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17 August 2018

Ms Justine Linley
Chief Executive Officer
City of Ballarat
The Phoenix
25 Armstrong Street South
BALLARAT VIC 3350

By Overnight Courier

Dear Madam

**Ballarat Golf Club Inc
Application to the Victorian Commission for Gambling and Liquor Regulation (the
Commission) for an additional six (6) electronic gaming machines to be situated at the
Ballarat Golf Club, 1800 Sturt Street, Ballarat**

We advise we act on behalf of Ballarat Golf Club Inc in respect of the above matter.

Our client wishes to make an application to the Commission for an amendment to their Venue Operator's Licence to permit six (6) additional gaming machines at the premises.

Pursuant to Section 3.3.5 of the *Gambling Regulation Act 2003 (the Act)*, we now **enclose** the following documentation which will be served on the Commission within three (3) days of the lodgement of this application with your Council:

1. Application Form for Amendment to Venue Operator's Licence;
2. Social and Economic Impact Assessment prepared by Colleen Peterson of Ratio Consultants dated August 2018;
3. Expenditure Analysis prepared by Tim Stillwell of ShineWing Australia dated 26 July 2018;
4. Witness Statement of Leigh Barrett dated 17 June 2018;
5. Witness Statement of John King dated August 2018;
6. Witness Statement of Michael Phillips dated August 2018; and
7. Witness Statement of Hannah Mead dated August 2018.

Section 3.4.19(1) of the Act provides that your Council may, within 60 days (or such a longer time as allowed by the Commission) of receipt of the information and the documentation enclosed in this letter, make a submission to the Commission in respect of:

- A. The social and economic impact of the purposed amendment on the wellbeing of the community of the municipal district in which the approved venue is located; and
- B. Taking into account the impact of the proposed amendment on the surrounding municipal districts.

The Council may make a submission to the Commission on the prescribed form which is entitled "Economic and Social Impact Submission". We **enclose** this form.

We request Council acknowledge receipt of this letter and the enclosures by forwarding a letter to this office as well as to the Commission as soon as possible.

If there are any queries in relation to the application, or if anything further is required, please do not hesitate to contact the writer.

Yours faithfully
BSP LAWYERS



Maria Anenoglou
Associate

manenoglou@bsplawyers.com.au

Amendment to venue operator licence – vary gaming machines

July 2016
CD/15/245416

This package contains the application and information material for amend a venue operator licence to vary (increase/decrease) the number of gaming machines.

How to apply

Send application to:

Victorian Commission for Gambling and Liquor Regulation
GPO Box 1988
Melbourne Vic 3001

or lodge in person at:

49 Elizabeth Street
Richmond

Need help?

For more information on how to apply:

- visit the Victorian Commission for Gambling and Liquor Regulation (VCGLR) website at vcglr.vic.gov.au
- telephone the VCGLR on 1300 182 457
- email the VCGLR at contact@vcglr.vic.gov.au



Important Information

Amendment to venue operator licence – vary gaming machines

Making an application

Section 3.4.17(1)(c) of the Gambling Regulation Act 2003 makes provision for applications to amend the conditions of a venue operator's licence to vary the number of gaming machines.

When approved premises receive authorisation from the VCGLR to be included on a venue operator's licence, the approved premises become an approved venue. At this time the number of gaming machines permitted to operate at the approved venue is specified on the Notice of Approved Venue.

Changes (increase or decrease) to the number of gaming machines permitted in an approved venue must be made to the VCGLR by completing this application form, and be accompanied by the prescribed fee. To confirm the current fee, refer to the 'Gambling fees and fines' information sheet available at vcglr.vic.gov.au.

Note: There is no fee for an application to decrease the number of gaming machines permitted in an approved venue.

Applicants must also ensure that all items on the Mandatory Information Checklist are lodged with the application. Incomplete applications will not be accepted and will be returned to the applicant.

If the application is to decrease gaming machines at an approved venue please complete and lodge **Part A**, sections 1, 2 and 3 of this application form.

If the application is to increase gaming machines, a complete copy of the application must be given to the responsible authority and then lodged with the VCGLR **within three days** of receipt by the responsible authority, unless there are exceptional circumstances. If there are exceptional circumstances the VCGLR may extend the period of time within which the applicant may make the application. The VCGLR must determine an application at a public hearing* within 60 days of either;

- being notified that the responsible authority will not make a submission (the responsible authority must advise whether it intends to make a submission within 37 days of receiving notification advising of the application from the VCGLR); or
- receiving a submission from the responsible authority (the responsible authority has a total of 60 days from receipt of notification from the VCGLR to make a submission).

As an applicant you will be required to appear at the public hearing and present evidence in support of your application. If a responsible authority makes a submission relating to an application, it may also appear at the public hearing and provide evidence to support its position.

*The Commission may determine to conduct an inquiry in private only if the application for an increase in the number of gaming machines is for no more than 10 per cent of the existing number of gaming machines or there has not been a previous application to increase the number of gaming machines by less than 10 per cent within two years. If the Commission determines to conduct a private inquiry the application fee for a public hearing will be refunded (in part) to the applicant to recognise the reduction in fee units for a public hearing vs private inquiry.

The application form

Part A of this application form requires information relating to the applicant, the approved venue and the number of existing gaming machines, as well as the number of gaming machines to be added by this proposal.

Part B of this application requires information relating to the economic and social impact of the application. This information will assist the Commission in determining whether the application is likely to result in net social and economic detriment to the local community in which the premises is located.

Amending an application

An application may only be amended within 30 days of giving the application to the responsible authority. An amended application must be given to the responsible authority and lodged with the VCGLR on the same day.

Responsible authority

The Gambling Regulation Act 2003 also provides the responsible authority with an opportunity to make a submission regarding the economic and social impact of the proposal on the local community within specified timeframes.

Information you provide in Part B of this application will assist the responsible authority in making their economic and social impact submission. The submission form used by responsible authorities can be found at vcglr.vic.gov.au/Submission form.

A submission from a responsible authority is due 60 days after the responsible authority receives notification from the VCGLR advising of the application. If an application is amended, the responsible authority has a further 60 days to respond from the date it receives the amended application. The responsible authority must also advise the VCGLR whether it intends to make a submission within 37 days from receiving notification from the VCGLR advising of the application, or from receiving an amended application.



Important Information

Amendment to venue operator licence – vary gaming machines

If an amendment to the application is received within the first 30 days after giving a copy of the application to the responsible authority, the VCGLR may grant an extension of 30 days for the responsible authority to make a submission.

You can supply any additional information to the VCGLR and the responsible authority which may be of assistance in making an assessment of your proposal. The information required by this application is only the minimum that can be supplied. Applicants and responsible authorities are free to communicate directly throughout the application process.

For further information relating to Part B of this application please contact the VCGLR on 1300 182 457.

Modification of gaming machine area

If you are applying to vary the number of gaming machines permitted at an approved venue, an application for approval of a modification of the gaming machine area must also be provided if the application is approved (please see **Attachment A**). However the modification application may be lodged earlier. Please note that gaming machines cannot commence operation until the modification application is approved.

Further information on applying to modify the gaming machine area and applying for approval of premises can be obtained from the VCGLR by contacting the VCGLR on 1300 182 457

Matters for consideration

The matters the VCGLR will consider when determining whether to approve a proposed amendment to the conditions of a venue operator's licence to vary the number of gaming machines permitted in an approved venue, are set out under 3.4.20(1) of the *Gambling Regulation Act 2003*. In particular, the VCGLR must be satisfied that:

- The amendment of the licence does not conflict with any Ministerial direction given under section 3.2.3(1) of the *Gambling Regulation Act 2003*;
- If the proposed amendment will result in an increase in the number of gaming machines permitted in an approved venue, the regional limit for gaming machines for the region in which the approved venue is located will not be exceeded by making this amendment; and
- If the proposed amendment will result in an increase in the number of gaming machines permitted in the approved venue, the net economic and social impact will not be detrimental to the well-being of the community of the municipal district in which the premises is located.

You will be advised in writing of the outcome of the VCGLR's decision concerning your application. If the application was to vary the number gaming machines at an approved venue, you will receive a Notice of Approved Venue detailing the number of gaming machines permitted to operate in the venue, which must be displayed in accordance with the VCGLR Rules.

Providing false or misleading information

In accordance with the *Gambling Regulation Act 2003*, it is an offence to provide false or misleading information or to omit information that is materially relevant to your application. Providing false or misleading information or failure to provide required information may result in prosecution or non-approval of your application, or both.

Privacy policy

The VCGLR is committed to responsible and fair handling of personal information consistent with the *Privacy and Data Protection Act 2014* and its obligations under the *Gambling Regulation Act 2003*.

Confidentiality provisions

Information provided in your application must not be disclosed by the VCGLR or its staff to someone else, except for the purposes stated in Division 6 of Chapter 10 of the *Gambling Regulation Act 2003*. You may access these provisions at vcglr.vic.gov.au.



Important Information

Amendment to venue operator licence – vary gaming machines

The following documentation must be submitted with this application

To increase the number of gaming machines:

- Completed current application form – The VCGLR will not accept an application if any part of an application form is incomplete or missing.

The prescribed fee. To confirm the current fee, refer to the 'Gambling fees and fines' information sheet available at vcglr.vic.gov.au.
- Evidence that the application has been lodged with the VCGLR within 3 days of being given to the responsible authority as specified in **question 5**.
- Economic and Social Impact Assessment – please provide 4 copies.
- Expenditure Analysis – expenditure estimates or any other analysis of anticipated gaming machine expenditure as a result of the proposal as specified in **question 8**.
- All witness statements as referred to in your application.
- Any reports or documents the applicant intends to rely on at the public hearing, as specified in **Part B**.

How to lodge

By post

Victorian Commission for Gambling and Liquor Regulation
GPO Box 1988, Melbourne VIC 3001

In person

Victorian Commission for Gambling and Liquor Regulation
49 Elizabeth Street, Richmond



Application – Part A

Application to increase or decrease the number of gaming machines

OFFICE USE ONLY

Amount Rec'd \$ _____
 Receipt No. _____
 Date Rec'd / / _____
 Application No. _____
 Assigned to _____

Signature

Application is hereby made to the Victorian Commission for Gambling and Liquor Regulation to approve an amendment to a venue operator's licence issued to:

Name shown on venue operator's licence:

BALLARAT GOLF CLUB INC

Licence number

V9310088

Venue operator's registered address

1800 STURT STREET
 BALLARAT Postcode 3350

To vary the number of gaming machines at the approved premises:

Venue/Premises name

BALLARAT GOLF CLUB

Premises address

1802 STURT STREET
 BALLARAT Postcode 3350

Premises approval number (if known)

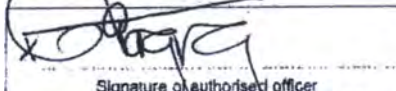
Telephone number (premises)

(03) 5338 3000

Email

gary@ballaratgolfclub.com.au

I, the Authorised Officer for the above applicant, declare that I have read and understood the questions in this application form and the directions for answering them and I have answered the questions truthfully and completely to the best of my knowledge.



 Signature of authorised officer

Date 15/8/18

Print name of Authorised Officer

GARY FRY

Signature of witness



Print name of witness

LOUISE MEAD

It is an offence under section 10.5.16 of the *Gambling Regulation Act 2003* to make a statement that is false or misleading in relation to this application. An offence under section 10.5.16 of the *Gambling Regulation Act 2003* carries a maximum penalty of 60 penalty units.

Important information

To confirm the current fee, refer to the 'Gambling fees and fines' information sheet available at vcglr.vic.gov.au.

The application fee can be paid by:

- cheque or money order, made payable to the VCGLR; or
- credit card by completing the appropriate details above.



Information relating to public hearings and publication of application materials under section 10.1.22 of the Act

Section 10.1.22 of the *Gambling Regulation Act 2003* (the Act) requires the Victorian Commission for Gambling and Liquor Regulation (the VCGLR) to conduct certain aspects of its business in public. The matters the VCGLR must decide in public include applications to amend a venue operator's licence. This means that your application to amend your venue operator's licence to vary the number of gaming machines will be determined at a public hearing.

However, under section 10.1.22 (3) of the Act the VCGLR may direct that an inquiry or meeting or part of an inquiry or meeting be held in private if it considers:

- (a) it necessary to do so to prevent the unreasonable divulgence of information relating to the personal affairs of any person including a deceased person; or
- (b) it is otherwise in the interests of justice or the public interest to do so.

The Commission may determine to conduct an inquiry in private only if the application for an increase in the number of gaming machines is for no more than 10 per cent of the existing number of gaming machines or there has not been a previous application to increase the number of gaming machines by less than 10 per cent within two years. If the Commission determines to conduct a private inquiry the application fee for a public hearing will be refunded (in part) to the applicant to recognise the reduction in fee units for a public hearing vs private inquiry.

The following "Acknowledgement in Relation to Public Hearings" must be completed for all applicants for an amendment of a venue operator's licence. The acknowledgement requires you to certify that you have read and understand this important information about public hearings. It also provides you with the opportunity to make submissions to the VCGLR as to why it should decide to consider your request for approval in private. Please note that any reasons you provide will be considered, but the final decision of whether your request for approval will be decided in private or in public will be made by the VCGLR.

If you have any questions regarding the public hearing process, contact the VCGLR on telephone 1300 182 457 or email your enquiry to the VCGLR at contact@vcglr.vic.gov.au

Information relating to public hearings and publication of application materials under section 10.1.22 of the Act

Acknowledgement of public hearings and publication of application materials under section 10.1.22 of the Act

As the authorised officer completing the application form on behalf of the Applicant, I hereby state that:

- (i) I have read the 'Information relating to Public Hearings and Publication of Application Materials' detailed above; and
- (ii) I understand that material which is relevant to this request for approval as an associate of a Key Gaming Operative, whether provided now or in the future, will be liable to be publicly disclosed in the course of the decision-making process.

Further, I hereby advise the VCGLR that (tick the appropriate boxes)

- I have no objection to this request for approval being heard in public
- I object to this request for approval being heard in public and have attached a statement of reasons as to why it should be decided in private.

Full name of the associated entity

BALLARAT GOLF CLUB INC

Full address of the associated entity

1800 STURT STREET

BALLARAT Postcode 3350

Full name of authorised officer signing the application on behalf of the associated entity

GARY FREY

Signature of Authorised Officer

[Handwritten Signature]

Date 15/8/18



Advertising requirement

Within 7 days of lodging the application with the responsible authority the applicant must publish in a newspaper circulating in the local area of the premises a notice, in the format prescribed below, informing the public of the application. The notice invites public comment on the application in writing, to the responsible authority or directly to the VCGLR.

Applicants are required to include venue details and the existing number of machines and the proposed number of machines to be installed at the venue in the notice.

The authorised officer, on behalf of the applicant, must forward to the VCGLR a copy of the notice within 14 days of the application being given to the responsible authority.

This requirement is made under section 3.4.18 of the *Gaming Regulation Act 2003*.

Required format of Public Notice for Application Increase of Number of Gaming Machines:

Notice of Application to amend Venue Operator's Licence to Increase the Number of Gaming Machines

Section 3.4.18 of the Gambling Regulation Act 2003

(Applicant) has applied to the Victorian Commission for Gambling and Liquor Regulation to increase the number of gaming machines at (venue name, address, and suburb) from (existing number) to (proposed number).

Persons from the municipality where the venue is located may comment on this application in writing, within 30 days of this notice. For more information and contact details regarding this application please visit www.vcglr.vic.gov.au/utility/about+us/meetings+and+hearings/

Persons wishing to make a submission that do not have internet access can telephone the VCGLR on 1300 182 457 to obtain contact details.



Application – Part A

Application to increase or decrease the number of gaming machines

OFFICE USE ONLY

Amount Rec'd \$ _____

Receipt No. _____

Date Rec'd / /

Application No. _____

Assigned to _____

1. Existing gaming machines

Number of gaming machines permitted under the existing venue operator's licence:

28

2. Decrease in gaming machines sought

Number of gaming machines to be decreased on licence:

N/A

3. Additional gaming machines sought

Number of gaming machines to be added by proposal:

6

4. Increase of less than 10 per cent

Is this an application to increase the number of gaming machines by an amount of 10 per cent or less of the existing number of machines permitted in the venue?

YES

NO

Has an application for an increase in gaming machines by an amount of 10 per cent or more been made for the same venue in the last two years?

YES

NO

5. Evidence of lodgement

You must provide evidence that the application has been lodged with the VCGLR within three days of being given to the responsible authority.



Application – Part B

Social and Economic Impact

OFFICE USE ONLY

Date Rec'd / /
Receipt No. _____
File No. _____

6. Additional gaming machines

The net number of gaming machines to be added by the proposal:

0

(New gaming machines sought less those relocated from within municipal district)

7. Venue Patron Profile

In an attachment describe the expected patron profile of the venue if the proposal is approved.

Make reference to the following:

- Do they live near the venue, elsewhere in the municipal district, or do they work but not live in the municipal district?
- Are they from a particular socioeconomic background (includes ethnicity, gender, age, income level/type)?
- Are they already customers of other gaming venues in the municipal district?

Has an attachment been included? NO YES

If YES, attachment/page number is: SEE ATTACHED SEIA

8. Gaming Expenditure

Anticipated net gaming machine expenditure arising from this proposal over the first 12 months:
24,030 -
\$ 36,045
(Net expenditure equal total money less prizes paid i.e. player losses)

Has an attachment been included? NO YES

If YES, attachment/page number is: SEE ATTACHED SHINING EXPENDITURE REPORT

9. Employment

Direct gaming employment from proposal:

0.7

(Provide equivalent full-time figures)

In addition, in an attachment, you should detail and describe the amount and type of direct new employment created. For example, number of new full-time or part-time, permanent or casual positions; whether in gaming, hospitality or administration; whether wages or conditions are above the award. Please include details of indirect employment creation.

Has an attachment been included? NO YES

If YES, attachment/page number is: SEE ATTACHED SEIA

10. Infrastructure Investment, Development and Maintenance

Please make an estimate. If you cannot, please state 'Unable to accurately determine'.

SEE ATTACHED SEIA + WITNESS STATEMENTS

17.1 Value of new building or renovation works from proposal:

\$...

17.2 Value of building maintenance contracts from proposal for next 12 months:

\$... UTAD ...

11 Supply contracts

For new premises this will involve all contracts.

Please make estimate. If you cannot, please state 'Unable to accurately determine'.

11.1 Value of supply contracts to venue for next 12 months:

\$... UTAD ...

11.2 Estimated proportion to be provided by suppliers from within municipal district:

\$... UTAD ...

90% from within LGA

12. Complimentary expenditures

For new premises this will include all complimentary expenditures.

Please make an estimate. If you cannot, please state 'Unable to accurately determine'.

Value of complimentary expenditure for the next 12 months:

\$ 106,717 -

outside of gaming

13. Revenue distribution

In an attachment please provide further comment and information in relation to the net expenditure on gaming machines that remain in the municipal district or return to the municipal district.

Has an attachment been included? NO YES

If YES, attachment/page number is: SEE ATTACHED SHINING EXPENDITURE REPORT

177,861

14. Tourism

14.1 Estimated impact of gaming on tourism to the municipal district for the previous financial year:

\$... UTAD ...

14.2 Estimated impact on tourism from the proposal (first 12 months)

\$... UTAD ...

Has an attachment been included? NO YES

If YES, attachment/page number is: _____/_____



Application – Part B
Social and Economic Impact

OFFICE USE ONLY

Date Rec'd / /
 Receipt No. _____
 File No. _____

15. Social, recreational and entertainment opportunities

For each of the relevant sections make an estimate. If you cannot, please state 'Unable to accurately determine'.

15.1 Estimate of funding contributions towards improvements to recreational, entertainment or community facilities from this proposal:

ADDITIONAL
 \$ 5,000
 CASH

15.2 Estimate of value of sponsorship of sporting activities, social events and live entertainment from this proposal:

CONTRIBUTIONS
 \$ PER
 ANNUM

15.3 Estimate funding towards opportunities for particular social groups from this proposal:

\$

Has an attachment been included? NO YES

If YES, attachment/page number is: SEE ATTACHED SEIA REPORT

16. Social, recreational and entertainment opportunities continued

16.1 Estimate the average number of patrons who may use any part or all of the entire venue weekly:

3,311

16.2 Estimate the average number of patrons who may use the gaming facility weekly:

816

Has an attachment been included? NO YES

17. Incidence of problem/residents at risk and demand for community support services

Please provide detail of the proposed venue's responsible gaming practices and harm minimisation strategies in an attachment

24.1 What will be its responsible gaming practices and harm minimisation strategies (Comments could be made on any harm minimisation partnerships with any local agencies)?

Use an attachment to provide your response.

Has an attachment been included? NO YES

If YES, attachment/page number is: SEE ATTACHED

SEIA REPORT & WITNESS STATEMENTS

18. Responsible Gambling Environment

In an attachment please outline how the proposal will provide a Responsible Gambling Environment, including but not limited to the location and appropriateness of a children's play area, if applicable.

Has an attachment been included? NO YES

If YES, attachment/page number is: SEE ATTACHED SEIA REPORT & WITNESS STATEMENT



Payment by credit card

Complete only if paying by credit card.

Visa Mastercard Amex

Amount

\$12,685.10⁴

Card number

██████████ ██████████ ██████████ ██████████

Name of cardholder

BALLANTRAE GOLF CLUB - CARD FR-1

Card expiry date

12 / 18

Daytime telephone contact number of cardholder

0419 209 837

Signature



Date

30/07/18

Privacy - the VCGLR is committed to responsible and fair handling of personal information consistent with the *Privacy and Data Protection Act 2014* and its obligations under the *Gambling Regulation Act 2003* and the *Liquor Control Reform Act 1998*. This page will be destroyed once your payment has been processed.



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Social & Economic Impact Assessment

Report
Prepared for
Ballarat Golf Club

August 2018

Social and Economic Impact
Assessment

Ballarat Golf Club
1800 Sturt Street, Ballarat

ratio:

r:

Prepared for:

Ballarat Golf Club
Our reference 14850R001

ratio:consultants pty ltd

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1.1 Introduction

- 1.1.1 Ratio Consultants have been requested by the Ballarat Golf Club (The Golf Club) to review the social and economic impacts of a proposal to install 6 additional electronic gaming machines (EGMs) at the Golf Club, located at 1800 Sturt Street, Ballarat.
- 1.1.2 Whilst approval has previously been granted in 2005 by the then VCGR for an additional 8 EGMs at the Ballarat Golf Club, this application effectively seeks to vary the condition of that approval, which required 2 machines to be removed from the municipality.
- 1.1.3 We have been specifically asked to review the social and economic impacts of the proposal in response to the approval of the 6 additional electronic gaming machines and the corresponding improvements to the venue.
- 1.1.4 On balance, we are satisfied that the introduction of an additional 6 EGMs to the Golf Club will have a slightly positive social and economic impact on the City of Ballarat community.
- 1.1.5 A copy of the Curriculum Vitae's of those members of staff who prepared this report are included as Appendix A.

1.2 History

- 1.2.1 In October 2005, the Ballarat Golf Club, as part of its redevelopment, received permission from the VCGR to increase the number of EGMs at the venue from 28 to 36. This approval was in conjunction with the approval of the new clubhouse as suitable for gaming.
- 1.2.2 This permission was granted on the condition that the additional 8 EGMs were to be relocated from within existing venues in the Ballarat municipal district with an additional reduction of EGMs in the municipality by 2.
- 1.2.3 The Ballarat Golf Club, as part of the overall approval process, also obtained planning approval for the use and installation of 36 EGMs as part of Planning Permit No. PLP/2007/836, dated 18 February 2008. This planning permit is still valid, of which 28 of the 36 EGMs have been installed at the venue. Accordingly, the planning approval of the additional 8 machines remains current and no further planning permission is required to install an additional 6 gaming machines.
- 1.2.4 To date the Club has not been in a position to install the additional 8 EGMs at the venue. Changes to the allocation of EGM licences in 2012 (i.e. the end of the Tabcorp/ Tatterall's duopoly and the lack of success of the club at the auction) meant that it was not possible for the Club to have control over the removal of an additional 2 EGMs from the municipality and hence meet the condition.
- 1.2.5 In addition, due to the restrictions¹ on the number of EGMs that can operate within the City of Ballarat, the municipality can only accommodate an additional 6 EGMs at this time. Therefore, there is no room within the cap for the Club to seek to operate the previously approved 8 EGMs.
- 1.2.6 It is also noted that until mid-2017, there was no room at all within the cap in the municipality. The current gap has recently been created as a direct result of 6 EGMs being sold by Miner's Tavern, a venue that is located

¹ Ballarat has a regional cap of 663 EGMs pursuant to the Ministerial Order dated 20 September 2017. 657 EGMs are currently in operation.

within the 3rd decile and shows more socio-economic disadvantage than the Golf Clubs catchment.

- 1.2.7 The buildings and works previously discussed in the Commissions 2005 approval of 8 EGMs have been completed and the new clubhouse is fully operational. However, the Club continue to operate with 28, rather than the permitted 36, EGMs. The VCGR decision emphasised the positive nature of the above referenced works, noting that there was 'considerable merit' in the proposed re-development². The VCGR ultimately found the amendment to the licence (for the additional 8 EGMs) and the new premises approval would not be detrimental to the community of Ballarat.
- 1.2.8 Accordingly, this application effectively seeks the installation of an additional 6 EGMs in the municipality, compared with the current 'live' approval for 8 EGMs with 2 being removed from the LGA.

1.3 Facts, Matters and Assumptions

- 1.3.1 In forming our opinions about this proposal, we have relied upon:
- Our review of the site and the surrounding area
 - Our review of the VCGLR's 2005 Decision and Reasons for Decision in relation to Ballarat Golf Club's application to increase the number of EGMs from 28 to 36.
 - A review of various literature sources referenced in this statement.
 - Maps prepared by Ms. Hayley Vinecombe and Geoff Fairlie of this office, using the MapInfo Software package.
 - Additional information obtained from the ABS, Council's website and other sources in relation to socio/economic data and the local area.
 - Our assessment of the proposal against the relevant policies contained within the Ballarat Planning Scheme.
 - Our review of other material, such as 'City of Ballarat Gaming Machine Community Policy (August 2011) the City of Ballarat Municipal Public Health and Wellbeing Plan 2017-2021.
 - Background gaming documents, research and studies.
 - Information requested on problem gambling support from the relevant Gamblers Help Service and the Gambling Information Resource Office.
 - Instructions from the Applicant pertaining to the operation of the proposed venue.
 - Mr. Leigh Barrett in relation to the Ballarat Golf Club RSG Policy and the RSG Report.
 - The Statements of Mr. John King, Mr. Michael Phillips and Ms. Hannah Mead in relation to the history and operation of the Club.
 - Mr. Tim Stillwell in relation to expenditure projections.
 - Architectural plans prepared by Round 6.

1.4 Documents and Materials Considered

- 1.4.1 In the course of preparing this report we have:
- Inspected the site and surrounds.

² Paragraph 53, Decision and Reasons For Decision, Ballarat Golf Club, 20 October 2005

- Reviewed the proposed development plans of the premises.
- Assessed the proposal against relevant policies and studies.
- Reviewed background gaming documents which are referenced at Appendix B.

1.5 Methodology

1.5.1 In preparing this Social and Economic Impact Assessment we have used the following methodology:

- Stage 1: Inspected the site and surrounding area
- Stage 2: Reviewed the background materials including relevant policy and research documents, gaming statistics and social and economic data to determine the profile of the catchment area.
- Stage 3: Prepared an analysis of the profile of the catchment area against measures of vulnerability and a review of existing social infrastructure.
- Stage 4: Prepared an assessment of the expected social and economic impacts of the proposal and the likely overall impact on the local community.

