

Victorian  
Gambling and  
Casino Control  
Commission

# Annual report

2023-24

## Acknowledgement of Country

The Victorian Gambling and Casino Control Commission acknowledges Aboriginal people as the Traditional Custodians of the lands, waters and skies of Victoria, and acknowledges and pays respect to their Elders, past and present.

We respect the contributions Aboriginal and Torres Strait Islander individuals and community groups have made and continue to make to our society and recognise ongoing connection to, and care for, Country.

## About this report

This is an account of our progress over the past year in ensuring gambling activities are conducted with integrity, safely and fairly, minimising harm and holding gambling operators to account against their legal and social licence.

It provides a picture of our accomplishments for our stakeholders across Victoria, including the Victorian Parliament, licensees, sector organisations, licensed staff and the broader community.

## How to read this report

As a key accountability document, we have provided performance data and analysis across four main sections based on the four elements of our Regulatory Approach:

**1. Licensing and other approvals**, which includes all licensing, approval, authorisation and registration activities

**2. Informing and educating** industry on their obligations and our expectations of them, and informing and educating the community on our regulatory objectives and priorities and on their rights and safety when gambling.

**3. Monitoring and analysing** the industry we regulate to:

- ensure operators are operating in ways that comply with both their legal obligations and their social licence to operate, including their obligations to minimise the harmful impacts of gambling and to ensure the integrity of the industry by actively preventing criminal influence and exploitation
- identify current and emerging issues and trends with the potential to impact the gambling industry and the prevalence of gambling harm.

**4. Enforcing** in a manner proportionate to the risks posed and harm caused by industry participants failing to meet their obligations.

## Annual Report 2023–24

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The Hon Melissa Horne MP  
Minister for Casino, Gaming and  
Liquor Regulation  
121 Exhibition Street  
MELBOURNE VIC 3000

Dear Minister

I am pleased to submit the Victorian Gambling and Casino Control Commission annual report for the year ending 30 June 2024 for you to present to Parliament. This report has been prepared in accordance with the *Financial Management Act 1994* and the *Victorian Gambling and Casino Control Commission Act 2011*.

Yours sincerely



**Fran Thorn**  
Chair

Victorian Gambling and Casino  
Control Commission

30 September 2024

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# A message from the Chair and CEO

In 2023–24, the Victorian Gambling and Casino Control Commission (VGCCC) made substantial progress towards our purpose of transforming gambling regulation in Victoria to ensure the industry operates with integrity, safety and fairness for all.

**WE HELD INDUSTRY TO ACCOUNT WITH AN AMBITIOUS PROGRAM OF ACTIVITIES, INVESTIGATED COMPLAINTS, TACKLED CRIMINAL INFLUENCE AND EXPLOITATION, AND PENALISED BREACHES.**

Our actions demonstrated to industry that we expect operators to not only live up to the letter of the law but to abide by its spirit. Consequently, we are building community trust and confidence in the regulation of gambling in Victoria.

## Encouraging better practices

We took a particular interest in the practices of wagering and betting providers to encourage improvement across the industry.

Tabcorp was subject to several actions:

- in September 2023, we issued a \$1 million fine to Tabcorp for its repeated failure to comply with directions during an investigation into a major system outage during the 2020 Spring Racing Carnival
- in January 2024, following multiple incidents of a minor using its electronic betting terminals (EBTs), we directed Tabcorp to ensure terminals in cash mode are within 5 metres of, and clearly visible from, the service counter. Anyone wanting to use an EBT that is further away must now purchase a voucher at the counter and show proof of age if they appear to be younger than 25
- in June 2024, Tabcorp was fined \$370,417 after pleading guilty to 43 charges for multiple failures to prevent a minor from gambling.

A complaint by a member of the public led us to investigate and prosecute BlueBet Pty Ltd for breaching regulations under the *Gambling Regulation Act 2003*. BlueBet was found guilty of 43 charges of displaying betting advertising on or above a public road and fined \$50,000.

We worked with the Australian Football League (AFL) to implement tighter controls for Brownlow Medal voting and betting. In 2023, these included banning AFL staff from betting on AFL activities, payout limits of \$250 on all Brownlow round bets, provision of all betting transaction data to the AFL, strengthened surveillance of AFL umpires and their associates, and spot audits of AFL personnel.

We also worked with sports controlling bodies to ban betting in Victoria on all under-19 sporting competitions and the performance of individual players under the age of 18 in junior and senior sports. This ban responded to community concerns about exposing minors to the risks associated with the integrity of a sporting event and normalising gambling on events involving children.

## Crown suitability decision

In March 2024, the Commission determined Crown Melbourne was suitable to operate the Melbourne casino. The decision followed close oversight of Crown's reform and remediation over 2 years by the Special Manager for the Melbourne Casino Operator. The reform program focused on:

- improving Crown's culture
- reducing the risk of gambling harm
- implementing controls to prevent financial crime
- addressing systemic risk management failures and strengthening governance, integrity and compliance with statutory obligations.

**OVER THE COURSE OF THE TWO YEARS LEADING INTO THE SUITABILITY DECISION, WE UNDERTOOK MULTIPLE STREAMS OF WORK TO PREPARE FOR THE DECISION.**

They included redressing the wrongdoings revealed by the Royal Commission through a series of disciplinary actions and directions against Crown. We developed a comprehensive framework for the Commission to determine whether, on the evidence presented, Crown Melbourne would meet the suitability criteria. And we put in place arrangements to effectively manage any issues stemming from a determination that Crown was unsuitable to hold the licence.

This saw us working with government throughout 2023 to amend the legislated powers of a statutory manager to oversee the casino's operations should the Melbourne casino licence be cancelled. It also saw us engaging with Crown and its owners to put in place enduring legal arrangements that enable the Melbourne casino to continue operating if Crown loses its licence. These legislative changes and legal arrangements mean Crown can never again be 'too big to fail'.

We have since issued a direction to Crown Melbourne to implement a 3-year Transformation Plan to continue its reform process. Crown must provide regular, publicly available status reports on its progress.

## Improving performance

During 2023–24, we recruited specialist staff in investigations, auditing, financial analysis, data analysis, intelligence and casino operations. We also implemented a comprehensive program for the ongoing professional development of our people.

And we evolved our risk-based Regulatory Approach by:

- investing heavily in our data analysis and intelligence capabilities
- expanding monitoring and surveillance capabilities at the Melbourne casino
- integrating gambling harm prevention into all our activities
- strengthening collaboration and information-sharing arrangements with key partner agencies.

## Acknowledgements

The achievements of the past year reflect the collaborative approach of staff, in alignment with the strategic direction set by the Commission and Executive Management Team, to fulfil our Purpose and enhance the efficacy of our work through continuous improvement.

We thank all our people, together with the Minister, the Victorian Government, our Department of Justice and Community Safety and Victorian Responsible Gambling Foundation colleagues, and our many other stakeholders for their support and assistance.

We are committed to further strengthening our role and performance in the year ahead.

**Annette Kimmitt AM**  
Chief Executive Officer

**Fran Thorn**  
Chair



# Crown Melbourne suitability decision

Since the 2021 Royal Commission into the Casino Operator and Licence (RCCOL), Crown Melbourne has been under intense scrutiny. Rightly so, given the litany of systemic issues exposed by the RCCOL led by retired Federal Court Judge the Hon Ray Finkelstein AO KC.

In Commissioner Finkelstein's words:

***Within a very short time, the Commission discovered that for many years Crown Melbourne had engaged in conduct that is, in a word, disgraceful. This is a convenient shorthand for describing conduct that was variously illegal, dishonest, unethical and exploitative.<sup>1</sup>***

Evidence provided to the RCCOL demonstrated that Crown Melbourne routinely avoided tax, participated in money laundering, associated with criminals and failed in its duty to protect consumers from the risk of significant harm.

This wrongdoing flourished at Crown due to fundamental failures of governance, an absence of appropriate standards of risk management and regulatory compliance, a concerted effort to frustrate the former regulator, and a culture that prioritised profit over the wellbeing of customers.

Despite the enormity of its findings, however, the RCCOL recommended Crown Melbourne continue operating the casino under stringent independent oversight conditions for 2 years on the basis that:

- immediate cancellation of the licence posed considerable risk to innocent third parties, such as employees and suppliers, and to Victoria's economy
- Crown Melbourne indicated it had the will and capacity to transform itself to become suitable once again to hold the licence, which the RCCOL assessed would be to Victoria's benefit.

## Government response to the RCCOL recommendations

The Victorian Government's response to the shocking findings of the RCCOL was swift and steadfast. It comprised 2 main components:

- creating a Special Manager for the Melbourne Casino Operator with unprecedented powers of control over the Crown Melbourne Board and organisation, and a mandate to report on Crown's actions to remediate the failures identified by the RCCOL
- establishing a new regulator (VGCCC) focused solely on the gambling industry, and with a specific set of enhanced powers relating to the Melbourne casino.

Amendments to the *Casino Control Act 1991* increased the maximum penalty we can impose on Crown from \$1 million to \$100 million. Consequently, the Commission can ensure punishments are proportionate to the severity of wrongdoing.

## Preparing for a suitability decision

During the 2 years Crown Melbourne was under the supervision of the Special Manager, the Commission undertook several streams of work to prepare for the suitability decision.

The first redressed the wrongdoings revealed by the RCCOL. Our disciplinary actions against Crown resulted in penalties totalling \$250 million, and the Commission issued directions to the operator to:

- institute meaningful harm minimisation initiatives
- improve money laundering and financial crime prevention measures
- ensure marketing activities avoid exploitative and illegal practices
- document all casino practices.

The second stream of work developed a framework for the Commission to determine whether, on the evidence presented by the Special Manager, Crown Melbourne met the suitability criteria to hold the casino licence and that it was in the public interest for the licence to continue in force.

<sup>1</sup> Overview & recommendations, [www.rccol.vic.gov.au/overview-recommendations](http://www.rccol.vic.gov.au/overview-recommendations).

THE THIRD INVOLVED FORMING A DEDICATED CASINO DIVISION TO ADMINISTER A STRINGENT REGULATORY OVERSIGHT REGIME THAT WOULD REASSURE BOTH GOVERNMENT AND COMMUNITY THAT WE WILL CONTINUE TO HOLD THE CASINO OPERATOR TO ACCOUNT FOR ITS PRACTICES OVER THE LONG TERM.

### The 'Plan B Project'

Finally, the fourth stream of work – the 'Plan B project' – put arrangements in place to effectively manage any issues stemming from a determination that Crown was unsuitable to hold the licence to operate the Melbourne casino.

We worked with government throughout 2023 to amend the legislated powers of a statutory manager to oversee the casino's operations should the Melbourne casino licence be cancelled.

We engaged with Crown Melbourne, Crown Resorts and Blackstone to put in place enduring legal arrangements that would enable the Melbourne casino to continue operating if Crown lost its licence. These arrangements provided assurance that employees and other businesses in the Crown Melbourne complex would have protection.

And we appointed an experienced insolvency and commercial adviser to help determine the requirements for an orderly transition of operations from Crown to a statutory manager. The adviser would take on the role of the statutory manager on our behalf if required.

This work was critical to allay concerns that an unsuitability finding would have potentially dire consequences for Victoria's economy and people. The arrangements put in place by the Commission are enduring, meaning we can activate them at any time in the future if the Melbourne casino operator fails to fulfil its obligations.

## The decision

***In March 2024, the Commission announced it was clearly satisfied that Crown Melbourne is suitable to operate the Melbourne Casino and that it is in the public interest that the Licence continue in force.<sup>2</sup>***

In making this determination, the Commission carefully considered the RCCOL, Bergin Inquiry and Perth Casino Royal Commission reports, as well as the Special Manager's 4 reports (approximately 4,000 pages). Each of the Special Manager's reports tracked in detail the progress of Crown Melbourne's reform efforts against a set of clear criteria.

The decision reflected the Commission's assessment that:

- the Special Manager's reports provided solid evidence that Crown Melbourne has addressed the systemic failings identified by the RCCOL
- Crown has developed a greater understanding of the privilege and obligations that come with holding the casino licence
- Crown recognises that to meet its own aspirations to be more than suitable, to be excellent, it needs a comprehensive transformation plan to continue its reforms and for which it will be accountable.

**CROWN MELBOURNE HAS SINCE PREPARED A MELBOURNE TRANSFORMATION PLAN (MTP) THAT WILL BE CENTRAL TO THE COMMISSION'S ONGOING OVERSIGHT OF THE CASINO OPERATOR, TOGETHER WITH OUR OVERSIGHT OF CROWN MELBOURNE'S COMPLIANCE WITH ITS REGULATORY OBLIGATIONS. ACCORDINGLY, THE COMMISSION HAS ISSUED A STATUTORY DIRECTION REQUIRING CROWN MELBOURNE TO IMPLEMENT THE MTP AND TO PROVIDE THE COMMISSION AND THE PUBLIC WITH REGULAR STATUS REPORTS ON ITS PROGRESS.**

<sup>2</sup> Crown Melbourne Suitability Decision | Victorian Gambling and Casino Control Commission, <https://www.vgccc.vic.gov.au/media-release/crown-melbourne-suitability-decision>.



## The future

The end of the Special Manager's term in June 2024 does not mean Crown will be under any less scrutiny or pressure to continue its transformation.

We recognise Crown has made major changes to the way it operates, but we also put the Melbourne casino operator on notice that the Commission will not hesitate to act if Crown fails to live up to its legal, social and moral responsibilities.

Crown's privileged position as the exclusive casino operator in Victoria carries an obligation to actively seek to minimise the risk of harm and provide a gambling experience free from criminal influence. It must continue to rebuild and earn public trust by demonstrating honesty and integrity and addressing operational shortcomings as and when they arise.

The Commission is already planning for the 2027 review of Crown Melbourne's suitability to hold the Melbourne casino licence. Community will have the opportunity to participate in, and contribute to, this process to provide an additional layer of scrutiny, inform improvements and deepen public confidence in our Regulatory Approach.

# About us

The VGCCC is an independent regulator committed to ensuring the integrity, safety and fairness of Victoria's gambling industry.

While we are independent, we report to the Victorian Parliament through the Minister for Casino, Gaming and Liquor Regulation. The government provides the legislative framework we operate within, governs our regulatory functions and powers, and issues Ministerial Directions, determinations, and approvals to establish rules or requirements we must consider.

Our objectives, functions and powers are set out in the *Victorian Gambling and Casino Control Commission Act 2011*. We also operate under and enforce the *Gambling Regulation Act 2003*, *Casino Control Act 1991*, *Casino Management Agreement Act 1993* and *Racing Act 1958*.

For information on our structure, go to page 63.

## Our Purpose

**Our Purpose is to ensure integrity, safety and fairness for all.**

This is our call to action – what we want to achieve for all Victorians. It is why we exist, guides how we work and all decisions we make.

**Integrity:** We want Victorians to have confidence the gambling industry is well regulated. That it's being run honestly, free from criminal influence and exploitation. We hold operators to account on both their legal and social licences to operate.

**Safety:** We closely monitor gambling operators through a lens of minimising gambling harm. We boldly apply and direct our powers to those who are not keeping people as safe as possible.

**Fairness:** We will not allow people – especially those vulnerable to gambling harm – to be unfairly targeted. This includes addictive play features, disguised or undisclosed playing odds, or a high concentration of gaming machines. We want the community to be informed to make reasonable choices.

In addition to our Purpose, we have adopted three key Strategic Ambitions for our organisation:

- To be renowned for regulatory excellence
- To provide an exceptional employee experience
- To have a fit-for-purpose operating model.

More information on our progress towards our Strategic Ambitions can be found on page 14.

## What we do

### Our Regulatory Approach

We are committed to ensuring the Victorian gambling industry complies with its regulatory obligations and operates safely, fairly, and free from criminal influence. Our Regulatory Approach – a series of frameworks, methodologies, and processes – details how we deliver on this commitment across four types of regulatory activity.

#### Licensing and other approvals

We help applicants understand their obligations and our expectations of them.

Intelligence, data and other information, including consultations with a wide variety of stakeholders, inform our decisions and help ensure the integrity, safety and fairness of the industry.

We conduct ourselves professionally and are transparent about the reasons for our decisions.

We proactively work to reduce 'red tape' and operate as efficiently as possible.

#### Education and engagement

We educate and regularly engage with industry participants to help them understand and meet their obligations. We provide education materials, guidance, and other resources to deepen knowledge of our industry and regulatory requirements.

We help Victorians make better informed decisions about gambling through ongoing education and community engagement.

### Monitoring

We encourage and enforce compliance by actively monitoring the ability and efforts of industry participants to meet their obligations.

Ongoing analysis of intelligence, data and other information helps inform and target our regulatory responses. Through a combination of risk-based and targeted approaches, we can detect and act on non-compliance.

We continuously monitor and analyse emerging issues and trends that may impact the industry or increase gambling harm. We work with industry participants to deepen our understanding of those issues and ensure the Victorian gambling industry responds appropriately.

### Enforcement

We take action that is proportionate to the risks posed and harm caused by industry non-compliance.

We support those who do the right thing.

We actively pursue and have zero tolerance for those who opportunistically or deliberately contravene their obligations and the law.

To execute our Regulatory Approach, we regularly liaise, cooperate and exchange information with key partner agencies. This includes the Australian Communications and Media Authority (ACMA), Victoria Police, Australian Federal Police, AUSTRAC, and other interstate and international regulators.

### We focus on preventing harm in every element of our Regulatory Approach

**Licensing and other approvals:** we prioritise harm prevention in our decision-making and approvals frameworks. Applicants must demonstrate their commitment to actively safeguarding the community.

**Education and engagement:** we proactively engage with operators to ensure they understand gambling harm and meet their duty to care for customers and the broader community.

**Monitoring:** we analyse and use intelligence, data and other forms of information to target regulatory responses to high-risk areas of gambling harm. We also monitor and analyse emerging issues and trends to ensure we are aware of, and ready to act on, anything that could cause gambling harm.

**Enforcement:** we actively pursue, and have zero tolerance for, opportunistic or deliberate failures to protect the community. We ensure our enforcement actions are timely and proportionate to the risks posed, and harm caused, by any failures by operators to take responsibility for preventing gambling harm.

### We focus on eliminating criminal influence in every element of our Regulatory Approach

**Licensing and other approvals:** we scrutinise each application to ensure the applicant, and the broader gambling industry, are free of criminal influence. When reviewing applications for systems, games, rules and equipment, our assessment carefully considers the risk of exploitation for money laundering and terrorism-financing.

**Education and engagement:** we proactively engage with operators to ensure they understand the signs of criminal influence and money laundering. We help them act on their duty to identify and report suspicious behaviour to keep their operations free from criminal influence.

**Monitoring:** we analyse and use intelligence, data and other forms of information to identify potential money laundering activities and criminal influence. Working closely with partner organisations, such as AUSTRAC and Victoria Police, we can rapidly identify persons and venues of interest for monitoring and act, where appropriate.

**Enforcement:** we actively pursue, and have zero tolerance for, opportunistic or deliberate failures to act on criminal influence. We ensure our enforcement actions are timely and proportionate to the risks posed, and harm caused, by operators that contravene their obligations to identify and prevent criminal infiltration into the Victorian gambling industry.



# 2023-24 snapshot

1

casino licence  
(1 in 2022-23)

14

sports controlling  
bodies  
(13 in 2022-23)

30,155

entities registered or  
licensed by VGCCC  
(30,890 in  
2022-23\*)

27,154

gaming industry,  
casino and bookmaker  
employees  
(28,002 in  
2022-23)

9

bingo centres  
(9 in 2022-23)

1

wagering and  
betting licence  
(1 in 2022-23)

261

bookmakers  
(252 in 2022-23)

25

commercial  
raffle organisers  
(24 in 2022-23)

481

venues with  
poker machines  
in operation  
(485 in 2022-23\*)

2

Keno licences  
(2 in 2022-23)

1

lotteries licence  
(1 in 2022-23)

1

monitoring licence  
(1 in 2022-23)

24,444

enquiries  
(24,760 in 2022-23)

5,763

declared and charitable  
organisations  
(5,807 in 2022-23)

32

manufacturers,  
suppliers and testers of  
gambling equipment  
(34 in 2022-23)

\* The 2022-23 result has been updated following a change in counting rules.



\* This covers 4 licensing activities: venue operator licences; minor gaming permits; declaration as a community or charitable organisation; and gaming industry employee licence applications, casino special employee licence applications and bookmaker key employee registrations.

# Progress towards our Strategic Ambitions

We published our Purpose and Strategic Ambitions in July 2022 and have made significant progress towards achieving our 3 Strategic Ambitions over the past year.

Our Strategic Ambitions are to:

- Be renowned for regulatory excellence
- Provide an exceptional employee experience
- Have a fit-for-purpose operating model.

## Renowned for regulatory excellence

Being renowned for regulatory excellence means:

- protecting people from gambling harm
- ensuring a fairer gambling industry and better-informed consumers
- keeping the industry free from criminal influence and exploitation
- enabling and holding accountable those we regulate to deliver on both their legal and social licences
- continuously improving gambling regulation
- decision making that is grounded in independence from those we regulate and a deep understanding of the gambling industry.

Over the past two years, we have been redesigning our Regulatory Approach. Our new Regulatory Approach is risk-based and intelligence-led and comprises a series of frameworks, methodologies and processes across 4 types of regulatory activity:

- licensing and other approvals
- monitoring
- enforcement
- education and engagement.

**OUR NEW REGULATORY APPROACH IS BEING PROGRESSIVELY EMBEDDED, WITH SIGNIFICANT IMPROVEMENT ALREADY DELIVERED ACROSS ALL 4 TYPES OF REGULATORY ACTIVITY.**

Creating a comprehensive industry obligations register was key to designing our new Regulatory Approach. The register brings together in one place the vast and complex array of legislation, regulations, standards, Ministerial Directions, Commission Directions, licence conditions, deeds, contracts, and other agreements and documents with which the industry must comply. It supports us in making risk-based assessments of where to focus our regulatory efforts and is therefore an important tool in ensuring Victoria's gambling industry complies with all its regulatory obligations and operates safely, fairly and free from criminal influence.

Throughout the year we worked with licensees to strengthen their harm minimisation capabilities. We required the wagering, lotteries and Keno licensees to develop new Responsible Service of Gambling Codes to better protect customers and to support them to gamble more safely. We worked directly with Tabcorp – the wagering and betting licensee – to enhance its systems for more effective harm minimisation. This included changes to self-service betting terminals to ensure they could not be accessed by minors. When venues applied for new or updated licences, we applied conditions to those licenses to require them to meet more robust harm minimisation standards.

In 2023–24, we continued to reshape our own decision-making processes for gambling products and services to prioritise harm prevention. We applied our Harm Minimisation Assessment Tool when evaluating applications for changes to casino blackjack and roulette table game rules, wagering and betting rules, Keno rules, and new poker machines and games proposed by manufacturers.



We built our new strategic inquiries function to support the Commission in conducting inquiries into areas of high importance and emerging risk. This will allow us to gain data and insights from the industry and the community. The first inquiry, 'Keeping Bingo social, safe and fair', was launched in June 2024.

## An exceptional employee experience

Providing an exceptional employee experience means:

- enabling employees to derive a deep sense of purpose in their work
- supporting wellbeing and physical and psychological safety through an inclusive and values-driven culture
- encouraging career progression and providing clarity on the skills and capabilities needed to succeed
- delivering highly effective learning and development through on-the-job experiences, coaching, mentoring and formal learning
- ensuring people feel valued for their contribution.

This year our people initiatives included recruiting talented and highly skilled people, facilitating capability upskilling programs and leadership development, and encouraging active participation in shaping our culture.

To help activate our Purpose, in 2023–24, we established an Extended Leadership forum and an Inclusion and Diversity Committee, demonstrating our commitment to leadership development and fostering a culture of inclusion to drive personal growth, respect and organisational success. Our first Gender Equality Action Plan and our Inclusion and Diversity Policy were also approved. These policies embed purpose, safety and belonging as markers of our inclusive workplace.

We developed and activated a Capabilities Framework to ensure our staff have the right skills and capabilities to deliver on our Purpose and Strategic Ambitions. This gives our staff clarity on what they need to succeed and how we will support them through learning and development. We implemented priority capability initiatives and rolled out a new capability self-assessment tool.

Finally, we transformed our operating model for our enabling functions to streamline how they support our people.

## A fit-for-purpose operating model

A fit-for-purpose operating model means we:

- have sustainable funding that allows for sufficient resources to regulate effectively, continually develop our people, and harness technology and data to improve systems and processes
- work together in cross-functional, multi-disciplinary teams, enabled through technology, data and intelligence to drive innovation, efficiency and effectiveness in our regulatory approach
- form deep, strategic relationships and alliances that accelerate achieving our Purpose
- understand and manage our risks in line with our risk appetite and in ways that optimise our performance.

In 2023–24, the Casino Supervision Charge ensured we had sufficient resources for efficient and effective regulatory oversight of the Melbourne casino. It forms an important part of our multi-year investment into the transformation of our Regulatory Approach and provides us with sustainable funding to continually develop our people, and harness technology and data to improve systems and processes to regulate the casino.

We developed an impact measurement framework to proactively and transparently measure multi-year progress towards our Purpose, using a data-driven approach. The framework was launched in June 2024 and will be updated annually to inform our long-term strategic decision making.

To enhance our focus on risk and compliance management, we established a dedicated Risk and Compliance Team. The team monitors enterprise risks and compliance management as well as ensuring the organisation addresses and mitigates key strategic risks.

Finally, we significantly modernised our core information and communications technology functions. We transitioned to MS Office 365 to support cross-function collaboration and improve operational efficiency. Significant work in 2023–24 on our regulatory technology platforms also means we will soon be transitioning out of multiple customised and unsupported legacy systems to a single, cloud-based regulatory technology platform that will transform the efficiency and effectiveness of our regulatory activities.

# Minister's Statement of Expectations and output performance measures

## Progress against the Minister's Statement of Expectations

The Statement of Expectations (SOE) sets out the Minister's expectations of our contribution to the government's priorities, as well as the Minister's expectations for improvements in our performance.

The Minister issued a two-year SOE containing 7 initiatives to the former Victorian Commission for Gambling and Liquor Regulation covering 1 July 2019 to 30 June 2021.

This was later extended to 30 June 2023, with three initiatives added in June 2022.

There are six remaining initiatives reportable for this financial year, as outlined in this section.

