

Victorian Commission for Gambling and Liquor Regulation

DECISION AND REASONS FOR DECISION

In the matter of an application under section 3.4.17(1)(b) of the *Gambling Regulation Act 2003* by the Watsonia RSL Sub-Branch Inc for amendment of its venue operator's licence to vary the number of electronic gaming machines permitted in the approved premises, the Watsonia RSL Sub-Branch, located at 6 Morwell Road, Watsonia, from eighty three (83) to one hundred and three (103).

Commission: Ms Helen Versey, Deputy Chair
Mr Des Powell AM, Commissioner

Appearances: Ms Louise Hicks of Counsel, for the Applicant (instructed by Williams Winter Solicitors)
Ms Diana Bell, Consultant, for the Council
Ms Amy Rudolph, Counsel Assisting the Commission

Date of Hearing: 21 November 2016

Date of Decision: 21 December 2016

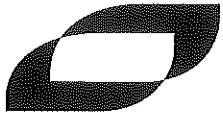
Date of Reasons: 21 December 2016

Decision: The application is granted subject to the conditions outlined at paragraph 91 of the Reasons for Decision.

Signed:

A handwritten signature in blue ink, appearing to read 'Helen Versey'.

Helen Versey
Deputy Chair



REASONS FOR DECISION

INTRODUCTION

1. On 22 July 2016, the Watsonia RSL Sub-Branch Inc (**the Applicant**) applied to the Victorian Commission for Gambling and Liquor Regulation (**the Commission**) to amend its venue operator's licence to vary the number of electronic gaming machines (**EGMs**) permitted in the Watsonia RSL Sub-Branch, located at 6 Morwell Avenue, Watsonia (**the Premises**), from 83 to 103 (**the Application**).
2. The Application is predicated on the proposal to relocate 20 EGMs from the Bundoora Bowling Club (**BBC**) to the Premises, both of which are located in the same local government area (**LGA**) and operated by the Applicant, the venue operator (**Venue Operator**) of both venues.
3. The relevant municipal authority is the Banyule City Council (**the Council**). By correspondence dated 22 September 2016 to the Commission, the Council stated that it intended to make an economic and social impact submission on the Application.
4. The Commission considered the Application by way of a public inquiry.¹ To this end, a public hearing was conducted on 21 November 2016 (**the Hearing**). The Applicant was represented by Ms Louise Hicks of Counsel, instructed by Williams Winter Solicitors. The Council was represented at the Hearing by Ms Diana Bell, Consultant and Ms Theonie Tacticos, Co-ordinator Community & Social Planning at the Council.

THE LEGISLATION AND THE TASK BEFORE THE COMMISSION

5. Gaming on EGMs is a legal recreational and commercial activity in Victoria so long as it is done in accordance with the *Gambling Regulation Act 2003* (**GR Act**). The GR Act recognises that, notwithstanding individual rights of self-determination, gaming on EGMs causes harm to some communities and some members of some communities. For this reason the GR Act includes safeguards to ensure an appropriate balance is struck between a lawful and legitimate recreational activity for some, and a potentially harmful activity for others.
6. The objectives of the GR Act are set out at section 1.1, which provides:

¹ A public inquiry is required to be conducted by the Commission in relation to the Application pursuant to section 28(g)(iii) of the *Victorian Commission for Gambling and Liquor Regulation Act 2011* (**VCGLR Act**). As to the manner in which the Commission is to conduct an inquiry, see generally Pt 3 Div 2 VCGLR Act (Inquiries), see also Pt 2 Div 3 VCGLR Act (Performance and exercise of the Commission's functions, powers and duties).



...

- (2) *The main objectives of this Act are—*
- (a) *to foster responsible gambling in order to—*
 - (i) *minimise harm caused by problem gambling; and*
 - (ii) *accommodate those who gamble without harming themselves or others;*
 - (ab) *to ensure that minors are neither encouraged to gamble nor allowed to do so;*
 - (b) *to ensure that gaming on gaming machines is conducted honestly;*
 - (c) *to ensure that the management of gaming equipment and monitoring equipment is free from criminal influence and exploitation;*
 - (d) *to ensure that other forms of gambling permitted under this or any other Act are conducted honestly and that their management is free from criminal influence and exploitation;*
 - (e) *to ensure that—*
 - (i) *community and charitable gaming benefits the community or charitable organisation concerned;*
 - (ii) *practices that could undermine public confidence in community and charitable gaming are eliminated;*
 - (iii) *bingo centre operators do not act unfairly in providing commercial services to community or charitable organisations;*
 - (f) *to promote tourism, employment and economic development generally in the State.*

7. Chapter 3 of the GR Act deals with the regulation of gaming machines. Section 3.1.1 of the GR Act sets out the purpose of Chapter 3 as follows:

- (1) *The purpose of this Chapter is to establish a system for the regulation, supervision and control of gaming equipment and monitoring equipment with the aims of—*
- (a) *ensuring that gaming on gaming machines is conducted honestly; and*
 - (b) *ensuring that the management of gaming equipment and monitoring equipment is free from criminal influence or exploitation; and*
 - (c) *regulating the use of gaming machines in casinos and other approved venues where liquor is sold; and*
 - (d) *regulating the activities of persons in the gaming machine industry; and*



- (e) *promoting tourism, employment and economic development generally in the State; and*
 - (f) *fostering responsible gambling in order to—*
 - (i) *minimise harm caused by problem gambling;*
 - (ii) *accommodate those who gamble without harming themselves or others.*
 - (2) *The purpose of this Chapter is also to—*
 - (a) *provide for the allocation of gaming machine entitlements in order to maximise the financial and social benefits to the Victorian community within the regulatory framework applying to the allocation of entitlements;*
 - (b) *promote a competitive gaming industry with the aim of providing financial and social benefits to the Victorian community.*

8. The GR Act outlines the process by which a venue operator can apply to the Commission to amend the conditions of their licence.² An applicant must provide such an application to the Commission in an approved form, with the required fee, and with a submission in relation to the net social and economic impact on the municipality in which the approved venue is located (and surrounding municipal districts).

9. An applicant must also give notice to the municipal council of the municipal district in which the approved venue is located (before submitting their application to the Commission).

10. After receiving notice of a proposed amendment, a municipal council may make a submission to the Commission within 60 days of receiving such notice. These submissions may address the social and economic impact of the proposed amendment on the municipal district in which the approved venue is located, as well as the impact on surrounding municipal districts.³

11. The relevant provision concerning this Application is found at section 3.4.17(1)(b) of the GR Act, which provides for the amendment of the venue operator's licence to vary the numbers of EGMs permitted in an approved venue in accordance with Division 2, Part 4 of Chapter 3 of the GR Act. Section 3.4.20 sets out matters that are required to be considered by the Commission with respect to such a proposed amendment. Relevantly for this Application this section provides:

 - (1) *Without limiting the matters which the Commission may consider in deciding whether to make a proposed amendment the Commission must not amend a venue operator's licence unless—*

² GR Act, section 3.4.18.