1.6 Summary and Opinion

1.6.1 The real consideration for this application is whether the deletion of the requirement for 2 EGMs to be removed from the LGA and whether 6 EGMs being installed at the venue rather than the approved 8 EGMs, is off set (in terms of the net detriment test) by the existing works already undertaken as well as the additional works proposed.

1.6.2 Of consideration to us has been the fact that the works previously proposed as part of the Commission's 2005 approval for an 8 EGM increase have been largely completed although the additional EGMs were never installed³. We are mindful that the community has had the benefit of the works, including the new club house and new golf course and other facilities since 2009.

1.6.3 In addition, works have recently been undertaken to bring the gaming room into compliance with best practice venue design. These works include:

- the provision of frosted glass to all gaming room entry doors; and
- The restriction on the previous automatic door entry to the gaming room from the bistro area by providing a 'push button' only access⁴ (Refer Appendix C).

1.6.4 These measures have reduced visibility of the gaming room from all areas of the Club, including the Bistro area, where the previously automatic doors now remain closed unless purposely accessed by a gaming patron/staff.

1.6.5 In summary we find that:

- The proposal for an additional 6 additional electronic gaming machines will have a slightly positive social and economic impact on the local community and the City of Ballarat.
- The 6 EGMs being installed are as a direct result of the sale of EGMs by the Miner's Tavern. A venue that is located within an SA1 in the 3rd decile. The effective redistribution of 6 EGMs from an area in the 3rd

³ We understand that the tennis courts are the only part of the works not constructed

⁴ Previously the access doors opened when persons passed by the door

decile to an SA1 in the 9th decile is a positive outcome. It effectively reduces EGMs in an area where there are more signs of significant disadvantage to an area with very few signs of disadvantage.

- The benefits associated with the proposal include renovation of the clubhouse at a cost of \$977,257 that will result in improved facilities and an overall greater offer to the community and increased community contributions of \$5,000 per annum to community organisations.
- We are satisfied that these benefits will neutralise any potential disbenefits, including the risk of increased problem gambling behaviour, mindful that the gaming room, if the proposal is approved, will remain relatively modest in size.
- We consider that the existing underlying risk to problem gaming behaviour is unlikely to change as a result of the proposed additional 6 EGMs.

1.6.6 These conclusions are expanded upon in the following sections of this report.

2 Subject Site and Surrounds:

2.1 The Location

- 2.1.1 The subject site is located on the northern side of Sturt Street, in Alfredton. The Golf Club is located on the north-western edge of Ballarat.
- 2.1.2 The site currently contains existing golf club facilities including a clubhouse, pro shop, cart storage, practice putting green, practice chipping green, driving range, 18-hole golf course and large parking area.
- 2.1.3 The Golf Club owns all of the site.

Figure 2.1: Subject site



Source: www.street-directory.com.au

2.2 Surrounds

- 2.2.1 The site is located to the north west of the Ballarat CBD at the periphery of the urban area. Industrial land adjoins the Club to the north west and north.
- 2.2.2 The land to the east of the golf club has recently undergone a residential subdivision, which was previously part of the original golf course. Further to the east of the residential dwellings is Prince of Wales Park, Ballarat High School and Lake Wendouree.
- 2.2.3 The southern side of Sturt Street is typically characterised by residential development.

Figure 2.2: Aerial Photograph of the Subject Site

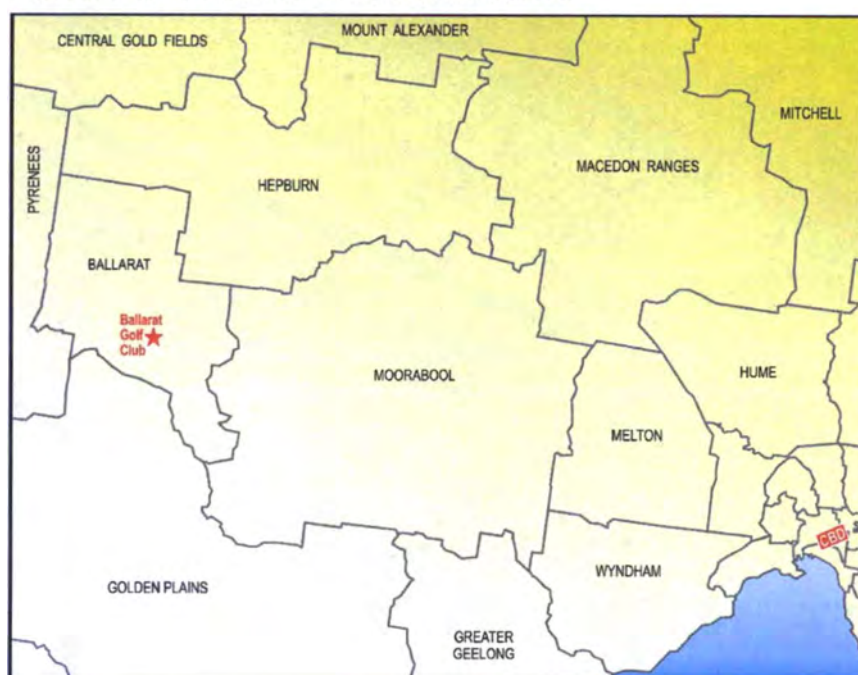


Source: Near Map (captured on 27 October 2017)

2.3 The City of Ballarat

- 2.3.1 The City of Ballarat is located within the Central Victorian Goldfields region of Victoria and is approximately 110 kilometres north-west of Melbourne. It covers an area of approximately 739 square kilometres.
- 2.3.2 The municipality shares its borders with Hepburn Shire Council (to the north), Moorabool Shire Council (to the east), the Golden Plains Shire (to the south) and the Pyrenees Shire (to the west). In 2016, the City had a resident population of 101,686 persons.
- 2.3.3 Ballarat serves as a regional centre and provides for major retail, health and educational facilities for people from the surrounding rural areas. In addition, Ballarat plays an important tourism role for the Central Victorian Goldfields region.
- 2.3.4 The city's proximity to the Melbourne metropolitan area attracts many people including families seeking more affordable housing with good access to employment opportunities and better lifestyle choices.

Figure 2.3: City of Ballarat in relation to Melbourne CBD



Source: Land Vic prepared by Ratio Consultants

2.4 The Role of Tourism in Ballarat

- 2.4.1 Ballarat has a strong tourism industry that is centred around major attractions including Sovereign Hill, Lake Wendouree, the Botanic Gardens, the Art Gallery of Ballarat, Her Majesty's Theatre and the Ballarat Wildlife and Reptile Park.
- 2.4.2 Recent figures identify that Tourism accounts for \$458.534 million of Ballarat's total output of \$13.435 billion⁵, or 3.4%. With the average trip stays and expenditure identified below.

⁵ RemPlan: 2015-16, Australian Bureau of Statistics (ABS), Tourism Satellite Account

Table 2.1: Ballarat Tourism Expenditure

| | Domestic Day | Domestic Overnight | International |
|--------------------|--------------|--------------------|---------------|
| Av Stay (Nights) | - | 2 Nights | 11 Nights |
| Av Spend per Trip | \$102 | \$310 | \$859 |
| Av Spend per Night | - | \$147 | \$75 |

Source: RemPlan City of Ballarat Online Economic Profile Report (Av over four years to 2013)

- 2.4.3 Figures show that the municipality hosts approximately 2.3 million visitors annually with domestic day visitors comprising the majority (1.7 million) of visitors to the City. Visitors currently spend approximately \$367 million annually in the municipality⁶.
- 2.4.4 The top three countries for international visitors to Ballarat are New Zealand (4,000), the United Kingdom (4,000) and the United States (2,000).
- 2.4.5 The main reason given for visiting the region is for a holiday, with approximately 896,000 visitors. A further 814,000 visitors to the region are visiting family or friends.
- 2.4.6 Tourism Victoria has produced a summary of the Goldfields (Ballarat and Bendigo) campaign region for the year ending December 2017.

Figure 2.4: Tourism Victoria's Campaign Regions



Source: Department of Economic Development, Jobs, Transport and Resources – Goldfields Market Profile: Year ending December 2017

- 2.4.7 According to Tourism Victoria, in 2017 the Goldfields region received 43,000 international overnight visitors, 1.8 million domestic overnight visitors and 4.6 million domestic day visitors for the year ending December 2017. Domestic overnight visitors stayed 2.5 nights on average, up from 2016 (2.3).

⁶ Australian Government, Austrade, Tourism Research Australia, Local Government Area Profile 2016 for Ballarat LGA

- 2.4.8 The average number of nights stay for international visitors was 14 nights, with individual overnight spend per visitor (over total trip) being on average \$923.

Figure 2.5: Top 15 activities of domestic visitors to the Goldfields region

| Activity | Goldfields | Regional Vic |
|---|------------|--------------|
| Visit friends and relatives | 53% | 46% |
| Eat out at restaurants | 50% | 53% |
| Go shopping (pleasure) | 20% | 22% |
| General sight seeing | 19% | 28% |
| Pubs clubs discos etc | 18% | 19% |
| Visit history, heritage buildings sites or monuments | 9% | 5% |
| Visit museums or art galleries | 9% | 5% |
| Bushwalking or rainforest walks | 8% | 14% |
| Visit botanical or other public gardens | 8% | 4% |
| Going to markets (street, weekend or art craft) | 7% | 10% |
| Visit national parks or State parks | 6% | 12% |
| Attend festivals or fairs or cultural events | 5% | 3% |
| Exercise, gym or swimming at a local pool, river or creek | 4% | 5% |
| Play other sports | 4% | 4% |
| Picnics or BBQs | 4% | 8% |

Source: Tourism Victoria – Goldfields Market Profile: Year ending December 2013

- 2.4.9 Figure 2.5 above identifies the main activities of domestic visitors to the Goldfields region in 2013. It is noted that category of pubs, clubs, disco's accounts for 18% of activities undertaken by domestic visitors to the goldfield regions. It is also noted that 9% of activities included playing sports and exercise including golf.

Golf Tourism

- 2.4.10 Golf Tourism has a substantial role to play in the overall success and variety of the tourism offer provided within Ballarat.
- 2.4.11 The Australian Golf Industry Council's *'The Value of Golf Tourism (September 2014)'*, identifies that:
- Domestically 1.575 million golf trips were taken in 2013, generating 8.4 million golf visitor nights;
 - 18% of all domestic golf trips being Victorian based;
 - The average spend by core domestic golf tourists on a per night basis is \$302, who stay on average 5.3 nights;
 - Since 2008 the number of day trips including golf have increased by an average rate of 2% per year;
 - The two most important features sought by the core golfing tourist are an ability to play premium courses and course variety; and
 - Tourism Research Australia report that there were 174,000 international tourists who played golf when visiting Australia in 2013, representing 3.2% of all international visitors.
- 2.4.12 As a result of the facilities on offer at Ballarat Golf Club there has been an active ability to draw on the above referenced economic generators. Most notably, in 2017 the Club hosted the Australian Ladies Professional Golf (ALPG) Pro Am.
- 2.4.13 Whilst it is difficult to calculate the exact impact that Golf Tourism has on the Ballarat municipality as a whole, information provided from the ALPG in relation to the impact of the 2017 Pro Am on the local economy noted

that expenditure within the municipality from participants alone was approximately \$138,900 over the course of the tournament. This equated to:

- 1 local player spending \$50 per day for 2 days (\$200)
- 6 intrastate players spending \$300 per day for 3 days (\$5,400)
- 45 interstate players and guests spending \$300 for 3 days (\$40,500)
- 67 international players and guests spending \$400 for 3 days (\$80,400)
- 2 ALPG staff spending \$300 for 4 days (\$2,400)
- 200 Spectators local spending \$50 per day (\$10,000)

3.1 The History of the Club

- 3.1.1 Ballarat Golf Club is one of Australia's oldest Clubs, founded on 11 April 1895. Up until it moved to a partially new course in 2008, it was Australia's oldest 18-hole club on its original site.
- 3.1.2 Over the years, land was added to the course and holes were lengthened. A new club house was constructed in 1924. The club house was extended in the late 1950s.
- 3.1.3 Gaming machines were initially introduced to the Club in 1994 and were at the time located in a separate annex room.
- 3.1.4 The Club purchased the land on which the club house was built and later the full course land in the late 1990s. In 2008, the Club and Roadcon exchanged land titles and a new Championship Course was constructed on the western portion of the old course and on former common land to the north.
- 3.1.5 The Ballarat Golf Club has been named in the 2017 Golf Australia Top 100 Public Access Courses, ranked at number 73. The course was also awarded number 53 in the AusGolf 2017 Course Guide.
- 3.1.6 The Golf Club has recently played host to national competitions, such as the ALPG Pro Am in 2017.

3.2 VCGLR Approval 2005

- 3.2.1 In 2005, Ballarat Golf Club sought approval from the VCGLR for proposed new premises at Stuart Street, Ballarat for the purposes of gaming with 36 EGMs and an amendment to the venue operator's licence to increase the number of EGMs from 28 to 36.
- 3.2.2 The proposal and involved a significant redevelopment of the Ballarat Golf Club's land and relocation of the club house (including gaming venue) to where it is today.
- 3.2.3 The first part of the approval .i.e. the relocation of the club house to its new premises has occurred including the significant redevelopment works described in paragraphs 9 to 16 of the commission's decision (**Error! Reference source not found.**).
- 3.2.4 The second part of the approval .i.e. the increase in EGMs from 28 to 36 was granted on the condition that:
 - the additional (8) EGMs will be relocated from within existing venues in the Ballarat municipal district, and that 10 EGMs will be removed from other venues, and 8 relocated to the Golf Club, resulting in a reduction of the number of EGMs within the municipal area, by 2.
- 3.2.5 At the time of the Commission's decision there were 659 EGMs operating within the municipality. The approval would have resulted in this number dropping to 657 EGMs. The additional approved EGMs have never been installed as the Club was not able to purchase the additional machines at auction. As referenced above, the abolition of the duopoly (which was after the VCGR decision) effectively meant that the condition could not be complied with.
- 3.2.6 It is noted that around the time of this previous approval the EGM density per 1,000 adults for the Ballarat LGA sat at 9.3⁷. As a result of significant

⁷ 2006 Census identified 70,800 adults within Ballarat LGA

population growth in the municipality this EGM density has reduced to 8.24 EGMs per 1,000 adults in 2018.

- 3.2.7 Currently there are a total of 657 EGMs operating within the City of Ballarat. Due to the restrictions⁸ on the number of EGMs that can operate within the City of Ballarat, the municipality can only accommodate an additional 6 EGMs at this time. Therefore, there is no room within the cap for the Club to seek to operate the previously approved 8 EGMs.
- 3.2.8 Furthermore, as the previous approval was predicated on an overall reduction in the number of operational EGMs within the municipality by 2 (to 657), the Club are unable to act on this prior approval as there is no current availability to transfer operational EGMs to the Club given the end of the Tabcorp/Tattersalls duopoly.
- 3.2.9 Whilst the substantial redevelopment of the club has occurred, and the new premises is in operation, the Club are unable to act on the approved increase in EGMs because of the above referenced condition imposed and the current gaming climate. It is for these reasons that this new application has been prepared.

3.3 Planning Permit PLP/2007/836

- 3.3.1 The existing clubhouse was subject to planning approval from the City of Ballarat and a planning permit was issued on 18 February 2008. The planning permit allows for the following:

'Use and development of the land for the purpose of a clubhouse building, proshop, restricted place of assembly with a full club liquor licence under the Liquor Licence Control Reform Act 1998, approval to install and use thirty-six (36) gaming machines at the proposed premises, car park, access to a road zone, tennis courts and landscaped areas'.

- 3.3.2 Condition 9 of the permit sets out that 'no more than 36 gaming machines may be used at the premises and must only be located within the restricted gaming lounge as shown on the endorsed plans.
- 3.3.3 At the time the permit was issued, the Club operated 28 EGMs which are still in operation at the Club. It was anticipated that the Club would purchase the additional 8 EGMs through the auction process that took place in May 2010, however, the Club was not able to purchase the additional machines at auction as the price payable at auction did not make it feasible to do so at the time.
- 3.3.4 The Club has continued to operate 28 gaming machines since the permit was issued and therefore has existing planning approval for up to 8 additional machines under planning permit PLP/2007/836.
- 3.3.5 We have been advised that the works associated with this planning permit have been completed, and that additional new works are proposed as part of this application.

3.4 Existing Buildings and Facilities

- 3.4.1 The Ballarat Golf Club comprises a single storey clubhouse located at the southern end of the property with the golf course extending to the north and east. Car parking is located to the south of the clubhouse and is accessed directly off Sturt Street.

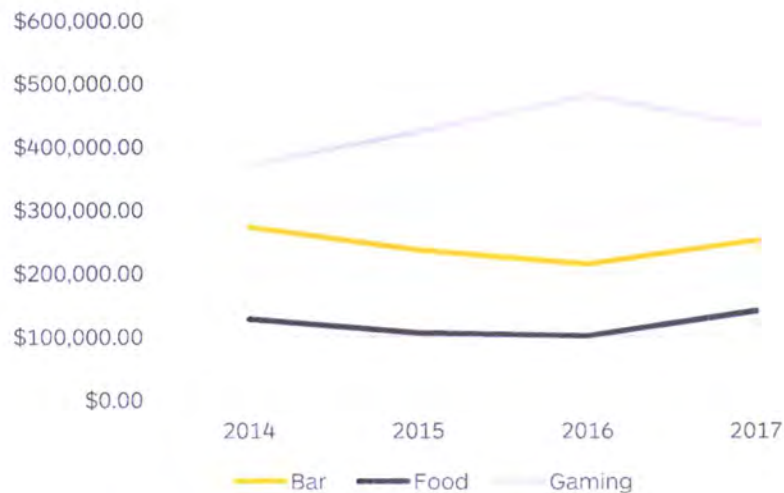
⁸ Ballarat has a regional cap of 663 EGMs pursuant to the Ministerial Order dated 20 September 2017. 657 EGMs are currently in operation.

- 3.4.2 The club building comprises a range of facilities with the current layout outlined below. For ease of clarity we have also provided the relevant capacities as per the endorsed plans.
- Bistro with seating for 110 patrons (Capacity 132 seats)
 - Board/Committee Room for 30 patrons
 - Main Function Room/Members Lounge 1/Ladies Lounge (Capacity 135 seats)
 - Titheridge Room/Members Lounge 2 (Capacity 88 seats)
 - Gaming room with 28 machines
 - Outdoor lounge areas with seating for up to 60 patrons
 - Existing bar area and gaming servery
 - Back of house facilities including kitchen, cool rooms, offices etc
 - Proshop and cart store
 - Male and female change rooms
 - Separate entrances for golf and bistro areas
- 3.4.3 A series of photos of the venue are attached as Appendix E.
- 3.4.4 The above referenced works are reflective of the previous planning and gaming approvals referenced in Sections 3.2 and 3.3 above. Noting that no additional EGMs which were linked to the premises approval have been installed.
- 3.4.5 The liquor licence permits the club to trade 7 days a week and is attached at Appendix F.

3.5 Current Operation

- 3.5.1 Since the Club completed its relocation to its new purpose-built clubhouse in May 2009, it has continued to grow from strength to strength within the community, not only providing facilities for playing members but also facilities for social members and community organisations alike (Refer 3.6 - 3.8). This has resulted in steady profit streams for the bar, bistro and gaming room over the past four years, showing the overall popularity of the venue as a multi-faceted club, and not just a golf club which benefits playing members.
- 3.5.2 The three main revenue streams (bar, food, gaming) over the past four years are identified below, outlining the relative steady profit streams (excluding membership fees, etc) for the club.

Figure 3.1: Ballarat Golf Club Profit and Loss (2014 – 2017)



Source: Ballarat Golf Club Profit and Loss Sheets 2014 - 2017

- 3.5.3 Whilst it is evident that gaming profits are a substantial component of the club's overall revenue stream, it is understood that this key revenue stream assists the club provide the multi-faceted club that benefits the wider community.
- 3.5.4 Furthermore, we understand that the revenue associated with the clubhouse (bar, food and gaming) assists in offsetting losses associated with golf and is utilized to continually improve the golf course so it can maintain its standards.
- 3.5.5 In 2017, Golf & Course Operations loss was \$361,816. Whereas the clubhouse had a net surplus of \$812,037. We understand that this surplus was vital to the investment of greater resources into the golf course and ongoing maintenance and enhancement of a championship facility.

3.6 Membership

- 3.6.1 The Club currently has a total of 2,452 members, of which almost two-thirds (64%) are social members. The remaining members are golf members with various membership categories.
- 3.6.2 The Club offers 13 Membership categories including lifestyle members, young adults (1 – 3 with various age structures), colt, junior and cadet members (5 – 21 years), beginners, seniors and 6 & 7 day memberships.
- 3.6.3 Members enjoy full access to the course and all clubhouse facilities as well as receiving a 10% discount on meals and drinks throughout the clubhouse.
- 3.6.4 A summary breakdown in the residence of club members is provided in Table 3.1 below, noting that a full list of suburbs of club members is provided in Appendix G.

Table 3.1: Members by Residence

| Location | Number | Percentage |
|------------------|--------|------------|
| Alfredton | 672 | 27.4% |
| Ballarat Central | 325 | 13.3% |
| Wendouree | 206 | 8.4% |

| | | |
|----------------|-------------|------|
| Lake Gardens | 104 | 4.2% |
| Delacombe | 87 | 3.5% |
| Sebastopol | 87 | 3.5% |
| Miners Rest | 71 | 2.9% |
| Lake Wendouree | 63 | 2.6% |
| Total | 2452 | |

Source: Ballarat Golf Club

- 3.6.5 As can be seen from the above table approximately 66% of all club members are from within a 5km radius of the Club.

3.7 Community Contributions

- 3.7.1 The Club has provided various cash and 'in-kind' donations to the local community over the last year⁹. The Club's cash contributions have a value of \$5,815.10 and are as follows:

Cash

| | |
|---|------------|
| — Fiona Elsey Cancer Research Institute | \$4,522.10 |
| — Ballarat Indoor Bias Bowls | \$300.00 |
| — Ballarat Basketball | \$495.00 |
| — The On Track Foundation (Soup Bus) | \$498.00 |

In-kind

- 3.7.2 In addition to the above cash contributions, it is estimated that the club has provided in excess of \$43,000 in-kind community contributions in 2016/17. These contributions included vouchers for golf green fees, room hire and food and beverage discounts and other golf packages.

- 3.7.3 In-Kind contributions include the following recipients:

| | |
|--|-------------|
| — Royal Children's Hospital Good Friday Appeal | \$120.00 |
| — Ballarat Hospice | \$50.00 |
| — Ballarat Football Netball Club | \$120.00 |
| — North Ballarat Cricket Club | \$120.00 |
| — Ballarat & Clarendon College | \$100.00 |
| — 3BA Christmas Appeal | \$240.00 |
| — Brad Simpson Fundraiser | \$240.00 |
| — Alfredton Primary School | \$20.00 |
| — Ballarat Junior Football Netball Club | \$90.00 |
| — Springfest Season of Events | \$1,950.00 |
| — United Way Charity Golf Day | \$3,750.00 |
| — The On Track Foundation (Soup Bus) | \$225.00 |
| — Eureka Probus | \$500.00 |
| — Goldfields Probus Club | \$1,700.00 |
| — Ballarat Sportsmen's Club | \$8,750.00 |
| — North Ballarat Probus club | \$500.00 |
| — Rotary Club of Ballarat South | \$12,122.00 |
| — Rotary Club of Wendouree | \$4,105.00 |

⁹ 2016-2017 financial year

- Rotary Club of Ballarat \$5,695.00
- Ballarat Jazz Club \$3,000.00

3.7.4 In addition to the above, the Club provides a home/gathering space to a number of clubs and community groups within the local area. These groups are provided with free room hire so that they can undertake their regular events at Ballarat Golf Club.

3.7.5 The Club is called home for the following community groups:

- Ballarat District Golf Association - 11 times a year
- Sports Association Australia Ballarat Branch – 11 times a year
- Alfredton – Lucas Lions Club – 20 times a year
- Ballarat Evening View Club – 11 times a year
- Rotary Club of Wendouree – 38 times a year
- Rotary Club of Ballarat South – 42 times a year
- Rotary Club of Ballarat – 42 times a year

3.7.6 The free room hire fees provided for these clubs is not currently included in the calculation of in-kind contributions. If included it is expected that free room hire in-kind contributions would total approximately \$17,500.

3.8 Functions

3.8.1 In 2017, the Club was host to over 370 functions ranging from community events, private celebrations, wake, Christmas parties and corporate functions. It is estimated that these functions were attended by over 3,800 persons (Appendix H).

3.9 Hours of Operation

3.9.1 The following hours of operation are associated with the existing venue:

Golf Course & Pro-shop

- 6am – 8pm, 7 days a week (October - April)
- 7am - 6pm, 7 days a week (May - September)

Clubhouse & Bistro¹⁰

- 10am – 11pm Monday
- 10am – 12midnight Tuesday & Wednesday
- 10am – 1am Thursday – Saturday
- 11am – 11pm Sunday

Gaming Room¹¹

- 10am – 1 am Monday to Saturday
- 11am – 11pm Sunday

Greenside Bistro

- 11am – 8.30pm Monday to Wednesday
- 11am – 9pm Thursday to Saturday
- 11am – 8pm Sunday

3.9.2 It is noted that Clubhouse and Bistro remains open while the gaming room is operational, serving drinks and light snacks.

¹⁰ The Bistro often closes earlier during quieter periods

¹¹ The gaming room often closes earlier during quieter periods

3.10 Employment

- 3.10.1 The Club currently employs 23 full time staff, 6 Part Time and 20 Casual staff. This equivalates to 33 FTE's.
- 3.10.2 Staff are employed in various components of the club including cleaning, course works, office, bistro, kitchen, functions and gaming.

3.11 The Club's Vision

- 3.11.1 The Club have identified two separate projects that will improve the overall facilities on site. These projects are part of the Club's longer-term vision and are not linked to the proposed top-up in EGMs, however we understand that the proposed increase in EGMs will underpin the Club's ability to position itself to undertake the works as outlined below.

Course Enhancement Plan

- 3.11.2 This is a five-year plan that has been approved by the Board. This plan addresses the need to enhance the existing landscape of the course and includes additional planting along the boundaries, backdrops, tee boxes, the wetlands and grasslands and rationalization of the cart paths.
- 3.11.3 The current landscaping of the course has not maximized the local flora and fauna and a new landscaping strategy will assist in creating a top quality golf course.
- 3.11.4 These works are expected to commence in Spring 2018 and be completed in 2022 at an overall estimated cost of \$810,373.
- 3.11.5 These works are not linked to the proposal and will be carried out regardless of the proposed top up. However, we understand that the quality and extent of works may be reduced should the additional EGMs not be allowed.

Clubhouse Master Plan

- 3.11.6 The Club has been working with its architects and members on the development of the Master Plan. This plan is a 'vision' for the future of the Club and no commitment has been made to its implementation or completion at this time given the current financial position of the club.
- 3.11.7 Whilst no commitment has been made to the master plan, preliminary plans have been prepared by Round 6 Architects (Appendix I) show the four stages of the redevelopment. These can be described as follows:
 - Stage 1a: Interior Design and Storeroom Extension
 - Stage 1b: Bistro, Gaming Room and Foyer
 - Stage 2: Function Rooms, Bar and Kitchen
 - Stage 3: Pro Shop, Virtual Golf, Members Lounge and Desk, Administration, Male and Female Amenities
- 3.11.8 Preliminary costings for the entirety of the master plan is \$6.17 million.
- 3.11.9 Whilst it is uncertain if the proposed Masterplan works will be carried out to the above referenced scope or carried out at all, the Masterplan identifies a clear intent by the club to continue manage its growth and vision into the future. It also sets a vision for the Club to continue to grow and maintain high standards as well as securing the Clubs continued viability.

