

City of Maroondah Gambling Policy and Local Planning Policy for Electronic Gaming Background Report

March 2018



City of Maroondah
Gambling Policy and Local Planning Policy for Electronic Gaming
Background Report

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ACRONYMS

EGM	Electronic Gaming Machine
LGA	Local government area
MSS	Municipal Strategic Statement
NGR	Net gaming revenue
NMR	Net machine revenue
RSG	Responsible Service of Gambling
SLA	Statistical local area
VCAT	Victorian Civil and Administrative Tribunal
VCGLR	Victorian Commission for Gambling and Liquor Regulation
VCGR	Victorian Commission for Gambling Regulation (now called the Victorian Commission for Gambling and Liquor Regulation (VCGLR))

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GLOSSARY

Alternative non-gambling entertainment and recreation facilities	Alternative non-gaming entertainment and recreation facilities include hotels, clubs, cinemas, restaurants, bars, theatres, galleries, exhibition centres, sporting venues and indoor recreation facilities.
Catchment area	Area serviced by the premises, regarded as the community of the municipal district in which the approved venue is located ¹ , often defined by the gaming room patron profile ²
Cluster of gaming venues	Three gaming venues, including the proposal site, located within a radius of 400m ³
Convenience gaming venue	<p>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 gamble⁴. These venues, which include hotels and clubs, are often highly accessible and present few barriers to consumption⁵ 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.</p> <p>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.</p>
Destination gaming venue	<p>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 facilities⁶.</p> <p>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.</p>

¹ Commission decision Berwick Springs Hotel 2017 paragraph 39

² Commission decision Berwick Springs Hotel 2017 paragraph 41

³ Francis Hotel Pty Ltd v Melbourne CC (includes Summary) (Red Dot) [2012] VCAT 1896 (12 December 2012)

⁴ State Government of Victoria (2008) P6

⁵ Australian Government Productivity Commission (2010) p14.5

⁶ State Government of Victoria (2008) P1

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Gambling	<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 legislation⁷.</p> <p>Under the Act, gambling means an activity in which:</p> <ul style="list-style-type: none"> (a) a prize of money or something else of value is offered or can be won; and (b) a person pays or stakes money or some other valuable consideration to participate; and (c) the outcome involves, or is presented as involving, an element of chance. <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>
Gambling-related harm	<p>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.⁸</p>
Gambling-related problems	<p>Gambling-related problems occur when losses cause some form of harm to the individual, family or society in general. To cause harm, losses must exceed the individual's personal threshold of affordability, either in respect to time money or time.⁹</p>
Gambling sensitive use	<p>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</p>
Gaming	<p>Gaming includes all legal forms of gambling other than wagering including lotteries, EGMs, casino table games, keno and minor gaming such as raffles¹⁰.</p> <p>Clause 72 <i>General Terms</i> of the Maroondah Planning Scheme defines gaming as 'the playing of a gaming machine'.</p>

⁷ <http://www.vcglr.vic.gov.au/utility/about+us/news/gambling+defined+and+offences+consolidated+from+1+july+2015>

⁸ 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.

⁹ Blaszczyński, A. et al (2015) *Gambling Harm Minimisation Report* NSW Government Department of Trade and Investment; Office of Liquor, Gambling and Racing

¹⁰ Productivity Commission (2010)

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Gaming equipment¹¹	<p>any device or thing (including chips) used, or capable of being used, for or in connection with gaming and includes—</p> <ul style="list-style-type: none"> (a) a gaming machine; and (b) linked jackpot equipment; and (c) an electronic monitoring system; and (d) a part of, or replacement part for, any such machine, equipment or system— <p>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;</p>
Gaming machine	<p>Also referred to as electronic gaming machines or EGMs, a gaming machine is defined by the <i>Gambling Regulation Act 2003</i> as:</p> <p>“Any device, whether wholly or partly mechanically or electronically operated, that is so designed that –</p> <ul style="list-style-type: none"> • it may be used for the purpose of playing a game of chance or a game of mixed chance and skill; and • as a result of making a bet on the device, winnings may become payable. <p>A gaming machine has the same meaning in terms of Clause 72 of the Maroondah Planning Scheme.</p>
Gaming room	<p>A room in an approved venue in which gaming machines available for gaming are installed¹²</p>
Harm minimisation	<p>Harm minimisation strategies aim to reduce the risks associated with gambling and facilitate responsible gambling, without necessarily disturbing those who gamble in a non-problematic manner. These are based on underlying principles of pragmatism and empirical evidence and are part of a public health framework.¹³</p>
Harm reduction	<p>“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.”¹⁴</p>

¹¹ Casino Control Act 1991 S3(1)

¹² Tobacco Act 1987

¹³ Sally M. Gainsbury, Laura Jakob & David Aro (2017): Understanding end-user perspectives to enhance perceived value uptake of harm-minimization tools: considering gambler's views of a pre-commitment system, *International Gambling Studies*, DOI:10.1080/14459795.2017.1370723

¹⁴ Canadian Public Health Association (2000) in <https://www.adelaide.edu.au/saces/docs/problemgamblingandharmtowardnationaldefinition.pdf>

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High Roller Room	A room in a casino that is used substantially for gaming by international visitors to the casino ¹⁵
Municipal and regional caps	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 20 th September 2017. 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.
Net detriment test	The 'no net detriment' test is a composite test requiring consideration of a single net impact in economic and social terms on the wellbeing of the community. The test will be satisfied if, following the weighing of any likely impacts, the Commission is satisfied that the net economic and social impacts of approval on the wellbeing of the relevant community will be either neutral or positive. The <i>Gambling Regulation Act 2003</i> does not specify the matters which the Commission must consider in deciding whether the 'no net detriment' test is satisfied. The statutory signposts include the likely economic and social impacts of approval. In terms of Section 3.4.20 (1) (C) of the Act the Commission must be satisfied that the net economic and social impact of the amendment will not be detrimental to the wellbeing of the community of the municipal district in which the approved venue is located.
Problem gambling	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. ¹⁶ This definition contains reference to both gambling behaviours and harms.
SEIFA decile	Deciles divide a distribution into ten equal groups. In the case of SEIFA, the distribution of scores is divided into ten equal groups. The lowest scoring 10 per cent of areas are given a decile number of 1, the second-lowest 10 per cent of areas are given a decile number of 2 and so on, up to the highest 10 per cent of areas which are given a decile number of 10. ¹⁷
SEIFA percentile	Per centiles divide a distribution into 100 equal groups. In the case of SEIFA, the distribution of scores is divided into 100 equal groups. The lowest scoring 1 per cent of areas are given a percentile number of 1, the second-lowest 1 per cent of areas are given a percentile number of 2 and so on, up to the highest 1 per cent of areas which are given a percentile number of 100. SEIFA percentiles are provided to allow users to create

¹⁵ Tobacco Act 1987

¹⁶ 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

¹⁷ <http://www.abs.gov.au/AUSSTATS/abs@.nsf/Lookup/2039.0Main%20Features42006?opendocument>

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	their own groupings, such as quartiles (which contain 25 per cent of CDs). ¹⁸
SEIFA rank	To determine the SEIFA rank, all the areas are ordered from lowest score to highest score. The area with the lowest score is given a rank of 1, the area with the second-lowest score is given a rank of 2 and so on, up to the area with the highest score which is given the highest rank, being 37,457 for a collection district (CD) index. ¹⁹
SEIFA score	A SEIFA score is created using information about people and households in a particular area. This score is standardised against a mean of 1000 with a standard deviation of 100. This means that the average SEIFA score will be 1000 and the middle two-thirds of SEIFA scores will fall between 900 and 1100 (approximately). (Refer to the Glossary for more on standardisation). A SEIFA score provides more information and is used for more sophisticated analysis. Deciles should be used for most analyses ²⁰
Social housing	Rental housing that is provided and/or managed by government or non-government organisations, including public and community housing. ²¹
Statutory community contribution	Contribution included in an annual audited community benefit statement lodged with the VCGLR
VCGLR	The Victorian Commission for Gambling and Liquor Regulation (VCGLR) is the independent statutory authority that regulates Victoria's gambling and liquor industries.
VCAT	The Victorian Civil and Administrative Tribunal (VCAT) is a tribunal that hears and decides civil and administrative legal cases in the State of Victoria, Australia.
Venue operator	The holder of a venue operator's licence to operate EGMs out of a club venue or a hotel venue.

¹⁸ <http://www.abs.gov.au/AUSSTATS/abs@.nsf/Lookup/2039.0Main%20Features42006?opendocument>

¹⁹ <http://www.abs.gov.au/AUSSTATS/abs@.nsf/Lookup/2039.0Main%20Features42006?opendocument>

²⁰ <http://www.abs.gov.au/AUSSTATS/abs@.nsf/Lookup/2039.0Main%20Features42006?opendocument>

²¹ <https://www.ahuri.edu.au/research/glossary>

1 INTRODUCTION

1.1 Background

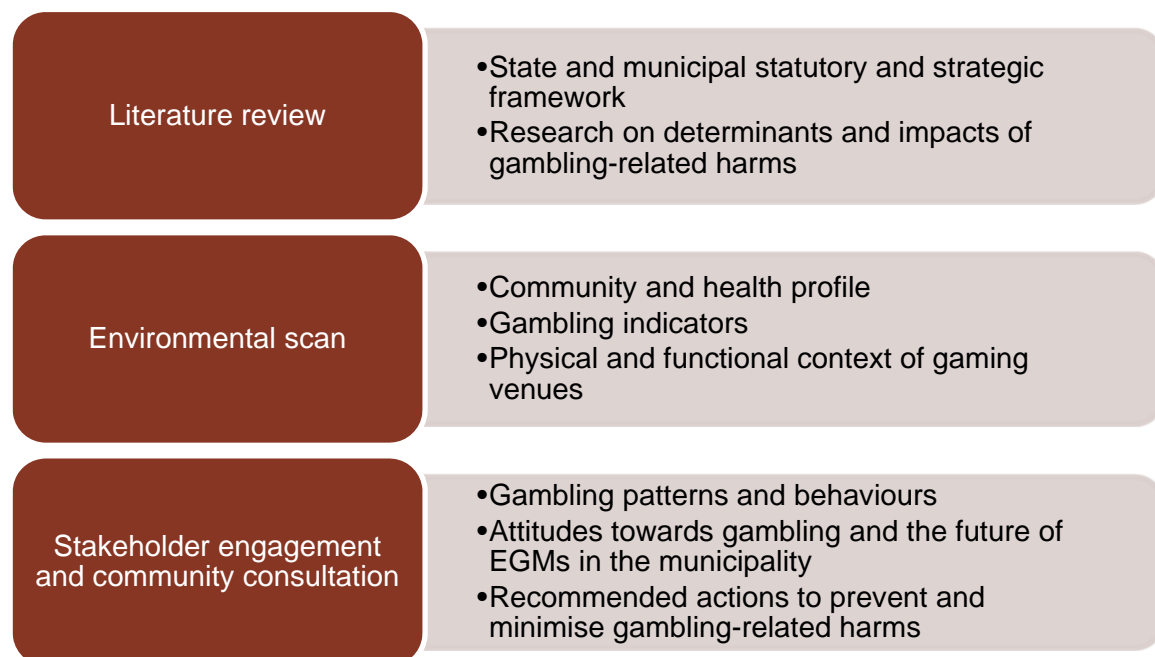
There have been significant changes to the legislative, strategic and decision-making framework within which gaming venues operate in the municipality since the approval of the City of Maroondah Gaming Policy and Statement of Practice, 2007. Technological advancement has resulted in an increase in online gambling and a shift in gambling patterns and behaviours. There is also new and emerging research underpinning Victorian local governments' strategies and actions that focus on preventing and minimising gambling-related harms. In addition, since 2006 four venues in the municipality have been the subject of applications for new or amended gaming licences and planning permits and parts of the community have undergone significant changes in population size and composition.

Maroondah City Council has recognised the need to prepare a new gambling policy and replace the existing local planning policy to ensure that their decisions reflect the contemporary statutory, strategic and decision-making framework within which gambling activities occur in the municipality. These policies will support Council in fulfilling its statutory roles in creating and supporting healthy communities, and responding to proposals for new gaming venues or increases in the number of electronic gaming machines (EGMs) in existing venues.

This Background Report provides the evidence underpinning the *City of Maroondah Gambling Policy 2018* and the new Local Planning Policy for Electronic Gaming. It is supported by the findings from the stakeholder engagement and community consultation process presented in the *City of Maroondah Gambling Policy and Local Planning Policy for Electronic Gaming Consultation Findings, 2018*.

1.2 Process and methodology

The *City of Maroondah Gambling Policy and Local Planning Policy for Electronic Gaming, Background Report 2018* is based on three primary sources of data. These include:



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2 THE CITY OF MAROONDAH GAMBLING CONTEXT

Key findings:

- Population growth is projected to be concentrated in the suburbs of Croydon and Ringwood.
- The operating hours of the gaming venues are such that there are opportunities to use EGMs in the municipality seven days a week, anytime other than for three hours between 8am and 5am.
- The gaming venues offer gambling activities other than EGM gambling. They also offer non-gaming facilities such as bistros, children's play areas, live entertainment, function and meeting rooms, beer gardens and lounges.
- In the City of Maroondah:
 - Expenditure per attached EGM entitlement is lower than the average for metro gaming venues.
 - Larger venues and hotels are typically associated with higher expenditure per attached EGM entitlement.
 - Gaming expenditure is higher in the second half of the year (July to December) than it has in the first half of the year. The higher expenditure months coincide with the colder months of the year, and the lowest expenditure month/time period coincide with the warmer months of the year.
- The community of Maroondah has good access to use EGMs due to the number of gaming venues within the municipality and in close proximity to the municipal boundary.
- The growth in population will result in a reduction in the density of EGMs per 1,000 adults and the potential increase in demand for additional EGMs. However, as the municipality is covered by a regional cap, any change in demand for EGMs within the municipality will have to be met through the transfer of EGMs from existing venues into existing or new venues rather than the introduction of additional EGMs into the municipality.

Implications for policy development:

- Council should discourage proposals for additional gaming venues or EGMs in communities at an elevated risk of gambling-related harms due to their levels of socio-economic disadvantage, and gambling indicators such as high expenditure, high density of EGMs and number of gaming venues.
- Strategies and actions should seek to increase access to non-gaming social, leisure, recreational and entertainment activities during the winter months when gaming expenditure is at its highest in the municipality.

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This Section describes the context within which gambling activity and the operation of gaming venues occurs in the City of Maroondah. It discusses key geographic, physical and operational features of the municipality's gaming venues, and the potential future of EGM gambling in the municipality.

2.1 Australian and Victorian gambling context

General patterns and behaviours

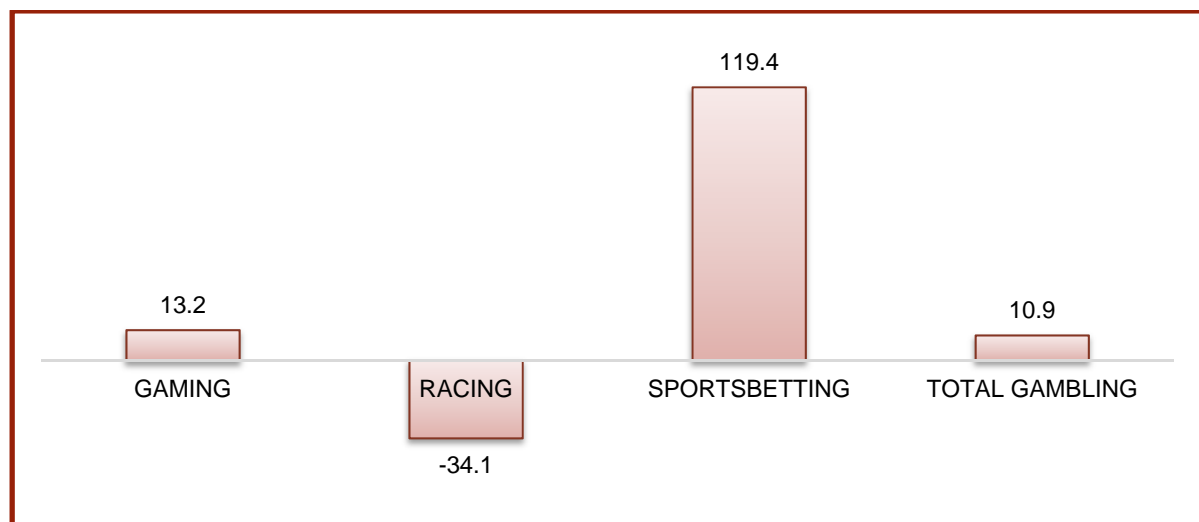
Gambling has historically been a feature of Australian culture and is currently a common recreational activity for approximately 70 per cent of Australians²². The introduction of EGMs into clubs in New South Wales in 1956 was followed by the introduction of EGMs in most Australian states and territories in the 1990s. This led to the normalisation of legal gambling throughout local communities.

The liberalisation of gaming in Victoria in the early 1990s resulted in a rapid growth in the availability of EGMs. In the Financial Year 2015-16:²³

- Gaming turnover accounted for 90 per cent of all gambling turnover in Victoria.
- Per capita EGM turnover was \$6,028 which accounted for nearly two thirds (64 per cent) of all per capita turnover on all forms of gambling (\$9,435).
- Per capita EGM expenditure (losses) on EGMs was \$557.61 which accounted for more than half (52 per cent) of all per capita expenditure on all forms of gambling.

In recent years there has been a significantly larger increase in expenditure on online forms of gambling, including sports betting compared with gaming (refer to Figure 1).

Figure 1 – Percentage change in gambling expenditure 2010-11 to 2015-16



Source: Australian Gambling Statistics, 33rd Edition, 2016

A study of gambling behaviours among Victorians in 2014 found the following²⁴:

- The three highest participation gambling activities were lotto, Powerball or the Pools; raffles, sweeps and other competitions and race betting.

²² Australian Government Productivity Commission (2010) p5

²³ Source: Australian Gambling Statistics 33rd Edition, 2016

²⁴ Victorian Responsible Gambling Foundation (2015) *Study of Gambling and Health in Victoria. Findings from the Victorian Prevalence Study 2014*

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The main reasons people in Victoria gamble are for social reasons, to win money and for general entertainment.²⁵

In Victoria:

- EGMS are the most popular form of gambling amongst people aged 18-14 years and 50-64 years.
- Young people aged 18-24 years and males are more likely to participate in EGMs, table games and sports betting compared to all adults (refer to Table 1)

Table 1 – 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 EGMs in Victoria have occurred between 2008 and 2014²⁶:

- Overall participation decreased from 21.46 per cent to 15.22 per cent. 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).
- 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 with 60.63 per cent of EGM users visiting hotels and 43.69 per cent visiting hotels. However, the top locations for problem gamblers who used EGMs in the previous 12 months were pubs (86.53 per cent), clubs (64.68 per cent) and the casino (44.30 per cent).²⁷

²⁵ Billi, R., Stone, C.A., Marden, P., Yeung, K., (2014). *The Victorian Gambling Study: A longitudinal study of gambling and health in Victoria, 2008–2012*. Victoria, Australia: Victorian Responsible Gambling Foundation

²⁶ Victorian Responsible Gambling Foundation (2015) *Study of Gambling and Health in Victoria. Findings from the Victorian Prevalence Study 2014*

²⁷ Victorian Responsible Gambling Foundation (2015) *Study of Gambling and Health in Victoria. Findings from the Victorian Prevalence Study 2014*

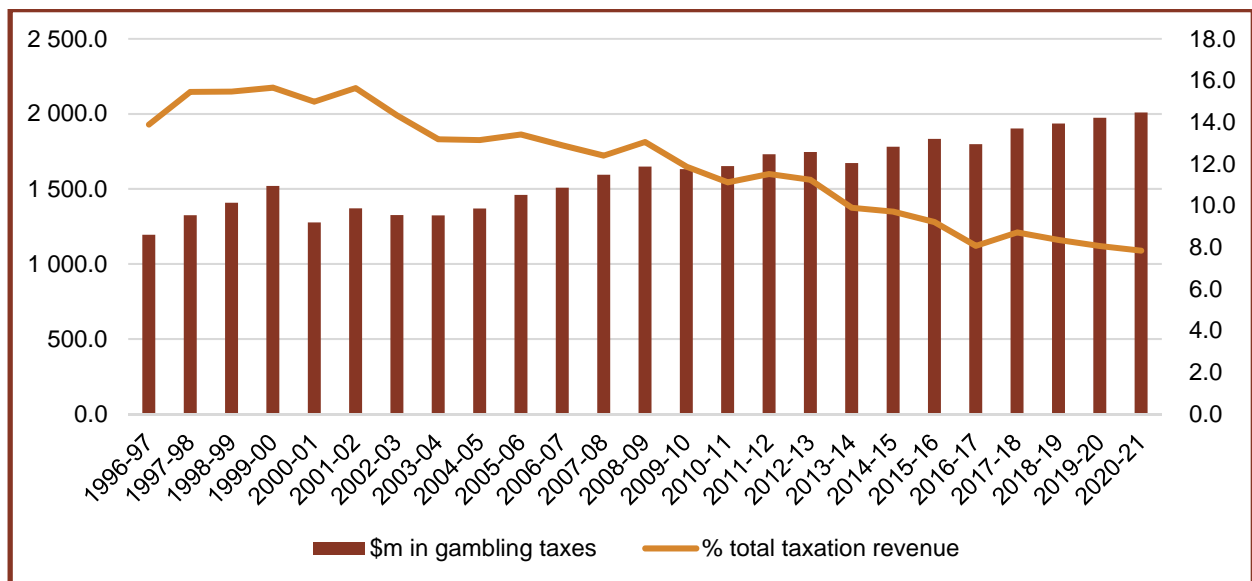
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Taxation revenue

The Victorian Government applies tax to all forms of gambling in Victoria except minor gaming, raffles, bingo and lucky envelopes²⁸. This tax is used to reclaim a share of the profits generated by gaming operators, on behalf of the community²⁹.

In the Financial Year 2016-2017 taxation sourced from gambling in Victoria was \$1,798.1 million which accounted to 8.1 per cent of total taxation revenue for the state. Although the taxation revenue derived from gambling is projected to increase in the future, the proportion of total tax revenue derived from gambling is projected to remain relatively constant in the future (refer to Figure 2).

Figure 2 – Percent of total taxation sourced from gambling, Victoria, 1996-1977 to 2020-21



Source: Department of Treasury and Finance <http://www.dtf.vic.gov.au/Publications/Victoria-Economy-publications/State-taxation-revenue>

In 2014-2015 EGMs and Keno provided \$965.638 million in revenue to Victoria. This amounted to 62 per cent of total gaming revenue for the state.³⁰ (refer to Figure 4).

