



City of
Whittlesea

ATTACHMENTS

OF ORDINARY COUNCIL MEETING

HELD ON

TUESDAY 19 JULY 2016

AT 6:30PM

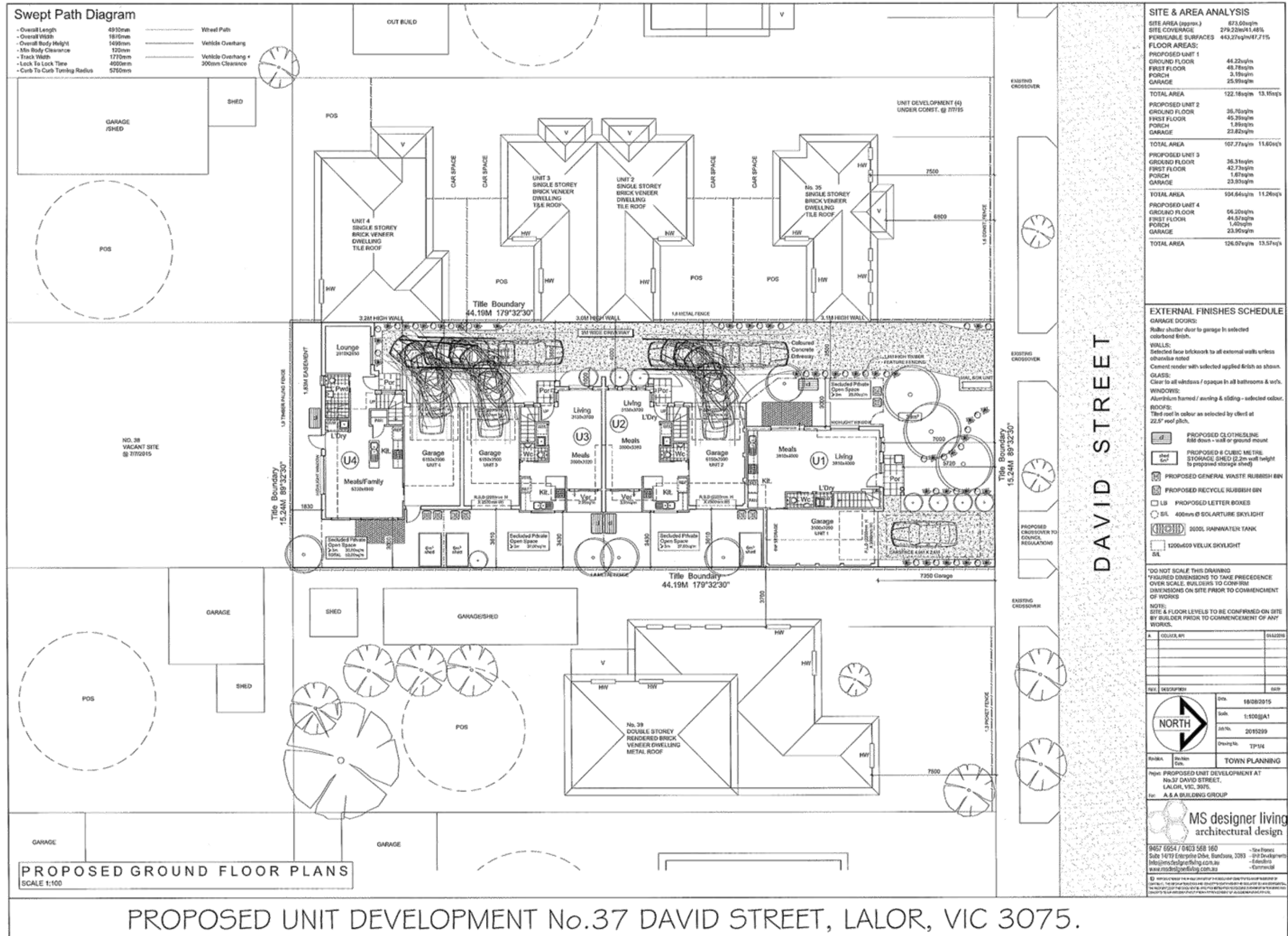
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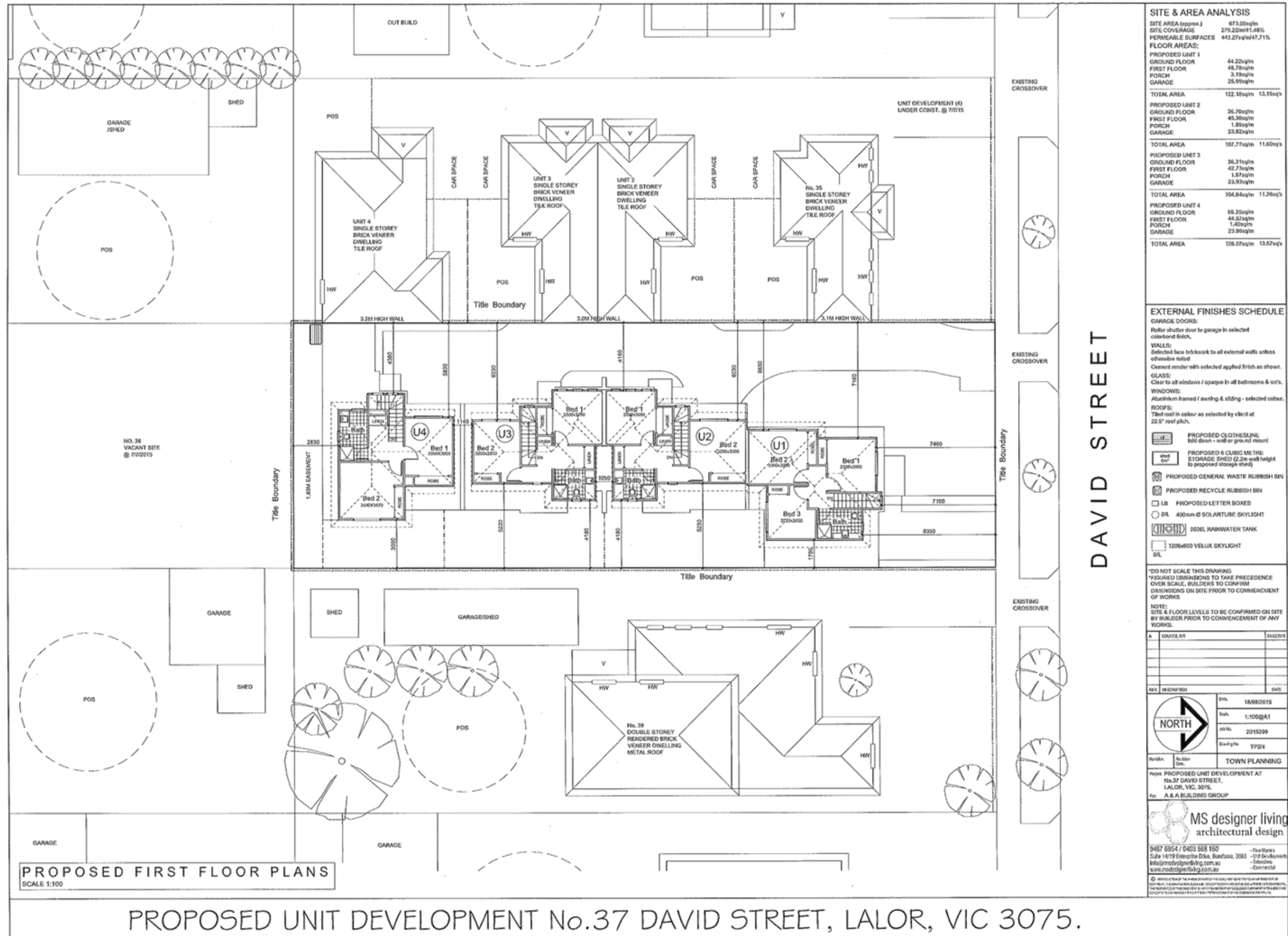
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EXTERNAL COLOUR AND MATERIAL SCHEDULE

SR	SMOOTH RENDER FINISH:
WF	ALL ALUMINIUM FRAMED WINDOWS:
CG	ALL COLORBOND GUTTERS:
CF	ALL COLORBOND FASCIAE:
CR	ROOF TILES AT 22.5° PITCH:
GD	ALL GARAGE DOORS:
FB	FACE BRICKWORK:
AL	MATRIX CLADDING
GONG	CONCRETE PAVED DRIVEWAY:



PROPOSED ELEVATIONS
SCALE 1:100

SITE & AREA ANALYSIS

SITE AREA (approx.)	673.05sqm	
SITE COVERAGE	279.22sqm/41.49%	
PERMEABLE SURFACES	443.27sqm/67.17%	
FLOOR AREAS:		
PROPOSED UNIT 1		
GROUND FLOOR	44.22sqm	
FIRST FLOOR	48.79sqm	
PORCH	3.19sqm	
GARAGE	25.99sqm	
TOTAL AREA	122.18sqm	13.15%
PROPOSED UNIT 2		
GROUND FLOOR	36.70sqm	
FIRST FLOOR	46.35sqm	
PORCH	1.89sqm	
GARAGE	23.63sqm	
TOTAL AREA	107.77sqm	11.60%
PROPOSED UNIT 3		
GROUND FLOOR	36.31sqm	
FIRST FLOOR	42.73sqm	
PORCH	1.67sqm	
GARAGE	23.93sqm	
TOTAL AREA	104.64sqm	11.28%
PROPOSED UNIT 4		
GROUND FLOOR	56.20sqm	
FIRST FLOOR	44.57sqm	
PORCH	1.40sqm	
GARAGE	23.39sqm	
TOTAL AREA	126.07sqm	13.57%

EXTERNAL FINISHES SCHEDULE

GARAGE DOORS:
Roller shutter door to garage in selected color/band finish.
WALLS:
Selected face bulkwork to all external walls unless otherwise noted.
Cement render with selected applied finish as shown.
GLASS:
Clear to all windows / opaque in all bathrooms & wc's.
WINDOWS:
Aluminium framed / awning & sliding - selected colour.
ROOFS:
Tiled roof in colour as selected by client at 22.5° roof pitch.

-  PROPOSED CLOTHESLINE
fold down - wall or ground mount
-  PROPOSED 6' CUBIC METRE
STORAGE SHED (2.2m wall height
to proposed storage shed)
-  PROPOSED GENERAL WASTE RUBBISH BIN
-  PROPOSED RECYCLE RUBBISH BIN
-  1B PROPOSED LETTER BOXES
-  6A 400mm Ø SOLARTUBE SKYLIGHT
-  2006L RAINWATER TANK
-  1200x600 VELUX SKYLIGHT

*DO NOT SCALE THIS DRAWING
*FIGURED DIMENSIONS TO TAKE PRECEDENCE
OVER SCALE. BUILDERS TO CONFIRM
DIMENSIONS ON SITE PRIOR TO COMMENCEMENT
OF WORKS

NOTE:
SITE & FLOOR LEVELS TO BE CONFIRMED ON SITE
BY BUILDER PRIOR TO COMMENCEMENT OF ANY
WORKS.

A	COUNCIL RPT	04/03/2017
REF	DESCRIPTION	DATE



	Date	18/08/2015
	Scale	1:100 @ A1
	Job No.	2015299
	Drawing No.	TP3/4

Resident	Resident Only	TOWN PLANNING
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Project:	PROPOSED UNIT DEVELOPMENT AT No.37 DAVID STREET, LALOR, VIC. 3075.
For:	A & A BUILDING GROUP

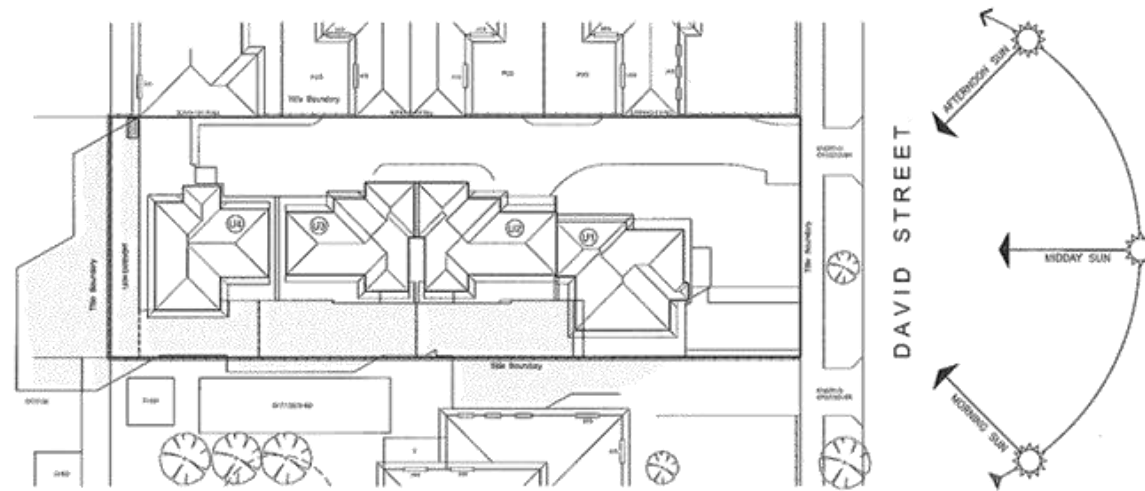
MS designer living
architectural design

9457 6954 / 0403 568 160
Suite 14/19 Enterprise Drive, Bundamba, 3083
info@modeshopthing.com.au
www.modeshopthing.com.au

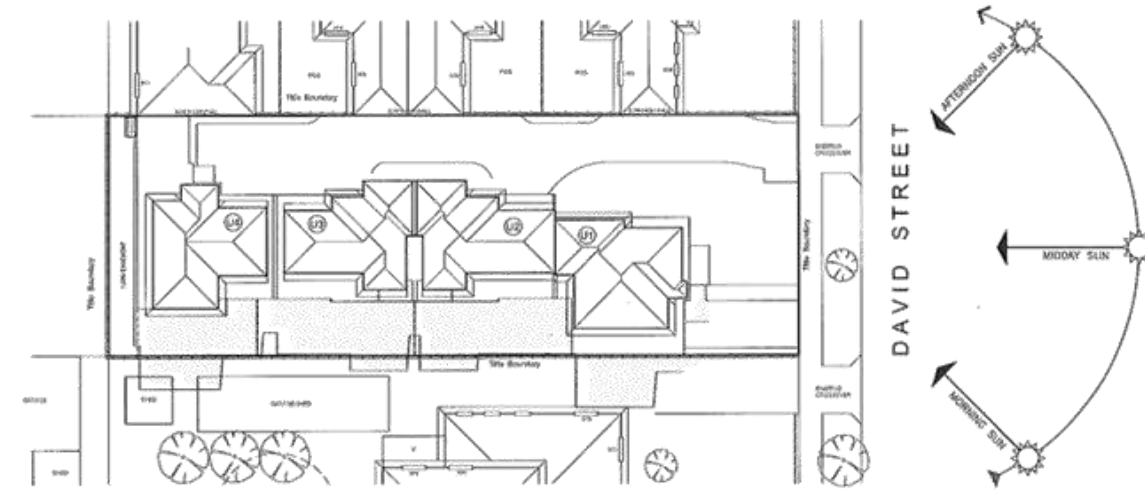
- Bare Interiors
- Gift Development
- Extensions
- Commercial

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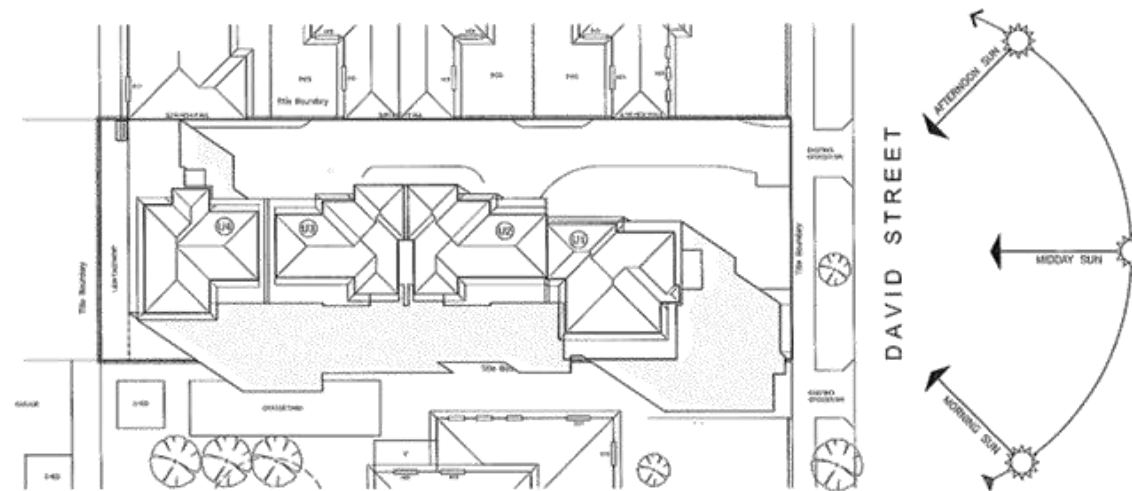
PROPOSED UNIT DEVELOPMENT No.37 DAVID STREET, LALOR, VIC 3075.



SHADOW DIAGRAM 9:00 AM
MARCH 21 – SEPTEMBER 23 (EQUINOX)
Melbourne Standard Time (Latitude 38.0° South)



SHADOW DIAGRAM 12:00 PM
MARCH 21 – SEPTEMBER 23 (EQUINOX)
Melbourne Standard Time (Latitude 38.0° South)



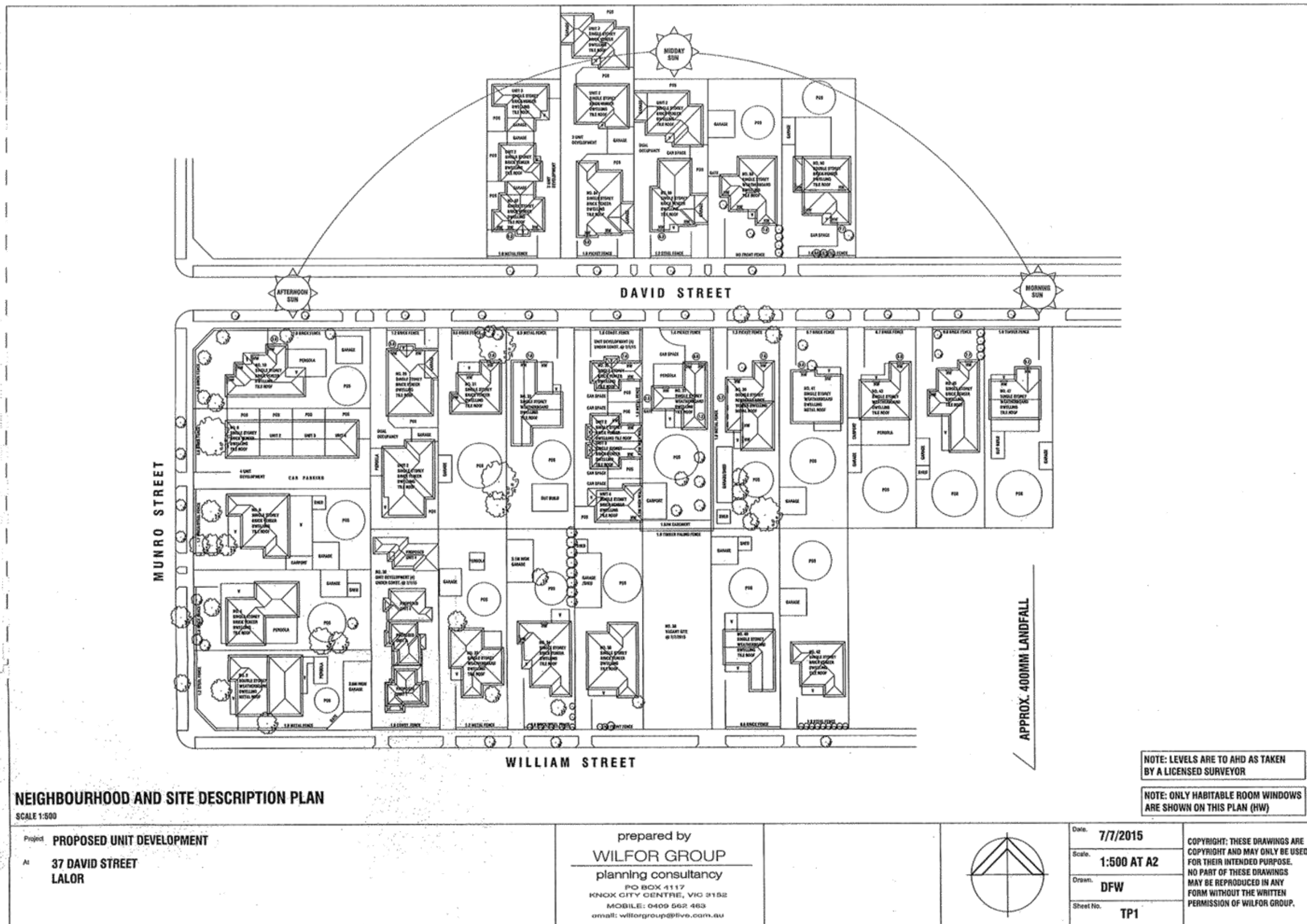
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Melbourne Standard Time (Latitude 38.0° South)

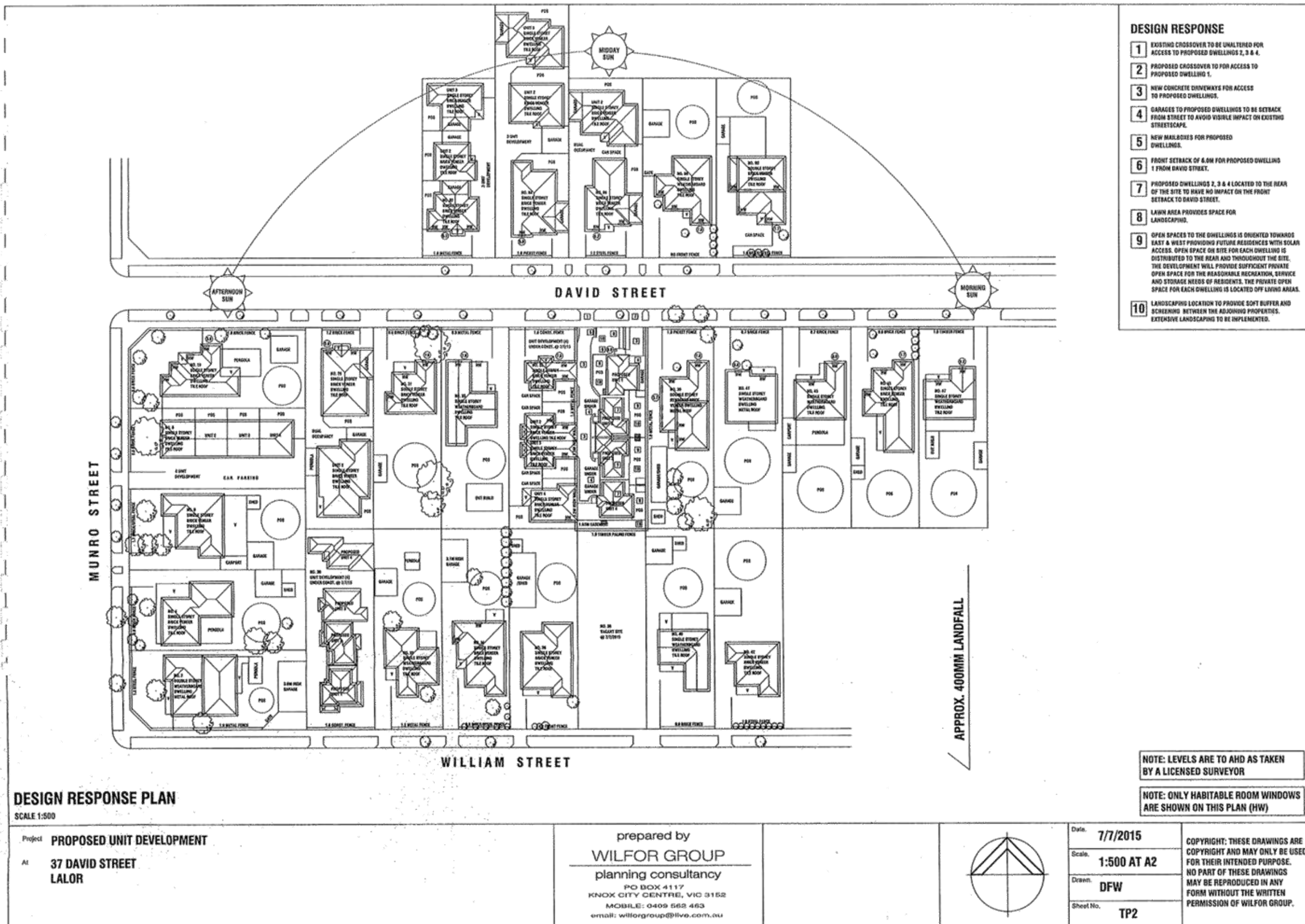
PROPOSED SHADOW DIAGRAMS
SCALE 1:200

PROPOSED SHADOWS

	Rev.	18/08/2015
	Scale	1:200@A1
	Job No.	2015299
	Drawing No.	TP004
Revised	Revised	TOWN PLANNING
Project: PROPOSED UNIT DEVELOPMENT AT No.37 DAVID STREET, LALOR, VIC, 3075. For: A & A BUILDING GROUP		
9467 6954 / 0403 568 160 Suite 14/19 Enterprise Drive, Sandhurst, 3083 info@msdesignerliving.com.au www.msdesignerliving.com.au		
- Site Plans - Site Development - Extensions - Commercial		
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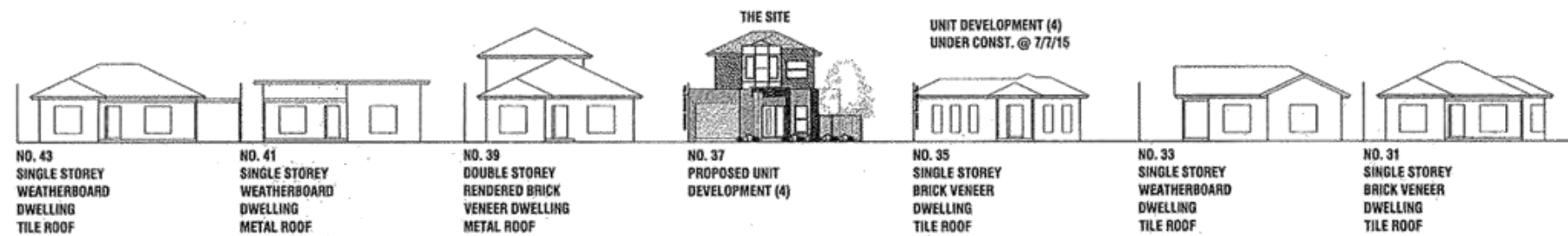
PROPOSED UNIT DEVELOPMENT No.37 DAVID STREET, LALOR, VIC 3075.







