



**WENTWORTHVILLE LEAGUES CLUB
LOCAL IMPACT ASSESSMENT 1**

October 2010



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1. EXECUTIVE SUMMARY

2. INTRODUCTION AND BACKGROUND

- I. This document is a Local Impact Class 1 LIA to accompany a Threshold Increase Application (the "Application") made for approval of a gaming machine threshold increase of 102 machines for Wentworthville Leagues Club Ltd (the "Applicant") which is classified as Band 3 Local Government Area (the "LGA") of Holroyd. Holroyd City is bounded by Parramatta City in the north and east, Fairfield City in the south and Blacktown City in the west.

Wentworthville Leagues Club Ltd amalgamated with The Parramatta Club and The Tingha Club (previously the Australian Club) in 2000. The Parramatta Club was sold in February 2008 and the Wentworthville Leagues Club was informed by the owners of the Tingha Club that the building would be redeveloped. The Board of Directors together with a development team located a parcel of land to build a new Club in the Parramatta area. At this time, the development was supported by the Mayor, General Manager and Planning Authorities at Parramatta Council however due to alcohol related incidents in Parramatta; the Council placed numerous trading restrictions on the Development. The development failed to meet cash flow criteria and was put on hold. The Tingha Club lease expired and at a Special Meeting held on 8 March 2010 members voted to cease trading permanently at The Tingha Club as at the 9 June 2010 and transfer the remaining 102 gaming machines to our Parent Club at 50 Smith Street, Wentworthville.

Wenty Leagues Club is situated approximately 3.85 kilometres from The Tingha Club. Wentworthville Leagues has approval to operate 437 gaming machines; a threshold increase of 102 from the dissolved Club would bring this total to 539.

Appendix 1 – Board Charter

3. RESPONSIBLE GAMBLING MEASURES

- II. Chapter 3 of this report details the mandatory and additional responsible service of gambling measures put in place by Wentworthville Leagues Club. Wentworthville Leagues Club operates its gaming machine operation in strict accordance with Legislated and 'best practice' interventions and initiatives in conjunction with our on our Responsible Service of Gambling Policy. Wentworthville Leagues Club has also implemented additional measures to ensure compliance with recent amendments to the Gaming Machines Act 2001 and associated regulations. Wentworthville Leagues Club is a member of Betsafe and has adopted its best practice guidelines and policies.

4. LOCAL COMMUNITY

- III. Chapter 4 of this Report details the communities potentially affected by the approval of the Threshold Increase Application. The Holroyd LGA is the Local Government Area of Wentworthville Leagues Club and a map illustrating the extent of the LGA and the location of the Venue is included as discussed in Item 1.2. An area extending 5 kms from the Venue has been identified as the Local community for the purpose of this assessment.

5. POSITIVE CONTRIBUTION

- IV. The specific benefit our Community would receive is the construction of a Covered Stand at Ringrose Park which was identified in Holroyd Council's Social Plan at a cost of \$500,000.00 of which Wentworthville Leagues Club will be contributing the total amount of \$500,000.00.

Wentworthville Leagues Club has been granted approval for a \$40M redevelopment that will include a three-tier car park and a function room with a terrace on top approval given the green light by the Joint Regional Planning Panel. The initial building and extended Club operations will provide up to 1,000 direct jobs and a further 1,000 indirect jobs in related industries. The additional revenues would attract taxes of \$2.4M to benefit the people of New South Wales. Chapter 5 of this Report details further positive contributions from approval of the Threshold Increase Application to the Local Community. Wentworthville Leagues Club responded to the needs within the Local Community for additional recreational facilities as identified in Holroyd Council's Social Plan and is supported by local organizations and institutions. The transfer would also decrease the NSW pool of poker machines by 21.

6. CONCLUSION

- V. Given that Wentworthville Leagues Club has satisfied 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 Wentworthville Leagues Club belief that this LIA 1 should be approved.

