Local Impact Assessment Class 1 Application 330 Kaitlers Road, Lavington

Gaptide Pty Limited Springdale Heights Tavern June 2011



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EXECUTIVE SUMMARY

1. INTRODUCTION

I. This document is a Local Impact Assessment Class 1 to accompany a Threshold Increase Application made for approval of a 'low range' gaming machine threshold increase of 2 for Gaptide Pty Ltd (the "Applicant") for Springdale Heights Tavern located at 330 Kaitlers Road, Lavington NSW (the "Venue") located in the Band 2 Local Government Area (the "LGA") of Albury. The Applicant has operated at the Venue for more than 20 years and provides hospitality based recreational pursuits for its patrons. This LIA provides relevant gaming and social data, the proposed positive contributions and issues of concern to the Local Community so that the Authority can determine whether additional gaming machines will provide a positive contribution to the Local Community.

2. **RESPONSIBLE GAMBLING MEASURES**

II. Chapter 2 of this Report details the mandatory and additional responsible conduct of gambling measures put in place by the Applicant at the Venue. The Applicant operates its gaming machine operations in strict accordance with legislated and 'best-practice' interventions and initiatives modelled on its Responsible Service of Gambling House Policy (see Appendix 1). The Applicant has also implemented additional measures to ensure compliance with recent amendments to the Gaming Machines Act 2001 and associated Regulations. The Applicant is a member of BetSafe, and has adopted its best practice guidelines and policies.

3. LOCAL COMMUNITY

III. Chapter 3 of this Report details the communities potentially affected by the approval of the Application. The Albury LGA is the Local Government Area of the Venue and a map illustrating the extent of the LGA and the location of the Venue is included as Appendix 2. An area extending 5kms from the Venue has been identified as the Local Community for the purpose of assessment. Chapter 4 provides a demographic description of the LGA and Local Community.

4. **POSITIVE CONTRIBUTIONS**

IV. Chapter 5 of this Report details the positive contributions resultant from approval of the Application to the Local Community. These include donations to two local not-for-profit organisations – The Carevan Foundation and Albury PCYC. The Carevan Foundation provides a number of services for homeless people residing in the local community. Aside from its primary service of hot and nutritious meals to dispossessed persons on a daily basis at a range of locations within the Albury LGA, the Foundation also seeks to provide information, support, transportation and emergency accommodation to those in need. The Applicant's donation will assist it to meet the increasing demand for its free meals, and will provide a more efficient work place for its volunteers. Albury PCYC, a branch of the Australia-wide PCYC, seeks to provide safe and healthy recreational activities for young people, in an effort to dissuade them from engaging in criminal behaviour. Each of the proposed beneficiaries of the Applicant's donation addresses the specific needs of the Albury LGA, responding to its significant homeless population and seeking to prevent any further increase in its growing crime rates.

5. CONCLUSION

V. Given the satisfaction of the requirements of the Act and Regulation through the conduct of gaming machine operation at the Venue in a responsible manner and the evidence of substantial positive contributions to the Local Community, it is the Applicant's belief that this LIA meets the requirements of the Legislation.



1 INTRODUCTION

1.1 This Report is a Local Impact Assessment ("LIA") Class 1 to accompany a Threshold Increase Application for a Band 2 Local Government Area venue of 'low range increase' of 2 gaming machines for Gaptide Pty Ltd ("the Applicant"). The Venue, Springdale Heights Tavern, is located at 330 Kaitlers Road, Lavington NSW ("the Venue") in the Albury Local Government Area ("the LGA").

1.2 Methodology

In respect of LIAs relating to threshold increase applications, the LIA Guidelines provide that the Casino, Liquor and Gaming Control Authority ("the Authority") can only approve an LIA where the LIA complies with the requirements of the [Gaming Machines] Act [2001] and the [Gaming Machines] Regulations [2008] ("the Legislation") and demonstrates that gambling activities will be conducted in a responsible manner. The Guidelines further state that an LIA Class 1 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.

