



**BOROONDARA**  
*City of Harmony*

# City of Boroondara Responsible Gambling Policy

2013-18

**Responsible Directorate:** Community Development  
**Authorised by:** Council  
**Date of adoption:** 9 December 2013  
**Review date:** 2018  
**Policy type:** Council

# Table of contents

<b>1. Introduction .....</b>	<b>3</b>
1.1. Purpose	3
1.2. Scope	3
1.3. Corporate framework	4
<b>2. Background .....</b>	<b>4</b>
2.1. Policy environment	5
2.1.1. Australian Government Productivity Commission's Gambling Report	5
2.1.2. Victorian Competition and Efficiency Commission's Gambling Report	6
2.1.3. EGMs in Victoria	8
2.1.4. EGMs in the City of Boroondara	9
2.2. Policy context	11
2.2.1. Australian Government	12
2.2.2. Victorian Government	13
2.2.3. City of Boroondara	16
<b>3. Methodology .....</b>	<b>19</b>
3.1. Research findings	19
3.2. Consultation	20
3.2.1. Key consultation findings	20
<b>4. Policy statement .....</b>	<b>22</b>
4.1. Goal	22
4.2. Objectives	22
4.3. Strategies	22
4.4. Applicant requirements for the social and economic impact assessment	25
4.5. Council assessment process	28
<b>5. Implementation and monitoring .....</b>	<b>29</b>
5.1. Implementation	29
5.2. Financial implications	30
5.3. Monitoring	30
<b>6. References.....</b>	<b>30</b>
6.1. Related documents	30
6.2. Other references	30
<b>7. Appendices.....</b>	<b>32</b>

## 1. Introduction

Council recognises that gambling is a lawful activity that can provide entertainment, recreation and socialising opportunities. While the majority of people who gamble do so without experiencing adverse effects, some people gamble excessively and experience a variety of personal, family and financial problems.

Since the proliferation of electronic gaming machines (EGMs) in the early 1990s, Council has become increasingly aware of the community's concern about the detrimental impact that EGMs can have on some members of the community. Council is also aware that EGM gambling poses significant risks compared to other types of gambling, and this differentiates it from other enjoyable recreational activities. For these reasons, and as Council is responsible for the approval of planning permits for EGMs, and is able to make submissions to the Victorian Commission for Gambling and Liquor Regulation (VCGLR) on gaming licence applications, the primary focus of this policy is on EGM gambling. However, Council also acknowledges that it has a role to play in relation to other types of gambling where there are perceived impacts on the health and wellbeing of the community.

### 1.1. Purpose

The purpose of the City of Boroondara Responsible Gambling Policy 2013-18 (the Responsible Gambling Policy 2013-18) is to provide the strategic direction for how Council will minimise the harms that are particularly associated with EGM gambling in the City of Boroondara. The policy also details work that Council will undertake in its role as advocate, partner, community educator and researcher in relation to EGM gambling and other types of gambling, which impact on the community.

This policy supersedes the City of Boroondara Gaming Policy July 2008 and builds on the work undertaken by Council under that policy.

### 1.2. Scope

As noted, the primary focus of this policy is EGM gambling. In Victoria, EGM use requires two permissions - a planning permit from the local authority and a gaming licence from the VCGLR, as outlined in **Appendix 1**. Council is responsible for approving planning permits for the installation and use of EGMs through the Boroondara Planning Scheme. Council does not have decision-making powers to grant gaming licences to either approve a premise as suitable for gaming or to vary the number of EGMs in an approved venue, as this is the responsibility of the VCGLR. However, under the *Gambling Regulation Act 2003* (the Gambling Act) Council can make a submission to the VCGLR on gaming licence applications based on the social and economic impacts of the application on the wellbeing of the community (see section 2.2 for further details).

The key stakeholders of this policy are:

- EGM gaming venue operators
- the Boroondara community
- organisations providing services to people affected by gambling.

Council will have regard to this policy when:

- assessing planning permit applications to install or use EGMs under clause 52.28 and clause 22.14 of the Boroondara Planning Scheme

- making a submission to the VCGLR on gaming licence applications to approve premises as suitable for gaming under section 3.3.6 of the Gambling Act
- making a submission to the VCGLR on gaming licence applications to amend the venue operator's licence to vary the number of EGMs under section 3.4.19 of the Gambling Act.

Council will also have regard to this policy when:

- responding to the VCGLR about gaming licence applications in neighbouring municipalities
- undertaking work in its role as advocate, partner, community educator and researcher in relation to EGM gambling and other forms of gambling that impact on the local community.

In this policy, planning permit applications for the installation and use of EGMs will be referred to as planning permit applications. Gaming licence applications to the VCGLR for either approval of a premise as suitable for EGM gaming, or to amend the venue operator's licence to vary the number of EGMs for an approved venue, will be referred to as gaming licence applications.

The term 'gaming' is often used to describe EGM gambling and distinguish it from other forms of gambling. Gaming in the context of this policy refers to gambling activity on EGMs.

### **1.3. Corporate framework**

The vision and mission of the Council Plan 2013-17 articulate Council's overarching commitment to the wellbeing of all community members:

- Vision - a vibrant and inclusive community with an outstanding quality of life
- Mission - the City of Boroondara will provide services, facilities, support and advocacy to enable our community to further its sense of place and connection.

This policy supports Council's mission and vision by addressing the following themes in the Council Plan 2013-17:

- Theme 1: strong and engaged communities
- Theme 3: enhanced (liveability and) amenity.

## **2. Background**

In Australia, there are a range of legal gambling opportunities available to the community including:

- EGMs
- club keno
- casino table games
- lotteries
- wagering (racing or sports betting)
- online gambling

As the primary focus of this policy is on EGM gambling, the following section provides background information about the policy environment and context for EGM gambling only.

## 2.1. Policy environment

Since Council's previous Gaming Policy 2008 was adopted, there have been a number of changes in the EGM gambling environment in Victoria. The findings from reports of two government inquiries into the impacts of gambling have been released: the Australian Government Productivity Commission's 2010 report on Australia's gambling industries; and the Victorian Competition and Efficiency Commission's 2012 report on the costs of problem gambling.

### 2.1.1. Australian Government Productivity Commission's Gambling Report

The Productivity Commission's Gambling Report (2010) provided an update on the Productivity Commission's 1999 report and some additional research into the impacts of harm minimisation measures. The report found that EGM gambling poses significant risks compared to other types of gambling:

- Although 70-75 per cent of Australian adults do not play EGMs at all, this type of gambling accounts for the highest proportion of overall gambling expenditure in Australia (62 per cent).<sup>1</sup>
- The risks of problem gambling increase significantly with the frequency of playing EGMs.<sup>2</sup> Problem gambling, according to Gambling Research Australia, is characterised by difficulties in limiting money and/or time spent on gambling, which leads to adverse consequences for the gambler, others, or for the community.<sup>3</sup>
- Approximately 600,000 Australians (four per cent of the adult population) play EGMs at least weekly. While around 15 per cent of these regular EGM players have gambling problems, a further 15 per cent experience moderate risks.
- Around 75 to 80 per cent of people with gambling problems play EGMs.
- Of the total amount gambled on EGMs, problem gamblers account for around 40 per cent of the total losses (the average of a range of estimates from 20 per cent to 60 per cent).
- Recreational gamblers typically play EGMs at low intensity. However, if EGMs are played at high intensity, players can lose up to \$1,500 or more an hour.
- There is widespread misunderstanding about how EGMs work. For example, research shows that gamblers believe that they can recover losses by continuing to play and that EGMs run 'hot' or 'cold'.
- The price of playing EGMs is poorly disclosed, with gamblers underestimating their losses.<sup>4</sup>

The report also found that for gamblers, EGMs are probably one of the most important sources of enjoyment and that for many Australians gambling provides significant pleasure. Benefits provided to the community by the gambling industry include employment opportunities and the provision of gambling venues that are often seen to be accessible, friendly and secure. It is also an important source of revenue for governments.<sup>5</sup>

---

<sup>1</sup> Productivity Commission, Gambling, Report no.50, Productivity Commission, Canberra, 2010, pp. 7, 13.

<sup>2</sup> Ibid, pp.2, 13.

<sup>3</sup> Gambling Research Australia, Problem Gambling and Harm: Towards a National Definition, GRA, Melbourne, 2005, p.1.

<sup>4</sup> Productivity Commission, Gambling, Report no.50, Productivity Commission, Canberra, 2010, pp.13,14

<sup>5</sup> Ibid, pp. 6.1, 48.

The report estimated the costs and benefits of gambling in Australia. While it was not possible to be definitive about the costs and benefits, the Productivity Commission estimated wide ranges based on the lowest and highest impacts of gambling. The report found that in 2008-09:

- the benefits from tax revenue and the enjoyment of gambling for recreational gamblers ranged between \$12.1 and \$15.8 billion
- the costs to problem gamblers ranged between \$4.7 billion and \$8.4 billion
- the overall net benefits ranged from \$3.7 and \$11.1 billion.