4 The Proposal:

4.1 Improvements to the venue

- 4.1.1 It is proposed to increase the number of machines at Ballarat Golf Club by 6, taking the total number of EGMs to 34. This is in contrast to the previous VCGR approval, which permits 8 additional EGMs at the venue with 2 to be removed from the LGA (resulting in a net reduction of 2 EGMs within the LGA).
- 4.1.2 The revenue from the additional machines will enable the Club to undertake a renovation of the existing club facilities a cost of approximately \$980,000 (in addition to the relocation of the Club and works, which was completed 9 years ago).
- 4.1.3 The proposed renovation works includes the following:
- New tables and chairs for the function room and bistro/café
 - New lighting throughout
 - Improvements to the bar area
 - Internal painting
 - New coolroom, store room and improved delivery area
 - New carpet, tile flooring throughout the building
 - Installation of information and directional signage including digital signage
- 4.1.4 The existing fittings and furnishings are 'tired' and showing 'wear and tear'. For the Club to maintain its stature and continue to strive towards its masterplan vision an upgrade is needed.
- 4.1.5 The proposed scope of works will assist with providing an overall 'face lift' to the Club and improve the overall ambience of the bar, bistro/café and function area. The works will also ensure that the club operates more efficiently in terms of product storage and delivery receipt etc.
- 4.1.6 The above referenced works will commence as soon as practical after approval of the application.
- 4.1.7 We understand that some works would occur at the club should the additional EGMs not be approved. However, these works will be to a much lesser extent and value (approximately \$345,000). We understand that these works will only include new tables and chairs for the function and bistro café area (lesser quality), carpeting and flooring, i.e. works which are a necessity.
- 4.1.8 In addition to the above referenced renovation works, the club has also recently undertaken improvements to the gaming room to bring it in line with best practice requirements.
- 4.1.9 These works include:
- Frosted Glazing of all gaming room entries; and
 - Modifications to the gaming room entry from the Bistro to via a push button only so that doors will only open on demand, rather than automatically via movement.
- 4.1.10 We understand that the above-mentioned works have reduced visibility into the gaming room from the remainder of the venue and that the venue is one of the only venues within the municipality where this high standard of visual treatment occurs.

4.2 Community Contributions

- 4.2.1 The Club has advised that they will commit to increasing the level of community contributions (refer to Section 3.5) should the additional 6 EGMs be approved.

4.2.2 Following approval of the additional EGMs an additional annual cash contribution of \$5,000 will be donated to the following organisations:

| | |
|---------------------------------|---------|
| — Rotary Club of Ballarat South | \$1,500 |
| — Rotary Club of Ballarat | \$1,000 |
| — Ballarat Sportsmen's Club | \$1,000 |
| — United Way Ballarat | \$1,000 |
| — Rotary Club of Wendouree | \$500 |

4.3 Complimentary Expenditure

4.3.1 The complimentary expenditure as a result of the proposal and improvement works is expected to be between \$106,717 and \$177,861 per annum. This would represent an increase in revenue (excluding gaming) by between 3% and 5%. This increase in complimentary expenditure is expected as a result of the overall improvement to the look and feel of the venue. This improvement will ensure the venue continues to grow and attract new and existing local and tourism customers to all facets of the venue.

4.3.2 Whilst it is expected that there would be some uplift in complimentary expenditure should the proposal not be approved and only the minor 'face lift' works go ahead, this increase would be expected to be far less.

4.4 Expenditure & Tax Savings

4.4.1 Mr. Tim Stillwell has estimated that the application would increase gaming expenditure in the club by between \$40,050 and \$60,076. 40% of this figure has been attributed to transferred expenditure from within the municipality. Therefore, net expenditure within the City of Ballarat is expected to increase by between \$24,030 and \$36,045 in the first 12 months.

4.4.2 Assuming that there are to be no other changes to the gaming environment and using the adult population figures provided by the VCGLR, this application is expected to increase expenditure per adult in Ballarat from \$678.15 to between \$674.45 and \$678.60. This is an increase of between \$0.30 and \$0.45 per adult.

4.4.3 We understand that in addition to the projected additional gaming expenditure at the venue there will be substantial Gaming Tax savings for the Club as a result of the increase in EGMs.

4.4.4 Mr. Stillwell has advised that the bottom line State Gaming Tax savings (less fees), based on the upper limit of increased expenditure at the club (\$60,076) would be worth in the order of \$45,000 per annum to the club.

4.4.5 It is understood that these savings will be reinvested back into the club and enhance its ability to achieve its overall works program.

5 The Study Area:

- 5.1.1 In determining the patron profile of the venue, it is important to determine whether the venue will serve as a local or destination gaming venue. Given the location of the site in an established urban area, the venue would likely serve a predominantly local role.
- 5.1.2 Based on previous experience and undertaking of patron surveys in a wide variety of gaming venues, we generally estimate that in the order of 70-80% of patrons for a typical venue would come from a 5km radius. This is consistent with the findings of the Victorian Longitudinal Community Attitudes Survey 2003.
- 5.1.3 The patron profile for the Ballarat Golf Club has been established by conducting two sets of suburb surveys of the patronage of the gaming room during two weeks between 30 October 2017 and 12 November 2017 (inclusive) and between 14 May 2018 and 27 May 2018.
- 5.1.4 The gaming room patron survey was undertaken in the gaming room on the hour for every hour that the gaming room was operational and patrons using the gaming machines were asked their suburb of residence.
- 5.1.5 The results of the gaming room patron surveys are summarised in the tables below with a full copy provided in Appendix J. These tables use the 'top' suburb responses from the survey (4% or higher), which effectively identifies the patron catchment of the Club.

Table 5.1: Ballarat Golf Club Gaming Patron Review October/November 2017

| Suburb | Total number of patrons | Gaming patron survey results |
|-------------------------------|-------------------------|------------------------------|
| Alfredton | 240 | 31.6% |
| Wendouree | 79 | 10.4% |
| Delacombe | 50 | 6.6% |
| Ballarat Central | 45 | 5.9% |
| Sebastopol | 38 | 5.0% |
| Lucas | 38 | 5.0% |
| Miner's Rest | 30 | 4.0% |
| Newington | 30 | 4.0% |
| Outside LGA | 86 | 11.3% |
| TOTAL PATRONS SURVEYED | 759 | |

Source: Ballarat Golf Club Patron Surveys October/November 2017

- 5.1.6 Based on the initial gaming patron surveys, the primary patron catchment of the venue comes from the suburbs of Alfredton and Wendouree, which accounts for 42.0% of the patrons in the gaming room, with the secondary patron catchment comprising patrons from the suburbs of Delacombe, Ballarat Central, Sebastopol and Lucas, which accounts for a further 22.5% of patrons. Those from outside the LGA account for 11.3%.

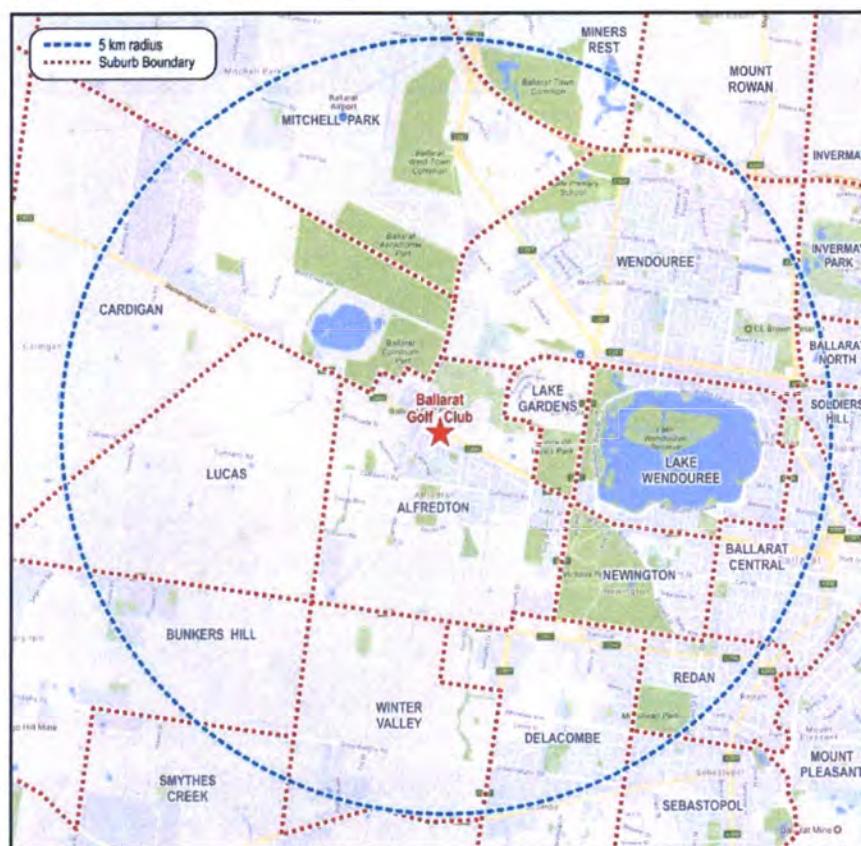
Table 5.2: Ballarat Golf Club Gaming Patron Review May 2018

| Suburb | Total number of patrons | Gaming patron survey results |
|-------------------------------|-------------------------|------------------------------|
| Alfredton | 281 | 33.8% |
| Wendouree | 61 | 7.3% |
| Delacombe | 44 | 5.3% |
| Sebastopol | 40 | 4.8% |
| Ballarat Central | 36 | 4.3% |
| Newington | 36 | 4.3% |
| Lake Gardens | 35 | 4.2% |
| Lucas | 33 | 4.0% |
| Outside LGA | 117 | 14.1% |
| TOTAL PATRONS SURVEYED | 832 | |

Source: Ballarat Golf Club Patron Surveys May 2018

- 5.1.7 The second round of surveys completed in May 2018 shows a similar mixed patron profile with the majority of gaming patrons coming from Alfredton (33.8%) and Wendouree (7.3%). These suburbs continue to comprise the primary patron catchment.
- 5.1.8 The secondary patron catchment comprising patrons from the suburbs of Delacombe, Ballarat Central, Sebastopol and Lucas. Newington and Lake Gardens are also represented with approximately 4% of patrons.
- 5.1.9 These suburbs will be used for the purposes of the social and economic analysis. The concentration of patrons from these suburbs, which are generally located within 5km of the venue, is consistent with the findings of the Victorian Longitudinal Attitudes Survey 2003 which found that the majority of people play within their local area.
- 5.1.10 14.1% of all gaming patrons during this period hail from outside the LGA.
- 5.1.11 Over the two survey periods, an average of 12.7% of gaming patrons were from outside the LGA. During the same survey periods, an average of 17.9% of bistro patrons were also from outside the LGA (Refer Table 5.3 and Table 5.4 below). These numbers are reflective of the role the Ballarat Golf Club plays, being a facility for not only the local community but also a destination of choice for those visiting the LGA.

Figure 5.1: Patron Catchment Map



Source: Ratio Consultants

- 5.1.12 To assist with a more detailed understanding of the club users the gaming room survey was supplemented by additional Bistro Patron Surveys during two separate two week periods between 13 November 2017 and 26 November (inclusive) and between 14 May 2018 and 27 May 2018.
- 5.1.13 The bistro survey was conducted by asking patrons their suburb of residence, we understand that the results generally depend on the response of the bill payer, rather than each individual customer.
- 5.1.14 The results of the bistro patron surveys are summarised in the tables below with full copies provided in Appendix K. These tables use the 'top' suburb responses from the survey (4% or higher), which effectively supports the above referenced patron catchment of the Club and confirms that while the club is a local club, supported by local patrons, it is a significant tourism generator with large numbers of patrons from outside the LGA visiting both the gaming room and bistro.
- 5.1.15 The bistro surveys also confirm the general busy nature of the Bistro, with over 2,500 meals being served during the initial two-week survey period and 1,928 meals in the second survey period. The number of Bistro patrons more than doubled gaming room patrons for a similar time periods.
- 5.1.16 The Bistro surveys also reconfirm the club's ability to attract patrons from outside the LGA, with significant numbers of patrons coming from outside the LGA (22.7% and 22.9% respectfully).

Table 5.3: Ballarat Golf Club Bistro Patron Review October/November 2018

| Suburb | Total number of patrons | Bistro patron survey results |
|------------------------|-------------------------|------------------------------|
| Alfredton | 471 | 25.1% |
| Wendouree | 169 | 9.0% |
| North Ballarat | 97 | 5.2% |
| Sebastopol | 85 | 4.5% |
| Lucas | 84 | 4.5% |
| Delacombe | 80 | 4.3% |
| Total Patrons Surveyed | 1880 | 100% |
| Outside the LGA | 427 | 22.7% |
| Number of Meals Served | 2544 | |

Source: Ballarat Golf Club Patron Surveys November 2017

Table 5.4: Ballarat Golf Club Bistro Patron Review May 2018

| Suburb | Total number of patrons | Bistro patron survey results |
|------------------------|-------------------------|------------------------------|
| Alfredton | 538 | 35.6% |
| Wendouree | 105 | 6.4% |
| Sebastopol | 85 | 5.2% |
| Ballarat Central | 67 | 4.1% |
| Total Patrons Surveyed | 1648 | 100% |
| Outside the LGA | 377 | 22.9% |
| Number of Meals Served | 1928 | |

Source: Ballarat Golf Club Patron Surveys May 2018

6.1 Introduction

- 6.1.1 In addition to the broader theoretical framework found at Appendix L, relevant Council documents are reviewed below.
- 6.1.2 Although we have been advised that a planning permit is not required for the proposed increase in EGMs at the Club as there is already an existing permit, this review includes the MSS of the Ballarat Planning Scheme which contains a specific local policy related to gaming at Clause 22.07. We have assessed the application against the criteria set out in this local policy as set out below.

6.2 The Ballarat Planning Scheme

MSS

- 6.2.1 Clause 21.07-7 Gaming – sets out the objectives and strategies in relation to the location of gaming machines within the City. It includes the objective to 'locate gaming machines in areas and venues which minimise the potential harms associated with gaming'. Strategies to achieve this objective include limiting accessibility of gaming machines to vulnerable communities, locating gaming machines away from strip shopping and shopping complexes and encouraging gaming machines to be located in venues which deliver a net benefit to the community. The application of Clause 22.07 to all proposals for new or relocated gaming machines will help realise these strategies.

Clause 22.07 – Gaming

- 6.2.2 The City of Ballarat has a gaming machine policy located at Clause 22.07 in the Planning Scheme. This policy applies to all planning applications which require a permit to install or use a gaming machine or use land for the purpose of gaming. The objectives of the Policy are:
 - *To minimise the harms that arise from gaming.*
 - *To protect the amenity of existing uses surrounding gaming venues.*
 - *To ensure that the area, site and venue characteristics contribute to net community benefit.*
- 6.2.3 The Clause sets out its policies with specific regard to appropriate areas, appropriate sites and appropriate venues. An assessment of the application against this policy is provided below, even though future planning permission is not required to install the additional EGMs.

Table 6.1: Assessment against Local Policy

| APPROPRIATE AREAS | |
|--|---|
| Gaming machines <u>should not be</u> located: | |
| - in or within 400 metres of areas of relative socio-economic disadvantage. This is defined as locations where any Australian Bureau of Statistics collection district is within the most disadvantaged 20% of collection districts in Victoria, as established by the SEIFA Index of Relative Disadvantage. | The Ballarat Golf Club is not located in or within 400 metres of an SA1 area that is within the bottom 20% of SEIFA scores within Victoria. The 400m radius of the Club covers three SA1s which sit in the 4 th , 5 th and 9 th deciles. Refer to Section 10 for further discussion. |
| - in small towns or small urban settlements where there is not a variety of non-gaming entertainment and recreation activities. | The Ballarat Golf Club is not located in a small town or small urban settlement. Ballarat is the largest urban centre within the LGA and there are a number of non-gaming entertainment and recreation activities. These include (but are not limited to): <ul style="list-style-type: none"> - Lake Wendouree and its surrounds; - Sovereign Hill Historical Park; - Ballarat Tramway Museum; - Ballarat Aquatic & Lifestyle Centre; - Numerous bowling, golf, tennis and other sporting clubs; - Restaurants, bars (non gaming) and cafes; - Golf Courses - Ballarat Botanical Gardens; - Movie theater, ten pin bowling and mini-golf; and - Numerous parks and reserves. |
| Subject to the above criteria, it is preferred that gaming machines <u>are</u> located: | |
| - in the Central Business District (CBD), outside of the core precinct of Bridge Mall, as defined in the map in Clause 21.09-1 Ballarat CBD | The Ballarat Golf Club is not located within the Ballarat CBD. This criterion is not applicable as this is an existing premises. |
| - where they will make a positive contribution to the redistribution of gaming machines away from areas of relative socio-economic disadvantage | On 5 July 2017, 6 EGM entitlements were purchased by Berwick Springs Hotel (City of Casey) from the Miners Tavern S.J Whiting Nominees Pty Ltd) . The removal of these 6 EGM entitlements from the LGA, created a 'gap' for the proposed EGM entitlements. Whilst the proposed EGMs are not being moved from a venue within the LGA their allocation is as a direct result of the 6 EGMs being sold by Miner's Tavern which created space within the cap for the Golf Club to purchase 6 EGMs. The Miner's Tavern is a venue which sits within an area that is located within the 3 rd decile and shows more socio-economic disadvantage than the Golf Clubs catchment. |
| - where the community has a choice of other non-gaming entertainment and recreation activities operating at the times the proposed gaming venue will operate | Refer to above in relation to facilities within Ballarat. In addition, the venue has a choice of non-gaming entertainment and recreation on offer at the times that gaming machines are in operation. The main clubhouse remains open as well as the bistro area (serving drinks, coffee and cake after 9:30pm) whilst the gaming room is operational. |

| | |
|---|--|
| - where there is established social infrastructure and social networks within the area | Ballarat is a well-established urban community that has good social networks and infrastructure. The local community is very connected to each other through these networks. The Ballarat Golf Club plays an important role in this social connectivity. |
| - in areas proximate to, but not in the primary retail core of activity centres. This does not apply within the CBD | Ballarat Golf Club is not proximate to an activity centre and is considered to be a destination venue in its own right. |
| - in areas where the population is growing or future growth is foreshadowed. In these areas, gaming machines should not be established ahead of the provision of non-gaming entertainment and recreation activities or social infrastructure. | Whilst Ballarat Golf Club is not located within a designated growth area, it is located on the western fringe of the existing urban area. The Ballarat West Growth Corridor Plan identifies significant population growth will occur in the suburbs of Alfredon West (Lucas), Carngham Road, Greenhalghs Road and Bonshaw Creek over the next 30 years. These growth areas are located between 1.2km and 5km west and south-west of the Golf Club. There are existing non-gaming entertainment and recreation activities located within the vicinity of this precinct, including at the Club. |

APPROPRIATE SITES

It is preferred that gaming machines outside the CBD be located on sites:

| | |
|---|---|
| - that minimise the potential for large numbers of the local community to pass the venue in the course of their daily activities, thereby minimising the incidence of spontaneous decision to play gaming machines | Whilst the Club is located on a major road, it is not located proximate to any areas of convenience retailing and therefore would be unlikely to promote spontaneous decisions to play gaming machines. It is also noted that EGMs are currently available the venue and are accessible during most parts of the day. |
| - where the gaming venue, and its associated uses, are compatible with the predominant surrounding land uses by ensuring that the proposed design, location and operating hours do not detrimentally affect the amenity of the surrounding area | As an existing venue, the compatibility with surrounding land uses has already been established. There are no proposed changes to the operation of the venue that would result in detrimental impacts on the surrounding area. |
| - that are at least 400m from shops, supermarkets, and major health and community service hubs, particularly those which provide services for vulnerable persons | The Club is in excess of 400m of any such services and facilities. |
| - in a sports or recreation club with a land holding of more than 2 hectares | The Ballarat Golf Club has land holdings in excess of 55 hectares. This criterion is met. |

It is preferred that gaming machines within permitted areas of the CBD be located on sites:

| | |
|---|--|
| - where the gaming venue, and its associated uses, are compatible with the predominant surrounding land uses by ensuring that the proposed design, location and operating hours do not detrimentally affect the amenity of the surrounding area | N/A as venue is not located within the CBD |
|---|--|

| | |
|--|---|
| - outside of the core area of the Bridge Mall precinct | N/A as venue is not located within the CBD |
| - that can be reasonably avoided by persons accessing problem gambling support services, welfare agencies and high level social or health services not available elsewhere in Ballarat | N/A as the venue is not located within the CBD |
| APPROPRIATE VENUES | |
| Gaming machines <u>should be</u> located in venues that: | |
| - offer social, entertainment and recreational activities other than gaming as the primary purpose of the venue | The Club comprises a range of social, entertainment and recreational opportunities other than gaming within the venue. The gaming room comprises a small component of the overall offer of the club. In addition, the Club provides a full 18 hole golf course. |
| - include non-gaming activities and facilities that increase net community benefit | Refer above. |
| - promote responsible gaming practices | Refer to Section 14 of this report for responsible gambling measures at the Club. |
| - do not operate gaming machines between at least 1am and 9am | The gaming room at the Club is open between 10am and 1am Monday to Saturday and 11am and 11pm on Sunday. This criteria is met. |
| It is preferred that gaming machines be located in venues that are integrated with existing tourism uses and primarily focused on providing tourism services for visitors to the City of Ballarat. | As an existing venue, this criterion does not apply. |
| Gaming machines <u>should not be</u> located in venues that: | |
| - have a gaming floor area of more than 25% of the total floor area of the venue | The gaming room floor area at 148sqm accounts for approximately 9.5% of the total floor area of the clubhouse. |
| - will have a significant adverse impact on the amenity of adjoining areas as a result of operating hours, traffic and noise from patrons and vehicles | The hours of operation are not proposed to change as a result of this application nor is the proposed increase expected to increase traffic volumes or patron numbers. Accordingly, the proposed top up will not have any adverse impact on the amenity of adjoining areas. |

- 6.2.4 Notwithstanding that the additional EGMs do not require a planning permit, we consider that the proposal has a high degree of compliance with Council's policy.

6.3 Municipal Public Health and Wellbeing Plan 2017-2021

- 6.3.1 The Ballarat City Council has developed a Municipal Public Health and Wellbeing Plan to demonstrate how Council and other local health organisations will work to address key health priorities to achieve a higher level of health and wellbeing for the people who live, learn, work and play in Ballarat.

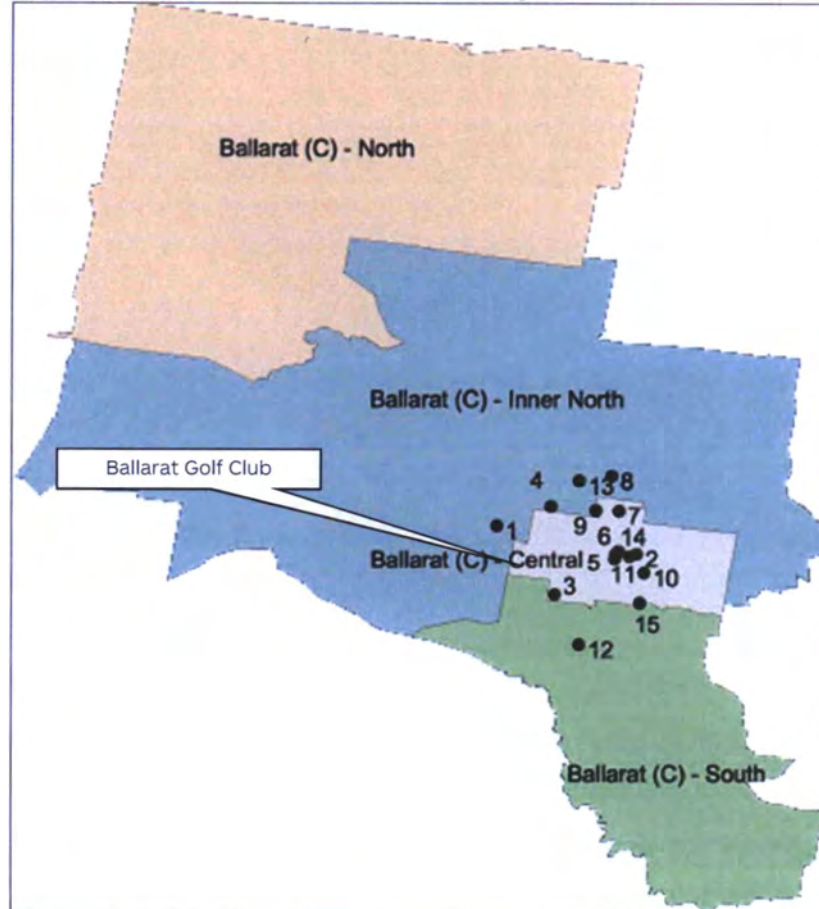
- 6.3.2 The plan identifies three priority areas:
- Healthy eating and active living – a regional priority for the Central Highlands
 - Improving mental health
 - Reducing violence and injury
- 6.3.3 Each priority area has several objectives the Council would like to achieve. These include:
- Increase consumption of fruit and vegetables;
 - Increase availability of healthy food options;
 - Increase water consumption and reduce consumption of sugary drinks;
 - Increase the level of physical activity residents undertake each week;
 - Decrease sedentary behaviour;
 - Increased mental wellbeing;
 - Increased community connections and support;
 - Reduce prevalence of family violence and increase gender equity;
 - Increase community safety; and
 - Reduce the rate of alcohol and other drug related harm.
- 6.3.4 There is no reference to gaming or gambling within this document.

7 Gaming in Ballarat:

7.1 VCGLR Statistics

- 7.1.1 As at 19 June 2018, there were 15 gaming venues within the City of Ballarat. The latest statistics from the VCGLR website (2016-2017) indicate that:
- Ballarat has a gaming machine density of 8.24 EGMs per 1000 adults, which is higher than both the Country and State averages of 6.48 and 5.48 respectively.
 - Gaming expenditure (per adult) is \$678, which is higher than both the Country and State averages of \$482 (\$196 higher) and \$542 (\$136 higher) respectively.
 - Ballarat has a lower number of adults per venue (5,364) than both the Country average (6,312) and the State-wide average (9,690).
- 7.1.2 Whilst Ballarat has a higher gaming machine density, expenditure and lower number of adults per venue than the Country and State averages, it is noted that gaming is an integrated component of Ballarat's tourism industry (Refer 2.4) and in part explains the disparity when compared to the Country and State-wide averages.

Figure 7.1: Location of Ballarat Golf Club in the City of Ballarat



Source: VCGLR www.vcglr.vic.gov.au

7.1.3 The Ballarat Golf Club is located approximately 4.5 kilometres¹² to the south-west of the closest gaming venue, Blue Bell Hotel (40 EGMs).

7.1.4 Figure 7.2 below includes data from the 2017-2018 financial year as this data has become available. Data included in 7.1.1 has not been updated by the VCGLR for the most recent financial year at the time of finalising this report.