Although the revenue from EGMs and Keno has dropped since 2011-2012, it increased between 2013-2014 and 2015-2016. Similarly, the proportion of total gaming revenue derived from Keno and EGM gambling has increased in recent years (refer to Figure 4).

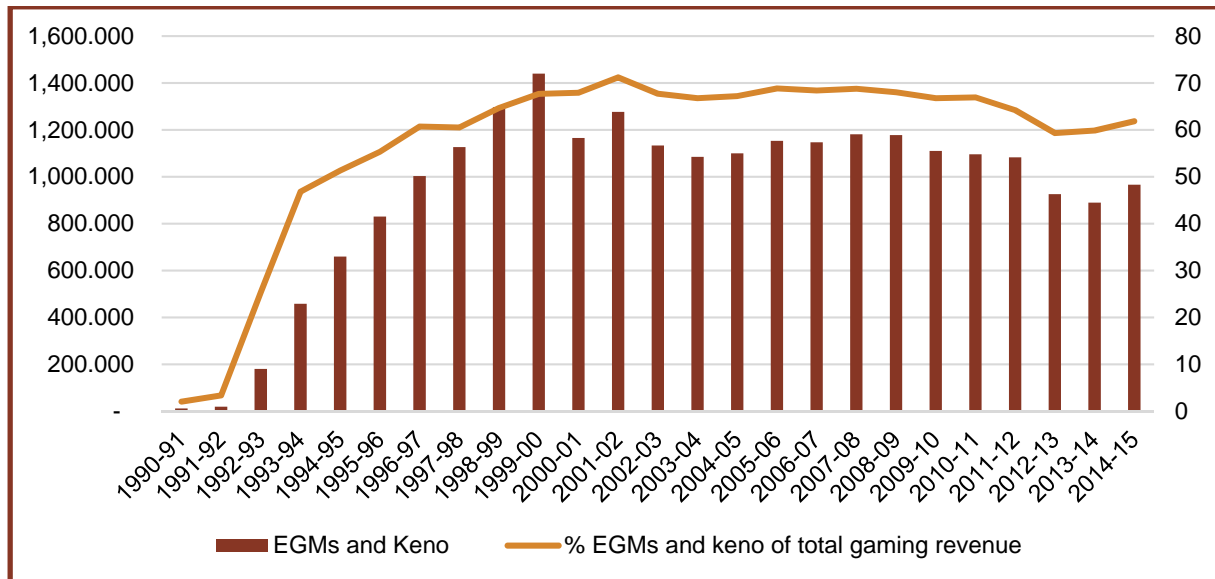
²⁸ http://www.pc.gov.au/data/assets/pdf_file/0011/87869/sub205.pdf Victorian Government (2009) *Submission to the Productivity Commission Inquiry into Gambling in Australia* Department of Justice

²⁹ Victorian Government (2009) *Submission to the Productivity Commission Inquiry into Gambling in Australia* Department of Justice p43

³⁰ Australian Gambling Statistics, 32nd Edition

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Figure 3 - Gaming revenue sourced from EGMs and Keno, Victoria, 1990-91 to 2014-15



Source: Australian Gambling Statistics, 32nd Edition

2.2 Population in the City of Maroondah

Size

In 2017 there were 114,979 people living in the City of Maroondah.³¹

Key features of population change between 2016 and 2031 are as follows (refer to Table 2):

- Population across the municipality will grow to 135,388 people by 2016 and 2036.
- Between 2016 and 2031 the greatest population increase is projected to be in the suburbs of Croydon (+6,027 people, 21.5 per cent) and Ringwood (+6,488 people, 34.7 per cent).

Table 2 – Population projections by small areas, 2016 – 2036

Area	Forecast year					Change between 2016 and 2036	
	2016	2021	2026	2031	2036	Total change	% increase 2016-2031
City of Maroondah	114,979	120,622	125,490	130,304	135,388	+20,409	17.8
Bayswater North	9,145	9,386	9,612	9,799	10,102	+957	10.5
Croydon	27,997	29,958	31,395	32,735	34,025	+6,027	21.5
Croydon Hills	5,534	5,421	5,421	5,500	5,632	+98	1.8

³¹ Id consulting

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Croydon North	8,202	8,365	8,592	8,880	9,118	+916	11.2
Croydon South - Kilsyth	6,569	6,915	7,156	7,369	7,638	+1,069	16.3
Heathmont	10,097	10,499	10,919	11,428	11,974	+1,877	18.6
Kilsyth South	3,094	3,051	3,089	3,205	3,335	+241	7.8
Ringwood	18,709	20,943	22,626	23,904	25,197	+6,488	34.7
Ringwood East	10,649	11,068	11,391	11,746	12,125	+1,476	13.9
Ringwood North	9,956	9,982	10,194	10,502	10,835	+879	8.8
Warranwood	5,027	5,034	5,095	5,237	5,407	+381	7.6

Source: id consulting

Socio-economic profile

Appendix 2 provides a summary of the key socio-economic characteristics of the community of the City of Maroondah.

Compared with Greater Melbourne, the City of Maroondah has higher proportions of:

- Australian born people
- females
- people aged 55 +, and children aged 0-17, frail aged 85 and over
- lone person households, one parent families, and couples with and without children
- people purchasing or owning their homes and low density housing
- households with internet connection
- households in the upper middle and lower middle income bracket

Compared with Greater Melbourne, the City of Maroondah has lower proportions of

- attending university or TAFE institution
- renting
- low income and group households

2.3 Snapshot of key gambling indicators

The key gambling indicators for the Financial Year 2016-2017 are described below.

EGM expenditure:	\$65,114,897.86
Number of EGM licences:	780
Number of attached EGMs:	759
Number of venues:	10
Average venue size:	76

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Adults per Venue:	8,926
EGMs per 1,000 adults:	8.36
EXP adult:	\$730.28
Expenditure per day:	\$178,397
Expenditure per EGM entitlement:	\$85,790.38
Expenditure per venue:	\$6,511,489.79

In this Financial Year, compared with the metropolitan and state averages, the City of Maroondah had:

- A significantly higher density of EGMs per 1,000 adults
- a significantly higher EGM expenditure per adult
- more venues per adult

Compared with the four adjoining municipalities (refer to [Appendix 4](#)), the City of Maroondah has:

- The highest:
 - density of EGMs per 1,000 adults
 - EGM expenditure per adult
 - Number of venues per adult
- The second highest (after the City of Knox):
 - total EGM expenditure
 - number of EGM entitlements, EGM licences and number of venues

In addition, in 2016/17 Maroondah had the highest density of EGMs per 1,000 adults of all metropolitan municipalities in Victoria. It also had the fifth highest expenditure per adults and seventh lowest number of adults per venue of all metropolitan municipalities.

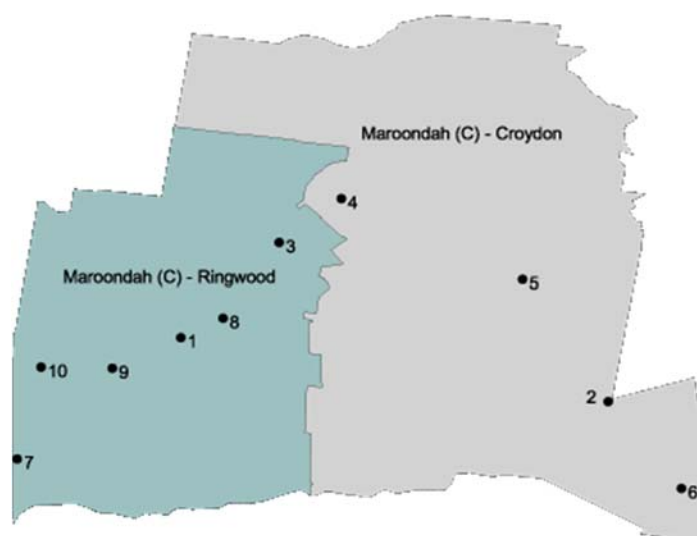
2.4 Gaming venues

2.4.1 Location and type

The location of the gaming venues is illustrated in Figure 4 and Table 3. Four of the venues are hotels and six of the venues are clubs.

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Figure 4 – Location of gaming venues



Source: VCGLR

Table 3 – Venue details, City of Maroondah, 2016-2017

Ref	Gaming Venue	Address	Venue type	Attached Entitlements	Licensed EGM's
1	Club Hotel (Daiseys)	6 Mt Dandenong Road, East Ringwood	Hotel	75	75
2	Club Kilsyth	Cnr Canterbury And Colchester Roads, Bayswater North	Club	105	105
3	Club Ringwood	523-531 Maroondah Highway, Ringwood	Club	82	82
4	Croydon Hotel	47 Maroondah Highway, Croydon	Hotel	105	105
5	Dorset Gardens	335 Dorset Road, Croydon	Hotel	97	97
6	Eastwood Golf Club	Liverpool Road, Kilsyth	Club	19	19
7	Manhattan Hotel	Cnr Canterbury & Heatherdale Roads, Ringwood	Hotel	72	103
8	Maroondah Sports Club	Cnr Mt Dandenong Road and Dublin Road, Ringwood East	Club	44	44
9	Ringwood RSL	16 Station Street, Ringwood	Club	70	70
10	The Coach and Horses	33 Whitehorse Road, Ringwood	Club	80	80
City of Maroondah				749	780

Source: VCGLR

2.4.2 Distribution and density of EGMs per 1,000 adults

All of the gaming venues are located in five of the 11 local areas in the municipality. As a result, the density of EGMs per 1,000 adults is highest in these suburbs, with the highest densities being in the local areas of Ringwood, Bayswater North and Ringwood East. These local areas also have the higher level of socio-economic disadvantage (refer to Table 4).

Table 4 – Distribution of EGMs and gaming venues, Maroondah, 2017

Local area	SEIFA score of disadvantage (2011)	Resident population 2016	Est adults (78 % of total pop)	Density EGMs / 1,000 adults	Number gaming venues	Number of attached EGMs
Warranwood	1,109.20	4,815	3,756	0	0	0
Croydon Hills	1,098.70	5,307	4,139	0	0	0
Ringwood North	1,094.10	9,519	7,425	0	0	0
Croydon North	1,071.20	7,861	6,132	0	0	0
Heathmont	1,069.20	9,632	7,513	0	0	0
Croydon South	1,044.50	4,646	3,624	0	0	0
Ringwood East	1,036.30	10,136	7,906	15.1	2	119
Croydon	1,017.40	26,980	21,044	9.6	2	202
Bayswater North	1,011.10	8,794	6,859	15.3	1	105
Ringwood	1,008.20	18,028	14,062	22.3	4	314
Kilsyth	995.7	1,686	1,315	14.4	1	19
Maroondah	1,043.90	110,376	86,093	8.4*	10	759

Source: VCGLR and ABS Census of Population and Housing, 2016

* Data sourced from VCGLR

2.4.3 Zoning

Six of the ten venues are located on land zoned General Residential Zone, three of which are hotels and three of which are clubs. The other four venues are located on land zoned Green Wedge A, Industrial 1 Zone, Public Park and Recreation Zone and Commercial 1 Zone.

A planning permit would have been required to use the land for the purposes of a retail use (food and drink premises/hotel) and a place of assembly (restricted place of assembly) for all gaming hotels and clubs respectively.

A planning permit is not required to use the land for a restricted place of assembly for the Maroondah Sports Club (Public Park and Recreation Zone) and the Coach and Horses (Commercial 1 Zone). However, a planning permit is required to carry out most building and works on these premises.

2.4.4 Land ownership

Nine of the ten gaming venues in the municipality are located on privately owned land.

The Maroondah Club is located on Crown Land which is managed by Council.

2.4.5 Surrounding land uses

All the gaming venues in the municipality are located within 400m of land used for residential purposes. Two of the gaming venues are integrated within recreation reserves, two are located at the intersection of major arterials and/or motorways and two are located within 400m of a shopping complex and/or strip shopping centre. One of the gaming venues is located adjacent to both a strip shopping centre and a shopping complex (refer to Table 5 below).

Table 5 – Surrounding land uses, gaming venues, City of Maroondah

Gaming Venue	Surrounding land uses
Eastwood Golf Club	Located within a recreation reserve. Surrounded by land used for residential purposes to the east.
Maroondah Sports Club	Located within a recreation reserve. Surrounded by land used for residential purposes to the north, south, and east, and Maroondah City Council Offices and function centre to the west.
Ringwood RSL	Surrounded by residential land to the south, west and east. The Ringwood Railway Station and Eastland Shopping Centre are located to the north.
Club Ringwood	Located adjacent to a recreation reserve., Surrounded by residential land to the north and south, and land used for commercial purposes to the west.
The Coach and Horses	Located at the intersection between Eastlink and Maroondah Highway. Surrounded by land used for residential purposes to the north. Within 500m of a strip shopping centre and 1km of Eastland Shopping Centre.
Club Hotel	Located north of a recreation reserve. Surrounded by land used for residential purposes to the north and east.
Manhattan Hotel	Located north and south of land used for commercial purposes, and west of land used for residential purposes. At the intersection of Canterbury Road and Eastlink.
Club Kilsyth	Located west of a shopping complex and east of a strip shopping centre. Adjoined to the south by land uses for residential purposes.
Croydon Hotel	Surrounded by land used for residential purposes. Located west of an aged care facility.
Dorset Gardens Hotel	Located west and south of land used for residential purposes and north of an aged care facility.

2.4.6 Venue features

Operating hours

The operating hours for the four hotels are longer than they are for the six clubs. All four hotels operate for the maximum 20 out of 24 hours, and are open between 9am and 5am (Club Hotel, Dorset Gardens and Manhattan Hotel) or between 8am and 4am (Croydon Hotel).

The latest operating hours for the gaming room in four of the six clubs are 1am. The gaming room in the Coach and Horses closes at 3am and the gaming room at Eastwood Golf Club closes at approximately 9pm.

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Nine out of the ten gaming venues open at 9am with the Croydon Hotel opening at 8am.

As a result, there are opportunities to use EGMs in the municipality seven days a week, anytime other than for three hours between 5am and 8am.

Activities

In addition to EGMs, other gambling activities available in the gaming venues include sports betting, Keno and bingo. There is a generally a wider range of gaming activities in the clubs than in the hotels.

The hotels and clubs provide non-gaming activities such as bistros, children’s play areas, live entertainment, function and meeting rooms, beer gardens and lounges. Drive through bottle shops are located at all four hotel venues.

Two of the hotels provide accommodation. Sports and recreation activities are provided at two of the ten venues (both clubs).

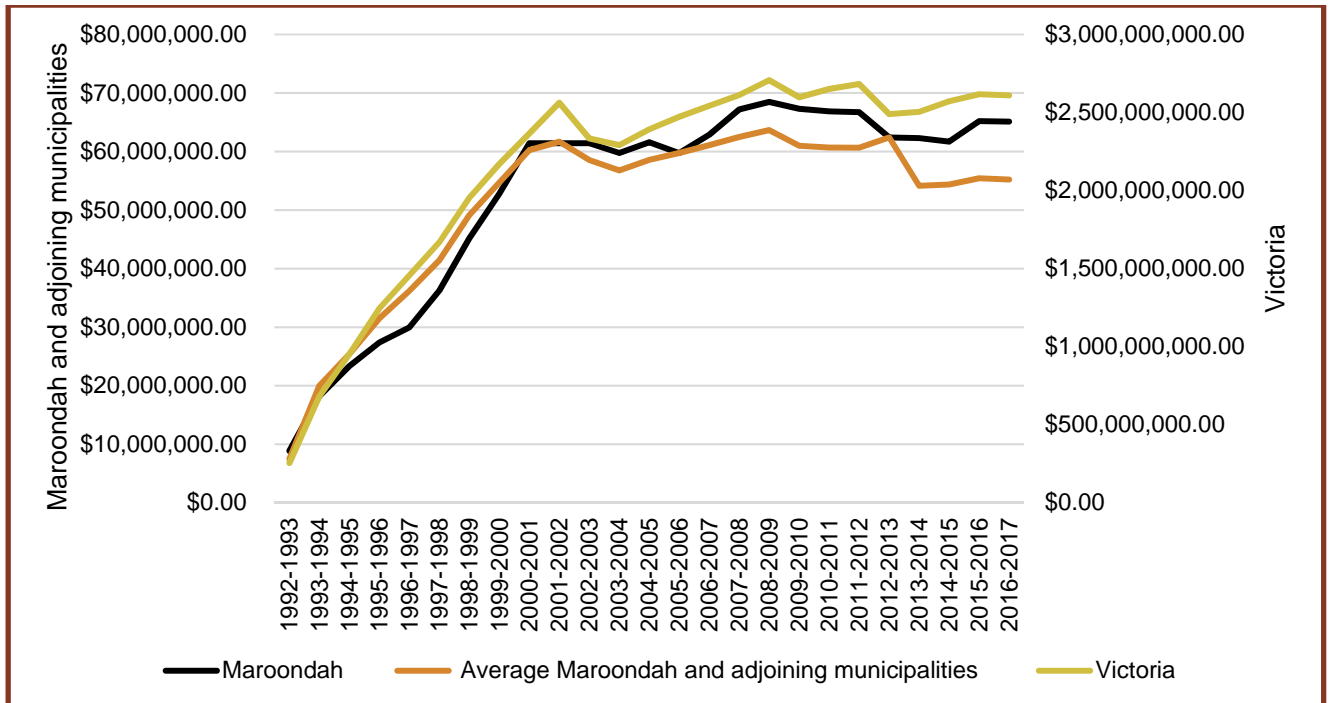
Five of the venues provide member benefits such as rewards and a community bus.

2.5 EGM Expenditure

2.5.1 Historical

EGMs were introduced into the City of Maroondah in the same year as they were legalised in Victoria. Since 2011/12 the growth pattern in Maroondah has broadly reflected that of Victoria (refer to Figure 5).

Figure 5 – Historical growth in EGM expenditure 1992/93 to 2016/17, Victoria City of Maroondah and adjoining municipalities



Source: VCGLR

Between 2012-2013 and 2016-2017 EGM expenditure in the City of Maroondah increased by 4.5 per cent. This is slightly higher than the change in expenditure across Victoria (4.2 percent) but

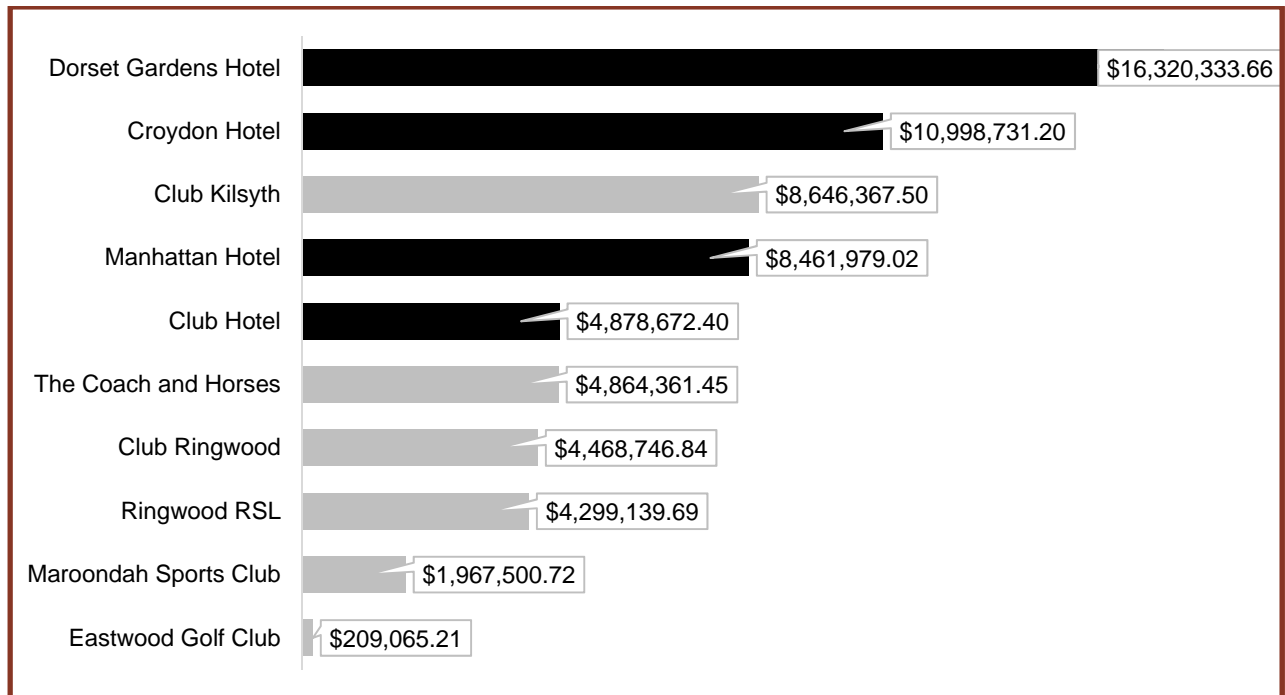
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more than double that for the average of Maroondah and the adjoining municipalities (2 per cent).

2.5.2 EGM expenditure per venue

In the financial year 2016-2017 the Dorset Gardens, Croydon Hotel and Club Kilsyth had the highest total EGM expenditure. Three of the four hotels were represented in the four venues with the highest expenditure (refer to Figure 6).

Figure 6 -EGM expenditure per venue 2016/17, City of Maroondah



Source: VCGLR

NOTE – Bars shaded in black are hotels and bars shaded in grey are clubs

Average EGM expenditure in Maroondah's clubs is slightly lower than it is for metropolitan clubs in Victoria. However, average EGM expenditure in Maroondah's hotels is higher than it is for metropolitan hotels in Victoria.

Expenditure on EGMs at hotels in the City of Maroondah is high compared with clubs. This is evidenced by the following (refer to Table 6):

- Although hotels had less than half of attached EGM entitlements, they accounted for almost two thirds of total EGM expenditure.
- It is high relative to EGM expenditure in clubs in the City of Maroondah.

