

Fact sheet FS3105

Class 2 Local Impact Assessment (LIA)

This fact sheet is for hotels and registered clubs that apply to obtain an increase to their gaming machine threshold and need to complete a Class 2 Local Impact Assessment.

Overview

The purpose of a Class 2 LIA is to inform and support a community consultation process that will enable the Independent Liquor & Gaming Authority Board (Authority) to determine whether approving an increase to the gaming machine threshold at a particular hotel or registered club will have an overall positive impact on the local community.

Guidelines on Class 2 local impact assessments are available at liquorandgaming.nsw.gov.au.

Format of a Class 2 LIA

LIA documentation submitted by applicants should be succinct. All Class 2 LIAs must include a clearly marked executive summary of no more than 5 A4 (single-sided) pages.

Preparing a Class 2 LIA

The Authority may only approve a Class 2 LIA if it is satisfied about certain matters specified in the legislation that:

- ▲ it complies with the requirements of the *Gaming Machines Act 2001* and Gaming Machine Regulations 2010 – including the requirement for a report of the results of the pre-submission consultation process, with that report including details and outcomes of any meetings or discussions held in relation to the proposed application
- ▲ it demonstrates that gambling activities at the venue will be conducted in a responsible manner
- ▲ it demonstrates that the proposed increase in gaming machines for the venue will have an overall positive impact on the local community in which the venue is situated

- ▲ (if it is a new hotel or registered club) the venue is not in the immediate vicinity of a school, place of public worship or hospital; and
- ▲ community concerns arising out of the consultation process are adequately addressed.

Information to be included in a LIA

The following information must be included as part of the LIA to assist the Authority's consideration of these matters.

General information

- ▲ the gaming machine threshold for the venue and the amount of the proposed increase
- ▲ the name, address and licence number of the venue
- ▲ (in the case of a hotel) the name and address of the business owner, and the contact details of each business owner or their representative
- ▲ the name of the local government area and Statistical Area Level 2 (SA2) in which the venue is situated
- ▲ the name/s of any other SA2 within 5 kilometres of the venue
- ▲ a map of the area within a 1 kilometre radius of the venue showing the location of the venue and the location and name of:
 - any other licensed premises, with hotels and registered clubs highlighted
 - any sporting or community facility
 - any school, place of public worship or hospital. In the case of a new hotel or registered club, the Authority must be satisfied that the new venue is not in the immediate vicinity of these types of premises.

Specific information about the venue

- ▲ a description of the facilities provided by the venue and the activities conducted there
- ▲ the trading hours of the venue, including the venue's approved and actual trading hours (where these differ)

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- ▲ details (including a floor plan) of the area/s set aside for playing gaming machines
- ▲ a current patron profile showing the distribution of places of residence, gender, occupation, age and other relevant information such as the cultural or ethnic background of the venue's patrons. This profile is to be based on a survey of patrons that will enhance the Authority's understanding of the characteristics of those who frequent, or who are expected to frequent, the venue. The survey should comprise one or more of the following:
 - responses to a questionnaire provided to a reasonably representative sample of patrons
 - responses to interviews conducted with a reasonably representative sample of patrons
 - an examination of patron information held by the venue
 - any other mechanism by which the characteristics of the venue's patrons may be reasonably reliably ascertained.
- ▲ an outline of any expected increase in patronage if the threshold increase application is approved
- ▲ details of harm minimisation and responsible gambling measures (in addition to those required by law) in place in the venue. The Authority must be satisfied that the LIA demonstrates that gambling activities in the relevant venue will be conducted in a responsible manner. For this purpose, the Authority will review details of those measures currently in place at the venue (aside from those required by law) and any assurances these will continue. Information about any additional measures the venue proposes to adopt if the application is granted will also be taken into account. In the case of a new hotel or registered club, the LIA should include information about the measures that are proposed to be put in place.

