Local Impact Assessment Class 1 Application

YANCO HOTEL

1 Main Avenue

YANCO NSW 2703

October 2023

PREPARED BY: HATZIS CUSACK LAWYERS Liquor & Gaming Specialists Yanco Hotel 1 Main Avenue Yanco NSW 2703 Local Impact Assessment Class 1 October 2023

#### EXECUTIVE SUMMARY

## 1. INTRODUCTION

This document is a Local Impact Assessment Class 1 to accompany a threshold increase application made for the approval of a 'low range' gaming machine threshold increase of four (4) by Mid Villa Pty Ltd (the "Applicant"). The increase is to apply to the hotel licence situated at 1 Main Avenue, Yanco (the "Venue") located in a Band 2 SA2 area within the Leeton Local Government Area (the "LGA") and known as Yanco Hotel.

The Venue's gaming machine threshold is currently zero (0) as a result of the transfer of the entitlements that previously applied to the Venue.

A Gaming Machine Entitlement Transfer – Rural Hotel Gaming Closure – With Gaming Machine Threshold Increase application is lodged in conjunction with this application seeking to transfer three (3) gaming machine entitlements from the Rice Bowl Hotel, Whitton to the Venue. The grant of that transfer application will increase the Venue's gaming machine threshold from zero to 3 prior to the determination of this application.

The Applicant seeks to subsequently increase the threshold by four (4) gaming machine entitlements/permits and for the threshold to be increased to seven (7). This LIA provides details of the Local Community.

# 2. RESPONSIBLE GAMBLING MEASURES

Chapter 2 of this Report details the mandatory and any additional responsible conduct of gambling measures that will be in place by the Applicant at the Venue.

### 3. LOCAL COMMUNITY

Chapter 4 of this Report details the characteristics area potentially affected by the approval of the threshold increase application and a demographic description of the Local Community. The SA2 has been identified as the Local Community.

### 4. **POSITIVE CONTRIBUTION**

Chapter 5 of this Report details the positive contribution resultant from approval of the threshold application to the Local Community.

### 5. CONCLUSION

Given the satisfaction of the requirements of the Act, and the associated Gaming Machines Regulation 2019 (the "Regulation") through the proposed conduct of gaming machines at the Venue in a responsible manner, along with evidence that the positive contribution to the local community, it is submitted that this LIA meets the requirements of the Legislation.

### 1. INTRODUCTION

This report is a Class 1 Local Impact Assessment ("LIA") to accompany a threshold increase application for a Band 2 SA2 Venue for a low range increase of four (4) gaming machine entitlements/permits for the Yanco Hotel, located at 1 Main Avenue, Yanco.

#### Methodology

- 1.1. In respect of LIAs relating to threshold increase applications, the LIA Guidelines provide that the Independent Liquor and Gaming Authority (the "Authority") can only approve an LIA where the LIA complies with the requirements of the Act and the Regulation, and the Venue demonstrates that gambling activities are conducted in a responsible manner.
- 1.2. The Guidelines further state that a Class 1 LIA must demonstrate that the proposed increase in gaming machines for the Venue will provide a positive contribution towards the Local Community in which the Venue is situated.

### 2. DETAILS OF THE VENUE

- 2.1 The records held by Liquor & Gaming NSW indicate that the hotels licence was granted in March 1959.
- 2.2 The internal floor space of the Venue is 700 sqm.
- 2.3 The Venue has applied to its current location since 26 March 1959 when the licence was granted. The Venue previously operated gaming machines until approximately 2016. The Venue was acquired by the current business owner and the Applicant in March 2018. At that time, the Venue was not allocated with gaming machine entitlements and has not operated gaming machines at the Venue since it was acquired.
- 2.4 The Venue's gaming machine threshold is currently zero (0). This was the result of the entitlements that previously applied to the Venue being transferred pursuant to a Gaming Machine Entitlement Transfer Rural Hotel Gaming Closure application being approved prior to the Venue being acquired by the Applicant.
- 2.5 A Gaming Machine Entitlement Transfer Rural Hotel Gaming Closure With Gaming Machine Threshold Increase application ("Country Closure Application") will be lodged in conjunction with this LIA application.
- 2.6 The Country Closure Application will seek to transfer three (3) gaming machine entitlements from the Rice Bowl Hotel, Whitton to the Venue. The grant of the Country Closure Application will increase the Venue's gaming machine threshold from zero to three (3). It is required that the Country Closure Application be determined prior to the consideration of this LIA application.
- 2.7 Due to the absence of gaming machine entitlements at the Venue and the Venue being the only hotel licence in the township, patrons using the Venue who wish to use gaming machines at a hotel are required to travel to other surrounding townships to use access such a facility. The intention of this application is for an additional four (4) gaming machine entitlements/permits to