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Table 6 – EGM expenditure, attached EGM entitlements, City of Maroondah, 2016/17

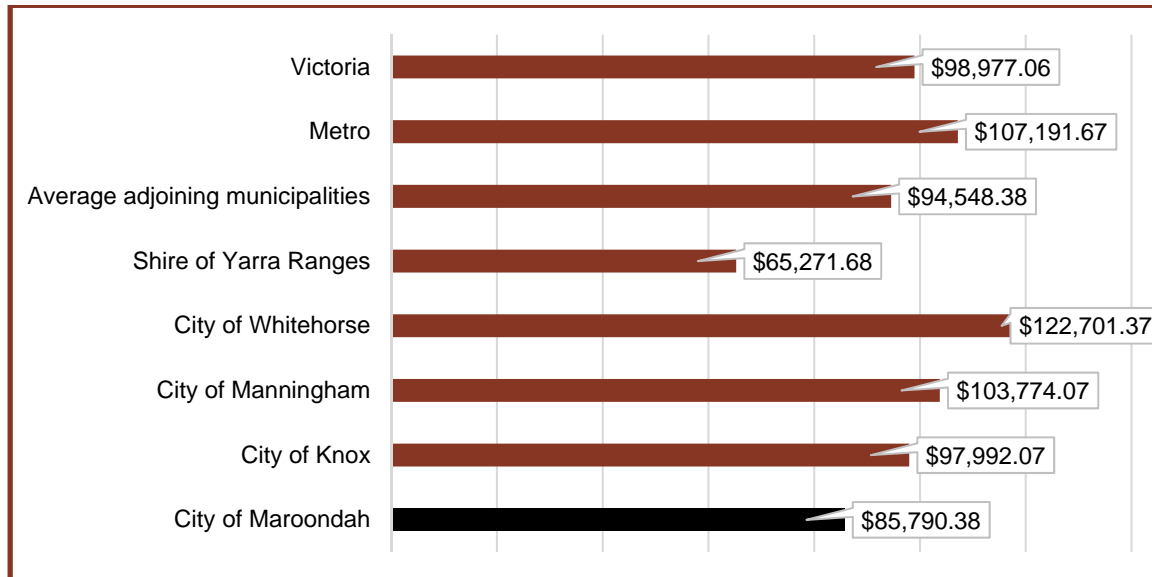
	Attached EGMs	Licensed EGMs	Expenditure	% total expenditure	% total attached entitlements
Clubs					
Club Kilsyth	105	105	\$8,646,367.50	13.3	14.0
The Coach and Horses	90	90	\$4,864,361.45	7.5	12.0
Club Ringwood	82	82	\$4,468,746.84	6.9	10.9
Ringwood RSL	70	70	\$4,299,139.69	6.6	9.3
Maroondah Sports Club	44	44	\$1,967,500.72	3.0	5.9
Eastwood Golf Club	19	19	\$209,065.21	0.3	2.5
Average clubs in Maroondah	68	68	\$4,075,863.57		
Total clubs in Maroondah	410	410	\$24,455,181.41	37.5	54.7
Average metro clubs	61		\$4,545,688.40	13.3	14.0
Hotels					
Dorset Gardens Hotel	97	97	\$16,320,333.66	25.0	13.0
Croydon Hotel	105	105	\$10,998,731.20	16.9	14.0
Manhattan Hotel	72	103	\$8,461,979.02	13.0	9.6
Club Hotel	75	75	\$4,878,672.40	7.5	10.0
Average hotels in Maroondah	87.3	95.0	\$10,164,929.07		
Total hotels	349	380	\$40,659,716.28	62.4	46.6
Average metro hotels	59		\$7,869,986.72		
<i>City of Maroondah</i>	<i>749</i>	<i>790</i>	<i>\$65,114,897.69</i>		

Source: VCGLR

2.5.3 EGM expenditure per attached EGM entitlement

Expenditure per attached EGM entitlement in the City of Maroondah is lower than the average for metro gaming venues and the adjoining municipalities (refer to Figure 7).

Figure 7 - Expenditure per attached EGM entitlement, Maroondah and adjoining municipalities, 2016/17

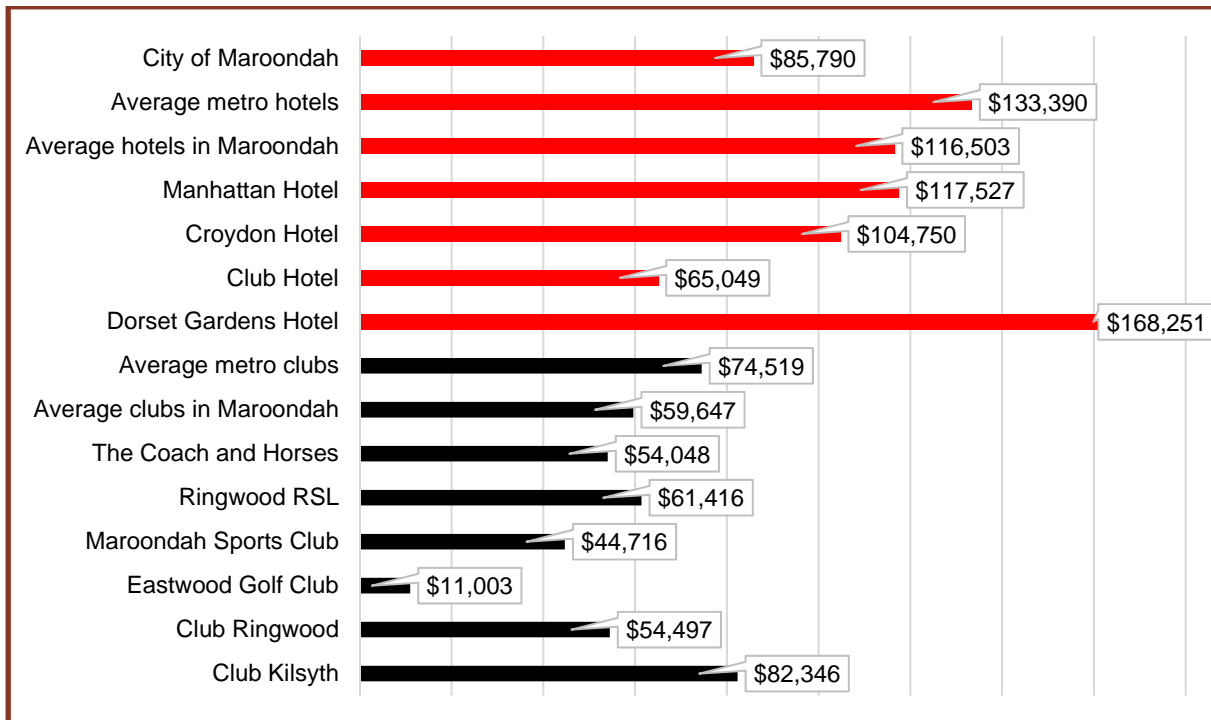


Source: VCGLR

In the financial year 2016-2017 average expenditure per attached EGM entitlements in hotels in the City of Maroondah was higher than it was in the municipality's clubs but lower than it was in metropolitan hotels. The three venues with the highest NMR were the Dorset Gardens Hotel, the Croydon Hotel and the Manhattan Hotel, all of which were hotel venues (refer to Figure 8).

Club Kilsyth had the highest expenditure per attached EGM entitlement of all the clubs in the City of Maroondah. This was above the average expenditure per attached EGM entitlement for clubs in the City of Maroondah and metropolitan clubs.

Figure 8 – EGM expenditure per attached EGM entitlement 2016/17 (net machine revenue/NMR)



NOTE: Venues in red are hotels and venues in black are clubs.

Source VCGLR

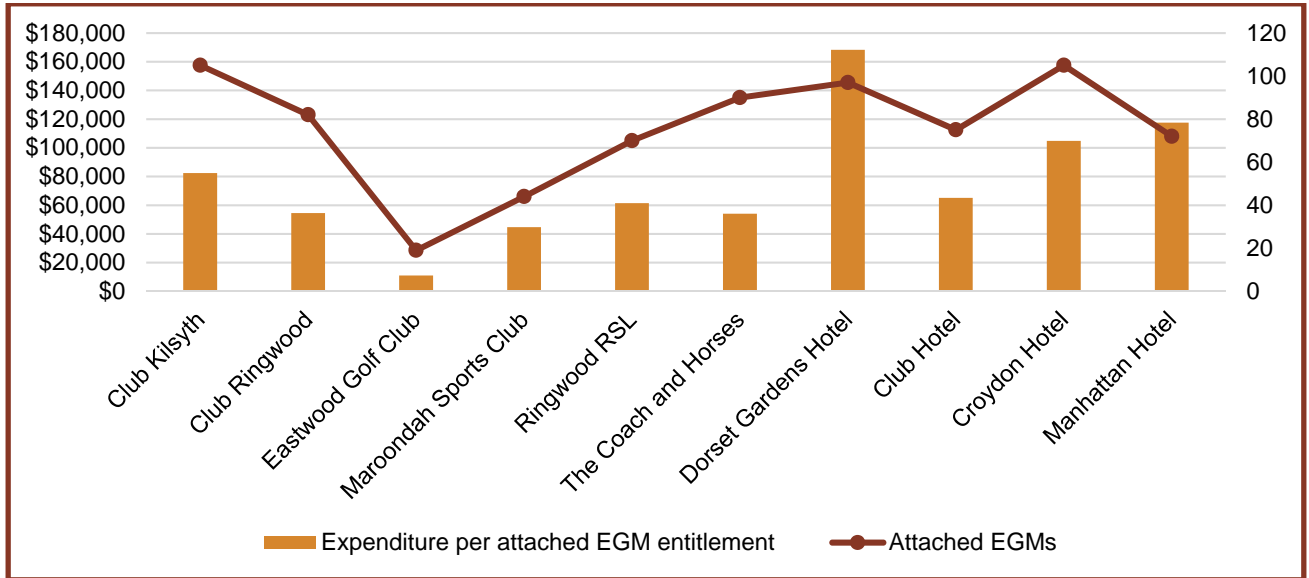
In the City of Maroondah, there is typically a relationship between expenditure per attached EGM entitlement and the size of the venue (i.e. the higher the number of attached EGM entitlements the higher the expenditure per attached EGM entitlement) and the type of venue (i.e. expenditure per attached EGM entitlement is typically higher in hotels than clubs). As a result, larger venues and hotels are typically associated with higher NMR in the City of Maroondah (refer to Figure 9).

However, this pattern is not reflected in the case of the Dorset Gardens Hotel and Manhattan Hotel where expenditure per EGM appears to be proportionately higher than the size of the venue. It is therefore likely that factors other than venue size and type contribute to disproportionately high expenditure (refer to Figure 9). These factors are likely to include location and venue operations, evidenced by the following:

- In the case of the Manhattan Hotel, the higher expenditure per attached EGM entitlement could be attributed to the fact that the venue is located in an area with relatively high socio-economic disadvantage and is easily accessible from Eastlink and Canterbury Road.
- Location is also likely to be a factor contributing to the high expenditure per attached EGM entitlement at Club Kilsyth relative to other clubs in the City of Maroondah as this venue is located between a shopping complex and strip shopping centre, and is situated to the north of a residential area.

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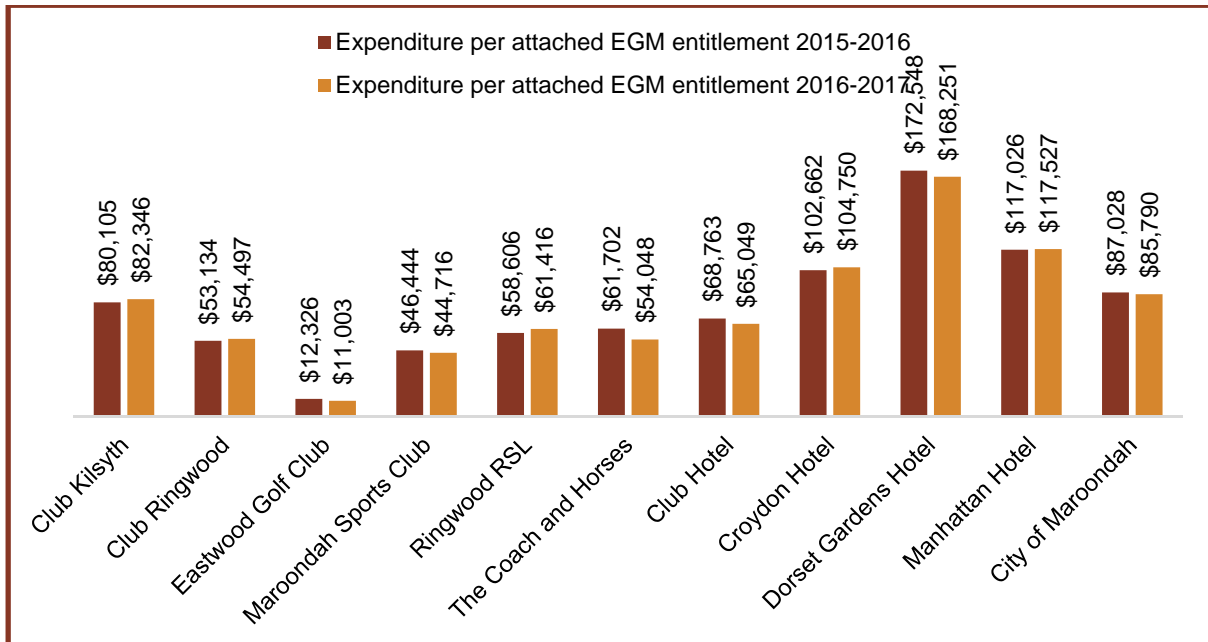
Figure 9 - Relationship between expenditure per attached EGM entitlement and venue size (number of EGMs), City of Maroondah, 2016/17



Source: VCGLR

Between the Financial Years 2015-2016 and 2016/17 EGM expenditure per attached EGM entitlement increased at Club Kilsyth, Club Ringwood, Ringwood RSL the Croydon Hotel, and the Manhattan Hotel despite the fact that it decreased as an average across the City of Maroondah (refer to Figure 10).

Figure 10 – Change in expenditure per attached EGM entitlement, 2015/16 and 2016/17, City of Maroondah



Source: VCGLR

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2.5.4 Monthly gaming expenditure

An analysis of the monthly gaming expenditure patterns between 2011/12 and 2016/17 indicates that gaming expenditure is higher in the second half of the year (July to December) than it has in the first half of the year (January to June). In this time period, expenditure has consistently been the lowest in February and typically highest in July and August. The higher expenditure months coincide with the colder months of the year, and the lowest expenditure month/time period coincide with the warmer months of the year (refer to Table 7).

It is interesting to note that expenditure in the second half of the year has been increasing since the Financial Year 2014-2015.

Table 7 – Monthly gaming data, 2011/12 to 2016/17, City of Maroondah

Month	Year					
	2011 / 2012	2012 / 2013	2013 / 2014	2014 / 2015	2015/2016	2016/2017
July	\$5,951,039	\$5,494,135	\$5,212,410	\$5,263,625	\$ 5,516,068	\$5,741,693.00
August	\$5,863,489	\$5,788,837	\$5,742,007	\$5,368,681	\$ 5,761,281	\$5,847,790.68
Sep	\$5,898,389	\$5,388,288	\$5,178,751	\$4,949,465	\$ 5,459,285	\$5,793,964.15
Oct	\$5,801,467	\$5,455,554	\$5,621,587	\$5,496,228	\$ 5,464,813	\$5,693,912.23
Nov	\$5,489,298	\$5,286,700	\$5,449,596	\$5,131,363	\$ 5,260,317	\$5,250,563.84
Dec	\$5,627,007	\$5,381,212	\$5,270,558	\$5,382,673	\$ 5,642,512	\$5,532,471.81
<i>Sub-total July to Dec</i>	<i>\$34,630,689</i>	<i>\$32,794,727</i>	<i>\$32,474,908</i>	<i>\$31,592,035</i>	<i>\$ 33,104,277</i>	<i>\$33,860,395.71</i>
January	\$5,387,772	\$4,945,455	\$5,121,352	5,164,522	\$ 5,541,810	\$5,177,298.73
Feb	\$5,124,567	\$4,403,232	\$4,597,919	\$4,546,346	\$ 5,132,432	\$4,872,823.91
March	\$5,731,000	\$5,134,987	\$5,102,861	\$5,046,572	\$ 5,363,720	\$5,368,241.04
April	\$5,226,882	\$ 5,078,310	\$5,024,325	\$5,115,027	\$ 5,299,449	\$5,256,552.49
May	\$5,272,503	\$5,209,188	\$5,187,626	\$5,226,805	\$ 5,551,990	\$5,239,567.36
June	\$5,409,489	\$4,849,226	\$4,785,876	\$5,003,059	\$ 5,190,404	\$5,340,018.62
<i>Sub-total Jan to June</i>	<i>\$ 32,152,214</i>	<i>\$29,620,397</i>	<i>\$ 29,819,959</i>	<i>\$30,102,331</i>	<i>\$ 32,079,806</i>	<i>\$31,254,502.15</i>
<i>Total</i>	<i>\$66,782,903</i>	<i>\$62,415,124</i>	<i>\$62,294,867</i>	<i>\$61,694,367</i>	<i>\$ 65,184,083</i>	<i>\$65,114,898</i>

Source: VCGLR

2.6 Catchments

The community of the City of Maroondah has good access to use EGMs due to the number of gaming venues within the municipality and in close proximity to the municipal boundary.

In the financial year 2016/17, there were four venues within a 2.5km radius of the City of Maroondah, two of which are in the City of Whitehorse and two of which are in the City of Knox (refer to Table 8). Due to the proximity of these venues to the border of the City of Maroondah, it is possible that some of the EGM expenditure attributed to venues in these adjoining municipalities originates from patrons residing in the City of Maroondah ('leakage out').

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Similarly, there are six venues within the City of Maroondah that are within 2.5km of adjoining municipalities (refer to Table 9). Due to the proximity of these venues to the adjoining municipalities, it is also possible that some of the EGM expenditure attributed to these venues originates from patrons residing outside the City of Maroondah ('leakage in').

Although it is not possible to quantify the extent to which the 'leakage in' and 'leakage out' balance one another, it is important to recognise that expenditure in one municipality must to some extent be attributed to residents in adjoining and other municipalities.

Table 8 - Venues within a 2.5km radius of the City of Maroondah, 2016/17

Adjoining municipality	Venue Name	Venue type
Manningham	N/A	
Whitehorse	Mitcham Hotel	Hotel
Knox	Bayswater Hotel	Hotel
	Knox Club	Club
	Wantirna Hill Club	Club
Shire of Yarra Ranges	N/A	

Source: VCGLR

Table 9 - Venues in the City of Maroondah within a 2.5km radius of adjoining municipalities, 2016/17

Venue Name in the City of Maroondah	Adjoining municipality	Venue type
Club Kilsyth	Shire of Yarra Ranges	Club
Club Ringwood	Manningham	Club
Dorset Gardens	Shire of Yarra Ranges	Hotel
Eastwood Golf Club	Shire of Yarra Ranges	Club
Ringwood RSL	Whitehorse	Club
The Coach and Horses	Whitehorse	Club

Source: VCGLR

2.7 The future of EGM gambling in the City of Maroondah

The population in the City of Maroondah is projected to increase by approximately 19,000 from 114,979 in 2017 to 133,526 people in 2036. As discussed in Section 2.2, the population growth is expected to be concentrated in the suburbs of Ringwood and Croydon. In the Financial Year 2016-2017 these two suburbs collectively had six of the ten gaming venues, 501 (66 per cent) of the attached EGM entitlements and (76 per cent) of the EGM expenditure in the municipality.

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The growth in population will result in a reduction in the density of EGMs per 1,000 adults across the municipality. This reduction in density of EGMs per 1,000 adults will be highest in the suburbs predicted to experience the largest increase in population. Although population growth has the potential increase in demand for additional EGMs, the venue operators who participated in the engagement process felt there is unlikely to be a demand for additional EGMs in the municipality in the short and medium term.

It should be noted that, as the municipality is covered by a regional cap, any change in demand for EGMs within the municipality will have to be met through the transfer of EGMs from existing venues into existing or new venues rather than the introduction of additional EGMs into the municipality.

3 CITY OF MAROONDAH STRATEGIC FRAMEWORK

Key findings:

- Themes underpinning Council's strategic framework include protecting and promoting health, wellbeing and safety; reinforces the role that the municipality's activity centres play in providing and consolidating social, leisure, recreational and entertainment uses.
- The *City of Maroondah Gaming Policy and Statement of Practice, 2007, Clause 22.12 Gaming premises* and the schedules to *Clause 52.28 Gaming* will need to be reviewed to ensure they are consistent with recent changes to regulatory, decision-making, statutory and strategic framework and context within which gambling takes place in the municipality.

Implications for policy development:

- The review of the *City of Maroondah Gaming Policy and Statement of Practice, 2007* will need to ensure it aligns with the principles arising out of decisions made by the Tribunal and VCAT and the specific social, economic and physical context within which gaming machines operate in the municipality.
- The review of *Clause 22.12 Gaming premises* will need to ensure it is consistent with the current regulatory, statutory and strategic framework within which gambling takes place in the municipality.
- The review of the Schedules to *Clause 52.28 Gaming* will need to ensure they list appropriate shopping centres and strip shopping centres (if appropriate).

This Section describes the strategic framework within which the City of Maroondah Gambling Policy and Local Planning Policy for Electronic Gaming will operate. It outlines the key components of the Maroondah Planning Scheme and other strategies and policies which are of relevance to the use of EGMs in the municipality.

3.1 Maroondah 2040 *Our Future Together* and Council Plan 2017-2021

The vision for the City of Maroondah, as expressed in *Maroondah 2040* and the Council Plan 2017-2021 is:

Maroondah will be a vibrant and diverse city with a healthy and active community, living in green and leafy neighbourhoods which are connected to thriving and accessible activity centres contributing to a prosperous economy within a safe, inclusive and sustainable environment.

The focus of future outcome *A safe, healthy and active community* is in 2040, Maroondah is a safe, healthy and active community with local opportunities provided for people of all ages and abilities to have high levels of social, emotional and physical wellbeing

One of the key directions under the future outcome *A safe, healthy and active community* is to promote and facilitate safer cultures relating to issues of alcohol, drugs, tobacco, gambling, child abuse and family violence.

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One of the community indicators of progress will be a reduction in average gambling-related expenditure per adult.

3.2 Maroondah Health and Wellbeing Plan 2017-2021

Two of the eight focus areas of the five outcomes of the *Maroondah Health and Wellbeing Plan 2017-2021* are gambling and the prevention of violence against women. Key Direction 2.3 of this Plan is to “seek to foster an environment that minimises harm from gambling”. Priority Action Item 2.3.1 of this Plan is the completion of a new gambling policy and the preparation of a Planning Scheme amendment to incorporate the Policy into the Maroondah Planning Scheme.

3.3 City of Maroondah Gaming Policy and Statement of Practice, 2007

This Policy is a reference document for Clause 22.12 of the Maroondah Planning Scheme. It also covers several issues outside the scope of the planning considerations addressed through the planning scheme. It is the second gaming policy prepared by the City of Maroondah, the first one having been prepared in 2001.

