Class 1 Local Impact Assessment

For an increase of 10

in the

Gaming Machine Threshold

for the

Royal Oak Hotel,

387 Church Street, Parramatta.

LIQH400105401

LGA: Parramatta City

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• Lawyer •

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Class 1 Local Impact Assessment

Gaming Machine Threshold Increase of 10

Royal Oak Hotel, 387 Church Street, Parramatta

1. SUMMARY OF LIA SUBMISSION

1.1 This Class 1 Local Assessment accompanies an Application under the *Gaming Machines Act 2001* ("Act") for a Low Range Gaming Machine Threshold Increase of 10 for the Royal Oak Hotel, 387 Church Street, Parramatta ("Hotel").

1.2 The Hotel's Gaming Machine Threshold is currently 15. The Application, once approved in full, will take the Threshold number to 25.

1.3 Section 2 describes the Hotel, its location and facilities.

1.4 Section 3 describes the local community of the Hotel: the northern part of the Local Government Area of Parramatta City Parramatta LGA ("Parramatta LGA"), which is a Band 2 LGA. The local community of the Hotel comprises part of the Parramatta CBD business community and also a resident population.

1.5 Section 4 describes the harm minimisation and responsible gambling measures of the Act and *Gaming Machines Regulations 2002* ("Regulation"), and the additional measures to minimise the risk of harm to individual associated with the operation of gaming machines at the Hotel.

1.6 Section 5 details the specific benefits that will arise once the Application is approved. A once-only donation will be made of $5,000.00 for each Gaming Entitlement approved. If the full increase of 10 is approved, the total amount of donation will be $50,000.00.

1.7 Also, Section 5 details the positive contributions which are currently made by the Hotel, and which are anticipated will arise once the Application is approved in full: funding for local community groups, charitable donations, improved facilities for patrons, increase in employment and payment of additional government taxes.

1.8 Section 6 identifies a potential the negative effect which is may arise: the increase in total amount wagered.

2. THE HOTEL

2.1 The Hotel is an existing hotel and occupies an historic 2-storey building on the north-western corner of Church Street and Ross Street, Parramatta, on the northern edge of the Parramatta CBD. **Annexure 1** shows the Hotel's location.

2.2 The Hotel is surrounded almost exclusively by office and commercial premises and usages. Many former residential buildings in the immediate area are now office and commercial premises.

2.3 The Hotel was acquired by the current freehold owner in 1985. The Hotel underwent a substantial refurbishment in 2005 to allow it to better compete with other hotels in the area and to meet the demands of patrons.

2.4 The total internal floor space on the ground floor of the Hotel is approximately 550m^2 excluding the TAB area. The TAB area is approximately a further 50m^2. The total area of the ground floor of the Building is therefore approximately 600m^2. **Annexure 2** shows the current floor plan of the Hotel. This floor plan has recently been submitted to OLGR, and two Liquor Act Applications are pending.

2.5 The Hotel has Liquor Act approval to trade 24 hours Monday to Saturday, and from 10.00am to 12.00pm (midnight) on Sunday, and the general Gaming Machines Act shutdown period applies.

2.6 The ground floor facilities of the Hotel comprise: a public bar, a lounge bar, several internal and external bistro areas, a TAB area and a gaming room. The Hotel has an extensive food operation, and has the authority for children to come to the licensed premises with their parents to enjoy quality home-style meals. Occasionally, low-key entertainment, such as a singing soloist or duo, and trivia nights, is offered in the bistro areas.

3. THE LOCAL COMMUNITY

3.1 The local community for the purposes of this Application is identified as business community within the northern sector of the Parramatta CBD, plus the resident population from the surrounding residential suburbs to the North, North East and North West, within 5 kms. of the Hotel. **Annexure 3** shows the area of the local community.

3.2 Parramatta City LG has receives a large weekday population influx by way of the business community, currently of about over 50,000 workers travelling into its CBD on a daily basis. It is reasonable to assume that the majority of these workers travel from residential areas beyond the Parramatta City LG. This number is projected to grow to approximately 80,000 workers by 2025 (Source: Parramatta City Council). Also, Parramatta City LG currently has a resident population exceeding 165,000 persons, and up to 172,000.00 (Source: Australian Bureau of Statistics).

