

# Local Impact Assessment Class 1 Application

## Leeton Hotel

71-79 Pine Avenue, Leeton

Leeton Hotel (LIQH400116926)

July 2020



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## **EXECUTIVE SUMMARY**

### **1. INTRODUCTION**

This document is a Local Impact Assessment Class 1 to accompany a Threshold Increase Application made for approval of a 'low range' gaming machine threshold increase of 6 by Golden Crown Pty Ltd (the "Applicant") at premises situated at 71-79 Pine Avenue, Leeton NSW (the "Venue") located in the SA2 Band 2 area of Leeton within the Leeton Shire Council Local Government Area (the "LGA").

Currently, the Hotel's gaming machine threshold is 14. The Applicant as the business owner proposes to increase the threshold by a further 6 gaming machine entitlements for the Venue's threshold to be increased to 20. This LIA examines the characteristics of the Local Community, so that the Authority can determine whether additional gaming machines will provide a positive contribution to the Local Community.

### **2. RESPONSIBLE GAMBLING MEASURES**

Chapter 3 of this Report details the mandatory responsible conduct of gambling measures put in place by the Applicant at the Venue.

### **3. LOCAL COMMUNITY**

Chapter 4 of this Report details the characteristics of the area potentially affected by the approval of the Threshold Increase Application and a demographic description of the Local Community. Leeton SA2 has been identified as the Local Community.

### **4. POSITIVE CONTRIBUTION**

Chapter 5 of this Report details the positive contribution resultant from approval of the Threshold Increase Application to the Local Community.

### **5. CONCLUSION**

Given the satisfaction of the requirements of the Gaming Machines Act 2001 (the "Act") and the associated Gaming Machines Regulation 2019 (the "Regulation") through the conduct of gaming machine operation at the Venue in a responsible manner, along with the evidence of the substantial positive contributions to the Local Community, it is the Applicant's belief that this LIA meets the requirements of the Legislation.

## 1. INTRODUCTION

This Report is a Class 1 Local Impact Assessment (“LIA”) to accompany a Threshold Increase Application for a SA2 Venue for a ‘low range’ increase of 6 gaming machines entitlements for the Leeton Hotel, located at 71-79 Pine Avenue, Leeton NSW.

### *Methodology*

- 1.1. In respect of LIAs relating to threshold increase applications, the LIA Guidelines provide that the Independent Liquor and Gaming Authority (the “Authority”) can only approve a LIA where the LIA complies with the requirements of the Act and the Regulation and demonstrates that gambling activities will be conducted in a responsible manner.
- 1.2. The Guidelines further state that a Class 1 LIA must demonstrate that the proposed increase in gaming machines for the Venue will provide a positive contribution towards the Local Community in which the Venue is situated.

## 2. DETAILS OF THE VENUE

- 2.1. The Leeton Hotel was established in March 1959 and has been operating in excess of 61 years at its current location.
- 2.2. The Venue has a long history and is a favourite amongst locals within Leeton. It is a sophisticated establishment and provides a diverse offering of facilities to the local community and visitors to Leeton. The Venue includes the following facilities:
  - An integrated lounge/dining area
  - Indoor/outdoor gaming room
  - Bistro/alfresco area
  - Public bar/pool room
  - Deck and lawn area
  - Sanitary and other back of house facilities
- 2.3. The Venue has been operated by the Applicant since early November 2019 and employs around 30 staff members from the local community. The Venue is the hub of the local community and a major sponsor of multiple sporting organisations that are conducted in Leeton.
- 2.4. The Venue’s gaming machine threshold is currently approved for 14 gaming machine entitlements.
- 2.5. The intention of this application is for a further 6 gaming machine entitlements or poker machine permits to be procured and transferred to the Venue’s licence to allow 20 gaming machines to be operated at the Hotel.
- 2.6. The Venue’s trading hours as per the licence document are:

Monday to Saturday	- 5:00am until 1:00am; and
Sunday	- 10:00am until 10:00pm
- 2.7. The standard gaming machine shut down period applies to the Venue, being from 4.00am until 10.00am each day.