The policy articulates Council’s position in respect of gaming activities, and focuses particularly on EGMs, as this is the form of gambling over which Council has dedicated planning control and an avenue to comment (other than advocacy).³² It identifies Council’s various roles in relation to minimising the negative impacts of gambling in the City of Maroondah, over and above the statutory responsibilities required by the Local Government Act 1989, Gambling Regulation Act 2003 and Planning and Environment Act 1987 (Victoria Planning Provisions). These roles include advocacy, information exchange, awareness raising, monitoring and research.

The policy discusses the harms associated with problem gambling and acknowledges that problem gambling is a community-wide issue. It does, however, discuss a number of key determinants of harm including accessibility of gambling opportunities, environment of gaming venues, features of EGMs, intensity of play and gambling expenditure.

Council’s position on gaming is that it can be associated with both harms and benefits therefore consideration must be given to the overall net effect of gaming on the local community. However, as the density of EGMs and gaming venues, and per capita gaming expenditure in the City of Maroondah are high, Council states in this Policy that it will not approve any gaming applications resulting in an increase in the number of EGMs, number of venues or gaming losses in the municipality.

This Policy focuses on three priority areas and goals which are outlined below, namely:³³

³² Maroondah City Council Gaming Policy and Statement of Practice, 2007, p1

³³ Some of the key statements have been placed in different categories to the gaming strategy

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Priority area	Summary of key statements
Priority Area 1 – Statutory And Strategic Planning	<p>Council does not support proposals resulting in an increase in the density of EGMs, density of gaming venues or expenditure per adult.</p> <p>Council will advocate for a reduction in EGM density and expenditure per adult to at least the metropolitan average.</p> <p>Council does not support the introduction of EGMs into any Council owned facilities and/or on Council owned land and will not derive any direct income from EGMs.</p> <p>Gaming activities to be provided along with non-gaming activities.</p> <p>Council to allocate resources to appealing Council decisions to VCAT.</p> <p>Council will amend its planning scheme in order to strengthen its position on gaming, this includes the introduction of a local planning policy.</p>
Priority Area 2 – Community Consultation And Representation	<p>Council will encourage community participation in the assessment of potential impacts of gaming activities, not limited to electronic gaming.</p> <p>Council will actively consult with the community and other key stakeholders on amendments to Council’s policy position and gambling related issues, as appropriate.</p>
Priority Area 3 – Information, Advocacy And Research	<p>Council will advocate for effective responsible gambling measures, compliance procedures and regulatory frameworks.</p> <p>Council will advocate for adequate funds to support programs and services addressing problem gambling in the municipality.</p> <p>Council will support the delivery of appropriate education and awareness programs.</p> <p>Council will conduct ongoing local research into, and monitor, the impacts of gaming</p>

3.4 Maroondah Planning Scheme

3.4.1 State Planning Policy Framework

Role of planning

Clause 10.02 *Goal* of the State Planning Policy Framework seeks to ensure 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 important role planning plays in supporting the creation of socially, economically and environmentally sustainable communities and meeting the community's expectations.

There is no reference to health and wellbeing in the objectives of the *Planning and Environment Act 1987*. However, these Clauses in the State Planning Policy Framework indicate that planning plays a role in creating environments that support health and wellbeing and that one of the key outcomes of planning decisions is net community benefit. A further important role planning plays is resolving inherent conflicts between land uses, with a focus on addressing the unique characteristics of the context within which land use decisions are made.

Objectives and strategies

The objective of Clause 11.01-2 *Activity Centre Planning* is to encourage the concentration of major retail, residential, commercial, administrative, entertainment and cultural developments into activity centres which provide a variety of land uses and are highly accessible to the community. One of the strategies to enhance accessibility is to encourage services to be available over longer hours.

Clause 11.02-4 *Sequencing of development* seeks to ensure services are available in growth areas early in the life of the development of new communities. This is to be achieved by defining preferred development sequences to promote coordinated planning and development. Careful interpretation of this strategy is required to avoid a further policy tension between providing gaming venues during the first phases of development and ensuring that a wide range of non-gaming facilities is available to the community. This can be achieved by supporting the development of a hotel, tavern or club early on in the development process, but only permitting the incorporation of the gaming component of these facilities once an appropriate range of non-gaming facilities has been established within the new community.

Clause 17.01 *Commercial* states that planning plays a role in encouraging development that achieves net community benefit. This includes development associated with entertainment and recreational uses. 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. Although this Clause refers to recreational rather than entertainment uses, it is relevant as in some instances gaming venues are located in sporting and recreation clubs.

3.4.2 Local planning policy framework

The Local Planning Policy Framework consists of Clause 21, Municipal Strategic Statement (MSS) and Clause 22, Local Planning Policies (LPP).

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General

In broad terms (as relevant to gaming) the Maroondah MSS:

- identifies that Ringwood and Croydon are Maroondah's two major retail centres, with Ringwood being one of the largest in Melbourne (Clause 21.01-4);
- identifies Croydon is a Major Activity Centre/Major Activities Area) and Ringwood as a Major Activity Centre/Central Activities Area (Clause 22.05-3);
- identifies that shops, offices, public and community services and entertainment facilities should be grouped within the established pattern and hierarch of activity centres Clause 22.05-3); and
- establishes the Ringwood Activity Centre as the premier activity centre within the outer east of Melbourne, reinforcing its role as the principal retail, commercial, community, entertainment and employment focal point of the region (Clause 22.06-2).

Clause 22.12 Gaming Premises

The City of Maroondah is one of 21 Victorian municipalities to have included local planning policies on gaming and EGMs into their municipal strategic statements. This policy advances Council's *Gaming Policy and Statement of Practice, 2007*). A summary of the scope and content of these planning policies is included in Section 6.2.2. At present, only two of the adjoining municipalities have included a local planning policy on gaming in their MSS i.e. Whitehorse and Yarra Ranges.

The purpose of the Maroondah local planning policy on gaming premises is to minimise the harms and maximise the benefits to the community resulting from the establishment of new gaming premises or the introduction of additional EGMs in existing gaming premises (Clause 22.12-2). This is to be achieved by discouraging increases in the density of gaming machines per adult, number of venues or gaming losses per adult in the municipality, and a concentration of gaming venues.

This policy establishes the potential gaming premises have to provide a range of non-gaming entertainment and recreation activities. It also addresses aspects of gaming premises such as general design, amenity and location. It also includes a list of application requirements and decision guidelines assisting in the preparation and assessment of the application.

This local planning policy is included in Appendix 3.

3.4.3 Land use zones

Gaming premises are a Section 2 (permit required) form of Retail Premises use in the Commercial 1, Commercial 2, Industrial 1, Mixed Use Zones, Public Use Zone, Public Park and Recreation Zone and Comprehensive Development Zone.

Gaming premises are prohibited in all the residential zones, however a hotel, which may include gaming, and Place of Assembly (club) are permit required uses. They are also prohibited in the Green Wedge A Zone, Rural Conservation Zone, Farming Zone, Public Conservation and Resource Zone if they are not conducted by or on behalf of a public land manager or Parks Victoria, Special Use Zones 1, 3, 5, and 6, Urban Floodway Zone

Clause 74 *Land use terms* prohibits the location of gaming venues in nightclubs, shops, amusement parlours and betting agencies.

3.4.4 Clause 52.05 – Advertising signs

The purpose of this Clause is to regulate the display of advertising signage in order to minimise the impact on the amenity, safety, appearance of an area, including the existing or desired future character. This Clause describes the type of sign requiring a planning permit under particular land use categories such as commercial, office and industrial, high amenity areas and sensitive areas.

The advertising signage component associated with gaming premises would be assessed under this Clause.

3.4.5 Clause 52.28 - Gaming

Clause 52.28 *Gaming* provides the framework within which the local planning policy framework (MSS and local planning policies) are formulated and implemented across Victorian municipalities.

This Clause consists of two components, namely the body of the Clause and Schedules.

The body of Clause 52.28 is common to all planning schemes. Clause 52.28-1 describes the three purposes of the Clause which 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.

In general, the provisions in Clause 52.28 do not apply to venues if the installation and use of gaming machines were approved before the introduction of Clause 52.28 into the Victoria Planning Provisions on 18 October 2006, and the maximum number of gaming machines for the approved venue on this date is not exceeded.

Gaming machines are prohibited in shopping complexes and strip shopping centres under Clauses 52.28-3 and Clause 52.28-4 respectively. The rationale for prohibiting gaming machines from shopping complexes and strip shopping centres is the potential for their convenience in relation to areas where people undertake their day to day activities to result in impulse gaming which, in turn, is a key determinant of gambling-related harm.

Under Clause 52.28-4, strip shopping centres are areas meeting all of the following four requirements:

- 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; and
- it is an area in which a significant proportion of the lots abut a road accessible to the public generally.

The Schedules to Clause 52.28-3 and 52.28-4 *Gaming* provide the opportunity for each local authority to identify specific shopping complexes and strip shopping centres within the municipality within which gaming machines are prohibited. There is also the opportunity to

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prohibit gaming machines in all strip shopping centres in the Schedule to Clause 52.28-4 by replacing the list of strip shopping centres with a blanket prohibition in all strip shopping centres on land covered by the planning scheme.

The Schedule to Clause 52.28 of the Maroondah Planning Scheme prohibits EGMs in the following shopping complexes in the suburbs of Ringwood, Ringwood North, Croydon, Croydon North and Bayswater North:

- Eastland Shopping Centre, Ringwood
- Ringwood Square, Ringwood
- Ringwood Market, Ringwood
- North Ringwood Shopping Centre, North Ringwood
- Arndale Shopping Centre, Croydon
- Croydon Market, Croydon
- Croydon North Shopping Plaza, Croydon North
- Canterbury Gardens Shopping Centre, Bayswater North

The schedule does not include any strip shopping centres therefore the default schedule prohibits EGMs in all strip shopping centres throughout the municipality.

4 STATE GOVERNMENT STATUTORY AND STRATEGIC FRAMEWORK

Key findings:

- Gambling is a legal activity regulated through two statutory instruments, namely the *Planning and Environment Act 1987* and the *Gambling Regulation Act 2003*.
- The considerations under the *Planning and Environment Act 1987* and *Gambling Regulation Act 2003* differ with location and land use being the primary consideration under the former and whether the proposal will have a net detriment to the wellbeing of the community being the primary consideration under the latter.
- The Maroondah Planning Scheme which includes the municipal strategic statement, local planning policies and Clause 52.28 *Gaming* provides the framework guiding the assessment of applications for planning permits.
- Several harm minimisation measures, which are outside the scope of the planning system, are implemented by the *Gambling Regulation Act 2003*.

Implications for policy development:

- EGM gambling is the only form of gambling over which Council has control through the planning system.
- Several statutory instruments define Council's role in protecting and enhancing the community's health and wellbeing. These include advocacy, service provision, engagement and collaboration, information dissemination, regulation and enforcement.
- The scope of the planning system to prevent and address gambling-related harms is clearly defined by the legislative framework.

This Section describes the legislative and strategic framework within which gambling takes place in Victoria. It outlines relevant regulatory arrangements and harm minimisation determining how gaming venues and EGMs operate.

4.1 Policy

The *2014 Victorian ALP Platform*³⁴ acknowledges that gambling-related harm is a health issue and gambling addiction can have catastrophic consequences for some people, particularly those considered to be at a moderate and high risk of gambling-related harms. This document also acknowledges that while gambling, including the use of EGMs, is a legitimate recreational activity, risks must be managed.

The key strategies identified in this document include:

- monitoring the prevalence of gambling-related harms and providing support for those at risk of gambling-related harm
- responding to community concerns about EGMs

³⁴ <https://www.viclabor.com.au/wp-content/uploads/2014/05/Victorian-Labor-Platform-2014.pdf>

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- working with gaming venue operators to identify new streams of revenue
- collaborating with Commonwealth and other States to address emerging issues arising from the growth of online gambling’
- supporting health professionals to address gambling-related harms

4.2 Legislation

Under Victorian legislation, gambling is a legal activity regulated through two statutory instruments, namely the *Planning and Environment Act 1987* and the *Gambling Regulation Act 2003*.

The establishment and operation of gaming venues and use and installation of EGMs requires two permissions or ‘approvals’, namely a planning permit under the *Planning and Environment Act 1987* and a gaming licence under the *Gambling Regulation Act 2003*.

Planning permits are assessed under the *Planning and Environment Act 1987* and Clause 52.28 *Gaming* of the Maroondah Planning Scheme while gaming licences are assessed under the *Gambling Regulation Act 2003*. There is some overlap between the considerations relevant to both statutory instruments, with both being underpinned by the principle of harm minimisation and both requiring an assessment of the social and economic impacts of the proposal.

However, there are number of key differences between the focus of planning and gaming assessment processes (refer to Table 10):

- 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. Gaming legislation on the other hand focuses on whether the premise is 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.
- Gaming considers the impact on the municipality as a whole whereby 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. However, 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.

Table 10 – Planning and gaming considerations under the relevant statutory instruments

Factor	Gaming approvals	Planning permits
Legislative instrument	<i>Gambling Regulation Act 2003</i>	<i>Planning and Environment Act 1987</i>

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Social and economic impacts	Key decision-making factor	Only requirement is to consider
Community benefit	Achievement of neutral or positive community benefit a statutory requirement	Net community benefit a material consideration but not a statutory requirement
Community	Municipality	Surrounding uses and communities typically within 400m and patrons within 2.5km
Assessment factors	Suitability of venue for instance, focus on design, operations and harm minimisation	Suitability of location and premises i.e. focus on land use
Decision-making authority	Gaming Commission	Responsible authority (Council or the Minister for Planning)
Appeals against decision	Victorian Civil and Administrative Tribunal	
Convenience gaming	Not a material consideration	EGMs prohibited in shopping complexes and strip shopping centres Preference for EGMs to be located outside core of activity centres
Suitability of premises for operation and management	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 25 per 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
Impacts on amenity of surrounding area	Not relevant	Impact on noise, traffic, car parking, land use mix, streetscape
Venue management considerations	Availability of non-gambling social, leisure, entertainment and recreation facilities	
Community views	Council represents community views through submission to VCGLR	Number of objections must be considered by Council

4.2.1 Planning and Environment Act 1987

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

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; and
- (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 the matters 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) a 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 of 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 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 land use 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 (LPP's). The MSS outlines 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. Pursuant to this Clause, a planning permit is required for the installation and use of gaming machines in a new venue or to increase the number of machines in an existing venue.

4.2.2 Public Health and Wellbeing Act 2008

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; and
- (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.

4.2.3 Local Government Act 1989

Relevant 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
- (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

4.2.4 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 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; and
 - (ii) accommodate those who gamble without harming themselves or others;
- (ab) to ensure that minors are neither encouraged to gamble nor allowed to do so;
- (b) to ensure that gaming on gaming machines is conducted honestly;
- (c) to ensure that the management of gaming machines and gaming equipment is free from criminal influence and exploitation;
- (d) 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;

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(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

The *Gambling Regulation Act 2003* stipulates that the Commission must not grant an application for approval of premises as suitable for gaming or grant approval for an increase in the number of EGMs unless it is satisfied that:

- (a) The applicant has authority to make the application in respect of the premises; and
- (b) The premises are, or on the completion of building works will be, suitable for the management and operation of gaming machines; and
- (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 the Commission to 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 the Commission to 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 addressing 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.

4.3 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".³⁵

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

³⁵ Canadian Public Health Association (2000) in <https://www.adelaide.edu.au/saces/docs/problemgamblingandharmtowardnationaldefinition.pdf>

4.3.1 Federal Government

Online gambling is the fastest growing gambling segment in Australia³⁶, including among children and young people.³⁷ Research has found that early exposure to all forms of gambling, including EGMs, and gambling advertising are risk factor for developing problems with gambling.³⁸

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.³⁹

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 and 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 it will introduce legislation incorporating 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 aimed at Australian audiences.

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.⁴⁰

³⁶ <https://www.dss.gov.au/communities-and-vulnerable-people/programmes-services/gambling>

³⁷ <https://www.responsiblegambling.vic.gov.au/getting-help/understanding-gambling/types-of-gambling/online-and-social-media>

³⁸ <https://www.responsiblegambling.vic.gov.au/getting-help/understanding-gambling/types-of-gambling/online-and-social-media>

³⁹ <https://www.mhs.gov.au/media-releases/2017-04-28-ministers-agree-tackle-major-online-gambling-reform>

⁴⁰ <https://www.communications.gov.au/what-we-do/television/broadcast-and-content-reform-package>

4.3.2 Victorian State Government

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 implemented in terms of this *Act* applicable to hotels and club gaming venues across all municipalities in Victoria

Victorian Responsible Gambling Foundation Act 2011 and Gambler's Help

The Victorian Responsible Gambling Foundation was established through the *Victorian Responsible Gambling Foundation Act 2011*. The objective of the Foundation is to reduce the prevalence of problem gambling and severity of harm related to gambling and to foster responsible gambling.

The functions of the Foundation are to undertake preventative and other activities to address determinants of gambling-related harm; conduct education and information programs; provide treatment, counselling services and intervention services in relation to gambling-related harm; provide information and advice in relation to the regulation of gambling activities; provide information to enable persons to make submissions to and participate in inquiries and public consultations relating to gambling and undertake research and evaluation activities.

Gambler's Help Eastern (GHE) is funded from the Responsible Gambling Fund which is drawn from the Victorian Government's Community Support fund. It is part of the Victorian Gambler's Help service system and network which also includes Gambler's Help Line and the Multicultural Gambler's Help Program. GHE is available to anyone experiencing harm from gambling, either due to their own gambling or the gambling activities of family, friends and the community. The service offers individual, couple and family counselling, gambling-related financial counselling, support groups, self-help materials, community education and information sessions. Professional training and consultancy service are also available on request⁴¹. Counsellors from GHE are available to clients from Eastern Access Community Health in Ringwood.

Community Support Fund and Community Benefit Statements

The Community Support Fund (CSF) is a trust fund established in 1991 governed by the *Gambling Regulation Act 2003*. It receives 8.33 per cent of revenue from EGMs operated in hotels – it does not receive revenue from EGMs located in clubs or in the casino. In the financial year 2016-17, the CSF received \$96.9 million in revenue from EGMs in hotels. This represents approximately nine per cent of revenue received by the Victorian government from this source.⁴² CSF funds are distributed to various Victorian Government departments which invest in a range of programs and projects in the community. Addressing gambling related harm is the 'first port of call' for the fund.

Under the *Gambling Regulation Act 2003* club venue operators are required to prepare and lodge an audited community benefit statement (CBS) with the VCGLR for every financial year in which they receive gaming machine revenue. CBS verifies whether the community benefit provided by the club is equal to at least 8.33 per cent of its net gaming machine revenue.

⁴¹ <http://www.each.com.au/gamblers-help-eastern/>

⁴² Community Support Fund Factsheet 2016-17, Department of Treasury and Finance www.dtf.vic.gov.au

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In the financial year 2016-17 the six clubs in the City of Maroondah claimed a total of \$8.9 million on their community benefit statements. Compared with Victorian municipalities, the City of Maroondah claimed (refer to Table 11:

- a higher proportion of total net gaming revenue for all categories of community purposes
- a lower proportion of net gaming revenue for Class A items which relate to community sponsorship and activities
- no expenses related to non-statutory responsible gambling measures and activities
- a higher proportion of total net gaming revenue for Class B items involved in operating and managing the gaming venue

Table 11 – Community benefit statement claims, City of Maroondah and Victoria, 2016-17

	Maroondah	Victoria
Net gaming revenue	\$24,084,346	\$894,096,651
Class A (include gifts, donations and sponsorships for activities, such as services to help the aged, housing help for the disadvantaged, health services and efforts to relieve poverty)	\$1,625,785	\$64,729,897
Class B (expenses, such as capital expenditure, financing, retained earnings and employment costs)	\$6,942,444	\$218,260,342
Class C (miscellaneous activities, including the reimbursement of expenses incurred by volunteers)	\$8,300	\$452,806
Class C (a) Provision of responsible gambling measures and activities but excluding those required by law	\$0	\$1,760
CBS total	\$8,576,529	\$283,443,045
% Class A of NGR	7.3	7.7
% Class B of NGR	31.4	25.4
% Class C of NGR	0.03	0.06
% Net Gaming Revenue for community purposes	35.6	31.7

Source: VCGLR

Regional and municipal caps

The Victorian Government has imposed regional and caps on local government areas in Victoria in order to manage the density of EGMs per 1,000 adults. On 20th September 2017 the Minister for Gaming and Liquor Regulation replaced the municipal cap with a regional cap which is applicable across the City of Maroondah. Whereas the previous municipal cap was set at a maximum of ten EGMs per 1,000 adults (and therefore rises with population increase), the regional cap is set at a maximum of 759 EGMs which represents the number of EGMs operating in the municipality on this date.

As a result there will be no increase in the number of EGMs in the municipality unless the Minister revises the regional cap. Any increase in the number of EGMs operating in an existing venue, or the introduction of a new gaming venue, will therefore require the transfer of EGMs from an existing gaming venue within the municipality.

The adjoining municipalities are subject municipal caps (refer to Table 12):

Table 12 – Municipal caps, adjoining municipalities

	Municipal	Existing attached EGM entitlements	Licensed EGMs
Knox	1,222	766	861
Manningham	945	522	600
Whitehorse	1,308	431	537
Yarra Ranges	1,161	442	457

Source: VCGLR

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 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 frequent exposure to gambling can lead to gambling-related harms and easy access to a gaming venue is a potential risk factor for people experiencing gambling-related harms who are in treatment.⁴³

⁴³www.responsiblegambling.vic.gov.au

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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.