3.3 Finance and Insurance is the dominant commercial office usage in the Parramatta CBD Also, Health and Community Services, Property and Business Services and Legal Services are further commercial office usage in the Parramatta CBD (Source: Parramatta City Council). These are mainly "white-collar" industries and professions, where it could reasonably be expected that incomes would be higher than for the mean State based population. Many of these commercial offices and usages are in the immediate vicinity of

the Hotel, and it is a reasonable conclusion that a significant proportion of these workers have easy access to the Hotel due to its proximity to their work places.

3.4 As Parramatta CBD is one of Sydney's major shopping areas, shoppers are likely to be drawn from a very wide geographical area of western Sydney, including suburbs within the Parramatta Local Government Area. The Parramatta CBD also is transport link in the transport network of western Sydney.

3.5 A significant proportion of the resident population of Parramatta City LG lives in the suburbs to the North of the Hotel. Approximately 46,000 persons resided in the Parramatta – North-East Statistical Region as at 2009, and approximately a further 34,000 in the Parramatta – North-West Statistical Region (Source: ABS).

3.6 The resident population capable of conveniently using the Hotel is most likely to come from the surrounding residential suburbs to the North, North East and North West of the Hotel, within 3 kms of the Hotel, including the Northern section of Parramatta (although that is mainly commercial, with pockets of residential), North Parramatta, Northmead and parts of Westmead.

3.7 The resident population of the North-East Statistical Region differs from the Parramatta LGA as a whole: slightly less than 50% are male (Parramatta LGA as a whole, slightly more than 50% are male), approximately 68% are 25 years or older (approximately 63% are 25 years or older), 38% were born overseas (almost 44% born overseas), less than 1% is indigenous (same), slightly more than 58% have post-school educational qualifications (almost 57%), approximately 85% work in service industries and almost 15% in trades or manual industries (approximately 70% and almost 30% respectively). In 2009, the unemployment rate was 3.7% (5.5%) (Source: ABS). North-West Statistical Region has similar characteristics to the North-East Statistical Region. Generally, the residential suburbs to the North of Parramatta are more affluent than those to the South.

3.8 Apart from a multi-storey commercial and residential building under construction in Church Street, almost opposite the Hotel, the nearest residential properties are approximately 100 metres away to the east and to the west of the Hotel. Other residential premises are situated further away, to the north of the Hotel. Some new residential dwellings are being erected in the local community, mostly in the form of strata apartments and medium density housing, beyond 100 metres, to the east of the Hotel.

3.9 During the working week, the majority of the Hotel's patrons are male, white-collar office workers from the surrounding offices and businesses in the Parramatta CBD, and also from other surrounding business and commercial areas. There is a large week-day lunch time and afternoon trade, and again an early evening trade at the Hotel, the majority being from local business and office workers. Evening trade, particularly in the bistro area, reflects a more even male/female mix, though with the introduction of family groups (with children) from the residential areas to the north of the Hotel.

3.10 On weekends the Hotel's patrons largely come from those affiliated with local Parramatta sporting groups, with links to the Parramatta Rugby League Football Club, and is again is a even male/female mix, with increased numbers of family groups. The number of tourists visiting the venue is limited, although there would be some who come to the Hotel by virtue of their association with sporting groups.

3.11 It is not possible to apply a SEIFA style analysis to many of the Hotel's patrons during the working week, as the majority of these patrons travel from residential areas beyond the Parramatta City LG. These are mainly "white-collar" patrons, and it could reasonably be expected that incomes would be higher than for the mean State based population, and hence they would be classified as less disadvantaged – ie. more advantaged - than the State average.

3.12 The Parramatta City LGA has a SEIFA (2006) Index of relative Socio Economic Advantage and Disadvantage score of 1019, ranking at 117 in NSW as a whole, and with a decile of 9. It has a SEIFA (2006) Index of relative Socio Economic Disadvantage score of 987, ranking at 94 in NSW, and with a decile of 7.