2. INTRODUCTION AND BACKGROUND

This Report is a Local Impact Assessment (“LIA”) Class 1 to accompany a Threshold Increase Application for 102 gaming machines to be situated at 50 Smith Street, Wentworthville, NSW, 2145. This is classified as Band 3 Local Government Area of Holroyd.

2.1 METHODOLOGY

In respect of LIAs relating to threshold increase application, 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 Wentworthville Leagues Club Group included the Tingha Club, located at 100 Church Street, Parramatta. The Tingha Club was leased and the cessation of the lease and operations occurred in June 2010. This Club was located in the Parramatta Local Government Area (“the LGA”) classified as Band 2. Therefore the 123 poker machines that were on these premises are required to be transferred with a forfeiture of 1 in six, the total number of machines to be transferred being 102.

The Guidelines further state that a Class 1 LIA must demonstrate a list specifying the perceived positive social impacts and economic benefits that the additional gaming machines will have on the local community. In order to comply with the requirements prescribed by the Legislation these will be discussed in the context of the Local Community and LGA in order to assess the likelihood of the approval of the Threshold Increase Application resulting in a positive contribution towards the Local Community.

2.2 WENTWORTHVILLE LEAGUES CLUB DETAILS AND HISTORY

Wentworthville Leagues Club provides recreational services and community based enterprises for the residents of Wentworthville and the Local Community, in the Local government Area of Holroyd (“the LGA”). Holroyd City is bounded by Parramatta City in the north and east, Fairfield City in the south and Blacktown city in the west. The location of the Club is identified and illustrated in Appendix 2. The Club was incorporated in 1958 and opened operations in 1962. From an initial membership of 46 it has grown to over 35,000 members, 75% of whom reside in the Holroyd Local Government Area.

Appendix 2 – Map of Holroyd LGA.

2.3 CURRENT SERVICES, FACILITIES AND DONATIONS

Wentworthville Leagues Club currently comprises numerous lounge, dining, gaming and function spaces, as well as an auditorium, bowling greens, snooker/pool facilities and a children’s play area. The Club provides a number of services to our members and guests. Along with the provision of gaming, food and beverage, Wentworthville Leagues provides free live entertainment. Donations are made to numerous local organizations, e.g. The Australian Genies, Timehelp, Parramatta/Holroyd Family Support, Dunrossil Challenge Foundation and the Congolese Community of Australia. In 2009 donations totaled \$1.3M. The Club is committed to nurturing local sporting talent and providing recreational opportunities to all members of the Holroyd Community together with supporting the Sub Committees within the Club.

2.4 FINANCIAL PERFORMANCE OF WENTWORTHVILLE LEAGUES CLUB

The Venue had total revenue in 2009 of \$39M and a pre-tax profit of \$3.2M. Gaming machine revenue for Wentworthville Leagues was \$28.4M, represented 71.7% of total of revenue. Total bar revenue was \$4.4M and food and catering revenue was \$3.8M. Wentworthville Leagues paid \$7.7M in gaming machine duty in 2009. Wentworthville provided \$1.2M in community support including donations and CDSE contributions. The Applicant had total employee benefits expenses of \$12.1M including payroll tax.

2.5 GAMING MACHINE INDICATORS

Wentworthville Leagues Club currently operates 437 gaming machines. Wentworthville Leagues Club had a profit per gaming machine (total turnover less payouts) of \$73,000 for the 2009 year. Wentworthville Leagues Club projects, over time, that each additional gaming machine will return a profit of approximately \$50,000 per machine per annum. The additional machines will add an estimated \$1.6 M to the operating profit of Wentworthville Leagues Club. This is after all expenses which includes, tax, finance of poker machine cabinets, depreciation of cabinets, CMS, service of machines, CDSE contributions, staff wages and promotions are taken into consideration.

Appendix 3 – Wentworthville Leagues Player Profile and Location Map of Extra Machines on floor of Club.

2.6 PROPOSAL

Wentworthville Leagues Club recently had a Development Application approved for extra car parking spaces within the grounds of the site at 50 Smith Street, Wentworthville. This will not only assist patrons of the Club but also the entire community especially in relation to activities held on Ringrose Park and Monty Bennett Oval.

