Data Source</b>	<b>Yes</b>	<b>No</b>	<b>Comment</b>
<b>Venue operates a rewards system.</b>	Site visit and/or app docs			
<b>Only proposes statutory harm minimisation measures.</b>	App docs			
<b>Only proposes statutory community contributions</b>	App docs			
<b>Incorporates other gambling</b>	Site visit and/or app docs			

<b>activities</b>				
<b>Has gambling as the main form of entertainment</b>	Site visit and/or app docs			

### Potential to contribute to convenience gambling

The indicators in this section relate specifically to the land use aspects of the proposal that determine the extent to which the proposal could result in convenience gambling. These indicators are more relevant to an application for a planning permit considered under the Melbourne Planning Scheme and the *Planning and Environment Act 1987*.

Land uses adjoining proposal site	Data Source	Yes	No	N/A	Comment
<b>EGM gambling venue</b>	Site visit				
<b>Shopping complex</b>	Site visit				
<b>Strip shopping centre</b>	Site visit				
<b>Welfare and support agency</b>	Site visit				
<b>Train station</b>	Site visit				
<b>Bus stop</b>	Site visit				
<b>Tram stop</b>	Site visit				
<b>Social housing</b>	Site visit				
<b>Student accommodation</b>	Site visit				
<b>Tertiary education facility</b>	Site visit				
<b>Land uses visible from proposal site</b>	Data Source				
<b>EGM gambling venue</b>	Site visit				
<b>Shopping complex</b>	Site visit				
<b>Strip shopping centre</b>	Site visit				
<b>Welfare and support agency</b>	Site visit				
<b>Train station</b>	Site visit				
<b>Bus stop</b>	Site visit				
<b>Tram stop</b>	Site visit				
<b>Social housing</b>	Site visit				
<b>Student accommodation</b>	Site visit				
<b>Tertiary education facility</b>	Site visit				
Land uses within 400m of proposal site	Data Source	Yes	No	N/A	Comment
<b>EGM gambling venue</b>	Site visit				
<b>Shopping complex</b>	Site visit				
<b>Strip shopping centre</b>	Site visit				
<b>Welfare and support agency</b>	Site visit				
<b>Train station</b>	Site visit				
<b>Bus stop</b>	Site visit				
<b>Tram stop</b>	Site visit				
<b>Social housing</b>	Site visit				
<b>Student accommodation</b>	Site visit				
<b>Tertiary education facility</b>	Site visit				
<b>Social, leisure, entertainment and recreation uses closed when gaming room is open</b>	Site visit				

## Municipal socio-economic and health profile

This section lists the socio-economic and health factors that are associated with gambling-related harms at a municipal level. Where the proportion of each indicator is above that of Victoria, it represents a risk factor. Conversely, where the indicator is below that of Victoria, it represents a protective factor.

<b>Health profile</b>	<b>Data Source</b>	<b>Yes</b>	<b>No</b>	<b>Comment</b>
<b>Domestic violence</b>	Crime Statistics Agency			
<b>People experiencing drug and alcohol harms</b>	DHHS			
<b>Smokers</b>	DHHS			
<b>Gambling-related harms</b>	DHHS			
<b>Mental health issues</b>	DHHS			

## Socio-economic profile of catchment

This section lists the socio-economic and health factors that are associated with gambling-related harms within the catchment to be served by the venue. This assessment is conducted at the Statistical Area 1 (SA1) or state suburb (SSC) where the SA1 data are not available. Where the proportion of each indicator is above the City of Melbourne, it represents a risk factor. Conversely, where the indicator is below that the City of Melbourne, it represents a protective factor.

<b>Socio-economic profile</b>	<b>Data source</b>	<b>Yes</b>	<b>No</b>	<b>Comment</b>
<b>Socio-economic disadvantage</b>	ABS			
<b>Aboriginal and Torres Strait Islanders</b>	ABS			
<b>People who had lower levels of educational attainment (Year 10 or lower)</b>	ABS			
<b>Machinery operators or drivers</b>	ABS			
<b>Sales workers</b>	ABS			
<b>Labourers</b>	ABS			
<b>People with a personal annual income between \$31,200 and \$51,999</b>	ABS			
<b>People living in households with a median annual household income \$62,400 - \$103,999</b>	ABS			
<b>People living in group households</b>	ABS			
<b>Young people aged 18–24</b>	ABS			
<b>People not speaking English at home or non-Caucasians</b>	ABS			
<b>People who are unemployed or not in the workforce</b>	ABS			
<b>Migrants and people from CALD communities, particularly Asian groups including Vietnamese, Chinese and Korean</b>	ABS			

## Socio-economic profile of patron profile

This section lists the socio-economic and health factors that are associated with gambling-related harms within the patron profile be served by the gaming lounge in the gaming venue. This assessment is conducted for each of the suburbs included in the venue patron profile. Where the proportion of each indicator is above the City of Melbourne or the municipality where the suburbs are located if they are outside the City of Melbourne, it represents a risk factor. Conversely, where the indicator is below that the City of Melbourne or the relevant municipality, it represents a protective factor.

Socio-economic profile of patrons	Data Source	Yes	No	Comment
<b>Socio-economic disadvantage.</b>	App docs and ABS			
<b>Aboriginal and Torres Strait Islanders</b>	App docs and ABS			
<b>People who had lower levels of educational attainment (Year 10 or lower)</b>	App docs and ABS			
<b>Community or personal services workers</b>	App docs and ABS			
<b>Machinery operators or drivers</b>	App docs and ABS			
<b>Sales workers</b>	App docs and ABS			
<b>Labourers</b>	App docs and ABS			
<b>People with a personal annual income between \$31,200 and \$51,999</b>	App docs and ABS			
<b>People living in households with a median annual household income \$62,400 - \$103,999</b>	App docs and ABS			
<b>People living in group households</b>	App docs and ABS			
<b>Young people aged 18–24</b>	App docs and ABS			
<b>People not speaking English at home or non-Caucasians</b>	App docs and ABS			
<b>People who are unemployed or not in the workforce</b>	App docs and ABS			
<b>Migrants and people from CALD communities, particularly Asian groups including Vietnamese, Chinese and Korean</b>	App docs and ABS			

## Impact assessment

The information in this section guides the assessment of the potential social and economic benefits and harms associated with the proposal. It incorporates factors physical land use factors, impacts on communities and individuals at an elevated risk of gambling-related harms and potential contributions to the community.

### Potential benefits

<b>Social</b>	<b>Data source</b>	<b>No</b>	<b>Yes</b>	<b>N/A</b>	<b>Comment</b>
Restoration of historic building	App docs				
Provision of new social, leisure, entertainment and recreation facilities that are available to all sectors of the community	App docs				
Upgrading of existing social, leisure, entertainment and recreation facilities that are available to all sectors of the community	App docs				
Cash and in kind contributions (over and above statutory requirements) in the City of Melbourne	App docs				
Potential for RSL clubs to deliver support and welfare services	App docs				
<b>Economic</b>	<b>Data Source</b>	<b>No</b>	<b>Yes</b>	<b>N/A</b>	<b>Comment</b>
Economic stimulus through supply contracts, investment sourced from within City of Melbourne	App docs				
Complementary expenditure increased in the City of Melbourne	App docs				
Potential for the proposal to stimulate competition <sup>1</sup>	App docs				
Potential to stimulate tourism	App docs				
Creation of additional employment sourced from the City of Melbourne	App docs				
Government revenue through taxes	App docs				
Retention of expenditure within City of Melbourne	App docs				

<sup>1</sup> *Mount Alexander SC v Victorian Commission for Gambling and Liquor Regulation & Ors [2013] Para 25, 164 and 165*

## Potential harms

<b>Social</b>	<b>Data source</b>	<b>Yes</b>	<b>No</b>	<b>N/A</b>	<b>Comment</b>
Results in transfer of expenditure to areas displaying high levels of socio-economic disadvantage	App docs				
Results in transfer of EGMs to areas displaying high levels of socio-economic disadvantage	App docs				
Potential to increase gambling related crime and disturbance	Stakeholder engagement				
Exposure of gaming employees to gaming	App docs				
Community concern with proposal	Community survey, objections and submissions				
Potential to increase demand for health, welfare and support services	Stakeholder engagement				
<b>Economic</b>	<b>Data source</b>	<b>Yes</b>	<b>No</b>	<b>N/A</b>	<b>Comment</b>
Potential diversion of trade from existing businesses	Stakeholder engagement				

## Appendix 3 Key EGM data 2015–16

Indicator	City of Melbourne	Average metropolitan Melbourne	Victoria
SEIFA score of relative socio-economic disadvantage	1050.7	1020.3	1009.6
Number of attached EGM entitlements (operating EGMs)	746	N/A	N/A
Number of EGM licences	799	622	462
Number of venues	11	10	9
Total EGM expenditure/player Loss	\$ 79,770,052.63	\$67,121,836.29	\$45,907,078.87
Average number of attached EGMs per venue	68	59	50
Average EGM expenditure per venue	\$ 7,251,822.97	\$6,227,313.61	\$4,587,454.53
Average expenditure per attached EGM entitlement	\$106,930.37	\$104,767.04	\$87,776.28
Adults per venue	11,102	11,359	9,461
Density EGMs per 1,000 adults	6.1	5.3	5.7
EGM expenditure per adult	\$653.19	\$575.20	\$553.13

Source: VCGLR

## References

- 
- <sup>1</sup> Clause 21.02-1 Melbourne Planning Scheme
- <sup>2</sup> <http://melbournepopulation.geografia.com.au/>
- <sup>3</sup> <http://www.melbourne.vic.gov.au/about-melbourne/research-and-statistics/Pages/daily-population-interactive-visualisation.aspx>
- <sup>4</sup> <http://www.melbourne.vic.gov.au/about-melbourne/research-and-statistics/Pages/daily-population-estimates-and-forecasts.aspx>
- <sup>5</sup> Adapted from VCEC Inquiry into Costs of Problem Gambling (2012), and VCGLR submission forms
- <sup>6</sup> <http://problemgambling.gov.au/facts/>
- <sup>7</sup> South Australian Centre for Economic Studies (2005) *Problem Gambling and Harm: Towards a National Definition* Office of Gaming and Racing, Victorian Government Department of Justice, Melbourne, Victoria
- <sup>8</sup> Browne, M, Langham, E, Rawat, V, Greer, N, Li, E, Rose, J, Rockloff, M, Donaldson, P, Thorne, H, Goodwin, B, Bryden, G & Best, T 2016, Assessing gambling-related harm in Victoria: a public health perspective, Victorian Responsible Gambling Foundation, Melbourne.
- <sup>9</sup> State Government of Victoria (2009) A study of gambling in Victoria.
- <sup>10</sup> VRGF (2014) *Study of gambling and health in Victoria*
- <sup>11</sup> Australian Government Productivity Commission (2010) p5.22
- <sup>12</sup> Australian Government Productivity Commission (2010) p5.26
- <sup>13</sup> <http://www.problemgambling.gov.au/facts/>
- <sup>14</sup> Storer, J, Abbot, M and Stubbs, J (2009) 'Access or adaptation? A meta-analysis of surveys of problem gambling prevalence in Australian and New Zealand with respect to concentration of electronic gaming machines' *International Gambling Studies* Volume. 9, No. 3, December 2009, p238
- <sup>15</sup> Victorian Responsible Gambling Foundation (2013) *The Responsible Gambling Guide*
- <sup>16</sup> Adapted from the Victorian Competition and Efficiency Commission (2010) p33
- <sup>17</sup> Browne, M, Langham, E, Rawat, V, Greer, N, Li, E, Rose, J, Rockloff, M, Donaldson, P, Thorne, H, Goodwin, B, Bryden, G & Best, T (2016) *Assessing gambling-related harm in Victoria: a public health perspective*, Victorian Responsible Gambling Foundation, Melbourne.
- <sup>18</sup> Markham, F., Doran, B., Young, M., The relationship between electronic gaming machine accessibility and police-recorded domestic violence: A spatio-temporal analysis of 654 postcodes in Victoria, Australia, 2005–2014, *Social Science & Medicine* (2016), doi: 10.1016/j.socscimed.2016.06.008.
- <sup>19</sup> The evidence base for these determinants of gambling-related harms is presented in the *Melbourne City Council Gambling Policy and Decision-Making Framework Background 2017*
- <sup>20</sup> The evidence base for these determinants of gambling-related harms is presented in the *Melbourne City Council Gambling Policy and Decision-Making Framework Background 2017*
- <sup>21</sup> State Government of Victoria (2009) A study of gambling in Victoria.
- <sup>22</sup> Wyndham Planning Panel Report, Amendment C174:
- <sup>23</sup> *Romsey Hotel Pty Ltd v Victorian Commission for Gambling Regulation (Occupational and Business Regulation)* [2007] VCAT 1
- <sup>24</sup> Commission Decision, Glenroy RSL 2016
- <sup>25</sup> Commission Decision Braybrook Hotel
- <sup>26</sup> *Darebin CC v Victorian Commission for Gambling and Liquor Regulation & Anor*
- <sup>27</sup> Commission Decision, Commercial Hotel
- <sup>28</sup> Commission Decision, Commercial Hotel
- <sup>29</sup> Commission Decision, Braybrook Hotel, Commission Decision, Commercial Hotel
- <sup>30</sup> Commission Decision, Braybrook Hotel
- <sup>31</sup> *Glenroy RSL Sub Branch Inc v Moreland CC* [2017] VCAT 531
- <sup>32</sup> *Glenroy RSL Sub Branch Inc v Moreland CC* [2017] VCAT 531

**City of Melbourne**  
**Electronic Gaming Machine Review**  
**Draft Background Report**  
October 2017

This report was prepared by Symplan on behalf of the City of Melbourne.

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## ACRONYMS

<b>ABS</b>	Australian Bureau of Statistics
<b>CBD</b>	Central Business District
<b>EGM</b>	Electronic Gaming Machine
<b>LGA</b>	Local Government Area
<b>LPPF</b>	Local Planning Policy Framework
<b>MSS</b>	Municipal Strategic Statement
<b>PSP</b>	Precinct Structure Plans
<b>RSG</b>	Responsible Service of Gambling
<b>RSL</b>	Returned and Services League of Australia
<b>SA</b>	Statistical Area
<b>SEIA</b>	Social and economic impact assessment
<b>SEIFA</b>	Socio-economic Index for Areas
<b>SIA</b>	Social impact assessment
<b>SLA</b>	Statistical Local Area
<b>SPPF</b>	State Planning Policy Framework
<b>SSC</b>	Statistical State Suburbs
<b>VCAT</b>	Victorian Civil and Administrative Tribunal
<b>VCEC</b>	Victorian Competition and Efficiency Commission
<b>VCGLR</b>	Victorian Commission for Gambling and Liquor Regulation

## GLOSSARY

<b>Alternative non-gambling entertainment and recreation facilities</b>	Alternative non-gaming entertainment and recreation facilities include hotels, clubs, cinemas, restaurants, bars, theatres, galleries, exhibition centres, sporting venues and indoor recreation facilities.
<b>Cluster of gaming venues</b>	Three gaming venues, including the proposal site, located within a radius of 400m <sup>1</sup>
<b>Convenience gaming venue</b>	A venue located so as to encourage, or increase the likelihood of, spontaneous decisions to gamble. Convenience gaming venues are functionally and visually integrated with residential areas, strip shopping centres, shopping complexes, railway stations, transportation interchanges and community facilities involving a high concentration of people undertaking daily activities. Convenience gaming venues may include a limited range of non-gaming social, leisure, entertainment and recreation facilities.
<b>Decile</b>	Localities are ordered from lowest to highest score of Relative Socio-economic Disadvantage, the lowest 10 percent of areas are given a decile number of 1, the next lowest 10 percent of areas are given a decile number of 2 and so on, up to the highest 10 percent of areas which are given a decile number of 10. This means that areas are divided up into ten equal sized groups, depending on their score. <sup>2</sup>
<b>Destination gaming venue</b>	A venue located to encourage predetermined decisions to gamble. Destination gaming venues may be located on large sites that are functionally and visually separated from residential areas, strip shopping centres, shopping complexes, railway stations, transportation interchanges and community facilities involving a high concentration of people undertaking daily activities. Destination gaming venues also include a diverse range of non-gaming social, leisure, entertainment and recreation facilities.
<b>Gambling</b>	<p>Changes to the <i>Gambling Regulation Act 2003</i> (the Act) came into effect on 1 July 2015. The new legislation provides, for the first time, a definition of gambling in the legislation<sup>3</sup>.</p> <p>Under the Act, gambling means an activity in which:</p> <ul style="list-style-type: none"> <li>(a) a prize of money or something else of value is offered or can be won.</li> <li>(b) a person pays or stakes money or some other valuable consideration to participate.</li> <li>(c) the outcome involves, or is presented as involving, an element of chance.</li> </ul> <p>Even if the outcome of the activity can be influenced by a person's skill, the activity may still be defined as gambling if it involves an element of chance.</p> <p>The definition also states that any game that is played on a device or piece of equipment is considered to be gambling. This includes the use of EGMs.</p>
<b>Gambling-related harm</b>	Any initial or exacerbated adverse consequence due to an engagement with gambling that leads to a decrement to the health or wellbeing of an individual, family unit, community or population. <sup>4</sup>

<sup>1</sup> Francis Hotel Pty Ltd v Melbourne CC (includes Summary) (Red Dot) [2012] VCAT 1896 (12 December 2012)

<sup>2</sup> ABS Census of Population and Housing 2011, SEIFA Technical Paper

<sup>3</sup> <http://www.vcgfr.vic.gov.au/utility/about+us/news/gambling+defined+and+offences+consolidated+from+1+july+2015>

<b>Gambling sensitive use</b>	The concept of ‘gambling sensitive uses’ has not been defined by the Tribunal or Planning Panels Victoria. However, they are generally understood to be a service or facility that is used by people experiencing or vulnerable to gambling-related harms such as the offices of specific problem gambling services, financial counselling services and material and financial aid services
<b>Gaming</b>	Gaming includes all legal forms of gambling other than wagering including lotteries, EGMs, casino table games, keno and minor gaming such as raffles <sup>5</sup> . Clause 72 <i>General Terms</i> of the Melbourne Planning Scheme defines gaming as ‘the playing of a gaming machine’.
<b>Gaming equipment<sup>6</sup></b>	any device or thing (including chips) used, or capable of being used, for or in connection with gaming and includes— <ul style="list-style-type: none"> <li>(a) a gaming machine.</li> <li>(b) linked jackpot equipment.</li> <li>(c) an electronic monitoring system.</li> <li>(d) a part of, or replacement part for, any such machine, equipment or system—</li> </ul> but does not include interactive gaming equipment within the meaning of the <i>Interactive Gaming (Player Protection) Act 1999</i> that is used or intended to be used for the purposes of interactive games within the meaning of that Act and not for gaming of any other kind.
<b>Gaming machine</b>	Also referred to as electronic gaming machines or EGMs, a gaming machine is defined by the <i>Gambling Regulation Act 2003</i> as: “Any device, whether wholly or partly mechanically or electronically operated, that is so designed that – <ul style="list-style-type: none"> <li>• it may be used for the purpose of playing a game of chance or a game of mixed chance and skill</li> <li>• as a result of making a bet on the device, winnings may become payable.</li> </ul> A gaming machine has the same meaning in terms of Clause 72 of the Melbourne Planning Scheme.
<b>Gaming room<sup>7</sup></b>	A room in an approved venue in which gaming machines available for gaming are installed
<b>High Roller Room<sup>8</sup></b>	A room in a casino that is used substantially for gaming by international visitors to the casino
<b>Municipal and regional caps</b>	This refers to the maximum permissible number of EGM entitlements under which gaming may be conducted in the municipality. The municipal and regional caps are described in the Ministerial Direction published on 15 <sup>th</sup> August 2012. The municipal cap is calculated at a maximum of ten EGM entitlements per 1,000 adults. Regional caps are applied to municipalities or specific postcodes within a municipality that have been identified as vulnerable to gambling-related harm due to their density of EGMs per 1,000 adults, level of socio-economic disadvantage and expenditure per adult on EGMs.

<sup>4</sup> Browne, M, Langham, E, Rawat, V, Greer, N, Li, E, Rose, J, Rockloff, M, Donaldson, P, Thorne, H, Goodwin, B, Bryden, G & Best, T 2016, Assessing gambling-related harm in Victoria: a public health perspective, Victorian Responsible Gambling Foundation, Melbourne.

<sup>5</sup> Productivity Commission (2010)

<sup>6</sup> Casino Control Act 1991 S3(1)

<sup>7</sup> Tobacco Act 1987

<sup>8</sup> Tobacco Act 1987

<b>Problem gambling</b>	Problem gambling has been defined by experiencing difficulties in limiting money and/or time spent on gambling which leads to adverse consequences for the gambler, others, or for the community. <sup>9</sup> This definition contains reference to both gambling behaviours and harms.
<b>Social housing</b>	Rental housing that is provided and/or managed by government or non-government organisations, including public and community housing. <sup>10</sup>
<b>Statutory community contribution</b>	Contribution included in an annual audited community benefit statement lodged with the VCGLR

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<sup>9</sup> South Australian Centre for Economic Studies (2005) *Problem Gambling and Harm: Towards a National Definition* Office of Gaming and Racing, Victorian Government Department of Justice, Melbourne, Victoria

<sup>10</sup> <https://www.ahuri.edu.au/research/glossary>

# 1 Introduction

## 1.1 Background

The existing local planning policy for gaming (Clause 22.12 Gaming) was introduced into the Melbourne Planning Scheme when the new form planning schemes came into operation in 1997. In 2006 the Victoria Planning Provisions introduced a state-wide clause (Clause 52.28 Gaming) that guides the location and operation of gaming machines. In recent years there have been several significant changes to the regulatory framework within which gaming venues and electronic gaming machines (EGMs) operate in Victoria. Furthermore, the outcomes of gaming application licences and applications for planning permits in the municipality have established several decision-making principles that are likely to influence the future of gaming in the municipality.

On 19<sup>th</sup> July 2016, Melbourne City Council's Future Melbourne Committee endorsed a review of Council's existing local planning policy for gaming to ensure that it reflects the current statutory and regulatory framework within which gaming takes place. The City of Melbourne has also recognised the need to prepare the Electronic Gaming Decision-Making Framework which, together with the revised Local Planning Policy for Electronic Gaming, will guide Council in its various statutory responsibilities. In particular, these documents will be used to prepare submissions on behalf of the community for applications for gaming licences assessed by the Gaming Commission, and assessing applications for planning permits for new gaming venues or top ups in existing gaming venues. They will also provide applicants with guidance on the type of information required to accompany a planning permit application.

The *City of Melbourne Electronic Gaming Decision-Making Framework and Planning Policy Review Background Report* (the Report) provides the evidence for these two documents.

The information presented in the Report has been derived from three primary sources, namely a document review of relevant legislation and policies, a review of the community, land use and gaming context, and engagement with key stakeholders. A full list of documents reviewed is included in Appendix 1.

## 1.2 Structure of the Report

The Report consists of the following eight chapters (refer to Figure 1).

Each chapter commences with a summary of the key findings and the implications of these findings on the content and scope of the City of Melbourne Electronic Gaming Decision-Making Framework and Local Planning Policy for Gaming.

**Figure 1 – Structure of the Background Report**

<p>2. Stakeholder Engagement outcomes</p>	<p>Key agencies Venue operators</p>
<p>3. City of Melbourne Strategic and Community Context</p>	<p>Strategic role of the City of Melbourne Community (residents, users and socio-economic profile)</p>
<p>4. City of Melbourne Gambling and Gaming Context</p>	<p>Hotels and clubs with gaming machines Crown Casino Keno and wagering venues</p>
<p>5. City of Melbourne Policy and Planning Framework</p>	<p>Plan Melbourne Council strategic and policy framework Melbourne Planning Scheme</p>
<p>6. Relevant gaming and planning decisions</p>	<p>City of Melbourne Key principles from gaming and planning decisions</p>
<p>7. Legislative Framework</p>	<p>Planning and local government Gambling and planning considerations Harm minimisation Council's roles</p>
<p>8. Framework for assessment of socio-economic impacts of gambling-related harm</p>	<p>Participation in gambling activities Prevalence of problem gambling Determinants of gambling-related harms Impacts of gambling</p>
<p>9. Framework for the revised Local Planning Policy for Gaming</p>	<p>Review of Municipal Strategic Statements Review of local planning policies for electronic gaming Review of Clause 52.28</p>

## 2 Stakeholder engagement

Stakeholder engagement was undertaken to gain insights of key agencies and the gaming industry on to inform the preparation of the Decision-Making Framework and the Local Planning Policy for Gaming.

The following key findings arose out of the discussions with venue operators and agencies (see Appendix 3 for a more detailed summary):

- There was consensus that Council plays an important role in facilitating collaboration between the gaming industry, Council and other stakeholders, and raising awareness in the community about the potential harms associated with gambling. Stakeholders also noted that the gambling patron profile is diverse and transient, and comes from a wide catchment.
- There was a strong desire among the venue operators and the agencies to be involved in the ongoing development of both the Gaming Decision-Making Framework and the Local Planning Policy for Gaming.
- The venue operators felt that the most effective harm minimisation measure was staff training. Club venue operators felt that there should be greater acknowledgement of the cash and in-kind contributions their venues made to the community, and that this was primarily due to the revenue derived from the EGMs. In general venue operators felt that there may be some modest growth in the demand for EGM gambling in the future.
- Risk factors for gambling-related harms included socio-economic disadvantage, life circumstances such as loneliness, boredom and social isolation, being a member of a specific group such as Aboriginal, homeless, students, young and older people, poor mental health, and accessibility to EGMs. The main impacts of gambling-related harms included compromised mental health and wellbeing, homelessness and relationship breakdown.
- Agencies and venue operators felt that Council plays a leadership role in advocacy, collaboration, information dissemination and managing EGM gambling in the municipality.
- The Electronic Gaming Decision-Making Framework and Local Planning Policy for Gaming should adopt a balanced approach to the management of EGMs in the municipality.
- The Electronic Gaming Decision-Making Framework should describe a range of strategies that guide a 'whole of Council approach' that guide Councils roles in the prevention and minimisation of gambling-related harms.

## 3 City of Melbourne strategic and community context

This Chapter discusses the strategic role that the City of Melbourne plays in Victoria. It also describes the municipality's community in terms of its residents, users and socio-economic profile.

### Key findings

The City of Melbourne is Victoria's major economic, cultural, commercial, leisure, entertainment and research centre. It also is home to many residents. The City is expected to experience significant population growth in the urban renewal areas.

The community of Melbourne consist of residents, workers, students and visitors. Although the municipality would not be considered to be socio-economically disadvantaged, there are pockets of disadvantage throughout the municipality. In addition, there are concentrations of homelessness and students throughout the municipality, both of which are considered to be at an elevated risk of gambling-related harms.

### **Implications for the Electronic Gaming Decision-Making Framework and Local Planning Policy for Gaming**

Gambling venues are part of the entertainment offer in the municipality. However, their location and operation needs to be managed in order to protect specific groups within the municipality that are at an elevated risk of gambling-related harm.

## **3.1 Strategic role of the City of Melbourne**

Melbourne is Victoria's capital city and is the heart of the City of Melbourne. It is the location for many of Victoria's premier economic and cultural infrastructure, providing a range of commercial, cultural, leisure, entertainment, research, education and residential uses.

The City of Melbourne is adjoined by the Cities of Maribyrnong and Hobsons Bay to the west, Moonee Valley to the north-west, Moreland to the north, Yarra and Stonnington to the east, and Port Phillip to the south.

Melbourne's 'Hoddle Grid' operates 24 hours a day, seven days a week, providing the venue for major events and festivals that attract visitors from the metropolitan area, Victoria, interstate and globally.<sup>11</sup> It also acts as a major transport hub, linking the city with metropolitan Melbourne and regional Victoria.

## **3.2 Community**

### **3.2.1 Residential**

In 2017 the residential population of the City of Melbourne is estimated to be 137,542. It is projected to increase to 202,000 by the year 2030.<sup>12</sup> In 2016 residential density was highest the Hoddle Grid. Carlton, North Melbourne and Southbank had relatively high residential densities.

The areas projected to experience the largest residential population increase are located in the western portions of the municipality, Fishermans Bend, West Melbourne and Docklands. The Hoddle Grid is expected to experience a modest increase in residential population. East Melbourne and Parkville are expected to experience the smallest growth in residential population. It is projected that residential density will continue to be highest in the Hoddle Grid and Southbank in the future.

### **3.2.2 Users**

The City of Melbourne Daily Population Estimates and Forecasts (2015 update) found that in 2014 there were 854,000 daily users in the municipality consisting of residents, workers, students and visitors.

This study also found that:

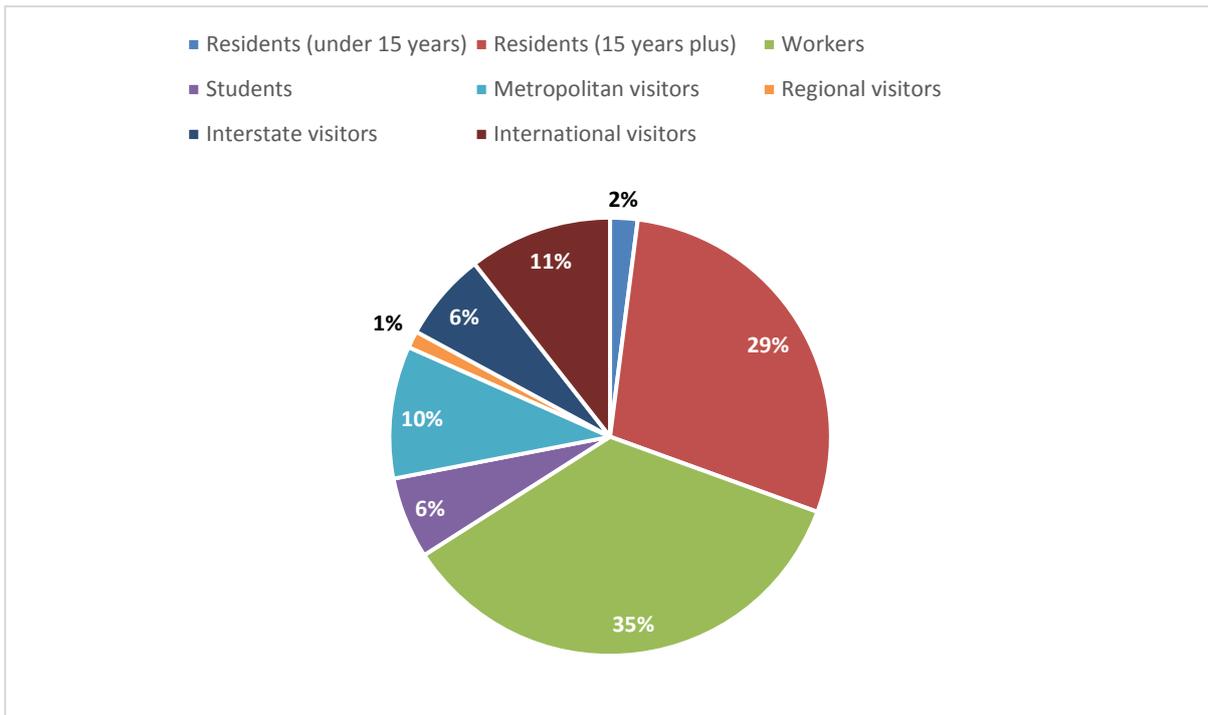
- In 2014, approximately 390,000 people were present in the City on a weekday night, of whom the largest proportions were residents over the age of 15 and workers (refer to Figure 2)
- The weekend daily population consists primarily of visitors and residents while the weekday population consists mainly of workers
- The number of weekend visitors peaks at approximately 23,000 people between the hours of 1pm and 4pm.

These figures illustrate that the City of Melbourne functions as a 24 hour city.

<sup>11</sup> Clause 21.02-1 Melbourne Planning Scheme

<sup>12</sup> <http://melbournepopulation.geografia.com.au/>

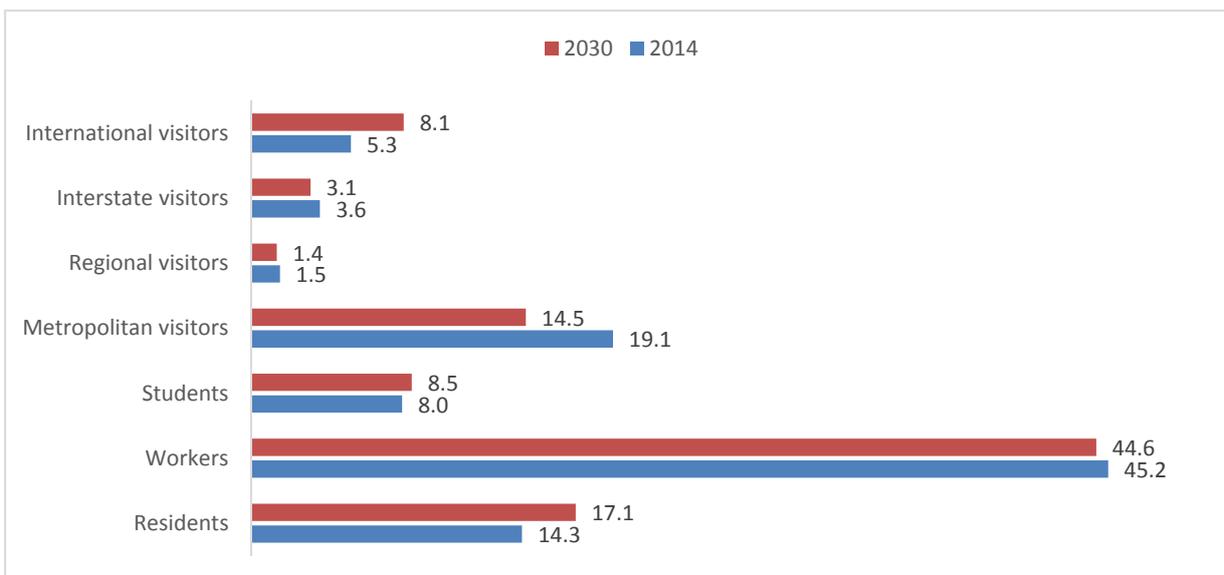
**Figure 2 – Estimated weekday night time daily population (aged 15 years plus), 2015**



Source: City of Melbourne Population Daily Population Estimates and Forecasts, October 2015

This study projected that the total number of daily population to the city is to experience an average growth of 2.0 per cent annually between 2014 and 2030. This will see a million people travelling to the city in 2022 on an average weekday.<sup>13</sup> It is further projected that in 2030, the largest components will still be workers and metropolitan visitors. However, it is projected that residents will form a larger proportion of the total population in 2030 compared with 2017 (refer to Figure 3).