³ GR Act, section 3.4.19.



...

- (b) *if the proposed amendment will result in an increase in the number of gaming machines permitted in an approved venue, the Commission is satisfied that the regional limit or municipal limit for gaming machines for the region or municipal district in which the approved venue is located will not be exceeded by the making of the amendment; and*
- (c) *if the proposed amendment will result in an increase in the number of gaming machines permitted in an approved venue, the Commission is satisfied that the net economic and social impact of the amendment will not be detrimental to the well-being of the community of the municipal district in which the approved venue is located;*

...

12. Section 3.4.20(1)(c) provides for what is now commonly described as the '*no net detriment*' test. It requires the Commission to be satisfied that there is no net detriment arising from the approval through positively and objectively establishing that the net economic and social impact will not be detrimental to the well-being of the community.⁴
13. The GR Act does not specify the matters which the Commission must consider in deciding whether the '*no net detriment*' test is satisfied. However, the statutory signposts are provided by the test itself. The Commission must consider:
 - (a) the likely economic impacts of approval;
 - (b) the likely social impacts of approval; and
 - (c) the net effect of those impacts on the well-being of the relevant community.⁵
14. As such, the '*no net detriment*' test is a composite test requiring consideration of a single net impact in economic and social terms on the well-being of the community.⁶ The test will be satisfied if, following the weighing of any likely impacts, the Commission is satisfied that the net economic and social impacts of approval on the well-being of the relevant community will be either neutral or positive.

⁴ *Mount Alexander Shire Council v Victorian Commission for Gambling and Liquor Regulation & Ors.* [2013] VCAT 101, [52] per Dwyer DP.

⁵ *Macedon Ranges Shire Council v Romsey Hotel Pty Ltd* (2008) 19 VR 422, [42]-[43] per Warren CJ, Maxwell P and Osborn AJA.

⁶ *Romsey Hotel Pty Ltd v Victorian Commission for Gambling Regulation (Romsey #2)* [2009] VCAT 2275, [332], [348] per Bell J cited in *Mount Alexander Shire Council v Victorian Commission for Gambling and Liquor Regulation & Ors.* [2013] VCAT 101, [58] per Dwyer DP.



15. The Commission recognises that the task of identifying likely benefits and disbenefits will not always be straightforward given the overlap of socio-economic issues, and the quality and availability of relevant data and cogent evidence. Some economic outcomes may have social consequences, and vice versa.⁷ On review, decisions in the Victorian Civil and Administrative Tribunal (**VCAT**) have held that for impacts that may be both economic and social – for example the benefits of gaming consumption – it does not matter whether the impact is considered on the economic side, or the social side, or both, so long as it is included and not double-counted in the ultimate composite test.⁸

16. The Commission also notes that, on review, it has been indicated by VCAT that:

A table of likely economic and social benefits and disbenefits, and with some comments relevant to the relative weight to be given to particular factors ... is a useful way of transparently dealing with the 'no net detriment' test, and might perhaps be considered for wider application.⁹

This approach has been adopted in a number of VCAT decisions.¹⁰ To enhance the clarity of Commission decisions, and to facilitate greater consistency between the Commission and VCAT, the Commission has adopted the same approach.

17. If the Commission is not satisfied that the 'no net detriment' test is met, that is clearly fatal to the application before it, as given the opening words of section 3.4.20(1) of the GR Act, satisfaction of the test is a mandatory pre-condition to approval. However, although section 3.4.20(1) sets out certain mandatory considerations for the Commission, the provision is not exhaustive. If the Commission is satisfied that the 'no net detriment' test is met, it still has an ultimate discretion as to whether or not to grant the approval.¹¹ The Commission must decide whether to make the proposed amendment, with or without any changes from that proposed by the applicant, even where the applicant has satisfied the minimum threshold of the 'no net detriment' test.¹²

⁷ *Mount Alexander Shire Council v Victorian Commission for Gambling and Liquor Regulation & Ors.* [2013] VCAT 101, [57] per Dwyer DP.

⁸ See *Romsey Hotel Pty Ltd v Victorian Commission for Gambling Regulation (Romsey No. 2)* [2009] VCAT 2275, [352] per Bell J; *Mount Alexander Shire Council v Victorian Commission for Gambling and Liquor Regulation & Ors.* [2013] VCAT 101, [58] per Dwyer DP.

⁹ *Mount Alexander Shire Council v Victorian Commission for Gambling and Liquor Regulation & Ors.* [2013] VCAT 101, [60] per Dwyer DP.

¹⁰ See, for example: *Darebin CC v Victorian Commission for Gambling and Liquor Regulation & Anor* [2013] VCAT 1389; *Melbourne CC v Kingfish Victoria Pty Ltd & Anor* [2013] VCAT 1130; *Monash CC v L'Unico Pty Ltd* [2013] VCAT 1545; *Bakers Arms Hotel Pty Ltd v Victorian Commission for Gambling and Liquor Regulation* [2014] VCAT 1192.

¹¹ See *Ocean Grove Bowling Club v Victorian Commission for Gaming Regulation* [2006] VCAT 1921, [32] and following per Morris J; *Bakers Arms Hotel Pty Ltd v Victorian Commission for Gambling and Liquor Regulation* [2014] VCAT 1192, [126] per Code PM and Nelthorpe M; see also *Mount Alexander Shire Council v Victorian Commission for Gambling and Liquor Regulation & Ors.* [2013] VCAT 101, [97] and following per Dwyer DP (with respect to section 3.3.7 GR Act).

¹² GR Act 2003, section 3.4.20(2).



18. In considering the exercise of this discretion:
- (a) it must be exercised having regard to the purposes of the GR Act and, in particular, the specific purposes of Chapter 3 of the GR Act dealing with the regulation, supervision and control of gaming machines;¹³ and
 - (b) it may also be influenced by other factors such as broad policy considerations drawn from the content and objectives of the GR Act as a whole.¹⁴
19. The Commission agrees with the comments of Deputy President Dwyer in *Mount Alexander Shire Council v Victorian Commission for Gambling and Liquor Regulation & Ors*¹⁵ that, if all of the mandatory considerations under the GR Act favour the grant of an approval, one would expect that the ultimate discretion will commonly favour approval - other than in relatively rare or exceptional circumstances arising in a particular case. In such a case, any such circumstances should be separately and transparently identified.
20. Finally, it is noted that pursuant to section 3.4.20(1)(a) of the GR Act the Commission must be satisfied that the proposed amendment does not conflict with a Ministerial direction, if any, given under section 3.2.3 of the GR Act. Additionally, pursuant to section 9(4) of the *Victorian Commission for Gambling and Liquor Regulation Act 2011 (VCGLR Act)* the Commission must have regard to Ministerial guidelines issued under section 5 of the VCGLR Act when performing functions under gambling legislation. There is no relevant direction issued pursuant to section 3.2.3 of the GR Act that relates specifically to this Application.

