

Yarra City Council Gaming Policy Framework

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Contents

1	Executive Summary	5
2	Introduction	8
3	The Legislative Context to Gaming	9
3.1	The Regulation of Gaming (EGMs) in Victoria	9
3.2	Planning	11
3.3	Subordinate Legislation and Directions	11
3.4	State Government Policy Position	14
3.5	Local Policies and Provisions	15
3.6	Commentary	16
4	Applications of Gaming Machines – Victoria and Yarra City	18
4.1	Victoria	18
4.2	Yarra City Council	21
5	Yarra City Council Local Context	27
5.1	Yarra City Council Socio-Economic Profile	27
5.2	Development and Growth Trends	35
6	Key Social and Economic Issues Associated with Gaming (EGMs)	37
6.1	Research on Gaming and Location	37
6.2	Planning Considerations	41
6.3	Resolution of these issues in the interest of Net Community Benefit	43
7	Locational Principles for Gaming	45
7.1	Rationale for Principles	46
8	Strategy and Policy Recommendations	52
8.1	Opportunities to influence gaming outcomes through local policy	52
8.2	Further responsible gaming work	53
8.3	Municipal Strategic Statement	53
8.4	Draft Policy	55
8.5	Prohibited shopping centres	60
8.7	Summary of recommendations	61
9	Planning Tools	62
9.1	Application process for planning permits related to Electronic Gaming Machines (EGMs)	62
9.2	Application requirements	64
9.3	Planning Assessment Tool for Net Community Benefit	66
9.4	Planning Permit Conditions related to Gaming (EGMs)	66
10	References	69

11	Attachment 1 - Methodology and Consultation Results	73
11.1	Literature Review	73
11.2	Socio-Economic Analysis	73
11.3	Consultations	73

12	Attachment 2 - Ministerial Direction S 69 (March 2008) on Community Purpose	78
13	Attachment 3 - Clause 52.28	81
14	Attachment 4 - Gaming Research Key Issues Context	83
15	Attachment 5 – Yarra City Council Policy Review	91
16	Attachment 6 - Socio-Economic Data for Yarra City Council	95
17	Attachment 7 – Spatial Audit	97
18	Attachment 8 - Assessment Tool for evaluating net community benefit of gaming applications	98

List of Tables and Figures

- Figure 1: Capped Regions, Victoria
- Figure 2: Gaming Expenditure
- Figure 3: EGM venues Yarra City Council
- Figure 4: Distribution of Household Weekly Income
- Figure 5: Proportion of Households Suffering Housing Stress within Yarra City Council
- Figure 6: Yarra City Council SEIFA rating of Relative Disadvantage by township
- Figure 7: Strategic Locational Framework Plan – Yarra City Council

- Table 1: Historical Data – Gaming Machines in Victoria
- Table 2: Venues with EGMs in Yarra City Council
- Table 3: EGM Densities in Yarra City Council 2007
- Table 4: EGM Density per 1000 adult in Yarra City Council 2006
- Table 5: Yarra City Council Gaming Machine Expenditure 2006/2007
- Table 6: Community Benefit Statement 2006-2007, Yarra City Council
- Table 7: Major Industries in Yarra City Council
- Table 8: SEIFA index Yarra City Council
- Table 9: Population Forecasts for Yarra City Council
- Table 10: Demographic Changes
- Table 11: Comparison of potentially relevant considerations for planning and gaming approval

List of Abbreviations

- ABS – Australian Bureau of Statistics
- CBS – Community Benefit Statements
- CSF – Community Support Fund
- EGM – Electronic Gaming Machine
- LGA – Local Government Area
- SEIFA – Socio Economic Indicators for Areas
- VCGA – Victorian Casino and Gaming Authority
- VCGR – Victorian Commission for Gambling Regulation
- VCAT – Victorian Civil and Administrative Tribunal
- VPPs – Victorian Planning Provisions
- MSS – Municipal Strategic Statement
- LPPF – Local Planning Policy Framework
- SPPF – State Planning Policy Framework

1 Executive Summary

Context

Changes to the Victorian Planning Provisions on the 18th October 2006 require a planning permit be obtained for all new gaming machines in the State of Victoria. This document provides a planning framework and the strategic justification for a Local Gaming Policy for the Yarra City Council, as it relates to applications for the installation or use of Electronic Gaming Machines (EGMs) in the municipality.

Gaming is a legitimate activity in Victoria and for the majority of gamblers gaming is a source of recreation. However, it is recognised that gaming can have serious detrimental implications for a small but significant proportion of gamblers.

Legislation

The legislative provisions governing the conduct of gaming are set out in a range of legislation, the most pertinent being the *Gambling Regulation Act 2003* and the *Planning and Environment Act 1987*.

The main objective of the *Gambling Regulation Act* is to foster responsible gambling in order to minimise harm caused by problem gambling and to accommodate those who gamble without harming themselves or others.

There is limited legislative clarity or guidelines for what constitutes an appropriate location for a gaming venue; however, the proposed location of gaming venues and machines must be in accordance with the planning objectives for Victoria as set out in the *Planning and Environment Act 1987*. Any development should consider the social, environmental and economic impacts to ensure it will produce net community benefit and sustainable development.

The regulation of gaming is also influenced by State and local policy positions on gaming. A review of State and Yarra City Council policies has informed locational principles for gaming venues in the municipality.

Gaming in Victoria

In 2006, the State of Victoria had 29,647 EGMs in 522 venues, resulting in an overall density of 6.92 machines per 1000 adult population. Average annual expenditure on gaming machines per adult in Victoria was \$630. There are 19 regions across Victoria capped at 10 machines per 1000 adults or the current level, whichever is the lower.

Yarra City Council Local Context

The City of Yarra is an inner city municipality with a diverse and polarised population with high vulnerability to negative social impacts from gaming. In 2007, the City of Yarra had a total of 338 EGMs in 9 venues, resulting in an overall density of 5.34 per 1000 adult population. Average annual expenditure on gaming machines per adult in Yarra was \$501. Yarra is not a capped region.

Socio-Economic Implications – Research Findings

Research has identified that disadvantaged communities are more vulnerable to the negative impacts of gaming. The tension that exists within gaming is that whilst it is a legitimate, and for many enjoyable, form of entertainment, any policy must address the community concerns regarding problem gambling that is evident in the research.

Whilst there is no simple causal relationship between problem gambling and gaming venue locations, there are a number of features that can make an individual and the wider community more vulnerable to the harm caused by gaming. These include accessibility, socio-economic disadvantage, marital status, gender, ethnicity, exposure to gaming venues and social context. The main trigger for the problems of most problem gamblers is financial loss which has a range of social and personal repercussions for the gambler, their family and the wider community.

The location of gaming venues has been identified to correlate to the level of problem gambling. People who gamble at accessible venues (through co-location with other everyday activities where people congregate) are more likely to have higher expenditure, gamble more regularly and play for longer periods of time.

Socio-Economic Implications – Planning Considerations

State planning policy indicates that entertainment uses should be located in accessible areas like activity centres to promote sustainable development.

The Yarra Planning Scheme encourages the provision and improvement of retailing that is promoted in identified precincts where it complements and supports other core retail activities.

However, the Yarra Planning Scheme prohibits the locating of gaming venues in strip shopping centres and shopping complexes, which are the uses at the heart of most activity centres.

To resolve these conflicting planning issues and achieve a net community benefit, gaming venues should have the attributes of 'destination gaming', but embody principles of sustainable development. Gaming venues should therefore be located where they are accessible to persons in key population centres, particularly around activity centres, but not convenient to the retail/community core of activity centres to minimise impulse gambling opportunities. Gaming venues should also be located away from vulnerable communities.

Locational Principles for Gaming

Consideration of the legislative framework surrounding the location of gaming venues, when balanced with the key socio-economic and planning issues, has culminated in the development of a set of locational principles for gaming venues. These principles focus on locating venues away from communities who are vulnerable to the negative impacts of gaming and ensuring such venues are not convenient to the community; whilst supporting the fundamental principles of sustainable development and net community benefit. In particular, sustainable locations will involve:

- Areas not convenient to places of community congregation such as shops;
- Relatively low levels of socio-economic disadvantage; and
- Venues which offer a range of services within the proposal and are also located in areas where the community has a choice of recreational and entertainment options.

Policy Recommendations

On the basis that the adopted Municipal Strategic Statement is likely to be given ministerial approval later in 2008, a number of recommendations are made about how references to gaming and a local policy might be included in the Planning Scheme. These include:

- Update gaming references in the adopted Municipal Strategic Statement
- Insert a new local planning policy to assist in decision making on gaming machines
- Conduct an audit of strip shopping centres and include specific locations as prohibited strip centres in the schedule to Clause 52.28-4.
- Include Victoria Gardens as a prohibited shopping complex in the schedule to Clause 52.28-3.

It is also recommended that Council prepare a general gaming policy to set out its position on gaming matters outside the planning system.

There are also a range of planning tools suggested, including application requirements, an assessment tool for gaming venue applications and applicant evaluation of net community benefit. These tools will assist planners and applicants to better understand the new policy and complex planning and socio-economic issues involved in the location of gaming machines.

2 Introduction

In October 2006 the State Government of Victoria introduced amendments to the Victorian Planning Provisions which gave Councils decision making power over the location of electronic gaming machines (EGMs). Clause 52.28 'Gaming' was amended (State Amendment VC39) to require a planning permit be obtained for **all** gaming machines. Previous as-of-right provisions for the installation of gaming machines were removed.

This document provides the strategic justification for a Gambling Planning Framework to provide the opportunity for the Yarra City Council to respond to gambling as a planning concern. By increasing the planning control over gaming, Councils are able to influence the location of gaming machines and give consideration to the social and economic effects of new gaming machines.

Gaming is a legitimate activity in Victoria and for the majority of gamblers gaming is a source of recreation. However, gambling does have serious detrimental implications for a small but significant proportion of gamblers. The industry should be transparent, customers informed and policy adopted that mitigates the impacts on the community and increases the benefits of gaming

In April 2008 the Yarra City Council (YCC) engaged Coomes Consulting Group to develop a Gambling Planning Frameworks for the municipality. This document provides an evidence base for a Gaming Policy suitable for inclusion within the Yarra Planning Scheme. Section 8 of this document provides a draft policy suitable for inclusion into the planning scheme.

The methodology relied upon in preparing this policy is detailed in Attachment 1.

3 The Legislative Context to Gaming

This section provides the legislative context for gaming in Victoria. It discusses gaming as it relates to gambling and planning legislation at a State and local level.

The legislation and subordinate legislation discussed in this section sets the context in which decisions on the locations of gaming machines and gaming venues can be made. Operational provisions are not discussed in detail in this report.

The provisions governing the conduct of gaming are set out in the following legislation:

- Gambling Regulation Act 2003
- Planning and Environment Act 1987
- Local Government Act 1989
- Casino Control Act 1991
- Casino (Management Agreement) Act 1993
- Liquor Control Reform Act 1998

Statutory Rules and Directions:

- Ministerial Direction No. S277 18 October 2006
- Ministerial Direction No. S124 Thursday 26 June 2003
- VCGR Determination No. S 318 Monday 11 December
- Gambling Regulation Regulations 2005
- Gambling Regulation (Signage) Regulations 2005
- Gambling Regulation (Infringements Offences) 2006

3.1 The Regulation of Gaming (EGMs) in Victoria

In 1991 the Victorian Parliament passed legislation enabling the introduction of EGMs into hotels and licensed clubs (under the *Gaming Machine Control Act 1991*). Melbourne's Crown Casino opened on 30 June 1994.

The *Gambling Regulation Act 2003* ('the Gambling Act') re-enacts and consolidates various laws relating to gambling in Victoria and establishes various powers and authorities on gambling.

The main objectives of the Gambling Act (under Section 1.1(2)) are:

(a) *to foster responsible gambling in order to -*

- (i) *minimise harm caused by problem gambling; and*
- (ii) *accommodate those who gamble without harming themselves or others;*

(f) *to promote tourism, employment and economic development generally in the State.*

The Act identifies that gambling has both positive and negative impacts on the community. The challenge for managing gaming is to produce a balanced outcome by enabling gaming as a form of recreation while minimising the harm caused by problem gambling.

The Gambling Act states that premises suitable for gambling in Victoria must have one of the following licenses:

- a pub license
- a club license
- a racing club license

Therefore, appropriate venues for gaming are decided jointly by Consumer Affairs Victoria under the *Liquor Control Reform Act 1998*.

The Gambling Act establishes the Victorian Commission for Gambling Regulation (VCGR) (under Section 1.1 (3) (j)) to oversee the conduct of gambling in Victoria and gives it the power to grant or refuse an application for a gambling license. Approval is given to a premise for gaming under Division 2, Part 3, and Chapter 3 of the Act.

Pursuant to Sections 3.3.6 and 3.4.19 of the Gambling Act, Council (as the “relevant responsible authority”) may make a submission to the VCGR on a gaming application and should address the social and economic impact of the proposed application on community wellbeing and on surrounding municipal districts.

The Gambling Act gives power to the Minister to give Directions to the VCGR on requirements for gaming machines which are set out in Section 3.2.3. Such matters include:

- the maximum permissible number of gaming machines available for gaming in the State;
- the maximum permissible number of gaming machines available for gaming in any approved venue in the State or a specified part of the State
- the proportion to be located outside the Melbourne Statistical Division;
- the proportion of machines to be placed in premises with a pub license, club license or racing club license.

Section 3.2.4 of the Gambling Act further sets out the ministerial powers to determine regional areas and the regional limits permissible within them.

Taxation of gaming revenue is set out in Section 3.6.6 of the Gambling Act. A venue operator of an approved venue with a pub license must pay to the Commission 8.333% of total daily net cash balances, to be paid into the Consolidated Fund (Community Support Fund).

Each financial year, approved venues who received gaming revenue over that year are required to submit a Community Benefit Statement under section 3.6.9, which must state the percentage of gaming revenue applied for community purpose. Under the Act ‘community purpose’ is defined as an activity determined by the Minister under section 3.6.9(3). Refer to Attachment 2 for a copy of the recently released details of a new Ministerial Direction on the activities that constitute community purpose.

Section 11.2.1 of the Act sets out the regulations put in place by the Act. The objective of these regulations is to provide for matters relating to gaming

machines and other matters that are authorised or required to be prescribed by the Gambling Act including display of time of day, lighting and external views, printed and electronic information and loyalty schemes. These matters are controlled under the *Gambling Regulation Regulations 2005*.

3.2 Planning

The *Planning and Environment Act 1987* (the P&E Act) establishes a framework for planning the use, development and protection of land in Victoria in the present and long-term interests of all Victorians. The P&E Act establishes the content and regulation of planning schemes in Victoria and recognises the legal power of authority over various issues covered by the Act.

The most pertinent objective of the P&E Act with regard to the regulation of gaming machines and gaming venues are:

4. (1) (a) *to provide for the fair, orderly, economic and sustainable use, and development of land;*
- (c) *to secure a pleasant, efficient, safe working living and recreational environment for all Victorians and visitors to Victoria;*
- (g) *to balance the present and future interests of all Victorians*

In addition to these objectives, Section 4(2) (d) requires that consideration be given to the social and economic impact of the use and development of land.

Section 60 of the P&E Act sets out the matters a responsible authority must consider before deciding on a planning application. These include the relevant planning scheme and the objectives of planning in Victoria. Before deciding on an application the responsible authority may consider any significant social and economic effects of the use or development for which the application is made.

The P&E Act gives Council, as the responsible authority, the power to grant or refuse a planning permit for the installation or use of a gaming machine.

A planning scheme may set out policies and specific objectives under section 6(2) (a) without limiting the relevant State policy. A planning scheme may also regulate or prohibit the use or development of any land under Section 6(2) (b).

3.3 Subordinate Legislation and Directions

The legislative context is complemented by the following relevant directions and subordinate legislation:

3.3.1 Directions and Subordinate Legislation

- Ministerial Direction
 - Victorian Government Gazette – No. S277 18 October 2006
 - Sets out key parameters for the maximum permissible number of gaming machines available for gaming in Victoria and operational controls

- VCGR Determination
 - Victorian Government Gazette - No. S 318 Monday 11 December 2006
 - Permissible number of gaming machines in capped areas in Victoria

- Ministerial Determination
 - Ministerial Direction S 69 (March 2008) on Community Purpose sets out what clubs can claim as community benefit in a community benefit statement (see Attachment 2)
 - This replaces Ministerial Direction S124 gazetted 26 June 2003
 - The new Ministerial order will come into effect on 1 July 2008

- Gambling Regulation Regulations 2005
- Gambling Regulation (Signage) Regulations 2005
- Gambling Regulation (Infringements Offences) 2006

3.3.2 Planning Schemes

The location of gaming machines is further guided by the following provisions across Victoria.

State Policy and Provisions

The removal of former Clause 19.02 on gaming in October 2006 means there is no State policy for the regulation of gaming in planning schemes throughout Victoria.

The use of land for the purposes of gaming, like other land uses, is regulated by the State policies set out at Clauses 10-19 of the VPPs. These policies must be taken into account when making a decision under the planning scheme. Those policies that are relevant to the location of gaming machines in Victoria relate to the following key themes:

- Net Community Benefit and Sustainable Development
 - Clause 11.02 The goal of the State Planning Policy Framework seeks to ensure the objectives of planning in Victoria are fostered through appropriate land use and development planning policies and practices which integrate relevant environmental, social and economic factors in the interests of net community benefit and sustainable development.

- Entertainment and Recreation
 - Clause 12.06-2 Increase access to the arts, recreational and other cultural facilities.
 - Clause 14.01 The objective of this clause is to ensure a sufficient supply of land is available for residential, commercial, industrial, recreational, institutional and other public uses.

- Activity Centres and Sustainable Transport
 - Clause 12.01-2 Develop a network of activity centres that are the focus for business, shopping, working, leisure and community facilities.
Ensure activity centres are developed in such a way that reduces the number of private motorised trips by concentration of activities that generate high numbers of trips in highly accessible locations.
 - Clause 17.01 The objective of this clause is to encourage the concentrating of major retail, commercial, administrative, entertainment and cultural developments into activity centres (including strip shopping centres) which provide a variety of land uses and are highly accessible to the community.
- Gaming
 - Clause 52.28 Under this provision, a planning permit is required to install or use gaming machines. This provision was introduced in October 2006 as part of the State Amendment VC39. It creates a discretion which a local policy will inform.
 - Clause 52.28-1 The purpose of this Clause is:
 - To ensure that gaming machines are situated on 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.
 - Clause 52.28-4 A strip shopping centre is defined as an area that meets all of the following requirements:
 - it is zoned for business 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.
 - Clause 52.28-6 The decision guidelines state that before deciding on an application a responsible authority must consider:
 - The State Planning Policy Framework and the Local Planning Policy Framework, including the Municipal Strategic Statement and local planning policies.
 - The compatibility of the proposal with adjoining and nearby land uses.

- The capability of the site to accommodate the proposal.
- Whether the gaming premises provides a full range of hotel facilities or services to patrons or a full range of club facilities or services to members and patrons.
- Gaming – Yarra City Council
Local Schedules to Clause 52.28 allow Council to specify local shopping complexes and strip shopping areas where gaming is prohibited.

Schedule to Clause 52.28-3

- Gaming machines are prohibited from one shopping centre in the municipality, the Richmond Plaza in Richmond.

Schedule to Clause 52.28-4

- Gaming machines are prohibited from all strip shopping centres throughout the City of Yarra, although no specific sites are listed.

The relevant section of the Yarra Planning Scheme (Clause 52.28) is provided at Attachment 3.

3.4 State Government Policy Position

Taking Action on Problem Gambling: A strategy for combating problem gambling in Victoria (2006) is the State Government's 5 year strategy on problem gambling. It was published concurrently with Amendment VC39.

The *Taking Action on Problem Gambling* strategy sets out a number of major initiatives and actions to be taken by Government including:

- Reviewing and extending regional caps to 19 regions (at 10 machines per thousand adults);
- Introducing a maximum EGM density of 10 machines per thousand adults by 2010;
- Researching the community benefit of "destination gambling";
- Amending the VPPs to require a planning permit for the establishment of gaming venues.

The fourth action area of this strategy is entitled *Protecting Vulnerable Communities* which sets out the Government's position on the locating of gaming machines in areas of low socio-economic areas. These areas are considered to be particularly at risk from the harm associated with problem gambling.

Government is committed to "effectively managing the distribution of gaming opportunities to better protect the communities most at risk from problem gambling" including the expanded regional caps.

The strategy relies on previous research and the recommendations of the *Regional Caps Review Panel* (2005) to commit to the further investigation of whether destination gaming can deliver community benefit to Victoria. The

destination gaming model focuses on essentially providing fewer venues, but larger venues. These venues should be located in areas that are not convenient to the community to reduce the incidence of enticement.

Destination gambling is described as:

“a style of gambling that encourages pre-determined decisions to gamble”
(Taking Action on Problem Gambling, 2006)

This strategy recognises that further evidence is required to justify this recommendation but is supportive of the initial evidence available on destination gaming.

Since the development of this initial strategy the Department of Justice has conducted an analysis of destination gaming and its benefits for Victoria. The State Government’s review of destination style gaming recommended that this model not be pursued in Victoria at this time. It found that in the short term destination gaming could increase problem gambling harm, although in the longer term it may reduce harm by providing a barrier to impulsive gambling behaviour. Furthermore it was noted that given that more factors than just convenient accessibility contribute to problem gambling, this limits the benefits of pursuing a destination gaming model. (Department of Justice, 2008)

Nevertheless it is still considered that the principles of destination gaming should be considered as a way to reduce the convenience of gaming opportunities.

3.5 Local Policies and Provisions

This section reviews relevant policies and strategies that inform that location of gaming venues. These include those which have been recently adopted by Council and awaiting Ministerial approval to be incorporated into the planning scheme.

A full review of these documents is provided at Attachment 5.

3.5.1 Yarra Planning Scheme

Municipal Strategic Statement (Clause 21) Revised Version adopted 15/04/08.

- Vision includes accommodating diverse populations; providing for a range of activities to meet community needs and encourage increased employment opportunities and exciting, attractive retail strip shopping centres.
- Clause 21.04 – Land Use – seeks to reduce amenity conflicts and require gaming venues to demonstrate no net negative impact through impact assessments.
- Clause 21.04-2 –Activity Centres includes the following gaming specific reference which requires a social and economic impact assessment:
 - *To require gaming venues to demonstrate no negative impact from electronic gaming machine gambling*
- Clause 21.06 – Transport – seeks to reduce car use and traffic impacts and provide safe and convenient environments.