Appendix 4 – Parramatta Advertiser Newspaper Article July 2010.

Wentworthville Leagues Club have analysed the needs of our community and will be providing funding to assist with improving better facilities at Ringrose Park by providing funds of \$500,000 to complete a covered stand for 300 people and an uncovered stand for 150 people on Ringrose Park. Wentworthville Leagues Club currently has an allocation of two (2) days per week for the use of Ringrose Park with other activities co-ordinated through the Ringrose Park Local Committee. This is in line with *Holroyd City Social Plan 2010-2012* which indicates the following in relation to community benefits in relation to health and social wellbeing.

The following is an extract from the *Holroyd City Social Plan 2010-2012* (www.holroyd.gov.nsw.au)

1. *“Facilities are run down and continued growth will place demands on existing community facilities.” It was also identified that community amenities and open spaces needed to cater to all people in the community including young children, young people, older people and people from diverse cultural and linguistic backgrounds”*
2. One of the themes regarding all residents is to create a *“healthy and active community”*. With an outcome being that *“people of all ages and cultures are participating in sports and physical activity.”*
3. The Council’s delivery method includes *“to Develop a Parks and Open Space Strategy that identifies opportunities for the more equitable use of Council’s oval and sports fields and where appropriate, the encouragement of a wider range of uses at these facilities.”*

3 RESPONSIBLE GAMBLING MEASURES

Wentworthville Leagues Club 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 Wentworthville Leagues Betsafe information on Responsible Conduct of Gambling is included as well as highlighted in the Employee Guide Handbook which is issued to each staff member at their Induction Day prior to commencement of employment. This information is drafted in accordance with the legislative requirements stated in the *Gambling Legislation Amendment*.

Wentworthville Leagues Club is also a member of Betsafe and has adopted best practice guidelines and policies. As such, Wentworthville Leagues goes beyond compliance with current legislation.

Appendix 5 – Betsafe and Anti-Money Laundering and Counter Terrorism Financing Policy

Appendix 6 – Gaming and Social Profile Data in the Holroyd LGA. NOTE: No accurate disposable income figures for the LGA level are available; please refer to Joanna McClellan, Senior Research Officer, OLGR Communities NSW.

(Responsible Gambling) Act 1999, the Registered Clubs Act 1976, the Gaming Machines Act 2001 and accompanying regulations. Wentworthville Leagues Club harm minimization strategies include:

- All employees involved in gaming related duties hold a responsible conduct of gambling qualification in an approved course;
- Restricted areas as noted on our Certificate of Registration regarding minors excluded in specific gaming areas;
- Strong links are maintained with established referral systems problem gambling counseling services Anti-Money Laundering and Counter-Terrorism Financing Policy
- Consumer information on the chance of winning maximum prizes and jackpots is made available in the gaming areas always on display in the gaming areas;
- Gaming machines notices on the dangers of excessive gambling are placed in all required areas;
- Correct signage is displayed in relation to no credit facilities;
- No cashing of third party cheques are available;

- Cheques to the accumulative value of \$200 are able to be cashed, which is below the legislative amount of \$400. No cheques are to be cashed if any uncleared cheques exist.
- Clocks are clearly visible in all areas of the venue;
- Cash payments are restricted up to \$2,000 only;
- No cash prizes in gaming;

4 LOCAL COMMUNITY

The Legislation indicates that there must be a positive contribution from approval of the Threshold Increase Application. The approach to which Wentworthville Leagues Club has defined its Local Community has been developed through its consultation with the community and experienced advisors in the Registered Club industry, recent market share analysis and its experience gathered through offering its services in our location for almost 50 years. Wentworthville Leagues Club has a large membership penetration of predominately in the 5 kms radius. This assessment is linked heavily to legislative requirements pertaining to compulsory membership of any person residing within 5kms of Wentworthville Leagues Club.