Expectation	Progress	Page ref
<p><b>Increase the proportion of compliance inspections undertaken at high-risk times</b></p>	<p>Building on the progress in 2022–23, we undertook 2,772 inspections (against a target of 1,600).</p> <p>We conducted 10.4% of gambling inspections – 288 in total – at high-risk times (target 12% or 192 in total). While the percentage of total inspections completed at high-risk times is lower than our target, the actual number of high-risk inspections conducted is 50% higher than the target.</p> <p>We have a continued focus on identifying and targeting high-risk premises:</p> <ul style="list-style-type: none"> <li>targeted inspections of TAB venues were undertaken following the Commission Direction regarding the location and monitoring of electronic betting terminals</li> <li>complaints identified several venues of concern, leading to inspections and enforcement action. For example, we acted on a complaint about a minor gambling at the Altona RSL</li> <li>a new tip-offs function enabled the community and industry to anonymously report non-compliant behaviour and concerns about gambling activities. This led to multiple investigations</li> <li>an increased focus on data analysis enabled us to identify several venues of interest for money laundering. We are working closely with other agencies to monitor these venues.</li> </ul>	49
<p><b>Improve the ability of people to access YourPlay by raising awareness of venue operators' obligation to issue registered player cards on request</b></p>	<p>This year we continued to raise awareness of YourPlay, a program that enables users to set limits on the time and money they spend on poker machines. We actively promoted the program through our newsletter, discussed YourPlay obligations and expectations in our industry presentations, and delivered a YourPlay information session with the Department of Justice and Community Safety.</p> <p>We routinely analysed data to identify poker machine disconnection from the YourPlay system. When we identified issues, we raised them with venues and clubs, identified root causes, and supported improved connectivity.</p> <p>Our analysis of poker machine connectivity data also identified breaches of venue gaming hours. This led to enforcement action and the introduction of a new optional automatic poker machine shutdown service. Most venues have opted into the automatic shutdown function, ensuring they meet legislative requirements.</p> <p>Changes to the Player Information Standards, which aim to minimise harmful gambling, have been rolled out. This includes direct communication with every venue, publication of the new standards, and distribution of hard copies and digital files for immediate display. The standards provide customers guidance for using YourPlay, outline its benefits, and detail how to register.</p>	43

Expectation	Progress	Page ref
<p><b>Hold the casino operator to account, building on the RCCOL and subsequent legislative reforms to robustly scrutinise the casino's reform program and regulate its activities</b></p>	<p>Over the past year, we held Crown Melbourne to account, scrutinised its reform program and regulated its activities, including by:</p> <ul style="list-style-type: none"> <li>• engaging staff with specialist skills in investigations, auditing, financial analysis, data analysis, intelligence and casino operations</li> <li>• developing and upskilling our people to exercise our regulatory powers. This includes ensuring the casino is analysing its data to identify and provide support to customers experiencing distress</li> <li>• evolving our risk-based Regulatory Approach. This has involved harnessing technology to capture and analyse intelligence and data to identify emerging issues and 'red flags' for potential non-compliance or increased risks of gambling harm or criminal activity</li> <li>• expanding our monitoring and surveillance capabilities, with access to an extensive network of CCTV cameras around the casino to look for signs of gambling harm and potential criminal activity</li> <li>• launching a tip-off program and encouraging members of the public to report concerns about the casino operator. Tip-offs can be anonymous</li> <li>• strengthening our collaboration and information-sharing arrangements with key partner agencies, including AUSTRAC and Victoria Police, to enhance our oversight of the casino's efforts to prevent criminal influence and exploitation.</li> </ul> <p>Since announcing our determination in March 2024 that Crown Melbourne is suitable to hold the casino licence, we have:</p> <ul style="list-style-type: none"> <li>• issued a formal direction to Crown Melbourne to: <ul style="list-style-type: none"> <li>• implement a Transformation Plan</li> <li>• provide us with regular status reports on its evolution</li> <li>• inform us of the progress of actions</li> <li>• provide public updates on the reforms to help rebuild community confidence</li> </ul> </li> <li>• begun implementing additional regulatory oversight activities to ensure Crown Melbourne: <ul style="list-style-type: none"> <li>• implements the Transformation Plan and complies with the associated directions</li> <li>• complies with the <i>Casino Control Act 1991</i> by maintaining an independent board and senior executive, and not allowing the interests of Crown Resorts, or its owner, to take precedence over those of Crown Melbourne</li> </ul> </li> <li>• expanded our casino division by employing more staff with auditing expertise and tasking them with these additional auditing and monitoring activities.</li> </ul>	<p>5, 49, 60</p>
<p><b>Prioritise transfer of liquor to the Department of Justice and Community Safety</b></p>	<ul style="list-style-type: none"> <li>• The transfer is complete. Liquor Control Victoria has been established under its own legislation with the staff and organisation independent of the VGCCC.</li> <li>• We continue to support certain Liquor Control Victoria ICT platforms, but this will end in 2024-25 when we transition fully to our new regulatory technology platform.</li> </ul>	<p>75</p>

Expectation	Progress	Page ref
<b>Embed a focus on harm minimisation across regulatory activities to ensure the gambling industry is safe</b>	Throughout 2023–24, we continued to embed gambling harm minimisation into our regulatory work.	14
	In our <b>licensing and other approvals</b> , we:	23
	<ul style="list-style-type: none"> <li>• undertook harm minimisation and Code of Conduct assessments on applicants for the Wagering and Betting Licence application process – this was the first time a harm minimisation assessment was undertaken in a major licence approval process that imposed harm minimisation licence conditions on venues seeking to increase poker machines</li> <li>• led the jurisdiction working group revising the poker machine national standards to prohibit harmful features</li> <li>• continued to use the harm minimisation assessment tool for evaluating gambling products and services proposed for approval.</li> </ul>	43
	In our <b>education and engagement</b> work, we:	49
	<ul style="list-style-type: none"> <li>• oversaw the deployment of ‘Commission expectations’ for Responsible Service of Gambling (RSG) Codes, requiring licensees to address extended and intensive gambling, identify distress, and respond with appropriate action</li> <li>• strengthened RSG Codes for the casino, wagering and Keno sectors. The lotteries sector code revision is planned for completion in the first quarter of next financial year</li> <li>• continued to attend and speak at community and council events about gambling operator responsibilities and accountabilities under their RSG Codes.</li> </ul>	49
	Our <b>monitoring</b> activities differed across sectors.	49
	For the <b>casino</b> , we:	49
	<ul style="list-style-type: none"> <li>• actively monitored Crown Melbourne’s compliance with changes emanating from the RCCOL, ahead of the suitability decision</li> <li>• required the casino to develop a new RSG Code focused on customer safety. Requirements included mandatory ‘breaks in play’; weekly time limits for customers; and staff awareness of, and ability to respond appropriately to, an extensive list of signs of gambling harm</li> <li>• actively monitored the casino’s compliance with mandatory carded play and mandatory pre-commitment, through the YourPlay program, by analysing data and intelligence on time and spend limits, play periods and customer behaviour.</li> </ul>	52, 53, 54
	For <b>wagering, betting, lotteries and Keno</b> , we:	50
	<ul style="list-style-type: none"> <li>• drove compliance with the RSG Codes by the licensees, requiring clear actions to prevent and minimise gambling harm</li> <li>• provided guidance and set clear expectations for wagering service providers to prevent the misrepresentation of player losses in activity statements</li> <li>• investigated failures to monitor and intervene to prevent and minimise harm by Victorian operators, taking disciplinary actions and initiating prosecutions, where appropriate.</li> </ul>	59
For <b>poker machine venues</b> , we:	19	
<ul style="list-style-type: none"> <li>• enforced mandatory shutdown periods for poker machines, taking action against multiple venues for breaches of trading hours and implementing a new, opt-in system to automatically shut down poker machines in line with approved trading hours</li> <li>• implemented a zero-tolerance approach to operators that allowed minors to gamble. We laid multiple charges against Tabcorp (72 charges), Australian Leisure and Hospitality Group (47 charges across 5 venues) and 8 other venue operators (27 charges).</li> </ul>	59	
Through our <b>enforcement</b> activities, we:	59	
<ul style="list-style-type: none"> <li>• took action against wagering providers that failed to comply with legislation limiting advertising in public spaces</li> <li>• pursued misconduct that increased the risk of gambling harm and criminal influence.</li> </ul>	59	

## Performance against output measures

### Changes to output measures for 2023–24

To better align with our regulatory mandate and overarching Strategic Ambitions, we worked closely with the government to refine our output measures for the 2023–24 financial year. This included discontinuing some measures, and creating specific casino measures to reflect the increased focus on casino monitoring and audit activities.

For example, the gambling inspections metropolitan and regional measures were discontinued. Instead, we established a consolidated inspection measure that reflects our risk-based, intelligence-led Regulatory Approach. This revised approach requires inspection resources to be deployed across metropolitan and regional Victoria to target the greatest risks and threats. Additionally, the gambling licensing client satisfaction measure was discontinued as the data that informed that measure predominantly related to liquor licencing, which we no longer regulate.

The following table sets out all changes to output measures for the 2023–24 financial year.

New output measures 2023–24	Replaces
Casino applications, monitoring and audit activities	Audits of casino operations undertaken
Gambling and casino information and advice	Gambling information and advice
Gambling applications, monitoring and audit activities	Gambling applications and licensee monitoring activities
Gambling inspections completed	Gambling inspection completed – metropolitan Gambling inspections completed – regional

## 2023–24 performance against output measures

Performance measure	Unit of measure	2023–24 target	2023–24 actual	Variance	Notes (for +/-5% variance)
<b>Quantity</b>					
Casino applications, monitoring and audit activities	Number	1,336	2,140	60.2%	The target was incorrectly understated because it failed to include Casino Special Employee (CSE) applications from Crown. The target for 2024–25 has been updated to 2,016 to include CSE applications.
Gambling and casino information and advice	Number	25,600	24,444	-4.5%	
Gambling applications, monitoring and audit activities	Number	10,814	13,281	22.8%	We expanded our level of monitoring of community and charitable gaming and experienced higher-than-expected demand for bookmaker applications.
Gambling inspections completed	Number	1,600	2,772	73.3%	We expanded our activities this year to include in-venue financial inspections.
<b>Quality</b>					
Gambling inspections conducted at high-risk times	%	12	10.4%	-13.3%	While the percentage of total inspections completed at high-risk times is lower than the target, the actual number of inspections conducted at high-risk times is significantly higher than the target (288 inspections conducted at high-risk times versus 192 based on the target number of inspections).
Proportion of high-harm gambling breaches resulting in regulatory action	%	95	88.7%	-6.6%	A number of breaches were detected prior to the end of the financial year that remain under investigation. Therefore, regulatory action will be carried forward into the next financial year.
<b>Timeliness</b>					
Calls to VGCCC client services answered within 60 seconds	%	80	71%	-11.3%	The result for 2023–24 fell below the target due to an increased volume of calls and resource constraints during Q3 and Q4. An additional resource in Q4 saw the result improve from -15% as at Q3 to -11.3% as at Q4.
Gambling approvals, licence, permit applications and variations completed within set time	%	85	95.4%	12.2%	We made a concerted effort to improve timeliness and ensure turnaround times were met, with a particular focus on Gambling Industry Employee and Associate application assessments.

## **VGCCC current-year financial review**

The Victorian Government considers the net result from transactions to be the appropriate measure of financial management that can be directly attributed to government policy. This measure excludes the effects of revaluations (holding gains or losses) arising from changes in market prices and other changes in the volume of assets shown under 'other economic flows' on the comprehensive operating statement, which are outside our control.

In 2023–24, we achieved a net result from transactions of (\$0.426) million, compared to a \$0.147 million net result from transactions in 2022–23. Both total income and expenses from transactions have increased over the past 2 years, with the net result from transactions highlighting a movement of (\$0.573) million during these periods. The overall net result for 2023–24 incorporates an increase in VGCCC's investment in our core ICT capabilities and resourcing in line with our regulatory remit.

Total net assets grew slightly from \$10.975 million in 2022–23 to \$11.700 million in 2024–25. This includes a capital injection of \$1.1 million provided to support the investment in our intangible assets such as our Enterprise data platform, obligations register, and new records management system (AvePoint).

Further information can be found in the financial statement section of the annual report.



# Licensing and other approvals

We licence and approve a wide range of gambling operators, people and premises, as well as a vast array of equipment, games, rules, systems and processes critical to gambling operations across Victoria. We scrutinise all applications to ensure they meet our expectations – including safeguarding the community from gambling harm – and all regulatory requirements.

Our licensing and approval responsibilities extend across the following sectors of the gambling industry:

- the Melbourne casino
- poker machines and venue operators
- the Monitoring Licence
- manufacturers, suppliers and testers
- bookmakers and wagering service providers
- Keno and public lotteries
- sports controlling bodies
- community and charitable gaming.

In addition, our Commission sits as a tribunal to consider matters that range from appeals on delegated decision making, applications for various licences relating to poker machines to disciplinary actions against licensees.

Information about our licensing and approval activities is set out in this section.

Note: References throughout this section to **'associates'** refer to those who can exercise significant influence or control over management of a licensee, such as board members and senior executives. Associates are required to undergo rigorous probity assessments in which we carefully consider their ability to meet high thresholds of honesty, integrity, character and financial stability.

## Sector applications for the year to 30 June 2024



## Minimising harm and preventing criminal influence

To uphold our commitment to minimising gambling harm and preventing criminal influence, we review, scrutinise and approve all people, equipment, games, rules, systems and processes involved in gambling operations.

When assessing people who wish to be involved in gambling operations, we carefully examine matters such as their financial situation, criminal history, personal background, previous experience and any disciplinary or other proceedings to which they may have been a party.

When it comes to equipment such as poker machines, table games, Keno and lottery systems, and the rules applying to those games, we rigorously assess applications to ensure they are fair, the rules and odds are clear, they comply with all regulatory requirements, they incorporate safeguards against gambling harm and are secure against criminal infiltration.

We take a risk-based approach to licensing and other approvals. When risks are identified, the application is escalated to more senior officers for deeper assessment or investigation. Approval is only granted when the specific risks posed have been addressed.

## Melbourne casino

We must approve people appointed to certain roles at the casino, as well as a vast array of equipment, games, rules, systems and processes critical to casino operations.

### People approvals (employees and associates)

Staff at the Melbourne casino must apply to be licensed and approved as a 'casino special employee' (CSE). We carefully scrutinise each application to assess whether the person is suitable, with a strong emphasis on ensuring the casino remains free from any criminal influence.

### Active casino special employee licences as at 30 June

2024	2023	2022	2021	2020
3600	4,645	4,335	4,310	4,663

## Applications for casino special employee licences

Application	Casino special employee (new)	Casino special employee (renew)
<b>Granted</b>		
<b>2023-24</b>	<b>589</b>	<b>204</b>
2022-23	1,256	243
<b>Refused</b>		
<b>2023-24</b>	<b>0</b>	<b>0</b>
2022-23	1	1
<b>Withdrawn</b>		
<b>2023-24</b>	<b>13</b>	<b>2</b>
2022-23	28	4
<b>Total</b>		
<b>2023-24</b>	<b>602</b>	<b>206</b>
2022-23	1,285	248

In 2023-24, 78.21% of CSE licence applications were determined in set timeframes (target = 11 days) (76.34% in 2022-23).

Our approach to assessing potential associates has been strengthened since the Royal Commission and now includes a deeper review of the individual's employment history, personal and professional associations, qualifications, leadership experience (both in Australia and overseas), and financial stability.

Applications that pose an increased risk are referred to our investigators for deeper assessment, with approval only granted once the risks have been addressed. Since the Royal Commission, all senior executives and directors of the Melbourne casino and its holding companies require final approval by our Commissioners to become associates.

## Applications to be an associate of a casino

Application	Associate of the casino
<b>Approved</b>	
2023-24	7
2022-23	15
<b>Refused</b>	
2023-24	0
2022-23	0
<b>Withdrawn</b>	
2023-24	1
2022-23	1
<b>Total</b>	
2023-24	8
2022-23	16

## Equipment, games, rules and system approvals

All games and gaming equipment used in the casino – such as table games and poker machines – and the rules applying to those games require our assessment and approval. We rigorously assess new and proposed changes to existing games to ensure they are fair, the rules and odds are clear, they comply with all regulatory requirements, and they incorporate appropriate safeguards to protect customers from gambling harm.

## Applications for equipment, games, rules and system approvals

Application	Casino gaming equipment*	Casino linked jackpot arrangements
<b>Granted</b>		
2023-24	55	3
2022-23	13	30
<b>Refused</b>		
2023-24	0	0
2022-23	0	0
<b>Withdrawn</b>		
2023-24	2	1
2022-23	3	0
<b>Total</b>		
2023-24	57	4
2022-23	16	30

\* Excludes poker machines

Minimum standards and requirements apply to the design of poker machines. We regularly assess the casino's poker machines for compliance with those standards and requirements to ensure they do not inappropriately expose players to gambling harm from new technology.

The ICT systems the casino uses for gaming – and any changes to those systems – also require our approval. Our focus is on ensuring the integrity of the system, including compliance with minimum technical standards.

## Mandatory carded play at the Melbourne casino

The introduction of mandatory carded play and mandatory pre-commitment on poker machines at the casino involved us developing and issuing to Crown a set of business requirements and technical standards, along with key milestones to be met in the lead up to the December 2023 'go live' date. We assessed and approved all associated changes to the casino's systems, machines, and games well ahead of schedule.

Over the past year, we introduced an enhanced technical requirements document, which outlines the core requirements all systems and gaming equipment must comply with. As a result, the casino is now required to submit more detail when seeking approval for new or changed systems or equipment. Additionally, more of the casino's systems and equipment are now subject to approval.

Our expanded oversight ensures a number of issues highlighted by the Royal Commission, such as bonus jackpots and player promotions, are subject to greater regulatory scrutiny. An increased focus on harm prevention underlies every decision.

### Process approvals – Internal Control Statements

The casino operator must have a system of internal controls to address key operational risks. These controls need to be approved by us and are set out in a series of Internal Control Statements (ICSs). Those ICSs are then underpinned by more detailed standard operating procedures (SOPs).

Following the Royal Commission, we directed a detailed review of all ICSs. That review resulted in a significant strengthening of controls at the casino this past year and tighter regulatory oversight.

### Poker machines and venue operators

We are responsible for the assessment and issuance of licences or other approvals for poker machine venue operators, their nominees, associates and gaming employees.

To operate poker machines in a club or hotel in Victoria, an entity must, at a minimum:

- hold a current venue operator's licence
- hold poker machine entitlements
- have an approved venue(s) attached to their licence
- attach poker machine entitlements to the approved venue(s)
- obtain approved poker machines and gaming equipment
- arrange for the poker machines to be linked to the monitoring system
- ensure any staff who are required to carry out prescribed duties hold a valid gaming industry employee (GIE) licence.

When assessing applications, we must ascertain whether:

- licensees meet a fit and proper person assessment
- venue operators and associates meet a fit and proper person assessment and have sufficient financial security and stability to operate a venue appropriately.

### Gaming industry employees

Staff that carry out certain gaming-related duties at licensed venues must apply and be approved as a GIE. GIE licences are granted for 10 years.

#### Active gaming industry employees at 30 June

2024	2023	2022	2021	2020
<b>23,423</b>	23,222	23,120	23,483	24,527

In 2023–24, we assessed 2,788 and approved 2,656 GIE applications. In 2023–24, 77.19% of GIE applications were determined in set timeframes (target = 11 days) (63.65% in 2022–23).

## Applications for gambling industry employee licences

Application	GIE (new)	GIE (renew)
<b>Granted</b>		
<b>2023–24</b>	<b>2,345</b>	<b>311</b>
2022–23	2,438	353
<b>Refused</b>		
<b>2023–24</b>	<b>89</b>	<b>0</b>
2022–23	100	1
<b>Withdrawn</b>		
<b>2023–24</b>	<b>41</b>	<b>2</b>
2022–23	46	3
<b>Total</b>		
<b>2023–24</b>	<b>2,475</b>	<b>313</b>
2022–23	2,584	357

## Nominees and associates

A person named as a 'nominee' or an 'associate' of a licensed venue is subjected to a detailed assessment.

Venue operators must have a nominee for each venue. The nominee is responsible for the management and control of the gaming venue on behalf of the venue operator and is subject to the same suitability assessments as an associate.

Associates and nominees are assessed every 10 years as part of renewing the venue operator licence.

In 2023–24, we assessed 531 nominee and associate applications.

## Applications to be a nominee or associate of a gaming venue

Application	Nominee	Associate
<b>Granted</b>		
<b>2023–24</b>	<b>123</b>	<b>386</b>
2022–23*	125	363
<b>Refused</b>		
<b>2023–24</b>	<b>1</b>	<b>1</b>
2022–23*	0	2
<b>Withdrawn</b>		
<b>2023–24</b>	<b>6</b>	<b>14</b>
2022–23*	4	24
<b>Total</b>		
<b>2023–24</b>	<b>130</b>	<b>401</b>
2022–23*	129	389

\* The 2022–23 result has been updated following a change in counting rules.

## Venue operator licence applications (licensees and associated entities)

Venue operators are granted a licence for 10 years and must apply for renewal before the expiry date. Probity and financial assessments include considering an applicant's criminal history, gaming industry background, corporate structure and shareholdings, and any disciplinary or other proceedings in which they may have been involved.

Venue operators are also required to submit for review a Responsible Gambling Code of Conduct, which must comply with requirements outlined in the Ministerial Direction.

This comprehensive application process is crucial in supporting the integrity, safety and fairness of the gaming industry.

In 2023–24, we approved 4 new venue operator licences and 16 renewals: 98.34% of venue operator licence applications were approved in set timeframes (target = 115 days) (99.47% in 2022–23).

## Applications to operate a venue

Application	Operate a venue (new)	Operate a venue (renew)
<b>Granted</b>		
<b>2023-24</b>	<b>4</b>	<b>16</b>
2022-23	11	6
<b>Refused</b>		
<b>2023-24</b>	<b>0</b>	<b>0</b>
2022-23	0	0
<b>Withdrawn</b>		
<b>2023-24</b>	<b>0</b>	<b>1</b>
2022-23	0	0
<b>Total</b>		
<b>2023-24</b>	<b>4</b>	<b>17</b>
2022-23	11	6

## Venue approvals

Once a venue operator licence is obtained, the next step is applying to the VGCCC for approval to operate poker machines at the venue. This process ensures the venue is attached to the venue operator licence.

As at 30 June 2024, 481 gaming venues were approved and operating.

For a new premises application, we hold a tribunal process to determine the venue's suitability to operate poker machines, which includes assessing the poker machine area. The approval of a designated poker machine area ensures specific controls over lighting, CCTV, location and proximity to areas where minors may be present. It is an important step in minimising gambling harm.

All applications for an increase in poker machines at a licensee must also be assessed by the Commission sitting in tribunal, subject to local government area (LGA) limits. Approvals may be subject to conditions.

When a venue operator wants to add an already approved venue to its licence, this application is assessed by our staff for ongoing suitability. Separately, we also assess and approve all modifications to the perimeter of the poker machine area for existing venues.

## Venue applications

Application	Include/remove premise	Modify poker machine area
<b>Granted</b>		
<b>2023-24</b>	<b>25</b>	<b>111</b>
2022-23	25	77
<b>Refused</b>		
<b>2023-24</b>	<b>0</b>	<b>5</b>
2022-23	0	0
<b>Withdrawn</b>		
<b>2023-24</b>	<b>0</b>	<b>9</b>
2022-23	0	0
<b>Total</b>		
<b>2023-24</b>	<b>25</b>	<b>125</b>
2022-23	25	77

## Poker machine entitlements

To operate a poker machine, a poker machine entitlement must be purchased. This entitlement gives venues the right to operate specific machines. A separate entitlement is required for each machine.

Entitlements can be purchased outright from the Minister or through a deferred payment plan. Venue operators with a deferred payment plan must make quarterly payments against each entitlement, with payments overseen and administered by us. We work closely with entitlement holders to ensure they understand their payment obligations and the consequences of not meeting them. If repayment requirements are repeatedly not met, then entitlements will automatically be forfeited to the Victorian Government. In 2023-24, 30 poker machine entitlements were forfeited.

As at 30 June 2024, up to 27,372 poker machine entitlements were available to venue operators in Victoria. Of these, 13,211 were attached to poker machines in clubs, 14,099 were attached to poker machines in hotels, and 62 were not being utilised.

We also oversee other entitlement-related activities on behalf of the Minister, including:

- amending conditions on a poker machine entitlement, such as the LGA
- extending the holding period before an entitlement is to be used e.g. until a renovation is completed
- transferring entitlements between venues, subject to limitations, including maximum ownership or LGA caps.

Poker machine entitlements at 30 June	Number and % of available entitlements 2024	Number and % of available entitlements 2023
Entitlements utilised by venue operators	<b>27,372</b> <b>(99.2%)</b>	27,220 (99.4%)
Entitlements attached to an approved venue	<b>26,401</b> <b>(97.9%)</b>	26,302 (96.1%)
Entitlements outside Melbourne statistical district	<b>7,861</b> <b>(29.2%)</b>	7,864 (28.7%)
Entitlements inside Melbourne statistical district	<b>19,105</b> <b>(70.8%)</b>	19,446 (71.0%)
Entitlements attached to hotels	<b>14,099</b> <b>(51.5%)</b>	13,647 (49.9%)
Entitlements attached to clubs	<b>13,211</b> <b>(48.3%)</b>	12,655 (46.2%)

## The Monitoring Licence

We are responsible for monitoring compliance with the obligations set out in the Victorian Monitoring licence, related agreement, legislation and Ministerial Directions.

Intralot Gaming Services Pty Ltd (Intralot) is responsible for operating the central system connecting all poker machines in hotels and clubs throughout Victoria. As the sole Monitoring Licensee in Victoria, Intralot collects data from poker machines and provides reports to the VGCCC, hotels and clubs.

Intralot is also responsible for providing the YourPlay pre-commitment system, which allows players to set time and spend limits for all poker machines across hotels, clubs and the Melbourne casino.

The Monitoring Licence was awarded for a 15-year period ending in 2027.

The Department of Justice and Community Safety released a Monitoring Licence Review discussion paper on 1 May 2024. We have prepared a submission to the Review setting out the matters we believe are critical to incorporate into the new Monitoring Licence to be awarded beyond 2027.

### People approvals (employees, contractors and associates)

Some monitoring licence employees require a GIE licence, which needs to be renewed every 10 years.

Application	Monitoring licensee associate
<b>Granted</b>	
<b>2023-24</b>	<b>8</b>
2022-23*	0
<b>Refused</b>	
<b>2023-24</b>	<b>0</b>
2022-23	0
<b>Withdrawn</b>	
<b>2023-24</b>	<b>0</b>
2022-23	0
<b>Total</b>	
<b>2023-24</b>	<b>8</b>
2022-23*	0

\* The 2022-23 result has been updated following a change in counting rules.

## Electronic monitoring system and pre-commitment system approvals

The central monitoring system is vital to upholding integrity in gambling. We must approve each core component and rigorously assess all variations to the system with a focus on ensuring system integrity and regulatory compliance.

System variations encompass both hardware and software, as well as security documents governing system operation. In 2023–24, we approved 10 variations to the monitoring system. There were no applications to vary the pre-commitment system.

Application	Variations to the monitoring system
<b>Granted</b>	
2023–24	10
2022–23	12
<b>Refused</b>	
2023–24	0
2022–23	0
<b>Withdrawn</b>	
2023–24	10
2022–23	12
<b>Total</b>	
2023–24	10
2022–23	12

## Manufacturers, suppliers and testers

The roll of manufacturers, suppliers and testers is a list of service providers approved to manufacture and perform certain tasks related to poker machines. We must assess and approve all individuals and entities applying to be listed, as well as an entity's associates. A key focus of our assessments is ensuring the industry remains free from criminal influence and that those we approve meet high thresholds of honesty, integrity, character and financial stability.

An individual or entity listed on the roll can:

- manufacture poker machines or relevant components
- supply poker machines or relevant components
- supply testing services for poker machines and gaming systems.

The roll plays an important part in maintaining the integrity of poker machines at every stage of supply and testing.

As at 30 June 2024, 32 organisations were approved to be included on the roll.

Application	Be on the roll of manufacturers, suppliers and testers	Be an associate of a manufacturer, supplier, tester*
<b>Granted</b>		
2023–24	1	40
2022–23	3	22
<b>Refused</b>		
2023–24	0	0
2022–23	0	0
<b>Withdrawn</b>		
2023–24	0	1
2022–23	0	1
<b>Total</b>		
2023–24	1	41
2022–23	3	23

\* The 2022–23 result has been updated following a change in counting rules.

## Additional assessment of testers

To be listed on the roll as a *tester* of poker machines or gambling systems requires a more detailed assessment compared with manufacturers and suppliers. We must assess:

- an organisation's independence from other gambling industry participants to avoid conflicts of interest
- an organisation's stability, business continuity and management structure
- accreditation to ISO/IEC 17025 by the National Association of Testing Authorities (NATA) Australia, or an equivalent body recognised by NATA, in the field of Information Technology Testing
- skills and qualifications of personnel
- infrastructure, security measures, test equipment and record-keeping practices
- documentation procedures and testing methods, which must be compliant with our standards and legislation.



In 2023–24, we approved one application to be on the roll of manufacturers, suppliers and testers.

### Poker machine equipment and game approvals

All poker machine equipment and games are supplied by approved manufacturers and require our assessment and approval prior to being used in Victoria. This covers machines used in the casino and in gaming venues.

We rigorously assess applications for new poker machine types (the hardware) and games (the software) and existing machines and games to ensure they are fair, comply with all regulatory requirements and incorporate appropriate safeguards to protect customers from gambling harm.

Minimum standards and requirements apply to the design of poker machine equipment and games.

In 2023–24, we approved 1,039 poker machine types and games (including variations).

Application	Approve or vary poker machine type	Approve or vary poker machine game
<b>Granted</b>		
<b>2023–24</b>	<b>178</b>	<b>861</b>
2022–23	133	406
<b>Refused</b>		
<b>2023–24</b>	<b>0</b>	<b>0</b>
2022–23	0	0
<b>Withdrawn</b>		
<b>2023–24</b>	<b>3</b>	<b>49</b>
2022–23	5	41
<b>Total</b>		
<b>2023–24</b>	<b>181</b>	<b>910</b>
2022–23	138	447

## Bookmakers

All Victorian bookmakers must be licensed and registered to accept bets and wagers at events, online and by telephone.

We share regulation responsibilities for bookmakers with Racing Victoria, which must uphold requirements of the *Racing Act 1958*. Working closely with Racing Victoria, we register bookmakers and monitor online bookmaker activity to ensure compliance.

We also assess associated entities, individuals and employees of Victorian registered bookmakers.

Bookmakers can be sole traders, partnerships or corporate entities. As at 30 June 2024 there were 261 active bookmaker registrations.

Application	Sole trader (new)	Sole trader (renew)	Partnership (new)	Corporate entity (new)	Corporate entity (renew)
<b>Granted</b>					
<b>2023-24</b>	<b>4</b>	<b>10</b>	<b>1</b>	<b>12</b>	<b>0</b>
2022-23	10	6	0*	13	1
<b>Refused</b>					
<b>2023-24</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
2022-23	0	0	0	0	0
<b>Withdrawn</b>					
<b>2023-24</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>4</b>	<b>0</b>
2022-23	3	0	0	1	0
<b>Total</b>					
<b>2023-24</b>	<b>5</b>	<b>10</b>	<b>1</b>	<b>16</b>	<b>0</b>
2022-23	13	6	0*	14	1

\* The 2022-23 result has been updated following a change in counting rules.

In assessing bookmaker applications, we conduct probity checks on their financial stability, associates, criminal history, gaming background, previous experience, and any disciplinary or other proceedings in which they may have been named. For sole traders we also review their family members.

Staff who perform management functions, make decisions or undertake other specific wagering-related duties for a bookmaker must apply to be licensed and approved as a 'bookmaker key employee' (BKE). BKE licences must be renewed every 10 years.

At 30 June 2024 there were 131 active bookmaker key employees (124 at 30 June 2023). In 2023–24, we approved 17 BKE applications (22 in 2022–23).

We also approve 'associates' and nominees' of bookmakers that are corporate entities.

Application	Nominee of a bookmaker	Associate of a bookmaker
<b>Granted</b>		
<b>2023–24</b>	<b>12</b>	<b>11</b>
2022–23*	14	2
<b>Refused</b>		
<b>2023–24</b>	<b>0</b>	<b>0</b>
2022–23	0	0
<b>Withdrawn</b>		
<b>2023–24</b>	<b>2</b>	<b>2</b>
2022–23	1*	1
<b>Total</b>		
<b>2023–24</b>	<b>14*</b>	<b>13</b>
2022–23	15	3*

\* The 2022–23 result has been updated following a change in counting rules.