1.4 Applicant Details and History

- The Venue was established in 1988 in response to significant growth in the area, with the purpose of meeting the recreational needs of residents of the Local Community. There have been several renovations since that time, including, most significantly, the expansion of the bottle shop space and the addition of an outdoor dining area. The Applicant currently employs 48 staff members on a full time, part time and casual basis and is a generous contributor to local sporting teams.
- 1.6 Current Applicant Services, Facilities and Donations
- 1.7 The Venue operates as a "one stop shop" hospitality destination, offering a range of products, services and facilities to its patrons. The main bar features a TAB and Keno facilities, as well as numerous televisions screening live sporting matches. The main bar also offers relaxed, pub-style dining. The venue incorporates a gaming lounge and a 100-seat bistro, which is a family-friendly space equipped with video games and a children's playground. A sizeable courtyard adjoins the bistro. The Venue also features a bottle shop.
- The Applicant provides donations to a number of organisations throughout the local community, including Albury Lifestyle Village, Friends of Wewak and Cooinda Family Support Group. The Applicant has a particular commitment to supporting local sporting groups, and in 2010 sponsored Hume Football League, Bullioh Football & Netball Club, North Albury Little League Football Club and Thurgoona Cricket Club, amongst others. The Applicant made donations of \$37,396 in the year ending 31 December 2010 and had a total employee benefits expense of \$1.27 million.

1.9 Gaming machine indicators

The Applicant operates 28 gaming machines currently. The Applicant had a profit per gaming machine (total turnover less payouts) of \$56,000 for the 2010 year. The average net profit per gaming machine for the Albury LGA in 2008 was \$39,748. The Applicant projects that each additional gaming machine will return a profit of approximately \$56,000 annually.



1.11 Proposal

- 1.12 The Albury LGA faces a range of specific challenges. One of these is its homeless population, which continues to grow. The Carevan Foundation works to provide sustenance and support for dispossessed individuals living in the Albury LGA. The primary service that it offers to such people is a free hot meal service, currently available six days a week at multiple locations throughout Albury. The Applicant's donation will help the Foundation to meet the increasing demand for its services, and will help its volunteers by providing a more efficient space in which to work.
- 1.13 Another of the challenges faced by Albury is its growing number of break and enters, and the increasing prevalence of vandalism committed by younger members of the community. Albury PCYC works towards preventing youth participation in crime through providing safe and appealing alternative activities that seek to reduce both the opportunity and impetus for criminal behaviour. The Applicant's donation to Albury PCYC will assist it in continuing to facilitate its suite of youth-oriented programs. Further details in relation to these positive contributions is provided later in this Report.

2 RESPONSIBLE GAMBLING MEASURES

- 2.1 The Applicant's gaming machine operation is in strict accordance with legislated and optional responsible gambling measures and is considered best practice in this area. A copy of the Applicant's House Policy on the Responsible Conduct of Gambling is included at Appendix 1. The Applicant operates its responsible gambling house policy which is drafted in accordance with the legislative requirements stated in the Gambling Legislation Amendment (Responsible Gambling) Act 1999, and the Gaming Machines Act 2001 and accompanying regulations. The Applicant's harm minimisation strategies include:
 - All employees involved in gaming related duties hold a responsible conduct of gambling qualification in an approved course;
 - All prize winners receive prizes in accordance with clause 13 *Gaming Machines Regulation*;
 - The prize schedule of the Applicant is operated in accordance with clause 14 Gaming Machines Regulation;
 - The Applicant maintains certain records as per clause 18 and 19 *Gaming Machines Regulation*;
 - The Applicant maintains records relating to gaming machine prizes as per clause 15 *Gaming Machines Regulation*;
 - No inducements as specified in clause 48 of the *Gaming Machines Regulation* are offered by the Applicant to gamble;
 - Player information brochures in relevant community languages are kept in the Venue as per clauses 22, 23 and 24 *Gaming Machines Regulation*;
 - Signage containing wordage as per clauses 26,25 and 49 of the *Gaming Machines Regulation* are located in conspicuous positions in all gaming areas of the Venue;
 - All jackpot link monitors are located in gaming or bar areas only;
 - The identities of any prize winners are not published;
 - The Applicant does not promote gambling outside the Venue, including not providing gambling signage which draws attention to the availability of gaming machines in the Venue, includes a term or expression frequently associated with gambling or relates to gambling franchise or gambling business;
 - All gaming machines at the Venue are located in areas which do not attract



members of the public who are outside the Venue or are contrary to public interest;

