Class 1 Application Local Impact Assessment

Kellys Irish Pub
51 Church Street
Mudgee NSW 2850
November 2022

Licence Number: LIQH400116225

LGA: Mid-Western Regional Council

AMW Lawyers Level 8, 131 York Street Sydney NSW 2000

1. Executive Summary

- 1.1. The applicant submits a Class 1 Local Impact Assessment ("LIA") in support of an application under the *Gaming Machines Act 2001* ("the Act") for a low-range increase to the gaming machine threshold presently 18 comprising 18 gaming machine entitlements with an increase of 2 gaming machines entitlements for Kellys Irish Pub at 51 Church Street, Mudgee NSW 2850 ("Hotel")
- 1.2. The threshold increase of 2 gaming machines would bring the overall total of the threshold to 20.
- 1.3. The subject premises is situated at 51 Church Street, Mudgee NSW 2850.
- 1.4. The hotel is located within a SA 2 Band 2 area of Mudgee within the Local Government Area ("LGA") of Mid-Western Regional Council.
- 1.5. The Act requires the Authority to be satisfied of the following in order to approve the subject gaming machine threshold increase application.
 - (a) The LIA complies with the Act & Regulation requirements;
 - (b) The LIA has demonstrated that gambling activities will be conducted in a responsible manner as referred to in Clause 3.
 - (c) The proposed increase in the gaming machine threshold will provide a positive contribution towards the local community as referred to in Clause 6; and
 - (d) The LIA has adequately addressed any community concerns arising out of the consultation.

It is submitted that the Authority would be satisfied the requirements of the Act have been met.

2. Hotel Background

- 2.1. The premises are located at 51 Church Street, Mudgee NSW 2850 on the Castlereagh Highway.
- 2.2. The LIA Guidelines require the Independent Liquor and Gaming Authority to only approve an application where it is satisfied the requirements of the Act and the Regulations and the Hotel in relation to gaming activities are conducted in a responsible manner.
- 2.3. The primary purpose of the Hotel is for the sale of liquor by retail. The keeping and operation of gaming machines at the Hotel will not detract unduly from the character of the Hotel or from the enjoyment of persons using the Hotel otherwise than for the purpose of gaming. The Hotel currently operates 18 gaming machines, with 18 gaming entitlements.
- 2.4. The Hotel provides a full range of facilities for its patrons, including a bar, bistro with 80 seats internally and 120 externally; outdoor covered beer garden, TAB & KENO, gaming room, kids playground and 19 accommodation rooms and bottleshop and courtesy bus.

A copy of the menu is attachment 'A' available from 12midday to 8:30pm seven days per week. At all other times food is available. Photos of the premises are attachment 'B'.

The Hotel is authorised to trade 10am to midnight Monday to Thursday, 10am to 3am Friday and Saturday, and 10am to 10pm Sunday for most of the premises, excluding the footpath dining, and actually trades those hours.

- 2.5. The Hotel's current internal floor space is approximately 924 sqm and that of the gaming room is 57 sqm.
- 2.6. Attachment 'C' depicts the existing floor plan with the proposed layout of the additional machines inserted.
- 2.7. The Hotel has some 44 staff of which 6 are salaried full time, and most are "locals". They are supported by management staff and regional head office.
- 2.8. The Hotel's gaming shutdown period is 4.00am to 10am Monday to Sunday.
- 2.9. Attachment "D" is the Hotel's gaming plan of management.

3. Responsible Gaming and Harm Minimisation

- 3.1. The Hotel's management and staff will be supportive of and encourage responsible gaming practices. All members of staff engaged in the operation of gaming machines have completed the prescribed *Responsible Conduct of Gambling Course*. A register of the RCG certificates and competency cards of all staff will be maintained at the Hotel.
- 3.2. The Hotel currently has 16 gaming machines. All gaming machines will be located within a gaming room as prescribed by Clause 8 of the Gaming Machines Regulation 2002, in that:-
 - (a) The gaming room is located in a bar area of the Hotel,
 - (b) The gaming room is physically separated from the general bar area by walls and doors,
 - (c) Patrons are not compelled to pass through the gaming room in order to enter or leave the Hotel or in order to gain access to another part of the Hotel,
 - (d) Entry to the gaming room is free of charge,
 - (e) The machines cannot be seen from any place outside the Hotel that is used by the public or to which the public has access,
 - (f) All gaming machines are suitably spaced in order to facilitate access,
 - (g) The gaming room is supervised at all times by way of electronic means and physical presence of the licensee or an employee,
 - (h) The gaming room has an entrance that provides reasonable access to and from the gaming room to at least one operating bar and at least one toilet for each gender without the need for patrons to go on a public street, or to any area not forming part of the Hotel when moving from the gaming room to other facilities, and
 - (i) The gaming room cannot be accessed directly from a public street.
- 3.3. The Hotel gaming shutdown period is 4am to 10am daily.
- 3.4. The Hotel will maintain an active membership of the Australian Hotels Association (AHA) New South Wales and will continue to support its practices and procedures for gaming harm minimisation.
- 3.5. Patrons of the Hotel will be made aware of the AHA's counselling services and of the government funded "gambling HELP" counselling service.
- 3.6. Patrons will be made aware of the chances of winning and the problems associated with excessive gambling through prescribed signage required to be located on each gaming machine and throughout the gaming room by way of the prescribed notices on display.
- 3.7. The ATMs located within the Hotel also display the appropriate signage to notify patrons of the problems associated with gambling.