**Figure 3 – Breakdown of the City of Melbourne’s population, 2014 and 2030 (%)**



Source: City of Melbourne Population Daily Population Estimates and Forecasts, October 2015

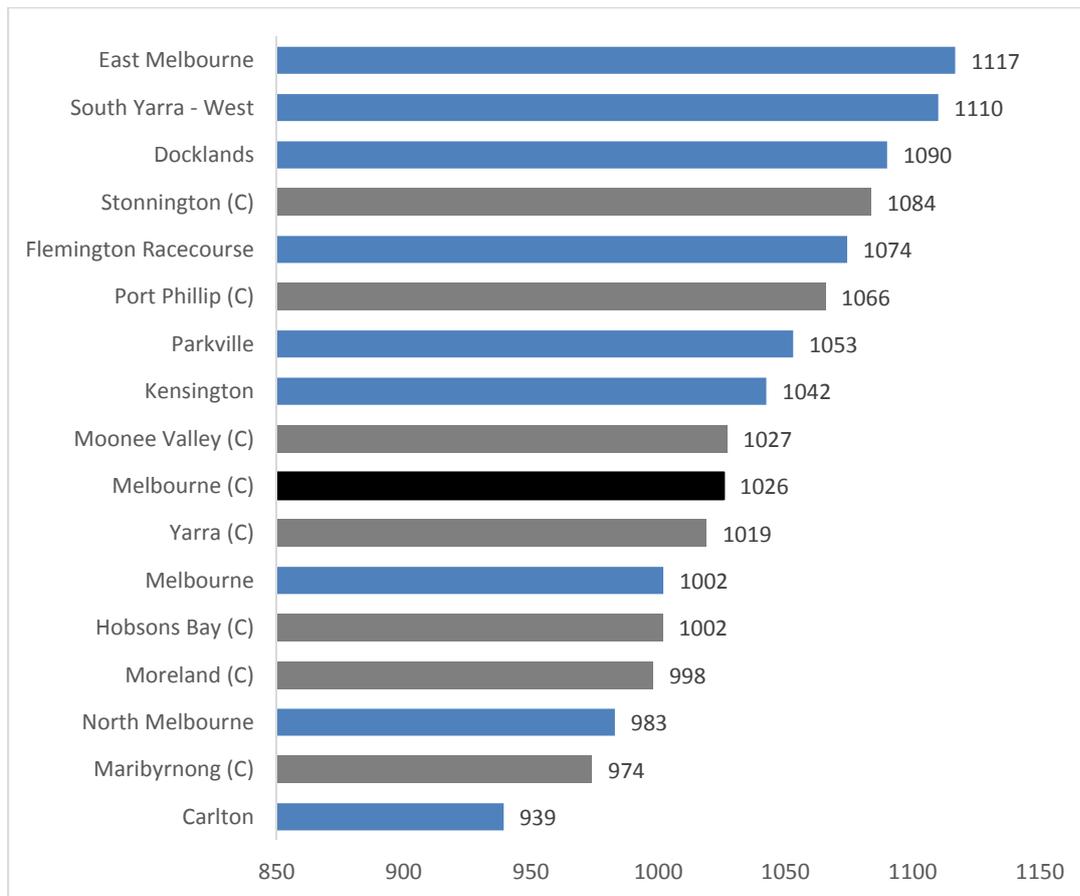
<sup>13</sup> City of Melbourne Population Daily Population Estimates and Forecasts, October 2015

### 3.2.3 Socio-economic profile

A detailed description of the socio-economic factors that influence the municipality’s vulnerability to gambling-related harms is provided in Section 7.3.6 and Appendix 3.

Overall the City of Melbourne does not display high levels of socio-economic disadvantage as it has a relatively high SEIFA (socio-economic index for areas) score compared with many adjoining municipalities (refer to Figure 4). A SEIFA score is standardised score calculated by the Australian Bureau of Statistics where a score of 1000 is average, and the middle two thirds of SEIFA scores fall between 900 and 1100. The statistical areas 2 (SA2) with relatively high socio-economic disadvantage are Carlton and North Melbourne. This socio-economic profile does not take into account the level of disadvantage amongst the City’s workers, visitors and homelessness sector.

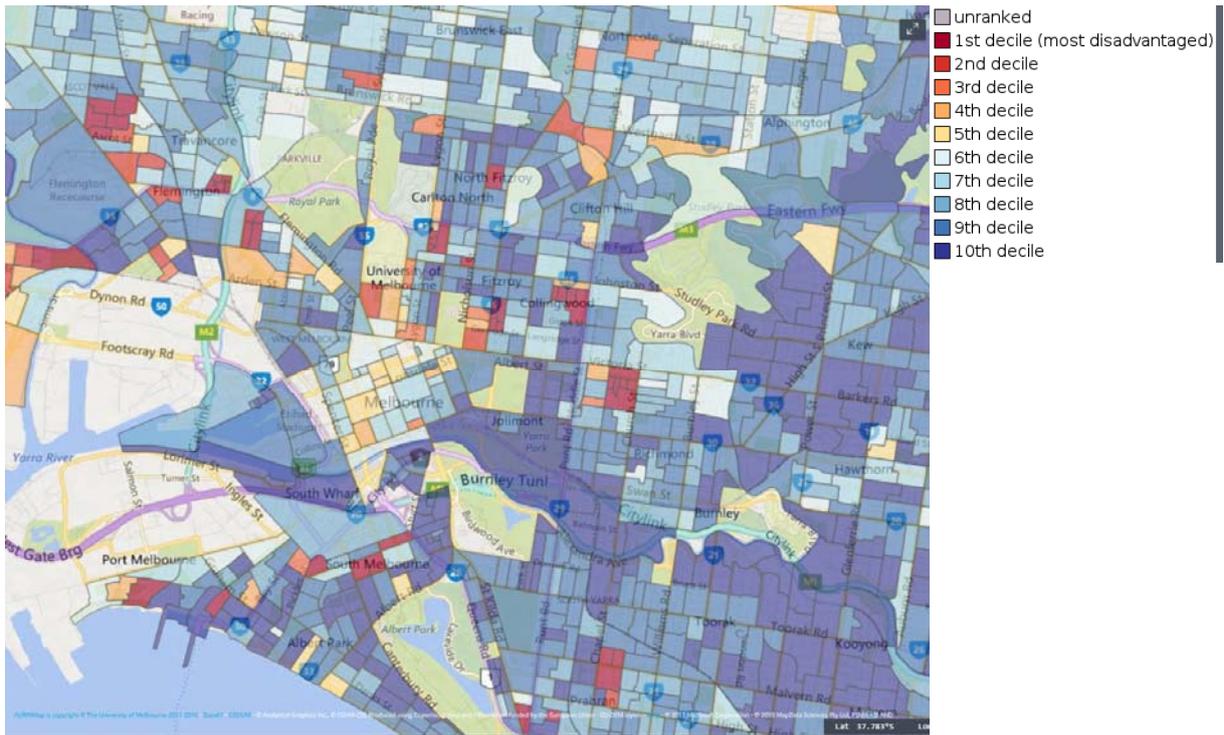
**Figure 4 – Index of Relative Socio-Economic Disadvantage, 2011, City of Melbourne, Adjoining Municipalities and SA2**



Source: ABS Census of Population and Housing

There are also concentrations of significant socio-economic disadvantage distributed throughout the municipality (refer to Figure 5).

Figure 5 – Index of Relative Socio-Economic Disadvantage, 2011 by SA1<sup>14</sup>



Source: <https://map.aurin.org.au/>

<sup>14</sup> Refer to Glossary for an explanation of the deciles.

## 4 City of Melbourne gambling and gaming context

This Chapter discusses the in-venue gambling activities that occur in three different settings namely EGM gambling taking place in gaming venues (hotels and clubs), the suite of gambling activities that occur at Crown Casino, and Keno and wagering/sports betting occurring in venues that do not operate EGMs.

### Key findings

The City of Melbourne has 11 gaming venues, four of which are clubs and seven of which are hotels. The municipality is covered by both a regional and a municipal cap on the number of EGMs. However, the Hoddle Grid, which is where nine of the 11 gaming venues are located, is not subject to either a municipal or a regional cap. The other two gaming venues are located in the regional cap which is an area considered to be at an elevated risk of gambling-related harms.

Compared with adjoining municipalities and metropolitan Melbourne, the City of Melbourne has:

- large gaming venues and high total EGM expenditure and EGM expenditure per venue
- an average expenditure per EGM, EGM expenditure per adult and density of EGMs per 1,000 adults
- relatively high growth in EGM expenditure and reduction in EGM density per 1,000 adults.

The following features differentiate the City of Melbourne's gaming venues from gaming venues in suburban municipalities and regional Victoria:

- presence of Crown Casino which is both a competitor and influences the overall expenditure on and availability of EGMs in the municipality
- more diverse and transient patron profile
- permitted to apply to operate 24 hours per day
- smaller range of non-gambling leisure and entertainment facilities provided in the venue
- surrounded by a larger number of non-gambling entertainment and leisure activities
- close proximity to facilities associated with day to day activities increasing the risk of convenience gambling
- physical location and size limits expansion and does not allow for on-site car parking.

### Implications for the Electronic Gaming Decision-Making Framework and Local Planning Policy for Gaming

The strategies and guidelines in the Electronic Gaming Decision-Making Framework and Local Planning Policy for Gaming will need to acknowledge the impact that Crown Casino has on EGM expenditure and density of EGMs per 1,000 adults, and the unique features of the City's gaming venues.

The Local Planning Policy for Gaming will need to guide the location and operation across all areas of the municipality, including areas that are subject to both a regional and municipal cap, and the Hoddle Grid which is not capped.

## 4.1 Hotel and club venues with EGMs

### 4.1.1 Municipal and regional caps

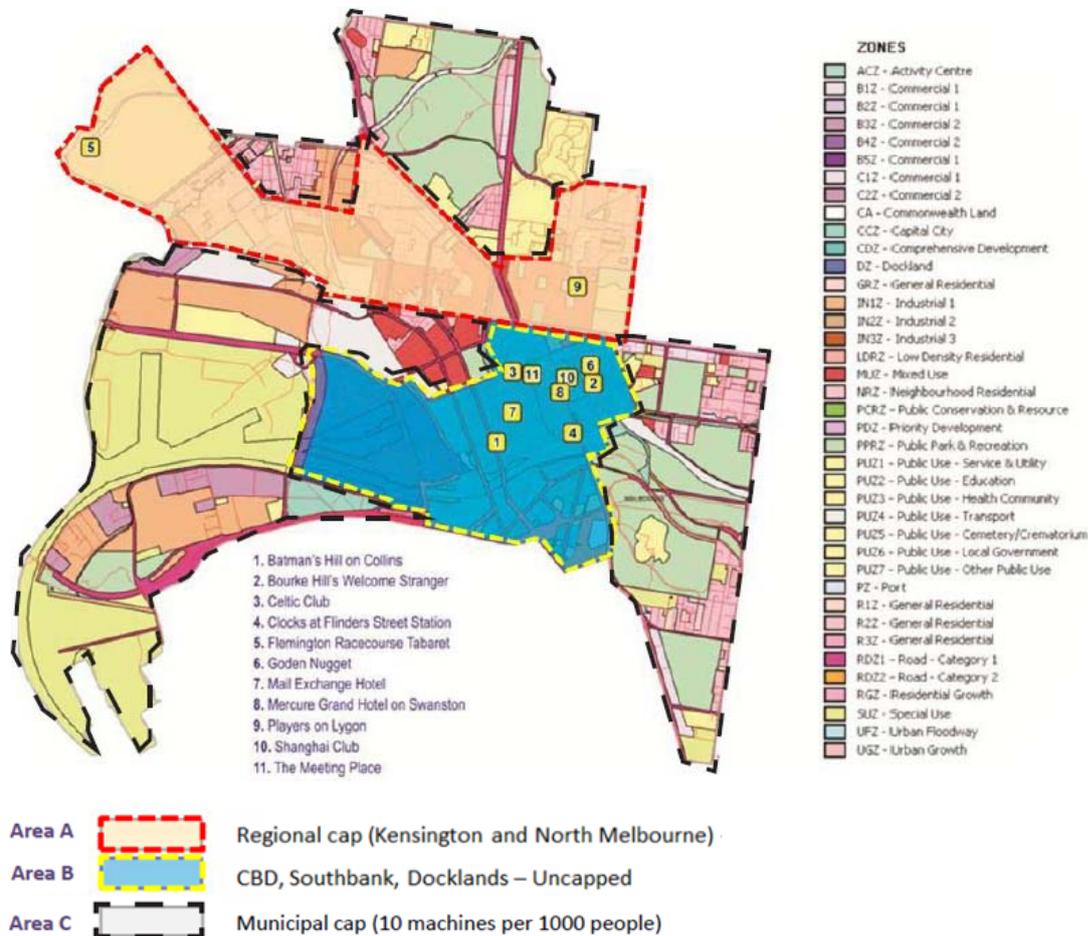
The Victorian Government has imposed a municipal cap of 10 EGM entitlements per 1,000 adults, and a regional cap for 20 local governments that have relatively high densities of EGMs, high expenditure and concentrations of socio-economic disadvantage. Regional caps were introduced in 2001 and municipal caps were introduced in 2009. These limits are reviewed by the Minister every five years. This maximum number is a limit rather than a target, and does not mean that EGMs can be automatically added to a municipal district.

The City of Melbourne is subject to both a municipal and a regional cap. The regional cap covers Carlton, North Melbourne, Flemington and Kensington and is subject to a maximum of 149 EGMs. This has reduced recently from 177 machines as a result of changes from the State Government announced in September 2017. The maximum number of EGMs permitted in the area covered by the municipal cap in 143 EGMs (refer to Figure 6).

In addition, the Hoddle Grid, Southbank and Docklands are subject to neither the regional nor the municipal cap. There is therefore no maximum number of EGMs that may be permitted in these three localities. Crown Casino is located in the uncapped area of the municipality (refer to Figure 6).

Nine of the 11 existing gaming venues are located in the part of the municipality that is not subject to either a regional or a municipal cap. The other two gaming venues are located in the area covered by the regional cap. At present, these two venues are collectively operating at the maximum capacity of the cap (149 machines). Therefore no further EGMs will be permitted in this region.

Figure 6 – Capped and uncapped areas of the City of Melbourne



Source: City of Melbourne

#### 4.1.2 Key features of the City of Melbourne's gaming venues

In the Financial Year 2015-16 the City of Melbourne had 11 operating gaming venues, nine of which are located in Hoddle Grid, one of which is located in Carlton and one of which is located in Flemington (refer to Figure 6 and Table 1).

In this Financial Year:

- Expenditure across the 11 gaming venues was \$79,770,052.63
- There were 746 attached (operating) EGMs and 779 EGM licences
- Clocks at Flinders Street Station and Bourke Hill's Welcome Stranger had the most operating EGMs and EGM licences (100 EGMs)
- EGM expenditure was highest at Bourke Hill's Welcome Stranger and the Mercure Grand on Swanston.
- The venues with the least number of operating EGMs and EGM licences were the Batman's Hill on Collins and the Celtic Club. These venues also had the lowest EGM expenditure.

**Table 1 – Expenditure at gaming venues within the City of Melbourne**

Ref No.	Venue	Address	Attached/ operating EGMs	Licensed EGM's	Type	Expenditure 2015-16
1	Batman's Hill On Collins	623 Collins Street, Melbourne	22	22	Hotel	\$2,128,548.88
2	Bourke Hill's Welcome Stranger	128 Bourke Street, Melbourne	100	100	Hotel	\$14,811,751.51
3	Celtic Club	316 - 320 Queen Street, Melbourne	41	46	Club	\$1,003,056.27
4	Clocks At Flinders Street Station	Shop 17, Flinders Street Railway Station, Melbourne	100	100	Club	\$9,766,899.09
5	Golden Nugget	117 Lonsdale Street, Melbourne	60	60	Hotel	\$8,911,058.65
6	Headquarters Tavern	Epsom Road, Flemington	80	80	Club	\$3,667,433.16
7	Mail Exchange Hotel	688 Bourke Street, Melbourne	80	80	Hotel	\$7,672,422.10
8	Mercure Grand Hotel On Swanston	195 Swanston Street, Melbourne	90	90	Hotel	\$14,758,532.66
10	Players On Lygon	186-200 Lygon Street, Carlton	69	75	Hotel	\$7,268,007.36
11	Shanghai Club	242-244 Little Bourke Street, Melbourne	48	48	Hotel	\$3,561,416.52
12	The Meeting Place	315-321 Elizabeth Street, Melbourne	56	76	Club	\$6,220,926.43
	City of Melbourne		746	779		\$79,770,052.63

Source: VCGLR

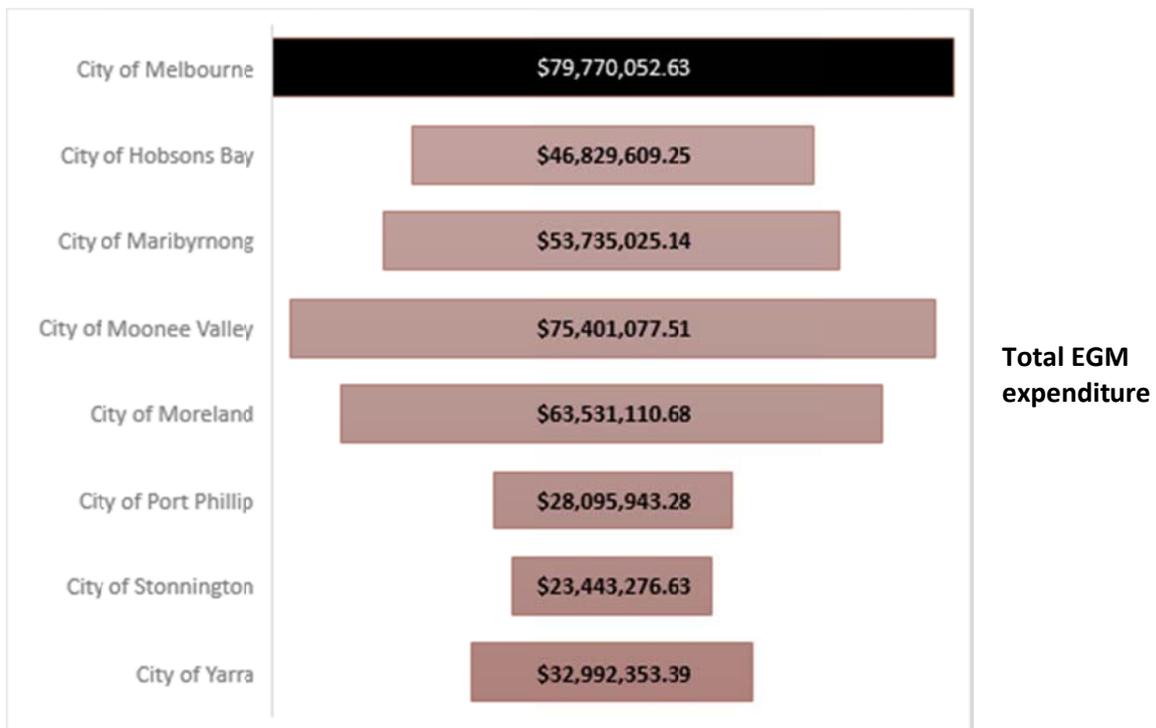
**4.1.3 City of Melbourne relative to adjoining municipalities and metropolitan Melbourne**

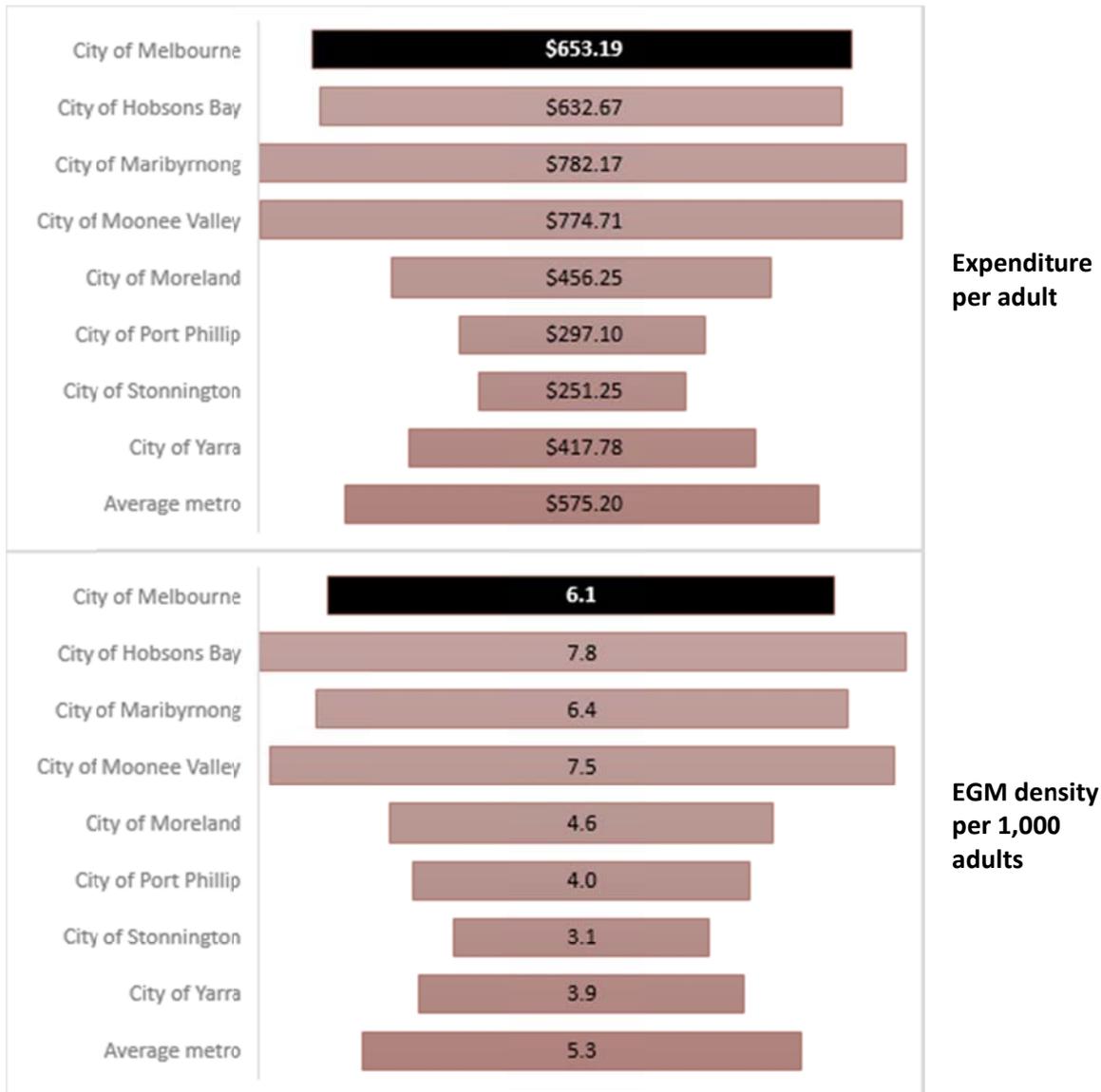
**Financial year 2015-16**

In the Financial Year 2015-16, compared with the adjoining municipalities, metropolitan Melbourne and Victoria, the City of Melbourne had (refer to Appendix 2 and Figure 7):

- the most EGMs and largest average venue size
- the highest overall EGM expenditure and EGM expenditure per venue
- equal second highest number of gaming venues
- the third highest number of adults per venue, expenditure per EGM and EGM expenditure per adult
- the fourth highest density of EGMs per 1,000 adults (based on the number of residents in the City of Melbourne).

**Figure 7 – Key gaming indicators 2015-16, City of Melbourne compared with adjoining municipalities**





Source: VCGLR

**Change between Financial Years 2011-12 and 2015-16**

Between 2011-12 and 2015-16 total EGM expenditure in the City of Melbourne increased (refer to Table 2). This is even though the municipality experienced a reduction in the density of EGMs per 1,000 adults and total EGM expenditure decreased across metropolitan municipalities and all adjoining municipalities except for the City of Yarra.

The reduction in density of EGMs in the City of Melbourne and increase in expenditure are likely to be as a result of the significant growth in the adult population in this period (refer to Table 2).

**Table 2 – Change in EGM expenditure, EGM expenditure per adult and density of EGMs per 1,000 adults 2011-12 to 2015-16**

	<b>Total EGM expenditure</b>	<b>EGM expenditure per adult</b>	<b>Density of EGMs per 1,000 adults</b>	<b>Adult population</b>
<b>City of Melbourne</b>	13.5	-11.5	-16.3	28.15
<b>City of Hobsons Bay</b>	-11.0	-16.4	-3.2	6.49
<b>City of Maribyrnong</b>	-4.2	-14.2	-6.4	11.64
<b>City of Moonee Valley</b>	-3.2	-8.0	-6.7	5.18
<b>City of Moreland</b>	-8.7	-18.0	-22.1	11.35
<b>City of Port Phillip</b>	1.9	-4.8	-2.5	7.02
<b>City of Stonnington</b>	-0.3	-6.9	-1.9	7.14
<b>City of Yarra</b>	5.0	-5.1	-9.6	10.60
<b>Average Melbourne LGA and adjoining LGA</b>	-1.3	-11.6	-9.0	10.95
<b>Total metro</b>	-2.3	-9.8	-5.4	8.32

Source: VCGLR

The analysis of the monthly expenditure at gaming venues across the City of Melbourne for the Financial Years 2013-14 to 2015-16 indicates that the months during which expenditure is the highest vary from year to year. This differs from other municipalities such as Mornington Peninsula Shire that experience an increase in gaming expenditure during key vacation periods. This supports the analysis of the City's users which indicates that the municipality attracts visitors throughout the year.

#### **4.1.4 Venue specific analysis**

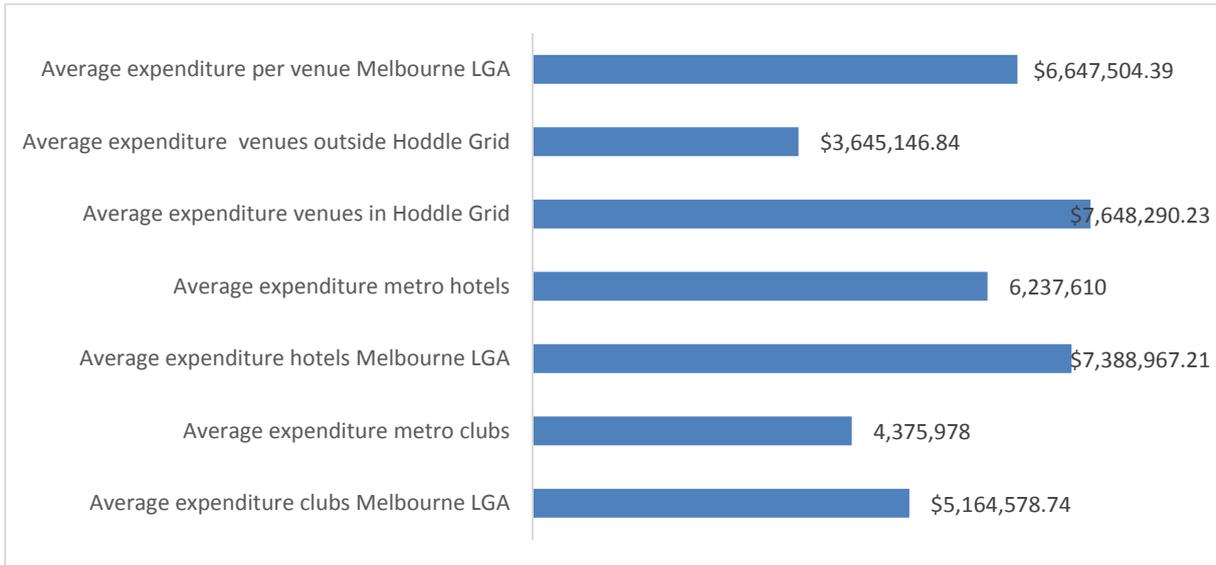
##### **Expenditure**

Analysis of the expenditure per venue in the municipality in the Financial Years 2015-16 illustrates the following (refer to Figure 8):

- Average expenditure in the venues located in the Hoddle Grid is more than double the average expenditure in venues that are located outside the Hoddle Grid.
- Average expenditure in hotels and clubs in the City of Melbourne is higher than the average expenditure for hotels and clubs in metropolitan municipalities in Victoria.

This suggests that location in relation to public transport hubs and shops, and venue type, for instance whether it is a club or a hotel are likely to have an influence on EGM expenditure.

**Figure 7 – Average expenditure clubs and hotels Melbourne compared with metropolitan LGAs, 2015-16**

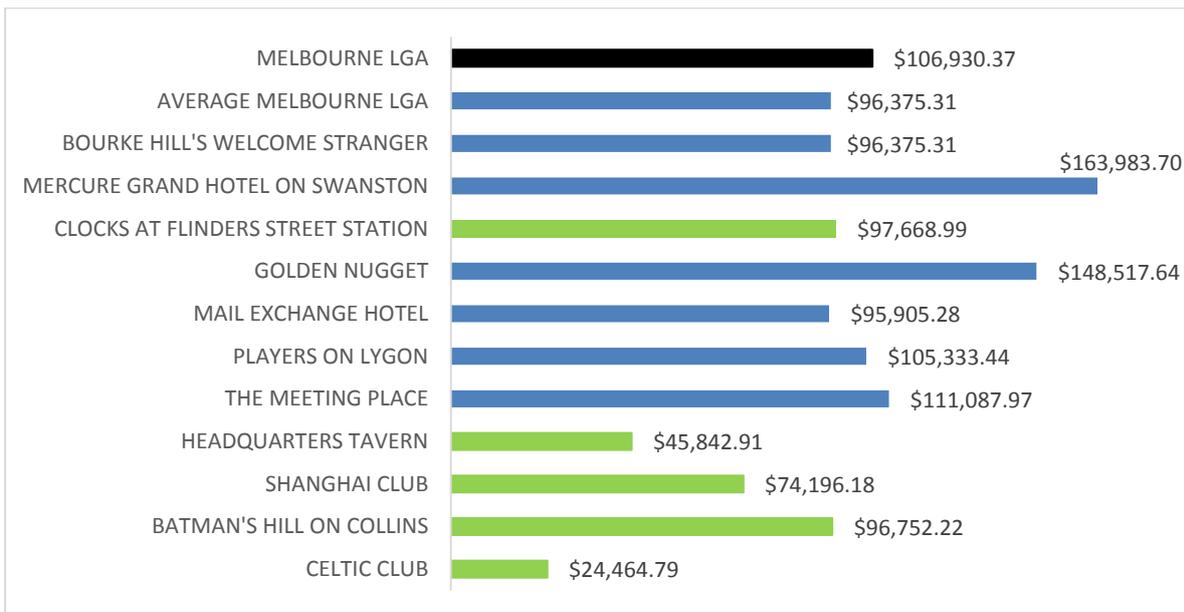


Source: VCGLR

Analysis of expenditure per gaming venue in the Financial Year 2015-16 illustrates the following (refer to Figures 8 and 9)

- Expenditure per attached EGM entitlement is typically lower in clubs than hotels, as it is typically across metropolitan Melbourne and Victoria. This suggests that certain operational factors associated with clubs may influence expenditure (refer to Figure 9).
- The number of attached EGM entitlements does not necessarily determine total EGM expenditure at the venue, suggesting that factors other than size such as location have a greater influence (refer to Figure 10).