Online bookmakers licensed in other Australian jurisdictions can offer services to Victorians without being registered or approved by us.

## The Victorian wagering and betting licence

To conduct wagering and betting activities in Victoria, you must hold a licence. The current 12-year wagering and betting licence is held by Tabcorp Wagering (Vic) Pty Ltd (Tabcorp) and expires on 15 August 2024.

The following gambling activities are permitted under the Victorian wagering and betting licence:

- pari-mutuel and fixed odds betting
- operating the only off-course wagering and betting retail network in Victoria, including the provision of simulated racing events
- establishing and operating a betting exchange.

As the Victorian licensee, Tabcorp must meet legislated obligations, uphold its licence and related agreements, and comply with Ministerial Directions. Separately, Tabcorp also has obligations for its online services through the National Consumer Protection Framework.

While the government awards the Victorian wagering and betting licence, we are responsible for monitoring its compliance with the obligations set out in the Victorian wagering and betting licence, related agreement, legislation and Ministerial Directions.

In 2023–24, we approved 5 Tabcorp associates.

Application	Associate of the wagering and betting licensee
<b>Granted</b>	
<b>2023–24</b>	<b>5</b>
2022–23	6*
<b>Refused</b>	
<b>2023–24</b>	<b>0</b>
2022–23	0*
<b>Withdrawn</b>	
<b>2023–24</b>	<b>1</b>
2022–23	0
<b>Total</b>	
<b>2023–24</b>	<b>6</b>
2022–23	6*

\* The 2022–23 result has been updated following a change in counting rules.

## The new Victorian wagering and betting licence

On 18 December 2023, the government awarded Tabcorp a new wagering and betting licence for 20 years commencing 16 August 2024. This decision was informed by a detailed analysis and report we provided to the Secretary of the Department of Justice and Community Safety, which included:

- in-depth probity investigations and assessments for multiple corporate applicants, associated entities and individuals
- new and strengthened Wagering and Betting Technical Standards
- detailed assessments of applicants' Responsible Gambling Codes of Conduct
- rigorous assessments of applicants' harm minimisation capabilities.

With the licence approved, we worked closely with Tabcorp to ensure it is ready to conduct wagering activities under the new licence, comply with its licence and with the *Gambling Regulation Act 2003*.

### Wagering and betting system approvals

To facilitate wagering and betting in Victoria, Tabcorp must have a wagering and betting system (WBS) in place. This system, and any changes, must be assessed and approved by us to ensure its integrity and compliance with legislative and technical standards.

System variations encompass both hardware and software changes, as well as security documents governing the operations of the WBS.

We rigorously assess the WBS, focusing on system integrity, fairness, regulatory compliance and the inclusion of appropriate safeguards to protect customers from gambling harm.

In 2023–24, we approved 120 system variations.

Application	Modifications to the wagering and betting system
<b>Granted</b>	
<b>2023–24</b>	<b>120</b>
2022–23	110
<b>Refused</b>	
<b>2023–24</b>	<b>0</b>
2022–23	3
<b>Withdrawn</b>	
<b>2023–24</b>	<b>7</b>
2022–23	12
<b>Total</b>	
<b>2023–24</b>	<b>127</b>
2022–23	125

## Sports controlling bodies

Sports controlling bodies are organisations approved by us to be the controlling body for a sports betting event. Our approval allows the body to control the wagering markets offered on their sport.

The 14 approved sports controlling bodies are:

- Australian Football League
- BA Limited (trading as Basketball Australia)
- Baseball Australia
- Bowls Australia
- Confederation of Australian Motor Sports (trading as Motorsport Australia)
- Cricket Australia
- Football Australia Limited (formerly known as Football Federation Australia)
- Hockey Australia
- Motorcycling Australia
- National Rugby League (NRL)
- Netball Australia
- Professional Golfers Association of Australia (PGA of Australia)
- Rugby Australia
- Tennis Australia.

We assess applications from sports organisations, associations or federations to determine whether to grant or refuse their request to be approved as a sports controlling body. During the application process, we consider a range of matters, including whether the applicant has the required level of control or administration of the event and whether it has adequate policies and procedures to ensure the event's integrity. In 2023–24, we approved one application to be a sports controlling body (0 in 2022–23).

An approved sports controlling body can enter into commercial agreements with wagering service providers and bookmakers to control betting markets offered on their events. These agreements are called product fee and integrity agreements and must provide for the sharing of information to protect integrity of the sport and any betting.

Sports controlling bodies receive revenue from the betting markets allowed on their sport.

### Baseball Australia approval

On 15 February 2024, we approved Baseball Australia as the state's 14th sports controlling body. We are satisfied Baseball Australia met all approval criteria and has the expertise, processes and policies to ensure the integrity of baseball and event betting markets.

From 15 August 2024, any sports betting provider must have a product fee and integrity agreement with Baseball Australia to offer wagering markets on an event under its control.

### Prohibition of betting on minors

We are determined to prohibit betting on minors. On 26 February 2024, all sports controlling body approvals were varied to include a condition ensuring betting is not permitted in competitions where all players are minors or on any contingency based on the performance of a minor.

Ahead of the prohibition start date, we worked with Tennis Australia to ensure there was no betting on matches involving minors during the 2024 Australian Open.

### Keno and public lotteries

There are 2 Keno licences in Victoria, allowing both licensees to conduct approved Keno games. The 2 licensees are Keno (VIC) Pty Ltd (The Lottery Corporation) and Lottoland Australia Pty Ltd (Lottoland).

Each licence commenced on 15 April 2022 and operates for a period of 20 years.

The Lottery Corporation delivers Keno activities through both online and land-based outlets, including pubs, clubs and other approved venues with an agent agreement. Lottoland delivers Keno via online sales only.

Tattersall's Sweeps Pty Ltd is the single public lottery licensee in Victoria. It is authorised to offer the following public lotteries through land-based outlets and online sales:

- Draw Lotteries
- Instant Scratch-Its
- Oz Lotto
- Powerball
- Set for Life
- Super 66
- Tattslotto
- Weekday Windfall.

The licence commenced on 1 July 2018 for a period of 10 years and will expire in 2028.

While the Minister awards the Keno and lotteries licences in Victoria, we are responsible for approving their associates. In 2023–24, we approved 8 public lottery and Keno associates.

Application	Associate of a Keno licensee	Associate of a public lottery licensee
<b>Granted</b>		
<b>2023–24</b>	<b>6</b>	<b>2</b>
2022–23	7*	5*
<b>Refused</b>		
<b>2023–24</b>	<b>0</b>	<b>0</b>
2022–23	0	0
<b>Withdrawn</b>		
<b>2023–24</b>	<b>0</b>	<b>0</b>
2022–23	0	0
<b>Total</b>		
<b>2023–24</b>	<b>6</b>	<b>2</b>
2022–23	7*	5*

\* The 2022–23 result has been updated following a change in counting rules.

## System approvals

To facilitate Keno and public lotteries in Victoria, all systems and any changes must be approved and assessed by us to ensure system integrity, compliance with legislative and technical standards, and appropriate safeguards to protect customers from gambling harm.

System approvals encompass both hardware and software, as well as security documents governing the operations of the Keno and lotteries systems.

In 2023–24, we approved 84 system variations to Keno and public lotteries systems.

Application	Modify Keno system	Modify lotteries system
<b>Granted</b>		
<b>2023–24</b>	<b>45</b>	<b>39</b>
2022–23	49	39
<b>Refused</b>		
<b>2023–24</b>	<b>0</b>	<b>0</b>
2022–23	0	0
<b>Withdrawn</b>		
<b>2023–24</b>	<b>4</b>	<b>8</b>
2022–23	6	5
<b>Total</b>		
<b>2023–24</b>	<b>49</b>	<b>47</b>
2022–23	55	44

## Community and charitable gaming

Under the *Gambling Regulation Act 2003*, an organisation must be declared by us as a community and charitable organisation to offer certain types of gambling for fundraising purposes. Examples include raffles, bingo, lucky envelopes and casino game-styled nights. To be declared as a community or charitable organisation, the activities of the organisation must be conducted in good faith for:

- a philanthropic or benevolent purpose
- the purpose of a sporting or recreational club
- the purpose of a political party.

Community and charitable organisation declarations are valid for 10 years. At 30 June 2024, there were 5,763 declared community and charitable organisations (5,807 at 30 June 2023).

In 2023–24, we declared 374 new applicants as community and charitable organisations and renewed 174 organisations; 90.49% of applications to be declared as community or charitable organisations were determined in set timeframes (target = 21 days) (95.28% in 2022–23).

Application	Community and charitable organisation (new)	Community and charitable organisation (renew)
<b>Granted</b>		
<b>2023–24</b>	<b>374</b>	<b>174</b>
2022–23	341	136
<b>Refused</b>		
<b>2023–24</b>	<b>22</b>	<b>1</b>
2022–23	11	1
<b>Withdrawn</b>		
<b>2023–24</b>	<b>60</b>	<b>0</b>
2022–23	37	0
<b>Total</b>		
<b>2023–24</b>	<b>456</b>	<b>175</b>
2022–23	389	137

Once assessed, we issue successful applicants with notices to conduct bingo and grant permits for lucky envelopes and certain fundraising events and raffles. Raffles valued at less than \$20,000, free bingo events and bingo sessions where proceeds are returned to players do not need a permit. Trade promotion lotteries also do not require a permit.

Application	Run a raffle	Run a lucky envelope	Run other gambling activity for fundraising	Notification of intention to conduct bingo	Amend gaming permit
<b>Granted</b>					
<b>2023-24</b>	<b>323</b>	<b>116</b>	<b>12</b>	<b>37</b>	<b>122</b>
2022-23	331	139	12	31	118
<b>Refused</b>					
<b>2023-24</b>	<b>3</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>1</b>
2022-23	3	0	0	0	0
<b>Withdrawn</b>					
<b>2023-24</b>	<b>9</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>1</b>
2022-23	35	1	1	1	3
<b>Total</b>					
<b>2023-24</b>	<b>335</b>	<b>119</b>	<b>14</b>	<b>39</b>	<b>124</b>
2022-23	369	140	13	32	121

In 2023-24, 50.71% of community and charitable gaming permits were determined in set timeframes (target = 5 days) (63.36% in 2022-23).

### **Bingo centre operators and commercial raffle operators**

Community and charitable organisations may choose to use a commercial provider to run raffles or bingo on their behalf.

Commercial raffle and bingo centre operators charge a fee for their services and may recover expenses up to a set limit. These fees and limits are outlined on our website.

Commercial operators can engage with multiple community or charitable organisations provided the purpose of the gaming event remains consistent with community or charitable interests.

These businesses need to be licensed by us. These licences need to be renewed every 10 years. They, their employees, nominees and associates are assessed in line with other commercial gambling organisations.

At 30 June 2024, there were 9 bingo centre operators (9 at 30 June 2023) and 25 commercial raffle operators (24 at 30 June 2023) approved to operate in Victoria.

Application	Commercial raffle (new)	Commercial raffle (renew)	New bingo centre	Change to bingo rules
<b>Granted</b>				
<b>2023-24</b>	<b>2</b>	<b>2</b>	<b>0</b>	<b>0</b>
2022-23	2	1	0	0*
<b>Refused</b>				
<b>2023-24</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>
2022-23	0	0	0	0
<b>Withdrawn</b>				
<b>2023-24</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
2022-23	0	0	0	0
<b>Total</b>				
<b>2023-24</b>	<b>2</b>	<b>2</b>	<b>0</b>	<b>1</b>
2022-23	2	1	0	0

\*This 2022-23 figure has been updated following a change in counting rules.

Nominees and associates of bingo centre operators and commercial raffle organisers are assessed in line with other commercial gambling organisations.

Application	Nominee of a bingo centre operator	Associate of a bingo centre operator	Nominee of a commercial raffle organiser	Associate of a commercial raffle organiser
<b>Granted</b>				
<b>2023-24</b>	<b>0</b>	<b>1</b>	<b>3</b>	<b>4</b>
2022-23	0	0	2*	5
<b>Refused</b>				
<b>2023-24</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
2022-23	0	0	0	0
<b>Withdrawn</b>				
<b>2023-24</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
2022-23	0	0	0	0
<b>Total</b>				
<b>2023-24</b>	<b>0</b>	<b>1</b>	<b>3</b>	<b>4</b>
2022-23	0	0	2*	5

\* The 2022-23 result has been updated following a change in counting rules.



## Commission tribunal decisions

The Commission can hold inquiries and make tribunal decisions on the following matters:

- appeals of exclusion orders from Crown Melbourne
- internal reviews and appeals of decisions made by delegates of the Commission or single Commissioners
- applications for approval of new gaming premises
- applications to increase poker machines permitted in approved venues
- applications to decrease poker machines permitted in approved venues
- applications to vary conditions of gaming premises approvals.

This year we held 4 hearings and received 27 new licensing matters.

We determined or concluded 20 tribunal licensing matters, including matters carried over from the previous year.

	Received		Hearings*		Matters determined#		Matters concluded		Outstanding at 30 June 2024	
	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23
Appeal against casino exclusion order	10	2	1	0	7	4	2	0	4	3
Internal appeal	5	2	0	0	4	3	0	0	2	1
New gaming premises approval	2	0	2	0	1	0	0	0	1	0
Poker machine increase	3	2	1	2	2	2	0	0	1	0
Poker machine decrease	2	0	0	0	1	0	0	0	1	0
Variation to venue operator licence condition	4	7	0	0	2	8	1	0	3	2
Variation of approval of gaming premises	1	0	0	0	0	0	0	0	1	0
<b>Total</b>	<b>27</b>	13	<b>4</b>	2	<b>17</b>	17	<b>3</b>	0	<b>13</b>	6

\* Private and public hearings, direction hearings and preliminary conferences

# Not all matters are necessarily determined or concluded in the same financial year as they are received.

An example of an application during the year for a new premises is set out below.

### **Applicant: Romsey Football Netball Club Limited**

#### **Premises: Romsey Community Hotel, 90 Main Street, Romsey**

On 21 June 2024, we refused the application by Romsey Football Netball Club Limited for a new gaming premises with 50 poker machines. The proposed premises was the Romsey Community Hotel at 90 Main Street, Romsey.

At the time of application, the hotel was closed and the proposal included its renovation and reopening.

The Macedon Ranges Shire Council opposed the application. Members of the public made 98 written submissions both in support of, and opposed to, the applications.

A public hearing held over 4 days in May 2024 heard from the applicant, Macedon Ranges Shire Council, expert witnesses and members of the Romsey community.

Our decision to refuse the application was due to the net detrimental impact to community wellbeing, including the effects of increased gambling harm and community concerns over the application.

Our decision noted that although there were some social and economic benefits from the reopening of the hotel, the actual extent of the financial benefit was unclear.

An example of an application during the year to increase poker machines is set out below.

### **Applicant: Sayers Property Holdings Pty Ltd**

#### **Premises: Hotel 520 on Sayers, 520 Sayers Road, Tarneit Number of poker machines sought: + 12 (from 65 to 77)**

On 4 December 2023, we approved the application for an additional 12 poker machines with conditions at Hotel 520 on Sayers. The premises already operated 65 machines.

The City of Wyndham opposed the application due to concerns about the impact of gambling harm from additional poker machines at the premises.

Neighbouring councils – City of Melton, City of Greater Geelong and City of Brimbank – and one community organisation also opposed the application.

A public hearing over 2 days in November 2023 heard from the applicant, the City of Wyndham and other witnesses. We discussed:

- the social and economic benefits of the application, including financial contributions to the community and the building works to be completed before operating new poker machines
- the negative effects of, and potential increase in, gambling harm
- the importance of the extensive conditions imposed on the venue operator licence, especially related to harm minimisation, to mitigate the risk of gambling harm from all poker machines, not just new machines, at the premises.

Overall, our assessment concluded the application would not result in an overall detrimental impact to the wellbeing of the community given the extensive conditions imposed as a part of the decision. These conditions require the venue operator to take steps and commit to new practices at the venue to minimise the risk of harm from gambling and risk of criminal influence associated with gambling, prior to being permitted to operate the additional machines.

## Innovations in considering applications

We continued to improve processes and decision making for applications, both for new premises and poker machine increases.

In 2023–24 this included:

- facilitating meetings between applicants and councils to review and identify any areas of disagreement. This helped narrow disputes, better inform our decisions and simplify the hearing process
- strengthening conditions for operators to identify and minimise risks of gambling harm and criminal influence at their venues. Conditions included risk and harm minimisation assessments, policies and procedures to monitor customers for gambling harm, and implementing prevention measures, such as breaks in play
- standardising requirements for community contributions by venues, including reporting obligations.

# Education and engagement

## Industry education and engagement

Industry education and engagement are key elements of our Regulatory Approach. In 2022, we introduced a 3-year education strategy, focused on ensuring industry participants understand and comply with their obligations and to drive ongoing, positive behavioural changes.

The strategy includes:

- producing and disseminating education resources, such as videos, posters, quizzes and checklists
- information sessions to ensure industry participants remain informed
- active and ongoing industry engagement
- targeted education campaigns
- a monthly electronic newsletter.

We reinforce and promote our education and engagement activities through our website, venue visits, social media, direct emails and correspondence.

## Education campaigns

In 2023–24, our targeted education campaigns focused on:

- gambling advertising
- minors and checking the identity of those entering the gaming floor
- raffles
- YourPlay requirements
- money laundering prevention, detection and intervention
- our 'tip-offs' program
- regional compliance.

Our education campaigns are informed by intelligence, data analysis, complaints and tip-offs, breaches, industry and stakeholder feedback, and phone and email queries.

Industry surveys and feedback also help us to tailor our education approach. For example, industry has signalled that it finds checklists and quizzes useful resources for training staff and strengthening compliance activities.

We also received industry feedback during the year that demonstrated our campaigns have led to positive change in staff behaviour and business practices. This included:

- better involvement in YourPlay events
- actively reminding staff about obligations
- ensuring staff training is up to date
- further expanding anti-money laundering and counter-terrorism financing (AML/CTF) programs
- completing AML/CTF refresher training.

Our inspectors play an important role in education and engagement. When conducting inspections, we engage with venue operators and staff about how they can reduce potential risks, such as money laundering or gambling by minors. Our inspectors also provide practical advice on risk reduction, such as additional signage or installing barriers around gaming rooms.

For example, in June 2024 our inspectors delivered an information session for gaming venue managers and staff on breaches they had detected over the past 12 months, and provided practical tips to ensure greater understanding of, and adherence to, obligations. Attendees also had the opportunity to ask questions and engage with our education staff and inspectors.

## Regional education campaign

In 2023–24, our regional education campaign saw us visit 79 gaming venues across 10 LGAs to engage with management and staff.

Our visits focused on compliance issues and minimising gambling harm.

The campaign was prompted by inspectors detecting breaches in regional areas relating to:

- CCTV retention
- Responsible Gambling Codes of Conduct
- YourPlay equipment.

As a follow-up to the inspections, we re-engaged with each of the 37 venues where a breach was detected to ensure they had taken appropriate action to rectify the issues. We also provided educational material to help train staff and remain compliant.

To broaden our reach across regional Victoria we hosted an online information session to provide further information and clarity on various gambling compliance topics. More than 40 staff, representing 28 venues, attended the session.

In 2023–24, we focused on ensuring people who use poker machines are encouraged and supported to have breaks by taking time away from the poker machine. Speaking with customers about concerning gambling behaviour is an important obligation of a venue operator, however venue staff told us they are not confident to have these conversations with customers who may need help. We therefore partnered with Venue Support Workers and promoted their training courses through our industry newsletter. The training offered helpful guidance to venue staff for approaching and interacting with at-risk customers through role-play and group activities.

We also reinforced our harm minimisation priorities at the following industry events:

- Gambling Industry Venues Annual Forum 2024
- Responsible Gambling Officer meetings
- Venue Support Worker program – Peer Support Network meetings
- Regulating the Game conference.

## Promoting YourPlay

YourPlay is Victoria's pre-commitment scheme. Its aim is to minimise gambling harm by enabling customers to set limits on the amount of time and money they spend on poker machines. Research indicates that customers who use YourPlay are more aware of their expenditure and find it easier to stick to the limits they set.

In 2023–24, we actively promoted YourPlay Day, an annual event to raise awareness of the program's benefits. We highlighted the program through our newsletter, discussed YourPlay obligations and expectations in industry presentations, and jointly delivered a YourPlay information session with the Department of Justice and Community Safety.

## Improving harm minimisation practices

In 2023, we released 'Our Position on Gambling Harm'. The full statement is available on our website. It outlines our focus on customer and community welfare and aims to bolster industry attention towards minimising gambling harm. In summary, 'Our position on Gambling Harm' makes it clear that:

- harm minimisation guides all our regulatory decisions, actions and expectations
- gambling causes harm
- recovery from harm does not alter the causal role played by gambling
- harm is preventable
- gambling markets gravitate towards harmful offerings
- gambling regulation seeks to prevent harm
- gambling providers have a duty to care for the wellbeing of their customers and their communities.

## Responsible Gambling Codes of Conduct

All venue operators must adopt a Responsible Gambling Code of Conduct. The code outlines the venue's duty to take all reasonable steps to prevent and minimise harm from poker machines. This includes monitoring player welfare, discouraging intensive and prolonged use, and intervening when a person displays signs of gambling harm.

Maintaining a Responsible Gambling Register enables venues to demonstrate they have implemented and are following the code. In 2023–24, we developed and delivered guidelines to help venues understand what should and should not be recorded in their register. This ensures venues can demonstrate how they actively seek to minimise harm. It also means we have more useful and accurate details of customer behaviour, and the venue's response to it.

As part of our commitment to minimising harm, we also reviewed the Responsible Gambling Codes implemented by the wagering, lotteries and Keno licensees. We found the current codes were not sufficiently clear on licensee accountabilities and were difficult for customers to read and for us to enforce. In response, we developed and issued guidance to licensees on the content requirements for codes to be compliant with the 2018 Ministerial Direction and coordinated a review and refresh of the codes.

## Preventing criminal influence

In October 2023, we partnered with AUSTRAC to deliver an online information session to venue operators, staff and managers. The session covered the AML/CTF financing obligations with which venues must comply.

We welcomed 129 attendees from regional and metropolitan venues to the session.

## Anti-money laundering posters

As part of our AML campaign, we developed a series of posters to remind the public and potential money launderers we are constantly monitoring poker machines for indicators of suspicious activity. We also urged customers to use our tip-off function to report any suspicious activity they witness.

Our posters gained media attention in a national newspaper, with the article emphasising our ongoing commitment to stopping money laundering and the important role the public can play in achieving this goal.

## Help and advice

Our information services team provides help and advice via a phone service during business hours and an after-hours email enquiry function.

In 2023–24, we responded to 24,444 enquiries.

The highest volume of queries related to gaming industry employee licences, followed by community and charitable gaming, venue operators and complaints.

Our information services team plays an important role in identifying emerging issues and trends. We note common questions and then develop educative material to provide the community and industry with information on these matters.

## Engagement with major licensees and industry peak bodies

We proactively engage with major licensees and industry peak bodies to ensure they:

- remain clear on our expectations
- are alerted to any emerging issues or concerns we may have and put in place appropriate remediation efforts
- have clear avenues for raising, discussing and resolving with us any emerging issues or risks.

## **Melbourne casino**

Throughout 2023–24, we implemented a structured cycle of engagement with the Melbourne casino operator and its associates. Meetings were held between our inspectorate staff and Crown's operational staff; our middle, senior and executive management and those of the casino; and the Commission and Crown Melbourne's board.

In addition to this regular cycle of meetings, ad-hoc meetings and discussions take place with the Melbourne casino operator and its associates as the need arises.

## **Venue operator peak bodies**

In 2023–24, we met regularly with the Australian Hotels Association, Community Clubs Victoria, and the Returned and Services League of Australia. We discussed our expectations, any emerging issues or concerns emanating from our regulatory oversight of their members, and any matters they wanted to proactively raise with us. We also commenced regular engagement with the Australian Leisure and Hospitality Group (ALH) given the scale of its poker machine operations in Victoria.

## **The Monitoring Licence**

Throughout 2023–24, we regularly met with Intralot to ensure they remained clear on our expectations of them, including the systems and reports needed to help hotels and clubs monitor poker machines, and to help us properly regulate the sector.

Our engagement included quarterly meetings between our staff and Intralot staff and annual meetings between the executives of both organisations.

## **Manufacturers, suppliers and testers**

As Chair of the National Standard Working Party (NSWP) responsible for managing technical standards and the performance of poker machine testers, we actively engaged with roll listees throughout 2023–24. We discussed technology enhancements in poker machine design and development and explored how to best ensure their integrity, safety and fairness.

## **Bookmakers and interstate wagering service providers**

In 2023–24, we worked closely with the Victorian Bookmakers' Association and the Australian Communications and Media Authority, which has responsibility for ensuring, among other things, that unlicensed gambling providers are blocked from operating online in Australia. We also met monthly with representatives from Racing Victoria to ensure a coordinated regulatory approach for bookmakers.

We engaged with Responsible Wagering Australia as part of our efforts to prevent wagering on minors and developed operational guidance for bookmakers to assist with compliance.

We also engaged with interstate wagering service providers on the National Consumer Protection Framework for online wagering, clearly outlining our expectations, including a requirement to improve player activity statements.

## **Tabcorp**

Throughout the year, we met regularly with Tabcorp, the wagering and betting licensee in Victoria. As with all major licensees, our objective is to ensure Tabcorp:

- remains clear on our expectations
- is alerted to any emerging issues or concerns we may have and puts in place appropriate remediation efforts
- has clear avenues for raising, discussing and resolving with us any emerging issues or risks.

Our engagement included regular operational meetings between our staff and Tabcorp staff; middle, senior and executive management of both organisations; and the Commission with Tabcorp's board.



## Sports controlling bodies

In 2023–24, we engaged with sports controlling bodies to combat data scouting and match-fixing risks at all levels of sports. This included understanding preventative mechanisms already in place.

We also sought to understand how sports controlling bodies minimise the risks of minors being exposed to gambling. This included gathering information on various events where betting is allowed, particularly those involving participants under 18 years old.

This year, we attended the Sporting Integrity Symposium, hosted by Victoria Police and Sport and Recreation Victoria, and the Australian Football League Integrity and Security Forum. Both gatherings allowed us to connect with industry stakeholders and explore new and emerging risks in sports integrity.

## Keno and public lotteries

We had a regular cycle of engagement throughout the year with lotteries and Keno licensees.

This included regular operational meetings between our staff and licensee staff and management, plus bi-annual meetings between our executives and licensee senior management.

## Community and charitable gaming

In 2023–24, we engaged with various industry bodies, including the Bingo Association Committee (BAC) and the Australian Charities and Not-for-Profit Commission (ACNA).

We hosted annual meetings with BAC and the Department of Justice and Community Safety to assist with reviewing regulations and accommodating changing industry technology. These forums enabled us to better understand the challenges faced by industry and partner with the department to support improved regulatory outcomes.

We also launched in June 2024 our first strategic inquiry – ‘Keeping Bingo social, safe and fair’ – which kicked-off a series of meetings, site visits and engagements with those involved in bingo in Victoria. The inquiry will conclude in the 2024–25 year.

## Community education and engagement

Our community education and engagement activities focused on helping the community to better understand the gambling industry and make better-informed decisions to minimise their risk of experiencing gambling harm.

To do this, we leveraged a range of communication channels, including educational posts on social media, face-to-face engagement with community groups at forums and meetings, and poster and brochure displays in venues.

For example, we produced a short video on the advertising rules that venues and wagering service providers must follow when promoting gambling. This video was supported by a social media campaign, which encouraged the public to be vigilant about reporting unlawful advertising.

During the year we also engaged with:

- Victorian Gambling Help Foundation Services, part of the Salvation Army
- Good Sports
- Welcoming Cities – Victorian branch
- Victorian Multicultural Commission
- Financial Counsellors Victoria’s (FCVic) gambling issues working group
- FCoV’s Gambling Harm Regulation training event.

We partnered with local councils to host community engagement forums, speak at local government events, and raise awareness about gambling harm and our tip-offs function. This included participating in:

- Hume Gambling Harm Symposium
- City of Dandenong gambling forum
- City of Whittlesea sporting clubs’ forum.

## Raffle campaign

Through our investigations, we became aware that some schools were running raffles without being declared a community or charitable organisation. We ran an education campaign targeting school councils, parents' clubs and other members of the school community to inform and raise awareness about the rules for fundraising raffles.

We worked closely with the Department of Education and Parents Victoria to produce a suite of resources, including:

- a question-and-answer document for the help desk at the Department of Education
- a fact sheet on fundraising
- a fundraising guide.

We also provided feedback to:

- the Department of Education on its fundraising policy
- Parents Victoria on its fundraising webpage, which was then updated based on the information we provided.

## Raising awareness of our tip-offs function

Complaints and tip-offs from the public provide valuable information for our monitoring and enforcement activities. Public tip-offs can lead to investigations and the detection of breaches (see page 57).

We launched our tip-offs function in June 2023. To increase community awareness and accessibility we have:

- created business cards with a QR code linking to the tip-offs form. We distribute these to our inspectors and community organisations to share with the community
- created and distributed posters with a QR code linking to the tip-offs form, available in 8 languages.

## Engagement with other regulators and agencies

In our efforts to ensure the integrity, safety and fairness of Victoria's gambling industry, we liaised, cooperated and exchanged information with key partner agencies. This included ACMA, Victoria Police, the Australian Federal Police, AUSTRAC, interstate and international gambling regulators and Racing Victoria.