The report noted that if governments reduced the social costs to problem gamblers through effective harm minimisation and prevention policies, the net benefits could be much larger.<sup>6</sup>

The Productivity Commission's Gambling Report also recommended a range of strategies to reduce the harms associated with EGM gambling. These included:

- the introduction of mandatory pre-commitment technology on all EGMs by 2016, subject to initial development, trialing and compatible monitoring systems. Pre-commitment involves the ability to set time and money limits in advance of playing EGMs, thereby assisting gamblers to limit the amount of money or time they spend on gambling.<sup>7</sup>
- all new EGMs should include the capability of being played at a maximum intensity of \$1 per button push by 2012, with this being activated in 2016. Currently in Victoria, the maximum bet is \$5.<sup>8</sup>
- introducing longer shutdown periods for EGM areas in all hotels and clubs.<sup>9</sup>

### **2.1.2. Victorian Competition and Efficiency Commission's Gambling Report**

The Victorian Competition and Efficiency Commission's (VCEC) final report: *Counting the Cost: Inquiry into the Costs of Problem Gambling* was released in September 2013. The aim of this inquiry was to 'inform policy makers and the community about the true costs of problem gambling and where they fall,'<sup>10</sup> to make recommendations, and to provide an evidence base for further research and harm minimisation measures in Victoria.

The inquiry found that 'gambling expenditure in Victoria was approximately \$5.2 billion in 2010-11 and \$5.5 billion in 2011-12.'<sup>11</sup> EGM gambling accounts for approximately 50 per cent of this, while casino gaming accounts for approximately 25 per cent.<sup>12</sup> In metropolitan regions the negative social and economic impacts of EGM gambling were demonstrated through a correlation between the number of EGMs, problem gambling prevalence rates, the level of total gambling expenditure, and the level of socioeconomic disadvantage.<sup>13</sup>

The inquiry did not include primary research (such as surveys of the Victorian population) but drew on the findings of other Victorian research into the costs of problem gambling,

---

<sup>6</sup> Ibid, p.48.

<sup>7</sup> Productivity Commission, Gambling, Report no.50, 2010, p.54.

<sup>8</sup> Ibid, p.56.

<sup>9</sup> Ibid, p.59.

<sup>10</sup> Victorian Competition and Efficiency Commission, Counting the Cost: Inquiry into the Costs of Problem Gambling, final report, December 2012, p.vii.

<sup>11</sup> Ibid, p.3.

<sup>12</sup> Ibid, p. 3.

<sup>13</sup> Ibid, p. 11.

including both published and unpublished datasets. Working from secondary sources, the VCEC encountered obstacles in quantifying the true social and economic costs of problem gambling including significant data gaps, methodological issues and a lack of consistency among existing data sources. Many of the costs (such as long-term impacts on family members) are intangible and difficult to place a value on. Furthermore, problem gambling is often closely associated with other mental and physical health issues, raising the question of causality.<sup>14</sup>

Taking into account these obstacles, the VCEC estimated that the social and economic costs of problem gambling in Victoria ranged between \$1.5 billion and \$2.8 billion in 2010-11. The social costs were estimated to be between \$400 million and \$1.2 billion and economic costs between \$1.1 billion and \$1.6 billion.<sup>15</sup>

The inquiry found that the vast majority of the quantifiable costs of problem gambling in Victoria are born by problem gamblers and their families.<sup>16</sup> Around 30 000 problem gamblers and their families bear approximately 93 per cent of the total costs of problem gambling in Victoria, with the remaining costs being distributed between the Victorian Government, Australian Government, local governments, not-for-profit organisations and individuals.<sup>17</sup>

The direct and indirect costs to the Victorian Government were estimated to be between \$74 million and \$147 million in 2010-11, which is a significant cost. This includes the cost of treatment services and the costs to the health, human service and justice systems.<sup>18</sup>

The main direct costs to local government were research and policy development, promoting alternatives to gambling, and responding to applications for the expansion of gaming activity.<sup>19</sup> Estimating the cost of problem gambling to local government is difficult, as it requires the apportioning of gambling related expenditure to either non-problem gambling or problem gambling. Given this context, the VCEC estimates that between \$0.35 million and \$0.7 million of local government gambling related expenditure can be attributed to problem gambling. There is significant variability between councils with some incurring high costs of around \$60 000 when responding to VCAT applications whereas others incur minimal costs.<sup>20</sup>

The VCEC recommended that the Victorian Government focus on the following three priorities for research related to the social and economic costs of problem gambling:

1. better identification of people in the health, social welfare and justice systems who have gambling problems through improved screening of clients
2. better understanding of the nature and extent of harms suffered by problem gamblers and their families through targeted studies of problem gamblers

---

<sup>14</sup> Ibid, p. 8.

<sup>15</sup> Ibid, p. 9.

<sup>16</sup> Ibid, p. xvii.

<sup>17</sup> Ibid, p. 51.

<sup>18</sup> Ibid, p. 11.

<sup>19</sup> Ibid, p.57.

<sup>20</sup> Ibid, p.58.

3. evaluating the effectiveness of measures designed to reduce harms from problem gambling, including treatment programs and regulatory measures.

The Victorian Government has responded to these recommendations, affirming its commitment to 'reducing the costs of problem gambling in our community by continuing to take strong and effective action to reduce problem gambling.'<sup>21</sup> The Victorian Government's response states that research priorities one and two will be addressed by the Victorian Responsible Gambling Foundation through its forward work program. Recommendation three is being addressed through the following measures:

1. An independent evaluation project on the removal of ATMs from gambling venues. This study involved the collection of data from players and venues before and after the removal in July 2012. The final report was released in September 2013 and shows that the removal of ATMs has been an effective harm minimisation measure for problem gambling.<sup>22</sup>
2. Providing funding for an independent evaluation of the Victorian Government's voluntary pre-commitment policy. While pre-commitment technology will be mandatory on all new gaming machines at gaming venues across the state, including Crown Casino, the Victorian pre-commitment scheme will be voluntary for players to use and voluntary for players to set a limit. The provider for the voluntary pre-commitment scheme in Victoria will be Intralot Gaming Services, the current monitoring licensee for Victorian EGMs. Intralot has recommended that the pre-commitment scheme is delivered through the same card and technology as venue loyalty cards, which concerns problem gambling advocates. An independent external evaluator will analyse and collect data on gaming machine players and venues, before and after the policy is implemented in 2015-16.<sup>23</sup>

### **2.1.3. EGMs in Victoria**

State Ministerial Directions issued on 18 October 2006 (No. S277) set the following parameters on Victoria's EGM industry:

- The maximum number of EGMs permitted in Victoria, other than the Melbourne Casino, is 27,500.
- The maximum number of EGMs permitted in the Melbourne Casino is 2,500.
- The maximum permissible number of EGMs in any approved venue outside of the Melbourne Casino is 105 EGMs.
- The proportion of the 27,500 EGMs to be located outside the Melbourne Statistical Division is to be not less than 20 per cent.<sup>24</sup>

In August 2012, new gaming licensing arrangements came into operation in Victoria ending Tabcorp's and Tattersalls' duopoly as Victorian gaming operators. Previously they had held 50 per cent each of non-casino gaming licences. The new arrangements enable venue

---

<sup>21</sup> Victorian Government, response to the Victorian Competition and Efficiency Commission's Final Report, September 2013.

<sup>22</sup> Victorian Department of Justice, Evaluation of the removal of ATMs from gaming venues in Victoria, Australia, Final Report, September 2013.

<sup>23</sup> Victorian Government, response to the Victorian Competition and Efficiency Commission's Final Report, September 2013.

<sup>24</sup> Victorian Local Governance Associations, Pokies Assessments: a how-to-guide, VLGA, Melbourne, 2012, p.9.



operators to purchase 10-year EGM entitlements, which authorise them to own and operate EGMs at approved gaming venues. The venue operators now stand to receive a higher proportion of revenue from the EGMs they operate, as the revenue will be split between the venues and the government rather than being distributed between the gaming operators (Tabcorp and Tattersalls), the venues and the government. As EGM entitlements can be transferred between licenced venue operators on the transfer market, which is regulated by the VCGLR, there may be greater movement of EGMs between venues than there has been before.<sup>25</sup>

Other changes to EGM gambling in Victoria that came into effect in 2012 include:

- the creation of a new regulatory body that combined the former Victorian Commission for Gambling Regulation (VCGR) and Liquor Licensing Victoria. The new Commission, the VCGLR, commenced operation on 6 February 2012.
- the removal of ATMs from EGM venues, with an exemption allowed for venues in rural locations, where there are limited cash facilities
- the establishment of a single, independent monitoring licensee, Intralot Gaming Services Pty Ltd, to provide an electronic monitoring system that all EGMs in Victoria must be connected to.