- No minors are ever allowed access to gaming areas of the Venue;
- Strong links are maintained with established referral systems problem gambling counselling services;
- The Applicant operates the BetSafe self-exclusion scheme in compliance with clause 47 *Gaming Machines Regulation*;
- Consumer information on the chance of winning maximum prizes and jackpots is made available in the gaming area;
- Gaming machines notices on the dangers of excessive gambling are placed in all required areas;
- Signage on the unavailability of credit facilities, both through access to credit funds via Automatic Teller Machines and through no facility at the venue;
- No cashing of third party cheques is possible;
- Clocks are clearly visible in all areas of the Venue as per clause 28 Gaming Machines Regulation;
- No gaming cash payments over \$2,000 are made;
- No cash prizes in gaming promotions;
- Only the provision of opt-in marketing is undertaken and only as part of the Applicant's full suite of promotions;
- All direct advertising of gaming is contained within the Venue premises and is not visible outside the Venue; and
- The availability of player activity statements by players upon request is well known.
- 2.2 The Applicant has also implemented additional measures to ensure compliance with recent amendments to the *Gaming Machines Act* 2001 and associated *Regulation*, this includes:
 - No ATM in the Venue permits the dispensing of cash withdrawn from a credit account
 - Any unclaimed prizes are now processed as follows:
 - The Applicant places any unclaimed jackpot winning tickets not claimed within 12 months in a conspicuous area of the Venue for one month;
 - Any unclaimed gaming machine tickets or jackpots not claimed during the 12 month period are now to be paid into the Community Development Fund:
 - All prize winning cheques now clearly state 'Prize winning cheque cashing rules apply'; and
 - Individuals who has self-excluded must apply in writing after their initial exclusion period before they are allowed re-entry to the Venue.
- 2.3 The Applicant operates a strict self-exclusion policy in conjunction with GameCare and AHA. Any individual can voluntarily exclude themselves from the Venue. All self-exclusion requests are taken seriously by staff members and are acted upon immediately, by way of the provision of information and telephone numbers. Self-exclusion requests are also recorded in the Venue's incident report book. The self-exclusion process is fully funded and supported by GameCare and the AHA.
- 2.3 The Applicant is a member of BetSafe and GameCare, and has adopted the best practice guidelines and policies of each of these bodies. As such, the Applicant goes beyond compliance with current legislation.



3 LOCAL COMMUNITY

3.1 Definition of Local Community

- 3.2 The Legislation provides that there must be a positive contribution from approval of the Application to the Local Community in which the venue is located within. The approach to which the Applicant has defined its Local Community has been developed through its analysis of the area in which the majority of its regular patrons reside. Generally a suburban hotel will have a patron penetration of approximately 5kms. In the context of the information set out above, the Local Community is defined as encompassing:
 - The following suburbs: Glenroy, Lavington and North Albury; and
 - Parts of the following suburbs: Albury, East Albury, Bonegilla, Hamilton Valley, Jindera, Moorwatta, Springdale Heights, Table Top and Thurgoona.
- 3.3 It is submitted therefore, that this defined area meets the requirements of the Act, Regulation, and Guidelines. A diagram of the Local Community is included in Appendix 3.