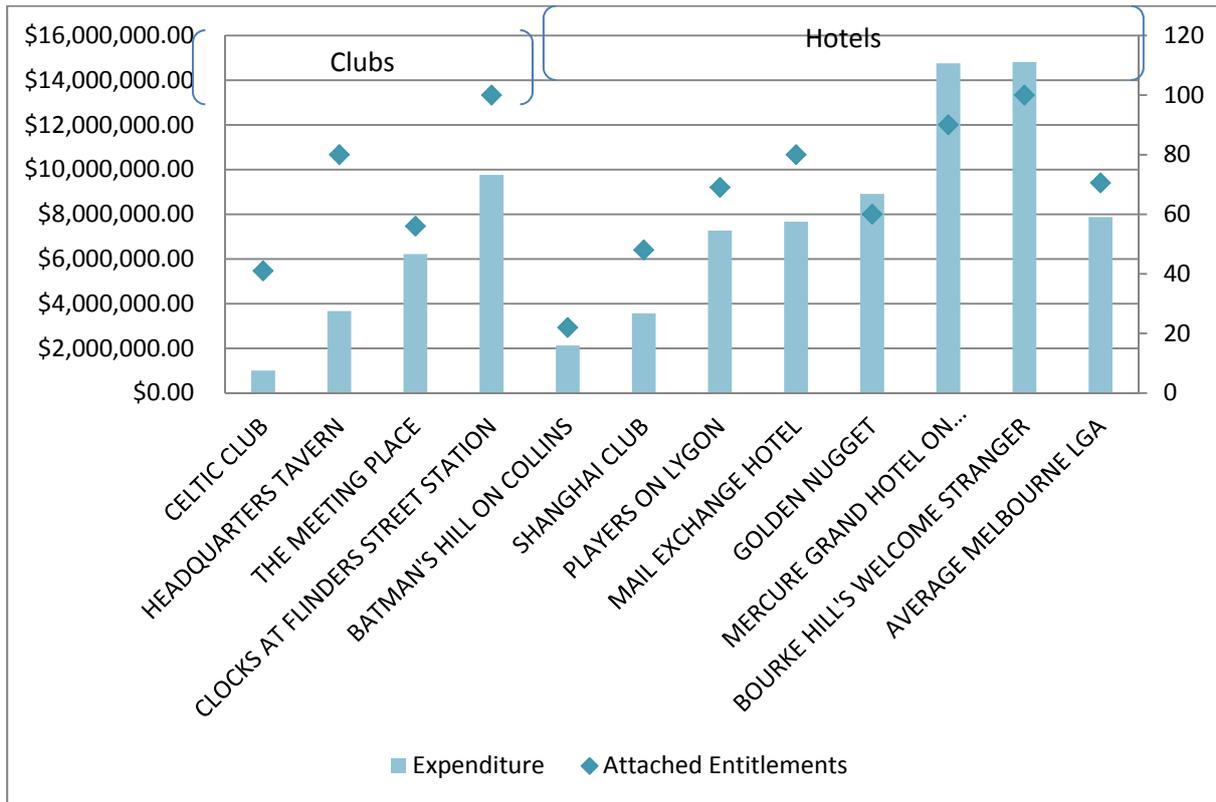
**Figure 8 – Expenditure per attached EGM entitlement, 2015-16**



Hotels Clubs

Source: VCGLR

**Figure 9 - Expenditure per gaming venue, and number of attached EGM entitlements, City of Melbourne, 2015-16**



Source: VCGLR

**Key features**

Discussions with the key stakeholders, the review of the regulatory and statutory framework, and the site inspection of each of the gaming venues highlighted both similarities and differences between the gaming venues in the City of Melbourne and gaming venues in suburban and regional municipalities in Victoria.

The similarities included the following:

- All gaming venues are required to have a liquor licence. The operating hours for the gaming venue may not exceed those permitted under the liquor licence
- The hotels operate under general licences while the clubs operate under full club or on premises licences. General liquor licences permit the sale and consumption of alcohol both on and off the premises. Full club liquor licences permit the sale of alcohol for consumption on the premises to all patrons and sale of alcohol for consumption off the premises to club members. The on-premises liquor licence permits the sale and consumption of alcohol on the premises only
- The operating hours for the hotel venues operating under a late night general liquor licence are typically between 7am and 3am over the weekends, with shorter operating hours in some of the venues during the week
- In general the club venues have shorter operating hours, particularly during the week
- The promotion and advertising of gaming is prohibited under the *Gambling Regulation Act 2003*. A number of venues in the municipality, as with suburban venues, offer membership rewards program’s cards which provide rewards on money spent in the venue, including in

the gaming lounge. The membership rewards programs permit the promotion, advertising and marketing of all products offered at the venue, including gaming and EGMs

- Signage is located on both the front and side facades of the buildings
- The range of non-gaming entertainment and leisure activities typically includes live entertainment, sports bars, bistro, dining and function rooms
- The venues provide a range of other gambling activities such as TAB and Keno
- External access to the venue is through a single entrance and internal access to the gaming lounge is through the bistro and/or public sports bar areas.

However, the following features of the regulatory framework, location, design and operation of the gaming venues in the City distinguish them from gaming venues in suburban municipalities:

- The Capital City Zone is exempt from the prohibition of EGMs in strip shopping centres (refer to Section 4.3.4)
- The majority of the municipality's gaming venues are located in an area that is not subject to either a municipal or regional cap on the number of EGMs. This means that there is no limit on the maximum numbers of EGMs that may operate in these venues, reducing Council's capacity to manage the concentration and density of EGMs in this part of the municipality
- There is a wider range of non-gambling social, leisure, recreational and entertainment uses in the surrounding area
- The ten gaming venues located in the Hoddle Grid and Carlton function as both convenience and destination gaming venues. These venues are located in close proximity to shopping facilities and major public transport hubs and routes. However, they also function as 'destination' gaming venues as their catchment is large and includes people from metropolitan Melbourne, regional Victoria, Australia and overseas
- Crown Casino, which is regulated by a separate statutory instrument is located in the uncapped area of the municipality. The scale of this gambling venue significantly increases access to EGMs and all forms of gambling to the City's users. Furthermore, the EGM expenditure and density figures for the City of Melbourne produced by the VCGLR do not incorporate the EGM expenditure and number of EGMs in Crown Casino. As a result, total EGM expenditure and density of EGMs in the City of Melbourne is much higher than described in the VCGLR data
- Six of the 11 gaming venues are under the management of larger groups with the result that there are eight instead of 11 gaming operators. This increases the potential for Council to work closely with the venue operators in the municipality (as there are less than there could be). However, it also means that the operators who manage more than one venue have a larger stake in the gambling industry in the municipality
- There is little difference between the design and operation of hotel and club gaming venues in that they typically all provide the same range of gambling and non-gambling activities and facilities
- The gaming lounges are typically more visible from both the street and from within the venue itself
- They do not typically provide car parking, children's play areas or recreational activities such as bowls, tennis or golf
- They are located on smaller parcels of land which limits their capacity for expansion and provision of a range of non-gambling activities

- They may apply to operate for 24 hours per day
- The patron profile and membership base (in the case of club venues) is more diverse, transient and comes from a wider catchment because the patrons from gaming venues in the City are drawn predominantly from non-residents including workers and visitors
- Most of the venues are busier during the weekdays compared with the weekends, even though weekend patronage is stimulated by sporting and cultural events
- Utilisation rates are more variable, reflecting the diverse patron profile, with venues located more central being busier during the working week while venues located close to the two train stations and major sports and arts precincts being busier over the weekend.

## 4.2 Crown Casino

Australia is the fifth largest casino market in the world, following United States, Macau, Canada and Singapore. Crown Casino, which is the only casino in Victoria, is the 11<sup>th</sup> largest casino in the world and its revenue is more than twice that of the largest in Las Vegas. Between July 2013 and June 2014, 19 million people visited Crown Melbourne and a total of \$1.99 billion was lost on EGMs and table games.<sup>15</sup> At present, Crown Casino is licensed to operate 2,628 EGMs.

The Casino is located in Southbank, to the south of the Hoddle Grid and the Yarra River, and in close proximity to the City of Port Phillip. It is integrated into the Crown Casino Entertainment Complex which includes hotels, shops, cafes and restaurants, cinemas and live entertainment. This Complex forms part of a wider entertainment precinct comprised of the Melbourne Exhibition Centre, Melbourne Convention Centre and Melbourne Aquarium. It is also located within 800m of the arts precinct comprised of Hamer Hall, Victorian Arts Centre, NGV International, and Victorian College of The Arts (refer to Figure 11). These precincts, together with the sports facility at Docklands Stadium and sports precinct comprised of the Melbourne Cricket Ground, Melbourne Park and AAMI Park, are key destinations for metropolitan, regional, state, national and international visitors.

Crown Casino offers a wide range of casino table games in addition to EGMs. In addition, the Crown VIP Gaming facilities provide an enhanced program of gambling activities and table game limits and the rewards program may be redeemed on a range of activities and facilities such as retail, food and beverages, table games and hotel accommodation, include online gambling at CrownBet.<sup>16</sup>

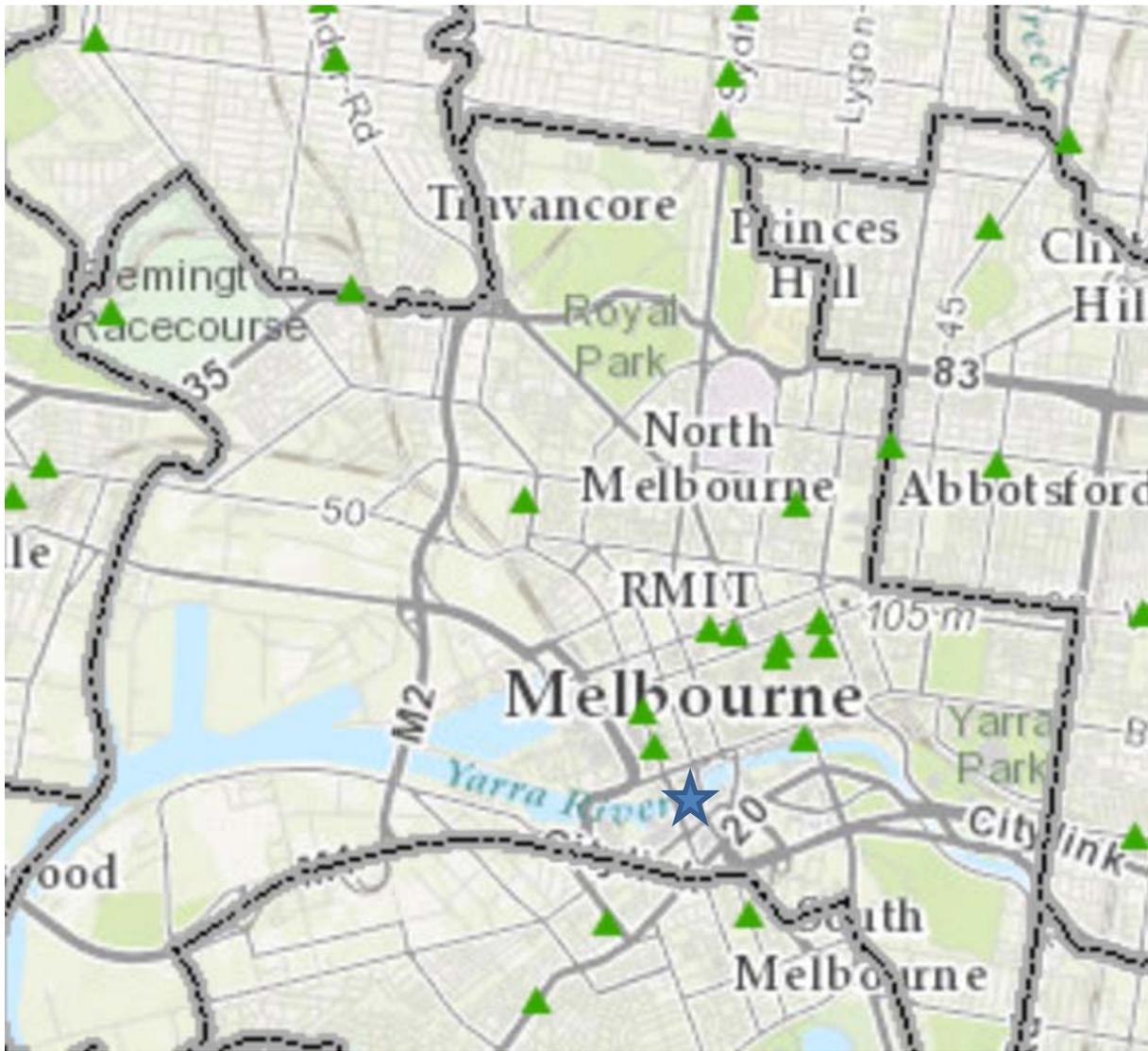
The scale of the facility, range of gambling activities and its proximity to public transport, cultural and arts precincts and the adjoining municipality of Port Phillip mean that the Casino is likely to attract a diverse patron profile from a wide catchment. However, its proximity to other venues in the municipality, and the fact that the hotel and club gaming venues also serve a wide catchment and diverse patron profile mean that the Casino is likely to act as a major competitor to the hotel and club gaming venues in the municipality. These factors, in addition to the expenditure on EGMs at the Casino need to be taken into account when assessing the overall accessibility to gambling activities in the municipality.

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<sup>15</sup> <http://www.responsiblegambling.vic.gov.au/information-and-resources/victorias-gambling-environment/gambling-venues/crown-melbourne>

<sup>16</sup> <https://www.crownmelbourne.com.au/crown-rewards/about>

Figure 10 – Crown Casino location



Gaming venues  
Source: VCGLR



Crown Casino

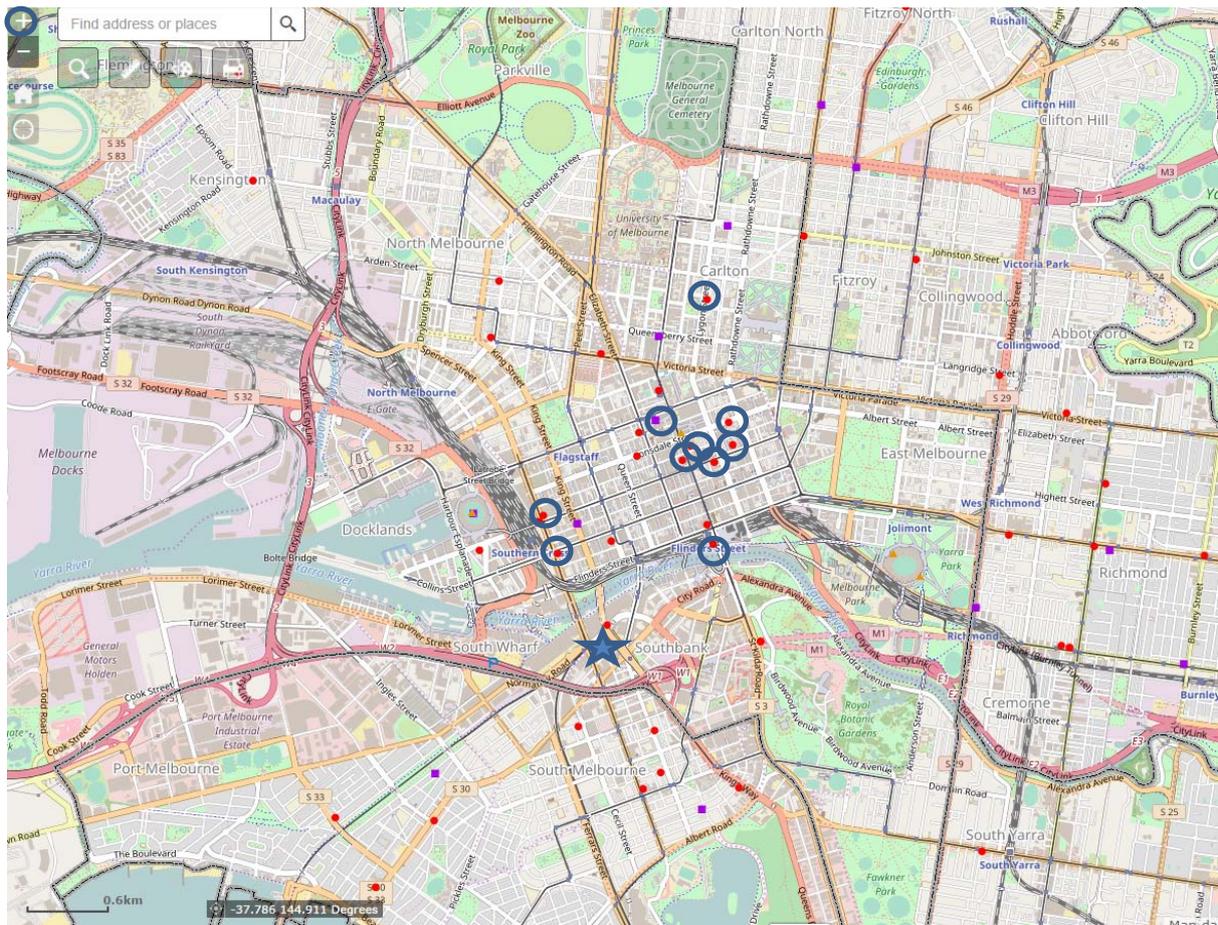


Source: maps.melbourne.vic.gov.au

### 4.3 Keno and wagering venues

A number of existing facilities offering other gambling activities such as Keno and wagering/sports betting are distributed throughout the municipality. Some of these facilities also operate as gaming venues (refer to Figure 12).

Figure 11 – Keno and wagering (sports betting) facilities



Keno only  
Keno and wagering  
Crown Casino  
Source: VCGLR



Wagering only  
Gaming venue



## 5 City of Melbourne Policy and Planning Framework

This Chapter discusses the key features of the strategic and planning framework within which gambling and gaming activities occur in the municipality.

### Key findings

Major urban renewal precincts in the City of Melbourne include Docklands, Fishermans Bend, Arden, Macaulay, E-Gate, Dynon and Flinders Street Station to Richmond corridor. These areas will experience the largest growth in population in the municipality.

The City's strategic planning framework focuses on creating healthy and safe environments and the prevention of harms amongst vulnerable groups.

A large part of the municipality, including the existing and proposed urban renewal areas are covered by the Capital City Zone. Gaming Premises are a Section 2 (permit required) form of Retail Premises use in the Capital City Zone, Commercial 1, Commercial 2, Industrial 1, and Mixed Use Zones. In the residential zones gaming premises are a prohibited use, however a hotel, which may include gaming, and Place of Assembly (club) are permit required uses.

Certain parts of the municipality such as Docklands Stadium, the sports and entertainment and arts precincts, Melbourne Crown Casino and Flemington Racecourse are administered by the Minister for Planning.

Clause 52.28 prohibits the location of EGMs in shopping complexes and strip shopping centres. Some of the municipality's gaming venues, including the gaming venues located in areas classified under Clause 52.28 as strip shopping centres, have existing use rights.

### Implications for the Electronic Gaming Decision-Making Framework and Local Planning Policy for Gaming

The existing Local Planning Policy for Gaming and certain clauses in the Municipal Strategic Statement need to be reviewed to ensure that they address the existing socio-economic, land use and zoning characteristics of the municipality<sup>17</sup>. They also need to include strategies and policies that are applicable to all land use zones, gaming venues with existing use rights and areas within the municipality that are administered by the Minister for Planning.

The schedules to Clause 52.28 Gaming will need to be reviewed to ensure that all existing shopping centres are included.

Although Council has very limited potential to prevent convenience gambling in venues with existing use rights, the actions in the Framework will enhance Council's capacity to prevent and minimise convenience gambling in future planning permit applications to install and use EGMs.

### 5.1 Plan Melbourne

*Plan Melbourne*, which was released in 2014, is currently referenced in the State Planning Policy Framework of the Melbourne Planning Scheme and outlines the vision for Melbourne's growth to the year 2050. It highlights the important role that activity centres play in enhancing the liveability of communities by providing access to transport, services, social infrastructure and employment opportunities.

<sup>17</sup> Relevant decision-making principles that will be incorporated in the revised Local Planning Policy for Gaming are discussed in Section 7.

*Plan Melbourne 2017-2050*, which was released in March 2017, updates *Plan Melbourne*. The vision for Melbourne, as described in *Plan Melbourne* is that ‘Melbourne will continue to be a global city of opportunity and choice’. This revised strategy is also incorporated into the State Planning Policy Framework of the Melbourne Planning Scheme.

The revised *Plan Melbourne* acknowledges that Melbourne Hoddle Grid has the status of the Central City. It also identifies the Carlton-Lygon Street corridor as a major activity centre.

*Plan Melbourne* has also identified Parkville and Fishermans Bend as national employment and innovation clusters and the major urban renewal precincts of Docklands, Fishermans Bend, Arden, Macaulay, E-Gate, Dynon and Flinders Street Station to Richmond corridor.

## 5.2 Council strategic and policy framework

### 5.2.1 Strategies and policies

The following principles and actions incorporated in Council’s strategic and policy framework guide the assessment of planning permit applications and submissions made on applications for gaming licences (refer to Table 3).

**Table 3 – Principles and actions underpinning Council’s strategic and policy framework**

Strategy	Principles and actions
<b>Future Melbourne Plan 2026</b>	<p>Visions include a city that is:</p> <ul style="list-style-type: none"> <li>• A great place to live, work and play at every stage of life</li> <li>• Accessible, safe and clean</li> <li>• Stimulating and safe at all hours of the day</li> </ul>
<b>Council Plan 2017-2021, incorporating the Municipal Public Health and Wellbeing Plan</b>	<p>The vision and goals of this Plan focus on maximising inclusion and safety, addressing homelessness, ensuring Melbourne is a destination of choice for residents, workers and visitors, and providing information and opportunities for people to participate in decision-making.</p> <p>Relevant health and wellbeing priorities include preventing crime, violence and injury, including violence against women and children, providing community and social infrastructure and services to maintain quality of life, and facilitating opportunities for all people to participate in the social, economic and civic life of the city.</p>
<b>Beyond the Safe City Strategy 2014-2017</b>	<p>Harm minimisation approach focuses on reducing the adverse social, economic and health consequences of drug and alcohol use.</p> <p>Prevention approach focuses on tackling risk factors that cause crime, violence and injury.</p> <p>Safer by design principles are to be applied in order to improve perceptions of safety and integrate streets and public places.</p>
<b>Melbourne for All People 2014-2017</b>	<p>Themes include safety, health and wellbeing.</p> <p>There is acknowledgement that competencies developed by young people can have a long lasting positive impact on their fulfilment and wellbeing.</p> <p>Issues include significant socio-economic disadvantage in the City of Melbourne, specifically in parts of North Melbourne and Carlton and violence against women.</p>

<b>International Student Strategy 2013-2017</b>	Identifies that there is a high proportion of students, including international students living in the municipality. Further identifies the vulnerability of students and international students to housing, employment and food insecurity.
<b>Pathways: Homelessness Strategy 2014-2017</b>	Highlights that Melbourne’s role as a capital city results in a high rate of homelessness.
<b>Preventing Violence Against Women Strategy 2013-2016</b>	States the role that the City of Melbourne plays in creating safe public environments and actively preventing violence against women by addressing the underlying determinants.
<b>Retail and Hospitality Strategy 2013-2017</b>	Strategic objectives include business diversity, positioning and activation Pubs, taverns and bars are key to the hospitality sector Describes the population as comprising residents, workers and visitors Identifies Melbourne as an emerging 24 hour city where people come for entertainment, hospitality and socialising Identifies role that hospitality and entertainment sector play in providing employment

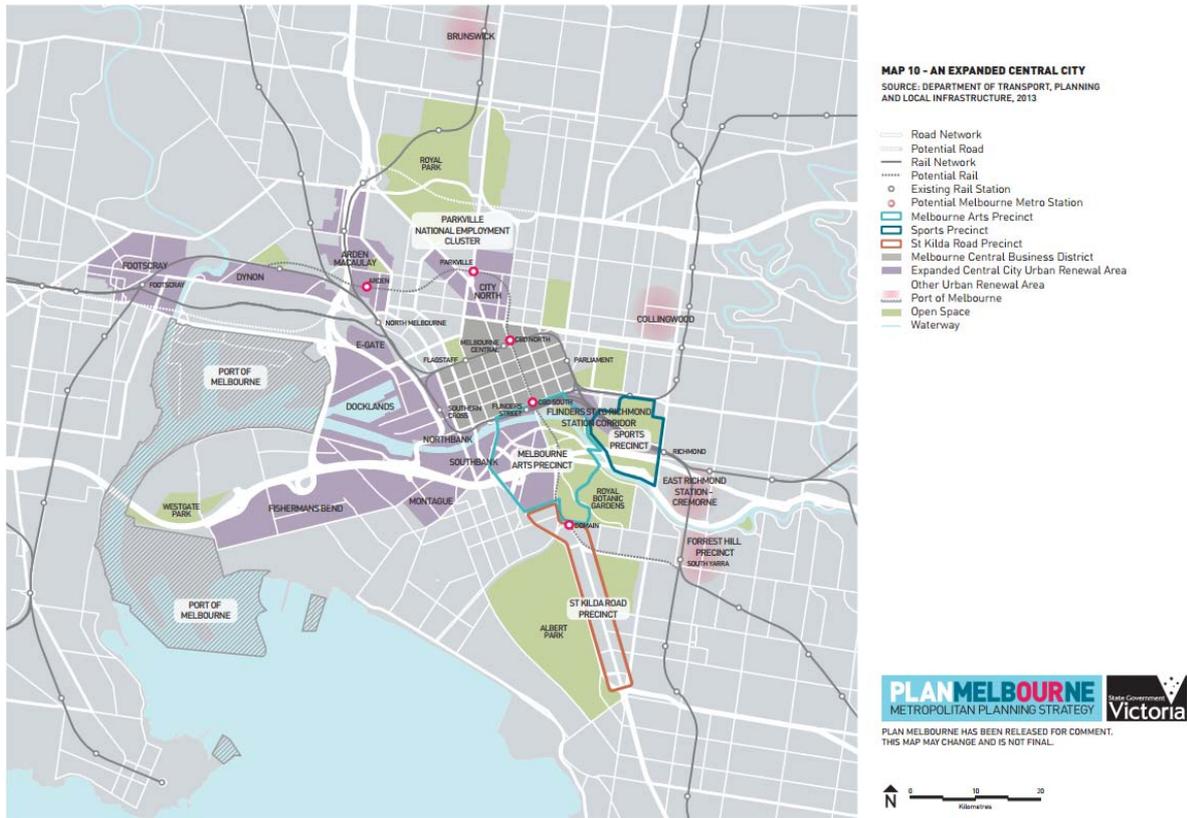
### 5.2.2 Urban renewal areas

The City of Melbourne has identified several urban renewal areas within the municipality. Two of these areas have been rezoned to Capital City Zone (refer to Figure 12). The purpose of the Capital City Zone is to enhance the role of Melbourne’s central city as the capital of Victoria and as an area of national and international importance. City North is the only urban renewal area that currently has a gaming venue.

It is anticipated that these areas will experience a significant growth in population, potentially increasing the demand for opportunities to participate in EGM gambling. Gaming machines are not a prohibited use under this Zone. Capital City Zones are exempt from the Capital City Zone.

These three factors indicate that the revised local planning policy will need to give specific guidance to the potential location of gaming machines in the urban renewal areas.

Figure 12 – Urban renewal areas, City of Melbourne



Source: Plan Melbourne

## 5.3 Melbourne Planning Scheme

### 5.3.1 State Planning Policy Framework

The State Planning Policy Framework does not include any specific reference to gaming. However, the following clauses in the State Planning Policy Framework are of relevance.

Clause 10.02 *Goal* of the State Planning Policy Framework seeks to ensure that the objectives of Planning in Victoria are fostered through appropriate land use and development planning policies and practices which integrate relevant environmental, social and economic factors in the interests of net community benefit and sustainable development.

Clauses 10 *Plan Melbourne*, 10.04 *Integrated decision-making*, 11 *Settlement* and 17 *Economic development* in the State Planning Policy Framework articulate the importance of supporting the creation of socially, economically and environmentally sustainable communities and meeting the community's expectations.

The objective of Clause 11.01-2 *Activity Centre Planning* is to encourage the concentration of major entertainment and cultural developments into activity centres. One of the strategies to enhance accessibility is to encourage services to be available over longer hours.

Clause 17.01-1 *Business* seeks to encourage development that meets the community's needs for retail, entertainment, office and other commercial services and provides net community benefit in relation to accessibility, efficient infrastructure use and the aggregation and sustainability of commercial facilities.

Clause 17.01-2 *Addressing out-of-centre development* discourages the location of large scale entertainment facilities in out-of-centre locations unless they are highly accessible, located on the Principal Public Transport Network, and are associated with net community benefit.

Clause 17.03-2 *Tourism* seeks to maintain and develop Metropolitan Melbourne as a desirable tourist destination and encouraging tourism development in order to achieve the social, economic and cultural benefits of a competitive domestic and international tourist sector. This can be achieved by building upon the assets and qualities of surrounding urban activities and cultural attractions and providing leisure services.

### 5.3.2 Local planning policy framework

#### General

The local planning policy framework consists of the Municipal Strategic Statement and specific local planning policies.

The relevant clauses of the Local Planning Policy Framework are described in Table 4.

**Table 4 – Relevant Clauses of the Melbourne Planning Scheme Local Planning Policy Framework**

<b>Clause</b>	<b>Relevant features</b>
<b>21.02-1 Context and history</b>	Melbourne is the location for the State’s premier cultural infrastructure, with a number of cultural, leisure, entertainment and residential uses operating 24 hours a day, 7 days a week.
<b>Clause 21.02-4 Creative City</b>	Melbourne is a national and international leader in creative endeavours such as music, performing and visual arts, film, television and radio, writing, publishing and print media, design and architecture, software and electronic gaming, web and multimedia development and advertising and marketing.
<b>21.02-5 Prosperous City</b>	Metropolitan Melbourne is a global city.
<b>Clause 21.10-6 Cultural/Arts and Entertainment Facilities</b>	One of the objectives is to provide a diverse range of leisure, arts, cultural and entertainment facilities. Strategies include discouraging the concentration of gaming venues in the Central City, support entertainment attractions in commercial and mixed use zones
<b>Clause 21.12 Hoddle Grid</b>	The clause relating to economic development encourages development and retention of entertainment facilities. The clause relating to the built environment and heritage encourages views into the premises at night
<b>Existing urban renewal areas Clause 21.13-1 Southbank</b>	This clause support arts, entertainment, cultural, educational attractions in Southbank, especially in the Arts Precinct.
<b>21.13-2 Docklands</b>	There is no mention of entertainment in the clauses relating to economic development and infrastructure in this existing urban renewal area.
<b>21.13-3 Fishermans Bend Urban Renewal Area</b>	This existing urban renewal area has been rezoned Capital City Zone.
<b>Future urban renewal areas 21.14-1 City</b>	This clause makes reference to the former Carlton United Brewery site in the future urban renewal area. The Queensberry Hotel, which was the subject of an application for a new gaming premises, is located on this site.

<b>North</b>	
<b>Potential urban renewal areas 21.15-1 Dynon</b>	There is no mention of entertainment in the Dynon potential urban renewal area.
<b>Clause 21.15-2 Flemington and Kensington</b>	There is no mention of entertainment in the Flemington and Kensington potential urban renewal area.
<b>Clause 21.15-3 Sports and entertainment area</b>	This clause identifies the importance of entertainment, recreational, cultural and opportunities and states the intention to continue to provide world class entertainment and leisure facilities.
<b>Clause 21.16-3 Carlton</b>	This clause identifies that Carlton accommodates a range of uses including significant amount of public housing and student accommodation, housing, retailing, entertainment, leisure, culture and provides important tourism. It also notes the intention to provide ongoing support for the tourism, cultural and entertainment role of Lygon Street.
<b>Clause 21.16-4 Parkville</b>	There is no mention of entertainment.
<b>Clause 21.16-5 North and West Melbourne</b>	There is no mention of entertainment.
<b>Clause 21.16-6 Fishermans Bend Industrial Area</b>	This clause notes that the City of Melbourne is not the responsible authority for the Fishermans Bend Employment Area.
<b>Clause 22.01 Urban Design within the capital City Zone 1,2 and 3</b>	Objectives in this clause include avoiding building blank walls, addressing both street frontages on corner sites and the integration of signs with architecture of building.
<b>Clause 22.07 Advertising signs</b>	The objectives of this clause focus on ensuring that advertising signage does not detract from the amenity of the area and contribute to the local character of the streetscape. It provides guidance for the particular precincts and specific zones.
<b>General</b>	There are various references to strip shopping centres such as Wellington Parade, Macaulay Road, St Kilda Road, East Domain Road, Lygon Street (with a gaming venue), Errol and Victoria Streets.

### **Clause 22.12 Gaming premises**

This policy was introduced into the Melbourne Planning Scheme prior to the introduction of Clause 52.28 *Gaming* in the Victoria Planning Provisions in 2006. It applies to applications for gaming premises in the Mixed Use Zone, Public Use Zone, Public Park and Recreational Zone, Commercial Zones, Industrial Zones, Docklands Zone and Schedule 5 to the Capital City Zone. Specific features of this policy are to discourage gaming premises in residential areas and dominant signage and to encourage top ups at existing venues rather than establishing a new venue.

On 19<sup>h</sup> July 2016 the Future Melbourne Committee resolved to endorse the Melbourne City Council Gaming Policy Review. The Gaming Policy Review (2015), prepared by Ratio, recommended that a new local planning policy for gaming be developed that applies to all areas of the municipality including the Capital City Zone (CCZ) and has a significantly stronger focus on the social and economic impact of the location and concentration of any gaming machines venues and location of gaming machines within a venue, by specifically addressing:

- a) *Location*: Establish criteria for where gaming venues should and should not be located having particular regard to vulnerable or disadvantaged groups, areas and/or communities.
- b) *Convenience Gambling*: Consider issues surrounding opportunities for 'convenience gambling'.
- c) *Clustering*: Discourage a concentration / cluster of gaming venues in all areas including the CCZ.
- d) *Venue*: Establish venue operation and layout criteria to ensure that gaming forms a minor component of any new venue and allows for a full range of non-gaming activities on the site.
- e) *New versus existing*: Distinguish between the provision of new gaming venues and machines, and those where a top-up is sought at an existing venue.

### 5.3.3 Land use zones

The City of Melbourne is covered by the following land uses zones (refer to Figure 6)

- Docklands Zones 2-7
- Capital City Zones 1- 5
- Multi-Use Zone
- Industrial Zone 1
- Commercial Zone 1 and 2
- Comprehensive Development Zone 2
- Special Use Zone 3
- General Residential Zone 1 and 2
- Residential Growth Zone 1
- Neighbourhood Residential Zone 1
- Public Park and Recreational Zone
- Public Use Zone 2, 3 and 7

The Headquarters Tavern in Flemington which is Zoned Special Use Zone 1, and Players on Lygon is zoned Commercial 1 Zone. All the gaming venues in the Hoddle Grid are zoned Capital City Zone 1 which does not prohibit gaming venues (refer to Table 5).