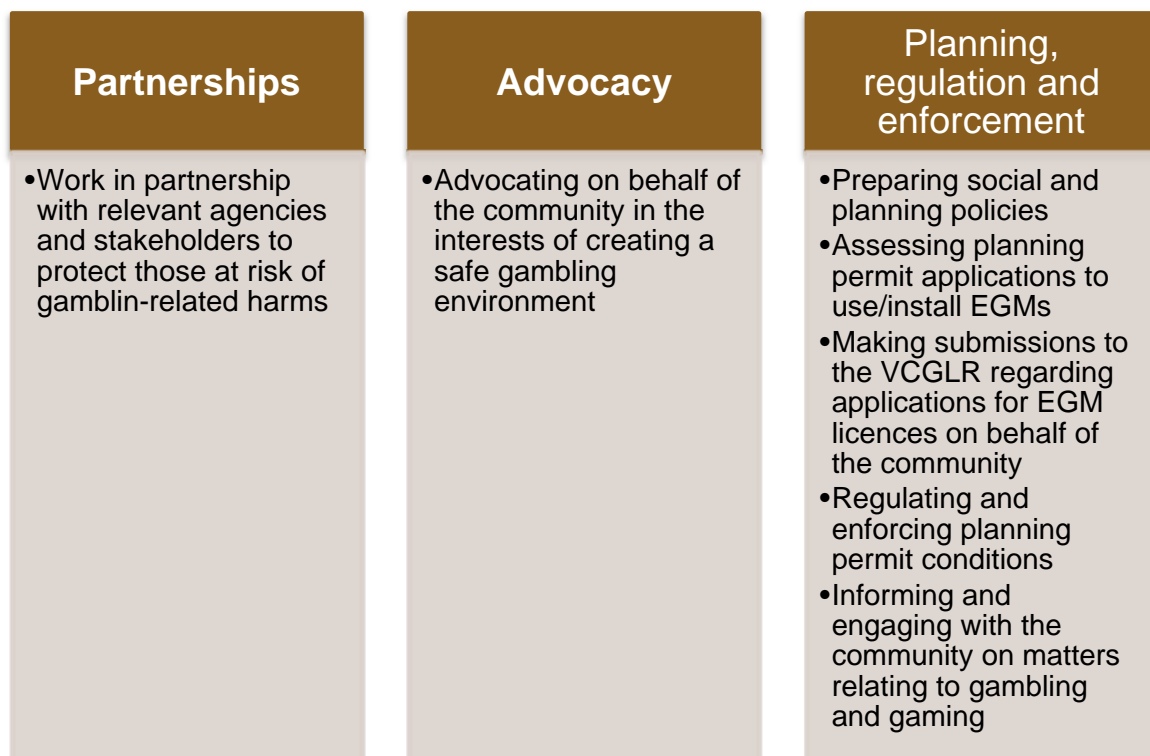
Venue specific harm minimisation measures

- **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 in the gaming machine area.
- **Responsible Gambling Code of Conduct:** Section 3.4.12B of the *Gambling Regulation Act 2003* requires all venues to 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 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 2m² 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 1st of September 2002 smoking was prohibited in gaming areas and premises in Victoria.
- **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 owned or leased by the gaming venue operator in which the gaming venue is located and on any car park owned or operated by the venue operator 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. 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.

4.3.3 Council's statutory roles in addressing gambling-related harm

The statutory roles local governments play in preventing and addressing gambling-related harm are defined by the legislative framework described in Section 4.2. (refer to Figure 11). They have also been defined by the feedback provided by the service providers and venue operators who participated in the consultation and engagement process. In particular, the participants identified that facilitating access to non-gambling activities, information dissemination, collaboration, advocacy and promoting harm minimisation within gaming venues are key ways Council can address gambling-related harms in the municipality.

Figure 11 – Council's statutory roles in addressing gambling-related harm



4.4 Regulatory arrangements

4.4.1 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.

The purpose of these new arrangements is to foster increased market competitiveness and provide venue operators with more control over the way they run their gaming machine business and the services they offer.

4.4.2 Gaming machine entitlements

In July 2017, the Minister for Consumer Affairs, Gaming and Liquor Regulation announced the following in relation to the allocation of EGM entitlements:

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- The number of gaming machines in Victoria will remain capped at 27,372.
- The maximum number of gaming machines in a single venue will be frozen at 105.
- The current ten year term will be replaced with a 20 year term until 2032.
- The maximum number of entitlements held by a club venue operator is increased from 420 to 840

As of June 2017 26,365 EGMs were operating in hotels and clubs in Victoria. This is 1,007 EGMs below the cap previously imposed by the Minister. The implications of these changes are:

- The number of EGMs in Victoria may be permitted to increase. However, this does not affect the limit imposed by the regional cap on the maximum number of EGMs permitted in the City of Maroondah.
- 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.

5 GAMBLING-RELATED IMPACTS

Key findings:

- 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.
- Geographical determinants of gambling-related harm include convenience gambling, proximity, density, spatial distribution and clustering and exposure.
- Features of the gambling environment potentially increasing the risk of gambling-related harms include venue design, type and size; net machine revenue; operating hours and delivery of responsible service of gambling practices.
- Social and economic determinants of gambling-related harm include life circumstances and health and wellbeing status; cultural background; relative socio-economic disadvantage; household composition and income; age; employment and occupation.
- The suburbs of Bayswater North, Ringwood, Croydon, Ringwood East and Kilsyth display several indicators of vulnerability to gambling related harms.

Implications for policy development:

- The social policy should include strategies to prevent and minimise gambling related harms within communities at an elevated risk of gambling-related harms.
- The local planning policy should give clear guidance on how to reduce the social, geographical, physical and economic determinants of gambling-related harms.

This Section provides the evidence base guiding the assessment of the social and economic impacts of gambling and the use of EGMs and the principles on which the City of Maroondah Gambling Policy and Local Planning Policy for Electronic Gaming are founded.

5.1 Determinants of gambling related harm

5.1.1 The product

There is some evidence suggesting gambling-related harm is more common among online gamblers,⁴⁴ 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.⁴⁵ Online gambling is particularly risky for all age groups as there are no 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.⁴⁶

⁴⁴ 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

⁴⁵ *The Responsible Gambling Guide* 2012 Victorian Responsible Gambling Foundation

⁴⁶ *The Responsible Gambling Guide* 2012 Victorian Responsible Gambling Foundation

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However, EGMs pose the greatest risks to existing and potential problem gamblers⁴⁷ evidenced by the following:

- EGMs account for around 80 per cent of presentations to counselling agencies.⁴⁸
- Participation in EGMs is the highest reported gambling spend for problem gamblers.⁴⁹
- 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.⁵⁰
- One in six people who use EGMs regularly has a serious addiction.⁵¹
- 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.⁵²
- Problem gamblers using EGMs lose on average around \$21,000 per annum, which is equivalent to one third of the average Australian salary.⁵³

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 per cent), lose track of time (71.1 per cent), lose track of reality (76.9 per cent) and feel someone else is controlling their actions (81.7 per cent).⁵⁴
- Most gamblers, even the average recreational gambler, have faulty beliefs about how EGMs work.⁵⁵ As a result, people believe they are able to recover their losses.⁵⁶
- Prices of playing EGMs are poorly disclosed therefore people underestimate their spending.⁵⁷
- 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.⁵⁸
- 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.⁵⁹

⁴⁷ Australian Government Productivity Commission (2010) p5.22

⁴⁸ Australian Government Productivity Commission (2010) p5.26

⁴⁹ Hare, S. (2015) *Study of gambling and health in Victoria* Victoria Responsible Gambling Foundation and Victorian Department of Justice and Regulation, Melbourne

⁵⁰ <http://www.problemgambling.gov.au/facts/>

⁵¹ <http://www.problemgambling.gov.au/facts/>

⁵² 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

⁵³ <http://www.problemgambling.gov.au/facts/>

⁵⁴ Australian Government Productivity Commission (2010) p5.15

⁵⁵ Australian Government Productivity Commission (2010) p1.4

⁵⁶ Australian Government Productivity Commission (2010) p13

⁵⁷ Australian Government Productivity Commission (2010) p14

⁵⁸ Australian Government Productivity Commission (2010) p14

⁵⁹ 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

5.1.2 Geographic

The following geographic and physical factors have been acknowledged as key determinants of gambling-related harm.

Destination and convenience gaming

Research has demonstrated that convenience gaming increases the risks of gambling-related harm^{60, 61}. As a result, there is a general preference amongst decision makers for gaming venues functioning as destinations in their own right above those contributing to impulse gambling.

Two geographic or locational factors are understood to determine whether 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 conveniently located in relation to facilities and services associated with people's day to day activities⁶² i.e. those typically found in strip shopping centres and shopping complexes, attract people who may be encouraged to make spontaneous decisions to gamble when they pass the gaming venue.

2. Location in relation to gambling sensitive uses The concept of 'gambling sensitive uses' has not been defined by the Tribunal or Planning Panels Victoria. However, they are generally understood to be services and facilities directly associated with people vulnerable to, or experiencing, gambling-related harm.

The Tribunal and Commission have used the following criteria to determine whether or not a community is vulnerable to gambling-related harm or whether a service or facility can be classified as a 'gambling sensitive use':

- Whether or not the patron profile clearly includes people vulnerable to gambling-related harm⁶³
- A clear and direct causal link between the use classified as a gambling sensitive use and elevated risk of gambling-related harm⁶⁴ determined by whether or not the social and economic profile of users of specific community uses such as social

⁶⁰ Department of Justice (2008)

⁶¹ Productivity Commission (2010) p14.1

⁶² *Darebin CC v Victorian Commission for Gambling and Liquor Regulation & Anor (Includes Summary) (Red Dot) [2013] VCAT 1389* para 77

⁶³ *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)

⁶⁴ *Darebin Cc V Victorian Commission For Gambling And Liquor Regulation & Anor (Includes Summary) (Red Dot) [2013] VCAT 1389*, *Bright Newbay Pty Ltd V Bayside Cc (2010) VCAT 1347*

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housing, support and welfare services, increases their risks of gambling-related harm,⁶⁵

- Whether or not the venue is located along a pedestrian route used by people vulnerable to gambling-related harm⁶⁶
- Whether or not the identified gaming sensitive use was present before the proposed gaming venue or EGMs⁶⁷
- The relative ease of access rather than distance⁶⁸ which is determined by physical and psychological barriers such as busy noisy roads, lines of sight,⁶⁹ public transport, distance, topography
- The hours of operation of the identified gambling sensitive use in relation to the hours of operation of the gaming venue⁷⁰
- Whether or not there is an existing gaming venue that is more accessible in terms of distance and exposure to the gaming sensitive use⁷¹

Land uses included by the Tribunal in the list of gambling sensitive uses include social housing (used by people who are disadvantaged, and/or previously homeless⁷²), victims of domestic violence,⁷³ support services such as offices of public and private welfare agencies⁷⁴ and welfare services.

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 because these uses are more closely associated with convenience gaming than they are with vulnerable communities.

The typical threshold used to assess the location of the venue and EGMs in relation to gaming sensitive uses is 400m.⁷⁵

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 Tribunal⁷⁶ 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.

For this reason, the periphery of activity centres is considered by the State Planning Policy Framework to be the preferred location for gaming venues as activity centres 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 functioning as a destination gaming venue.

⁶⁵ Melbourne CC v Kingfish Victoria Pty Ltd & Anor (Includes Summary) (Red Dot) [2013] VCAT 1130 (25 June 2013)

⁶⁶ *Darebin Cc V Victorian Commission For Gambling And Liquor Regulation & Anor (Includes Summary) (Red Dot) [2013] VCAT1389*

⁶⁷ Melbourne CC v Kingfish Victoria Pty Ltd & Anor (Includes Summary) (Red Dot) [2013] VCAT 1130 (25 June 2013) Para 172

⁶⁸ *Darebin Cc V Victorian Commission For Gambling And Liquor Regulation & Anor (Includes Summary) (Red Dot) [2013] VCAT 1389*

⁶⁹ Monash CC v L'Unico Pty Ltd (Review and Regulation) [2013] VCAT 1545

⁷⁰ Mt Alexander Shire Council v Victorian Commission for Gambling and Liquor Regulation Ltd (Red Dot) [2013] VCAT 101

⁷¹ *Darebin Cc V Victorian Commission For Gambling And Liquor Regulation & Anor (Includes Summary) (Red Dot) [2013] VCAT1389*

⁷² Melbourne CC v Kingfish Victoria Pty Ltd & Anor (Includes Summary) (Red Dot) [2013] VCAT 1130

⁷³ *Darebin Cc V Victorian Commission For Gambling And Liquor Regulation & Anor (Includes Summary) (Red Dot) [2013] VCAT 1389*

⁷⁴ Bayside LPP

⁷⁵ Port Phillip and Yarra Ranges LPP

⁷⁶ Prizac Investments Pty Ltd & Ors v Maribyrnong CC & Ors (includes Summary) (Red Dot) [2009] VCAT 2616 (15 December 2009)

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However this principle does not necessarily give universal support for the location of gaming venues in all activity centres⁷⁷. This is because 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 and 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.⁷⁸

The proximity of gaming venues to residential uses in activity centres is also an important consideration as it may increase exposure to opportunities to gamble and therefore facilitate convenience gambling. This is particularly relevant given:

- A significant proportion of respondents to the community survey (85.4 per cent, n=41) indicated they had been at home prior to going to the gaming venue.
- More than two thirds of respondents to the community survey (67 per cent, n=57) felt gaming venues should not be easy to get to and get into.

Travelling distance

Overall trends indicate most people do not travel very far to access venues with most patrons living within the general or immediate vicinity of the venue.⁷⁹ Previous research has found:⁸⁰

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

The findings from this research are reflected in the City of Maroondah with the largest proportion of respondents to the community survey (53.8 per cent, n=21) travelling more than 5 kilometres to visit a gaming venue, having driven themselves (72.7 per cent, n=32).

Density

EGM density i.e. the number of EGM entitlements per 1,000 adults, is used as a measure of the relative accessibility of EGMs. EGM density is positively associated with higher per capita gaming expenditure, socio-economic disadvantage and gambling-related harm.⁸¹ As a result

⁷⁷ Panel Report, Mount Alexander Shire Local Planning Policy, Amendment C72

⁷⁸ Prizac Investments Pty Ltd & Ors v Maribyrnong CC & Ors (includes Summary) (Red Dot) [2009] VCAT 2616 (15 December 2009)

⁷⁹ O'Mahony, B & Ohtsuka, K (2015), 'Responsible gambling: sympathy, empathy or telepathy?', *Journal of Business Research*, online 23 March 2015.

⁸⁰ Centre for Gambling Research, Australian National University (2004) *2003 Victorian Longitudinal Community Attitudes Survey* Gambling Research Panel, Report No 6

⁸¹ 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

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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.

Control over EGM density at a municipal level is one of the most effective harm minimisation approaches to gambling-related harm implemented in Victoria and has been effective in reducing expenditure in some communities experiencing a high rate of gambling-related harm. As a result, the Victorian Government has imposed a regional cap of 759 EGMs on the City of Maroondah as the municipality is characterised by high densities of EGMs, high expenditure and concentrations of socio-economic disadvantage.

Spatial distribution and clustering

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 gamblers⁸².

As a result, the proximity of venues to one another, often referred to as 'clustering', has therefore been noted by the Tribunal⁸³ and the Panel⁸⁴ 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.⁸⁵

Exposure

Highly visible gaming venues 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 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.

In recent years there has been an increase in sports betting across mass media channels. Exposure to gambling among young people via advertising and promotions across all media, through sponsorships and in public places makes gambling more socially acceptable, increasing the risks of gambling-related harm.^{86, 87}

5.1.3 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 relating to the location of the gaming lounge and children's lay areas, lighting, the layout of the gaming

⁸² State Government of Victoria (2009) Fact Sheet 8

⁸³ Francis Hotel Pty Ltd v Melbourne CC (includes Summary) (Red Dot) [2012] VCAT 1896

⁸⁴ Panel Report, Wyndham Local Planning Policy Amendment C174

⁸⁵ Panel Report, Wyndham Local Planning Policy Amendment C174

⁸⁶ The Facts About Gambling and Young People <http://kidbet.com.au/parents/>

⁸⁷ 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

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machines within the gaming lounge, location of toilets and signage and access to natural light. The following principles apply:⁸⁸

- 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.
- Surveillance of the gaming machines and gaming lounge must be possible.
- ATMs are prohibited in gaming venues.

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. 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:

- In some instances, clubs offer a broader range of non-gambling social, leisure, sport and entertainment activities which provides diversionary activities other than gambling⁸⁹ and foster social inclusion.⁹⁰ This is the case in the City of Maroondah as two of the club venues also provide sporting activities.
- RSL Clubs are deemed to deliver greater social benefits through their support of veterans and their families. One of the club venues in the City of Maroondah operates as an RSL.
- In some instances, club venues provide a smaller number of EGMs, with size of venue being recognised as a risk factor.⁹¹ However, this is not demonstrated in the City of Maroondah as some of the club venues are as large as the hotel venues.

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:⁹²
 - Many of the benefits are to members, not to the public at large.
 - The claimed benefits of gambling revenue on sporting activities and volunteering do not appear strong are relatively modest.

⁸⁸ <https://www.vcgr.vic.gov.au/CA25783200814C9F/towards2012/492888CCB00D6A47CA2578690009C905?OpenDocument>

⁸⁹ Hing, N. and Haw, J. (2010) *The Influence of Venue Characteristics on a Player's Decision to Attend a Gambling Venue* Gambling Research Australia

⁹⁰ Thomas, A. Et al (2010), pxiii

⁹¹ 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

⁹² Productivity Commission (2010)

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- 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 larger venues pose risks, with people experiencing gambling-related harms preferring larger venues compared with non-problem gamblers.^{93, 94}

Reasons for this include:

- Problem gamblers tend to prefer 'glitzy' venues with a large choice of gaming machines⁹⁵.
- Stigma and shame are key impacts of gambling-related harm. Larger venues make it easier for problem gamblers to maintain anonymity.⁹⁶
- 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 as they provide problem gamblers with an opportunity to reconsider their decision to continue to use the EGMs.^{97, 98}
- Larger venues may encourage gambling persistence and contribute to greater long term monetary loss whilst smaller gaming venues facilitate greater control of gamblers on the amount they spend.⁹⁹

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.¹⁰⁰

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 at 2am.¹⁰¹ This is due to the following research findings:

⁹³ 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.

⁹⁴ 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

⁹⁵ 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

⁹⁶ 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,

⁹⁷ McMillen, J and Pitt, S (2005) *Review of the ACT Government's Harm Minimisation Measures* Centre for Gambling Research, ANU

⁹⁸ 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

⁹⁹ 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

¹⁰⁰ Markham, F., Young, M. and Doran, B. (2014) "Gambling expenditure predicts harm: evidence from a venue-level study" *Addiction*, 109, 1509-1516

¹⁰¹ Australian Government Productivity Commission (2010) p14.35

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- Whilst 5 per cent of low risk gamblers are likely to be using the EGMs between midnight and 4am, 8 per cent and 9 per cent of moderate risk gamblers and problem gamblers were likely to be using the EGMs at this time¹⁰².
- Shutdown periods of six hours are effective in providing a break in play for those problem gamblers playing after that time and encouraging them to go home and reduce their expenditure.^{103,104, 105}
- 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.
- Overall, more than two thirds (68 per cent) of all gamblers across the risk segments supported the six-hour shutdown period. In particular, 78 per cent of problem gamblers, 65 per cent of moderate risk gamblers and 70 per cent of low risk gamblers either strongly supported or supported the shutdown compared with 56 per cent of low risk gamblers¹⁰⁶.

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.¹⁰⁷

There is some evidence to suggesting responsible gambling measures have, collectively, reduced the harms associated with gambling.¹⁰⁸ However, there is limited evidence available to confirm the effectiveness of most individual responsible gambling measures which are implemented in the venue¹⁰⁹. Furthermore, 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.¹¹⁰

The limited potential for such responsible service of gambling measures to prevent and minimise gambling-related harm has been therefore been acknowledged by the Tribunal, because, 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

¹⁰² 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

¹⁰³ 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

¹⁰⁴ 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

¹⁰⁵ Hing, N (2014) "The efficacy of responsible gambling measures in NSW Clubs: The Gamblers' Perspective" *Gambling Research* 16(1), p33

¹⁰⁶ 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

¹⁰⁷ 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

¹⁰⁸ Productivity Commission (2010) p2

¹⁰⁹ 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>)

¹¹⁰ 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

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the gaming industry regarding responsible gaming in recent years.^{111,112} The Tribunal has also concluded that gambling-related harm can only be eliminated if there are no opportunities to gamble.¹¹³

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 most self-excluders breach their agreement.¹¹⁴
- The effectiveness of the self-exclusion practices is limited as it relies on facial recognition by venue staff rather than technology.^{115,116}
- Some venue staff may be reluctant to intervene¹¹⁷ for fear of being perceived as confrontational or offensive¹¹⁸. Furthermore, it is not mandatory for staff to enforce the self-exclusion practices.¹¹⁹
- 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.¹²⁰
- 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.
- Gamblers do not rate staff training as highly in a broader suite of harm minimisation measures¹²¹.
- 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 rewards programs which disqualify people registered for the self-exclusion program from deriving benefits associated with the rewards program. This potentially discourages people from self-excluding at venues associated with rewards programs.

5.1.4 Life circumstances and health and wellbeing status

The following life circumstances and health and wellbeing factors have been found to increase the risk of gambling-related harm:

¹¹¹ EXCHANGE HOTEL PARA 170 VCAT REFERENCE NOS. P1617/2012 & B173/2012

¹¹² CASTLEMAINE COMMUNITY AND SPORTS CLUB PARA 81 VCAT REFERENCE NO. B47/2012

¹¹³ GRANDVIEW HOTEL PARA 28 AND 33 VCAT REFERENCE NOS. P3619/2012, B218/2012

¹¹⁴ 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>)

¹¹⁵ 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>)

¹¹⁶ Parke, J and Rigbye, J (2014) *Self-Exclusion as a Gambling Harm Minimisation Measure in Great Britain* The Responsible Gambling Trust

¹¹⁷ 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

¹¹⁸ Productivity Commission (2010) p12.42

¹¹⁹ Productivity Commission (2010) p12.39

¹²⁰ Productivity Commission (2010) p12.1

¹²¹ Productivity Commission (2010) p12.35 and 12.38)

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- Taking on a mortgage, loan or making a repayment;¹²²
- people experiencing mental health issues;¹²³
- people who smoke;^{124, 125}
- people with higher number of negative life experiences affecting themselves and their families e.g. divorce, legal difficulties and financial issues;¹²⁶
- people experiencing trauma, social isolation, boredom¹²⁷ and loneliness¹²⁸, particularly among older people¹²⁹ and women;¹³⁰
- people experiencing changes in their personal circumstances such as death of someone close to them, divorce, legal issues, relationship issues, and legal issues;¹³¹
- people seeking treatment for substance abuse disorders such as and nicotine dependency, alcohol abuse, alcohol dependence and cannabis use disorder¹³²; and
- people who consume alcohol while gambling (low and moderate risk gamblers).¹³³

This evidence was supported by the service providers who indicated that loneliness and social isolation are key determinants of gambling-related harms. Furthermore, the community indicated through the survey that gaming venues are not appropriate places for people who are experiencing these issues.