3.13 The Parramatta North-East SLA has a SEIFA (2006) Index of relative Socio Economic Advantage and Disadvantage score of 1059, ranking 164 of NSW, and with a decile range of 8 as a whole. It has a SEIFA (2006) Index of relative Socio Economic Disadvantage score of 1021, ranking at 149 in NSW as a whole, and with a decile of 8.

3.14 The Parramatta North-West SLA has a SEIFA (2006) Index of relative Socio Economic Advantage and Disadvantage score of 1053, ranking 160 in NSW, with a decile range of 9. It has a SEIFA (2006) Index of relative Socio Economic Disadvantage score of 1042, with ranking 150 in NSW, with a decile range of 8.

3.15 By way of contrast, the Parramatta South SLA (with a population of just over 31,000 people, and not part of the local community of this Hotel), is the third most disadvantaged SLA in the Greater Sydney Region, according to the SEIFA (2006) Index.

3.16 Accordingly, it is reasonable to conclude that overall ranking of the Parramatta City LGA is affected, and reduced, by statistical effect of the Parramatta South SLA. It is also reasonable to conclude that the residential areas in the local community of the Hotel are less disadvantaged, and hence more advantaged, than other residential areas in the Parramatta LGA.

4. HARM MINIMISATION AND RESPONSIBLE GAMBLING MEASURES

4.1 To provide a responsible gambling environment and to minimise the risk of patron harm, the Hotel complies with the policies and guidelines of the AHA (NSW) and is a member of the AHA (Centre Care) Gambling Counselling Program.

4.2 The Hotel complies with the Act and the Regulation, and harm minimisation strategies include:

(a) All employees involved in gaming related duties hold a responsible Conduct of Gambling certificate ("RCG") from an approved course provider;

(b) Copies of the RCG certificates are kept on the premises and are available for inspection by relevant authorities;

(c) No minors are ever allowed access to gaming areas at the venue.

(d) The Hotel maintains strong links with AHA (Centre Care) in relation to the provision of problem gambling courses;

(e) The Hotel is a member of the AHA hotel exclusion scheme;

(f) Consumer information on the chance of winning maximum prizes and jackpots is made available in the gaming area;

(g) Information warming patrons about problem gambling and advising on the availability of counselling services and self exclusion are displayed in a number of languages in the gaming room.

(h) The Hotel does not cash cheques;

(i) The ATM is not situated in the gaming room;

(j) The Hotel does not publish any gaming machine advertising and all gambling related signs are situated within the Hotel and cannot be seen from outside the Hotel;

(k) Clocks are clearly visible in those parts of the Hotel where approved gaming machines are located;

(l) No inducements are offered to gamble at the venue;

(m) The Hotel does not cash third party cheques;

(n) No cash payments over $2,000.00 are made;

(o) Any unclaimed prizes are processed in accordance with the Act and Regulation;

(p) The Hotel's ATM does not allow patrons to withdraw cash from a credit account.

This manner in which the Hotel conducts its gaming operations will be maintained if this Application is approved.

5. ANTICIPATED POSITIVE CONTRIBUTIONS

5.1 If the Application is approved in full, or in part, a once-only donation of $5,000.00 for each Gaming Entitlement approved will be made to Westmead Children's Hospital and CatholicCare Social Services. **Annexure 4** attaches copies of the correspondence between the Applicant's solicitor and those organisations confirming the arrangements made for the payment of donations.

5.2 The Hotel has selected those organisations because they provide a specific focus on treatment and education relating to alcohol misuse, particularly as this affects families and their children, and problem gambling in the local community.

5.3 The total available for donation will therefore be a maximum of $50,000.00 if the full increase of 10 Gaming Entitlements is approved. If less than 10 Gaming Entitlements are approved, the total amount of contribution will be $5,000.00 for each Gaming Entitlement approved.

5.4 *Contributions to Charity*

At present, the Hotel makes regular contributions to:

(a) The Starlight Foundation;

(b) National Breast Cancer Foundation (Women in Hospitality Function); and

(c) Camp Quality (through Joker Poker) of approximately $10,000.00 p.a.

With the additional revenue expected to be derived from the extra gaming machines the Applicant would be in a position to not only maintain but increase the commitment and include support for additional charities.