For example, our Memorandum of Understanding with AUSTRAC has provided us with access to additional data and greater insights into suspicious matter reports and threshold transaction reporting. This information has helped to improve our understanding of money laundering and criminal influence risks and enabled us to target our monitoring and enforcement activities accordingly.

## International Association of Gambling Regulators and study tour

In October 2023, our Commissioner, Claire Miller, and CEO, Annette Kimmitt AM, attended the International Association of Gambling Regulators Conference in Botswana. Ahead of the conference, they were hosted by senior leaders from the UK Gambling Commission and the Danish Gambling Authority as part of a study tour.

The objective of this international engagement was to actively learn from other gambling regulators and implement global best practice in Victoria.

Key takeaways from this engagement are being incorporated into our Regulatory Approach, including:

- approaches for minimising the risk of money laundering and terrorist financing
- measurements for assessing gambling regulator performance and impact
- approaches to safer gambling and minimising gambling harm
- regulator operating models
- self-exclusion registers and poker machine monitoring
- technology innovations and leveraging data for detective and preventative regulatory monitoring
- the motivations of Generation Z when it comes to gambling.

# Monitoring

We closely monitor the Victorian gambling industry and analyse a wide range of intelligence and data. We conduct audits and inspections across the industry and use all available information – including complaints and tip-offs – to target our efforts and spot emerging issues that could cause harm or lead to non-compliance with regulatory obligations.

Information about our monitoring activities across the various sectors we regulate is set out in this section.

## Melbourne casino

Our monitoring activities at the Melbourne casino included:

- observations, inspections and audits. Our Casino Operations team – located on-site at the casino – has had an ongoing presence on the gaming floor. Activities this past year have included audits of:
  - premium player probity processes
  - cage operations, table games and excluded persons
  - Crown’s ICT systems
  - Crown’s system of internal controls, to ensure they are operating effectively to manage the risks associated with gambling harm and criminal activity
- accessing an extensive network of CCTV cameras to monitor gaming activity and actively looked for signs of gambling harm and potential criminal activity
- scrutinising information provided to us by the casino under its various reporting obligations
- assessing, investigating and resolving complaints and tip-offs
- analysing a wide range of data sources to identify emerging issues. This included, for example, identifying ‘red flags’ for potential non-compliance or for increased risks of gambling harm or criminal activity such as money laundering. The results of our analyses were used to guide our inspection and audit efforts

- analysing player data received from Crown each day to ensure the casino’s own Financial Crime Unit is properly leveraging intelligence and data to monitor and identify money laundering
- ongoing monitoring of approved casino special employees and associates, supported by intelligence provided to us by Victoria Police
- working closely with Victoria Police to report any instances of loan sharking, money laundering or the sale or supply of illicit drugs that we detect through our monitoring activities.

	2023-24	2022-23	2021-22	2020-21	2019-20
Casino – all audits	848	1,402	1,371	634	1,171

## Data analysis

Since the Royal Commission, we have invested heavily in building our data analysis and intelligence capabilities. This is helping us to identify ‘red flags’ for potential non-compliance, increased risks of gambling harm and criminal activity. For example, we continuously captured and analysed data from the YourPlay system, which became mandatory at the casino in December 2023. This data provided insights into player spend and play periods on poker machines and allowed us to monitor whether the casino is enforcing breaks in play, as required by Ministerial Directions.

## Player safety – Responsible Service of Gambling Code changes

During the year, we required the casino operator to develop a new RSG Code that complies with a new Ministerial Direction issued in March 2023. As part of our monitoring activities, we developed and implemented a framework to guide our inspectors in their ongoing evaluation of the casino operator’s compliance with the code. Inspectors conducted observations on the gaming floor, monitored for signs of gambling harm using CCTV surveillance, and analysed various data sources to ensure Crown Melbourne complied with the RSG code.

## Additional monitoring activities following the March 2024 Suitability Decision

Crown Melbourne's adherence to its Transformation Plan (TP) is critical to its ongoing reform. We have issued a formal direction to Crown Melbourne requiring it to implement the TP and provide us with regular status reports.

We have implemented a range of additional audit activities to ensure Crown Melbourne properly implements the TP and complies with the direction. Our findings from these expanded audit activities will be important input into our ongoing assessment of Crown Melbourne's reform efforts and, ultimately, into our review of Crown Melbourne's suitability in the Seventh Casino Review in 2027.

### Continuously improving

Our monitoring efforts are subject to ongoing evaluation and improvement. That includes, for example, using our internal auditors to independently assess our approach.

Our independent internal auditors undertook a review in March 2023 of our approach to monitoring the casino's compliance with the *Casino Agreement*. That audit confirmed we have adequate and appropriate processes and controls in place to effectively monitor the casino's date-based obligations under the *Casino Agreement*.

## Poker machines and venue operators

### Data analysis and intelligence

We take a risk-based and intelligence-led approach to monitoring poker machines and venue operators. Informed by gaming data and insights, we identify risks, target our efforts and remain vigilant to emerging threats.

Our data and intelligence-related monitoring activities during the year included:

- investigating tip-offs
- analysing data to identify higher-risk activities or environments where breaches were more likely to occur.

Throughout 2023–24, our data analysis included:

- analysis of player loss trends across the state, at both venue and LGA levels, to identify risks or indicators of gambling harm
- monitoring for irregular gambling activities across venues to determine changing

patterns of activity, which may indicate money laundering and criminal activities

- monitoring gaming venues' hours of operation to ensure trading-hour compliance.

Our data monitoring detected 4 venues that each had multiple breaches of the requirements for permitted hours of operation. The 4 venue operators were fined a total of \$540,000 for the breaches.

We also issued 31 warning notices to venues for single breaches of permitted hours.

### Gaming venue tax sweeps

Venue operators are required to pay monthly gaming taxes. We deduct these payments directly from their nominated gaming bank accounts.

In 2023–24, 22 gaming venues failed to pay gaming taxes by the due date. We recovered a total of \$2,430,780 in outstanding gaming tax, and an additional \$7,875 in penalty interest.

### YourPlay monitoring

Having YourPlay available on all poker machines is mandatory in Victorian venues. Outside of the Melbourne casino, use of YourPlay by customers to set time or spend limits is currently voluntary.

Throughout the year, we monitored YourPlay data for breaches and engaged with venue operators to ensure compliance with YourPlay obligations.

In March 2024, we issued a direction to Intralot to bolster reporting of YourPlay connectivity across poker machines in Victorian clubs and hotels. We are working with Intralot to ensure the system promptly flags poker machines that are not connected to YourPlay to assist venues to meet obligations.

### Inspections

Inspections provide an opportunity for first-hand observation of venue risks and compliance. Our inspectors detect breaches of legislation, monitor remediation efforts, progress enforcement actions, and provide information to operators and staff to support compliance. Our on-the-ground presence also allows us to respond to community feedback and concerns by inspecting, investigating and resolving venue complaints and tip-offs.

In 2023–24, we conducted 2,772 inspections at gaming venues, including a targeted regional blitz that inspected all venues in Bendigo and Ballarat. Our in-field inspections supported:

- YourPlay assessments
- Responsible Gambling Code of Conduct assessments
- ensuring minors are not in the poker machine area or gambling at poker machines
- general venue compliance assessments
- observations related to suspicious activity and gambling harm
- technical compliance audits, including unclaimed winnings and poker machine technical compliance
- assessing poker machine area layouts.

Our increased inspection focus on minimising gambling harm has resulted in vastly improved venue practices, including changes to gaming room design to reduce the risk of minors entering the gaming floor.

In 2022, we committed to conducting financial audits of each gaming venue at least every 3 years in response to a recommendation from the Victorian Auditor-General's Office. In 2023–24, we targeted Victorian regional venues, with 76% of regional venues completed. We are on track to complete our first 3-year cycle of audits by 2026.

### **Community benefit statements**

Club venue operators are required to prepare and lodge an audited Community Benefit Statement (CBS) for every financial year they receive poker machine revenue.

The CBS verifies operators have provided the required community benefit, which is 8.33% of gaming revenue. If the venue operator fails to provide the CBS, they will be liable to pay additional taxes. CBS documents are due by 30 September and are published on our website.

In 2023–24, 230 CBS documents were lodged covering \$1,019,889,489 in net gaming revenue. Community contribution claims (at 30.56% of net gaming revenue) amounted to \$311,635,399. The classes of community benefits are set by the relevant Ministerial Direction.

Four clubs failed to lodge their CBS before the legislative due date in 2023–24. They were charged higher tax rates for the period from 30 September to the date they submitted their audited CBS. A total of \$4,003 in additional taxes was collected. Penalty infringement notices were also issued to those 4 clubs, with \$1,154 in penalties payable by each club.

### **Community contributions**

Venues that increase poker machines may propose a range of community offerings as part of their application to have poker machines. The proposals can often be applied as conditions to operate and are known as community contributions. These contributions may be payable for several years or for as long as the additional poker machines remain in operation.

Throughout the year, we actively monitored venue operators to ensure they delivered on their community obligations. This included annual confirmations that contributions had been made in accordance with approval conditions.

### **The Monitoring Licence**

#### **Information system audits**

We are required to audit the Intralot central monitoring and pre-commitment systems every 2 years to ensure it continues to meet legislative and technical requirements, protects player and stakeholder entitlements, and that gambling services are delivered responsibly. Based on our findings, we provide recommendations to minimise system risks and maintain the integrity, safety and fairness of the gambling environment. No audits of the Intralot central monitoring and pre-commitment system were conducted during the 2023–24 year.

However, we have directed Intralot to procure a biennial independent audit conducted in accordance with auditing standard ASAE 3402, issued by the Australian Auditing and Assurance Standards Board. This audit provides us with independent assurance over the design and effectiveness of Intralot's system controls, and that financial data and reports provided to us are complete and accurate. An audit is being conducted for the 2023–24 financial year, and we are awaiting submission of the final report for review.

## Licence management

We are responsible for monitoring Intralot's compliance with the obligations set out in its licence, related agreement, legislation and Ministerial Directions.

These obligations include:

- providing us with quarterly and annual financial statements
- self-reporting breaches and significant risks to obligations
- change in situation reporting
- annual transition-out plan reporting (in case the licence needs to be handed to another operator)
- technology reviews every 5 years
- regular monitoring system availability reporting.

During the year, we assessed the adequacy of submitted materials, determined whether breaches of the legislation occurred, and worked closely with Intralot to ensure effective remediation of issues and risks.

As a result, in March 2024 we issued a direction to Intralot to produce a report on any poker machines in hotels and clubs that may not be offering YourPlay. We continue to work with Intralot to ensure this report provides the right information to assist us with monitoring and enforcing YourPlay availability.

## Bookmakers and wagering service providers

### Bookmaker monitoring at racecourses

In 2023–24, our inspectors attended 23 race meetings in both metropolitan and regional Victoria. We focused on customer behaviour, minors or intoxicated persons gambling, and compliance with Codes of Conduct and cheque registers. We also conducted bookmaker inspections and covert operations.

This activity resulted in 14 warning letters issued to bookmakers.

## Spring Carnival

The 2023 Spring Carnival operation focused on 12 regional race meetings and 5 metropolitan meetings.

During the operation, inspectors conducted racecourse inspections and 60 bookmaker inspections. Inspectors interacted with customers and verified the age of 60 customers who looked under the age of 25.

As a result, we issued 6 warning letters.

## Online wagering

The National Consumer Protection Framework for online wagering is a set of standard minimum protections for those who gamble online.

These protections have been agreed to by the Australian Government as well as all states and territories. All online wagering providers must adhere to the standards.

We are responsible for monitoring the following 6 measures for any online wagering offered to Victorians:

1. restrictions on inducements
2. account closure
3. voluntary opt-out pre-commitment scheme
4. activity statements
5. consistent gambling messaging
6. staff training.

In 2023–24, we focused on analysing online player activity statements and developing clearer, stronger standards of compliance for those activity statements. Establishing standardised requirements achieved the following:

- account holders can now clearly see how much of their own money they have lost, with free and bonus bets excluded from net loss figures on monthly statements
- net wins are more accurate, with stakes (the money spent in placing the bet) being deducted from payout amounts
- bookmakers and wagering service providers must use plain English, avoid unnecessary jargon, and limit the use of colours to black and red (to show losses)

- the same gambling harm taglines that appear at the end of wagering gambling advertisements must also be displayed on each statement.

Bookmakers and wagering service providers were required to comply with the requirements from 1 April 2024.

## Tabcorp and the Victorian wagering and betting licence

### Data analysis and intelligence

We monitor Tabcorp's wagering and betting activities on an ongoing basis. Through data analysis and intelligence gathering, we identify risks, issues, breaches and emerging threats to the integrity, safety and fairness of Tabcorp's operations.

Examples of our work in 2023–24 include:

- monitoring and investigating tip-offs
- analysing data to identify higher-risk activities or environments where breaches or gambling harm were more likely to occur. This included, for example, analysing Tabcorp's player loss trends to identify gambling harm and potential money laundering
- leveraging our analysis to target deployment of our inspectors to TAB venues.

### Licence management

We are also responsible for monitoring Tabcorp's compliance with the obligations set out in the Victorian wagering and betting licence, related agreement, legislation and Ministerial Directions.

These obligations include:

- providing audited annual financial statements and annual reports
- regular self-reporting of breaches and significant risks to obligations
- regular change in situation reporting
- annual transition-out plan reporting (in case the licence needs to be handed to another operator).

In 2023–24, we assessed the adequacy of submitted materials, determined whether breaches of legislation occurred and worked closely with Tabcorp to ensure effective remediation of issues, breaches and risks.

As a result of our monitoring and interventions, Tabcorp is improving its approach to gambling harm minimisation and prevention. This includes:

- improving protections for minors, following our direction to Tabcorp to:
  - strengthen the supervision of its electronic betting terminals by prohibiting cash terminals unless they are within 5 metres and direct sight of the counter service area
  - rollout a mystery shopper program to independently test whether venues are checking IDs of people who look under 25 years of age
  - enforce consequences for venues that fail independent tests
- improving online gambling protections by developing a real time harm minimisation data capability, which will improve earlier detection, monitoring and intervention by the end of 2025
- affording greater protections and clarity to customers about how Tabcorp keeps them safe by strengthening its Responsible Gambling Code of Conduct.

### System audits

We audited Tabcorp's wagering and betting system to ensure its integrity and compliance with all legislative and technical requirements and standards. Our focus was on safeguarding player and stakeholder entitlements, ensuring Tabcorp is delivering services responsibly and that the system remains readily auditable at all times.

Throughout the year, we also confirmed system data accuracy and completeness, including checking player dividends payable, and commissions retained, by the licensee.

### Inspections

In 2023–24, we conducted inspections of Tabcorp venues and race meetings. These inspections provided an opportunity for first-hand observations of venue risks and breaches. Our inspectors look for breaches, monitor remediation efforts, progress enforcement actions and provide information to operators and staff to support compliance. Our on-the-ground presence also allows us to respond to community feedback and concerns by inspecting, investigating and resolving complaints and tip-offs.

Our in-field inspections included:

- discreet observations to ascertain whether minors were gambling at electronic betting terminals
- assessing compliance with the monitoring requirements of electronic betting terminals, including cash-based terminals within 5 metres of the counter service area
- ensuring compliance with the Responsible Gambling Code of Conduct and the Self-Exclusion Program.

In 2023–24, inspectors attended 186 TAB outlets and identified 8 electronic betting terminals as being non-compliant with the 5-metre Direction. As a result of the breach detection, we are working with Tabcorp to ensure remediation.

## Sports controlling bodies

We undertook a range of monitoring activities for sports controlling bodies to ensure they are protecting the integrity of their sport. This included intelligence scanning for integrity concerns, assessing breach notifications, investigating audit findings, and periodic in-depth reviews to ensure ongoing compliance and integrity of betting events under the body's control.

We also managed disputes between sports controlling bodies and sports betting providers.

We received 607 breach notifications from sports controlling bodies. In all reported cases the relevant sports controlling body had a process and policy in place for addressing the matter.

## Australian Football League (AFL) betting limits

In 2022, we received reports an AFL umpire allegedly leaked the results of round-by-round voting before the 2022 Brownlow Medal count. In response, we worked with the AFL to implement a range of tougher controls for voting and betting markets.

In 2023–24, we introduced several new measures, including a payout limit of \$250 on all Brownlow round bets for the 2023 Brownlow Medal. We also closed the markets before the All-Australian panel finalised team selection and ensured increased surveillance of AFL umpires and associates.

Data reported by the AFL shows the increased measures limited the risk of bets on round-by-round voting, with only 8% of sports betting providers offering that market.

## Bowls Australia and Professional Golfers Association of Australia – periodic reviews

In 2023–24, we finalised in-depth reviews of Bowls Australia and the Professional Golfers Association of Australia.

As a result of these reviews, we worked with both sports controlling bodies to improve their data monitoring capabilities and strengthen their focus on sports integrity by increasing policy and resourcing capacity.

## Keno and public lotteries

### Data analysis and intelligence

Through data analysis and intelligence gathering we monitor the activities of Keno and public lottery providers on an ongoing basis. This enables us to identify risks, issues, breaches and emerging threats to the integrity, safety and fairness of Keno and public lotteries.

Examples of our work in 2023–24 include:

- monitoring and investigating tip-offs
- analysing data to identify activities or environments where breaches or gambling harm were more likely to occur. This included, for example, analysing Keno player loss trends to identify gambling harm and potential money laundering. Prior to 2022, online Keno was not licensed in Victoria. Therefore, it presents new risks to the community, including increased gambling harm.

Throughout the year, we worked with both Keno licensees to develop an online Keno harm minimisation data framework. The framework requires licensees to provide regular data updates to us. The resultant data are helping to build our understanding of risks, monitor and evaluate licensee interventions and mitigations, and gather evidence about the effects of online Keno on gambling harm.

### Licence management

We are also responsible for monitoring the Keno and public lotteries licensees' compliance with obligations set out in their licences, related agreement, legislation and Ministerial Directions.



During the year, our monitoring of these obligations included reviewing:

- audited annual financial statements and reports
- agreements with agents and resellers
- system reviews and testing, including disaster recovery plans
- self-reported breaches and significant risks to obligations
- annual transition-out plans
- incident management.

Our monitoring efforts identified several internal control issues, and we are working with the lotteries licensee to ensure effective remediation.

### **Audit activities**

We conducted regular audits to confirm Keno and lottery licensees were adhering to their financial and operating obligations.

For example, prize reserve funds hold all gambling proceeds (based on sales) and are used to pay player prizes. Our ongoing monitoring of these funds ensured player funds are protected and the correct amounts are retained by the licensee to fund future prizes. It also ensured players received the correct amount of prize money, in line with legislation.

We also conducted Keno financial audits to ensure accurate reporting and reconciliation of data between venues offering Keno and the licensee. We monitored Keno rules, venue signage, adequate supervision and other Keno-related venue requirements.

In 2023–24, our inspectors conducted 92 Keno inspections and performed 164 Keno financial audits with 2 warning letters issued.

### **System audits**

We are required to audit the Keno and public lotteries gambling systems every 2 years. This is to ensure they continue to meet legislative and technical requirements, protect player and stakeholder entitlements as well as government revenue, and that gambling services are delivered responsibly. Based on our findings, we provide recommendations to minimise system risks and maintain the integrity, safety and fairness of the gambling environment.

The licensees are also required to procure independent biennial audits in alternate years in accordance with auditing standard ASAE 3402, issued by the Australian Auditing and Assurance Standards Board.

In 2023–24, we conducted 2 comprehensive audits of Keno and public lottery systems.

### **Code of conduct monitoring and uplift**

In 2023–24, our review of Lottoland and The Lottery Corporation Codes of Conduct led us to work with them to strengthen their respective codes. Our review highlighted the need for:

- clearer gambling harm messages to customers
- specifics to be included in the codes on how licensees will prevent gambling harm, identify potential problem gambling, and intervene and respond to indicators of potential gambling harm.

### **Community and charitable gaming**

Licensed bingo centre operators and commercial raffle operators must submit annual bingo and raffle returns for all community and charitable events. Declared community and charitable organisations conducting bingo or raffles for themselves must also comply with this annual reporting requirement.

We review all annual returns to ensure compliance with gaming regulations and that prizes are being distributed correctly.

Raffle returns must be submitted for all raffles, including raffles that do not require a permit. These returns are also reviewed by us for compliance.

During the year, we conducted several inspections of community and charitable organisation fundraising activities. These inspections included:

- attending bingo venues to observe and validate run sheets and record keeping
- ensuring lucky envelope sales had the correct permit and that vending machines displayed the required permit details and prizes

- ensuring raffles were conducted on behalf of a declared community or charitable organisation with the required permits. We checked that tickets were drawn in the correct order, time, date and location as well as ensuring prize requirements were met.

In 2023–24, our inspectors conducted a total of 28 audits of community and charitable gaming, comprising:

- 16 bingo audits
- 1 raffle audit
- 11 lucky envelope audits.

## Complaints and tip-offs

Complaints and tip-offs provide us with important information and intelligence that helps target our regulatory activities and hold the industry to account.

Our inspectors also responded to public complaints and tip-offs. Where breaches were identified, enforcement action was either progressed or the matter was referred for further investigation.

## Complaints

During the year we received complaints across the spectrum of gambling products and services, including casino operations, poker machines, wagering, Keno, public lotteries, bingo and trade promotions. We assessed and, where possible, investigated all complaints received.

Common complaints received and investigated related to:

- online bookmakers and their conduct, including non-compliance with the Responsible Gambling Code of Conduct. For example, allowing a self-excluded customer to open another account, sending unauthorised gambling marketing material or not intervening when a customer is showing signs of distress and gambling harm
- online bookmakers licensed interstate offering inducements for new customers in Victoria to open betting accounts
- illegal trade promotion lotteries where there are no goods or services promoted
- individuals and organisations conducting raffles that do not benefit a declared community or charitable organisation
- licensed venues not complying with their obligations, including YourPlay and self-exclusion programs.

When dealing with a complaint, we first establish whether an entity has breached any of its obligations. If a breach has occurred, we take enforcement action, such as issuing a non-compliance notice, taking disciplinary action or pursuing prosecution. When our complaint assessment is finalised, we advise the complainant and the related entity of the outcome of our investigation, including whether a breach has occurred, and any next steps.

When we do not have the power to investigate a complaint, we will always advise complainants where to direct concerns and ensure they are connected to the right agency. For example, complaints about online casinos and gambling advertising on television are directed to ACMA.

We also have a Memorandum of Understanding with Racing Victoria and the Victorian Bookmakers' Association. This outlines the agreed roles and responsibilities of each agency and details where complaints about online bookmakers should be directed. It is designed to assist complainants to better understand the complaints process and be connected with the right organisation. This document can be found on the website of all 3 agencies.

Details of the complaints we investigated during the year can be found on our website.

## Improved complaints assessment process

In 2023–24, we significantly enhanced our approach to complaints handling to improve our service and community outcomes.

These improvements included:

- all complainants who provide contact details being contacted by phone or email within 5 business days of the complaint being allocated to a staff member
- letters to complainants and entities being clearer and providing more detail, so stakeholders can better understand the reasons for our information requests and our decisions
- all complainants who provide contact details being kept informed about the progress of their complaint at least every 28 days.

We are in the process of strengthening our case management systems. This will integrate our recent process improvements, deliver better user experiences and lay the groundwork for further enhancements, such as advanced risk assessments, improved categorisation of complaints and more robust reporting capabilities.

## Complaint statistics

In 2023–24, we received 897 complaints about the gambling industry. This is an 11.7% increase when compared to the previous year, when 803 complaints were received.

The top 3 issues were:

1. bookmakers – predominantly online bookmakers and their conduct
2. responsible service of gambling – adherence to RSG Codes of Conduct and harm minimisation directions
3. licensed venues – compliance obligations, including YourPlay and the administration of self-exclusion programs.

We closed a total of 906 complaints in 2023–24, which includes both new complaints and those carried over from the previous year. This is a 31.5% increase in resolutions, with 689 complaints closed in the prior year. This improvement is the result of increasing resources and streamlining our processes, leading to a more efficient complaints handling process.

### A complaint about minors gambling in a licensed venue

We investigated a complaint about 2 minors gambling in a licensed venue. We liaised with the venue operator on the report and gathered evidence from CCTV footage.

We found the venue operator contravened sections of the Gambling Regulation Act by allowing a minor to enter a gaming machine area and gamble on a poker machine.

The venue operator faced 2 charges for contraventions of the Act, pleading guilty to both charges.

The venue operator was fined \$4,000 without conviction and ordered to pay our legal costs of \$4,160. The magistrate considered general deterrence to be the overwhelming sentencing factor, because the venue operator had done a lot of work to ensure this issue did not reoccur. It also had no prior similar offences and was a longstanding gaming venue operator.

## Tip-offs

We launched our tip-offs function in mid-2023, which allows the public to submit tip-offs through our website or by contacting us by phone or email. Tip-offs help us gain important insight and intelligence into industry activities and areas of public concern.

Members of the community can make tip-offs about any gambling-related activities or concerns they believe we have cause to investigate. All tip-offs are actioned. In cases where tip-offs are outside our jurisdiction, we forward these to the relevant agency to address.

Our teams assess all tip-offs, determine the right response, assign resources and agree on a plan of action. Action plans are reviewed and progress is monitored to ensure a timely resolution.

In 2023–24, we focused on continuously improving our tools, processes and responses to tip-offs, which resulted in better community outcomes.

Tip-offs have been invaluable in directing our monitoring efforts, leading to targeted investigations and increased detection of breaches. They have also highlighted areas where industry practices need to improve.

## Trends and insights

More than 250 tip-offs were received in 2023–24. Over the past 6 months, tip-offs increased 100% compared to the first 6 months of the initiative being introduced. This is largely due to the targeted promotion of the tip-offs function through social media, education campaigns and our website.

Common tip-offs we received during the year related to:

- gambling harm, including inadequate supervision and the absence of responsible gambling officers in gambling areas
- non-compliance in gaming venues, including signage and food service at poker machines
- poker machine advertising
- illegal online gambling
- illegal premises gambling.

Tip-offs about gaming venues and poker machines continue to account for the majority of tip-offs (39%), with lotteries and raffles being the second-highest concern (15%).

Notably, bingo and social media related tip-offs are increasing. Through tip-offs, we have discovered people are using social media platforms, such as Facebook, to illegally advertise venue gaming hours, illegal gambling events, illegal raffles, and even poker machines for sale.

In response to this increase we have undertaken bingo-related inspections and progressed a number of bingo-related investigations.

We actively contacted the relevant individuals or entities that were breaching legislative requirements and they immediately rectified the concerns by removing any illegal advertising or ceasing raffles or events. If a prompt response was taken to correct the non-compliance, we would actively educate them on the requirements.

### **Advertising using images associated with poker machines**

We received multiple tip-offs about television and billboard advertising that appeared to breach the Gambling Regulation Act by using images and words associated with poker machines. Tip-offs were received from members of the community, peak bodies and our staff.

We immediately contacted both the billboard and product owners to advise them of their non-compliance. We gave them 7 days to respond and outline the remediation action taken.

Within 7 days, both entities responded to our letter and advised advertising would cease immediately, across all channels, throughout Victoria. The billboard owner also committed to reviewing internal processes to minimise the risk of advertising content that may be in breach of the Act.

Each entity received a warning notice for their actions, noting their immediate response to correct non-compliance and commitment to avoiding future breaches.

# Enforcement

When breaches are detected, our regulatory response is proportionate to the risks posed and harm caused by the operator's failure to comply with their obligations.

We consider the operator's conduct, including their level of cooperation, and whether they have proactively taken steps to rectify or remedy the issue.

We take a zero-tolerance approach to enforcement when we detect deliberate or opportunistic contraventions by operators.

Information about our enforcement activities is set out in this section.

The enforcement tools available to us vary across the different sectors we regulate. They can include notices of non-compliance, issuing directions, disciplinary action, fines, or criminal prosecution. Depending on the sector they operate in, registered and licenced organisations and individuals may also face censure, suspension or cancellation.

## Enforcement actions for the year to 30 June 2024

### Casino



### Non-casino

#### Poker machine venue operators



#### Bookmakers, Tabcorp and other gambling providers



## Melbourne casino

In 2023–24, we issued 6 directions to the casino operator aimed at improving casino practices. These included directions that required the casino operator to:

- implement mandatory carded play and pre-commitment for poker machines, as well as reduce the spin rate and remove the continuous play function on poker machines
- comply with our expectations regarding the marketing of premium player activities overseas, including conducting appropriate risk assessments
- evaluate its existing marketing practices against harm minimisation criteria and ensure marketing to vulnerable persons does not occur
- comply with additional requirements relating to the payment of poker machine winnings exceeding \$1,000.

We also accepted an enforceable undertaking by the casino operator after we identified breaches relating to minors entering the casino. This undertaking required the casino operator to strengthen its gaming boundaries and to enhance its processes for detecting and preventing minors from entering the gaming floor.

Other enforcement action taken against the casino operator included 118 written warnings and one infringement notice for minor, technical or administrative breaches. There were no criminal prosecutions against the casino operator. We took disciplinary action against 6 casino special employee licensees.

## Poker machines and venue operators

In 2023–24, enforcement action taken against venue operators included: 363 written warnings, 49 infringement notices, 5 disciplinary actions and 7 successful prosecutions. No court injunctions were sought.

### Prosecution – Australian Hospitality and Leisure Pty Ltd (ALH)

In August 2023, ALH pleaded guilty and was ordered to pay a fine of \$550,000 for operating 220 poker machines without YourPlay technology installed.

This enforcement resulted from a community complaint, which led to targeted inspections of multiple ALH venues. Through those inspections, we found 62 of ALH's 77 Victorian venues were in breach.