MATERIAL BEFORE THE COMMISSION

21. The Applicant provided the Commission with the following material in support of its Application:
- (a) Application form – Amendment to venue operator licence – vary gaming machines dated, 22 July 2016;
 - (b) Social and Economic Impact Statement prepared by NBA Group Pty Ltd (**NBA**), dated August 2016 (**the NBA Report**). Mr Nick Anderson of NBA was a witness at the Hearing, adopted the NBA Report as his evidence and provided oral evidence to

¹³ *Mount Alexander Shire Council v Victorian Commission for Gambling and Liquor Regulation & Ors*. [2013] VCAT 101, [98] per Dwyer DP.

¹⁴ *Ocean Grove Bowling Club v Victorian Commission for Gaming Regulation* [2006] VCAT 1921, [32] per Morris J; *Mount Alexander Shire Council v Victorian Commission for Gambling and Liquor Regulation & Ors*. [2013] VCAT 101, [99] per Dwyer DP; *Bakers Arms Hotel Pty Ltd v Victorian Commission for Gambling and Liquor Regulation* [2014] VCAT 1192, [126] per Code PM and Nelthorpe M. As to policy principles identified for consideration, see *Macedon Ranges Shire Council v Romsey Hotel Pty Ltd* (2008) 19 VR 422, [7] per Warren CJ, Maxwell P and Osborn AJA.

¹⁵ [2013] VCAT 101, [98].



the Commission;

- (c) Expenditure Report, prepared by PVS Australia Pty Ltd (**PVS**), dated May 2016 (**the PVS Report**). Mr Michael Clyne, consultant for PVS was a witness at the Hearing, adopted the PVS Report as his evidence and provided oral evidence to the Commission;
- (d) Witness Statement of Jeffrey Mawkes, President of the Applicant, dated 2 August 2016. Mr Mawkes was a witness at the Hearing, adopted his Witness Statement as his evidence and provided oral evidence to the Commission;
- (e) Witness Statement of Matthew Francis Guest, General Manager of the Applicant, dated 1 August 2016. Mr Guest was a witness at the Hearing, adopted his Witness Statement as his evidence and provided oral evidence to the Commission; and
- (f) Copy of the public notice as appearing in the Diamond Valley Leader newspaper, dated 17 August 2016.

22. The Council provided the Commission with a Social and Economic Impact Assessment in respect of the Application, prepared by the Council, dated October 2016 (**the Council Report**).

23. The following material, prepared by Commission officers, was provided to the Applicant and the Council and considered by the Commission:

- (a) A report titled *Economic and Social Impact Report*, dated November 2016 (**the VCGLR Report**); and
- (b) A report titled *Pre-Hearing Inspection and Compliance Report*, dated 2 November 2016 (**the Pre-Hearing Report**).

24. At the Hearing the following further material was provided to the Commission in relation to the Application:

- (a) Written submissions prepared by Ms Hicks, dated 21 November 2016 and tendered on behalf of the Applicant;
- (b) A plan of the Premises detailing the current layout of the Premises, tendered by the Applicant;
- (c) A copy of the Venue Best Practice Guide published by Victoria Responsible Gambling Foundation as a guide to gaming venues, tendered by the Council; and
- (d) A copy of the green-line plan of the Premises tendered by the Applicant.



25. After the hearing and at the request of the Commission, on 25 November 2016 the Applicant provided the Commission with copies of two audit reports prepared by Leigh Barret & Associates, dated 2 June 2016 and 10 September 2016 (**the Audit Reports**).
26. On 2 December 2016, the Council provided submissions in relation to the Audit Reports.
27. Prior to the determination of this matter, one of the Commissioners who heard the Application visited the Premises.

DECISION AND REASONS FOR DECISION

Background

28. The Premises are an RSL club venue located at 6 Morwell Avenue, Watsonia in the City of Banyule (**Banyule**). Banyule is a metropolitan LGA located approximately 15 kilometres north-east of Melbourne and covers an area of 63 square kilometres. Major centres in Banyule include Heidelberg, Ivanhoe and Greensborough. Banyule has an estimated adult population of 100,830. The annual rate of population growth projected by the (then) Victorian Department of Transport, Planning and Local Infrastructure for the period 2017 to 2022 is 0.9% as compared with the Victorian average of 1.7%.
29. Banyule is subject to a municipal limit of 851 EGMs.¹⁶ Currently, there are 10 gaming venues operating within Banyule with approvals to operate a total of 647 EGMs.
30. Banyule has an EGM density of 6.3 EGMs per 1000 adults, which is 19.5% higher than the metropolitan LGA average (5.3) and 12.4% higher than the State average (5.6). This ranks Banyule as the 9th highest of 31 metropolitan LGAs in terms of EGM density per 1000 adults.
31. The Applicant is also the operator of the BBC. There are currently 20 EGMs in operation at the BBC which is also located in Banyule. If this Application is approved it is intended that the 20 EGMs will be relocated from the BBC to the Premises. The Applicant holds the venue operator licence with respect to the BBC and has the authority to remove the EGMs from the BBC. Consequently, if the Application is approved, there would be no increase to the number of EGMs in Banyule.

¹⁶ Pursuant to section 3.4A.5(3A)(b) of the GR Act, the Commission determined, in accordance with the criteria specified in the Minister for Gaming's order on 15 August 2012, the maximum permissible number of gaming machine entitlements under which gaming may be conducted in each region.