- 2.8. Notwithstanding the ability to trade the above hours, the Venue since the Covid-19 pandemic and social distancing requirements now generally trades the below hours:

Monday to Wednesday - 10:00am until 10:00am;  
Thursday - 10:00am until 11:00pm;  
Friday and Saturday - 10:00am until midnight; and  
Sunday - 11:00am until 10:00pm

- 2.9. The internal floor space area of the Venue is approximately 968 square metres. **Attached** and marked “**A**” is a plan of the Venue that depicts the facilities offered at the Venue. The floor space of the gaming room is 57square metres.

- 2.9. The Venue is not a new hotel as defined by the Act and as such clause 31 of the Regulation does not apply to this application.

### 3. RESPONSIBLE GAMBLING MEASURES

- 3.1. The provision of gaming machines is merely one aspect of the services and facilities that are provided at the Venue.

- 3.2. Gaming is provided in a designated gaming room within the Venue.

- 3.3. The gaming room complies with Clause 8 of the Regulation in that:-

- (a) It is located in a “bar area” of the Venue (and is not located in an area in which a minor’s area authorisation or minors functions authorisation is in force);
- (b) The gaming room is physically separated from the general bar area by permanent opaque walls;
- (c) Patrons are not compelled to pass through the gaming room in order to enter or leave the Hotel or to gain access to another part of the Venue;
- (d) Entry is provided free of charge;
- (e) The gaming machines are situated so that they cannot be seen from any place outside the Venue;
- (f) All machines are suitably spaced to facilitate access;
- (g) The gaming room is monitored by a gaming room supervisor, as well as by electronic means (CCTV) at all times;
- (h) There is a door way or space that provides reasonable access to at least one operating bar and one toilet for each gender, without the need for patrons to go out onto the street or outside the Venue; and
- (i) The gaming room cannot be accessed directly from a public street.

- 3.4. Other requirements of the Act and Regulation are complied with, in that:-

- (a) All staff involved in gaming duties hold a current and approved responsible conduct of gaming (RCG) competency card (or interim certificates). Copies of competency cards (or interim certificates) are kept by each staff member when working at the Venue and are available for inspection;
  - (b) The Venue makes arrangements for the provision of gambling counselling;
  - (c) The Venue participates in the Game Care Multi-Venue Self Exclusion Program;
  - (d) Staff are trained in the requirements of the self-exclusion program and associated process;
  - (e) All statutory signage is prominently displayed throughout the gaming room;
  - (f) Pamphlets informing patrons of the dangers of problem gambling and of the availability of counselling and the self-exclusion scheme are displayed within the Hotel in a number of community languages;
  - (g) The Venue's automatic telling machine (ATM) is located outside the gaming room. Patrons not permitted to make withdrawals on credit;
  - (h) There are no advertising or promotions of the availability of gaming machines conducted at the Venue;
  - (i) The Venue does not accept third party cheques or the cashing of cheques by patrons;
  - (j) There is a limit of \$5,000 on cash payment for winnings;
  - (k) Minors are not permitted entry to the gaming room;
  - (l) Consumer information on the chance of winning maximum prizes and jackpots is made available in the gaming area;
  - (m) The Venue does not publish any gaming machine advertising;
  - (n) All gambling-related signs are situated within the Venue and are not visible from the exterior of the Hotel; and
  - (o) Inducements are not offered at the Venue for the use of the gaming machines.
- 3.5. When the gaming room is operated, the Venue engages a gaming room attendant who is present to provide direct supervision of this area. The presence of a gaming room attendant allows management to make early detection of any possible signs of problem gambling being experienced at the Venue.

#### **4. LOCAL COMMUNITY**

- 4.1. The Local Community is the Leeton SA2.
- 4.2. The Venue is a proud supporter of multiple local sporting groups. The Venue had the following sponsorships in place:

<b>Community Group</b>	<b>Total</b>
Leeton Whitton Football & Netball Clubs (senior & Junior)	\$15,000 plus stock & \$1,000 new netball court, \$300 club event
Leeton Greens Football Club	\$6,000
Yanco Wamoon Football Club	\$6,000
Leeton Junior Rugby League	\$600 plus \$300 club event
Basketball	\$1,000
Community Cup (summer league & tag comp)	\$1,000
Cricket	\$1,000
Bushfires appeal	\$4,600
Leeton United Soccer	\$3,000

### ***Demographics***

4.3. The Leeton SA2 has a current population of 10,091, with an area of 373.90 square kilometres as at the 2016 Census.

4.4. Other relevant demographic information is set out below:

- 49.2% of the population is male
- 50.8% of the population is female
- The median age is 40

4.5. The ABS statistics for 2016 discloses that the Leeton SA2 has a higher full-time employment rate (62.9%) than that of NSW (59.2%).