This is the largest fine ever issued to a venue operator by a Victorian court for breaching the Act.

### Disciplinary action – Venue hours breaches

In 2023–24, we took disciplinary action against multiple venue operators for repeated breaches of the permitted trading hour requirements.

In December 2023, we issued a fine of \$480,000 to ALH for operating poker machines at 8 venues outside of nominated trading hours and failing to observe mandatory shutdown periods.

In May 2024, a fine of \$30,000 was issued to Black Rhino (Ivanhoe) Pty Ltd for one of its venues operating poker machines outside nominated trading hours. We found the venue traded for more than 20 hours on multiple machines across multiple days.

Also in May 2024, we fined AVC Operations Pty Ltd \$20,000 due to 2 of its venues breaching permitted trading hours and/or trading for more than 20 hours.

Again in May 2024, we issued a \$10,000 fine to Doxa Community Club Incorporated. This also related to the venue trading for more than 20 hours.

In determining the above enforcement decisions, we considered the:

- size of the venue operator
- period of the offence
- number of players involved in the breaches
- amount of game play that occurred
- remedial actions taken by the venue operator.

### **Disciplinary action – Myndit Pty Ltd**

Myndit Pty Ltd is the former operator of the Rye Hotel. In November 2023, we took disciplinary action against Myndit Pty Ltd for multiple breaches of cheque payment and financial record-keeping requirements.

On one occasion, Myndit paid a cheque for poker machine winnings to a person who was not in the venue at the time the winnings were accrued. This was in addition to 2 incidents where Myndit paid winners of poker machine credits in cash instead of cheque. The breaches posed a high risk to the integrity of Myndit's record-keeping system.

In response, we issued Myndit with an \$80,000 fine. The owner has sold the Rye Hotel and is now required to seek our written consent before becoming an associate of any gambling industry participant. The owner is also prohibited from obtaining any new financial interests in, or being employed by, any gambling industry participant connected to poker machines without first notifying us.

### **Tax failure – Bell's Hotel**

We collect gaming taxes monthly from nominated gaming bank accounts. Venue operators must manage their gaming revenue to ensure sufficient funds are available to cover their expected tax liabilities.

Bell's Hotel failed to properly manage their gaming revenue and did not pay gaming tax for February 2023. The outstanding gaming tax was eventually paid in full by 2 June 2023 after multiple follow-ups.

Disciplinary action was initiated during the 2023-24 financial year. We issued a letter of censure and a fine of \$30,000. We suspended \$20,000 of this fine with various conditions attached, including that the venue pays monthly gaming tax by the due date for the next 12 months.

Bell's Hotel paid the \$10,000 fine and \$5,976 in penalty interest.

In February 2024, Bell's Hotel again failed to pay its gaming tax on time. The venue was required to pay the outstanding gaming tax in full, \$552 in penalty interest, and the \$20,000 suspended fine.

### **Prosecution proceedings – Tower Hotel, Hawthorn East**

In September 2023, we charged the Tower Hotel for alleged failures to install YourPlay pre-commitment technology on its poker machines and the related YourPlay kiosk. We laid a further charge for allegedly failing to complete compulsory staff training on the technology.

The venue was directed to stop operating its poker machines until it had rectified the matter. The prosecution of these charges is continuing before the Court.

### **Gaming industry employee actions**

Gaming industry employees (GIEs) must advise us if they have been found guilty of an offence or a court has imposed a diversion order or a conviction. This is a condition of their licence, which helps to ensure only suitable people are working in the industry. It also protects the gambling industry from criminal influence and exploitation.

In 2023-24, we took disciplinary action against 72 employees to cancel GIE licences.

### **Bookmakers and interstate wagering service providers**

In 2023-24, enforcement action taken against registered bookmakers included one criminal prosecution.

### **BlueBet prosecution**

In August 2023, BlueBet Pty Ltd was charged with 43 counts of displaying gambling advertising on a public road.

Our investigation found that over 2 weeks in August and September 2022, BlueBet advertising appeared on digital billboards at 5 major freeways in the western suburbs of Melbourne.

BlueBet was found guilty of all charges and fined \$50,000. Magistrate Greg Thomas said he found it difficult to accept BlueBet's defence that they didn't know they were breaching the law, given the prime position of the billboards to target males aged 15-54 years old.

## **Tabcorp**

In 2023–24, enforcement action taken against the Victorian wagering and betting licensee, Tabcorp, included: 3 disciplinary actions, and one successful prosecution.

We also progressed a number of investigations into alleged Tabcorp breaches, which remain active.

### **Prosecution**

In June 2024, Tabcorp was ordered to pay \$370,417 after pleading guilty to 43 charges of failing to prevent a minor from gambling across multiple venues in Victoria and for failing to properly supervise its electronic betting terminals.

### **Disciplinary action**

In September 2023, we fined Tabcorp \$1 million for not complying with 2 directions issued during our investigation into Tabcorp's major system outage in the 2020 Spring Racing Carnival. The outage left Tabcorp's wagering and betting system unavailable for approximately 36 hours.

The scale of the fine reflected Tabcorp's repeated failure to comply with our directions to provide information concerning the outage.

### **Direction on stronger electronic betting supervision**

In January 2024, we issued Tabcorp a direction to mitigate the risk of minors using electronic betting terminals and improve terminal controls. This was in response to multiple reports of minors gambling at Tabcorp terminals.

The direction introduced a new requirement for cash-based terminals to be located within 5 metres and in the line of sight of the service counter area.

All terminals located further than 5 metres from the counter service area have been converted to cashless. Customers must now go to the counter to obtain a voucher, ensuring ID checks are conducted before a bet is placed.

As a result of this direction, Tabcorp was required to convert more than 60% of its electronic betting terminals to cashless.

Tabcorp was also directed to implement an independent 'mystery shopper' program to ensure agents check the IDs of people who look under 25. For the first breach, non-compliant venues will be warned and subject to increased monitoring. However, repeated breaches will result in stronger consequences, including converting cash-based electronic betting terminals to voucher mode and termination of agent agreements.

As at 30 June 2024, the mystery shopper program assessed 361 venues and found 186 venues (52%) as failing to meet the identity checking requirements.

A first failure of the ID checking requirements results in a warning to the operator and mandatory compliance training.

For at least 12 months after a first failure, these venues will be subject to increased monitoring for compliance with ID25 requirements. If a second breach occurs within 12 months of the first failure cash-based EBTs will be immediately converted to voucher mode for a period of 3 months.



# Governance and leadership

As an independent regulator, our internal governance ensures we have clear lines of accountability, make transparent decisions, and manage our risks and finances responsibly. This ensures we deliver on our obligations and our Purpose to ensure integrity, safety, and fairness for all.

## The Commission

The Commission is tasked with statutory decision making under gambling legislation. It also sets our strategic direction and provides oversight of our organisation.

On the recommendation of the Minister for Casino, Gaming and Liquor Regulation, the Governor in Council appoints the Commissioners. The Chair convenes and presides at Commission meetings and is also the public service body head under the *Public Administration Act 2004*. Decisions are made at convened meetings or by conducting inquiries.

In 2023–24, the Commission met 21 times, comprising 12 regular meetings and 9 additional special meetings.

## Fran Thorn, Chair

Ms Thorn is a former senior public servant with the Victorian Government and a former Partner of Deloitte Consulting Australia.

Throughout her career, Ms Thorn has consulted with governments around Australia (Victoria, New South Wales, South Australia and Western Australia), as well as in Hong Kong and New Zealand. She specialised in social service delivery (education, health and human services) and central policymaking in state governments.

Ms Thorn's 27-year career within the Victorian public sector included 3 roles as Secretary (Department of Innovation, Industry and Regional Development; Department of Human Services; and Department of Health), and 4 years as Deputy Secretary, Policy in the Department of Premier and Cabinet, where she was responsible for policy and governance.

Ms Thorn's appointment as our inaugural Chair was announced in November 2021 and commenced on 1 January 2022.



From left, Chris O'Neill, Dr Ron Ben-David, Fran Thorn, Andrew Scott and Claire Miller.

### **Dr Ron Ben-David, Deputy Chair**

Dr Ben-David is a Professorial Fellow with the Monash Business School. Between 2008 and 2019, Dr Ben-David served as Chair of Victoria's economic regulator, the Essential Services Commission. This followed his heading of the national secretariat for the Garnaut Climate Change Review, and a decade in senior roles in the Victorian Departments of Premier and Cabinet and Treasury and Finance.

Dr Ben-David sits on the boards of ClimateWorks Australia, the Consumer Policy Research Centre and the Regulatory Policy Institute. He is also a member of various advisory boards and panels. Dr Ben-David is the Principal of Solrose Consulting. He was appointed as Deputy Chair of the VGCCC in July 2022.

Dr Ben-David holds a BSc (Optometry), BComm (Hons), PhD (Economics), and is a graduate of the Australian Institute of Company Directors.

Dr Ben-David was appointed to the Commission in July 2022.

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### **Andrew Scott, Deputy Chair**

Mr Scott is a former President of the Law Institute of Victoria and has practised as a lawyer in the private sector for more than 40 years. He specialises in business and sports law. Mr Scott is a Fellow of the Australian Institute of Company Directors. Mr Scott was previously Chair of the Victorian Liquor Licensing Panel and has served as a member of the Victorian Legal Services Board, Netball Australia, Swimming Victoria and YMCA Victoria.

He was appointed to the Commission in December 2019.

### **Claire Miller, Commissioner**

Ms Miller has more than 25 years' experience as a commercial lawyer and extensive leadership and operational experience in a range of industries, including infrastructure, property, mining, energy and utilities. She is an experienced corporate governance professional with legal, compliance, risk and regulatory expertise.

Ms Miller's directorships include Mine Land Rehabilitation Authority, Central Gippsland Health Service, Australian Radiation Protection and the Nuclear Safety Agency Audit and Risk Committee. She is also a State Council member of the Governance Institute of Australia. Ms Miller holds an LLB/BA and a Graduate Diploma in Applied Corporate Governance.

She was appointed to the Commission in July 2022.

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### **Chris O'Neill APM, Commissioner**

Mr O'Neill was previously Assistant Commissioner with Victoria Police where he was a member of the Victoria Police Command.

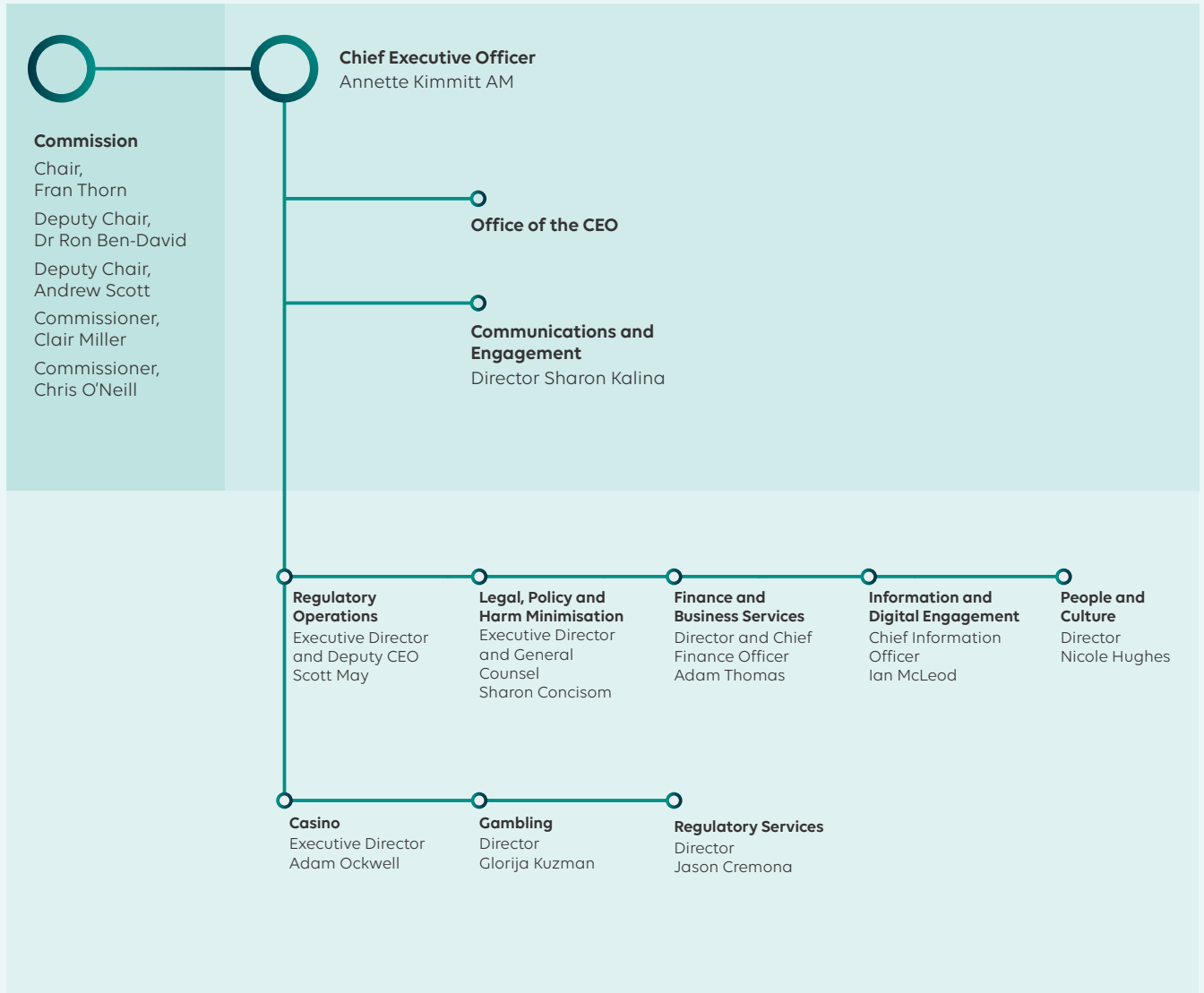
During 45 years of service with Victoria Police, Mr O'Neill held a diverse range of corporate, strategic and operational roles until September 2022. He has extensive experience on various national and state government committees.

With a passion for community service, Mr O'Neill has earned a reputation for his strong people, safety and culture leadership, which includes successfully implementing a broad range of modernisation programs.

Mr O'Neill's qualifications include a Master of Business Leadership and a Graduate Diploma of Business from RMIT. He is a Williamson Community Leadership Program Graduate with Leadership Victoria and has completed the Australian Institute of Company Directors Program.

In 2010, Mr O'Neill was awarded an Australian Police Medal (APM) in the Australia Day Honours Awards in recognition of his distinguished service to policing and the community. He was appointed to the Commission in September 2022.

# Organisation structure



## Our Executive Management team

Our Chief Executive Officer, Annette Kimmitt AM, is responsible for the effective and efficient management of our organisation in line with our regulatory obligations and Commission-approved Purpose and Strategic Ambitions.

Ms Kimmitt leads an Executive Management team of 9 who together ensure our resources are aligned with, and deliver on, our organisational priorities. The Executive Management team monitors and reports on our progress, performance and outcomes to the Commission.

### **Annette Kimmitt AM, Chief Executive Officer**

Ms Kimmitt has more than 40 years' professional experience across the public and private sectors. She has held a range of senior leadership and regulatory roles, both in Australia and internationally, including with Ernst & Young, MinterEllison, the International Accounting Standards Board and the Australian Accounting Standards Board.

Ms Kimmitt's extensive board, advisory and committee-level experience spans an array of highly regulated industries, including aviation, financial services and education.

In 2020, Ms Kimmitt was awarded an Order of Australia for her significant service to business and to gender equality and inclusion. She is a Fellow of Chartered Accountants Australia and New Zealand and a Monash University Fellow.

She was appointed our inaugural CEO in March 2022.

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### **Scott May, Deputy CEO and Executive Director, Regulatory Operations**

As Deputy CEO, Mr May oversees our Regulatory Operations.

He has a long history in gambling regulation. Since 2015, he has held senior roles with the former liquor and gambling regulator, principally as the General Counsel and Executive Director, Regulatory Policy and Legal Services. Prior to this, he was at the then Office of the Victorian Privacy Commissioner.

Mr May was appointed our Deputy CEO and Executive Director, Regulatory Operations in 2022.

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### **Adam Ockwell, Executive Director, Casino**

Mr Ockwell has 33 years' professional experience in both the public and private sectors, including leadership roles in Victorian Emergency Services, statutory authorities and Westpac Banking Corporation.

With qualifications from La Trobe University, Australian Security Academy and Leadership Victoria, Mr Ockwell has led regulatory reform, risk management, compliance and enforcement projects.

Prior to his appointment as our Executive Director, Casino in 2022, Mr Ockwell was Executive Director, Compliance and Enforcement with the previous liquor and gambling regulator.

### **Glorija Kuzman, Director, Gambling**

Ms Kuzman was appointed Director, Gambling in October 2022 with responsibility for delivering all non-casino gambling operations across Victoria.

Ms Kuzman has more than 2 decades of public sector experience across state and federal governments and has managed social and economic portfolios for government and industry.

She has successfully led several cross-government reforms and service delivery initiatives, which resulted in improved community outcomes.

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### **Jason Cremona, Director, Regulatory Services**

Mr Cremona has more than 25 years' experience in gambling regulation. He has managed teams responsible for gambling revenue and operational assurance, technical systems and product approvals, major licence management and complaints management.

Mr Cremona oversaw the implementation of significant gambling reforms in Victoria and operationalised our intelligence-led approach to gambling industry oversight. He is a Certified Practising Accountant.

He was appointed Director, Regulatory Services in December 2022.

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### **Sharon Concisom, General Counsel and Executive Director, Legal, Policy and Harm Minimisation**

Ms Concisom has more than 30 years' professional legal and regulatory experience in both the public and private sectors.

Ms Concisom has held senior leadership roles at the Australian Securities and Investment Commission (ASIC) and the Australian Securities Exchange (ASX). Prior to this, she practised as a barrister for several years.

She was appointed General Counsel and Executive Director, Legal, Policy and Harm Minimisation in April 2023.

### **Adam Thomas, Director, Finance and Business Services**

Mr Thomas has 20 years' experience in financial management, predominantly in the public sector.

Mr Thomas is a former Head of Finance and Operations for the Victorian Government Solicitor's Office. Prior to this, he was the Principal Financial Adviser at Family Safety Victoria. In this role, he strengthened the organisation's financial management following significant investments in family violence initiatives by the Victorian Government.

He has been our Director, Finance and Business Services since November 2023.

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### **Ian McLeod, Chief Information Officer**

Mr McLeod has more than 25 years' experience as a senior executive, leading technology teams across a diverse range of sectors. This includes the highly regulated pharmaceutical industry as well as the hospitality, retail and automotive sectors.

Mr McLeod has successfully led major digital and data transformations, focusing on operational optimisation and data enablement. He joined us as Chief Information Officer in September 2022.

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### **Nicole Hughes, Director, People and Culture**

Ms Hughes brings extensive experience in people and culture leadership. She has worked across a range of portfolios in the Victorian public sector including water, health, transport and infrastructure.

With formal qualifications in behavioural science, Ms Hughes is a collaborative leader who is passionate about building culture and capability. She is committed to developing high-performing teams that drive outcomes and foster belonging and inclusion.

She commenced her role as Director, People and Culture in late 2023.

## Reconciliation of executive numbers

		FY24	FY23
	Executives (financial statement Note 9.3)	8	8
	Accountable Officer (CEO)	1	1
Less	Separations	0	-1
	Total executive numbers at 30 June	9	8

## Audit and risk management

### Audit and Risk Management Committee

Our independent Audit and Risk Management Committee reports directly to the Commission and was established in accordance with the *Financial Management Act 1994*.

In 2023–24, the committee met 5 times to:

- review and assess the effectiveness of our systems and controls for financial management, performance and sustainability, including risk management
- oversee the effectiveness and efficiency of internal audits
- review and monitor compliance with the Financial Management Act and associated Standing Directions and instructions; monitor remedial action to address non-compliance; and report on compliance levels
- maintain effective communication with external auditors and consider their views on issues that affect the management, compliance and risks of our financial affairs
- consider recommendations made by internal and external auditors that affect financial management, performance and sustainability and review the implementation of actions to resolve issues raised.

### 2023–24 Committee Membership

- Mr John O’Grady, Audit and Risk Management Committee Chair (independent member)
- Commissioner Claire Miller
- Commissioner Chris O’Neill APM, from August 2023
- Commissioner and VGCCC Deputy Chair Andrew Scott.

In 2023–24, internal audit services were provided by HLB Mann Judd.

### Risk Management Framework

Our Risk Management Framework aligns with the Victorian Government framework. It sets out our principles, policy and processes for risk management. It also details how we identify, assess and manage risk reporting and monitoring.

Effective risk management protects and creates value by enabling:

- informed decision making
- setting and achievement of objectives
- improved performance.

# Our people

## Our structure

Our people work within divisional teams. We collaborate across divisions to deliver on our Purpose of ensuring integrity, safety and fairness for all.

We have 3 regulatory operations divisions, which collaborate under the leadership of our Deputy CEO and Executive Director of Regulatory Operations, Scott May.

These divisions are:

- Casino
- Gambling
- Regulatory Services.

We also have 4 enabling divisions:

- Legal, Policy and Harm Minimisation
- Information and Digital Enablement
- People and Culture
- Finance and Business Services.

The Office of the CEO provides advice and operational support to our CEO, Annette Kimmitt AM.

This includes:

- strategic communications and engagement advice and support to the CEO, Commission and organisational divisions
- liaising with the Minister's office, the Department of Justice and Community Safety and other government agencies and external stakeholders.

## Our culture and values



### Work together

We work together, encourage and support each other.  
We consult to achieve shared goals and keep people informed.  
We develop and maintain positive working relationships, collaborate, and acknowledge and celebrate success.



### Respect other people

We treat all people with respect, seek different perspectives and approaches, and value work/life balance.  
We foster an environment where people give and receive constructive feedback and consider the ideas and contributions of others.



### Act with integrity

We are accountable for our actions.  
We are honest, fair, and reliable.  
We approach our work with enthusiasm and commitment, apply sound judgement and common sense, and embrace personal and professional development.



### Make it happen

We think and plan ahead, focus on agreed priorities, deliver on commitments and meet agreed timelines.  
We are responsive and flexible and strive for excellence.



### Act with courage and confidence

We step back and ask 'why', developing a mindset of continuous improvement.  
We courageously challenge the status quo when required.  
We boldly act on our regulatory mandate to ensure integrity, safety, and fairness for all.



## Workplace snapshot

At 30 June 2024, we had 198 staff, or 194.82 full-time equivalents (FTE).

	All employees		Ongoing			Fixed-term/casual	
	Headcount	FTE	Full-time (headcount)	Part-time (headcount)	FTE	Headcount	FTE
<b>Gender</b>							
Women	102	99.42	87	10	94.42	5	5
Men	96	95.40	90	1	90.77	5	4.63
Self-described	0	0	0	0	0	0	0
<b>Age</b>							
15–24	3	2.52	2	1	2.52	0	0.00
25–34	48	48.00	46	0	46.00	2	2.00
35–44	54	53.31	45	5	49.31	4	4.00
45–54	55	53.99	50	3	51.99	2	2.00
55–64	37	36.00	33	2	34.37	2	1.63
65+	1	1.00	1	0	1	0	0.00
<b>VPS grade</b>							
VPS1	0	0	0	0	0	0	0
VPS2	4	4.00	4	0	4	1	0.00
VPS3	31	29.71	28	3	29.71	0	0
VPS4	62	61.60	56	3	58.60	3	3.00
VPS5	52	51.20	47	3	49.20	2	2.00
VPS6	34	33.68	30	2	31.68	2	2.00
<b>Senior staff</b>							
STS	6	5.63	4	0	4.00	2	1.63
Executive	9	9.00	8	0	8.00	1	1.00
<b>Total</b>	<b>198</b>	<b>194.82</b>	<b>177</b>	<b>11</b>	<b>185.19</b>	<b>10</b>	<b>9.63</b>

Employees have been correctly classified in workforce data collections.

## Recruitment

Recruitment and resourcing are crucial to fulfilling our regulatory remit. We finalised an extended recruitment campaign to bolster our regulatory operations. This recruitment drive ensured we have sufficient resources to regulate effectively, following our separation from liquor regulation. We also completed a review of our enabling corporate functions to ensure we had the capability to effectively support our regulatory operations.

In 2023–24, we recruited and filled 104 roles. This included 31 internal promotions as well as strong interest from the external job market.

Our recruitment efforts have evolved with our new operating model. We have focused on improving the way we attract and recruit people, ensuring we provide a positive hiring experience to both candidates and recruiting managers. Improving efficiency, focusing on quality recruitment decisions and integrating recruitment into business-as-usual has been key to this.

## Employee conduct and principles

We continue to promote public sector values, including open and transparent employment principles.

We comply with the Victorian Public Service policies, bolstered by our own comprehensive policies, guidelines and practices that are consistent with the Victorian Public Sector Commission's employment standards. A variety of new and revised policies and procedures ensure our people have an exceptional employee experience. This includes published policies about appropriate workplace behaviours. Our policies and processes are periodically reviewed.

We promote fairness in employment decisions, career opportunities, and encourage the early reporting and resolution of workplace issues. Our recruitment processes assess and evaluate applicants equitably, without discrimination, and are based on clear selection criteria. Selection processes are in line with the Victorian Public Service Jobs and Skills Exchange policy, including a robust selection process. Our 5 organisational values align with the 7 public sector values of integrity, responsiveness, accountability, human rights, leadership, impartiality and respect.

## Employee value proposition

Defining our Purpose and Strategic Ambitions has materially improved our employee value proposition. In 2023–24, we developed and launched our enterprise capability program. This has allowed us to be deliberate and focused in how we deliver development opportunities that support our people and organisational objectives. The program includes a new capabilities framework, capability self-assessment tools and internal and external learning opportunities.

Our people can be confident they have a positive impact on social and economic outcomes. They are proactive and courageous, and they contribute to the robust regulation of Victoria's gambling industry.

A career with us enables:

- a deep sense of purpose
- wellbeing through an inclusive and values-driven culture
- career progression
- development of skills and capabilities through on-the-job experiences, coaching, mentoring and formal learning
- feeling valued for their contribution.

## Creating a fair and safe workplace

### Occupational health and safety

We comply with the requirements of the *Occupational Health and Safety Act 2004*. Our continued commitment to a safe and healthy workplace is reflected in our low numbers of incidents and claims.

#### Incidents, claims, fatalities and claim costs

Measure	Key performance indicator	2023–24	2022–23	2021–22	2020–21	2019–20	2018–19
Incidents	Number of incidents <sup>(a)</sup>	5	5	8	5	8	16
	Rate per 100 FTE	2.60	3.3	4.0	2.5	3.8	7.6
Claims	Number of standard claims <sup>(b)</sup>	1	1	1	0	0	4
	Rate per 100 FTE	0.5	0.7	0.5	0	0	1.9
	Number of lost time claims <sup>(b)</sup>	0	1	1	0	0	4
	Rate per 100 FTE	0	0.7	0.5	0	0	1.9
Fatalities	Fatality claims	0	0	0	0	0	0
Claim costs	Average cost per standard claim <sup>(b)</sup>	\$27,388	\$63,399	\$64,967	\$0	\$0	\$130,908

a) Includes all incidents reported by employees via our incident reporting process. An incident is reported if there is any event resulting in, or with the potential for, injury, ill-health, damage or other loss.

b) Victorian WorkCover Authority (VWA) data supplied by agent as at August 2023. Total standard claims and time lost claims includes accepted and rejected claims. Average cost per standard claim is calculated using the total incurred claim costs. Total incurred claim costs is a total of claims costs paid and VWA statistical case estimates minus recoveries.

## Workforce inclusion

We have established an Inclusion and Diversity Committee, with support from the Commission and executive sponsorship. Awareness and understanding of our diverse workforce improves the exceptional employee experience for all our people.

Our diversity and inclusion initiatives prioritise:

- gender
- disability
- LGBTQIA+
- First Nations people
- cultural and linguistic diversity.

During 2023–24, we published an Inclusion and Diversity policy as well as a Gender Equality Action Plan. In addition, we launched a Pride network, which is an employee-led group that connects and supports LGBTQIA+ staff and their allies across the organisation.

## Gender Equality Action Plan

The *Gender Equality Act 2020* requires us to undertake a gender audit and develop a Gender Equality Action Plan (GEAP). The first reporting cycle for the Act was 2021–25.

As we were established on 1 July 2022, we fell outside of the Act's scope for the 2021–25 reporting cycle. However, we have voluntarily committed to fulfilling the Act's requirements and in February 2024 submitted our GEAP, out of cycle, to the Commission for Gender Equality in Public Service.

Our GEAP was approved and marked compliant with commendations for a high standard that demonstrated leadership commitment, in-depth consultation and stringent oversight.

We highlight 4 focus areas in our GEAP and outline actions to support progress towards gender equality.

Our focus areas are:

- strategy and business alignment
- leadership and accountability
- employment and careers
- culture and safety.

## Disability Act

*The Disability Act 2006* reaffirms and strengthens the rights of people with a disability and recognises support is required from government and community.

In line with the Victorian Government's Inclusive Victoria: State Disability Plan (2022–26), we have:

- continued to work towards a more diverse and inclusive workforce
- identified the need for improved internal frameworks including our own Disability Action Plan
- continued to improve accessibility of our digital content, including the use of inclusive language
- encouraged flexible work practices and made reasonable adjustments to assist people with a disability to apply for roles and work with us
- developed strategies for improving staff psychological safety.