5.5 *Sponsorship of Local Community Groups*

The Hotel enjoys a close relationship with the Parramatta Rugby League team, and the players often attend the Hotel for community promotional purposes.

Again, as a result of economic conditions over the last few years, legislative changes and increased taxes, the Hotel's ability to maintain sponsorships has decreased and negatively affected the local community. The Applicant would not only like to maintain but also extend the support to local community groups outside of sport. The anticipated additional revenue from the extra gaming machines is expected to make this possible.

5.6 *High-standard of Facilities*

The additional funds expected to be derived from the increase in poker machines will be utilised in part to maintain the current high standard of repair and maintenance of the Hotel.

5.7 *Increased Employment*

The increase in the number of gaming machines of the Hotel is projected to increase staff levels at the Hotel, not only in the gaming related areas, but also in the food service areas.

Any increase of employment would be extremely beneficial within the local government area particularly in an economic climate where unemployment is projected to rise.

Additionally, each of the employees at the Hotel participates in a Federal Government hospitality traineeship that gives them a nationally accredited certificate upon completion of the program. This will result in an increasingly skilled workforce in the local community.

Further, the Hotel will purchase further gaming machines, which will have a flow-on benefit to local manufacturers and suppliers.

5.8 *Increased Taxes to Benefit New South Wales*

The increase in the number of poker machines at the Hotel will lead to an increase in:

(a) Gaming tax from increased revenue;

(b) Payroll tax from increased wages paid; and

(c) Stamp Duty from the purchase of the additional Poker Machine Entitlements or Liquor Act Permits.

Such taxes could reasonably be expected to be used by Government for the benefit of the local and broader communities.

5.9 *Increased Taxes to and Benefits for the Federal Government*

The increase in the number of poker machines at the Hotel will lead to an increase in:

(d) GST from increased gaming revenue and machine purchases;

(e) Income tax payable by the Hotel; and

(f) PAYG attributable to additional employees and reduced welfare payments to employees those formerly unemployed.

6. POTENTIAL NEGATIVE EFFECT

6.1 On the basis that additional machines at the Hotel will allow additional opportunity to play gaming machines, it is anticipated that there will be additional amounts wagered on the machines at the Hotel.

6.2 However, it is anticipated that this opportunity will be sought by additional players, and not by existing players. This belief is based on observation of the use of machines by current players, and also requests and comments made by intending payers who have needed to wait for machines to become available during peak periods.

6.3 Nevertheless, the hotel is not ignorant of the harm that arises from excessive gambling, and the Hotel maintains a responsible gambling environment to minimize the potential for problem gambling.

7. CONCLUSION

7.1 This Assessment identifies a number of positive impacts to the identified local community, to the broader local government area and also New South Wales more generally which are likely to result from the increase of gaming machines. None of those benefits will flow to the local community if this Application is not granted.

7.2 The Hotel has undertaken a variety of measures to ensure that gambling activities are conducted in a responsible manner and in accordance with the Act and Regulation, and these allow the negative effect to be outweighed by the positive effects.

7.3 When combined with the harm minimisation and problem gambling initiatives already in place and the benefits identified, it can reasonably be concluded that the increase in the Gaming Threshold sought by this Application will provide a positive contribution towards the local community, local government area and to the State generally.