- 3.8. The Hotel does not offer prizes associated with the use of its gaming machines and the Hotel has a policy of not cashing cheques.
- 3.9. The Hotel will comply with advertising requirements in respect to gaming:-
 - (a) The Hotel will not use the word "casino" in any description or promotion of the Hotel.
 - (b) The Hotel will not permit gaming related advertising material to be displayed on the exterior of the premises,
 - (c) The Hotel will not promote irresponsible gaming or gaming practices,
 - (d) The Hotel will display a clock, that is set to, or within 10 minutes of, the correct time and is in view of patrons in the gaming room,
 - (e) The Hotel will not publish the details of any person who has won a prize in excess of \$1,000, and
 - (f) The Hotel will display the prescribed signage in the gaming room, on all gaming machines, and on the ATM or any EFTPOS facilities.
- 3.10. The Hotel provides gaming related help line pamphlets and has signage located throughout the hotel.
- 3.11. The Hotel managers are highly trained to watch for problem gamblers and talk regularly to patrons, assisting patrons when required.
- 3.12. The Hotel implements the AHA's Game Care problem gaming counselling and self exclusion scheme and gaming code of conduct and is a member of the Local Liquor Accord.
- 3.13. There has been no "self exclusions" from these premises since 2020.
- 3.14. Responsible service of alcohol is of prime importance.
- 3.15. Security is provided on Friday and Saturday nights and when there is a special event until the Hotel closes.
- 3.16. Senior staff of the hotel attend the monthly Liquor Accord Meetings to discuss RSA and RCG issues within the wider community and how to address such issues. Senior staff pass on information discussed at the meeting to other staff of the hotel, verbally via email or facebook. Every staff member that works behind the bar has RSA and/or RCG certification.

4. Local Community

4.1. The local community is the Mudgee SA2 Band 2 area.

The current client profile is a slightly older demographic, over 30, trades people, tourists, working class, older couples, families and groups. During the day, 50% would be seniors and then trades people from 3pm.

Most patrons are looking for everyday value in a comfortable "come as you are" relaxed environment, and the premises are a regular gathering point for locals and day trippers.

- 4.2. For the purpose of the application, the local community has been identified as the SA2. The Hotel is a regular gathering point for families, groups and seniors in the local community. It plays an important part with its offering of services and amenities. The Hotel organises wine tours, supports local wine products with over 200 in its "Mudgee Wine Shop". It caters for festivals, events and functions.
- 4.3. The Hotel provides some 100 nights of entertainment, with local acts and musicians being booked from within 100km. There is entertainment every Friday and Saturday nights, and periodic comedy and trivia. The entertainment is booked 6 weeks in advance and not targeted towards younger riskier customer groups.
- 4.4. The Hotel has provided cash sponsorship and "in kind" support to the value of \$80,000 in financial year 2022 to:
 - Kelly's Barbarians Cricket Club
 - The Mudgee Gulgong Football Club
 - Mudgee Wombats Golden Oldies
 - Allstars Netball Club
 - Kelly's Irish Pub Basketball Team
 - Can Assist (Cancer Patients)

Some conduct raffles in the premises.

The Premises are used for meetings by Irish Music Band, Bligh Amateur Picnic Race Club, The Mudgee Gulgong F.C. and Mudgee Polo Club.

5. Demography

5.1 The population of the SA2 Area was 12,563 (2021 census). Annexure 1 is a table of key demographic information in relation to the SA2 Area Mudgee Urban Centre and state averages.

The population characteristics of Mudgee and the SA2 are generally unfavourable to state averages, although commensurate with rural NSW.