## Carers Recognition Act

We have taken all practical measures to comply with our obligations under the *Carers Recognition Act 2012*. This includes considering its care relationship principles when creating policies and providing services.

We foster a flexible work environment to allow staff to fulfil carer responsibilities.

# Other disclosures

## Major contracts and projects

We did not enter into any contracts with a value greater than \$10 million in the past year. We also did not engage in any projects that required application of the *Local Jobs First Act 2003*.

We comply with the National Competition Policy.

## ICT projects and expenditure

### Fit-for-purpose core ICT

In 2023–24, we focused on securing fit-for-purpose operations across ICT systems.

This delivered the following outcomes:

- improved reliability and performance: systems maintain currency with regulatory changes, are reliable, stable and meet required organisational performance benchmarks
- improved cyber security and compliance: incorporating robust security measures to protect data and systems from threats and ensuring compliance with relevant regulations and standards
- improved user-centric design: prioritising the user experience and designing ICT solutions with usability and accessibility in mind
- rationalised and decommissioned end-of-life systems.

### Progress during 2023–24

In 2023–24, we made significant progress to modernise and streamline our ICT systems to ensure operational efficiency and effectiveness.

As part of this, we optimised the use of our ServiceNow platform to help manage digital workflows and continue enterprise operations. We also completed the re-implementation of Microsoft Office 365, including the AvePoint Records management application. Smartsheet was introduced to manage all projects, providing a central hub of project delivery, improved governance, resource management, prioritisation and alignment.

We have begun our move from on-premises systems to the MS Cloud environment, with the transition due to be completed by June 2025.

Improving core ICT capabilities has significantly bolstered employee experience, delivered process efficiencies, and improved compliance with Victorian protective data security standards and Public Record Office of Victoria requirements.

Another key focus during the year was finalising our separation from Liquor Control Victoria, excluding legacy regulatory systems that remain shared and on-premises. Management of on-premises applications will be moved to Liquor Control Victoria once our Salesforce implementation is complete. Our planned go-live date is April 2025.

Integrated risk management and cyber security improvements are core to designing a fit-for-purpose ICT function, controlling our operational risks and delivering on our regulatory obligations. In 2023–24, we progressed these activities as planned, including:

- 24/7 security operations centre completed
- proactive email phishing training embedded, using Phriendly Phishing program
- standardised cyber security environment established using next-generation firewall and Virtual Private Network solutions.

During the year we also planned to develop and launch a new website. However, we have chosen to delay this work to ensure we refine our content and can adopt the Whole of Victorian Government Single Digital Presence platform. This aligns with our strategy to use central government services and reduce internally managed software and hardware.

### Digital transformation roadmap

During the year, we designed and began executing a digital transformation roadmap, which is a critical enabler of our Regulatory Approach transformation.

At a technology level, our digital transformation covers the following 6 elements:

- IT Infrastructure
- enterprise applications
- regulatory technology
- mobility
- security
- data.

In 2023–24, we began implementing our network strategy and also progressed our new enterprise data platform. That platform is now fully operational, with 4 of the 6 licensee datasets now available in our production environment. The YourPlay and casino mandatory carded play datasets have also been onboarded into our production environment. Our enterprise data platform has supported significant improvements in our data monitoring and intelligence capabilities.

Implementing Salesforce’s public sector solution is going to be pivotal in transforming our Regulatory Approach, providing us with a single platform to manage all regulatory matters. We have named that platform ‘Compass’, and in 2023–24, we have:

- established a regulatory obligations register in Compass, which manages more than 6,000 industry obligations and ensures currency and accessibility
- completed the first phase of replacing legacy regulatory systems, with all activities related to Crown Special Employee licence management now operating and managed in Compass.

We also began leveraging automation by creating our first 2 bots to automate loading data files, which is saving us hours of manual labour.

### ITC expenditure

All operational ICT expenditure		ICT expenditure related to projects to create or enhance ICT capabilities	
Business as usual (BAU)	Non-BAU expenditure	Operational expenditure	Capital expenditure
\$ (ex GST)	\$ (ex GST)	\$ (ex GST)	\$ (ex GST)
8,587,602	3,755,858	1,469,421	2,286,437

*Total = operational expenditure + capital expenditure*

## Consultancy expenditure

We contracted 7 consultants where total fees payable to the consultant were \$10,000 or greater. These contracts totalled \$2,493,528 excluding GST.

We contracted 3 consultants where total fees payable to the consultant were less than \$10,000. These contracts totalled \$15,224 excluding GST.

Consultancy	Purpose	Start date	End date	Total approved project fee \$ (ex GST)	Expenditure 2023-24 \$ (ex GST)	Future expenditure \$ (ex GST)
KPMG	Support Regulatory Approach Transformation design (phase 3)	August 2023	September 2024	1,542,558	756,640	785,918
Charles Marcus Pty Ltd	Complex change and program management	August 2023	August 2024	493,440	354,495	138,945
GreK Enterprises Pyt Ltd ITF	Organisational development	November 2023	January 2024	34,650	30,650	4,000
Logicalis Australia Pty Ltd	Assist with Data Platform environments	December 2023	March 2024	22,080	20,585	1,495
P1 Consulting Pty Ltd	P&C forms review	October 2023	October 2023	46,300	32,400	13,900
Sharni Zoch	Building casino audit capability for monitoring Crown Melbourne's Transformation Plan	May 2023	November 2023	260,000	-	260,000
Intrepid Technologies Pty Ltd	Developing an impact dashboard and supporting enterprise planning	April 2024	June 2024	94,500	94,500	-

## Government advertising expenditure

We have not undertaken any advertising campaigns with a total media buy of \$100,000 or greater.

## Reviews and studies expenditure

In 2023–24, there were no reviews and studies undertaken.

## Emergency procurement

In 2023–24, we did not undertake any emergency procurement activities.

## Procurement complaints

In 2023–24, VGCCC received no formal complaints with procurement activities undertaken.

## Our environmental impact

### Waste, energy, paper and water

We actively seek to reduce our environmental impact through our resource consumption and our choice of suppliers. However, as our Richmond and casino offices are in multi-tenanted buildings, we are unable to report on our specific waste production, recycling and water usage.

In 2023–24, we purchased 100% recycled paper and operated environmentally endorsed multi-function devices. When cost-effective, we purchased energy-efficient equipment.

Item	Use				Initiatives to reduce our environmental impact
	2023–24	2022–23	2021–22	2020–21	
Waste	Not available	Not available	Not available	Not available	Separate waste, recyclables and compost. Recycle toner cartridges.
Paper	496 reams (2.54 per FTE)	2,152 reams (9.11 per FTE)	2,400 reams (11.2 per FTE)	2,400 reams (11.2 per FTE)	Use only 100% recycled paper. Use FollowMe printing to reduce uncollected printing and other costs.
Energy	687.63 gigajoules (164.27 tonnes of CO2-e)*	1,525.42 gigajoules (389.83 tonnes of CO2-e)	1,517.3 gigajoules (451.0 tonnes of CO2-e)	1,517.5 gigajoules (451.0 tonnes of CO2-e)	Use timers to control lightning, hot and cold internal management of heating and cooling.
Water	Not available	Not available	Not available	Not available	Harvested water is used for flushing the toilets. Urinals in male toilets are waterless.

\*2023–24 is the first year we have provided figures for VGCCC independent of Liquor Control Victoria. Previous years represent energy use for the former regulator (Victorian Commission for Gambling and Liquor Regulation) or both entities combined.



## Transport

We maintained a fleet of 7 operational vehicles and 2 executive vehicles, which are leased from the Department of Treasury and Finance VicFleet.

As per the VicFleet lease agreement, 3 vehicles are due to be replaced in 2024–25.

### Petrol use

All vehicles	2023–24	2022–23	2021–22	2020–21	2019–20
Litres of petrol used	<b>10,199.29</b>	9,352.13	25,819.20	28,942.36	30,072.08
Litres per vehicle (average)	<b>1,133.20</b>	623.50	1,122.60	1,702.42	1,768.95

## Building Act

We do not own or control any government buildings. This means we are exempt from reporting on compliance with the building and maintenance provisions of the *Building Act 1993*.

## Freedom of information and public interest disclosures

### Freedom of information

The *Freedom of Information Act 1982* (FOI Act) gives the public a right to access information held by government departments, Ministers, councils and other bodies.

Any person has the right to apply for access to our documents. This includes documents we create and documents given to us by an external organisation or individual. Documents may include maps, photographs, tape recordings and videotapes. Information about the types of material we produce is available on our website under our Part II Information Statements.

The FOI Act allows us to refuse access, either fully or partially, to certain documents or information. This may include Cabinet documents, internal working documents, law enforcement documents, documents covered by legal professional privilege, personal information about other people and information provided to us in confidence or that is confidential under other legislation.

Legislation requires that we process freedom of information requests within 30 calendar days of receiving them. However, when external consultation is required, the FOI Act permits the processing time to take up to an additional 15 days. Processing times may also be extended by up to 30 days, in consultation with applicants.

If an applicant is not satisfied with our decision, they can request a review by the Office of the Victorian Information Commissioner within 28 days of receiving our decision letter.

### Making a freedom of information request

Section 17 of the FOI Act outlines the requirements for a freedom of information request. Requests must be in writing and clearly identify the material or information sought. The applicant must also pay an application fee of \$31.80. Further access charges may be payable if the document pool is large and the search is time consuming.

Requests can be lodged online at [online.foi.vic.gov.au](https://online.foi.vic.gov.au) or mailed to:

Freedom of Information Officer  
VGCCC  
GPO Box 1988  
Melbourne Victoria 3001

Further information about the operation and scope of the FOI Act can be found on the Office of the Victorian Information Commissioner website: [ovic.vic.gov.au](https://ovic.vic.gov.au).

### Freedom of information statistics and timeliness

In 2023–24, we received 17 freedom of information requests, with one carried over from the previous year. This year, 4 requests were from media with the remainder made by the public.

We finalised a total of 7 freedom of information requests during the 12 months ended 30 June 2024.

Freedom of information requests were finalised within the following timeframes:

- 3 within 30 days of receipt
- 4 within 30 to 45 days of receipt
- 0 after 45 days of receipt.

There were 5 decisions made within statutory time periods.

Two of the requests finalised within 30 to 45 days involved documents subject to external consultation. An additional 15 days is permitted to process these requests.

For the 2 decisions made outside time, they were made within 45 days.

Our average processing time for all freedom of information requests in 2023–24 was 36 days.

Outcomes for freedom of information requests received included:

- 0 released in full
- 4 released in part
- 3 denied in full
- 0 withdrawn by the applicant or otherwise did not proceed
- 5 transferred to another agency
- 0 involved non-existent documents.

While the number of requests transferred to another agency has decreased, we continued to receive requests for documents held by other agencies. This includes requests for documents relating to liquor licensed premises.

The Office of the Victorian Information Commissioner was required to review one of our decisions. The Commissioner confirmed our original decision in this matter.

## Public interest disclosures

The *Public Interest Disclosures Act 2012* encourages and helps people to make disclosures of improper conduct by public officers and public bodies. It provides protection to people who make disclosures, and ensures disclosures are investigated and rectifying action is taken.

Our established processes require that disclosures of improper conduct or corruption by the VGCCC, its members or staff be made directly to the Independent Broad-based Anti-Corruption Commission (IBAC).

Disclosures may be made by staff members or the public. Where we become aware that a disclosure has been made to IBAC, we will take reasonable steps to protect the welfare of relevant individuals.

### Reporting procedures

Disclosures of improper conduct or detrimental action by the VGCCC or any of its employees may be made to the Chief Executive Officer or General Counsel.

Alternatively, disclosures may be made directly to IBAC:

Level 1, North Tower, 459 Collins Street  
Melbourne, Victoria 3000  
Telephone 1300 735 135  
[ibac.vic.gov.au](http://ibac.vic.gov.au)

### Further information

The Procedures for Public Interest Disclosure Management, which outline the system for reporting disclosures of improper conduct or detrimental action by the VGCCC or any of its employees, are available on the VGCCC website.

## Additional information

Information available on our website includes:

- Commission decisions and reasons
- licence fees and penalties
- major licence details and obligations (including casino, gaming machine monitoring, Keno, lotteries and wagering and betting licences)
- gambling licence details and obligations (including bingo centres, bookmakers, commercial raffle organisers, community and charitable organisations, manufacturers, suppliers and testers, gaming venues and WSPs)
- gaming machine entitlements and limits
- gaming machine expenditure data by local government area (monthly), venue (six-monthly) and population (annually)
- community benefit statements
- responsible gambling codes of conduct
- laws, regulations and Ministerial Directions
- technical standards and VGCCC Directions and guidelines.

## Compliance with other legislation

We have obligations under the *Gambling Regulation Act 2003* and the *Casino Control Act 1991* to publish certain information in our annual report.

### Ministerial Directions

We must publish all directions given by the Minister during the financial year, under section 3.2.3 of the *Gambling Regulation Act*.

In 2023–24, the Minister issued one direction under section 3.2.3(1)(e). This direction was issued on 12 December 2023. The Minister's Direction stipulated the criteria the Commission must apply to approve a period of downtime for poker machines at the casino under section 62C(2A) of the *Casino Control Act*. A copy of this direction is available via the *Government Gazette* and on our website.

### Controlled contracts

Our annual report must include all classes of matter and classes of contract specified by the Commission in the financial year as excluded from the definition of a 'controlled contract' under section 29 of the *Casino Control Act*.

In 2023–24, the Commission did not specify any classes of matter or classes of contract.

# Financial management compliance

To uphold a high standard of public financial management and accountability, public sector entities are required to attest in annual reports that they have complied with the applicable Standing Directions and Instructions under the *Financial Management Act 1994*.

We have reviewed our financial management processes and determined we are compliant with the mandatory financial management requirements. Our Audit and Risk Management Committee has verified this.

## **Financial Management Compliance Attestation Statement**

I, Fran Thorn, on behalf of the Commission, certify that the Victorian Gambling and Casino Control Commission (VGCCC) has complied with the applicable Standing Directions and Instructions under the *Financial Management Act 1994*.



**Fran Thorn**  
Chair

Victorian Gambling and Casino  
Control Commission

11 September 2024

## Disclosure index

Our annual report meets all relevant Victorian legislation and pronouncements. This index cross-references our statutory requirements against our annual report disclosures.

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# Financial statements

For the year ended  
30 June 2024

Victorian Gambling and Casino  
Control Commission



# Victorian Gambling and Casino Control Commission

## Financial statements

### How this report is structured

The Victorian Gambling and Casino Control Commission (VGCCC) has presented its audited general-purpose financial statements for the financial year ended 30 June 2024 in the following structure to provide users with the information about VGCCC's stewardship of resources entrusted to it.

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## Declaration on the financial statements

The attached financial statements for VGCCC have been prepared in accordance with Direction. 5.2 of the Standing Directions of the Assistant Treasurer under the *Financial Management Act 1994*, applicable Financial Reporting Directions, Australian Accounting Standards including interpretations, and other mandatory professional reporting requirements.

We further state that, in our opinion, the information set out in the comprehensive operating statement, balance sheet, cash flow statement, statement of changes in equity and accompanying notes, presents fairly the financial transactions during the year ended 30 June 2024 and financial position of VGCCC at 30 June 2024.

At the time of signing, we are not aware of any circumstance which would render any particulars included in the financial statements to be misleading or inaccurate.

We authorise the attached financial statements for issue on 11 September 2024.



**Fran Thorn**  
Chair



**Annette Kimmitt AM**  
Chief Executive Officer



Director Finance and  
Business Services

Melbourne  
11 September 2024

# Independent Auditor's Report

## *To the Commissioners of the Victorian Gambling and Casino Control Commission*

**Opinion** I have audited the financial report of the Victorian Gambling and Casino Control Commission (the Commission) which comprises the:

- balance sheet as at 30 June 2024
- comprehensive operating statement for the year then ended
- cash flow statement for the year then ended
- statement of changes in equity for the year then ended
- notes to the financial statements, including material accounting policy information
- declaration on the financial statements.

In my opinion, the financial report presents fairly, in all material respects, the financial position of the Commission as at 30 June 2024 and its financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of part 7 of the *Financial Management Act 1994* and applicable Australian Accounting Standards.

**Basis for opinion** I have conducted my audit in accordance with the *Audit Act 1994* which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report.

My independence is established by the *Constitution Act 1975*. My staff and I are independent of the Commission in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

**The Commissioners' responsibilities for the financial report** The Commissioners are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the *Financial Management Act 1994*, and for such internal control as the Commissioners determine is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Commissioners are responsible for assessing the Commission's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.

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**Auditor's responsibilities for the audit of the financial report**

As required by the *Audit Act 1994*, my responsibility is to express an opinion on the financial report based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.


As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Commissioners
- conclude on the appropriateness of the Commissioners' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Commission's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Commission to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Commissioners regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

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MELBOURNE  
17 September 2024



Timothy Maxfield  
*as delegate for the Auditor-General of Victoria*

## Financial statements

### Comprehensive operating statement

For the financial year ended 30 June 2024

	Notes	2024 \$	2023 \$
<b>Income from transactions</b>			
Grants	2.1	47,439,948	37,799,622
<b>Total income from transactions</b>		<b>47,439,948</b>	<b>37,799,622</b>
<b>Expenses from transactions</b>			
Employee expenses	3.1.1	(28,797,943)	(21,998,604)
Depreciation and amortisation	5.1.1	(1,184,239)	(1,499,221)
Other operating expenses	3.2	(17,883,681)	(14,154,509)
<b>Total expenses from transactions</b>		<b>(47,865,863)</b>	<b>(37,652,334)</b>
<b>Net result from transactions (net operating balance)</b>		<b>(425,915)</b>	<b>147,288</b>
<b>Other economic flows included in net result</b>			
Net gains/(losses) on non-financial assets	9.1	188	(9,083)
Other gains/(losses) from other economic flows	9.1	12,855	21,592
<b>Total other economic flows included in net result</b>		<b>13,043</b>	<b>12,509</b>
<b>Net result</b>		<b>(412,872)</b>	<b>159,797</b>
<b>Comprehensive result</b>		<b>(412,872)</b>	<b>159,797</b>

The accompanying notes form part of these financial statements.

## Balance sheet

As at 30 June 2024

	Notes	2024 \$	2023 \$
<b>Assets</b>			
<b>Financial assets</b>			
Cash and cash equivalents	7.2	835,295	826,932
Receivables	6.1	16,405,956	14,876,709
<b>Total financial assets</b>		<b>17,241,251</b>	<b>15,703,641</b>
<b>Non-financial assets</b>			
Property, plant and equipment	5.1	241,714	315,914
Intangible assets	5.2	3,808,736	2,478,376
Prepayments		682,641	674,904
<b>Total non-financial assets</b>		<b>4,733,091</b>	<b>3,469,194</b>
<b>Total assets</b>		<b>21,974,342</b>	<b>19,172,835</b>
<b>Liabilities</b>			
Payables	6.2	4,324,681	3,401,641
Leases	7.1	136,815	53,993
Employee provisions	3.1.2	5,502,730	4,742,041
Other provisions	6.3	309,682	0
<b>Total liabilities</b>		<b>10,273,908</b>	<b>8,197,675</b>
<b>Net assets</b>		<b>11,700,434</b>	<b>10,975,161</b>
<b>Equity</b>			
Accumulated surplus/(deficit)		2,660,625	3,073,497
Contributed capital		9,039,809	7,901,664
<b>Net worth</b>		<b>11,700,434</b>	<b>10,975,161</b>

The accompanying notes form part of these financial statements.

## Cash flow statement

For the financial year ended 30 June 2024

	Notes	2024 \$	2023 \$
<b>Cash flows from operating activities</b>			
<b>Receipts</b>			
Receipts from government and customers		46,994,080	40,219,405
Goods and services tax recovered from the Australian Taxation Office (ATO) <sup>(i)</sup>		1,747,347	1,107,483
<b>Total receipts</b>		<b>48,741,427</b>	<b>41,326,888</b>
<b>Payments</b>			
Payments to suppliers and employees		(46,375,674)	(41,260,273)
<b>Total payments</b>		<b>(46,375,674)</b>	<b>(41,260,273)</b>
<b>Net cash flows from/(used in) operating activities</b>	<b>7.2.1</b>	<b>2,365,753</b>	<b>66,615</b>
<b>Cash flows from investing activities</b>			
Purchases of non-financial assets		(2,285,997)	(574,799)
<b>Net cash flows from/(used in) investing activities</b>		<b>(2,285,997)</b>	<b>(574,799)</b>
<b>Cash flows from financing activities</b>			
Repayment of principal portion of lease liabilities <sup>(ii)</sup>		(71,393)	(113,240)
<b>Net cash flows from/(used in) financing activities</b>		<b>(71,393)</b>	<b>(113,240)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>8,363</b>	<b>(621,424)</b>
Cash and cash equivalents at the beginning of the year		826,932	1,448,356
<b>Cash and cash equivalents at the end of the year</b>	<b>7.2</b>	<b>835,295</b>	<b>826,932</b>

The accompanying notes form part of these financial statements.

Notes:

(i) Goods and services tax recovered from the ATO is presented on a net basis.

(ii) VGCCC has recognised cash payments for the principal portion of lease payments as financing activities; cash payments for the interest portion as operating activities consistent with the presentation of interest payments and short-term lease payments for leases and low-value assets as operating activities.



## Statement of changes in equity

For the financial year ended 30 June 2024

	Accumulated surplus \$	Contributed capital \$	Total \$
<b>Balance at 1 July 2022</b>	<b>2,913,700</b>	<b>7,901,664</b>	<b>10,815,364</b>
Net result for the year	159,797		159,796
<b>Balance at 30 June 2023</b>	<b>3,073,497</b>	<b>7,901,664</b>	<b>10,975,161</b>
Capital appropriations	1,138,145	1,138,145	
Net result for the year	(412,872)		(412,872)
<b>Balance at 30 June 2024</b>	<b>2,660,625</b>	<b>9,039,809</b>	<b>11,700,434</b>

The accompanying notes form part of these financial statements.

## 1. About this report

The financial statements include the controlled and administered activities of the VGCCC.

Its principal address is:  
Level 4, 12 Shelley Street  
Richmond, Victoria 3121

### Introduction

The overall objectives of VGCCC are set out in section 9 of the *Victorian Gambling and Casino Control Commission Act 2011*.

VGCCC operates within the scope of gambling legislation *Gambling Regulation Act 2003 (GRA)*, *Casino Control Act 1991 (CCA)*, *Racing Act 1958 and Casino (Management Agreement) Act 1993*. VGCCC's functions are, broadly, to:

- perform regulatory, investigative and disciplinary functions.
- undertake licensing, approval, authorisation and registration activities.
- promote and monitor compliance.
- detect and respond to contraventions.
- advise the Minister in relation to the exercise of functions.
- ensure government policy in relation to gambling is implemented.
- inform and educate the public about the regulatory practices and requirements of VGCCC.

#### 1.1 Basis of preparation

These financial statements are in Australian dollars and the historical cost convention is used unless a different measurement basis is specifically disclosed in the note associated with the item measured on a different basis.

The accrual basis of accounting has been applied in preparing these financial statements, whereby assets, liabilities, equity, income and expenses are recognised in the reporting period to which they relate, regardless of when cash is received or paid.

Judgements, estimates and assumptions are required to be made about financial information being presented. The significant judgements made in the preparation of these financial statements are disclosed in the notes where amounts affected by those judgements are disclosed. Estimates and associated assumptions are based on professional judgements derived from historical experience and various other factors that are believed to be reasonable under the circumstances.

Actual results may differ from these estimates. Revisions to accounting estimates are recognised in the period in which the estimate is revised and also in future periods that are affected by the revision.

#### 1.2 Compliance information

These general-purpose financial statements have been prepared in accordance with the *Financial Management Act 1994 (FMA)* and applicable Australian Accounting Standards (AAS) which include Interpretations, issued by the Australian Accounting Standards Board (AASB). In particular, they are presented in a manner consistent with the requirements of AASB 1049 Whole of Government and General Government Sector Financial Reporting .

Where appropriate, those AAS paragraphs applicable to not-for-profit entities have been applied. Accounting policies selected and applied in these financial statements ensure that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

## 2. Funding delivery of our services

VGCCC receives grant funding from the Department of Justice and Community Safety to be applied for the purposes of delivering outputs associated with the regulations of the gambling industry in Victoria to ensure the ongoing integrity and probity of the industry.

### 2.1 Summary of income that funds the delivery of our services

	2024 \$	2023 \$
<b>Income recognised under AASB 1058 Income of Not-for-Profit Entities (AASB 1058)</b>		
Grants	28,168,655	22,425,472
Special purpose grant	19,271,293	15,374,150
<b>Total income from transactions</b>	<b>47,439,948</b>	<b>37,799,622</b>

Income that funds the delivery of VGCCC's services is accounted for consistently with the requirements of the relevant accounting standards, as disclosed in the following notes. Where applicable, amounts disclosed as income are net of returns, allowances, duties and taxes. All amounts of revenue and income over which VGCCC does not have control are disclosed as administered items (see Note 4.1).

#### Grants recognised under AASB 1058

VGCCC has determined that all grant income is recognised as income of not-for-profit entities in accordance with AASB 1058.

Income from grants without sufficiently specific performance obligations, or with performance obligations that are not enforceable, is recognised when VGCCC has an unconditional right to receive cash which usually coincides with receipt of cash. On initial recognition of the asset, VGCCC recognises any related contributions by owners, increases in liabilities, decreases in assets, and revenue ('related amounts') in accordance with other AASs. Related amounts may take the form of:

- a) contributions by owners, in accordance with AASB 1004 Contributions (AASB 1004)
- b) revenue or a contract liability arising from a contract with a customer, in accordance with AASB 15 Revenue from Contracts with Customers

- c) a lease liability in accordance with AASB 16 Leases (AASB 16)
- d) a financial instrument, in accordance with AASB 9 Financial Instruments (AASB 9) or
- e) a provision, in accordance with AASB 137 Provisions, Contingent Liabilities and Contingent Assets

Income received for specific purpose grants for on-passing is recognised simultaneously as the funds are immediately on passed to the relevant recipient entities.

#### Annotated income agreement

Under section 29 of the FMA, the Department of Justice and Community Safety has certain State income which is collected by VGCCC and annotated to its annual appropriation. At the point when the income is recognised by the State, section 29 provides for an equivalent amount to be added to the annual appropriation of the Department of Justice and Community Safety, which then passes this on to VGCCC as a grant. This in effect allows VGCCC to keep these funds collected on behalf of the State as grant income. During the reporting period, VGCCC received \$5.1m in annual grants through FMA section 29 agreements (2023: \$2.0m).

### 3. The cost of delivering services

#### Introduction

This section provides an account of the expenses incurred by VGCCC in delivering services and outputs.

#### 3.1 Expenses incurred in the delivery of services

	Notes	2024 \$	2023 \$
Employee expenses	3.1.1	28,797,943	21,998,604
Other operating expenses	3.2	17,883,681	14,154,509
<b>Total expenses incurred in delivery of services</b>		<b>46,681,624</b>	<b>36,153,113</b>

#### 3.1.1 Employee benefits in the comprehensive operating statement

	2024 \$	2023 \$
<b>Employee expenses</b>		
Salaries and wages, annual leave and long service leave (LSL)	23,876,951	17,402,033
Other on-costs (payroll tax, workcover levy, mental health levy and fringe benefits tax)	1,564,665	1,190,950
Superannuation	2,448,818	1,901,356
Termination benefits	907,509	1,504,265
<b>Total employee expenses</b>	<b>28,797,943</b>	<b>21,998,604</b>

Employee expenses include all costs related to employment including wages and salaries, fringe benefits tax, leave entitlements, termination payments, workcover premiums and mental health levy.

The amount recognised in the comprehensive operating statement includes employer contributions for members of both defined benefit and defined contribution superannuation plans that are paid or payable to these plans during the reporting period. VGCCC does not recognise any defined benefit liabilities because it has no legal or constructive obligation to pay future benefits relating to its employees.

The Department of Treasury and Finance in its financial statements discloses on behalf

of the State, as the sponsoring employer, the net defined benefit cost related to the members of these plans as an administered liability. Refer to the Department of Treasury and Finance's financial statements for more detailed disclosures in relation to these plans.

Termination benefits are payable when employment is terminated before the normal retirement date, or when an employee accepts an offer of benefits in exchange for the termination of employment. Termination benefits are recognised when VGCCC is demonstrably committed to terminating the employment of current employees according to a detailed formal plan without the possibility of withdrawal or providing termination benefits as a result of an offer made to encourage voluntary redundancy.

### 3.1.2 Employee benefits in the balance sheet

	2024 \$	2023 \$
<b>Current provisions</b>		
<b>Employee benefits – annual leave <sup>(i)</sup></b>		
Unconditional and expected to settle within 12 months	1,912,357	1,639,350
Unconditional and expected to settle after 12 months <sup>(ii)</sup>	259,095	261,048
<b>Employee benefits – LSL <sup>(i)</sup></b>		
Unconditional and expected to settle within 12 months	315,221	285,938
Unconditional and expected to settle after 12 months <sup>(ii)</sup>	1,690,526	1,529,647
<b>Provisions relating to employee benefit on-costs</b>		
Unconditional and expected to settle within 12 months	359,387	290,196
Unconditional and expected to settle after 12 months <sup>(ii)</sup>	339,515	284,544
<b>Total employee current provisions</b>	<b>4,876,101</b>	<b>4,290,723</b>
<b>Non-current provisions</b>		
Employee benefits - LSL <sup>(i)</sup>	545,125	389,274
Employee benefit on-costs	81,504	62,044
<b>Total employee non-current provisions</b>	<b>626,629</b>	<b>451,318</b>
<b>Total employee provisions</b>	<b>5,502,730</b>	<b>4,742,041</b>

Notes:

- (i) Employee benefits consist of annual leave and LSL accrued by employees. On-costs such as payroll tax and workers' compensation insurance are not employee benefits and are reflected as a separate provision.
- (ii) Amounts are measured at present values.