5.1.5 Socio-economic

Research undertaken by the Victorian Department of Justice found that the following groups within the community are likely to be at a moderate or high risk of gambling-related harm:¹³⁴

- Aboriginal and Torres Strait Islander (high risk);
- people who had lower levels of educational attainment (Year 10 or lower) (moderate risk);
- people employed in the community or personal services (moderate risk), sales workers (moderate risk), machinery operators or drivers (moderate and high risk), and labourers (moderate and high risk);

¹²² State Government of Victoria (2008) p189

¹²³ Department of Justice (undated) *A guide to using a health promotion approach to problem gambling*

¹²⁴ VAGO (2010) *Taking Action on Problem Gambling*

¹²⁵ <http://www.tobaccoinaustralia.org.au/15-4-overview-of-key-public-areas-and-environments>

¹²⁶ VAGO (2010) *Taking Action on Problem Gambling*

¹²⁷ State Government of Victoria (2008) p15

¹²⁸ Miller, H. (2015) *Background Paper. Risk Factors for Problem Gambling: Environmental, geographic, social, cultural, demographic, socio-economic, family and household*. Victorian Responsible Gambling Foundation

¹²⁹ 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

¹³⁰ Hing, N., Russell, A., Tolchard, B., & Nower, L. (2015) online. Risk factors for gambling problems: An analysis by gender. *Journal of Gambling Studies*.

¹³¹ State Government of Victoria (2008) p116

¹³² Dowling, NA, Cowlshaw, S, Jackson, AC, Merkouris, SS, Francis, KL & Christensen, DR (2015), 'Prevalence of psychiatric comorbidity in treatment-seeking problem gamblers', *Australian & New Zealand Journal of Psychiatry*, online 3 March 2015.

¹³³ Victorian Responsible Gambling Foundation (2015) *Study of Gambling and Health in Victoria. Findings from the Victorian Prevalence Study 2014*

¹³⁴ State Government of Victoria (2009) *Problem gambling from a public health perspective* Factsheet 4, Profile of Problem Gambling Risk Segments Department of Justice

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- people with a personal income in the medium highest income quartile (moderate risk);
- people with a personal income in the medium lowest income quartile (high risk);
- people living in households with an income in the medium highest income quartile (moderate and high risk); and
- people living in group households (moderate risk).

Further academic research has found that the following groups of people are at risk of gambling-related harm:

- young people aged 18-24^{135,136}
- people not speaking English at home¹³⁷ or non-Caucasians¹³⁸
- people who are unemployed or not in the workforce¹³⁹
- migrants and people from CALD communities¹⁴⁰, particularly Asian groups including Vietnamese, Chinese and Korean¹⁴¹

5.2 Benefits

5.2.1 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 bingo¹⁴². For many people, gambling becomes a hobby and a part of their lifestyle enjoyed with their friends. Research identifies the major reasons why people gamble as the desire to win money (52.94 per cent), general entertainment (31.76 per cent) and social reasons (3.30 per cent)¹⁴³.

EGM venues are seen by many as friendly, secure and accessible¹⁴⁴. 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 often 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.

¹³⁵ North Central Metro PCP (2009) *Health Promotion Resource Guide for Problem Gambling Prevention in Melbourne's North*

¹³⁶ Hing, N., Russell, A., Tolchard, B., & Nower, L. (2015, online). 'Risk factors for gambling problems: An analysis by gender.' *Journal of Gambling Studies*.

¹³⁷ Hing, N., Russell, A., Tolchard, B., & Nower, L. (2015, online). 'Risk factors for gambling problems: An analysis by gender.' *Journal of Gambling Studies*.

¹³⁸ 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.

¹³⁹ Hing, N., Russell, A., Tolchard, B., & Nower, L. (2015, online). 'Risk factors for gambling problems: An analysis by gender.' *Journal of Gambling Studies*.

¹⁴⁰ Dickins, M and Thomas, A (2016) *Gambling in culturally and linguistically diverse communities in Australia* Discussion Paper No. 7, Australian Gambling Research Council

¹⁴¹ *Problem gambling in CALD communities, the evidence base for working with CALD communities* (2011)

¹⁴² Australian Government Productivity Commission (2010) p11

¹⁴³ State Government of Victoria (2008) p15

¹⁴⁴ Australian Government Productivity Commission (2010) p6.1

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Feedback gathered from the community survey reflect these benefits as the main reasons respondents visited the gaming venues were to participate in non-gambling activities; use facilities such as meeting rooms, the bistro and sports bar, attend functions; and socialise.

5.2.2 Revenue generation

Taxes raised through expenditure on EGMs are a significant source of revenue to the State Government.¹⁴⁵ 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.¹⁴⁶ In addition, many clubs provide sponsorship and support for sports sporting clubs and community groups.¹⁴⁷ It has also been determined gaming revenue not attributable to gambling-related harm should be considered an economic benefit.¹⁴⁸

However, research has found 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.¹⁴⁹ It has also been 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.¹⁵⁰

However, EGM gambling inputs into the economy as a whole, including the venue operators, the Victorian Government and the recipients of the funds in the Community Support Fund are largely offset by the multiplied negative effects on other areas of consumption.¹⁵¹ Furthermore, the social and economic harms associated with EGM gambling are experienced directly and indirectly at a local level by individuals, their families and the community.¹⁵²

5.2.3 Community contributions

The Community Support Fund requires a club venue to provide the equivalent of 8.33 per cent 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.

However, the true social benefit of these community contributions should be evaluated in terms of the following considerations:

- In effect, cash contributions represent only a very small share of total EGM revenues in a venue. Estimates show that, overall, less than 1 per cent of net revenue on an EGM is directed to benefits to the wider community.¹⁵³
- In some instances, not all the beneficiaries of the Community Benefit Fund are located in the municipality within which the subject site is located.

¹⁴⁵ Australian Government Productivity Commission (2010) p6.4

¹⁴⁶ State Government of Victoria (2011)

¹⁴⁷ State Government of Victoria (2011) p85

¹⁴⁸ Mount Alexander Shire Council V Maryborough Highland Society VCAT No. B47/2012 para 184

¹⁴⁹ Department of Justice (2011) *Socio-economic impacts of access to electronic gaming machines in Victoria* State Government of Victoria

¹⁵⁰ Department of Justice (2011) *Socio-economic impacts of access to electronic gaming machines in Victoria* State Government of Victoria p8

¹⁵¹ Department of Justice (2011) *Socio-economic impacts of access to electronic gaming machines in Victoria* State Government of Victoria p40

¹⁵² State Government of Victoria (2011)

¹⁵³ City of Monash, *Monash Responsible Gambling Strategy 2012 – 2015*, p16

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- Many of the social and leisure opportunities are for the benefit of the club members and not the broader community,¹⁵⁴ 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 the portion of the community likely to 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.¹⁵⁵ Furthermore, the actual size of genuine community benefits are a fraction of those recorded, particularly for clubs.¹⁵⁶
- 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.¹⁵⁷
- 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.¹⁵⁸
- Revenue generated by heavy users of EGMs i.e. 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 indicating many of the costs of gambling-related harm are indirect and result from additional demands on the health and human services sectors i.e. the broader community.¹⁵⁹

5.2.4 Support, welfare and volunteering

People living within 5 kilometres of a club gaming venue are required to become social members of the club. Members are not required to sign into the venue in order to use the gaming and social facilities. People living beyond 5 kilometres of a club venue are required to sign into the venue in order to use the social and gaming facilities.

¹⁵⁴ Australian Government Productivity Commission (2010) *Productivity Community Inquiry Report, Gambling* p6.10

¹⁵⁵ Productivity Commission (2010) Chapter 6

¹⁵⁶ Australian Government Productivity Commission (2010) *Productivity Community Inquiry Report, Gambling* p6.30

¹⁵⁷ Australian Government Productivity Commission (2010) *Productivity Community Inquiry Report, Gambling* p6.18

¹⁵⁸ Australian Government Productivity Commission (2010) *Productivity Community Inquiry Report, Gambling* p6.25

¹⁵⁹ VCEC (2012) *Inquiry into the Costs of Problem Gambling*, Draft Report, December 2012, p 1

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Club memberships promote a sense of belonging, providing members with access to sporting activities, leisure and social activities.¹⁶⁰ 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 e.g. 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.¹⁶¹ 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.¹⁶²

It has been found volunteering activity can potentially reduce impacts from EGM spend per adult, per machine and as a proportion of income.¹⁶³ However, it has also been found EGMs may detract from volunteering to some extent in cases where players select to use EGMs rather than volunteer their time.¹⁶⁴

5.2.5 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 employment during construction and operation. In the construction industry it is assumed the direct employment of ten jobs would generate a further 15 indirect (or flow-on) jobs in the wider economy.¹⁶⁵

Gaming venues typically employ staff dedicated to the gaming component of the venue. While these jobs may be taken up by the local community¹⁶⁶, due to the relatively specific set of skills required, this cannot be guaranteed. Furthermore the Productivity Commission (2010) found 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 gambling industries do not create *net* employment benefits as they divert employment from one part of the economy to another.

In addition, research has found employees in gaming venues are at risk of gambling-related harm.¹⁶⁷ 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. Although the research poses two counter-arguments, suggesting employees of gaming venues may in fact not be at a greater risk, the overall conclusions of this research are:

- Employees in gaming venues exceed the average for gambling participation, regular gambling and usual gambling duration.

¹⁶⁰ State Government of Victoria (2011) p82

¹⁶¹ Australian Government Productivity Commission (2010) p6.5

¹⁶² State Government of Victoria (2011) p85

¹⁶³ State Government of Victoria (2011)

¹⁶⁴ State Government of Victoria (2011) p31

¹⁶⁵ ABS input-output tables category 'other construction'

¹⁶⁶ State Government of Victoria (2011)

¹⁶⁷ 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

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- 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.

5.2.6 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.¹⁶⁸ However, there may also be a substitution effect between gambling and other forms of entertainment, including tourism.¹⁶⁹

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. High-profile casinos such as Crown Casino which are attached to tourist accommodation 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.

However, in the Maroondah's case, the location of the gaming venues, relatively restricted range of social, leisure, entertainment and recreation activities and absence of integrated tourist accommodation suggesting the gaming venues would not attract high volumes of tourists. Furthermore, as illustrated in Section 2.5.4, expenditure in the City of Maroondah does not increase during peak holiday periods, suggesting the gaming venues are used by the local community rather than visitors to the municipality. Furthermore,

5.3 Harms

There was general acknowledgement within the community, and amongst the venue operators and service providers that EGM gambling is associated with harm. Although a large proportion of the survey respondents and venue operators indicated the use of non-gambling facilities in the gaming venues is high, most respondents to the community survey did not feel gaming venues are associated with benefits.

¹⁶⁸ State Government of Victoria (2011)

¹⁶⁹ State Government of Victoria (2011)

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The social and economic impacts of gambling-related harm may be classified under six primary categories, namely financial, mental health, physical health, crime, community and service delivery.¹⁷⁰

5.3.1 Economic harms

Financial hardship and impact on spending

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 approximately a quarter of the average annual salary in Victoria.¹⁷¹ This money is diverted from other household expenses such as utilities, mortgages and family events and outings.

People experiencing gambling-related harms may accumulate gambling-related debts owed to businesses (mainly financial services businesses), family and friends.¹⁷² It has been estimated that bankruptcies due to gambling account for up to 40 per cent of total bankruptcies in Victoria¹⁷³ and that 6 per cent of people affected by gambling-related harms experience bankruptcy.¹⁷⁴

Unemployment is both a cause and an effect of gambling-related harm. It has been estimated that 35 per cent of problem gamblers are unemployed.¹⁷⁵

In some instances, gambling expenditures may come from a diversion of funds otherwise allocated to on-going personal and household expenditures. 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.¹⁷⁶ This may have an adverse effect on local businesses and services 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.¹⁷⁷ For the individual experiencing gambling-related harms, 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.

Public costs

Public costs include those costs associated with unemployment benefits, regulation and service delivery. It has been estimated that gambling-related harm cost the Victorian community between \$1.5 billion and \$2.7 billion in 2010-11.¹⁷⁸ Most quantifiable costs arise from two primary impacts namely the costs associated with excess financial losses to problem gamblers

¹⁷⁰ Victorian Competition and Efficiency Commission (2010) p30

¹⁷¹ <http://www.problemgambling.gov.au/impact/>

¹⁷² Victorian Competition and Efficiency Commission (2010) p72

¹⁷³ Victorian Competition and Efficiency Commission (2010) p75

¹⁷⁴ 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*

¹⁷⁵ Victorian Competition and Efficiency Commission (2010)

¹⁷⁶ State Government of Victoria (2011)

¹⁷⁷ Victorian Competition and Efficiency Commission (2010) p30

¹⁷⁸ Victorian Competition and Efficiency Commission (2010) p1

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(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)¹⁷⁹.

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).¹⁸⁰ Furthermore, 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.¹⁸¹

¹⁷⁹ Victorian Competition and Efficiency Commission (2010) p1

¹⁸⁰ State Government of Victoria (2011)

¹⁸¹ State Government of Victoria (2011) p14

5.3.2 Social and health harms

5.3.3 General health and wellbeing

People experiencing gambling-related harms have a significantly higher rate of lung conditions, obesity and other miscellaneous physical or mental conditions, and a slightly higher rate of diabetes.¹⁸² They 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.¹⁸³ There is also a tendency for psychological distress to increase as gambling risk status increases with 27.06 per cent of problem gamblers and 6.07 per cent of moderate risk gamblers considering taking their own life.¹⁸⁴ It has been estimated that people with gambling problems are four times more likely to suffer from alcohol abuse.¹⁸⁵

Studies have found 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.¹⁸⁶

5.3.4 Family and other relationships

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.¹⁸⁷ These may include immediate family members, employees and employers, friends and team mates.¹⁸⁸ It has also been estimated that people with gambling problems are six times more likely than non gamblers to get divorced.¹⁸⁹

People experiencing gambling-related harms spend too much time as well as too much money gambling.¹⁹⁰ As a result one form of child mistreatment linked to gambling-related harm is neglect. 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.¹⁹¹

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.

5.3.5 Crime

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.¹⁹²

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

¹⁸² State Government of Victoria (2008) p18

¹⁸³ State Government of Victoria (2008) p17

¹⁸⁴ State Government of Victoria (2008) p17

¹⁸⁵ <http://www.problemgambling.gov.au/impact/>

¹⁸⁶ 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.

¹⁸⁷ Victorian Responsible Gambling Foundation (2013) *The Responsible Gambling Guide*

¹⁸⁸ Adapted from the Victorian Competition and Efficiency Commission (2010) p33

¹⁸⁹ <http://www.problemgambling.gov.au/impact/>

¹⁹⁰ Liao, M (undated) *Problem Gambling and Family Discordance* Problem Gambling Prevention

¹⁹¹ Liao, M (undated) *Problem Gambling and Family Discordance* Problem Gambling Prevention

¹⁹² State Government of Victoria (2010)

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crimes include theft, fraud, break and enter, forgery, false pretences, larceny and robbery.¹⁹³ Studies have shown EGMs account for more than half (57 per cent) of fraud cases.¹⁹⁴ These crimes may be committed against family members, friends, employees and neighbours as well as the broader community.

There is evidence drawing 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.¹⁹⁵, ¹⁹⁶ Studies have found over one third of problem gamblers report being victims of physical intimate family violence (38.1 per cent) or perpetrators of physical intimate partner violence (36.5 per cent) and the prevalence of gambling-related harm in intimate partner violence perpetrators is 11.3 per cent.¹⁹⁷

5.4 Gambling-related harm in the City of Maroondah

5.4.1 Prevalence of gambling-related harm

The Productivity Commission has estimated between 1.9 per cent and 3.1 per cent of the population experience moderate or high risks of gambling-related harm. Participation in gambling in Victoria has decreased between 2008 and 2014. While participation in EGMs has declined from 21.46 per cent to 16.74 per cent, participation in sports betting increased from 3.96 per cent to 4.82 per cent, with online now the most common way to bet on sports. There was a significant increase in sports betting participation among problem gamblers.¹⁹⁸

It is estimated that the prevalence of problem gambling in adult Victorians is 0.81 per cent (35,500 people). While the percentage has not changed significantly since 2008, this group is gambling more intensively and spending more. However, the prevalence of problem gambling in Aboriginal or Torres Strait Islander participants is significantly higher, estimated to be 8.71 per cent.

A study undertaken by the Department of Justice found the prevalence of problem gambling in the Eastern Metro Region of Victoria was 0.4 per cent with a further 2.32 per cent of people likely to be affected by moderate risk gambling. This suggests it is possible up to 2.72 per cent (or 2,300) of the municipality's adult community (85,841) could be affected by moderate risk or problem gambling. Based on the estimate that between five and ten people may also be affected by a person's gambling issues, it is possible a further 11,500 to 23,000 people in the City of Maroondah may be indirectly affected by gambling-related harms.

5.4.2 Vulnerability to gambling-related harm in the City of Maroondah and its small areas

Appendix 4 presents an analysis of the relative vulnerability of the City of Maroondah and its small areas to gambling-related harm in terms of the indicators described above.

¹⁹³ State Government of Victoria (2010)

¹⁹⁴ Warfield and Associates (2016) *Gambling motivated fraud in Australia 2011-2016*

¹⁹⁵ 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>

¹⁹⁶ Liao, M (undated) *Problem Gambling and Family Discordance* Problem Gambling Prevention

¹⁹⁷ Dowling, N. et al (2015) "Problem Gambling and Intimate Partner Violence: A systematic Review and Meta-Analysis" *Analysis of Trauma, Violence, and Abuse* DOI 0.1177/1524838014561269

¹⁹⁸ Hare, S. (2015) *Study of Gambling and Health in Victoria*, Victoria, Australia: Victorian Responsible Gambling Foundation and Victorian Department of Justice and Regulation.

Vulnerability in the City of Maroondah

An analysis of the socio-economic profile and health status of the City of Maroondah, has identified the following:

Compared with the Greater Melbourne, the following socio-economic characteristics reduce the risk of gambling-related harm within the City of Maroondah community:

- relative socio-economic disadvantage
- proportion of low income households
- households with mortgage stress
- unemployment rate
- proportion of people employed as labourers and machinery operators and drivers
- proportion of young people aged 18-24
- proportion of people born in China
- people who volunteer

Compared with Greater Melbourne, the following socio-economic characteristics increase the risk of gambling-related harm within the City of Maroondah community:

- Proportion of households in mortgage and rental stress
- Proportion of households with an annual household income of \$63,400 to \$103,999
- Proportion of people employed as salesworkers
- Proportion of people with low educational attainment
- lone person households

An analysis of selected indicators has identified the following aspects of the City of Maroondah's health, wellbeing and safety profile that have the potential to increase its vulnerability to gambling-related harm:

Relative to Victoria and the Eastern Region of Victoria, the health, wellbeing and safety of the City of Maroondah are compromised by the following factors:

- It has a higher:
 - Proportion of people who are at risk of short term harm from alcohol
 - Proportion of the population experiencing food insecurity
 - Proportion of reported domestic violence incidents
- It has lower perceptions of safety at night

In addition, relative to the Eastern Region of Victoria, Maroondah's health and wellbeing, and sense of safety, are compromised by:

- A higher:
 - proportions of people with a high degree of psychological distress

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- rate of drug and alcohol and registered mental health clients per 1,000 population

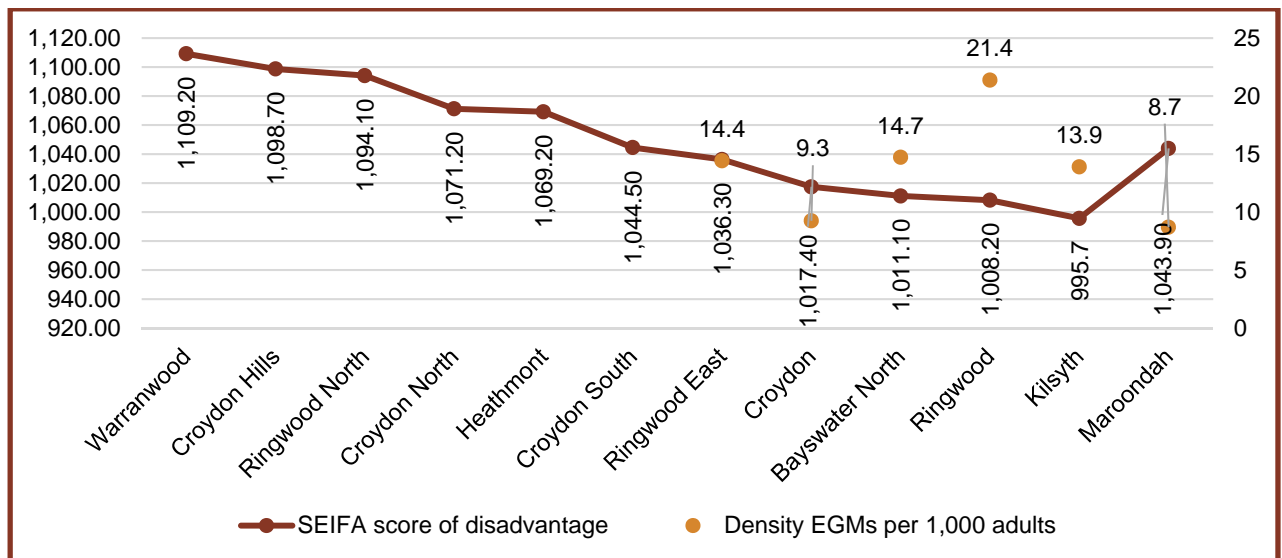
- A lower:
 - male and female life expectancy
 - perceptions of safety during the day

Vulnerability in the City of Maroondah’s small areas

Using the socio-economic indicators of gambling-related harm outlined above, vulnerability to gambling-related harm within the City of Maroondah’s small areas is as follows:

- Bayswater North, Ringwood, Croydon, Ringwood East and Kilsyth are the suburbs with the highest number of risk factors). The suburbs of Bayswater North, Ringwood East, Croydon, Ringwood and Kilsyth also contain all Maroondah’s gaming venues.
- Ringwood may be considered particularly vulnerable due to the high density of EGMs per 1,000 adults and high levels of socio-economic disadvantage (refer to Figure 12).
- Ringwood North and Warranwood have the lowest number of risk factors. These small areas do not have any gaming venues.