Local Policies (Clause 22) Revised Version adopted 16/10/07.

- Clause 22.01 – Discretionary uses in the Residential 1 Zone – seeks to ensure residential amenity is not affected by non-residential uses.
- Clause 22.09 – Licensed Premises – seeks to protect amenity through the management of licensed premises.

3.5.2 Referenced Policies and Incorporated Documents

Relevant policies and documents referenced and incorporated into the planning scheme include a range of local strategy plans for areas in the municipality, and regional based inner Melbourne policies.

3.5.3 Other Local Policies

This section reviews relevant policies and strategies that sit outside the Planning Scheme including:

City of Yarra Municipal Public Health Plan (MPHP) details the key health issues and strategies for improvement for the area. This particular MPHP focuses on adopting a “social model of health” for the city and identifies the risk and access of certain population groups within the city to gaming and associated problem gambling risks.

A Research paper was prepared in June 2005 by Jennifer Borrell – Background Paper: Gambling in the City of Yarra. This report was to inform the creation of a Gaming Strategy for the municipality and provides information on Yarra and Gaming including an analysis of vulnerability. The report noted that there is a relationship with adverse social gaming impacts and migrant issues – a key concern for Yarra given its high migrant population.

3.6 Commentary

What is clear from a review of legislation, strategy and planning controls regarding gaming machines is that there is limited legislative clarity or guidelines for what constitutes an appropriate location for a gaming venue.

The legislative context seeks to protect vulnerable members of the community from the possibly harmful outcomes of gaming machines, whilst recognising the activity is a legitimate form of recreation throughout Victoria.

From the above legislative and policy review, the following broad conclusions can be drawn:

- The proposed location of gaming venues and machines must be in accordance with the planning objectives for Victoria, including securing a safe, pleasant working and recreational environment and balancing the present and future interests of all Victorians.
- Any development should consider the social, environmental and economic impacts to ensure it will produce:
 - Net community benefit
 - Sustainable development
- Gaming venues should not be located in:
 - Shopping complexes

- Strip shopping centres
 - Activity centres should be the focus for entertainment and leisure facilities.
 - Entertainment uses and other uses which attract people are encouraged to locate with other uses in accessible areas to reduce the number of motorised trips made.
 - Gaming venues should consider adjacent land uses.
 - Gaming venues should consider the social and economic impacts of the proposed use.
 - There is some support for the idea of destination gaming in terms of reducing convenient access to EGM.
 - There is support for locating gaming machines away from areas of socio-economic disadvantage.
 - The Yarra City Council is committed to providing places that meet a diverse range of community needs, household structures, and are accessible and safe for residents.
 - Local policy focuses on protecting the amenity of residents from the impacts of land uses in activity centres and residential areas and reducing negative impacts on the community and the environment.

4 Applications of Gaming Machines – Victoria and Yarra City

This section reviews how legislation and regulation have managed the implementation of gaming in Victoria and Yarra City Council.

4.1 Victoria

4.1.1 Electronic Gaming Machine Numbers

State Ministerial Directions issued on the 18 October 2006 set the following parameters on Victoria's gaming machine industry:

- The maximum number of gaming machines permitted in Victoria, other than the Melbourne Casino, is 27,500.
- The maximum permissible number of machines in any approved venue outside of the Melbourne Casino is 105 machines
- The proportion of the 27,500 gaming machines to be located outside the Melbourne Statistical Division is to be not less than 20%.
- The proportion of the 27,500 gaming machines which may be placed in premises in respect of which there is a general licence under the Liquor Control Reform Act 1998 is 50%.
- The proportion of the 27,500 gaming machines that may be placed in premises in respect of which a full or restricted club licence is in force under the Liquor Control Reform Act 1998 or a licence is in force under Part 1 of the Racing Act 1958 is also 50%.
- The proportion of the 27,500 gaming machines which each gaming operator (Tabcorp and Tattersall's) is permitted to operate is 50%.

In June 2007 the State of Victoria had a total of 29,779 EGMs. Of these, 2,500 are located at Crown Casino. A further 27,279 machines operate in 522 hotels and clubs throughout the State. The maximum amount of EGMs permitted in Victoria is 30,000 (2,500 of which are to be accommodated within the Melbourne Casino). Table 1 shows the changes within Victoria in relation to electronic gaming machines, population and gaming expenditure indicating a gradual decrease in EGM density within Victoria due to population increases and reductions in overall EGM numbers. The table also shows a general trend for annual EGM expenditure to increase; these general trends are also evident within the City of Yarra.

4.1.2 Regional Caps

Regional caps are a way of setting limits on the number of gaming machines that can be available for gaming in certain specified areas. The capped regions cover parts of the identified municipalities that are considered to be most at risk, based on a high level of disadvantage, significant density of EGMs and relatively high levels of EGM losses.

The first round of regional caps was introduced in 2001 in response to community concern about the high concentration of gaming machines in some local areas. Under the new regional caps policy, introduced in 2005, nineteen regions are capped at either 10 machines per 1000 adults or the existing density of the region, whichever is lower.

The regional caps currently cover 19 regions:

Ballarat, Banyule, Bass Coast, Brimbank, Casey, Darebin, Greater Dandenong, Greater Geelong (including Queenscliff), Greater Shepparton, Hobsons Bay, Hume, Latrobe, Maribyrnong, Melbourne, Monash, Moonee Valley, Moreland, Warrnambool and Whittlesea.

Table 1: Historical Data – Gaming Machines in Victoria (exclusive of Crown Casino)							
Date	Adult population	No. of Venues	No. of EGMs	Net EGM expenditure	Average no. EGMs per 1,000 adults	Average no. adults per venue	Average net EGM expenditure per adult
30/06/2000	3,531,882	536	27,408	\$2,170,581,995	7.76	6,589	\$615
30/06/2001	3,572,889	537	27,444	\$2,366,016,584	7.68	6,653	\$662
30/06/2002	3,679,669	534	27,400	\$2,562,820,950	7.45	6,891	\$696
30/06/2003	3,720,628	532	27,260	\$2,334,294,514	7.33	6,994	\$627
30/06/2004	3,816,854	530	27,132	\$2,290,929,976	7.11	7,202	\$600
30/06/2005	3,870,537	523	27,124	\$2,393,030,966	7.01	7,401	\$618
30/06/2006	3,924,728	521	27,147	\$2,472,451,853	6.92	7,533	\$630
30/06/2007	3,979,244	522	27,279	\$2,543,175,356	6.86	7,623	\$639
30/06/2008	4,034,536*	520	26,797	\$2,611,507,885	6.64	7,759	\$647

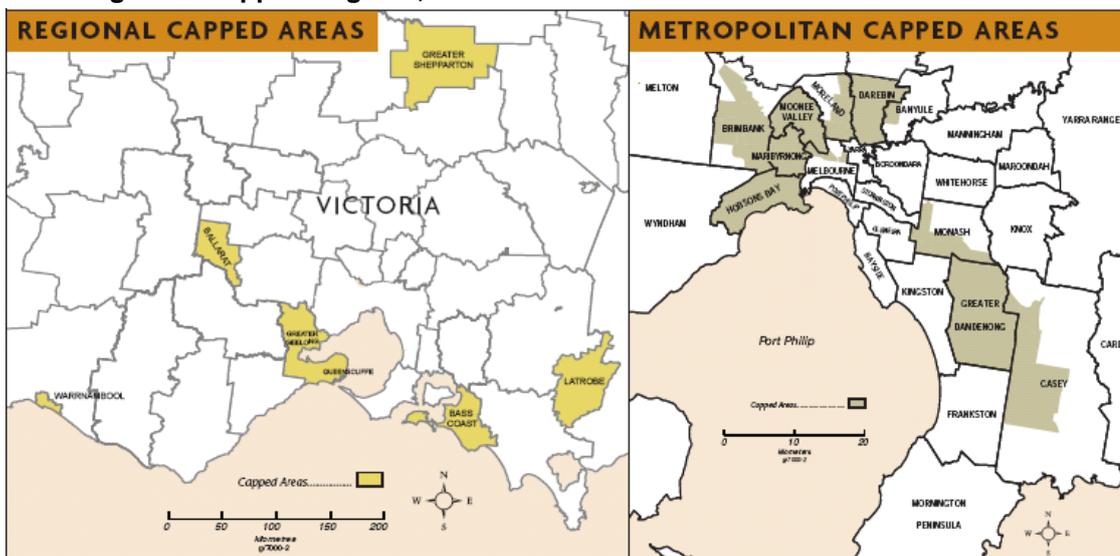
Notes:

- Adult population - The projected adult population figures used in this table are sourced from the Department of Sustainability and Environment.
- Number of Venues - Only licensed venues with EGMs are reported in this table. Licensed venues with zero EGMs have been excluded from the total number of venues for each year so that they are not included when formulating the above averages.

Source: VCGR Website, www.vcgr.vic.gov.au

Knowledge Creativity Performance
Engineering Surveying Planning Urban Design Landscape Architecture
Sustainability and Environment Agribusiness Project Management

Figure 1: Capped Regions, Victoria



Source: Taking Action on Problem Gambling, 2006

At the same time as introducing regional caps, the State Government stipulated that the density of electronic gaming machines in all local government areas must not exceed 10 machines per 1000 adults by the year 2010. It is estimated that this will result in the removal of approximately 540 machines; however this will be dependent on the existing number of machines and the population within each region.

This requirement has meant the removal of machines from some areas where this density is higher. Many uncapped areas with low densities of EGMs are experiencing significant increases in the number of applications for electronic gaming machines.

4.1.3 EGM Density

Established measures of the distribution and potential impact of EGMs include the density of EGMs compared to population and average expenditure figures. There are currently 6.64 gaming machines per thousand adults in Victoria.¹

4.1.4 Gaming Expenditure in Victoria

Average expenditure on EGMs across Victoria in the 2007-2008 financial year was \$647 per adult per year² (refer to Table 1 above). Using 2006 census data, real expenditure per adult in 2006 was calculated at \$654, higher than VCGR estimates for 2006 (\$630).

The Productivity Commission found that Australians are considered to be some of the heaviest gamblers in the world (Productivity Commission 1999). In 1998, 80 - 90% of Australians gambled during the year and 40% gambled regularly.

ABS data from 2005 on the gambling industry indicates that 56% of all gambling revenue comes from gaming machines, a total of \$8,700 million. The gambling industry employed 76,848 people in Australia in 2005 (ABS).

Victorian gambling expenditure has grown at a phenomenal rate during the past decade. In particular, the five-year period ending in 1997-98 (which followed the introduction of EGMs and included the opening of the Crown Casino) saw expenditure as a percentage of household disposable income more than double (see figure below). As seen in Figure 2, growth in gambling expenditure has occurred concurrently with growth in expenditure on EGMs.

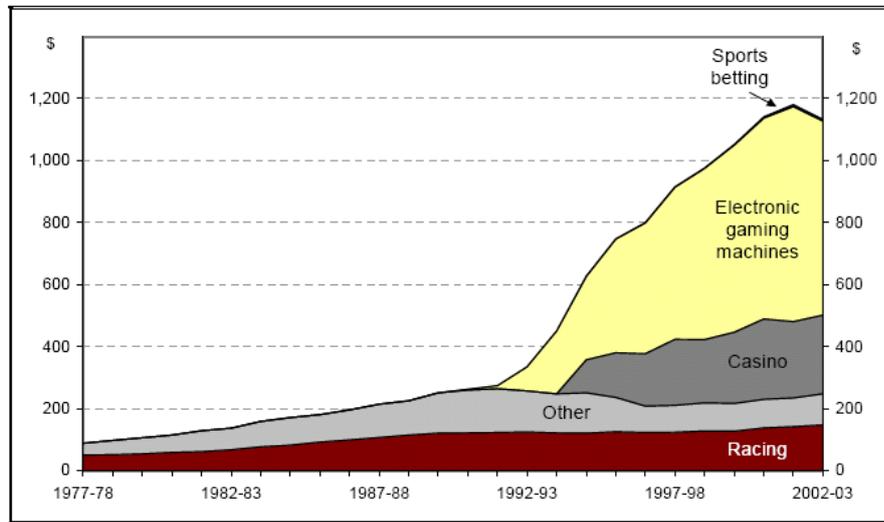
Gaming experienced a significant drop in popularity after the introduction of smoking bans in gaming facilities in September 2002. Expenditure on gaming machines fell by 8.9% between 2001/02 and 2002/03 (SA Economics 2005).

Growth in spending on gaming machines is increasing at a rate of approximately 1.9% per annum, a slower rate of increase compared to 16% per annum in 1998-1999.

¹ As calculated by the VCGR from DSE population projections for 2007

² As calculated by the VCGR from DSE population projections for 2007

Figure 2: Gaming Expenditure
Per capita gaming expenditure, Victoria: 1977-78 to 2002-03



Source: VCRP 2005

4.2 Yarra City Council

4.2.1 Electronic Gaming Machine Numbers

In 2007, the City of Yarra has a total of 338 gaming machines accommodated in 9 venues (refer Table 2 and Figure 3).

Name and Address	No. EGMs	Type	Operator
Albion Inn Hotel 314 Smith Street, Collingwood	20	Hotel	Tattersall's
Bakers Arms Hotel 355 Victoria Street, Abbotsford	32	Hotel	TABCORP
Parkview Hotel 131 Scotchmer Street, Fitzroy North	30	Hotel	Tattersall's
Richmond Tavern 14 Elizabeth Street, Richmond	30	Club	Tattersall's
Royal Oak Richmond 527 Bridge Road, Richmond	80	Club	TABCORP
Tankerville Arms Hotel 230 Nicholson Street, Fitzroy	49	Hotel	Tattersall's
The Prince of Wales Hotel - Richmond 109 Church Street, Richmond	40	Hotel	Tattersall's
Vaucluse Hotel 157 Swan Street, Richmond	31	Hotel	TABCORP
Vine Hotel Richmond 254 Bridge Road, Richmond	26	Hotel	Tattersall's
TOTAL 9 Venues	338		

Source: VCGR, 2008

Figure 3 EGM Venues in the City of Yarra



Legend

- 1 Albion Inn Hotel - 314 Smith St, Collingwood
- 2 Bakers Arms Hotel - 355 Victoria St, Abbotsford
- 3 Parkview Hotel - 131 Scotchmer St, Fitzroy North
- 4 Richmond Tavern - 14 Elizabeth St, Richmond
- 5 Royal Oak Richmond - 527 Bridge Rd, Richmond
- 6 Tankerville Arms Hotel - 230 Nicholson St, Fitzroy
- 7 The Prince of Wales Hotel - 109 Church St, Richmond
- 8 Vaucluse Hotel - 157 Swan St, Richmond
- 9 Vine Hotel - 254 Bridge Rd, Richmond

Knowledge Creativity Performance
Engineering Surveying Planning Urban Design Landscape Architecture
Sustainability and Environment Agribusiness Project Management

BOROONDARA
City of Harmony

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4.2.2 Regional Caps

The City of Yarra is not a capped region. However, the universal caps for EGM densities do apply which allow a maximum of 10 gaming machines per 1,000 adults.

4.2.3 EGM Density in the City of Yarra

In 2007, the City of Yarra had a density of 5.34 EGMs per 1000 adults³, lower than the metropolitan Melbourne density of 6.81 EGM per 1000 adults. Currently some of the neighbourhoods that have EGMs, including Collingwood, Fitzroy, and Fitzroy North, have densities that are below the average metropolitan and Victorian densities. The neighbourhoods of Abbotsford and Richmond have EGM densities significantly higher than the Victorian average

Adult Population Projections (18+)	EGMs	Venues	EGMs per 1000 adults
63,325	338	9	5.34

Source: VCGR database using DSE population projections for Yarra City Council

Please note the above figures were ascertained from the VCGR database and have been calculated from 2001 Census data using population projections.

Using 2006 Census data, the EGM density of Yarra neighbourhoods with existing EGMs has been calculated in Table 4.

Neighbourhood	No. EGMs	No. Venues	Adult Population(18+)	EGMs per 1000 Adults (18+)
Collingwood	20	1	4710	4.25
Abbotsford	32	1	3794	8.43
Fitzroy	49	1	7728	6.34
Fitzroy North	30	1	8899	3.37
Richmond North	150	3	9188	16.33
Richmond Central	57	2	9462	6.02
Yarra City Council	338	9	63,325	5.34
Metropolitan Melbourne	19,832	334	2,910,784	6.81
Victoria	27,147	521	3,780,057	7.18

Source: VCGR 2007, Yarra Community Profile – Id Consulting based on ABS, 2006

³ As calculated by the VCGR from DSE population projections for 2007

4.2.4 Gaming Expenditure in the City of Yarra

During 2006/07 City of Yarra's net EGM expenditure was \$31,709,830.04. This equates to losses of approximately \$501 per adult population (18+) based on VCGR's population projections for 2007. This result is lower than both the average expenditure for metropolitan Melbourne and the state wide expenditure, but demonstrates an increase per adult within the municipality since 2005/6 when it was \$493.20

Table 5 outlines the details of gaming machine expenditure in Yarra City Council during the 2006/2007 financial year.

	2007 Population Projection	2007 Population Projection (18+)	Venue No.	EGM No.	Total Net Expenditure	Net EGM expenditure per adult
Yarra City	71,920	63,325	9	338	\$31,709,830.04	\$501
Metropolitan Melbourne	3,721,537	2,910,784	334	19,832	\$2,003,105,506.87	\$688
Victoria	5,129,445	3,979,244	522	27,279	\$2,543,175,356.33	\$639

Source: VCGR, 2007

Data for gaming expenditure in the City of Yarra is not yet fully available for the 2007-08 financial year, but figures indicate a slight increase in overall expenditure on gaming machines to \$32,052,901.41 from just over \$31 million in the 2006/2007 financial year.

Expenditure figures and trends for 2005/2006 and 2006/2007 indicate that while the projected population has increased by approximately 700 people the net EGM expenditure per adult also increased by almost \$7. Overall these figures indicate that EGM expenditure per adult continues to rise within Yarra regardless of population increases.

4.2.5 Community Benefit of Gaming to the City of Yarra

Community Support Fund

The Community Support Fund (CSF) was established to ensure that a portion of Government revenue from gaming machines within hotels is used to fund projects that support communities. It aims to particularly address issues in areas of disadvantage, and has a major commitment to fund community building programs as well as providing support directly to community organisations who apply through the CSF grants program (DVC, 2006).

Gaming revenue contributed \$91 million to the Community Support Fund in 2005/2006. 85% of this funding is returned to community wellbeing projects across Victoria (Department of Premier and Cabinet).

Information on exactly how much gaming revenue from particular municipalities is returned to local communities through the CSF fund is not available, making it difficult to quantify the exact community contributions that are made by local hotels to the Council.

Community Benefit Statements

The purpose of Community Benefit Statements (CBS) is for EGM venues owners to demonstrate the extent to which the revenue from EGMs has been used for community purposes.

The VCGR currently groups the City of Yarra's Community Benefit Statements data with the City of Boroondara, due to the small number of clubs (3) in the municipalities with gaming machines. Last financial year (06/07) in Yarra City Council (including the City of Boroondara), 22.66% (\$1,761,699) of the net gaming revenue raised across the municipality was claimed for community benefit (refer Table 6). This figure is lower than other municipalities within this region, and lower than the Victorian Local Government average of 25.55%.

Table 6: Community Benefit Statement 2006-2007, City of Yarra	
Number of CBS lodged: - Clubs (3)	
2006-2007 Net Gaming Revenue (NGR) - \$7,773,520	
Community Benefit Statement Claims	Clubs \$
Category 1 Employment Expenses	1,111,603
Category 2 Gifts of Funds	5,809
Category 3 Sponsorships	-
Category 4 Gifts of goods to the community	-
Category 5 Voluntary services provided to the community	-
Category 6 Volunteer expenses	-
Category 7 Activities subsidised	15,255
Category 8 Fixed assets provided	309,729
Category 9 Direct and Indirect costs	319,303
TOTAL	1,761,699
% of NGR claimed for Community Purposes – City of Yarra	22.66
Comparison with other municipalities in this region	
% of NGR claimed for Community Purposes – City of Banyule	25.77
% of NGR claimed for Community Purposes – City of Darebin	36.80
% of NGR claimed for Community Purposes – City of Maribyrnong	18.85
% of NGR claimed for Community Purposes – City of Moreland	28.35

Source: VCGR, www.vcgr.vic.gov.au

Note: Hotels were not required to lodge a CBS in 2006-7.

Over recent years there have however been various concerns expressed by local government about how the benefits of gaming revenue are reported and distributed back to local communities, particularly in relation to business operating costs being included as community benefits.

Due to this widespread discontent with the CBS system, a review of the system was undertaken in 2007 by the Office of Gaming and Racing. The results of this

study recommended that hotels no longer submit a CBS in light of their contributions to the CSF. Recommended changes were that what constitutes a community purpose no longer includes employment, rent, service costs or subsidised meals.

On 17 March 2008, the Minister for Gaming released a revised order setting out what clubs can claim as community benefit in a CBS (see Attachment 2). The new Ministerial order came into effect on 1 July 2008. This reduces the amount of indirect community benefits claimable by clubs as part of the CBS.

Therefore this will alter the types of community benefits attributed to gaming from 2008, compared with those listed in Table 6.

5 Yarra City Council Local Context

To apply the legislative context and relevant research on principles of this strategy to the circumstances of Yarra City Council, it is necessary to briefly appreciate the local context and development trends in the area.