**EXISTING DAVID STREET
STREETSCAPE ELEVATION
SCALE 1:250**



**PROPOSED DAVID STREET
STREETSCAPE ELEVATION
SCALE 1:250**

NOTE: LEVELS ARE TO AHD AS TAKEN
BY A LICENSED SURVEYOR

NOTE: ONLY HABITABLE ROOM WINDOWS
ARE SHOWN ON THIS PLAN (HW)

Project **PROPOSED UNIT DEVELOPMENT**

At **37 DAVID STREET
LALOR**

prepared by
WILFOR GROUP
planning consultancy
PO BOX 4117
KNOX CITY CENTRE, VIC 3152
MOBILE: 0409 562 463
email: wilforgroup@live.com.au

Date **7/7/2015**

Scale **AS SHOWN**




Drawn **DFW**

Sheet No. **TP3**

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PLANNING APPLICATION NO. 715532



-  Subject Land
-  Objector
-  Medium Density Housing



City of
Whittlesea

ESTABLISHED AREAS PLANNING REPORT

PLANNING APPLICATION NO. 715532

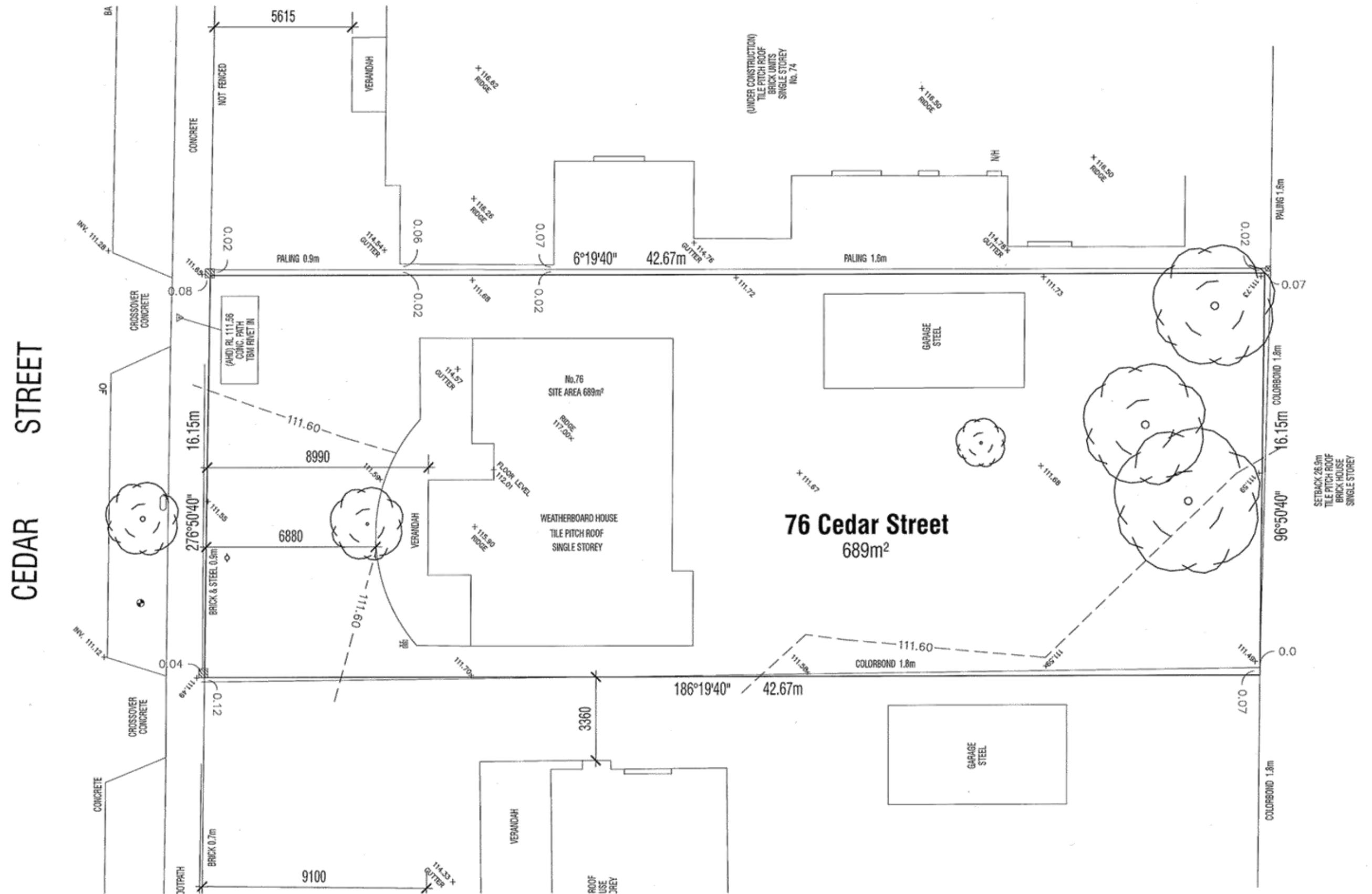


-  Subject Land
-  Objector
-  Medium Density Housing



City of
Whittlesea

ESTABLISHED AREAS PLANNING REPORT



FIRSTANGLE
 PO BOX 65 BENTLEIGH EAST, VICTORIA 3165
 Ph 0422 581 227 Email mark@firstangle.com.au

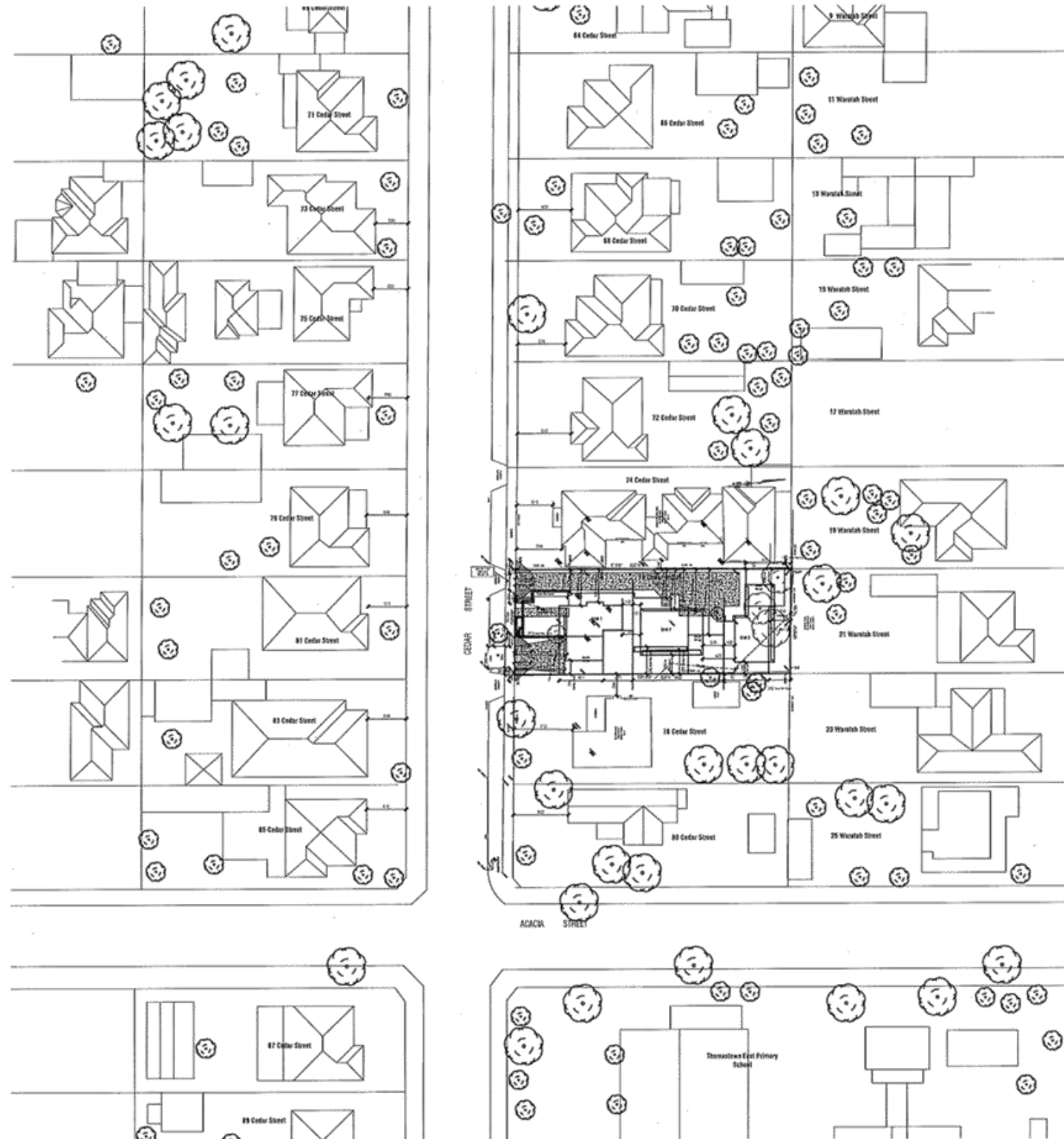


Existing Site Conditions
 TOWN PLANNING DOCUMENTATION - RFI SET 16/05/16 - APPENDIX C
 76 Cedar Street, Thomastown

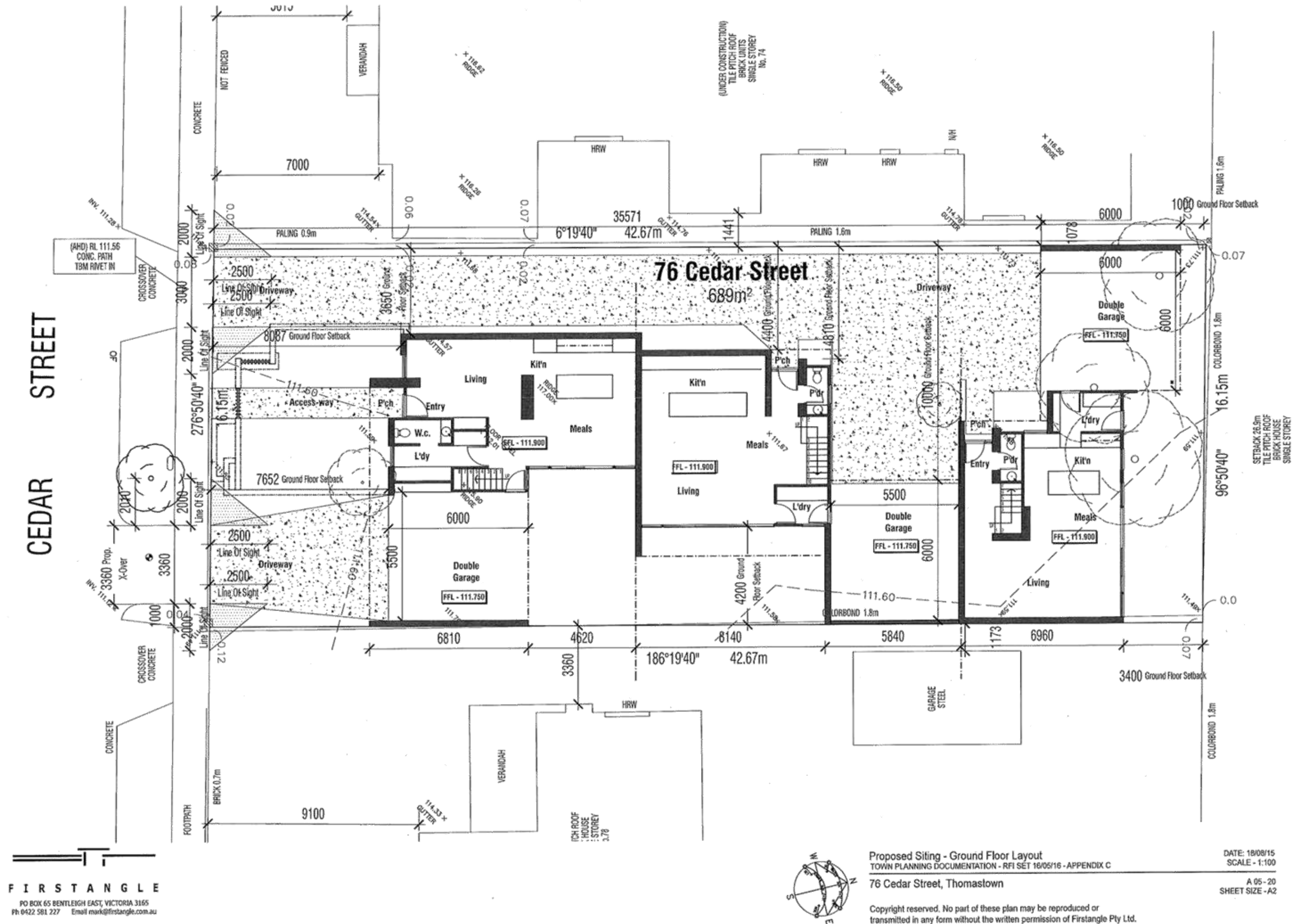
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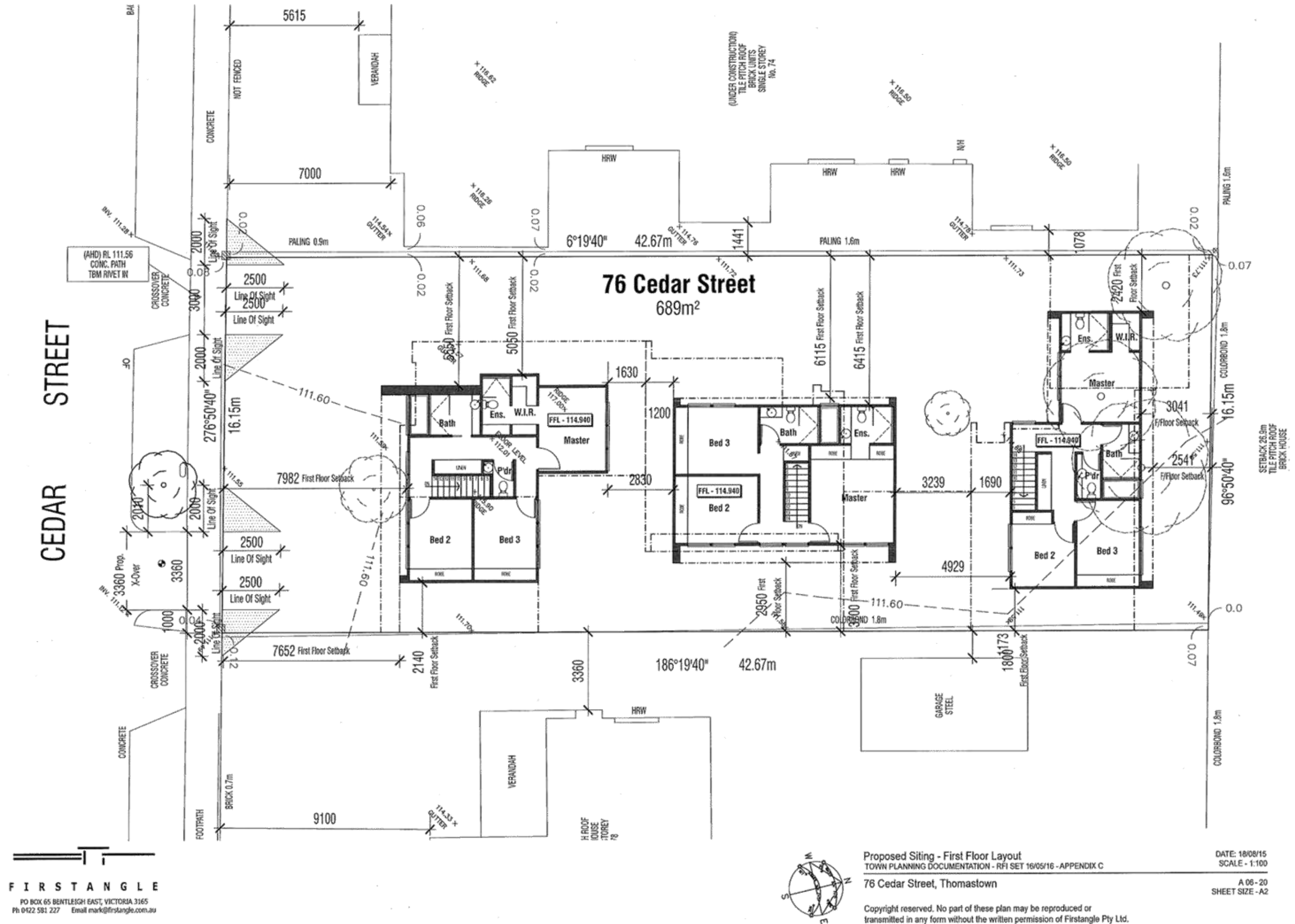
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 A 01-20
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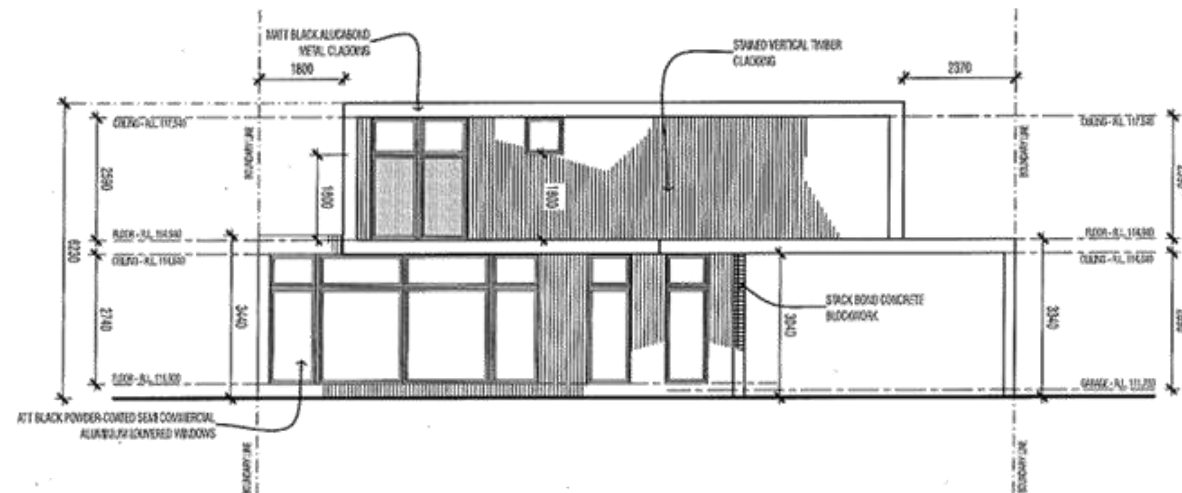
EXISTING AREA ANALYSIS - CITY OF WHITTLESEA (THOMASTOWN)		
Address/Location	Distance	Direction
Thomastown East Primary School	160m	East
Thomastown Primary School	950m	West
Lalor Secondary College	960m	North
Lalor Shopping Centre	970m	North/West
Thomastown Station	750m	West
Alexander Reserve	350m	East
Main Street Reserve	1500m	West
Bus Route 559	100m	South
Bus Route 570	200m	North



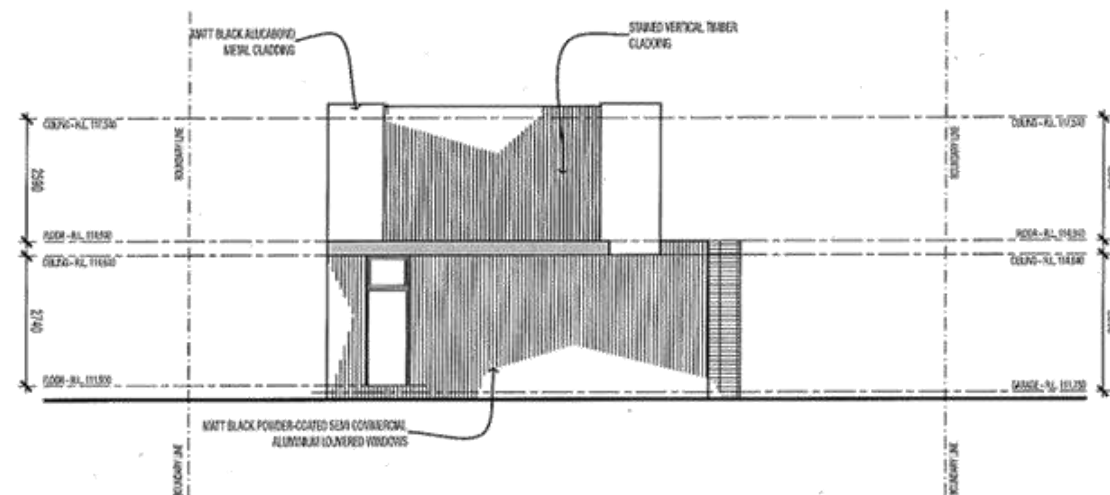




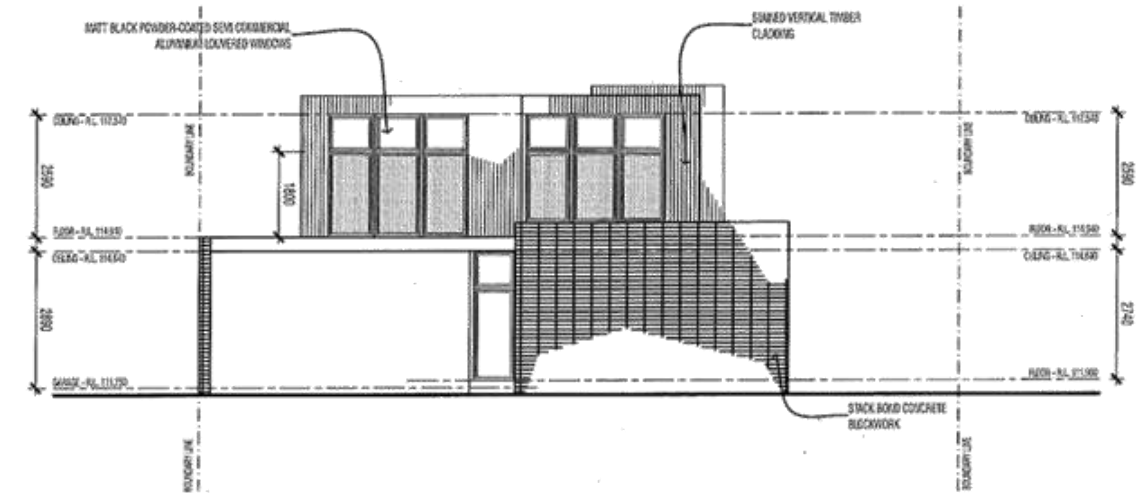




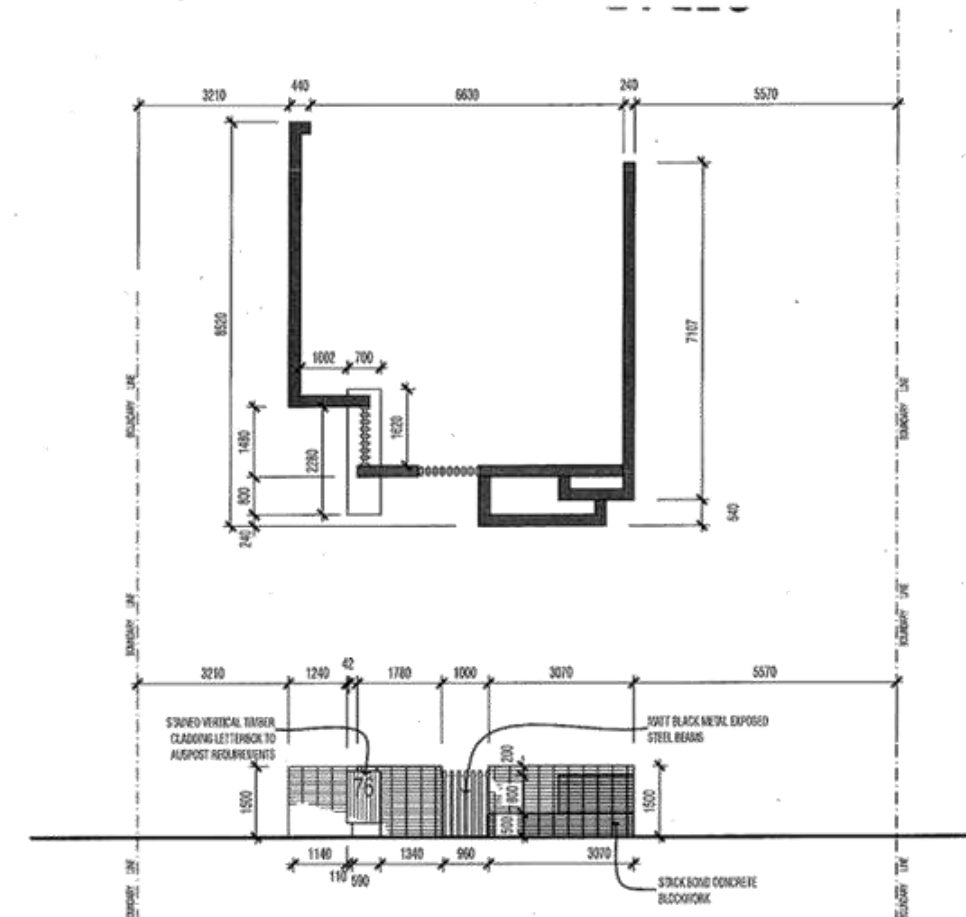
Proposed North Elevation - Unit 3



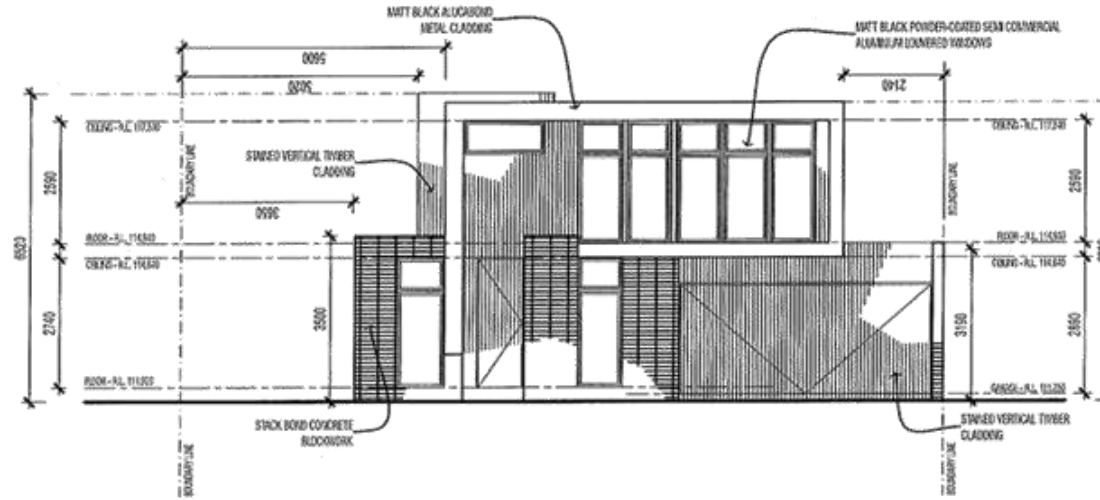
Proposed North Elevation - Unit 2



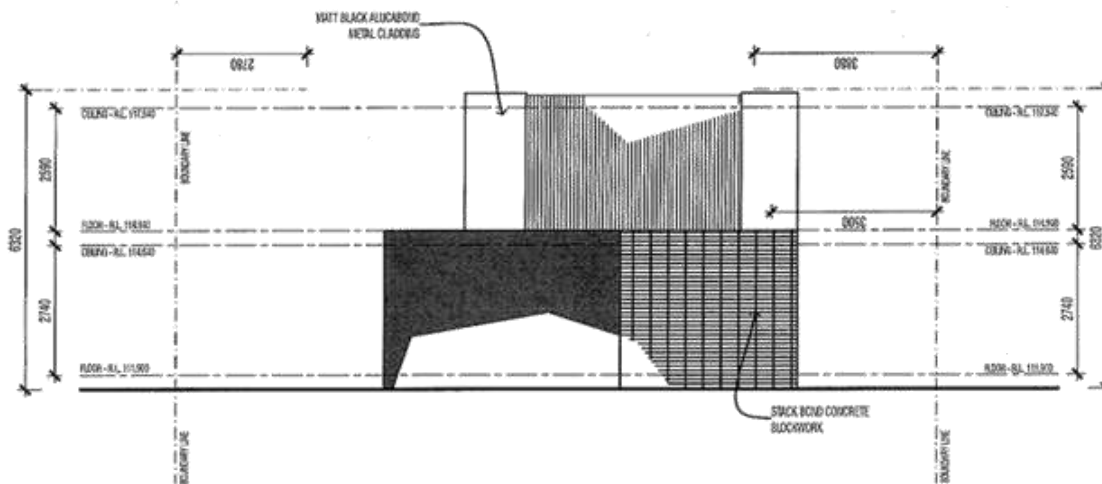
Proposed North Elevation - Unit 1



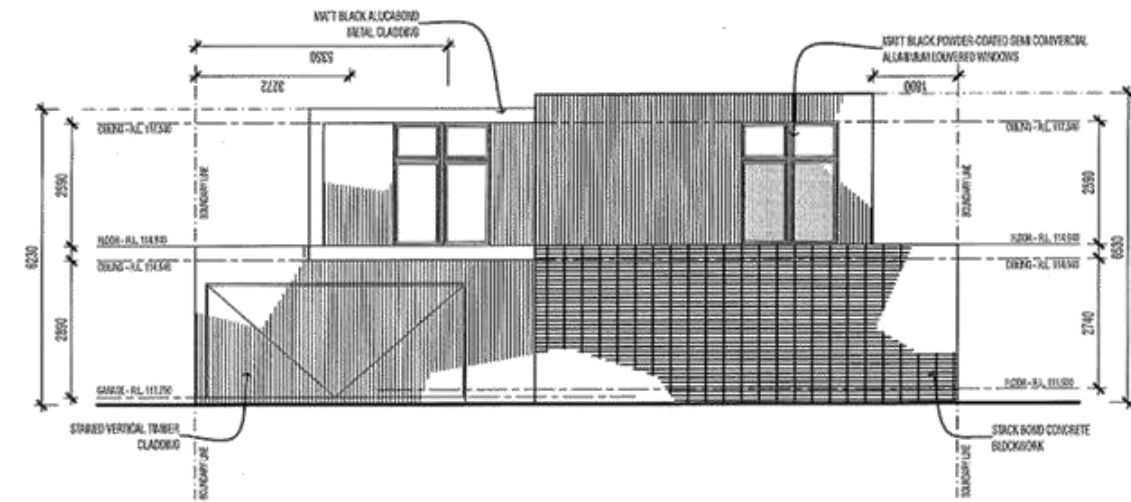
Proposed Front Fence



Proposed South Elevation - Streetscape



Proposed South Elevation - Unit 2



Proposed South Elevation - Unit 3



Proposed South Elevations
TOWN PLANNING DOCUMENTATION - RFI SET 16/05/16 - APPENDIX C
76 Cedar Street, Thomastown