Gaming-related and social profile information

Gaming-related information:

- ▲ total number of gaming machines in the SA2 and LGA for each of the previous five years
- ▲ numbers of gaming machines per adult in the SA2 and LGA for each of the previous five years
- ▲ numbers of gaming machines in registered clubs and hotels in the SA2 and LGA for each of the previous five years

- ▲ current gaming machine entitlements and poker machine permits for registered clubs and hotels in the SA2 and LGA
- ▲ quarterly gaming machine expenditure in the SA2 and LGA for the previous 5 years

Social profile information:

- ▲ actual (census) and estimated adult population of the SA2 and LGA for each of the previous five years
- ▲ population:
 - no. in age group 18-24
 - no. in age group 60+
- ▲ Indigenous population, including numbers of Aboriginal and Torres Strait Islander people
- ▲ country of birth of persons
- ▲ number and percentage of population who did not complete year 12
- ▲ unemployment levels
- ▲ number employed as labourers
- ▲ number employed as administrative and support service workers
- ▲ income distribution of the SA2 and LGA
- ▲ comparison of gaming machine expenditure with household income for the SA2 and LGA
- ▲ SEIFA indices
- ▲ number and percentage of relationship by household

If the venue is located within five kilometres of another SA2, this gaming-related and social profile information must be provided for each relevant SA2.

Gaming related information for each relevant SA2 and LGA may be purchased from Liquor & Gaming NSW. Please use form ERG100 'Gaming Machine Data Request' available at liquorandgaming.nsw.gov.au. Charges and payment details can be found on the form.

Social profile information required for each relevant SA2 and LGA should be obtained from the Australian Bureau of Statistics. For further information visit the ABS website at abs.gov.au.

Other information

The LIA must specify the following matters:

- ▲ the applicant's view of the positive impact – both social and economic that the proposed increase in the gaming machine threshold will have on the local community, and

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- the applicant's view of any negative social or economic impact the proposed increase in the gaming machine threshold will have on the local community, and the action that will be taken to address it.

The Authority will generally not consider the following propositions to be a 'positive impact' for the purposes of its assessment of the LIA:

- that a financial benefit to the applicant is the equivalent of an economic benefit to the local community
- that an impact assessment is a quantified result
- that there is only one community (i.e. everyone is the same).

A benefit that may result in a positive impact must include a financial contribution to the Responsible Gambling Fund (RGF). For further details on how positive contributions are determined by the Authority, please see Class 2 LIA Guidelines available at liquorandgaming.nsw.gov.au

Pre-Submission Consultation

No later than 90 calendar days prior to submitting the threshold increase application form and the LIA, the applicant must notify each of the following about the proposed application:

- the **local council** for the area where the venue is situated
- the **local police**
- the **NSW Council of Social Service**
- the **Local Health District** for the area where the venue is situated
- any organisation in the LGA that receives funding from the Responsible Gambling Fund to provide gambling-related **counselling or treatment services**. The RGF provides funding for a range of gambling counselling and treatment services across NSW. Notification should be given to each RGF-funded service that has a presence in the relevant LGA. Information about those services is available at gamblinghelp.nsw.gov.au.
- other community services organisations as are listed by the local council for the area in which the relevant venue is situated that provide the local community services relating to welfare, emergency relief,

financial assistance, Aboriginal health, Aboriginal legal assistance, or gambling and addiction counselling or treatment.

The notification must specify the following matters:

- the name and address of the venue
- an explanation of the nature of the proposed application
- the contact details of the person to whom submissions or inquiries about the proposed application may be made
- the date on which the proposed application is intended to be submitted (not being a date that is earlier than 90 calendar days from the date of the notification)

Submitting a Class 2 LIA

- The LIA should be attached to the application form for a gaming machine threshold increase submitted to Liquor & Gaming NSW (L&GNSW) via email. Forms can be found at liquorandgaming.nsw.gov.au.
- A threshold increase application form that does not appear to contain the requisite information, or an LIA that does not appear to comply with the requirements this fact sheet, will not be accepted for processing and will be returned to the applicant.