Figure 7.2: Gaming Venues in the City of Ballarat (2017-2018 figures)

| | Venue | Address | Venue Type | Expenditure | Attached EGMs | Licensed EGMs | NMR ¹³ |
|----|-----------------------------------|---|------------|----------------|---------------|---------------|-------------------|
| 1 | Ballarat Golf Club | 1802 Sturt St, Alfredton | Club | \$2,083,080.65 | 28 | 28 | \$203.82 |
| 2 | Ballarat Leagues Club | 52 Hummfray St North, Ballarat | Club | \$3,468,213.00 | 54 | 54 | \$175.96 |
| 3 | Ballarat & District Trotting Club | Bray Raceway, Bell St, Redan | Club | \$5,124,408.24 | 50 | 50 | \$280.79 |
| 4 | Blue Bell Hotel | 1216 Howitt St, Wendouree | Hotel | \$5,541,929.24 | 40 | 48 | \$379.58 |
| 5 | Craig's Royal Hotel | 10 Lydiard St South, Ballarat | Hotel | \$4,798,566.79 | 45 | 45 | \$292.15 |
| 6 | George Hotel | 27 Lydiard St North, Ballarat | Hotel | \$1,310,824.71 | 28 | 42 | \$128.26 |
| 7 | Golf House Hotel | 920 Doveton St North, Ballarat | Hotel | \$1,291,280.94 | 22 | 30 | \$160.81 |
| 8 | Midlands Golf Club | 330 Heinz Lane, Invermay Park | Club | \$997,178.99 | 32 | 32 | \$85.37 |
| 9 | North Ballarat Sports Club | Ballarat Showgrounds Reserve, Creswick Rd, Ballarat | Club | \$5,094,468.48 | 70 | 70 | \$199.39 |
| 10 | Red Lion Hotel | 217-221 Main Rd, Ballarat | Hotel | \$3,974,517.56 | 54 | 54 | \$201.65 |
| 11 | Robin Hood Hotel | 33 Peel St North, Ballarat | Hotel | \$1,154,124.25 | 20 | 20 | \$158.10 |
| 12 | Sebastopol Bowling Club | 213-219 Albert St, Sebastopol | Club | \$4,596,926.47 | 50 | 50 | \$251.89 |

¹² As calculated by the Google Maps by road (www.google.com.au).

¹³ NMR is net machine revenue calculated by taking the total expenditure divided by the total number of machines and the days in the year (i.e. 365)

| | | | | | | | |
|-------------------|--|--|-------|-----------------|------------|------------|----------|
| 13 | Sportspark Gaming and Entertainment Centre | Cnr Grevillea Rd & Downing St, Wendouree | Club | \$2,655,874.55 | 35 | 35 | \$207.90 |
| 14 | The Miners Tavern | 118-122 Lydiard St North, Ballarat | Hotel | \$1,140,424.86 | 24 | 30 | \$130.19 |
| 15 | Zagame's Ballarat Club Hotel | 629-643 Main Rd, Golden Point | Hotel | \$12,532,146.65 | 105 | 105 | \$327.00 |
| TOTAL EGMs | | | | | 657 | 693 | |

- 7.1.5 The VCGLR has recently updated their expenditure figures for each venue for the 2017-2018 financial year. This data shows the total amount of gaming machine expenditure in the City of Ballarat for the 2017-2018 financial year was \$55,763,965.38. A large portion of this came from Zagame's Ballarat Club Hotel which accounted for approximately 22.5% of expenditure within the municipality, whilst holding 16% of the total EGMs within the City of Ballarat.
- 7.1.6 The Net Machine Revenue (NMR) for the City of Ballarat is \$232.54 (July 2017 – Jun 2018).
- 7.1.7 The NMR for Ballarat Golf Club sits at \$202.26 compared to the Country Club and Metro Club averages of \$183.21 and \$204.30 respectively¹⁴. Whilst the Golf Club's NMR sits slightly higher than the Country Club average, we consider this is as a result of the overall popularity of the venue and its ability to also attract visitors from outside the LGA as reflected in the gaming room and bistro surveys. It is also noted that the NMR for Ballarat Golf Club sits below the municipality's average NMR for the same time.

7.2 Regional Caps

- 7.2.1 On 10 September 2012, the VCGLR re-determined the maximum permissible number of gaming machine entitlements available for gaming in each capped region. These caps were further revised by the Minister for Consumer Affairs, Gaming and Liquor Regulation on 20 September 2017, with the changes coming into effect from 3 November 2017. There are now 25 capped regions in Victoria. The City of Ballarat is located within a capped region.
- 7.2.2 Accordingly, the maximum number of machines permitted in the City of Ballarat is 663. There are currently 657 EGMs operating within the City of Ballarat.
- 7.2.3 The success of this application would increase the number of operational EGMs in the City of Ballarat to the regional cap of 663. The existence of the cap is the reason why this application seeks only an additional 6 EGMs.

¹⁴ This data is based on the 2016-2017 financial year figures as at the time of finalising this report the figures for the 2017-2018 financial year were unavailable.

8 Gaming at Ballarat Golf Club:

8.1 EGM Utilisation

- 8.1.1 In order to determine peak EGM utilisation, two separate head count surveys were conducted hourly in the gaming room and collated daily over two survey periods, each comprising two weeks. The first set of surveys were undertaken between 30 October 2017 and 12 November 2017 (inclusive) and the results of the survey are included as Figure 8.1 (over page). The second set of surveys were undertaken between 14 May 2018 and 27 May 2018 (inclusive) and the results of the survey are included as Figure 8.2.
- 8.1.2 The results indicate that the gaming room operated at peak utilisation (i.e. greater than 70%) for 11 hours over the four-week period. This is considered as low-modest utilisation.
- 8.1.3 The highest utilisation recorded was 26 machines (93% utilisation) which was recorded at 7.00pm on Thursday 2 November. The remaining peak periods were recorded at similar periods in the early evening, coinciding with the peak dinner periods in the bistro.

Figure 8.1: EGM Utilisation Survey Results October/November 2017

| WEEK 1 | | | | | | | | | | | | | | | | | | | | |
|-------------------|--------|---------------|--------------------|--------|---------------|---------------------|--------|---------------|--------------------|--------|---------------|-------------------|--------|---------------|---------------------|--------|---------------|-------------------|--------|---------------|
| 30/10/17 - Monday | | | 31/10/17 - Tuesday | | | 1/11/17 - Wednesday | | | 2/11/17 - Thursday | | | 3/11/17 - Friday | | | 4/11/17 - Saturday | | | 5/11/17 - Sunday | | |
| TIME | AT EGM | TOTAL IN ROOM | TIME | AT EGM | TOTAL IN ROOM | TIME | AT EGM | TOTAL IN ROOM | TIME | AT EGM | TOTAL IN ROOM | TIME | AT EGM | TOTAL IN ROOM | TIME | AT EGM | TOTAL IN ROOM | TIME | AT EGM | TOTAL IN ROOM |
| 9:00 AM | | | 9:00 AM | | | 9:00 AM | | | 9:00 AM | | | 9:00 AM | | | 9:00 AM | | | 9:00 AM | | |
| 10:00 AM | | | 10:00 AM | | | 10:00 AM | | | 10:00 AM | | | 10:00 AM | | | 10:00 AM | | | 10:00 AM | | |
| 11:00 AM | | | 11:00 AM | 2 | 3 | 11:00 AM | 1 | 1 | 11:00 AM | 2 | 2 | 11:00 AM | 4 | 4 | 11:00 AM | 4 | 4 | 11:00 AM | | |
| 12:00 PM | 2 | 2 | 12:00 PM | 10 | 10 | 12:00 PM | 3 | 3 | 12:00 PM | 8 | 9 | 12:00 PM | 3 | 3 | 12:00 PM | 3 | 5 | 12:00 PM | 3 | 3 |
| 1:00 PM | 3 | 3 | 1:00 PM | 8 | 9 | 1:00 PM | 6 | 6 | 1:00 PM | 6 | 6 | 1:00 PM | 3 | 3 | 1:00 PM | 4 | 4 | 1:00 PM | 6 | 6 |
| 2:00 PM | 10 | 10 | 2:00 PM | 13 | 14 | 2:00 PM | 6 | 8 | 2:00 PM | 8 | 10 | 2:00 PM | 10 | 10 | 2:00 PM | 6 | 6 | 2:00 PM | 10 | 10 |
| 3:00 PM | 6 | 6 | 3:00 PM | 14 | 14 | 3:00 PM | 10 | 11 | 3:00 PM | 5 | 5 | 3:00 PM | 11 | 12 | 3:00 PM | 8 | 8 | 3:00 PM | 10 | 18 |
| 4:00 PM | 5 | 5 | 4:00 PM | 10 | 11 | 4:00 PM | 9 | 9 | 4:00 PM | 6 | 6 | 4:00 PM | 9 | 9 | 4:00 PM | 8 | 8 | 4:00 PM | 10 | 17 |
| 5:00 PM | 6 | 7 | 5:00 PM | 14 | 14 | 5:00 PM | 7 | 7 | 5:00 PM | 6 | 8 | 5:00 PM | 11 | 11 | 5:00 PM | 10 | 12 | 5:00 PM | 18 | 22 |
| 6:00 PM | 9 | 9 | 6:00 PM | 11 | 12 | 6:00 PM | 7 | 7 | 6:00 PM | 14 | 16 | 6:00 PM | 12 | 12 | 6:00 PM | 8 | 12 | 6:00 PM | 15 | 16 |
| 7:00 PM | 3 | 4 | 7:00 PM | 13 | 13 | 7:00 PM | 5 | 1 | 7:00 PM | 26 | 30 | 7:00 PM | 18 | 21 | 7:00 PM | 13 | 14 | 7:00 PM | 8 | 10 |
| 8:00 PM | 6 | 6 | 8:00 PM | 22 | 28 | 8:00 PM | 5 | 5 | 8:00 PM | 4 | 2 | 8:00 PM | 15 | 15 | 8:00 PM | 8 | 9 | 8:00 PM | 9 | 9 |
| 9:00 PM | 1 | 2 | 9:00 PM | 12 | 14 | 9:00 PM | 1 | 2 | 9:00 PM | 8 | 10 | 9:00 PM | 15 | 15 | 9:00 PM | 11 | 13 | 9:00 PM | 6 | 8 |
| 10:00 PM | 3 | 3 | 10:00 PM | 2 | 2 | 10:00 PM | 11 | 12 | 10:00 PM | 5 | 5 | 10:00 PM | 14 | 14 | 10:00 PM | 15 | 17 | 10:00 PM | 4 | 6 |
| 11:00 PM | 1 | 2 | 11:00 PM | | | 11:00 PM | 1 | 1 | 11:00 PM | 1 | 1 | 11:00 PM | 9 | 12 | 11:00 PM | 8 | 8 | 11:00 PM | 2 | 5 |
| 12:00 AM | | | 12:00 AM | | | 12:00 AM | 3 | 3 | 12:00 AM | | | 12:00 AM | 4 | 7 | 12:00 AM | 2 | 2 | 12:00 AM | | |
| 1:00 AM | | | 1:00 AM | | | 1:00 AM | | | 1:00 AM | | | 1:00 AM | 2 | 7 | 1:00 AM | | | 1:00 AM | | |
| 2:00 AM | | | 2:00 AM | | | 2:00 AM | | | 2:00 AM | | | 2:00 AM | | | 2:00 AM | | | 2:00 AM | | |
| WEEK 2 | | | | | | | | | | | | | | | | | | | | |
| 6/11/17 - Monday | | | 7/11/17 - Tuesday | | | 8/11/17 - Wednesday | | | 9/11/17 - Thursday | | | 10/11/17 - Friday | | | 11/11/17 - Saturday | | | 12/11/17 - Sunday | | |
| TIME | AT EGM | TOTAL IN ROOM | TIME | AT EGM | TOTAL IN ROOM | TIME | AT EGM | TOTAL IN ROOM | TIME | AT EGM | TOTAL IN ROOM | TIME | AT EGM | TOTAL IN ROOM | TIME | AT EGM | TOTAL IN ROOM | TIME | AT EGM | TOTAL IN ROOM |
| 9:00 AM | | | 9:00 AM | | | 9:00 AM | | | 9:00 AM | | | 9:00 AM | | | 9:00 AM | | | 9:00 AM | | |
| 10:00 AM | | | 10:00 AM | | | 10:00 AM | | | 10:00 AM | | | 10:00 AM | | | 10:00 AM | | | 10:00 AM | | |
| 11:00 AM | 3 | 3 | 11:00 AM | 2 | 2 | 11:00 AM | 3 | 6 | 11:00 AM | 4 | 4 | 11:00 AM | | | 11:00 AM | | | 11:00 AM | | |
| 12:00 PM | 4 | 4 | 12:00 PM | 3 | 3 | 12:00 PM | 6 | 6 | 12:00 PM | 6 | 6 | 12:00 PM | 2 | 2 | 12:00 PM | 2 | 2 | 12:00 PM | 6 | 6 |
| 1:00 PM | 9 | 9 | 1:00 PM | 8 | 8 | 1:00 PM | 5 | 6 | 1:00 PM | 5 | 6 | 1:00 PM | 13 | 13 | 1:00 PM | 8 | 8 | 1:00 PM | 6 | 6 |
| 2:00 PM | 9 | 11 | 2:00 PM | 0 | 0 | 2:00 PM | 11 | 13 | 2:00 PM | 8 | 8 | 2:00 PM | 18 | 18 | 2:00 PM | 5 | 5 | 2:00 PM | 5 | 7 |
| 3:00 PM | 8 | 8 | 3:00 PM | 3 | 3 | 3:00 PM | 16 | 16 | 3:00 PM | 7 | 7 | 3:00 PM | 6 | 16 | 3:00 PM | 8 | 8 | 3:00 PM | 6 | 11 |
| 4:00 PM | 6 | 6 | 4:00 PM | 6 | 6 | 4:00 PM | 7 | 7 | 4:00 PM | 16 | 17 | 4:00 PM | 13 | 15 | 4:00 PM | 3 | 3 | 4:00 PM | 8 | 8 |
| 5:00 PM | 8 | 9 | 5:00 PM | 10 | 11 | 5:00 PM | 6 | 8 | 5:00 PM | 8 | 9 | 5:00 PM | 12 | 5 | 5:00 PM | 8 | 8 | 5:00 PM | 10 | 10 |
| 6:00 PM | 1 | 2 | 6:00 PM | 12 | 12 | 6:00 PM | 2 | 2 | 6:00 PM | 8 | 9 | 6:00 PM | 23 | 27 | 6:00 PM | 14 | 14 | 6:00 PM | 7 | 8 |
| 7:00 PM | 1 | 1 | 7:00 PM | 17 | 20 | 7:00 PM | 2 | 2 | 7:00 PM | 13 | 16 | 7:00 PM | 20 | 27 | 7:00 PM | 12 | 12 | 7:00 PM | 7 | 8 |
| 8:00 PM | 4 | 6 | 8:00 PM | 12 | 1 | 8:00 PM | 7 | 7 | 8:00 PM | 12 | 12 | 8:00 PM | 9 | 13 | 8:00 PM | 13 | 13 | 8:00 PM | 10 | 10 |
| 9:00 PM | 2 | 4 | 9:00 PM | 6 | 7 | 9:00 PM | 5 | 5 | 9:00 PM | 14 | 19 | 9:00 PM | 6 | 10 | 9:00 PM | 9 | 10 | 9:00 PM | 6 | 6 |
| 10:00 PM | | | 10:00 PM | 4 | 4 | 10:00 PM | 7 | 7 | 10:00 PM | 3 | 3 | 10:00 PM | 7 | 7 | 10:00 PM | 6 | 6 | 10:00 PM | 1 | 4 |
| 11:00 PM | | | 11:00 PM | 2 | 2 | 11:00 PM | | | 11:00 PM | 1 | 1 | 11:00 PM | 3 | 3 | 11:00 PM | 1 | 6 | 11:00 PM | 1 | 1 |
| 12:00 AM | | | 12:00 AM | | | 12:00 AM | | | 12:00 AM | | | 12:00 AM | | | 12:00 AM | | | 12:00 AM | | |
| 1:00 AM | | | 1:00 AM | | | 1:00 AM | | | 1:00 AM | | | 1:00 AM | | | 1:00 AM | | | 1:00 AM | | |
| 2:00 AM | | | 2:00 AM | | | 2:00 AM | | | 2:00 AM | | | 2:00 AM | | | 2:00 AM | | | 2:00 AM | | |

70% utilisation = 20 EGMs 4 hours
 60% utilisation = 17 EGMs 4 additional hours



Figure 8.2: EGM Utilisation Survey Results May 2018

| WEEK 1 | | | | | | | | | | | | | | | | | | | | |
|-------------------|--------|---------------|--------------------|--------|---------------|----------------------|--------|---------------|---------------------|--------|---------------|-------------------|--------|---------------|---------------------|--------|---------------|-------------------|--------|---------------|
| 14/05/18 - Monday | | | 16/05/18 - Tuesday | | | 16/05/18 - Wednesday | | | 17/05/18 - Thursday | | | 18/05/18 - Friday | | | 19/05/18 - Saturday | | | 20/05/18 - Sunday | | |
| TIME | AT EGM | TOTAL IN ROOM | TIME | AT EGM | TOTAL IN ROOM | TIME | AT EGM | TOTAL IN ROOM | TIME | AT EGM | TOTAL IN ROOM | TIME | AT EGM | TOTAL IN ROOM | TIME | AT EGM | TOTAL IN ROOM | TIME | AT EGM | TOTAL IN ROOM |
| 10:00 AM | 0 | 0 | 10:00 AM | 0 | 0 | 10:00 AM | 0 | 0 | 10:00 AM | 0 | 0 | 10:00 AM | 0 | 0 | 10:00 AM | 0 | 0 | 10:00 AM | 0 | 0 |
| 11:00 AM | 0 | 0 | 11:00 AM | 8 | 8 | 11:00 AM | 5 | 5 | 11:00 AM | 3 | 3 | 11:00 AM | 5 | 5 | 11:00 AM | 2 | 2 | 11:00 AM | 0 | 0 |
| 12:00 PM | 1 | 2 | 12:00 PM | 11 | 11 | 12:00 PM | 7 | 7 | 12:00 PM | 7 | 7 | 12:00 PM | 6 | 6 | 12:00 PM | 8 | 8 | 12:00 PM | 2 | 2 |
| 1:00 PM | 6 | 6 | 1:00 PM | 7 | 11 | 1:00 PM | 14 | 14 | 1:00 PM | 13 | 11 | 1:00 PM | 24 | 28 | 1:00 PM | 6 | 6 | 1:00 PM | 3 | 7 |
| 2:00 PM | 5 | 5 | 2:00 PM | 12 | 15 | 2:00 PM | 15 | 20 | 2:00 PM | 11 | 11 | 2:00 PM | 11 | 11 | 2:00 PM | 8 | 8 | 2:00 PM | 16 | 20 |
| 3:00 PM | 4 | 4 | 3:00 PM | 10 | 12 | 3:00 PM | 19 | 22 | 3:00 PM | 6 | 6 | 3:00 PM | 13 | 15 | 3:00 PM | 14 | 14 | 3:00 PM | 12 | 22 |
| 4:00 PM | 9 | 9 | 4:00 PM | 11 | 11 | 4:00 PM | 11 | 11 | 4:00 PM | 12 | 12 | 4:00 PM | 11 | 11 | 4:00 PM | 11 | 11 | 4:00 PM | 11 | 20 |
| 5:00 PM | 8 | 8 | 5:00 PM | 9 | 11 | 5:00 PM | 10 | 10 | 5:00 PM | 19 | 21 | 5:00 PM | 15 | 15 | 5:00 PM | 5 | 5 | 5:00 PM | 14 | 15 |
| 6:00 PM | 7 | 7 | 6:00 PM | 12 | 16 | 6:00 PM | 4 | 11 | 6:00 PM | 16 | 20 | 6:00 PM | 21 | 21 | 6:00 PM | 5 | 5 | 6:00 PM | 8 | 9 |
| 7:00 PM | 3 | 3 | 7:00 PM | 7 | 9 | 7:00 PM | 2 | 6 | 7:00 PM | 17 | 21 | 7:00 PM | 23 | 24 | 7:00 PM | 7 | 8 | 7:00 PM | 11 | 11 |
| 8:00 PM | 3 | 3 | 8:00 PM | 8 | 12 | 8:00 PM | 7 | 8 | 8:00 PM | 15 | 15 | 8:00 PM | 20 | 21 | 8:00 PM | 6 | 6 | 8:00 PM | 12 | 16 |
| 9:00 PM | 4 | 4 | 9:00 PM | 2 | 2 | 9:00 PM | 4 | 6 | 9:00 PM | 8 | 8 | 9:00 PM | 8 | 9 | 9:00 PM | 10 | 11 | 9:00 PM | 6 | 6 |
| 10:00 PM | 0 | 0 | 10:00 PM | 4 | 4 | 10:00 PM | 1 | 3 | 10:00 PM | 8 | 8 | 10:00 PM | 7 | 7 | 10:00 PM | 12 | 17 | 10:00 PM | 4 | 4 |
| 11:00 PM | 0 | 0 | 11:00 PM | 1 | 1 | 11:00 PM | 0 | 0 | 11:00 PM | 4 | 4 | 11:00 PM | 5 | 5 | 11:00 PM | 14 | 16 | 11:00 PM | 0 | 0 |
| 12:00 AM | | | 12:00 AM | 0 | 0 | 12:00 AM | 0 | 0 | 12:00 AM | 0 | 0 | 12:00 AM | 3 | 3 | 12:00 AM | 9 | 9 | 12:00 AM | | |
| 1:00 AM | | | 1:00 AM | | | 1:00 AM | | | 1:00 AM | | | 1:00 AM | 0 | 0 | 1:00 AM | 0 | 0 | 1:00 AM | | |

| WEEK 2 | | | | | | | | | | | | | | | | | | | | |
|-------------------|--------|---------------|--------------------|--------|---------------|----------------------|--------|---------------|---------------------|--------|---------------|-------------------|--------|---------------|---------------------|--------|---------------|-------------------|--------|---------------|
| 21/05/18 - Monday | | | 22/05/18 - Tuesday | | | 23/05/18 - Wednesday | | | 24/05/18 - Thursday | | | 25/05/18 - Friday | | | 26/05/18 - Saturday | | | 27/05/18 - Sunday | | |
| TIME | AT EGM | TOTAL IN ROOM | TIME | AT EGM | TOTAL IN ROOM | TIME | AT EGM | TOTAL IN ROOM | TIME | AT EGM | TOTAL IN ROOM | TIME | AT EGM | TOTAL IN ROOM | TIME | AT EGM | TOTAL IN ROOM | TIME | AT EGM | TOTAL IN ROOM |
| 10:00 AM | 0 | 0 | 10:00 AM | 0 | 0 | 10:00 AM | 0 | 0 | 10:00 AM | 1 | 1 | 10:00 AM | 0 | 0 | 10:00 AM | 0 | 0 | 10:00 AM | 0 | 0 |
| 11:00 AM | 3 | 3 | 11:00 AM | 2 | 2 | 11:00 AM | 7 | 8 | 11:00 AM | 1 | 3 | 11:00 AM | 2 | 2 | 11:00 AM | 3 | 3 | 11:00 AM | 2 | 2 |
| 12:00 PM | 4 | 4 | 12:00 PM | 8 | 8 | 12:00 PM | 8 | 8 | 12:00 PM | 9 | 10 | 12:00 PM | 6 | 6 | 12:00 PM | 3 | 3 | 12:00 PM | 2 | 4 |
| 1:00 PM | 6 | 6 | 1:00 PM | 8 | 8 | 1:00 PM | 14 | 26 | 1:00 PM | 7 | 8 | 1:00 PM | 6 | 6 | 1:00 PM | 11 | 11 | 1:00 PM | 1 | 6 |
| 2:00 PM | 8 | 8 | 2:00 PM | 10 | 10 | 2:00 PM | 10 | 10 | 2:00 PM | 7 | 8 | 2:00 PM | 16 | 17 | 2:00 PM | 12 | 13 | 2:00 PM | 7 | 15 |
| 3:00 PM | 6 | 7 | 3:00 PM | 8 | 8 | 3:00 PM | 6 | 6 | 3:00 PM | 7 | 7 | 3:00 PM | 13 | 14 | 3:00 PM | 15 | 16 | 3:00 PM | 7 | 12 |
| 4:00 PM | 7 | 7 | 4:00 PM | 6 | 7 | 4:00 PM | 8 | 9 | 4:00 PM | 12 | 13 | 4:00 PM | 15 | 15 | 4:00 PM | 11 | 12 | 4:00 PM | 10 | 16 |
| 5:00 PM | 5 | 5 | 5:00 PM | 2 | 9 | 5:00 PM | 9 | 9 | 5:00 PM | 12 | 13 | 5:00 PM | 10 | 11 | 5:00 PM | 10 | 10 | 5:00 PM | 17 | 19 |
| 6:00 PM | 6 | 6 | 6:00 PM | 5 | 8 | 6:00 PM | 6 | 6 | 6:00 PM | 14 | 14 | 6:00 PM | 15 | 15 | 6:00 PM | 10 | 13 | 6:00 PM | 1 | 13 |
| 7:00 PM | 4 | 5 | 7:00 PM | 7 | 9 | 7:00 PM | 4 | 5 | 7:00 PM | 24 | 24 | 7:00 PM | 21 | 22 | 7:00 PM | 7 | 12 | 7:00 PM | 5 | 7 |
| 8:00 PM | 10 | 13 | 8:00 PM | 17 | 19 | 8:00 PM | 6 | 6 | 8:00 PM | 14 | 14 | 8:00 PM | 23 | 2 | 8:00 PM | 6 | 11 | 8:00 PM | 5 | 5 |
| 9:00 PM | 3 | 3 | 9:00 PM | 3 | 7 | 9:00 PM | 3 | 3 | 9:00 PM | 15 | 20 | 9:00 PM | 19 | 24 | 9:00 PM | 2 | 16 | 9:00 PM | 0 | 0 |
| 10:00 PM | 1 | 1 | 10:00 PM | 5 | 5 | 10:00 PM | 3 | 3 | 10:00 PM | 7 | 7 | 10:00 PM | 6 | 12 | 10:00 PM | 13 | 17 | 10:00 PM | 0 | 0 |
| 11:00 PM | 0 | 0 | 11:00 PM | 0 | 0 | 11:00 PM | 3 | 3 | 11:00 PM | 5 | 5 | 11:00 PM | 14 | 14 | 11:00 PM | 7 | 4 | 11:00 PM | 0 | 0 |
| 12:00 AM | | | 12:00 AM | 0 | 0 | 12:00 AM | 0 | 0 | 12:00 AM | 0 | 0 | 12:00 AM | 4 | 4 | 12:00 AM | 6 | 3 | 12:00 AM | | |
| 1:00 AM | | | 1:00 AM | | | 1:00 AM | | | 1:00 AM | | | 1:00 AM | 0 | 0 | 1:00 AM | 0 | 0 | 1:00 AM | | |

70% utilisation = 20 EGMs
 60% utilisation = 17 EGMs

6 hours
 5 additional hours

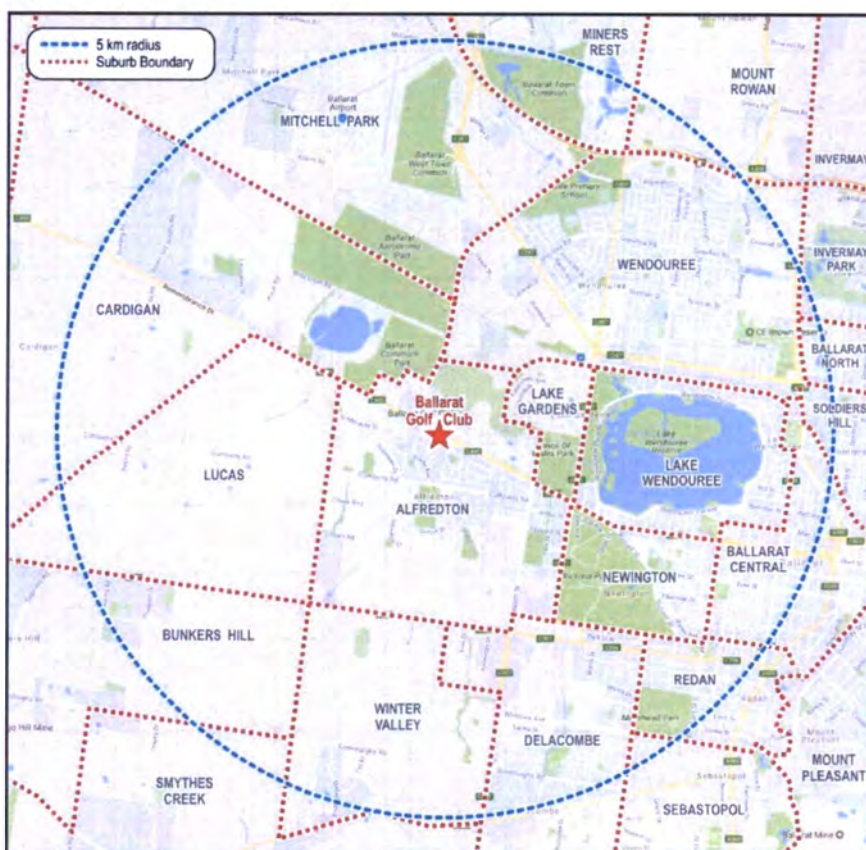


9 Social and Economic Profile of the Study Area:

9.1 Introduction/Overview

- 9.1.1 Consistent with the findings of the patron survey set out in Section 5 of this report, we have reviewed the patron catchment of the Club, being those areas which comprise more than 4% of patrons in the patron survey. We note that the primary patron catchment comprises those suburbs that immediately abut the Golf Club, whilst the secondary patron catchment comprises those suburbs that are generally located within 2.5km – 5km of the Club.
- 9.1.2 This patron catchment accounts for approximately 70.2% of the patrons using the gaming room. Notably, approximately 12.7% of gaming room users are from outside the LGA..
- 9.1.3 In order to determine the social/economic profile of the patron catchment, a range of information has been used from the Australian Bureau of Statistics (ABS), the City of Ballarat and other publicly available information.
- 9.1.4 The ABS Census data is analysed at the Regional (Rest of Victoria Capital City Statistical Area), municipal (Local Government Area) and at a local level (suburb - SSC).