The local context has been derived from local policies and strategies and relevant social research. It is arranged under two sections:

- Socio-Economic Profile
- Development and Growth Trends

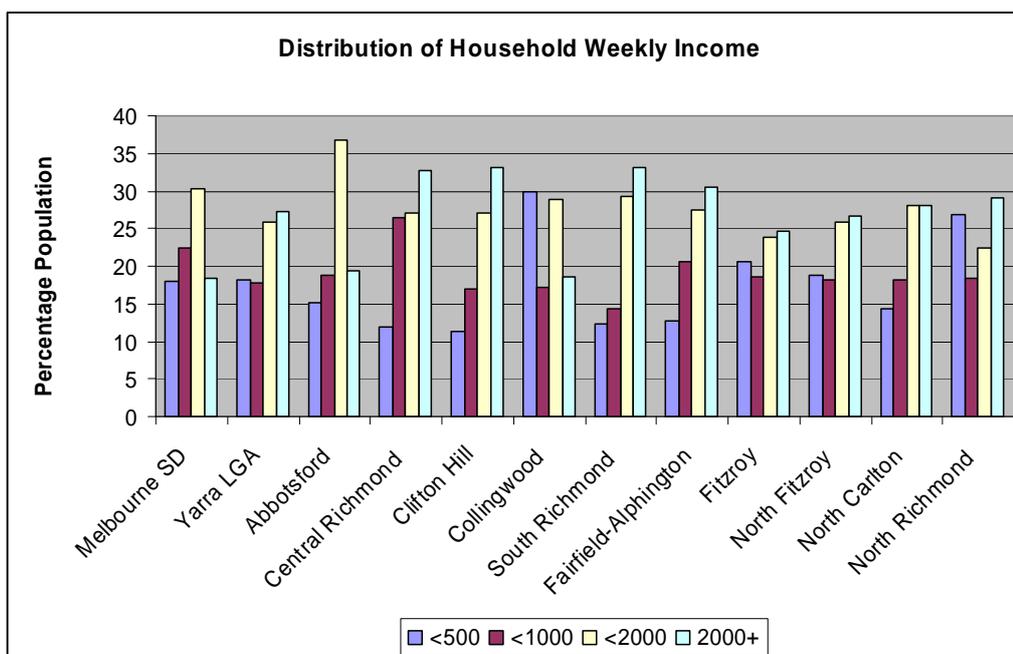
5.1 Yarra City Council Socio-Economic Profile⁴

5.1.1 Income

Overall, in 2006, incomes within Yarra City Council were relatively high with the median weekly household income of \$1196, above the state median of \$1022 and the Metropolitan Melbourne median of \$1079. This median gives Yarra the appearance of being quite a wealthy area, yet at neighbourhood level there is high variability in this figure.

Between 25-30% of Collingwood and North Richmond residents indicate a weekly household income of less than \$500, North Richmond concurrently has another 29% of households indicating incomes of \$2000 or more per week. The neighbourhood level income results indicate the presence of disadvantage and affluence cohabiting in similar areas.

Figure 4: Household Income



⁴ Information sourced Yarra City Council – Community Profiles – Id Consulting – based on 2006 ABS Census data
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5.1.2 Industry and Employment

The predominant employers within the City of Yarra are Professional, Science and Technical Services, the health care and social assistance sector and the education and training sector. These employers are different to those predominant in the Metropolitan area which includes manufacturing, retail and health as its key employment industries.

Table 7: Major Industries within Yarra

Industry	% Yarra City Council	% Melbourne Statistical Division
Professional, Science & Technical Services	15.9%	8.3%
Health Care & Social Assistance	11.5%	10%
Education & Training	9.7%	7.6%
Retail Trade	8.1%	11.4%
Accommodation & Food Services	7.4%	5.6%

Source: Yarra Community Profile – Id Consulting based on ABS, 2006

The three predominant job descriptions for the residents of Yarra City Council are as professionals, managers and clerical and administrative assistants, these jobs are the most prevalent within the municipality and are similar to those within metropolitan Melbourne. Research (such as New Focus, 2005) has suggested that those in blue and lower white collar occupations are more heavily represented in samples of problem gamblers, than professional occupations.

5.1.3 Unemployment

Unemployment levels within Yarra City Council are on average 5.1% slightly lower than that of the metropolitan average of 5.3%, yet at a neighbourhood level there is a high degree of variability with unemployment levels ranging from a low 2.5% in Fairfield-Alphington to a very high 8.7% in Collingwood.

Of those in the workforce who are employed approximately two thirds are employed on a full time basis, which is slightly more than the Melbourne Statistical Division average of 61%.

On average the labour force participation rate for the City of Yarra is 65.8%, which is slightly more than the Metropolitan Melbourne and Victorian averages (61.1% and 63.6%). This figure varies on a neighbourhood basis from nearly 75% in South Richmond (Burnley, Cremorne) to a low 56.8% in North Richmond. This diverse range of labour force participation rates is perhaps an indication of disadvantage in some areas.

5.1.4 Education

Education levels within Yarra are significantly higher than the metropolitan averages. Approximately 38.7% of Yarra residents have a bachelor degree or higher compared with 19.6% for the Melbourne Statistical Division, which may be attributable to the proximity of a number of universities and high prevalence of education based employment.

Yarra also has higher than average completion of year 12 figures with almost two thirds of the population indicating such a response. Conversely though Census

data for school completion also indicates a slightly higher percentage of Yarra residents did not go to school than the Melbourne average (1.7% and 1.3% respectively).

5.1.5 Age Structure

Yarra City Council has a diverse age profile with a high proportion of residents between the ages of 18 and 64 (77.3% compared with 64.4% for Melbourne). On the other hand Yarra has slightly lower percentages of infants (5%) and significantly lower percentages of children (8%) than Melbourne (6% and 16.5% respectively), yet there are a number of locational variations to these figures.

Overall, Yarra City Council has similar proportions of mature adults and senior citizens (those aged over 65) to Melbourne (9.7% and 12.8% respectively) yet there are a number of key locational differences. For instance, in Fairfield-Alphington the proportion of residents aged over 85 (3.2%) is double that of Melbourne's 1.6%, while South Richmond has almost half the proportion of mature adults (aged 65-84) at just 6.5% compared to Melbourne's 11.2%. Yarra's median age is also three years younger than Melbourne at only 33 years of age.

5.1.6 Household Tenure

In comparison to metropolitan Melbourne Yarra has low home ownership and correspondingly high proportions of the population renting – both privately and from the Government. This government rental figure is approximately four times higher in Yarra (10.5% LGA and 2.7% MSD).

This high variability in household tenure is also evident within Yarra's neighbourhoods with government rental proportions ranging from 2% in Abbotsford to 25.8% in Collingwood. This is predominantly due to the location of the high rise public housing estates in Collingwood, North Carlton, North Richmond and Fitzroy.

5.1.7 Language

Only 41.3% of Yarra's population just speak English while almost a quarter of the population speak another language at home and 22% (13.9% in Melbourne) do not speak English well or at all. These figures are related to the fact that almost one fifth of those born overseas came from non-English speaking backgrounds and indicate potential isolation and exclusion issues due to a lack of English proficiency in a significant proportion of the population.

5.1.8 Culturally And Linguistically Diverse (CALD) Characteristics

Similar to the Metropolitan Melbourne area almost 28% of Yarra City Council's residents were born overseas, creating a diverse community, which is particularly prevalent in the neighbourhoods of North Richmond (38%), Collingwood (34%) and Fitzroy (33%) and not as prevalent in the areas further from the City such as Clifton Hill (20.6%).

Over half of those residents born overseas arrived before 1991 and have therefore had time to adapt to Australia while another 23% arrived prior to 2001, a significantly higher proportion than that of Melbourne (17.5%).

In Yarra as a whole the top five countries of origin for residents born overseas are: the United Kingdom; Vietnam; New Zealand; Greece and China. Most

neighbourhoods in Yarra have similar countries of origin with the addition of Italian, Indian (Central Richmond), Sudanese (Fitzroy), Malaysian (North Carlton) and East Timorese (North Richmond) populations.

Indigenous populations within Yarra are approximately 0.4% (about 282 people) and range from no indigenous residents in Fairfield-Alphington to 0.9% in Collingwood.

5.1.9 Household Characteristics

Yarra has a lower percentage of family households (48.1%) than Metropolitan Melbourne with correspondingly higher percentages of lone persons (29.7%) and group (13.8%) households. Collingwood has the highest incidence of lone person households at 35% and Fairfield-Alphington the highest incidence of families at 56.3%.

One parent families are quite common equating to 15.7% of family types in Yarra, there is also significantly higher numbers of couples without children in Yarra, 48.5% compared with the Victorian average of 35.9%. Fitzroy and Collingwood have the most significant variations from the Victorian figures, with almost half of families, couples without kids and less than a quarter of families, couples with children. This reflects both the aging population and the attractiveness of Yarra to young couples.

5.1.10 Transportation

Method of transportation within Yarra is heavily dependent on the proximity of the city and public transport services in each neighbourhood and has resulted in hugely different results for car use:

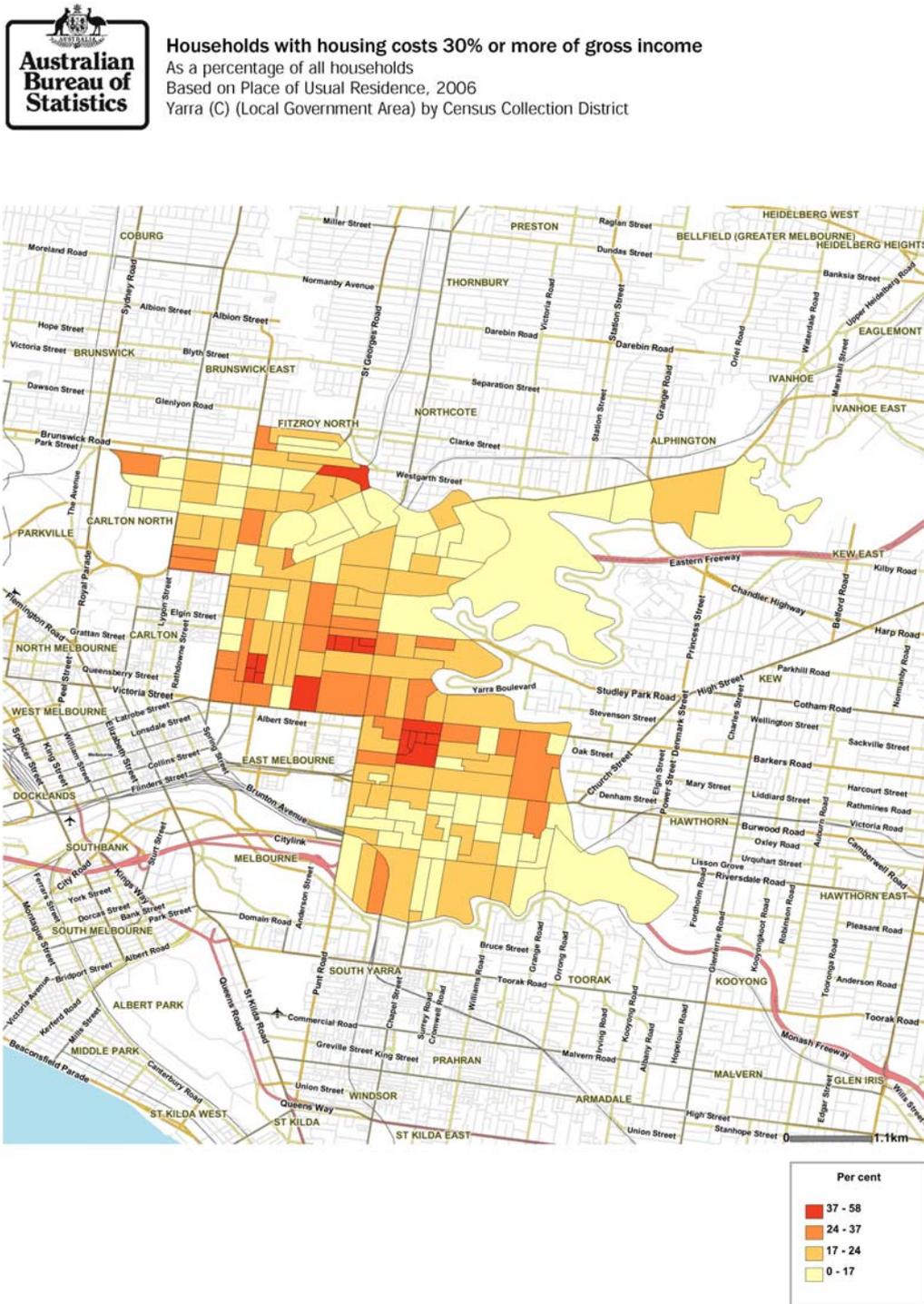
- The majority (52.8%) of the more suburban area of Fairfield-Alphington travel to work by car while only 27.9% of residents in Fitzroy travel by car to work.
- Overall walking (12.4%) and tram use (12.7%) in Yarra are significantly higher than that of Metropolitan Melbourne (3.1% tram use and 2% walking) while car use is significantly lower (36.9% in Yarra and 61.1% in Melbourne).

Transportation within Yarra is on the whole readily available with a number of train, tram and bus routes criss-crossing the municipality. The availability and accessibility of public transport services enables a more mobile community even though Yarra has a relatively high proportion of residents without cars. Car ownership levels in Yarra vary due to the relative accessibility of its neighbourhoods with a fifth of Yarra residents not owning a car (20.1%) compared to only 9.4% in the metropolitan Melbourne area. The proportion of residents without a car ranges from a significant 29.4% in Collingwood to the low 6.8% in the more suburban area of Fairfield-Alphington. Further, these results are influenced by the fact that Yarra is home to ten train stations, 12 tram lines and 27 bus routes which feed people in, out and through the municipality, and reducing the need for households to own cars.

5.1.11 Housing Costs

The median monthly housing loan repayment within Yarra City Council of \$1,733 is significantly higher than the metropolitan average of \$1,300, which is most likely an indication of Yarra's close proximity to the CBD. Housing Stress is determined as the proportion of households paying over thirty percent of their income on housing costs. According to ABS census data, levels of housing stress in Yarra is quite varied, with pockets of high housing stress in North Richmond, Collingwood, Fitzroy and Clifton Hill. Refer to Figure 5 for details.

Figure 5: Proportion of Households Suffering Housing Stress⁵ within Yarra City Council



Knowledge Creativity Performance
Engineering Surveying Planning Urban Design Landscape Architecture
Sustainability and Environment Agribusiness Project Management

⁵ Housing Stress is households with housing costs more than 30% or more of gross income

5.1.12 Disadvantage

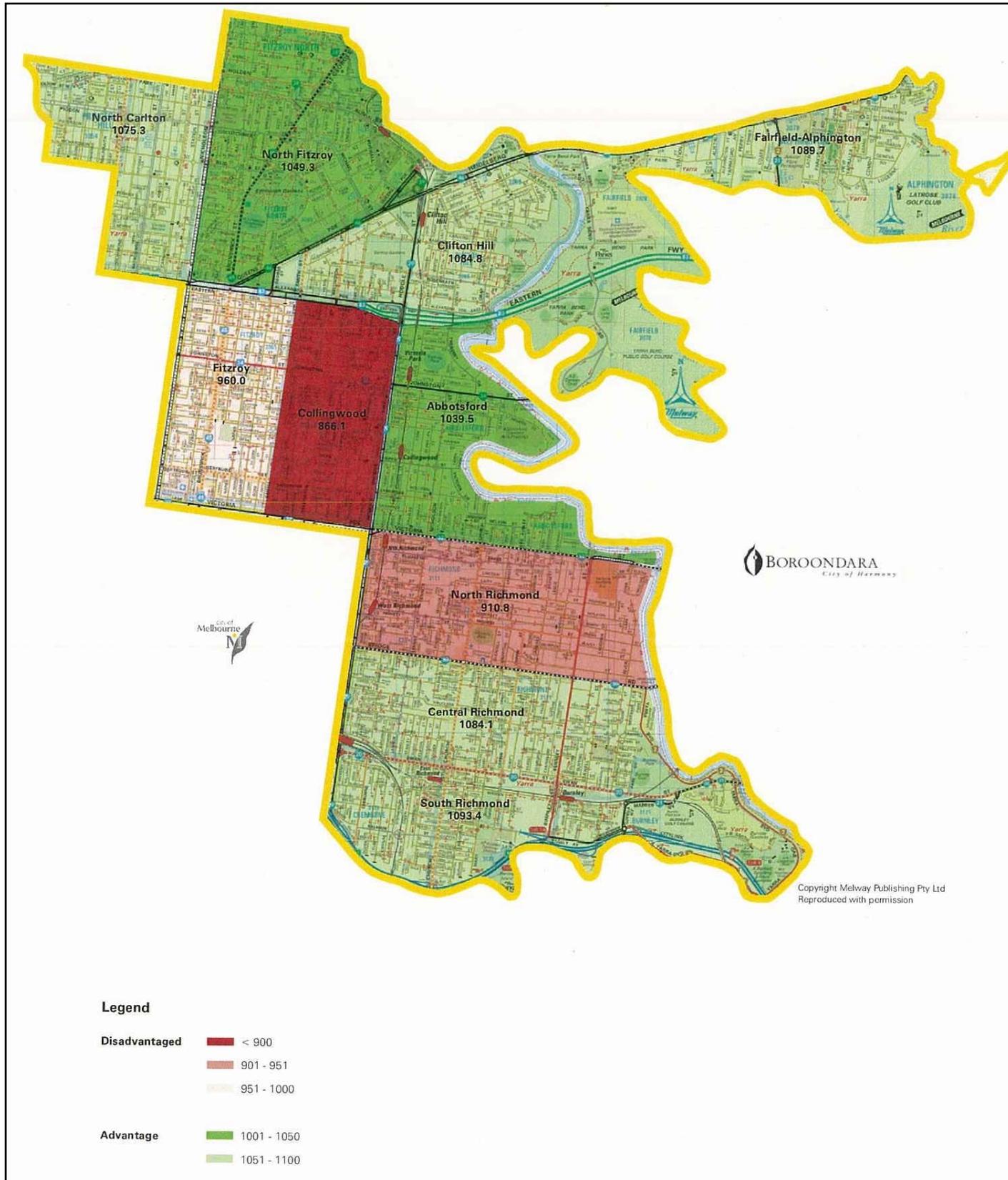
The SEIFA *Index of Relative Socio-Economic Disadvantage* (SEIFA, 2006) is derived from a number of factors that may influence disadvantage like household income, education, profession, household and dwelling size. These ABS census factors are then used to determine where a particular place is ranked compared with Australia and the relevant State. Table 8 details the individual SEIFA scores for the City of Yarra and its neighbourhoods.

Table 8 SEIFA Index of Disadvantage - City of Yarra

Region	SEIFA Index
Abbotsford	1039.5
Central Richmond	1084.1
Clifton Hill	1084.8
Collingwood	886.1
South Richmond	1093.4
Fairfield-Alphington	1089.7
Fitzroy	960.0
North Fitzroy	1049.3
North Carlton	1075.3
North Richmond	910.8
Yarra City Council – LGA	1019.5
Australia	1000.0

As indicated by Table 8 there is a significant variability within the City of Yarra, which as a whole is considered relatively advantaged with a score above 1000. The neighbourhoods of Collingwood, North Richmond, and Fitzroy are considered to be quite disadvantaged areas with low SEIFA scores of 886.1, 910.8 and 960.0 respectively. These figures suggest that there are severe pockets of disadvantage in certain pockets of the municipality, likely due to the high incidence of people on welfare and recent immigrants in the high rise tenements in certain areas. Figure 5 below represents the various SEIFA scores for Yarra’s neighbourhoods.

Figure 6: Yarra City Council SEIFA rating of Relative Disadvantage



5.1.13 Specific Vulnerability Research within the City of Yarra

A study conducted by Jennifer Borrell in 2005 – *Background Paper: Gambling in the City of Yarra* identified a number of “groups” within Yarra who have a specific vulnerability to gaming and problem gambling. Groups identified include:

- International student populations
- Older people who gamble for companionship, community and interaction
- Sole parents
- Persons in supported accommodation
- Public housing tenants
- People in financial stress

5.2 Development and Growth Trends

5.2.1 Significant growth within Yarra City Council

Yarra Council has experienced relatively consistent growth, with trends indicating that this will remain the case in the near future. Due to the existing land use patterns across the municipality it is anticipated that the more mixed use areas will experience higher population growth⁶. Population forecasts for the individual neighbourhoods can be seen in Table 9 below.

Table 9: Population Forecasts for Yarra City Council

Locality	2006	2021	Average annual % change
Abbotsford	4,331	6,056	2.04
Clifton Hill	5,385	6,037	0.46
Collingwood	5,496	8,044	2.64
Fairfield-Alphington	2,275	2,613	0.77
Fitzroy	8,822	10,092	0.88
North Fitzroy	10,264	12,798	0.98
North Carlton	8,190	8,557	-0.08
Central Richmond	10,761	11,873	0.33
South Richmond	3,594	4,935	2.07
North Richmond	10,243	12,907	1.07
City of Yarra	69,330	82,225	0.99

Source: Id Forecasting, 2008

⁶ Id Consulting – Forecasts – based on ABS Census data 2001 & 2006
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The City of Yarra is anticipated to have some minor and some significant age demographic changes by the year 2021, these changes are detailed below:

Table 10: Demographic Change

	2002-06	2007-11	2012-16	2017-21
Net Change	3428	4036	3845	3656
Births	4838	5048	5138	5308
Deaths	2028	2193	2351	2467
Net Migration	619	1183	1008	814

Population projections also indicate some change within Yarra's Service Age Groups, which may impact on the community services required as well as the municipality's susceptibility to problem gambling. These changes include a general aging of the population with increases by 2021 in those aged over 60 and a slight decrease in youth and young adult populations.

Household structures and the number of dwellings within Yarra are also expected to undergo some form of change in the next decade or so with the average household size decreasing for all neighbourhoods except Richmond which will increase slightly and Fitzroy which should remain stable.

5.2.2 Preferred Growth Areas

Yarra's existing MSS indicates that the focus for major new residential development opportunities should be within *mixed use areas, combined commercial/residential strips, major redevelopment sites and renewal areas* (Clause 21.04). This idea has been continued in the development of the revised MSS, currently the subject of a planning scheme amendment.

The new revised MSS notes that as part of the *Inner Region Housing Statement 2005*, Yarra is to accommodate an extra 12,800 dwellings by 2030, 85 per cent of which will be located on strategic redevelopment sites. These sites are close to activity centres and public transport and are detailed in Clause 21.04 – Figure 1: Residential Development Opportunities Map. Major locations include the Victoria Gardens region, the Wellington Street Public Housing area and former industrial sites along Alexandra Parade.

6 Key Social and Economic Issues Associated with Gaming (EGMs)

This section draws on current research on gaming and planning provisions to explore emerging concepts and discuss the dichotomy that exists between them in relation to gaming. It then considers how this may be resolved in the interest of net community benefit.

The tension that exists within gaming is that whilst it is a legitimate, and for many enjoyable, form of entertainment, any policy must address the community concerns regarding problem gambling that is evident in the research.

It is important that there is a balance between access for those who wish to gamble for recreation and the small but significant group for whom gaming causes harm to themselves, their family and friends and the broader community.

Research has identified that disadvantaged communities are more vulnerable to the negative impacts of gaming (Livingstone 2006; Doughney 1999).

Location of gaming venues has been identified to correlate to the level of problem gambling. People who gamble at accessible venues (through co-location with other everyday activities where people congregate) are more likely to have higher expenditure, gamble more regularly and play for longer periods of time.