Table 5 – Land use zones, gaming venues, City of Melbourne

Number	Venue	Address	Zoning	Venue Type
1	Batman's Hill On Collins	623 Collins Street, Melbourne	Capital City Zone 1	Hotel
2	Bourke Hill's Welcome Stranger	128 Bourke Street, Melbourne	Capital City Zone 2	Hotel
3	Celtic Club	316 - 320 Queen Street, Melbourne	Capital City Zone 1	Club
4	The Clocks At Flinders Street Station	Shop 17, Flinders Street Railway Station, Melbourne	Capital City Zone 1	Club
5	Golden Nugget	117 Lonsdale Street, Melbourne	Capital City Zone 1	Hotel
6	Headquarters Tavern	Epsom Road, Flemington	Special Use Zone 1	Club
7	Mail Exchange Hotel	688 Bourke Street, Melbourne	Capital City Zone 1	Hotel
8	Mercure Grand Hotel On Swanston	195 Swanston Street, Melbourne	Capital City Zone 2	Hotel
10	Players On Lygon	186-200 Lygon Street, Carlton	Commercial Zone 1	Hotel
11	Shanghai Club	242-244 Little Bourke Street, Melbourne	Capital City Zone 2	Hotel
12	The Meeting Place	315-321 Elizabeth Street, Melbourne	Capital City Zone 1	Club

Source: VCGLR and [planning.vic.gov.au](http://planning.vic.gov.au)

Gaming Premises are a Section 2 (permit required) form of Retail Premises use in the Capital City Zone, Commercial 1, Commercial 2, Industrial 1, and Mixed Use Zones. In the residential zones gaming premises are a prohibited use, however a hotel, which may include gaming, and Place of Assembly (club) are permit required uses.

### 5.3.4 Particular Provisions – Clause 52.28

All planning schemes in Victoria contain a standard gaming provision (Clause 52.28), which was introduced by VC39 in 2006. This Clause provides the framework within which the local planning policy framework (MSS and local planning policies) are formulated and implemented across Victorian municipalities.

The purposes of this Clause are:

- To ensure that gaming machines are situated in appropriate locations and premises.
- To ensure the social and economic impacts of the location of gaming machines are considered.
- To prohibit gaming machines in specified shopping complexes and strip shopping centres.

This Clause introduced a prohibition on EGMs in strip shopping centres and shopping complexes. The rationale for prohibiting EGMs in shopping complexes and strip shopping centres is that their convenience in relation to areas where people undertake their day to day activities may result in impulse gaming which, in turn, is a key determinant of gambling-related harm.

Clause 52.28-4 states that strip shopping centres must meet all of the following criteria:

- it is zoned for commercial use

- it consists of at least two separate buildings on at least two separate and adjoining lots
- it is an area in which a significant proportion of the buildings are shops
- it is an area in which a significant proportion of the lots abut a road accessible to the public generally.

However, areas within the Capital City Zone in the Melbourne Planning Scheme are exempt from this Clause. This means that EGMs are not prohibited in areas that would be classified as strip shopping centres.

Clause 52.28-5 *Gaming* outlines the following decision guidelines that provide the framework within which Councils assess planning permits:

- The State Planning Policy Framework and the Local Planning Policy Framework, including the Municipal Strategic Statement and local planning policies.
- The compatibility of the proposal with adjoining and nearby land uses.
- The capability of the site to accommodate the proposal.
- Whether the gaming premises provides a full range of hotel facilities or services to patrons or a full range of club facilities or services to members and patrons.

This Clause does not provide specific guidance in relation to the information that needs to accompany an application to assist Council in assessing whether the proposal is appropriate in terms of its location and premises, or the social and economic impacts associated with the proposal.

In the City of Melbourne, the following existing shopping complexes are included in the current schedules to Clause 52.28-3:

- Australia on Collins, Melbourne 258-274 Collins Street, Melbourne, also described in C/T Vol. 10117 Fol. 813
- The Sportsgirl Centre, Melbourne 234-250 Collins Street, Melbourne, also described in C/T Vol. 9894 Fol. 335
- The Southern Cross, Melbourne 113-149 Exhibition Street, Melbourne, being land on the west side of Exhibition Street, Melbourne between Bourke Street and Little Collins Street
- Melbourne Central Shopping Centre Land between La Trobe Street and Lonsdale Street, Melbourne, also described in C/T Vol. 10038 Fol. 995 and C/T Vol. 10070 Fol. 149
- Southgate Plaza, Southbank Part of the Southgate Complex, Southbank Promenade, Southbank
- Lygon Court Shopping Centre, Carlton 368-386 Lygon Street, Carlton, approximately 30 metres north of Faraday Street

The schedule to Clause 52.28-4 prohibits EGMs in all strip shopping centres.

### **5.3.5 General Provisions**

#### **Clause 61.01 Administration and enforcement of this scheme**

Melbourne City Council is the responsible authority for administering and enforcing the Melbourne Planning Scheme throughout the municipality with the exception of several localities listed in the schedule to Clause 61.10. For these exceptions, Melbourne City Council only has the capacity to object to an application for a planning permit or make a submission in relation to a proposed planning scheme amendment, much like any other third party. However, the provisions of the Melbourne Planning Scheme still apply.

The implication of this Clause is that the City of Melbourne is not the decision-making body for specific parts of the municipality, including those that currently contain gaming venues and those that are likely to be the subject of gaming venues in the future.

The City of Melbourne is not the responsible authority under some instances. The Minister for Planning is the responsible authority for developments within the municipality with a gross floor area exceeding 25,000 square meters and significant entertainment, sporting, arts and housing precincts in the municipality. These include the Melbourne Casino Area, Flemington Racecourse, Southern Cross Station, the sports and entertainment precinct surrounding AAMI Park and Melbourne Park, the Arts Precinct, the Melbourne Convention Centre in Southbank, the Games Village precinct in Parkville, the Carlton Housing Precincts. Two of these precincts, namely the Melbourne Casino Area and Flemington Racecourse have gambling and gaming components respectively. In addition, the Minister for Planning is the responsible authority for the Carlton Brewery Site which was the subject of an application for a new gaming venue.

**Clause 63 *Existing uses***

This Clause allows for existing uses to continue to operate in circumstances where they do not comply with the current provision of the planning scheme. Irrespective of current planning scheme provisions, existing use rights apply to gaming activities provided that, amongst other things, they were lawfully established and the relevant conditions continue to be satisfied.

Golden Nugget and Batman's Hill on Collins venues were established prior to the introduction of Amendment VC39 in 2006.

## 6 Regulatory and legislative framework

Under Victorian legislation, the use of EGMs is a legal activity that is regulated through two statutory instruments, namely the *Planning and Environment Act 1987* and the *Gambling Regulation Act 2003*. This Chapter discusses these two primary statutory instruments, and other legislation that provides the framework within which local governments seek to prevent and address the social and health impacts associated with gambling-related harms.

### Key findings

Two approvals are required to operate of gaming venues in the City of Melbourne including one under the *Gambling Regulation Act 2003* and the second under the *Planning and Environment Act 1987*.

Councils statutory roles in relation to preventing and minimising gambling-related harms include planning and regulation, service delivery, advocacy and collaboration and capacity building.

Council's role under the *Gambling Regulation Act 2003* is to make submissions to the Gaming Commission on applications for gaming approval. Council's role under the *Planning and Environment Act 1987* is to determine the outcome of planning permit applications to install and operate EGMs in gaming venues.

Although there is overlap between the considerations under these two statutory instruments, there are differences. The key differences are:

- The achievement of a positive or neutral impact on the wellbeing of a community is a statutory requirement under the *Gambling Regulation Act 2003* whereas the achievement of net community benefit is a key consideration.
- The *Gambling Regulation Act 2003* focuses on whether the premises are suitable for gaming whereas both the location and the premises are key considerations under the *Planning and Environment Act 1987*.
- The *Gambling Regulation Act 2003* considers the impact on the municipality as a whole whereas the *Planning and Environment Act 1987* considers the impact on a more defined area around the site namely adjoining and nearby land uses.

The Victorian State Government implements several statutory harm minimisation measures that address the design and operation of gaming venues, advertising and marketing, information and awareness of the risks of gambling harms, smoking and access to cash.

### Implications for the Electronic Gaming Decision-Making Framework and Local Planning Policy for Gaming

The Electronic Gaming Decision-Making Framework will need to incorporate strategies and guidance to inform all Council's statutory roles under both the *Gambling Regulation Act 2003* and the *Planning and Environment Act 1987*. It will also need to differentiate between the different roles Council fulfils under the two separate legislative instruments.

The scope of the Local Planning Policy for Gaming is restricted to Council's roles under the *Planning and Environment Act 1987* and the Melbourne Planning Scheme which focus on guiding the appropriate location and operation of EGMs and consideration of the social and economic impacts of EGMs.

## 6.1 Planning and local government legislation

The *Planning and Environment Act 1987* is the key legislative tool involved in assessing planning permit applications for gaming venues.

### 6.1.1 Planning and Environment Act 1987

#### Purpose and objectives

The purpose of the *Planning and Environment Act 1987* is to guide planning for the use, development and protection of land in Victoria. Relevant objectives of planning in Victoria, as described in the *Planning and Environment Act 1987* include:

- (a) to provide for the fair, orderly, economic and sustainable use, and development of land.
- (c) to secure a pleasant, efficient and safe working, living and recreational environment for all Victorians and visitors to Victoria.
- (e) to protect public utilities and other assets and enable the orderly provision and coordination of public utilities and other facilities for the benefit of the community.
- (f) to facilitate development in accordance with the objectives set out in the Act.
- (g) to balance the present and future interests of all Victorians.

#### Matters to be considered by a local authority

Section 60 of the *Planning and Environment Act 1987* outlines a number of matters that a local authority must and may consider before deciding on an application. Matters that must be considered include the relevant planning scheme, the objectives of planning in Victoria, all objections and submissions received, decisions and comments of a referral authority, and any significant effects (including social and economic) that the use or development of land may have on the environment. Amendments to the *Planning and Environment Act, 1987* in 2015 now require Council to have regard to the number of objectors in considering whether the use or development of land may have a significant social effect.

Matters that may be considered by the Council include an approved regional strategy plan (including those adopted by a Minister, government department, public authority or municipal council) and an amendment to a planning scheme that has been adopted by Council but not yet approved by the Minister.

#### Planning schemes

Councils are required to prepare, administer and enforce planning schemes within their jurisdictions. Planning schemes must be prepared in accordance with the *Victoria Planning Provisions*, which set out the format in which strategies, policies and provisions must be prepared, including standard zone and overlay provisions.

Each planning scheme must also contain a Local Planning Policy Framework (LPPF) comprising a municipal strategic statement (MSS) and local planning policies (LPPs). MSSs outline local objectives, strategies, implementation approaches and performance measures. Local planning policies assist in exercising discretion regarding planning permit decisions, but cannot override zones or other regulatory provisions. LPPs must support the SPPF.

All planning schemes in Victoria contain a standard gaming provision (Clause 52.28), which was introduced in 2006. The Clause requires that a planning permit be granted for the installation and use of EGMs in a new venue or to increase the number of machines in an existing venue. Schedules to the Clause allow for local variations to the standard provisions, enabling planning authorities to

prohibit EGMs in specific strip shopping centres or complexes. A default schedule prohibits EGMs in all strip shopping centres where a detailed schedule has not been included in the scheme.

### **6.1.2 Local Government Act 1989**

The *Local Government Act 1989* is the statutory instrument that prescribes Council's role in relation to administering its municipality.

The functions of a Council are defined by the *Local Government Act 1989* as follows:

- (a) advocating and promoting proposals which are in the best interests of the local community.
- (b) planning for and providing services and facilities for the local community.
- (c) providing and maintaining community infrastructure in the municipal district.
- (d) undertaking strategic and land use planning for the municipal district.
- (e) raising revenue to enable the Council to perform its functions.
- (f) making and enforcing local laws.
- (g) exercising, performing and discharging the duties, functions and powers of Councils under this Act and other Acts.
- (h) any other function relating to the peace, order and good government of the municipal district.

### **6.1.3 Public Health and Wellbeing Act 2008**

The purpose of the *Public Health and Wellbeing Act 2008* is to promote and protect public health and wellbeing across Victoria. The functions of Councils, as defined by Section 24 of the *Public Health and Wellbeing Act 2008* include:

- (a) creating an environment which supports the health of members of the local community and strengthens the capacity of the community and individuals to achieve better health.
- (b) initiating, supporting and managing public health planning processes at the local government level.
- (d) ...intervening if the health of people within the municipal district is affected.

One of the principles underpinning this legislation is the precautionary principle, described in Section 6 of the Act. This principle requires that:

*If a public health risk poses a serious threat, lack of full scientific certainty should not be used as a reason for postponing measures to prevent or control the public health risk.*

## **6.2 Gambling legislation**

### **6.2.1 Gambling Regulation Act 2003**

The *Gambling Regulation Act 2003* is the statutory instrument within which applications for gaming venues and licences are assessed.

#### **Objectives**

The *Gambling Regulation Act 2003* is the statutory instrument under which applications for approval of premises as suitable for gaming are considered. The main objectives of the *Gambling Regulation Act 2003* (GRA) are:

- (a) to foster responsible gambling in order to—
  - (i) minimise harm caused by problem gambling.

- (ii) accommodate those who gamble without harming themselves or others.
- (b) to ensure that minors are neither encouraged to gamble nor allowed to do so.
- (c) to ensure that gaming on gaming machines is conducted honestly.
- (d) to ensure that the management of gaming machines and gaming equipment is free from criminal influence and exploitation.
- (e) to ensure that other forms of gambling permitted under this or any other Act are conducted honestly and that their management is free from criminal influence and exploitation.
- (e) to ensure that—
  - (i) community and charitable gaming benefits the community or charitable organisation concerned.
  - (ii) practices that could undermine public confidence in community and charitable gaming are eliminated.
  - (iii) bingo centre operators do not act unfairly in providing commercial services to community or charitable organisations.
- (f) to promote tourism, employment and economic development generally in the State.

### **Matters to be considered**

Section 3.3.7 (1) of the *Gambling Regulation Act 2003* stipulate that the Commission must not grant an application for approval of premises as suitable for gaming unless it is satisfied that:

- (a) The applicant has authority to make the application in respect of the premises.
- (b) The premises are or, on the completion off building works will be, suitable for the management and operation of gaming machines.
- (c) The net economic and social impact of approval will not be detrimental to the well-being of the community of the municipal district in which the premises are located.

In addition, the *Act* requires that the Commission must consider whether the size, layout and facilities of the premises are or will be suitable.

### **Role of the local authority**

Section 3.3.5 of the *Gambling Regulation Act 2003* requires that the Commission notify relevant responsible authorities of an application to establish a gaming venue or amend a venue operator's licence. Section 3.3.6 of the *Act* enables local authorities to make a submission to the Commission that addresses the economic and social impact of the proposal on the wellbeing of the community of the municipal district within which the premises are located. This assessment may take account of the impact of the proposal on surrounding municipal districts.

### **24 hour gaming**

Section 3.3.3 of the *Gambling Regulation Act 2003* permits venue operators in the Melbourne Statistical Division to apply for approval to operate gaming venues 24 hours per day if the liquor licence also permits the sale of alcohol 24 hours per day. Under Section 3.3.4.4 of the *Act* applicant must demonstrate that there is a net social and economic benefit associated with the 24 hour operation.

Under this Act, the local authority does not have the right to submit a social and economic impact assessment if the application does not involve an increase in the number of EGMs.

## 6.2.2 Gambling Regulation Amendment (Pre-commitment) Act 2014

On the 29<sup>th</sup> of October 2013, Victoria introduced the *Gambling Regulation (Pre-commitment) Act 2014*, making it the first Australian jurisdiction to introduce a pre-commitment scheme for EGMs. The Bill requires that all venue operators, including hotels, clubs and Crown Casino, become linked to a state-wide pre-commitment system by the 1<sup>st</sup> December 2015.

The Act provides for a 'double voluntary' pre-commitment scheme, enabling players to voluntarily use the scheme and set a limit on both the amount of money they spend and the length of time they play the EGMs.

Although participation in the pre-commitment scheme by players is voluntary, the pre-commitment system is mandatory and must be installed on all EGMs installed at gaming venues in Victoria<sup>18</sup>.

## 6.2.3 Casino Control Act 1991

Crown Casino is governed by a separate legislative instrument, namely the *Casino Control Act 1991*. Although Crown Casino is required to follow the same standards and requirements as other gaming venues, certain Victorian legislative instruments provide for some exceptions, including:

- Smoking is permitted in certain parts of the Casino, including the gaming room
- It is the only venue that is permitted to operate 24 hours per day
- Larger cash payments are permitted from its machines
- It can offer higher bets per spin on some EGMs than the \$5 limit that applies elsewhere
- It is permitted to operate more EGMs than any other single venue, with other venues in Victoria being capped at 105 EGMs.

The Casino (Management Agreement) Act 1993 between the Commission and Crown Melbourne Limited details Crown Casino's license conditions, including the approval of games and operating practices. Under Section 27.3 of the Agreement, EGMs must be linked with EGMs in other gaming venues such as hotels and clubs in Victoria.

## 6.3 Regulatory environment

### 6.3.1 Industry structure

In August 2012 Victoria went from a duopoly gaming operator model to a venue operator model. The previous duopoly model was held by Tatts Group and Tabcorp, allowing each company to operate 50 per cent of the total number of EGMs in hotels and clubs across Victoria. Venue operators are now directly responsible for the conduct of gaming in their venues. This includes responsibility for acquiring and operating EGMs and paying the monitoring services fee, the supervision charge and EGM taxes.

### 6.3.2 Allocation of EGMs

The total number of gaming machines allowed in Victoria is 30,000. Of these 2,628 are allocated to Crown Casino and the remaining 27,372 are allocated to clubs and hotels.

On 7 July 2017, the Minister for Consumer Affairs, Gaming and Liquor Regulation announced that the number of EGMs operating in hotels and clubs in Victoria will remain capped at 27,372 for the

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<sup>18</sup> There is an outstanding application for 24 hour gaming at this venue, source: VCGLR

<sup>18</sup> Council noted that the venue was located within 500m of the proposal site. A typical walking distance, and therefore catchment threshold, is 400m.

<sup>18</sup> Wyndham Planning Panel Report, Amendment C174

<sup>18</sup> Romsey Hotel Pty Ltd v Victorian Commission for Gambling Regulation (Occupational and Business Regulation) [2007] VCAT 1

<sup>18</sup> Commission decision, Glenroy RSL

<sup>18</sup> Commission decision, Glenroy RSL and Glenroy RSL Sub Branch

next 25 years. As of June 2017 26,365 EGMs were operating in hotels and clubs in Victoria. This is 1,007 EGMs below the cap that was imposed prior to the Minister's announcement in July 2017. As a result, the regulations do not prevent an increase in the number of permissible EGMs across Victoria as long as it does not exceed the cap of 27,372.

Other relevant changes to the gaming machine entitlements system include:

- increasing the maximum number of entitlements held by a club venue operator from 420 to 840 (hotel venue operators may still only operate a total of 420 EGMs across all their venues).
- adjusting the 50:50 rule to facilitate the allocation of unused club entitlements to the hotel sector (previously no more than half of the total number of EGMs may have been placed in either hotels or clubs).

The implications of these changes are:

- the number of EGMs in Victoria may be permitted to increase.
- a single club venue operator may now operate a larger proportion of EGMs across all their venues than hotel operators.
- more than half of the total number of EGMs may be placed in hotels across Victoria.

### **6.3.3 Venue Size**

The maximum number of EGMs permitted in a gaming venue, other than Crown Casino is 105.

### **6.3.4 Smoking**

On October 12, 2004, the Victorian Government introduced total smoking bans in all enclosed areas of licensed hotels, bars and nightclubs. On 1st August 2017 additional smoking bans were imposed in all outdoor dining areas when food is available for consumption. This includes courtyard dining areas and footpath trading areas associated with licensed premises and gaming venues.

## 6.4 Council's roles

Council's roles in managing gambling activities, and addressing gambling-related harms, as defined by *Planning and Environment Act 1987*, the *Local Government Act 1989*, the *Gambling Regulation Act 2003*, and the *Public Health and Wellbeing Act 2008* are illustrated in Figure 13.

Figure 13 - Council's roles in addressing gambling-related harm



## 6.5 Gambling and planning considerations

### 6.5.1 Differences

The application processes and considerations under the *Gambling Regulation Act 2003* and *Planning and Environment Act 1987* are separate and distinct.

These differences are as follows (refer to Table 6):

- The responsible authority, Council or the Minister for Planning for developments over 25,000 square metres, is the decision-maker for planning permit applications while the Commission is the decision-maker for applications for gaming approval. Appeals against the decisions made by both the responsible authority and the Commission are heard by the Tribunal.
- Key considerations under the planning legislation are whether the location and premises are suitable for gaming. This involves assessing whether the area, location and venue are suitable from a land use point of view in the context of surrounding land uses.<sup>19</sup> Gaming legislation on the other hand focuses on whether the premises are suitable for gaming and whether the management and operations of the venue are effective in minimising harm.
- Key considerations under the planning legislation are whether the approval will result in net community benefit while the key consideration under the gambling legislation is whether there will be a net detriment to community wellbeing.
- Under the *Planning and Environment Act 1987*, the achievement of net community benefit is an important consideration.
- Under the *Gambling Regulation Act 2003* the achievement of a neutral or positive social and economic benefit is a statutory requirement. While it is a goal of planning under the State Planning Policy Framework to achieve net community benefit, this is not a statutory requirement as it is under the gaming legislation. As a result, a planning permit application will not automatically fail if it does not achieve net community benefit<sup>20</sup> whereas a gaming approval application will fail if it is found that it will result in net detriment to the community.
- Gaming considers the impact on the municipality as a whole whereas planning considers the impact on a more defined area around the site namely adjoining and nearby land uses.
- The purpose of planning is merely to 'consider' the social and economic impacts of the proposal. The social and economic impacts are the key decision-making criteria under the gaming legislation and are used to determine whether or not the proposal will have a net detriment on the wellbeing of the community. As a result, greater weight is given to the social and economic impacts in applications for gaming approvals under the *Gambling Regulation Act 2003* than planning permits under the *Planning and Environment Act 1987*.

The planning considerations therefore extend beyond those covered by the gambling legislation. These considerations may result in some variation in conditions imposed compared to those applied to address the particular concerns under the *Gambling Regulation Act 2003*.

### 6.5.2 Areas of overlap between gaming and planning considerations

The Tribunal has recognised that although the application regimes under the *Planning and Environment Act 1987* and the *Gambling Regulation Act 2003* are separate and distinct, they are also

<sup>19</sup> Pakenham Racing Club Inc v Cardinia SC [2017] VCAT 72 paragraph 18.

<sup>20</sup> Commission decision, Glenroy RSL and Glenroy RSL Sub Branch Inc v Moreland CC [2017] VCAT 531

linked and overlap (refer to Table 6).<sup>21</sup> The most significant overlap is the assessment of the social and economic impacts of the proposal, particularly on groups at an elevated risk of gambling-related harm.

**Table 6 – Areas of overlap between the different planning and gaming considerations**

<b>Factor</b>	<b>Gaming approvals</b>	<b>Planning permits</b>
<b>Legislative instrument</b>	<i>Gambling Regulation Act 2003</i>	<i>Planning and Environment Act 1987</i>
<b>Social and economic impacts</b>	Key decision-making factor	Only required to consider
<b>Community benefit</b>	Achievement of neutral or positive community benefit a statutory requirement	Net community benefit a material consideration but not a statutory requirement
<b>Community</b>	Considered at a municipal scale	Surrounding uses and communities typically within 400m and patrons within 2.5km
<b>Assessment factors</b>	Suitability of venue, for instance focus on design, operations and harm minimisation	Suitability of location and premises for instance focus on land use
<b>Decision-making authority</b>	Gaming Commission	Responsible authority – either Council or the Minister for Planning
<b>Appeals against decision</b>	Victorian Civil and Administrative Tribunal	Victorian Civil and Administrative Tribunal
<b>Convenience gaming</b>	Not a material consideration	Except in the Capital City Zone, EGMs prohibited in shopping complexes and strip shopping centres Preference for EGMs to be located outside core of activity centres
<b>Suitability of premises for operation and management</b>	Size, layout and facilities Guidelines set out in VCGLR Venue Manual Ministerial guideline outlining preferred location of children's play areas Physical and functional separation of gaming and non-gaming activities and facilities	Gaming area required to be 25per cent or less than total area available to the public Provision of a full range of facilities and services to hotel patrons and club members and patrons are a decision-guideline under Clause 52.28 Physical and functional separation of gaming and non-gaming activities and facilities required
<b>Impacts on amenity of surrounding area</b>	Not relevant	Impact on noise, traffic, car parking, land use mix, streetscape
<b>Venue management considerations</b>	Availability of non-gambling social, leisure, entertainment and recreation facilities	Availability of non-gambling social, leisure, entertainment and recreation facilities
<b>Community views</b>	Objections and submissions taken into account	Number of objections must be considered

<sup>21</sup> Glenroy RSL Sub Branch Inc v Moreland CC [2017] VCAT 531

## 6.6 Harm minimisation

Harm minimisation or reduction has been defined as follows:

“Harm reduction refers to a policy or program directed towards minimizing or decreasing the adverse health, social and economic consequences of gambling behaviour for individuals, families, communities and society. A harm reduction strategy does not require abstention from gambling”.<sup>22</sup>

The Federal Government, and State Government of Victoria have introduced several statutory harm minimisation measures and guidelines that seek to reduce the harm resulting from gambling. These measures relate to all forms of gambling that take place in the municipality, including EGMs.

### 6.6.1 Federal Government

Online gambling is the fastest growing gambling segment in Australia<sup>23</sup>, including among children and young people.<sup>24</sup> Research has found that early exposure to all forms of gambling, including EGMs, and gambling advertising are risk factor for developing problems with gambling.<sup>25</sup>

In April 2017 the Australian government reached an in-principle agreement with state and territory gambling ministers to introduce reforms to provide stronger consumer protections for online gambling. These measures are to be included in the National Consumer Protection Framework, which will apply broadly across all forms of online and telephone wagering services.<sup>26</sup>

The measures include:

- a national self-exclusion register for online wagering
- a voluntary opt-out pre-commitment scheme for online wagering
- prohibiting credit being offered by online wagering providers
- ensuring the offer of inducements is consistent with responsible gambling
- providing activity statements on demand on a regular basis
- more consistent responsible gambling messaging
- staff involved in providing wagering services to complete training in the responsible conduct of gambling
- reducing the current 90-day verification time frame for customer verification
- prohibiting links between online wagering providers and payday lenders
- greater national consistency in advertising of online wagering services.

In May 2017 the Federal Government announced that it will introduce legislation that includes further restrictions on gambling advertising and promotions during live sports programs to reduce the exposure of children to gambling. The new restrictions will prohibit all gambling promotions from five minutes before the scheduled start of play in all live sports broadcasts to five minutes after the conclusion of play or to 8:30 pm. The restrictions will also apply to commercial television, commercial radio, subscription television, the Special Broadcasting Service, online services, including ‘catch up’ services, and live online streaming that are aimed at Australian audiences.

<sup>22</sup> Canadian Public Health Association (2000) in

<https://www.adelaide.edu.au/saces/docs/problemgamblingandharmtowardnationaldefinition.pdf>

<sup>23</sup> <https://www.dss.gov.au/communities-and-vulnerable-people/programmes-services/gambling>

<sup>24</sup> <https://www.responsiblegambling.vic.gov.au/getting-help/understanding-gambling/types-of-gambling/online-and-social-media>

<sup>25</sup> <https://www.responsiblegambling.vic.gov.au/getting-help/understanding-gambling/types-of-gambling/online-and-social-media>

<sup>26</sup> <https://www.mhs.gov.au/media-releases/2017-04-28-ministers-agree-tackle-major-online-gambling-reform>

These changes respond to concern that exposing children to gambling advertising (such as sports betting) could position gambling as a normal part of the sports viewing experience.<sup>27</sup>

## 6.6.2 Victorian State Government

### Legislation

The main objectives of the *Gambling Regulation Act 2003* are to foster responsible gambling in order to minimise harm caused by problem gambling and accommodate those who gamble without experiencing or causing harm.

The following statutory harm minimisation measures are applicable to hotels and club gaming venues across all municipalities in Victoria:

- **Municipal and regional caps:** As discussed in Section 4.1.1, the Victorian Government has imposed municipal and regional caps on local government areas in Victoria in order to manage the density of EGMs per 1,000 adults.
- **Community Support Fund:** The Community Support Fund (CSF) receives 8.33% of the gaming revenue from EGMs in hotels. It does not receive revenue from EGMs located in clubs or in the casino. Initiatives funded by the CSF include those that address problem gambling, drug education, treatment and rehabilitation, financial counselling, youth programs, sports and recreation, arts and tourism.
- **Responsible Service of Gambling:** All gaming venue employees working in gaming machine areas while open to the public must complete an approved Responsible Service of Gaming training course within the first six months of starting working the gaming machine area.
- **Responsible Gambling Code of Conduct:** Section 3.4.12B of the *Gambling Regulation Act 2003* requires that all venues have a Responsible Gambling Code of Conduct in place. There are a number of approved Codes available on the VCGLR website prepared by various authorised agencies and organisations.
- **YourPlay Self-exclusion program:** Section 3.4.12A of the *Gambling Regulation Act 2003* make it compulsory for all venues to have a self-exclusion program in place. This program enables a person to ban themselves from gaming venues, TABs and gambling websites.
- **Opening hours:** Section 3.3.9. of the *Gambling Regulation Act 2003* allows opening hours to a maximum of 20 hours each day and requires that there is a continuous 4 hour break from gaming after every 20 hours of gaming. However, the *Act* makes provision for exemptions to this requirement, enabling gaming venues to operate for 24 hours a day.
- **Signage and advertising:** Signage identifying that a venue operates EGM measuring 2m<sup>2</sup> is permitted on the facades of hotels and clubs. These signs must be in white lettering on a single colour background with no decorative ridges or illumination.
- **Ban on smoking in licensed premises:** On the 1<sup>st</sup> of September 2002 smoking was prohibited in gaming areas and premises in Victoria<sup>28</sup>.
- **Removal of ATM's:** Venues may not provide, or allow another person to provide, access to ATMs within an approved gaming venue, the exterior walls of an approved gaming venue, any land that is owned or leased by the gaming venue operator in which the gaming venue is

<sup>27</sup> <https://www.communications.gov.au/what-we-do/television/broadcast-and-content-reform-package>

b, 2016

<sup>28</sup> Commission Decision, Doga Club, 2016, Mt Alexander Shire Council v Victorian Commission for Gambling and Liquor Regulation Ltd (Red Dot) [2013] VCAT 10 1and Commission Decis

located and on any car park owned or operated by the venue operator that is used primarily by the gaming venue patrons.

- **EFTPOS withdrawals:** Cash withdrawals of \$200 per transaction are permitted at gaming venues where there is face to face interaction with staff, as occurs through traditional EFTPOS facilities<sup>29</sup>. Reforms announced in September 2017 restrict cash withdrawals at gaming venues in Victoria to a maximum of \$500 within a 24-hour period. Cashing of cheques at venues will also no longer be permitted.
- **Cashless gaming:** The Gambling Regulation Amendment (Gaming Machine Arrangements) Bill 2017 addressed the emergence of cashless gaming by banning the purchase of cashless gaming tickets or credits with a credit card and banning any encouragement of players receiving winnings in the form of cashless gaming tickets or credits. New limits on the amount that can be loaded onto a card or ticket for gaming have also been introduced.

The implementation and regulation of these statutory harm minimisation measures are under the jurisdiction of the gaming legislation. Even though there is no prohibition to including them in a local planning policy for gaming, they are deemed to be beyond the scope of planning and are therefore not typically included.

### VCGLR Guidelines

The VCGLR Venue Manual provides the necessary information to assist gaming venue operators to meet their regulatory and compliance obligations. The Manual covers a range of matters including gaming machine area (size, layout and facilities), gaming hours, patron interaction and support, display of notices, signs and rules and advertising of gaming products.

In October 2013 the Minister issued guidelines relating to the location of children's play areas in gaming venues. These guidelines seek to minimise exposure of the gaming area to children in play areas by maximising distance, restricting access, and minimising the visibility and audibility of the gaming area. These guidelines align with the general prohibition of gambling and gaming among minors.

In February 2017 the Minister issued guidelines stating that the Commission should not approve gaming machines in buildings with permanent residential accommodation as this could increase exposure to gaming for residents, children and people at risk of gambling-related harms. These guidelines are based on research which indicates that frequent exposure to gambling can lead to gambling-related harms and that easy access to a gaming venue is a potential risk factor for people experiencing gambling-related harms who are in treatment.<sup>30</sup>

These guidelines are under the jurisdiction of the gaming legislation. However, it is common for local planning policies for electronic gaming to require applicants to demonstrate how they comply with these guidelines as part of the overall assessment of the planning permit application.

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ion, Coach and Horses, 2013

<sup>29</sup> Glenroy RSL Sub Branch Inc v Moreland CC [2017] VCAT 531

<sup>29</sup> Glenroy RSL Sub Branch Inc v Moreland CC [2017] VCAT 531

<sup>29</sup> Glenroy RSL Sub Branch Inc v Moreland CC [2017] VCAT 531

<sup>29</sup> Commission Decision, Commercial Hotel

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mmission Decision, Commercial Hotel

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## 7 Relevant gaming and planning decisions

This Chapter provides a history of relevant decisions on gaming approvals and planning permits in the City of Melbourne. It also summarises the key principles underpinning decisions made by the Commission and the Tribunal on gaming approvals and planning permit applications. These principles will be used to prepare the Decision-Making Framework and the Local Planning Policy for Gaming.