As noted above, the Victorian Government has also committed to implementing voluntary pre-commitment on all EGMs by 2016.<sup>26</sup>

In June 2012, there were 26,778 EGMs located in 509 clubs and hotels in Victoria (excluding Crown Casino). The amount lost on these EGMs state-wide in 2011-12 was approximately \$2.68 billion. The total number of EGMs per 1,000 adults in Victoria is 6.0 and the average loss per adult was \$602 in 2011-12.<sup>27</sup>

#### **2.1.4. EGMs in the City of Boroondara**

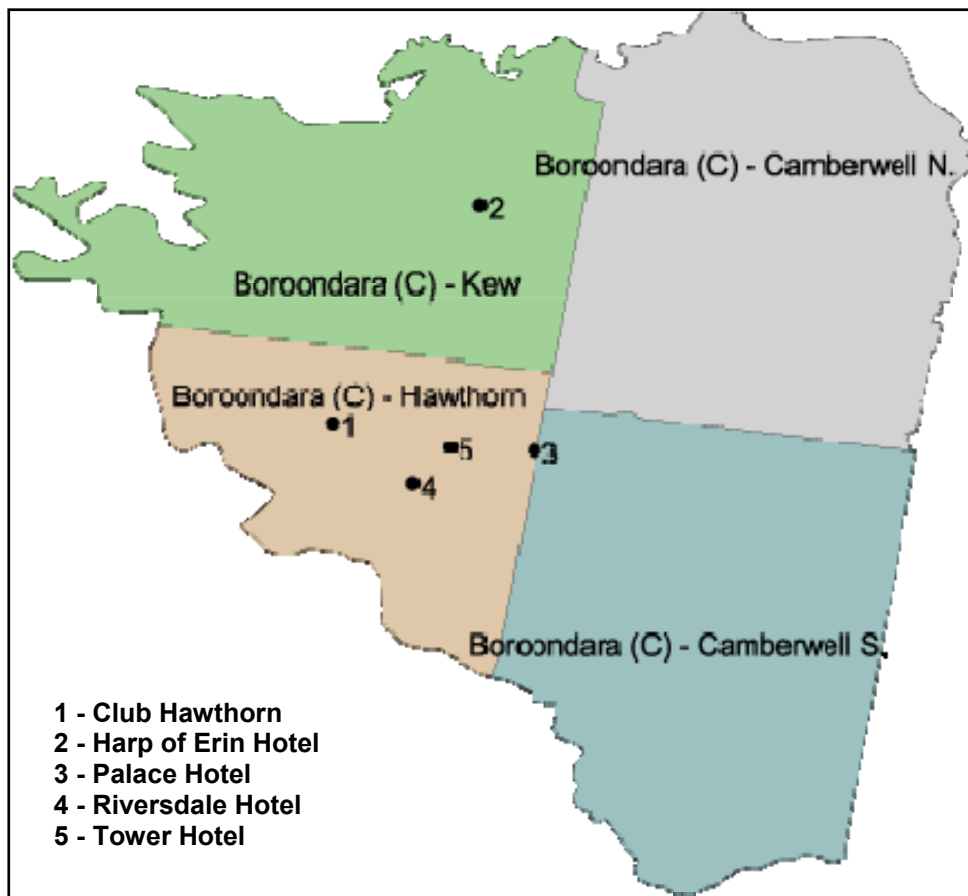
In 2013, the City of Boroondara has five EGM venues, four hotel venues and one club venue, operating a total of 205 EGMs (the maximum number permissible is 1,295). Due to the former Camberwell Council area being a 'dry zone' with no licensed hotels or clubs, the current venues are concentrated in the former Cities of Hawthorn and Kew thus creating a density in one part of the municipality. The amount lost on all EGMs in the municipality in 2012-13 was \$19.1 million. This is approximately \$141 per adult resident, which is lower than the Victorian average (\$601). The total number of EGMs per 1,000 adults in the City of Boroondara is 1.51, which is also lower than the Victorian average (6.0).

---

<sup>25</sup> *ibid*, p.14.

<sup>26</sup> Victorian Government, *Gaming Machine Arrangements 2012: statement of outcomes II*, Victorian Government, Melbourne, February 2009, pp.7, 27; *The Age*, 'Baillieu breaks pokies vow', Melbourne, 5 February 2012.

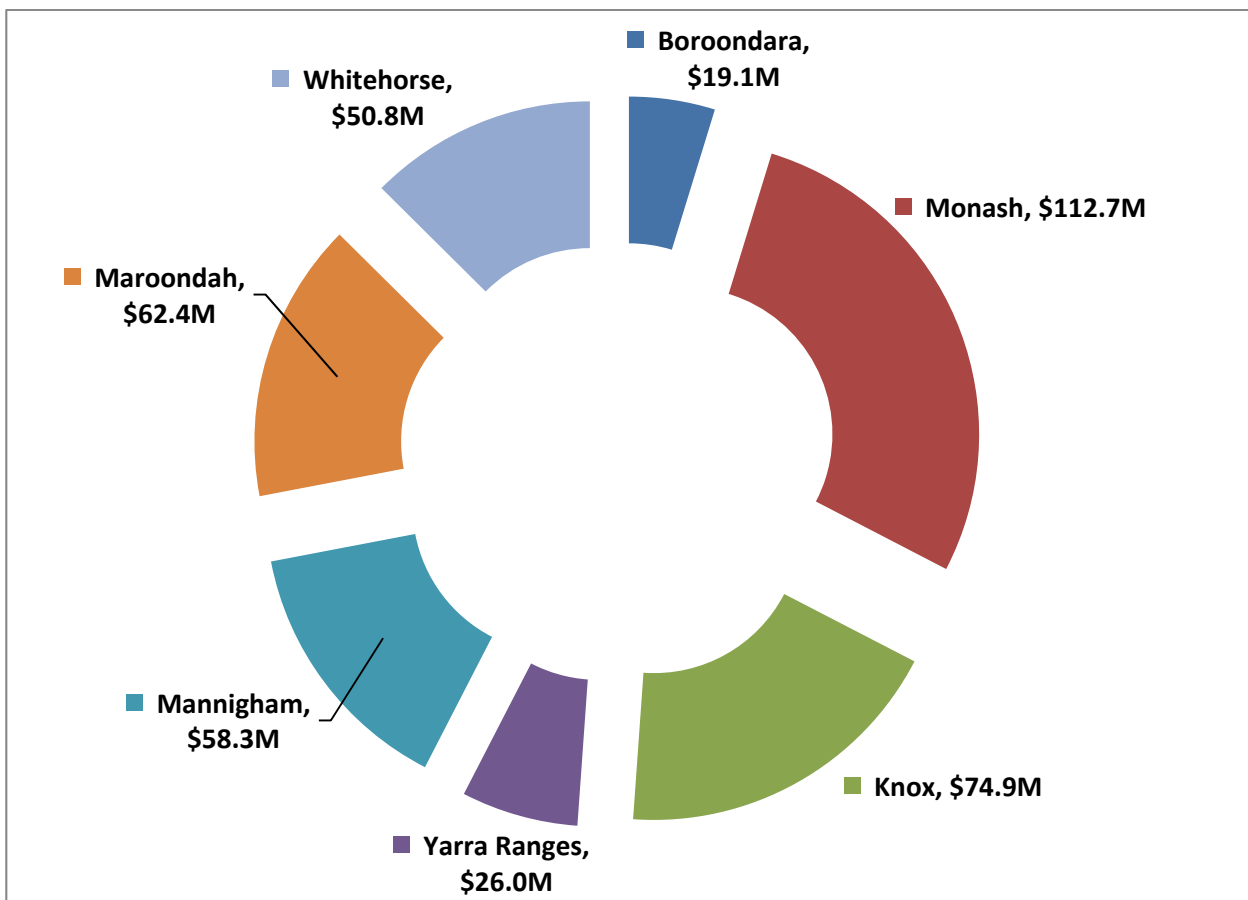
<sup>27</sup> Victorian Commission for Gambling and Liquor Regulation, *Statistics: totals for Local Government Areas*, VCGLR, Melbourne, 2012, viewed March 2013, <<http://www.vcglr.vic.gov.au>>



**Figure 1: EGM venues in the City of Boroondara, March 2013<sup>28</sup>**

In 2012-13, the City of Boroondara was ranked 37 of the 79 Victorian Local Government Areas for spending on EGMs. In comparison to the other six councils in the Eastern Metropolitan Region (EMR), the City of Boroondara was ranked the lowest for spending on EGMs during this time.

<sup>28</sup> Victorian Commission for Gambling and Liquor Regulation, Monthly EGM Statistics, VCGLR, Melbourne, 2013, viewed March 2013, <<http://www.vcglr.vic.gov.au>>



**Figure 2: EGM expenditure in the EMR, 2011-12<sup>29</sup>**

For Boroondara's EGM venues, total expenditure on EGMs over the 20 financial years from 1993-94 to 2012-13 was \$343.3 million. As stated earlier, the Productivity Commission estimates that around 40 per cent of total EGM losses are from gambling by problem gamblers. By applying this figure to total losses on EGMs at Boroondara venues since 1993, it can be estimated that approximately \$137.3 million has been spent on EGMs in Boroondara by people with gambling problems.