One of the challenges of developing a location based gaming policy is to establish in sufficient detail robust empirical evidence to support a particular policy provision. There is no simple causal relationship between problem gambling and gambling exposure. Problem gambling seems to be linked to a number of complex interactions between distance, exposure, accessibility and social context. (Dept of Justice 2008)

6.1 Research on Gaming and Location

Leading research that is relied on in this report includes:

- 2006 Australian Institute for Primary Care, La Trobe University (Livingstone, C.) *The Changing Electronic Gaming Machine (EGM) Industry and Technology* ("Livingstone 2006")
- 2005 New Focus Research, *Experiences of Problem Gamblers, Their Loved Ones and Service Providers* ("New Focus 2005")
- 2005 *Regional Electronic Gaming Machine Caps Review Panel* ("Caps Review 2005")
- 2005 The SA Centre for Economic Studies, *Community Impact of Electronic Gaming Machine Gambling*
- 2004 Australian National University Centre for Gambling Research, *Gaming Machine Accessibility and Use in Suburban Canberra: A Detailed Analysis of the Tuggeranong Valley* ("ANU 2004")
- 1999 Productivity Commission *Australia's Gambling Industries*, ("PC 1999")

- 1999 Australian Medical Association *Submission to the Productivity Commission Inquiry into Australia's Gambling Industry*
- 1999 KPMG Consulting, *Longitudinal Community Impact Study* ("KPMG 1999")
- 1999 Market Solutions. *Hotel and Club Industry Gaming Impact Study: Final Report* ("Market Solutions 1999")
- 1999 Doughney, J & Kelleher, T. *The Impact of Poker Machine Gambling on Low Income Municipalities – A Critical Survey of Key Issues*
- 1997 Victorian Commission for Gambling Regulation (VCGR) *Impact of Electronic Gaming Machines on Small Rural Communities*
- 2000 Australian Institute for Gambling Research. *The Impact of the Expansion of Gaming on the Tourism, Entertainment and Leisure Industries* ("AIGR, 2000")
- 2008 Department of Justice, *Destination Gaming: Evaluating the benefits for Victoria* ("Dept. of Justice, 2008")
- 2007 Young M, Tyler B, & Lee W. *Destination-style Gaming* ("Young 2007")

Refer to Section 10 - References for full reference titles and a comprehensive list of research.

The research supports a broad conclusion that discourages 'convenience gambling' and indicates that the emerging approach of 'destination gambling' is likely to reduce the socio-economic impact of gaming and to protect vulnerable communities.

The following key messages emerge from the above documentation:

- Problem gambling affects a small proportion of gamblers (PC 1999)
- People gamble for a variety of reasons, including reduction of boredom, isolation and loneliness; to win money; for excitement and entertainment and for social contact (PC 1999; New Focus 2005).
- For the majority of EGM gamblers, gaming is a form of enjoyable recreation and social contact (PC 1999; KPMG 1999).
- People are attracted to EGMs as a form of entertainment that provides contact in a non-confrontational and independent environment. Women gamblers in particular have reported that they feel safe accessing these venues alone, unlike other forms of similar entertainment (New Focus 2005).
- EGM usage, reasons for gambling and level of problem gambling vary between men and women (AMA 1999).
- Gaming machine venues can provide increased recreational and entertainment opportunities (the machines and also the other club and hotel facilities that are included in the facility); and increased opportunities for social contact.

- Gaming should be available to the majority of the population who see it as a form of enjoyable recreation, but vulnerable members of the community should be protected from the harm it can cause.
- Areas of socio-economic disadvantage are more vulnerable to problem gambling and the negative impacts of gaming (Livingstone 2006; AMA 1999; New Focus 2005)
- Whilst there is no typical profile of a problem gambler, there are a number of features that can make a person more vulnerable to problem gambling. Evidence shows that the majority of known problem gamblers earn a lower than average income and are single (New Focus 2005; AMA 1999; PC 1999)
- The main trigger for most people becoming problem gamblers is financial loss which then has a range of social and personal repercussions for the gambler and the wider community (PC 1999). This may include the loss of a job, inability to pay loans or the loss of house.
- Problem gambling does not only affect the individual, but can have social implications for surrounding family and friends; which can resonate throughout the wider community (PC 1999; New Focus 2005).
- Problem gambling is considered an addiction and can have serious health implications (PC 1999)
- Hotel gaming machines earn approximately twice the amount of club machines in Victoria (revenue per machine) (Livingstone 2006; Market Solutions 1999)
- Club venues with gaming facilities are more reliant on gaming revenue than hotel venues with gaming facilities (Market Solutions 1999; ABS 2005)
- Economic impacts of gaming affect the individual and can be the catalyst for health and social implications (PC 1999)
- Gaming represents a net loss of revenue to local economies (KPMG 1999)
- There is a community benefit scheme in place to return some of the economic losses of gaming to the community but the system is not managed to have the best outcome for the community.
- There is no appreciable relationship between the introduction of EGMs to hotels and clubs and patterns of interstate and international tourism, although it has changed patterns of intrastate tourism. However factors other than gaming are likely to more strongly influence the tourism sector (AIGR, 2000)
- A significant proportion of gamblers tend to travel relatively short distances (2.5 - 5 kilometres) for EGM use.
- The level of reduction in problem gambling through destination gambling would be limited to those persons particularly sensitive to changes in accessibility As other social and environmental factors on the individual

level also contribute to problem gambling destination gaming may therefore have limited potential to reduce problem gambling (Dept of Justice 2008)

- Less accessible gaming opportunities may present a barrier to impulsive gambling behaviour among at-risk gamblers (Dept of Justice 2008)
- There are various requirements for successful destination-style gambling which among other things depend on:
 - A reduction in the supply of convenience venues to reduce accessibility in vulnerable areas,
 - Locating destination venues in less vulnerable areas
 - Limiting accessibility to vulnerable groups through location and transport.
 - Venue-based strategies for and state intervention in monitoring and preventing problem gambling. (Young, 2007)

Implications for the location of gaming machines arising from the above are:

- Gaming machines can be a benefit to the community where they introduce a range of improved opportunities to entertainment and recreation. However, this must be balanced with the locational and demographic context of the area
- Convenient access to gaming machines can make the local community more vulnerable to problem gambling and negative impacts of gaming machines (PC 1999; ANU 2004; KPMG 1999)
- Gaming venues can 'entice' people to gamble in areas where people congregate for everyday activities(referred to as 'convenience gaming'); and may cause harm to the community (ANU 2004; PC 1999)
- Research supports locating gaming machines in less convenient areas (PC 1999; Caps Review 2005)
- Research supports the concept of destination gaming as a way to ensure that people make a pre-determined decision to gamble (PC 1999; Caps Review 2005; Young 2007)
- Gaming revenue needs to be better regulated and targeted to produce a better financial outcome for the community from which the revenue is raised
- Gaming in itself is unlikely to be a tourist drawcard.
- A range of accessibility, social and environmental factors also need to be taken into consideration in decisions to minimise the harm of gambling (Dept of Justice 2008)
- A successful approach to destination gaming will involve reconfiguring the supply of gaming machines to reduce accessibility in vulnerable areas by increasing distance, time and budgetary constraints (Young, 2007).
- Gamblers often seek locally accessible gaming opportunities.

The above research is examined in greater detail at Attachment 4

6.2 Planning Considerations

There is a dichotomy between the locational influences on gaming and the factors underpinning sustainable development.

6.2.1 Sustainability

Sustainability and sustainable development are the overarching principles of planning in Victoria; that is, an integrated approach to ensuring the social, economic and environmental requirements of the present and future generations is considered. 'Sustainable development' is described as:

"Development which meets the needs of the present without compromising the ability of future generations to meet their own needs" (Melbourne 2030)

A key platform of sustainable development is the establishment of multi-purpose, highly accessible activity centres to reduce the number of individual motorised trips made, increased health and wellbeing through walkability and integrated public transport and enhancing interest and vitality in activity centres.

6.2.2 Activity Centres

Under Clause 17.01 of the Yarra Planning Scheme, the State planning policy objective for activity centres is:

To encourage the concentration of major retail, commercial, administrative, entertainment and cultural developments into activity centres (including strip shopping centres) which provide a variety of land uses and are highly accessible to the community.

In regard to activity centres, the Yarra MSS identifies five strip based centres as major activity centres, being Swan St, Bridge Rd, Victoria St (including Victoria Gardens), Smith St and Brunswick St. These major activity centres are to be the location for vibrant and diverse growth and are integrated with surrounding residential areas which abut the strip centres. Yarra's activity centres also form a regional destination and major source of employment.

6.2.3 Entertainment and Recreation Land Uses

Gaming is part of a suite of activities that can be characterised as recreation and entertainment. Recreation and entertainment can encompass a vast range of activities from golf and team sports to more sedentary and individual activities such as the cinema.

Not all recreation and entertainment can be accommodated in or adjacent to activity centres. Firstly, there are those recreation and entertainment uses which are land (or water) extensive or for which some other reason means they are unable to locate within an activity centre and as such are promoted as out of centre uses. For example, golf courses and football ovals.

The second and more common category is made up of those entertainment and recreation uses which involve congregations of people and are often located indoors. Gaming venues are in this category. Entertainment and recreation facilities under this stream are encouraged, through planning policy, to locate within activity centres to promote more sustainable communities.

The maintenance and improvement of broad leisure and recreation facilities is encouraged under the Yarra Planning Scheme, with Clause 21.04-2 – Activity Centres seeking to *increase the range of retail, personal and business services, community facilities, and recreational activities, within individual centres.*

6.2.4 Retail

Central to activity centres policy is the notion of retail. However, the planning provisions at Clause 52.28 of the Victoria Planning Provisions specifically discourage gaming facilities to locate within shopping areas. It is a distinct conflict within the planning scheme that gaming, which is nested under the retail suite of land uses under Clause 75, is discouraged from co-locating with other ‘like’ land uses.

SC Project Management v City of Nunawading & P Stoles & Ors 1992 was one of the first cases heard by the Administrative Appeals Tribunal⁷ early after the introduction of gaming machines to Victoria. The case involved the proposed location of a gaming venue (a tavern, bar, lounge and 90 gaming machines) within the Forest Hill Chase Shopping Centre. The critical issues considered included the adverse impact on shopping centre users and the compatibility of land uses.

In the absence of any provisions regarding accessibility and location of gaming venues, the Tribunal ruled that a permit should be granted and that the location of gaming venues in prominent locations such as shopping centres and [what we would now refer to as] activity centres was to be encouraged. The Tribunal held that,

“If gaming machines are to be considered legitimate and complementary entertainment facilities in our society, then it would appear preferable to locate them alongside a range of entertainment facilities in the major and dominant commercial centres in the City of Nunawading, rather than to relegate them to out-of-the-way centres”

6.2.5 Inner Area Context

Municipalities in the inner areas of Melbourne experience significantly different contexts to outer and regional municipalities in terms of access to services, recreation and transport as well as population densities. The unique context of inner areas such as the City of Yarra has relevance for the assessment and location of EGM venues.

Inner areas, such as Yarra are characterised by:

- High accessibility with accessible public transport (including tram routes)
- Close proximity to the CBD and other municipalities

⁷ Now under the jurisdiction of VCAT

- Relatively low car ownership
- Concentrated pockets of disadvantage, particularly with the existence of public housing estates/towers within relatively affluent or mixed use areas
- Wide range of existing services and recreation/entertainment venues – Yarra alone has approximately 600 licensed premises (of these potential gaming venues include 113 general licenses and 12 club licenses) – whereas outer areas may only have a few entertainment venues with generally more club than general licences.
- Activity centres which are predominantly strip based with a wide variety of retail facilities and integrated with their surrounds, unlike outer areas where activity centres tend to be car based and relatively isolated complexes
- Diverse populations and demographics as well as a variety of dwelling and neighbourhood types
- No major growth areas or large green field development sites which can be a target for new gaming venues; rather inner areas have limited strategic redevelopment sites
- A municipality covering a relatively small but high density land area

The context of these inner areas creates a number of constraints and opportunities in relation to the location of EGM venues. Activity centres tend to be linear and therefore there are few locations within the activity centre where a gaming venue can exist without being convenient to shops. On the other hand accessibility is high to a variety of social and entertainment venues which ensures residents & visitors will usually not have to solely rely on a gaming venue as their only social or recreation activity. Finally Yarra's urban form and greater reliance on non-car transport modes means that it is likely that people, particularly residents, will seek local recreation options rather than travel greater distances to other destinations (apart from perhaps the CBD and casino).

6.3 Resolution of these issues in the interest of Net Community Benefit

Whilst the principles of destination gambling would rule out gaming venues being located within retail centres, strategic policy actively encourages entertainment uses to locate within such centres. Therefore, a distinct and balanced approach needs to be taken in order to address this conflict.

Gaming is not regulated in the same manner as other industries in relation to the importance of consumer protection, minimising potential “unethical activity” and reducing the risks and social and economic costs of problem gambling (PC 1999). Therefore it is no surprise that a locational approach to gaming venues will be complex and require careful consideration of the local context.

A combination of current research, legislative context and planning considerations has led to the conclusion that a gaming venue should be **accessible** (to address sustainable development) but **not convenient** so that it is more likely that a gambler has made a predetermined decision to gamble. In Yarra there is inherently a high level of accessibility to most uses though given its dense urban form and good public transport. As such the focus of any planning policy in this

context needs to be on reducing convenience to gaming at a local level and redistributing gaming machine away from the most vulnerable communities.

The steps taken to reach this conclusion can be summarised as follows:

- Legislation seeks to ensure that all development is sustainable.
- The Yarra Planning Scheme encourages a range of leisure and arts facilities, particularly in activity centres.
- However, the scheme also prohibits the locating of gaming venues in strip shopping centres and shopping complexes, both of which are common features in activity centres. Given the retail focus and linear form of Yarra's major activity centres, in most cases these centres are therefore unlikely to be suitable locations for gaming in themselves.
- Research indicates that gaming should not be convenient and encourages reducing accessibility to gaming to minimise the social and economic impact on vulnerable communities.
- Yarra's local context of relatively low car ownership and fine grained urban form with localised pockets of disadvantage suggests that there is a need to have regard to quite local factors in determining the suitability of locations for gaming machines.

Therefore, gaming venues should have the attributes of destination gaming, but embody principles of sustainable development. To achieve this, venues should:

- Not be located where gaming will be highly convenient due to integration with other heavily used community, commercial or transport facilities.
- Not be located in areas with relatively low levels of socio-economic disadvantage and separated from the most vulnerable communities; and
- Offer a range of non-gambling activities within the proposed venue and be located in areas where the community has a choice of recreational and entertainment options.

These matters are discussed further in the location principles set out in Section 7.

7 Locational Principles for Gaming

This section sets out key location principles for gaming machines and the rationale for those principles. Proposed principles have been grouped into a number of sub-headings indicating the main location criteria for EGM venues and machine increases.

Net Community Benefit

1. Proposals should demonstrate that the provision of gaming machines in a particular location will achieve a net community benefit

Redistribution of Venues and Machines

2. Gaming machines should be redistributed away from:
 - Suburbs with relatively high concentrations of existing gaming machines; and
 - Relatively disadvantaged suburbs
3. New gaming machines should not add to an existing proliferation of machines in a particular area

Minimise Convenience

4. Gaming machines should be located where they minimise access to areas of high pedestrian activity, in particular railway stations and shops

Disadvantaged and Vulnerable Communities

5. Gaming machines should not locate in areas of relative socio-economic disadvantage.
6. Gaming machines should not locate in close proximity or walking distance of social housing
7. Gaming machines should not locate near major community services providing for disadvantaged and vulnerable communities

Locational Attributes

8. Gaming machines and any associated recreation and entertainment facilities should not be located where these uses will be incompatible with the predominant surrounding land use

Venue Attributes

9. It is preferred that gaming machines are located in venues which:
 - Have a range of other entertainment and leisure options;
 - Make non-gaming social and recreational activities the primary purpose of the venue;
 - Limit their hours of operation; and
 - Are within easy walking distance of a range of other activities

7.1 Rationale for Principles

7.1.1 Minimise convenience

Principle 4: Gaming machines should be located where they minimise access to areas of high pedestrian activity, in particular railway stations and shops.

This principle is partly derived from one of the purposes of Clause 52.28 in the Victorian Planning Provisions (VPPs), which seeks to prohibit gaming machines in specified shopping complexes and strip shopping centres.

The aim of removing gaming venues from shopping centres has been an established part of State planning policy on gaming for some time. It is based on the idea of reducing accessibility to gaming in places people congregate to spend money for other purposes.

Principle 4 seeks to extend the basis for the statutory prohibition of gaming in shopping centres, that is, minimising convenient access to gaming, to include those areas which can be easily accessed from shops. As a number of Tribunal cases have shown (including *Crestline Architects Pty Ltd v COGG – 1998*), business areas not meeting the strict interpretation of a 'strip shopping centre' are potentially available for the location of gaming machines. There are likely to be instances when there is a fine line between whether land will be deemed to be in or outside a strip shopping centre due to ambiguities in the definitions. As such there is a need to make clear in any policy that those areas within easy walking distance of shopping centres are also not suitable for gaming, to minimise the incidence of convenience gaming. This will also ensure that shopping centres not scheduled in Clause 52.28 (perhaps because they are newly established) are given some policy protection.

The idea of minimising the convenience of gaming machine locations by ensuring their locations consider the proximity of surrounding areas of high pedestrian activity has also derived from location based research. This research by the ANU concluded that proximity of gaming venues to places of community congregation including shops, influenced gambler behaviour. The Productivity Commission also found that there appeared to be a connection between greater accessibility to gaming machines and greater prevalence of problem gambling. On this basis alone an isolationist approach to gaming would seem warranted. However on the flip side, there are a number of reasons to support at least some level of accessibility for gaming venues.

The *Planning and Environment Act* includes an objective to provide for the fair, orderly, economic and sustainable use and development of land. It is suggested that if gaming venues were to be located only in isolated locations, this negates any opportunity for multi-purpose trips or travel by non-car modes. To do so would be neither fair (to those without a car), nor environmentally sustainable. As gaming is a legal recreation activity that is enjoyed responsibly by a vast majority of Victorians, it is considered important that measures to minimise the incidence

of problem gambling do not completely undermine other sustainability and settlement policies.

In order to balance competing policy objectives, it is suggested that gaming machines should potentially be allowed to locate within Yarra's urban areas, but separated from other major land uses where people concentrate for daily activities. This will minimise the likelihood of convenience gaming by ensuring that people are more likely to have to make a conscious decision to access a venue and gamble.

It should be noted that due to Yarra's specific context it is not possible for the municipality to achieve proper "destination-style" gaming venues as the area is generally very accessible. Yet it is clear that Clause 52.28 considers that the convenience of gaming venues can and should be minimised through its shopping centre provisions. Thus, even though there are clear limitations to delivering a destination gaming-style outcome due to Yarra's inner area context, a clear role for policy still remains to discourage locations for gaming venues that facilitate convenience. Although Yarra's major activity centres are a regional destination, regular patrons of venues are more likely to comprise of both local residents and potentially workers within the local area, as gaming does not tend to be a regional tourism drawcard in itself.

While the Department of Justice (2008) has not supported pursuing destination gaming in Victoria as an overall model of gaming supply, this conclusion does not negate the desirability of considering the issue of accessibility for individual venues. Although it is acknowledged that convenience gaming is not the only factor contributing to problem gambling, with regards to framing a *planning* policy, it is clearly a major consideration. The higher the budgetary, time and spatial accessibility of a venue, the greater the risk to vulnerable communities and those for whom convenient access to gaming is a core factor in causing problem gambling.

7.1.2 Redistribution of venues and machines

Principle 2: Gaming machines should be redistributed away from:

- *Suburbs with relatively high concentrations of existing gaming machines; and*
- *Relatively disadvantaged suburbs*

Principle 3: New gaming machines should not add to an existing proliferation of machines in a particular area.

Principles 2 and 3 derive from research that indicates a connection between the location of gaming machine venues and the impact on communities and seek to direct gaming machines away from areas with high concentrations of EGMs. This is premised on the theory that gambling consumption is higher in areas of high EGM densities, which is one of the drivers behind regional capping. It is recognised that the links between problem gambling and accessibility are not fully

understood, although the Productivity Commission did find that “there is sufficient evidence from many sources to suggest a significant connection between greater accessibility – particularly to gaming machines – and the greater prevalence of problem gambling.”

In again taking a precautionary approach it would seem more appropriate, subject to other principles, to direct new gaming machines towards areas which can absorb additional gaming machines, rather than to areas with an already high concentration of gaming machines. Also Principle 2 seeks to direct gaming machines away from the more disadvantaged suburbs where proximate accessibility to gaming may attract those who are most vulnerable to issues of problem gambling.

7.1.3 Socio-economic disadvantage

Principle 5: Proposals for gaming machines should not locate in areas of relative socio-economic disadvantage.

Principle 6: Gaming machines should not locate in close proximity or walking distance of concentrated estates of social housing.

Principle 7: Gaming machines should not locate near major community services providing for disadvantaged and vulnerable communities.

Yarra is noted for its concentrations of social housing (usually in the form of apartment towers) with almost five times more residents in government rental accommodation than the metropolitan average. These concentrations of social housing are usually in locations surrounded by affluent and gentrifying neighbourhoods, an occurrence which can mask the level of disadvantage in the area. Therefore, generalisations cannot be made about socio-economic conditions at purely a municipal or even suburb level due to these pockets of severe disadvantage dispersed throughout Yarra. For the above reasons it is necessary to include a principle that focuses on the proximity of concentrated social housing to proposed gaming machines.

It has been demonstrated in a range of research that gaming machine consumption patterns correlate with measures of socio-economic disadvantage. This is the basis of the regional caps which have been introduced by the Government to ensure that gaming is less accessible to vulnerable communities. A reconfiguration of the supply of venues away from vulnerable areas will reduce accessibility to vulnerable populations and the research by Young (2007) into destination gaming indicates that this is an important element in any spatial harm minimisation strategy.

Accordingly Principles 5, 6 and 7 seek to apply this thinking at a more local level by seeking to ensure that new gaming machines are not established in areas of disadvantage, particularly in proximity to the social housing towers and apartments that are dispersed throughout the City of Yarra, including its generally

more affluent areas. This is also in keeping with the objectives of the Gambling Regulation Act which seeks to minimise harm caused by problem gambling. Further, Principle 7 seeks to ensure gaming machines are not located near specific community services which provide for these disadvantaged and vulnerable communities. For example there is concern that as Yarra is regional centre of Aboriginal and other welfare services then the location of these should be considered when locating gaming machines. These community services are often located in proximity to disadvantaged communities, such as in North Richmond.