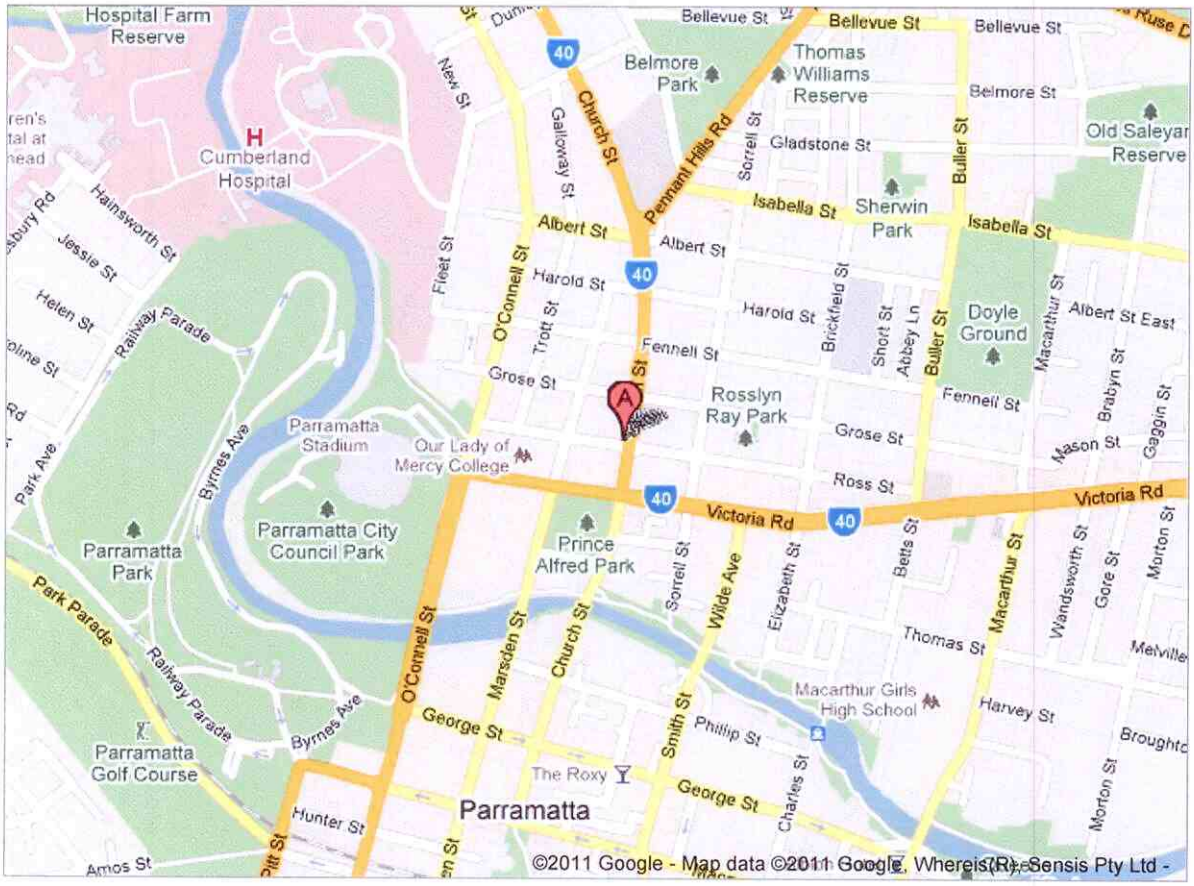
Annexure '1'

ROYAL OAK HOTEL
Church Street Parramatta

Google maps Australia **Royal Oak Hotel,** near **Church St, Parramatta New South Wales**

A. **Royal Oak Hotel**
387 Church Street, Parramatta NSW 2150
(02) 9683 5637
2 reviews

B. ~~**Royal Oak Hotel**~~
~~36 College Street, Balmain NSW 2041~~
~~(02) 9810 2311~~
★★★☆☆ 64 reviews



Annexure '2'

ROYAL OAK HOTEL
Church Street Parramatta

ANNEXURE "D"