4 DEMOGRAPHY

- 4.1 Albury LGA is located on the border of NSW and Victoria, about 300 km north-east of Melbourne and about 570km south-west of Sydney. The LGA is bounded by the Greater Hume Shire LGA to the north and Wodonga LGA to the south. Covering an area of approximately 332km², the LGA is predominately urban, encompassing significant industrial, commercial, recreational, parkland and rural hinterland areas. It comprises approximately 20,188 private dwellings and is a sub-region of the Albury Statistical Sub-Division. In June 2009, its population was estimated at 50,522 and its population density was 165.4 persons per square kilometre. In 2006, the median age of people residing in the LGA was 36 years compared to the state median of 37 years. 15.1% of the population was in the 10-19 years age bracket, whereas the corresponding NSW statistic was 13%. 91.3% of the population is Australian-born. The population of the Albury LGA grew at an annual rate of 1.0% between 2007 and 2008. This figure is slightly lower than the NSW annual rate of growth, which was 1.1% for the same period.
- 4.2 In August 2006, the rate of unemployment in the Albury LGA was estimated at 6.0%, which is comparable to the NSW rate of 5.9%. Albury LGA has a SEIFA (2006 social-economic index of relative advantage-disadvantage) of 976, which is comparable to the State average of 978. An alternative measure of SEIFA is provided by the ABS. Each LGA in NSW has been ranked in deciles (ranges of 10 percent). The first decile denotes the most disadvantaged LGAs, the tenth decile, the most advantaged. Albury LGA falls in the seventh decile. It therefore ranks in the top half of all NSW LGAs. The advantage of using this method to analyse SEIFA is that it allows comparison with all LGAs, not simply a State average, which is skewed by a small number of very high SEIFA estimates for certain LGAs. This is emphasised by the fact that in 2006 only 50 of 151 LGAs (excluding Unincorporated NSW) or 33.1% of all LGAs, had a SEIFA in excess of the NSW average.
- 4.3 The LGA is characterised by its comparatively young population, as evidenced by its median age of 36, compared to 37 for NSW. The proportion of the population aged in the 10-19 years bracket is also relatively high at 15.1%, compared to that of the State. Further evidence of its younger, family-oriented population can be found in the fact that 49% of families residing in the area have children aged 15 and younger, whereas only



40% of NSW families are similarly composed.

The LGA is a slightly less advantaged area, as indicated by lower than average median household and individual income figures, of \$919 and \$452 respectively – the corresponding NSW statistics are \$1,036 and \$461. However, this lower median household and individual income levels is also off-set by lower costs of living. The proportion of public housing is significantly higher than the State percentage, with 16.5% of the LGA's households living in public housing compared to 4.7% of households in NSW. Homelessness is also a significant issue in the LGA, with over 400 people identified as homeless in 2006. Albury LGA has one of the highest levels of homelessness in Australia.

5 POSITIVE CONTRIBUTIONS

- 5.1 General
- The granting of the Application will directly benefit the disadvantaged youth and homeless persons who are living in the Local Community and the LGA, as a result of donations being made to two charitable organisations:
 - 1. \$5,000 to the Carevan Foundation, to purchase and install a commercial dishwasher and various other kitchen items necessary to the running of its food van; and
 - 2. \$5,000 to Albury PCYC, to assist in the funding of its various programs.
- 5.3 <u>Donation to the Carevan Foundation</u>
- 5.4 The Carevan Foundation
- The Carevan Foundation is a not-for-profit organisation that provides food and support for the homeless and disadvantaged in rural Australia. It was launched in May 2010 in response to the serious problem of increasing homelessness in Albury, Wodonga and Northern Victoria, where the rates of homelessness are some of the highest in Australia.
- The Carevan Foundation is facilitated by over 300 volunteers. Aside from its primary work of offering meals from its mobile food van, the Foundation also provides literature and advice in relation to mental health issues, securing accommodation, gambling, substance abuse and domestic violence. The Foundation provides emergency accommodation for homeless individuals, as well as transportation to other support services, with drop-off points at locations such as the PCYC and Broughton House, a local youth refuge. The Carebus, a 12-seater van, is used for this service, as well as to provide local transport for passengers from within the Local Community, with any donations made being put towards the Foundation's many projects.
- 5.7 Additional services offered by the Foundation include dental care programs, educational workshops and the sponsorship of food industry scholarships.
- As well as these services, and perhaps most significantly, the Carevan Foundation operates as a generalised point of contact for disadvantaged people, assisting them in accessing support services that are relevant to their needs.
- 5.9 Further information regarding the Carevan Foundation and the Applicant's donation is



annexed to this LIA in Appendix 5 and can also be found at: www.carevan.com.au.