In the context of the information set out above, the Local Community is defined as encompassing:

The following suburbs: of Girraween, Granville (part), Greystanes, Guildford (part), Guildford West, Harris park (part), Holroyd, Mays Hill, Merrylands (part), Merrylands West, Parramatta (part), Pemulwuy, Pendle Hill (part), Smithfield (part), South Wentworthville, Toongabbie (part) Wentworthville (part), Westmead (part) and Yennora (part).

3.4 It is submitted therefore, that this defined area meets the requirements of the Act, Regulation and Guidelines. **Appendix 2 – Map of Holroyd LGA.**

4.1 DEMOGRAPHY

The Holroyd LGA is located in Sydney's western suburbs, about 25 kilometres from the Sydney GPO. Its neighbours Parramatta City in the north and east, Fairfield City in the south and Blacktown city in the west and covers nearly 40 square kilometres.

Holroyd is considered an Australian major city. Similar to other metropolitan LGAs, Holroyd is readily accessible by train or road and its residents have good access to services and opportunities for social interaction. Approximately 90,000 people now live here. This is an increase of about 10,000 people since 1996 and the area is expected to grow by at least 8,000 over the next decade. Whilst still a family area, there are more people aged 60 years and over than in the past, and a lower proportion of people under 25. Couples without children has increased, however Holroyd still has a higher number of couple and one parent families with children than across Sydney and a higher proportion of children aged 0 to 11 years. Refer to titled Social Profile Data of Holroyd LGA).

Wentworthville Leagues Club is attune to its Local Community having operated at one site for almost 50 years. This has seen the Applicant provide services and make contributories in line with its Local Community's needs and demands. Wentworthville Leagues Club is intending to continue this through major capital works at the Venue and the commencement of the Grandstand at Ringrose Oval.

5. POSITIVE CONTRIBUTIONS

Granting of the Threshold Increase Application will yield a significant social and economic benefit for the Local Community and LGA through a number of major and ancillary positive contributions

Appendix 7 Board Charter regarding Sponsorship Committee, including:

- 5.1 Construction of a new Grandstand at Ringrose Oval by the Club and provision of funding of the project of \$500,000.
- 5.2 Construction of a staged expansion and redevelopment.
Access to the Club from the Great Western Highway alleviating residential traffic/Refurbishment and redevelopment of the indoor bars and eating spaces/a new outdoor dining area/Improved Children's facility
- 5.3 Additional employment
- 5.4 Significant increase in CDSE contributions
- 5.5 Increased Expenditure on Local Suppliers
- 5.6 Maintenance of Affordable Pricing of Clubs Services
- 5.7 Encourage Spend in the Local Region
- 5.8 Overall decrease in Poker Machines in NSW
- 5.9 Increased Tax Benefits to New South Wales

5.10 Local Community and Local Community Support Needs

5.1 CONSTRUCTION OF NEW GRANDSTAND AT RINGROSE PARK

As noted above Wentworthville Leagues Club has operated to serve the Local Community since its registration. The Club has provided a range of community services for Holroyd Parramatta region, including eighteen sporting Clubs. The Club has produced a number of professional sportsmen and is a focal point for the community in providing hospitality, events and gaming facilities in a central activity hub.

Wentworthville Leagues Club together with Holroyd City Council is committed to providing funding for the Covered Stand which a proposal of seating of 300 with an uncovered capacity of 150. Future workshops will be held with community groups with all consideration given to various groups needs regarding other various amenities on Ringrose Park.

Ringrose Park is owned by Holroyd City Council. Wentworthville Leagues Club has a license to use Ringrose Park for 2 days per week and numerous organizations have had great use of the Park of which is co-ordinated through the Ringrose Park Local Committee. These include, however are not limited to the following:

- 1 Australia Day Celebrations Holroyd City Council
- 2 NSW Women's Vigoro Association
- 3 Wentworthville Public School
- 4 Ringrose Public School
- 5 Darcy Road Public School
- 6 Westmead Hospital
- 7 Sri-Lankan Lions Sports Club
- 8 Careflight Training
- 9 German Shepherd Dog League Inc
- 10 Old Nalandians Association of NSW Inc
- 11 NSW Tertiary Student Rugby League
- 12 NSW Correctional Services Rugby League
- 13 Eagles Baseball Club
- 14 NSW Police Rugby League
- 15 Men of League Gala Day
- 16 Benefits to all community members for walking for health and fitness
- 17 Benefits to all community members for walking of pets