In 2008, the City of Boroondara undertook a Community Assets and Wellbeing Survey, which found that over half of the 308 respondents believed there should be a decrease in both the number of EGMs and the number of gaming venues in the municipality (57.0 per cent and 52.7 per cent respectively).<sup>30</sup>

## 2.2. Policy context

Until recently, the Australian Government has not been involved in the regulation of EGMs. However, on 29 November 2012, it passed national gambling reform legislation to reduce the harm from EGM gambling. Prior to this, the Australian Government had been responsible for commissioning the 1999 and 2009 Productivity Commission's inquiries into the Australian gambling industries, which provide key sources of gambling research and recommendations in Australia.<sup>31</sup>

<sup>29</sup> Victorian Commission for Gambling and Liquor Regulation, Monthly EGM Statistics, VCGLR, Melbourne, 2013, viewed March 2013, <<http://www.vcglr.vic.gov.au>>

<sup>30</sup> City of Boroondara, Community Assets and Wellbeing Survey, City of Boroondara, Melbourne, 2008, p.8.

<sup>31</sup> Victorian Local Governance Associations, Pokies Assessments: a how-to-guide, p.5.

The Victorian Government is responsible for the regulation of EGMs and the beneficiary of revenue raised from them. The Victorian Government is also responsible for the regulation of all other legal forms of gambling, except for online gambling, which is regulated by the Australian Government.

Since October 2006, Victorian local governments have been required to assess all planning permit applications to install and use EGMs in their municipalities. This has provided local governments with a statutory process to assess the impacts of EGMs in communities.<sup>32</sup>

Outlined below are the Australian Government, Victorian Government and City of Boroondara policies of relevance to EGM gambling.

### **2.2.1. Australian Government**

As mentioned, on 29 November 2012, the former Australian Government passed gambling reform legislation that put in place national reforms to reduce the harm from EGM gambling. The reforms responded to the Productivity Commission's Gambling Report recommendations. They were scheduled to be phased in over a decade to minimise the impact on venue operators.<sup>33</sup> The legislation includes:

- *The National Gambling Reform Act 2012*
- *The National Gambling Reform (Related Matters) Act (No.1) 2012*
- *The National Gambling Reform (Related Matters) Act (No.2) 2012*

Some key reforms of this legislation include:

- requirement for all EGMs to be part of a state-wide voluntary pre-commitment system and display electronic warnings by the end of 2018
- all new EGMs that are manufactured or imported from the end of 2014 will be required to have pre-commitment capability
- extended timelines to implement the reforms for small venues with 11 to 20 EGMs
- introduction of two levies relating to the operation of EGMs, namely a gaming machine regulation levy and supervisory levy capped at \$10 million a year (indexed)
- introduction of a \$250 per day ATM withdrawal limit for EGM premises from 1 February 2014, excluding casinos
- establishment of a regulator to monitor and investigate compliance with the legislation. The regulator will have the authority to initiate enforcement measures.

The current Australian Government intends to amend these reforms to reflect the following policy positions:<sup>34</sup>

- end the proposed mandatory pre-commitment trial in the ACT
- abolish the supervisory levy
- end the requirement for new EMGs to have mandatory pre-commitment capacity
- support for a voluntary pre-commitment program for EGMs

---

<sup>32</sup> Victorian Local Governance Associations, *Pokies Assessments: a how-to-guide*, p.5.

<sup>33</sup> Australian Government, *Problem gambling: For industry - gambling reform*, Australian Government, Canberra, 2013, viewed March 2013 < <http://www.problemgambling.gov.au/gambling-reforms-what-does-this-mean-for-industry/>>

<sup>34</sup> Liberal Party of Australia, *The Coalition's Policy to Help Problem Gamblers*, August 2013.

- establish an industry advisory council, comprised of representatives of clubs and gaming venues, that will meet quarterly with the responsible Minister
- encourage venues to partner with counselling services to assist patrons with problem gambling
- work with the States and to develop self-exclusion programs
- introduce legislation to prohibit extending lines of credit to problem gamblers

At the time of the adoption of this Responsible Gambling Policy 2013-18, changes to the *National Gambling Reform Acts* had not been implemented by the Australian Government and they remain the national legislative framework.

### 2.2.2. Victorian Government

As mentioned previously, EGM use in Victoria requires two permissions - a gaming licence from the VCGLR and a planning permit from the local authority. The Victorian Government provisions governing the conduct of gaming that are most significant to Council are set out in the following legislation:

- *Gambling Regulation Act 2003*
  - *Planning and Environment Act 1987*
  - *Local Government Act 1989*
- *Gambling Regulation Act 2003* - The *Gambling Regulation Act 2003* (the Gambling Act) re-enacts and consolidates laws relating to various forms of gambling in Victoria and establishes a range of powers and authorities on gambling. The Gambling Act identifies that gambling has both positive and negative impacts on the community. The main objectives of the Gambling Act (under Section 1.1 (2)) are:
    - (a) to foster responsible gambling in order to -
      - i. minimise harm caused by problem gambling; and
      - ii. accommodate those who gamble without harming themselves or others;
    - (f) to promote tourism, employment and economic development generally in the State.

The VCGLR is a public authority established under the Gambling Act. Before EGMs can be installed in premises, the premises must be approved by the VCGLR as suitable for gaming (refer to part 3 of the Gambling Act).

Pursuant to sections 3.3.6 and 3.4.19 of the Gambling Act, Council (as the relevant responsible authority) may make submissions to the VCGLR in respect of gaming licence applications for approval of a new venue or for amendment to an existing licence. In its submission, Council can:

- address the economic and social impact of the gaming licence application on the wellbeing of the community of the municipal district in which the premises are located
- take into account the impact of the gaming licence application on surrounding municipal districts.

The VCGLR may conduct public inquiries to take submissions and hear evidence to determine gaming licence applications.

The Gambling Act also sets out how much of the EGM gambling revenue clubs and hotels must contribute towards community purposes. Club venue operators are required to prepare and lodge an audited community benefit statement with the VCGLR for every financial year that they receive revenue from EGMs. A community benefit statement verifies whether the community benefit provided by the club is equal to at least 8.33 per cent of its net EGM revenue.<sup>35</sup> Hotels on the other hand, must pay 8.33 per cent of their revenue from EGMs to the Community Support Fund. The Community Support Fund, established in 1991, is a trust governed by the Gambling Act to direct a portion of gaming revenue back into the community.<sup>36</sup> The funds are distributed to several Victorian Government departments, which in turn invest in a range of programs and projects in the community. As the funds are not necessarily distributed to the community where the losses are incurred, this is a cause of discontent for some communities.

- *Planning and Environment Act 1987* - The *Planning and Environment Act 1987* (the act) establishes a framework for land use planning in Victoria. The most pertinent objectives of the act with regard to the regulation of EGMs and gaming venues are in section 4.1:
  - (a) to provide for the fair, orderly, economic and sustainable use, and development of land;
  - (c) to secure a pleasant, efficient, safe working living and recreational environment for all Victorians and visitors to Victoria;
  - (g) to balance the present and future interests of all Victorians.

In addition to these objectives, section 4(2)(d) requires that consideration be given to the social and economic impact of the use and development of land.<sup>37</sup>

The act gives councils, as the responsible authority, the power to grant or refuse an application for a planning permit to install or use EGMs.

- *Local Government Act 1989* - The *Local Government Act 1989* provides a framework for the establishment and operation of councils. It requires all local governments to endeavour to achieve the best outcomes for the community, while having regard for the long-term and cumulative effects of decisions. The role that Council is legislated to play (s.3D) includes:
  - (a) acting as a representative government by taking into account the diverse needs of the local community in decision-making
  - (b) providing leadership by establishing strategic objectives and monitoring their achievements
  - (c) maintaining the viability of the Council by ensuring that resources are managed in a responsible and accountable manner
  - (d) advocating the interests of the local community to other communities and governments

---

<sup>35</sup> Victorian Commission for Gambling and Liquor Regulation, Community benefit statements, VCGLR, Melbourne, 2013, viewed March 2013, <[www.vcglr.vic.gov.au](http://www.vcglr.vic.gov.au)>

<sup>36</sup> Department of Treasury and Finance, About the Community Support Fund, Department of Treasury and Finance, Melbourne, 2013.

<sup>37</sup> Victorian Local Governance Association, Pokies Assessments: A how-to-guide, p.9.