Figure 12 – Density of EGMs per 1,000 adults and SEIFA score of Relative Socio-economic Disadvantage 2011



Source: VCGLR and ABS Census of Population and Housing, 2011

Social housing

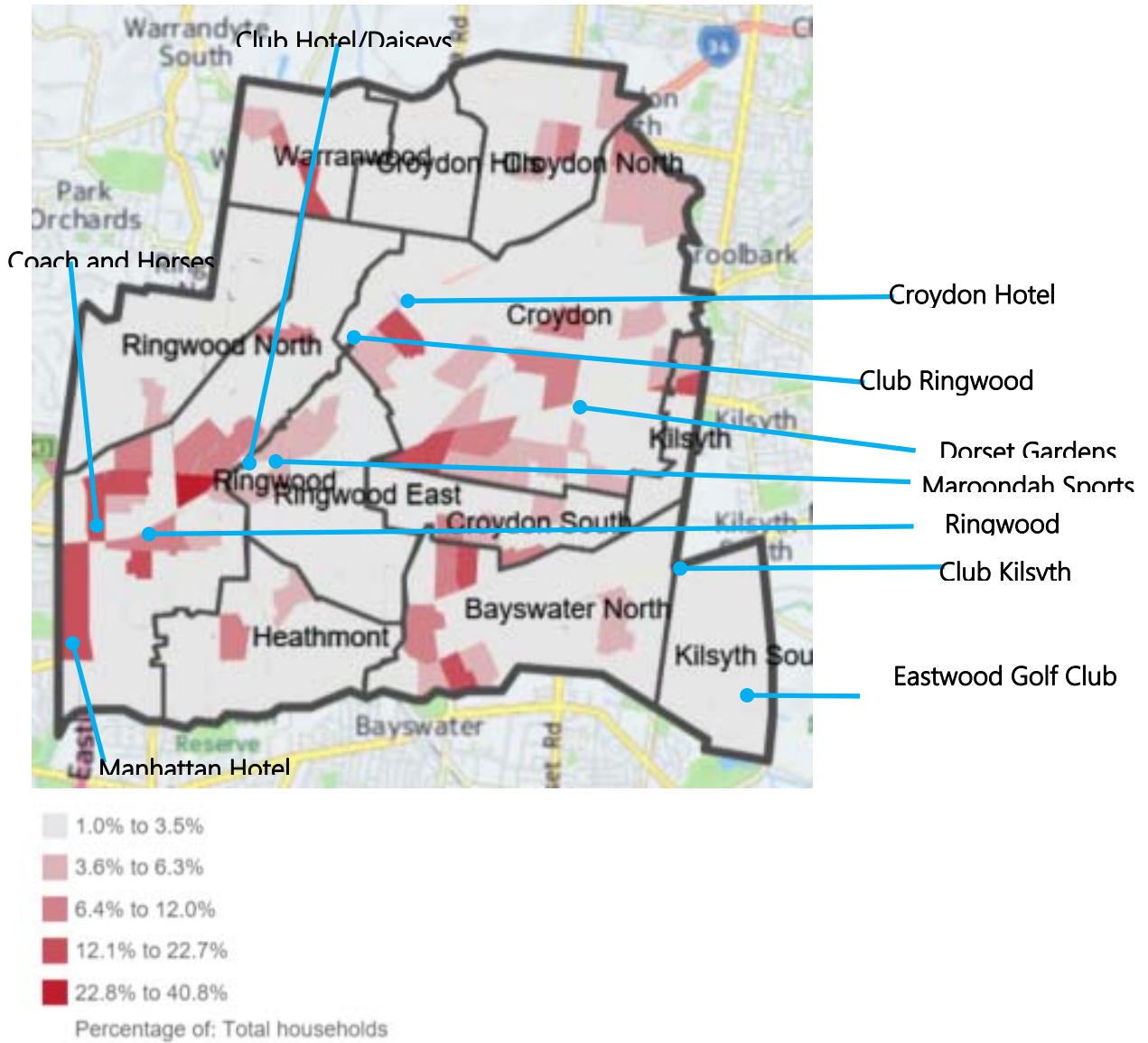
There are concentrations of social housing in the suburbs of Ringwood, Bayswater North, Croydon South and Croydon. An analysis of the location of the gaming venues in relation to concentrations of social housing indicates the following (refer to Figure 13):

- The Coach and Horses and Manhattan Hotels are located within areas with the highest concentration of social housing.
- The Ringwood RSL is located within an area with a relatively high concentration of social housing.

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- The Maroondah Sports Club, Club Hotel/Daiseys, Club Ringwood, Croydon Hotel and the Dorset Gardens Hotel are located in close proximity to areas with relatively high concentrations of social housing.
- Club Kilsyth and the Eastwood Golf Club are the only two venues not located in close proximity to concentrations of social housing.

Figure 13 - Location of gaming venues in relation to concentrations of social housing



Source: id Consulting

6 FRAMEWORK FOR THE GAMBLING POLICY AND LOCAL PLANNING POLICY FOR ELECTRONIC GAMING

Key findings:

- Council's main concerns regarding the growth of EGMs in the municipality relate to existing pockets of socio-economic vulnerability within the community, high density of EGMs per 1,000 adults, high expenditure per adult and growth in EGM expenditure.
- Key benefits associated with a proposal cited by applicants include potential employment generation, community contributions and investment in facilities and infrastructure
- The Commission and Tribunal have noted the importance of consistency between the social and planning policies and give weight to local planning policies included in the planning scheme.
- Key priority areas outlined in local government social policies include advocacy; information dissemination and awareness; engagement and collaboration, and planning, regulation and enforcement.

Implications for policy development:

- The framework guiding the preparation of the revised social and planning policies should be informed by existing and emerging decision-making principles.
- The social policy should include strategies and actions that define and describe Council's various roles in preventing and addressing gambling-related harms.
- The planning policy should give guidance as to the suitable location and operation of EGMs in the municipality and scope of information required to assess the planning permit application.

This section discusses key principles established through decisions made by the Commission and Tribunal on applications for gaming licences and planning permits and existing local government social and planning policies in Victoria.

6.1 Decision-making principles

The discussion starts with a review of historic applications for planning permits and gaming licences within the City of Maroondah since 2006. It then provides a general overview of key principles underpinning recent decisions made by the Tribunal and Commission on applications for planning permits and gaming licences throughout Victoria.

6.1.1 Historic decisions in the City of Maroondah

The Kilsyth Mountain District Basketball Association and Club Ringwood

In July 2006 the VCGR refused an application by the Kilsyth and Mountain District Basketball Association to establish new gaming venue, to be called located at Club Ringwood, 523-532 Maroondah Highway, Ringwood. The proposal involved the following:

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- redevelopment of the site for a gaming venue operating 75 EGMs;
- provision of entertainment, dining, meeting and bar facilities;
- payment of \$100,000 per annum to the Croydon Golf Club;
- community sponsorships and donations of \$50,000; and
- transfer of EGMs from the Croydon Golf Club, Coach and Horses and Bird and Bottle (both of which are located in the City of Maroondah).

Council's position in relation to the proposal was as follows:

- The reduction in revenue at the Maroondah Sports Club due to the removal of 14 EGMs would result in a loss of funds currently distributed to other sporting clubs in the municipality.
- Maroondah has a high density of EGMs and expenditure per adult compared with the state wide average.
- The proposal would result in 301 EGMs being spread across only four venues within a 2.6km radius of the proposed site.
- Net reduction in one gaming venue is of little relevance when the new venue would be more accessible and attractive.
- There was strong opposition from community related to the proposal and not to EGMs or gambling in general.
- Suburbs in the catchment area, namely Ringwood, Ringwood East and Croydon, were comparatively disadvantaged.
- The proposal would have a negative economic impact on local businesses, particularly at the Burnt Bridge Shopping Centre.

The Commission's decision to refuse the application was based on the following:

- The proposal would involve the creation of a new venue, one that was highly visible and attractive and would lead to an increase in gaming expenditure i.e. new expenditure, some of which may come from problem gamblers.
- The proposed club would not be associated with any sporting or recreational activity in the municipality.
- There are more than adequate gaming facilities and the introduction of a new venue might adversely impact existing venues.
- The proposal would result in an increase in expenditure in a municipality with a relatively high expenditure.

In January 2007, VCAT upheld the applicant's appeal against the VCGR's decision to refuse the gaming licence. The application was therefore approved on the following grounds:

- Gaming revenue is critical to the operation of the club.
- It would be a high quality facility attractive to persons living in the Ringwood, Ringwood East, Croydon and Croydon North suburban areas.

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- The attractions in the venue would go beyond gaming.
- The modest increase in accessibility to gaming would be of benefit to recreational gamblers.
- Most revenue would be transferred from existing venues therefore the impact on gambling-related harm minimal.
- The social benefits included increased taxation.
- The municipality as a whole could not be considered to be disadvantaged.
- It is unrealistic for Councils to strive for a density below the municipal average.

In 2015, the VCGLR approved an application for the relocation of 12 EGMs from the Maroondah Sports Club, 7 of which would involve a 'top up' of 7 EGMs at Club Ringwood and 5 at Club Kilsyth. Council did not oppose the application as the proposal would not result in an increase in the number of EGMs, the density of EGMs per 1,000 adults and the EGMs would be transferred from areas of relatively high disadvantage to an area with relatively low disadvantage.

Coach and Horses

In March 2013, the VCGLR refused an application by the Collingwood Football Club to increase the number of EGMs at the Coach and Horses located at 33 Maroondah Highway, Ringwood, from 80 to 88.

In support of the proposal, the applicant committed to provide \$125,000 in the first year to help fund the final stage of redevelopment works for the Community Centre at Victoria Park (City of Yarra) and ongoing funds to support the various activities undertaken at the Centre. The applicant was unable to quantify what proportion of the community benefits would be directed to the City of Maroondah.

Council objected to the application on the basis of the following:

- the high EGM density in the municipality
- the relative socio-economic disadvantage of the venue's location
- the relative vulnerability to gambling-related harm in the Ringwood Central Activities Area
- the opposition to the application from Gambler's Help Eastern
- the high proportion of respondents to the community survey who expressed that their sense of wellbeing would decrease as a result of the application and felt the proposal would result have a negative impact on the social and economic wellbeing of the municipality
- the poor history of community contributions
- the absence of community contributions benefitting the municipality
- the proposal did not involve any improvements to the venue
- the absence of harm minimisation measures

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The Commission noted the contribution of \$50,000 to Council and the increased availability of EGMs are considered benefits. However, in refusing the application, the Commission noted the following:

- Expenditure can result in a consumer surplus which is a positive outcome for the community. Expenditure not attributed to gambling-related harm is therefore considered a benefit. However, an increase in expenditure also carries with it a risk of harm associated with gambling-related harm which has the potential to counteract any economic advantage.
- There were no capital works or improvements to the premises, or creation of jobs. As a result, the proposal would not generate economic activity.
- The repatriation of community contributions to another municipality is a disbenefit to the local community.

In October 2016, the VCGLR approved an application for an increase in the number of EGMs from 80 to 90 at the Coach and Horses.

In support of the proposal the applicant noted it would fund the redevelopment of the hotel, generate employment, involve a transfer of gaming expenditure, generate complimentary expenditure and result in an annual community contribution targeted towards sporting and wellbeing organisations within the municipality. It was also noted the proposal would improve the internal layout and design of the venue.

Council's key concerns with the proposal focussed on the potential increased access to gaming in a community currently displaying relatively high levels of vulnerability to gambling-related harm relative to the municipality as a whole.

The Commission found the proposal would have a neutral impact on the wellbeing of the community and would be associated with neither benefits or disbenefits on the basis as the potential for an increase in gambling-related harm was offset by the benefits identified by the applicant.

Croydon Hotel

In February 2015, the Commission approved an application by the Thoroughbred Gaming Group to increase the number of EGMs from 95 to 105 at the Croydon Hotel located at 47 Maroondah Highway, Croydon subject to conditions.

In support of the proposal, the applicant indicated the following:

- The revenue from the additional EGMs would fund the refurbishment of the hotel and the provision of additions and improvements to the venue in the order of \$6 million. These included an extension of the dining facilities, the creation of a community room/function space, relocation and refurbishment of the gaming room, refurbishment of the sports bar and TAB, construction of new entrances to the venue from the car park and remodelling of the bottle shop. This would result in a greater emphasis on non-gaming options at the hotel and improved surveillance of the gaming room.
- Community groups would have priority access to the function room during specified times.
- The venue has best practice RSG procedures in place.

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- 15 additional jobs would be generated.
- Economic benefits include an increase in gaming expenditure, construction costs of \$4 million, complimentary expenditure of \$1.01 million, community contributions worth \$15,000 per annum to be distributed to local community groups.

Council's based its opposition to the proposal on the following:

- The proposal would result in an increase in gambling-related harm in the City of Maroondah and surrounding municipalities.
- The community of Maroondah displays high levels of vulnerability to gambling-related harm through its high EGM density, high EGM expenditure and various characteristics of its socio-economic profile.
- The hotel exhibits attributes that make it more susceptible to gambling-related harm such as high number of EGMs, large floor area of the gaming room, operation as a hotel rather than a club, high expenditure per EGM, extended operating hours and poor physical surveillance within the gaming room.
- The proposal would result in a venue with the largest permissible number of EGMs.
- There would be an increase in the number of people (staff and patrons) to gaming activities.
- The hotel is in close proximity to an aged care facility.
- The proposal would increase the proportion of the venue set aside for gaming whilst not diversifying the non-gaming activities.
- Compliance with RSG cannot be considered a benefit and there is no evidence as to the effectiveness of RSG on preventing and minimising gambling-related harm.
- EGM expenditure in the City of Maroondah cannot be entirely explained by 'leakage out' into other municipalities due to the proximity of some of its largest venues to municipal boundaries.

The Commission noted the following in support of their decision to approve the application:

- The portion of new expenditure not attributed to gambling-related harm is an economic benefit.
- Construction costs are an economic benefit, particularly if there is a guarantee that goods will be supplied from businesses within the municipality.
- Cash and in-kind contributions are a social benefit.
- Although indicia such as expenditure and EGM density are high Maroondah does not present as a particularly vulnerable to gambling-related harm.
- Existing high accessibility to gaming and low NMR at the venue reduce the risk of gambling-related harm.
- The absence of a commitment to allocating funds to addressing gambling-related harm does not preclude the possibility of doing so.

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- There is to be a condition in the licence formalising the allocation of community contributions to not for profit community groups and sporting organisations providing services and facilities to residents in the City of Maroondah.

6.1.2 Principles emerging from Commission and Tribunal decisions

Council's position and role

Gambling is a legitimate form of recreation, there can be benefits to the community and the concern is with gambling-related harms rather than gambling per se.¹⁹⁹ As a result, social and planning policies must adopt a balanced approach to the location and management of gaming venues in the municipality. This position is typically supported by the venue operators, although feedback from the community survey was Council should seek to reduce the number of EGMs and gaming venues in the municipality.

Councils play an important role in safeguarding and promoting the community's 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.²⁰⁰ They also play an important role in representing the community's views.

Planning and gaming considerations

An application for gaming approval focuses on the municipality and the suitability of the venue to operate as a gaming venue in terms of its design, operations and harm minimisation. However, an application for a planning permit focuses on the suitability of the location of the land and premises in terms of the range of activities provided and the size of the gaming room. Similarly, the assessment of the social and economic impacts of an application for a gaming approval focuses on the municipality whereas an assessment of the social and economic impacts of an application for a planning permit focuses on the site and surrounding communities. Refer to Table 10 (Section 4) for greater details.

Defining the community

Typically the community is considered to be the municipality for a gaming application. However, adjoining municipalities may also be taken into account²⁰¹ if the venue is in close proximity to the municipal boundary and if they have made submissions in relation to the application.²⁰²

The role and influence of council 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 the application should be refused.²⁰³

Council's position/decision on the proposal or application must be consistent with its gaming policy. Council's gaming policy is strengthened if it is incorporated into the planning scheme. However, policies, including those incorporated in the planning scheme, are not prescriptive

¹⁹⁹ Wyndham Planning Panel Report, Amendment C174:

²⁰⁰ *Romsey Hotel Pty Ltd v Victorian Commission for Gambling Regulation (Occupational and Business Regulation)* [2007] VCAT 1

²⁰¹ Commission Decision Braybrook Hotel

²⁰² *Darebin CC v Victorian Commission for Gambling and Liquor Regulation & Anor*

²⁰³ Commission decision, Glenroy RSL 2016

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rules to be applied regardless of the context, but rather are guidelines intended to guide discretionary decisions.

Net community benefit

Achievement of net community benefit is a policy intent under the planning scheme and not a statutory requirement under the *Gambling Regulation Act 2003*. As a result, a proposal for a gaming licence found to not result in a net detriment to the wellbeing of the community will be approved.

Social and economic impacts

The most significant economic harm is expenditure associated with problem gambling. Any increase in accessibility to EGMs will result in an increase in gambling-related harm, even if this increase is marginal. These harms can include health outcomes, relationship breakdown, emotional harms, social disturbance including family violence and other social costs²⁰⁴

The primary social and economic benefits associated with a proposal are community contributions, guaranteed employment generation and significant buildings and works benefitting the municipality's community.²⁰⁵ However, economic benefits include expenditure and investment 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.²⁰⁶

Community contributions may only be regarded as social benefits if they are a direct consequence of the application, benefit the community of the municipality and are available for the lifetime of the EGMs.²⁰⁷ The extent of their benefit is assessed on impact and outcomes rather than the value in relation to gaming revenue.²⁰⁸

There is often a large degree of overlap between economic and social impacts of applications to operate EGMs. Furthermore, there can be tension between benefits and disbenefits e.g. increased accessibility reduces car dependency but increases accessibility and convenience, creation of jobs and increases in non-gaming activities may increase exposure to gambling, increase in gambling-related harm.

Risk and protective factors

In identifying gambling sensitive uses, there must be an established link between the use and people vulnerable to gambling-related harms.²⁰⁹

Community attitude

Community sentiment is a consideration but not an overriding factor when assessing social impacts under the no net detriment test.²¹⁰ Community views must directly address the application and must represent those directly affected by the application i.e. those within the

²⁰⁴ Commission Decision Berwick Springs Hotel 2017

²⁰⁵ Sporting Legends Club Inc v Wellington SC [2016] VCAT 1405

²⁰⁶ Commission Decision Noble Park Football Club 2017

²⁰⁷ Commission Decision Berwick Springs Hotel 2017

²⁰⁸ Commission Decision Berwick Springs Hotel 2017

²⁰⁹ Darebin CC v Victorian Commission for Gambling and Liquor Regulation & Anor

²¹⁰ Commission Decision Berwick Springs Hotel 2017

venue's patron catchment.²¹¹ Community views are typically more relevant if the proposal involves a new gaming venue.²¹²

6.2 Summary of Victorian local government social policies and local planning policies

6.2.1 Social policies

Several local authorities in Victoria have prepared social policies that provide the framework for the planning policy and guide the assessment of planning permit and gaming licence applications. In some municipalities, these social policies have led to the integration of local planning policies in the municipal strategic statement of the planning scheme, as can be found under Clause 11 of the Maroondah Planning Scheme. The current local planning policy pertaining to Gaming Premises in Maroondah is Clause 22.12 of the Scheme.

A review of selected current local government social policies²¹³ has identified the following in terms of scope.

Scope

- Focus mainly, but not entirely, on EGMs as this is the form of gambling over which local government has most control.

Policy statements

- Council plays a role in facilitating optimal health and wellbeing.
- Gambling is a legal and legitimate activity in Victoria.
- The social and economic harms associated with gambling are a health issue.
- Adopt a public health approach to prevent and minimise gambling-related harm.
- Minimise opportunities to gamble on Council-owned land.

Priorities and action areas

- Advocacy:
 - Advocate for changes to the policy and legislative environment to encourage responsible gambling practices
- Research and information dissemination:
 - Conduct research to identify ways to reduce the harmful impacts of gambling.
 - Increase the community's awareness about gambling and the potential negative impacts.
- Engagement and collaboration:
 - Inform and engage with the community on matters relating to gambling, gaming and gambling-related harms.

²¹¹ Commission Decision Berwick Springs Hotel 2017

²¹² Commission Decision Berwick Springs Hotel 2017

²¹³ City of Kingston, City of Knox, City of Maribyrnong, Bass Coast Shire and Shire of Nillumbik

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- Work with relevant stakeholders including state government, industry and service providers.
- Support venue operators to reduce their reliance on revenue derived from EGM gambling.
- Planning, regulation and enforcement:
 - Work within the legislative and policy environment to reduce the negative impacts of gambling.
 - Establish an integrated, effective and efficient strategic and decision-making process to guide the appropriate delivery of gambling activities in the municipality.
 - Prepare and implement strategies that increase access to non-gaming social, leisure, entertainment and recreation facilities.
 - Review the planning scheme to increase Council's opportunities to manage the delivery of gambling activities in the municipality.
 - Encourage the redistribution of EGMs away from communities vulnerable to gambling-related harms.
- Service delivery:
 - Promote engagement in activities that reduce gambling-related harms.

6.2.2 Local planning policies for gaming

The key focus of existing local planning policies for gaming in other Victorian Planning Schemes is summarised below. Examples of similarities between these local planning policies and Clause 22.12 of the Maroondah Planning Scheme are marked with an asterisk.

Clause 22.12 of the Maroondah Planning Scheme is provided in Appendix 3.

Councils' policy position

- Gambling is a legal, legitimate form of entertainment that can be associated with both harms and benefits. Groups within a community at an elevated risk of gambling-related harm must be protected.*
- There is a need to provide access to gaming machines as long as they do not contribute to harms or result in convenience gambling.
- Gaming venues must be compatible with and not be detrimental to the amenity of, surrounding land uses.
- There is an imperative for planning authorities to balance conflicting objectives in favour of net community benefit and sustainable development.
- Access to a wide range of non-gambling social, leisure and entertainment activities is a protective factor against gambling-related harm.

Objectives

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

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- 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 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.

