

Fact sheet FS3135

Reforms to the Local Impact Assessment scheme - clubs and hotels

This fact sheet explains reforms to the Local Impact Assessment scheme, passed by the NSW Parliament in March 2018, and what it means for clubs and hotels in NSW.

Improved safeguards for at risk areas, cutting red tape for lower risk areas

- ▲ The Local Impact Assessment (LIA) scheme previously classified all Local Government Areas (LGA) in NSW based on risks of introducing additional gaming machines into the LGA – Band 1 (low risk), Band 2 (medium risk) and Band 3 (high risk).
- ▲ The new LIA scheme classifies areas based on a much smaller Statistical Area Level 2 (SA2), a geographical boundary set by the Australian Bureau of Statistics which represents a community of between 3,000 and 25,000 people.
- ▲ These SA2s are ranked according to a combined score of the number of gaming machines, average gaming machine expenditure and the SA2's relative socio-economic disadvantage. This means areas with high levels of socio-economic disadvantage (e.g. Fairfield) are more accurately classified 'high' risk, with areas with lower levels of socio-economic disadvantage (e.g. Yass) classified 'lower' risk. This allows more targeted measures to control gaming machine numbers in more localised high-risk areas.
- ▲ All Band 3 SA2s and Fairfield LGA are now subject to a regional cap, making them 'no go zones' for additional gaming machines.
- ▲ Areas in 'lower' risk SA2s are now able to take advantage of reduced restrictions on trading entitlements following a successful Gaming Machine Threshold (GMT) increase.

More transparency in decisions by the Independent Liquor & Gaming Authority

- ▲ The Independent Liquor & Gaming Authority (the Authority) has issued guidelines on the entire LIA process, including how venues can determine what constitutes a 'positive contribution' for the purposes of the LIA process.
- ▲ The new guidelines give venues and the community greater certainty about LIA processes and decisions, as well as cut the cost and time taken to finalise a GMT increase application.
- ▲ The guidelines also clarify how venues engage with the community, including how they respond to any submissions made during the LIA process.
- ▲ The Authority's decision timeframes are more closely defined to allow the community more consultation time before an application is finalised.
- ▲ While existing exemptions to the LIA process have been retained, venues exempt from undertaking an LIA are required to issue a Local Impact Statement following a successful GMT increase. This complements changes to the Authority's processes to make relevant data and decisions more readily available to venues and the community.
- ▲ Some country hotels are able to take advantage of reduced restrictions on trading entitlements, including reduced forfeiture when selling their final six entitlements.

Community contributions

The newly reconstituted Responsible Gambling Fund is now managing a centralised fund for community contributions provided by venues seeking gaming machine increases.

This makes the process more transparent and ensures donations provide the most worthwhile and effective harm minimisation benefits to local communities.