DATE: 18/08/15
SCALE - 1:100

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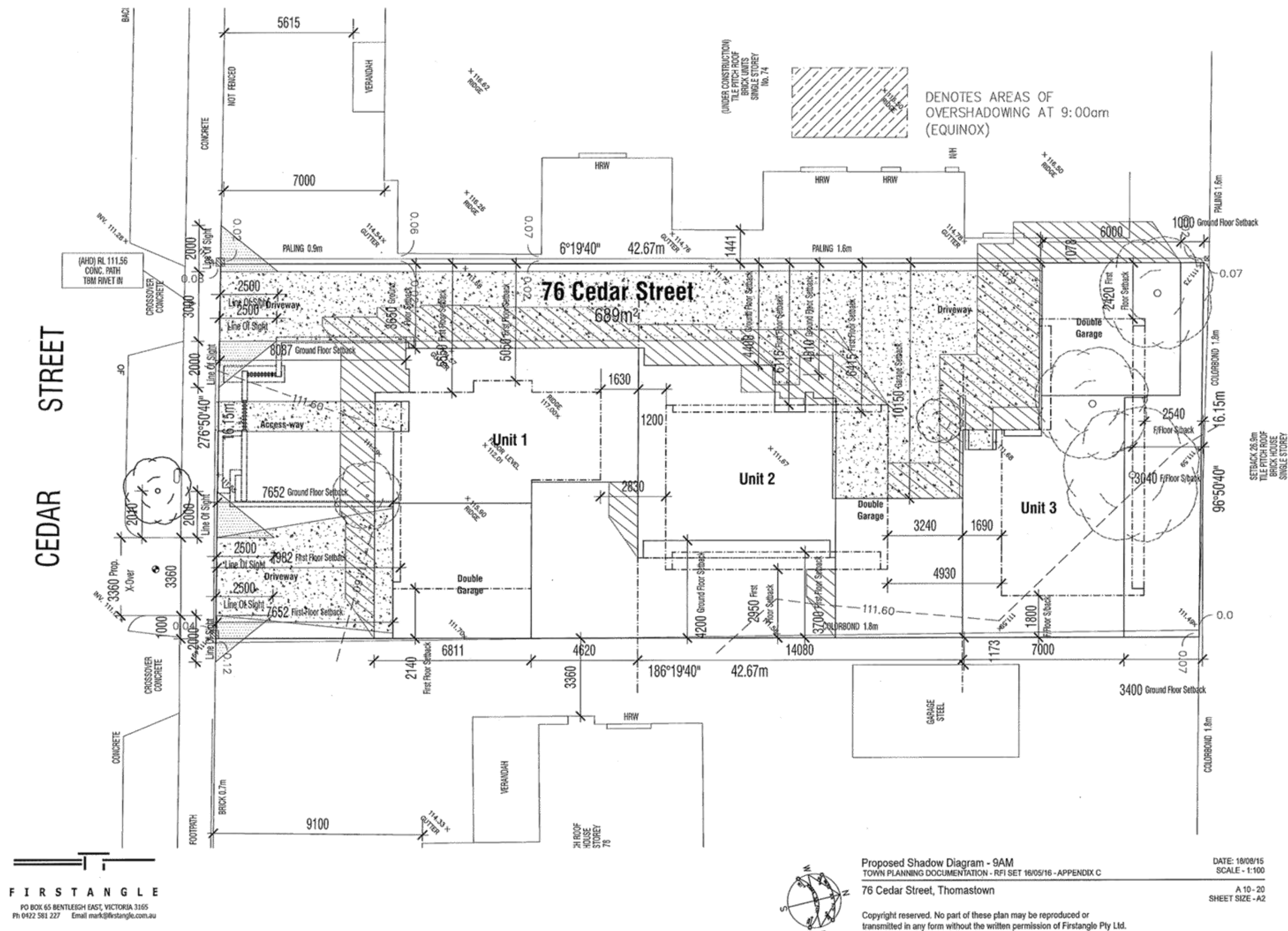
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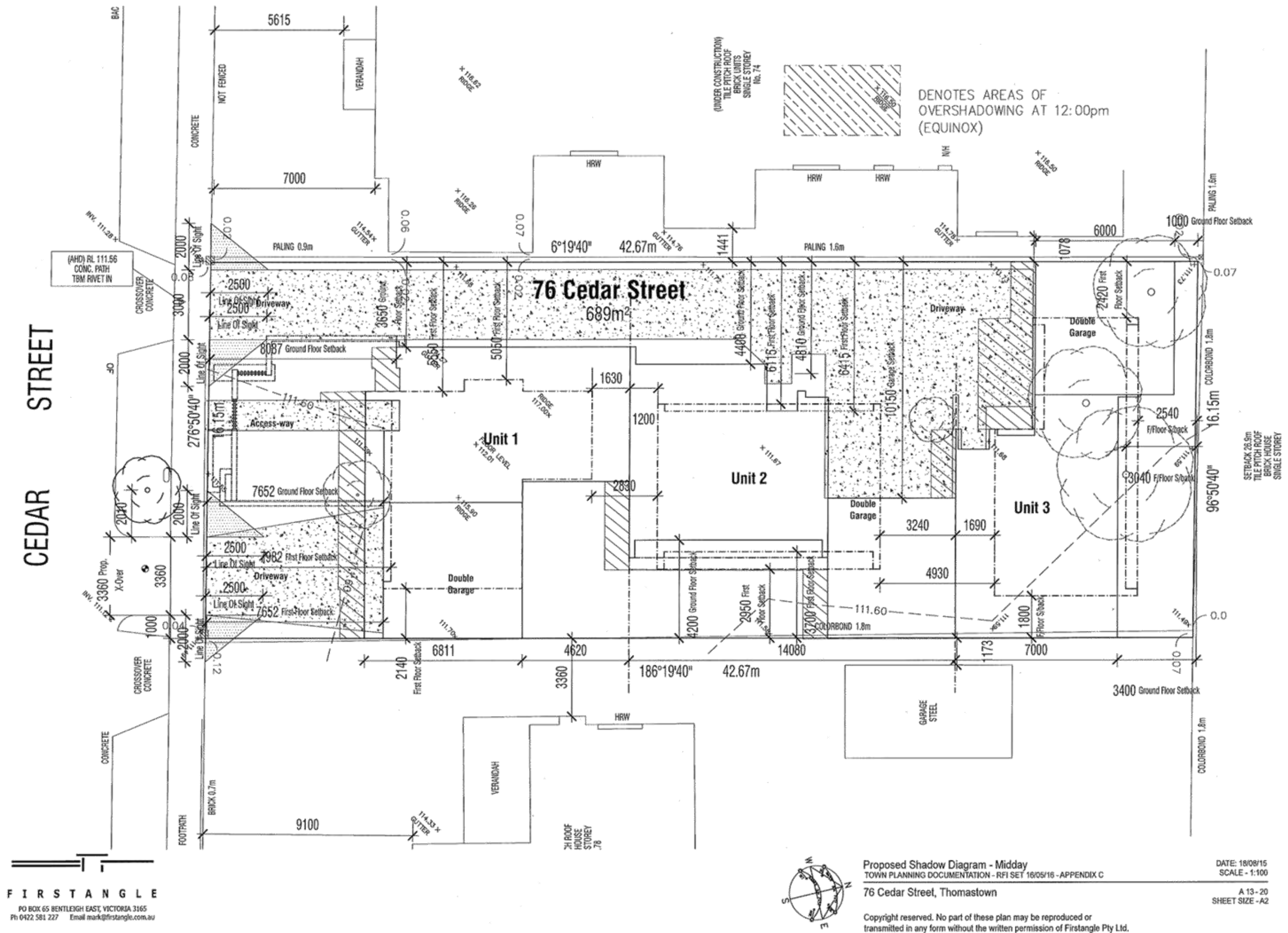


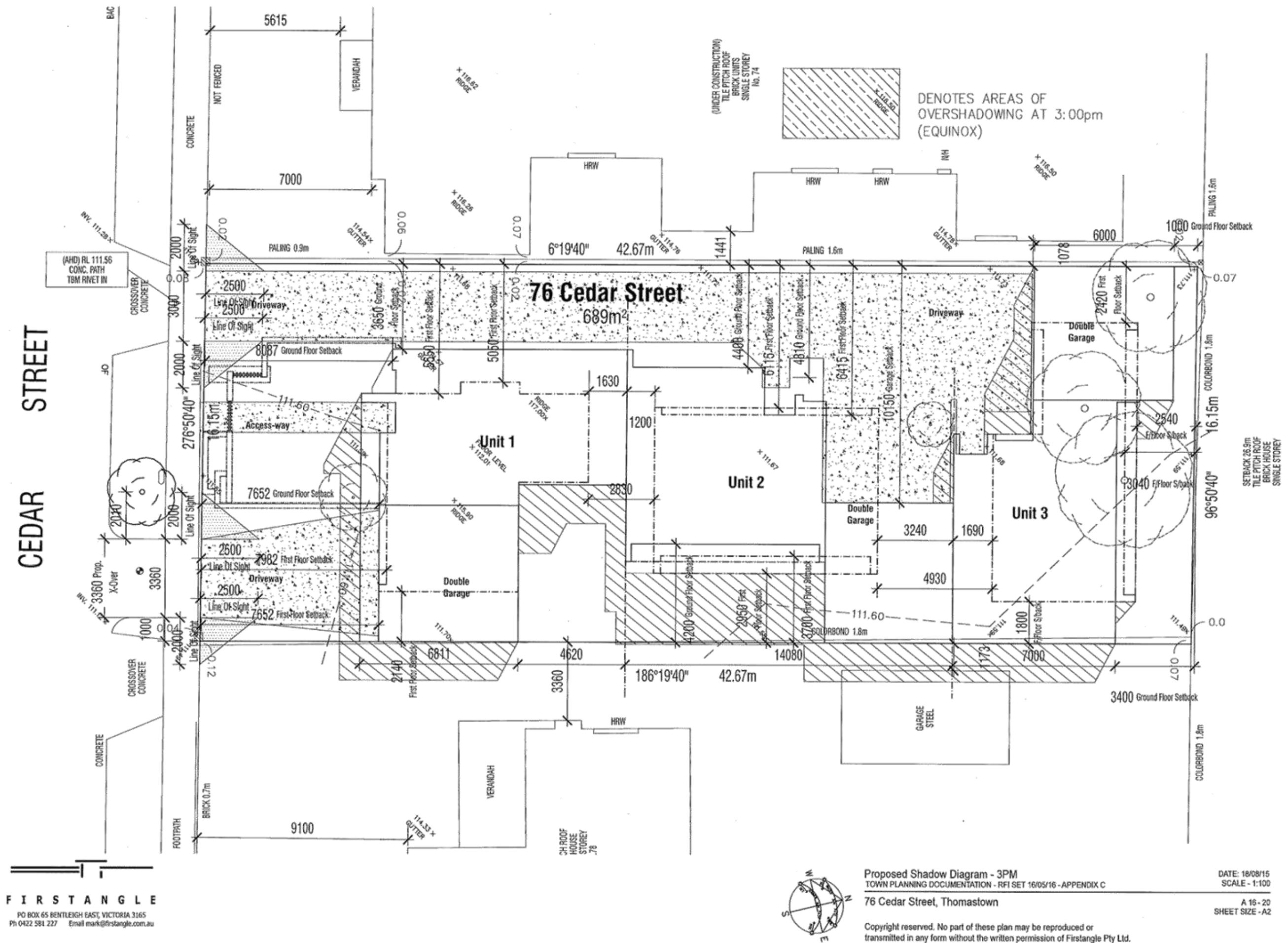
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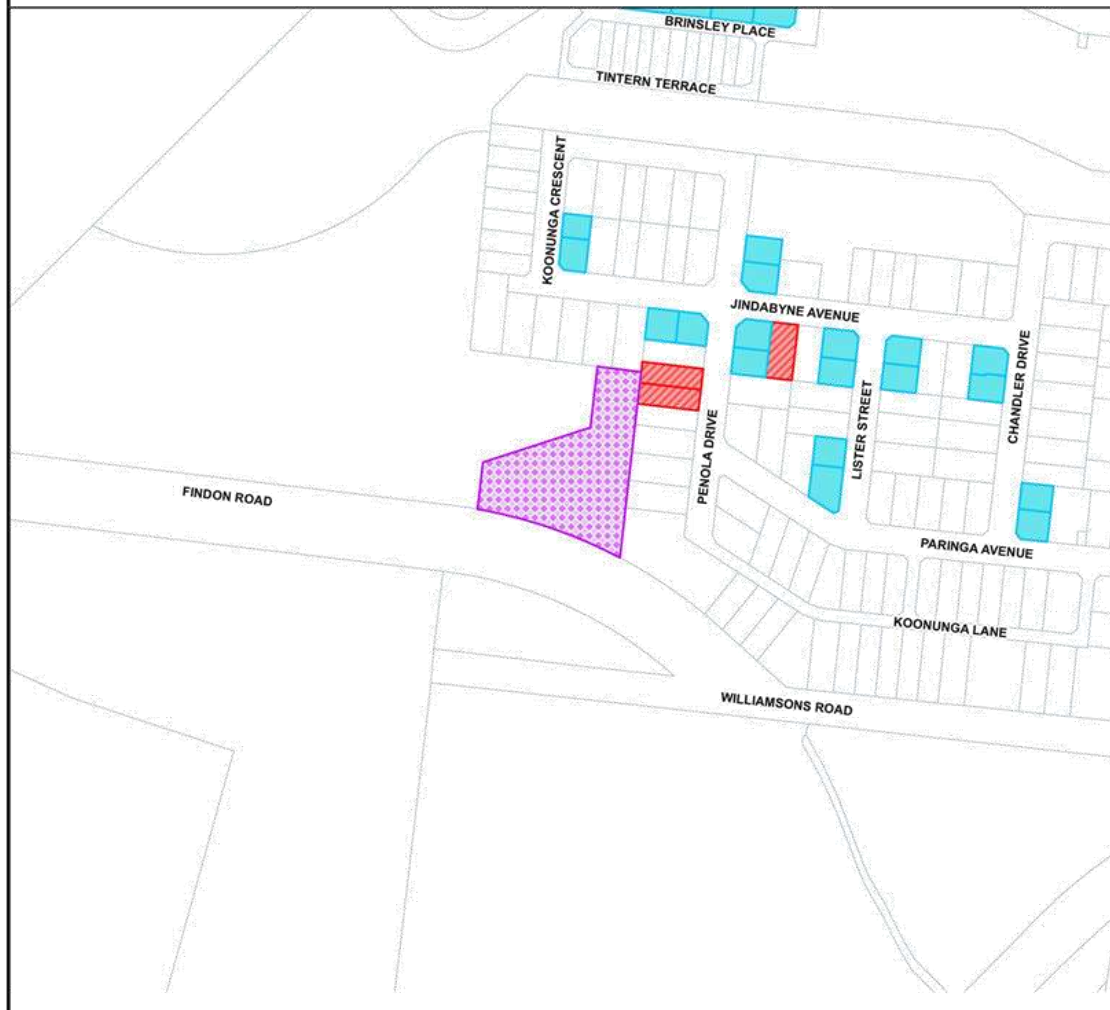
Page 24







PLANNING APPLICATION NO. 715514



Subject Land



Objector



Medium Density Housing



**City of
Whittlesea**

ESTABLISHED AREAS PLANNING REPORT

PLANNING APPLICATION NO. 715514



Subject Land



Objector



Medium Density Housing



**City of
Whittlesea**

ESTABLISHED AREAS PLANNING REPORT

PLANNING APPLICATION NO. 715514



Subject Land



Objector



Medium Density Housing



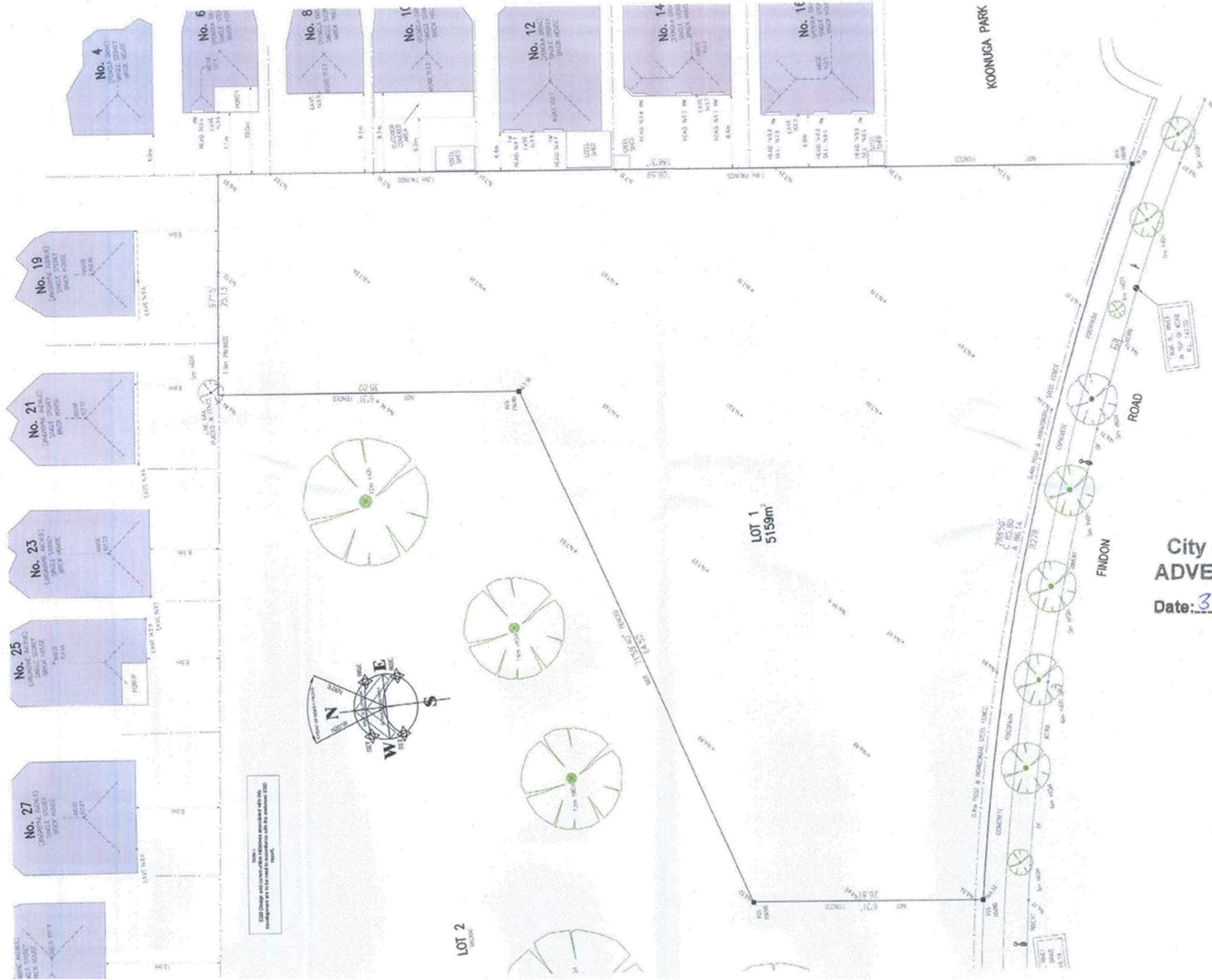
Approximate location of Marymeade
Railway Station



City of
Whittlesea

ESTABLISHED AREAS PLANNING REPORT

PROPOSED RESIDENTIAL DEVELOPMENT -



Revision:
 B 29.10.15 Amendments as per council recommendations
 A 10.4.15 Revised layouts & adjoining property details added.

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A1 Sheet
 SHEET NO. 1151
 DATE: 29/10/15
 SCALE: 1:100 @ A1 SHEET

City of Whittlesea
ADVERTISED PLAN
 Date: 31/3-15/4/16

SITE ANALYSIS
 AT:- Findon Road, SOUTH MORANG

PROPOSED RESIDENTIAL DEVELOPMENT -



City of Whittlesea
ADVERTISED PLAN

Date: 31/3 - 15/4/16

Revision:-
C 25.10.15 Amendments as per council recommendations
B 18.5.15 Revised layouts
A 10.4.15 Revised layouts & adjoining property details added.

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A1 Sheet
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JOB No. 1501-2015
SCALE: 1:100 @ A1 SHEET

DESIGN RESPONSE
AT:- Findon Road, SOUTH MORANG

PROPOSED RESIDENTIAL DEVELOPMENT -



GROUND SITE PLAN
AT:- Findon Road, SOUTH MORANG

City of Whittlesea
ADVERTISED PLAN
Date: 31/3-15/4/16

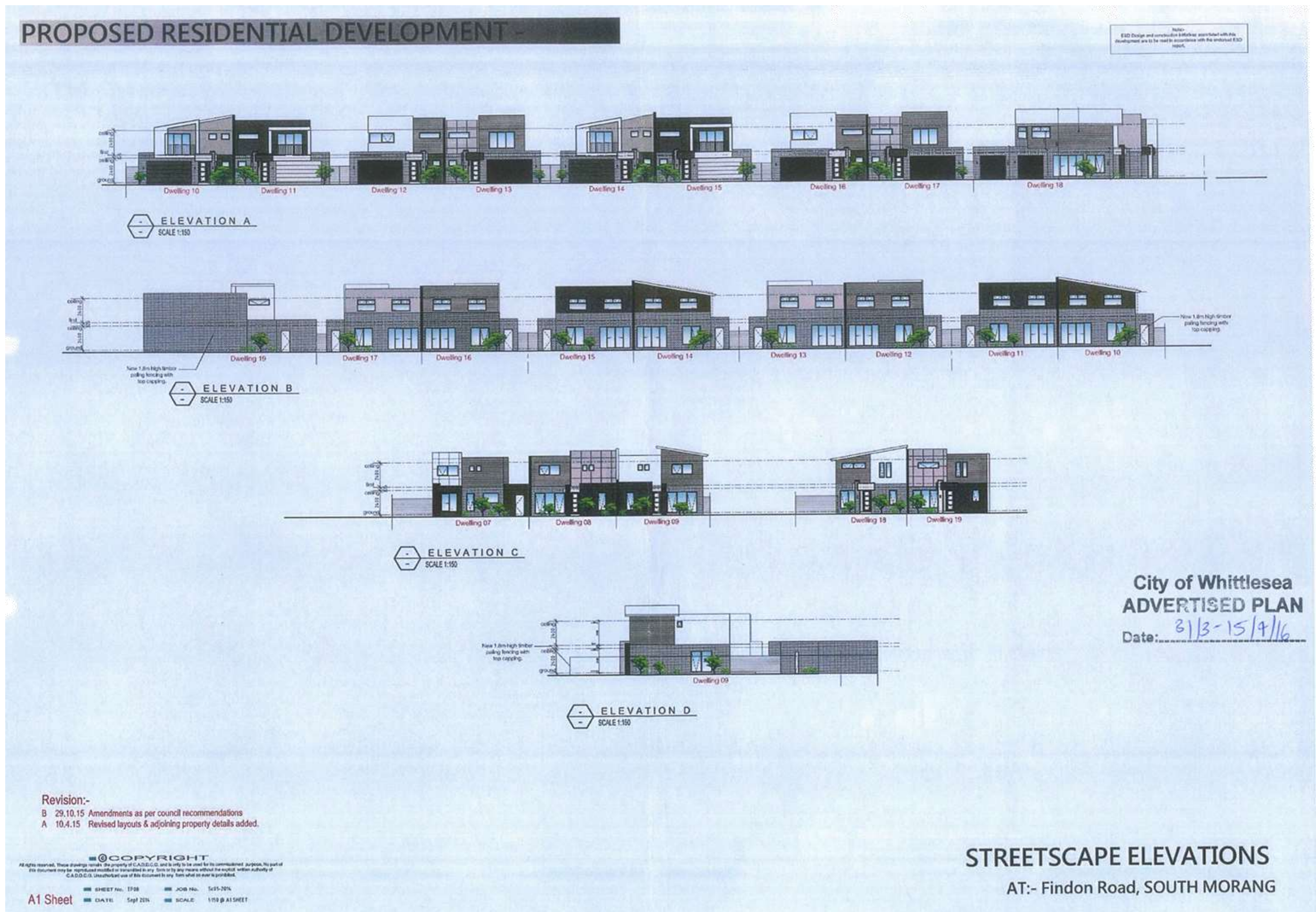
Revision:-
C 29.10.15 Amendments as per council recommendations
B 18.6.15 Revised layouts
A 10.4.15 Revised layouts & adjoining property details added.

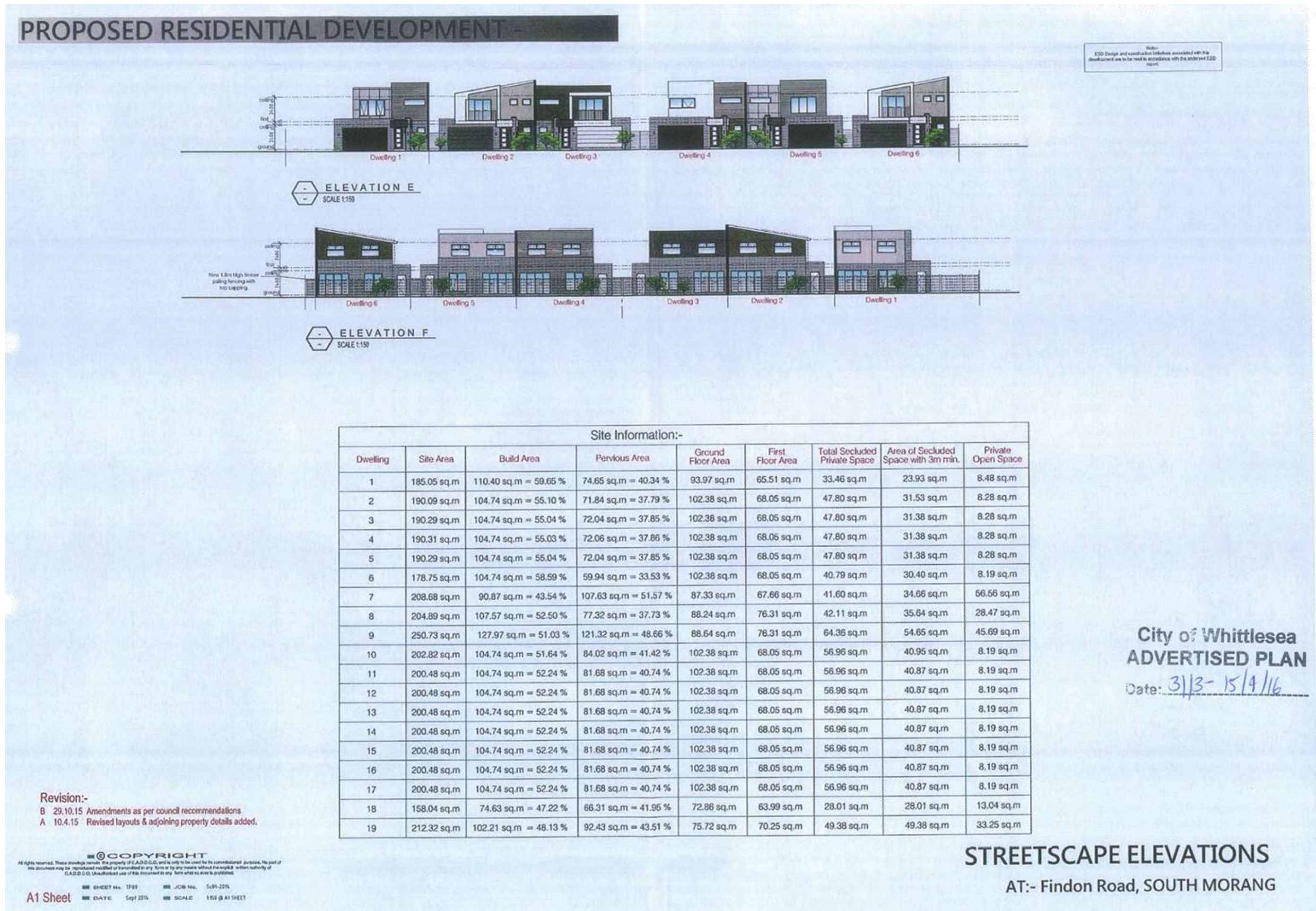
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A1 Sheet
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DATE: Sep 15th
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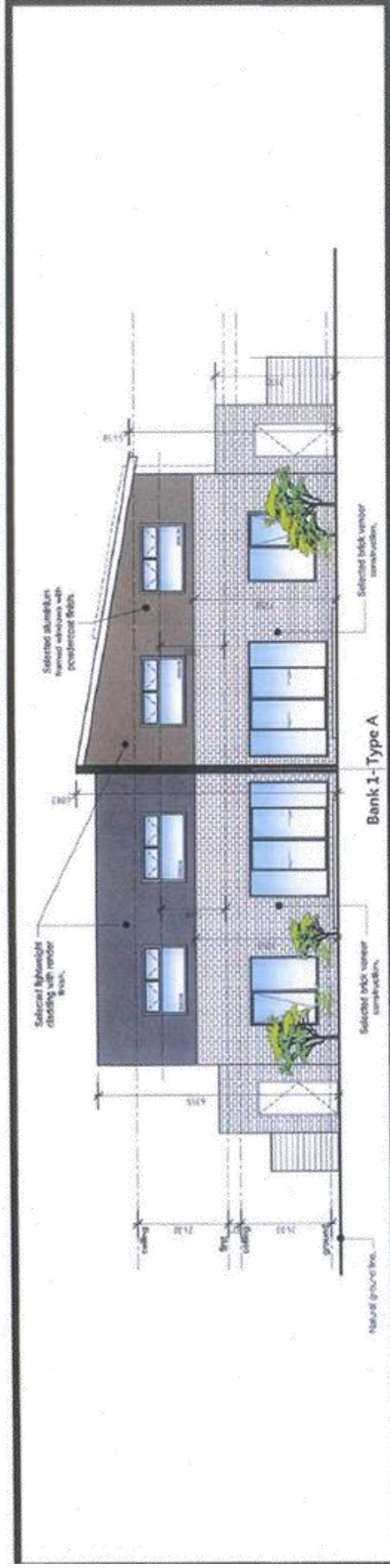
PROPOSED RESIDENTIAL DEVELOPMENT -