### Key findings

Key principles arising out of decisions on gaming and planning permit applications in the City of Melbourne and other Victorian municipalities are:

- Council must adopt a balanced approach to the management of EGMs in the municipality.
- The community of the City of Melbourne includes workers, visitors and students in addition to local residents.
- EGMs are associated with both social and economic harms and benefits. Benefits include community contributions, employment generation and provision of entertainment facilities. Gambling related harms affect both the individual and the community.
- Risk factors associated with gambling harm include clustering or concentration of gaming venues and EGMs, proximity to groups considered to be at an elevated risk of gambling harms such as people experiencing socio-economic disadvantage, potential for the gaming venue to contribute to convenience gambling and proximity to facilities and services likely to be used by people experiencing gambling-related harms.
- Factors that can reduce the risk and achieve net community benefit include enhancements to the design and operation of the gaming venue, transfer of EGMs and EGM expenditure away from areas of high socio-economic disadvantage, provision of cash and in-kind community contributions, employment generation and an increase in the range of non-gambling social and entertainment facilities and activities.

### Implications for the Electronic Gaming Decision-Making Framework and Local Planning Policy for Gaming

The Electronic Gaming Decision-Making Framework will need to support Council's roles in assessing the potential benefits and harms associated with EGMs.

The Local Planning Policy for Gaming will need to guide Council in identifying suitable locations for gaming venues and EGMs in order to ensure that the proposal does not elevate the risk of gambling harms among vulnerable groups. It will also need to include guidelines on how to assess the potential for the proposal to result in net community benefit.

## 7.1 City of Melbourne

Table 7 provides a summary of the applications relating to gaming venues in the City of Melbourne from 2001. The details regarding the most relevant decisions are included in Appendix 2.

**Table 7 – Timeline of gaming venue applications from 2001, City of Melbourne**

Venue and date	Nature of application	Comments
<b>Golden Nugget Hotel 2001</b>	Application to operate 24 hours per day in an existing gaming venue with 60 EGMs	Application refused by the Commission as the venue was not considered a tourist venue. <sup>31</sup>
<b>Docklands Stadium 2003</b>	Relocation of existing venue in North Melbourne Football Club to Docklands Stadium to operate 50 EGMs, involved transfer of existing EGMs	Council supported the application in principle. The Grounds for Commission's support were that the Docklands area is a designated sporting, entertainment and tourist location with upmarket residential development, in contrast to the industrial/residential area from which the relocation is being made and that the proposal would not involve a net increase in the number of EGMs in the municipality. However, the Commission found that it did not have jurisdiction to approve the application as Docklands by definition is not a municipal district, and the Commission only has jurisdiction to approve an application that is located in a municipal district.
<b>Batman's Hill on Collins 2005</b>	New gaming venue 22 EGMs relocated from an existing gaming premises at the Menzies Tavern at 500 Collins Street	Approved by Commission due to the potential to attract international tourists/visitors, conference attendees, local residents from Docklands, employees in close proximity to the venue and in the Hoddle Grid, and visitors to events at Docklands Studio. Future patronage was anticipated from new facilities, Southern Cross Station and Exhibition Centre.
<b>Victoria Hotel 2007</b>	New gaming venue with 30 EGMs	Council objected. Refused by commission due to concern with cluster of five gaming venues within 400m
<b>Mail Exchange Hotel Heritage listed 2009</b>	New gaming venue with 80 EGMs	Council did not oppose the application on the grounds of the venue's proximity to public transport, potential to attract a diverse patron profile, and reduction in both the number of gaming venues and EGMs in the municipality. The application was approved by the Commission.
<b>Queensberry Hotel Heritage Listed 2011</b>	New gaming venue with 30 EGMs to be transferred from an existing venue	Council opposed application on grounds of proximity to public and student housing and student accommodation, and potential to contribute to convenience gambling. Approved by Commission but planning permit refused by Tribunal
<b>Exchange Hotel 2012</b>	New gaming venue with 54 EGMs	Council objected to proposal based on proximity to education uses. Approved by Commission but refused by Tribunal
<b>Francis Hotel</b>	New gaming venue	Council objected to the application as it would result in an

<sup>31</sup> There is an outstanding application for 24 hour gaming at this venue, source: VCGLR

<b>2012</b>	with 32 EGMs	increase in both the number of EGMs and gaming venues in the municipality. The application was approved by the Commission but refused by the Tribunal.
<b>The Meeting Place, 2016</b>	Increase of 20 EGMs in an existing venue operated by The Doxa Club Inc.	Council objected to the application due to its potential to contribute to convenience gambling, the socio-economic profile of the venue's patrons displayed vulnerability to gambling-related harms, and the inadequacy of the proposed community contributions.  The Commission approved the application on the basis that the design and improvements would reduce the proportion of the venue set aside for gambling. It imposed conditions relating to the allocation of community contributions to homelessness services and the removal of the Keno facility.

## 7.2 Key principles from gaming and planning decisions

The following principles have emerged from decisions made by Planning Panels Victoria, the Tribunal and the Commission for decisions across Victoria, including the City of Melbourne.

### Position on gaming

Gambling is a legitimate form of recreation and that there can be benefits to the community<sup>32</sup>

### Council's role

Councils have important functions relating to the health and wellbeing under the *Local Government Act 1989* and the *Public Health and Wellbeing Act 2008*. These functions give councils the foundation on which to make informed decisions about the economic and social impact of EGMs on the wellbeing of local communities.<sup>33</sup>

### Status of local planning policy

A local planning policy is not a requirement and must be applied flexibly having regard to the policy context as a whole and to the circumstances of a particular case. An unsatisfactory response to certain aspects of the local planning policy does not mean that the application should be refused.<sup>34</sup>

### Caps on EGM numbers

The imposition of municipal and regional caps on the maximum number of EGMs permissible in a local government area is the State Government's response to a concentration of gaming venues<sup>35</sup>. The absence of either a municipal or regional cap in the Melbourne Hoddle Grid has been deemed to be based on the State's opinion that the area is not vulnerable to problem gambling.<sup>36</sup>

<sup>32</sup> Wyndham Planning Panel Report, Amendment C174:

<sup>33</sup> *Romsey Hotel Pty Ltd v Victorian Commission for Gambling Regulation (Occupational and Business Regulation)* [2007] VCAT 1

<sup>34</sup> Commission decision, Glenroy RSL

<sup>35</sup> Commission Decision, Glenroy RSL 2016

<sup>36</sup> Commission Decision, *Victoria Hotel and Queensberry Hotel Pty Ltd v Minister for Planning and Community Development* [2013] VCAT 444)

## Community

Typically the community is considered to be the municipality for a gaming application. However, adjoining municipalities may also be taken into account<sup>37</sup> if the venue is in close proximity to the municipal boundary and if they have made submissions in relation to the application.<sup>38</sup>

## Economic impacts

Economic benefits include expenditure on renovations and associated supply contracts, employment generation, complementary expenditures (increased economic activity) and expenditure not associated with gambling-related harms. These are only considered benefits if they occur within the municipality.<sup>39</sup>

The most significant economic harm is expenditure associated with problem gambling.

## Protective factors

The following protective factors have been noted:

- preference for the increase in the number of EGMs in existing venues, often referred to as ‘top ups’ over the establishment of a new venue<sup>40</sup>
- the level of socio-economic disadvantage may reduce in areas undergoing urban renewal<sup>41</sup>
- operation of venue as a club rather than a hotel as clubs require members to sign in and, in some circumstances, offer a wider range of non-gambling activities<sup>42</sup>
- lower levels of socio-economic disadvantage<sup>43</sup> and
- anticipated growth in population which is associated with a reduction in the density of EGMs per 1,000 adults<sup>44</sup>

## Factors associated with net community benefit

The following factors can contribute to the potential for an application to achieve net community benefit:

- transfer of EGMs and revenue from areas of high to low disadvantage<sup>45</sup>
- renovations and provision of additional or different non-gambling facilities and activities facilities<sup>46</sup>
- reduction in trading hours<sup>47</sup>
- non-statutory community contribution allocated to problem gambling services<sup>48</sup> and
- screening between gaming and non-gaming floor areas.<sup>49</sup>

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<sup>37</sup> Commission Decision Braybrook Hotel

<sup>38</sup> Darebin CC v Victorian Commission for Gambling and Liquor Regulation & Anor

<sup>39</sup> Commission Decision Noble Park Football Club 2017

<sup>40</sup> Glenroy RSL Sub Branch Inc v Moreland CC [2017] VCAT 531

<sup>41</sup> Glenroy RSL Sub Branch Inc v Moreland CC [2017] VCAT 531

<sup>42</sup> Glenroy RSL Sub Branch Inc v Moreland CC [2017] VCAT 531

<sup>43</sup> Commission Decision, Commercial Hotel

<sup>44</sup> Commission Decision, Commercial Hotel

<sup>45</sup> Commission Decision, Commercial Hotel

<sup>46</sup> Commission Decision, Commercial Hotel

<sup>47</sup> Commission Decision, Braybrook Hotel, Commission Decision, Commercial Hotel

<sup>48</sup> Commission Decision, Braybrook Hotel

<sup>49</sup> Glenroy RSL Sub Branch Inc v Moreland CC [2017] VCAT 531

### **Social impacts**

Social benefits include opportunities to gamble for those who do not experience harms, community contributions if they are directed to services that address disadvantage and vulnerability to gambling-related harms<sup>50</sup> and improvements and diversification of non-gambling activities. These outcomes are only of benefit if they are achieved within the municipality.<sup>51</sup>

### **Sensitive uses**

There must be an established link between the use and people vulnerable to gambling-related harms.<sup>52</sup>

### **Clustering**

A cluster of gaming venues exists when there are three or more gaming venues within 400m. The concept has a number of dimensions such as the ease of movement of problem gamblers between venues and the potential for the use to become dominant with effects on the character and function of the area.<sup>53</sup> Clustering of gaming venues is therefore discouraged as it could contribute to convenience gambling.

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<sup>50</sup> Commission Decision, Doxa Club, 2016

<sup>51</sup> Commission Decision, Doxa Club, 2016, Mt Alexander Shire Council v Victorian Commission for Gambling and Liquor Regulation Ltd (Red Dot) [2013] VCAT 10 1and Commission Decision, Coach and Horses, 2013

<sup>52</sup> Darebin CC v Victorian Commission for Gambling and Liquor Regulation & Anor

<sup>53</sup> Planning Panels Victoria, Wyndham Planning Panel Report, Amendment C174:

## 8 Framework for assessment of socio-economic impacts of gambling harm

This Chapter provides the evidence base that will underpin the City of Melbourne Electronic Gaming Machine Decision-Making Framework and Local Planning Policy for Gaming. It draws on research into gambling participation and behaviours, factors that increase the risk of gambling-related harms for individuals and communities and the social and economic impacts of gambling-related harms.

### Key findings

In recent years there has been a reduction in participation in EGM gambling and an increase in participation of online gambling.

The gambling participation rate among adolescents and young people aged 10-24 in Australia is significantly higher than all adults. EGMs are the most popular form of gambling among people aged 18-24 years.

The main risk factors for gambling harms are convenience gambling, high density and EGM expenditure, longer operating hours, exposure to gambling activities in the venue, compromised mental and physical health and wellbeing, and socio-economic profile.

At a municipal level, the City of Melbourne/Greater Melbourne area would not be considered at an elevated risk of gambling-related harms due to the overall level of socio-economic disadvantage and other features relating to occupation, and volunteerism.

However, there are certain features of the population of the City of Melbourne that increase the risks of gambling-related harms. These include households with rental stress, median annual household income, proportion of lone and group households, students and proportion of young people aged 15-24 years, and proportion of people with Chinese ancestry. The central, southern and northern areas including Melbourne, Southbank, Carlton, North Melbourne and Parkville display the most indicators of gambling related harms. These areas contain ten of the 11 EGM venues and Crown Casino.

### Implications for the Electronic Gaming Decision-Making Framework and Local Planning Policy for Gaming

The Local Planning Policy for Gaming will need to incorporate specific guidance on measures to prevent convenience gambling, particularly amongst groups that are at an elevated risk of gambling-related harms. This includes updating the list of shopping complexes for inclusion in Clause 52.28-3 Gaming and policies that are relevant to all land use zones, including the Capital City Zone.

The Local Planning Policy for Gaming and amendments to the Municipal Strategic Statement will also need to include strategies to reduce the concentration and density of EGMs and gaming venues in the Hoddle Grid.

## 8.1 Participation in gambling activities

A study of gambling behaviours among Victorians in 2014 found the following<sup>54</sup>:

- The three highest participation gambling activities were lotto, Powerball or the Pools, raffles, sweeps and other competitions and race betting.
- Males were more likely than females to participate in many gambling activities including informal private betting, casino table games, sports betting and Keno
- Between 2008 and 2014:
  - Participation in table games remained the same.
  - There was a decrease in participation in EGMs, scratch ticket and phone or SMS competitions.
  - There was an increase in betting or racing and sports and event betting participation.
- The growth in sports and event betting participation in Victoria is likely to be primarily driven by increased participation by males, while the growth in race betting is likely to have been driven by increased female participation.
- The main reasons people in Victoria gamble are for social reasons, to win money and for general entertainment.<sup>55</sup> The most common reasons that young people participate in gambling are similar to adults, for example for enjoyment and to win money,<sup>56</sup> and the majority (56%) of young people are classified as social gamblers<sup>57</sup>. However, young people were less likely to gamble as a result of loneliness than other adults.

In Victoria:

- EGMs are the most popular form of gambling amongst people aged 18-24 years and 50-64 years.
- Young people aged 18-24 years are more likely to participate in EGMs, table games and sports betting compared to all adults (refer to Table 8).
- Older people aged 65+ are less likely participate in table games, race betting and sports betting, compared to all adults (refer to Table 8).
- Males are significantly more likely to participate in the following gambling activities, compared to females):
  - EGMs (23.0% versus 20.0%)
  - table games (7.4% versus 1.9%)
  - race betting (21.0% versus 12.0%)
  - sports betting (6.5% versus 1.5%).

<sup>54</sup> Commission Decision, Braybrook Hotel, Commission Decision, Commercial Hotel

<sup>55</sup> Commission Decision, Braybrook Hotel

<sup>56</sup> Glenroy RSL Sub Branch Inc v Moreland CC [2017] VCAT 531

<sup>57</sup> Darebin CC v Victorian Commission for Gambling and Liquor Regulation & Anor

<sup>58</sup> Purdie, N. et al 2011 *Gambling and Young People in Australia* Australian Council for Educational Research

<sup>59</sup> Purdie, N. et al 2011 *Gambling and Young People in Australia* Australian Council for Educational Research

**Table 8 – Participation in gambling activities in Victoria in the past year, age comparisons with all Victorian adults**

Gambling activity	Age group (years)				
	18–24 (%)	25–34 (%)	35–49 (%)	50–64 (%)	≥65 (%)
EGMs	Higher (27.0)	Lower (18.0)	Lower (17.0)	Higher (25.0)	NS (24.0)
Table games	Higher (13.0)	Higher (7.3)	NS (3.9)	Lower (1.6)	Lower (0.6)
Race betting	NS (16.0)	Higher (21.0)	Higher (19.0)	NS (15.0)	Lower (10.0)
Sports betting	Higher (6.8)	Higher (6.7)	NS (4.9)	Lower (1.5)	Lower (0.6)

Source: Billi, R., Stone, C.A., Marden, P., Yeung, K., (2014).

The following changes in the use of gaming machines in Victoria have occurred between 2008 and 2014<sup>58</sup>:

- Overall participation decreased by 6.24% from 21.46% to 15.22%. However, there has been a significant increase in the use of EGMs by moderate risk and problem gamblers (increased from 22.73 times to 86.24 times per annum and 56.37 times to 87.61 times per annum respectively).
- The participation rate among males was 17.22% and females was 16.28%.
- There was a larger decrease among males than females.
- There has been an increase in the use of EGMs in hotels.
- EGMs and race betting are the highest spend activities for problem gamblers.
- There has been an increase in the intensity of ‘play’ on EGMs by problem gamblers.
- In 2014 pubs or hotels were the most common location for the use of EGMs by all gamblers (including non-problem gamblers, low risk and moderate risk gamblers and problem gamblers) with 60.63% of EGM users visiting hotels and 43.69% visiting clubs. However, the top locations or problem gamblers who used EGMs in the previous 12 months were pubs (86.53%), clubs (64.68%) and the casino (44.30%).<sup>59</sup>

The gambling participation rate among adolescents and young people aged 10-24 in Australia is significantly higher than all adults with 85% of people in this age group reported having participated in some form of gambling in the previous 12 months.<sup>60</sup> The common reasons that young people participate in gambling are similar to adults for instance for enjoyment and to win money,<sup>61</sup> and the majority (56%) of young people are classified as social gamblers<sup>62</sup>. However, young people were less likely to gamble as a result of loneliness than all adults.

There is some evidence to suggest that gambling-related harm is more common among people who gamble online,<sup>63</sup> particularly young people. This is due to a number of factors, including the high rate of internet use among young people (including on smart devices), targeted advertising to young people on social media and difficulties associated with regulating access to internet sites among underage gamblers.<sup>64</sup> Online gambling is particularly risky for all age groups as there are no

<sup>58</sup> Victorian Responsible Gambling Foundation (2015) *Study of Gambling and Health in Victoria. Findings from the Victorian Prevalence Study 2014*

<sup>59</sup> Victorian Responsible Gambling Foundation (2015) *Study of Gambling and Health in Victoria. Findings from the Victorian Prevalence Study 2014*

<sup>60</sup> Purdie, N. et al 2011 *Gambling and Young People in Australia* Australian Council for Educational Research

<sup>61</sup> Purdie, N. et al 2011 *Gambling and Young People in Australia* Australian Council for Educational Research

<sup>62</sup> Purdie, N. et al 2011 *Gambling and Young People in Australia* Australian Council for Educational Research

<sup>63</sup> Gainsbury, S., Russell, A., Blaszczynski, A., & Hing, N. (published online March 7 2015). Greater involvement and diversity of Internet gambling as a risk factor for problem gambling. *European Journal of Public Health*. DOI: 10.1093/eurpub/ckv006

<sup>64</sup> *The Responsible Gambling Guide* 2012 Victorian Responsible Gambling Foundation

shutdown periods, increased risk of losing track of time and money, online gamblers tend to gamble alone reducing the capacity for moderated behaviours and the speed of online gambling is much faster.<sup>65</sup>

Videogames are a very popular form of entertainment among young males. Recent research suggests that more than 20% of young people who have an interest in videogames with gambling-like features also have a preoccupation with gambling or intend to gamble in the future.<sup>66</sup>

## 8.2 Prevalence of problem gambling

The Productivity Commission has estimated that between 1.9% and 3.1% of the population experience moderate or high risks of gambling-related harm. In Victoria, these estimates are between 0.7% and 3.1%.<sup>67</sup>

A study in Victoria found that 0.81% of Victorian adults were classified as problem gamblers, with a further 2.79% being classified as moderate risk gamblers.<sup>68</sup> This study also found that 41.59% of problem gamblers, 3.13% of moderate risk gamblers and 0.46% of low risk gamblers reported experiencing problems because of their own gambling.

The North-West Metro region, which includes the City of Melbourne and its adjoining municipalities of Maribyrnong, Moonee Valley and Hobsons Bay to the north and west, have been included in the high EGM expenditure band. The research found that the risk of gambling-related harm was significantly higher in the high EGM expenditure band compared to the lower EGM spend band regions.<sup>69</sup>

## 8.3 Determinants of gambling-related harm

### 8.3.1 EGM gambling

EGMs are one of the most important sources of enjoyment for gamblers. However, they also pose the greatest risks to existing and potential problem gamblers.<sup>70</sup>

The following specific factors are of relevance in relation to EGMs and gambling-related harm:

- EGMs account for around 80% of presentations to counselling agencies<sup>71</sup>
- Participation in EGMs continued to be the highest reported gambling spend for problem gamblers and was ranked second in gambling activity (66.6%) after lotteries (67.4%) and before race betting (52.5%)<sup>72</sup>
- Three quarters of problem gamblers have problems with EGMs, with the proportion being up to nine in ten cases of gambling-related harm among women<sup>73</sup>
- One in six people who use EGMs regularly has a serious addiction<sup>74</sup>
- For each additional EGM introduced into an area, there will be an increase of between 0.6 and 1 problem gamblers, with an average of 0.8 problem gamblers per EGM<sup>75</sup>

<sup>65</sup> *The Responsible Gambling Guide* 2012 Victorian Responsible Gambling Foundation

<sup>66</sup> Australian Clearing House for Youth Studies

<sup>67</sup> State Government of Victoria (2009) A study of gambling in Victoria.

<sup>68</sup> VRGF (2014) *Study of gambling and health in Victoria*

<sup>69</sup> State Government of Victoria (2009) A study of gambling in Victoria.

<sup>70</sup> Australian Government Productivity Commission (2010) p5.22

<sup>71</sup> Australian Government Productivity Commission (2010) p5.26

<sup>72</sup> Hare, S. (2015) *Study of gambling and health in Victoria* Victoria Responsible Gambling Foundation and Victorian Department of Justice and Regulation, Melbourne

<sup>73</sup> <http://www.problemgambling.gov.au/facts/>

<sup>74</sup> <http://www.problemgambling.gov.au/facts/>

<sup>75</sup> Storer, J, Abbot, M and Stubbs, J (2009) 'Access or adaptation? A meta-analysis of surveys of problem gambling prevalence in Australian and New Zealand with respect to concentration of electronic gaming machines' *International Gambling Studies* Volume. 9, No. 3, December 2009, p238

- 15% of those gambling weekly or more experience moderate risks of gambling-related harm and a further 15% are considered to be problem gamblers<sup>76</sup>
- Problem gamblers using EGMs lose on average around \$21,000 per annum, which is equivalent to one third of the average Australian salary.<sup>77</sup>

The reasons for the high incidence of gambling-related harm amongst gamblers using EGMs are:

- EGM gamblers, relative to all other types of gamblers, are most prone to disassociation, have the highest tendency to play in a trance (76.9%), lose track of time (71.1%), lose track of reality (76.9%) and feel someone else is controlling their actions (81.7%)<sup>78</sup>
- Most gamblers, even the average recreational gambler, have faulty beliefs about how EGMs work.<sup>79</sup> As a result, people believe they are able to recover their losses<sup>80</sup>
- Prices of playing EGMs are poorly disclosed with the result that people underestimate their spending<sup>81</sup>
- The speed of play is higher for EGMs than it is for other forms of gambling, such as blackjack, craps, roulette, keno and the races<sup>82</sup>
- EGM gambling is viewed by some problem gamblers as the most accessible, attractive and entertaining alternative to other forms of entertainment as it is almost always available, appropriate for long visits, comfortable for a single person, private and yet social.<sup>83</sup>

### 8.3.2 Geographic determinants

A number of geographic and physical factors have been acknowledged as key determinants of gambling-related harm. These include convenience versus destination gaming, density of EGMs, clustering and concentration of gaming venues, distance travelled, clustering or concentration and exposure.

#### Destination and convenience gaming

Research has demonstrated that convenience gaming increases the risks of gambling-related harm.<sup>84</sup> The Productivity Commission found that, had there been a better understanding of the harmful effects of substantially increasing accessibility to EGMs in the 1990s, a model that restricted convenience may have been more appropriate.<sup>85</sup> As a result, there is a general preference amongst decision makers for gaming venues that function as destinations in their own right above those that contribute to impulse gambling.

Destination gambling refers to a model of gaming distribution where there are fewer, but larger gaming venues, such as casinos, that encourage predetermined decisions to travel and gamble, and offer a range of services and facilities.<sup>86</sup> The concept of a 'destination gambling' involves a decision to attend a venue as an event rather than on impulse.

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<sup>76</sup> Australian Government Productivity Commission (2010) p5.1

<sup>77</sup> <http://www.problemgambling.gov.au/facts/>

<sup>78</sup> Australian Government Productivity Commission (2010) p5.15

<sup>79</sup> Australian Government Productivity Commission (2010) p1.4

<sup>80</sup> Australian Government Productivity Commission (2010) p13

<sup>81</sup> Australian Government Productivity Commission (2010) p14

<sup>82</sup> Australian Government Productivity Commission (2010) p14

<sup>83</sup> Thomas, A., Sullivan, G. and Allen, F. (2009) "A theoretical Model of EGM Problem Gambling: More than a Cognitive Escape" *International Journal of Mental Health and Addiction* 7:97-107

<sup>84</sup> Department of Justice (2008)

<sup>85</sup> Productivity Commission (2010) p14.1

<sup>86</sup> State Government of Victoria (2008) P1

Convenience gambling is considered to include facilities that consumers and the general public may encounter on their daily activities, potentially leading to an impulse decision to gamble<sup>87</sup>. These venues, which include hotels and clubs, are often highly accessible and present few barriers to consumption<sup>88</sup> as they are easy to get to in relation to a person's home, workplace or facilities used to conduct daily activities such, as transport hubs, shops and community services.

The two primary criteria that determine whether a gaming venue may be categorised as a convenience venue are proximity to gambling sensitive uses and proximity to facilities and services that are used by the community on a daily basis, particularly those members of the community who are vulnerable to gambling-related harm.

Three geographic or locational factors key factors are understood to determine whether or not a gaming venue may be classified as a convenience or destination venue.

1. Location in relation to facilities and services associated with day to day activities The State Planning Policy Framework gives preference to the location of entertainment facilities in activity centres as this maximises accessibility and contributes to land use diversity. Many of these services and facilities, which are associated with people's every day activities, are located in both strip shopping centres and shopping complexes, and are encouraged to be in close proximity to public transport.

Clause 52.28 of the Victoria Planning Provisions therefore prohibits the location of gaming venues in strip shopping centres and many shopping complexes in Victoria. This is because venues that are conveniently located in relation to facilities and services associated with people's day to day activities<sup>89</sup>, such as those typically found in strip shopping centres and shopping complexes, attract people who may be encouraged to make with spontaneous decisions to gamble when they pass the gaming venue.

2. Location in relation to gambling sensitive uses The proximity of a gambling-sensitive use to a gaming venue is considered to be a risk factor as it may encourage convenience gambling. Clause 52.28 does not give guidance as to what may be defined as a gambling sensitive use. However, they are generally understood to be services and facilities directly associated with people vulnerable to, or experiencing, problem gambling. Land uses that have been included by the Tribunal in the list of gambling sensitive uses include social housing (used by people who are disadvantaged, and/or previously homeless<sup>90</sup>), victims of domestic violence,<sup>91</sup> support services such as offices of public and private welfare agencies<sup>92</sup> and welfare services.

The Tribunal and Commission have used the following criteria to determine whether a service or facility can be classified as a 'gambling sensitive use' and whether the proposal would increase exposure to gambling amongst people who are at an elevated risk of gambling-related harm:

- whether the patron profile clearly includes people vulnerable to gambling-related harms<sup>93</sup>
- whether the venue is located along a route that includes people vulnerable to problem gambling<sup>94</sup>
- whether the identified gaming sensitive use was present before the proposed gaming venue or EGMs<sup>95</sup>

<sup>87</sup>State Government of Victoria (2008) P6

<sup>88</sup> Australian Government Productivity Commission (2010) p14.5

<sup>89</sup> *Darebin CC v Victorian Commission for Gambling and Liquor Regulation & Anor (Includes Summary) (Red Dot) [2013] VCAT 1389* para 77

<sup>90</sup> *Melbourne CC v Kingfish Victoria Pty Ltd & Anor (Includes Summary) (Red Dot) [2013] VCAT 1130*

<sup>91</sup> *Darebin Cc V Victorian Commission For Gambling And Liquor Regulation & Anor (Includes Summary) (Red Dot) [2013] VCAT 1389*

<sup>92</sup> Bayside LPP

<sup>93</sup> *Darebin Cc V Victorian Commission For Gambling And Liquor Regulation & Anor (Includes Summary) (Red Dot) [2013] VCAT 1389,*

*Melbourne Cc V Kingfish Victoria Pty Ltd & Anor (Includes Summary) (Red Dot) [2013] VCAT 1130 (25 June 2013)*

<sup>94</sup> *Darebin Cc V Victorian Commission For Gambling And Liquor Regulation & Anor (Includes Summary) (Red Dot) [2013] VCAT1389*

- the relative ease of access to the proposal site rather than distance<sup>96</sup>
- the hours of operation of the identified gambling sensitive use in relation to the hours of operation of the gaming venue<sup>97</sup>
- whether there is an existing gaming venue that is more accessible in terms of distance and exposure to the gaming sensitive use.<sup>98</sup>

The typical threshold that is used to assess the location of the venue and EGMs in relation to gambling sensitive uses and people at an elevated risk of gambling-related harm is 400m.<sup>99</sup>

The Tribunal typically dismisses land uses from the list of gambling sensitive if there is a lack of clear evidence of a link with gambling-related harm e.g. schools, kindergartens, libraries, medical centres, sports and recreation centres and public open spaces. This is likely due to the fact that these uses are more closely associated with convenience gaming than they are with vulnerable communities.

3. Location in relation to non-gaming social, leisure, entertainment and recreation uses The availability of non-gaming facilities and activities in the area surrounding the gaming venue is considered by the Tribunal<sup>100</sup> to be a protective factor as it provides patrons and visitors with an option to engage in alternative non-gaming social, recreational and leisure activities. This is due to the fact that the absence of alternative social, entertainment leisure activities may make people feel isolated or lonely and reduce the potential for people to choose to engage in healthy pursuits. These factors may encourage people to engage in gambling-related activities which in turn may increase the risk of gambling-related harm<sup>101</sup>, particularly in rural or remote areas where access to alternative non-gaming activities is particularly limited.<sup>102</sup>

For this reason, activity centres are considered by the State Planning Policy Framework to be the preferred location for gaming venues as they have the greatest potential to contain the widest range of non-gaming social, leisure, entertainment and recreational uses, and are more likely to have the capacity to incorporate a facility that functions as a destination gaming venue. However, during the assessment of whether or not a particular activity centre would be appropriate for a new gaming venue, the Tribunal concluded that there is no imperative to provide gaming opportunities in all neighbourhoods.<sup>103</sup> This suggests that the principle that activity centres are the preferred location for gaming venues serves only to give guidance as to the location of the gaming venue (such as outside the core of activity centres) and does not necessarily give universal support for the location of gaming venues in all activity centres. This is due to the following factors:

- It is not possible to predict the extent to which non-gaming entertainment uses will be available in growth areas which are not yet established. This is due to the fact that the staging of development and provision of facilities will, to some extent, be influenced by market forces as well as the provisions of a precinct structure plan. Some precinct structure plans clearly identify suitable locations for taverns, and include a vision to maximise access to a range of entertainment, leisure and social activities. However, this should not be interpreted as de facto approval of a gaming premises, as other factors

<sup>95</sup> Melbourne CC v Kingfish Victoria Pty Ltd & Anor (Includes Summary) (Red Dot) [2013] VCAT 1130 (25 June 2013) Para 172

<sup>96</sup> Darebin Cc V Victorian Commission For Gambling And Liquor Regulation & Anor (Includes Summary) (Red Dot) [2013] VCAT 1389

<sup>97</sup> Mt Alexander Shire Council v Victorian Commission for Gambling and Liquor Regulation Ltd (Red Dot) [2013] VCAT 101

<sup>98</sup> Darebin Cc V Victorian Commission For Gambling And Liquor Regulation & Anor (Includes Summary) (Red Dot) [2013] VCAT1389

<sup>99</sup> Port Phillip and Yarra Ranges LPP

<sup>100</sup> Prizac Investments Pty Ltd & Ors v Maribyrnong CC & Ors (includes Summary) (Red Dot) [2009] VCAT 2616 (15 December 2009)

<sup>101</sup> Abbott, M, Binde, P, Hodgins, D, Korn, D, Pereira, A, Volberg, R & Williams, R (2013), *Conceptual framework of harmful gambling: an international collaboration*, the Ontario Problem Gambling Research Centre (OPGRC),

<sup>102</sup> Responsible Gambling Foundation (2015) *Background Paper. Risk factors for problem gambling: Environmental, geographic, social, cultural, demographic, socio-economic, family and household*

<sup>103</sup> Panel Report, Mount Alexander Shire Local Planning Policy, Amendment C72

such as location and mix of land uses in the surrounding area may preclude that particular tavern from being an appropriate venue for a gaming premise.

- The availability of alternative social, leisure and recreational activities within an activity centre can only be considered to be a protective factor if they are open at the same time as the gaming lounge. For this reason, the operating hours of these facilities are often taken into account by the Tribunal when determining the extent to which they do in fact act as a protective factor.<sup>104</sup>

### Travelling distance

Overall trends indicate that most people do not travel very far to access venues with most patrons living within the general or immediate vicinity of the venue.<sup>105</sup> Previous research has found that found that:<sup>106</sup>

- A significant proportion of people (82.7%) of people travelled from home to the most recent EGM venue
- 57.3% of EGM gamblers travelled less than 5 km to the venue that they had most recently visited, with most of these people (32.3%) travelling less than 2.5km
- 40.7% of EGM gamblers travel more than 5km, of which 10.1% travelled more than 20km
- Similar proportions of people living in metropolitan (59%) and non-metropolitan regions (57.1%) travelled less than 5km to a gaming venue
- People living in non-metropolitan regions were significantly more likely to travel more than 20km to a gaming venue (21%) than those living in metropolitan regions (6.5%).

### Density

EGM density (the number of EGM entitlements per 1,000 adults), is used as a measure of the relative accessibility of EGMs. This figure is positively associated with higher per capita gaming expenditure, socio-economic disadvantage and gambling-related harm.<sup>107</sup> As a result density of EGM entitlements is one of the three factors used to assess a potential impact of an increase in EGMs on gambling-related harm.

The Victorian Government has imposed a municipal cap of 10 EGM entitlements per 1,000 adults, and a regional cap for those local governments that are considered to be at risk of gambling-related harm, due to high densities of EGMs, high expenditure and concentrations of socio-economic disadvantage.

Research into the effectiveness of the regional caps<sup>108</sup> found that in only a few cases there was evidence that the regional caps reduced the level of gaming expenditure at specific venues in the capped region and there was no evidence that the caps affected gaming expenditure in the adjoining municipalities. The review did find, however, that the ban on smoking significantly reduced expenditures, particularly in the metropolitan areas, but not necessarily in the capped regions.