- 5.10 Details of the donation
- 5.11 The Carevan Foundation's food van provides hot, nutritious meals to dispossessed and disadvantaged individuals living in and around the Albury LGA. In its twelve months of operation, the van's weekly clientele has increased from five individuals to more than 200. During this time, the Foundation's volunteers have worked to build relationships with and secure the trust of the many people it has come to serve.
- 5.12 The Carevan provides free meals to those in need, as per the following schedule:
 - Monday, Tuesday and Thursday 6:30-8:30pm at Taxation Office Carpark, Albury;
 - Wednesday 6:30-8:30pm at Westside Community Church, West Albury; and
 - Saturday Breakfast/Brunch.
- 5.13 The growing number of people seeking the services of the food van has put considerable strain on the Foundation's resources. The Foundation intends to use the Applicant's donation to purchase and install a commercial dishwasher and to procure a variety of other much-needed, re-usable kitchen items. In making these purchases, the Foundation aims to not only provide a more efficient workplace for its volunteers, but to also reduce waste.
- 5.14 Amount to be contributed
- 5.15 The Applicant has committed to donating \$5,000 to the Carevan Foundation.
- 5.16 Benefit to the Local Community
- 5.17 Homelessness is an issue of particular concern in the Albury LGA. In 2006, more than 400 people were identified as being homeless in the LGA, living in a mix of emergency accommodation, boarding houses, on the streets and temporarily with friends. This data is supported by the increasing demand for refuge accommodation, as observed by local social workers. A NSW report into homelessness, based on the 2006 Census data, put Albury's homelessness rate at 80 people for every 1,000 residents. The NSW average is almost half this, at only 42 per thousand. In a newspaper article published in *The Border Mail*, 9 July 2009, Associate Professor Chris Chamberlain, Director of the Centre for Applied Social Research at RMIT, describes Albury as having one of the highest levels of homelessness in the country. Of further concern is the changing demographic of homeless individuals, with an increasing number of young people presenting as homeless.
- The Albury City Community Plan provides further evidence of this problem. As the first of its "Identified Needs" in relation to "Young People (12-24 years)", the Plan lists "crisis accommodation", as a means of preventing homelessness for the dispossessed. Homelessness is also listed as a particular issue for Aboriginal and Torres Strait Islander people living in the Albury LGA.
- 5.19 The *NSW Homelessness Action Plan 2009-2014* specifically targets Albury's homeless people, listing, as a priority, the

provi[sion of] long-term accommodation linked to support for chronically homeless people in rural areas (especially Albury, Wagga Wagga and surrounds) and [the



coordination of] services to identify and support people at risk of homelessness.

- 5.20 Given the very significant homeless population residing in Albury and surrounding areas, the service that the Carevan Foundation provides is particularly well-suited to the Albury LGA. Funding the Foundation's efforts to improve the lives of the area's dispossessed people allows the Applicant to directly contribute to its Local Community in an unequivocally positive way.
- 5.21 Donation to Albury PCYC
- 5.22 *PCYC*
- 5.23 PCYC (Police-Citizens Youth Club) is an Australian not-for-profit organisation aimed at providing young people with safe and enjoyable recreational pursuits so as to reduce and prevent their participation in crime. Its mission is to encourage young people to actively participate in their communities and, more generally, in life, in healthy and fruitful ways, thus reducing both the opportunity and the desire to partake in criminal behaviour. PCYC gives young people the opportunity to hone their skills, make new friends and enjoy a range of recreational activities. Its 59 clubs located in NSW facilitate a diverse range of activities including music, futsal, wrestling, martial arts, basketball, digital photography, debating, physical culture, breakdancing and rugby league.
- The organisation, initially known as the Federation of New South Wales Police Boys Clubs, began in Woolloomooloo in 1937, when the first of its many clubs opened its doors. Then, as now, it was intended to bring together young people residing in the local area, providing them with the space, opportunity and impetus to participate in fun and healthy activities in a safe environment, and thus to dissuade them from partaking in criminal activity. The organisation began to admit female members in 1957. It currently has over 72,000 members in NSW alone. 1,400 disadvantaged children are given free membership every year. PCYC relies on its very modest membership fees and the donations of others for its survival.
- 5.25 Albury PCYC
- 5.26 Albury PCYC services the Albury-Wodonga region, providing local youth with a diverse range of structured and unstructured recreational activities, such as boxing, judo, futsal, volleyball, Zumba and dance parties. Two Police Youth Case Managers work with the Club Manager towards the aim of preventing criminal behaviour in young people.
- 5.27 Two new programs were recently introduced by Albury PCYC. The first is a distance education program which is available to disengaged youth who are not currently attending school. The second is operated in conjunction with local schools, and promotes driver awareness in school-aged drivers.
- 5.28 Amount to be contributed
- The Applicant has committed to donating \$5,000 to Albury PCYC, which will be used to help fund its diverse range of programs aimed at engaging local youth and preventing their entry into a life of crime. Further information about Albury PCYC and the Applicant's contribution can be found in Appendix 6.
- 5.30 Benefit to the Local Community