Figure 9.1: Patron Catchment Map



Source: Bing Maps, prepared by Ratio Consultants

- 9.1.5 The profiles of the suburbs (SSC) comprising the patron catchment have been compared with the Rest of Victoria Capital City Statistical Area, which is effectively Country Victoria. This analysis uses the ABS Census data from 2016.

9.2 Population & Population Growth

- 9.2.1 In 2016, the City of Ballarat had a population of 101,686¹⁵ which is projected to increase by 11.9% to 113,800 by 2021 and by 34.6% to 136,873¹⁶ by 2031.
- 9.2.2 Information on the projected population between 2016 and 2031 is only available from the Department of Environment, Land, Water and Planning at the LGA level based on the estimated resident population at 30 June 2015 and is provided at Table 9.1.
- 9.2.3 The Ballarat LGA is expected to experience slightly higher population growth than the Victorian average and the Ballarat SA4 region for all time periods.

Table 9.1: Estimated Population Growth in Ballarat

| Geographic Area | Estimated average annual population growth rate | | |
|------------------|---|-----------|-----------|
| | 2016-2021 | 2021-2026 | 2026-2031 |
| City of Ballarat | 2.0% | 1.9% | 1.8% |
| Ballarat SA4 | 1.5% | 1.5% | 1.5% |
| Victoria | 1.8% | 1.7% | 1.5% |

Source: VIF 2016

- 9.2.4 We have reviewed the population forecasts prepared for the City of Ballarat by i.d. consulting for the small areas in the patron catchment. This analysis shows the expected population growth of the patron catchment around Ballarat Golf Club¹⁷.

Figure 9.2: Estimated Population Growth in Patron Catchment

| Small Area (suburb) | Estimated Residential Population | | | | Change between 2016 and 2031 |
|---|----------------------------------|--------|--------|--------|------------------------------|
| | 2016 | 2021 | 2026 | 2031 | |
| Alfredton | 9,405 | 10,678 | 12,109 | 13,496 | +43.5% |
| Wendouree | 10,605 | 10,932 | 11,112 | 11,231 | +5.9% |
| Lake Wendouree (North) - Lake Gardens | 2,537 | 2,759 | 2,725 | 2,707 | +6.7% |
| Ballarat Central - Bakery Hill - Lake Wendouree (South) - Newington | 9,685 | 10,055 | 10,048 | 10,065 | +3.9% |
| Delacombe | 6,394 | 7,883 | 9,944 | 12,451 | +94.7% |

¹⁵ ABS Census 2016

¹⁶ DPCD, Victoria in Future 2016. NB. The estimated resident population as at 30 June 2016 was 103,249, which is higher than the 2016 Census data.

¹⁷ I note that the suburb boundaries used by Profile.Id differ from those used in Census 2016 (SSC).

| | | | | | |
|------------------------------------|-------|-------|-------|-------|---------|
| Cardigan – Lucas – Bunkers Hill | 2,089 | 3,899 | 6,218 | 8,645 | +313.8% |
| Miners Rest – Mitchell Park | 4,439 | 4,852 | 5,264 | 5,683 | +28.0% |

- 9.2.5 This data clearly illustrates the expected population growth in the study area with population increases of between 3% and 300% expected between 2016 and 2031.
- 9.2.6 The majority of the growth is expected to occur in the Cardigan-Lucas-Bunkers Hill and Delacombe small areas. The growth in the Cardigan-Lucas-Bunkers Hill small area is not unexpected given its location within the Ballarat West Growth Area. Whilst Delacombe has been identified as an urban renewal precinct under the Ballarat Planning Scheme.
- 9.2.7 This growing population will continue to require facilities such as the Golf Club to provide for social and recreation outlets.

9.3 Summary of Social and Economic Indices

- 9.3.1 A summary of the social and economic profile is presented in Table 9.2 and Table 9.4 below with the full analysis attached in Appendix M. This analysis has been prepared based on the well-established parameters of social disadvantage as well as the profile of problem gamblers as set out in the Department of Justice 2009 report¹⁸ and the most recent final findings of the five year longitudinal study¹⁹.

¹⁸ Department of Justice, 2009, 'Problem Gambling from a Public Health Perspective' - Profile of Problem Gamblers

¹⁹ Victorian Responsible Gambling Foundation, July 2014, 'The Victorian Gambling Study: A Longitudinal Study of Gambling and Health in Victoria 2008-2012', pages 18-19.

Table 9.2: General Indicators of Social and Economic Status

| SOCIAL/ECONOMIC INDEX | Patron Catchment Rating compared to the LGA and Rest of Victoria (Country Vic) | | | | | | | | |
|----------------------------------|--|--|--|--|--|--|---|--|--|
| | PRIMARY PATRON CATCHMENT | | | SECONDARY PATRON CATCHMENT | | | | | LGA |
| | ALFREDTON | WENDOUREE | DELACOMBE | BALLARAT CENTRAL | SEBASTOPOL | LUCAS | NEWINGTON | LAKE GARDENS | BALLARAT |
| Home ownership | Lower proportions of home ownership compared to the Country Vic average | Lower proportions of home ownership compared to the Country Vic average | Lower proportions of home ownership compared to the Country Vic average | Lower proportions of home ownership compared to the Country Vic average | Lower proportions of home ownership compared to the Country Vic average | Lower proportions of home ownership compared to the Country Vic average | Similar proportions of home ownership compared to the Country Vic average | Higher proportions of home ownership compared to the Country Vic average | Lower proportions of home ownership compared to the Country Vic average |
| | Higher proportion of homes being purchased compared to the Country Vic average | Significantly lower proportions of homes being purchased compared to the Country Vic average | Higher proportion of homes being purchased compared to the Country Vic average | Lower proportions of homes being purchased compared to the Country Vic average | Lower proportions of homes being purchased compared to the Country Vic average | Significantly higher proportion of homes being purchased compared to the Country Vic average | Slightly lower proportions of homes being purchased compared to the Country Vic average | Lower proportions of homes being purchased compared to the Country Vic average | Similar levels of homes being purchased compared to the Country Vic average |
| | Slightly higher proportion of homes being rented compared to the Country Vic average | Significantly higher proportions of homes being rented compared to the Country Vic average | Similar proportion of homes being rented compared to the Country Vic average | Significantly higher proportions of homes being rented compared to the Country Vic average | Significantly higher proportions of homes being rented compared to the Country Vic average | Significantly higher proportions of homes being rented compared to the Country Vic average | Higher proportions of homes being rented compared to the Country Vic average | Higher proportions of homes being rented compared to the Country Vic average | Higher proportions of homes being rented compared to the Country Vic average |
| Public housing | Significantly below the Country Vic average | Significantly above the Country Vic average | Significantly above the Country Vic average | Significantly below the Country Vic average | Above the Country Vic average | Significantly below the Country Vic average | Significantly below the Country Vic average | Significantly below the Country Vic average | Similar to the Country Vic average |
| Median weekly household income | Well above the Country Vic average | Well below the Country Vic average | Above the Country Vic average | Above the Country Vic average | Well below the Country Vic average | Significantly above the Country Vic average | Significantly above the Country Vic average | Significantly above the Country Vic average | Above the Country Vic average |
| Housing prices | Higher than the Country Vic average | Lower than the Country Vic average | Similar to the Country Vic average | Higher than the Country Vic average | Lower than the Country Vic average | Higher than the Country Vic average | Higher than the Country Vic average | Significantly higher than the Country Vic average | Similar to the Country Vic average |
| Median monthly mortgage payments | Higher than the Country Vic average | Lower than the Country Vic average | Higher than the Country Vic average | Similar to the Country Vic average | Lower than the Country Vic average | Higher than the Country Vic average | Higher than the Country Vic average | Higher than the Country Vic average | Higher than the Country Vic average |
| Housing stress ²⁰ | Below the Country Vic average | Above the Country Vic average | Similar to the Country Vic average | Above the Country Vic average | Above the Country Vic average | Unable to determine | Unable to determine | Below the Country Vic average | Above the Country Vic average |
| Disposable income | Above the Country Vic average | Below the Country Vic average | Above the Country Vic average | Above the Country Vic average | Below the Country Vic average | Well above the Country Vic average | Above the Country Vic average | Above the Country Vic average | Above the Country Vic average |
| Unemployment | Below the Country Vic average | Well above the Country Vic average | Above the Country Vic average | Above the Country Vic average | Well above the Country Vic average | Below the Country Vic average | Similar to the Country Vic average | Below the Country Vic average | Above the Country Vic average |
| Legend of indicators | POSITIVE | | | NEUTRAL | | | NEGATIVE | | |

This data shows a mixed socio-economic profile for the patron catchment with indicators both above and below the Country Vic average.

More specifically, we note the following with regards to the primary patron catchment:

Alfredton: Shows a higher than average socio-economic status. In some instances where they sit below the Country Vic average. (i.e. lower proportions of home ownership), this is a negative indicator. Whilst other indicators which show that the Alfredton suburb sits below the Country Vic average (i.e. public housing, housing stress and unemployment) are positive indicators. Overall, these characteristics would indicate a community that experiences few signs of socio-economic disadvantage.

Wendouree: Typically characterised by a lower than average socio-economic status with the majority of indicators generally below the Country Vic average. This community has lower proportions of home ownership and homes being purchased, high proportions of public housing, and lower disposable income amongst other characteristics. This community experiences lower than average monthly mortgage payments.

²⁰ Calculated using data from Profile.id (Refer 11.1), with slight variations to

Table 9.3: Indicators with higher representation amongst problem gamblers

| SOCIAL/ECONOMIC INDEX | Patron Catchment Rating compared to the LGA and Rest of Victoria (Country Vic) | | | | | | | | |
|---|--|------------------------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|---|------------------------------------|
| | PRIMARY PATRON CATCHMENT | | | SECONDARY PATRON CATCHMENT | | | | | LGA |
| | ALFREDTON | WENDOUREE | DELACOMBE | BALLARAT CENTRAL | SEBASTOPOL | LUCAS | NEWINGTON | LAKE GARDENS | BALLARAT |
| Indigenous persons | Below the Country Vic average | Above the Country Vic average | Above the Country Vic average | Below the Country Vic average | Above the Country Vic average | Below the Country Vic average | Below the Country Vic average | Significantly below the Country Vic average | Below the Country Vic average |
| Sales workers | Above the Country Vic average | Above the Country Vic average | Above the Country Vic average | Similar to the Country Vic average | Above the Country Vic average | Above the Country Vic average | Below the Country Vic average | Above the Country Vic average | Above the Country Vic average |
| Machinery driver/operator | Below the Country Vic average | Above the Country Vic average | Above the Country Vic average | Below the Country Vic average | Above the Country Vic average | Below the Country Vic average | Below the Country Vic average | Below the Country Vic average | Below the Country Vic average |
| Labourers | Well below the Country Vic average | Well above the Country Vic average | Similar to the Country Vic average | Well below the Country Vic average | Well above the Country Vic average | Well below the Country Vic average | Well below the Country Vic average | Significantly below the Country Vic average | Below the Country Vic average |
| Personal income between \$33,800 and \$51,999 | Similar to the Country Vic average | Similar to the Country Vic average | Above the Country Vic average | Below the Country Vic average | Above the Country Vic average | Above the Country Vic average | Below the Country Vic average | Below the Country Vic average | Similar to the Country Vic average |
| Household income between \$65,000 and \$103,999 | Above the Country Vic average | Below the Country Vic average | Above the Country Vic average | Similar to the Country Vic average | Below the Country Vic average | Well above the Country Vic average | Similar to the Country Vic average | Below the Country Vic average | Similar to the Country Vic average |
| Legend of indicators | POSITIVE | | | NEUTRAL | | | NEGATIVE | | |

Alfredton: Exhibits some of the characteristics that are commonly found in problem gamblers (i.e. higher proportions of sales workers and households with an income between \$65,000 and \$103,999), however, residents also have lower representation in three of the characteristics that are commonly found in problem gamblers (i.e. indigenous persons, proportion of machinery drivers/operators and labourers). This confirms that Alfredton experiences a mixed socio-economic profile when considering the indicators amongst problem gamblers.

Wendouree: This community exhibits some of the characteristics that are commonly found in problem gamblers and confirms the generally lower than average socio-economic status of its residents.

Table 9.4: Indicators with lower representations amongst problem gamblers

| SOCIAL/ECONOMIC INDEX | Patron Catchment Rating compared to the LGA and Rest of Victoria (Country Vic) | | | | | | | | |
|---|--|---|------------------------------------|---|---|---|---|---|------------------------------------|
| | PRIMARY PATRON CATCHMENT | | | SECONDARY PATRON CATCHMENT | | | | | LGA |
| | ALFREDTON | WENDOUREE | DELACOMBE | BALLARAT CENTRAL | SEBASTOPOL | LUCAS | NEWINGTON | LAKE GARDENS | BALLARAT |
| Professionals | Well above the Country Vic average | Below the Country Vic average | Below the Country Vic average | Significantly above the Country Vic average | Well below the Country Vic average | Well above the Country Vic average | Significantly above the Country Vic average | Significantly above the Country Vic average | Above the Country Vic average |
| Technicians/trades workers | Below the Country Vic average | Above the Country Vic average | Above the Country Vic average | Below the Country Vic average | Above the Country Vic average | Below the Country Vic average | Below the Country Vic average | Below the Country Vic average | Similar to the Country Vic average |
| Clerical/administrative staff | Above the Country Vic average | Above the Country Vic average | Above the Country Vic average | Below the Country Vic average | Similar to the Country Vic average | Above the Country Vic average | Similar to the Country Vic average | Above the Country Vic average | Above the Country Vic average |
| Personal income less than \$33,799 | Below the Country Vic average | Above the Country Vic average | Similar to the Country Vic average | Below the Country Vic average | Above the Country Vic average | Well below the Country Vic average | Below the Country Vic average | Below the Country Vic average | Similar to the Country Vic average |
| Household income under \$33,799 | Well below the Country Vic average | Significantly above the Country Vic average | Below the Country Vic average | Above the Country Vic average | Significantly above the Country Vic average | Significantly below the Country Vic average | Below the Country Vic average | Below the Country Vic average | Similar to the Country Vic average |
| Persons migrated to Australia in past 5 years | Above the Country Vic average | Similar to the Country Vic average | Below the Country Vic average | Above the Country Vic average | Similar to the Country Vic average | Well above the Country Vic average | Above the Country Vic average | Above the Country Vic average | Similar to the Country Vic average |
| Legend of indicators | POSITIVE | | | NEUTRAL | | | NEGATIVE | | |

Alfredton: This community experiences over representation in 3 of the 6 criteria (i.e. proportion of professionals & clerical/administrative staff and persons who have recently migrated) listed and therefore contains a higher proportion of those that could be considered to be less likely to be at risk to problem gambling.

Wendouree: Residents of this community are over represented in 4 of the 6 criteria (i.e. proportion of technicians/trades workers & clerical/administrative staff, persons with an income less than \$33,799 and households with an income under \$33,799) and therefore also contain higher proportions of those that could be considered to be less likely to be at risk of problem gambling. These characteristics may act as a counter-balance to the characteristics which have higher representation amongst problem gamblers as set out in the previous table.

Overall, the analysis of the key social and economic indices illustrates that the primary patron catchment (i.e. Alfredton & Wendouree) is typically characterised by a socio-economic profile that is mixed with Alfredton generally characterised as being of a higher socio-economic standing than Wendouree. This is consistent with the findings of the SEIFA Index analysis which is set out in Section 10.

10 SEIFA Analysis:

- 10.1.1 A review of the SEIFA results for the venue catchment enables an understanding of the social and economic profile of the patron catchment.
- 10.1.2 The SEIFA Index scores as relevant to the consideration of the application for additional gaming machines at Ballarat Golf Club are set out in the following tables, noting that indexes between differing geographic areas (i.e. – the LGA and suburbs) cannot be directly compared.
- 10.1.3 The 2016 SEIFA results do not include averages for differing geographic areas, however, from viewing the percentiles, the median for all Victorian LGAs is 994 and for Victorian suburbs is 1020. The disparity between the medians for suburbs and local government reinforces that the SEIFA Index scores cannot be compared between differing geographical areas.
- 10.1.4 The SEIFA Index of Disadvantage contains a spread of scores that range from 188 to 1186 with the median score for SA1s in Australia of 1000. The mathematical distribution of scores has a long left tail, meaning that the scores for disadvantage are more spread out than the scores of less disadvantaged areas. This is a consequence of the Index containing only disadvantage indicators, so there is more scope to distinguish between disadvantaged areas and advantaged areas²¹.

Figure 10.1: Index of Relative Disadvantage Score Distribution

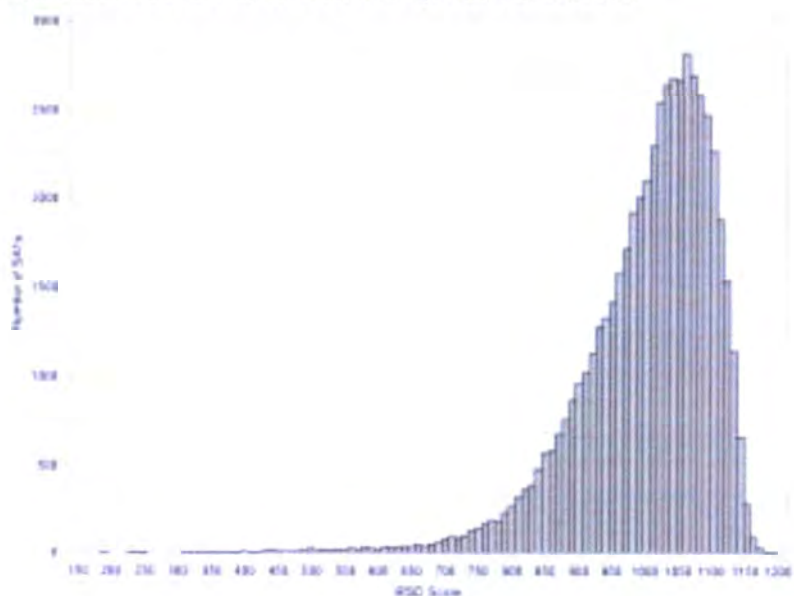


Table 10.1: SEIFA Index of Disadvantage 2016 - Local Government Area

| Local Government Area | SEIFA 2016 | Decile | Percentile |
|-------------------------|------------|--------|------------|
| Ballarat LGA | 980 | 4 | 36 |
| Regional Vic Median LGA | 977 | - | - |
| Median LGA | 994 | - | - |

Source: ABS 2016 www.abs.gov.au

²¹ *Socio-Economic Indexes for Areas (SEIFA) – Technical Paper 2016*, Australian Bureau of Statistics.

Table 10.2: SEIFA Index of Disadvantage 2016 – Suburbs (based on Gaming Room patron surveys)

| Suburb | SEIFA 2016 | Decile | Percentile | Patron % |
|---------------------------|-------------|--------|------------|----------|
| Alfredton | 1038 | 7 | 65 | 32.7% |
| Wendouree | 855 | 1 | 2 | 8.8% |
| Delacombe | 957 | 2 | 14 | 5.9% |
| Ballarat Central | 1003 | 4 | 35 | 5.1% |
| Sebastopol | 874 | 1 | 3 | 4.9% |
| Lucas | 1073 | 9 | 89 | 4.5% |
| Newington | 1050 | 9 | 83 | 4.1% |
| Lake Gardens | 1055 | 9 | 85 | 4.2% |
| Median suburb area | 1020 | | | |

Source: ABS 2016 www.abs.gov.au

10.1.5 Based on this 2016 data, we confirm that:

- The SEIFA Index for the Ballarat LGA (980) sits slightly above the median for Regional Vic LGAs (977) and below the Vic Median LGA (994).
- The suburbs that comprise the patron catchment of the venue (based on the patron surveys), have SEIFA scores both well above and well below the median SEIFA score for Victorian suburbs.

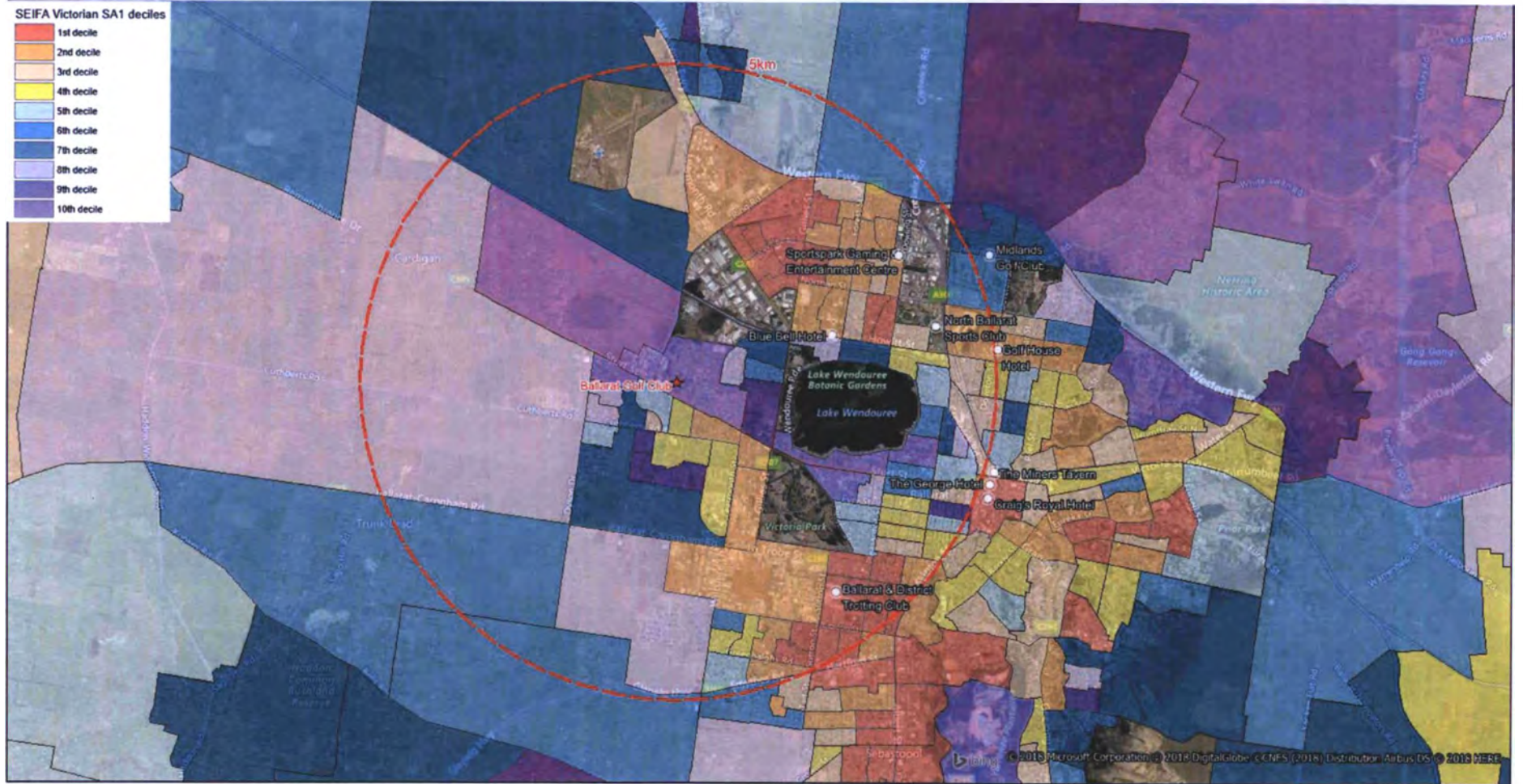
10.1.6 The map on the following page shows Statistical Area 1 (SA1s) in a 5 kilometre radius of the venue at a decile ranking for Victoria.

10.1.7 This shows that the venue is located within an SA1 that sits in the ninth decile.

10.1.8 The surrounding SA1's to the north, east and south east predominantly sit within the second and third deciles, while the SA1's to the south sit predominantly within the first and second deciles. SA1's located to the west of the venue, generally sit within the sixth decile and above.

10.1.9 This indicates that there are areas of significant disadvantage located within proximity to the venue. We note that there are several other gaming venues located within closer proximity to these areas of socio-economic disadvantage than the subject site.

Figure 10.2: SEIFA Map by SA1 (5km radius)



Source: MapInfo Professional, prepared by Ratio Consultants

11.1 Housing Stress

- 11.1.1 As detailed in the National Summit on Housing Affordability in 2004, households should be regarded as suffering housing stress if their housing costs exceed 30% of their income and they are in the bottom 40% of income distribution. I.e. consideration should be given to income sizes in assessing mortgage stress, as households with higher incomes are better placed to 'afford' housing stress. For example, a 'high income' household paying 30% of its income on housing and earning \$150,000 p.a. would have up to \$105,000 (before tax) remaining for other household expenses. However, a 'low income' family paying 30% of its income on housing and, earning \$50,000 p.a. has only up to \$35,000 remaining (before tax).
- 11.1.2 Profile.Id has provided figures for households in the lowest 40% of incomes who are paying more than 30% of their usual gross weekly income on housing costs (rent and mortgage). These figures are provided in the table below comparing the suburb where the venue sits (i.e. Alfredton) with surrounding suburbs, the LGA and Rest of Victoria (Country average) and Victoria.