- (e) acting as a responsible partner in government by taking into account the needs of other communities
- (f) fostering community cohesion and encouraging active participation in civic life.
- Victorian Responsible Gambling Foundation - the Victorian Responsible Gambling Foundation (the foundation) is an independent statutory authority that aims to reduce the prevalence and harms of problem gambling and to help those who choose to gamble, to do so responsibly. Responsible gambling is defined by the foundation as gambling in a way that is controlled, is within your financial means, and does not interfere with your life or the lives of those around you.<sup>38</sup>

The objectives, functions and powers of the foundation are outlined in the *Victorian Responsible Gambling Foundation Act 2011*. The Victorian Government has committed \$150 million over four years from the Community Support Fund (2011-12 to 2014-15) to fund the foundation.<sup>39</sup>

The foundation, which commenced in July 2012, works within a public health framework to build the resilience of Victorians to problem gambling. Its functions include:

- community education and awareness raising activities to foster responsible gambling and promote problem gambling help services
- funding services to assist people affected by problem gambling and their family and friends
- research to inform best practice in problem gambling treatment and prevention and responsible gambling communication
- providing information about gambling regulation and licence approval processes to the Victorian community through the Gambling Information Resource Office (GIRO).<sup>40</sup>

---

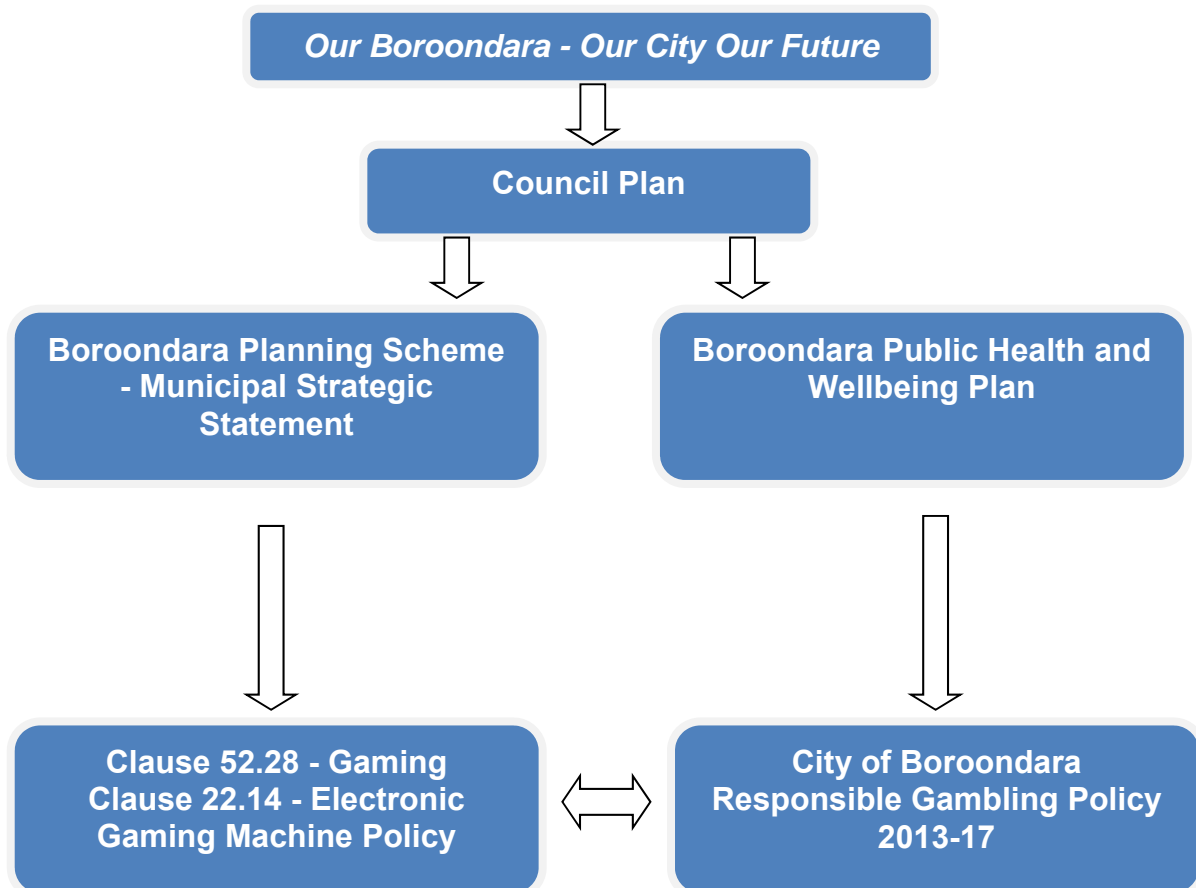
<sup>38</sup> Victorian Responsible Gambling Foundation, What is responsible gambling?, VRGF, Melbourne, 2013, viewed March 2013, <[responsiblegambling.vic.gov.au/](http://responsiblegambling.vic.gov.au/)>

<sup>39</sup> Victorian Local Governance Association, Pokies Assessments: A how-to-guide, p.15.

<sup>40</sup> Victorian Responsible Gambling Foundation, About Us, Melbourne, 2013, viewed March 2013 <<http://www.responsiblegambling.vic.gov.au/about-us>>

### 2.2.3. City of Boroondara

The Responsible Gambling Policy 2013-18 has strong links with Council's key strategic, land use and social plans, as shown in diagram 1. This hierarchy of plans reflects Council's legislative authority and community responsibility, based on an electoral mandate to plan for local areas and ensure community health, wellbeing and development. Minimising and reducing the impact of gambling on the community is a fundamental part of this mandate.



**Diagram 1:** City of Boroondara social and planning policy framework

- Our Boroondara - Our City Our Future - Council's 20-year vision statement, *Our Boroondara - Our City Our Future*, is based on ideas and feedback from the Boroondara community. It was developed to provide Council with a long-term community planning framework and to ensure Council is being responsive to emerging community needs and challenges. The Responsible Gambling Policy 2013-18 contributes to Vision Theme 1, community wellbeing, by informing the community about social, cultural and recreational opportunities available as an alternative to gambling. In addition, when assessing planning permit applications for EGM venues Council will consider whether the gaming premises provides a full range of facilities and services to members and patrons. The policy also contributes to Vision Theme 3, planning a well-designed and sustainable City, by informing the community and seeking feedback on planning permit and gaming licence applications lodged with Council and the VCGLR.



- Boroondara Public Health and Wellbeing Plan - Municipal public health and wellbeing plans are legislative requirements under the *Victorian Public Health and Wellbeing Act 2008*. The Boroondara Public Health and Wellbeing Plan (BPHWP) 2013-17 is a four-year strategy that sets the broad mission, goals and priorities to protect and promote municipal public health and wellbeing. The Responsible Gambling Policy 2013-18 sits under the BPHWP 2013-17, in particular, Theme 2 'we will contribute to building a liveable, sustainable, health-promoting City'. The Responsible Gambling Policy will contribute towards the BPHWP by implementing strategies to minimise and reduce the negative impacts of gambling on individuals and the community. This includes ensuring that the social and economic impacts of EGMs are properly considered when assessing planning permit and gaming licence applications.
- Boroondara Planning Scheme - the Boroondara Planning Scheme provides objectives, policies and decision making guidelines that are used to assess the merits of any planning permit applications received by Council. The planning scheme includes both state designated and local policies, as determined by the *Planning and Environment Act 1987*. The state designated policy and local policy relevant to EGM gambling are clauses 52.28 - Gaming and 22.14 - Electronic Gaming Machine Policy. Both clauses must be considered by Council when assessing planning permit application for EGMs.

Clause 52.28 - Gaming requires a planning permit to be issued before a gaming machine is installed or used. The purpose of clause 52.28 is to:

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

Council has to consider the decision guidelines of clause 52.28, which state:

- before deciding on an application, in addition to the decision guidelines of clause 65, the responsible authority must consider, as appropriate:
  - 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.

Under clause 52.28, a planning permit for gaming machines is prohibited in shopping complexes or strip shopping centres that are listed in the schedules to clauses 52.28-3 (see **Appendix 2**) and 52.28-4 (see **Appendix 3**). However, these prohibitions do not apply where the EGMs were installed or used in an approved venue under the Gambling Act on 18 October 2006 and the maximum number of EGMs for the approved venue on 18 October 2006 was not exceeded. Under the Victorian Planning Provisions, a planning permit for all new EGMs was not required until October 2006.

There have also been a number of Victorian Civil and Administrative Tribunal (VCAT) decisions, commencing with the VCAT decision in McKinnon Hotel Pty Ltd -v- Glen Eira City Council, that have determined that existing use rights may apply to hotels and clubs that had EGMs on 18 October 2006.<sup>41</sup> Where existing use rights are found to apply, it may well be that the hotel or club in question does not require a planning permit to increase the number of EGMs at the venue beyond the number operating in 2006. Where that situation arises, clause 52.28 will not apply. The club or hotel will only require a planning permit if it intends to use a new building, or change the structure of a building, to accommodate EGMs. However, even if the McKinnon Hotel situation exists, applicants still require a gaming licence permission from the VCGLR to operate additional EGMs.

Clause 22.14 - Electronic Gaming Machine Policy of the Boroondara Planning Scheme is due for review (see **Appendix 4**). Clause 22.14 has not been reviewed since it was introduced into the new format in the Boroondara Planning Scheme in December 1999. Clause 22.14 provides little policy direction that assists with the assessment of planning permit applications for EGMs. It also directs EGMs to locations where they are prohibited by the schedules to clause 52.28 of the Boroondara Planning Scheme. In its current form the clause is redundant. However, until clause 22.14 has been reviewed this policy must also be considered in the assessment of an application for the installation or use of EGMs. The objectives of this policy (clause 22.14-2) are:

- to recognise the impact that EGM venues may have on surrounding communities
- to ensure that EGMs are primarily located in existing venues in commercial centres.