- 5.31 Programs focused on preventing young people from engaging in criminal activity are of particular relevance to the Albury LGA given it's comparatively youthful demographic and the recent increase in the incidences of a number of crimes, including break and enters and vandalism. Between 2005 and 2009, break and enters had increased significantly, by 9.2%, and malicious damage to property was up by 3.8% (according to *AlburyCity 2010-2013 Crime Prevention Plan*).
- The AlburyCity 2010-2013 Crime Prevention Plan lists a number of actions that Albury City Council has committed to effecting with the objective of preventing young people from participating in criminal activity and reducing the rate at which crime is increasing. This Plan provides clear evidence of the ongoing need for the PCYC and the various programs it has on offer. The Plan's action list includes many actions that focus on keeping young people active, engaged and challenged, and explicitly require the partnership of Albury PCYC. These are extracted below:

Action	Outcome	Partners	AlburyCity role
Provide programs for young people (p. 11)	Connection with community. Reduction in antisocial behaviour.	- PCYC - Community Centres - Retro Cafe - Dept of Education - The Place Youth Centre	Support/Joint Facilitator
Support the development of leadership programs for young people, particularly those who are at risk of offending within the community, homelessness and mental health issues (p. 13)	Programs developed and implemented. Increase in young people involved.	 NSW Police/PCYC YES Youth & Family Services BIG Albury Wodonga Aboriginal Health Service NSW Dept Sport & Recreation Retro Cafe The Place Youth Centre 	Support/Joint Facilitator
Provide alcohol and drug-free events for young people (p. 14)	Decrease in underage drinking.	Retro CafePCYCCommunity CentresPrivate OperatorsThe Place Youth Centre	Joint Facilitator
Investigate and implement programs that divert young males from crime associated with break and enter (p. 16).	Reduction in annual rates of break and enter non dwelling.	- PCYC - Retro Cafe - Dept of Juvenile Justice - The Place Youth Centre	Support/Joint Facilitator



- Given the recent increase in youth-oriented crime in the Albury LGA, the PCYC's ongoing work to prevent young people from participating in crime is vital. The Applicant's funds will help to ensure that Albury PCYC can continue to facilitate its range of programs.
- 5.34 Summation of positive contributions to Local Community
- 5.35 Whilst the funds to be donated total \$10,000, the value of these positive contributions are impossible to quantify, given the significant, positive impact they are likely to have on the lives of the disadvantaged youth and the homeless living in the Albury LGA. Together, these donations have the potential to help Albury become a safer, healthier and more harmonious community in which to reside.

6 CONCLUSION

- This LIA, pursuant to Section 37 of the *Gaming Machines Amendment Regulation* 2009, defines the Applicant's Local Community, details the positive contributions that the Applicant will provide to the Local Community if the Application is approved, and details the harm minimisation and responsible gambling measures that are in place at the Venue.
- 5.37 The Applicant is a family friendly hotel which provides needed community support through donations to local sporting and not-for-profit organisations. The Venue provides a central meeting place for its Local Community, along with numerous recreational and social facilities and opportunities existing for the benefit of patrons.
- The Applicant operates gaming at the Venue in compliance with mandated Legislative requirements and operates a best-practice style of interventions and procedures. The Applicant enforces this strict approach based on its House Policy on the Responsible Conduct of Gambling conducting regular in-house training for all of its gaming staff, each of whom holds qualifications in the Responsible Conduct of Gambling.
- The positive contributions put forward in this LIA will not occur without the approval of the Application. There is no doubt that the planned donations to local not-for-profit organizations The Carevan Foundation and Albury PCYC will positively contribute to the Local Community of the Applicant in that they will enhance the lives of local homeless individuals and assist in the prevention of local crime. Homelessness and youth-oriented types of crime such as vandalism and break and enters are issues that are of particular significance to the Albury LGA, as is evidenced by demographic data and relevant Council and NSW Government plans.
- 5.40 It is therefore provided that the test as set out in the Guideline and Legislation is met and the Applicant submits that the Application should be approved.