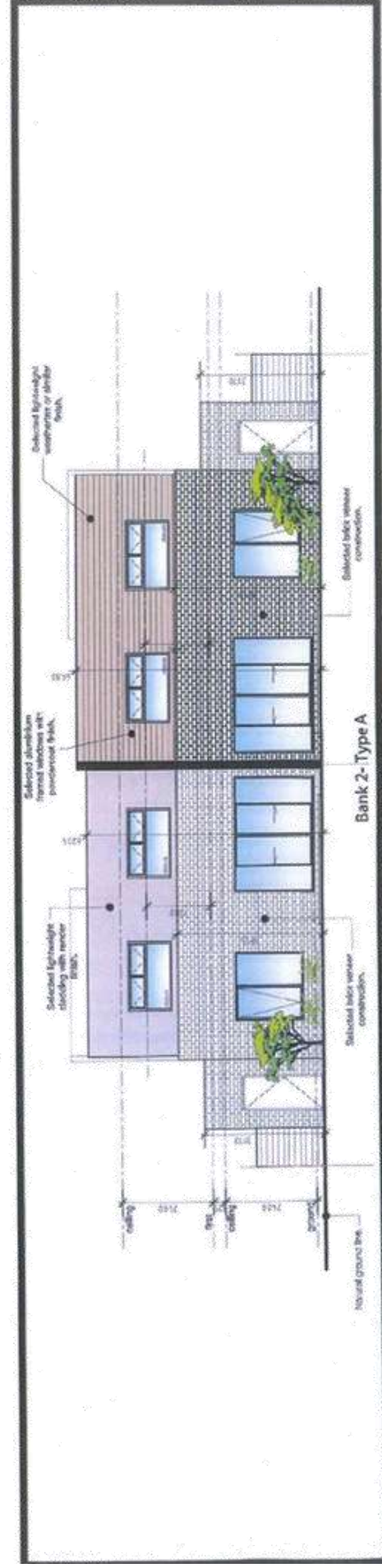




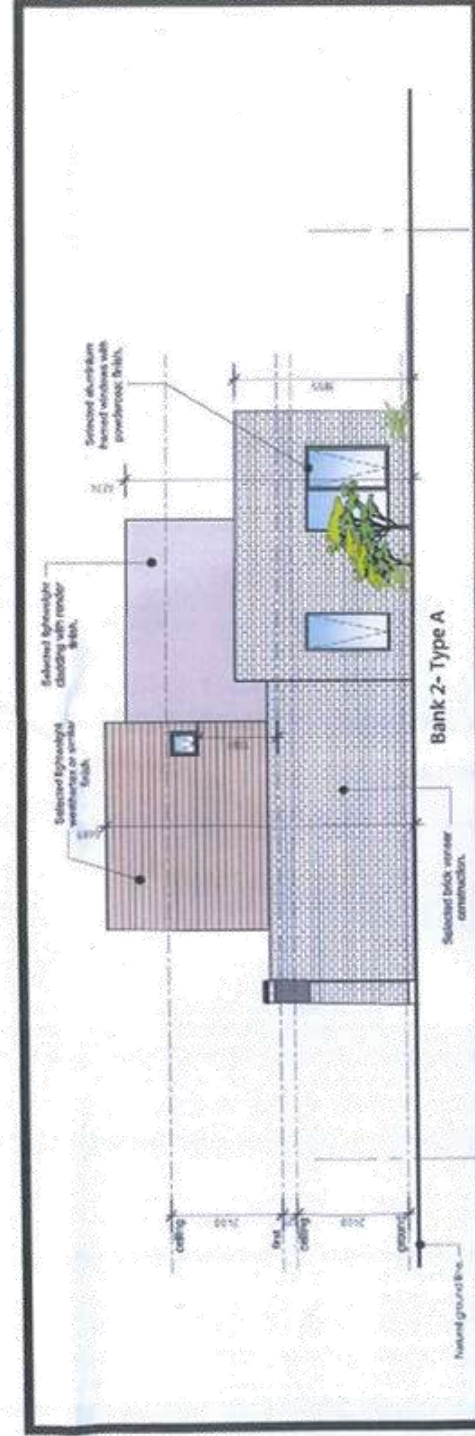
PROPOSED RESIDENTIAL DEVELOPMENT -



Rear Elevation - Type A



Rear Elevation - Type A



Side Elevation - Type A



Side Elevation - Type A

Revision:-

- B 29.10.15 Amendments as per council recommendations
- A 10.4.15 Revised layouts & adjoining property details added.

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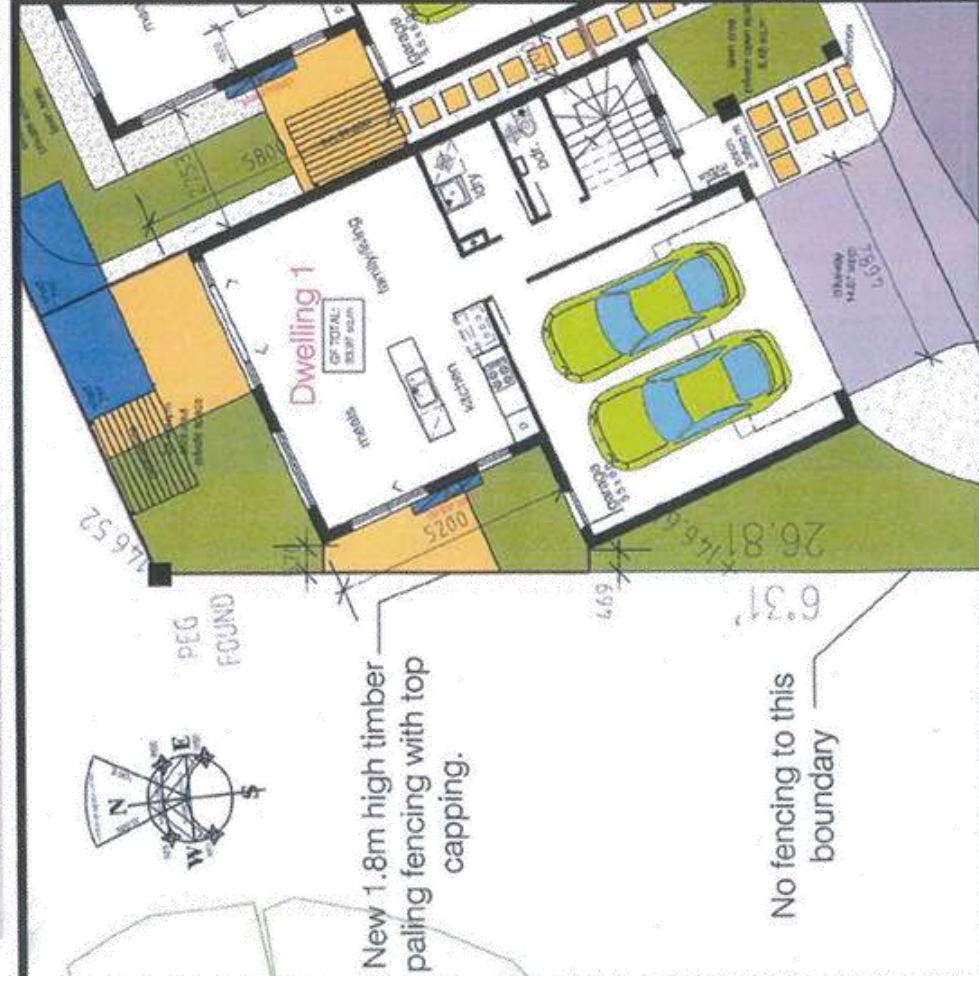
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DATE Sept 2016 SCALE 1:100 @ A2 SHEET

TYPE A - TYPICAL ELEVATIONS

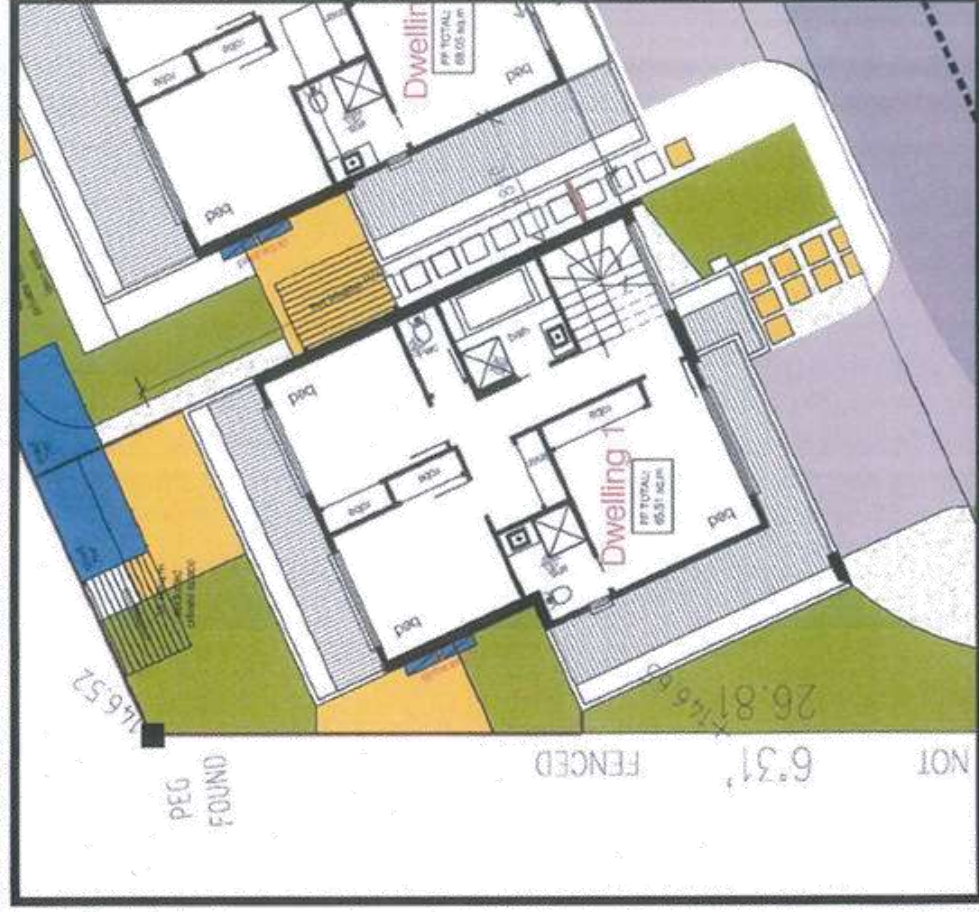
AT:- Findon Road, SOUTH MORANG

City of Whittlesea
ADVERTISED PLAN
Date 31/3-15/4/16

PROPOSED RESIDENTIAL DEVELOPMENT -



Ground Floor plan - Type B



First Floor plan - Type B



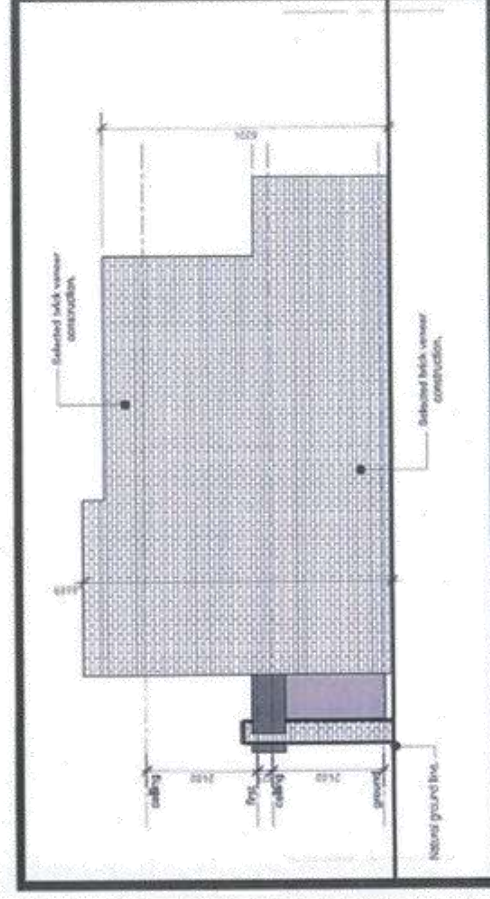
Street Elevation - Type B



Rear Elevation - Type B



Side Elevation - Type B



Side Elevation - Type B

Revision:-

- B 29.10.15 Amendments as per council recommendations
- A 10.4.15 Revised layouts & adjoining property details added.

City of Whittlesea
ADVERTISED PLA
Date: 31/3 - 15/4/16

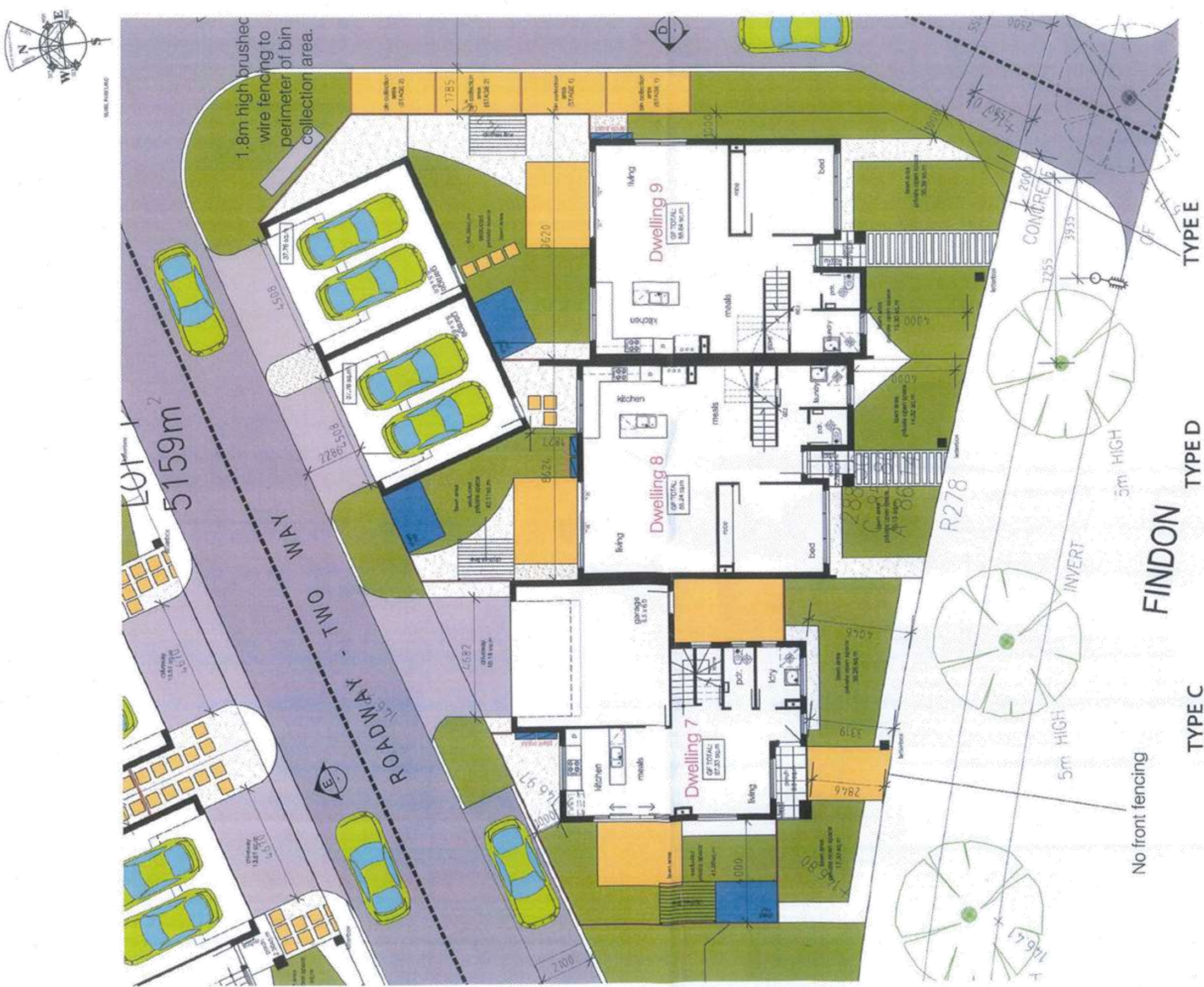
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A2 Sheet SHEET No. TP12 JOB No. SC01-2014 DATE Sep 2014 SCALE 1:100 @ A2 SHEET

TYPE B - TYPICAL PLANS & ELEV.
AT:- Findon Road, SOUTH MORANG

PROPOSED RESIDENTIAL DEVELOPMENT -



Revision:-

B

29.10.15

Amendments as per council recommendations

A

10.4.15

Revised layouts & adjoining property details added.

City of Warrnambool

ADVERTISED PLAN

Date: 31/3-5/4/16

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SHEET No. TP13

DATE

Sept 2014

JOB No.

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SC01-2014

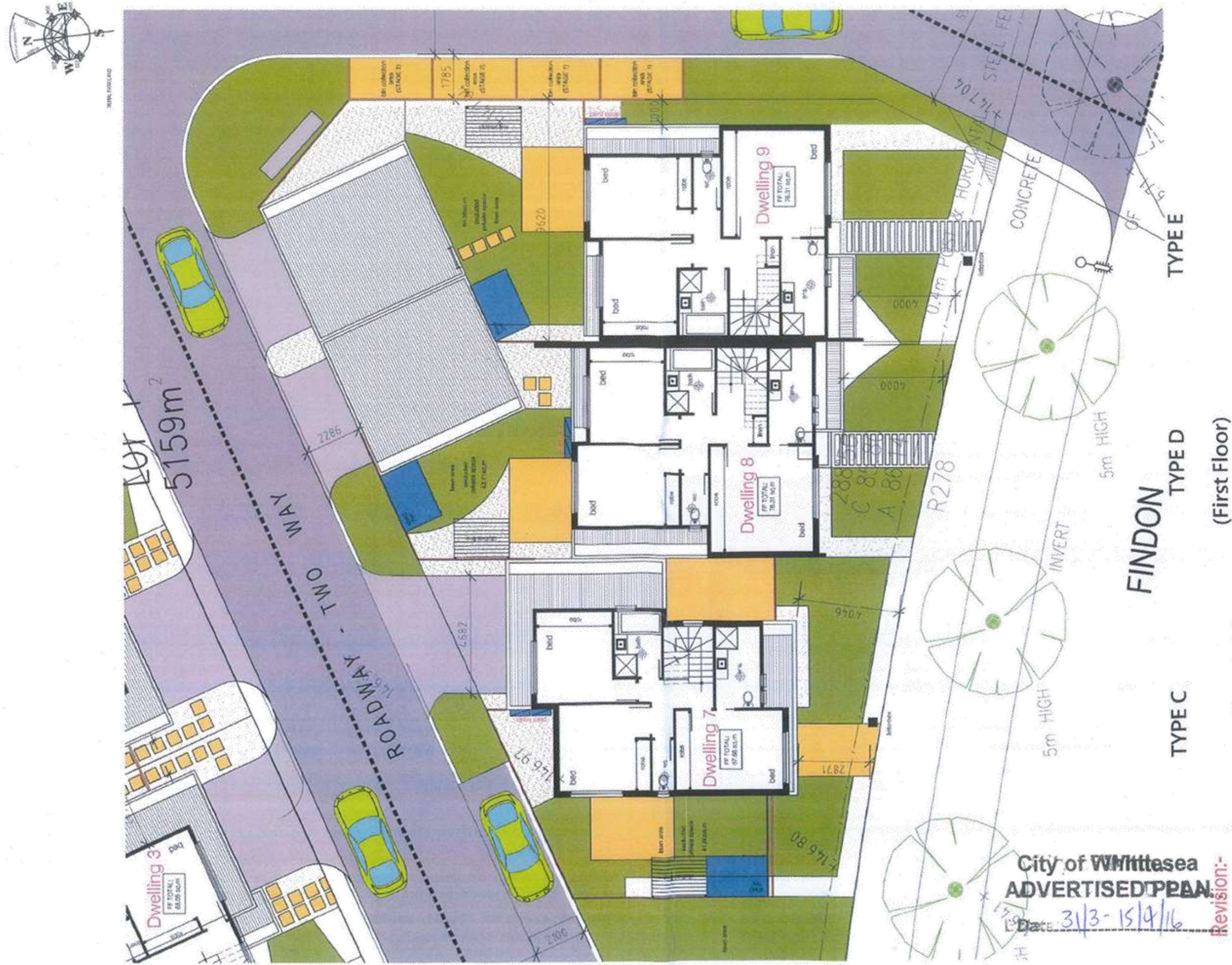
TYPE C,D & E -TYPICAL FLOOR PLANS
AT:- Findon Road, SOUTH MORANG

Item 6.1.3

Attachment 2

Page 41

PROPOSED RESIDENTIAL DEVELOPMENT -



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DATE Sept 2014
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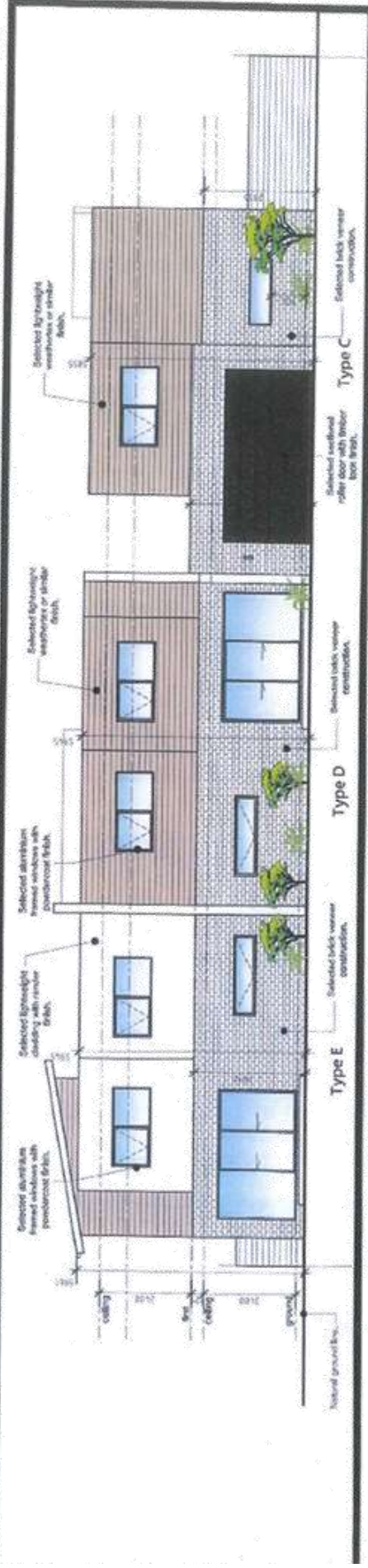
Revision:-
B 29.10.15 Amendments as per council recommendations
A 10.4.15 Revised layouts & adjoining property details added.

TYPE C,D & E -TYPICAL FLOOR PLANS
AT:- Findon Road, SOUTH MORANG

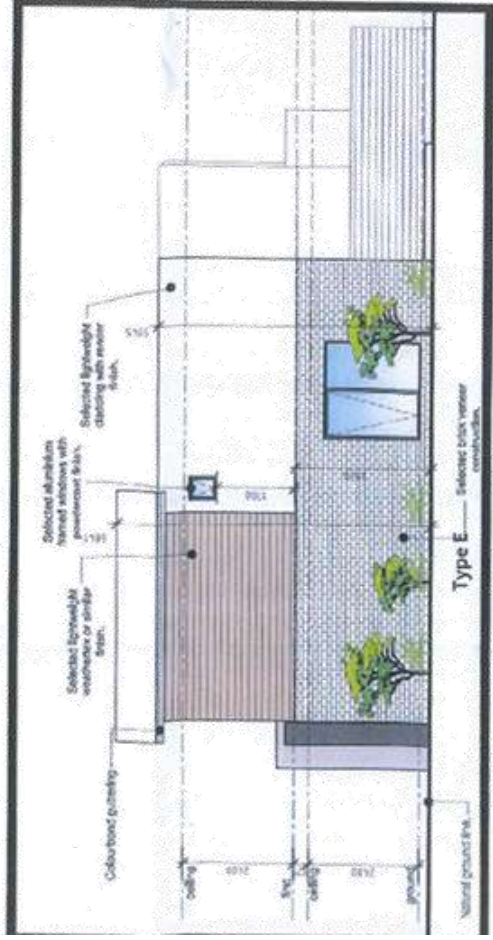
PROPOSED RESIDENTIAL DEVELOPMENT -



Street Elevation



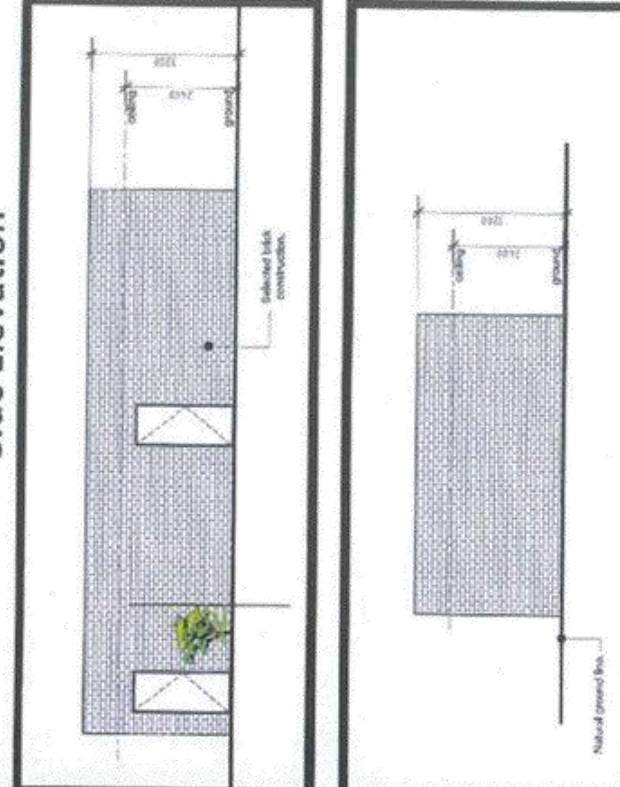
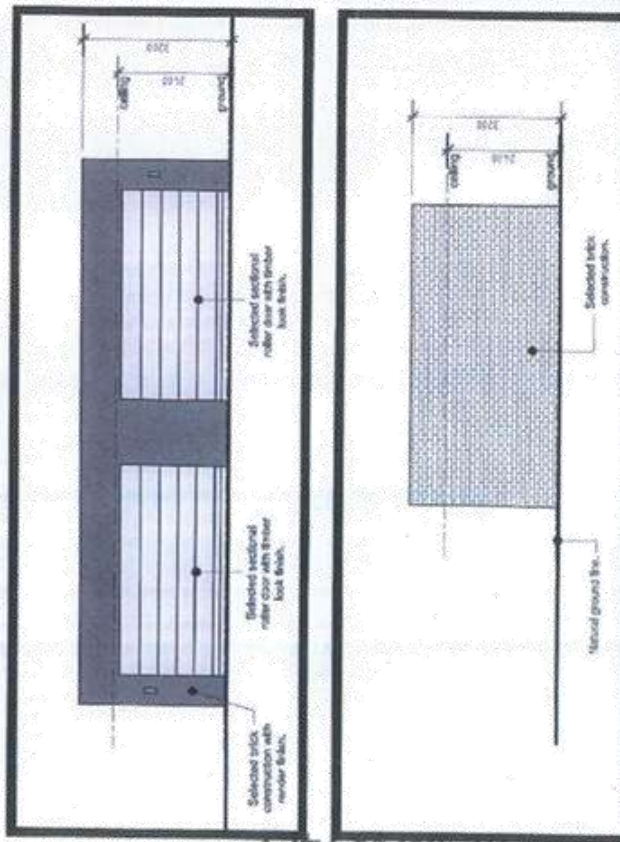
Rear Elevation



Side Elevation



Side Elevation



Garage Elevations - Type D & E

Revision:-

- B 29.10.15 Amendments as per council recommendations
- A 10.4.15 Revised layouts & adjoining property details added.