## Reconciliation of movement in on-cost provision

	2024 \$	2023 \$
<b>Opening balance</b>	<b>636,784</b>	<b>1,074,068</b>
Additional provisions recognised	450,516	151,523
Transfer to Liquor Control Victoria	-	(259,699)
Reductions arising from payments/other sacrifices of future economic benefits	(306,894)	(329,108)
<b>Closing balance</b>	<b>780,406</b>	<b>636,784</b>
Current	698,902	574,740
Non-current	81,504	62,044
<b>Total employee benefits related on-costs</b>	<b>780,406</b>	<b>636,784</b>

### Wages and salaries, annual leave and sick leave:

Liabilities for wages and salaries (including non-monetary benefits, annual leave and on-costs) are recognised as part of the employee benefits provision as current liabilities because VGCCC does not have an unconditional right to defer settlements of these liabilities.

The liability for salaries and wages is recognised in the balance sheet at remuneration rates which are current at the reporting date. As VGCCC expects the liabilities to be wholly settled within 12 months of the reporting date, they are measured at undiscounted amounts.

The annual leave liability is classified as a current liability as VGCCC does not have an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period. Amounts expected to settle within 12 months are measured at the undiscounted amount expected to be paid. All other amounts are measured at present value.

No provision has been made for sick leave as all sick leave is non-vesting and it is not considered probable that the average sick leave taken in the future will be greater than the benefits accrued in the future. As sick leave is non-vesting, an expense is recognised in the comprehensive operating statement as it is taken.

Employment on-costs such as payroll tax and workers compensation are not employee benefits. They are disclosed separately as a component of the provision for employee

benefits when the employment to which they relate has occurred.

**Unconditional LSL** is disclosed as a current liability, even where VGCCC does not expect to settle the liability within 12 months. This is because it will not have the conditional right to defer the settlement of the entitlement should an employee take leave within 12 months.

The components of this current LSL liability are measured at either:

- undiscounted value – if VGCCC expects to wholly settle within 12 months
- present value – if VGCCC does not expect to wholly settle within 12 months.

Conditional LSL is disclosed as a non-current liability. There is a conditional right to defer the settlement of the entitlement until the employee has completed the requisite years of service. This non-current LSL liability is measured at the present value.

Any gain or loss following a revaluation of the present value of non-current LSL liability is recognised as a transaction, except to the extent that a gain or loss arises due to changes in bond interest rates, in which case it is then recognised as an 'other economic flow' in the net result.

### 3.1.3 Superannuation contributions

Employees of VGCCC are entitled to receive superannuation benefits and VGCCC contributes to both defined benefit and defined contribution plans. The defined benefit plans provide benefits based on years of service and final average salary. There were no outstanding contributions payable as at 30 June 2024 (2023: nil)

	Paid contribution for the year	
	2024 \$	2023 \$
<b>Defined benefit plans <sup>(i)</sup>:</b>		
Emergency Services and State Super	45,577	79,888
<b>Defined contribution plans:</b>		
VicSuper	—	664,142
Various other	2,403,241	1,157,327
<b>Total</b>	<b>2,448,818</b>	<b>1,901,357</b>

Note:

(i) The basis for determining the level of contributions is determined by the various actuaries of the defined benefit superannuation plans.

## 3.2 Other operating expenses

	2024 \$	2023 \$
<b>Supplies and services</b>		
IT licence and maintenance	2,062,090	3,025,247
Contractors and professional services	12,283,359	7,672,270
Occupancy costs <sup>(i)</sup>	1,767,912	1,466,350
Other occupancy related costs	494,399	890,009
Postage and advertising	54,763	81,230
Printing, stationery and office requisites	136,339	104,678
Training and development	230,116	264,918
Motor vehicle running costs	56,445	103,480
Telephone and other communication expenses	192,707	156,183
Travel and related expenses	121,243	53,795
Interest expense	511	5,627
Other	483,797	330,720
<b>Total other operating expenses</b>	<b>17,883,681</b>	<b>14,154,509</b>

Notes:

- (i) The occupancy costs include a service agreement for office occupancy services with the Department of Treasury Finance as part of the government's Centralised Accommodation Management (CAM) strategy. The agreement has been evaluated against the lease evaluation criteria and management assessment concluded that it does not form a lease.

Other operating expenses generally represent the day-to-day running costs incurred in normal operations and payments against specific purpose grants received from the Department of Justice and Community Safety. Supplies and services include VGCCC's office occupancy and related cost.

**Supplies and services** are recognised as an expense in the reporting period in which they are incurred.

The following lease payments are recognised as expenses as incurred:

- short-term – leases with a term less than 12 months
- low-value leases – leases with the underlying asset's fair value (when new, regardless of the age of the asset being leased) is no more than \$10,000.



## 4. Financial information administered items

### 4.1 Administered items

On behalf of the government, VGCCC collects revenue amounts which are paid directly into the Consolidated Fund. VGCCC does not gain control over these resources and accordingly, they are not recognised as income in the comprehensive operating statement. Transactions and balances relating to these resources (except as otherwise disclosed) are accounted for on the same basis and using the same accounting policies as for VGCCC items. Both controlled and administered items of VGCCC are consolidated into the financial statements of the State.

VGCCC is accountable for the transactions involving these resources but does not have the discretion to deploy the resources for the achievement of its objectives.

The cost relating to the collection and accounting for the administered revenue is met via the annual grant funding provided by the Department of Justice and Community Safety.

#### 4.1.1 Collection of revenue on behalf of the government

Revenue collected on behalf of the government includes taxes, fees, fines and the proceeds from the sale of non-current assets.

#### 4.1.2 Licence revenue

Revenue is measured based on the consideration specified in the contract with the licensee. VGCCC recognises revenue according to when the licensee obtains control of the benefits of the license. The venue operator licensee gains control of the licence over the life of the contract with the State. Amounts paid under licensee agreements are recognised on the administered balance sheet as:

- contract liabilities when paid in advance of VGCCC satisfying the associated performance obligations, or
- contract assets when benefits provided by VGCCC to licensees have not yet been invoiced.

### Major licences

The following is a list of the major licences. The total licence income recognised for these major licences during the year is \$202.0 million (2023: \$185.0 million).

#### Public lottery

The premium payment of \$120 million for the public lottery licence was received on 29 June 2018 and is to be recognised over 10 years unless surrendered or cancelled earlier in accordance with the GRA. The licence became operational on 1 July 2018. \$12 million is reported as revenue in 2024 (2023: \$12 million) and \$48.0 million is recognised as contract liability in 2024 (2023: \$60.0 million).

#### Keno

A 20-year licence commencing 15 April 2022 has been issued to two licensees.

A total of \$100 million for the Keno licences was received upfront, \$25 million from The Lottery Corporation on 18 March 2022 and \$75 million from Lottoland on 21 March 2022. \$5 million is reported as revenue in 2024 (2023: \$5 million) and \$89 million has been recognised as a contract liability as at 30 June 2024 (2023: \$94 million).

#### Wagering and betting licences

An amount of \$410 million which was received on 19 January 2012 for the existing wagering and betting licence was recognised over 12 years. The licence became operational on 16 August 2012 and \$2.8 million is recognised as a contract liability as at 30 June 2024 (2023: \$37 million). \$34 million is reported as revenue in 2024 (2023: \$34 million).

This licence is expired on 15 August 2024.

A new licence agreement was entered into on 18 December 2023 for a period 20 years commencing on 16 August 2024.

The Minister has determined the premium payment to be made up of:

- a) \$600 million paid on 26th June 2024
- b) \$30 million payable on each anniversary of the licence commencement date, or such time as determined by the Minister.

\$600 million was reported as contract liability at 30 June 2024.

### Electronic gaming machine licences (EGM)

In July 2018 the venue operators entered into an entitlement-related EGM licenses agreement for payment with the Minister on behalf of the State of Victoria. The Minister confirmed the number of EGM entitlements to each venue operator to operate gaming machines for a period of 10 years from August 2022.

The licence period for the final allocation commenced on 16 August 2022 until 15 August 2032, with a total nominal value of \$1,278 million. The payment terms of the licenses allow venue operators to pay the full amount up-front, or to pay quarterly instalments over a 5 to 7 year period. Amounts received in advance of a performance obligation being satisfied are recognised as a contract liability.

Management has applied judgment in interpreting the requirements of AASB 15 – Revenue from Contracts with Customers to determine at what point in time to recognise a receivable in respect of EGM entitlement contracts. Consideration has been given to when VGCCC has an unconditional right to receive payments for these non-cancellable contracts given the advance payment terms applied. Management has concluded that VGCCC has an unconditional right to receive payment upon satisfaction of the performance obligations associated with these contracts, and it is at that point that a receivable is recognised.

\$139 million is reported as revenue in 2024 (2023: \$122 million) and \$256 million was reported as contract liability at 30 June 2024 (2023: \$185 million)

### Casino Licence

The accounting treatment adopted by VGCCC for the casino licence is based on AASB 15 - Revenue from Contracts with Customers. Crown Melbourne Ltd ('Crown') paid \$250 million for approved amendments to the casino licence that became operational on 3 November 2014. Under the Casino licence agreement, an amount of \$250 million is payable on 1 July 2033.

#### 4.1.3 Taxation revenue

Taxes are accounted for under AASB – 1058 Income of Not-for-Profit Entities as the tax is considered a statutory levy. The revenue is recognised on the earlier of either; receipt of a taxpayer's self-assessment, or the time the taxpayer's obligation to pay arises pursuant to the issue of an assessment by the VGCCC.

Gambling taxes revenue from EGM venues and public lotteries are calculated by the licensees who supply the taxable revenue data to VGCCC. The tax revenue information supplied are audited and verified by the VGCCC. VGCCC is responsible for the accurate recording and treatment of gambling taxes revenue payments collected by the Commission.

#### Casino taxes

From 1 July 2023, the collection and administration of casino tax was transferred from the VGCCC to the State Revenue Office. The *Gambling Taxation Act 2023* (the Act) received Royal Assent on 6 June 2023. It imposes various gambling taxes to be administered by the Commissioner of State Revenue (Commissioner) from 1 July 2023. Taxes collected by the State Revenue Office are reported as administered revenue in the financial report of the Department of Treasury and Finance.

Any further casino taxes that may be collected as a result of State considerations into findings from the Victorian Royal Commission into the Casino Operator and Licence will be collected by the State.

#### Material fine revenue

For the 2023–24 financial year, VGCCC has not imposed fines against Crown (2023 \$170 million).

#### 4.1.4 Transactions on behalf of the government

	2024 \$'000	2023 \$'000
<b>Administered income</b>		
Appropriations-payments on behalf of the State	51,315	45,729
Casino supervision charge	19,271	15,896
Gaming taxation	1,248,608	1,242,571
Gambling licence application fees	467	421
Minor gaming application fee	14	15
Keno licence	7,641	6,205
Casino taxation <sup>(i)</sup>	29,269	168,379
Casino lease income	11,526	11,517
Public lotteries taxation	723,055	653,993
Tabcorp supervision fee	4,013	1,749
Tattersall's supervision fee	1,191	724
Venue operators supervision fees	9,574	5,137
Lottery licence	12,000	12,000
Gambling venue licence fees	139,290	121,794
Wagering and betting licence fees	34,167	34,167
Casino statutory fines <sup>(ii)</sup>	0	170,002
Miscellaneous	26,751	26,288
<b>Total administered income</b>	<b>2,318,152</b>	<b>2,516,586</b>
<b>Administered expenses</b>		
Payments made to other jurisdictions	(51,315)	(45,729)
Payments to consolidated fund	(2,863,600)	(2,437,797)
Bad and doubtful debts	(752)	(1,384)
<b>Total administered expenses</b>	<b>(2,915,667)</b>	<b>(2,484,911)</b>
<b>Administered other economic flows</b>		
Net gain/(loss) on financial assets	—	—
<b>Total administered other economic flows</b>	<b>—</b>	<b>—</b>
<b>Administered net result from transactions (net operating balance) and comprehensive result</b>	<b>(597,515)</b>	<b>31,676</b>

Notes:

- (i) This amount relates to Commission Based Players Gaming Revenue Guarantee owing under clause 22A.3 of the Casino Management Agreement in relation to the 2021, 2022 and 2023 financial years.
- (ii) VGCCC has not imposed fines against the Casino this financial year.

	2024 \$'000	2023 \$'000
<b>Administered current assets</b>		
Receivables	153,836	178,269
Contract assets	22,311	5,017
<b>Total current assets</b>	<b>176,147</b>	<b>183,286</b>
<b>Non-current assets</b>		
Contract Assets	161,853	153,403
Total non-current assets	161,853	153,403
<b>Total assets</b>	<b>338,000</b>	<b>336,689</b>
<b>Liabilities</b>		
<b>Current liabilities</b>		
Contract liability	72,143	80,976
Payables	3,693	4,846
<b>Total current liabilities</b>	<b>75,836</b>	<b>85,821</b>
<b>Non-current liabilities</b>		
Contract liability	1,026,850	418,038
<b>Total non-current liabilities</b>	<b>1,026,850</b>	<b>418,038</b>
<b>Total liabilities</b>	<b>1,102,686</b>	<b>503,859</b>
<b>Net assets</b>	<b>(764,686)</b>	<b>(167,172)</b>
<b>Equity balance at 30 June</b>	<b>(764,686)</b>	<b>(167,172)</b>

## 5. Key assets available to support output delivery

### Introduction

VGCCC controls assets that are utilised in fulfilling its objectives and conducting its activities. They represent the resources that have been entrusted to VGCCC to be utilised for the delivery of those outputs.

### 5.1 Property, plant and equipment

	2024 \$	2023 \$
<b>Leasehold improvements</b>		
At fair value	6,520,522	6,520,522
Less: accumulated depreciation	(6,520,522)	(6,520,522)
	—	—
<b>Computer and communication equipment</b>		
At fair value	1,735,038	1,735,038
Less: accumulated depreciation	(1,683,396)	(1,535,422)
	<b>51,642</b>	<b>199,616</b>
<b>Plant, equipment and vehicles</b>		
At fair value	100,589	100,589
Less: accumulated depreciation	(50,254)	(39,616)
	<b>50,335</b>	<b>60,973</b>
<b>Leased vehicles – Right of use assets</b>		
At fair value	324,540	157,086
Less: accumulated amortisation	(184,803)	(101,761)
	<b>139,737</b>	<b>55,325</b>
<b>Total property, plant and equipment</b>		
Gross carrying amount	8,680,689	8,513,235
Less: Accumulated depreciation and amortisation	(8,438,975)	(8,197,321)
<b>Net carrying amount of property, plant and equipment</b>	<b>241,714</b>	<b>315,914</b>

### **Property plant and equipment initial recognition**

Items of property, plant and equipment, are measured initially at cost and subsequently revalued at fair value less accumulated depreciation. Where an asset is acquired for no or nominal cost, the cost is its fair value at the date of acquisition. The cost of constructed non-financial physical assets includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overheads. The cost of leasehold improvements is capitalised and depreciated over the shorter of the remaining term of the lease or their estimated useful lives.

### **Property, plant and equipment – subsequent measurement**

These are valued using the current replacement cost method. Fair value for plant and equipment that are specialised in use (such that it is rarely sold other than as part of a going concern) is determined using the depreciated replacement cost method. Refer to Note 8.3 for additional information on fair value determination of property, plant and equipment.

### **Right-of-use asset acquired by lessees – initial measurement**

VGCCC recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at a cost that comprises the initial amount of the lease liability adjusted for:

- any lease payments made at or before the commencement date;
- any initial direct costs incurred; plus
- an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located.

### **Right-of-use asset – subsequent measurement**

VGCCC depreciates right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

Leased vehicles are valued using the depreciated cost method. Due to the short term economic life, depreciated cost has been deemed a reasonable proxy for fair value. VGCCC acquires the right-of-use new vehicles and at times disposes of them before the end of their economic life. The process of acquisition, use and disposal in the market is managed by experienced fleet managers in the Department of Government Services who set relevant depreciation rates during use to reflect the utilisation of the vehicles. The right-to-use assets are also subject to revaluation.

In addition, the right-of-use asset is periodically reduced by impairment losses, if any and adjusted for certain remeasurements of the lease liability.

## 5.1.1 Depreciation and amortisation

Charge for the period

	2024 \$	2023 \$
<b>Depreciation and amortisation of property, plant, equipment and intangible assets</b>		
Computer and communication equipment	147,974	234,368
Plant, equipment and motor vehicles	10,638	13,317
Leased vehicles	69,550	111,263
Internally developed software	956,077	1,140,273
<b>Total depreciation and amortisation expense</b>	<b>1,184,239</b>	<b>1,499,221</b>

All assets that have finite useful lives are depreciated or amortised. The exceptions to this rule include items under low-value leases, assets held for sale, and capital work in progress.

Depreciation and amortisation are generally calculated on a straight-line basis, at rates that

allocate the asset's value, less any estimated residual value, over its estimated useful life. Typical estimated useful lives for the different asset classes for current and prior years are included in the table below:

Asset Class	Useful life (in years)
Leasehold improvements-office fit out	7.6
Computer and communication equipment	4
<b>Plant, equipment and vehicles</b>	
Office equipment	8
Vehicles	3
<b>Leased property and vehicles</b>	
Right-of-use vehicles	3
<b>Intangibles assets</b>	
Intangibles	8

The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period, and adjustments are made where appropriate.

Right-of-use assets are generally amortised over the shorter of the asset's useful life and the lease term. Leasehold improvements are depreciated over the shorter of the lease term and their useful lives.

5.1.2 Reconciliation of movements in carrying amount of property, plant and equipment

	Computer and communication equipment at fair value		Plant, equipment and vehicles at fair value		Leased vehicles at fair value		Capital work in progress at cost		Total	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Opening balance</b>	<b>199,617</b>	<b>420,018</b>	<b>60,973</b>	<b>74,443</b>	<b>55,324</b>	<b>496,224</b>	<b>—</b>	<b>21,305</b>	<b>315,914</b>	<b>1,011,989</b>
Additions	—	—	—	—	153,962	191,596	—	—	153,962	191,596
Capitalisation from capital work in progress	—	21,305	—	—	—	—	—	(21,305)	—	—
Disposals	—	(7,338)	—	(153)	—	(382,978)	—	—	—	(390,469)
Transfer to Liquor Control Victoria	—	—	—	—	—	(138,254)	—	—	—	(138,254)
Depreciation and amortisation expense	(147,974)	(234,368)	(10,638)	(13,317)	(69,550)	(111,263)	—	—	(228,162)	(358,948)
<b>Closing balance</b>	<b>51,643</b>	<b>199,617</b>	<b>50,335</b>	<b>60,973</b>	<b>139,736</b>	<b>55,324</b>	<b>0</b>	<b>0</b>	<b>241,714</b>	<b>315,914</b>



## 5.2 Intangible assets

	2024 \$	2023 \$
<b>Intangible assets</b>		
At fair value	17,565,929	15,818,879
Less accumulated amortisation	(14,841,408)	(13,885,331)
	<b>2,724,521</b>	<b>1,933,548</b>
<b>Capital work in progress</b>		
At cost	1,084,215	544,828
	<b>1,084,215</b>	<b>544,828</b>
<b>Total intangible assets</b>		
Gross carrying amount	18,650,144	16,363,707
Less accumulated amortisation	(14,841,408)	(13,885,331)
<b>Net carrying amount of intangible assets</b>	<b>3,808,736</b>	<b>2,478,376</b>

	Intangibles		Capital work in progress		Total	
	2024 \$	2023 \$	2024 \$	2023 \$	2024 \$	2023 \$
<b>Opening balance</b>	<b>1,933,548</b>	<b>2,703,959</b>	<b>544,828</b>	<b>340,516</b>	<b>2,478,376</b>	<b>3,044,476</b>
Additions	1,747,050	—	539,387	574,173	<b>2,286,437</b>	<b>574,173</b>
Capitalisation from capital work in progress		369,861		(369,861)	—	—
Amortisation expense <sup>(i)</sup>	(956,077)	(1,140,273)	—	—	<b>(956,077)</b>	<b>(1,140,273)</b>
<b>Net book value at end of financial year</b>	<b>2,724,521</b>	<b>1,933,548</b>	<b>1,084,215</b>	<b>544,828</b>	<b>3,808,736</b>	<b>2,478,376</b>

Notes:

- (i) The consumption of internally generated intangible assets is included in the depreciation and amortisation line item in the operating statement. VGCCC intangible assets include purchased and internally-generated computer software.

## Initial recognition

Purchased intangible assets are all computer software assets and are initially recognised at cost. When the recognition criteria in AASB 138

Intangible Assets is met, internally generated intangible assets are recognised at cost.

An internally generated intangible asset arising from development is recognised if, and only if, all of the following are demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use
- an intention to complete the intangible asset and use it
- the ability to use or sell the intangible asset
- the intangible asset will generate probable future economic benefits
- the availability of adequate technical, financial and other resources to complete the development and to use the intangible asset
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

## Subsequent measurement

Intangible assets with finite useful lives, are amortised as an 'expense from transactions' on a straight-line basis over their useful lives. Refer to note 5.1.1 for information on amortisation. Subsequently, intangible assets with finite useful lives are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation begins when the asset is available for use, that is when it is in the location and condition necessary for it to be capable of operating in the manner intended by management.

## Impairment of intangible assets

Intangible assets with finite useful lives (and intangible assets not yet available for use) are tested annually for impairment and whenever there is an indication that the asset may be impaired.

There were no indications of impairment of intangible assets during 2023–24.

## 6. Other assets and liabilities

### Introduction

This section sets out those assets and liabilities that arose from VGCCC's controlled operations.

### 6.1 Receivables

	2024 \$	2023 \$
<b>Current receivables</b>		
Contractual		
Receivables	347,086	224,105
<b>Statutory</b>		
Amounts owing from the Department of Justice and Community Safety <sup>(i)</sup>	15,773,516	14,331,941
GST Input tax credits recoverable	203,850	258,618
<b>Total current receivables</b>	<b>16,324,452</b>	<b>14,814,665</b>
<b>Non-current receivables</b>		
<b>Statutory</b>		
Amounts owing from the Department of Justice and Community Safety <sup>(i)</sup>	81,504	62,044
<b>Total non-current receivables</b>	<b>81,504</b>	<b>62,044</b>
<b>Total receivables</b>	<b>16,405,956</b>	<b>14,876,709</b>

Notes:

- (i) The amounts recognised as owing from Department of Justice and Community Safety represent funding for all commitments incurred and will be drawn down from the Consolidated Fund in the form of a grant as the commitments fall due.

**Contractual receivables** are classified as financial instruments and categorised as 'receivables'. They are initially recognised at fair value plus any directly attributable transaction costs. Subsequent to initial measurement they are measured at amortised cost using the effective interest method, less any impairment.

**Statutory receivables** do not arise from contracts and are recognised and measured similarly to contractual receivables (except for impairment) but are not classified as Financial Instruments for disclosure purposes. VGCCC applies AASB 9 Financial Instruments for initial measurement of the statutory receivable and, as a result, statutory receivables are initially recognised at fair value plus any directly attributable transaction cost.

## 6.2 Payables

	2024	2023
	\$	\$
<b>Current Payables</b>		
<b>Contractual</b>		
Creditors	91,438	87,535
Accrued wages and salaries	89,208	—
Accrued expenses	4,144,035	3,314,106
<b>Total payables</b>	<b>4,324,681</b>	<b>3,401,641</b>

**Contractual payables** are classified as financial instruments and categorised as financial liabilities at amortised cost.

Payables consist predominantly of creditors and accruals on wages and salaries and expenses and are recognised at amortised cost. Payables represent liabilities for goods and services provided to VGCCC prior to the end of a period that are unpaid and arise when VGCCC becomes obliged to make future payments in respect of the purchase of these goods and services.

Payables for supplies and services have an average credit period of 30 days and are paid within credit terms.

## 6.3 Other Provisions

	2024	2023
	\$	\$
<b>Non-Current Provision</b>		
Make Good	309,682	0
<b>Total Other Provision</b>	<b>309,682</b>	<b>—</b>

VGCCC has signed a 4 year agreement with the Department of Treasury and Finance in December 2021, with the contract period from 1 July 2021 to 31 August 2025. Under the lease terms of this arrangement, VGCCC will be liable to make good the premises.

## 7. How we financed our operations

### Introduction

This section provides information on the sources of finance utilised by VGCCC during its operations, and other information related to the financing activities of VGCCC.

This section includes disclosures of balances that are financial instruments (such as leases and cash balances). Notes

8.1 and 8.3 provide additional, specific financial instrument disclosures.

### 7.1 Leases

Information about leases for which VGCCC is a lessee is presented below.

#### Leasing activities

VGCCC leases motor vehicles. The lease contracts are typically made for fixed periods of 1-3 years.

Interest expense refers to the interest component of lease repayments. Interest expense is recognised in the period in which it is incurred.

#### Maturity analysis of leases

	Minimum future lease payments	Present value of minimum future lease payments	Maturity dates			
			Less than 1 month	1-3 months	3 months – 1 year	1-5 years
<b>2024</b>						
Lease liabilities	138,792	136,815	(1,362)	5,284	41,381	93,489
<b>Total</b>	<b>138,792</b>	<b>136,815</b>	<b>(1,362)</b>	<b>5,284</b>	<b>41,381</b>	<b>93,489</b>
<b>2023</b>						
Lease liabilities	55,492	53,993	1,244	2,487	11,190	39,072
<b>Total</b>	<b>55,492</b>	<b>53,993</b>	<b>1,244</b>	<b>2,487</b>	<b>11,190</b>	<b>39,072</b>

## 7.2 Cash flow information and balances

Cash and deposits, including cash equivalents, comprise cash on hand and cash at bank and those highly liquid investments with an original maturity of three months or less, which are held for the purpose of meeting short-term cash commitments rather than for investment purposes, and which are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value.

For cash flow statement presentation purposes, cash and cash equivalents include cash on hand and in banks, as indicated in the reconciliation below.

	2024 \$	2023 \$
Cash and cash equivalents	835,295	826,932
<b>Balance as per cash flow statement</b>	<b>835,295</b>	<b>826,932</b>

Due to the State's investment policy and funding arrangements, VGCCC does not hold a large cash reserve in its bank accounts. Cash received by the generation of income is generally paid into the State's bank account, known as the public account. Similarly, VGCCC expenditure, including those in the form of payments to its suppliers' or creditors are made via the public account. The process is such that the public account would remit the cash required for the payment to VGCCC's suppliers or creditors.

### 7.2.1 Reconciliation of net result for the period

	2024 \$	2023 \$
<b>Net result for the period</b>	<b>(412,872)</b>	<b>159,797</b>
<b>Non-cash movements</b>		
Depreciation and amortisation of non-current assets	1,184,239	1,499,221
(Gain)/loss on sale or disposal of non-current assets	(188)	9,083
<b>Movements in assets and liabilities</b>		
(Increase)/decrease in receivables	(391,102)	2,257,752
(Increase)/decrease in prepayments	(7,737)	109,933
Increase/(decrease) in payables	1,232,723	1,434,311
Increase/(decrease) in provisions	760,690	(5,403,481)
<b>Net cash flows from/(used in) operating activities</b>	<b>2,365,753</b>	<b>66,615</b>

## 7.2.2 Non-cash financing and investing activities

During the reporting period, VGCCC acquired right-of-use vehicles to the value of \$0.15m (2023: \$0.19m).

## 7.3 Trust account balances

	Opening balance 1 July \$	Total receipts \$	Total payments \$	Closing balance 30 June \$
<b>2024</b>				
Controlled trusts	—	—	—	—
<b>Total</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>2023</b>				
Controlled trusts	632,884	—	632,884	—
<b>Total</b>	<b>632,884</b>	<b>—</b>	<b>632,884</b>	<b>—</b>

## 7.4 Commitments for expenditure

Commitments for future expenditure include operating and capital commitments arising from contracts. These commitments are recorded below at their nominal value inclusive of GST.

These future expenditures cease to be disclosed as commitments once the related liabilities are recognised in the balance sheet.

### 7.4.1 Total commitments payable

	Operating Commitments		Capital		Total	
	2024 \$	2023 \$	2024 \$	2023 \$	2024 \$	2023 \$

#### Operating and capital commitments

Payable <sup>(i)</sup>	2024 \$	2023 \$	2024 \$	2023 \$	2024 \$	2023 \$
Less than one year	2,277,497	1,812,006	—	—	2,277,497	1,812,006
Longer than one year and not longer than five years	1,478,284	458,333	—	—	1,478,284	458,333
Five years or more	—	—	—	—	—	—
<b>Total operating and capital commitments</b>	<b>3,755,781</b>	<b>2,270,340</b>	<b>—</b>	<b>—</b>	<b>3,755,781</b>	<b>2,270,340</b>

## 8. Risks, contingencies and valuation judgements

### Introduction

VGCCC is exposed to risk from its activities and outside factors. In addition, it is often necessary to make judgements and estimates associated with the recognition and measurement of items in the financial statements. This section sets out financial instrument-specific information, (including exposures to financial risks) as well as information about those items that are contingent in nature or require a higher level of judgement to be applied, which for VGCCC relates mainly to fair value determinations.