Consultation Requirements

Within two working days after submitting the threshold increase application form and the LIA, the applicant must initiate the following consultation process:

- provide a copy of the application form and the LIA to the **local council** for the area where the venue is situated
- provide a copy of the application form and the LIA to the **local police**
- notify the following stakeholders that the threshold increase application has been made and advise of the availability the application and the LIA at liquorandgaming.nsw.gov.au
 - the **NSW Council of Social Service**
 - the **Local Health District** for the area where the venue is situated
 - any organisation in the LGA that receives funding from the RGF for providing gambling-related **counselling or treatment services**.

- other community services organisations as are listed by the local council for the area in which the relevant venue is situated that provide the local community services relating to welfare, emergency relief, financial assistance, Aboriginal health, Aboriginal legal assistance, or gambling and addiction counselling or treatment.
- ▲ the applicant must also advise each of the above organisations that they have 90 calendar days after the application and the LIA has been posted on the L&GNSW website to make a written submission to L&GNSW.

In addition a venue must:

- ▲ place an **advertisement in a local newspaper** circulating in the area in which the venue is situated
- ▲ **display a notice** in a conspicuous area outside the venue, or on the perimeter of the site if the venue has not been built.

The advertisement and notice must state that a gaming machine threshold increase application has been made and an LIA provided, explain the nature of the application and advise that the material can be viewed at liquorandgaming.nsw.gov.au and that any person may make a submission on it within 90 calendar days of the application and LIA being posted on the L&GNSW website.

This reflects the minimum consultation process specified in the legislation and evidence of compliance with these requirements must be provided to the Authority in the form of a statutory declaration.

Applicants should also note that they can engage more closely with relevant stakeholders at any time to discuss their proposal - including prior to, or during, the pre-submission consultation period. It is likely that any such engagement will lead to the earlier identification of issues of concern and better enable applicants to address the matters about which the Authority is required to be satisfied.

The threshold increase application form and the LIA will be placed on the Liquor & Gaming NSW website during the consultation period (approximately 90 calendar days).

Any submissions received during that period will be provided to the applicant for comment to the Authority. Before determining the application, the Authority must be satisfied that the applicant has adequately addressed any community concerns arising out of the consultation process.

Assessment process

The application will be assessed and determined:

- ▲ after the conclusion of the main consultation period; or
- ▲ where submissions raising concerns have been made during the main consultation period - after the applicant has provided comments on those concerns to the Authority.

A threshold increase application will only be approved if the Authority approves the accompanying LIA.

A Class 2 LIA will only be approved if the Authority is satisfied about several matters that are set out in the legislation.

If the LIA is approved, the Authority will determine the threshold increase application. If the Authority approves a threshold increase application, it remains open to the Authority to approve a lesser increase than that sought. However, the Authority will generally approve the requested increase unless the particular circumstances of an application warrant it approving a lesser increase. The Authority may also approve an increase subject to conditions.

Determinations made will be published at liquorandgaming.nsw.gov.au.

If the Authority approves an increased gaming machine threshold, the venue has up to five years from the date of the approval to acquire the gaming machine entitlements (and poker machine permits for hotels) for the number of gaming machines that the approval relates to. If at the end of the five year period the venue has not acquired sufficient poker machine entitlements to fulfil the approved increase, the gaming machine threshold will be reduced by the amount of the unused portion.

Assessment Costs


The applicant must meet any costs incurred by the Authority in determining the LIA and the Authority may refuse to make a determination until arrangements have been made to cover those costs. Applicants will be advised of likely costs prior to them being incurred.

For further information

To find out more about Class 2 LIA:

 liquorandgaming.nsw.gov.au

 contact.us@liquorandgaming.nsw.gov.au

 1300 024 720