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A2 Sheet SHEET No. TP15 DATE Sep 2014 SCALE 1:100 @ A2 SHEET

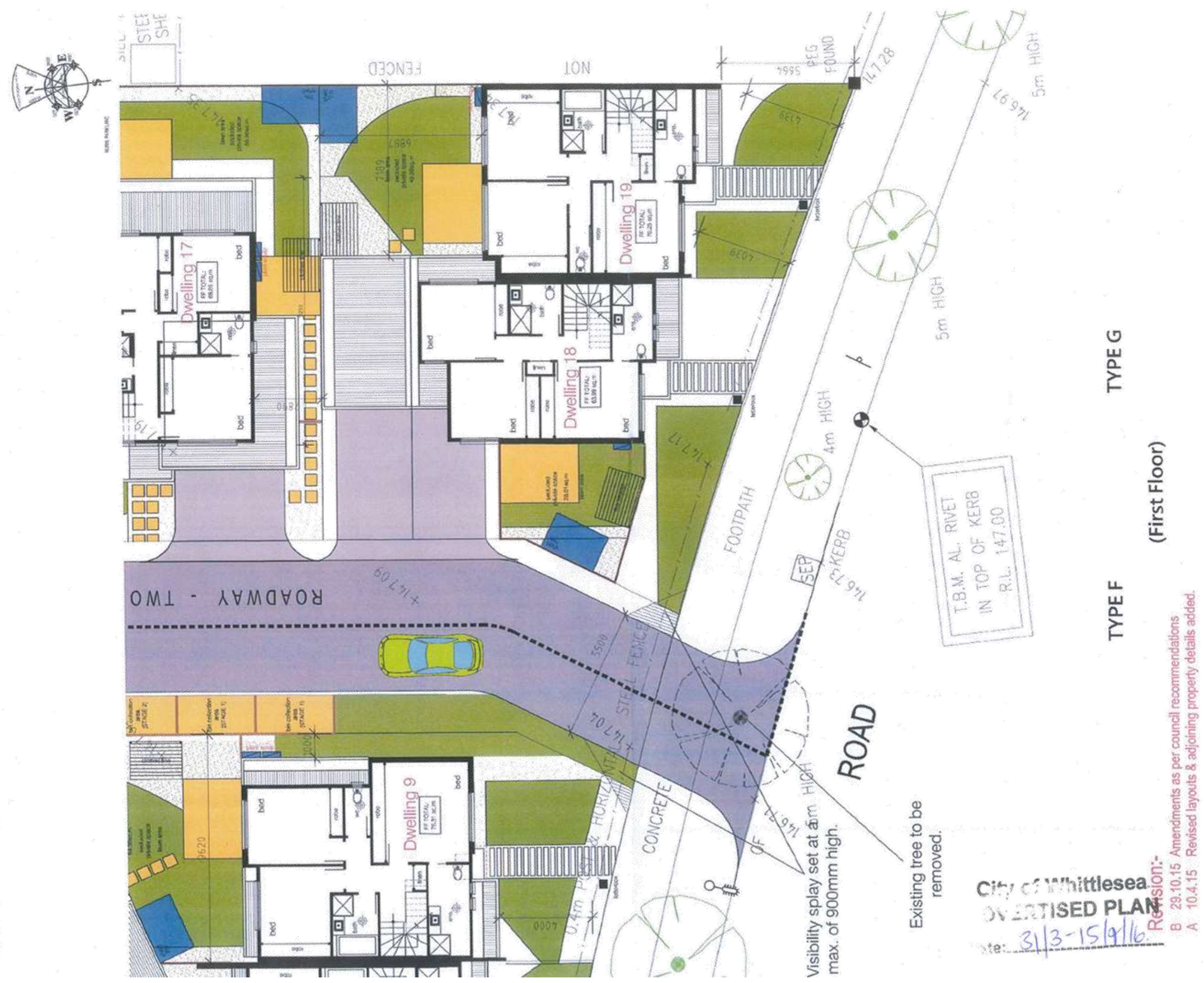
TYPE C, D & E -TYPICAL ELEVATIONS

AT:- Findon Road, SOUTH MORANG

PROPOSED RESIDENTIAL DEVELOPMENT -



PROPOSED RESIDENTIAL DEVELOPMENT -



TYPE F & G -TYPICAL FLOOR PLANS
AT:- Findon Road, SOUTH MORANG

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A2 Sheet

Revision:-
B 29.10.15 Amendments as per council recommendations
A 10.4.15 Revised layouts & adjoining property details added.

City of Whittlesea
OVERSIGHT PLAN
Date: 31/3-15/9/16

Copyright
SHEET No. TP17
DATE Sept 2014
JOB No. SC01-2014
SCALE 1:100 @ A2 SHEET

PROPOSED RESIDENTIAL DEVELOPMENT -



Street Elevation



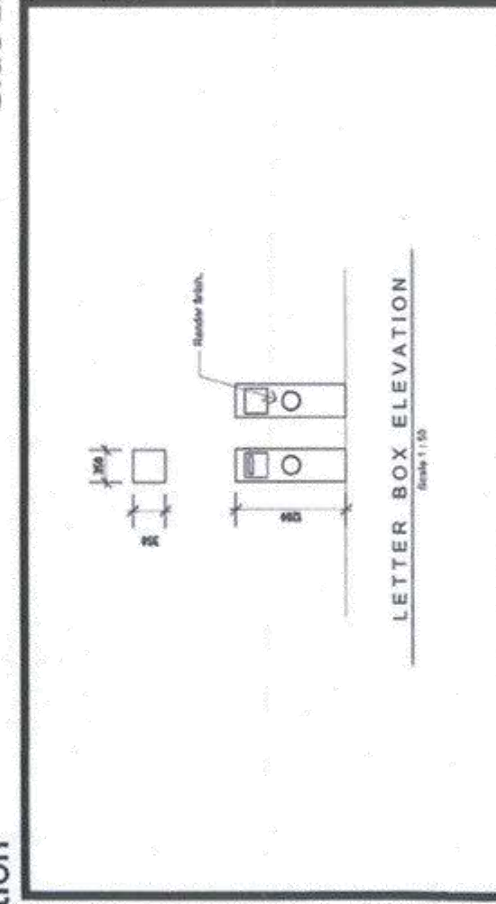
Rear Elevation



Side Elevation



Side Elevation



Typical letterbox detail.

City of Whittlesea
ADVERTISED PLAN

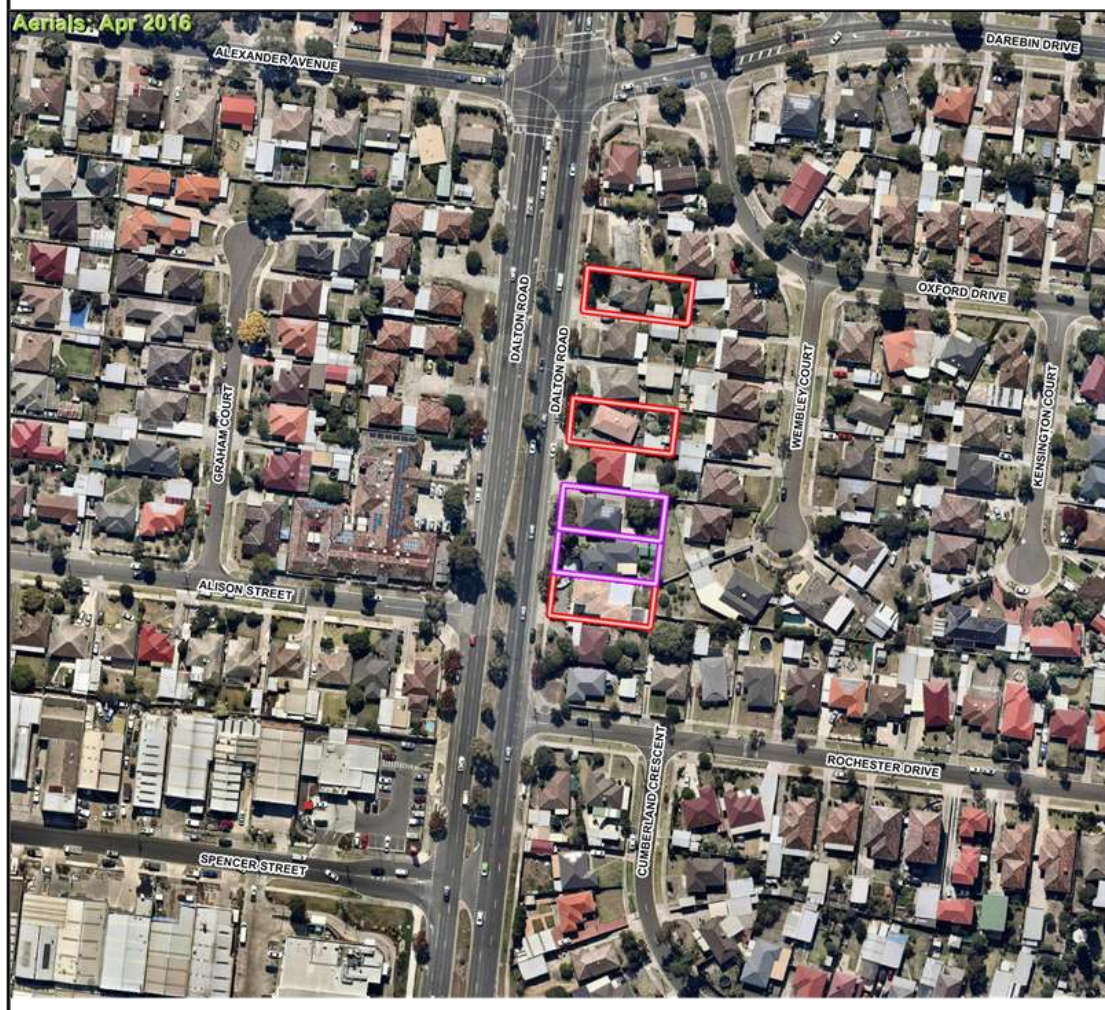
revision:-
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10.4.15 Revised layouts & adjoining property details added.

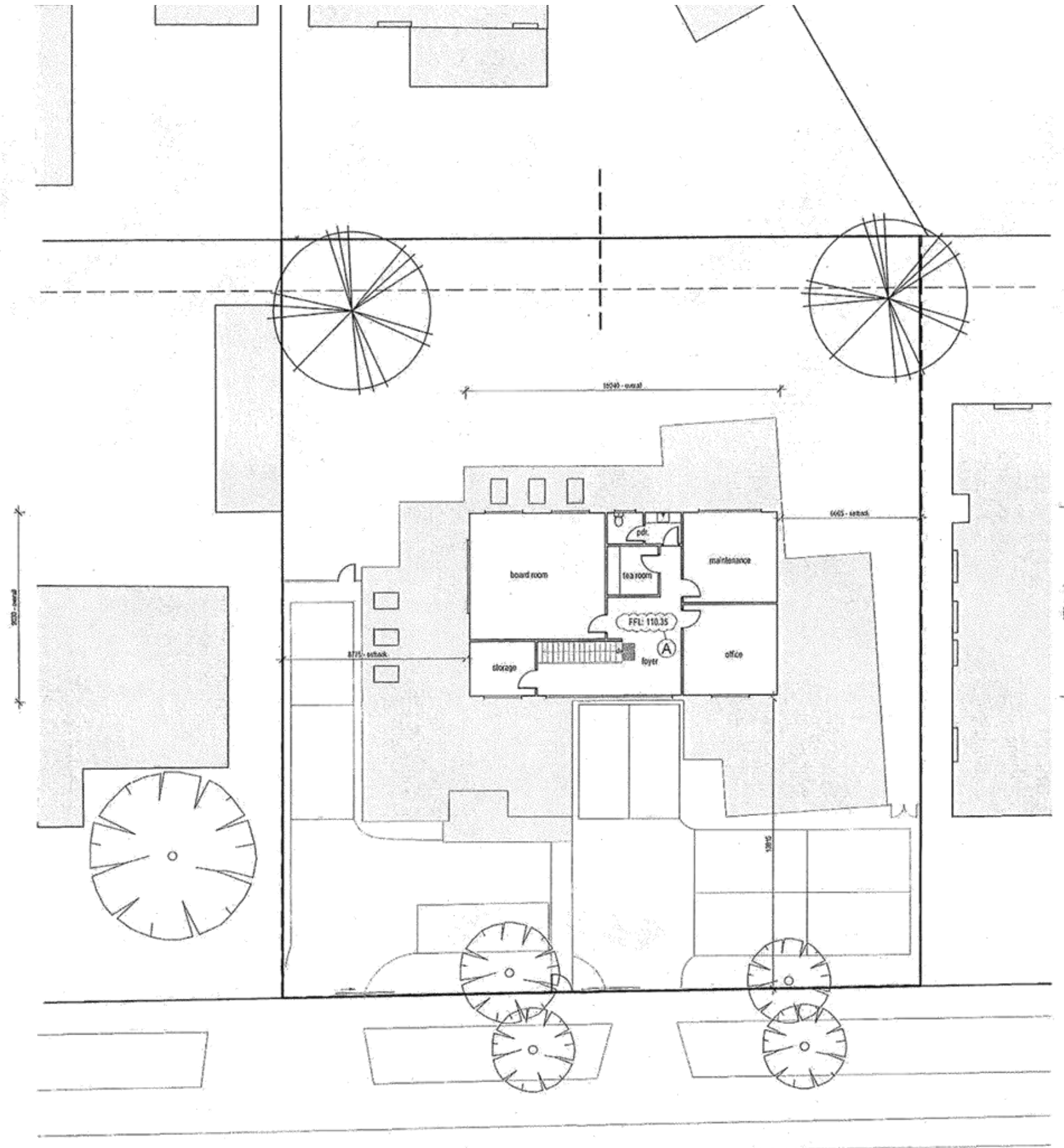
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A2 Sheet
SHEET No. TP18
DATE Sept 2014
JOB No. 5101-2014
SCALE 1:100 @ A2 SHEET

TYPE F & G -TYPICAL ELEVATIONS
AT:- Findon Road, SOUTH MORANG

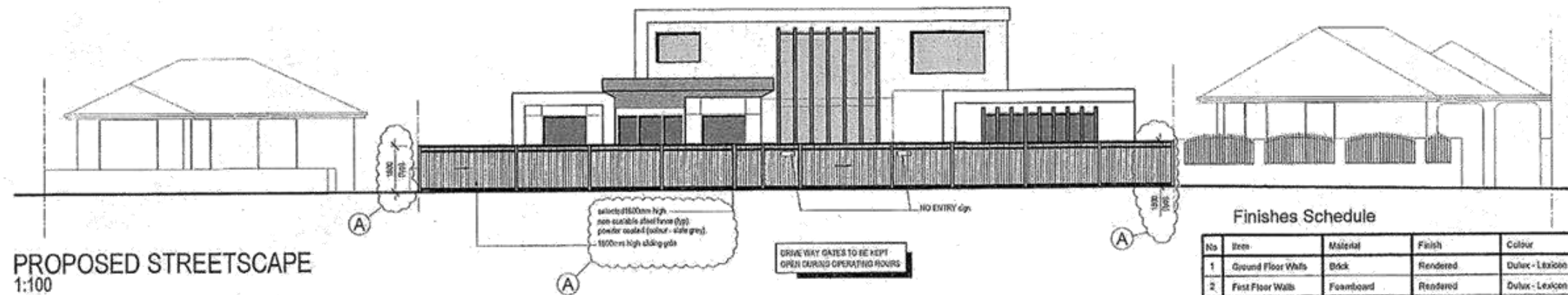
PLANNING APPLICATION NO. 715747**Subject Land****Objector plus 1 outside municipality****City of
Whittlesea****ESTABLISHED AREAS PLANNING REPORT**

PLANNING APPLICATION NO. 715747**Subject Land****Objector plus 1 outside municipality****City of
Whittlesea****ESTABLISHED AREAS PLANNING REPORT**



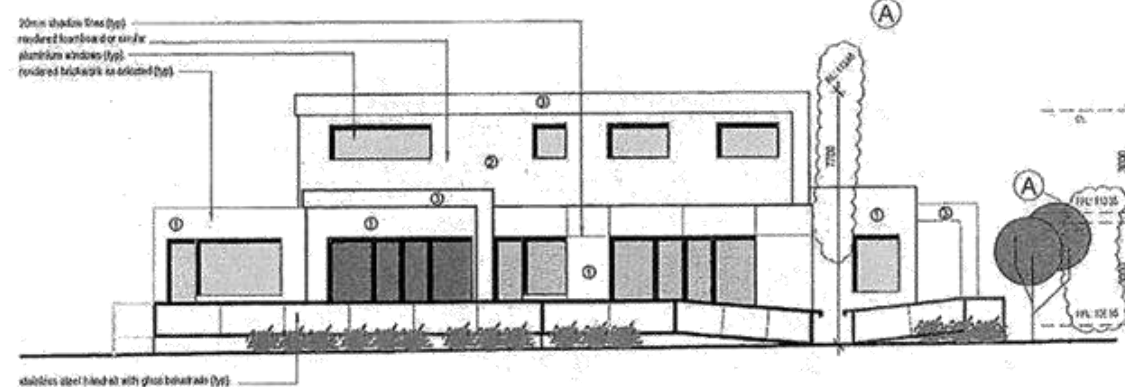
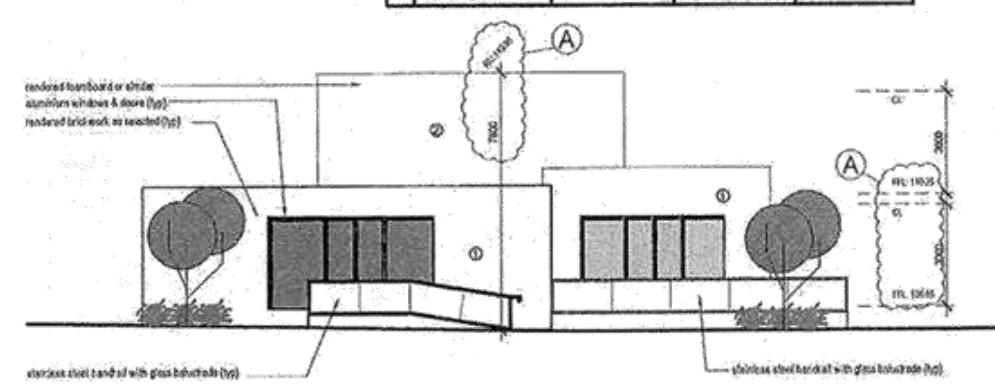
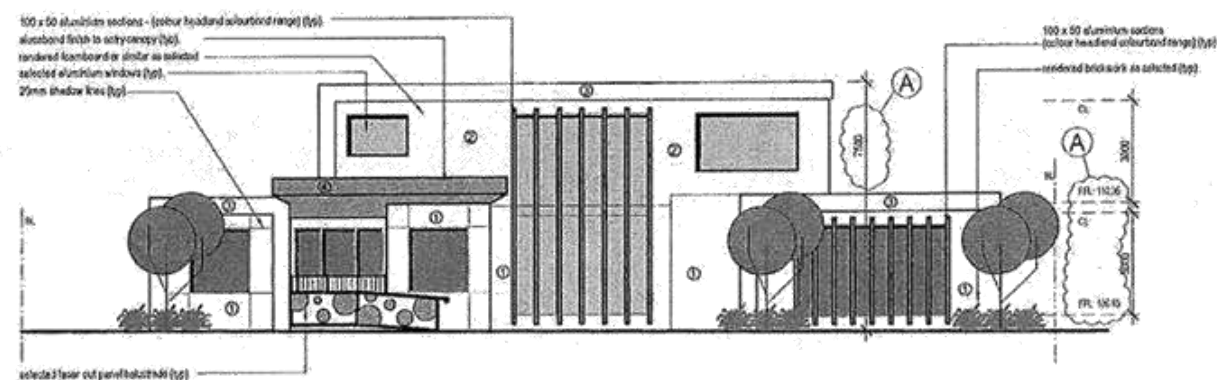
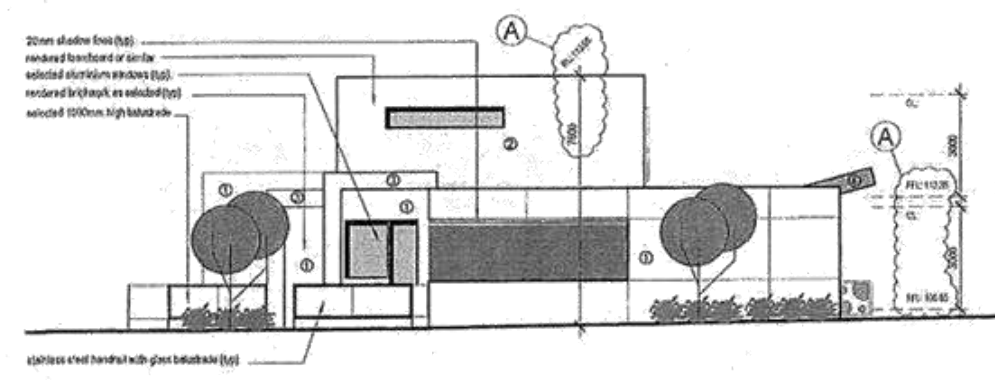
PROPOSED FIRST FLOOR PLAN

[illegible]

PROPOSED STREETSCAPE
1:100

Finishes Schedule

No	Item	Material	Finish	Colour
1	Ground Floor Walls	Brick	Rendered	Dulux - Lexicon
2	First Floor Walls	Foamboard	Rendered	Dulux - Lexicon
3	Parapet Fascias	Compressed Sheet	Painted	Dulux - Lexicon Double Strength
4	Entry Canopy	Alucobond	Powder Coated	Headland Colourbond Range
5	Roof	Kliplok	Metal	Zinc
6	Down Pipes	Metal	Natural	Zinc
7	Windows	Aluminium	Anodized	Silver
8	Driveway/Path	Concrete	Aggregate Exposed	Blue Stone

PROPOSED EAST ELEVATION
1:100PROPOSED SOUTH ELEVATION
1:100PROPOSED WEST ELEVATION
1:100PROPOSED NORTH ELEVATION
1:100

A	as per council RFP	May 2015



Important Notes:
These drawings must not be scaled.
Figured dimensions take precedence.
It is the builder and all sub-contractors responsibility to verify all dimensions, levels and existing conditions on site prior to commencement of any works and ordering of materials.
Any discrepancies are to be reported to the office immediately.
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All window and door sizes to be verified on site prior to ordering.

Project:
Proposed Childcare Centre
Address:
84-86 Dalton Road,
Thornastown

Drawing:
Planning



Level 1 107 Bridge Road
Brimbank VIC 3021
Ph: (03) 9427 9096
Fax: (03) 9427 9396
tamvakisgroup@bigpond.com

Drawn:
Mayra Atrio

Checked:

Scale: As Shown
Date: May 2015

Sheet: 7 of 8

Job Number:

1397A

TAMVAKIS GROUP



**City of
Whittlesea**

ESTABLISHED AREAS PLANNING REPORT

PLANNING APPLICATION NO. 715782



Subject Land



Objector



Medium Density Housing

City of
Whittlesea

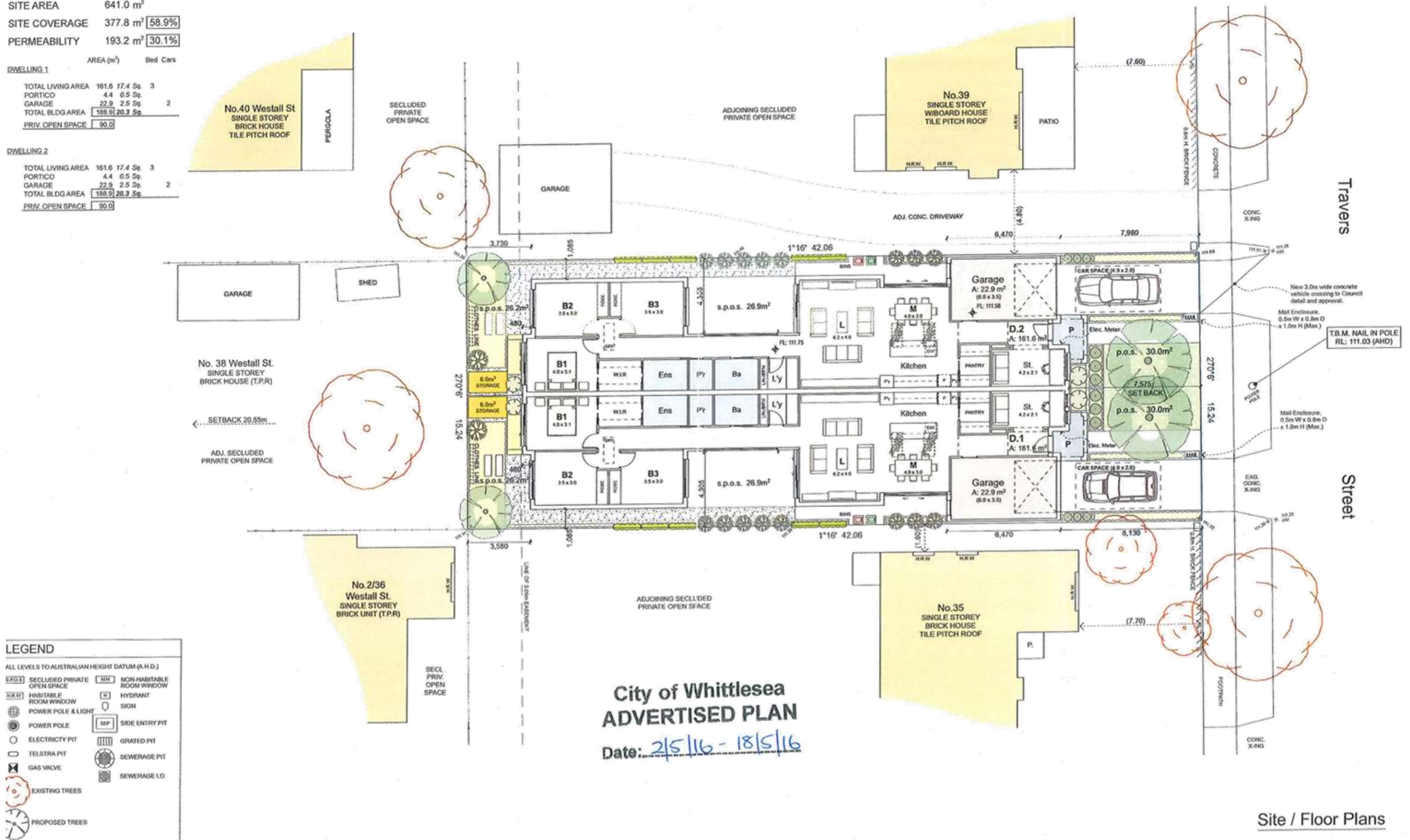
ESTABLISHED AREAS PLANNING REPORT

Area Schedule

SITE AREA 641.0 m²
 SITE COVERAGE 377.8 m² 58.9%
 PERMEABILITY 193.2 m² 30.1%

DWELLING 1
 AREA (m²) Bed Cars
 TOTAL LIVING AREA 161.6 17.4 Sq. 3
 PORTICO 4.4 0.5 Sq.
 GARAGE 22.9 2.5 Sq.
 TOTAL BLDG AREA 188.9 20.3 Sq.
 PRIV. OPEN SPACE 90.0

DWELLING 2
 AREA (m²) Bed Cars
 TOTAL LIVING AREA 161.6 17.4 Sq. 3
 PORTICO 4.4 0.5 Sq.
 GARAGE 22.9 2.5 Sq.
 TOTAL BLDG AREA 188.9 20.3 Sq.
 PRIV. OPEN SPACE 90.0



Job Status: **TOWN PLANNING**

Notes:
 o not scale the drawings.
 he Builder shall check and verify all dimensions
 and verify any errors or omissions to the Architect.
 drawings shall not be used for construction purposes
 until issued by the Architect for construction.

Comments:
 25.01.16 A: TP Application Submission
 01.04.16 B: TP RFI
 19.04.16 C: Dwelling 2 Entry

Project:
 Proposed Residential Development
 37 Travers Street THOMASTOWN VIC 3074
 Client:
 All IBIS
 Drawing Title:
 SITE / FLOOR PLANS

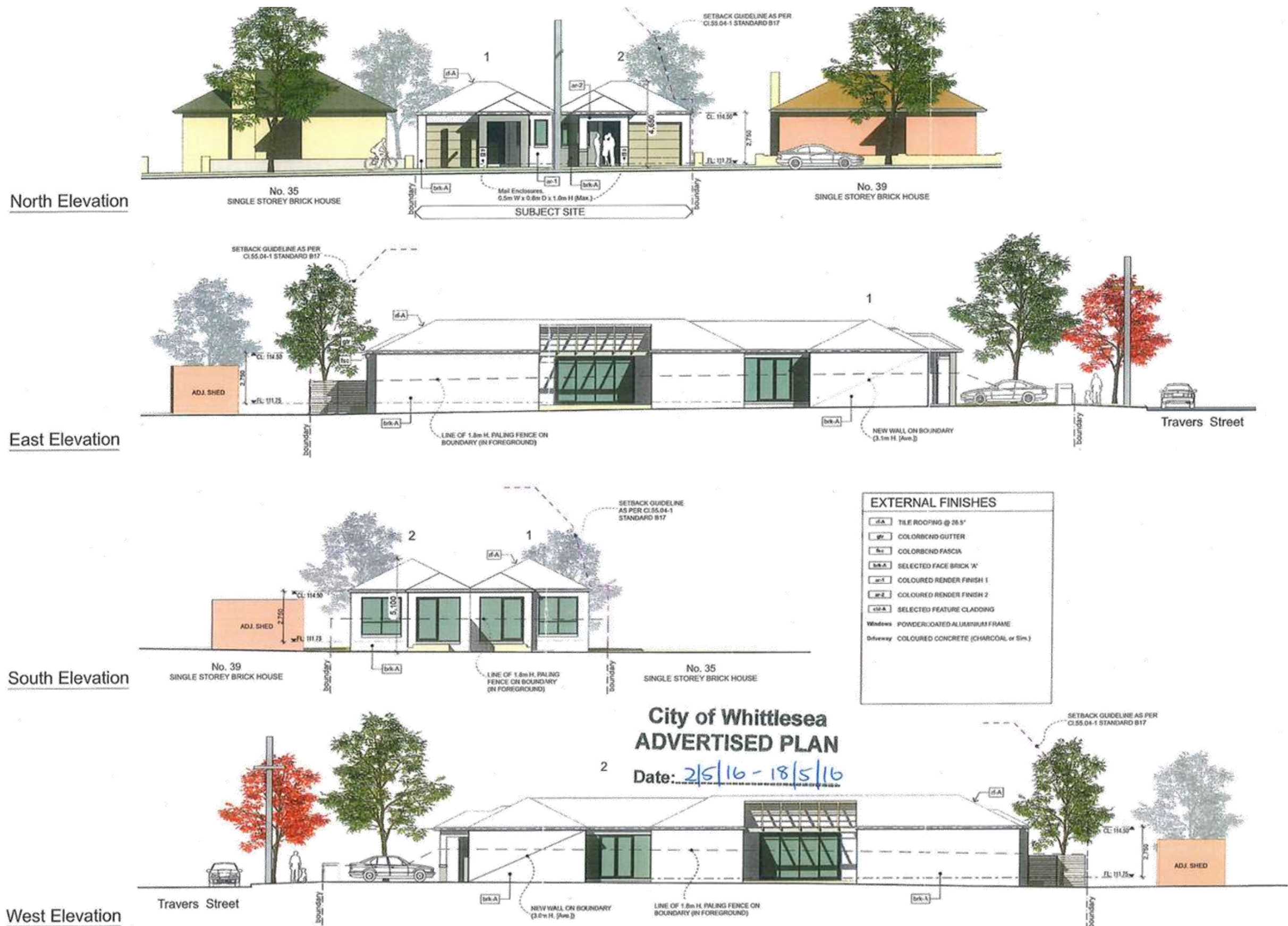
Issue Date:
 19/04/16
 Scale:
 1:100@A1
 or 1:200@A3

Drawn:
 QL
 Checked:
 MV

ROBUS GROUP
 53 Chatsworth Quadrant
 TEMPLESTOWE LOWER VIC 3107
 03 9850 4997
 admin@robustgroup.com.au
 www.robustgroup.com.au

robust
 ARCHITECTURE

Job No.
 15118
 Sheet No.
 TP.01.C

**Job Status: TOWN PLANNING**

Notes:

Do not scale the drawings.