Table 11.1: Housing Stress 2016

| Geographic Area | Households In Housing Stress |
|--------------------|------------------------------|
| Ballarat LGA | 13.1% |
| Alfredton | 9.7% |
| Wendouree | 16.1% |
| Delacombe | 10.2% |
| Ballarat Central | 12.8% |
| Sebastopol - Redan | 18.9% |
| Lucas | Not Provided |
| Newington | Not Provided |
| Lake Gardens | 8.5% |
| Bendigo LGA | 11.9% |
| Rest of Vic | 10.5% |
| VICTORIA | 11.4% |

Source: Profile.Id

- 11.1.3 The data shows that the primary patron catchment (i.e. Alfredton and Wendouree) experiences a mix of above and below average levels of housing stress when compared to Regional Victoria.

11.2 Unemployment

- 11.2.1 Unemployment within the Ballarat LGA sits well below the State and Country Victorian averages of 5.8% and 5.3% respectively (March 2018 Quarter Small Area Labour Markets), with an unemployment rate of 4.8%.

- 11.2.2 Unemployment in the Alfredton SA2, where the venue is located, sits at 2.5% for the March 2018 quarter, which is significantly below the State and Country averages, as well as being below the LGA average, as set out above.
- 11.2.3 The Victorian Gambling Study²², found that employment status in problem gamblers was not significantly different to the Victorian adult population. So whilst unemployment levels may make communities more financially vulnerable, it does not indicate a greater vulnerability to problem gambling.
- 11.2.4 Given that the Alfredton SA2 comprises only a portion of the patron catchment, we have reviewed the unemployment rates for the four SA2 areas that comprise the patron catchment based on a 5km radius of the venue. This analysis shows the following:
- | | |
|---------------------------|------|
| — Alfredton | 2.4% |
| — Wendouree – Miners Rest | 6.9% |
| — Ballarat | 3.9% |
| — Delacombe | 4.0% |
- 11.2.5 Using the raw figures of unemployed persons and total persons in the labour force, the patron catchment has an overall unemployment rate (for the March 2018 quarter) of 4.3%, which is well below the Country Victoria and State averages.

²² Victorian Responsible Gambling Foundation, July 2014, *The Victorian Gambling Study: A Longitudinal Study of Gambling and Health in Victoria 2008-2012*, page 18.

Figure 11.1: Alfredton SA2 boundary



Source: Ratio Consultants

12.1 What is Problem Gambling

12.1.1 Problem Gambling is generally defined as follows:

*Problem Gambling is characterised by difficulties in limiting money and / or time spent on gambling, which leads to adverse consequences for the gambler, others or for the community.*²³

12.1.2 With the addition of 6 EGMs to an existing gaming venue and the subsequent expected increase in expenditure at this venue, there is the potential for some of this additional expenditure to be derived from problem gambling behaviour. That said, we would not expect the level of problem gambling to be measurably different from 8 to 6 EGMs regardless of the removal of 2 from the LGA.

12.1.3 The best estimates that are available (such as those made by the Productivity Commission and Longitudinal Study) estimate that 1-2% of the Victorian adult population are problem gamblers. The Productivity Commission Report also estimates that in the order of 40% of gaming revenue is the result of problem gambling. Whilst some seek to attribute 40% of increased gaming expenditure from problem gambling, such a rudimentary approach is neither accurate nor useful in seeking to determine the impact of gaming proposals on problem gamblers.

12.1.4 It is reasonable to assume that as a consequence of the introduction of additional gaming machines, there is a risk of an increase in problem gambling. However, as detailed below, we consider this risk to be relatively low.

12.1.5 For a significant period of time, the Department of Justice report '*Problem Gambling from a Public Health Perspective*' was the only source that provided some guidance on the risk of problem gambling in the area.

12.1.6 To a degree, some of the findings in this report have been superseded by the state governments '*Study of Gambling and Health in Victoria, Findings from the Victorian Prevalence Study 2014*'.

12.1.7 The latest report provides updated figures on the changes in prevalence of problem gambling within each Victorian Government region.

12.1.8 The Grampians region (within which the City of Ballarat sits) recorded a prevalence of 0.48% of adults surveyed being problem gamblers with the rate of problem gambling in Victoria sitting at 0.81%.

12.1.9 In addition, specific to this application, we have sought to understand the prevalence of problem gambling in the Ballarat area by writing to the Victorian Responsible Gambling Foundation.

12.1.10 This office wrote to the Gambling Information Resource Office (GIRO) on 21 November 2017 requesting information regarding the provision of problem gambling/financial counselling services within Ballarat as well as the number of presents to this service, average waiting times and staff resourcing.

12.1.11 A response was received on 13 December 2017 and is included at Appendix N.

12.1.12 The GIRO advised that Child and Family Services (CAFS) delivers Gambler's Help services across the Grampians catchment which covers Ararat, Ballarat, Central Goldfields, Golden Plains, Hepburn, Hindmarsh,

²³ Neal P, Delfabbro P & O'Neil M, 2005, *Problem Gambling and Harm: Towards a National Definition* – Prepared for the former Victoria Gambling Research Panel by the South Australian Centre for Economic Studies.

Horsham, Moorabool, Norther Grampians, Pyrenees, West Wimmera and Yarriamback.

- 12.1.13 GIRO advised that during 2016-2017, CAFs Gambler's Help program provided therapeutic and/or financial counselling support to a total of 359 unique clients in the Grampians catchment. Of these, 96 (or just over a quarter (26.7%) were residents of the City of Ballarat. These 96 clients were broken down in to 52 receiving Therapeutic Counselling and 65 receiving Financial Counselling²⁴.
- 12.1.14 CAFs main service operates out of 115 Lydiard Street North in Ballarat and is available between 9am and 5pm Monday to Friday.
- 12.1.15 Average wait times from initial needs identification to the first appointment is in the order of 1-2 days, noting that this can vary for a number of reasons.
- 12.1.16 There were approximately 3.0 FTE therapeutic counselling staff and 1.8 FTE financial counselling staff at CAFS for the Grampians catchment for the 2016-2017 financial year.
- 12.1.17 We note the limitations of this data in that it does not capture those using phone or online gamblers help services nor does it capture people who have not provided a residential address. However, it does provide a snapshot of the provision of gamblers help services within the Ballarat LGA.

12.2 Risks for Problem Gambling

- 12.2.1 Whilst there are no reliable determinative factors to establish what the characteristics of a problem gambler are²⁵, there are some factors that are considered to lead to an increased risk of problem gambling.
- 12.2.2 Specific to this proposal is the Club's location in an area which displays signs of disadvantage, which we address in the next section of this report.

12.3 Problem Gambling at Ballarat Golf Club

- 12.3.1 The surveys undertaken in October/November 2017 and May 2018 indicates that the venue currently has a low-modest utilisation of its gaming machines with four peak periods of play recorded over the initial two week period and a further 7 peak periods over the second survey period.
- 12.3.2 The NMR for the last financial year (i.e. to 30 June 2017) was \$202.26, compared with the Country Club and Metro Club averages of \$183.21 and \$204.30 respectively.
- 12.3.3 The slightly above average club NMR for a venue in an area that experiences some signs of social and economic disadvantage has the potential to raise concern regarding the potential for problem gambling at the venue. However, we consider the higher than average NMR is likely to be a result of the overall success of the venue in attracting both locals and visitors to the venue. This is reflected in both the gaming room and bistro surveys.
- 12.3.4 Whilst there is insufficient information to accurately determine to what level of, if any, problem gambling is occurring at the venue or even the municipality, we are satisfied that the level of expenditure and level of peak utilisation of the machines do not indicate any significant concerns.

²⁴ Some clients presented for both TC and FC.

²⁵ Although the 2009 DoJ Report does provide some assistance in this area

- 12.3.5 We are mindful that as the venue is already in operation with 28 machines, there is already a level of underlying risk. Accordingly, we have focussed our consideration on the additional risk that is likely to result from the additional 6 EGMs, compared with the 8 EGMs with the removal of another 2 from the LGA.
- 12.3.6 As such, we are of the opinion that there is unlikely to be a change to levels of problem gambling at the venue should the grant of this application be approved for the following reasons:
- The provision of an additional 6 rather than 8 EGMs at the venue will offer a small reduction in overall numbers and have little meaningful impact on potential problem gambling that was previously considered by the Commission.
 - Whilst 2 EGMs will not be removed from the LGA, we consider that this is largely offset by the reduction in EGMS at the venue by 2.
 - Whilst not a direct result of this application, the removal of 6 Hotel (Miners Tavern) EGM entitlements from the LGA in an SA1 with greater disadvantage than the Ballarat Golf Club, is a better outcome.
 - Looking at the 6 machines in isolation, the proposed works to the venue will further enhance the facilities for patrons. We consider this to be in line with the responsible service of gambling. Importantly, other facilities at the venue are open when the gaming room is operational.
 - Given the existing low-modest utilisation, the additional machines will have a reduced impact given the current ease of availability of existing machines.
 - The small number of machines in question does not fundamentally change the 'attractiveness' of the venue for gamblers. The increase from 28 to 34 machines will not materially increase the anonymity of players given that the size of the room will not change as a result of this application. The increase in 6 machines will have a minimal impact on this aspect of play behaviour and is less than the 8 previously permitted.
 - There is a relatively high level of access to EGMs and venues in the municipality, where the incremental change by this application is minor.
 - The Club will retain its currently modest trading hours, with earlier closing times than many other venues within the catchment.
 - The high-quality fit-out, sign-n requirements and range of services on offer at the Club will continue to act as a protective factor against problem gambling.
 - In addition to the proposed venue works 'linked' to the additional 6 EGMs, the Club has recently undertaken works to the existing gaming room to bring it in line with best practice design (Refer para 4.1.8). These works will assist with reducing any underlying risk that currently exists in relation to problem gaming.
- 12.3.7 For the above reasons, we consider that it is unlikely that reducing the number of EGMs from 8 to 6 but not reducing the overall number of EGMs within the LGA by 2, will be unlikely to create new problem gamblers.

13.1 Risks for Problem Gambling

- 13.1.1 Ratio Consultants accept that there is strong anecdotal evidence from problem gambler service providers of an increase in demand for their services in low SEIFA municipalities as well as higher than average gaming expenditure in these areas. However, this may or may not, be as a consequence of some causal relationship.
- 13.1.2 Whilst there are no reliable determinative factors to establish what the characteristics of a problem gambler are²⁶, there are some factors that are considered to lead to an increased risk of problem gambling.
- 13.1.3 Specific to this proposal is the Club's location in proximity to disadvantaged residents, which is addressed below. The determining factor in this application is the additional risk to problem gamblers given that there are already 28 machines in operation at the Ballarat Golf Club.

13.2 Vulnerable Communities

- 13.2.1 Residents who reside in an area with a SEIFA score in the bottom 20 per cent are considered to be significantly disadvantaged. Whilst the Club is not located within an area that is considered to be vulnerable as determined by the SEIFA score for the Alfredton suburb of 1038, placing it in the 7th decile and 65th percentile of SEIFA scores for Victoria, there are some areas of the patron catchment (i.e. to the north east and south east of the venue in Wendouree, Delacombe and Sebastopol) that do experience significant disadvantage sitting in the bottom 20 per cent of SEIFA scores. These residents have the potential to be more vulnerable to problem gambling impacts than less disadvantaged members of the community.
- 13.2.2 Nevertheless, we note that these areas are located between 2.5km and 5km from the Club and are closer to other gaming venues within the City of Ballarat (Refer Figure 10.2). As such, any patrons at this venue from these suburbs (that experience significant disadvantage) are generally driving past (or away from) these other venues and making the conscious decision to come to the Club, most likely for other reasons other than gambling, including golf.
- 13.2.3 We also note that these other gaming venues are often more accessible to users with a wider range of operating hours and often less facilities on offer (Refer below table).

Figure 13.1: Gaming Venues in Catchment Area

| Venue Address | Hours of Opening |
|-----------------------------------|---|
| Ballarat Leagues Club | Monday-Saturday: 10am-12am Sunday: 11am-12am |
| Ballarat & District Trotting Club | Monday-Thursday: 9am-12am Friday & Saturday: 9am-1am Sunday: 10am-12am. |

²⁶ Although the 2009 DoJ Report does provide some assistance in this area

| | |
|---|--|
| Blue Bell Hotel | Monday-Saturday: 10am-3am Sunday: 10am-1am |
| Craig's Royal Hotel | 7am-3am every day. |
| George Hotel | Sunday: 10am-11pm Monday: 9am-11pm Tuesday-Thursday: 9am-1am Friday & Saturday: 9am-2am |
| Golf House Hotel | Unable to verify |
| Midlands Golf Club | Unable to verify |
| North Ballarat Sports Club | Sunday: 10am-12am Monday-Tuesday: 9.30am-12am Wednesday: 9am-1am Thursday-Friday: 9am-2am Saturday: 10am-2am |
| Red Lion Hotel | Sunday-Thursday: 10am-1am Friday & Saturday: 10am-3am |
| Robin Hood Hotel | Sunday: 10am-11pm Monday-Thursday: 10am-12am Friday-Saturday: 10am-1am |
| Sebastopol Bowling Club | Unable to verify |
| Sportspark Gaming and Entertainment Centre | Unable to verify |
| The Miners Tavern | 9am-1am, every day. |

Zagame's Ballarat Club Hotel

8am-3am every day.

- 13.2.4 The addition of 6 rather than 8 EGMs at the Ballarat Golf Club is not a significant one and will not materially alter the gaming offer at the venue. The room will remain small and intimate in nature and the likelihood of patrons being able to remain anonymous will not increase as a result of this application.
- 13.2.5 Furthermore, it is unlikely that the addition of 6 EGMs to an existing venue will materially increase the level of risk to any vulnerable members of the community. We do not consider that the additional machines will increase the attractiveness of the venue, but rather that the new machines will add greater machine choice to serve existing clientele.
- 13.2.6 As an existing venue, residents and users of the Club would already be aware of the venue and there will be no way to know from the exterior of the building if there are an additional 6 EGMs inside.
- 13.2.7 The modest NMR would indicate that there isn't a prevalence of problem gambling at the venue. We also note that the Club has undertaken a number of improvements to the gaming room to bring it in line with best practice. These works have assisted with reducing the level (if one exists) of problem gambling at the venue.
- 13.2.8 Whilst the overall number of EGMs as a result of this application will not be reduced by 2 as a result of this application, in reality there is a reduction of machines by 2, given the fewer number of machines being sought.
- 13.2.9 On balance, we consider that the proposal represent a low level of risk when assessed against the benefits that arise.

14 The Role of Management and Responsible Gambling Practices:

14.1.1 Given the prevalence of gaming throughout Ballarat and the existing access to gaming machines and venues, it is at the 'coal face' where influence of problem gamblers can occur and engaging with patrons is the cornerstone of harm minimisation.

14.1.2 Whilst there are critics of such an approach on the basis that friendly staff will attract a problem gambler to a venue, the continual monitoring of the gaming room is essential to understand patron behaviour. The adoption of an interventionist approach, where staff will consistently talk and engage with patrons, can only assist with the identification of problematic behaviours. Customer engagement that is constant is unattractive for problem gamblers, who generally seek to be left alone and gamble. Anonymity is attractive for a problem gambler.

"...gamblers do not want to wait to get on a machine nor to be interrupted while gambling. Thus, it is the gambling facilities that are most important to these gamblers, rather than other facilities or activities on offer in a venue. They prioritised the types of gaming machines on offer, the layout in the gaming room and the atmosphere created there, and wanted to be able to access these easily and at the times and for the length of time of their choosing"

Hing and Haw 2010, The Influence of Venue Characteristics on a Player's Decision to Attend a Gambling Venue', Centre for Gambling Education and Research, Southern University

14.1.3 The addition of more gaming machines or venues, in the context of the existing regulatory regime, has a relatively marginal impact on problem gamblers. This is in part as the anecdotal evidence is that problem gamblers will go to significant lengths to satisfy their addiction. This is not to say that the consideration of locational effects or the social and economic impact of gaming machines is not important. However, the introduction of venue specific responsible gaming practices and the use of best practice initiatives should be a minimum for any gaming venue.

14.1.4 We do not consider that the increased number of machines and the proposed works to the clubhouse will increase the 'attractiveness' of the venue for all patrons, including problem gamblers. It is also noted that the practices associated with a club venue, such as sign-in requirements act as preventative measure and reduce attractiveness of the venue to potential problem gamblers.

14.1.5 The increase from 28 to 34 machines is unlikely to noticeably increase the anonymity of players in the room, which is an attractive feature for problem gamblers.

14.2 Responsible Gambling Initiatives

14.2.1 The management of the Ballarat Golf Club accept their responsibility to ensure responsible gaming at their venue and have introduced a number of practices consistent with the principles of harm minimisation.

14.2.2 Ballarat Golf Club has sound best practice processes in place to manage all responsible gambling code of conduct requirements. For example:

- The Club operates the Community Clubs Victoria (CCV) Responsible Gambling Code of Conduct. This provides the overarching structure to the Club's compliance management activities.
- Copies of the Community Clubs Victoria (CCV) Responsible Service of Gambling Code of Conduct are located at the gaming cashier's station. Staff can also make copies available for customers upon request.

15 Community Attitude:

- 15.1.1 We are cognisant of the necessity to consider community attitude to the introduction of EGMs on community wellbeing, in particular noting the Court of Appeal decision on the Romsey Hotel. There were very specific circumstances in that particular case that led VCAT to form the view that community opposition to gaming would have a significant social detriment on that community.
- 15.1.2 This application is considered to be significantly different to that of Romsey for the following reasons and therefore little weight should be placed on likely community opposition to the proposal:
- Alfredton and the area within which the Club is located is not an isolated community, and residents are part of an integrated urban fabric with significant levels of interactions with the surrounding urban area.
 - The community already has access to gaming within the municipality and at the venue. This situation is unlike the Romsey case, whereby the Hotel was to introduce gaming into the town that didn't already have gaming and residents would have to travel much greater distances to participate in gaming (in the order of 20-25km).
 - This application is for a top up of additional machines at an existing gaming venue. The introduction of an additional 6 machines will have significantly lesser impact on community wellbeing than the creation of a new venue, regardless of the proximity of other gaming venues in the locality.
- 15.1.3 We do not consider that the proposal will have any impact on the psyche of residents. In forming this view, it is noted that residents already have a level of exposure to gaming in the local community with the existing machines at the venue and other venues outside the patron catchment. Therefore, the introduction of the additional machines at the venue will only have a small incremental impact.

16 Social and Economic Impacts:

- 16.1.1 The increase in EGMs at the Ballarat Golf Club by 8 has previously been approved on condition that there would be a net decrease of 2 EGMs in the municipality (Refer 3.2).
- 16.1.2 Whilst the EGMs were never installed, the works 'Linked' to that previous top up approval have been carried out. Accordingly, the proposed flow on 'benefits' have largely been secured by the local community since 2009. Effectively the VCGR have already considered the concept of a 'top-up' at the venue and have given it approval.
- 16.1.3 Given the passage of time since the construction of the new golf course and club house, additional works are now proposed in addition to those previously delivered.
- 16.1.4 The social and economic impacts of gaming can be both positive and negative. Having reviewed a range of potential impacts on the local community as well as documents regarding whether or not gaming expenditure is a positive or negative impact, the approval of this application will have a slightly positive impact on the local community, which is evidenced by the following tables.
- 16.1.5 The main benefits of the application are:
- The existing benefits attached to the previous decision.
 - Significant renovation of the Clubhouse at a cost of approximately \$977,257 that will include new furniture throughout the café/bistro and function room, new lighting, new interior painting, new carpeting and flooring and new signage, resulting in an overall improved ambience.
 - Complimentary Expenditure of approximately \$106,717.
 - Provision of an additional \$5,000 annual community contribution; and
 - The continued growth of the Club and its ability to carry out the vision approved under the masterplan.
- 16.1.6 There are other benefits attached to the application which are discussed in further detail in Table 16.1 and Table 16.2.
- 16.1.7 As with any application for gaming machines, the main disbenefit is the increased risk to problem gamblers. This application is no exception.
- 16.1.8 We have reviewed each of the benefits and disbenefits of the application and attached weight to each in order to establish what the overall net impact on the community will be.
- 16.1.9 In summary we consider that:
- The proposal for an additional 6 machines will have a slightly positive social and economic impact on the local community and the City of Ballarat.
 - The revenue from the additional EGMs will allow the Club to undertake renovations to the Club that will include new furniture throughout the café/bistro and function room, new lighting, new interior painting, new carpeting and flooring and new signage, resulting in an overall improved ambience.
 - The recent works undertaken to the current gaming room to bring it into compliance with Best Practice venue design are a positive approach by the Club and reflect its approach with ensure that a best practice designed venue is provided and maintained.
 - Whilst some works would occur even if the EGMS are not approved, these works are at a lesser quality and value (\$345,367) than the works proposed should the EGMs be approved.

- We also understand that the club is committed to increasing its cash contributions to community organisations by \$5,000 should the additional EGMs be approved.
- The benefits associated with the proposal include renovation of the clubhouse at a cost of \$977,257 that will result in improved facilities and an overall greater offer to the community and increased community contributions of \$5,000 per annum to community organisations and approximately \$106,717 in complimentary expenditure.
- We are satisfied that these benefits will neutralise disbenefits, including the risk of increased problem gambling behaviour, mindful that the gaming room, if the proposal is approved, will remain relatively modest in size. Therefore, we consider that the existing underlying risk to problem gaming behaviour is unlikely to change as a result of the proposed additional 6 EGMs compared with that previously approved by the Commission.

16.1.10 These conclusions are expanded upon in the following sections of this report.

Table 16.1: Review of Social Impacts of the Application

| Likely Social Impacts | | | |
|---|---|--|---|
| Social Benefit | | Social Disbenefit | |
| Benefits achieved through the previous proposal | There is some benefit attached the works associated with the previous proposal as they have been carried out and the community has enjoyed the associated benefits. LOW BENEFIT | Problem gambling | Some weight attached to the increased accessibility for vulnerable groups. However, this was considered by the previous VCGR approval and was considered appropriate. It is also mitigated by provision of RSG best practices at the Club, low-modest utilisation and existing access to gaming machines. NEGLECTIBLE DISBENEFIT |
| Refurbishment of the venue to improve current facilities | Some weight attached to the provision of renovations that will benefit the wider community however this is reduced as some improvement works will occur regardless of the outcome. LOW BENEFIT | Community attitude | Reduced weight given existing level of access to gaming machines at the venue and the municipality generally. NEUTRAL OUTCOME |
| Increased opportunities for recreational gaming (i.e. non-problem gambling) | Little weight given the access to gaming machines at the venue and within the broader community although some benefit to patrons to the Club. 6 v 8 machines has a negligible difference as does the absence of 2 machines from the LGA. NEGLECTIBLE BENEFIT | Impact on Community Health/Connectedness | Limited if any impact given existing access to 28 EGMs at the venue and high level of access in the local community and the previous approval. NEUTRAL OUTCOME |
| Community Contributions | An increase in \$5,000 cash contribution to identified local organisations NEGLECTIBLE BENEFIT | | |

Table 16.2 Review of Economic Impacts of the Application

| Likely Economic Impacts | | | |
|--|--|--|--|
| Economic Benefit | | Economic Disbenefit | |
| Benefits achieved through the previous proposal. | There is some benefit attached the Economic benefits associated with the previous proposal as they have been secured and the community has enjoyed the associated benefits. These include increased employment, complementary expenditure, investment in the works. NEGLIBLE BENEFIT | Lower spending at other gaming venues in Ballarat | Reduced weight given the competition objectives of the GRA and given that 40% will be transferred expenditure. NEGLIBLE DISBENEFIT |
| Investment in club renovations | If the application is approved there will be a total of approximately \$980,000 investment to renovate the premises as a result of the proposed increase in EGMs. Noting that some investment will occur irrespective of the outcome. NEGLIBLE BENEFIT | Lower spending in, and job losses from, local (non-gaming) businesses (not attributable to problem gambling) | Difficult to determine, however, may trigger innovation by or improvements in other venues. NEGLIBLE DISBENEFIT |
| Additional gaming expenditure & Tax Relief | Additional new expenditure to the LGA of between \$24,000 and \$36,000 which is minor in the contest of the overall local economy. The club will also benefit from a tax relief of approximately \$45,000 which will be reinvested back into the club in line with the Club's policies. NEGLIBLE BENEFIT | Problem gambling | There is a disbenefit, albeit uncertain in size, in higher costs to health and service providers and lower spending on local goods and services. NEGIGIBLE DISBENEFIT |
| Increased competition | This benefit carries some weight because competition is a relevant statutory purpose. But the number of machines is small in the overall market. NEGLIBLE BENEFIT | Tax loss to the State | As a result of the proposed increase the club will save approximately \$45,000 in tax payments (exclusive of providers fees - \$15,000). This lost revenue to the State is small in the nature of overall gaming tax and impacts on the LGA. NEGIGIBLE DISBENEFIT |
| Complimentary Expenditure | Complimentary expenditure is expected to be \$106,717 in the first year. NEGLIBLE BENEFIT | | |

17 Conclusion:

- 17.1.1 Whilst the concept of the proposed EGM top-up has previously been approved by the VCGR and benefits from a live planning permit, the Club are not able to fulfil the condition attached to the previous approval and therefore are required to seek a new approval from the VCGLR. The key difference between the previous approval and the current proposal is that the proposal will not result in a net decrease in EGMs in the municipality with 2 less machines at the venue.
- 17.1.2 Whilst this proposal does not result in a net decrease in EGMs within Ballarat, at the time of the initial approval there was a EGM density of 9.3 EGMs per 1,000 adults. Should this proposal be approved the EGM density per 1,000 adults will be 8.31, well below the previous 2005 density per 1,000 adults.
- 17.1.3 This new proposal also includes a range of new works to be carried out by the club, noting that the works proposed as part of the previous approval have already been carried out and the community are already experiencing the benefit of these works.
- 17.1.4 On balance, the 6 additional EGMs at Ballarat Golf Club will have a slightly positive net social and economic impact on the local community and more broadly with respect to the City of Ballarat.
- 17.1.5 The application will enable the venue to undertake significant renovations at a cost of approximately \$980,000 to the Club that will include new furniture throughout the café/bistro and function room, new lighting, new interior painting, new carpeting and flooring and new signage, resulting in an overall improved ambience.
- 17.1.6 The proposal will also provide for additional community contributions of \$5,000 per annum for the life of the entitlements.
- 17.1.7 It is acknowledged that there is the potential for some disbenefit associated with the application, such as a potential increase in problem gambling. We do not consider that this will be a likely outcome for the reasons set out above. As this is an application for a top-up at an existing venue, the benefits attached to the application are small. However, the disbenefits associated with the application, such as the additional potential problem gambling, are also small.
- 17.1.8 We are satisfied that these disbenefits are offset by the benefits associated with the application and given that this is an existing venue, the top up of 6 EGMs is not expected to change the attractiveness of the venue to a problem gambler.
- 17.1.9 Accordingly, the proposal will result in a slightly positive impact on the local community. The application should therefore be supported.

Ratio Consultants Pty Ltd

Appendix A Curriculum Vitae



Colleen Peterson- CEO

Qualifications:

Bachelor of Planning and Design (Hons) University of Melbourne, 1995

Prof. Memberships:

Planning Institute Australia (PIA), Victorian Planning & Environmental Law Association (VPELA)

Colleen Peterson is a town planner with over 25 years' experience working in both local government and private consultancy. Colleen began her town planning career in local government, working for the former City of Cranbourne, an outer suburban growth municipality. She then joined the City of Stonnington, an inner Melbourne municipality, at a more senior level, eventually culminating in her position as Planning Approvals Coordinator.