32. In 2015-16, Banyule had an average gaming expenditure of \$555 per adult, which is 3.5% below the metropolitan LGA average (\$575) and 0.4% higher than the State average (\$553). Applying the estimate of increased gaming expenditure as received from the Applicant, approval of this Application would result in an increase in average gaming expenditure per adult of 0.3%. Overall gaming expenditure within Banyule has decreased 4.9% in real terms over the past five years to June 2016, which is a greater decrease than the metropolitan LGA average decline of 0.67%.
33. In relation to the area immediately surrounding the Premises (i.e. within two and a half kilometres), approximately 16.4% of Statistical Area Level 1 (SA1s)¹⁷ areas are in the first and second quintiles of the Socio-Economic Indexes for Areas (SEIFA)¹⁸ index of relative socio-economic disadvantage (indicating high relative disadvantage). Of the remaining SA1s in the area immediately surrounding the Premises, 29.3% are in the third quintile (indicating neither relative advantage nor disadvantage) and 54.4% are in the fourth and fifth quintiles (indicating low relative disadvantage).
34. The unemployment rate in Banyule is 3.7%, which is below the metropolitan Victorian unemployment rate of 5.9%.
35. The Premises itself currently comprises:
 - (a) A gaming room operating 83 EGMs with space for a further 20 EGMs;
 - (b) A 160 seat bistro;
 - (c) A 20 seat café;
 - (d) Sports bar;
 - (e) Internet kiosks;
 - (f) 200 seat function room;
 - (g) Children's play area;
 - (h) Heated outdoor courtyards;
 - (i) Bottle shop;
 - (j) Members only lounge; and
 - (k) Administration rooms and reception area.

¹⁷ SA1s have been designed by the Australian Bureau of Statistics (ABS) as the smallest unit for the release of Census data.

¹⁸ SEIFA is a product developed by the ABS that ranks areas in Australia according to relative socio-economic advantage and disadvantage. It consists of four different indexes, including the Index of Relative Socio-economic Disadvantage.



36. According to Mr Guest, across both the Premises and the BBC, the Applicant employs 54 staff members, comprising 34 casual, 1 full time permanent, 10 part time permanent and 9 salaried staff members.¹⁹

Issues for determination

37. Pursuant to section 3.4.20 of the GR Act, the Commission cannot grant the Application unless it is satisfied of the following two matters:²⁰
- (a) that the regional or municipal limit for EGMs in Banyule will not be exceeded by the making of the amendment the subject of the Application; and
 - (b) that the net social and economic impact of the increase in EGMs permitted in the Premises will not be detrimental to the well-being of the community of Banyule (**the 'no net detriment' test**).

If having determined that these matters have been satisfied, the Commission is then required to exercise its discretion under section 3.4.20 to determine whether or not the Application should be granted; that is, whether or not the proposed amendment to the venue operator's licence should be made.

A. Municipal limit

38. A municipal limit of 851 EGMs applies for Banyule.²¹ At the time of this Application, there are 10 gaming venues within the municipality with approvals to operate a total of 647 EGMs. The Application is for the relocation of 20 EGMs from the BBC to the Premises, both of which are in Banyule. Therefore should the Commission determine to grant the Application it would not result in any increase to the total number of EGMs approved to be operated in venues in Banyule. Further, if the Application is granted, this would result in the relocation of all EGMs at the BBC to the Premises and therefore one less gaming venue within the municipality.
39. On that basis, the Commission is satisfied that granting the Application would not cause the municipal limit for gaming machines for Banyule to be exceeded, and hence considers this aspect of the statutory test set out in section 3.4.20 of the GR Act to be satisfied.

¹⁹ The description of the staff at the venue provided by the NBA Report and the evidence of Mr Guest varies. The detail in paragraph 36 is drawn from the evidence of Mr Guest, as General Manager of the Premises.

²⁰ The Commission also considered and was satisfied as to the matters set out in section 3.4.20(1)(a) and (d) of the GR Act.

²¹ While the number of entitlements operating within a particular region or municipality is capped (see Footnote 16), the Commission notes that there is nothing to preclude the aggregate number of EGMs for which approved venues may be licensed from exceeding that cap.



B. 'No net detriment' test

40. The Commission is required to be satisfied that if this Application is granted the net economic and social impact of approval will not be detrimental to the well-being of the community of the municipal district in which the Premises are located. Set out below (and summarised in tabular form at Appendix One) is the Commission's assessment of the economic and social benefits and disbenefits associated with this Application, including the weighting given to each of these impacts.

Economic Impacts

Community contributions

41. In determining the net economic and social impact of applications of this nature, both the Commission²² and VCAT²³ have regularly treated community contributions as a positive benefit. However, for such contributions to be regarded as a benefit associated with the Application, it is necessary that they are a consequence of the Application.

42. In this instance, considerable evidence was provided in relation to the existing community contributions made by the Applicant as well as in relation to its not-for profit status and community objectives, by virtue of it being an RSL Sub-Branch. The NBA Report (at Appendix 6) contains details of the cash and in-kind community contributions made by the Applicant in 2015. This shows cash contributions to a variety of community groups to the value of approximately \$69,000 and in-kind contributions to the value of approximately \$1,000,000 such as room hire, voluntary hours, administrative work and the provision of an aged care worker. Mr Guest also provided evidence of the Applicant's contribution of \$100,000 annually to the Banyule Watsonia RSL Trust that is distributed to the community in consultation with the Council.

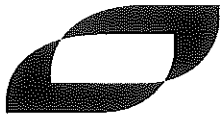
43. While the Commission recognises these contributions are important and beneficial to the community, they are not subject to change as a result of the Application and hence are not considered a benefit for the purposes of assessing the 'no net detriment' test. Accordingly, the Commission gives no weight to this benefit as an economic contribution.

Additional employment

44. Employment benefits associated with the Application may involve short term employment benefits

²² See, for example, Application by Richmond Football Club [2015] VCGLR (24 July 2015) (Commissioners Cohen and Owen).

²³ See, for example, *Melbourne CC v Kingfish Victoria Pty Ltd & Anor* [2013] VCAT 1130; *Bakers Arms Hotel Pty Ltd v Victorian Commission for Gambling and Liquor Regulation* [2014] VCAT 1192.



associated with renovation activities, and longer term benefits following the movement of the EGMs and introduction of the 20 EGMs at the Premises.

45. The Applicant provided no evidence of any employment benefit associated with the proposed refurbishment of the BBC and therefore this aspect does not impact on the assessment of economic benefit associated with additional employment at that site.
46. Mr Guest stated that the operation of an additional 20 EGMs at the Premises may result in direct employment of up to 2 full time equivalent (FTE) workers at the Premises. However, Mr Guest also informed the Commission that the employees of the Premises and the BBC are managed as one pool of staff and are rotated between the two venues by the Applicant. He went on to concede that there would likely to be a transfer of employment from the BBC to the Premises as a result of the transfer of 20 EGMs between the venues. The Commission therefore considers that any additional employment resulting from the additional 20 EGMs at the Premises would be predominantly transferred from the BBC and notes that this is supported by evidence of the expected transferred gaming expenditure between the two venues. It is therefore difficult for the Commission to attribute any benefit to additional employment associated with the transfer of 20 EGMs as it is not clear that there would be any actual increase in employment at the Premises. As such the Commission does not include this additional employment within the Premises as a benefit when considering the economic impact of the Application.
47. Over the longer term, Mr Guest stated that should the Application be granted, the existing part-time Aged Care Coordinator would be employed on a full time basis and the volunteer Welfare Officer would become a paid employee on a part time basis which equates to 1 full time equivalent (FTE) additional employment.
48. The Commission finds that the economic impact of employment arising from this Application, would be the employment of 1 FTE worker. Given the scale of this impact, the Commission considers this a very small benefit to the community to which it attributes a marginal weight.