7.1.4 Net community benefit

Principle 1: Should demonstrate that the provision of gaming machines in a particular location will achieve a net community benefit.

Gaming involves both positive and negative impacts upon local communities. This is recognised by the Gaming Regulation Act which requires the VCGR to consider the net social and economic impacts when considering approval of a premises suitable for gaming. Given the dual planning permit and gaming license approval system that now operates, it is appropriate that councils also consider issues of net community benefit to ensure both sides of any socio-economic assessment are examined. In particular there will be a need for applicants to explicitly outline what benefits will flow to the community from any proposed gaming machines to ensure that this matter can be properly assessed.

Although studies such as KPMG (1990) have identified a loss of revenue from local economies, for example through taxes, this must be considered along with other costs and benefits, for example any recreational value of gaming, improvements to facilities, impacts on businesses and problem gambling.

In *Macedon Ranges Shire Council v Romsey Hotel Pty Ltd & Anor [2008]*, it was found that the 'Impact on community members who do not gamble, and do not wish to gamble, is equally relevant' and that 'Local opposition was genuine and was related to the nature of Romsey as a town and the hopes and aspirations of those who live in it'. With regards to planning applications, it may be appropriate to consider community opinions as one of the tools used in preparing a social impact assessment.

There is no set definition of net community benefit, however it can essentially be inferred to mean having an overall positive impact on communities Attachment 8 sets out the matters which should be considered in determining whether a net community benefit has been achieved.

7.1.5 Locational Attributes

Compatibility with surrounding land uses

Principle 8: Gaming machines and any associated recreation and entertainment facilities should not be located where these uses will be incompatible with the predominant surrounding land use.

Although gaming machines themselves do not cause external amenity impacts, gaming premises are encouraged through State policy to co-locate with other complementary activities. Therefore it is likely to exacerbate the potential for problems at the interface between gaming venues and surrounding land uses.

While this principle can relate to the potential impact of a gaming venue on the amenity of nearby sensitive uses, such as residential areas, this should not be seen as encouraging gaming machines and associated uses to be located in industrial areas either. Such areas are unlikely to be appropriate in terms of being potentially unsafe after hours for non-vehicle users.

Preferred attributes of gaming venues

Principle 9: It is preferred that gaming machines are located in venues which:

- Have a range of other entertainment and leisure options;*
- Make non-gaming social and recreational activities the primary purpose of the venue;*
- Limit their hours of operation; and*
- are within easy walking distance of a range of other activities*

Principle 9 derives from research undertaken that considers it advantageous to locate gaming machines in areas where there are a choice of entertainment options, and recreation facilities. To extend this concept to a more macro level, Principle 9 encourages gaming to be considered as part of the broader entertainment and recreation offer in the area. This essentially promotes choice, so that residents have the opportunity to go to entertainment venues, without being exposed to gaming.

Consumer Affairs Victoria (2004a) believes there should be a range of transparent and fair consumer choice available to consumers in order for them to make balanced decisions regarding the expenditure of their money. This is particularly important in areas of lower socio-economic advantage and in isolated communities to ensure that they are protected from becoming vulnerable or disadvantaged consumers; therefore making ill-informed decisions on consumption, in this case – a non-benign form of consumption.

On the basis that gaming is not a benign form of recreation, it is considered a reasonable proposition that consumers have access to a choice of entertainment and recreation facilities, not just those associated with EGMs. The Productivity

Commission also suggested that policy approaches need to be directed at reducing the costs of problem gambling through harm minimisation.

Gaming machines should also preferably be located in venues that have particular attributes to minimise opportunities for problem gambling. Gaming machines for instance, located within sporting clubs in relatively isolated areas (such as Golf Clubs) would be a positive step as it minimises the convenience of gaming and also has alternative recreation activities as the predominant role of the venue.

Research (Livingstone 2006) has suggested that certain types of venues are more likely to have the characteristics of low risk venues in terms of levels of EGM consumption. These attributes include small club venues with a relatively small number of EGMs, modest activity levels (whether measured by the value of EGM consumption or the proportion of time EGMs are in use), and some definite social or recreational purpose other than gambling.

It is considered problematic to set a maximum number of EGMs as the State has already regulated this matter (105 EGMs per venue) and the appropriate number of EGMs for any given location is likely to be a function of other factors such as levels of disadvantage, contributions to the community and EGM density in the area. It is also inappropriate to specifically distinguish between hotels and clubs as there are State regulations for an overall 50/50 split of EGMs between hotels and clubs across Victoria. Nevertheless, given that Clause 52.28's objectives include ensuring that gaming machines are located in appropriate premises, there is a case to be made for ensuring that gaming is not a primary function in any particular premises and there are a range of other activities to engage patrons.

Furthermore limiting hours of operation to avoid 24 hour gaming will assist in ensuring gaming machines are not available at times when other recreation opportunities are closed.

8 Strategy and Policy Recommendations

8.1 Opportunities to influence gaming outcomes through local policy

A local planning policy cannot influence all aspects of Council's approach to gaming in the way that a more generic Council policy on gaming might seek to. For example local government gaming policies often look at issues of advocacy or provision of problem gambling services in the municipality.

It is considered that it would be reasonable, under the parameters of the Victoria Planning Provisions, to seek to influence the following matters through a local gaming policy:

- Location of gaming machines in relation to other land uses and infrastructure.
- Distribution of gaming machines in a municipality.
- Socio-economic impact of and net community benefit arising from gaming machines.
- Uses associated with gaming venues.
- Amenity issues.
- Application requirements.

Due to existing State gaming regulations it is considered problematic to seek to influence the following matters:

- Proportion of EGMs in clubs and pubs.
- Prohibiting additional EGMs in a specific geographic area.
- Certain detailed venue or EGM design features (such as location of ATMs, spin rates and so on).
- Advertising of gaming.

It is also not considered appropriate for a local policy to specifically deal with issues associated with gaming venues on Council owned land. There is no planning reason why an applicant for EGMs on Council land should be treated differently to an applicant on private land. It is recommended that if Council is concerned about this issue, it explores how they best use their position as land owner, through lease agreement conditions or any other viable means, to ensure that occupiers meet the Council's expectations of appropriate uses on municipal land.

In relation to managing or directing community contributions, it is unclear whether a Council would be successful in regulating this issue through the planning system. Net community benefit is clearly a goal of the planning system and it can be argued that in order to determine this, a responsible authority will need to take account of the community benefits and contributions made by a gaming proponent. On the other hand it would probably be inappropriate for planning permits to require what would effectively be a development contribution to specific projects. A possible compromise could be that if the permit applicant has sought to 'pledge' a specified amount per year towards community organisations, a permit condition which requires that pledge to be secured might be feasible (see Section 9.4).

8.2 Further responsible gaming work

There may be merit in carrying out further responsible gaming work outside the limitations of the planning scheme to further establish and maintain Council's position on gaming in the broader whole-of-Council policy context. Work of this nature provides an opportunity for Council to support and reinforce the policy position established in this Gaming Policy Framework and the subsequent draft Gaming Policy beyond the planning process.

Given the close connections between inner city areas and high degree of accessibility and transfer with neighbouring municipalities it is considered that changes to gaming accessibility within the inner city area will affect the residents of Yarra City Council and vice versa. For this reason it is recommended that further responsible gaming work seeks to achieve the following broad outcomes:

- Effective, co-ordinated information sharing between municipalities;
- Consideration of the appropriate redistribution of machines on a regional basis; and
- The establishment and monitoring of meaningful responsible gaming practices by venue operators.

8.3 Municipal Strategic Statement

Yarra has recently undertaken a review of its Local Planning Policy Framework, including its MSS. This review is currently subject to Planning Scheme Amendment C84 to the Yarra Planning Scheme which has been adopted by Council and is waiting on Ministerial approval.

This revised version of the Yarra MSS includes a reference to gaming under its land use section in Clause 21.04-2, being Objective 6. This objective seeks *to require gaming venues to demonstrate no negative impact from electronic gaming machine gambling*. This objective will be achieved by requiring an assessment of the social and economic impact on the community to be undertaken.

One of the tests for any local policy is that it needs to implement an objective or strategy in the MSS. The existing Objective 6 is sound and consistent with the principles and policy direction of this Framework.

The current strategy 6.1, which requires a social and economic impact assessment, is certainly a matter which should be included in the planning scheme. However given it is essentially an application requirement and a local gaming policy will also include application requirements, it is probably unnecessary for this provision to occur the MSS. Rather the scope of the MSS would better be suited to broad location based strategies to ensure the spatial distribution of EGMs is also covered.

It is recommended that new strategies be inserted at Clause 21.04-2 to state:

Strategy 6.1: Ensure the establishment of new or additional gaming machines does not occur proximate to relatively disadvantaged or vulnerable communities.

Strategy 6.2: Support the redistribution of gaming machines away from vulnerable communities.

Strategy 6.3: Discourage gaming machines from locating or increasing where there is a likelihood of significant convenience gaming occurring.

This Gaming Policy Framework should also be included as a reference document at Clause 21.10.

8.4 Draft Policy

This draft local planning policy is based on the principles set out above.

Policy 22.xx Gaming

This policy applies to all applications which require a permit to install or use a gaming machine, or use land for the purpose of gaming in the City of Yarra.

22.xx-1 Policy Basis

Clause 52.28 of the Yarra Planning Scheme requires a planning permit be granted to use or install gaming machines. This policy will guide decision making by implementing the findings of the *Yarra City Council Gaming Policy Framework*.

Research has concluded that there are links between disadvantage, problem gambling and proximity to gaming venues. While the Victorian Planning Provisions state that gaming is a legitimate recreational and entertainment activity, the *Yarra City Council Gaming Policy Framework* seeks to limit convenient access to gaming venues as a means to reducing negative impacts of gambling on vulnerable communities.

The Council is seeking to protect its disadvantaged residents, by accounting for the socio-economic characteristics of the municipality in the location of gaming machines. People living in relatively disadvantaged areas, such as North Richmond, Collingwood and Fitzroy, are most vulnerable to the potential harmful affects of gaming.

The policy implements the objectives and strategies of the Municipal Strategic Statement by ensuring that gaming machines do not cause a negative impact.

22.xx-2 Objectives

- To discourage gaming machines in disadvantaged areas.
- To minimise the risks associated with electronic gaming and avoid exacerbating problem gambling.
- To discourage convenience gaming and limit impacts on surrounding uses.
- To promote responsible gaming practices and deliver a net community benefit from gaming in Yarra.
- To ensure applications for gaming machines provide sufficient information to enable an assessment of net community benefit and social and economic impacts.

22.xx-3 Policy

It is policy to have regard to the SEIFA Index of Relative Disadvantage in determining appropriate locations for gaming machines in the City of Yarra.

It is policy to ensure proposals for gaming machines deliver a net community benefit. In determining whether there will be an overall positive impact, the

responsible authority will assess the positive and negative implications of the following:

- The socio-economic profile of the municipality, patron catchment and area within 1km of the venue;
- Location of the venue in relation to nearby land uses and transport facilities;
- The availability of other entertainment and recreation facilities within 1km of the venue and at the venue;
- Whether there is a stable or growing population;
- The social impact of the proposal;
- The economic impact of the proposal;
- The distribution and density of gaming machines in the neighbourhood and municipality; and
- If the gaming machines are to be relocated from within the municipality, the comparative advantages and disadvantages of the two locations.

Location criteria

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

Gaming machines should not be located:

- In areas convenient to locations of high disadvantage, concentrations of social housing and services for vulnerable communities, as shown on Map 1 to this policy.
- In or immediately opposite neighbourhoods with a relatively high concentration of gaming machines (above the Victorian average).
- Where there is convenient access to places of high pedestrian activity, including shops and railway stations.
- Where the local community will not have a reasonable choice of alternative non-gambling activities comprising community centres, neighbourhood houses, recreation centres, clubs, hotels, cinemas or restaurants within a 1km radius, operating during the times that the proposed gaming machines will operate.

Venue Characteristics

It is policy to ensure that gaming machines are located in venues which

- Offer social, entertainment and recreational opportunities and activities other than gaming as the primary purpose of the venue;
- Have a gaming floor area of less than 25% of the total floor area of the venue;
- Promote responsible gaming practices and
- Do not allow for 24 hour-a-day operation.

It is policy to ensure that the operations of gaming venues and associated uses do not detrimentally affect the amenity of the surrounding area through their:

- Operating hours;
- Management of patrons; or
- Generation of noise and disturbance.

22.xx-4 Application requirements

It is policy to require applications to include:

- The proposed design and layout of the premises including all signage.
- 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. Details of the design and layout of the premises including all proposed signage and evidence of compliance with the relevant gaming regulations for premises layout and design.
- A robust assessment of the social and economic benefits and disadvantages of the proposed gaming machines comprising:

Socio-economic impact

- An analysis of the demographic and socio-economic profile of the municipality, the venue's projected patron catchment and the area within 1km of the venue.
- If it is proposed to move EGMs from one part of the municipality to another, details of the relative social and economic differences between the two areas. An explanation as to why the EGMs are being transferred is to be provided.
- Details of and justification for the projected patron catchment

Location assessment

- Characteristics of the local area including the location of and distance to shopping complexes and strip shopping centres, community facilities, public housing, counselling services and public transport.
- Details of existing and proposed gambling and non-gambling related entertainment and recreation facilities and activities at the venue and within 1km of the venue.
- If required, pedestrian counts outside the venue

Gaming machine impacts

- Details about the existing and proposed distribution and density of EGMs in the municipality and its neighbourhoods..
- Details of existing gaming expenditure at the venue over a 3 year period prior to the application (if relevant) and a forecast of the anticipated expenditure at the venue if the proposal was to be approved.
- If EGMs are to be relocated from other venues, and as a result gaming expenditure is likely to be transferred from other venues:
 - particulars as to how the level of transfer has been calculated (including, but not limited to, comparison per machine expenditure at the venue prior to and then after the additional machines, current usage levels of machines at the venue, projected usage level of machines at the venue after the additional machines);
 - the amount of transfer expenditure anticipated;
 - the resulting impact on revenue of the venue from where the expenditure is transferred; and
 - the resulting impact on the venue from where the expenditure is transferred (such as loss of employment, loss of complementary

expenditures, loss of customers, impact on ability to provide services etc).

Benefits

- Details of 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.

Analysis

- Assessment of key social and economic issues and overall net community impact.
- Measures to mitigate any negative impacts.

22.xx-5 Decision Guidelines

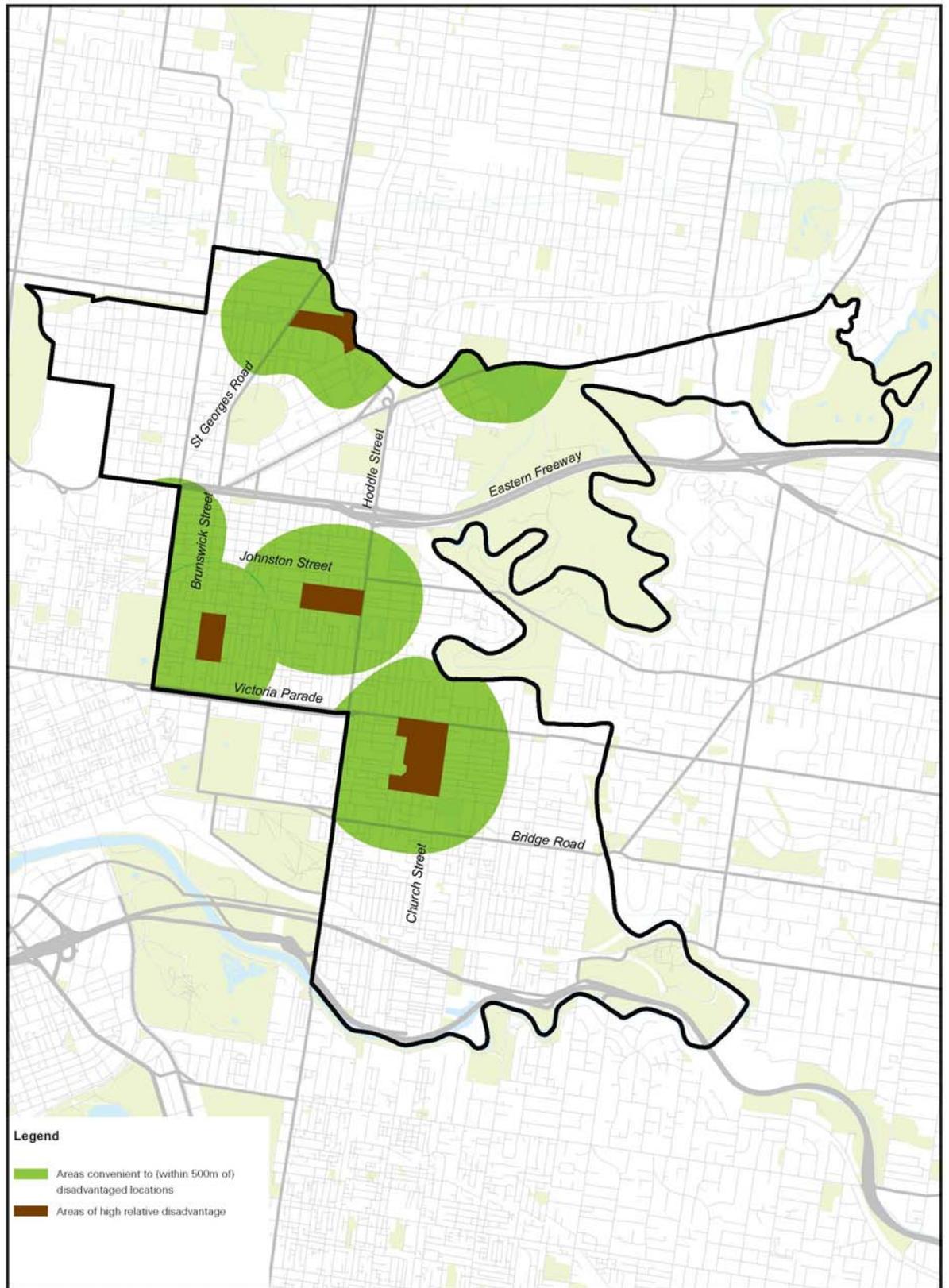
It is policy that the responsible authority considers as appropriate:

- The effect of the proposal on EGM densities in the neighbourhood in comparison to the metropolitan Melbourne average.
- The net community benefit to be derived from the application.
- Whether approval is likely to increase the socio-economic disadvantage of the local community.
- Whether the location of the gaming machines or gaming premises is close to places of community congregation and will encourage convenience gaming.
- Whether patrons will have a choice of non-gambling entertainment and recreation activities at the venue or within the local area.
- The impact of the proposal on the amenity of the area and surrounding land uses.

22.xx-6 References

- Coomes Consulting Group, *Yarra City Council Gaming Policy Framework*, 2008

Policy Map 1



8.5 Prohibited shopping centres

Under Clause 52.28-4 of the Yarra Planning Scheme a strip shopping area is defined as an area meeting all of the following requirements:

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

The schedule to the clause provides that gaming is prohibited in all strip shopping centres covered by the scheme, although particular sites may be listed (no sites are currently listed in Yarra's planning scheme).

Unfortunately there are a number of ambiguities associated with the definition of a strip shopping centre as shown by the various Tribunal decisions which have considered the issue (eg *Crestline Architects v Greater Geelong CC*; *M & S Whelan Investments v Alpine SC*) decision and as it stands it is left to a decision maker to interpret on a case by case basis what constitutes a strip shopping centre.

In order to provide for certainty and consistency, an audit of Yarra's business areas should be undertaken to determine which portions qualify as a strip shopping centre. Such an audit will provide more certainty about those areas where gaming is a prohibited use. Matters that could be considered when assessing strip shopping centres are set out at Attachment 7.

The results of this audit can be used by the Council as follows:

- Include maps or addresses of prohibited strip shopping centre areas as an attachment to the schedule to Clause 52.28-4. This will ensure there will be no uncertainty about what land is included as a strip shopping centre.
- Update the schedule to Clause 52.28-3 to include additional shopping complexes identified in the audit.

8.5.1 Examples

Coomes has conducted a brief surface audit of a number of portions of Yarra City Council's major activity centres and strip shopping areas to determine if there are any potential ambiguities which would be considered as non-strip shopping areas in the centres.

Some areas included in major activity centres which it is considered may not meet the tests as a prohibited strip centre are as follows:

- The portion of Victoria St opposite Victoria Gardens, contains no shops and could not be considered as a strip shopping area;
- The priority development zone covering part of Victoria St would be a prime opportunity for gaming venues (including locating an EGM venue within the existing pub) as it may not be considered as zoned for business and therefore not prohibited from gaming venues;

- Portions of Victoria St's activity centre between Church and Burnley Streets is slightly ambiguous due to the fact that the majority of lots contain warehouse/showroom and workshop based businesses, including furniture making, repair and supply centres rather than shops;
- The river end of Swan St also includes portions which may not be considered as strip shopping due being a predominantly bulky goods, trade suppliers, mechanical repairs and furniture showroom area. This is particularly the case between Coppin St and Burnley St. The ambiguity of these portions of Swan St in terms of their classification as strip shopping may enable gaming venues to locate here.

For the reasons above it is considered important that Yarra City Council stringently look into the definition of a strip shopping centre in relation to their activity centres, as these are currently not mutually exclusive terms and closer inspection may allow gaming venues to be located in these areas.

Finally the schedule to Clause 52.28-3 should be updated to include Victoria Gardens as a prohibited shopping complex.

8.7 Summary of recommendations

- Prepare a Council responsible gaming policy which sets out Council's position and strategies in relation to gaming issues not addressed by the planning system.
- Update gaming references in the adopted Municipal Strategic Statement
- Insert a new local planning policy to assist in decision making on gaming machines
- Conduct an audit of strip shopping centres and include specific locations as prohibited strip centres in the schedule to Clause 52.28-4.
- Include Victoria Gardens as a prohibited shopping complex in the schedule to Clause 52.28-3.

9 Planning Tools

9.1 Application process for planning permits related to Electronic Gaming Machines (EGMs)

9.1.1 Preferred Application Process

Persons wishing to install or use a gaming machine must apply to:

- a) The relevant local government authority for a planning permit under the provisions of the Planning and Environment Act 1987; and
- b) The Victorian Commission for Gambling Regulation (VCGR) for either premises approval or to increase the number EGMs under the provisions of the Gambling Regulation Act 2003.

Although there is no requirement to receive approval from one regulatory authority before an application to the other regulatory authority, Council should request that applicants deal with planning issues prior to the gaming application (see Process Diagram 1), or in parallel with the gaming application (see Process Diagram 2).