be procured and transferred to the Venue's licence to allow seven (7) gaming machines to be operated at the Venue.

- 2.8 The Venue is a focal point for the Yanco local community by providing a place to meet, relax and socialise.
- 2.9 The trading hours endorsed on the Venue's licence are:
  - Monday to Saturday 5.00 am until 12.00 midnight; and
  - Sunday 10.00 am until 10.00 pm.
- 2.10 The standard gaming machine shutdown period currently applies to the Venue's licence, being 4.00 am until 10.00 am each day.
- 2.11 The Venue is not a new hotel as defined by the Act. Accordingly, Clause 31 of the Regulation does not apply to this application.

# 3. RESPONSIBLE GAMBLING MEASURES

- 3.1 The operation of gaming machines at the Venue is to be merely one aspect of the services and facilities that are provided.
- 3.2 Due to the number of gaming machines proposed to be operated at the Hotel on the grant of the application, a gaming room in compliance with Clause 8 of the Gaming Machine Regulation 2019 is not required to be established at the Venue. The gaming machines will be located within the main bar area of the Venue.
- 3.3 The requirements of the Act and Regulation will be complied with, in that:-
  - (a) All staff to be involved in gaming duties will hold a current and approved responsible conduct of gaming (RCG) competency card (or interim certificates). Copies of competency cards (or interim certificates) are kept by each staff member when working at the Venue and will be available for inspection;
  - (b) The Venue will make arrangements through AHA for the provision of gambling counselling;
  - (c) The Venue will participate in the GameCare AHA Gaming self-exclusion scheme and policy;
  - (d) Staff will be trained in the requirements of the self-exclusion scheme and associated referral process;
  - (e) All statutory signage will be prominently displayed within the area where the gaming machines are to be located;
  - (f) Pamphlets informing patrons of the dangers of problem gambling and of the availability of counselling and the self-exclusion scheme will be displayed within the Venue in a number of community languages;

- (g) The Venue's automatic telling machine (ATM) will be located outside the area where the gaming machines are to be located. Patrons will not be permitted to make withdrawals on credit from the ATM;
- (h) There will be no advertising or promotions of the availability of gaming machines conducted at the Venue;
- (i) The Venue will not accept third party cheques or the cashing of cheques by patrons;
- (j) There will be a limit of \$5,000 on cash payment for winnings;
- (k) Minors will not be permitted to enter the area of the Venue where the gaming machines will be located.
- (I) Consumer information on the chance of winning maximum prizes and jackpots will be made available in the gaming area;
- (m) The Venue will not publish any gaming machine advertising;
- (n) All gambling-related signs will be within the Venue and will not be visible from the exterior of the Venue; and
- (o) Inducements will not be offered at the Venue for the use of the gaming machines.
- 3.4 The Venue will adopt and implement a Gaming Plan of Management (GPOM) that will regulate the operation of the gaming machines at the Venue. The Venue's licence will be endorsed with a condition, which will be consented to, that the GPOM will be complied with at all times.