Complementary expenditure

49. Complementary expenditure is a potential benefit where it results in increased economic activity in the municipal district in which the premises the subject of an application are located. However, the extent of this benefit will likely depend upon a range of factors, including the extent to which the expenditure is a consequence of new spending, for example, as a result of additional people coming to the municipal district as tourists as compared to transferred expenditure from other venues within the municipality, and the extent to which that complementary expenditure results



in additional spending on local goods and services.

50. Mr Anderson, in the NBA report states that over the past 4 years the Premises has been on a significant improvement curve and there has been a substantial increase in the non-gaming revenue at the Premises. However, his evidence did not go on to estimate the likely increase in complementary expenditure at the Premises that would be associated with this Application. Further, the anticipated proportion of transferred expenditure from the BBC suggests it is likely that a substantial part of any increased complementary expenditure would also be as a result of transferred expenditure. Accordingly, the Commission attributes this benefit no weight.

Gaming expenditure not associated with problem gambling

51. To the extent that gaming expenditure is not associated with problem gambling, it has been recognised that such expenditure can be treated as an economic positive.²⁴ As Bell J notes in *Romsey No. 2*, this approach also brings to account the benefit obtained from pure consumption by the lone gambler who does not use EGMs for social reasons.²⁵
52. Mr Clyne, in the PVS Report and his oral evidence, gave the following evidence regarding the likely increase in gaming expenditure should the Application be granted:
- (a) over the five year period from 2010-2011 to 2014-2015, there was a decrease in gaming expenditure in Banyule from approximately \$58.4million to \$54.5million which is a significantly greater rate of decline than that of the total across metropolitan areas in Victoria. This is compared to gaming expenditure at the Premises which increased from approximately \$6.2million to \$6.6million over the same period. Mr Clyne in the PVS Report attributed this increase at the Premises to the Applicant's continual minor improvements of its facilities along with increasing membership and an emphasis on high standard service;
 - (b) based on an increase in 20 EGMs, with no planned future improvements to facilities at the Premises but a slight increase in venue attractiveness due to there being more EGMs, it is forecast that over the first 12 months of trade of the EGMs the gaming expenditure at the Premises would increase by approximately \$953,117;
 - (c) in 2015, the gaming expenditure per machine at the Premises was approximately \$79,000 per EGM. Based on the proposed increase in gaming expenditure at the

²⁴ *Romsey No. 2* at [351] per Bell J.

²⁵ *Ibid.* Bell J further notes at [352] that the other approach is to say (as Morris J did in *Branbeau Pty Ltd v Victorian Commission for Gambling and Liquor Regulation* [2005] VCAT 2606 at 79) that gaming extends 'substantial economic and social benefits' to gaming machine users, which treats consumption as a benefit without saying whether it is economic or social. While Bell J states both approaches are correct, for the purposes of this Application, this benefit is treated as an economic benefit.



Premises, the expenditure per machine will be approximately \$73,000;

- (d) in the year to 2015, gaming expenditure at BBC was \$627,022. Based on previous experience it would be expected that the removal of EGMs from BBC will result in approximately 80% of its expenditure being dissipated to other venues in its trade area (including the Premises) and the remaining 20% being lost; and
- (e) of the increased gaming expenditure at the Premises, it is estimated that 84% of this will be transferred expenditure from other gaming venues. This level of transferred expenditure is a reasonable prediction based on the fact that the LGA is experiencing no growth in gaming expenditure.

- 53. Mr Anderson in the NBA Report submits that gaming machine utilisation of 70% or above, described as the accepted "peak period" utilisation threshold, was identified at the Premises during 66 hours over a 26 week counting period which equates to an average of 3 peak periods per week. Mr Anderson submitted that in his experience this is a relatively low utilisation rate for a suburban RSL club.
- 54. The Council submitted that recent applications for additional EGMs demonstrate that additional EGMs can take a few years to reach their full expenditure impact. The Council submitted that there is no certainty as to the accuracy of predicted additional gaming expenditure and that this reduces confidence in the financial modelling techniques used, such as that used by Mr Clyne. Whilst the Council does not agree with the estimated increase in gaming expenditure predicted by Mr Clyne, the Commission notes that the Council did not provide an alternative figure for estimated additional gaming expenditure predicted if this Application were successful.
- 55. In considering the likely impact of an additional 20 EGMs at the Premises, the Commission notes that the expenditure on EGMs in Banyule has been decreasing over the last 5 years. The Commission notes that there has however been an increase in expenditure on EGMs at this Premises over the same period but also notes the evidence of Mr Clyne that this could be as a result of improvements to the facilities and service at the Premises having made it a more popular venue. The Commission also notes the relatively low current utilisation rates of EGMs at the Premises.
- 56. In assessing the extent of the benefit associated with increased gaming expenditure, the Commission has had regard to the evidence outlined in paragraphs 57 to 67 below with respect to the incidence of problem gambling. The Commission accepts the estimate provided by Mr Clyne, and considers generally that the portion of new expenditure not attributable to problem gambling is an economic benefit. Having regard to factors outlined above and in the sections



below related to problem gambling, the Commission considers that it is likely the majority of new expenditure will not be associated with problem gambling. However given the estimated low levels of new expenditure, the Commission considers this benefit to be one to which it attributes only marginal weight.