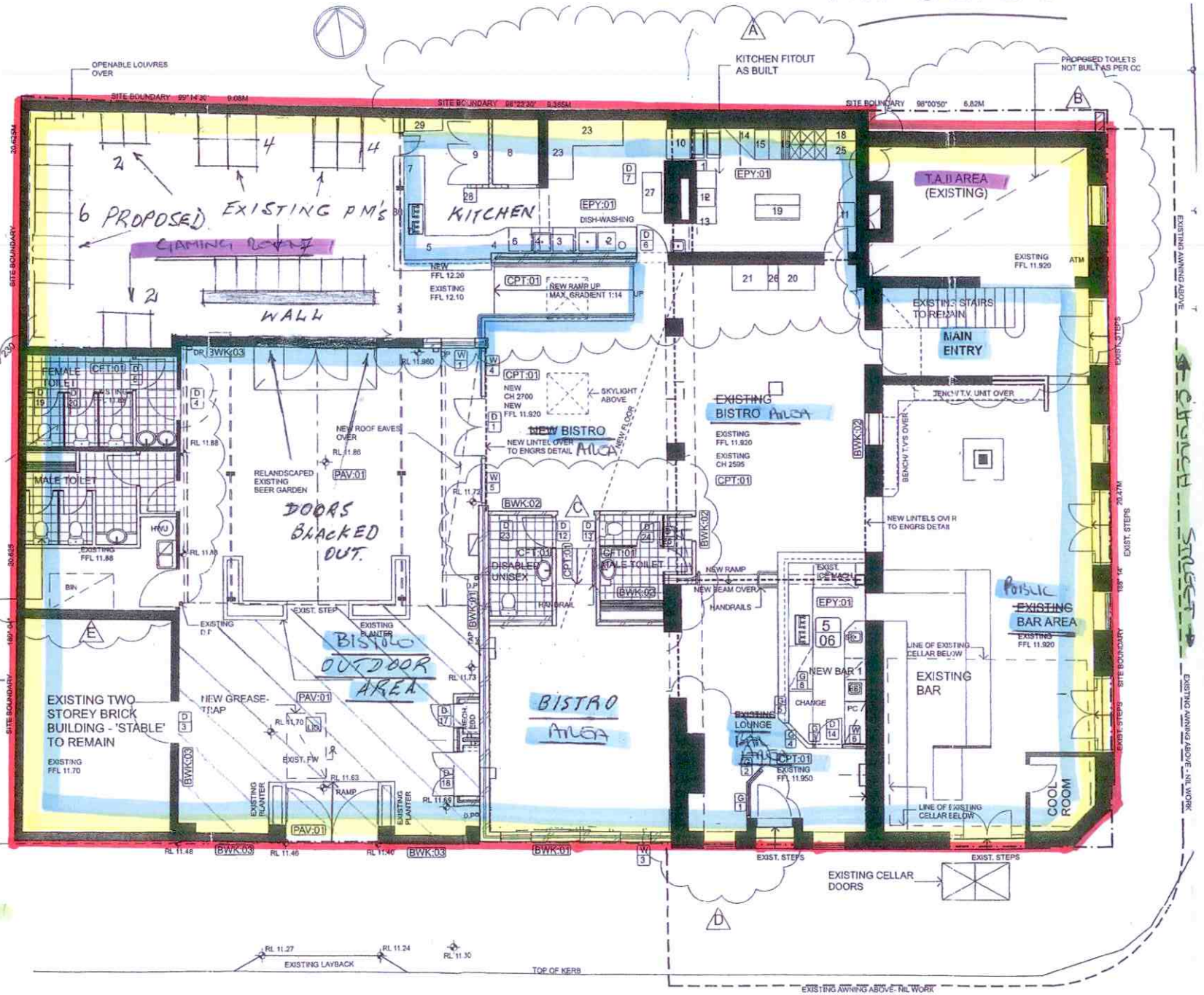
ROYAL OAK HOTEL PARRAMATTA

EXISTING LICENSED AREA

PROPOSED AUTHORISED AREA

PROPOSED EXTENDED TRADING HOURS (MON - SAT) AREA.