Clause 22.14-3 currently states that:

- EGMs be restricted to existing venues in commercial strip shopping centres unless an applicant is able to demonstrate a net community benefit in locating outside of a commercial centre.

- Other relevant Council documents - the Council documents noted below are also relevant to the Responsible Gambling Policy 2013-18. They include strategies and actions related to alternative social, cultural and recreational opportunities that could be promoted as an alternative to gambling:
  - Arts and Culture Strategy 2008-13
  - Boroondara Young People's Strategy 2009-14
  - Boroondara Volunteer Resource Centre Strategy Plan 2008-12
  - Cultural Facilities Strategy 2009-14
  - Creating an Age Friendly Boroondara 2009-14
  - Leisure Facilities Strategy Plan

---

<sup>41</sup> The McKinnon Hotel applied to VCAT and, then appealed to the Supreme Court, contesting the need for a planning permit to increase the number of EGMs under existing use rights, as prior to 2006 no planning permit was required for EGMs if they took up less than 25 per cent of the floor space of a hotel. The additional EGMs were to be installed and used within the existing gaming room, which took up less than 25 per cent of the floor space of the hotel. The Victorian Supreme Court found that no planning permission was required under Clause 52.28 for the installation of additional EGMs at the venue in the circumstances where no other development was proposed (Victorian Local Government Association, Pokies Assessments: a 'how to' guide, VLGA, Melbourne, 2012, pp.43, 105).

- Library Services Future Directions Strategy 2004-14
- Neighbourhood House Plan 2009-13

### 3. Methodology

The development of this policy involved the following stages:

- a review of the City of Boroondara Gaming Policy July 2008 to clarify if the information was still accurate and if the objectives and strategies remained relevant
- a review of the legislative context for EGM gaming in Victoria and a review of the policy context in the City of Boroondara, Victoria and Australia
- a review of EGM statistics in the City of Boroondara, the EMR and Victoria
- a literature review of research relating to problem gambling
- discussions with relevant Council departments
- benchmarking against 12 councils' gambling policies or strategies: Bayside City Council, Darebin City Council, Frankston City Council, Macedon Ranges Shire Council, Maribyrnong City Council, Manningham City Council, Monash City Council, Moreland City Council, City of Port Phillip, City of Whitehorse, Wyndham City Council and the City of Yarra
- On 23 September 2013, the draft policy was endorsed by Council for public exhibition. This stage of consultation ran from 30 September to 30 October 2013 and provided online, email, in-person and written opportunities for members of the public, community support organisations and venue operators to comment. This feedback has been considered and included in this policy.

#### 3.1. Research findings

Research has found that although gambling provides benefits to the community, there are also a number of harms associated with EGM gambling. These include:

- poorer mental health, physical health, relationships, feelings about self, quality of life, satisfaction with life, living standards and study performance
- negative health impacts on the individual and the family of people with gambling problems
- financial impacts
- relationship breakdowns and links to family violence
- crime and workplace fraud.<sup>42</sup>

According to the Productivity Commission's 1999 report into Australia's gambling industries, the actions of one problem gambler negatively impact the lives of between five and 10 other people. This includes family, friends and colleagues of problem gamblers.<sup>43</sup>

Although there is no distinct profile of people with gambling problems, the following populations have been identified by the Victorian Government as potentially vulnerable based on the research findings:

- young people, and in particular young males
- people experiencing substance use issues
- people with mental health issues

---

<sup>42</sup> Victorian Local Governance Associations, Pokies Assessments: a how-to-guide, p.65.

<sup>43</sup> Productivity Commission, Australia's Gambling Industries: Inquiry Report Productivity Commission, Canberra, 1999, p.23.

- people of culturally and linguistically diverse (CALD) backgrounds
- people of Indigenous backgrounds
- families and friends of people with a gambling problem
- senior Victorians
- people with intellectual/cognitive disabilities.<sup>44</sup>

The research has also identified risk factors that may make people more vulnerable to problem gambling including:

- people living in an area where there are few alternative recreation and social opportunities<sup>45</sup>
- social isolation
- unemployment
- a low-medium personal income
- have experienced a significant life event in the last year including divorce, death of someone close to them, major change to financial situation, illness or injury, legal difficulties or trouble at work.<sup>46</sup>

Greater accessibility to EGMs has also been found to be associated with higher rates of problem gambling and that people living in areas of social disadvantage are more vulnerable to problem gambling. To avoid people making spontaneous decisions to gamble, it has also been shown that EGMs should not be placed where people go about their everyday business, such as strip shopping centres.<sup>47</sup>

### **3.2. Consultation**

Council undertook the following consultation for the development of this policy:

- consultation with 1,000 Boroondara residents in December 2012 via the telephone survey for the development of the draft BPHWP 2013-17
- consultation with Gambler's Help Eastern (GHE), which provides services in the EMR.

The draft policy was open for public exhibition from 30 September to 30 October 2013. This included promotion of the draft policy and the invitation to provide feedback through Council's website, stakeholder networks, notices in the Progress Leader, letters to venue operators, and hard-copies of the policy in Boroondara Libraries and Camberwell Customer Service. Community feedback was positive and has been incorporated into the policy.

#### **3.2.1. Key consultation findings**

The key findings of the telephone survey undertaken in December 2012 for the development of Council's BPHWP 2013-17 are:

- EGM gambling was the most common gambling activity that respondents thought of when people talk about problem gambling. This was followed by horse racing, casino, TAB/sports betting and online gambling.

---

<sup>44</sup> Department of Justice, *A guide to using a health promotion approach to problem gambling*, Melbourne, 2010, p.7.; Department of Justice, *The Health Promotion Resource Kit for Problem Gambling, Part 3: What are examples of IHP in problem gambling*, Melbourne, 2009, p.32.

<sup>45</sup> Inner East Primary Care Partnership, *Health Promotion Resource Guide for Problem Gambling Prevention in Melbourne's East*, Melbourne, 2010, p.10.

<sup>46</sup> Victorian Local Governance Association, *Pokies Assessments: a how-to-guide*, pp.21, 39.

<sup>47</sup> *ibid.*

- It was agreed or strongly agreed by 31 per cent of respondents that gambling was a serious social problem in Boroondara.
- It was agreed or strongly agreed by 80 per cent of respondents that people should be limited to spending an amount they nominate before they start gambling on EGMs.
- It was agreed by 72 per cent of respondents that the maximum bet on EGMs should be reduced to \$1. In Victoria, it is currently \$5.<sup>48</sup>

Consultation with GHE identified the following key issues:

- An estimated 80 per cent of GHE clients across the EMR are presenting with EGM gambling as their major form of problem gambling.
- Increased numbers of GHE clients from Boroondara are presenting with gambling problems related to sports betting compared to other councils in the EMR. Sports betting is undertaken in relation to a range of popular sporting events, and also in relation to horse racing, which is a distinctive area of problem gambling.
- Online gambling is an ongoing concern, in particular for young males.
- Internet and smart-phone technology is putting younger people at risk with gambling freely available on apps and social network sites. International students are particularly at risk due to greater exposure to gambling opportunities in Australia than at home.
- GHE has found some of its clients prefer to gamble outside of the area, so the combined Boroondara resident losses are potentially higher than the losses published for the City by the VCGLR.
- The quality of life of some Boroondara residents is significantly affected by gambling. Clients present with a broad range of issues from mortgage defaults, exceeding credit card limits, small businesses going under, unpaid utilities, bills and school fees. These impacts then put a strain on personal relationships, self-esteem, health and work and community in general.
- Shame and stigma are the most common reasons why people do not seek help for gambling related harm.
- Social isolation, particularly among the elderly, is a key reason why people turn to gambling.
- Youth are at risk, as gambling is often seen as a 'rite of passage' into adulthood, together with drinking.
- Young people and children are increasingly subject to the normalisation of gambling through marketing strategies and gaming. This 'grooming' process occurs when young people watch or participate in sporting events where sports betting is prominent, and when they play online games designed to practice gambling skills.

EGM gambling is the key form of gambling that respondents to Council's survey raised in relation to problem gambling, and is also the major form of gambling that GHE clients are presenting with. As there are growing concerns about other forms of gambling, this policy also notes that Council has a role to play in relation to all forms of gambling as an advocate, partner, community educator and researcher. Furthermore, the policy includes a strategy about advocating to the Victorian and Australian Governments about pre-commitment and \$1 maximum bet limits, which were strongly supported by respondents to Council's survey.

---

<sup>48</sup> City of Boroondara, unpublished data from the telephone survey for the development of the draft Boroondara Public Health and Wellbeing Plan, City of Boroondara, Melbourne, December 2012.

Finally, the policy notes that Council will continue to promote social, cultural and recreational opportunities to the community that could be alternatives to EGM gambling.

## **4. Policy statement**

### **4.1. Goal**

The overall goal and long-term commitment of the Responsible Gambling Policy 2013-18 is to minimise and reduce the negative impacts of gambling, and in particular EGM gambling, on the Boroondara community. Council has the following six roles in relation to this policy: land owner, regulator/planner, advocate, partner, community educator and researcher.