Possibility of increased incidence and impact of problem gambling

57. To the extent that a portion of the new expenditure is attributable to problem gambling, this represents an economic disbenefit.²⁶ In assessing the extent of this disbenefit, the Commission recognises that it does not include transferred expenditure because such expenditure cannot exacerbate problem gambling.²⁷
58. The Commission recognises that harms associated with problem gambling may be experienced directly and indirectly as a consequence of gambling undertaken by those who may be defined as “problem gamblers” as well as those who may be otherwise regarded as “low-risk” or “moderate-risk” gamblers.
59. In assessing the extent of this disbenefit, the Commission accepts the expenditure evidence of Mr Clyne as set out at paragraph 52 above.
60. The extent to which it can be considered that new expenditure will be associated with problem gambling, and hence may be regarded as a disbenefit associated with this Application, will be influenced by the socio-economic status and vulnerability of the community in the area surrounding the Premises, as communities characterised by socio-economic disadvantage are more vulnerable to problem gambling and the negative impacts of gambling.
61. According to Mr Anderson in the NBA Report and his oral evidence, various factors suggest that the risk of increased incidence and economic impact of problem gambling at the Premises is likely to be low should this Application be granted on the basis that:
- (a) The Premises is an RSL Club venue with sign-in requirements along with a strong track record of Responsible Service of Gambling (RSG) and a generally older demographic of patrons;

²⁶ The Commission recognises that, on review, the key likely disbenefit of ‘problem gambling’ has, for convenience, been treated under the heading of ‘social impacts’ in various instances: see *Mount Dandenong Tourist Hotel Pty v Greater Shepparton CC* [2012] VCAT 1899, [121] and following; *Melbourne CC v Kingfish Victoria Pty Ltd & Anor* [2013] VCAT 1130, [47] per Martin PM and Naylor M. However, this is not an approach that has been uniformly adopted; see, for example, *Mount Alexander Shire Council* [2013] VCAT 101 at [178] and following per Dwyer DP. For completeness, the Commission considers both the economic and social impacts of problem gambling in assessing this Application.

²⁷ See *Bakers Arms Hotel* at [11] per Code PM and Nelthorpe M; *Kilsyth and Mountain District Basketball Association Inc v Victorian Commission for Gambling Regulation* [2007] VCAT 2, [40] per Morris J.



- (b) Unemployment can be a risk factor in problem gambling, however the level of unemployment in Banyule is low; and
 - (c) The area surrounding the Premises is relatively low in terms of socio-economic disadvantage.
62. The Council in the Council Report raised concerns that if the Application were granted, the Premises would become an even larger venue in terms of numbers of EGMs which may it more attractive to problem gamblers who are attracted to the anonymity in big venues. The Council further submitted that the layout of the gaming room is conducive to anonymity and increasing the number of EGMs would make it even harder for staff to observe patrons in the gaming room.
63. In response, the Applicant submitted that it would make some changes to the layout of the gaming room at the Premises in order to mitigate against the risk of increased problem gambling at the Premises associated with this Application. This would include removal of the privacy screens between EGMs within the gaming room and the introduction of screens to assist in blocking the line of sight into the gaming room from other areas of the Premises.
64. In considering the extent to which any new expenditure may give rise to problem gambling, the manner in which gaming is to be conducted at the Premises is also a relevant factor. The Commission considers that the Applicant is conscious of its requirements relating to RSG practices but feels this could be improved with increased awareness across all staff and at board level. The Council provided evidence that its representative was not required to sign in to the Premises when visiting which is concerning to the Commission. However the Commission notes the evidence of Mr Guest confirming that this matter has been addressed and new procedures for reception staff at the Premises have now been implemented.
65. Further, the Commission considers the potential for the Applicant to concentrate all staff and management of gaming machines to one venue rather than being spread across the Premises and the BBC may have the potential to improve RSG practices at the Premises.
66. There are, however, a number of factors which increase the potential risks associated with problem gambling. First, this is already a venue with 83 EGMs. A venue of this size, that would become a venue with 103 machines should this Application be granted, is one which the Commission considers to be a large venue and this is likely to increase the risk of problem gambling at the Premises. Mr Anderson acknowledged that larger venues are more likely to be associated with problem gambling, although he considered that any such affect arising from additional machines would be alleviated to some degree by the fact that this was an RSL club with the associated factors set out at paragraph 61(a).



67. Having regard to all of the circumstances, the Commission consider that there is a risk of increased problem gambling associated with this Application and the anticipated increase in gaming expenditure and creation of a large gaming venue should this Application be granted. Notwithstanding this, the Commission considers that the location of the Premises in an area of low social-economic disadvantage, the general nature of the Premises being that of an RSL Club, the demographics of its clientele, its RSG practices, the proposed changes to screening in the gaming area and more broadly, the anticipated low level of new gaming expenditure, are likely to mitigate the potential increase in gaming expenditure associated with problem gambling to some extent. Accordingly, the Commission considers this is an impact upon which it should place a marginal weight. Issues associated with the negative social impacts associated with problem gambling are considered further in paragraphs 80 to 83 below.

Social Impacts

Transition of BBC to a non-gaming venue along with refurbishments and extension of lease

68. Separate from the economic benefit that may be associated with expenditure involved in capital refurbishment at a venue, there are also potential social benefits to the community that may arise having regard to the nature of the renovations that are intended to take place. Further, there are likely to be social benefits in the transition of a venue from a gaming venue to a non-gaming venue.
69. The Council in the Council Report was initially critical of the Applicant for not demonstrating how it would commit to supporting the BBC to continue the operation of its premises as the current lease at the BBC expires in 2018.
70. In its submissions at the Hearing, the Applicant committed to extending its lease at the BBC until 2022 if this Application were to be successful. This is on the basis that relocation of 20 EGMs from the BBC to the Premises will result in the Applicant becoming more financially viable due to a decrease in the losses associated with the operation of the EGMs at the BBC. It is also submitted that the improvement in the financial situation of the Applicant expected to result from this Application will enable the Applicant to continue to operate the BBC and commit to a further four year lease until 2022 with respect to the BBC.
71. The Applicant further submitted that if this Application is approved, and the 20 EGMs relocated from the BBC to the Premises, this will free up space which would enable refurbishment works to be undertaken at the BBC. These works would consist of upgrading the sports bar area and creating a usable public meeting space in the old gaming room at the BBC. The Applicant has



made a commitment of approximately \$40,000 to \$50,000 towards the refurbishment works at the BBC which is dependent upon the Application being approved.

72. The transfer of 20EGMs from the BBC to the Premises, if this Application is approved, will result in the BBC becoming a gaming free venue in that there will no longer be any EGMs installed. The Commission considers this to be a beneficial social impact arising out of the Application as there will be one less gaming venue within Banyule and that the venue will provide social and sporting facilities to the community of Banyule without the existence of EGMs.
73. Having regard to the existing operation of the BBC by the Applicant, the Commission finds that the relocation of the EGMs from the BBC to the Premises that would result if this Application is successful would result in a positive impact on the community. The Commission finds that the refurbishment of the BBC, the extension of the lease at the BBC and the creation of a non-gaming venue will all result in positive impacts on the community. Together the Commission attributes these social benefits relating to the Applicant's commitment to the operation of the BBC should this Application be successful to be a benefit that it attributes moderate weight.