This suggests that, although a reduction in the density of EGMs may have had an impact on overall expenditure and expenditure per adult, there are likely to be factors other than EGM density that contribute to gambling-related harm. This view is likely to explain why the weight given by the

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<sup>104</sup> Prizac Investments Pty Ltd & Ors v Maribyrnong CC & Ors (includes Summary) (Red Dot) [2009] VCAT 2616 (15 December 2009)

<sup>105</sup> O'Mahony, B & Ohtsuka, K (2015), 'Responsible gambling: sympathy, empathy or telepathy?', *Journal of Business Research*, online 23 March 2015.

<sup>106</sup> Centre for Gambling Research, Australian National University (2004) *2003 Victorian Longitudinal Community Attitudes Survey* Gambling Research Panel, Report No 6

<sup>107</sup> Barratt M.J., Livingston M., Matthews S. (2015). Problem Gambling In Victoria: Identifying local area community and gaming industry risk and protective factors. Fitzroy, Victoria: Turning Point

<sup>108</sup> South Australian Centre for Economic Studies (2005)

Tribunal and Commission to density of EGMs per 1,000 adults and number of venues per adult in assessing potential impacts is inconsistent. In some instances planning permits and gaming licences have been approved in communities displaying significant levels of socio-economic disadvantage on the basis that they already are already exposed to gaming venues and therefore have ready access to EGMs.<sup>109</sup> However, in other instances the Tribunal has determined that increasing accessibility within communities displaying high levels of disadvantage would lead to a poor planning decision due to its potential to exacerbate the risks and impacts of gambling-related harm.<sup>110</sup>

### Spatial distribution and clustering

The location of existing and future gaming venues in relation to each other is a further aspect of accessibility and availability. Research has found that moderate risk and problem gamblers are more likely to visit multiple (typically three or more) venues than non-problem gamblers and low risk gamblers<sup>111</sup>. It is therefore possible that the clustering of gaming machines within easy walking distance from one another or residential areas may facilitate the migration of patrons between venues, contributing to gambling-related harm.

As a result, the proximity of venues to one another, often referred to as ‘clustering’, has therefore been noted by the Tribunal<sup>112</sup> and the Panel<sup>113</sup> as a planning consideration as it may encourage movement of problem gamblers between venues which may in turn result in convenience gambling. Furthermore, the Panel identified the potential for a cluster of venues to alter the character and function of an area, both of which are planning considerations relating to the appropriateness of the proposal to the surrounding land uses.<sup>114</sup>

### Exposure

Gaming venues that are highly visible may increase exposure to opportunities to gamble and encourage spontaneous decisions to gamble. Visibility is determined by a number of factors including location and signage. Gaming venues that are located at gateways to town centres, along major arterials, or in areas where there is a high volume of pedestrian movement are highly visible to passersby. The *Gambling Regulation Act 2003* permits venue operators to display a maximum of one gaming machine related sign on their venues which may draw attention to the availability of gaming machines for gaming. An additional sign may be displayed if the venue has more than one street frontage. In most instances, a planning permit is not required to replace existing signage.

Advertising of EGM venues increases the community’s awareness of the availability of opportunities to gamble and has been recognised as potentially encouraging harmful gambling behaviour<sup>115</sup>. As a result, the advertising and marketing of EGMs and venues is strictly controlled by the State government (refer to Section 5.6). Although the *Gambling Regulation Act 2003* prohibits the publishing of EGM advertising outside the venue, venue operators are permitted to advertise directly to participants in a loyalty scheme or to people who ask to receive gaming machine advertising.

In recent years there has been an increase in sports betting across mass media channels, with gambling agencies being permitted to advertise before, after and during scheduled breaks in all live sport and sporting programs. This is as a result of a High Court ruling on sports betting advertising in 2008 that reduced the capacity of state legislation to regulate advertising at the state level, technological changes and a growth in the use of social media and the infiltration of international operators into the local gambling market. Exposure to gambling among young people via advertising

<sup>109</sup> Monash Cc V L'unico Pty Ltd (Review And Regulation) [2013] VCAT 1545

<sup>110</sup> Rennie v Darebin CC [2010] VCAT 1719

<sup>111</sup> State Government of Victoria (2009) Fact Sheet 8

<sup>112</sup> Francis Hotel Pty Ltd v Melbourne CC (includes Summary) (Red Dot) [2012] VCAT 1896

<sup>113</sup> Panel Report, Wyndham Local Planning Policy Amendment C174

<sup>114</sup> Panel Report, Wyndham Local Planning Policy Amendment C174

<sup>115</sup> Australian Government Productivity Commission (2010) p8.1

and promotions across all media, through sponsorships and in public places makes gambling more socially acceptable, increasing the risks of gambling-related harm, particularly among young people.

<sup>116 117</sup>

### 8.3.3 Gambling environment

#### Venue design

The design and layout of a gaming venue and gaming lounge have been recognised as a determinant of gambling-related harm. As a result, there are a number of regulations<sup>118</sup> relating to the location of the gaming lounge and children's play areas, lighting, the layout of the gaming machines within the gaming lounge, location of toilets and signage and access to natural light. The following principles apply:

- As far as possible, the gaming machine area must be physically and visually discreet from the rest of the venue.
- Visibility of the gaming lounge from children's play areas must be minimised.
- Gaming lounges must maximise access to natural light and display clocks.
- The gaming venue must display relevant notices, signs and rules, including information relating to services for people experiencing gambling-related harm.
- Surveillance of the gaming machines and gaming lounge must be possible.
- ATMs are prohibited in gaming venues.
- Advertising of gaming machines outside the gaming lounge is prohibited.

#### Venue type

Clubs and hotels in Victoria offer multiple opportunities to gamble in a range of activities such as EGMs, sports betting, keno and bingo. The following factors associated with this increase the community's exposure to gambling.

- Many of Victoria's clubs and hotels predate the introduction of EGMs, with hotels often being located on the corners of major intersections, within walking distances of shopping strips and shopping centres and within close proximity to public transport.
- In addition to providing a range of different activities and facilities, gaming venues offer attractions such as friendly staff, food and drinks at competitive prices and are often destinations selected by organisations offering social and leisure outings for groups, including older people and people belonging to a particular cultural or ethnic group such as the Veneto Club in Bulleen. Hotels often include drive-through bottle shops and provide other forms of gambling including Keno and TAB facilities or sports bars. They also provide bistros, children's play areas and function rooms, which may be used for private functions or to offer live music and other forms of entertainment. The use of facilities and activities, including EGMs, is open to the general public as hotels do not typically involve memberships. Clubs often provide a wide range of social, leisure and entertainment activities, such as sports bingo and live entertainment, and include facilities such as, bars, shops, function rooms and sports facilities.
- Gaming venues also offer general inducements such as free food, alcohol, drinks, transport, tickets to shows and product give-aways. Some inducements are specifically linked to

<sup>116</sup> The Facts About Gambling and Young People <http://kidbet.com.au/parents/>

<sup>117</sup> Monaghan, S. Derevensky, J. and Sklar, (2008) *A Journal of Gambling Issues*: "Impact of gambling advertisements and marketing on children and adolescents: Policy recommendations to minimise harm" Issue 22, December 2008

<sup>118</sup> <https://www.vcgr.vic.gov.au/CA25783200814C9F/towards2012/492888CCB00D6A47CA2578690009C905?OpenDocument>

gambling, such as gifts awarded when gamblers reach a certain number of points on their loyalty cards or jackpot nights, and coupons that can be converted into credits on gaming machines<sup>119</sup>. The Productivity Commission found that some inducements such as free alcohol and participation in loyalty programs, are likely to lead to gambling-related harm, or exacerbate existing problems and should therefore be prohibited<sup>120</sup>.

- Many gaming venues have high quality interiors which, together with the visual and auditory effects, create a comfortable, exciting environment.
- Marketing measure used by clubs to encourage families and parents to bring their children into the venues may increase the likelihood that children will continue to visit these environments as adults, and engage in gambling later on in life.<sup>121</sup>

In some instances, the Tribunal and Commission have regarded hotel venues as more risky than club venues. This is due to a number of factors including:

- Club activities, including use of EGMs, is typically restricted to members of the club rather than the broader public, hence reducing overall exposure within the community
- Clubs also tend to offer a broader range of non-gambling social, leisure, sport and entertainment activities which provides diversionary activities other than gambling<sup>122</sup> and enables patrons to develop long term relationships with staff and other patrons<sup>123</sup>
- RSL Clubs are deemed to deliver greater social benefits through their support of veterans and their families
- In some instances, club venues provide a smaller number of EGMs, with size of venue being recognised as a risk factor<sup>124</sup>. This is demonstrated in the City of Maroondah with the three largest venues, namely the Dorset Gardens, Manhattan Hotel and Croydon Hotel also having the highest expenditure per EGM.

However, club venues may not necessarily pose lower risks to gambling-related harm for the following reasons:

- Clubs may be seen to be more 'socially acceptable' than hotels, particularly for women
- Clubs are often integrated into residential suburbs and sporting venues, thereby increasing exposure
- Some of the perceived social benefits associated with clubs are offset by the following factors<sup>125</sup>
  - o many of the benefits are to members, not to the public at large
  - o the claimed benefits of gambling revenue on sporting activities and volunteering do not appear strong, and the presence of gambling may adversely affect volunteering rates

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<sup>119</sup> Australian Government Productivity Commission (2010) p12.45

<sup>120</sup> Australian Government Productivity Commission (2010) p12.1

<sup>121</sup> Bestman, A, Thomas, SL, Randle, M, Pitt, H, Daube, M & Pettigrew, S 2015, 'Shaping pathways to gambling consumption? An analysis of the promotion of gambling and non-gambling activities from gambling venues', *Addiction Research & Theory*, Online, 15 October 2015.

<sup>122</sup> Hing, N. and Haw, J. (2010) *The Influence of Venue Characteristics on a Player's Decision to Attend a Gambling Venue* Gambling Research Australia

<sup>123</sup> Thomas, A. Et al (2010), pxiii

<sup>124</sup> Hing, N. and Haw, J. (2010) *The Influence of Venue Characteristics on a Player's Decision to Attend a Gambling Venue* Gambling Research Australia pxviii

<sup>125</sup> Productivity Commission (2010)

- o the gross value of social contributions by clubs is likely to be significantly less than the support governments provide to clubs through tax and other concessions.

### Venue size

The maximum number of EGMs permitted in Victorian gaming venues is 105. Research has found that the size of the gaming venue (the number of EGMs), is a predictor of harm, with bigger venues such as large clubs and hotels being more dangerous than smaller venues<sup>126</sup>.

There is evidence to suggest that larger venues are riskier for the following reasons:

- Problem gamblers tend to prefer ‘glitzy’ venues with a large choice of gaming machines<sup>127, 128</sup>.
- Stigma and shame are key impacts of problem gambling. Larger venues make it easier for problem gamblers to maintain anonymity<sup>129</sup>.
- Larger venues reduce waiting times on EGMs as they provide greater opportunities to use the machines. Breaks in play associated with waiting times are a recognised harm minimisation measure<sup>130, 131</sup> as they provide problem gamblers with an opportunity to reconsider their decision to continue to use the EGMs.
- Larger venues with more players may be riskier in encouraging gambling persistence and contributing to greater long term monetary loss<sup>132</sup> whilst smaller gaming venues facilitate greater control of gamblers on the amount they spend.

Prior to the inclusion of Clause 52.28 into the Victoria Planning Provisions in 2006, gaming rooms were an ‘as of right use’ in licensed hotels and clubs if they occupied 25% or less of the total leasable area premises. As a result, the Tribunal has used this proportion, in addition to the number of EGMs, to determine the size of the venue and therefore if it is suitable for gaming<sup>133</sup>. This benchmark is also used to assess the proportion of gaming and non-gaming activities in the venue and therefore whether the venue has the capacity to provide a full range of services and facilities to patrons.

### Net machine revenue

Expenditure at a venue may be measured by overall expenditure, or expenditure per attached EGM entitlement, otherwise known as net machine revenue (NMR). Research has found that total expenditure is an indicator of gambling related harm at the venue level<sup>134</sup>.

### Operating hours

The Productivity Commission (2010) identified opening hours as a risk factor and has therefore recommended shutdown periods of at least six hours commencing earlier than they are currently

<sup>126</sup> Young, M., Markham, F., & Doran, B. (2012). “Gambling harm by venue type, NT. Placing bets: Gambling venues and the distribution of harm”. *Australian Geographer*, 43(4), 425–444.

<sup>127</sup> Rockloff, M., Thorne, H., Goodwin, B., Moskovsky, N., Langham, E., Browne, M., Donaldson, P., Li, E & Rose, J (2015), *EGM environments that contribute to excess consumption and harm*, Victorian Responsible Gambling Foundation, Melbourne

<sup>128</sup> Hing, N. and Haw, J (2010) *The Influence of Venue Characteristics on a Player’s Decision to Attend a Gambling Venue Centre for Gambling Education and Research*

<sup>129</sup> Rockloff, M (2010) *The impact of an audience and venue size on poker machine gambling* Central Queensland University Institute of Health and Social Science Research,

<sup>130</sup> McMillen, J and Pitt, S (2005) *Review of the ACT Government’s Harm Minimisation Measures* Centre for Gambling Research, ANU

<sup>131</sup> Blaszczynski, A et al (2001) *The Assessment of the Impact of the Reconfiguration on Electronic Gaming Machines as Harm Minimisation Strategies for Problem gambling* University of Sydney Gambling Research Unit p17

<sup>132</sup> Rockloff, M; Greer, N and Evans, L (2012) “The Effect of Mere Presence on Electronic Gaming Machine Gambling” *Journal of Gambling Studies*, October 2012, Issue 27

<sup>133</sup> Rennie V Darebin CC [2010] VCAT 1719

<sup>134</sup> Markham, F., Young, M. and Doran, B. (2014) “Gambling expenditure predicts harm: evidence from a venue-level study” *Addiction*, 109, 1509-1516

(no later than 2am).<sup>135</sup> This is based on evidence indicating that longer operating hours are a determinant of gambling-related harm. In particular, research has found the following:

- Whilst 5% of low risk gamblers are likely to be using the EGMs between midnight and 4am, 8% and 9% of moderate risk gamblers and problem gamblers were likely to be using the EGMs at this time<sup>136</sup>.
- Shutdown periods of six hours are effective in providing a break in play for those problem gamblers playing at that time and encouraging them to go home<sup>137,138</sup>.
- Shorter opening hours for gambling venues were perceived by some gamblers as an effective way of reducing gambling EGM expenditure and therefore the financial problems experienced by some gamblers<sup>139</sup>.
- In 2001 the NSW Government announced a phased gaming reform package which included the need to restrict access by shutting EGMs down for six hours between 4am and 10am. Research was undertaken to evaluate the effectiveness of the six-hour shutdown period in minimising the harm caused by gambling-related harm<sup>140</sup>. This research found the following:
  - Those gamblers using EGMs prior to the implementation of the six-hour shutdown period may be more likely to be at risk of developing a gambling problem or already a problem gambler<sup>141</sup>
  - 68% of problem gamblers and 71% of moderate risk gamblers had intended to go home if they were still playing when the EGM venue was closed<sup>142</sup>
  - Hotel venue operators were more likely than club operators to say that the customers most affected by the six-hour shutdown were problem gamblers as opposed to recreational gamblers (30% compared to 16%)<sup>143</sup>
  - The shutdowns do not necessarily encourage gamblers to visit a different venue with only 12% and 7% of problem and moderate risk gamblers indicating that they would go onto a different gaming venue following the closure of the venue<sup>144</sup>
  - Overall, more than two thirds (68%) of all gamblers across the risk segments supported the six-hour shutdown period. In particular, 78% of problem gamblers, 65% of moderate risk gamblers and 70% of low risk gamblers either

<sup>135</sup> Australian Government Productivity Commission (2010) p14.35

<sup>136</sup> Tuffin, A and Parr, V (2008) *Evaluation of the 6 hour shutdown of electronic gaming machines in NSW*. NSW Office of Liquor, gaming and Racing p37

<sup>137</sup> Tuffin, A and Parr, V (2008) *Evaluation of the 6 hour shutdown of electronic gaming machines in NSW*. NSW Office of Liquor, gaming and Racing p42

<sup>138</sup> Hing, N. and Haw, J (2010) *The Influence of Venue Characteristics on a Player's Decision to Attend a Gambling Venue Centre for Gambling Education and Research*

<sup>139</sup> Hing, N (2014) "The efficacy of responsible gambling measures in NSW Clubs: The Gamblers' Perspective" *Gambling Research* 16(1), p33

<sup>140</sup> Tuffin, A and Parr, V (2008) *Evaluation of the 6 hour shutdown of electronic gaming machines in NSW*. NSW Office of Liquor, gaming and Racing

<sup>141</sup> Tuffin, A and Parr, V (2008) *Evaluation of the 6 hour shutdown of electronic gaming machines in NSW*. NSW Office of Liquor, gaming and Racing p42

<sup>142</sup> Tuffin, A and Parr, V (2008) *Evaluation of the 6 hour shutdown of electronic gaming machines in NSW*. NSW Office of Liquor, gaming and Racing p41

<sup>143</sup> Tuffin, A and Parr, V (2008) *Evaluation of the 6 hour shutdown of electronic gaming machines in NSW*. NSW Office of Liquor, gaming and Racing p33

<sup>144</sup> Tuffin, A and Parr, V (2008) *Evaluation of the 6 hour shutdown of electronic gaming machines in NSW*. NSW Office of Liquor, gaming and Racing p41

strongly supported or supported the shutdown compared with 56% of low risk gamblers<sup>145</sup>.

### Responsible service of gambling

Responsible service of gambling refers to harm minimisation practices used in gambling venues and businesses. It involves establishing an environment within which consumers are able to make informed decisions about their participation in gambling in order to reduce their risks of gambling-related harm.<sup>146</sup>

There is some evidence to suggest that responsible gambling measures have, collectively, reduced the harms associated with gambling. The Productivity Commission<sup>147</sup> found that “even policy measures with modest efficacy in reducing harm will often be worthwhile”. However, there is limited evidence available to confirm the effectiveness of most individual responsible gambling measures which are implemented in the venue<sup>148</sup>. Furthermore, this evidence has found that policy measures implemented outside the control of venues (such as ATM removal, reduction in bet limits, EGM features and the prohibition of smoking) appear to be associated with more significant effects<sup>149</sup>. The research has found, therefore, that “in addition to lack of credible research data on the effectiveness of specific interventions, there is virtually no evidence to confirm their effectiveness”<sup>150</sup>. Other research has found that there is “no evidence exists that responsible gambling measures implemented in clubs [which are by nature less risky than hotels] are effective in minimising harm and protecting consumers in gambling”<sup>151</sup>

The limited potential for such responsible service of gambling measures to prevent and minimise harms associated with gambling-related harm has been acknowledged by the Tribunal. It was determined that an applicant’s commitment to responsible service of gambling and implementation of other harm minimisation measures is ‘in itself not a panacea for dealing with gambling-related harm’<sup>152</sup> and that they are not a ‘silver bullet to the ills of problem gaming’<sup>153</sup>. This is borne out by the fact that, despite the implementation of these measures over a number of years, ‘the issue of problem gaming remains a very live and serious one, despite greater awareness and effort in the gaming industry regarding responsible gaming in recent years’<sup>154</sup>. The Tribunal has also concluded that gambling-related harm can only be eliminated if there are no opportunities to gamble<sup>155</sup>.

The following factors further limit the efficacy of some harm minimisation measures:

- There is a low take up rate for self-exclusion practices amongst problem gamblers and the evidence indicates that most self-excluders breach their agreement<sup>156</sup>
- Venue staff may differ in their understanding of reasonable attempts to implement the self-exclusion conditions

<sup>145</sup> Tuffin, A and Parr, V (2008) *Evaluation of the 6 hour shutdown of electronic gaming machines in NSW*. NSW Office of Liquor, gaming and Racing p18

<sup>146</sup> Livingstone C. Rintoul A. & Francis L. (2014) *What is the evidence for harm minimisation measures in gambling venues?* Evidence Base 2: 1-24 (<https://journal.anzsog.edu.au/publications>) p2

<sup>147</sup> Productivity Commission (2010) p2

<sup>148</sup> Livingstone C. Rintoul A. & Francis L. (2014) *What is the evidence for harm minimisation measures in gambling venues?* Evidence Base 2: 1-24 (<https://journal.anzsog.edu.au/publications>)

<sup>149</sup> Livingstone C. Rintoul A. & Francis L. (2014) *What is the evidence for harm minimisation measures in gambling venues?* Evidence Base 2: 1-24 (<https://journal.anzsog.edu.au/publications>) p17

<sup>150</sup> Livingstone C. Rintoul A. & Francis L. (2014) *What is the evidence for harm minimisation measures in gambling venues?* Evidence Base 2: 1-24 (<https://journal.anzsog.edu.au/publications>) p3

<sup>151</sup> Hing, N (2014) “The efficacy of responsible gambling measures in NSW Clubs: The Gamblers’ Perspective” *Gambling Research* 16(1), p32

<sup>152</sup> Melbourne City Council v Kingfish Victoria Pty Ltd (2013) VCAT 371 Para 170

<sup>153</sup> Mt Alexander Shire Council v Victorian Commission for Gambling and Liquor Regulation Ltd (Red Dot) [2013] VCAT 101(14 February 2013) Para 81

<sup>154</sup> Melbourne City Council v Kingfish Victoria Pty Ltd (2013) VCAT 371 Para 170 Para 170

<sup>155</sup> Darebin CC v Victorian Commission for Gambling and Liquor Regulation & Anor Paras 28 AND 33

<sup>156</sup> Livingstone C. Rintoul A. & Francis L. (2014) *What is the evidence for harm minimisation measures in gambling venues?* Evidence Base 2: 1-24 (<https://journal.anzsog.edu.au/publications>)

- The effectiveness of the self-exclusion practices is limited<sup>157</sup> as it relies on facial recognition by venue staff rather than technology<sup>158</sup>
- The capacity for venue staff to accurately identify people vulnerable to gambling-related harm is limited due to the potential for some problem gamblers to modify their behaviour and the signs are less obvious than other behaviours displayed by people who are intoxicated. Furthermore, some venue staff may be reluctant to intervene<sup>159</sup> for fear of being perceived as confrontational or offensive<sup>160</sup>. Furthermore, it is not mandatory for staff to enforce the self-exclusion practices<sup>161</sup>
- There are mixed incentives for gambling venues to introduce and ensure the effectiveness of voluntary harm minimisation measures as they have the potential to compromise their revenues<sup>162</sup>
- There are greater incentives for clubs to enforce harm minimisation measures [compared with hotels] as gambling-related harm prejudice their members and therefore their profitability. It is also simpler for clubs to enforce harm minimisation measures as their patrons are limited to members and therefore their patron profile is more streamlined
- Gamblers do not rate staff training as highly in a broader suite of harm minimisation measures<sup>163</sup>
- In some instances, the responsible service of gambling code of conduct does not prohibit staff from using the EGMs at the venue
- Some venues offer incentives such as the Diamonds Rewards program. The rules of this program indicate that self-exclusion voids any benefits associated with the rewards program. Membership of the Diamonds Reward Program may therefore discourage a person from self-excluding at venues associated with this rewards program.

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<sup>157</sup> Livingstone C. Rintoul A. & Francis L. (2014) *What is the evidence for harm minimisation measures in gambling venues?* Evidence Base 2: 1-24 (<https://journal.anzsog.edu.au/publications>)

<sup>158</sup> Parke, J and Rigby, J (2014) *Self-Exclusion as a Gambling Harm Minimisation Measure in Great Britain* The Responsible Gambling Trust

<sup>159</sup> Livingstone C. Rintoul A. & Francis L. (2014) *What is the evidence for harm minimisation measures in gambling venues?* Evidence Base 2: 1-24 (<https://journal.anzsog.edu.au/publications>) p10

<sup>160</sup> Productivity Commission (2010) p12.42)

<sup>161</sup> Productivity Commission (2010) p12.39)

<sup>162</sup> Productivity Commission (2010) p12.1

<sup>163</sup> Productivity Commission (2010) p12.35 and 12.38)

### 8.3.4 Socio-economic and health status

A number of socio-economic and health status determinants of gambling-related harm have been identified through various studies in Australia and Victoria (refer to Table 9).

**Table 9 – Socio-economic and health determinants of gambling-related harms**

<b>Socio-economic</b>	<ul style="list-style-type: none"> <li>• low educational attainment<sup>164 165</sup></li> <li>• personal income in the medium highest and medium lowest income quartiles<sup>166</sup></li> <li>• living in households with an income in the medium highest income quartile<sup>167</sup></li> <li>• personal income in the medium highest and medium lowest quartiles<sup>168</sup></li> <li>• household income in the medium highest quartile<sup>169</sup></li> <li>• relative socio-economic disadvantage<sup>170</sup></li> <li>• unemployment<sup>171 172</sup></li> <li>• residents of social housing<sup>173</sup></li> <li>• employed as labourers, sales workers and machinery operators and drivers.<sup>174</sup></li> </ul>
<b>Socio-demographic</b>	<ul style="list-style-type: none"> <li>• aged 18-24 years<sup>175 176</sup></li> <li>• older people<sup>177</sup> aged 55-64 years<sup>178</sup> particularly those experiencing social isolation<sup>179,180</sup></li> <li>• not speaking English at home<sup>181</sup> or non-Caucasians<sup>182</sup></li> <li>• Aboriginal and Torres Strait Islander<sup>183</sup> (4.1% higher than non-Indigenous Australians)<sup>184</sup></li> <li>• migrants and people from CALD communities, particularly Asian groups including</li> </ul>

<sup>164</sup> Department of Justice (2009) Problem gambling from a public health perspective, Profile of Problem Gambling Risk Segments

<sup>165</sup> Wilkins, R (2017) *The Household, Income and Labour Dynamics in Australia Survey: Selected Findings from Waves 1 to 15*

<sup>166</sup> State Government of Victoria (2009) *Problem gambling from a public health perspective* Factsheet 4, Profile of Problem Gambling Risk Segments Department of Justice

<sup>167</sup> State Government of Victoria (2009) *Problem gambling from a public health perspective* Factsheet 4, Profile of Problem Gambling Risk Segments Department of Justice

<sup>168</sup> State Government of Victoria (2009) *Problem gambling from a public health perspective* Factsheet 4, Profile of Problem Gambling Risk Segments Department of Justice

<sup>169</sup> State Government of Victoria (2009) *Problem gambling from a public health perspective* Factsheet 4, Profile of Problem Gambling Risk Segments Department of Justice

<sup>170</sup> Relative disadvantage, as measured by the SEIFA index of Relative Socio-economic disadvantage is an indicator used by the Commission and Tribunal to assess probable impacts of problem gambling.

<sup>171</sup> Department of Justice (2009) Problem gambling from a public health perspective Factsheet 4, Profile of Problem Gambling Risk Segments

<sup>172</sup> Wilkins, R (2017) *The Household, Income and Labour Dynamics in Australia Survey: Selected Findings from Waves 1 to 15*

<sup>173</sup> VCGLR decision on the proposed increase of EGMS at the Braybrook Hotel, September 2013.

<sup>174</sup> Department of Justice (2009) Problem gambling from a public health perspective, Profile of Problem Gambling Risk Segments

<sup>175</sup> Department of Justice (2009) Problem gambling from a public health perspective Factsheet 4, Profile of Problem Gambling Risk Segments

<sup>176</sup> VRGF (2014) *Study of gambling and health in Victoria*

<sup>177</sup> Lemay, A; Bakich, E and Fontaine, A (2006) *Betting on Older Adults. A Problem Gambling Prevention Clinical Manual for Service Providers* Sault Area Hospital, St Joseph's Care Group, Centretown Community Health Centre

<sup>178</sup> Wilkins, R (2017) *The Household, Income and Labour Dynamics in Australia Survey: Selected Findings from Waves 1 to 15*

<sup>179</sup> City of Monash (2013) *A Well Hidden Issue. A Research Project Commissioned by the City of Monash into the Impacts of Electronic Gaming Machine Gambling*

<sup>180</sup> <http://www.socialimpactsofpokies.org.au/index.php/3-assessment-framework-and-data-book/priority-populations>

<sup>181</sup> Hing, N., Russell, A., Tolchard, B., & Nower, L. (2015, online). 'Risk factors for gambling problems: An analysis by gender.' *Journal of Gambling Studies*.

<sup>182</sup> Cookman, M. L., Weatherly, J. N. (2015), 'Investigating Possible Effects of Ethnicity and Age on Gambling as an Escape,' *Journal of Gambling Studies*, online 2 June 2015.

<sup>183</sup> VRGF (2014) *Study of gambling and health in Victoria*

<sup>184</sup> Wilkins, R (2017) *The Household, Income and Labour Dynamics in Australia Survey: Selected Findings from Waves 1 to 15*

	<p>Vietnamese, Chinese and Korean<sup>185</sup></p> <ul style="list-style-type: none"> <li>• living in group households<sup>186</sup></li> <li>• experiencing low social capital<sup>187</sup> evidenced by volunteering rate.</li> </ul>
<b>Health and wellbeing status</b>	<ul style="list-style-type: none"> <li>• experiencing psychological distress or compromised mental health and wellbeing<sup>188, 189</sup>,</li> <li>• smoke<sup>190,191, 192</sup></li> <li>• consume alcohol and become intoxicated while gambling<sup>193,194, 195</sup></li> <li>• people seeking treatment for substance abuse disorders<sup>196</sup>.</li> </ul>
<b>Life experiences</b>	<ul style="list-style-type: none"> <li>• Taking on a mortgage, loan or making a repayment<sup>197</sup></li> <li>• people with higher number of negative life experiences affecting themselves and their families for example divorce, legal difficulties and financial issues<sup>198</sup></li> <li>• people experiencing trauma, social isolation, boredom<sup>199</sup> and loneliness<sup>200</sup>, particularly among older people<sup>201</sup> and women<sup>202</sup></li> <li>• people experiencing changes in their personal circumstances such as death of someone close to them, divorce, legal issues, relationship issues, and legal issues<sup>203</sup></li> <li>• people gambling for reasons other than social reasons, to win money or general entertainment<sup>204</sup></li> <li>• people seeking treatment for substance abuse disorders such as and nicotine dependency, alcohol abuse, alcohol dependence and cannabis use disorder<sup>205</sup></li> <li>• people who consume alcohol while gambling (low and moderate risk gamblers)<sup>206</sup></li> </ul>

<sup>185</sup> Problem gambling in CALD communities, the evidence base for working with CALD communities (2011)

<sup>186</sup> State Government of Victoria (2009) *Problem gambling from a public health perspective* Factsheet 4, Profile of Problem Gambling Risk Segments Department of Justice

<sup>187</sup> Department of Justice (undated) *A guide to using a health promotion approach to problem gambling* State Government of Victoria

<sup>188</sup> de Castella, A et al (2011) *Problem Gambling in People Presenting to A Public Mental Health Service Office of Gaming and Racing*, Department of Justice

<sup>189</sup> Department of Justice (undated) *A guide to using a health promotion approach to problem gambling*

<sup>190</sup> VAGO (2010) *Taking Action on Problem Gambling*

<sup>191</sup> <http://www.tobaccoaustralia.org.au/15-4-overview-of-key-public-areas-and-environments>

<sup>192</sup> Wilkins, R (2017) *The Household, Income and Labour Dynamics in Australia Survey: Selected Findings from Waves 1 to 15*

<sup>193</sup> Victorian Responsible Gambling Foundation (2015) *Study of Gambling and Health in Victoria. Findings from the Victorian Prevalence Study 2014*

<sup>194</sup> Leino, T. et al (2017) 'Gambling behavior in alcohol-serving and non-alcohol-serving-venues: a study of electronic gaming machine players using account records' *Addiction Research & Theory* 25.:3, 201-297

[https://www.academia.edu/32303619/Leino\\_T.\\_Sagoe\\_D.\\_Griffiths\\_M.D.\\_Mentzoni\\_R.A.\\_Pallesen\\_S.\\_and\\_Molde\\_H.\\_2017\\_.Gambling\\_behavior\\_in\\_alcohol-serving\\_and\\_non-alcohol-serving\\_venues\\_A\\_study\\_of\\_electronic\\_gaming\\_machine\\_players\\_using\\_account\\_records.\\_Addiction\\_Research\\_and\\_Theory\\_25\\_201-207](https://www.academia.edu/32303619/Leino_T._Sagoe_D._Griffiths_M.D._Mentzoni_R.A._Pallesen_S._and_Molde_H._2017_.Gambling_behavior_in_alcohol-serving_and_non-alcohol-serving_venues_A_study_of_electronic_gaming_machine_players_using_account_records._Addiction_Research_and_Theory_25_201-207)

<sup>195</sup> Wilkins, R (2017) *The Household, Income and Labour Dynamics in Australia Survey: Selected Findings from Waves 1 to 15*

<sup>196</sup> Dowling, NA, Cowlshaw, S, Jackson, AC, Merkouris, SS, Francis, KL & Christensen, DR (2015), 'Prevalence of psychiatric co-morbidity in treatment-seeking problem gamblers', *Australian & New Zealand Journal of Psychiatry*, online 3 March 2015.

<sup>197</sup> State Government of Victoria (2008) p189

<sup>198</sup> VAGO (2010) *Taking Action on Problem Gambling*

<sup>199</sup> State Government of Victoria (2008) p15

<sup>200</sup> Miller, H. (2015) *Background Paper. Risk Factors for Problem Gambling: Environmental, geographic, social, cultural, demographic, socio-economic, family and household*. Victorian Responsible Gambling Foundation

<sup>201</sup> Botterill, E, Gill, PR, McLaren, S & Gomez, R (2015), 'Marital Status and Problem Gambling Among Australian Older Adults: The Mediating Role of Loneliness', *Journal of Gambling Studies*, Online first, 8 October 2015

<sup>202</sup> Hing, N., Russell, A., Tolchard, B., & Nower, L. (2015) online. Risk factors for gambling problems: An analysis by gender. *Journal of Gambling Studies*.