APPLICATION TO VARY CONDITIONS



2 GROUND FLOOR PLAN - AS BUILT

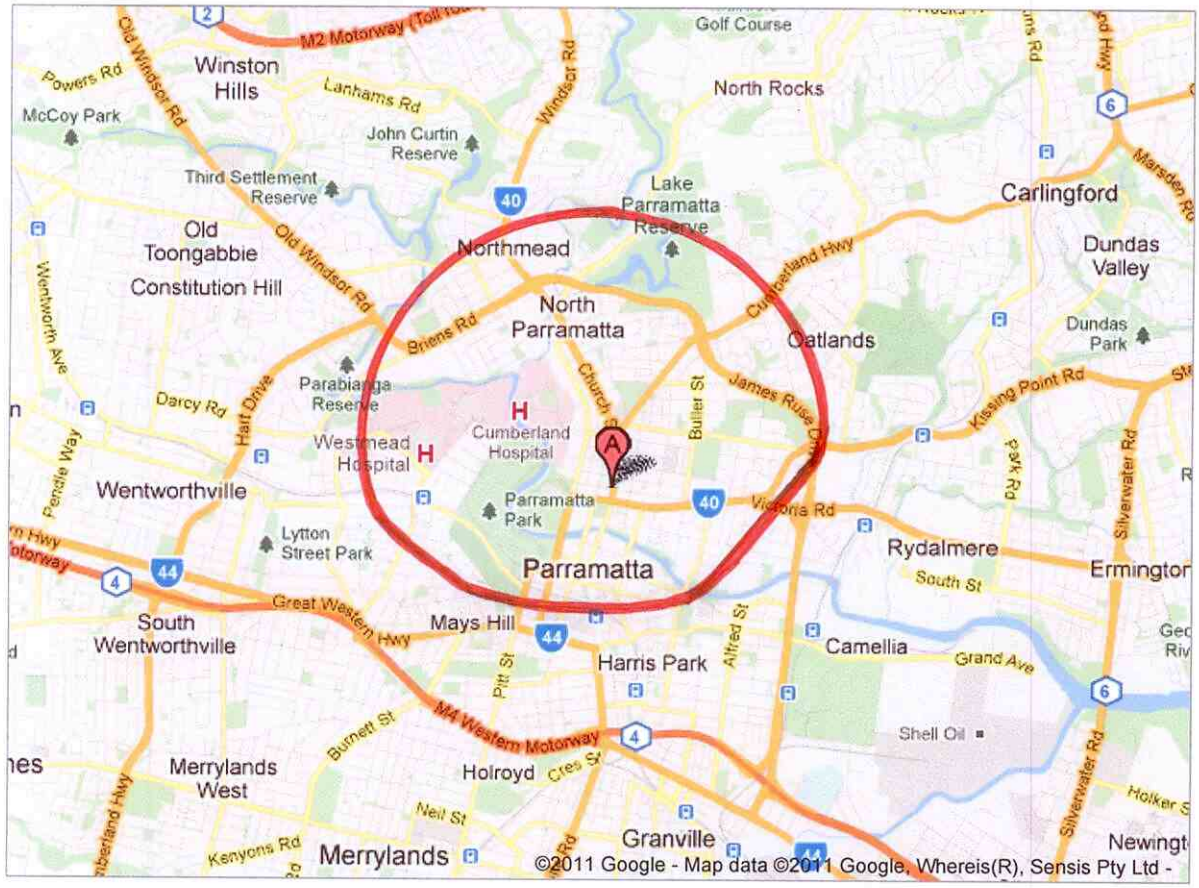
Annexure '3'

ROYAL OAK HOTEL
Church Street Parramatta

Google maps Australia **Royal Oak Hotel**, near **Church St, Parramatta**
New South Wales

A. **Royal Oak Hotel**
387 Church Street, Parramatta NSW 2150
(02) 9683 5637
1 review

~~B. Royal Oak Hotel~~
~~36 College Street, Balmain NSW 2041~~
~~(02) 9810 2311~~
~~5 reviews~~



Private and in Confidence

Annexure '4'

ROYAL OAK HOTEL
Church Street Parramatta

DON McDOUGALL

• Lawyer •

1 July 2011

The Business Manager
CatholicCare Social Services
2A Villiers Street
Parramatta NSW 2150

Attention: Mr John Manouk

Dear Mr Manouk

RE: PROPOSED DONATION BY ROYAL OAK HOTEL PARRAMATTA
MY REF: 10975

I act for the owner of this hotel, Mr Rudolf Camillo, and for the licensee, Mr Robbie Walsh.

My clients propose to make application under the *Gaming Machines Act* to the Casino Liquor & Gaming Control Authority for the allocation of additional gaming rights for the Hotel. The application has not yet been lodged, and when lodged will take up to approximately 3 months to be considered by the Authority.

Part of that process is for my clients to demonstrate to the Authority that there is a *"positive contribution towards the local community"* which will arise if the application is granted.

In that context, and subject to the grant of the application, my clients propose to make a donation to CCSS with the intent that it is used by CCSS in a manner which will benefit the local community.

The Authority will require my clients to demonstrate that the donation has, in fact, been made, before the allocation of the additional gaming rights is made.

If any further information is required, please advise.