Community contributions

74. Community contributions may have both an economic and social impact. In this instance, the increase in the employment at the Premises has been counted as an economic benefit insofar as it results in additional employment. However, the Commission considers it would not be double counting to look at the nature of the work to be carried out by the Aged Care Coordinator and Welfare Officer and consider whether that work creates a social benefit distinct from the economic employment benefit.
75. The evidence of Mr Anderson and Mr Guest is that RSLs are non-profit community minded organisations and that the benefits associated with the operation of the Premises by the Applicant goes beyond that of the Applicant's members and impacts positively on the wider community.
76. The Commission accepts the Applicant's submission and considers the increase in employment to the role of Aged Care Coordinator from part-time to full-time as well as the part-time appointment of a Welfare Officer will result in the provision of services which are a community contribution that will have a positive social impact upon which it places marginal weight.

Increased gaming opportunities for those who enjoy gaming

77. Related to the economic benefit of increased competition is the social benefit that arises from there being increased gaming opportunities for those who enjoy gaming.



78. The addition of 20 EGMs at the Premises will provide a wider variety of gaming opportunities for those who enjoy gaming at the Premises. However this is balanced against the fact that the EGMs are to be relocated from the BBC which is in the same LGA as the Premises and therefore will not result in any increase gaming opportunities when the LGA is considered in its entirety.
79. Having regard to the evidence regarding the low levels of increased gaming expenditure expected to be associated with this Application, the Commission finds that granting approval of the Application may marginally better serve the needs of gaming patrons at the Premises in that it may offer more choice at of EGMs at the Premises. However, given the current number of EGMs in Banyule, together with the fact that this Application would result in the relocation of 20EGMs within the LGA rather than any new EGMs, the Commission considers this to be a negligible social benefit and hence one on which it places no weight.

Possibility of increased incidence and the potential impact of problem gambling on the community

80. Wherever accessibility to EGMs is increased, there is a risk of an increase in problem gambling, which leads to other costs such as adverse health outcomes, family breakdowns and other social costs. Accordingly, the Commission accepts that there is potential for negative social costs through possible increased problem gambling expenditure.
81. The factors that impact on the possibility of increased incidence and the potential impact of problem gambling associated with this application are discussed above at paragraphs 57 to 67.
82. The Council raised concerns as to the visibility of patrons in the gaming room given the layout of the gaming room and the ability of staff to sufficiently conduct surveillance of that room. The Commission also notes that the planned improvements to the layout of the gaming room at the Premises are likely to increase the effectiveness of surveillance in the gaming room and assist in the protection against the possibility of increased problem gambling at the Premises arising out of the new EGMs at the Premises and will reduce the risk in relation to the existing EGMs at the Premises.
83. Accordingly, the Commission attributes low weight to this impact.

Decrease in community wellbeing/negative community attitude

84. As was determined in *Macedon Ranges Shire Council v Romsey Hotel Pty Ltd and Anor*,²⁸ the Commission recognises that whilst community apprehension is not an over-riding factor (in the

²⁸ (2008) 19 VR 422, [44] per Warren CJ, Maxwell P And Osborn AJA. See also *Mount Alexander Shire Council v Victorian Commission for Gambling and Liquor Regulation & Ors*. [2013] VCAT 101, [73] per Dwyer DP.



sense that the Application is not a referendum on gaming), it is certainly a relevant factor in the consideration of particular social impact *within*, and as part of, the 'no net detriment' test.

85. The Commission notes the Council's opposition to this Application however notes that no specific evidence of community attitude or the likely impact on community wellbeing relating to this Application was provided by the Council.
86. The Commission considers in the circumstances it is appropriate to place no weight on this impact.

Net economic and social impact

87. The '*no net detriment*' test in section 3.4.20(c) of the GR Act requires the Commission to weigh the likely positive social and economic impacts of an application against the likely negative social and economic impacts. This test will be satisfied if, following the weighing of any likely impacts, the Commission is satisfied that the net economic and social impact of approval on the well-being of a relevant community will be either neutral or positive.²⁹
88. After consideration of the material before it, including the evidence provided at the Hearing (and weighted as outlined above and summarised in tabular form at Appendix 1 of these Reasons for Decision), the Commission is satisfied that the social and economic impact to the well-being of the community of the municipal district in which the Premises are located if the Application is approved will be neutral.

Determination of Application

89. On the material that has been put before it, the Commission has determined that the '*no net detriment*' test has been satisfied and that the total number of EGMs will be under the relevant municipal limit. The Commission notes that there remains a discretion to determine whether or not to grant the Application.
90. The Commission is satisfied that the Applicant understands and will continue to act in accordance with its obligations to take measures to prevent problem gambling. Accordingly, the Commission is satisfied that it should exercise its discretion to approve the Application and make the proposed amendment to the Venue Operator's licence to vary the number of EGMs permitted in the Premises from eighty three (83) to one hundred and three (103) subject to conditions contained in paragraph 91 below.

²⁹ *Mount Alexander Shire Council v Victorian Commission for Gambling and Liquor Regulation & Ors.* [2013] VCAT 101 at [52] per Dwyer DP.



91. The conditions are as follows:

A. Upgrade works for the gaming room at the Premises

- (a) Upgrade works for the gaming room at the Premises (**Upgrade Works at the Premises**) must be completed by the Venue Operator prior to the commencement of the operation of any of the additional 20 electronic gaming machines (**Additional EGMs**) at the Premises;
- (b) For the purposes of this clause, "Upgrade Works at the Premises" comprise:
 - (i) new screens to limit the line of sight of persons in other areas of the Premises into the gaming room; and
 - (ii) removal of privacy screens between EGMs within the gaming room.

B. Refurbishment works at the Bundoora Bowling Club

- (a) Refurbishment works at the Bundoora Bowling Club (**BBC Works**) must be substantially completed to the satisfaction of the Victorian Commission for Gambling and Liquor Regulation (**the Commission**) by the date that is twelve (12) months after the commencement of the operation of any of the Additional EGMs at the Premises otherwise the approval to operate the Additional EGMs at the Premises will lapse;
- (b) For the purpose of this clause, "BBC Works" comprise the refurbishment of the Bundoora Bowling Club to upgrade the sports bar area and to renovate the previous gaming room into a useable public meeting space; and
- (c) The Commission may, on request of the Venue Operator, agree to extend the time for completion of the BBC Works referred to in condition B(b). The request must be made no later than 11 months after the commencement of the operation of any of the Additional EGMs at the Premises. Any request for an extension of time must include an explanation as to why the BBC Works have not been substantially completed.