### **4.2. Objectives**

The Responsible Gambling Policy 2013-18 has nine objectives. The first five objectives relate to Council's role as land owner and regulator/planner and refer to EGM gambling only. The remaining four objectives refer to all forms of gambling and relate to Council's role as advocate, partner, community educator and researcher. It is Council policy to:

- a) investigate the social and economic impacts of EGMs when assessing gaming licence and planning permit applications
- b) be satisfied that gaming licence applications achieve a net community benefit
- c) use the planning permit application process to assess whether the location and design of gaming premises minimises the incidence of problem gambling
- d) require that gaming premises provide a full range of facilities and services to members and patrons as a condition of their planning permit
- e) protect the character and amenity of Council-owned or managed land (including reserves and sporting venues) from commercialisation in relation to gaming by not supporting any gaming licence or planning permit applications on this land
- f) remain an active advocate for responsible gambling reform on all forms of gambling, with a focus on EGM gambling
- g) partner with other stakeholders to minimise gambling related harm and the incidence of problem gambling
- h) assist the community to make informed choices by raising awareness about the risks of gambling, support services available and alternative social, cultural and recreation opportunities
- i) recognise the importance of independent research and education into problem gambling to enhance Council's knowledge of the impacts of gambling.

### **4.3. Strategies**

The nine objectives of this policy will be achieved through implementation of the 24 strategies noted in table 1 on the following page.

**Table 1:** Strategies to achieve the goals and objectives of the Responsible Gambling Policy 2013-18

<b>Council's role</b>	<b>Strategies</b>
Land owner	1) Council will not support any gaming licence or planning permit applications for EGMs on Council-owned or managed land nor derive direct income from EGMs.
Regulator and planner	2) Council will undertake a social and economic impact assessment of gaming licence and planning permit applications in the municipality.
	3) Council will not support any planning permit application that does not include the information requested for a social and economic impact assessment, as outlined in table 2 on page 22.
	4) Where Council considers that a gaming licence application to the VCGLR will be detrimental to the economic and social wellbeing of the community, Council will either submit a social and economic impact assessment or a letter of objection to the VCGLR.
	5) If Council submits a social and economic impact assessment to the VCGLR in response to a gaming licence application, Council will decide if it presents at the VCGLR hearing as well and will inform the VCGLR of its decision.
	6) If Council is not submitting a social and economic impact assessment in response to a gaming licence application, it will inform the VCGLR that a submission will not be prepared and that Council will not be represented at the hearing. Council may choose to send a letter to the VCGLR noting possible concerns with the application.
	7) When required, Council will provide resources as appropriate to ensure suitable representation before the VCGLR and VCAT for gaming licence applications (as the case may be). The internal delegation procedures relating to points 2-7, will be outlined in an internal protocols document.
	8) Council will not support gaming licence applications to the VCGLR in neighbouring municipalities, which impact on Boroondara residents in close proximity to the venue.

Council's role	Strategies
	<p>9) If time permits, Council will inform the community and seek feedback on gaming licence applications received by Council and the VCGLR.</p> <p>10) Council will not support gaming licence or planning permit applications that seek to transfer EGMs from one part of the municipality to a part of the municipality displaying greater social and/or economic disadvantage or a higher density of EGMs per adult population.</p> <p>11) Council will not support gaming licence or planning permit applications that fail to provide a range of non-gaming entertainment and recreational activities for patrons or members beyond the placement of EGMs.</p> <p>12) Council will investigate the relevance of clause 22.14 Electronic Gaming Machine Policy in the Boroondara Planning Scheme, as it is not consistent with the state designated policy, clause 52.28, and provides little policy direction that assists with the assessment of planning permit applications.</p> <p>13) Council will prohibit EGMs on land specified in the schedules to Clauses 52.28-4 and 52.28-3 in the Boroondara Planning Scheme. This land is located in Boroondara shopping centres.</p>
Advocate	<p>14) Council will strongly advocate to the Australian and Victorian Governments in relation to any gambling issues that impact on the local community.</p> <p>15) Council will strongly advocate to the Australian and Victorian Governments to pursue the implementation of further harm minimisation measures in line with the recommendations of the Productivity Commission's Gambling Report. This includes mandatory pre-commitment for EGMs, \$1 bet limits for EGMs and limiting opening hours of EGM areas in gaming venues.</p> <p>16) Council will strongly advocate for the provision of adequately funded and readily available support services for people affected directly or indirectly by gambling.</p>



Council's role	Strategies
	17) Council will strongly advocate for EGM gaming venues to be able to hand back EGM entitlements to the Victorian Government without incurring a financial penalty.
Partner	18) Council will participate in local, regional and state-wide networks to ensure that Council is informed on legislative changes, emerging trends and resources, and to advocate for gambling reform.
	19) Council will work with Gambler's Help Eastern, the Inner East Primary Care Partnership and other organisations to support their gambling harm minimisation strategies in the community.
Community educator	20) Council will inform the community about gambling trends, responsible gambling practices and the effects of gambling on the broader community.
	21) Council will promote, encourage and support the local community to pursue balanced lifestyles by actively participating in social, cultural and recreational opportunities.
	22) Council will promote services available to assist individuals and families affected by problem gambling.
Researcher	23) Where appropriate, Council will participate in local research and educational programs related to gambling.
	24) Council will monitor and consider the impacts on the local community of gambling expenditure, research outcomes, legislative changes and developments within the gambling industry.

#### 4.4. Applicant requirements for the social and economic impact assessment

It is preferable that applicants address the planning issues of the proposal and obtain a planning permit from the City of Boroondara (under the provisions of the *Planning and Environment Act 1987*) prior to the submission of a gaming licence application to the VCGLR.

Any application to the City of Boroondara for a planning permit to establish a new EGM venue, or to increase EGM numbers in existing venues, will be required to include a robust impact assessment of the social and economic benefits and risks of the proposal. Factors to be included in this assessment are outlined in table 2 on the following page. This information will also be used to inform Council's social and economic impact assessment of the gaming

licence application to the VCGLR. Council will not support any planning permit application that does not include the information requested in table 2.

**Table 2:** Factors to be included in the social and economic impact assessment for a planning permit application for the use and installation of EGMs

Factor	Information required
Locational features	<ul style="list-style-type: none"> <li>• Description of the gambling venue and its proposed location</li> <li>• Details about the existing and proposed distribution of EGMs in the municipality</li> <li>• If it is proposed to move EGMs from one part of the municipality to another, details of the relative social and economic differences between the two parts by measure of social-economic indexes for areas (SEIFA) indices, ABS data and other relevant data. An explanation as to why the EGMs are being transferred is to be provided.</li> </ul>
Patron profile	<ul style="list-style-type: none"> <li>• Social and demographic profiles of current and/or anticipated patrons of the gambling venue including how the profile and conclusions about patrons were reached. Rationale for the patron catchment based on established patterns of movement by local residents and visitors. This information could be collected by undertaking a count of pedestrians outside the venue.</li> <li>• Supporting evidence (such as analysis of attendance records) of current patronage and anticipated patronage.</li> </ul>
Social profile	<ul style="list-style-type: none"> <li>• Detailed profile of the population in the catchment area, including identification of any pockets of disadvantage within the catchment area. Include the SEIFA scores, population profile, projected growth, housing affordability and housing stress, income levels, employment and unemployment rates, educational retention and attainment levels, number of social security recipients (if available), levels of demand for financial aid/social support services (if available). Appropriate comparative measures to be provided to assess the relative vulnerabilities and strengths of the local community.</li> </ul>
Vulnerability and supports	<ul style="list-style-type: none"> <li>• Description of currently available support services including: specific problem gambling support services, financial counselling, social and financial support services, general psychological support services and their location in relation to the anticipated patron catchment area.</li> </ul>

	<ul style="list-style-type: none"> <li>• Level of current demand for gambling help services, financial counselling, material and financial aid (if available).</li> </ul>
Community and stakeholders	<ul style="list-style-type: none"> <li>• Evidence of the community's attitude towards the application for EGMs in the municipality broadly and the local area more specifically. The applicant needs to provide evidence of this attitude by conducting a technically sound and robust attitudinal survey of patrons of the premises and of the community living within the catchment area.</li> <li>• Where the application involves a club licence (as opposed to a hotel licence), evidence that the application has the support of the majority of the club's members. This would ordinarily require a copy of a club resolution following full details of the application being conveyed to the club members and debated.</li> </ul>
Community benefit	<ul style="list-style-type: none"> <li>• Details of the nature and extent of community benefits expected from the application and how the benefits are to be secured and distributed to the local community. Where, for example, the applicant claims that the application will result in improvements being made to the premises or improvements to services, how can the community be assured that those improvements will occur once the application is approved.</li> <li>• Where the application concerns a club licence, as opposed to a hotel licence, details of the distribution of community benefits to the local community.</li> </ul>
Alternate entertainment	<ul style="list-style-type: none"> <li>• Description of currently available passive and active non-gaming leisure and entertainment services and opportunities in the catchment area.</li> <li>• Description of clubs and hotels with and without EGMs in the patron catchment area that are open for similar hours.</li> </ul>
Expenditure	<ul style="list-style-type: none"> <li>• Details of existing gaming expenditure at the venue (over a three-year period prior to the application) and a forecast of the anticipated expenditure at the venue if the application was to be approved.</li> <li>• If the applicant contends that gaming expenditure is likely to be transferred from other venues (including venues in other municipalities), the applicant is to provide:</li> </ul>