In 1998 Colleen joined SJB Planning as a Senior Planner and in 2001 was made an Associate of that firm. During her time at SJB, Colleen was involved in advising a wide variety of public sector and private clients on a wide range of planning and development issues. In mid 2003, Colleen launched Metropol Planning Solutions and was Director of that firm, building on her expertise and experience as a planning consultant.

In September 2004, Colleen joined Ratio Consultants as an Associate Director, was made a Director in July 2005 and Managing Director in 2014. In 2017, Colleen was announced as CEO of Ratio Consultants. She continues to provide a high level of expert advice on the use and development of land. Colleen also has experience in social and economic planning, particularly relating to demographic analysis.

She is a corporate member of the Victorian Charter of the Planning Institute of Australia (PIA), a certified practising planner recognised by that organisation and a full member of the Victorian Planning and Environmental Law Association (VPELA). She is also a member of the Australian Institute of Company Directors.

Colleen was a founding member of the Department of Sustainability and Environment's Planning Aid program. She is also a semi-regular guest speaker in workshops and professional development seminars organised by PIA and VPELA. Colleen is also a guest lecturer at both the University of Melbourne and RMIT on Planning and Heritage and is a member of the Architects Registration Board of Victoria (ARBV). Colleen is presently Deputy Chair of the ARBV.

Colleen prides herself in her commitment to fair and equitable land use and development outcomes and providing the highest level of service and professionalism to her clients.

Employment History

December 2017 – Present

Ratio Consultants Pty Ltd
Chief Executive Officer



| | |
|----------------------------|---|
| July 2005 – December 2017 | Ratio Consultants Pty Ltd Director/Managing Director |
| September 2004 – June 2005 | Ratio Consultants Pty Ltd Associate Director |
| July 2003 – September 2004 | Metropol Planning Solutions P/L Director |
| July 2001 – June 2003: | SJB Planning Pty Ltd Associate |
| June 1998 - July 2001: | SJB Planning Pty Ltd Senior Planner |
| May 1995 – June 1998: | City of Stonnington Senior Planner and Planning Approvals Coordinator |
| October 1992 – May 1995: | Shire / City of Cranbourne Statutory and Strategic Planner |

Brief Work History

Colleen is a corporate member of the Planning Institute of Australia and a member of the Victorian Planning and Environmental Law Association. She was a member of the Institute's working group on ResCode 2000 and was jointly responsible for the Institute's submission and presentation to the Ministerial Advisory Committee. She was an inaugural member of the Department of Sustainability's Planning Aid Program, which seeks to provide planning advice to the community.

Colleen has a broad knowledge of planning issues, including:-

- preparation of planning permit applications and planning scheme amendments;
- presentation of expert evidence to the Victorian Civil and Administrative Tribunal (VCAT);
- interpretation and application of the Victorian Planning Provisions (VPPs);
- policy formulation and analysis;
- project management; and
- social and economic impact analysis, including the presentation of evidence at the Victorian Commission for Gaming Regulation (VCGR) and VCAT.

Selected Experience

| |
|------------------|
| General planning |
|------------------|

- Assessment of a broad range of medium and high-density housing developments, including aged care.
- Assessment of a range of commercial uses, including retail shops, regional shopping centres, medical centres and entertainment centres.
- Assessment of a range of liquor license related matters.
- Assessment of underlying zoning.
- Assessment of development and subdivision applications involving industrial land.



- Preparation of planning assessment reports in accordance with the requirements of Planning Schemes.
- Notable projects include:
 - Docklands development at Yarra's Edge, 700 Collins Street, Technology Precinct and others
 - Becton – Brighton Classic Residences, Aged Care Accommodation at East Brighton
 - Primelife – Aged care facility and retail development in Brighton
 - Mirvac – Beacon Cove and Yarra's Edge
 - Hudson Conway – 10,000 sqm office development, Redfern Road, Camberwell
 - Regional shopping centres at McCrae and Somerville for Thompson Property
 - The preparation of social and economic impact assessments in conjunction with Tabcorp and Tattersall's and for local government
 - Vaughan Constructions – industrial developments in Dandenong, including Vic Roads vehicle testing centre
 - Multi-storey student accommodation in Box Hill in conjunction with Box Hill TAFE for Lanco Commercial Projects
 - Hotels and serviced apartments in St Kilda, including the Marque and Southern Cross Hotels at 157 Fitzroy Street
 - Redevelopment of the former Rippleside Shipyards, Geelong for Trendcorp
 - Numerous multi-storey residential apartment building projects throughout inner Melbourne

Planning Scheme Amendments and policy development

- Assessment of a range of planning scheme amendments for site-specific developments and the rezoning of land.
- Review and development of Council policies for Council's and the State Government.
- Notable projects include:
 - Rezoning for the Department of Human Services and the Department of Education and Employment
 - Rural land review – Shire of Delatite

VCAT Submissions as an expert Witness

- Submissions as an Expert Witness at the Victorian Civil and Administrative Tribunal regarding a wide range of planning issues.
- Submissions as an Expert Witness at Panel Hearings covering a variety of Planning Scheme Amendments.
- Notable cases include:
 - Five storey hotel and restaurant in Fitzroy Street, St Kilda
 - Four storey apartment building in Milton Street, Elwood and Docker Street, Elwood
 - Residential subdivision in heritage precinct in Port Fairy
 - Multi-storey shop and retail development at 1155 High Street, Armadale
 - Numerous multi-storey apartment buildings and town houses developments, including 119 Tennyson Street, Elwood, 1011 Toorak Road, Camberwell, 25 Isabella Grove, Hawthorn, 25 Highett Street, Richmond, 6 Lorne Street, Lorne, 3-5 Grandview Avenue, Maribyrnong, 122 Tennyson Street, Elwood, 61 North Road, Brighton, and 219-221 Alma Road, St Kilda
 - New dwelling in coastal dune area in Breamlea
 - 5 storey office building in Cremorne Street, Richmond
 - New restaurant in Main Street, Mornington

- Retail development in Mount Eliza Way, Mount Eliza

Social and economic analysis

- Preparation of detailed social and economic impact analysis for the gaming industry, including:
 - Jim Hogan's Hotel, in Wallan for the Shire of Mitchell
 - Royal Oak Hotel, Cheltenham for Areas of Hospitality Pty Ltd
 - Diamond Creek Tavern, Berwick for Areas of Hospitality Pty Ltd
 - Morwell Bowling Club for the Club
 - Benalla Bowling Club for the Club
 - Bairnsdale Bowling Club for the Club
 - Templestowe Hotel for the Hotel
 - Traralgon Bowling Club for the Club
 - Ballarat Golf Club for the Club
 - Ballarat Trotting Club for the Club
 - Deer Park Bowling Club for the Club
 - Ocean Grove Bowling Club for the Club
 - Mornington Racing Club for the Club
 - Kerang Community and Sporting Club for the Club
 - South Oakleigh Club for the Club
 - Warrigal Club for the Club
 - Pakenham Hotel for Cardinia Hospitality Pty Ltd
 - Nillumbik Fields
 - Melton Harness Racing and Entertainment Facility for Harness Racing Victoria
 - Club Ringwood for the Kilsyth Mountain District Basketball Association
 - Zagame's Brunswick Club Hotel for Zagame's Brunswick Club Hotel Pty Ltd
 - Romsey Hotel for Hogans Hotels
 - Harp of Erin for the Hotel
 - Sugar Gum Hotel for the Munday Group
 - Olive Tree Hotel for the Hunter Group

Brian Minogue – Associate: Planning

Qualifications:

Bachelor of Science (Hons) in Spatial Planning, DIT, Dublin, 2007

Prof Memberships:

Victorian Planning and Environmental Law Association (VPELA)

Brian Minogue is a town planner with over 8 years' experience working in both the public and private sector in Melbourne. Brian's Australian experience began in local government, working for the city of Moonee Valley, an inner Melbourne municipality, eventually culminating in his position as Principle Planner.

In 2015 Brian joined MacroPlan Dimasi as a Senior Planner. During his time at MacroPlan Dimasi, Brian was involved in advising a wide variety of public sector and private clients on a wide range of planning and development issues including the preparation of Social and Economic Impact Assessments.

Brian joined Ratio Consultants as a Senior Planner in July 2016 and was promoted to Associate in 2017. During his time at Ratio Consultants, Brian has provided valuable assistance to the Planning teams, developing expertise in a range of skills across both statutory planning and social planning fields.

Employment History

July 2017 – present

Ratio Consultants Pty Ltd
Associate: Planning

July 2016 – June 2017
Ratio Consultants Pty Ltd
Senior Planner

November 2015 - July 2016
MacroPlan Diamsi
Senior Planner

November 2014 - November 2015
Moonee Valley City Council
Principal Statutory Planner

February 2012 – November 2014
Moonee Valley City Council,
Senior Statutory Planner

October 2009 – January 2012
Moonee Valley City Council
Statutory Planner

Brief Work History

In his career, Brian has developed a broad range of expertise in the following areas:

- preparation of planning permit applications and planning scheme amendments;
- presentation in the role of an advocate to the Victorian Civil and Administrative Tribunal (VCAT);
- interpretation and application of the Victorian Planning Provisions (VPPs);
- project management;
- social and economic impact analysis
- assisting in the preparation of evidence at the Victorian Commission for Gaming Regulation (VCGR), VCAT and Planning Panels Victoria; and
- Data collection and analysis.

Selected Experience

General planning

- Assessment of a broad range of medium and high-density housing developments, including aged care.
- Assessment of a range of commercial uses, including retail shops, regional shopping centres, medical centres and entertainment centres.
- Assessment of a range of liquor license related matters.
- Assessment of underlying zoning.
- Assessment of development and subdivision applications involving industrial land.
- Preparation of planning assessment reports in accordance with the requirements of Planning Schemes.

Social and economic analysis

- Preparation of detailed social and economic impact analysis including:
 - The Sugar Gum Hotel for Pegasus Leisure Group (Additional EGMs)
 - Officer Hotel for T.C Rice Pty Ltd (New EGM Venue)
 - Cardinia Club for Pakenham Racing Club (Condition variations in relation to EGMs)
 - Club Officer for Pakenham Racing Club Inc (Additional EGMs)
 - Berwick Springs Hotel for Zagames Berwick Springs Hotel Pty Ltd (Additional EGMs)
 - Club Noble for Club Noble Park Football Social Club Ltd (Additional EGMs)
 - Portarlington Golf Club for Portarlington Golf Club Inc (Additional EGMs)
 - Williamstown RSL for Grocon (Mixed use development incl EGMs)
 - Club Officer, Officer for Pakenham Racing Club
 - Coolaroo Community Centre, Kyabram Street for the Australian Muslim Media
 - Epping Plaza Hotel gaming advice for Lucky Eights Pty Lyd
 - Mildura Marina Resort Hotel gaming advice for James Golsworthy Pty Ltd
 - Middleton Grange (NSW) for APP

Hayley Vinecombe – Senior Planner

Qualifications:

Bachelor of Arts (Hons) in Geography, University of Auckland, 2002

As a Social Geographer with a background in Transport Planning, Hayley Vinecombe began her career working in local government in New Zealand. After moving to Melbourne in 2005, Hayley continued her work in local government and state government with a specific focus on sustainable transport and the development of Green Travel Plans.

Hayley joined Ratio Consultants as a Social Geographer/Transport Planner in May 2008, having previously worked at another Melbourne based traffic engineering firm.

During her time at Ratio Consultants, Hayley has provided valuable assistance to both the Transport and Planning teams, developing expertise in a range of skills across both traffic and planning fields.

Employment History

May 2016 – Present:
Ratio Consultants Pty Ltd
Senior Planner

May 2008 – May 2016:
Ratio Consultants Pty Ltd
Planner

September 2007 – May 2008:
GTA Consultants
Traffic and Transport Planner

September 2006 – August 2007:
Darebin City Council
Sustainable Transport Officer

August 2005 – June 2006:
Department of Infrastructure
TravelSmart Project Officer

May 2004 – June 2005
North Shore City Council (NZ)
Assistant Transport Planner

Brief Work History

In her career, Hayley has developed expertise in the following areas:

- Sustainable Transport Planning
- Data collection and analysis
- Social and economic impact analysis
- Green Travel Plans
- Master planning / Structure planning and Transport planning advice
- TravelSmart programs

Selected Experience

General Traffic and Transport

- Assessment of traffic and parking impacts for a range of land uses including but not limited to: residential, office, retail, aged care, child care centres.
- Preparation of advice regarding State Government policy including responses to the Eddington Report and the Victorian Transport Plan.
- Access and mobility assessments for a range of projects.
- Preparation of traffic impact reports to accompany planning applications and/or VCAT hearings.

Sustainable Transport

- Development of Green Travel Plans for offices, schools, universities and residential uses.
- Project management of TravelSmart initiatives at both local and state government level.
- Development of integrated transport strategies.
- Notable projects include:
 - Macquarie University Sustainable Transport Policy and Plan
 - Manningham Integrated Transport Strategy Update

Parking Studies

- Review of appropriate parking controls and management
- Preparation of a parking study to inform a Planning Scheme Amendment including a report for a Panel Hearing

Parking Precinct Plans

- Notable projects include:
 - Melbourne City Council Residential Parking Rates Review
 - Footscray Railway Station Commuter Parking Study
 - Macedon Ranges Parking Precinct Plan Study

Social and Economic Analysis

- Preparation of detailed social and economic impact analysis for the gaming industry, including:
 - Diamond Creek Tavern
 - Matthew Flinders Taverner
 - The Pink Hill Hotel
 - New Bay Hotel
 - Golden Fleece Hotel
 - Dick Whittington Hotel
 - Ferntree Gully Bowling Club
 - Cardinia Park Hotel
 - Browns Hotel
 - Greensborough Hotel
 - The Cove, Pattersons Lake
 - Sugar Gum Hotel
 - Craigieburn Sports Club
 - The Tower Hotel
 - The Bentleigh Club
 - Coach and Horses Hotel
 - West Waters Hotel
 - Wurn Ponds Hotel
 - Grovedale Hotel
 - Braybrook Hotel

Appendix B Research on Gambling

Victorian Longitudinal Study

In May 2004, the Gambling Research Panel released the Victorian Longitudinal Community Attitudes Survey 2003, undertaken by the Australian University's Centre for Gambling Research. Nearly 8,500 Victorian residents participated in the study, which asked questions with regards to gambling behaviour, the impact of gaming on individuals and community perceptions and attitudes towards the State's gaming policy.

The report found that:

- The proportion of Victorian adults participating in gambling decreased from 81% in 1999 to 77% in 2003 with an increase in gaming participation from 30% to 33.5%. A significant proportion of EGM gamblers has decreased (50.9%) or stopped (5.9%) their gambling activity.
- The distanced travelled to EGMs is generally less than 5km with people playing in their local area. In regional Victoria, patrons will travel up to 20 km to play gaming machines.
- Only 1-2% of the Victorian adult population are estimated to be problem gamblers, with 24.7% of the surveyed population categorised as non-gamblers, 69.1% as non-regular gamblers and 6.2% as regular gamblers.
- Females are more likely to participate in electronic gaming than men.
- 69% of regular gamblers nominate socialising with friends and family as a major reason for gaming with only 22% who gamble on their own.
- 60% of regular gamblers also said that the thrill and dream of winning and feeling lucky were the reasons for their decision to gamble.
- The normal duration of EGM gambling sessions is less than 30 minutes (53%) with 20% of regular EGM gamblers normally playing for less than 10 minutes, while 23% play for more than 60 minutes.
- The majority of regular gamblers (59.1%) say they never or rarely spend more than planned.

Nearly three quarters of regular gamblers indicated that gambling has no influence on their enjoyment of life, 4.4% indicated that gambling had made life less enjoyable with over 20% stating that life was more enjoyable because of their gaming activities.

This report supports the conclusion that there is a legitimate role for gambling within the community as a form of recreation, as well as the disbenefits for the small percentage of people (1-2%) who are problem gamblers.

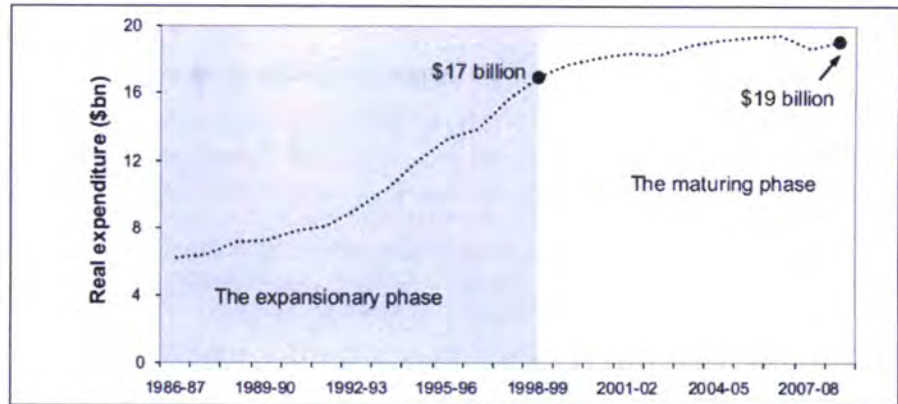
Productivity Commission Report

The Productivity Commission has released its 2010 review of Gambling in Australia. The report, which examines all forms of gambling, has a particular focus on electronic gaming machines. The key findings and recommendations as relevant to EGMs are summarised below:

Key Findings

- The rapid growth in gaming expenditure in the 1990s, following its liberalisation, has given way to a mature industry, where annual growth is commensurate with many other industries;

Figure 17.1: A Maturing Industry



Source: Productivity Commission Inquiry Report Vol 1 26 February 2010

- Gambling is an enjoyable pursuit for many Australians and government policies need to preserve the benefits to these people, whilst targeting measures to reduce risks of problem gambling;
- Only around 15 per cent of Australian adults gamble regularly, with 10 per cent of these regular gamblers classified as 'problem gamblers' and 15 per cent being at 'moderate risk'. This equates to 0.7% of the adult population. Significantly, gaming expenditure by problem gamblers is estimated to be approximately 40 per cent of total expenditure on gaming machines;
- Caution should be exercised at using adult prevalence rates (0.7%) for problem gambling given the significant social costs associated with problem gambling, which are estimated to be in the order of \$4.7 billion per annum. Policy measures that have a modest impact will be worthwhile;
- There is evidence that higher risk gamblers often play late at night, and are more likely to be under the influence of alcohol, reducing their capacity for making informed decisions; and
- There is a particular need for targeted harm minimisation policies that can effectively address the high rate of problem gambling among regular gaming machine players.

Accessibility

- There is a link between accessibility and problem gambling, and this link is influenced by a number of factors, including:
 - It was weaker once the threshold of accessibility has been exceeded, noting that the Productivity Commission did not quantify what the threshold was; and
 - It can vary as a result of the different factors for accessibility, including time of day, distance and number of machines.
- A key question before the Commission was whether the link between accessibility and harm continues to grow linearly as accessibility rises or whether the effect diminishes. In particular it found that:
 - "On the one hand, greater accessibility stimulates demand, with the result that some gamblers are exposed to risks that were originally muted or not present;" and
 - "On the other hand, a population that already includes problem gamblers will be typified by higher expenditure levels (chapter 5), encouraging greater supply of gaming machines in those areas. In that case, reducing accessibility in that area will result in greater

utilisation of existing machines or shifts in the location of demand without reducing harm.”²⁷

Recommendations

- The bet limit should be lowered to \$1 per button push (reducing total losses possible per hour);
- Shutdown periods for gaming rooms in hotels and clubs should be extended and commence earlier – 2am until the impacts of pre-commitment are known;
- There should be a progressive move over the next six years to a universal pre-commitment system for gaming machines, using technologies that allow all consumers in all venues to set binding limits on their future play;
- A number of measures are recommended to reduce harm to gamblers, including:
 - Better information in venues regarding the problems associated with gambling and counselling services;
 - Relocating ATMs away from gaming floors, and lower daily cash withdrawal limits on ATMs of \$250, noting that the net benefits of removing ATMs from venues entirely is not clear;
 - Statutory provisions to enable gamblers to seek redress through the courts for egregious behaviour by venues; and
- Help services for problem gamblers have worked well but there is a need for enhanced counsellor training and better service coordination.

Some of the recommendations of the Productivity Commission have been introduced such as the ban on ATMs in gaming venues and prohibition on advertising signage. Other measures have been partly introduced, such as a lowering of the maximum bet per spin from \$10 to \$5.

Problem Gambling from a Public Health Perspective

The Department of Justice released its report 'Problem Gambling from a Public Health Perspective' in September 2009. This report is Victoria's largest study on gambling and is accepted as some of the best research to date on problem gambling, its triggers and the health implications.

Many of the findings of the study are consistent with previously held views regarding problem gambling. These include:

- Problem gamblers are most likely to participate in poker machines or electronic gaming machines.
- The majority of players (i.e. 53.74%) travelled no more than 5km to their preferred venue.
- Problem gamblers are significantly more likely to gamble to take their mind off things, to relieve stress and for reasons of boredom.
- Problem gamblers were more likely to have reported a significant life event in the past 12 months, including death of someone close to them; divorce; legal difficulties; major illness or injury to either themselves or someone they are close to etc.
- The favourite features of gaming venues for a problem gambler were being close to home (38.55%), nice venue staff/managers (33.07%) and being easy to get to (26.07%). Whilst location appears to be a significant factor is choosing a venue, the report also showed that

²⁷ Productivity Commission Report in Gaming, Chapter 14.6

almost half (47.43%) of problem gamblers played at four or more venues over the past year.

- Problem gamblers preferred two cent (26.80%) and five cent machines (26.48%). Problem gamblers were also significantly more likely to play \$1 machines than non-problem gamblers.

Problem gamblers are more likely to smoke and to have other forms of health related problems. These include:

- Slightly higher rate of diabetes;
- Significantly higher rate of lung conditions including asthma;
- Significantly higher rates of depression and anxiety disorders;
- Significantly higher rate of obesity; and
- Significantly higher rate of other miscellaneous physical or other mental health conditions.

Problem gamblers were significantly more likely to seek help from a counselling professional than moderate risk gamblers (35.15% and 1.96% respectively).

Social isolation and poor health, including mental health are significant factors for problem gamblers.

The Victorian Gambling Study: A Longitudinal Study of Gambling and Health in Victoria 2008-2012

This study builds on the 2009 DOJ report and is the fifth research report from the study. The study itself is one of only a few large general population longitudinal studies in the world that investigates gambling and health. This study has followed the same group of people over a four year period between 2008 and 2012.

In particular, the report details the findings about problem gambling prevalence, participation and incidence in Victoria. With regards to personal characteristics of problem gamblers, the study found:

- Problem gambling is twice as prevalent in males (0.95% of the Victorian male adult population) than in females (0.47).
- In male gamblers, the 65 and older age group has a significantly lower prevalence (1.74%) of moderate-risk gambling compared to the 18-24 age group (5.907%).

A number of occupations had significantly higher representation among problem gamblers compared with the Victorian adult population. These included:

- Sales workers – 30.9% compared with 6.1% in the Victorian population
- Machinery operators/drivers – 14.9% compared with 4.0%
- Labourers – 18.3% compared with 5.4%

Occupations with significantly lower representation among problem gamblers included:

- Professionals – 12.4% compared with 32.3% in the Victorian population
- Technicians/trades workers – 2.8% compared with 17.0%
- Clerical/administrative staff – 1.0% compared with 12.3%

Personal and household income characteristics also showed a difference between problem gamblers and the Victorian adult population. For example:

- A lower proportion with a personal income of less than \$31,199 (44.5% compared with 60.7% in the Victorian population);

- A significantly higher proportion with an income of \$31,200 - \$51,999 (33.7% compared with 20.6%);
- A lower proportion of households with an income of under \$33,799 (11.7% compared with 33.4%); and
- A significantly higher proportion of households with an income of \$62,400 - \$103,999 (35.2% compared with 21.4%)

The proportion of problem gamblers with Indigenous backgrounds was significantly higher (3.8%) than the Victorian population proportion (0.7%).

The study also found that there was no significant difference in education levels or the proportion of persons speaking a language other than English at home between problem gamblers and the Victorian adult population generally.

Importantly, with respect to unemployment, the Victorian Gambling Study, found that employment status in problem gamblers was not significantly different to the Victorian adult population. So whilst unemployment levels may make communities more financially vulnerable, it does not indicate a greater vulnerability to problem gambling

Destination Gaming Report

"Destination Gaming – Evaluating the Benefits for Victoria" (May 2008) recognises the following factors that influenced problem gambling behaviour:

- Personal characteristics (erroneous beliefs, behavioural issues such as chasing losses and psychological vulnerability)
- Social Factors (social isolation, social norms and pressures, family influences)
- Global Factors (socio-economic, demographic, geographic)
- Gambling Environmental Factors (accessibility, venue features, concentration)

The report noted that the relationship between problem gambling and accessibility is often taken as a given, and on this basis, reducing accessibility should logically result in a reduction in problem gambling harm. However, it also found that:

- People develop gambling problems due to a combination of factors that include social, physiological, psychological and environmental factors;
- Given individual factors are not altered, the impact of reducing accessibility on problem gambling harm is likely to be limited; and
- The relationship between accessibility and problem gambling is not a simple or linear equation (and includes local social and environmental factors).

Impact on the removal of ATMs from gaming venues

This report²⁸ commissioned by the Department of Justice was released in September 2013 and evaluates the impact of ATM removal on EGM venues and their patrons, in terms of harm reduction, consumer protection, costs and unintended consequences.

²⁸ Evaluation of the removal of ATMs from gaming venues in Victoria, Australia, Final Report – September 2013, Brain and Psychological Sciences Research Centre, Swinburne University of Technology.

This study follows the removal of ATMs from gaming venues in July 2012 and reviews the impact over the following 10 months to April 2013.

The key findings of the study show that:

- Overall, people reduced their use of ATMs in EGM venues;
- There was some uptake of venue-based EFTPOS but not sufficient to make up for the reduction in ATM use;
- Changes in access of venue-based cash facilities were most obvious in at risk gamblers;
- Problem gamblers typically spent significantly less money on EGMs after the removal of ATMs when at hotels and clubs;
- 30% of low risk and over 50% of higher risk gamblers said the removal of ATMs had helped them manage their gambling spending; and
- Problem gamblers who typically spent very large sums in a single session were more likely to report reduced spending and reductions in the use of in-house cash facilities post implementation than those who spent smaller amounts in a single session.

What are the risks for Problem Gambling?

The past 10 years of government policy has been directed towards ensuring that decision makers should protect vulnerable communities when it comes to the location of electronic gaming machines.

We are not aware of any conclusive research that specifically shows an increase in problem gambling in lower socio-economic areas, noting that research in this area focuses on expenditure rather than problem gambling. The only research that I am aware of that seeks to review the link between problem gambling and accessibility is 'Access or adaptation? A meta-analysis of surveys of problem gambling prevalence in Australia and New Zealand with respect to concentration of electronic gambling machines' (Storer, Abbott and Stubbs 2009).

This paper examines the relationship between density of EGMs, time and prevalence of problem gambling with the ultimate finding that there is an increase in problem gambling at a rate of 0.8 for each new EGM.