The Builder shall check and verify all dimensions and verify any errors or omissions to the Architect.

Drawings shall not be used for construction purposes until issued by the Architect for construction.

Comments:

25.01.16 A: TP Application Submission

01.04.16 B: TP RFI

19.04.16 C: Dwelling 2 Entry

Project:
Proposed Residential Development
37 Travers Street THOMASTOWN VIC 3074

Client:
Ali IBIS

Drawing Title:
ELEVATIONS

Issue Date:
19/04/16

Scale:
1:100@A1
or 1:200@A3

Drawn:
QL

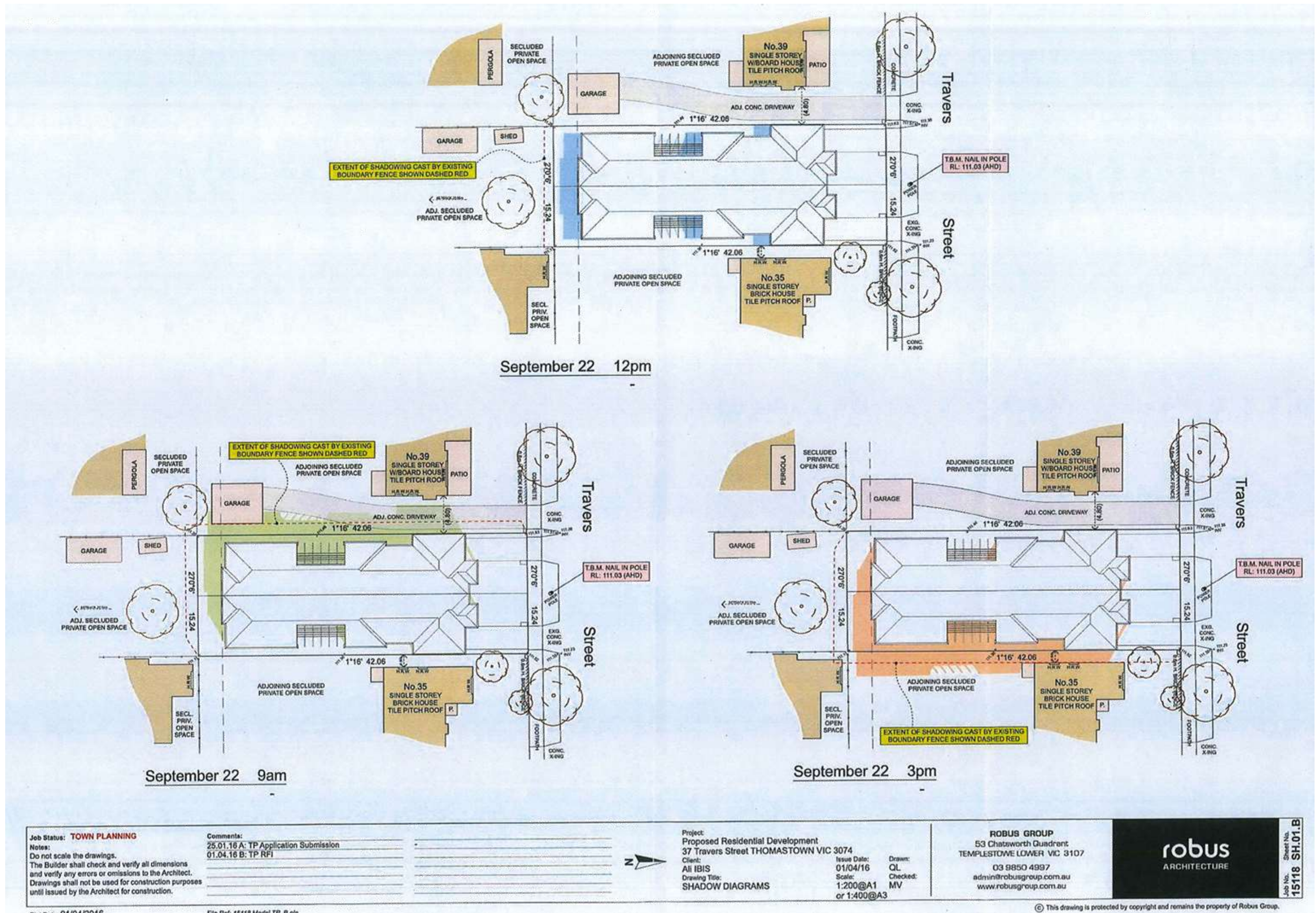
Checked:
MV

ROBUS GROUP
53 Chatsworth Quadrant
TEMPLESTOWE LOWER VIC 3107

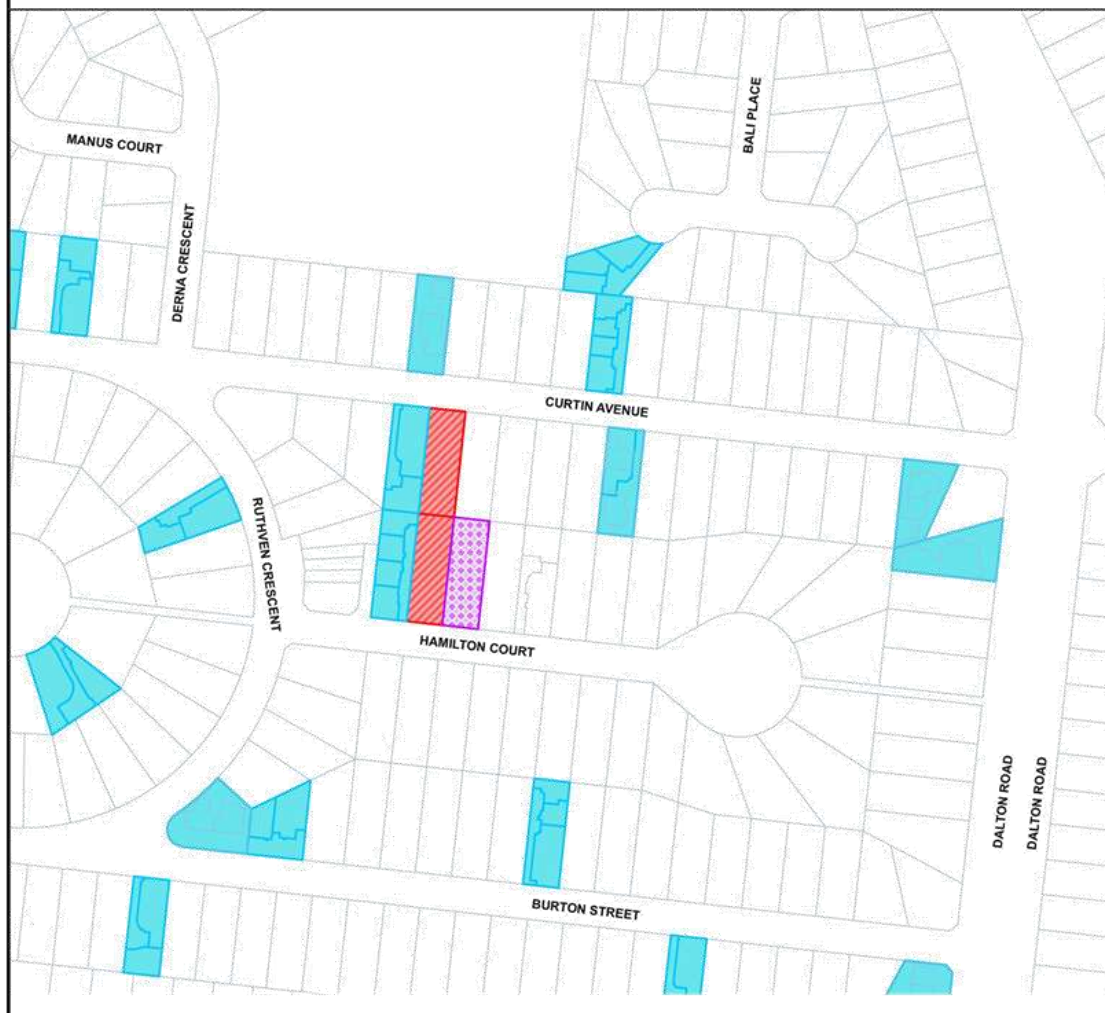
03 9850 4997
admin@robustgroup.com.au
www.robustgroup.com.au

robust
ARCHITECTURE

Job No. 15118
Sheet No. TP.02.C



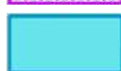
PLANNING APPLICATION NO. 715907



Subject Land



Objector



Medium Density Housing



**City of
Whittlesea**

ESTABLISHED AREAS PLANNING REPORT

PLANNING APPLICATION NO. 715907



Subject Land



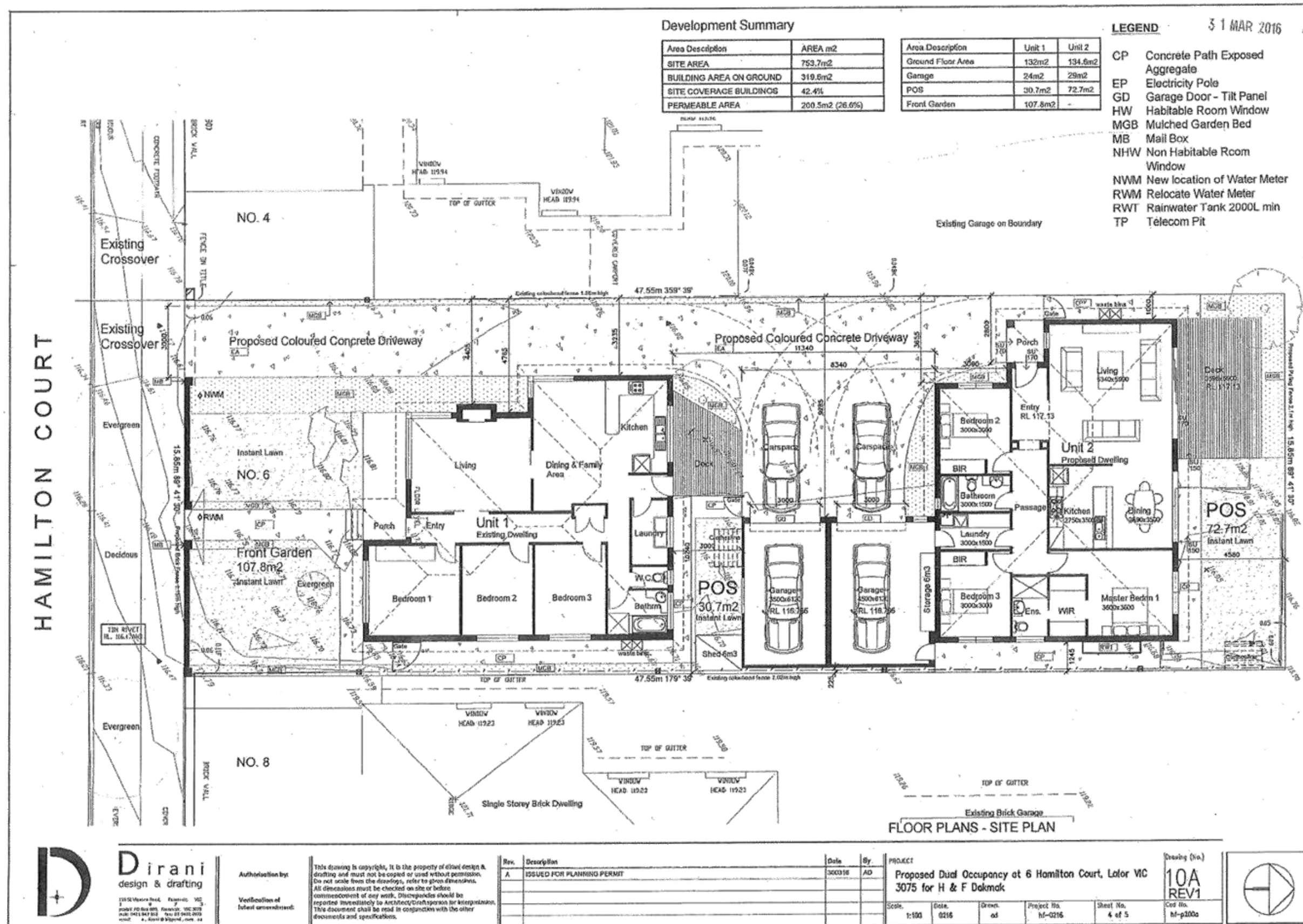
Objector



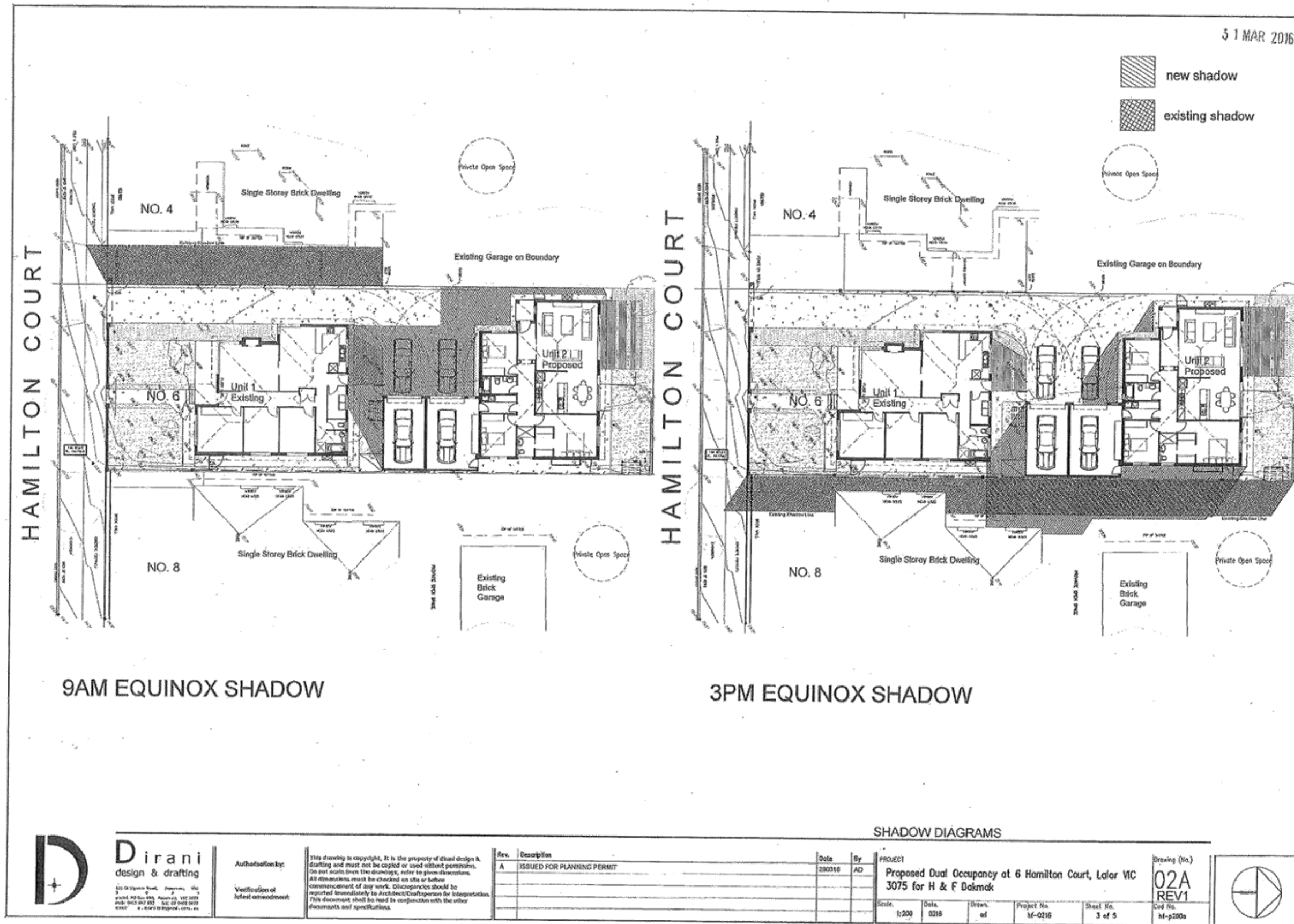
Medium Density Housing

City of
Whittlesea

ESTABLISHED AREAS PLANNING REPORT







PLANNING APPLICATION NO. 715913



City of
Whittlesea

ESTABLISHED AREAS PLANNING REPORT

PLANNING APPLICATION NO. 715913



Subject Land

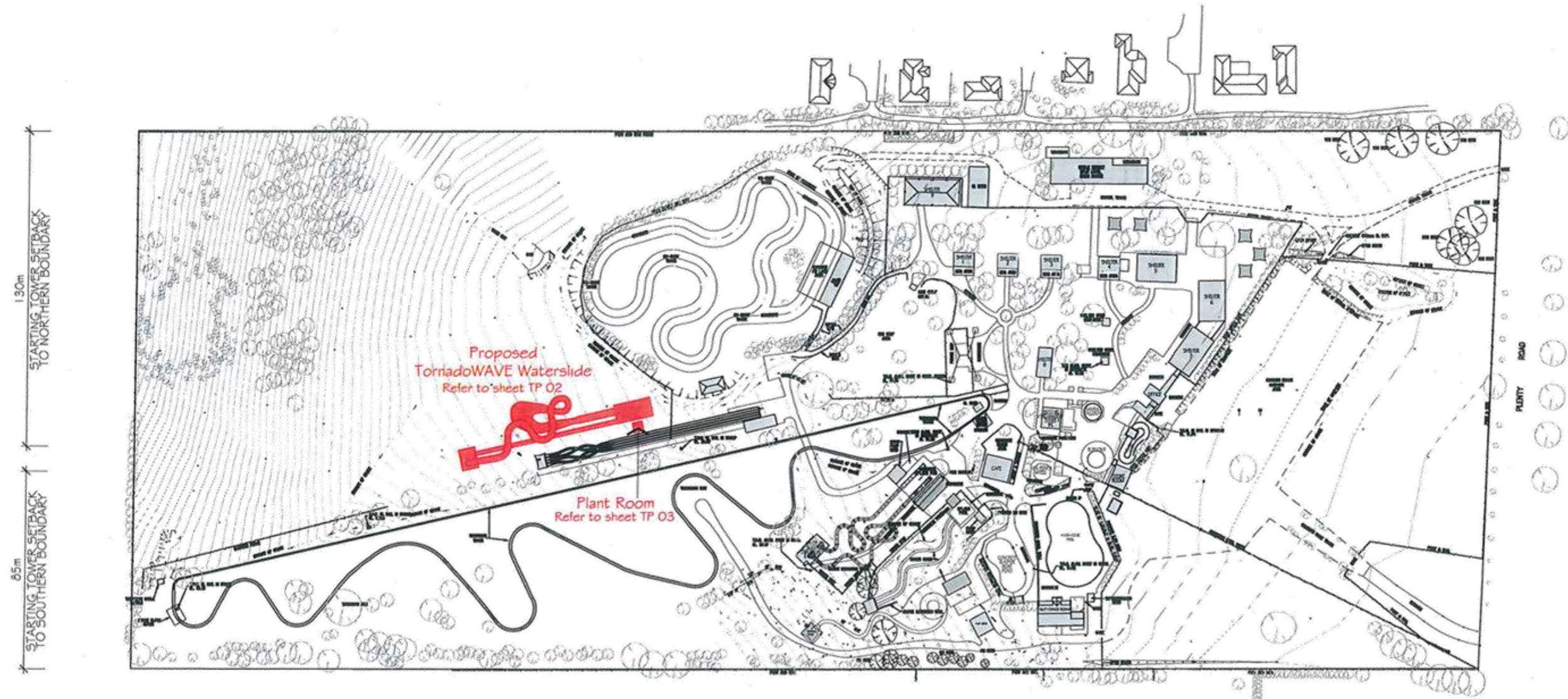


Objector



**City of
Whittlesea**

ESTABLISHED AREAS PLANNING REPORT



City of Whittlesea
ADVERTISED PLAN
 Date: 16/5-11/6/16

6 MAY 2016

SITE PLAN
 (SCALE 1:2000)

PROPOSED TornadoWAVE WATERSLIDE



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Revision	Date

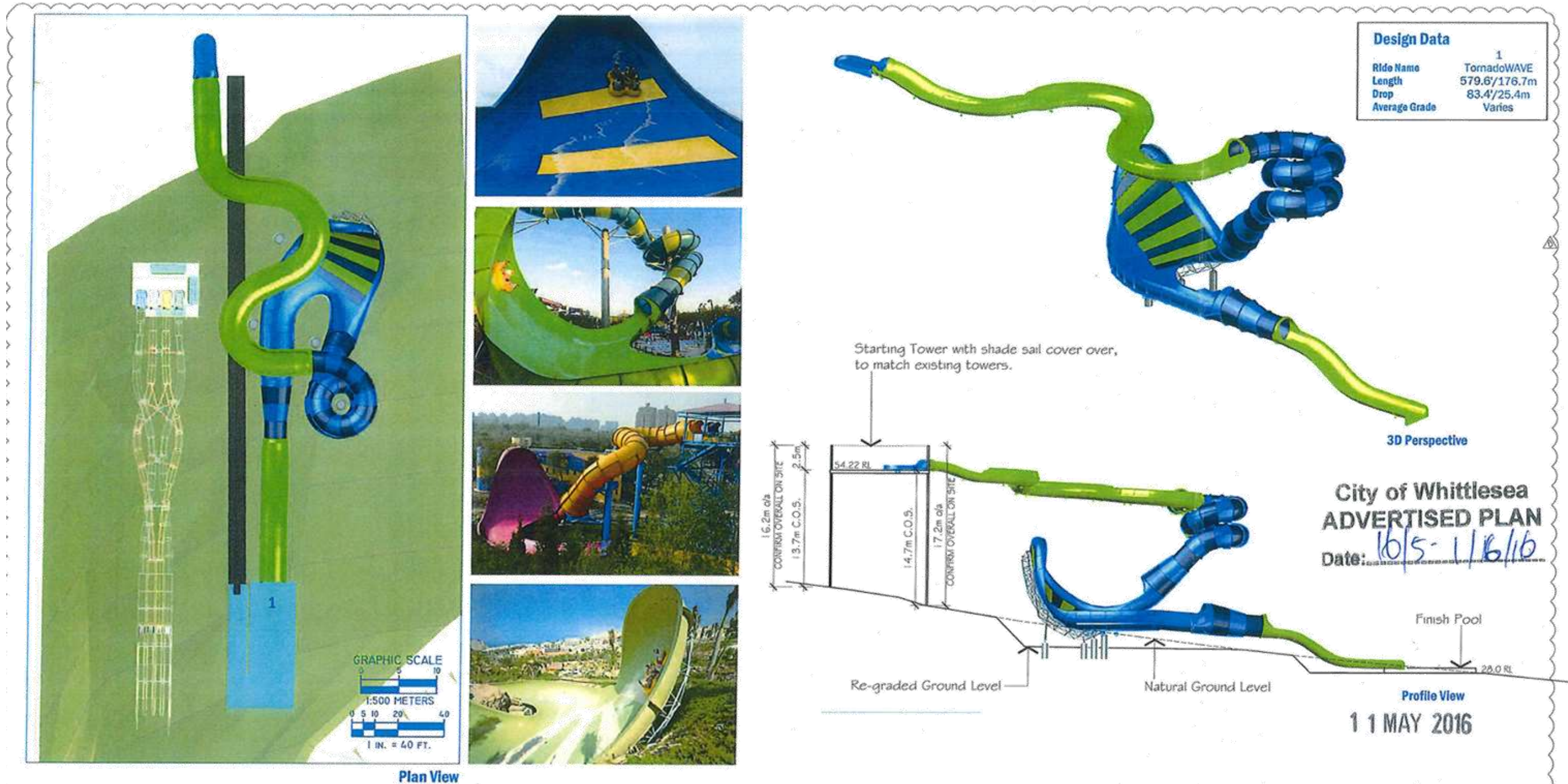


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 F 61 3 9489 9070
 E office@studioiod.com.au

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 F 61 3 9489 9070
 E office@studioiod.com.au

TOWN PLANNING SUBMISSION
 Project
 PROPOSED ADDITIONAL ATTRACTION
 TornadoWAVE WATERSLIDE
FUNFIELDS

Job No.	Date
15.179	March 2016
Drawn by	Checked
A.C.	I.O.
Scale	Format
1:2000	A3



TornadoWAVE™

The only 4-person curved-wall ride.