	<ul style="list-style-type: none"> <li>○ particulars as to how the level of transfer has been calculated (including, but not limited to, a comparison per machine expenditure at the venue prior to and then after the additional machines have been installed, current usage levels of machines at the venue, and projected usage level of machines at the venue after the additional machines have been installed)</li> <li>○ the amount of transfer expenditure anticipated</li> <li>○ the resulting impact on revenue of the venue from where the expenditure is transferred</li> <li>○ the resulting social and economic impact on the venue from where the expenditure is transferred (such as loss of employment, loss of complementary expenditures, loss of customers, and impact on ability to provide services).<sup>49</sup></li> </ul> <p>This would ordinarily require a statement from the operators of the other venues.</p>
Harm prevention and product safety measures	<ul style="list-style-type: none"> <li>● Where relevant, details of the design and layout of the premises including all proposed and existing signage and evidence of compliance with any relevant gambling regulations concerning the premise's layout, design and operation.</li> <li>● Details of any current or proposed measures by the applicant to minimise harms due to problem gambling that are additional to regulatory requirements.</li> </ul>

#### 4.5. Council assessment process

As mentioned previously, receiving approval to operate EGMs is a two-part process: the planning permit approval through Council and the gaming licence approval through the VCGLR. Responding to planning permit application will be led by Council's Statutory Planning Department and responding to gaming licence application at the VCGLR will be led by the Community Planning and Development Department.

The gaming licence process through the VCGLR has strict timelines. Council is required to notify the VCGLR of its 'intention' to lodge a submission in response to a gaming licence application 37 days after being notified by the VCGLR of the application. Council must then lodge its submission with the VCGLR within 60 days of being notified of the application. Council has an internal procedures document, which will be followed when Council is informed of a gaming licence application within the municipality to ensure that it can meet

<sup>49</sup> Transferred expenditure refers to expenditure which would have been spent on EGMs in other venues anyway. This expenditure is therefore not considered new expenditure on EGMs.

the timelines (see **Appendix 5**). The process outlines the ways in which Council can respond to gaming licence applications in the municipality and the level of delegation required to authorise proceeding with a response to the VCGLR about a gaming licence application in the municipality. Due to the strict timelines, the endorsement of submissions will be delegated to the Chief Executive Officer.

Councils can also make comment on or prepare a submission to the VCGLR on gaming licence applications in neighbouring municipalities. Where Council is informed of a gaming licence application, which will have an impact on the residents in the City of Boroondara, the Director of Community Development will authorise Council's response if this can be done within existing Council resources. If additional resources are required, approval for a budget amendment will be sought as per Council's financial procedures and delegations.

## 5. Implementation and monitoring

### 5.1. Implementation

For all queries or feedback regarding this policy document, please contact the responsible officers below.

Contact	Contact number	Contact e-mail
Katherine Wright, Social Planning Officer	9278 4940	Katherine.Wright@boroondara.vic.gov.au
Wendy Smith, A/Social Planning Coordinator	9278 4703	Wendy.Smith@boroondara.vic.gov.au

The following departments are responsible for enacting this policy.

Department	Responsibility
Community Planning and Development	<ul style="list-style-type: none"> <li>Overseeing implementation of relevant strategies and the City of Boroondara Responsible Gambling Policy 2013-18.</li> <li>Assessing the social and economic impacts of EGM gaming licence applications to the VCGLR in the municipality and neighbouring municipalities.</li> </ul>
Strategic Planning	Overseeing the Electronic Gaming Machine Policy (clause 22.14) in the Boroondara Planning Scheme and the schedules to clause 52.28-3, prohibition of a gaming machine in a shopping complex, and clause 52.28-4, prohibition of a gaming machine in strip shopping centre.
Statutory Planning	Assessing planning permit applications to install and use an EGM in the City of Boroondara and in neighbouring municipalities.
Library, Arts and Cultural Services, Youth Services, Community	Promoting, encouraging and supporting the local community to pursue balanced lifestyles by actively

Planning and Development, Health, Ageing and Disability Services, Parks and Gardens	participating in social, cultural and recreational opportunities through relevant policies.
---	---

## 5.2. Financial implications

There is no operational budget to cover the costs, such as legal representation or consultant services, associated with responding to gaming licence applications at the VCGLR. Where required, approval for a budget amendment will be sought as per Council's financial procedures and delegations before proceeding to appoint consultants and legal representatives. The remaining strategies will be implemented within the relevant department's existing budget and resources.

## 5.3. Monitoring

Council will monitor implementation of the Responsible Gambling Policy 2013-18 annually. In addition, Council will review the Responsible Gambling Policy 2013-18 every four years or earlier as required by legislative changes to ensure that the policy is consistent with Council's strategic directions. The Responsible Gambling Policy 2013-18 review will reflect any significant Australian or Victorian Government legislative changes.

# 6. References

## 6.1. Related documents

- Boroondara Planning Scheme
- Boroondara Public Health and Wellbeing Plan 2013-17
- City of Boroondara Council Plan June 2012
- City of Boroondara Council Plan 2013-17
- Electronic Gaming Machine (EGM) Process Guidelines
- *Gambling Regulation Act 2003*
- *Local Government Act 1989*
- *Our Boroondara - Our City Our Future*
- *Planning and Environment Act 1987*

## 6.2. Other references

- Australian Government Productivity Commission, *Australia's Gambling Industries: Inquiry Report*, Canberra, 1999.
- Australian Government Productivity Commission, *Gambling, Report no.50*, Canberra, 2010.
- Australian Government, *Problem gambling: For industry - gambling reform*, Canberra, 2013, viewed March 2013.  
<<http://www.problemgambling.gov.au/gambling-reforms-what-does-this-mean-for-industry/>>

- Australian Government, *Problem Gambling: the facts*, Canberra, 2013, viewed March 2013. <<http://www.problemgambling.gov.au/facts/>>
- City of Boroondara, Community Assets and Wellbeing Survey, Melbourne, 2008.
- City of Boroondara, unpublished data from the telephone survey for the development of the draft Boroondara Public Health and Wellbeing Plan, Melbourne, December 2012.
- Gambling Research Australia, *Problem Gambling and Harm: Towards a National Commission*, Canberra, 2010.
- Inner East Primary Care Partnership, *Health promotion resource guide for problem gambling prevention in Melbourne's East*, Melbourne, 2009.
- Liberal Party of Australia, The Coalition's Policy to Help Problem Gamblers, viewed November 2013. <<http://www.nationals.org.au/Portals/0/2013/policy/The%20Coalition's%20Policy%20to%20Help%20Problem%20Gamblers.pdf>>
- Tomazin, Farrah, 'Baillieu breaks pokies vow,' *The Age*, Melbourne, 5 February 2012.
- Victorian Commission for Gambling and Liquor Regulation, *Community benefit statements*, Melbourne, 2013, viewed March 2013. <[www.vcglr.vic.gov.au](http://www.vcglr.vic.gov.au)>
- Victorian Commission for Gambling and Liquor Regulation, Research and statistics, Melbourne, 2013, viewed March 2013. <<http://www.vcglr.vic.gov.au>>
- Victorian Competition and Efficiency Commission, *Counting the Cost: Inquiry into the Costs of Problem Gambling*, December 2012.
- Victorian Department of Justice, *A guide to health promotion approach to problem gambling*, Melbourne, 2010.
- Victorian Department of Justice, *Evaluation of the removal of ATMs from gaming venues in Victoria, Australia, Final Report*, September 2013.
- Victorian Department of Justice, *The Health Promotion Resource Kit for Problem Gambling, Part 3: What are examples of IHP in problem gambling*, Melbourne, 2009.
- Victorian Department of Treasury and Finance, About the Community Support Fund, Melbourne, 2013.
- Victorian Government, Gaming Machine Arrangements 2012: statement of outcomes II, Melbourne, February 2009.
- Victorian Government, *Response to the Victorian Competition and Efficiency Commission's Final Report*, September 2013.
- Victorian Local Governance Association, *Pokies Assessments: a 'how to guide'*, Melbourne, 2012.
- Victorian Responsible Gambling Foundation, About us, Melbourne 2013, viewed March 2013. <[www.responsiblegambling.vic.gov.au](http://www.responsiblegambling.vic.gov.au)>

- Victorian Responsible Gambling Foundation, *What is responsible gambling?*, VRGF, Melbourne 2013, viewed March 2013. <[www.responsiblegambling.vic.gov.au](http://www.responsiblegambling.vic.gov.au)>

## 7. Appendices

**Appendix 1** - Application processes related to new EGM venues, or increased numbers of EGMs within an existing venue

**Appendix 2** - Schedule to clause 52.28-3

**Appendix 3** - Schedule to clause 52.28-4

**Appendix 4** - Clause 22.14 Electronic Gaming Machine Policy