<sup>203</sup> State Government of Victoria (2008) p116

<sup>204</sup> Hing, N., Russell, A., Tolchard, B., & Nower, L. (2015, online). 'Risk factors for gambling problems: An analysis by gender.' *Journal of Gambling Studies*.

<sup>205</sup> Dowling, NA, Cowlshaw, S, Jackson, AC, Merkouris, SS, Francis, KL & Christensen, DR (2015), 'Prevalence of psychiatric co-morbidity in treatment-seeking problem gamblers', *Australian & New Zealand Journal of Psychiatry*, online 3 March 2015.

### 8.3.5 Vulnerability in the City of Melbourne

#### Socio-economic factors

Appendix 3 provides a detailed analysis of the socio-economic factors that increase the risk of gambling-related harms for the local areas within the City of Melbourne.

At a municipal level, the City of Melbourne/Greater Melbourne area would not be considered at an elevated risk of gambling-related harms due to the overall level of socio-economic disadvantage and other features relating to occupation, and volunteerism.

However, there are certain features of the population of the City of Melbourne that increase the risks of gambling-related harms. These include households with rental stress, median annual household income, proportion of lone and group households, students and proportion of young people aged 15-24, and proportion of people with Chinese ancestry.

The central, southern and northern areas including Melbourne, Southbank, Carlton, North Melbourne and Parkville display the most indicators of gambling related harms. These areas contain ten of the 11 EGM venues and Crown Casino.

The western local areas including Docklands and Port Melbourne display the least indicators of gambling-related harms. There are no EGM gambling venues in these local areas.

With the exception of Port Melbourne, all other local areas have a significantly higher proportion of students compared with the municipality. In addition, Melbourne, Carlton, North Melbourne, West Melbourne and Parkville have relatively high proportions of young people aged 15-24.

#### Gambling sensitive uses

The City of Melbourne contains concentrations of student accommodation and social housing.

## 8.4 Impacts of gambling

The impacts of gambling discussed below have been identified from the literature review and the discussions with the venue operators and agencies.

### 8.4.1 Benefits

#### Provision of social, leisure and recreational activities and facilities

Gambling provides a legal form of entertainment and leisure for many Australians and tourists. For the most part, people gamble with enjoyment and without harm, particularly if they are participating in the most popular forms of gambling, such as lotteries and bingo<sup>207</sup>. For many people, gambling becomes a hobby and a part of their lifestyle enjoyed with their friends. Research has shown that the major reasons why people gamble were to win money (52.94%), general entertainment (31.76%) and social reasons (3.30%)<sup>208</sup>.

EGM venues are seen by many as friendly, secure and accessible<sup>209</sup>. The highly trained staff members provide a welcoming and friendly environment which is seen by some as an affordable, exciting, safe and secure place which is open for 20 out of 24 hours a day. Many gaming venues are easily accessible by public and community transport, and are destinations for organisers of social and leisure outings for older people and people from particular cultural groups. Some venues provide free refreshments and promotions as part of the entertainment experience.

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<sup>206</sup> Victorian Responsible Gambling Foundation (2015) *Study of Gambling and Health in Victoria. Findings from the Victorian Prevalence Study 2014*

<sup>207</sup> Australian Government Productivity Commission (2010) p11

<sup>208</sup> State Government of Victoria (2008) p15

<sup>209</sup> Australian Government Productivity Commission (2010) p6.1

## Revenue generation

Taxes raised through expenditure on EGMs are a significant source of revenue to the State Government<sup>210</sup>. EGM venues use the revenue earned from EGMs to fund core and extended activities and enhance the quality of facilities, some of which may be made available to the general community<sup>211</sup>. In addition, many clubs provide sponsorship and support for sports sporting clubs and community groups<sup>212</sup>. It has also been determined that not all gaming revenue should be considered a loss that needs to be offset against the benefits because the gaming revenue not attributable to gambling-related harm should be considered an economic benefit<sup>213</sup>.

However, research has found that those directly benefitting from EGM activity are the Victorian Government, the hotels and clubs who operate the machines and those able to access the Community Support Funds<sup>214</sup>. It has also found that EGM inputs are paid for by other firms in the services sector, other industry sectors and non-EGM operators in the hotel and club sectors in the form of reduced spending<sup>215</sup>. Further research<sup>216</sup> has found that EGM gambling inputs into the economy as a whole are largely, but not wholly, cancelled out by the multiplied negative effects on other areas of consumption.

## Community contributions

The Community Support Fund requires a club venue to provide the equivalent of 8.33% of gaming income to a fund for distribution for local community purposes, with details provided in a Community Benefits Statement. In some instances, the venue operators also provide a cash payment (e.g. \$50,000) for community use, and this is sometimes paid through the local Council for distribution.

Club memberships promote a sense of belonging, providing members with access to sporting activities, leisure and social activities<sup>217</sup>. Furthermore, the revenue generated from EGMs can provide assistance to community members in terms of financial resources and the provision of assistance for older members for instance through the RSL.

In some instances, clubs provide a supportive community hub that connects and links patrons to a range of people and activities and opportunities to volunteer through coaching, welfare visits, transport assistance to older members<sup>218</sup>. Many clubs rely heavily on their volunteers for the operation and management of the venue, creating a sense of ownership amongst members. In return clubs provide support for their volunteers and reimburse any costs associated with their role.<sup>219</sup> It has been found that volunteering activity can potentially reduce impacts from EGM spend per adult, per machine and as a proportion of income.<sup>220</sup>

However, the true social benefit of these community contributions should be evaluated in terms of the following considerations:

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<sup>210</sup> Australian Government Productivity Commission (2010) p6.4

<sup>211</sup> State Government of Victoria (2011)

<sup>212</sup> State Government of Victoria (2011) p85

<sup>213</sup> Mount Alexander Shire Council v Maryborough Highland Society VCAT No. B47/2012 para 184

<sup>214</sup> Department of Justice (2011) *Socio-economic impacts of access to electronic gaming machines in Victoria* State Government of Victoria

<sup>215</sup> Department of Justice (2011) *Socio-economic impacts of access to electronic gaming machines in Victoria* State Government of Victoria p8

<sup>216</sup> Department of Justice (2011) *Socio-economic impacts of access to electronic gaming machines in Victoria* State Government of Victoria p40

<sup>217</sup> State Government of Victoria (2011) p82

<sup>218</sup> Australian Government Productivity Commission (2010) p6.5

<sup>219</sup> State Government of Victoria (2011) p85

<sup>220</sup> State Government of Victoria (2011)

- In effect, cash contributions represent only a very small share of total EGM revenues in a venue. Estimates show that, overall, less than 1% of net revenue on an EGM is directed to benefits to the wider community<sup>221</sup>
- In some instances, not all the beneficiaries of the Community Benefit Fund are located in the municipality within which the subject site is located
- Many of the social and leisure opportunities are for the benefit of the club members and not the broader community<sup>222</sup>, calling into question who is the 'community'. This is relevant in relation to the net detriment test which relies on an assessment of social and economic impacts on the wellbeing of the community, and not portion of the community that will benefit from the expenditure and investment in facilities and activities
- In some cases, the 'community contributions' are in effect subsidies to members of the gambling establishment involved (such as cheap meals for club members and improvements to staff amenities), rather than contributions to the wider community in which the establishments are located
- Community benefits reported by clubs include expenses not usually enjoyed by the broader community e.g. financing costs, operating costs, retained earnings, wages of gaming room staff and the cost of most plant and equipment<sup>223</sup>
- Not-for-profit 'mutual entities' such as clubs are exempt from income tax. Member contributions and income from transactions with club members are not treated as taxable income. This reduces the State's income stream derived from taxes and potential revenue which can be directed by the government to managing the harms associated with gambling-related harm<sup>224</sup>
- Large clubs with EGMs operate in a more commercial manner, similar to private businesses. However, their reduced tax liability and ability to use EGM revenue to subsidise activities increases their competitiveness at the expense of some private enterprises that do not enjoy these economic benefits<sup>225</sup>
- Revenue generated by heavy users of EGMs such as existing or potential problem gamblers, is allocated to community contributions and not necessarily to preventing or minimising the impacts of gambling-related harm on individuals and the broader community. This consideration is particularly relevant in the context of the findings of the VCEC Inquiry into the costs of problem gambling<sup>226</sup> that many of the costs of gambling-related harm are indirect and result from additional demands on the health and human services sectors from the broader community
- The presence of EGMs in sporting clubs does not necessarily increase participation in sports by children<sup>227</sup> evidenced by the fact that the proportion of children aged 5-14 who participated in organised sport outside of school hours in 2009 was higher in Western Australia which has no community gaming, than in New South Wales, which has the highest EGM expenditure per capita, and where clubs are eminent

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<sup>221</sup> City of Monash, *Monash Responsible Gambling Strategy 2012 – 2015*, p16

<sup>222</sup> Australian Government Productivity Commission (2010) *Productivity Community Inquiry Report, Gambling* p6.10

<sup>223</sup> Productivity Commission (2010) Chapter 6

<sup>224</sup> Australian Government Productivity Commission (2010) *Productivity Community Inquiry Report, Gambling* p6.18

<sup>225</sup> Australian Government Productivity Commission (2010) *Productivity Community Inquiry Report, Gambling* p6.25

<sup>226</sup> VCEC (2012) *Inquiry into the Costs of Problem Gambling*, Draft Report, December 2012, p 1

<sup>227</sup> Australian Government Productivity Commission (2010) *Productivity Community Inquiry Report, Gambling* p6.23

- The actual size of genuine community benefits are a fraction of those recorded, particularly for clubs<sup>228</sup>
- Clubs and organisations that are the recipients of the community benefit funds are not typically used by people who are vulnerable to gambling-related harm. This is because people who are vulnerable to gambling-related harm tend to be socially isolated and favour facilities where they can 'be alone amongst others', for instance where they can participate in a leisure and recreational activity that enables them to operate on their own whilst being amidst other people, particularly late at night when other facilities are closed and they are in need of a safe place in which to spend some time alone
- The Productivity Commission found that apart from the minimum statutory requirements, hotels make considerable community contributions, and hotels with EGMs were more likely to support community organisations than those without
- EGMs may detract from volunteering to some extent in cases where players select to use EGMs rather than volunteer their time.<sup>229</sup>

### Venue investment and employment

The stimulation of the economy and increased employment are some of the objectives of the *Gambling Regulation Act 2003*.

Applications for EGMs may involve the establishment of a new venue or the refurbishment and redevelopment of facilities in existing venues, both of which are associated with investment, and the creation of jobs. When the employment multiplier of approximately 2.6 (ABS input-output tables category 'other construction') is taken into account for construction work, a direct employment of ten jobs would generate a further 15 indirect (or flow-on) jobs in the wider economy. Employment multipliers are calculated by the ABS though the National Accounts data.

Gaming venues typically employs staff that are dedicated to the gaming component of the venue. In some instances, these jobs are taken up by the local community<sup>230</sup> but due to the relatively specific set of skills required, this cannot be guaranteed. Furthermore the Productivity Commission (2010) found that most people employed in the gambling industry are highly employable and would be in demand in other parts of the service sector were the gambling industry to contract and that gambling industries do not create *net* employment benefits as they divert employment from one part of the economy to another.

In addition, research<sup>231</sup> has found that employees in gaming venues, including hotels, are at risk of gambling-related harm. The findings reflect the hypothesis that exposure to gambling activity may encourage individuals who may not have previously been exposed to gambling to engage in these activities. The research does, however, pose two counter-arguments, suggesting that employees of gaming venues may in fact not be at a greater risk:

- Firstly, individuals with existing gambling problems, or those who are a greater risk of developing gambling problems may be more likely to seek work in gaming venues. However, the research suggests that this may be more likely where the type of gambling involves skills and knowledge such as card games and wagering on sporting events, rather than games of pure chance such as EGMs. This is borne out by the fact that the rate of gambling-related harm amongst employees participating in EGMs is higher than it is for all other types of gambling, suggesting that this particular counter-argument is less relevant in the case of EGM gaming venues.

<sup>228</sup> Australian Government Productivity Commission (2010) *Productivity Community Inquiry Report, Gambling* p6.30

<sup>229</sup> State Government of Victoria (2011) p31

<sup>230</sup> State Government of Victoria (2011)

<sup>231</sup> Hing, N and Gainsbury, S (2011) 'Risky business: Gambling problems amongst gaming venue employees in Queensland, Australia' *Journal of Gambling Issues* Issue 25, June 2011

- Secondly, there is the possibility that some employees may seek to work in a gaming venue to protect themselves, as gaming is typically prohibited in their workplace, and therefore they would have fewer opportunities to gamble.

The overall conclusions of this research are that:

- Employees in gaming venues exceed the average for gambling participation, regular gambling and usual gambling duration.
- Gambling-related harm rates amongst staff of gaming venues, including hotels, were 9.6 times higher than they were across the general population.
- A substantial proportion of problem and moderate risk gamblers reported increasing their gambling since commencing work.
- In particular, compared with employees in other types of gambling venues, employees in EGM gaming venues were most likely to participate in gambling, gamble regularly (weekly), spend more than 60 minutes gambling and spend more than \$50.

## Tourism

The promotion of tourism is one of the objectives of the *Gambling Regulation Act 2003*. Tourism and related cultural activities may assist in creating economic growth, if aligned with gambling activities.<sup>232</sup> However, there may also be a substitution effect between gambling and other forms of entertainment, including tourism.<sup>233</sup>

Gaming venues located in tourist areas of Victoria are likely to attract tourists. This is indicated by the fact that, in some municipalities such as Mornington Peninsula Shire, Bass Coast Shire and Surf Coast Shire, expenditure is typically highest in January which coincides with the summer holiday period. It is also relevant in the context of the City of Melbourne which is the key tourist destination of Victoria.

High-profile casinos in Australia and elsewhere (especially iconic places, such as Monaco, Macau and Las Vegas) attract high volumes of tourists throughout the year and make significant contributions to the economy. However, gaming venues in suburban locations play a much more localised role, typically serving a local catchment of up to 5km. As a result, the overall contribution of gaming venues to tourism in suburban locations is generally small and is difficult to identify, especially where a range of other visitor attractions in addition to EGMs are minimal, if provided at all. For many venues, the 'additional' attractions are limited to food and beverage services.

### 8.4.2 Harms

#### Summary of social and economic harms

The social and economic impacts of gambling-related harm may be classified under the following primary categories:<sup>234 235</sup>

- financial harm
- relationship disruption, conflict or breakdown
- emotional or psychological distress
- reduction in physical and mental health and wellbeing
- cultural harm

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<sup>232</sup> State Government of Victoria (2011)

<sup>233</sup> State Government of Victoria (2011)

<sup>234</sup> Victorian Competition and Efficiency Commission (2010) p30

<sup>235</sup> Browne, M, Langham, E, Rawat, V, Greer, N, Li, E, Rose, J, Rockloff, M, Donaldson, P, Thorne, H, Goodwin, B, Bryden, G & Best, T (2016) *Assessing gambling-related harm in Victoria: a public health perspective*, Victorian Responsible Gambling Foundation, Melbourne.

- reduced performance at work or study
- criminal activity
- community and service delivery.

Although the harms may be categorised individually, the cumulative impact of the social and economic costs is likely to be more complex due to the close interrelationship between the different types of impacts and the fact that the impacts of gambling-related harm on an individual have a significant impact on their personal and professional relationships, and on the broader community. By way of illustration, spending too much time in a gambling venue can lead to social impacts for the individual and family such as a loss of trust and relationship breakdown. This can trigger economic impacts such as the cost of divorce which can in turn exacerbate social impacts such as social isolation and low self-esteem, and health impacts on the individual and family such as stress and substance abuse. These social and health impacts can then lead to community impacts such as crime which in turn trigger community-wide economic impacts such as costs of treatment services and the costs of addressing crime.

## Social and health harms

### **General health and wellbeing**

Health declines as a gambler moves along the continuum between non-risk gambler to problem gambler. Problem gamblers have a significantly higher rate of lung conditions, obesity and other miscellaneous physical or mental conditions, and a slightly higher rate of diabetes<sup>236</sup>. Problem gamblers are also more likely to report a significantly higher rate of depression and anxiety disorders than non-problem gamblers, and are significantly more likely to self-report depression as a disability<sup>237</sup>. There is also a tendency for psychological distress to increase as gambling risk status increases with 27.06% of problem gamblers and 6.07% of moderate risk gamblers considering taking their own life<sup>238</sup>. It has been estimated that people with gambling problems are four times more likely to suffer from alcohol abuse.<sup>239</sup>

Studies have found that it is not only problem gamblers who experienced compromised health and wellbeing with low and moderate-risk gamblers accounting for the majority of aggregate years of health life lost in Victoria.<sup>240</sup>

### **Family and other relationships**

It is widely acknowledged that the negative impacts of gambling-related harm are experienced not only by the individual. Emotional stress resulting from financial hardship and absences caused by gambling-related harm puts strain on relationships with family and friends. It has been estimated that people with gambling problems are six times more likely than non gamblers to get divorced<sup>241</sup>. It is also estimated that each person with gambling problems has between 5 and 10 people in their lives who are also affected by their gambling, either directly or indirectly.<sup>242</sup> These may include immediate family members, employees and employers, friends and team mates.<sup>243</sup> A study in Victoria found that an estimated 2.79% of Victorian adults reported experiencing problems because of someone else's gaming.<sup>244</sup>

<sup>236</sup> State Government of Victoria (2008) p18

<sup>237</sup> State Government of Victoria (2008) p17

<sup>238</sup> State Government of Victoria (2008) p17

<sup>239</sup> <http://www.problemgambling.gov.au/impact/>

<sup>240</sup> Browne, M, Langham, E, Rawat, V, Greer, N, Li, E, Rose, J, Rockloff, M, Donaldson, P, Thorne, H, Goodwin, B, Bryden, G & Best, T (2016) *Assessing gambling-related harm in Victoria: a public health perspective*, Victorian Responsible Gambling Foundation, Melbourne.

<sup>241</sup> <http://www.problemgambling.gov.au/impact/>

<sup>242</sup> Victorian Responsible Gambling Foundation (2013) *The Responsible Gambling Guide*

<sup>243</sup> Adapted from the Victorian Competition and Efficiency Commission (2010) p33

<sup>244</sup> VRGF (2014) *Study of gambling and health in Victoria*

While there is little empirical evidence that supports the link between gambling-related harm and child abuse, the one form of child mistreatment that has been linked to gambling-related harm is neglect. Children may be left alone at home, in locked cars or at friends or family during gambling periods, sometimes for lengthy periods, as many problem gamblers spend too much time as well as too much money gambling<sup>245</sup>. Furthermore, children of gamblers are more likely than their peers to engage in escape behaviours, such as overeating, smoking and alcohol and drug abuse, and gambling<sup>246</sup>.

While social isolation has been identified as a key determinant of gambling-related harm, but is also an impact, further diminishing the quality of a problem gambler's personal relationships.

### **Crime**

When problem gamblers face increasing financial pressures, obtaining funds to finance their gambling addiction becomes a primary driver. Crimes linked to gambling-related harm are most closely associated with income-generating crimes required to fund the gambling habit and replace losses. These income-generating crimes include theft, fraud, break and enter, forgery, false pretences, larceny and robbery<sup>247</sup>. These crimes may be committed against family members, friends, employees and neighbours as well as the broader community.

EGM gambling is directly associated with an increase in crime, with higher expenditure on EGMs in a local area being associated with an increase in crime in that area. This is because problem gamblers tend to gamble in areas close to their home or work place<sup>248</sup>. Furthermore, studies have shown that EGMs account for more than half (57%) of fraud cases.<sup>249</sup>

### **Family violence**

There is evidence that draws a relationship between domestic or family violence and gambling-related harm with partners of problem gamblers being both physically and verbally abused by their spouses.<sup>250, 251</sup> Studies have found that over one third of problem gamblers report being victims of physical intimate family violence (38.1%) or perpetrators of physical intimate partner violence (36.5%) and that the prevalence of gambling-related harm in intimate partner violence perpetrators is 11.3%.<sup>252</sup>

Recent research undertaken with clients of problem gambling treatment services found that family violence and abuse is common in people seeking help for their own or for someone else's gambling.<sup>253</sup>

- Half (50%) of participants were victims of physical, psychological, emotional, verbal or sexual abuse in the previous 12 months.
- 44% of the participants committed violence or abuse at least once in the past 12 months.
- More affected others reported committing and being victims of violence and abuse than gamblers with 57% committing violence/abuse compared with 41% of gamblers and 66% of affected others being victims of violence/abuse compared with 47% of gamblers.

<sup>245</sup> Liao, M (undated)

<sup>246</sup> Liao, M (undated)

<sup>247</sup> State Government of Victoria (2010)

<sup>248</sup> State Government of Victoria (2010)

<sup>249</sup> Warfield and Associates () *Gambling motivated fraud in Australia 2011-2016*

<sup>250</sup> Suomi et al. (2013) Problem gambling and family violence: family member reports of prevalence, family impacts and family coping *Asian Journal of Gambling Issues and Public Health* 2013, 3:13 <http://www.ajgiph.com/content/3/1/13>

<sup>251</sup> Liao, M (undated) *Problem Gambling and Family Discordance* Problem Gambling Prevention

<sup>252</sup> Dowling, N. et al (2015) "Problem Gambling and Intimate Partner Violence: A systematic Review and Meta-Analysis" *Trauma, Violence, and Abuse* DOI 0.1177/1524838014561269

<sup>253</sup> Auckland University of Technology. 2017. Problem Gambling and Family Violence in Help-Seeking Populations: Co-Occurrence, Impact and Coping. Wellington: Ministry of Health. <https://www.health.govt.nz/publication/problem-gambling-and-family-violence-help-seeking-populations-co-occurrence-impact-and-coping>

- Three quarters of family violence incidents was to, or from, a family member for example a current or ex-partner, children and other family members.

## **Economic harms**

### ***Financial hardship***

It has been estimated that people who have a problem with their gambling lose an average of \$21,000 a year which is equivalent to a third of the average annual salary.<sup>254</sup> This money is diverted from other household expenses such as utilities, mortgages and family events and outings.

Problem gamblers may accumulate gambling-related debts, which in some cases can lead to bankruptcy due to an inability to service or repay debts. It has been estimated that bankruptcies due to gambling account for up to 40% of total bankruptcies in Victoria<sup>255</sup> and that 6% of problem gamblers experience bankruptcy<sup>256</sup>. These unpaid debts are likely to be owed to businesses (mainly financial services businesses), family and friends<sup>257</sup>.

Unemployment is both a cause and an effect of gambling-related harm. It has been estimated that 35% of problem gamblers are unemployed<sup>258</sup>.

### ***Impact on spending***

Expenditure on EGMs is associated with reduced spending other firms in the services sector, other industry sectors and non-EGM operators in hotels and club sectors in regions<sup>259</sup> as a result of expenditures that would otherwise be directed to other goods and services (such as food and clothing), existing food and beverage businesses to a new or expanded food and beverage service in the gaming venue.

When savings run out, the gambling expenditures inevitably come from a diversion of funds otherwise allocated to on-going personal and household expenditures. These expenditures diverted to gambling can have an adverse effect on retailing in the locality.

### ***Employment***

The impact of gambling-related harm on employment includes loss of employment, job loss, job change, reduced work productivity, decreased attendance at work and absenteeism<sup>260</sup>. For the problem gambler, this can lead to loss of income and costs involved in finding alternative employment. Similarly, for the employer, costs incurred include staff replacement costs, loss of productivity and staff training costs. A further cost to the government is unemployment benefits and lost revenue.

### ***Public costs***

Public costs include those costs associated with regulation and service delivery. Regulatory costs to businesses include those resulting from the need to comply with a range of regulations and voluntary initiatives aimed at minimising the harm caused by gambling-related harm to society<sup>261</sup>.

Direct and indirect government service costs include compilation and analysis of data and indicators on gaming expenditure and gambling-related harm and the use of financial and gambling-related harm counselling services.

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<sup>254</sup> <http://www.problemgambling.gov.au/impact/>

<sup>255</sup> Victorian Competition and Efficiency Commission (2010) p75

<sup>256</sup> McMillen, J., Marshall, D., Murphy, L., Lorenzen, S. and Waugh, B. (2004) *Help seeking by Gamblers, friends and Families in the ACT: A Focus on Cultural and Gender Issues*. Canberra, ACT: Gambling and Racing Commission

<sup>257</sup> Victorian Competition and Efficiency Commission (2010) p72

<sup>258</sup> Victorian Competition and Efficiency Commission (2010)

<sup>259</sup> State Government of Victoria (2011)

<sup>260</sup> Victorian Competition and Efficiency Commission (2010) p30

<sup>261</sup> Victorian Competition and Efficiency Commission (2010) p111

Gambling-related harm contributes to the costs in the health and human services sector and is associated with screening clients of social welfare services for gambling-related harm, and surveying problem gamblers over time regarding their use of social welfare services<sup>262</sup>.

It has been estimated that gambling-related harm cost the Victorian community between \$1.5 billion and \$2.7 billion in 2010-11<sup>263</sup>. The majority of quantifiable costs arise from two primary impacts namely the costs associated with excess financial losses to problem gamblers (between \$1 billion and \$1.4 billion) and the intangible costs associated with impacts on mental wellbeing for problem gamblers and their families (between \$400 million and \$1.2 billion)<sup>264</sup>. Many of the costs of gambling-related harm are indirect and are associated with additional demands on the health and human services sectors.

Although the social and economic harms associated with gambling-related harm are experienced directly and indirectly by individuals, their families and the broader community, those directly benefitting from EGM activity are the Victorian Government, EGM owners, the hotels and clubs who operate the machines, and those able to access the Community Support Funds (CSF)<sup>265</sup>. It has been found that the economic benefits derived from gambling accrue at the macro rather than at the local and community level because of the centralised tax revenue system<sup>266</sup>.

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<sup>262</sup> Victorian Competition and Efficiency Commission (2010) p74

<sup>263</sup> Victorian Competition and Efficiency Commission (2010) p1

<sup>264</sup> Victorian Competition and Efficiency Commission (2010) p1

<sup>265</sup> State Government of Victoria (2011)

<sup>266</sup> State Government of Victoria (2011) p14

## 9 Framework for the revised Local Planning Policy for Gaming

This Chapter summarises the key features of the most current local planning policy frameworks in Victorian planning schemes. These features will inform the development of the City of Melbourne Local Planning Policy for Electronic Gaming and amendments to relevant clauses of the municipal strategic statement.

### Key findings

The municipal strategic statements and local planning policies for gaming in Victorian planning schemes include strategies and policies that seek to prevent convenience gambling and protect those most at risk of gambling-related harms.

The key objectives included in the local planning policies focus on:

- minimising gambling-related harms to individuals and the community
- ensuring that gaming machines are situated in appropriate locations and premises to prevent convenience gambling
- ensuring that where gaming machines operate, they do so as part of the overall range of social, leisure, entertainment and recreation activities and facilities
- reducing the concentration of gaming machines and gaming venues
- ensuring that gaming venues do not detract from the amenity of surrounding uses
- ensuring that the location and operation of gaming machines achieves net community benefit
- discouraging the proliferation of gaming premises in locations where the predominant use is residential

The local planning policies require the planning permit application to provide a suite of information relating to the proposal, the land use and zoning of the area surrounding the proposal site, the location of gambling-sensitive uses and uses that could contribute to convenience gambling, a community survey and a detailed socio-economic impact assessment

Decision guidelines included in local planning policies relate to:

- Whether the proposal will achieve the objectives and outcomes of this policy
- Whether the proposal will increase gambling-related harm
- Whether the proposal can demonstrate that there is to be a net community benefit beyond any statutory community contributions scheme
- Whether the proposal will contribute to the levels of socio-economic disadvantage or have any other adverse impacts on vulnerable communities
- Whether the location of the gaming machines would result in convenience gaming
- Whether the proposal would create, or contribute to an existing, cluster of gaming venues
- Whether patrons will have access to non-gambling entertainment and recreation facilities in the surrounding area and in the gaming venue that operate at the same time as the gaming machines
- The impact of the proposal on the safety, amenity, character, tourism and cultural assets of the surrounding land area and municipality

### Implications for the Electronic Gaming Decision-Making Framework and Local Planning Policy for Gaming

The content and scope of the municipal strategic statements and local planning policies reviewed will inform the amendment of the Melbourne Planning Scheme.

## 9.1 Review of municipal strategic statements

The Maribyrnong and Wyndham municipal strategic statements have included reference to gaming in their clauses concerning economic development while the Monash, Manningham and Moonee Valley Planning Schemes have included reference to gaming in their clauses concerning activity centres. The Manningham Planning Scheme has also included reference to gaming in the clause concerning community health and wellbeing.

The Cardinia and Moreland Planning Schemes have not included any reference to gaming in their Municipal Strategic Statements.

Objectives in these clauses relate to minimising the adverse social impacts or harms associated with EGMs (Maribyrnong) and protecting the health and wellbeing of the community. Strategies relate to requiring social and economic impact assessments, encouraging responsible development that promotes a healthy, safe and diverse community (Wyndham), and assessing gaming applications based on the social and economic impacts on the community (Wyndham and Maribyrnong), and discouraging the expansion of gambling venues or EGMs within a specific activity centre (Moonee Valley).

## 9.2 Review of local planning policies for electronic gaming

The policy is introduced by stating that it a planning permit to install or use a gaming machine, or use the land for the purposes of gaming where a permit is required pursuant to Clause 52.28 of the Planning Scheme.

### Policy basis

This context of the policy is set by referring to other relevant clauses in the planning scheme (SPPF, MSS and Clause 52.28 *Gaming*). The purpose of the policy is sometimes described as “guiding the location of EGMs to appropriate areas, sites and venues” and or “implementing the objectives and strategies of [other relevant clauses in the SPPF and MSS]”.

The policy basis of the various local planning policies covers the following key factors:

- Although gaming can bring some benefits, Council is concerned with the negative impacts of gambling-related harm
- There is a link between social disadvantage, gambling-related harm and proximity to gaming venues
- Gaming is a legal form of entertainment that needs to be planned for among other forms of entertainment
- The policy is based on the principle of harm minimisation
- EGMs should be reasonably accessible to the community as a form of entertainment, but not convenient (Hume)
- Social housing is defined as “For the purposes of this policy, social (community and public) housing means housing for people on lower incomes that is owned or leased by the Department of Human Resources, registered housing associates or not-for-profit housing organisations. A concentration of social (community and public) housing will general be said

to exist if there are 50 or more dwellings of that type within a circle of a 150m radius (Moonee Valley) or 25 or more dwellings within a radius of 150m (Mount Alexander)

Specific features of the policy basis of the selected local planning policies include:

- reference to Council's guidelines for the assessment of the social and economic impact of gaming machines (Moreland)
- description of the specific features of the gaming and community context within which the policy will operate (Monash)
- reference to the purpose of the policy being to guide the location of gaming machines in appropriate areas, sites and venues in order to protect those vulnerable to the impacts of gambling-related harms (Moonee Valley and Monash)

The Wyndham Local Planning Policy (Clause 22.03) describes several policy priorities that set the framework for the various strategies. The Planning Panel supported this as they assist in understanding the underlying basis for the policy and facilitates a balanced assessment. These priorities include:

- discouraging the use and installation of EGMs in areas of socio-economic disadvantage
- discouraging the clustering of gaming venues
- discouraging gaming venues from residential neighbourhoods and locating gaming venues in or near activity centres, in areas characterised by specialised industries or business, restricted retail and recreational or tourist activities
- separating gaming venues from areas of every day neighbourhood activity with high levels of pedestrian activities
- incorporating a mix of non-gaming functions in venues
- designing venues that are attractive and incorporate harm minimisation measures.

## Objectives

The objectives in the various local planning policies align with and reflect the purposes of Clause 52.28 *Gaming*, including:

- To ensure that gaming machines are situated in appropriate locations and premises
- To ensure the social and economic impacts of the location of gaming machines are considered
- To prohibit gaming machines in specified shopping complexes and strip shopping centres

The following objectives provide the framework for the policy and strategies:

- To minimise harm from gaming and the incidence of problem gambling
- To discourage the location of gaming machines in and proximate to disadvantaged areas and vulnerable communities
- To minimise opportunities for convenience gaming
- To protect the amenity of surrounding uses
- To achieve positive social, economic and environmental outcomes in the location and relocation of EGMs
- Discourage the location of EGMs and gaming venues in disadvantaged areas

- To locate EGMs and gaming venues in accordance with the hierarchy of activity centres as part of the overall range of entertainment facilities and activities
- To discourage the location of EGMs and new gaming venues where they are accessible to people who are vulnerable to gambling-related harm or gambling sensitive
- To maximise choice of non-gaming social, leisure, recreation and entertainment uses and facilities, both within the gaming venue and in the area surrounding the gaming venue
- To protect the safety and amenity of land uses surrounding and adjacent to the venue
- To protect local economies, heritage character, tourism assets and amenity
- To plan the location of EGMs as part of the overall range of entertainment and recreation facilities and activities on offer.

**Policy**

The policy component focuses on the three key land use considerations, namely appropriate areas, appropriate locations and appropriate venues. The individual policies for each respective consideration are typically described as those that are appropriate (using the word ‘should’) and that that are deemed inappropriate (using the words ‘should not’).

Most local planning policies reviewed have structured their policies around the three land use considerations namely areas, sites or locations and venues or premises. However, the Mount Alexander Shire Local Planning Policy for Electronic Gaming combines areas and sites as the Panel found that this would achieve a more concise statement of policy<sup>267</sup>.

The key features of the different local planning policies for gaming reviewed are summarised in Table 10. Since there is reasonable consistency in the content and scope of the clauses among most of the planning schemes reviewed, individual references have not been provided, unless a principle or element within a particular planning scheme is markedly different from the others.