However the Kellys Irish Pub is a social centre for the community, providing it with a safe, comfortable place where residents can meet and mingle, form friendships, share troubles and enjoy free entertainment and good food at reasonable prices as well as having a flutter on the pokies and TAB. This is a place where community meetings are held and is one of the few facilities which can bring the people of the area together as a community. It is a social hub for the suburb.

The hotel is well managed and well regarded by local community groups and subsidises a range of social clubs.

The increase in threshold is being sought to enable the applicant to maintain and improve the hotel and the service it provides to the community.

5.2 From the 22 March 2022 "My LIA Banding" map and October 2022 Authority Listing of Licence within the SA2 Band 2 area there are these premises. Lawson Park

- Tavern with 15 GMEs, Oriental Tavern with 13, Woolpack with 22, Court House with 5, Paragon with 3, this Hotel with 18, Federal Hotel with 15 and of the clubs Mudgee Soldiers with 110 and Mudgee Golf Cub with 18. There are 91 GMEs in 7 hotels.
- 5.3 The population of the SA2 area as of 2021 census was 12563, with 91 gaming machines in 7 hotels, an average of 138 persons per gaming machine. The population of the Mudgee urban area was 11,563 at the 2021 census, with 91 gaming machines in 7 hotels, an average of 127 persons per machine.
- 5.4 For the period 1/1/2022 to 30/6/2022 these premises were ranked 473 in NSW for gaming machine net profit and 390 for net profit per machine and respectively 2nd and 1st of 13 within the LGA.
- 5.5 Using the Authority gaming machine data report for the period from 1/1/2022 to 30/6/2022 the net profit per machine for hotels in the LGA was \$35,032.00 and that for these premises was \$61,172.97.
- 5.6 The "Find My Banding Map" is unavailable so adjoining SA2's cannot be shown, although the SA2 seems to be surrounded by Mudgee Region-West SA2, Band2.

6. Positive Contribution to the Local Community

- 6.1 The applicant proposes to make a donation per threshold increase to the Responsible Gaming Fund of \$14,983.37 per annum over a 5-year period (\$74,916.85) which equates to 15% of the average gaming profit per entitlement (in total \$29,966.74 per annum and \$149,833.74 over 5 years).
- 6.2 In addition the hotel will continue to support the local community as mentioned in paragraph 4.
- 6.3 The operators of the hotel continually undertake staff training to provide staff with the ability to maintain enhanced skills in dealing with clientele and gaming clients in addition to the harm minimisation protocols referred to in clause 3.
- 6.4 The positive contribution will benefit the local community and the operators will continue to review and implement new responsible gaming and harm minimisation strategies in order to negate any negative impacts on the local community.

7. Conclusion

- 7.1. It is submitted that the foregoing information complies with the guidelines for a Class 1 Local Impact Assessment attaching to an application for an increase in the gaming machine threshold of the Hotel by addressing the responsible gaming and harm minimisation measures taken by the Hotel; identifies the local community of the Hotel; and provides information to show that a positive contribution will be made to the local community if the LIA and increase application are approved.
- 7.2. Approval of the gaming machines threshold to <u>20</u> will result in a direct positive impact by way of financial support and contributions to local and/or charitable organisations and a total of \$149,833.74 to the RGT over a 5-year period.
- 7.3. Based on the foregoing information and as the Hotel is located in a Band 2 SA 2 and the application is for a low-range increase in the gaming machine threshold, we

submit that there are more positive impacts for the community if the threshold application is approved than any negative impact by the installation of an additional $\underline{2}$ gaming machines.

ANNEXURE 1

2021 Census

	NSW	Mudgee urban centre	Mudgee SA2		
Indigenous	3.4	7.5	7.1		
Young Persons 15-24	11.8	11	10.7		
Speak only English	67.6	89.7	90		
Unemployed	4.9	3.6	3.5		
Labourers	8.2	11.1	10.8		
Median Individual Income (weekly)	813	774.	786		
Median Household Income (weekly)	1829	1681	1742		
Median Family Income (weekly)	2185	2117	2164		
One Parent Families	15.8	18.1	17.1		
Median Weekly Rent	420	361	363		
Median Monthly Loan Repayment	2167	1733	1733		
Rented Accommodation	32.6	35.5	33.6		
Flat or Apartment	21.7	1.1	1.0		
3 or More Bedrooms	68.6	81.2	82.1		
3 or More Cars	17.5	18.9	20.3		
Owned or With Mortgage	64	61.5	63.4		