### 8.1 Financial instruments specific disclosures

Financial instruments arise out of contractual agreements that give rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Due to the nature of VGCCC's activities, certain financial assets and financial liabilities arise under statute rather than contract (for example taxes, fines and penalties). Such financial assets and financial liabilities do not meet the definition of financial instruments in AASB 132 Financial Instruments: Presentation (AASB 132).

### Categories of financial assets

Financial assets at amortised cost: Financial assets are measured at amortised costs if both of the following criteria are met and the assets are not designated as fair value through net results:

- the assets are held by VGCCC to collect the contractual cash flows
- the assets' contractual terms give rise to cash flows that are solely payments of principal and interests.

These assets are initially recognised at fair value plus any directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method less any impairment.

VGCCC recognises the following assets in this category:

- cash and cash equivalents
- receivables, excluding statutory receivables

### Categories of financial liabilities

Financial liabilities at amortised cost are initially recognised on the date they are originated and initially measured at fair value minus any directly attributable transaction costs. Subsequent to initial recognition, these financial instruments are measured at amortised cost with any difference between the initially recognised amount and the redemption value being recognised in profit or loss over the period of the interest-bearing liability, using the effective interest rate method.

VGCCC recognises the following liabilities in this category:

- contractual payables (excluding statutory payables)
- lease liabilities.

Reclassification of financial instruments: Subsequent to initial recognition reclassification of financial liabilities is not permitted. Financial assets are required to be reclassified between fair value through net result, fair value through other comprehensive income and amortised cost when and only when VGCCC's business model for managing its financial assets changes such that its previous model would no longer apply. If under rare circumstances an asset is reclassified, the reclassification is applied prospectively from the reclassification date and previously recognised gains, losses or interest should not be restated. If the asset is reclassified to fair value, the fair value should be determined at the reclassification date and any gain or loss arising from a difference between the previous carrying amount and fair value is recognised in the net result.



## 8.1.1 Financial instruments categorisation

	Cash and cash equivalents \$	Financial assets at amortised cost \$	Financial liabilities at amortised cost \$	Total \$
<b>2024</b>				
<b>Contractual financial assets</b>				
Cash and cash equivalents	835,295	—	—	835,295
Receivables <sup>(i)</sup>	—	347,086	—	347,086
<b>Total contractual financial assets</b>	<b>835,295</b>	<b>347,086</b>	<b>—</b>	<b>1,182,381</b>
<b>Contractual financial liabilities</b>				
Payables	—	—	4,324,681	4,324,681
Lease liabilities	—	—	136,816	136,816
<b>Total contractual financial liabilities</b>	<b>—</b>	<b>—</b>	<b>4,461,497</b>	<b>4,461,497</b>
<b>2023</b>				
<b>Contractual financial assets</b>				
Cash and cash equivalents	826,932	—	—	826,932
Receivables <sup>(i)</sup>	—	224,105	—	224,105
<b>Total contractual financial assets</b>	<b>826,932</b>	<b>224,105</b>	<b>—</b>	<b>1,051,037</b>
<b>Contractual financial liabilities</b>				
Payables	—	—	3,401,641	3,401,641
Lease liabilities	—	—	55,492	55,492
<b>Total contractual financial liabilities</b>	<b>—</b>	<b>—</b>	<b>3,457,133</b>	<b>3,457,133</b>

Notes:

(i) The total amount disclosed here excludes statutory amounts (e.g. amounts owing from Victorian Government and GST input tax credit recoverable and taxes payable).

## 8.1.2 Financial instruments – net holding gain/(loss) on financial instruments by category

	Net holding gain/(loss) \$	Total interest income / (expense) \$	Fees income / (expense) \$	Total \$
<b>2024</b>				
Contractual financial liabilities				
Financial liabilities at amortised cost	—	(511)	—	(511)
<b>Total contractual financial liabilities</b>	<b>—</b>	<b>(511)</b>	<b>—</b>	<b>(511)</b>
<b>2023</b>				
Contractual financial liabilities				
Financial liabilities at amortised cost	—	(5,627)	—	(5,627)
<b>Total contractual financial liabilities</b>	<b>—</b>	<b>(5,627)</b>	<b>—</b>	<b>(5,627)</b>

The net holding gain or loss for financial liabilities measured at amortised cost is calculated as the interest expense, plus or minus gains or losses arising from the revaluation of financial liabilities measured at amortised cost.

### 8.1.3 Credit quality of contractual financial assets that are neither past due nor impaired

As a whole, VGCCC's financial risk management program seeks to manage the risks and the associated volatility of its financial performance.

The main purpose of holding financial instruments is to prudentially manage VGCCC's financial risks within the government policy parameters.

#### Financial instruments: credit risk

Credit risk refers to the possibility that a debtor will default on its financial obligations as and when they fall due. Credit risk arises from the financial assets of VGCCC, which comprise cash and deposit and receivables.

VGCCC's exposure to credit risk arises from the potential default of a counterparty on their contractual obligations resulting in a financial loss to VGCCC. Credit risk is measured at fair value and is monitored on a regular basis.

Credit risk associated with VGCCC's financial assets is minimal because VGCCC only deals with financial institutions with higher credit ratings.

Provision of impairment for contractual financial assets is recognised when there is objective evidence that VGCCC will not be able to collect a receivable. Objective evidence includes financial difficulties of the debtor, default payments, debts that are more than 60 days overdue, and changes in debtor credit ratings. There has been no material change to VGCCC's credit risk profile in 2023–24.

### Credit quality of contractual financial assets that are neither past due nor impaired

	Financial institutions (AA- credit rating) \$	Government agencies (Triple A credit rating) \$	Other \$	Total \$
<b>2024</b>				
Contractual financial assets				
Cash and cash equivalents	835,295	—	—	835,295
Receivables <sup>(i)</sup>	—	—	347,086	347,086
<b>Total contractual financial assets</b>	<b>835,295</b>	<b>—</b>	<b>347,086</b>	<b>1,182,381</b>
<b>2023</b>				
Contractual financial assets				
Cash and cash equivalents	826,932	—	—	826,932
Receivables <sup>(i)</sup>	—	—	224,105	224,105
<b>Total contractual financial assets</b>	<b>826,932</b>	<b>0</b>	<b>224,105</b>	<b>1,051,037</b>

Notes:

(i) The total amount disclosed here exclude statutory amounts (e.g. amounts owing from Victorian Government and GST input tax credit recoverable).

### **Impairment of financial assets**

VGCCC records the allowance for expected credit loss for the relevant financial instruments applying AASB 9's expected credit loss (ECL) approach. VGCCC's contractual receivables and statutory receivables are subject to an annual impairment assessment under AASB 9. While cash and cash equivalents are also subject to the impairment requirements of AASB 9, the identified impairment loss was nil.

On this basis, VGCCC determines the opening loss allowance on the initial application date of AASB 9 and the closing loss allowance at the end of the financial year. In 2023-24 and 2022-23, no ECL was recognised as the assessment indicates zero per cent probability of default for VGCCC contractual financial assets.

Currently, VGCCC does not hold any collateral as security nor credit enhancements relating to any of its financial assets.

There are no financial assets that have had their terms renegotiated so as to prevent them from being past due or impaired.

### **Financial instruments: liquidity risk**

Liquidity risk is the risk that VGCCC would be unable to meet its financial obligations as they fall due. VGCCC operates under the government's fair payments policy of settling financial obligations within 30 days and in the event of a dispute, make payments within 30 days from the date of resolution.

VGCCC's maximum exposure to liquidity risk is the carrying amounts of financial liabilities as disclosed in the balance sheet.

VGCCC's exposure to liquidity risk is deemed insignificant based on prior periods' data and current assessment of risk.

### **Financial instruments: market risk**

VGCCC's exposure to market risk is considered to be immaterial. VGCCC does not engage in financial trading and does not have exposure to foreign currency and other price risks. None of the classes of financial assets and liabilities are readily traded on organised markets in a standardised form.

### **Interest rate risk**

Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate because of changes in market interest rates. VGCCC does not hold any interest-bearing financial instruments that are measured at fair value and therefore has no exposure to fair value interest rate risk.

	Weighted average interest rate %	Interest rate risk exposure			
		Carrying amount \$	Fixed interest rate \$	Variable interest rate \$	Non-interest bearing \$
<b>2024</b>					
<b>Financial assets</b>					
Cash and cash equivalents	4.3	835,295	—	835,295	—
Receivables <sup>(i)</sup>		347,086	—	—	347,086
<b>Total financial assets</b>		<b>1,182,381</b>	<b>—</b>	<b>835,295</b>	<b>347,086</b>
<b>Financial liabilities</b>					
Payables <sup>(i)</sup>		4,324,681	—	—	4,324,681
<b>Borrowings</b>					
Lease liabilities		136,815	136,815	—	—
<b>Total financial liabilities</b>		<b>4,461,496</b>	<b>136,815</b>	<b>0</b>	<b>4,324,681</b>
<b>2023</b>					
<b>Financial assets</b>					
Cash and cash equivalents	2.9	826,932	—	826,932	—
Receivables <sup>(i)</sup>		224,105	—	—	224,105
<b>Total financial assets</b>		<b>1,051,037</b>	<b>—</b>	<b>826,932</b>	<b>224,105</b>
<b>Financial liabilities</b>					
Payables <sup>(i)</sup>		3,401,641	—	—	3,401,641
<b>Borrowings</b>					
Finance lease liabilities		55,492	55,492	—	—
<b>Total financial liabilities</b>		<b>3,457,133</b>	<b>55,492</b>	<b>0</b>	<b>3,401,641</b>

Notes:

- (i) The carrying amounts disclosed here exclude statutory amounts (e.g. amounts owing from Victorian Government, GST input tax credit recoverable and taxes payable).

## 8.2 Contingent assets and contingent liabilities

Contingent assets and contingent liabilities are not recognised in the balance sheet but are disclosed and, if quantifiable, are measured at nominal value.

Contingent assets and liabilities are presented inclusive of GST receivable or payable respectively. Contingent liabilities are:

- possible obligations that arise from past events, whose existence will be confirmed only by the occurrence or non- occurrence of one or more uncertain future events not wholly within the control of the entity

or

- present obligations that arise from past events but are not recognised because:
  - it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligations or
  - the amount of obligations cannot be measured with sufficient reliability.

	2024	2023
	\$	\$
<b>Contingent liabilities</b>		
Premises make good <sup>(i)</sup>	—	480,327
<b>Total contingent liabilities</b>	<b>—</b>	<b>480,327</b>

Notes:

- (i) VGCCC has signed a four year agreement with Department of Treasury and Finance in December 2021, with the contract period from 1 July 2021 to 31 August 2025. Under the lease terms of this arrangement, VGCCC would be liable to make good the premises. As highlighted in note 6.3 a provision has been raised for this make good, where previously this was noted as a contingent liability.

VGCCC had no contingent assets for the years covered by this report.

## 8.3 Fair value determination

This section sets out information on how VGCCC determined fair value for financial reporting purposes. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Consistent with AASB 13 Fair Value Measurement (AASB 13), VGCCC determines the policies and procedures for both recurring fair value measurements such as property, plant and equipment, and financial instruments and for non-recurring fair value measurements such as non-financial physical assets held for sale, in accordance with the requirements of AASB 13 and the relevant financial reporting directions.

### Fair value hierarchy

In determining fair values, a number of inputs are used. To increase consistency and comparability in the financial statements, these inputs are categorised into three levels, also known as the fair value hierarchy. The levels are as follows:

**Level 1** – quoted (unadjusted) market prices in active markets for identical assets or liabilities.

**Level 2** – valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

**Level 3** – valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For the purpose of fair value disclosures, VGCCC has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

### How this section is structured

for those assets and liabilities for which fair values are determined, the following disclosures are provided:

- carrying amount and the fair value (which would be the same for those assets measured at fair value)
- which level of the fair value hierarchy was used to determine the fair value
- for those assets and liabilities subject to fair value determination using Level 3 inputs:
  - a reconciliation of the movements in fair values from the beginning of the year to the end
  - details of significant unobservable inputs used in the fair value determination.

This section is divided between disclosures in connection with fair value determination for financial assets and liabilities (refer to Note 8.3.1) and non-financial physical assets (refer to Note 8.3.2).

### 8.3.1 Fair value determination of financial assets and liabilities

VGCCC currently holds a range of financial instruments that are recorded in the financial statements where the carrying amounts are a reasonable approximation of fair value, either due to their short-term nature or with the expectation that they will be paid in full by the end of the 2024-25 reporting period.

### 8.3.2 Fair value determination: non-financial physical assets

Property, plant and equipment are held at fair value and classified as level 3 of the fair value measurement hierarchy. When building leasehold improvements – office fit-out and plant and equipment are specialised in use, such that it is rarely sold other than as part of a going concern, fair value is determined using the current replacement cost method.

For all assets measured at fair value, the current use is considered the highest and best use.

### Description of significant unobservable inputs to level 3 valuations

2024 and 2023	Valuation technique	Significant unobservable inputs
Building Leasehold Improvements-office fit out	Current replacement cost	Direct cost per square metre Term of the lease
Computer and communication equipment	Current replacement cost	Cost per unit Useful life of computer and communication equipment
Plant, equipment & vehicles	Current replacement cost	Cost per unit <ul style="list-style-type: none"> <li>• office furniture &amp; equipment</li> <li>• security equipment</li> <li>• vehicles</li> </ul> Useful life <ul style="list-style-type: none"> <li>• office furniture and equipment</li> <li>• security equipment</li> <li>• vehicles</li> </ul>

The significant unobservable inputs have remained unchanged from 2023. There were no changes in valuation techniques throughout the period to 30 June 2024.

## 9. Other Disclosures

### Introduction

This section includes additional material disclosures required by accounting standards or otherwise, for the understanding of this financial report.

#### 9.1 Other economic flows included in the net result

Other economic flows are changes in the volume or value of an asset or liability that do not result from transactions. Other gains/(losses) from other economic flows include the net gains or losses from the revaluation of the present value of the LSL liability due to changes in the bond interest rates.

Net gain/(loss) on non-financial assets includes gains/(losses) from disposals of assets.

#### 9.2 Responsible persons

In accordance with the Ministerial Directions issued by the Assistant Treasurer under the FMA, the following disclosures are made regarding responsible persons for the reporting period.

##### Names

The persons who held the positions of Responsible Minister, Members of the Commission and Accountable Officers in VGCCC are as follows:

##### Responsible Minister – Minister for Casino, Gaming and Liquor Regulation

The Hon. Melissa Horne, MP  
1 July 2023 to 30 June 2024

##### Commission Members

Ms Fran Thorn (Chair)  
1 July 2023 to 30 June 2024

Dr Ron Ben-David (Deputy Chair)  
1 July 2023 to 30 June 2024

Mr Andrew Scott (Deputy Chair)  
1 July 2023 to 30 June 2024

Ms Claire Miller  
1 July 2023 to 30 June 2024

Mr Chris O'Neill  
1 July 2023 to 30 June 2024

Accountable Officer  
Ms Annette Kimmitt AM (Chief Executive Officer)

##### Commissioners and Accountable Officer

Remuneration received or receivable by members of the Commission and the Accountable Officer in connection with the management of VGCCC during the reporting period.

##### Responsible persons and Accountable Officer

Income Band	2024 \$	2023 \$
\$90,000-\$99,999	0	1
\$130,000-\$139,999	0	1
\$160,000-\$169,999	0	1
\$170,000-\$179,999	0	1
\$180,000-\$189,999	1	0
\$190,000-\$199,999	2	0
\$200,000-\$209,999	1	0
\$210,000-\$219,999	0	1
\$230,000-\$239,999	1	0
\$470,000-\$479,999	0	1
\$490,000-\$499,999	1	0
<b>Total numbers <sup>(i)</sup></b>	<b>6</b>	<b>6</b>
<b>Total amount <sup>(i)</sup></b>	<b>1,519,040</b>	<b>1,262,091</b>

Notes:

- (i) Disclosure of the number and amount received or receivable by the responsible persons and Accountable Officer are based on Financial Reporting Direction 21.
- (ii) The total number of responsible persons includes persons who meet the definition of key management personnel of the entity under AASB 124 Related Party Disclosures (AASB 124) and are also reported within the related parties note disclosure (Note 9.4).
- (iii) The acting Accountable Officers are not included in this note.



### 9.3 Remuneration of executives

The number of executive officers, other than the Minister and Accountable Officers, and their total remuneration during the reporting period are shown in the table below. Total annualised employee equivalents provide a measure of full-time senior executive service members over the reporting period.

Remuneration comprises employee benefits (as defined in AASB 119 Employee Benefits) in all forms of consideration paid, payable or provided by the entity, or on behalf of the entity, in exchange for services rendered, and is disclosed in the following categories.

**Short-term employee benefits** include amounts such as wages, salaries, annual leave or sick leave that are usually paid or payable on a regular basis, as well as non-monetary benefits such as allowances and free or subsidised goods or services.

**Post-employment benefits** include pensions and other retirement benefits paid or payable on a discrete basis when employment has ceased.

**Other long-term benefits** include LSL, other long service benefits or deferred compensation.

**Termination benefits** include termination of employment payments, such as severance packages.

Remuneration of executive officers	Total remuneration	
	2024 \$	2023 \$
Short-term employee benefits	1,931,198	1,440,655
Post-employment benefits	194,294	146,231
Other long-term benefits	25,665	29,638
Termination benefits	-	135,993
<b>Total remuneration</b>	<b>2,151,157</b>	<b>1,752,517</b>
Total number of executives <sup>(i)</sup>	8.00	8.00
Total annualised employee equivalents <b>(AEE) <sup>(ii)</sup></b>	<b>7.42</b>	<b>8.00</b>

Notes:

- (i) The total number of executive officers includes persons who meet the definition of key management personnel of the entity under AASB 124 and are also reported within the related parties note disclosure (note 94).
- (ii) Annualised employee equivalent is based on paid working hours of 38 ordinary hours per week over the 52 weeks for a reporting period.
- (iii) VGCCC's Key Management Personnel (KMP) policy changed this financial year. Effective of 1 July 2023, the definition of Key Management Personnel was expanded to better align with the Commission's growth and evolving structure. This update will strengthen our governance framework and support our continued growth and success.

## 9.4 Related parties

VGCCC is a wholly owned and controlled entity of the State of Victoria.

Related parties of VGCCC include:

- all key management personnel and their close family members and personal business interests (controlled entities, joint ventures and entities they have significant influence over)
- all cabinet ministers and their close family members
- all departments and public sector entities that are controlled and consolidated into the whole of state consolidated financial statements.

All related party transactions have been entered into on an arm's length basis.

### Significant transactions with government-related entities

VGCCC received funding from Department of Justice and Community Safety of \$47.4 million (2023: \$37.8 million) and made payments to the consolidated fund of \$2,863.60 million (2023: \$2,292.94 million). The payments to the consolidated fund relate to the collection of gambling taxes and licence fees.

Key management personnel of VGCCC includes the portfolio minister, the Hon. Melissa Horne, MP, VGCCC Chairperson and Commissioners, Chief Executive Officer and the Executive Leadership Team.

Key Management Personnel	Position title
Ms Fran Thorn	Chairperson
Dr Ron Ben-David	Deputy Chair
Mr Andrew Scott	Deputy Chair
Ms Claire Miller	Commissioner
Mr Chris O'Neill	Commissioner
Ms Annette Kimmitt AM	Chief Executive Officer
Mr Scott May	Deputy Chief Executive Officer
Mr Adam Thomas	Director Finance and Business Services
Ms Sharon Concisom	General Counsel and Executive Director, Legal Policy & Harm Minisation
Ms Nicole Hughes	Director People and Culture
Mr Ian McLeod	Chief Information Officer
Mr Adam Ockwell	Executive Director Casino
Ms Glorija Kuzman	Director Gambling
Mr Jason Cremona	Director Regulatory Services

## Remuneration of key management personnel

The compensation detailed below excludes the salaries and benefits the portfolio minister receives. The Minister's remuneration and allowances are set by the *Parliamentary Salaries and Superannuation Act 1968* and are reported within the State's annual financial report.

### Compensation of key management personnel

	2024 \$	2023 \$
Short-term employee benefits	3,277,444	2,480,458
Post-employment benefits	321,651	235,797
Other long-term benefits	30,587	29,638
Termination benefits		135,993
<b>Total <sup>(i) (ii)</sup></b>	<b>3,629,682</b>	<b>2,881,886</b>

Notes:

- (i) Definition of the VGCCC Key Management Personnel has expanded to include executive managers who hold critical positions and whose roles and decisions are integral to VGCCC strategic direction.
- (ii) Note that key management personnel are also reported in the disclosure of remuneration of the responsible persons (note 9.2) and executive officers (Note 9.3).

## Transactions and balances with key management personnel and other related parties

Given the breadth and depth of State Government activities, related parties transact with the Victorian public sector in a manner consistent with other members of the public e.g. stamp duty and other government fees and charges. Further employment of processes within the Victorian public sector occurs on terms and conditions consistent with the *Public Administration Act 2004* and Codes of Conduct and Standards issued by the Victorian Public Sector Commission. Procurement processes occur on terms and conditions consistent with the Victorian Government Procurement Board requirements.

Outside of normal citizen type transactions with VGCCC, there were no related party transactions that involved key management personnel, their close family members and their personal business interests.

No provision has been required, nor any expense recognised, for impairment of receivables from related parties.

### 9.5 Remuneration of auditors

	2024 \$	2023 \$
<b>Victorian Auditor-General's Office</b>		
Audit of the financial statements	240,000	210,000
<b>Total remuneration of auditors</b>	<b>240,000</b>	<b>210,000</b>

## 9.6 Subsequent events

VGCCC policy for events that occur between the end of the reporting period and the date when the financial statements are authorised for issue is as follows:

- adjustments are made to amounts recognised in the financial statement where those events provide information about conditions that existed at the reporting date; and/or
- disclosure is made where the events relate to conditions that arose after the end of the reporting period that are considered to be of material interest.

The Victorian Public Service Enterprise Agreement 2024 was formally approved by the Fair Work Commission on 12 August 2024 and began operation on 18 August 2024.

## 9.7 Other accounting policies

### Contribution by owners

Consistent with the requirements of AASB 1004, contributions by owners (that is, contributed capital and its repayment) are treated as equity transactions and, therefore, do not form part of the income and expenses of VGCCC.

## 9.8 Australian Accounting Standards issued that are not yet effective

Certain new and revised accounting standards have been issued but are not effective for the 2023-24 reporting period.

- AASB 2022-10 Amendments to Australian Accounting Standards – Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities.
- AASB 17 Insurance Contracts.
- AASB 2022-8 Amendments to Australian Accounting Standards – Insurance Contracts: Consequential Amendments.
- AASB 2022-9 Amendments to Australian Accounting Standards – Insurance Contracts in the Public Sector.

## 9.9 Glossary of technical terms and style conventions

The following is a summary of the major technical terms used in this report.

### Amortisation

Amortisation is the expense which results from the consumption, extraction or use over time of a non-produced physical or intangible asset.

### Comprehensive result

The net result of all items of income and expense recognised for the period. It is the aggregate of operating result and other comprehensive income.

### Commitments

Commitments include those operating, capital and other outsourcing commitments arising from non-cancellable contractual or statutory sources.

### Depreciation

Depreciation is an expense that arises from the consumption through wear or time of a produced physical or intangible asset. This expense is classified as a 'transaction' and so reduces the 'net result from transactions'.

### Employee expenses

Employee expenses include all costs related to employment including wages and salaries, fringe benefits tax, leave entitlements, redundancy payments, defined benefits superannuation plans, and defined contribution superannuation plans.

### Financial asset

A financial asset is any asset that is either:

- cash
- an equity instrument of another entity
- a contractual right to receive cash or another financial asset from another entity or to exchange financial assets or financial liabilities with another entity under conditions that are potentially favourable to the entity.
- a financial asset can also be a contract that will or may be settled in the entity's own equity instruments and is either:

- a non-derivative for which the entity is or may be obliged to receive a variable number of the entity's own equity instruments
- a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments.

### Financial instrument

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets or liabilities that are not contractual (such as statutory receivables or payables that arise as a result of statutory requirements imposed by governments) are not financial instruments.

### Financial liability

A financial liability is any liability that is a contractual obligation:

- to deliver cash or another financial asset to another entity
- or
- to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the entity.

### Financial statements

A complete set of financial statements comprises:

- balance sheet as at the end of the period
- a comprehensive operating statement for the period
- a statement of changes in equity for the period
- a cash flow statement for the period
- notes, comprising a summary of significant accounting policies and other explanatory information
- comparative information in respect of the preceding period as specified in paragraph 38 of AASB 101 Presentation of Financial Statements (AASB 101)

- a statement of financial position as at the beginning of the preceding period when an entity applies an accounting policy retrospectively or makes a retrospective restatement of items in its financial statements, or when it reclassifies items in its financial statements in accordance with paragraph 41 of AASB 101.

### Grants and other transfers

Grant expenses and other transfers are transactions in which one unit provides goods, services, assets (or extinguishes a liability) or labour to another unit without receiving approximately equal value in return. Grants can either be operating or capital in nature.

While grants to governments may result in the provision of some goods or services to the transferor, they do not give the transferor a claim to receive directly benefits of approximately equal value. For this reason, grants are referred to by the AASB as involuntary transfers and are termed non-reciprocal transfers. Receipt and sacrifice of approximately equal value may occur, but only by coincidence. For example, governments are not obliged to provide commensurate benefits, in the form of goods or services, to particular taxpayers in return for their taxes.

Grants can be paid as general-purpose grants, which refer to grants that are not subject to conditions regarding their use. Alternatively, they may be paid as specific purpose grants, which are paid for a particular purpose and/or have conditions attached regarding their use.

### Intangible produced assets

Refer to produced assets in this glossary.

### Intangible non-produced assets

Refer to non-produced assets in this glossary.

### Interest expense

Costs incurred in connection with the borrowing of funds, includes interest on bank overdrafts and short-term and long-term borrowings, amortisation of discounts or premiums relating to borrowings, interest component of finance leases repayments, and the increase in financial liabilities and non-employee provisions due to the unwinding of discounts to reflect the passage of time.

## Interest income

Interest income includes unwinding over time of discounts on financial assets and interest received on bank term deposits and other investments.

## Leases

Leases are rights conveyed in a contract, or part of a contract, the right to use an asset (the underlying asset) for a period of time in exchange for consideration.

## Net result

Net result is a measure of the financial performance of the operations for the period. It is the net result of items of income, gains and expenses (including losses) recognised for the period, excluding those that are classified as 'other economic flows – other comprehensive income'.

## Net result from transactions/ net operating balance

Net result from transactions or net operating balance is a key fiscal aggregate and is income from transactions minus expenses from transactions. It is a summary measure of the ongoing sustainability of operations. It excludes gains and losses resulting from changes in price levels and other changes in the volume of assets. It is the component of the change in net worth that is due to transactions and can be attributed directly to government policies.

## Net worth

Net worth is calculated as assets less liabilities, which is an economic measure of wealth.

## Non-financial assets

Non-financial assets are all assets that are not 'financial assets'. It includes building leasehold improvements-office fit-out, computer and communication equipment, plant, equipment, vehicles and intangible assets.

## Non-produced assets

Non-produced assets are assets needed for production that have not themselves been produced. They include land, subsoil assets,

and certain intangible assets. Non-produced intangibles are intangible assets needed for production that have not themselves been produced. They include constructs of society such as patents.

## Other economic flows included in net result

Other economic flows included in the net result are changes in the volume or value of an asset or liability that do not result from transactions. It includes gains and losses from disposals, revaluations and impairments of non-current physical and intangible assets; fair value changes of financial instruments and agricultural assets; and depletion of natural assets (non produced) from their use or removal.

## Payables

Includes short-term and long-term trade debt and accounts payable, grants and interest payable.

## Produced assets

Produced assets include buildings, plant and equipment, inventories, cultivated assets and certain intangible assets. Intangible produced assets may include computer software, motion picture films, and research and development costs (which does not include the start-up costs associated with capital projects).

## Receivables

Includes amounts owing from the government through appropriation receivable, short- and long-term trade credit and accounts receivable, grants, taxes and interest receivable.

## Sales of goods and services

Refers to income from the direct provision of goods and services and includes fees and charges for services rendered, sales of goods and services, fees from regulatory services, work done as an agent for private enterprises. It also includes rental income under operating leases and on produced assets such as buildings and entertainment but excludes rent income from the use of non-produced assets such as land. User charges include the sale of goods and services income.

## Style conventions

Figures in the tables and in the text have been rounded. Discrepancies in tables between totals and sums of components reflect rounding. Percentage variations in all tables are based on the underlying unrounded amounts. The notation used in the tables is as follows:

- or 0 zero, or rounded to zero

(xxx) negative numbers

20xx year period

20xx – xx year period

The financial statements and notes are presented based on the illustration for a government department in the 2023–24 model report for Victorian Government departments. The presentation of other disclosures is generally consistent with the other disclosures made in earlier publications of VGCCC / VCGLR annual reports.

## Supplies and services

Supplies and services generally represent the cost of goods sold and the day-to-day running costs, including maintenance costs, incurred in the normal operations of VGCCC.

## Transactions

Transactions are those economic flows that are considered to arise from of policy decisions, usually an interaction between two entities by mutual agreement. They also include flows within an entity such as depreciation where the owner is simultaneously acting as the owner of the depreciating asset and as the consumer of the service provided by the asset.

## Taxation

Taxation is regarded as mutually agreed interactions between the government and taxpayers. Transactions can be in kind (e.g. assets provided/given free of charge or for nominal consideration) or where the final consideration is cash. In simple terms, transactions arise from the policy decisions of the government.

