



Ms Deanne Furlong  
Russell Corporate Advisory

By email to: [deanne.furlong@russellcorporate.com.au](mailto:deanne.furlong@russellcorporate.com.au)

31 August 2023

Dear Ms Furlong

<b>Application No.</b>	1-8654791082
<b>Applicant</b>	MILTON ULLADULLA EX-SERVOS CLUB LIMITED
<b>Application for</b>	Gaming Machine Threshold increase with Class 1 LIA
<b>Licence name</b>	Milton Ulladulla Ex-Servos Club Limited
<b>Licence number</b>	LIQC300231674
<b>Trading hours</b>	Monday to Sunday 05:00 AM – 05:00 AM
<b>Shutdown hours</b>	Monday to Friday 03:00 AM – 09:00 AM Saturday to Sunday 04:00 AM – 10:00 AM
<b>Premises</b>	212-222 Princes Highway Ulladulla NSW 2539
<b>Legislation</b>	Sections 3, 34, 35, 36 and 37B of the <i>Gaming Machines Act 2001</i>

**Decision of the Independent Liquor & Gaming Authority  
Application for a gaming machine threshold increase with class 1 LIA – Milton Ulladulla Ex-Servos Club Limited**

The Independent Liquor & Gaming Authority (Authority) considered the application above and decided on 21 June 2023 to **refuse** the application under section 34 of the *Gaming Machines Act 2001*.

**Statement of reasons**

The statement of reasons will be published on the [Liquor & Gaming NSW website](#) in accordance with section 36C of the *Gaming and Liquor Administration Act 2007*.

**If you have any questions**

Please contact the case manager, Michelle Stark, at [Michelle.Stark@liquorandgaming.nsw.gov.au](mailto:Michelle.Stark@liquorandgaming.nsw.gov.au) if you have any questions.

Yours sincerely

Caroline Lamb  
**Chairperson**

For and on behalf of the **Independent Liquor & Gaming Authority**

# STATEMENT OF REASONS

## Our decision

We **refuse** the application under section 34 of the *Gaming Machines Act 2001* (the Act).

The profit per gaming machine is 80% higher than comparable venues. Noting the established correlation between late night gaming and gambling related harm and the venue's post-midnight operating hours, above average participation rates and a high representation of young and indigenous people, the proposed increase by a further 20 electronic gaming machines (EGMs) has the potential to exacerbate problem gambling in the community.

The application is subject to a Local Impact Assessment (LIA). The Authority has declined to approve the LIA as we are not satisfied that there was a positive contribution to the local community, noting that the proposed contribution was not consented to by the applicant.

## Our findings

### Procedural requirements

The Local Impact Assessment (LIA) meets the relevant procedural requirements.

The Authority is satisfied that the secretary of the club holds a recognised competency card with a current RCG endorsement.

### Community impact

#### *Local and broader communities*

The relevant 'local community' is the community in the suburb of Ulladulla, and the relevant 'broader community' comprises the Local Government Area of Shoalhaven.

#### *Office of Responsible Gambling identified risk factors*

The Office of Responsible Gambling (ORG) has identified a number of problem gaming risk indicators for local areas and recommend proceeding with caution in cases where these exceed NSW average figures. The following risk indicators have been identified for the Shoalhaven LGA:

- the proportion of the total population aged 15 years and over who have completed Year 12 or equivalent or higher is below the NSW average
- the population who are indigenous is higher than the NSW average
- the proportion of lone person households is above the NSW average

#### *ABS Socio-Economic Index for Areas (SEIFA)*

Data as a 2016 shows that Ulladulla and the Shoalhaven LGA were relatively disadvantaged in terms of household income and residents in skilled occupations compared to other suburbs and LGAs in NSW.

## Findings of concern

We are concerned that if the application were granted it may increase the harm associated with the misuse and abuse of gambling activities or fail to facilitate the balanced development, in the public interest, of the gaming industry due to:

- the high gaming intensity at the venue - average profit per gaming machine is an 80% increase on comparable venues
- the club having unrestricted hours, allowing for up to 23 hours per week post-midnight, with 9 of these during the higher risk post-2:00AM period
- 3 of the 6 Office of Responsible Gambling (ORG) problem gambling risk factors being present in the Shoalhaven LGA

- the gambling participation rate for poker machines and gaming machines being above average when compared to the NSW rate.

The risks may be mitigated by the following factors:

- the venue being surrounded by Band 1 SA2s (although being located in a Band 2 SA2)
- the venue's gaming plan of management (GPOM) having been assessed as exceeding the Authority's standard for a venue of this profile and satisfying the Authority's decision matrix
- the local area exhibiting problem gambler prevalence on par with NSW and a below average rate of combined low risk, moderate risk and problem gamblers when compared to the NSW average
- while Milton Ulladulla Ex-Servos Club's licensed trading hours are unrestricted, based on current advertising, the venue does not operate past 2:00am on any night of the week.

### **The material we considered**

We considered all the material we received about the application, including:

#### Application Material

- completed application dated 19 December 2022
- completed Class 1 Local Impact Assessment (LIA) dated 19 December 2022
- notification of advertising dated 21 December 2022
- letter from the applicant regarding the financial contribution dated 20 April 2023
- gaming plan of management documents for the premises dated 18 May 2023 which includes floor plan for the premises at Annexure A.

#### Other relevant material

- correspondence between L&GNSW staff and the applicant between 19 December 2022 and 22 May 2023 in relation to the assessment of the Application.

### **The law that applies**

These sections of the *Gaming Machines Act 2001* apply to this application:

- Section 3: Statutory objects of the Act and other relevant considerations
- Section 34: application to increase gaming machine threshold
- Section 35: requirements relating to threshold increase applications
- Section 36: approval of LIA by Authority
- Section 37B: restriction on gaming machine thresholds

Yours sincerely



Caroline Lamb

**Chairperson**

For and on behalf of the **Independent Liquor & Gaming Authority**