Appendix 8 - Suggested Plan (Ringrose Oval Amenities Improvement)

Three staged approach to removing the risk in the existing stand by:

1. Stage 1 – Constructing two (2) concrete slabs to house 3 aluminium prefabricated stands, each housing approx 75 each stand or 150 people in total.
2. Stage 2 – Constructing a covered stand between the proposed “open air” stands to house 300 people in total.
3. Stage 3 – Proposed Amenities block, it is foreseen that it will be built directly behind the Covered Grandstand. This has not been costed in the \$500,000.
 - 3.1 In the past change rooms, shower toilets, medical rooms, referees rooms, storage facilities, canteens, etc have been suggested, however there has been no discussion regarding any inclusions to the proposed amenity.
 - 3.2 Details will be determined based upon discussions and future workshops with key stakeholders. A “wish list” will be reviewed to determine what is required and achievable.

5.2 CONSTRUCTION OF A STAGED EXPANSION AND REDEVELOPMENT

The proposal is to upgrade the current premises at 50 Smith Street to cater to the needs and interest of the Club's 35,000 members now and into the future. The proposed redevelopment aims to benefit members and guests and be sensitive to the interests of the adjoining neighbours and broader Wentworthville community. Wentworthville Leagues Club engaged the services of a social planning and research firm to

consult with Club members, patrons, local resident, businesses, community organizations and government authorities about the proposal. Refurbishment of the current hospitality venue is proposed to include a variety of indoor and outdoor bars and dining spaces, renewal of the external building façade, child play and child mind spaces, together with additional car parking together with access to the Great Western Highway to reduce traffic on Smith Street Wentworthville. The final design will carefully consider its impact on the local residential and business community through this consultation process and a series of technical studies including traffic, safety and acoustics.

5.3 ADDITIONAL EMPLOYMENT

Not only would the increase in gaming machines increase the Clubs capacity to employ more staff, it would also assist our current staff with future training and succession needs within the Club. Significant new employment during construction and operation estimated up to between 307 direct and 332 indirect jobs over the next 20 years within the local economy. This would double the employment growth targets for the whole of Holroyd LGA as set out in the West Central Sub Regional Strategy.

5.4 SIGNIFICANT INCREASE IN CDSE CONTRIBUTIONS

The Board of Directors of Wentworthville Leagues Club understands and appreciates the vital role that the local community plays in the development of the Club. Due to the increased revenue with the Club would be able to contribute an extra \$76,500.00 to the Community Development Support Expenditure Scheme per annum. The Club is also further interested in supporting projects that are managed by accredited organizations, institutions and individuals with an emphasis toward the less fortunate and the many area of need in our area.

Within the Holroyd Local Government Area any increase in employment would be beneficial, as well as assisting the local region by holding funds within the LGA

5.5 INCREASED EXPENDITURE ON LOCAL SUPPLIERS

As part of the Holroyd Local Government Area local suppliers will be able to benefit from the increased spend by Wentworthville Leagues Club to all current and potential suppliers of Wentworthville Leagues Club. The suppliers will be able to increase their net profit and also increase the number of employees by assisting the Club with their goods, services and maintenance.

5.6 MAINTENANCE OF AFFORDABLE PRICING OF CLUBS SERVICES

With the provision of additional gaming machines that the club will gain it will provide the Club with an ability to maintain affordable pricing policies for members and guests for supporting services. It is important to note that this benefit would be received by all members of the community who utilize these services and not just gaming machine players. For example, many community organizations, local businesses utilize our rooms for functions and our Bistro and Lucido Restaurant accommodate, not only couples but are child friendly. The Lucido overflow area caters specifically for young families and children who can enjoy a meal or a chat over coffee whilst the children are in a safe environment in our Kids Play area.