### 4. LOCAL COMMUNITY

- 4.1 The local community is the Leeton SA2.
- 4.2 The Venue is a sponsor of multiple sporting groups in the local community. In the previous 12 months, the Venue has provided the following sponsorships:

\$7500
\$500
\$500
\$500

### Demography

4.3 The Leeton SA2 had a population of 10,330 at the 2021 Census.

Yanco Hotel 1 Main Avenue Yanco NSW 2703 Local Impact Assessment Class 1 October 2023

- 4.4 The relevant demographic information is set out below:
  - 49.2% of the population is male.
  - 50.8% of the population is female.
  - The median age is 37.
- 4.5 The median weekly personal income in the SA2 is \$746, slightly lower than the NSW average of \$813.
- 4.6 62.7% of residents worked full-time, and 28.1% worked part-time. The comparable figures for NSW were 55.2% and 29.7% respectively.
- 4.7 The unemployment level in the SA2 was 3.9% compared to 4.9% for NSW.
- 4.8 A higher percentage of residents owned their property outright (35.9%) compared to NSW (31.5%).
- 4.9 The SEIFA scores and deciles for the Leeton SA2 are as follows:

INDICATOR	LEETON SA2 SCORE	LEETON SA2 DECILE
IRSEAD	921	3
IRSED	949	2
IER	978	4
IEO	893	2

- 4.10 A gaming performance data report for the Venue is not available as gaming machines are not operated at the Venue and have not been present for the past 4 years whilst the business has been conducted by the Applicant.
- 4.11 The Liquor & Gaming NSW website combines Leeton LGA data with both Griffith and Murrumbidgee LGA. Inquiries have been made with Liquor & Gaming NSW to determine the amount of the positive contribution as part of this application.
- 4.12 In response to a request for the data relevant to the Leeton LGA, it was advised the average profit per machine for the <u>12-month period</u> from 1 July 2022 to 30 June 2023 was \$123,556.49.

### 5. COMMUNITY BENEFITS AND POSITIVE CONTRIBUTION

- 5.1 Clause 33 of the Regulation requires this LIA to include details of the benefits that the Venue will provide to the local community if the application is approved.
- 5.2 A positive contribution shall be made by way of a financial contribution. The financial contribution calculated from average profit per machine for the Leeton LGA is \$370,669.47 and will be paid to the Responsible Gambling Fund if this application is approved.

Yanco Hotel 1 Main Avenue Yanco NSW 2703 Local Impact Assessment Class 1 October 2023

#### Calculation of amount of financial contribution

- 5.3 The financial contribution amount was calculated in accordance with the formula set out in the Class 1 Local Impact Assessment Process Guideline published by the Authority for a new hotel (despite the Venue not being a new hotel as defined by Section 4 of the Act). The formula provides for a positive contribution being 15% of the average of the profits of existing machines within the LGA before tax, multiplied by the gaming machine threshold increase, multiplied by 5 years.
- 5.4 The average profits were calculated from the 12-month period of gaming performance data that applies to the Leeton LGA for the period from 1 July 2022 to 30 June 2023 as provided by Liquor & Gaming NSW.
- 5.5 The positive contribution will benefit the local community. The Venue will implement responsible gaming and harm minimisation strategies to negate any negative impacts that may arise on the local community from the operation of gaming machines at the Venue.

## 6. CONCLUSION

- 6.1 This LIA, pursuant to Clause 33 of the Regulation, defines the Applicant's Local Community, details the positive contributions that the Applicant will provide to the Local Community if the Threshold Increase Application is approved, and details the harm minimisation and responsible gambling measures that will be in place at the Venue.
- 6.2 The Applicant will operate gaming machines at the Venue in compliance with all mandated Legislative requirements. The Applicant will implement the Game Care Multi-Venue Self Exclusion Program that is conducted in conjunction with AHA (NSW). The Venue will operate in accordance with an approved GPOM.
- 6.3 The Applicant submits that this Class 1 LIA accompanying the low range threshold increase application satisfies the requirements of Section 36(3) of the Act, applicable to the Regulation and Guidelines for the Authority to approve the application. This application demonstrates the purpose of Section 36(3)(b) of the Act that gambling activities at the Venue will be conducted responsibly if this application should be approved.
- 6.4 The proposed increase in the Venue's gaming threshold will provide a positive contribution towards the local community where the Venue is situated on the basis of the Applicant's proposed financial contribution will be paid in accordance with Section 36A of the Act.
- 6.5 It is therefore submitted that the tests as set out in the Guideline and Regulation are met and the Applicant submits that the threshold increase application should be approved.