Some benefits associated with dealing with planning issues prior to the gaming assessment are that:

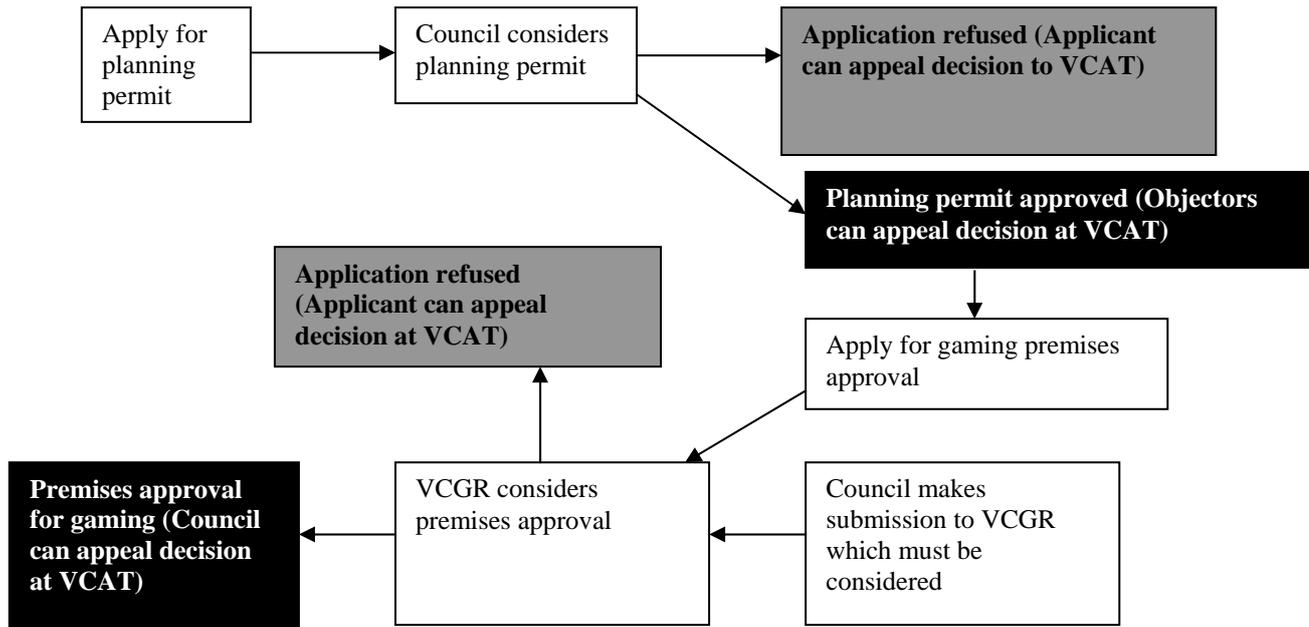
- Council may consider a broad range of land use, environmental, social and economic factors as well as public objections when determining a planning application for gaming. In comparison the matters that must be considered by the VCGR have a narrower focus (see Table 10 below).
- This is more consistent with other processes where a planning permit and other form of licensing are required, such as in relation to liquor licenses or building permits.
- In addition to being the responsible authority for the planning permit, Council can also make a submission under the provisions of the Gambling Regulation Act which must be considered by the VCGR in determining whether a premises is suitable for gaming. To maximise the possibility of support from Council at this stage, it would be prudent to have already undertaken a successful planning permit process.
- Council's submission to the VCGR will be assisted by information obtained through the planning permit process.

An alternative approach would be to deal with the two processes in parallel. The advantages of such an approach will be to:

- Minimise the time taken to consider the proposal.
- Allow opportunities for more collaborative approaches between the applicant and Council to manage issues that may arise in both assessment processes.
- In the event of a refusal from both Council and the VCGR, possibly open the opportunity for a joint planning/gaming appeal to VCAT which will minimise the resources required to appear before the Tribunal. For example joint appeals have been conducted in relation to planning permits and liquor licenses.

It is possible however that Council would not be in a position to comment to the VCGR until after a decision had been reached on the planning permit application.

Process Diagram 1:



Process Diagram 2:

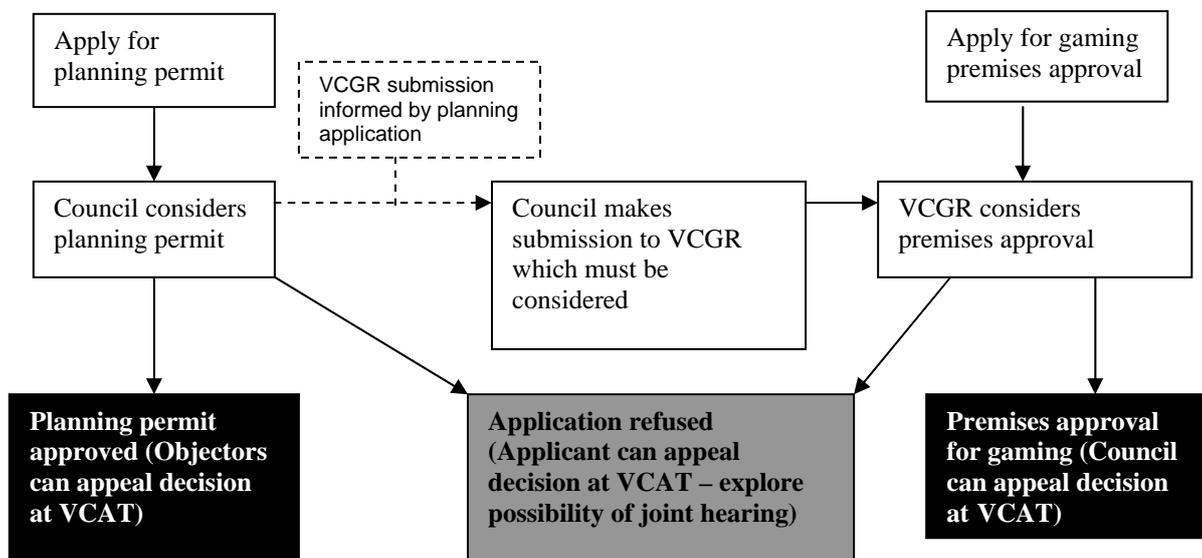


Table 11: Comparison of potentially relevant considerations for planning and gaming approval

Planning and Environment Act Section 60	Gambling Regulation Act 2003 Section 3.3.7
<p>Council must consider:</p> <ul style="list-style-type: none"> – the planning scheme – the objectives of planning in Victoria; – all objections and other submissions – any comments of a referral authority – any significant effects of the proposal on the environment or the environment on the proposal. 	<p>VCGR must not approve a premises as suitable for gaming unless it is satisfied that:</p> <ul style="list-style-type: none"> – the applicant has authority to make the application in respect of the premises – the premises will be suitable for the management and operation of gaming machines – the net economic and social impact of approval will not be detrimental to the well-being of the community of the municipal district in which the premises are located
<p>Council may consider:</p> <ul style="list-style-type: none"> – any significant social and economic effects – any relevant State environment protection policy – any other adopted strategic plan, policy statement, code or guideline – any adopted, but yet to be approved amendment to the planning scheme – any agreement made pursuant to section 173 affecting the land the subject of the application – any other relevant matter 	<p>The VCGR must consider:</p> <ul style="list-style-type: none"> – whether the size, layout and facilities of the premises will be suitable. – any submission made by the relevant Council. If the Council does not make a submission, the Commission must seek the Council's views on the application and must consider those views (if any) in determining the application.

9.1.2 Referral process

All applications for gaming machines should be internally referred to the following Council branches for comment:

- Social planning
- Other relevant branches, e.g. Family and Children's Services

It is also recommended that the following external organisations be notified of applications for gaming machines:

- Local problem gambling counselling services
- Local police
- Local traders group/s
- Community health and welfare organisations

9.2 Application requirements

The draft policy set out in Section 8.7 above contains an extensive set of application requirements which will allow Council to be in a position to assess the impact of any application and whether there is a net community benefit. The following section expands on the details of some of these information requirements beyond what it is appropriate to include in a policy to ensure that the information submitted is suitable.

9.2.1 Impact assessment

Applicants must provide an impact assessment outlining the environmental, social and economic benefits and costs of the proposed gaming venue.

Information to be included –

Detailed demographic profile of the anticipated catchment area of the venue	<ul style="list-style-type: none"> – Anticipated catchment area and the basis for this projected catchment – Profile of patrons in the catchment area and a 1km radius of the venue including a range of demographic and socio-economic characteristics (such as SEIFA Index of Relative Disadvantage) – Comparative analysis of socio-economic profile with municipal and metropolitan/Victorian data – Projected population growth and characteristics – If EGMs are being transferred, comparisons with the socio-economic profile of the area where the EGMs are originating
Location assessment	<ul style="list-style-type: none"> – Characteristics of the proposed location of the EGMs such as nearby land uses and movement patterns, including transport – The walking distance from the proposed venue to nearby shopping complexes and strip shopping centres, community facilities and public transport. – Existing pedestrian counts outside the proposed venue on weekdays and the weekend in the morning, lunch time and evening. – Other entertainment/recreation uses, opportunities for social engagement and community services within the catchment area
EGM impacts	<ul style="list-style-type: none"> – Distribution of EGMs in the municipality and the existing and proposed density of EGMs in Yarra's neighbourhoods – Anticipated EGM expenditure and what proportion will be diverted from existing EGM venues – Proportion of EGM expenditure to remain in the local community
Economic impacts	<ul style="list-style-type: none"> – Employment generated by gaming use and other uses associated with the proposal including details about the types of jobs created – Anticipated shift in expenditure from local business – Details of any proposed community contributions – Any other economic benefits or costs associated with the proposal
Social impacts	<ul style="list-style-type: none"> – Details of proposed funding, sponsorship or other contributions to local services and facilities and how these benefits will be distributed and secured.

	<ul style="list-style-type: none"> – Details of and demand for problem gambling support services including likely changes if application is approved – Details of community attitude survey about gaming in that location – Any other social benefits or costs associated with the proposal
Analysis and mitigation	<ul style="list-style-type: none"> – Key social and economic impacts and possible measures to mitigate any negative impacts

9.2.2 Design and layout

Plans and documents submitted with the application should show

- Internal layout of the venue including location of EGMs in relation to other facilities
- Location and details of all proposed signage
- Location and number of car parking spaces, including any justification for a reduction in the number of spaces required by Clause 52.06 of the planning scheme.
- Evidence of compliance with relevant gaming regulations regarding layout and signage.

9.2.3 Management plan

Applicants must provide a venue management plan detailing:

- Proposed operating hours
- Measures to manage noise, patrons leaving a premises at night and service of liquor.
- Measures to mitigate any potential negative consequences of EGMs, including staff training, advertising, promotions, exclusion schemes and venue layout.

9.3 Planning Assessment Tool for Net Community Benefit

As gaming applications will often involve consideration of issues unfamiliar to many planners, an assessment tool has been prepared and is set out in Attachment 8. This will assist planners in quickly identifying the key information they will need to source and assess when an application for gaming is received in order to determine where there will be a net community benefit.

9.4 Planning Permit Conditions related to Gaming (EGMs)

Permit conditions will generally relate to managing outstanding or ongoing matters associated with a development or use. It is considered likely that in most if not all cases gaming machines will be co-located with other uses that is hotels or clubs, due to the requirement under the *Gambling Regulation Act 2003* that gaming machines can only be located in venues with a General or Club Liquor Licence or Racing Licence. As such most of the generic development and amenity issues associated with the development of a gaming venue are likely to be quite similar to those issues which

would affect any large place of assembly or entertainment venue. Permit conditions will therefore also be similar.

It is suggested that, if required, the Council utilise its standard permit conditions, or model conditions set out in DSE's *Writing Planning Permits* for matters such as:

- Opening hours
- Noise
- Lighting
- Maximum number of persons
- Car parking
- Waste
- Signage
- Regulation of liquor consumption
- General amenity provisions
- Landscaping

Where a gaming premises is to be co-located with other complementary entertainment or recreation uses, Council may wish to ensure that the gaming component of the venue does not commence operation prior to the other uses so that there are always alternative non-gaming activities available for patrons. Such a condition might be worded thus –

- Prior to the commencement of operations of the gaming use hereby permitted, the following entertainment facilities shall be operational and available for use by the general public, unless otherwise authorised by the responsible authority:*
- *[add list of other uses]*

As discussed in Section 8.1, it is unclear whether it would be possible to ensure that community contributions pledged by an applicant are secured by way of permit condition, although legal advice provided to Coomes Consulting suggests this could be a reasonable requirement that stands a chance of success.

In the case of an application to increase the number of gaming machines in an existing premises, conditions should ensure that they are compatible with the parameters of previous approvals (e.g. opening hours) by either Council, Liquor Licensing or the VCGR.

In relation to matters specifically pertaining to the installation of gaming machines, or the design of gaming premises, it needs to be remembered that many of these issues are already regulated by the VCGR. It is suggested that any planning permit conditions and endorsed plans will need to be consistent with the minimum standards set out in gambling regulations to ensure that there is not a need for later amendments to the permit or plans. Conditions to exceed the normal gambling regulation standards would have to be justified under the normal tests for planning permit conditions:

- A condition must fairly and reasonably relate to the permitted development.
- A condition must serve a planning purpose.
- A condition is invalid if it is so unreasonable that no reasonable responsible authority would have imposed it.
- A condition will also be found to be void or invalid if it is overly vague or uncertain.

Relevant gambling regulations to be mindful of when imposing permit conditions include the following:

Directions under Section 80 of the Gaming Machine Control Act 1991

- A gaming machine area must be physically discrete.
- It must not be necessary for a patron of an approved venue to pass through a gaming machine area in order only to enter or leave the venue or gain access to a facility, such as toilets or a smoking area. However, access to a facility may be through a gaming machine area, if there is either –
 - a) an alternative means of accessing that facility which does not require passing through the gaming machine area; or
 - b) another of the same facility available to patrons elsewhere in the venue, outside of a gaming machine area;

Gambling Regulation Act – Rules under Section 3.5.23(1)

- A venue operator may offer gaming to a person only –
 - a) during the period or periods when a licence granted under the *Liquor Control Reform Act 1998* in respect of the premises authorises the consumption on those premises of liquor supplied on those premises; or
 - b) in the case of premises licensed under Part I of the *Racing Act 1958*, during a race meeting —
but not during any break from gaming that the venue operator takes in order to comply with a condition of a premises approval or a venue operator's licence.

Note: Compliance with the Gambling Regulation Act requires a continuous 4 hour break from gaming after every 20 hours of gaming and that there must not be more than 20 hours of continuous gaming each day unless expressly approved by the VCGR and indicated in the Notice of Approved Venue.

- A venue operator must ensure that the operation of the gaming machine area and each gaming machine is subject to continual supervision. Supervision may be electronic or physical or a combination of both.
- Automatic teller machines (ATM) and electronic funds transfer (EFTPOS) devices must not be accessible by any person within the gaming machine area of an approved venue for the purposes of withdrawing cash.

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Attachments
Gaming Policy Framework – Yarra City Council

11 Attachment 1 - Methodology and Consultation Results

11.1 Literature Review

The aim of this task was to gain a comprehensive understanding of the legislative and policy context in which the gaming policy for the City of Yarra will sit.

A literature review was conducted of the following:

- Legislation (State and Local)
- State and Local policy
- Current Australian research
- Case studies (administrative tribunal)

The outcomes of the literature review have been used to develop the principles and policy surrounding the location of gaming venues in the metropolitan region. The literature review has revealed the evidence based for this document.

11.2 Socio-Economic Analysis

The aim of the Socio-Economic Analysis was to gather relevant social research and data that could inform gaming policy.

Socio-Economic Analysis

- Desktop analysis
- Consultations with venue owners and operators, community organisations, Yarra residents and Yarra City Council Planners

The outcomes of these tasks were used to inform the Yarra Council gaming principles, local planning policy framework and EGM application process.

11.3 Consultations

As the City of Yarra is a vocal, inner suburban municipality it was determined to hold a range of consultations. In order to ensure that relevant industry and community members were involved in the development of the Yarra City Council Gaming Policy the following approaches to consultation were used:

- A focus group with owners and operators of venues within the City of Yarra that accommodate electronic gaming machines.
- A focus group with representatives of relevant health and community sector organisations within City of Yarra.
- A focus group with representatives of the Yarra Household Panel.
- Meetings with City of Yarra Planners.

This section outlines the approach and outcome of each consultation.

Focus groups with representatives of relevant health and community sector organisations

A list of invitees was developed by the City of Yarra and invitations were sent to 27 representatives from health and community sector organisations inviting them to attend a focus group to inform the development of the City of Yarra Gaming Policy.

5 participants attended a 1 ½ hour focus group at the Richmond Town Hall on the 12th of June 2008. Participants were from a range of community groups and organisations including:

- Ethnic Communities Council of Victoria
- North Richmond Community Health Centre
- Victorian Aboriginal Community Services Association Limited
- Yarra Drug and Health Forum

The purpose of the focus groups was to:

- Provide participants with information about the project aims, timelines and anticipated outcomes
- Obtain information about current research and data on gaming, including the social and economic profiles of problem gamblers
- Obtain information about local data sources and local issues
- Identify factors that contribute to accessing gaming facilities
- Discuss the social, economic and environmental factors that might be considered in the assessment of planning permit applications for EGMs

Participants were provided with a table that summarised available socio-economic data for the suburbs of the City of Yarra.

Outcomes of the meeting included:

- Additional census data to include in understanding socio-economic conditions at City of Yarra, particularly around housing and housing costs
- No typical profile of a problem gambler as they come from all sectors of society, though gamblers are more likely to be elders
- Cultural groups within Yarra do not necessarily acknowledge gambling as a problem rather it is seen as a way to relax or escape
- Additional data on workers in the area will be important in understanding potential gamblers
- The design, hours of operation, type of gaming venue and location were all seen as factors that affect gambling behaviour

Focus group with owners and operators of venues that accommodate electronic gaming machines

A list of invitees was developed by City Yarra and invitations were sent to 13 representatives from gaming venues and operators within the Yarra municipality inviting them to attend a focus group to inform the development of the City of Yarra Gaming Policy.

3 participants attended a one and a half hour focus group at the Richmond Town Hall on the 12th of June 2008. Attendees were led in a round table discussion on venue operations and what aspects of a venue they would consider appropriate to be requested through the planning application process.

The purpose of the focus group was to:

- Provide participants with information about the project aims, timelines and anticipated outcomes.
- Obtain information about the type of information that could likely be provided by a venue applying for a planning permit with Council.

- Discuss the location characteristics of gaming venues, including the spatial conditions that support the viability of gaming venues and ‘drivers’ for the location of new gaming machines.
- Discuss the social, economic and environmental factors that might be considered in the assessment of planning permit applications for EGMs.

Outcomes of the meeting included:

- The provided table can be used as a ‘check-list’ to show the community benefit of future EGM applications to Council.
- Information requested from council should not duplicate the information provided within the Community Benefit Statements as this is a time consuming and expensive process for many venue owners.
- Information requested are commonly provided by each venue
- There are occasional rushes on machines and demands for favourites
- The potential for future growth exists in Yarra, with internal alterations the most likely
- Hotels often have difficulty in providing a lot of data that is requested as they do not keep data such as postcode data on where patrons live, or the amount of time spent in gaming rooms
- Problem gamblers in Yarra are hard to define given the municipality’s diverse socio-economic profile
- Regular patrons include local residents within walking distance and people who work locally
- Immense uncertainty regarding the new licensing arrangements and its potential impact on EGM growth in Yarra
- Locational characteristics. Responses to what makes a gaming venue viable with regard to location included:
 - o It is beneficial if venues are close to shops
 - o Being close to residential areas creates various problems in regards to parking and congestion
 - o A facility that offers a range of social and entertainment services, of which gaming is one element
 - o Venue type and size dictates the range of facilities available
 - o Yarra venues are typically small given the areas range of activities
 - o Adequate staffing, lighting, signage and patron safety are important
 - o Public Transport or easy walking access is important for clientele

Social, Economic and Environmental Considerations for assessing gaming applications

- o Consider looking at hotels and clubs separately when assessing applications as they perform a different role and serve a different market
- o The accessibility of locations and high vulnerability within Yarra should be considered when assessing applications, particularly in regard to EGM densities
- o The VCGR and planning permit application process should occur together as this would ensure that there was not a duplication in the information requested
- o The wide social role that venues provide to the community

Consultation with members of the Yarra Household Panel Forum

Yarra City Council was keen to get community input on gaming issues within the Municipality and the proposed Local Gaming Policy. Yarra Council organised a small forum to discuss gaming in the City and 12 members of the Yarra Household Panel were invited.

Nine member of the panel attended a forum at the Fitzroy Town Hall on the evening of Tuesday June 24th. The panel was formed of a diverse range of residents with varied interests in development and social concerns.

The purpose of the forum was to:

- Inform the community about the policy and gaming issues within Yarra
- Identify any Community perceptions about gaming, problem gamblers and the impact on community well being
- Discuss considerations in assessing gaming applications

Outcomes of the meeting included:

- Perception that venues are located in the most disadvantaged areas due to market vulnerability
- Need for more data on who uses machines and when, as well as other recreational activities available
- General perception that Gaming Venues cause family issues and are “cocoon like” places
- Concern that drinking and gaming are mixed
- Do not want venues located on Council land
- Main focus of the policy should be on the location of EGM venues
- Recognition that they provide a place for community interaction for older generations, with smaller venues seen as more “social” and a safer place for women
- Venues should always be aligned with a second recreational activity
- Locations should be away from disadvantaged areas with the focus of gaming disbursed throughout the municipality
- Recreational function is the only benefit of EGM venues
- Need to seek views of recreational groups about Gaming

Consultation with Yarra Planners

Consultation was held with representatives of the statutory and strategic planning departments. Four Statutory Planners and Two Strategic Planners attended the 90 minute meeting on Thursday July 12th 2008.

The purpose of this consultation was:

- Report back on industry, venue owners, resident and community and health sector consultations.
- Preliminary discussion of generic principles for gaming policy and their application to Yarra City Council.
- Discussion of what the policy can and should provide and what currently exists.