C. Continuation of lease at Bundoora Bowling Club

- (a) The Venue Operator must, prior to the end of the current lease, renew its lease at the Bundoora Bowling Club until 2022; and
- (b) In the event the Venue Operator does not comply with condition C(a) the approval to operate the Additional EGMs at the Premises will lapse.



D. Bundoora Bowling Club as a non-gaming venue

- (a) For as long as the Additional EGMs are in operation at the Premises the Venue Operator must not operate any EGMs at the Bundoora Bowling Club; and
- (b) In the event the Venue Operator does not comply with condition D(a) the approval to operate the Additional EGMs at the Premises will lapse.

The preceding 91 paragraphs and the following Appendix are a true copy of the Reasons for Decision of Ms Helen Versey, Deputy Chair, and Mr Des Powell AM, Commissioner.



Appendix One

Summary of economic and social impacts

The following table is a summation of the economic and social benefits and disbenefits considered by the Commission in reaching its decision. The table is to be read in conjunction with the main body of the Reasons for Decision, as the weight attributed to each factor is determined in light of the particular circumstances of the Application and the evidence presented.

Economic impacts

	Impact	Paragraph numbers	Comment relevant to weight
Benefits	Community contributions	41 to 43	While this decision recognises the Applicant, an RSL Sub-Branch and non-profit organisation, makes important contributions to the community, generally these contributions are either not considered to be a consequence of this Application, or have been assessed as an economic benefit elsewhere (for example, the additional employment at the Premises associated with the Application). No weight
	Additional employment	44 to 48	Additional employment will occur at the Premises by way of an increase in employment of the Aged Care Coordinator from part time to full time and increase employment of the Welfare Officer from a volunteer to paid part time, which equate to the equivalent of 1 FTE. It is also proposed that the equivalent of 2 FTE staff members will be employed at the Premises as a consequence of the increase in EGMs however it is noted that there will be some decrease in employment at the BBC as a consequence of the removal of the EGMs. As no evidence was provided as to employment benefits associated with the proposed refurbishment of the BBC, this aspect does not impact on this assessment. Marginal weight



	Complementary expenditure	49 to 50	While considered a benefit, there is no direct evidence of complementary expenditure anticipated as a consequence of this Application, and of this a substantial proportion is anticipated to be as a result of transferred expenditure from the BBC and other venues within the municipality. No weight
	Gaming expenditure not associated with problem gambling	51 to 56	The portion of new gaming expenditure not attributable to problem gambling is an economic benefit. The Premises is located in an area of low relative socio-economic disadvantage which is similar to the level relative socio-economic disadvantage in the area surrounding the BBC from which the EGMs will be relocated. Overall, the anticipated level of new gaming expenditure at the Premises is expected to be low. In determining the extent of this benefit, regard has also been given to the extent to which the Application will increase the incidence and potential impact of problem gambling (see further below). Marginal weight
	Impact	Paragraph numbers	Comment relevant to weight
Disbenefit	Possibility of increased incidence and impact of problem gambling	57 to 67	The portion of new gaming expenditure at the Premises attributable to problem gambling is an economic disbenefit associated with this Application. As outlined in the corresponding economic benefit above, problem gambling associated with this Application is expected to be a low risk given the low level of anticipated new gaming expenditure and the socio-economic characteristics of the anticipated catchment area for the Premises. The Commission notes however that there has been an increase in gaming expenditure at the Premises as compared to a general decrease across the LGA. The Applicant submits that this is due to previous improvements at the Premises, however the Commission considers that some portion would be associated with problem gambling. Marginal weight



Social impacts

	Impact	Paragraph numbers	Comment relevant to weight
Benefits	Transition of BBC to a non-gaming venue along with refurbishment and extension of lease at the BBC	68 to 73	<p>The Application will result in the transition of the BBC from a venue that previously provided sporting and social activities combined with EGMs to a venue without EGMs in operation. The Commission notes however that the BBC would remain a venue licensed to operate EGMs and that some transfer of gaming expenditure within the LGA is expected.</p> <p>The proposed refurbishment works at the BBC, although limited in value, will result in some improvement to facilities that are an existing source of community involvement and activity and may result in these facilities becoming more attractive to the community in general.</p> <p>The commitment by the Applicant to extend the lease at the BBC will allow the continued provision of the facilities and activities to the community at the BBC. This is balanced against the fact that the BBC is leased from the Council who could continue the community minded use of the BBC if the Applicant did not.</p> <p>The proposed movement of EGMs from the BBC to the Premises will reduce the losses for the Applicant experienced at the BBC and will contribute to the likelihood that the BBC can remain in operation.</p> <p>Moderate weight</p>
	Community contributions/benefit	74 to 76	<p>Additional benefit associated with the work to be undertaken by the Aged Care Co-ordinator and the Welfare Officer whose roles will be increased by an equivalent of 1FTE together. This will enable the services currently provided by the Aged Care-Co-ordinator and Welfare Officer to be increased enhanced.</p> <p>This decision also recognises the important community contributions made by the Applicant. The Application will result in the Applicant becoming more financially viable supporting its ability to make community contributions, although it is noted that generally these contributions are not considered to be a consequence of this Application</p> <p>Marginal weight</p>



	Increased gaming opportunities for those who enjoy gaming	77 to 79	The addition of 20 EGMs at the Premises will provide a wider variety of gaming opportunities at the Premises. However this is balanced against the fact that the EGMs are to be transferred between venues within the same LGA, together with the moderate levels of utilisation at the Premises and the moderate anticipated new expenditure, which together will limit the extent of this impact. No weight
	Impact	Paragraph numbers	Comment relevant to weight
Disbenefits	Possibility of an increased incidence and potential impact of problem gambling on the community	80 to 83	It is anticipated that a portion of new gaming expenditure at the Premises will be associated with problem gambling. Further, the Application will result in a large number of EGMs at the Premises which is a risk factor for an increased incidence in problem gambling. However, the Commission notes that the potential for increase in problem gambling is mitigated by a number of factors including the related decrease in EGMs at the BBC, the low level of anticipated new gaming expenditure, the demographic of the surrounding area and patrons of the Premises as well as the Applicant's approach to the responsible service of gambling. The Commission also notes the planned improvements to the gaming room to increase observation of the EGMs will limit the risk of problem gambling from new EGMs and will reduce the risk of such problems from existing EGMs. Low weight
	Decrease in community wellbeing/negative community attitude regarding Application	84 to 86	The overall wellbeing of the community subject to the application is a relevant consideration in EGM applications. The Commission notes the opposition from the Council to the Application however no evidence was provided of the attitudes of local community members specifically in relation to the Application. No weight