4-Person
~720
per hour

Proposal#: P16-227-A-04-MESH

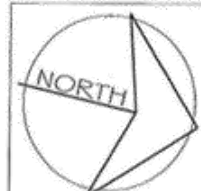
Date: 2016-04-28

Design by: JH&Kc

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PROPOSED TornadoWAVE WATERSLIDE



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Revision Date

B. 10.05.16, AMEND WATERSLIDE STARTING PLATFORM HEIGHT
A. 05.05.16, INCREASE OVERALL WATERSLIDE HEIGHT

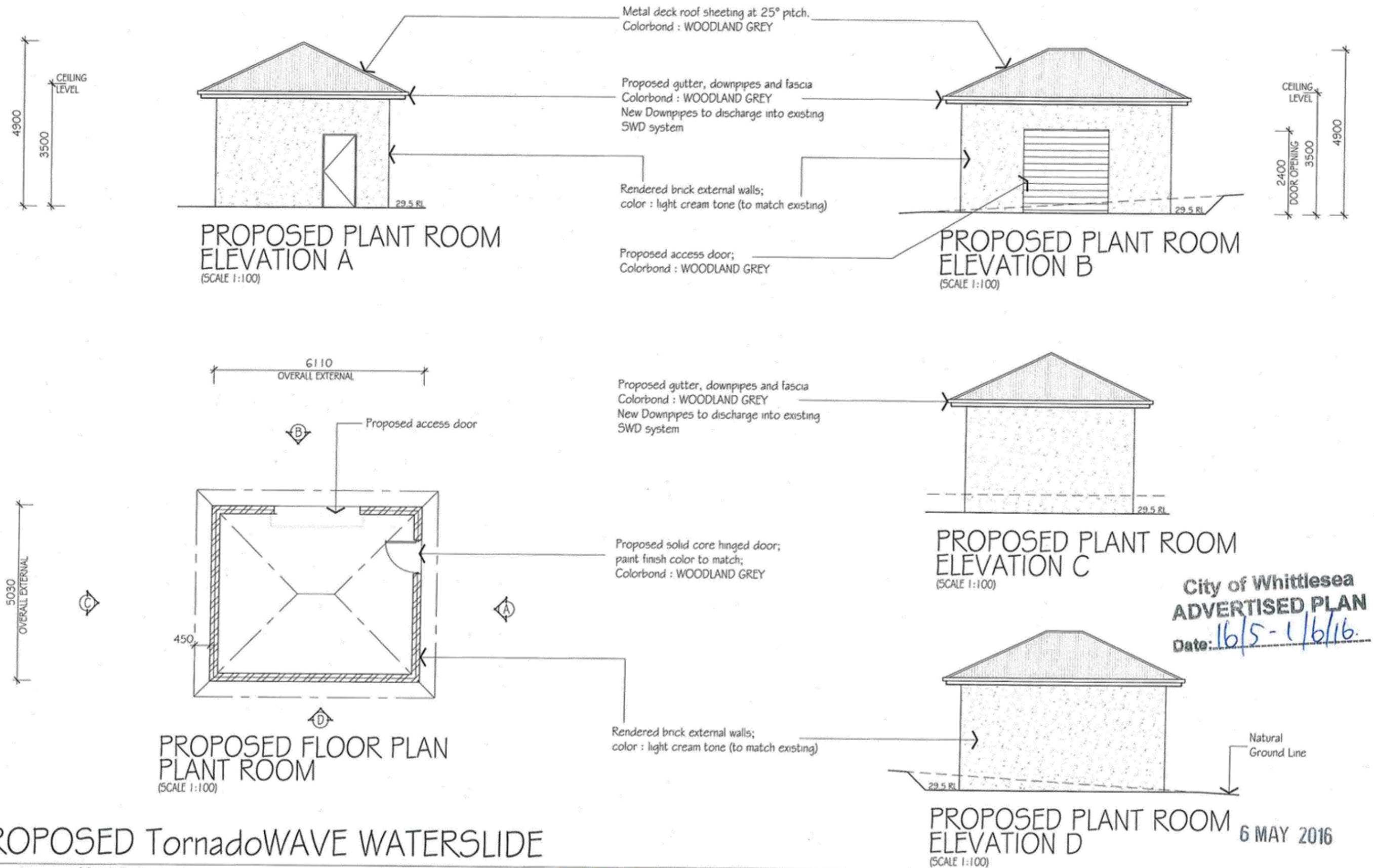


STUDIO
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ISABELLE OLIVERI DESIGN

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F 61 3 9489 9070
E office@studioiod.com.au

TOWN PLANNING SUBMISSION
Project
PROPOSED ADDITIONAL ATTRACTION
TornadoWAVE WATERSLIDE
FUNFIELDS
2365 PLENTY ROAD, WHITTLESEA
Client: Council Whittlesea P/Ltd

Job No.	15.179	Date	March 2016
Drawn by	A.C.	Checked	I.O.
Scale	Not to Scale	Format	A3
Revision		Drawing No.	TP 00



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Revision	Date



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 E info@studioiod.com.au

TOWN PLANNING SUBMISSION
 Project
 PROPOSED ADDITIONAL ATTRACTION
 TornadoWAVE WATERSLIDE
FUNFIELDS

Job No.	Date
15.179	March 2016
Drawn by	Checked
A.C.	I.O.
Scale	Format
1:100	A3

PLANNING APPLICATION NO. 715508



Subject Land



Objector

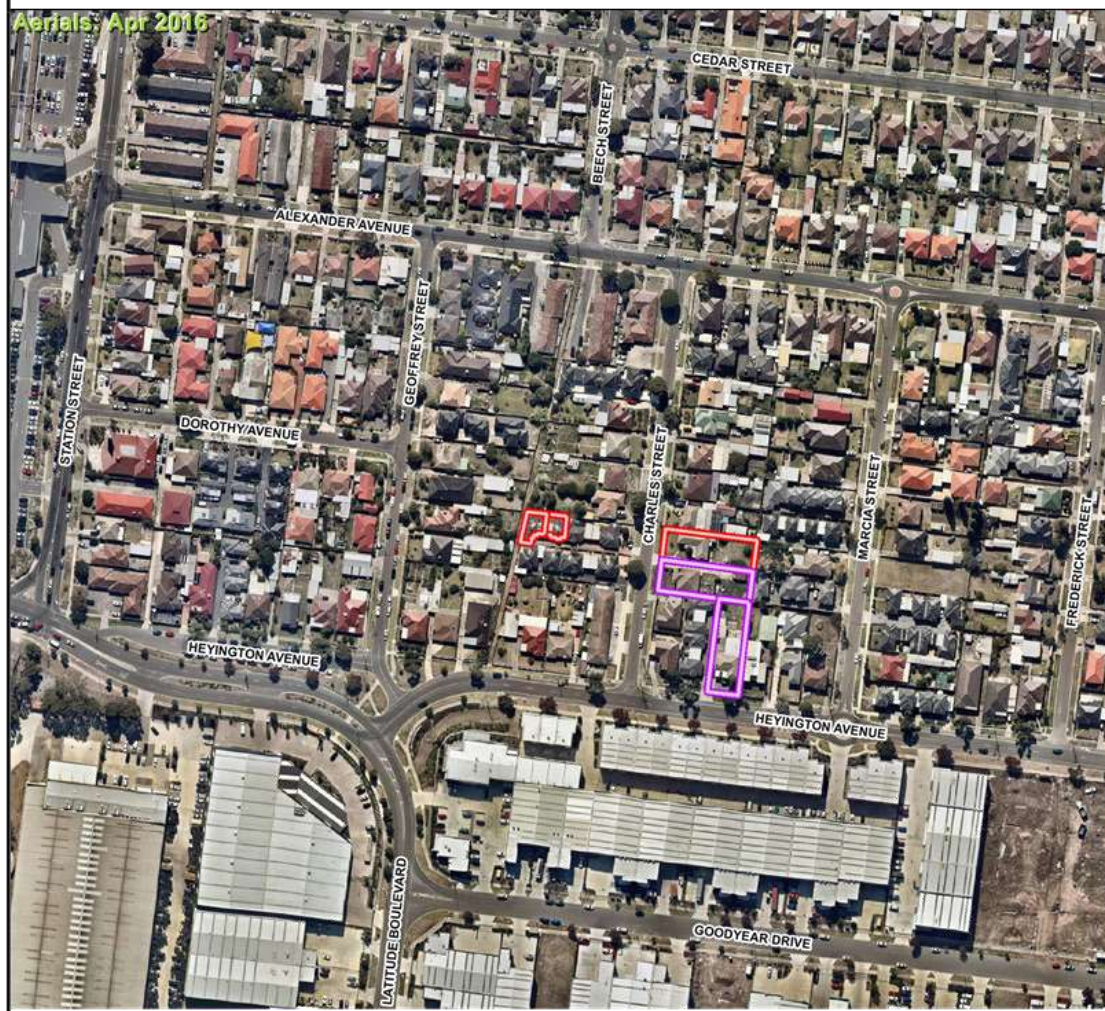




**City of
Whittlesea**

ESTABLISHED AREAS PLANNING REPORT

PLANNING APPLICATION NO. 715508

Aerials: Apr 2016



 Subject Land
 Objector

City of
Whittlesea

ESTABLISHED AREAS PLANNING REPORT

City of Whittlesea
ADVERTISED PLAN
Date: 3/5/16 - 19/5/16.



PROPOSED CHILDCARE FACILITY
2 CHARLES STREET & 32 HEYINGTON AVENUE,
THOMASTOWN, VICTORIA 3074



The ELLIS Group Architects
A.C.N. 123 456 789
92 Leveque Street,
North Melbourne, Victoria 3051
Telephone (03) 9529 0000 Facsimile (03) 9529 0300

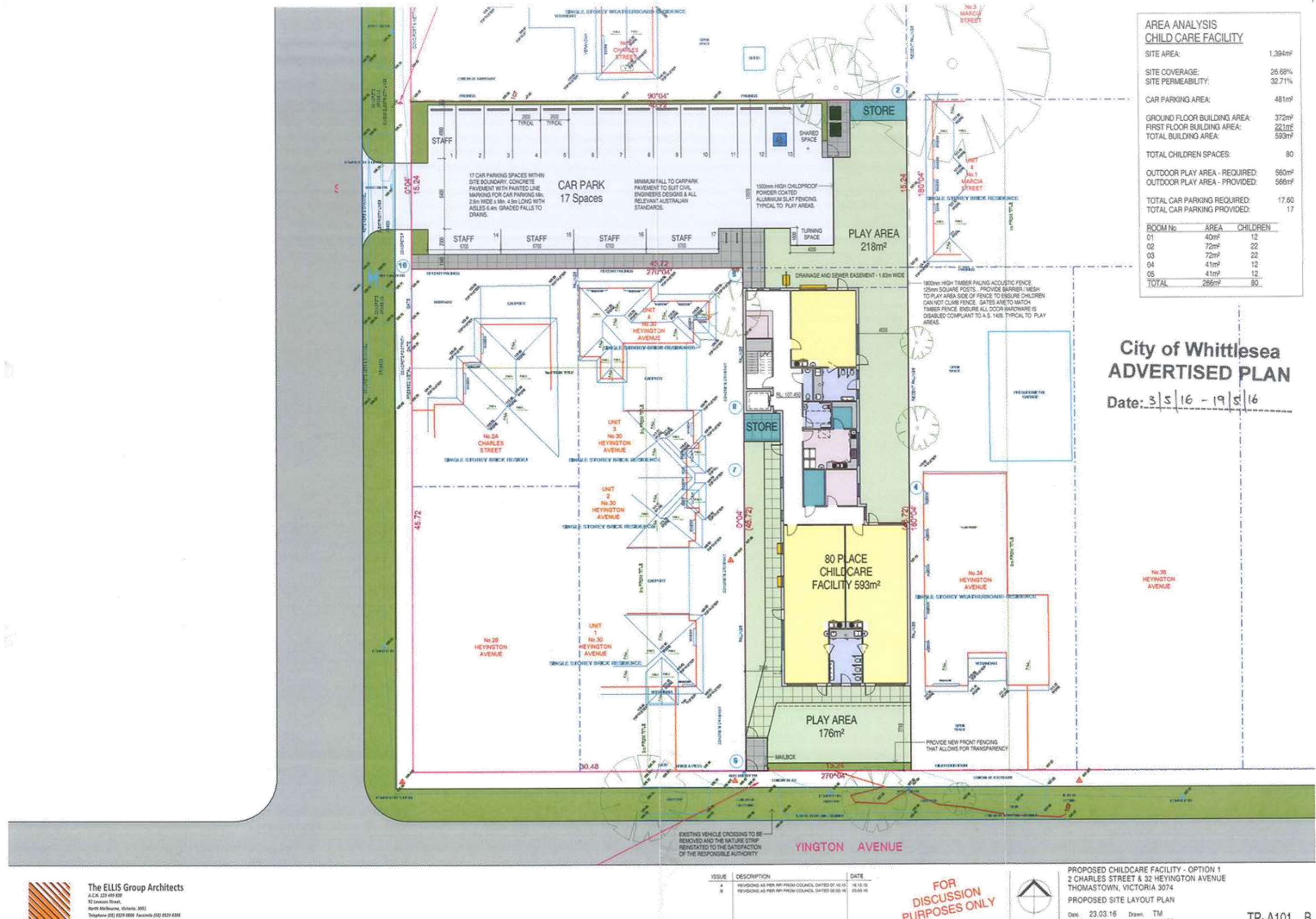
ISSUE	DESCRIPTION	DATE
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B	REVISIONS AS PER RP1 FROM COUNCIL DATED 08-01-16	23-03-16

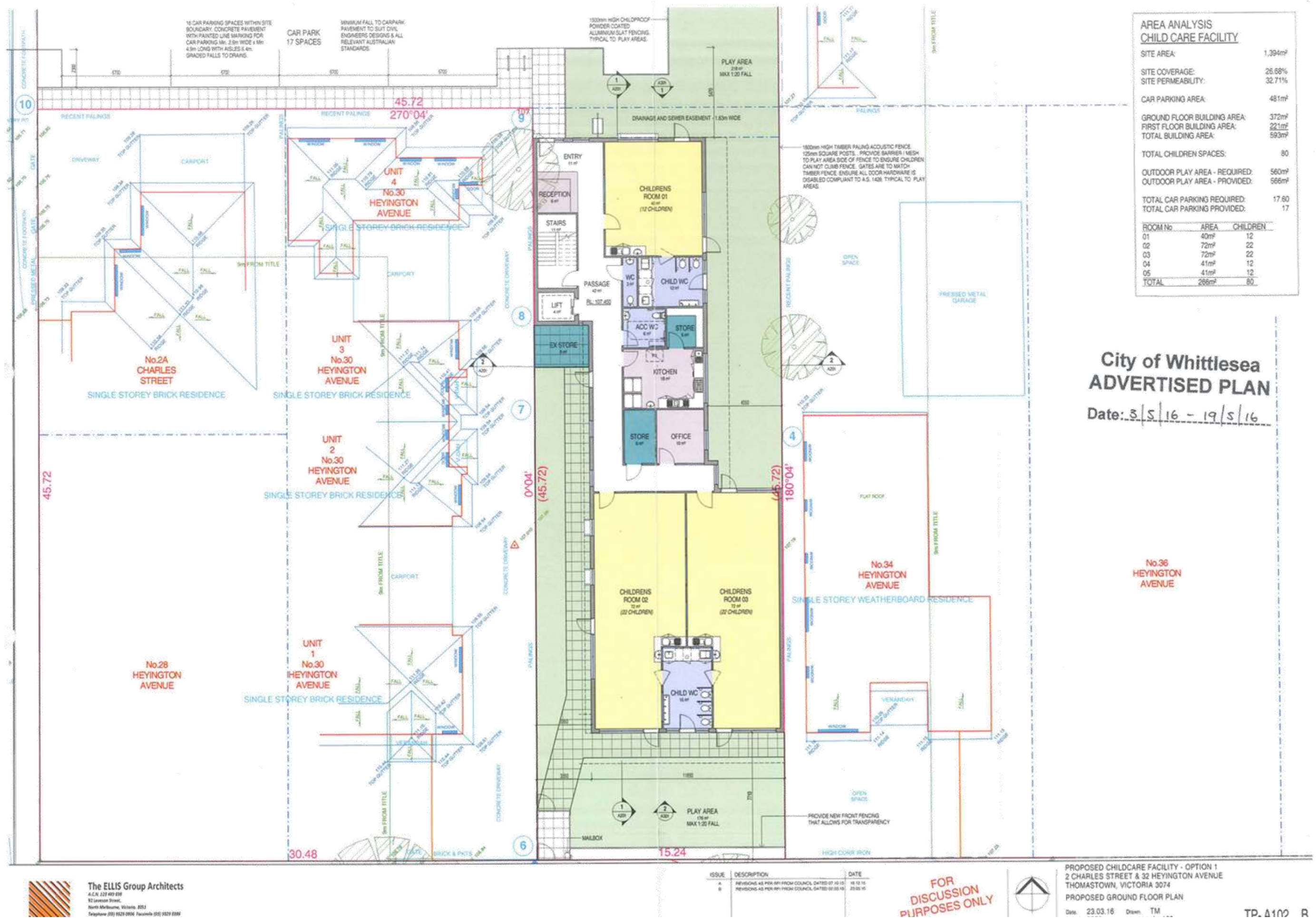
FOR
DISCUSSION
PURPOSES ONLY

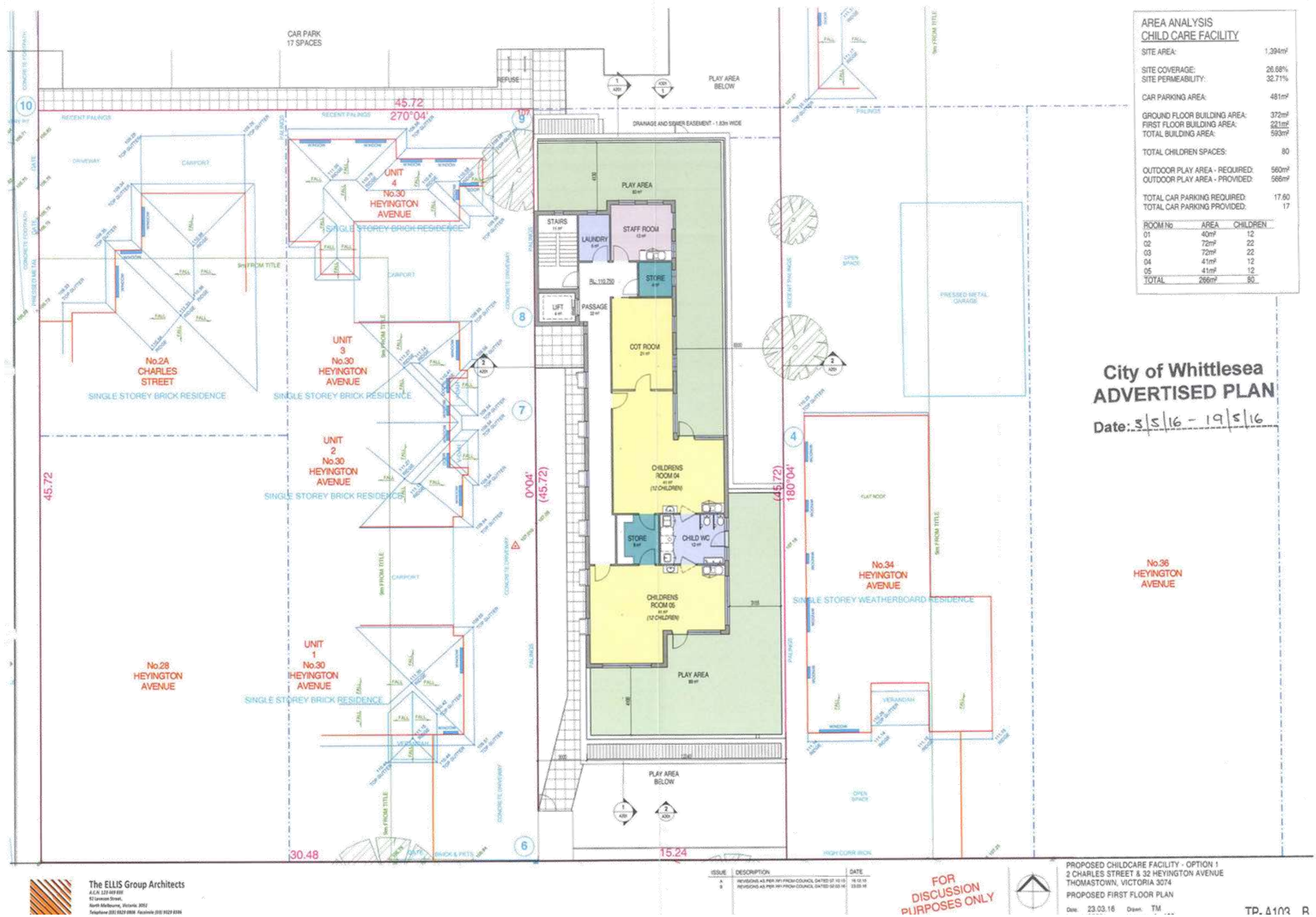
PROPOSED CHILDCARE FACILITY - OPTION 1
2 CHARLES STREET & 32 HEYINGTON AVENUE
THOMASTOWN, VICTORIA 3074
FRONT COVER

Date: 23.03.16 Drawn: TM

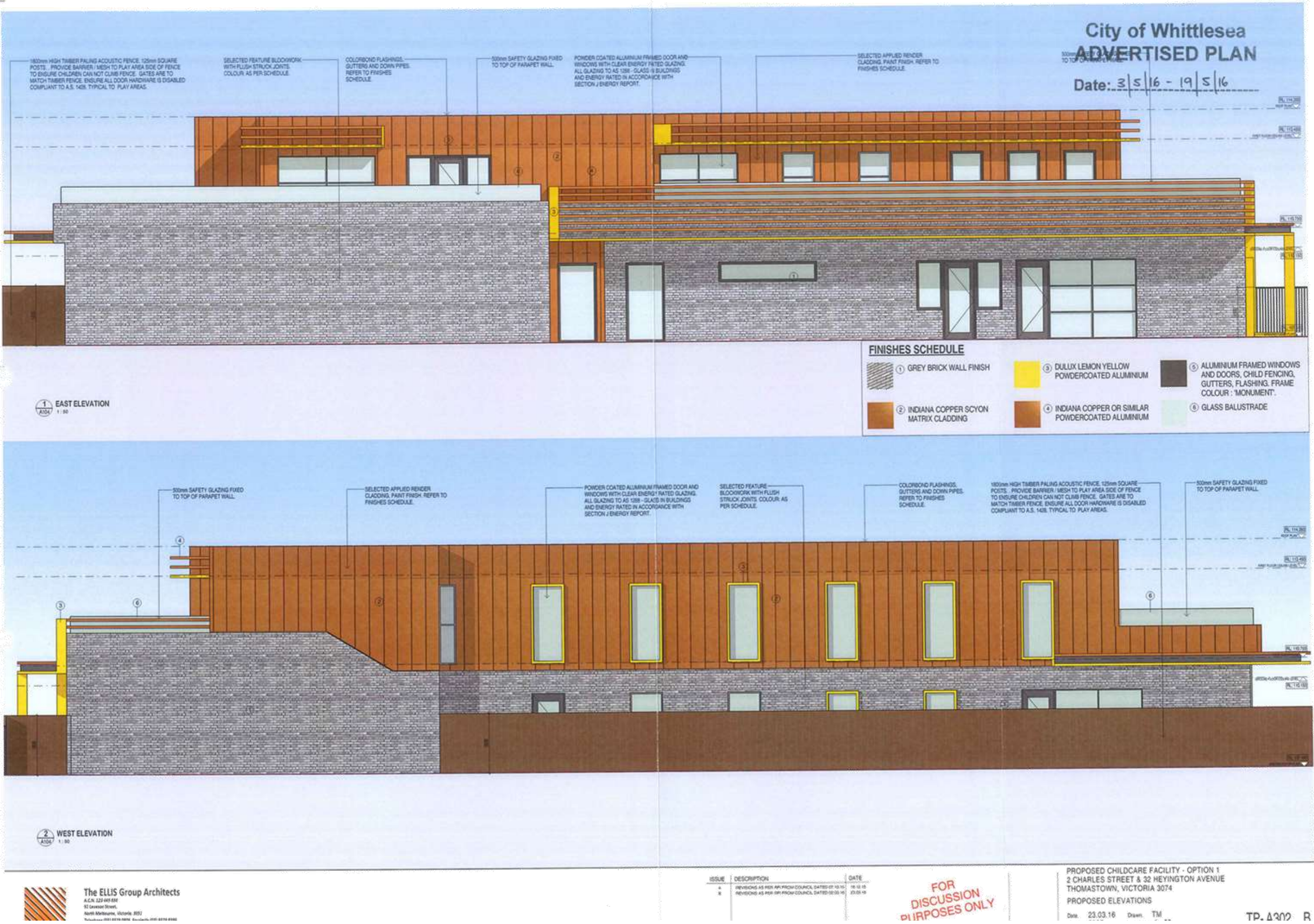
TD: 1001 R











City of Whittlesea
ADVERTISED PLAN
Date: 3/5/16 - 19/5/16



The ELLIS Group Architects
A.C.N. 122 449 820
92 Grenville Street,
North Melbourne, Victoria 3051
Telephone (03) 9329 0808 Facsimile (03) 9329 8386

ISSUE	DESCRIPTION	DATE

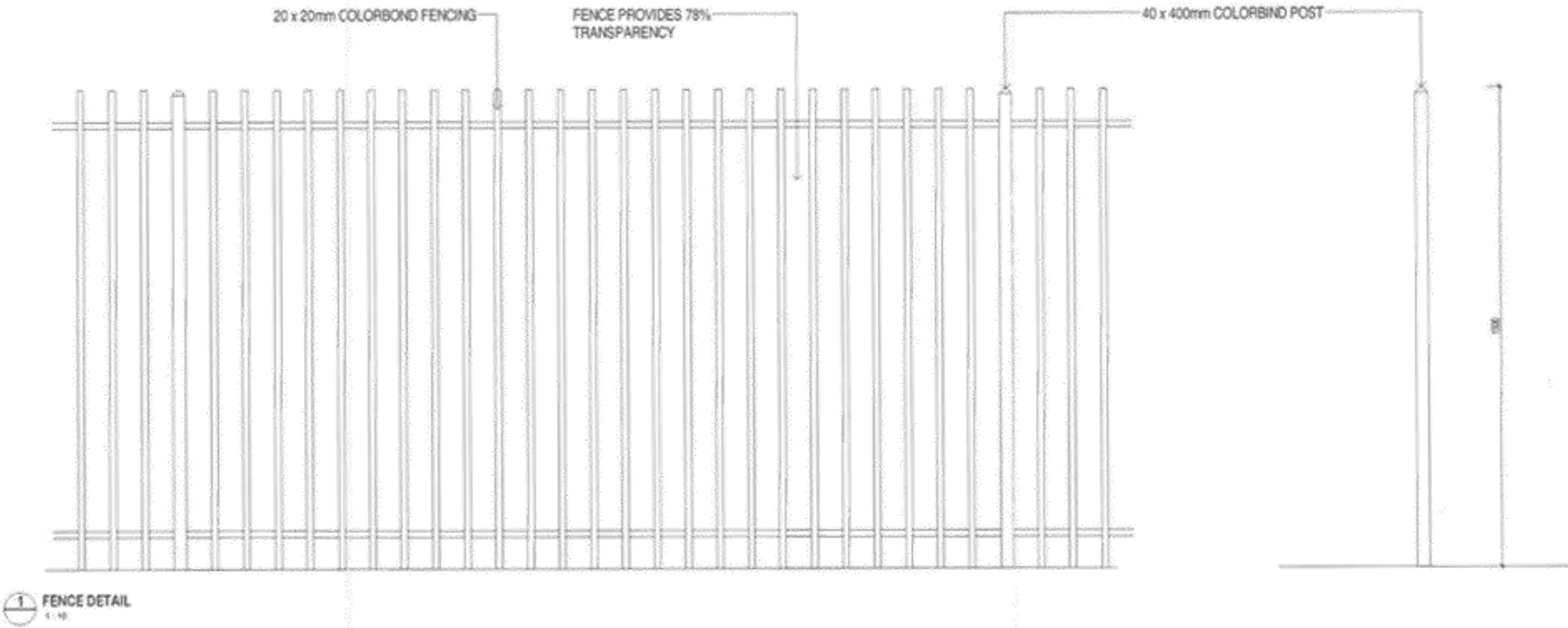
FOR
DISCUSSION
PURPOSES ONLY

PROPOSED CHILDCARE FACILITY - OPTION 1
2 CHARLES STREET & 32 HEYINGTON AVENUE
THOMASTOWN, VICTORIA 3074
3D IMAGE 06
Date: 23.03.16 Drawn: SM

TD_1606

City of Whittlesea
ADVERTISED PLAN

Date: 3/5/16 - 19/5/16



The ELLIS Group Architects
A.C.N. 123 456 789
92 Lonsdale Street,
North Melbourne, Victoria 3052
Telephone (03) 9329 0000 Facsimile (03) 9329 0000