4.6. Unemployment in Leeton is low being 5.1% compared to the NSW average of 6.3%.

4.7. The most common occupations in Leeton SA2 include labourers at 19.3%, technicians and trade workers at 14.3%, managers at 14.2% and professionals at 13.9%.

4.8. The SEIFA scores in 2016 for Leeton LGA are as follows:

<b>INDICATOR</b>	<b>Leeton LGA Score</b>	<b>Leeton LGA Decile</b>
IRSEAD	935	3
IRSED	954	4
IER	975	5
IEO	917	1

4.9. Using the gaming machine data report prepared and issued by Liquor & Gaming NSW for the period 1 July 2019 to 31 December 2019, the net profit for all gaming machines for hotels in the Leeton LGA (which has been combined with Narrandera LGA for reporting purposes) is \$1,686,848, with the average profit per machine being \$31,827.32 for that 6-month period.

4.10. A gaming performance data report for the Venue shows the total net profit for a 12-month period from 30 June 2019 to 30 June 2020 to be \$1,056,329.65, with the average profit per machine being \$75,452.12 for that 12-month period.

4.11. To compare the average profit per machine on a 6-month period, the amount would be \$37,726.06, which is slightly higher than the profit per machine within the Leeton/Narrandera LGA when calculated on a similar time period.

## **5. POSITIVE CONTRIBUTION**

5.1. Clause 33 of the Regulation requires this LIA to include details of the benefits that the Venue will provide to the local community if the application is approved.

5.2. A positive contribution shall be made by way of a financial contribution of \$339,534.53 if this application is approved. The proposed contribution will be made to the Secretary of the Responsible Gambling Fund pursuant to Section 36A of the Act.

### ***Calculation of amount of financial contribution***

5.3. The amount of the financial contribution was calculated in accordance with the formula set out in the Class 1 Local Impact Assessment Process Guidelines published by the Authority. That formula provides for a positive contribution being 15% of the average profit of the existing machines in the Hotel before tax, multiplied by the gaming machine threshold increase, multiplied by 5 years.

5.4. The average profits were calculated from 12 months of gaming performance data from 30 June 2019 to 30 June 2020.

5.5. In addition, the intention of the Venue is to continue to support the local community as mentioned in paragraph 4.2.

5.6. The positive contribution will benefit the local community and the operators will continue to support the local sponsorships. The Venue will also review and implement new responsible gaming and harm minimisation strategies (if considered necessary) in order to negate any negative impacts on the local community.

## **6. CONCLUSION**

6.1. This LIA, pursuant to Clause 33 of the Regulation, defines the Applicant's Local Community, details the positive contributions that the Applicant will provide to the Local Community if the Threshold Increase Application is approved, and details the harm minimisation and responsible gambling measures that are in place at the Venue.

6.2. The Applicant operates gaming machines at the Venue in compliance with mandated Legislative requirements. The Applicant implements the Game Care Multi-Venue Self Exclusion Program conducted in conjunction with AHA (NSW). There are 13 persons currently excluded from the Venue through this program, with the significant majority of the person excluded being located in the adjoining Griffith LGA to which this Program also applies.

6.3. The Applicant submits that this Class 1 LIA accompanying the low range application satisfies the requirements of Section 36(3) of the Act, applicable Regulations and Guidelines for the Authority to approve the application. This application demonstrates the purpose of Section 36(3)(b) that gambling activities in the Venue are currently conducted responsibly and will continue to be conducted responsibly if this application should be approved.