**Table 10 – Summary of key features of selected local planning policies for gaming in Victoria**

Should be located	Should not be located
<b>In areas</b>	
Where the proposal would make a positive contribution to the redistribution of gaming venues from areas of high to low disadvantage.	Displaying high levels of socio-economic disadvantage, often defined as SA1 localities, or high densities of EGMs
Where the population is growing or expected to grow. In these areas gaming venues should not be established ahead of the provision of non-gambling entertainment, recreation facilities and social infrastructure (Moonee Valley)	Deemed to be the at core of activity centres where there is the highest intensity of activity including the main shopping areas and other widely visited civic, transport and community functions.
Where residents within a defined radius of the site have a reasonable choice of alternative non-gambling entertainment and recreation facilities and services that operate at the same time as the gaming venue. These may include hotels, clubs, cinemas, restaurants, bars and indoor recreation facilities	Not compatible with surrounding uses due to inadequate pedestrian and vehicle access, impact on amenity and potential to compromise the ongoing operations of surrounding businesses and industry.  In residential areas (Wyndham).

<sup>267</sup> Panel Report, Mount Alexander Shire Local Planning Policy, Amendment C72

<p>Where the total density is lower than the average for metro Melbourne. In nominated activity centres.</p>	
<p><b>In locations/on sites</b></p>	
<p>Located on the periphery of activity centres outside of the main shopping, transport, community and civic functions of the centre.</p> <p>Considered to be a destination in its own right due to separation from concentrations of activities associated with people undertaking daily activities such as strip shopping centres, shopping complexes, railway stations, community facilities, bus interchanges/removed from land zoned or intended for a commercial purpose (Cardinia Shire) (good for comprehensive development zone.</p> <p>Classified as a sports and recreation club with a land holding of more than two hectares.</p>	<p>That are convenient to core retail areas, supermarkets, community facilities or transport interchanges where large numbers of pedestrians are likely to pass in the course of their daily activities, increasing the likelihood of spontaneous decisions to play EGMs.</p> <p>Where the gaming venues and associated entertainment and recreation uses detract from the character and integrity of the municipality's tourism and heritage assets.</p> <p>Where there is a concentration of gaming venues.</p> <p>Less than 400m from gambling sensitive facilities such as offices of public and private welfare agencies, gambler support services, gambling-related harm service delivery setting, concentrations of social housing.</p> <p>Abutting, adjacent to, opposite or in the direct line of sight of a strip shopping centre where the advertising for EGMs in the premises is clearly visible to people in the prohibited or discouraged area</p> <p>Within the same buildings as residential dwellings (Monash).</p> <p>That are key connections between core retail areas in a township or activity centre (Cardinia).</p>
<p><b>In venues</b></p>	
<p>That have a range of non-gaming social, leisure and recreational options as the main focus of the venue that are open at the same time as the gaming room.</p> <p>That have a gaming floor area of less than 25% of the total floor area that is accessible to the public (Moonee Valley).</p> <p>That do not have a 24 hour operation OR Do not operate for more than 16 hours per day and operate no later than 2am (Manningham) OR Closed for the playing of EGMs when other areas of the venue and other establishments in the vicinity of the venue which provide alternative recreation and entertainment are closed (Wyndham)</p> <p>Incorporate effective management and mitigation measures.</p>	<p>That have an adverse impact on safety and amenity as a result of parking, traffic, noise, lighting, security, operating hours.</p> <p>That are incompatible with the predominant surrounding land uses.</p>

Designed to comply with best practice and the full ambit of the VCGLR Venue Manual or any regulatory successor.

Where vehicle and patron access is from a main road and not a local road (Wyndham).

That promote non-gaming activities that increase net community benefit

The following application requirements are included, some of which include specific information and data that is to be included for each requirement (refer to Table 11).

**Table 11 – Summary of application requirements of selected local planning policies for gaming in Victoria**

<b>Application requirement</b>	<b>Data to be included</b>
Site details	Land uses and zoning of adjoining and surrounding uses, availability of non-gambling activities in the vicinity of the site (hours of operation and location), gambling sensitive uses, pedestrian counts
Proposal details	Description of the proposal in terms of its compliance with the planning scheme, type of venue, number of EGMs, employment, supply contracts and investment, range of non-gambling activities to be provided, extent of statutory and non-statutory community contributions and their beneficiaries
Social and economic impact assessment prepared by a suitably qualified profession	For a defined catchment (typically 5 kilometres including adjoining municipalities as appropriate) the number of EGMs, forecast expenditure, existing and proposed distribution and density, proposed transfer of EGMs and expenditure. This profile is often required to be benchmarked against the municipality, metro or country municipalities and Melbourne.  Detailed community profile assessing the relative vulnerability of the community according to specific determinants of gambling-related harms  Assessment of social and economic impacts (benefits and disbenefits) and a discussion of the potential for the proposal to achieve net community benefit.  The results from an academically rigorous representative survey of residents and businesses within a 2.5 kilometres radius.
Strategic policy analysis	Discussion on the extent to which the proposal is consistent with the SPPF, LPPF, including policies such as recreation and entertainment and activity centres
Site and land use analysis	Surrounding land uses  Distance of existing and proposed EGMs/venues from uses and facilities associated with day to day activities and people at an elevated risk of gambling-related harm such as shopping complexes, shopping strips, community facilities and services, public housing, gambling counselling services and public transport
Venue management plan	Responsible gambling initiatives and measures.
Plans and elevations	Design and layout of premises

Where appropriate, the information should detail where and to what extent the proposal goes beyond statutory requirements in relation to community contributions, venue design, venue management and venue operations.

### Decision guidelines

The local planning policies reviewed have included the following decision guidelines:

- whether the proposal responds positively to harm minimisation
- the potential for the proposal to result in net community benefit over and above community contributions scheme (as per Clause 10.02 of the planning scheme)
- the potential for the proposal to increase vulnerability to gambling-related harm or social disadvantage
- whether the proposal would contribute to convenience gambling
- whether there is a choice of non-gaming activities, both within the gaming venue and the surrounding areas
- the impact of the proposal on the amenity, character and safety of the area and surrounding land uses
- whether the venue is accessible via a variety of transport modes
- whether the proposal will result in a distribution of EGMs and expenditure from areas of high to low disadvantage
- whether the proposal achieves the objectives of the policy.

## 9.3 Review of Clause 52.28

All planning schemes reviewed included a list of shopping complexes under Clause 52.28, listing those complexes in which EGMs are prohibited. Most have described the shopping complexes using the streets if it is on a corner or the street numbers if it is not. Where appropriate, the streets surrounding the shopping complex have been used. Some described properties to be included or excluded using the lot number or folio number (refer to Table 12).

The Schedule to Clause 52.28-3 of the Melbourne Planning Scheme currently includes a list of shopping complexes in which EGMs are prohibited. However, this will be updated to include QV Melbourne, Emporium, Harbour Town, DFO South Wharf and Spencer Street Outlet Centre.

**Table 12 – Description of shopping complexes**

<b>Planning scheme</b>	<b>Description details</b>
<b>Macedon Ranges (street address and description)</b>	Gisborne Village SC: Land known as 22 Brantome Street, Gisborne and all lots contained within the Gisborne Village Shopping Centre.
<b>Manningham (description using streets)</b>	Westfield Doncaster: Land on the northwest corner of Grant Olson Avenue and Manningham Rd, Bulleen
<b>Maribyrnong (description using streets and street address)</b>	Highpoint SC: Land on the east side of Rosamond Road, Maribyrnong, bounded on the north by the rear boundary of lots fronting Bloomfield Avenue, on the south by the Robert Barratt Reserve and on the east by Warrs Road. Central West Major Activity Centre: Land at the corner of Ashley Street and South Road, known as 41-67 Ashley Street, Braybrook.
<b>Monash (precinct description also includes street address),</b>	Oakleigh Central Plaza SC: Land bounded by Hanover St, Portman St, and the railway line, Oakleigh Brandon Park SC: 602 - 620 Ferntree Gully Rd, Wheelers Hill, being

	land bounded by Ferntree Gully Rd, Springvale Rd, Magid Avenue and Brandon Park Drive, Wheelers Hill
<b>Moonee Valley (street description but excludes a relevant section)</b>	Airport West SC: Land on the west side of Mathews Ave, Airport West, not including the Skyways Hotel
<b>Moreland (street description including a relevant section)</b>	Barkly Square SC: 90-106 Sydney Road, Brunswick, including land extending approximately 400 metres east of Sydney Road south of Weston Street and north of Barkly Street.
<b>Hume (street address and lot/folio number)</b>	Broadmeadows Transit City: Land bounded by Pascoe Vale Road, Riggall Street and Pearcedale Parade, Broadmeadows except for land known as Lot 1 PS 326521D (Vol 10149 Folio 129)
<b>Cardinia (included the entire urban growth zone with some exclusions, subdivision and consolidation descriptions)</b>	Officer Town Centre : All land in Urban Growth Zone 4 (UGZ4) other than Town Centre Precincts 'Gateway' and 'Highway Business' shown in Plan 2 of UGZ4. Arena Shopping Centre: Lot R in Plan of Subdivision PS625955 Lakeside Square Shopping Centre: Lot 1042 in Plan of Subdivision PS640819
<b>Wyndham (description including formal lot/folio)</b>	Hoppers Crossing SC: Land bounded by Morris Road, Old Geelong Road and the railway line, comprising Pt CP154132, No's 2-42,50,50A and Reserve PS335092 Old Geelong Road, Hoppers Crossing.

Some municipalities such as Monash and Moonee Valley have included a list of strip shopping centres in which EGMs are prohibited under Clause 52.28-4. Other municipalities such as Cardinia, Wyndham and Moreland have prohibited the inclusion of EGMs in all strip shopping centres under Clause 52.28-4 using the following wording:

*A gaming machine is prohibited in all strip shopping centres on land covered by this planning scheme (Moreland)*

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## Appendix 2 – Summary of stakeholder engagement discussions

### Methodology

Telephone interviews were held with the following agencies and venue operators.

- Salvation Army
- Victorian Local Government Association
- Victorian Responsible Gambling Foundation
- The Celtic Club
- Mercure Grand Hotel on Swanston
- Batman’s Hill on Collins
- Pegasus Group (Melbourne Racing Club) representing Players on Lygon and the Golden Nugget
- Doxa Club Inc. representing The Meeting Place and Clocks at Flinders Street Station
- Hotel and Leisure Management representing Bourke’s Hill Welcome Stranger and the Mail Exchange

The feedback gathered during this process is summarised below.

### Feedback from venue operators

Telephone interviews were held with operators of nine of the 11 gaming venues. Of these, six interviews were conducted as three venue operators were responsible for the management of two venues each.

The venue operators were interested in providing comments on the draft Decision-Making Framework and Local Planning Policy for Gaming.

The feedback gathered during these telephone interviews is summarised under the following topics which provided the structure for each of the interviews.

#### ***What measures do you think are most effective in preventing gambling-related harms?***

All venue operators felt that staff training was the most effective measure as it enables the staff members to recognise people who are experiencing problems with their gambling and provide them with support and information. Four venue operators also felt that the State Government’s YourPlay mandatory self-exclusion<sup>268</sup> program was also effective.

Other effective harm minimisation measures mentioned included media advertising, and the problem gambling awareness material that is placed in the venue and on the EGMs.

One venue operator mentioned that the two venues they operate do not offer loyalty programs as a harm minimisation measure.

#### ***What factors do you consider when deciding whether to establish a new gaming venue or increase the number of EGMs?***

Key factors that would determine whether the venue operator would seek to increase the number of EGMs in their venue or establish a new venue included location factors, such as proximity to public transport and volume of foot traffic, whether it would be financially viable or beneficial,

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<sup>268</sup> This program enables a person to ban themselves from gaming venues, TABs and gambling websites.

whether there is a demand for more gaming and non-gaming facilities, existing competition in the gaming industry and whether the site would accommodate any proposed changes.

One venue operator mentioned that the potential social and economic impacts are also an important consideration.

***What are the primary reasons people visit your venue?***

The venue operators indicated that the main reason people visit the venue is to make use of the full range of gaming and non-gaming facilities such as the bistro, café, gaming lounge, TAB and keno wagering services and sports bar. These facilities provided opportunities for people to socialise during lunch breaks and after work and watch sport. One of the clubs also mentioned that people visit the venue for cultural and heritage reasons.

Other reasons included customer service, the comfortable atmosphere, convenience and because the gaming venue provided additional facilities for visitors staying at the attached hotel.

***Would you be able to describe your patron profile (e.g. age, gender, culture, occupation) and whether they live in the City of Melbourne or elsewhere?***

All venue operators described their patron profile as being diverse and including residents, workers and visitors from metropolitan Melbourne, Victoria, interstate and overseas. They also mentioned that the patron profile changed according to other events and activities that were taking place in the City, for instance over the weekends the patrons also attend sporting and cultural events whereas during the week the patrons were typically workers and residents.

The gaming venues that are close to Chinatown indicated that international visitors form a large proportion of their patrons.

The two venues that are attached to hotels indicated that their patrons included guests at these hotels.

***What percentage of patrons using the gaming room use other facilities in your venue?***

Most venue operators indicated that a very large proportion of their patrons use other facilities in the venue. This proportion varied from around 60 percent to 95 percent.

***How do you think gambling in the City of Melbourne differs from other municipalities e.g. gambling patterns, size and location of gambling venues, patron profile?***

Key differences identified by the venue operators included the lack of on-site car parking, a wider and more diverse patron profile, the fact that Crown Casino is a major competitor, the presence of a wider range of non-gambling activities in the surrounding area, venues are smaller and the patrons are less socio-economically disadvantaged.

***What do you think the future of electronic gambling is in the City of Melbourne?***

In general, the venue operators felt that the demand for gaming in the City of Melbourne is steady, and is unlikely to grow at a significant rate. Reasons for this included the presence of Crown Casino, the restrictions placed by the State Government, and competition resulting from other non-gambling entertainment facilities in the City. Some venue operators did not think that the population growth associated with the urban renewal areas would generate much additional demand for EGMs in the municipality.

*Our venue is certainly growing, will continue to grow as the population will grow, but at a slower rate because of increased awareness of problem gambling and state harm minimisation measures such as YourPlay (Hotel venue, attached to an accommodation hotel)*

*Major events are bad for gaming because they offer alternatives (Operator of two hotel venues)*

***What do you think Council's role/s are in relation to preventing and minimising gambling-related harms?***

Four of the gaming operators felt that Council should play a minimal role in regulating EGMs and gaming venues, and implementing harm minimisation measures, as this is the State Government's role. In general the venue operators felt that Councils play an important role in facilitating collaboration between the venue operators, Council and agencies.

One of the venue operators felt that Council should work closer with the State Government to put statutory measures in place to ensure that community contributions benefit the municipality.

**Feedback from agencies and peak bodies**

***Which groups or individuals are most at risk of gambling-related harms?***

The following groups within the community were identified as being at an elevated risk of gambling-related harms:

- people experiencing homelessness and migrants due to social isolation and loneliness, and poor social connectedness
- older people due to loneliness and boredom
- people with access to large amounts of money
- people with addictive personalities
- people experiencing mental health issues such as stress
- people with poor social skills, for example the 'socially awkward' as they lack the skills to interact with other people, therefore finding it easier to interact with the EGMs
- international students who are experiencing financial stress and difficulties paying their fees and are under stress to succeed in their studies
- Aboriginal and Torres Strait Islanders
- people from culturally and linguistically diverse backgrounds
- gambling venue employees
- young people
- children of gamblers
- being male
- low educational attainment
- people with contact with the corrections system.

One agency also noted that older people are at particular risk of gambling harms.

*Older people experience a number of risk factors for problem gambling such as difficulty adjusting to retirement and decreased mobility and physical health. The impacts of problem gambling of older people are significant due to a reduced ability to replenish savings after retirement. Almost 18% of problem gamblers and 48% of moderate risk gamblers are aged 55 or older, with pokies being the second preferred form of gambling for gamblers in these categories, following lotto, Powerball and the pools.<sup>1</sup> Peak Body*

However, one agency indicated that there is not a 'typical problem-gambler' in Australia due to the high accessibility of a range of gambling products. This agency also indicated that two thirds of harm presentations to gambling services were as a result of the use of EGMs.

***Are there any particular factors relating to gambling harm and gambling patterns in the City of Melbourne that should be considered? E.g. homelessness, proportion of students?***

The following specific features relating to gambling harm and gambling patterns in the City of Melbourne were highlighted:

- their ease of access
- the transient nature of the patron profile consisting of workers, students
- relatively low levels of socio-economic disadvantage among the residents and other users on the one hand but also a significant homelessness population.

However, it was also noted that the socio-economic risk factors associated with gambling harms are the same in the City of Melbourne as they are elsewhere.

***What are the main reasons that people become vulnerable to gambling-related harms?***

One peak body identified the following factors:

- accessibility to gambling products
- expenditure
- socio-economic disadvantage
- proximity to facilities and services associated with day to day activities such as shops and entertainment
- online gambling.

The agencies indicated that factors such as family breakdown, financial abuse and elder abuse, lack of financial resources, homelessness are key factors that increase a person's vulnerability to gambling harm.

One agency highlighted the specific risks associated with EGMs.

*EGM gambling, because it's so intensive, seems to come to a head because the capacity of losses is high whereas sports betting and racing can manifest over a longer period of time.*  
Peak Body.

***What do you think the main impacts of gambling-related harms are, on individuals and the broader community?***

The key impacts of gambling-related harms identified by the agencies included domestic violence, loss of self-esteem, deterioration of mental health, self-harm, loss of family relationships, housing insecurity, suicide, crime, reduced work or study performance. This is particularly noticeable among people over the age of 55 years.

*People who gamble blame themselves rather than externalise it to a substance, it becomes tied up in their own self-worth, [resulting in] high rates of anxiety and depression, and high rates of suicide - gambling has highest suicide rate of any major addictions* Peak Body

*Physical health impacts tend to be nebulous – people tend to neglect their own physical health, e.g. trips to doctors and dentists, [they] neglect to pay bills e.g. water electricity gas internet [and] find themselves in difficulty* Peak Body

*Breakdown of relationships with partners but also with their children, parents and siblings because they get tired of being asked for money and having an adult family member who is dependent. Some relationship harms are irreparable, that in itself leads to financial instability because the loss of a partner leads to the loss of the family home, and this can lead to homelessness* Peak Body

Another key impact is child abuse, which includes neglect.

*Harm to children which is manifest as neglect. A large part of gambling harm is loss of time, not just money, it's an activity that takes the parent out of the home for hours on end. Peak Body*

**What do you think Council's role/s are in relation to preventing and minimising gambling-related harms?**

In general, the agencies felt that Council fulfils several roles, including the gaming and planning approval process, identifying where in the city legal forms of entertainment (including gambling) should and should not be located, community education about the harms associated with gambling, particularly among migrants and other vulnerable groups, program and service delivery, advocating for changes to limit opening hours and cash withdrawals.

One agency felt that Council has the responsibility to consider the local land use impacts of gambling and, under the legislation, ought to act in the best interests of the community by taking a preventative and precautionary approach.

*The difficulty is that the precautionary approach is not consistent with the way the other regulators operate where they look at the balance between harms Peak Body*

This agency also felt that the City of Melbourne is unique in Victoria as it plays a very important leadership role in advocacy and setting an effective policy direction for the location and operation of EGMs.

*The City of Melbourne has quite a lot of ability when working with other Councils to shape that [the gambling and gambling-related harm] agenda. Council should lead the agenda to enable Councils to have greater controls. Council has greater weight and should use it. This would have an outsize impact. Peak Body*

The agencies suggested that Council should implement strategies to prevent the growth of EGMs in the municipality. Another suggestion is that Council should apply emerging research.

*There should be a broadening of focus from the prevention of 'problem gambling' to the lessening of gambling harm which is distributed across a broader section of the Victorian community. This means population wide initiatives to prevent and reduce gambling harm are best targeted to low and moderate risk gambling, while harm reduction interventions and treatment are better targeted to existing problem gamblers. Peak Body*

Other suggestions included:

- the implementation of a workplace policy that should consider support, affecting behavioural change and prohibiting the use of gambling during worktime
- restrictions or the prohibition of gambling advertising on Council property.

**Is there anything else you would like to say?**

One agency highlighted the fact that the scale and location of Crown Casino is a key factor that needs to be considered when developing the Electronic Gaming Decision-Making Framework and Local Planning Policy for Gaming, even though this gambling facility is not under the jurisdiction of the City of Melbourne. This agency also noted that strip shopping centres are very difficult to define in the City of Melbourne and that the Local Planning Policy for Gaming should give specific guidance on how to prevent convenience gambling.

## Appendix 3 – Snapshot of key gaming data

LGA Name	City of Melbourne	City of Hobsons Bay	City of Maribyrnong	City of Moonee Valley	City of Moreland	City of Port Phillip	City of Stonnington	City of Yarra
SEIFA score of relative socio-economic disadvantage	1,050.96	999.92	988.43	1,030.54	999.81	1,076.77	1,097.82	1,041.94
# of EGMs	746	577	440	732	640	383	287	308
#of venues	11	10	9	11	12	10	7	8
Player Loss	\$79,770,052.63	\$46,829,609.25	\$53,735,025.14	\$75,401,077.51	\$ 63,531,110.68	\$28,095,943.28	\$23,443,276.63	\$32,992,353.39
average Venue size	68	58	49	67	53	38	41	39
average expenditure per venue	\$7,251,822.97	\$4,682,960.93	\$5,970,558.35	\$6,854,643.41	\$5,294,259.22	\$2,809,594.33	\$3,349,039.52	\$4,124,044.17
average expenditure per EGM	\$106,930.37	\$81,160.50	\$122,125.06	\$103,006.94	\$99,267.36	\$73,357.55	\$81,683.89	\$107,118.03
adults per Venue 2016	11,102	7,402	7,633	8,848	11,604	9,457	13,330	9,871
density EGMS per 1,000 Adults 2016	6.1	7.8	6.4	7.5	4.6	4.0	3.1	3.9
expenditure per Adult 2016	653.19	632.67	782.17	774.71	456.25	297.10	251.25	417.78
rank expenditure	1	23	21	13	16	26	28	24
rank EGMs	13	18	23	15	16	25	27	26
rank no venues	14	18	22	15	11	19	26	23

Source: VCGLR and ABS Census of Population and Housing, 2011

## Appendix 4 – Socio-economic profile of the community and associated risk factors for gambling-related harms

SA/SSC	SEIFA Relative Socio-economic Disadvantage	Households with mortgage stress	Households with rental stress	Unemployment rate	Median annual household income \$62,400 - \$103,999	Lone person households	Group households	Labourers	Salesworkers	Machinery operators/drivers	Attending tertiary education/university	Young people aged 15-24	Aboriginal and Torres Strait Islanders	Chinese ancestry (top five)	People who volunteer	/15
Melbourne SA2	1002	7.2	39.0	10.8	\$54,028	40.9	19.4	4.1	7.8	0.9	54.5	37.9	0.2	30.2	13.7	8
Carlton SA2	939	3.2	50.7	14.0	\$30,628	47.5	19.9	4.3	8.2	1.7	61.6	41.0	0.3	23.7	20.3	8
North Melbourne SA2	983	5.5	25.7	8.3	\$69,576	32.8	17.5	4.2	7.9	1.8	39.2	22.3	0.4	12.8	18.2	8
South Melbourne SA2	1027	7.3	15.8	5.0	\$89,388	36.2	8.9	2.4	7.1	1.1	26.3	10.8	0.5	5.9	17.8	4
East Melbourne SA2	1117	7.0	15.0	3.5	\$103,84	41.1	10.7	1.3	5.6	0.6	37.0	9.8	0.2	4.2	22.9	5
West Melbourne SSC	N/A	7.9	23.4	6.1	\$88,400	26.4	20.2	4.0	7.6	0.8	31.7	20.2	0.2	11.8	15.9	5
Port Melbourne SA2	1063	8.1	12.8	3.8	\$103,896	35.7	7.0	2.4	8.1	1.5	18.9	7.1	0.2	N/A	16.9	3
Flemington SA2	1074	4.4	21.6	8.3	\$57,460	35.2	10.2	6.1	6.0	3.1	27.1	15.7	0.6	9.0	16.6	6
Kensington SSC	1042	8.3	13.5	4.6	\$89,440	31.1	12.8	3.4	6.0	1.9	32.9	13.1	0.4	8.3	19.4	6
Parkville SA2	1053	5.1	23.3	12.3	\$77,636	27.1	19.9	5.5	8.6	1.1	75.0	44.2	0.5	11.9	33.9	7
South Yarra West SA2	1110	5.3	15.2	3.9	\$97,292	41.8	10.4	1.6	7.2	0.5	30.6	13.7	0.2	4.6	22.2	5
Southbank SA2	1092	8.3	22.7	5.8	\$95,576	33.9	17.1	2.2	7.2	0.8	7.1	23.6	0.2	18.9	15.7	7
Docklands SA2	1090	9.8	23.8	4.7	\$98,800	35.3	11.7	2.1	8.3	1.3	6.5	16.3	0.2	14.5	12.9	5
Greater Melbourne	1026	11.0	9.7	5.5	\$69,316	23.3	4.7	8.0	9.7	5.9	17.4	13.8	0.5	2.3	15.8	
Victoria		10.1	9.1	5.4	\$63,024	24.5	4.2	9.0	9.7	6.1	15.2	13.5	0.7	3.7	17.7	

Source: ABS Census of Population and Housing, 2011

## Appendix 5 – Relevant gaming and planning permit decisions, City of Melbourne

### The Meeting Place

The Meeting Place is located at 315-321 Elizabeth Street, Melbourne.

In November 2016 the Commission granted an application by the Doxa Club Inc to increase the number of EGMs at The Meeting Place by 20 from 56 to 76. The basis for the Commission's decision was that:

- the layout and design of the existing premises poses risks of harms from problem gambling as the sole focus of the existing venue is on gambling
- there was no part of the existing premises where patrons are not exposed to the various gambling products on offer.

The Commission noted that the venue is located on a highly used pedestrian thoroughfare, adjacent to tram lines and in close proximity to the Melbourne Central retail centre and train station. With respect to expenditure and the definition of 'the community of the City of Melbourne', the Commission noted the following:

"Statistics showing expenditure and EGM density per adult resident in Melbourne are of very limited utility to the Commission because the community of Melbourne compromises residents and city users" (paragraph 31).

"The Commission accepts that the community of the municipal district in this matter includes the residents of the city and the 'city users': workers, students and visitors." (paragraph 37).

The Commission identified the following with regard to gambling-related harms:

- Harms associated with the incidence of problem gambling are wide-ranging and attributable to all categories of gamblers and across the community more broadly.
- An increase in accessibility to EGMs is associated with an increased risk of problem gambling which leads to other costs such as adverse health outcomes, family breakdowns, and other social costs.
- A portion of new expenditure is attributable to problem gambling and this is considered an economic disbenefit.
- Problem gambling has an economic cost relating to the provision of services, the financial losses of gamblers and support services for problem gamblers and family.

The Commission identified the following potential benefits:

- "To the extent that gaming expenditure is not associated with problem gambling, it has been recognised that such expenditure can be treated as an economic positive. This approach also brings to account the benefit obtained from pure consumption by the lone gambler who does not use EGMs for social reasons" (paragraph 38)
- For those who enjoy gambling as a legitimate recreational activity, an increase in the number of EGMs at the premises improves the variety of EGMs offered and may represent a social benefit (paragraph 72)

Conditions imposed on the approval related to the removal of the outdoor smoking area adjacent to the EGM gaming lounge, the requirement for the chaplaincy service to be available, the allocation of

a cash contribution to a charitable organisation which addresses homelessness in the City of Melbourne and the removal of the Keno facilities while the EGMs are in operation.

### **Exchange Hotel**

The Exchange Hotel is located at 120 King Street, Melbourne. The application involved both a planning permit and application for gaming approval to introduce 54 EGMs into an existing hotel. The application for gaming approval was approved by the Commission. Council objected to the application for a gaming licence and refused the application for the planning permit.

A joint review of both the gaming and planning decisions was considered by the Tribunal which determined to approve the application for the gaming licence but refuse the application for a planning permit. The key reason for the Tribunal refusing the planning permit application was the potential social and economic impacts on the residents of the adjoining social housing development and proximity to education uses.

In this case the Tribunal clearly describes the different considerations under the *Gambling Regulation Act 2003* and the *Planning and Environment Act 1987* as follows:

“With the gaming approval process involving the balancing of broader considerations about the potential social and economic impacts on the community of this municipality (notably the Hoddle Grid), we have found the ‘no net detriment to the wellbeing of this community’ test to be met. However the planning assessment requires a location-specific assessment, and we have found the proposal (whilst having various positive features) has compatibility issues with Wintringham’s social housing facility and is an unacceptable planning outcome in this particular location” (paragraph 5).

### **Francis Hotel**

The Francis Hotel is located at 383-387 Lonsdale Street, Melbourne. The proposal involved both applications for both planning permit and gaming approval to install 34 EGMs into an existing hotel.

Council objected to the application for gaming approval as the proposal involved both an increase in the number of EGMs into the municipality and the establishment of a new venue.

Despite granting the application for gaming approval, the Commission noted that the proposal site is located within 400m of The Celtic Club and the Meeting Place and in close proximity to two community housing developments namely Drill Hall (800m) and the Common Ground (2km).

“The Commission is concerned that approval of the premises will result in the creation of a cluster of gaming venues in the area bounded by Lonsdale, Latrobe, Elizabeth and Queen Streets. In the Commission’s view, such clusters of electronic gaming venues pose a potential risk to persons, such as problem gamblers, who wish to avoid the temptation posed to them [by] electronic gaming venues. Further, the Commission is concerned that approval of the premises as suitable for gaming will add to the already high density of electronic gaming venues in the central business district of Melbourne. However, as the Commission has noted on previous occasions, the high density of electronic gaming venues in the central business district of Melbourne suggests that the marginal impact on gambling-related harm of any one new venue is likely to [be] small, or indeed, non-existent. This is especially so when the proposed venue is one which will have a small number of EGMs and in which the electronic gaming will be a minor aspect of the overall entertainment offering.” (paragraph 42).

The Tribunal set aside the Commission’s decision to approve the gaming licence and affirmed Council’s decision to refuse the planning permit application. The key grounds for the Tribunal’s decision were that:

- Approval would result in a ‘functional’ cluster of venues. This would add risk to problem gamblers and have a negative impact on social well-being. It was also contrary to local planning policy and would not provide a satisfactory active street frontage in accordance with the relevant DDO provisions of the Melbourne Planning Scheme.
- The difficulties in securing proposed community contributions by undertakings or conditions of either gaming or planning approval.

The Tribunal also noted that the proximity of the venue to Crown Casino made it difficult for the applicant to predict the revenue.

### **Queensberry Hotel**

The Queensberry Hotel is located at 593 Swanston Street Carlton, on the Carlton United Breweries site. The Minister for Planning and Community Development is the Responsible Authority for the site which is zoned Comprehensive Development Zone and will consist of a large mixed use development incorporating residential, office and commercial premises.

The application involved both a planning permit and gaming approval for the installation of 30 EGMs into an existing hotel. Council objected to the planning permit application and gaming approval on the grounds that the site is located in close proximity to public housing and student accommodation which could lead to convenience gambling among groups at an elevated risk of gambling-related harms.

Commission was of the view that given the specific context of the City of Melbourne and its role as a tourist and community hub, EGM expenditure and density figures are less important than in other municipalities (para 30). They felt that the imbalance between those who visit in the Hoddle Grid and those who reside there means that any division of total expenditure by the relatively small number of residents must produce a distorted result, concluding that a large proportion of EGM expenditure within the Hoddle Grid is expenditure by people who do not live there (para 41).

The Commission granted approval, noting that the considerations were finely balanced. It also noted that the transfer of EGMs from area of low to high relative socio-economic disadvantage is more favourable than installation of new EGMs (paragraph 38C). It also noted that the imposition of a regional cap in Carlton reflects the State’s acknowledgement that Carlton is a vulnerable community. However, the Commission did not consider that students are at an elevated risk of gambling-related harms (paragraph 38F).

The Tribunal determined to uphold the Responsible Authority’s decision to refuse the application for the planning permit on the following grounds:

- The intended uses of the area surrounding the site would include those typically associated with people’s day to day activities with the result that the gaming venue may result in convenience gambling which could contribute to gambling-related harms.
- The site would be more accessible to social housing developments than other gaming venues in the vicinity due to its location in relation to tram routes.

### **Victoria Hotel**

The Victoria Hotel is located at 201 Little Collins Street, Melbourne. The proposal involved an application for gaming approval to operate 30 EGMs in an existing hotel.

The Commission refused the application on the following grounds:

- proximity to Urban Seed, a facility for people experiencing health issues and socio-economic disadvantage.

- gaming venue would have a separate entrance and that people would not have to enter the gaming lounge through the hotel itself which offers non-gambling facilities and activities.
- potential for the proposal to result in a cluster of venues as there are five gaming venues within close proximity to the Victoria Hotel for instance Bourke Hill's Welcome Stranger, Golden Nugget, Shanghai Club, Clocks at Flinders Street Station, Mercure Grand Hotel on Swanston<sup>269</sup>
- lack of tangible benefits.

However, the Commission dismissed Council's concerns regarding the proximity of the venue to a tertiary education facility on the basis that EGMs were not the main form of gambling amongst students and therefore that the application would be unlikely to substantially increase the incidence of gambling-related harms amongst this interest group.

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<sup>1</sup> Hare, S. (2015) *Study of Gambling and Health in Victoria: findings from the Victorian prevalence study 2014 Victoria, Australia: Victorian Responsible Gambling Foundation and Victorian Department of Justice and Regulation*

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<sup>269</sup> Council noted that the venue was located within 500m of the proposal site. A typical walking distance, and therefore catchment threshold, is 400m.