5.7 ENCOURAGE SPEND IN THE LOCAL REGION

As the first stage of the proposed development is to increase the car parking area, the club will be able to provide further scope to diversify our entertainment and service mix. Together with increased marketing to attract visitors from not only within our Local Government Area, but also outside our regional areas which will help assist further revenue injections into our local community.

5.8 OVERALL DECREASE IN POKER MACHINES IN NEW SOUTH WALES

Pursuant to the current legislation, an increase of 102 poker machines would result in another 21 poker machines being taken out of New South Wales.

5.9 ADDITIONAL STATE TAX BENEFITS TO NEW SOUTH WALES

New South Wales community will benefit as a result of the increase in poker machine tax by the increase of 102 gaming machines at Wentworthville Leagues Club. A projected increase in revenue from 102 poker machines of \$5.1M in a year would lead to a further \$2.M paid to the New South Wales Government by Wentworthville Leagues Club in poker machine tax, which would in turn be utilized to provide necessary services to the people of New South Wales.

5.10 LOCAL COMMUNITY AND LOCAL COMMUNITY SUPPORT NEEDS

The Ringrose Oval Upgrade responds to the needs within the Local Community for additional recreational facilities, as identified in Holroyd City Councils *Social Plan 2010 – 2012*. Various Local Community stakeholders were engaged the level of needs and also how this facility would be able to be utilized to the benefit of all the Holroyd Community.

The ongoing development of the Wentworthville Leagues Club is closely aligned with the key objectives within the Holroyd City Strategic Plan 2008-2018 by providing a transparent approach to risk management and by delivering local benefits relating to:

- Community safety
- Recreation and cultural facilities
- Opportunities for children and the elderly
- Improved development planning
- Traffic Management and
- An ecologically sustainable approach to development

The Wentworthville Leagues Club looks forward to maintaining a positive dialogue and working with Holroyd Council in order to refine and implement the above strategies and to make a lasting contribution to improving lifestyle opportunities for residents of the Holroyd LGA, whilst at the same time creating an opportunity to develop essential improvements to the Club itself, for the benefit of members and guests.

Appendix 9 – Copies of Correspondence issued to Holroyd Stakeholders, Parramatta LCA Area and Local Clubs, Pubs and Hotels.

6 CONCLUSION

This LIA 1 pursuant to Section 37(1) of the Gaming Machines Amendment Act 2009 defines Wentworthville Leagues Local Community, details of the positive contributions that Wentworthville Leagues club will provide to the Local Community if the Threshold Increase application is approved, and details the harm minimization and responsible gambling measures that are in place at our Club.

Our Club is a community based registered Club with a focus on facilitating services to all community members by providing recreational and social services to its members and through contributions and in-kind support to its Local Community more widely; this objective has been achieved for over 50 years.

The submitted LIA is necessary to enable the transfer of Gaming Machines from our cessation of lease and operations of the Tingha Club. The LIA illustrates the positive contributions that Wentworthville Leagues Club will make toward the Local Community whilst meeting all the relevant legislative requirements.

7 APPENDIXES 1 TO 9 SEPARATE BINDER

- Appendix 1..... Wentworthville Leagues Club Ltd Board Charter Foundation, Directors and Secretaries rights and responsibilities.**
- Appendix 2..... Holroyd Local Government Area Map**
- Appendix 3..... Wentworthville Leagues Club Gaming Player Profile together with location of transferred Gaming Machines in Club area.**
- Appendix 4..... Newspaper Articles from Parramatta Advertiser**
- Appendix 5..... Betsafe and Anti-Money Laundering and Counter Terrorism Finance Policy**
- Appendix 6..... Holroyd Local Government Area Social Profile Data**
- Appendix 7..... Wentworthville Leagues Club Ltd Sponsorship Charter**
- Appendix 8..... Ringrose Park Draft Improvement Plan**
- Appendix 9..... Correspondence issued to Holroyd LCA, Parramatta LCA and Local Clubs, Pubs and Hotels**