Outcomes of the meeting included:

- Yarra needs to determine its overall stance on gaming generally
- Concerns over the zoning and definitions of strip shopping centres
- Planning records indicate a slight reduction in machine number over the past five years
- Planning staff indicated a belief that Yarra's context did not encourage venues
- Acknowledgement that there is a tension between the anti gambling stance of Council and the fact that EGM venues are a legitimate recreation activity
- More detailed is required when you look at the compatibility of venues with surrounding uses
- Look at requesting SEIFA and SIA information at a small scale
- Focus needs to be on the immediate proximity of venues rather than going to a destination due to high accessibility of Yarra venues
- Policy should not be too specific in indicating where venues should go and should consider transport issues
- Policy should discourage venues, and focus on the idea of net community benefit
- Range of available activities at the venue and in surrounding area should be a consideration
- Revision of Location Principles for Gaming to include a more localised and dispersal approach.

12 **Attachment 2 - Ministerial Direction S 69 (March 2008) on Community Purpose**

Ministerial order pursuant to section 3.6.9(3) of the Gambling Regulation Act 2003

I, Tony Robinson MP, Minister for Gaming, pursuant to section 3.6.9(3) of the *Gambling Regulation Act 2003*, make the following determination of the kind of activities or purposes that constitute community purposes.

A venue operator may claim up to:

- 100 per cent of revenue applied to a Class A purpose or activity
- for revenue applied to Class B purposes or activities, an amount equal to the proportion of non-gaming revenue to the club's total revenue¹
- 100 per cent of revenue applied to a Class C purpose or activity.

Class A purposes and activities: Direct community benefits

- (a) Donations, gifts and sponsorships, including cash, goods and services, to another person resident in Victoria for the purposes or activities set out below but excluding purposes or activities conducted for profit and excluding a gift or donation of alcohol²:
 - (i) any educational purpose, but excluding education provided for the benefit of the members of a professional or business association
 - (ii) the provision of health services or care
 - (iii) services for the prevention and treatment of problem gambling and drug and alcohol addictions
 - (iv) housing assistance for disadvantaged persons, including the provision of housing support and assistance to those experiencing homelessness or at risk of becoming homeless
 - (v) the relief of poverty
 - (vi) the provision of services and assistance for the aged
 - (vii) the provision of services and assistance for young people³
 - (viii) the protection and preservation of the environment but excluding conservation or rehabilitation activities conducted on private land
 - (ix) the provision of assistance to relieve distress caused by natural or other disasters
 - (x) the provision of advice, support and services to ex-service personnel, their carers and families, including payments to the Victorian Veterans Fund or a patriotic fund under the *Veterans Act 2005* or to any fund for that purpose established by the Returned and Services League Australia (Victorian Branch)
 - (xi) any other philanthropic or benevolent purpose including the promotion of art, culture, cultural diversity and community harmony,

- or charity including the benefiting of organisations endorsed by the Australian Taxation Office as 'Income Tax Exempt Charities'
- (xii) any sporting or recreational purpose, including the benefiting of any sporting or recreational club or association, but excluding any club that holds a venue operator's licence.
 - (b) The cost of providing and maintaining sporting facilities for use by club members⁴.
 - (c) The cost of any subsidy provided for the provision of goods or services but excluding the provision of alcohol⁵.
 - (d) Voluntary services provided by members and staff of the club to the community in fulfilment of those purposes or activities (i) to (xii) in paragraph (a) but excluding those voluntary services provided by club members to the club itself or to another club that holds a venue operator's licence. The maximum amount that can be claimed is \$20 per hour per volunteer⁶.
 - (e) Where the club that holds the venue operator's licence is a sub-branch of the Returned and Services League Australia (Victorian Branch), the provision of advice, support and services provided by that club to ex-service personnel, their carers and families, including payments to the Victorian Veterans Fund or a patriotic fund under the *Veterans Act 2005* or to any fund for that purpose established by the Returned and Services League Australia (Victorian Branch).

Class B purposes and activities: Indirect community benefits

- (a) Capital expenditure⁷.
- (b) Financing costs (including principal and interest)⁸.
- (c) Retained earnings accumulated during the year for which the community benefit is claimed⁹.
- (d) The provision of buildings, plant or equipment but excluding any building, plant and equipment with a value of less than \$10,000 per item and excluding the provision of gaming equipment or the gaming machine area of an approved venue¹⁰.
- (e) Operating costs¹¹.

Class C purposes and activities: miscellaneous

- (a) The provision of responsible gambling measures and activities but excluding those required by law¹².
- (b) Reimbursement of expenses reasonably incurred by volunteers.
- (c) The preparation and audit of a community benefit statement required under section 3.6.9 (1) of the *Gambling Regulation Act 2003* to a maximum of \$3,000.

Explanatory notes

¹ For example, where a club derives 60 per cent of its revenue from gaming, it can claim 40 per cent of the amounts it has spent under Class B.

² Paragraph (a) only applies to donations, gifts and sponsorships by a club to another person (including an incorporated entity) as a club cannot make a donation or give a gift to, or sponsor, itself. It is intended to include as community purposes all donations, gifts and sponsorships for the purposes set out in paragraphs (i) to (xii) but to exclude all activities conducted on a commercial basis or for profit. The free use of club facilities such as meeting and function rooms by community groups is claimable under paragraph (a).

³ For the purposes of this order, a young person is a person aged 25 years or less.

⁴ This would include the cost of a racing club maintaining a racetrack and a football club its football stadium. Where the cost of providing sporting facilities is claimed, a claim cannot also be made for a subsidy under paragraph (c).

⁵ This would also include goods or services provided to club members and non-members at no cost or at less than commercial rates. The use of club facilities such as meeting and function rooms by community groups at a discounted rate is claimable under paragraph (c).

⁶ Volunteer services only include services to another person (including an incorporated entity) for the purposes set out in (i) to (xii) paragraph (a). Volunteer services by club members to the club cannot be claimed.

⁷ Buildings, plant and equipment that have a value of less than \$10,000 and gaming equipment or capital expenditure relating to the gaming machine area of an approved venue cannot be claimed under paragraph (a). A motor vehicle can only be claimed where the motor vehicle is used for club purposes.

⁸ If financing costs are claimed, a claim cannot also be made in relation to the items financed.

⁹ Retained earnings can only be claimed for the year during which they were earned. If retained earnings are claimed, a claim cannot also be made when those funds are expended.

¹⁰ Where multiples of the same item forms one purchase, the total cost of all those items may be claimed.

¹¹ Operating costs include employment costs, but do not include the cost of staff whose principal place of employment is outside Victoria. Employment costs also include wages and salaries plus all on-costs such as superannuation and other entitlements, and benefits to the employee that attract fringe benefits tax. Operating costs also include management fees, electricity, rent etc. Payments made to players and officials of sporting clubs are claimable as operating costs.

¹² Responsible gambling measures and activities required by law including any measures or activities required by statute, licence, contract, agreement, deed, memorandum of understanding etc.

13 Attachment 3 - Clause 52.28

52.28 GAMING

18/10/2006
VC39

52.28-1 Purpose

18/10/2006
VC39

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.

52.28-2 Permit requirement

18/10/2006
VC39

A permit is required to install or use a gaming machine.
This does not apply in either of the following circumstances:

- Clause 52.28-3 or Clause 52.28-4 specifically prohibit a gaming machine.
- the gaming machine is in an approved venue under the Gambling Regulation Act 2003 on 18 October 2006 and the maximum number of gaming machines for the approved venue on 18 October 2006 is not exceeded.

52.28-3 Prohibition of a gaming machine in a shopping complex

18/10/2006
VC39

Installation or use of a gaming machine is prohibited on land specified in a schedule to this clause.
This does not apply to a gaming machine in an approved venue under the Gambling Regulation Act 2003 on 18 October 2006; and the maximum number of gaming machines for the approved venue on 18 October 2006 is not exceeded.

52.28-4 Prohibition of a gaming machine in a strip shopping centre

18/10/2006
VC39

Installation or use of a gaming machine is prohibited in a strip shopping centre if:

- the strip shopping centre is specified in the schedule to this clause.
- the schedule provides that a gaming machine is prohibited in all strip shopping centres on land covered by this planning scheme.

This does not apply to a gaming machine in an approved venue under the Gambling Regulation Act 2003 on 18 October 2006; and the maximum number of gaming machines for the approved venue on 18 October 2006 is not exceeded.

A strip shopping centre is an area that meets all of the following requirements:

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

but it does not include the Capital City Zone in the Melbourne Planning Scheme.

52.28-5 Transitional arrangements

18/10/2006
VC39

The requirements of Clause 52.28 as in force immediately before 18 October 2006 continue to apply to a gaming machine referred to in a transitional application and permitted in the determination of a transitional application if a planning permit was not required immediately before 18 October 2006 for that gaming machine.

In this clause, "transitional application" means an application or request made, and not determined, before 18 October 2006 to the Victorian Commission for Gambling under the Gambling Regulation Act 2003 for either:

- an approval of premises for gaming, or variation of approval of premises for gaming, or
- amendment of conditions of a venue operator's licence to vary the number of permitted gaming machines for an approved venue.

52.28-6

18/10/2006
VC39

Decision guidelines

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

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

14 Attachment 4 - Gaming Research Key Issues Context

Why do people gamble?

For the majority of gamblers, gaming is an enjoyable form of entertainment. However, it is recognised that EGMs are not a completely benign form of entertainment and for a small percentage of the people, can cause harm to the individual, their families and the community in a way that other entertainment facilities and leisure pastimes may not.

The reviewed research indicates that people gamble for a number of reasons, including:

- to reduce loneliness, isolation and boredom
- to win money
- entertainment and excitement
- for social contact
- to reduce stress/ gambling as way to cope or escape
- in response to relationship difficulties or breakdown
- gaming is an accessible and non-discriminatory form of recreation
- local (PC 1999; New Focus 2005)

As a form of recreation, gaming machines address a series of distinct motivations that may not be satisfied by other forms of entertainment. Some of the features that particularly attract people to play EGMs as a form of gambling include:

- Entertainment facilities that are self-activated
- An individual form of entertainment where the start time and length of play can be decided by the player
- Social contact in a non-confrontational environmental
- A social environment that allows for privacy and non-participation in organised activity
- Affordable food and beverages provided in many of the venues
- Accessibility by location and opening hours
- Personal security (New Focus Research 2005)

Understanding Problem Gambling

The Productivity Commission Report *Australian Gambling Industries* defines problem gambling as:

“the situation where gambling in our society gives rise to harm to the individual player and/or to his or her family and may extend to the community”

By this definition, problem gambling is an issue of public health; and is an issue of concern not only for the individual problem gambler, but also for the Government, the gambling industry, and the general community

‘Problem gamblers’ are estimated to make up 2.1% of Australian adults, yet they contribute to about a third of the gambling industry’s market; in 1999 problem gamblers lost on average \$12 000 a year (PC1999).

Whilst there is no typical profile of a problem gambler, there are a number of features that can make a person more vulnerable to problem gambling. Evidence

shows that the majority of known problem gamblers earn a lower than average income and are single (New Focus 2005, AMA 1999, AIGR 1996; Brown and Coventry 1997, VCGR 1997, PC 1999)

Research conducted by New Focus regarding problem gamblers indicated that in addition to these broader features, female sole parents and unemployed males were also vulnerable groups (New Focus 2005)

Whilst the majority of known problem gamblers are men, the number of women problem gamblers is increasing, most likely related to gaming machines. EGMs have a higher association with problem gambling than other gambling forms and evidence has suggested that women were more likely to play EGMs than men (AMA 1999; PC 1999)

The 1999 Productivity Commission Report identified a series of negative impacts that can stem from problem gambling:

- Health impacts (mental and physical health, anxiety, depression, suicide and substance abuse)
- Interpersonal impacts (family and marital breakdown, domestic violence, neglect)
- Financial impacts (personal financial hardships and debt; cost of help services; loss of revenue to the local economy)
- Legal impacts (crime, theft, imprisonment)
- Impacts on community services (cost and workload for counselling and health services, police, local government)
- Impacts on work or study (job loss, poor performance, absenteeism) (PC 1999; supported by research from New Focus 2005)

Gender and Gambling

The reasons for gambling differ between males and females; females gamble due to boredom, and are more likely to participate in 'chance' gaming (lottery, EGMs) whereas men are more likely to gamble for excitement and are more likely to bet on sporting events and games of skill (AMA 1999).

Isolated women are particularly attracted to EGMs as a form of entertainment as they offer social contact in a non-confrontational environment where women have reported feeling safe (New Focus 2005). EGMs provide a unique social environment that allows for privacy and non-participation in organised activity.

Ethnicity and Gambling

Approximately one quarter (24.4%) of problem gamblers were born overseas from a range of countries, reflecting the ABS data for the population of Victoria at the same time (1996 data) – 27% (University of Melbourne 1999). Over half of those born overseas were born in Europe (61.1%) and 85.3% of problem gamblers in this study spoke English as their main language.

A study conducted in 2000 for the VCGR investigated the impact of gaming on four specific cultural groups in Victoria (Arabic, Chinese, Greek and Vietnamese speaking cultural groups). The study found that rates of participation in gaming was lower in the four cultural groups than the general community but that those

who did participate were more likely to spend more on gaming (with the exception of the Arabic speaking group) and were more likely to have a problem with gambling. (Cultural Partners 2000)

In addition, the preferred modes of gaming differed between the various cultural groups. The percentage of respondents who use the EGMs at the casino is higher for the Greek and Chinese cultural groups, but much lower for Vietnamese and Arabic groups. Conversely, respondents from this survey were much less likely to gamble in club venues. (Cultural Partners 2000)

Possible Social Impact

Research indicates that EGM gaming can have a series of social benefits as well as negative impacts on the community.

Gaming machine venues can provide opportunities for community cohesion, increased recreational and entertainment opportunities (the machines and also the other club and hotel facilities that are included in the facility) (refer to *Romsey Hotel Pty Ltd v VCGR 2007*); and increased opportunities for social contact.

However, studies have suggested that accessible EGMs (through a combination of the location, number of machines, number of venues, opening hours and social accessibility) and the growth of machine numbers and venues can have serious social consequences for disadvantaged communities in particular (ANU 2004).

EGM consumption patterns closely correlate with measures of socio-economic disadvantage. Evidence has shown that disadvantaged areas are more likely to have higher densities of EGMs and to spend more money on EGMs (Livingstone 2006; Doughney 1999). People living in such areas, from a disadvantaged socio-economic background (including income, employment, marital status and gender) have been proven to be more vulnerable to problem gambling and the negative impacts of gaming (AMA 1999; New Focus 2005; PC 1999)

Evidence has indicated that gamblers who live within 4km of their regular club are more likely to gamble, to have a higher annual expenditure on gambling, to gamble more frequently and to play for longer duration than those who have to travel further to gamble (ANU 2004). Various studies (KPMG 1999; ANY 2004), found that people will generally access local gaming opportunities, with a significant proportion travelling around 2.5 – 5km.

Research has suggested that the proximity of gaming venues to places of community congregation (including shopping centres and activity centres), residential areas and areas of socio-economic disadvantage influenced gambler behaviour (ANU 2004). This leads to the conclusion that gaming venues should be located away from areas of disadvantage and should be less accessible to vulnerable communities.

The implications of improved access to gaming machines in areas where these opportunities did not previously exist are that whilst entertainment opportunities are increased, there is a lack of choice, which can have particular ramifications for those who are recognised as vulnerable groups to problem gaming.

Consumer Affairs Victoria believes there should be a range of transparent and fair consumer choice available to consumers in order for them to make balanced decisions regarding the expenditure of their money. Vulnerable or disadvantaged consumers can be influenced by a lack of information but also by accessibility and a range of socio-economic attributes including low income, education, levels of English spoken and isolation (CAV 2004a)

Therefore, as with other consumer products, a variety of entertainment options should be available and gaming should not be offered as the sole outlet for entertainment and recreation in an area. This is particularly important in areas of lower socio-economic advantage and in isolated communities to ensure that they are protected from becoming vulnerable or disadvantaged consumers; therefore making ill-informed decisions on consumption, in this case – a non-benign form of consumption.

Research indicated that a balanced approach needs to be taken when assessing the social impact of a gaming venue. Gaming should be available to the majority of the community who see it as a form of recreation and social contact; whilst protecting vulnerable members of the community from the harm associated with it. The most vulnerable communities are recognised as those areas of disadvantage or marginalisation and as research shows that there is a correlation between problem gambling and the accessibility of gaming venues; venues should be encouraged to locate away from areas of socio-economic disadvantage.

Possible Health Impact

Gaming, and problem gambling in particular, can have adverse effects on individual and community health including higher levels of anxiety, depression and suicide. Problem gamblers have also been identified as being more prone to substance abuse (AMA 1999).

Problem gambling is an addiction and a serious public health problem. According to the Productivity Commission, the prevalence of problem gambling in Australia was lower than levels of excessive smoking or alcohol consumption, but higher than the use of illicit drugs (PC 1999).

Reduced funds mean that people have less ability to access health and counselling services or afford nutritious food, which can affect physical health (AMA 1999; Brown and Coventry 1997). Physical health is not improved by the consideration that gaming is a sedentary form of recreation.

Possible Economic Impact

The economic impact of gaming is the impact on the individual (debt and financial hardship) and a net loss of revenue from the local economy (KPMG 1999). Gaming can provide some economic benefit through the implemented Community Support Fund and increased community facilities and services, but the amount lost to the local economy is not always returned at a comparable rate (VCGR 1997).

The individual financial impact of gaming can be linked to social and health problems including stress, anxiety and marital and family break up; and can lead on to further social and community impacts. Financial implications of problem

gambling may affect a gamblers' ability to pay bills, buy nutritious food or access medical services, therefore linking problem gambling, public health and socio-economic factors (Brown and Coventry 1997).

A variety of sources have indicated that entertainment patterns changed due to the introduction of EGMs into a localised area. Existing entertainment and retail operators in each of the subject areas noted a loss of trade that they believed was a direct result of the introduction of EGMs and the loss of the consumer dollar to gaming (PC 1999; VCGR 1997a; BCHS 2002).

Gaming machines result in slight increases in employment and provide financial revenue for clubs and hotels. Gaming revenue enables local clubs and hotels to develop their facilities and services to increase the range of recreational and entertainment opportunities within the local community and may provide the community with services.

Venue Type

Hotel gaming machines earn approximately twice the amount of club machines in Victoria (revenue per machine) (Livingstone 2006; Market Solutions 1999) This, plus the general perception that clubs are more likely to produce community benefit as a result of their nature as sporting and charity-based clubs; has lead to the ministerial direction on a split between hotel and club venues at 50% for each.

There is minimal evidence of the reason people spend more on hotel than club machines; however, the Livingstone report (2006) attempts to assess the reasons for this anomaly. It suggests that the club environment may deter heavy gamblers because of their relatively small numbers of machines and a lack of anonymity, and due to the clubs' role as a social, sporting or charity club. Large hotel venues may be more likely to have 'high-risk' characteristics such as, "higher numbers of EGMs, high activity levels, a substantial degree of anonymity, gambling as a major or primary business focus, more limited social purposes and extended operating hours". (Livingstone 2006) Therefore, it is likely that size of a venue plays as much a part as type of venue

Whilst this research is not substantial, there is a preference amongst many communities and local governments to favour the installation of gaming machines in clubs rather than hotels based on expenditure rates.

Club venues with gaming facilities are more reliant on gaming revenue than hotel venues with gaming facilities (Market Solutions 1999; ABS 2005)

Community Return (CSF & CBS)

Hotels are required under legislation to pay an additional tax of 8.33% of net gaming revenue into the Community Support Fund (CSF). This State tax fund is then used across the State to direct a portion of the financial benefits of EGMs to the Victorian community, to which organisations are able to apply for grants to improve community wellbeing. Last year this fund raised \$91 million in Victoria.

The State funding does not always correlate to the expenditure that is removed from that particular community.

Clubs are not required to pay the CSF tax, but must produce a Community Benefit Statement (CBS) to show the public exactly how EGMs provide benefit to the community. The statements are also designed to show that clubs benefit the community in other ways to hotels with EGMs who pay the CSF tax.

Purposes and activities that constitute “community purpose” in the CBS are defined by the Minister for Gambling and are relatively broad. Ministerial Direction S 3.6.9 (3) (March 2008) defines three classes of purposes and activities: Direct community benefits, Indirect community benefits and Miscellaneous. The division of community purposes allows different emphasis to be placed on different claimed benefits. A venue operator may claim up to:

- 100 per cent of revenue applied to a Class A purpose or activity
- For revenue applied to Class B purposes or activities, an amount equal to the proportion of non-gaming revenue to the club’s total revenue
- 100 per cent of revenue applied to a Class C purpose or activity

(Refer to Attachment 2 for a full copy of this Ministerial Direction)

Therefore, whilst legislation is in place to see that revenue is used for community purposes and is returned to the community from which it comes, the way in which the fund is implemented has seen as uneven rate of return to affected communities. In the past it has produced a net negative economic impact at the local community level.

This assumes an alternative use of this money, perhaps through a more targeted approach to funding, would produce a better outcome for the community. Local Councils should endeavour to find innovative ways that the community can better benefit from this revenue

Implications for location

Gaming research as discussed above indicates that gaming venues need to be located away from disadvantaged communities and places where people congregate for everyday activities. There is some evidence to support the idea of destination gambling as a way of limiting the impact of convenience gambling.

Used in this context, ‘convenience gaming’ relates to the co-location of gaming machines in areas where people undertake daily activities. ‘Destination gambling’ refers to a gaming venue that is a destination in its own right. The model looks at providing fewer venues but larger venues. The important element when assessing gaming venues is not that they are *inaccessible* (they may be located on transport routes or accessible by public transport) but that they are not convenient and that a conscientious decision has been made to gamble.

Destination gambling is described as:

“a style of gambling that encourages pre-determined decisions to gamble”
(Taking Action on Problem Gambling, 2006)

At a broad level it involves a reconfiguration of supply towards fewer, but larger gaming venues. Young (2007) has suggested that there are two destination

gaming options that provide the greatest potential to reduce accessibility in Victoria:

- Targeted local area changes whereby there would be a reduction of the supply of gaming in particular local government areas or suburbs; and
- Comprehensive consolidation of gaming venues.

Destination gambling venues are set apart from retail and community facilities where everyday activities take place. This reduces the likelihood of people being enticed to enter gaming venues rather than the decision to gamble being predetermined and considered. In this sense, gamblers are exercising their right to partake in a legitimate recreational activity, whilst it is concurrently recognised that gambling can have negative social and economic ramifications for some patrons.

Destination gaming can be better for the community overall but has been proven to be devastating for the community where the large gaming venues are located (Kirby 2005). Using EGM density as an indicator of the potential impact may conflict with the destination gambling approach. Encouraging an even, low-density spread across a larger area can make gaming more accessible to more communities, which has a proven correlation to problem gambling (ANU 2004)

There is an identified need for further research into the costs and benefits of destination gambling in an attempt to underpin policy making in this area. The community and industry have shown support for destination gambling venues, which has encouraged Government to focus on examining destination gambling arrangements.