There are a number of limitations to the study, which the authors acknowledge, such as insufficient sample sizes, use of aggregated dated and different methodologies within the studies, I am ultimately cautious about using this figure given:

- The study was undertaken at a very broad/high level, being all of Australia and New Zealand. In my view this information cannot then be transposed in a local situation where the numbers of EGMs are capped at an LGA and at a State Level.
- The 0.8 of a problem gambler per new EGM doesn't account for the fact that EGMs are almost always being located from elsewhere, particularly for hotel machines in Victoria. Given this, one would logically assume that there would need to be a decline in problem gambling elsewhere.
- According to this study the extent of problem gambling can only go up but fails to take into account that the number of EGMs are finite in Victoria (and most, if not all, other jurisdictions).
- There are many limitations on the study and the data – even the outcomes are qualified as requiring more research as they don't take into account many of the other factors (venue attractiveness, hours of operation etc).
- The conclusion of the study, that there will be an increase in problem gambling for every new EGM is contrary to the findings of the

Productivity Commission 2010, which found that the prevalence of problem gambling is decreasing.

Our concerns with the study are supported by the 2010 Productivity Commission Report (Appendix O) when it said:

- *The results support a link between gaming machine density and problem gambling prevalence rates. The aggregate and time series studies suggest that accessibility is causally-related to problem gambling. However, for small area studies, the relative strengths of the two links between accessibility and harm has not yet been considered rigorously.*
- *On the one hand, greater accessibility stimulates demand, with the result that some gamblers are exposed to risks that were originally muted or not present.*
- *On the other hand, a population that already includes problem gamblers will be typified by higher expenditure levels (chapter 4), encouraging greater supply of gaming machines in those areas. To the extent that this is the case, reducing accessibility in that area may result in greater utilisation of existing machines or shifts in the location of demand, without reducing harm.*

It is probable that both effects are present in such local area studies, with the relative size of the two competing effects likely to depend on the pre-existing level of accessibility and the nature of the host communities. It is likely that the second effect is dominant once accessibility rises above a certain threshold. Analysis of longitudinal data on problem gambling and accessibility may help better identify the relative strengths of the two causal pathways.

The empirical analysis of the links between other dimensions of accessibility and problem gambling is still in its infancy (reflecting the complexities of such analysis — as suggested by the research of McMillen in box I.1).

We have included Appendix I of the Productivity Commission Report at Appendix O for the assistance of the Commission.

Is Problem Gambling Increasing or Decreasing?

The maturation of the gaming market over the past 10 years has resulted in a decline, not only in the participation of the community in EGM playing but also in the number and proportions of problem gamblers. Participation on EGM playing was in the order of 30% in 1999, 33.5% in 2003 and down to 21.5% in 2009.

In 1999, the Productivity Commission estimated that 2% of the adult population were problem gamblers, being 290,000 Australians. In 2010, it estimated that 0.5-1.0% of adults were problem gamblers (80,000 to 160,000 Australians). The average result for problem gambling prevalence is 0.69%.

Whilst there are some challenges in comparing the results from each Productivity Commission Report, due to the use of different methodologies in the screening process, the Productivity Commission 2010 formed the view that there is a clear decline in problem gambling across Australia.



Appendix C Gaming Room Entrance Treatments

Photo 1: Main Gaming Room Entrance



Photo 2: Secondary Gaming Room Entrance



Photo 3: View from Bistro



Appendix D 2005 VCGLR Decision





Victorian Commission for Gambling Regulation

DECISION AND REASONS FOR DECISION

In the matter of the *Gambling Regulation Act 2003*

– and –

In the matter of an application by the **Ballarat Golf Club** under sections 3.3.4 and 3.4.17 of the Act for approval of proposed new premises at Sturt Street, Ballarat as suitable for gaming with thirty-six (36) gaming machines, and an amendment of the venue operator's licence to permit an increase in the number of gaming machines from twenty-eight (28) to thirty-six (36) commencing on the transfer of operations from the existing venue to the proposed new venue.

DECISION

Commission: Mr I. Dunn, Chair
Mr R. Smith, Sessional Commissioner
Date: 20 October 2005
Decision: That the application be granted.

Sgd Mr I. Dunn, Chair

REASONS FOR DECISION

Mr I. Dunn, Chair

Mr R. Smith, Sessional Commissioner

BACKGROUND

1. On 25, 26 and 27 July 2005 the Commission conducted public inquiries into applications brought by Sebastopol Bowling Club, the Ballarat and District Trotting Club, and the Ballarat Golf Club respectively. The first two of the applicants referred to above applied for variations to their venue operator's licences to permit an increased number of Electronic Gaming Machines (EGMs) at their venues.
2. The third applicant, the Golf Club, sought both a licence approval, together with a variation to permit an additional 8 EGMs. The Golf Club is in the early stages of a proposal which would lead to relocation of the club house in which the gaming venue is situated, as part of an overall proposal which would lead to the building of a new championship golf course.
3. The role of the relevant local government authority, the City of Ballarat, is discussed in more detail subsequently. Because of its role it took part in a number of directions hearings conducted by telephone as a result of which a procedure was agreed by all parties for the hearing of the three matters.
4. Because all of the witnesses desired to be called by the Council were to give evidence at least in relation to the first and third matters (and were arguably of relevance to the second matter also)

it was resolved that at the commencement of the inquiry the Council would call its witnesses who would give evidence in relation to all of the matters. At the conclusion of each of the witnesses' evidence he or she was cross-examined by counsel for the respective applicants.

5. Thereafter, the applicants presented their cases individually in the normal manner and the witnesses called by the applicants were subject to cross-examination by the Council's representatives. Submissions were made in respect to each matter at the conclusion of the evidence relating to that matter. In substance, the application by the Bowling Club was heard on 25 July and for a period on the morning of 26 July. The application by the Trotting Club was then heard on 26 July and concluded with some formal matters on 27 July, when it was followed by the application by the Golf Club.
6. In each case orders were made permitting the parties to tender written submissions to which the Commission has given consideration in reaching the conclusions set out below.

THE LEGISLATION

7. Section 10.1.22 of the Act provides that an application to amend a venue operator's licence to increase the number of Electronic Gaming Machines (EGM's) permitted at an approved venue must be held in public, unless there are special circumstances requiring that the inquiry, or part thereof, be held in private. The Commission's power

to hold inquiries is found in section 10.1.20 of the Act. On this occasion the inquiry was conducted entirely in public.

8. Determination of the application is governed by sections 3.4.20 (amendment of venue operator's licence) and 3.3.7 (approval of premises) of the Act. In each case the Commission must not grant the application unless satisfied that the net economic and social impact of the approval or amendment will not be detrimental to the wellbeing of the community of municipal district in which the premises are located.

BALLARAT GOLF CLUB

9. This application forms part of an overall proposal for re-development of the applicant's venue and Golf Club. The Golf Club, said to be the oldest club still operating on its original golf course has apparently served the city of Ballarat well for approximately 120 years. It is situated in a prime location in Sturt Street, some distance to the west of the city centre. In addition to the golf course, there are a number of tennis courts and a clubhouse which houses the existing gaming venue.
10. In recent years the club has been struggling. At a length of some 5,400 metres, the golf course is not long enough to justify championship status and the number of golfing members has dropped considerably over the past five years. The level of activity within the clubhouse is also modest. Meals are only served in the bistro on Thursday and Friday evenings. Whilst initially attractive in appearance, the tennis courts have also been losing patronage

because the majority of them are grass courts, and there is no lighting. The facilities within the clubhouse are basic and could by no stretch of the imagination be regarded as appropriate for the club which would normally be regarded as the premier golfing club in Ballarat. The gaming venue is somewhat cramped. Of concern to the Commission is that gaming patrons have the benefit of virtually no other entertainment if they visit the venue. This is a subject upon which the Commission has commented previously in its decision in relation to an application for additional EGMs by the Hawthorn Club (Commission decision 23.12.04).

11. Commencing in 2002 proposals have been developed for a radical change in the club's position. Working in concert with the developer Roadcon, a proposal has been developed. We were led through a great deal of detail about this proposal but ultimately we do not think it necessary for it to be set out in such detail in these reasons.

12. Broadly, what is involved is a proposal whereby a new golf course will be built, using the renowned golf course architects Thomson Perrott. The course will be built using some of the land presently contained within the current course but also various other parcels of land. Some of this other land is privately owned and has been purchased by Roadcon. Other parts are public land presently being used by the University of Ballarat. Again, using a broad description, the new golf course will be slightly further to the west than the present clubhouse but it will retain the benefit of a frontage to Sturt Street. A new "loop" of holes will extend from

the northern region of the new golf course, to the east and southeast.

13. All of this is predicated on the basis that a housing development will occur and which will in effect fund the entire project. Much of the area presently occupied by the present golf course will be used for the housing development. By the use of a good deal of water, some boundaries will be created between the residential areas and the golf course. In modern golf development this is quite a common procedure.

14. It is proposed that the new golf course will be of the highest standard, capable of staging major events and championships, and with a length of some 6,150 metres. It is also proposed that a modern, and we would say attractive, clubhouse will be erected which will include the new gaming venue. We were informed that if this application is granted in respect to the additional 8 EGMs, the design of the clubhouse would be such that there would be some additional areas such as a member's lounge adjoining but separate to the bistro, a spike bar, and a small social lounge. These features are said to be important in creating some space between those using the club for golfing or other sporting purposes, and gaming patrons. Further reference is made to this subject subsequently.

15. As might be imagined, such a radical proposal involves a great deal of time and effort. At the time of the inquiry application has been made to the council for amendment to the council's planning scheme to permit the proposal to proceed. We were informed that

the other stakeholders whose consent might be necessary to enable the plans to be fulfilled, were generally supportive of the proposal. And indeed in the evidence tendered in support of the application, a number of expressions of support, including those from the council, were tendered.

16. There was some confusion about the funding of this re-development. Ultimately we are satisfied that what is contemplated is that a total sum of about \$12m will be expended, of which, it is proposed, some \$6m will be made available to the Golf Club for the development of the clubhouse. A matter of concern to the Golf Club is that apparently its agreement with Roadcon does not involve an escalation of that sum (\$6m), and as months and indeed years pass before the proposal can be undertaken and completed, the value of the \$6m diminishes, thus affecting the budget for the Clubhouse.

GAMING AND OTHER STATISTICS RELEVANT TO THIS APPLICATION

17. A critical issue affecting the three applications was that of the existing position in relation to gaming within Ballarat. In the economic and social impact report prepared by officers of this Commission it was revealed that within Ballarat there are 15 venues offering at total of 659 EGMs. This leads to the result that within Ballarat there are 10.11 EGMs per thousand adults, compared with a state average of 7.11. Thus, Ballarat has 42 per cent more EGMs than the state average (this figure would not change if this application was granted).

18. Expenditure in Ballarat is also considerably higher than average. Net EGM expenditure within the city is \$48,711,311, which amounts to \$747 per adult (we are referring to figures for the year 2003/4). The figure in Ballarat compares with a state average of \$600, or the country average of \$474. (In our view it is more appropriate to compare Ballarat with the rest of Victoria rather than with country municipalities). If the application was approved, expenditure within Ballarat would increase very slightly.
19. The figures above may be explained by the fact that within Ballarat there are 4,347 adults per venue offering EGMs. This compares with a state average of 7,284 or the country average of 5,516.
20. Apart from the gaming statistics, reference should also be made to a number of other statistical details. The Australian Bureau of Statistics SEIFA Index of relative socio economic disadvantage provides a score for Ballarat of 993.48. This is slightly below the Victorian average of 1,014.59, although is almost as high as the average for country municipalities.
21. There is also significantly higher unemployment in Ballarat compared with other Victorian municipalities. By the time of the inquiry Ballarat's unemployment rate was 9 per cent compared with the Victorian rate of 5.7 per cent. On this occasion a more worthwhile comparison may be with the rate applicable to other major country towns which have an unemployment rate of 7 per cent. Thus the Ballarat rate is considerably higher – some 50 per cent higher than for Victoria as a whole, or approximately 30 per cent higher than the rate for other comparable municipalities.

Incidentally, at the time of the inquiry the unemployment rate was rising, a trend which had commenced in the June quarter 2004.

THE ROLE OF THE CITY OF BALLARAT

22. The City of Ballarat opposed the application. In August 2004 Ballarat Council adopted a gaming policy and the opposition which the council mounted to this application was based upon this policy.

That policy is as follows:

- i That the number of Electronic Gaming Machines in Ballarat should be capped and that they should be reduced over time toward the median level.
- ii That Electronic Gaming Machines should be discouraged from being located close to neighbourhoods with low SEIFA measures and that in general gaming machines should be encouraged to be located in entertainment precincts or the central business area.
- iii That guidelines for a community benefit fund be established for gaming premises on Council owned or controlled land and for clubs and hotels.
- iv That the collaborative work of the responsible gaming interest group continue to be supported by Council.

23. The council's written submission was well expressed and very detailed. The policy and the submission are a reaction to the statistics to which we make reference previously in these Reasons

and which demonstrate that within Ballarat there is a much higher concentration of EGMs, and gaming expenditure, than in other shires.

24. By the time of this inquiry, matters which were very significant at the time of the Council's written submission had lost some of their significance. When the application was first brought, it was contemplated that 10 EGMs would be sourced from the EGMs at the Grand Hotel. As we have commented in our reasons in the earlier matters heard at this time, the Grand Hotel had ceased to be a gaming venue late in 2004 and the EGMs previously operated at that venue had, effectively, been deleted from the number of EGMs within Ballarat, except for a number which, by reason of a decision of the Commission, were transferred to Craig's Hotel.
25. The council was, in the Commission's view, correct in its classification of this application as being one which, if granted, would lead to an increase in the number of EGMs within Ballarat.
26. No doubt concerned about the inferences which might be drawn from such a situation, the applicant's position had changed. Instead of the original 10 EGMs proposed, the applicant was now seeking approval for an additional 8 EGMs all of which are to be sourced from three current gaming venues within Ballarat. Indeed a further result of this application is that a total of 10 EGMs will be removed from the three existing venues, with only 8 to be relocated at the applicant's venue. There is thus, if this application is granted, a net reduction of 2 EGMs within the municipality, an outcome very much desired by the council's policy.

27. But leaving this point aside, there are still issues which the council has raised and to which reference should be made. The council has pointed to the fact that historically the Golf Club has made very little in the way of contributions to the community other than the provision of the course for charity days. Whilst the location of the Golf Club is within an area of Ballarat (principally Alfredton) which is an area of much less disadvantage than some of the other areas within the city, the council points out that within a five kilometre radius of the club are the suburbs known as Delacombe and Sebastopol and each of these suburbs have very low SEIFA index scores compared with other parts of Ballarat.
28. We regard this point as well made, but we doubt that it is hugely relevant. We find it hard to imagine that residents of Delacombe or Sebastopol who are keen to visit a gaming venue, would be attracted to a venue at the Golf Club bearing in mind the much more convenient venues which are available to them.
29. Another point which the council made of some significance was the fact that when the re-development of the Golf Club, referred to in the previous section, was first contemplated and the proposal was taken to the council, there was, apparently, no suggestion that the success or otherwise of the move would be dependent upon an additional allocation of EGMs. We refer to this point subsequently in these reasons.
30. The other matter to which reference should be made is the council's suggestion that the falling membership at the applicant's

club with apparently similar situations occurring also at the competitor clubs notably Buninyong and Midland lead to the conclusion that “poker machines aren’t saving Golf Clubs in Ballarat”.

31. We think that this point is also a perfectly reasonable one for the council to make. However, it is difficult to judge its significance when dealing with the current application bearing in mind that what is contemplated is a totally new venue, involving an attractive club house as part of a serious golf course development.
32. The Council also called four witnesses to back up its written submission. They were Mr Clifford Barclay, Chief Executive Officer of Uniting Care Ballarat, Ms Claire Ryan, Coordinator of Gambler’s Help Grampians region (and a team leader for Ballarat with Relationships Australia), Ms Lorraine Clarke a financial councillor at Child and Family Services at Ballarat, and Ms Yvonne Dichieri, a gambler’s help access worker at Child and Family Services Ballarat.
33. The Commission was impressed by each of these witnesses and the evidence which they provided strengthened the Council’s position considerably. It is perhaps unnecessary to refer to all of the matters about which they gave evidence. It is fair to say that in each case there was an element of opposition to EGM activity generally although all disagreed with the proposition put to them in cross-examination, that they were opposed to people using EGMs in any circumstances.

34. Whilst the witnesses called by the Council were called in relation to both the Sebastopol Bowling Club matter and this current application (and in the Commission's view were of relevance also to the application by the Ballarat Trotting Club) there was a tendency on their part to concentrate on the Sebastopol Bowling Club application. It seemed clear to the Commission that their greatest concern was the proposal for a further aggregation of EGMs within Sebastopol and relatively little evidence was given by them on the subject of the Golf Club application. This is perhaps not surprising bearing in mind the very different locality in which the Golf Club is situated, compared with the Sebastopol Bowling Club.

THE EVIDENCE PRESENTED ON BEHALF OF THE APPLICANT

35. The applicant called a number of witnesses, in addition to its detailed written submissions.
36. Ms Colleen Peterson had prepared the applicant's social and economic impact assessment which was incorporated in the original application. Because of the changes to the proposal, she had also prepared a further addendum report shortly before the enquiry. In her evidence she spoke to both reports. She set out the history of the club and the steps which had led to the decision to carry out the new development which, incidentally, had been approved by some 97 per cent of club members. Significant losses had been sustained by the club in 2002 and 2003, although a decent surplus was earned in 2004. She produced the membership figures showing a steady decline. She commented upon the clubhouse,

confirming the description which we have attributed to it above. She pointed out that in addition to the focus on golf, the tennis section of the club is still active with mid-week and Saturday competitions, although the courts are deteriorating in quality. The Ballarat Bridge Club uses the upstairs function room three times a week contributing a monthly rental which is of considerable value to the Club. Presently the gaming operations subsidize all other aspects of the golf club. The joining fee for golfing members is only \$110, with an annual membership fee of \$550. This is thought to be subsidized to the extent of \$200 per year with the true cost of membership being \$750. To the Commission's knowledge these membership fees would be regarded as modest at other clubs assuming that a high quality golf course and decent facilities were being offered.

37. Ms Peterson analysed the position regarding gaming in Ballarat and to which reference has previously been made. She attributed at least part of the picture to the very high level of tourist activity in the goldfields region, and centred upon Ballarat. A table that she produced setting out tourism activity showed a number of fluctuations which are difficult to explain. The number of international visitors to Ballarat has increased, whilst other numbers have actually reduced over the past 5 years. Nevertheless, the Commission readily acknowledges that Ballarat is obviously a venue attractive to a very large number of day and overnight visitors. However it is difficult to attribute any particular proportion of EGM expenditure to this factor, and whilst we have no doubt that it is a contributor to the figures referred to above, it does seem inevitable that the residents of Ballarat are spending

more on EGM activity than residents of other similar Victorian rural cities with the possible exception of Warrnambool. One point which should be made is that if golf is an important factor in attracting tourists to a particular town it seems unlikely that the applicant, in its present conformation, is a major contributor.

38. Ms Peterson analysed the SEIFA indexes for the catchment area around the Golf Club, pointing to the fact that Alfredton has a higher SEIFA index than most other areas, as does Lake Wendouree. The new development of the Golf Club will take the course somewhat closer to the latter destination. She provided evidence as to the responsible gaming strategies adopted at the golf club at present, and although, on an inspection of the venue, we were struck by its somewhat cramped appearance, both from her evidence and from our inspection we would judge that the club takes its responsibilities as to responsible gaming very seriously.
39. In dealing with the proposed re-development, Ms Peterson commented that the new golf course and other facilities were likely to lead to people spending a greater period of time at the clubhouse. Further, the development of an additional 400 to 420 houses in the re-development would be likely to enhance the patronage of the club. Because of the location of these building allotments, they are likely to attract very high prices. An impact of the proposal to which she drew our attention and upon which the Commission places some considerable importance is that the present venue which is effectively little other than a gaming location, would change entirely in character. We regard this as a very positive feature. Ms Peterson also made the point that

members of the Ballarat community as a whole could expect to benefit considerably from this proposal. Not only is it plain that there will be a need (and scope) for members of the public, including tourists, to be involved in playing golf on the new course, but the proposal is also very positive in terms of employment and the additional features which it will bring to the residents of Ballarat. We consider that this evidence is correct.

40. By the time of her second report Ms Peterson had the opportunity to consider reports which have recently been prepared for the Australian Golfing Union, and the Victorian Golf Association, as to the difficulties confronting private membership golf clubs in Victoria and indeed throughout Australia. Both of these reports were made available to the Commission. Ultimately we consider it unnecessary to make significant reference to them, other than to say that they highlight the need for golf clubs to offer the highest standard of facilities available. Those which cannot offer such facilities are likely to become more precarious.

41. Ms Peterson's latter report also highlighted several other matters to which reference should be made. The first is that there will be a significant increase in the value of maintenance and supply contracts in the new proposal and that the proposal as to employment involves an additional 11.5 full time staff. This is a matter of some significance in Ballarat where the unemployment rate of 9 per cent is well above the state average and also compares unfavorably with the average of 7 per cent unemployment for major regional centres. Ms Peterson also highlighted the fact that the club was prepared to accept the requirement of the council to

make a contribution of eight and one third per cent from the profits of the new EGMs to the council's community benefit fund. Before the Commission there was some debate about the precise nature of this fund and how it should be administered, but in reaching our conclusions, we are satisfied that the club will have to make such a contribution.

42. The next witness called on behalf of the applicant was Mr Paul McCuskey. Mr McCuskey is a director of Roadcon which, as stated earlier, is the developer of the project.

43. The Commission was impressed by Mr McCuskey's evidence which appeared to be free of exaggerated claims, whilst at the same time highlighting the various problems still confronting the applicant before the re-development can proceed or be completed. The club will face an uncertain period both before the application finally receives statutory approval, and then during the re-building phase when members are likely to be confronted with temporary golf course facilities. Such times have proven difficult for other clubs to maintain membership. Mr McCuskey's evidence enables the Commission to understand precisely what is envisaged by the proposal and we see no need to set out further detail. We are satisfied that if the proposal can proceed it will offer significant benefits not only for the club but also for Ballarat as a whole.

44. The applicant then called the Secretary/Manager of the Golf Club Mr Richard Mierzejewski. Mr Mierzejewski was also an impressive witness. A detailed witness statement was provided. The witness is of the opinion that at present the facilities offered by

the applicant are inferior to those offered at Buninyong and Midland. Amongst matters about which he gave evidence and which had not been referred to earlier, was a considerable amount of detail as to tennis at the club. Tennis members have dropped from 100 to 56 in the past two years. In the new proposal six all-weather fully lit courts will be available, not only for club members, but also for members of the public and school groups to use and this is of significance because they would be the only facilities of their kind in the region where the club is located. At present the tennis section is a considerable drain on the club's resources.

45. The witness did give details of the considerable contribution that the club makes by the provision of the golf course either free of charge or at greatly reduced fees to a number of organizations. Many are able to run successful charity days based upon the use of the course. The witness commented that it was the club's intention to try to greatly expand this activity if the re-development is successful.
46. One aspect of the witness's evidence was crucial in enabling the Commission to reach the decision which it has.
47. When considering all of the written material made available in respect to this application, it seemed plain to the Commission that the proposed re-development would occur in any event and that very little appeared to turn on the question of the additional EGMs. It was upon this subject that Mr Mierzejewski provided valuable information. It appears plain to the Commission and indeed to the

applicant, that the existing 28 EGMs are likely to earn considerably more revenue in the re-developed facility. But, bearing in mind the sum which is available for the club to expend upon the provision of the clubhouse and its facility, the witness supplied the Commission with details of two different plans for the clubhouse. If this application is unsuccessful and the club does not have the income stream associated with the additional EGMs, a number of the features of the clubhouse would be dispensed with. These would include the spike bar facility and the social lounge. The verandah would be reduced in size and the member's lounge and bistro would be combined.

48. Ultimately we believe that it would be unfortunate if the reduced facility was all that could be afforded. It is the hope of the Commission that the new facility might be one which would be of considerable attraction to Ballarat residents, particularly those who are interested in its sporting activities and who would combine the involvement with golf and tennis with social and recreational use of the club's facility. If the facilities are of the highest standard we consider that the proposed new golf course could be a considerable attractor of additional tourism to Ballarat. It may complement the other extensive tourist attractions.

49. If the facilities within the clubhouse have to be diminished, if the areas available for gaming and other patrons have to be "concertinaed" then in the Commission's view the club is less likely to establish itself as a significant destination for golfing tourists.

50. The final witness called on behalf of the applicant was Mr David Ridley from Tabcorp.

51. Mr Ridley's evidence was that he considers that the additional annual revenue at the club is likely to be in the region of \$376,000. This is the sum calculated by reference to the additional 8 EGMs, whilst Mr Ridley conceded that it was his view that the existing 28 EGMs if transferred, would also produce higher turnover at this more attractive venue. His calculation was that the proportion of this increased revenue which constitutes transferred revenue is approximately 77 per cent leading to the result that the new revenue within the city of Ballarat would be a mere \$84,000. And from this sum must be deducted the reduction in revenue from the venues in which they are presently situated.

52. This issue causes some complexity bearing in mind the considerable time span which will elapse before the new venue could be constructed and having given the matter considerable thought we recognize that it is unrealistic for the Commission to demand the finest of detail as to the locations from which the EGMs will be sought, although it is fundamental to our decision that they must be sourced from within Ballarat. If the current expectation of Tabcorp is fulfilled and the EGMs are sourced from the three venues contemplated, there will be a reduction in gaming activity at those venues totaling \$56,000. If this expectation is correct then the net increase in gaming expenditure is no greater than approximately \$28,000.

CONCLUSIONS

53. The Commission is ultimately satisfied that there is considerable merit in the proposed re-development and that this application for an additional 8 EGMs as part of the re-development should be approved.
54. The application will lead to a net reduction of 2 EGMs within the city of Ballarat and an increase in gaming expenditure of only approximately \$28,000.
55. On the other hand, in our view, the additional revenue stream to the club will enable it to authorize the construction of a clubhouse containing the features which we have referred to above and which in our view may be necessary if the club is to establish a reputation as a golfing tourism venue. There is no such venue in Ballarat at present.
56. Finally, the Commission is mindful of the fact that the EGMs which are proposed to be transferred to the new venue are to be accessed from parts of Ballarat which are more disadvantaged than the areas surrounding the proposed re-development.
57. In all of these circumstances the anticipated marginal net revenue increase is, in our view, a very modest consideration when set against the considerable benefits to Ballarat as a whole and we are satisfied pursuant to sections 3.4.20(1)(c) and 3.3.7(1)(c) that the net economic and social impact of the amendment of the licence and approval of the proposed new premises will not be detrimental to the community of Ballarat.

58. For these reasons this application for amendment of the existing licence to permit an additional 8 EGMs is granted. The approval is, however, conditional upon the relocation of the venue to the new premises on Sturt Street, Ballarat and the amendment of the applicant's licence will not take effect until the relocation occurs. The approval is also predicated on the assurances that the additional machines will be relocated from within existing venues in the Ballarat municipal district, and that 10 EGMs will be removed, and 8 relocated to the new Golf Club, resulting in a net reduction of the number of EGMs within the municipal district, by 2. The approval of the amendment to allow an additional 8 EGMs is therefore also conditional upon the simultaneous removal of 10 EGMs from other gaming venues within the municipal district of Ballarat.
59. Similarly, the application for premises approval to permit the applicant to operate 36 EGMs at the new premises on Sturt Street, Ballarat is approved subject to the following conditions:-
- that the approval does not take effect until the Commission has notified the applicant in writing that the premises have been inspected for the purposes of section 3.3.7(1)(b) and the Commission is satisfied that the premises are suitable for the management and operation of gaming machines;
 - that the approval does not take effect until the applicant satisfies the Commission that the applicant has obtained a permit under the **Planning and Environment Act 1987** permitting the premises to be used for gaming on gaming