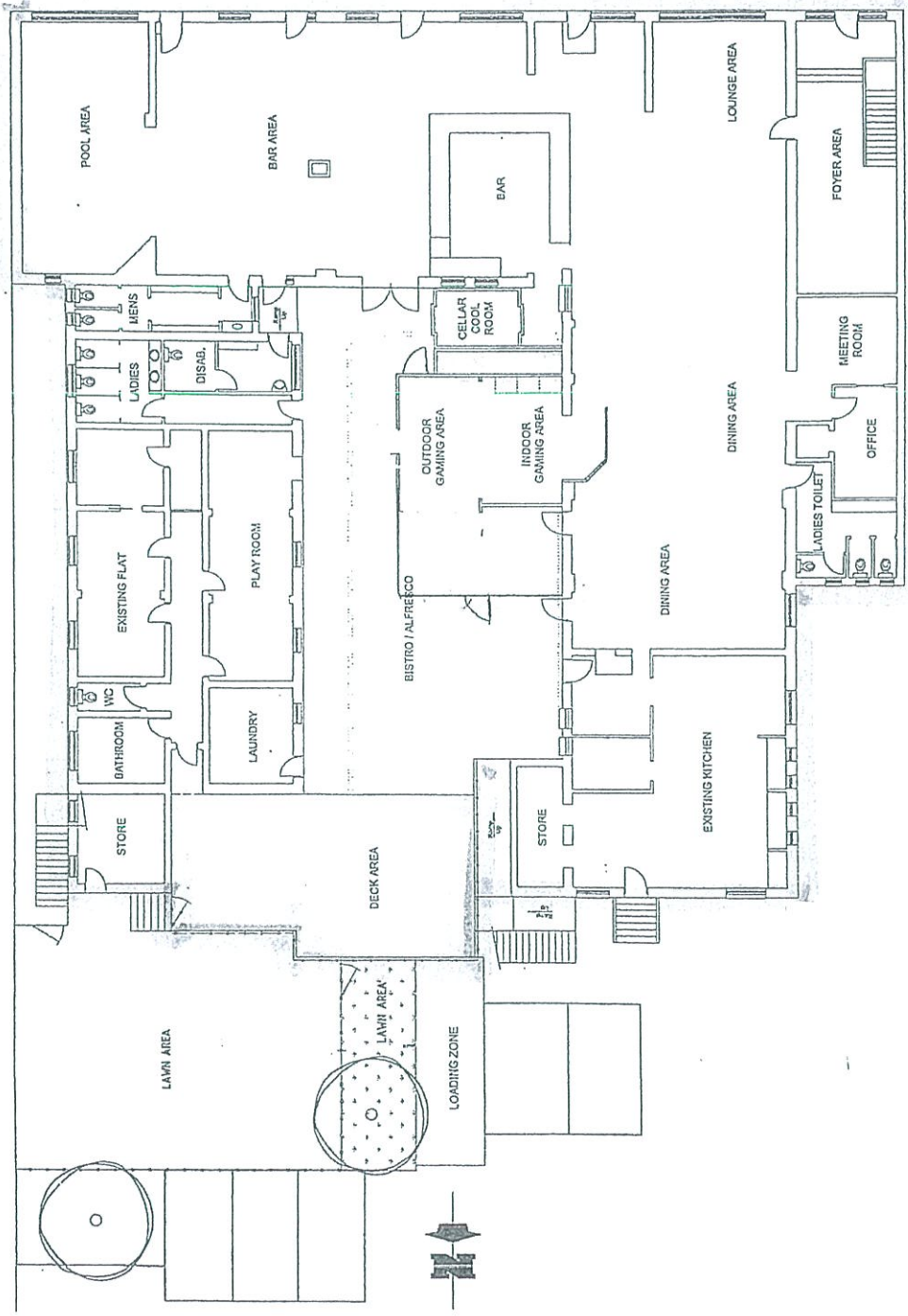
- 6.4. The proposed increase in the Venue's gaming threshold will provide a positive contribution towards the local community where the Venue is situated on the basis of the applicant's proposed financial contribution to be paid in accordance with Section 36A of the Act.
- 6.5. It is therefore submitted that the tests as set out in the Guideline and Regulation are met and the applicant submits that the threshold increase application should be approved.



# ATTACHMENT

“A”

PINE AVENUE



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GROUND FLOOR PLAN LAYOUT

ISSUE	DATE	DESCRIPTION	BY:	APPROVED	 BUILDING PROFESSIONAL ASSOCIATION OF AUSTRALIA 2012	 CADTECH DESIGN SERVICES 1/117-119/117-119 1/117-119/117-119 1/117-119/117-119	CLIENT: LEETON HOTEL PINE AVENUE, LEETON DRAWN: BFR DATE: 8/5/2008 REVISION: SCALE: 1:50 (A3)	TITLE: LEETON HOTEL EXISTING BUILDING LAYOUT GROUND FLOOR PLAN	JOB No. DRAWING No. 6741	ISSUE No. FILE No.
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