The State Government's review of destination style gaming recommended that this model not be pursued in Victoria at this time. It found that in the short term destination gaming could increase problem gambling harm; although in the longer term it may reduce harm by providing a barrier to impulsive gambling behaviour. However given that more factors than just convenient accessibility contribute to problem gambling, this limits the benefits of pursuing a destination gaming model. (Department of Justice, 2008)

Nevertheless, the principle of reducing convenience gambling through destination gambling is likely to be a sound one. In order for this to be effective though there are various requirements for successful destination-style gambling which among other things depend on:

- A reduction in the supply of convenience venues to reduce accessibility in vulnerable areas,
- Locating destination venues in less vulnerable areas
- Limiting accessibility to vulnerable groups as determined by location, transport infrastructure (distance constraints), opening hours (time constraints) and travel costs (budgetary constraints).
- Venue-based strategies for and state intervention in monitoring and preventing problem gambling. (Young, 2007)

It is acknowledged though that limiting accessibility in vulnerable areas can be a policy trade off. Destination gaming can be better for the community overall but

has been proven to be devastating for the community where the large gaming venues is located (Caps Review 2005, Young 2007).

Whilst it is recognised that problem gaming is an addiction (PC 1999), and therefore normal consumer behaviour does not always apply, the destination gaming model seeks to protect communities that may be vulnerable to problem gambling and at risk of the impact of gaming.

15 Attachment 5 – Yarra City Council Policy Review

Local Policy & Gaming – Yarra City Council

Local Policy	Status	Purpose	Gaming Considerations
Municipal Public Health Plan 2005-2008	November 2005	Priorities: social connectedness; healthy living; healthy environments; research, planning & partnerships; income security Adopt a “social model of health”	<ul style="list-style-type: none"> • Yarra health & wellbeing is affected by risk factors associated with Problem Gambling • Yarra is a polarised community with pockets of disadvantage and is a key destination for migrant settlement • Gambling – local level affects, community agencies link EGM to depression, welfare dependence, family conflict/breakdown, child neglect • Those most affected: Centrelink beneficiaries; little disposable income residents; public housing tenants; migrants; students; homeless; below the poverty line residents • Lower than average EGM and concerns about access to local gambling opportunities for at risk groups
	July 2004		<ul style="list-style-type: none"> • Only 291 aboriginal people in Yarra – census data 2001 • Quite a disadvantaged community
Local Planning Policies			
Municipal Strategic Statement (Clause 21)	Revised version adopted 15 April 2008	Sets out strategic land use and development policies for the municipality. Structured into the following sections: Strategic vision Land use Built form Transport Environmental sustainability Neighbourhoods	<ul style="list-style-type: none"> • Relevant parts of the overall vision include: • Accommodating a diverse range of people including those who are socially or economically disadvantaged • Complex mix of land uses to provide for a range of activities to meet the needs of the community. • Retail strips to provide for local needs and attract people from across Melbourne

			<ul style="list-style-type: none"> • Most people walk, cycle or use public transport to get to work.
<p>Clause 21.04 Land Use</p>	<p>Revised version adopted 15 April 2008</p>	<p>Objectives include:</p> <p>Residential: Accommodate forecast increases in population Retain a diverse population and household structure Reduce amenity conflicts between residential and other uses</p> <p>Activity centres: Maintain the balance between local convenience and regional retail roles in activity centres Require gaming venues to demonstrate no net negative impact</p>	<ul style="list-style-type: none"> • Relevant strategies: • Increase the range of retail, personal and business services, community facilities and recreation activities within individual centres. • Support the regional role of the Major Activity Centres as an important component of Yarra’s economy and as a metropolitan destination. • Support the role of all activity centres in providing local day to day needs of residents • Support land use change and development that contributes to the adaptation, redevelopment and economic growth of existing activity centres. • Require an assessment of the social and economic impact on the community to be undertaken for applications for gaming venues or an increase in gaming machines.
<p>Clause 21.06 Transport</p>	<p>Revised version adopted 15 April 2008</p>	<p>Objectives include:</p> <p>To provide safe and convenient pedestrian and bicycle environments To facilitate public transport usage To reduce reliance on the private motor car To reduce the impact of traffic</p>	<ul style="list-style-type: none"> • Relevant strategies: • Provide a safe and friendly pedestrian environment in association with new development • Require new development that generates high numbers of trips to be easily accessible by public transport • Require large new developments to prepare and implement integrated transport plans to reduce the use of private cars and encourage walking, cycling and public transport • Require new development to minimise the impact of traffic and parking.

<p>Clause 22.01 – Discretionary Uses in the Residential 1 Zone</p>	<p>Revised version adopted 16 October 2007</p>	<p>Objective: To ensure residential amenity is not adversely affected by non-residential uses</p>	<ul style="list-style-type: none"> • Places of assembly should have access to and adjoin a Road Zone • Except on land adjoining and with access to a Road Zone all required car parking should be on-site and the scale of the proposal should be compatible with providing a service to the local community.
<p>Clause 22.09 – Licensed Premises</p>	<p>Revised version adopted 16 October 2007</p>	<p>Objectives: Effectively manage the location, operation and hours of trade of licensed premises in order to protect amenity.</p>	<ul style="list-style-type: none"> • New licensed premises should not be located in Residential or Mixed Use zones • Assess the impact of hours of operation. Restrictions on trading hours are outlined. • Other policies are outlined in relation to patron numbers, noise and car parking.
<p>Research Papers</p>			
<p>Background Paper – Gambling in the City of Yarra – Borrell</p>	<p>June 2005</p>	<p>Provides information on Yarra and gaming including vulnerability analysis</p>	<ul style="list-style-type: none"> • Identification of 6 state principles for gambling policy: responsible gambling; high standards; valid activity; community financial benefit distribution; competitive environment; consultative processes • Research indicates a relationship with adverse social gaming impacts and migrant issues • Identifies characteristic of venue environments & vulnerability factors for problem gambling. • Venue: accessibility; visibility; population mobility; completing activities; sense of safe alternatives; location; work patterns • Factors: social exclusion; disadvantage; isolation; low income; hopelessness; boredom; primary carers; addicts; ease of use/accessibility; social milieu; youth & gambling family

			<ul style="list-style-type: none">• Concern focuses on CALD community and public housing tenants• Need to consider city gaming venues• Destination gaming is preferred
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16 Attachment 6 - Socio-Economic Data for Yarra City Council

Please refer to spreadsheet

Socio Economic Data Set City of Yarra (based on 2006 Census data and Id Consulting profiles, unless otherwise specified)

Suburb	Population				Age		Income		Household Type					Tenure Type			Housing Costs		Housing Stress High, Medium or Low Levels- refer to Data Map for more detail	Level of Schooling Completed			Labour force		Diversity Language spoken at home ⑤	Family Type			SEIFA 2006 ⑥	
	Population 2001	Population 2006	Population change	Population Forecast 2021	Median Age	Aged 65+	Median Household Weekly Income ①	Median Weekly Individual Income ①	Family ②	Single Parent	Lone Person	Group	Average household size	Households Fully Owned	Households being purchased	Households being rented ③	Median Weekly rent	Median Monthly Housing Loan Repayment		Year 12 or equivalent	Year 10 or below	Did not go to school	Labour Force Participation Rate 2006 ④	Unemployment Rate 2006		Born Overseas	Couple family with children	Couple family with no children		One parent family
Abbotsford	4,063	4,331	6.6%	6,056	35	9.6%	\$1,301	\$644	48.8%	14.7%	28.9%	12.9%	2.17	21.3%	27.0%	35.8%	\$270	\$1,685	Medium	62.0%	15.8%	1.8%	65.7%	4.8%	28.0%	English only 36% Vietnamese 9.2% Greek 5.6% Cantonese 2.9%	31.6%	48.3%	14.7%	1039.50
Clifton Hill	5,244	5,385	2.7%	6,037	35	7.9%	\$1,550	\$791	52.8%	15.1%	26.4%	11.4%	2.2	24.5%	28.3%	35.3%	\$270	\$1,760	Low	67.1%	12.7%	1.1%	69.1%	4.2%	20.6%	English only 58.1% Greek 4.7% Italian 2.2% Mandarin 0.7%	35.2%	47.7%	15.1%	1084.80
Collingwood	5,104	5,496	7.7%	8,044	32	8.0%	\$887	\$511	43.2%	24.7%	35.0%	12.0%	1.99	9.5%	19.1%	57.1%	\$180	\$1,700	High	59.3%	16.5%	1.8%	60.8%	8.7%	34.0%	English only 30.4% Vietnamese 9.2% Greek 3.1% Cantonese 2.5%	21.5%	49.1%	24.7%	886.10
Fairfield-Alphington	2,167	2,275	5.0%	2,613		11.6%			56.3%	10.6%	29.2%	4.3%	2.32	30.5%	27.3%	30.3%			Low	60.8%	18.3%	0.2%	62.6%	2.5%	17.2%	English only 52.2%	50.6%	36.6%	10.6%	1089.70
Fitzroy	8,137	8,822	8.4%	10,092	33	9.6%	\$1,125	\$564	47.8%	19.9%	29.1%	15.0%	2.09	15.0%	18.3%	55.6%	\$240	\$1,842	High	63.9%	13.2%	2.4%	62.1%	6.9%	33.0%	English only 37.9% Vietnamese 5.5% Cantonese 3.8% Mandarin 2.2%	23.1%	52.8%	19.9%	960.00
North Fitzroy	10,062	10,264	2.0%	12,798	34	10.9%	\$1,176	\$643	47.4%	13.4%	31.0%	14.7%	2.13	21.0%	22.4%	45.5%	\$260	\$1,700	Medium	68.1%	14.0%	1.0%	66.1%	4.6%	24.3%	English only 51.9% Italian 6.1% Greek 2.9% Vietnamese 1.1%	35.3%	47.7%	13.4%	1049.30
North Carlton	8,201	8,190	-0.1%	8,557	31	9.3%	\$1,307	\$669	48.5%	12.5%	26.4%	18.3%	2.2	25.4%	17.4%	49.0%	\$300	\$1,685	Low	74.6%	9.8%	0.6%	69.8%	4.7%	23.4%	English only 51.3% Italian 6.5% Greek 1.9% Mandarin 1.8%	35.4%	47.4%	12.5%	1075.30
Central Richmond	10,306	10,761	4.4%	11,873		9.0%			46.0%	11.0%	31.5%	14.5%	2.01	21.1%	22.9%	45.6%			Low	67.0%	13.5%	1.2%	72.0%	2.9%	24.2%	English only 55.1%	30.4%	53.4%	11.0%	1084.10
South Richmond	3,370	3,594	6.6%	4,935		6.9%			47.9%	11.1%	28.6%	16.4%	2.07	20.5%	30.2%	39.0%			Low	69.9%	11.6%	0.8%	74.9%	3.1%	22.0%	English only 58.3%	27.0%	57.7%	11.1%	1093.40
North Richmond	9,800	10,243	4.5%	12,907		11.5%			48.9%	23.0%	28.8%	11.7%	2.19	12.8%	17.1%	55.9%			High	53.8%	19.4%	4.1%	56.8%	7.7%	38.0%	English only 22.3%	30.4%	41.4%	23.0%	910.80
Richmond (TOTAL)		22,475			33	10.1%	\$1,195	\$671	47.1%	16.2%	29.9%	12.9%		17.9%	20.6%	49.4%	\$250	\$1,800	Medium				5.0%	30.5%	English only 62.1% Vietnamese 7.7% Greek 5.9% Cantonese 2.2%					
City of Yarra	66,704	69,330	3.2%	82,225	33	9.7%	\$1,196	\$653	48.1%	15.7%	29.7%	13.8%	2.12	19.1%	21.6%	47.7%	\$251	\$1,733	Medium	64.9%	14.2%	1.7%	65.8%	5.1%	27.7%	English only 41.3%	31.2%	48.5%	15.7%	1019.50
Metropolitan Melbourne	3,357,888	3,592,591		4,236,156	36	12.8%	\$1,079	\$481	68.6%	15.4%	22.7%	4.3%	2.15	33.1%	34.6%	24.5%	\$200	\$1,300		48.5%	27.9%	1.3%	61.1%	5.3%	28.9%	English only 37.1%				
Victoria	4,612,097	4,932,422	6.9%	n/a	37	13.6%	\$1,022	\$456	68.1%	15.4%	23.3%	3.8%	2.6	34.7%	34.0%	23.9%	\$185	\$1,252	n/a	44.0%	31.5%	1.1%	63.6%	6.8%	23.8%	Italian 2.7% Greek 2.3% Vietnamese 1.4%	46.9%	35.9%	15.4%	1016.00

Notes:

- ① For people aged 15 years and over
- ② A family is defined by the ABS as two or more persons, one of whom is at least 15 years of age, who are related by blood, marriage (registered or de facto), adoption, step or fostering, and who are usually resident in the same household.
- ③ Includes being rented by a real-estate agent, state or territory housing authority
- ④ Labour Force Participation - percentage of people aged over 15 who are in the labour force (includes unemployed persons)
- ⑤ Lists the top 3 languages other than English spoken at home with the suburb
- ⑥ SEIFA index of disadvantage 2001. To maintain consistency with the other indexes, the higher an area's index value, the less disadvantaged that area is compared with other areas e.g.- an area with an index of 1200 is less disadvantaged than an area with an index of 800 (ABS, 2001)

Due to boundary conflicts some data is unavailable for Fairfield-Alphington and Richmond areas individually - therefore there may be some inconsistencies with data

Source ABS 2006 Census of Population and Housing

17 Attachment 7 – Spatial Audit

Clause 52.28-4 of the Victorian Planning provisions defines strip shopping areas as an area meeting all of the following requirements:

- It is zoned for business use;
- It consists of at least two separate buildings on at least two separate and adjoining lots;
- It is an area in which a significant proportion of the buildings are shops;
- It is an area in which a significant proportion of the lots abut a road accessible to the public generally;

It is suggested that these tests may be applied in the following way if the Council wishes to audit its strip shopping centres.

The first test:

- “Zoned for business use” includes all business zones.

The second test:

- As it reads

The third test:

Normally this will entail:

- More than 1/3 of the area being shops. Area will normally be defined as a “block”
 - A block will be the land between two public roads (or laneways), abutting a publicly accessible road/laneway and at least one lot deep
- However if land between two public roads is in more than one zone then the area will only include that part zoned for business purposes
- 'Buildings' are interpreted as structures i.e. excludes vacant land (irrespective of if it meets the other criteria)
- 'Shops' as per the VPP definition.

However what a reasonable person would consider a “strip shopping centre” is likely to include a variety of uses not technically defined as a shop, such as real estate agents, banks, take away food shops and laundromats. As such it is considered that if a small, contained part of a larger, predominantly compliant centre does not meet the definition above (perhaps because the area had less than a third of buildings used as ‘shops’) it would be unreasonable to exclude this area from the overall strip shopping centre. Importantly, however, any peripheral areas failing the definition of ‘shop’ will be excluded.

Where a strip shopping complex contains a vacant building that appears to have been previously used as a shop and is likely to still be capable of this use, it is considered to meet the VPP definition of ‘shop’ on the basis of a likelihood of continued future use.

The fourth test:

- 'Road accessible to the public generally' irrespective of ownership and whether the road is primarily used for vehicular or pedestrian access.

Shopping Complexes

Shopping complexes are considered to be stand-alone buildings containing one or more shops.

18 Attachment 8 - Assessment Tool for evaluating net community benefit of gaming applications

The table below sets out some of the key factors that may be relevant in establishing net community benefit. Decision makers will need to establish which positive and negative factors listed below apply to the application and then weigh up the relative merits versus concerns. The relevant factors will depend on the location and scale of the proposal, what information is available, as well as whether the proposed gaming machines are additional to the municipality, or being relocated from elsewhere in the municipality. Other factors not listed here may also be relevant.

Category	Issues to consider		Potential information sources
	Positive impacts	Negative impacts	
Socio-economic profile	<p>Socio-economic indicators show above Melbourne average levels of advantage and well-being at a municipal level, in the expected patron catchment and within 1km of venue. Key indicators will be:</p> <ul style="list-style-type: none"> – Scores above 1000 on SEIFA Index of Disadvantage – Higher than average household incomes – Lower than average unemployment – Lower than average proportion of single parent households – Lower than average levels of public housing tenants – Lower than average levels of housing stress – Lower than average levels of non-English speakers – Above average scores for municipal community indicators 	<p>Socio-economic indicators show above average disadvantage and vulnerability to problem gambling at a municipal level, in the expected patron catchment and within 1km of the venue. Key indicators will be:</p> <ul style="list-style-type: none"> – Scores below 1000 on SEIFA Index of Disadvantage – Lower than average household incomes – Higher than average unemployment – Higher than average proportion of single parent households – Higher than average levels of public housing tenants – Higher than average levels of housing stress – Higher than average levels of non-English speakers – Below average scores for municipal community indicators 	<ul style="list-style-type: none"> – ABS Census data (www.abs.gov.au) – Community Profile and Forecasts (Council website) – ABS Census InfoMap on Housing Stress – DVC Indicators of Community Strength – Community Indicators Victoria (www.communityindicators.net.au) – Jesuit Social Services, Tony Vinson. <i>Community Adversity and Resilience Report 2004</i> – Council social planning department
	Note: other indicators may be relevant to local area		

Category	Issues to consider		Potential information sources
	Positive impacts	Negative impacts	
Transport and land use	<p>Location of venue will not encourage convenience gaming as:</p> <ul style="list-style-type: none"> – Venue is not in close proximity to or integrated with high pedestrian generating activities or key places of community congregation. Eg shops, community centres and railway stations – Venue is not convenient to concentrations of public housing or community service hubs for disadvantaged persons <p>Location of venue allows for safe and sustainable travel</p> <ul style="list-style-type: none"> – Venue is safely accessible by a range of transport modes at day and night <p>Venue will not cause amenity impacts on neighbouring uses</p>	<p>Location of venue will encourage convenience gaming as:</p> <ul style="list-style-type: none"> – Venue is located within or in close proximity to major pedestrian generating activities and key places of community congregation. – Venue is not easily accessible from concentrations of public housing and community service hubs for disadvantaged persons <p>Location of venue makes safe sustainable travel difficult</p> <ul style="list-style-type: none"> – Venue is located without safe pedestrian access at day and night. <p>Venue will cause negative amenity impacts on neighbouring uses</p>	<ul style="list-style-type: none"> – Site inspection – Council transport planning department – Melways – MSS – ABS Census data, SEIFA and Community Profile (for public housing)
Other entertainment and recreation facilities	<p>Local residents have a choice of entertainment and recreation activities within 1km of the venue as there are a range of other non-gambling entertainment, leisure and recreation options available at the same time the gaming machines will operate.</p>	<p>Local residents do not have a choice of non-gambling entertainment options as there are limited or no other non-gambling entertainment facilities available within 1km of the venue at times the gaming machines will be operating.</p>	<ul style="list-style-type: none"> – Council website (Council Services) – Recreation and Leisure Department, Council – Melways
Other facilities at the venue	<p>Visitors to the venue can choose a range of non-gambling activities. Eg live entertainment, restaurants, sport.</p>	<p>The venue is primarily established for gambling and has limited or no other activities to choose from.</p>	<p>Applicant</p>

Category	Issues to consider		Potential information sources
	Positive impacts	Negative impacts	
Population growth	Population growth is projected which will lower gaming machine density in the neighbourhood and municipality	Limited, stable or negative population growth is projected which will mean higher gaming machine densities.	<ul style="list-style-type: none"> – DSE Population projections – Community Forecasts (Id Consulting) on Council website – Planning Scheme – Any relevant policy or document (for example, structure plans, development plans and growth strategies where applicable)
Social impact	<p>Provision of facilities, services or activities needed by the community as a result of the gaming revenue</p> <p>Negligible additional need for local problem gambling counselling services</p> <p>There is community support for the gaming machines and facilities proposed.</p>	<p>Facilities and activities provided by the venue are already readily available in the local area and there is no additional demand</p> <p>Likely additional need for problem gambling counselling services.</p> <p>Community survey about the proposed venue showing notable community opposition</p>	<ul style="list-style-type: none"> – Information from the applicant about contributions. – Council Social Planning and Recreation Departments – Local Gambler’s Help office – Any survey conducted by Council or the applicant about the proposal
Economic impact	<p>There is evidence available of economic benefits from the establishment of the gaming machines such as:</p> <ul style="list-style-type: none"> – Contributions to community services or sponsorship of community activities – Additional employment related to the gaming component of the venue 	<p>There is evidence of likely negative economic impacts from the establishment of gaming machines such as:</p> <ul style="list-style-type: none"> – Redistribution of spending away from local business – Limited EGM expenditure will be retained in the local community 	<ul style="list-style-type: none"> – VCGR Research and Statistics (www.vcgr.vic.gov.au) – Past Community Benefit Statements for clubs on the VCGR website – ABS Census data – Applicant

Category	Issues to consider		Potential information sources
	Positive impacts	Negative impacts	
Scale and density of gaming	<p>There are limited gaming opportunities in the municipality and local neighbourhood as evidenced by lower gaming densities (number of EGMs per 1000 adults) than the Melbourne metropolitan average</p> <p>Additional gaming machines will have a negligible impact on the overall and local neighbourhood gaming density</p>	<p>There are already accessible gaming opportunities in the local area</p> <p>Gaming density figures in both the municipality and local neighbourhood will be above the Melbourne metropolitan average</p>	<ul style="list-style-type: none"> – VCGR Research and Statistics (www.vcgr.vic.gov.au) – Gaming Policy Framework, Coomes Consulting Group
Relocated EGMs	<p>If the EGMs have been relocated from elsewhere in the municipality and there are comparative benefits of the redistribution such as:</p> <ul style="list-style-type: none"> – Removal of gaming machines from a disadvantaged community – Removal of gaming machines from a convenient location – Removal of gaming machines from a neighbourhood with a high gaming machine density (EGMs per 1000 adults) – Increased financial contributions to community facilities and activities 	<p>If the EGMs have been relocated from elsewhere in the municipality and there are comparative disadvantages this redistribution such as:</p> <ul style="list-style-type: none"> – Relocation of gaming machines to a more disadvantaged community – Relocation of gaming machines to a more convenient location – Relocation of gaming machines to an area with a higher neighbourhood gaming machine density – Reduced financial contributions to community facilities and activities 	<ul style="list-style-type: none"> – As identified above