Principles

Local planning policies for gaming are founded on the following principles:

- Allowing EGMs and gaming venues to be accessible to the extent that they are available but not convenient
- Managing EGM density and location to reflect population growth
- Protecting groups and individuals most at risk of gambling-related harm
- Maximising access to non-gambling activities
- Maximising the potential for gaming venues to result in community benefit
- Minimising the potential harms and negative impacts from gaming venues

Policies

Policies guiding the appropriate location and operation of gaming venues include the following:

- Appropriate sites and locations
 - Protect groups at an elevated risk of gambling-related harm
 - Manage EGM density
 - Maximise access to non-gaming social, leisure and entertainment activities
 - Minimise opportunities for convenience gambling
 - Minimise impact on amenity and safety of surrounding land uses*
- Appropriate venues:
 - Maximise access to non-gaming social, leisure and entertainment activities*
 - Maximise protective factor associated with harm minimisation measures
 - Maximise opportunities to contribute to net community benefit
 - Protect community identity, health and wellbeing and neighbourhood character

APPENDIX 1 – BIBLIOGRAPHY AND REFERENCES

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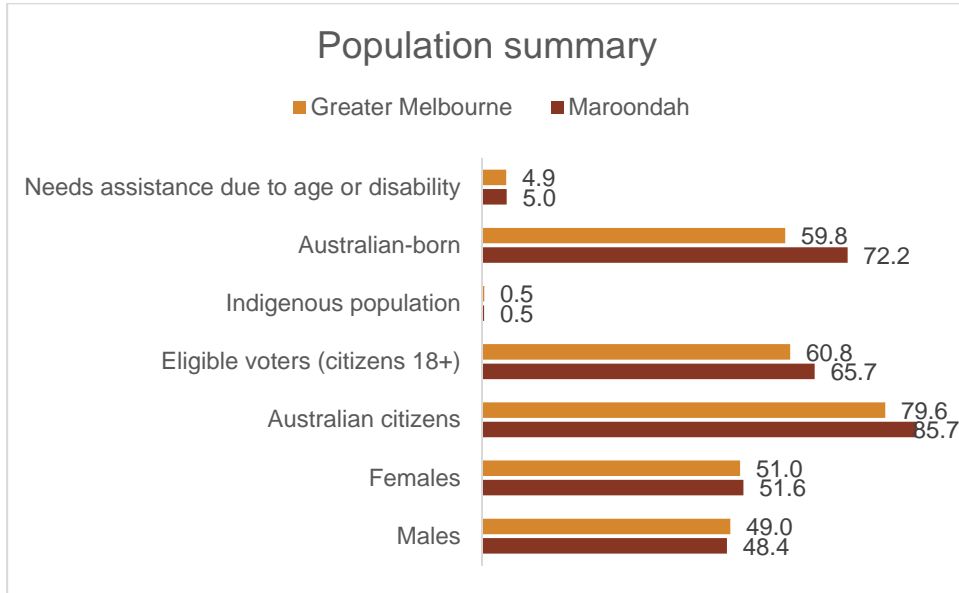
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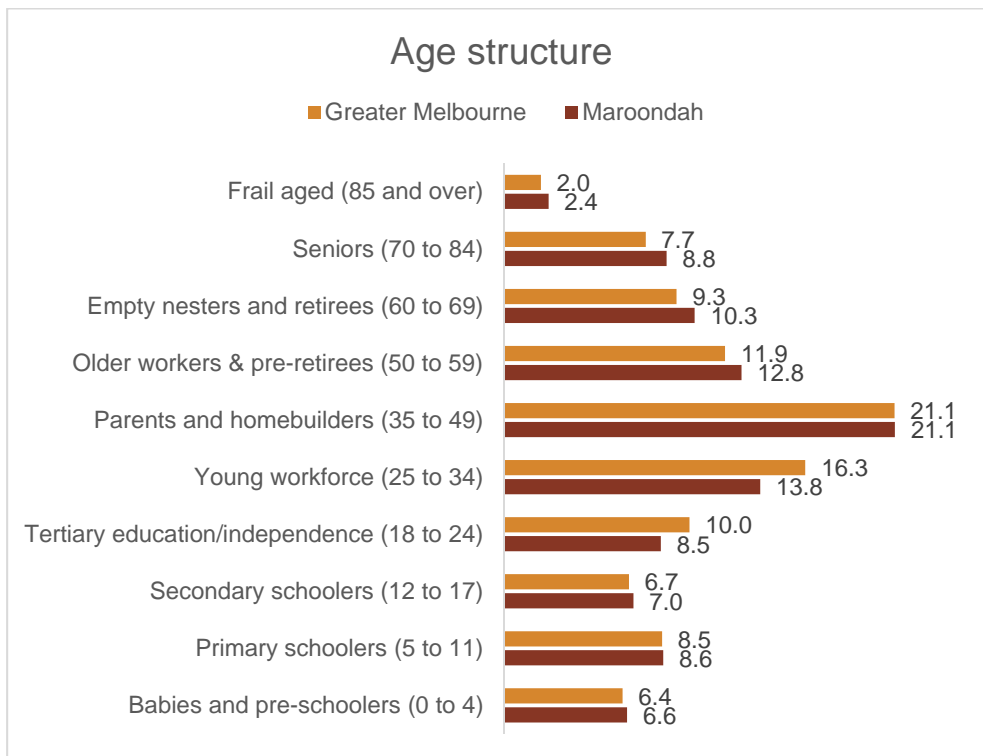
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APPENDIX 2 – COMMUNITY PROFILE, CITY OF MAROONDH

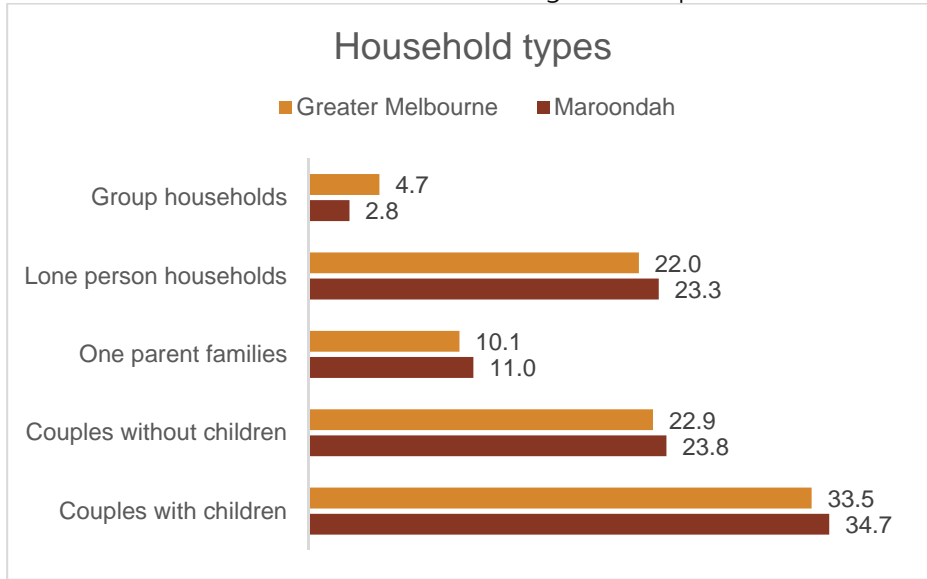


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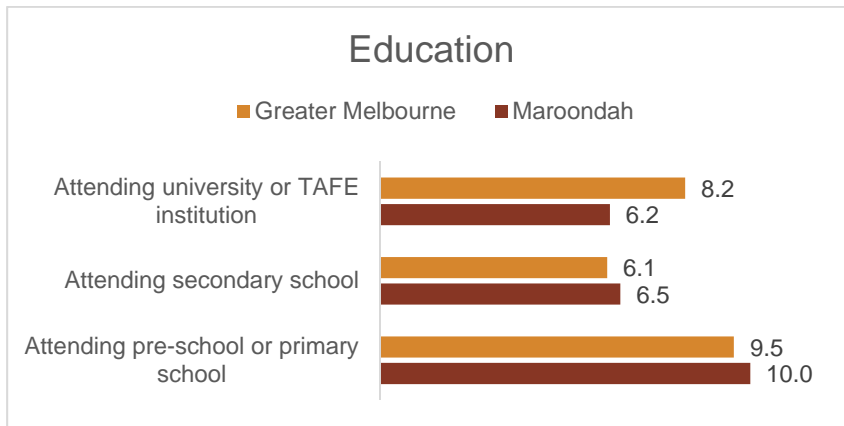


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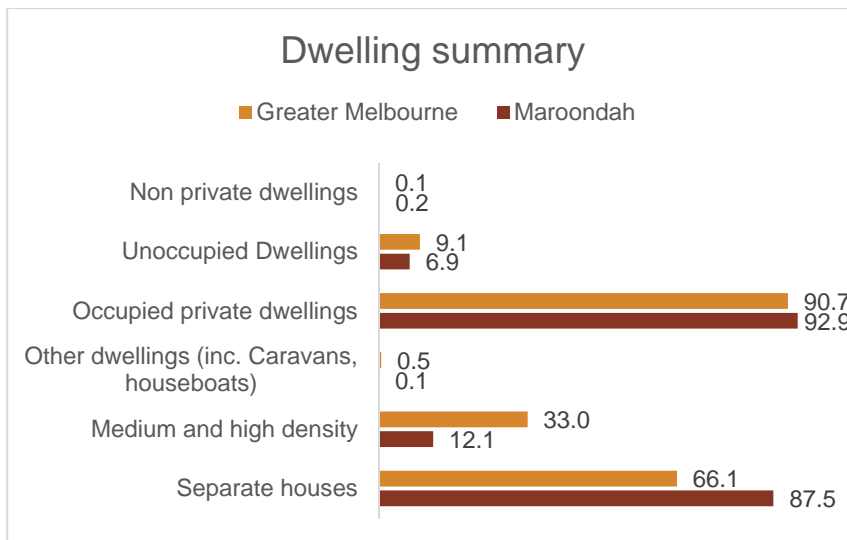
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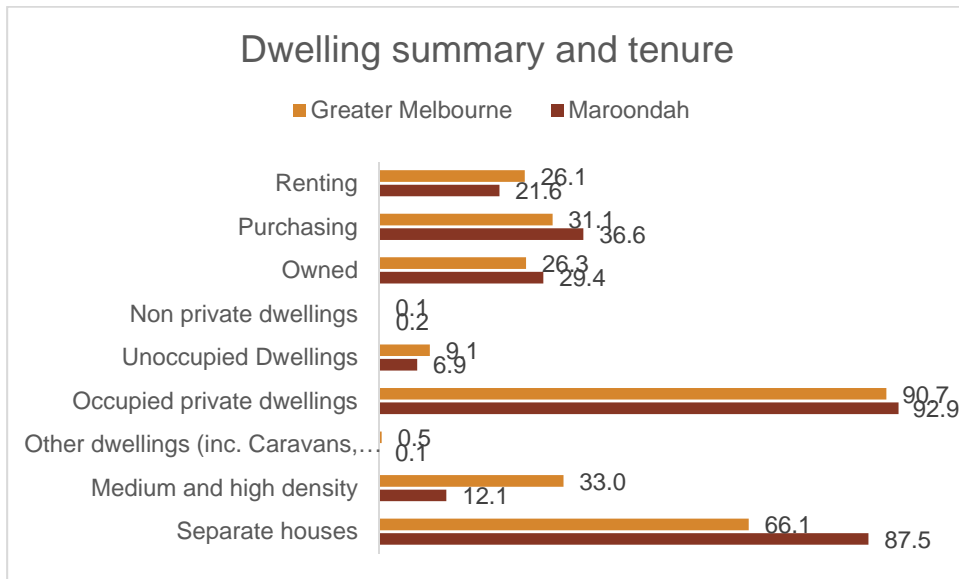


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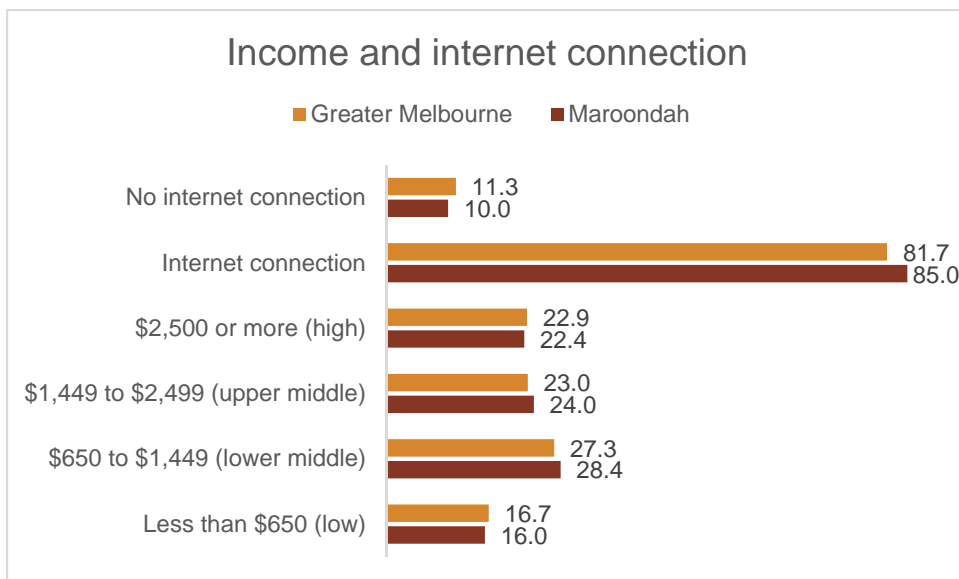


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Source: i.d consulting



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APPENDIX 3 – CLAUSE 22.12 GAMING PREMISES

22.12 GAMING PREMISES

11/07/2014
C91

This policy applies to any application under clause 52.28.

22.12-1 Policy basis

11/07/2014
C91

This policy seeks to advance Council's *Gaming Policy and Statement of Practice, 2007*. The purpose of this policy is to minimise the detrimental impacts of gaming on the community and to maximise the benefits for the community resulting from the establishment of new gaming premises or the introduction of additional gaming machines in existing gaming premises.

22.12-2 Objectives

11/07/2014
C91

To discourage increases in the ratio of gaming machines per adult, number of venues or gaming losses per adult in the municipality.

To ensure that gaming premises minimise the harmful effects of problem gambling.

To ensure that applications deliver a net community benefit.

To encourage gaming premises to offer a range of non-gaming entertainment and recreation activities rather than be stand alone gaming premises.

To ensure that the operation, location and design of gaming premises does not have a negative impact on the amenity, character, community values and safety of the area.

To avoid concentration of gaming premises.

22.12-3 Policy

11/07/2014
C91

It is policy that:

General design

- Where a gaming area is co-located with non-gaming areas, access to the non-gaming areas should not be through the gaming area.
- The gaming area should have access to natural light and should allow patron surveillance of outdoor areas.
- Gaming premises offer a range of non-gaming entertainment and recreational activities.

Amenity

- The gaming premises should not have a detrimental impact on the amenity of the area, (including through the emission of noise and patrons arriving and leaving the gaming premises).
- The hours of operation are appropriate given the context of the site and the surrounding area.

Location

- New gaming premises should not be located within 400 metre walking distance of residential or community based uses, including schools, kindergartens, child care centres, libraries, aged care facilities and churches.
- New gaming premises should not be located within residential areas unless it can be demonstrated that there will be no material detriment on the surrounding residential area.
- New gaming premises should not be located within 400 metre walking distance of existing gaming premises to avoid a concentration of gaming premises.

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- New gaming premises or applications for additional gaming machines should be located to build upon the existing retail and commercial land use pattern within the municipality.

22.12-4 Application requirements

11/07/2014
C91

All applications must include a written Social and Economic Impact Statement to the satisfaction of the Responsible Authority. The Social and Economic Impact Statement must address the following, as appropriate:

- The existing and proposed distribution of gaming premises in the municipality.
- The nature and extent of community benefits expected from the proposal and how the benefits are to be secured and distributed to the local community.
- A one year forecast of the anticipated expenditure at the gaming premises if the proposal was to be approved.
- The existing and proposed gaming and non-gaming related entertainment and recreation facilities within the local area.
- The design and layout of the gaming premises including all proposed and existing signage and evidence of compliance with any relevant gambling regulations concerning the gaming premises' layout, design and operation.
- Projected changes in per adult gaming expenditure, gaming machine density and gaming premises density resulting from the proposal.
- Proximity of the gaming premises to public, social or community housing.
- A venue management plan identifying strategies to manage patron behaviour, and minimise problem gambling in relation to the design and management of the venue, including the applicant's responsible gaming practices.
- Social and economic indicators of residents living within a 2.5 kilometre radius of the gaming premises. These indicators include:
 - the Socio Economic Index for Areas (SEIFA) Index of Relative Disadvantage and Index of Economic Resources.
 - other indicators of social and economic disadvantage or stress at the local level.
 - indicators of the social characteristics of the area on a postcode, suburb or LGA level.
- Any other relevant social and economic impacts on the local and wider communities.

The Social and Economic Impact Statement must, where relevant, also include the following:

- If the application concerns an existing gaming premise, details of the existing gaming expenditure at the gaming premises over a 3 year period prior to the application.
- If the gaming machines are to be relocated from other gaming premises, including gaming premises in other municipalities, the likely social and economic impact of the proposal on those gaming premises and the local area within which those gaming premises are located.
- If it is proposed to move gaming machines from one part of the municipality to another, the relative social and economic differences between the two parts, by measures of SEIFA indices, ABS data, etc. An explanation as to why the gaming machines are being transferred is to be provided.

All applications must describe how the proposal responds to the following to the satisfaction of the Responsible Authority:

- The impact of traffic and parking.
- Internal noise associated with the gaming premises.
- Noise from car parking areas.
- The way in which patrons access or leave the gaming premises and their behaviour.
- The proposed hours of operation and how that will impact the surrounding area.
- The safety of the area.
- Access to the site.

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22.12-5 Decision guidelines

11/07/2014
C91

Before deciding on an application, in addition to the decision guidelines of Clause 65, the Responsible Authority must consider, as appropriate:

- Whether the application achieves the objectives of this policy.
- Whether the application satisfies the application requirements of this policy.

22.12-6 Policy references

11/07/2014
C91

Gaming Policy and Statement of Practice, Maroondah City Council, 2007

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APPENDIX 4 – VULNERABILITY TO GAMBLING-RELATED HARMS, CITY OF MAROONDAH AND SMALL AREAS, 2016

Socio-economic

	SEIFA score of relative socio-economic disadvantage (2011)	Households in housing stress (%)	Low income households (%)	Households with a mortgage (%)	Households with rental stress (%)	Households with mortgage stress (%)	Unemployment rate (%) (2011)	Median annual household income \$62,400 - \$103,999
Bayswater North	1011.2	11.6	15.9	44.5	27.2	9.0	4.3	\$74,360
Croydon	1002.1	11.3	18.8	36.0	31.3	7.6	4.3	\$69,784
Croydon Hills	1098.7	3.5	7.3	49.2	12.2	3.8	3.2	\$108,212
Croydon North	1071.2	7.4	12.6	45.2	25.1	4.3	4.7	\$92,872
Croydon South	1071.2	8.1	13.6	45.3	20.2	6.7	4.8	\$81,640
Heathmont	1069.2	6.7	12.2	41.9	19.3	4.2	3.7	\$92,300
Kilsyth	1069.2	11.4	21.9	40.1	26.4	13.3	3.6	\$65,624
Kilsyth South	1080.5	6.6	6.1	55.7	11.6	9.9	4.6	\$99,528
Ringwood	1008.2	13.2	19.6	30.1	28.0	8.3	4.6	\$70,564
Ringwood East	1035.8	10.1	16.7	35.1	24.5	7.9	4.1	\$75,140
Ringwood North	1094.1	6.3	10.2	43.9	16.9	4.6	3.2	\$99,996
Warranwood	1109.1	4.4	7.8	51.6	16.5	4.2	3.0	\$125,684
City of Maroondah	1043.9	10.2	16.0	39.3	29.4	8.6	4.4	\$80,132
Greater Melbourne	1020.3	11.7	16.7	34.3	27.4	11.2	5.5	\$80,028

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	Labourers (%) 2011	Salesworkers (%) 2011	Machinery operators and drivers (%) 2011	Educational attainment lower than year 11 (%)	Households renting social housing (%)	Lone person households (%)	Young people aged 18-24 (%)	Aboriginal and Torres Strait Islanders (%)	People born in China (%)	People who volunteer (%)
Bayswater North	9.8	10.2	8.0	30.0	3.6	26.6	8.3	0.6	1.4	16.9
Croydon	8.5	10.3	5.2	31.6	2.3	28.6	8.1	0.6	1.9	19.3
Croydon Hills	5.9	13.3	3.3	24.5	0.0	10.7	11.8	0.1	1.9	24.1
Croydon North	6.1	13.1	3.6	27.0	1.3	16.3	9.3	0.5	1.6	21.2
Croydon South	8.9	10.9	5.1	32.6	2.9	18.5	6.9	0.6	2.5	19.5
Heathmont	6.5	9.9	3.7	25.5	1.2	19.4	8.0	0.5	2.5	25.2
Kilsyth	10.8	9.0	7.3	34.0	4.8	30.5	6.6	0.8	0.6	18.3
Kilsyth South	8.3	12.4	5.4	31.3	0.0	8.8	12.7	0.3	0.3	21.6
Ringwood	7.9	9.8	4.1	28.1	4.5	27.6	8.0	0.5	5.8	20.1
Ringwood East	7.5	9.8	4.3	27.1	1.8	26.8	8.0	0.3	4.2	20.9
Ringwood North	5.6	10.6	2.3	23.9	0.5	14.4	8.3	0.7	2.7	24.0
Warranwood	4.8	12.8	2.2	21.5	1.9	8.4	11.2	0.4	1.1	25.3
City of Maroondah	7.5	10.8	4.5	28.2	2.5	23.3	8.6	0.5	2.7	21.0
Greater Melbourne	8.0	9.7	5.9	26.0	2.6	22.0	10.1	0.5	3.5	17.6

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Health

Source	Indicator	Maroondah (C)	Eastern		Victoria	
CSA	Family incident rate per 100,000 October 2015 - September 2016	1,057.8	1,242.2	↓	1,302.1	↓
CSA	% change in family violence incident rates 2014/15 - 2015/16	19.4	10.2	↑	8.9	↑
CSA	Offence rate per 100,000 population, 2015/16	7001.5	6533.1	↑	8,975.4	↓
CSA	% change in offence rate per 100,000 population 2014/15 to 2015/16	9.6	9.9	↓	9.4	↑
Department of Health	% persons 18+ who are current smokers	17.1%	17.8%	↓	19.1%	↓
Department of Health	% at risk of short term harm from alcohol	10.4%	9.4%	↑	10.2%	↑
Department of Health	% 15-17 years old who drank alcohol in the last 30 days	58.3%	50.6%	↑	NA	
Department of Health	Male life expectancy	80.5	82.0	↓	80.3	↑
Department of Health	Female life expectancy	84.8	85.4	↓	84.4	↑
Department of Health	% persons reporting fair or poor health	15.5%	16.2%	↓	18.3%	↓
Department of Health	% persons who have a high degree of psychological distress	10.5%	9.8%	↑	11.4%	↓
Department of Health	Drug and alcohol clients per 1,000 population	4.8	3.7	↑	5.1	↓
Department of Health	Registered mental health clients per 1,000 population	9.5	7.5	↑	10.3	↓

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CIV	Perceptions of safety during the day	97.6	98.3	↓	97	↑
CIV	Perceptions of safety at night	64.6	71.6	↓	70.3	↓
CIV	Food insecurity	6.5	4.1	↑	4.6	↑

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