Would you please confirm that CCSS will accept a donation on this basis, and will be able to issue a receipt and confirm payment, as will be required by the Authority.

Yours faithfully

Don McDougall

Level 8, 65 York Street, Sydney NSW 2000, Australia
E-mail don@dmdlaw.com.au
Telephone (02) 9267 9266 Mobile 0414 679 266 Facsimile (02) 9267 9366
Website www.dmdlaw.com.au
ABN 88 708 473 071
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From: John Manouk [John.Manouk@ccss.org.au]
Sent: Friday, 1 July 2011 5:07 PM
To: don@dmdlaw.com.au
Subject: RE: PROPOSED DONATION BY ROYAL OAK HOTEL PARRAMATTA

Dear Don,

CatholicCare Social Services - Parramatta, is a multi-faceted not for profit organisation that aims to serve the community in Sydney' western region.
Any donation made to CatholicCare Social Services Parramatta will be receipted. Gifts over $2 are tax deductible.

If you wish I would be more than happy to meet with you at your office and discuss further the services that CatholicCare provides.

Donations can be made online through our web site: www.ccss.org.au

Kind Regards

John Manouk
Business Manager

× Description: Description: Description: Description: C:\Users\kiera Internet Files\Content.

CATHOLICCARE Social Services
Diocese of Parramatta
www.ccss.org.au
PO Box 2023
North Parramatta
NSW 1750

Ph: (02) 9933 0222
Fax: (02) 9933 0299

WWW.CCSS.org.au

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From: Don McDougall [mailto:don@dmdlaw.com.au]
Sent: Friday, 1 July 2011 12:36 PM
To: John Manouk
Subject: PROPOSED DONATION BY ROYAL OAK HOTEL PARRAMATTA

DON McDOUGALL

Lawyer

Please see **attached** letter.

Regards,

Don McDougall

Level 8, 65 York Street, Sydney NSW 2000
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DON McDOUGALL

• Lawyer •

1 July 2011

The Director
Fundraising Department
Children's Hospital Westmead
Locked Bag 4001
Westmead NSW 2145

Attention: Mrs Jacqui Medved

Dear Mrs Medved

RE: PROPOSED DONATION BY ROYAL OAK HOTEL PARRAMATTA
MY REF: 10975

I act for the owner of this hotel, Mr Rudolf Camillo, and for the licensee, Mr Robbie Walsh.

My clients propose to make application under the *Gaming Machines Act* to the Casino Liquor & Gaming Control Authority for the allocation of additional gaming rights for the Hotel. The application has not yet been lodged, and when lodged will take up to approximately 3 months to be considered by the Authority.

Part of that process is for my clients to demonstrate to the Authority that there is a *"positive contribution towards the local community"* which will arise if the application is granted.

In that context, and subject to the grant of the application, my clients propose to make a donation to the Hospital with the intent that it is used by the Hospital in a manner which will benefit the local community.

The Authority will require my clients to demonstrate that the donation has, in fact, been made, before the allocation of the additional gaming rights is made.

If any further information is required, please advise.

Would you please confirm that the Hospital will accept a donation on this basis, and will be able to issue a receipt and confirm payment, as will be required by the Authority.

Yours faithfully

Don McDougall

Level 8, 65 York Street, Sydney NSW 2000, Australia
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Website www.dmdlaw.com.au
ABN 88 708 473 071

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the children's hospital at Westmead

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Tel +61 2 9845 0000
Fax +61 2 9845 3489
www.chw.edu.au
ABN 51 788 573 080

Don McDougall
Lawyer
Level 8
65 York Street
Sydney NSW 2000

5 July 2011

Dear Mr McDougall,

Thank you for your letter regarding the proposed donation by the Royal Oak Hotel, Parramatta.

I would like to confirm that we would happily receive a donation from the Royal Oak Hotel, Parramatta and this donation will be used to benefit the local community, once a donation has been made I can confirm that a receipt will be sent.

Thank you for considering us, supporting the hospital in this way will make a real difference in the lives of sick kids.

Yours sincerely,

Jacqueline Medved
Trusts & Foundations Co-ordinator
T: 02 0845 3772
E: jacquelv@chw.edu.au