ISSUE	DESCRIPTION	DATE

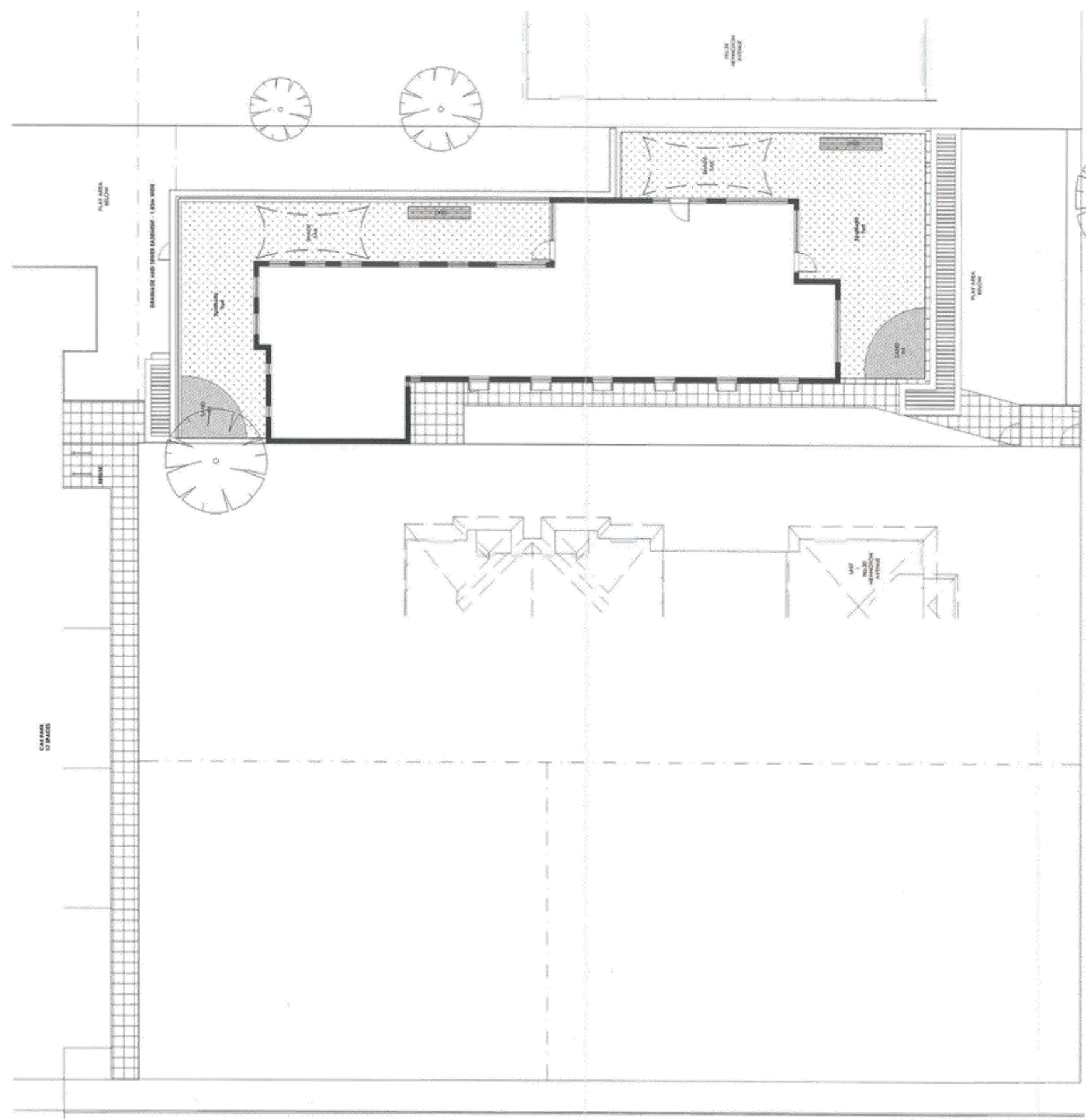
FOR
DISCUSSION
PURPOSES ONLY

PROPOSED CHILDCARE FACILITY - OPTION 1
2 CHARLES STREET & 32 HEYINGTON AVENUE
THOMASTOWN, VICTORIA 3074
FENCE DETAILS

Date: 23.03.16 Drawn: TM

TD: 16001



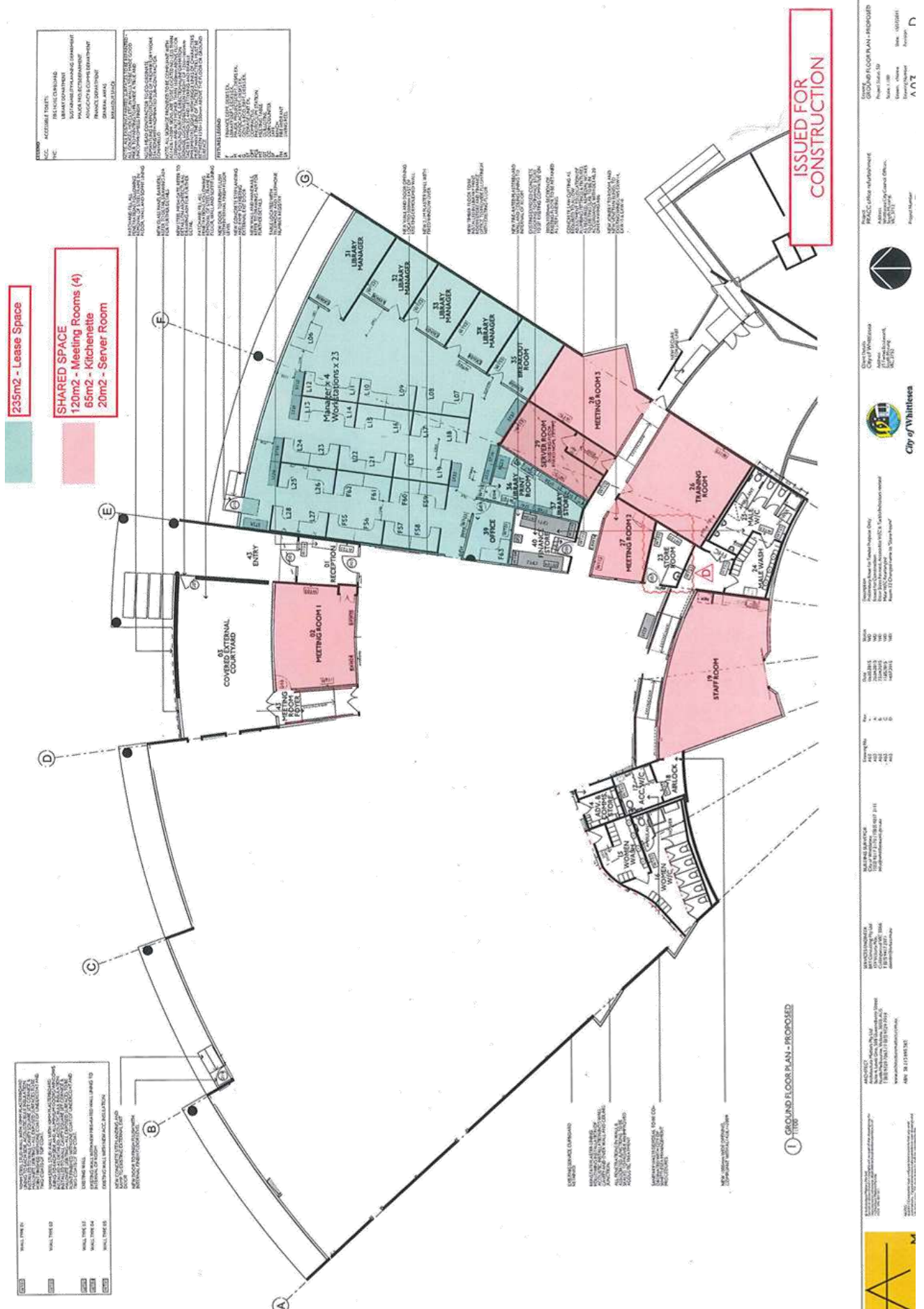


City of Whittlesea
ADVERTISED PLAN
Date: 3/5/16 - 19/5/16

FIRST FLOOR PLAN

PROJECT: WHITTLESEA TOWN CENTRE
SUBJECT: WHITTLESEA TOWN CENTRE
DATE: 12/03/16
DRAWN BY: J. HARRIS
CHECKED BY: J. HARRIS
APPROVED BY: J. HARRIS
KEYSTONE ALLIANCE Pty Ltd
211 Bays Road, Whittlesea VIC 3037
T: 03 9478 8000 M: 091 970 1180 W: keystonealliance.com.au

Landscape Plan (Sheet 2 of 2)



ATTACHMENT 1 – SITE PLAN & PHOTO

Epping Cemetery – 875-883 High Street Epping



Department of Health & Human Services

Abstract of Accounts

Abstract of the Accounts from the Trust Members of the EPPING Public Cemetery
situated at 875-883 HIGH STREET EPPING for the financial year **2015-16**

Rendered pursuant to the Victorian *Cemeteries and Crematoria Act 2003*.

DUE DATE – 1 September

General Account

INCOME	\$	¢	EXPENDITURE	\$	¢
Balance at Bank at start of the financial year	750	-	Secretary		
Cash in hand at start of the financial year			Sexton		
Investments at start of the financial year			Grave-digging		
Interest received			Contractors		
Fees received for graves, monuments, interments, etc			Other		
<u>Transfers from -</u>			Plaque		
Investments			Office Expenses		
Reserves			Building		
DHHS Grants			Insurance		
Other Grants			Works (repairs, fencing, drainage etc.)		
Un-presented Cheques			Sundry expenses and miscellaneous		
Other Income			Balance at Bank		
THIS FIELD IS TO REMAIN BLANK			Cash in hand at end of the financial year		
			Investments at end of the financial year		
TOTAL	750	-	TOTAL	750	-

Right of Interment (ROI) information for the year 1 July – 30 June:

If accurate figures are not available estimates are to be provided.

- 1) Number of ROI (graves) sold as 'pre-need' (reserved) 0
- 2) Number of ROI (graves) sold as 'at need' 0
- 3) Number of ROI (cremation) sold as 'pre-need or at-need' 0
- 4) Total number of ROI (grave) sites **used** since establishment of the cemetery 806
- 5) Estimated number of **unused** graves in the cemetery at 30 June (circle below)

Less than 100	101 - 500	501 - 1000	1001 - 5000	5001 or more
---------------	-----------	------------	-------------	--------------

Perpetual Maintenance Trust Account

Ensure this section is completed by entering information or by indicating a NIL balance.

Do not re-enter investment information previously entered under the General Account section.

INCOME	\$	¢	EXPENDITURE	\$	¢
Balance at beginning of year	750	-	Expenditure or transfer to General account during year		
Interest					
New funds received			Balance at end of year		
TOTAL	750	-	TOTAL	750	-

General Condition of Cemetery

Brief outline of any repairs, maintenance and improvements considered necessary, and the estimated cost of any works proposed during the year.

Repairs and maintenance undertaken by Council's Bushland Management Crew in conjunction with the ecological conservation agreement executed between Council and DEWPA in 1995

PROPOSED WORKS	PROPOSED COST (\$)
TOTAL	

ASSETS*	\$	LIABILITIES	\$
		Any monies owed to a third party	
		Any monies committed to expenditure	
TOTAL	—	TOTAL	—

***Please note, assets can include the following categories:**

Key structures - office building, mausoleum/s, chapel, toilet facilities, machinery shed/s.

Minor structures - gazebo, rotunda, storage sheds, outside seating.

Major machinery - tractor, backhoe, ride on mower etc.

Small machinery - mechanical and electrical equipment

Miscellaneous equipment - hand tools, wheel barrows etc.

Please ensure you complete the form. If you have no assets or liabilities, place a zero in the '\$' column.

General Condition of Cemetery

Please cross appropriate box to indicate general condition of the Cemetery.	Excellent	Good	Average / Poor	NA
Buildings			✓	
Fences		✓		
Paths			✓	
Roadways				✓
Major machinery				✓
Small machinery				✓
Miscellaneous equipment		✓		

NOTE – please refer to key below for further explanation of these ratings.

Key:

Excellent – The condition of cemetery infrastructure (buildings, fences, paths, roadways) or equipment is excellent and **may** need some general maintenance or repair in the next 5 years.

Good – The condition of cemetery infrastructure (buildings, fences, paths, roadways) or equipment is good and **will** need some general maintenance or repair in the next 2-3 years.

Average/Poor – The condition of cemetery infrastructure (buildings, fences, paths, roadways) or equipment is average/poor and **will** need urgent maintenance or repair in the next 12 months.

NA – The cemetery does not have this type of infrastructure or equipment.

Statutory Declaration

We, the undersigned, do solemnly and sincerely declare that the above is a true and faithful Abstract of the Accounts of the EPPING Cemetery, for the financial year **2015-16** and we make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of an Act of the Parliament of Victoria rendering persons making a false declaration punishable for wilful and corrupt perjury.

Must be signed by 3 Trust Members

Declared at WHITTLESEA CITY COUNCIL { * _____ }

this _____ day of _____ { _____ }

20 _____ before me { * _____ } To be signed by at least
three trust members.
{ _____ }

Authorised Witness { * _____ }

{ 25 FERRES BVD }
{ _____ }
HELEN SUI { SOUTH MORANG 3752 }

Print Name / Official Stamp (if available) { (03)9217-2431 }
{ _____ }
{ helen.sui@whittlesea.vic.gov.au }
Secretary's name, address, phone number, email / fax

PLEASE NOTE

Under Section 52(3) of *Cemeteries and Crematoria Act 2003* a cemetery trust must submit a report for each financial year to the Secretary of the Department of Health & Human Services by **1 September** in the following financial year.

End of financial year bank and investment statements must be enclosed with this form and submitted to:

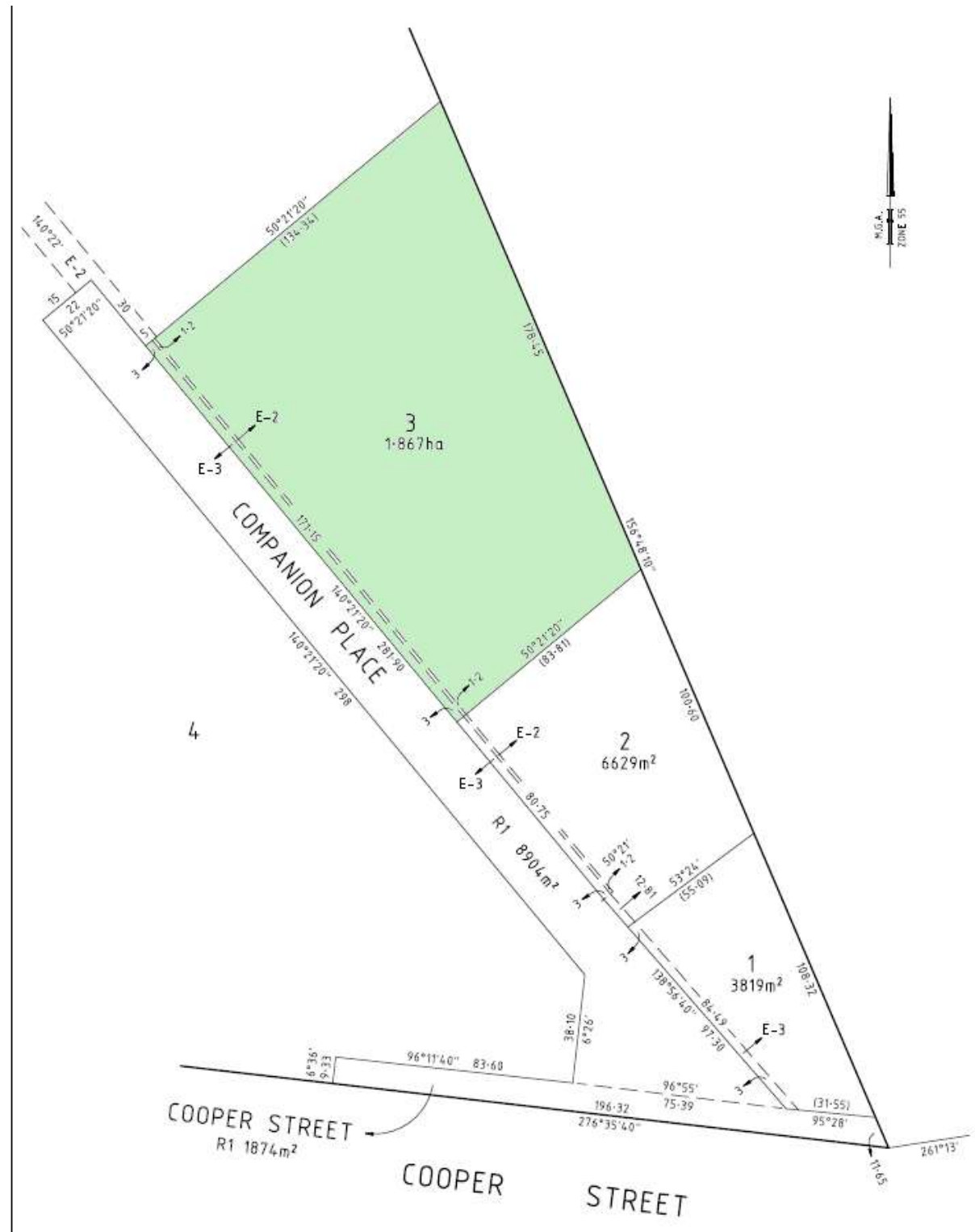
Manager
Cemeteries and Crematoria Regulation Unit
Department of Health & Human Services
GPO Box 4057
MELBOURNE VIC 3001

Trusts with an annual income or expenditure of \$100,000 up to \$1 million must also provide a copy of a review statement of their accounts when submitting their abstract.

Trusts with an annual income or expenditure of above \$1 million must also provide a copy of an audit statement of their accounts when submitting their abstract.

Proposed 'Epping Animal Welfare Facility'

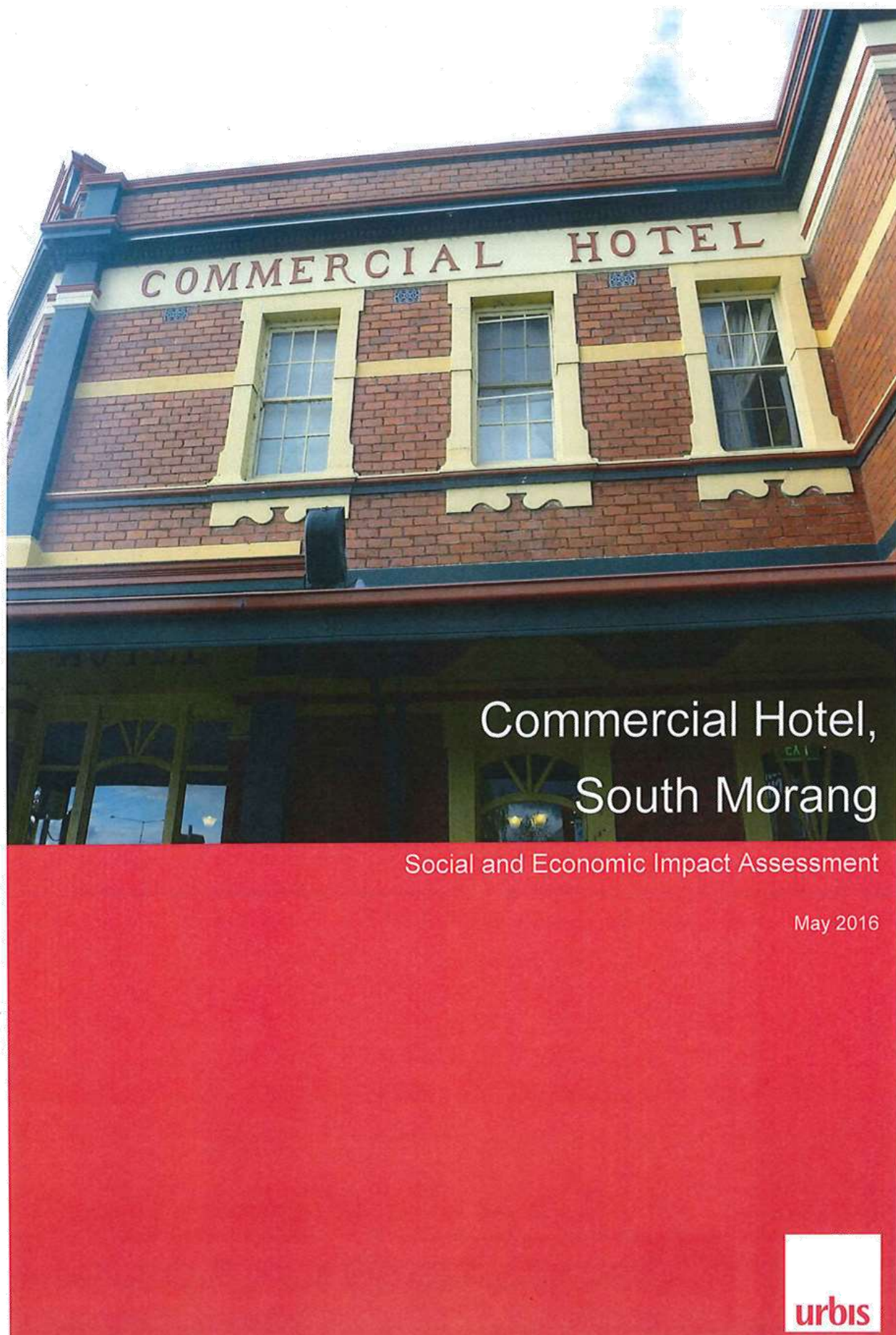
Lot 3 490 Cooper Street, Epping



ATTACHMENT 1 – SITE PLAN & PHOTO

**Lease – Diamond Valley SDS
AF Walker Reserve Whittlesea**





6 Social and Economic Impact Summary

96. The projected economic and social impacts of the approval of this application are summarised in the tables below. When considering the points in this section, it is important to recognise not all benefits and disbenefits are of equal significance. It is not possible to apply a dollar value to each benefit or cost. Therefore, the net effect cannot be derived from an arithmetic calculation. Ultimately, a level of judgement is required.

6.1 ECONOMIC BENEFITS

97. The economic benefits of the proposal are:

EFFECT	DESCRIPTION	WEIGHT GIVEN
Community contributions	<p>ALH will provide the following community contributions:</p> <ul style="list-style-type: none"> \$100,000 for ten years, including \$10,000 for annual charity day; \$40,000 to the City of Whittlesea for problem gambling initiatives and \$50,000 to a committee for grants to local community/sports groups. At end of 10 years, \$25,000 per annum to local community/sporting groups to be allocated via a committee for the term of the gaming machines operation. 	High weight given the direct impact community contributions can have on local social groups.
Value of development works	Renovations to the venue will include a new function room and a new roof-top beer garden. These additions are expected to cost combined \$2.3 million. This expenditure will benefit local workers who complete the works (I would expect a significant proportion of trades people on the project will reside in the municipality), with additional flow-on benefits to the local economy.	High weight because improved facilities provide local residents with greater options for entertainment and leisure facilities.
Ongoing effects as a result of development works	Supply contracts will increase because of the venue's redevelopment. This is due to the increase in demand for food, beverage and products related to the operation of the bistro and bar areas. ALH estimate that outside of gaming revenue, the development of the hotel will result in a 60% increase in hotel turnover. This provides an indication of the additional demand created.	Medium weight as these are flow-on effects generated by the proposed application, with some benefits to other local businesses, some accruing outside of the municipality.
Employment creation	The addition of gaming, the extension of other facilities in the hotel and flow on effects of greater business have been estimated by ALH to require around 20 additional staff (a mix of full-time, part-time and casual) or the equivalent of 9 full-time equivalent staff. This is on top of the 32 existing staff. This appears to be a reasonable estimate, given the proposed expansion.	High weight because of the direct impact employment opportunities provide for the local community, particularly jobs for young people. Minimal transfer of employment is expected.

EFFECT	DESCRIPTION	WEIGHT GIVEN
Value of other expenditure in Whittlesea	By providing an improved entertainment offer, more people will be encouraged to spend time in the South Morang area, spending more at other local businesses in the process, rather than their spending being directed to businesses close to where they currently access gaming machines.	Low weight as while it is difficult to measure direct impacts from the proposed application, the transfer of spending is expected to be low.
Gaming expenditure as an economic benefit	Net new gaming expenditure to the City of Whittlesea as a result of the installation of 40 EGMs is estimated to be between \$1.9 million and \$2.1 million in the first year of trade. Expenditure by gamers who play for recreation is an economic benefit just as any other entertainment spending choice is a benefit. This expenditure is also associated with an additional social benefit.	Low weight as the benefit accrues to the operator.

6.2 ECONOMIC DISBENEFITS

98. There are also economic disbenefits as a result of this proposal. They are summarised below:

EFFECT	DESCRIPTION	WEIGHT GIVEN
Economic costs associated with problem gambling	Problem gambling does have an economic cost relating to the provision of services. For example, the financial losses of the gamblers themselves and other support services which deal with the problems of gamblers and their families and friends. While a level of problem gambling exists in the City of Whittlesea, the important consideration here is whether this application will <u>increase</u> the problem. As discussed, I believe the problem gambling change will be minimal in the municipality.	Medium weight. While the impact of problem gambling is significant on those affected and their families, I believe the problem gambling change will be minimal in the municipality.
Potential diversion of trade from retail facilities	The maximum impact which retailers in the municipality could incur is at or below the value of the new spending, estimated at \$2 million in the first year of trading. In reality, the impact is likely to be a fraction of this, given the range of activities and locations that people spend their money on.	Low weight I do not expect any single business to be materially impacted.
Diversion of trade from other gaming venues	A large proportion of gaming expenditure is expected to be transferred from other venues in the municipality. This is normal in a competitive marketplace.	Low weight. This is expected in a competitive market, with much of the transferred expenditure from other ALH venues.

6.3 SOCIAL BENEFITS

99. The social benefits from the proposed installation of 40 EGMs to the Commercial Hotel include:

EFFECT	DESCRIPTION	WEIGHT GIVEN
Enhanced access to EGM facilities for residents and visitors	For those who play gaming machines in a responsible manner, introducing EGMs at the Commercial Hotel creates a social benefit by increasing the entertainment offer available at the venue.	Medium weight. For many people, gambling is a recreational activity. The proposed application improves accessibility to EGMs.
Improved facilities adding to the appeal of the Commercial Hotel	The new beer garden and function room will provide additional venues for local residents to relax, socialise, hold functions and enjoy live entertainment in high quality facilities.	High weight because improved facilities provide local residents with greater options for entertainment and leisure facilities, with significant social benefits as a result.
Social benefit derived from community contributions	Approval of the EGMs will allow the Hotel to contribute more to the community, as noted in Section 6.1. While there is an economic value of those activities, the social value created by investment in community activities exceeds a dollar value. The ability of the Hotel to contribute to local community and sporting groups, promote social interaction and general well-being represents a very important social benefit of this application.	High weight given the direct impact community contributions can have on local social groups.

6.4 SOCIAL DISBENEFITS

100. Social disbenefits of this proposal are summarised as follows:

EFFECT	DESCRIPTION	WEIGHT GIVEN
The increase in problem gambling and associated social impacts.	As with any gaming application, the key potential social disbenefit relates to the impact on problem gambling. Excessive gambling can have adverse impacts on people's health, jobs, finances, emotional states and relationships. The <i>Productivity Commission Inquiry Report into Gambling, 2010</i> detailed potential measures of harm caused by gambling across a range of social and economic indicators.	Medium weight. As discussed under the economic impact, problem gambling is the most serious consequence of gaming machines; however, my assessment indicates the potential for increased problem gambling behaviour is minimal in this case.

6.5 ECONOMIC AND SOCIAL IMPACT SUMMARY

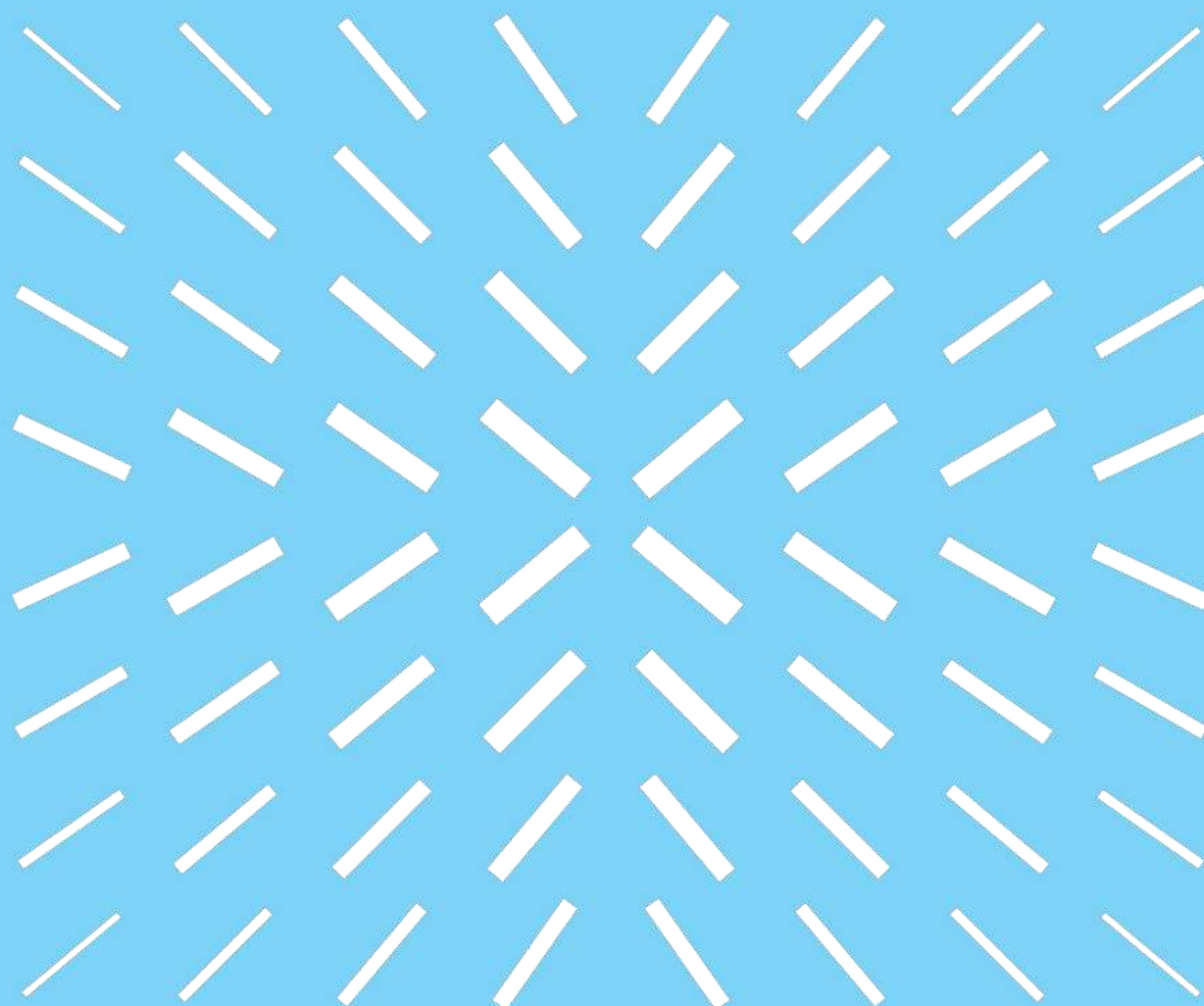
101. I consider the application for introducing gaming machines at the Commercial Hotel deserves the Commission's favourable consideration.
102. As discussed above, it is not possible to assign a precise value to all economic and social benefits and disbenefits, and therefore a degree of judgement is required in weighing up the net outcome of an application such as this. The benefits of this application which I place greater weight on due to their direct impact in the community and certainty of outcome include:
 - Cash donations to the community to the value of \$100,000 annually, including \$40,000 to local problem gambling initiatives.
 - Redevelopment works to the value of \$2.3 million creating better facilities for the community including a new beer garden and a modern, flexible function room, and also generating construction activity for local workers.
 - Local employment creation with an increased requirement for staff ongoing in the hotel.
 - Flow on economic activity as a result of greater use of other elements of the hotel outside of gaming such as increased bar and bistro sales.
103. The key disbenefit of this application is the potential for increased problem gambling. However, the likelihood of a change in problem gambling as a direct result of this application is minimal due to a number of factors including the transfer of machines from highly productive venues in more disadvantaged areas, the nature of a small 40 EGM venue, contributions to problem gambling initiatives and limited opening hours.
104. I place a low weight on other potential disbenefits such as diversion of trade from other businesses, including retailers or other gaming venues because the impacts on any one retailer is unlikely to be perceptible, while other gaming venues operate in a competitive environment where impacts are expected. Much of the diversion will be from other ALH venues.
105. On the basis of the assessment presented in this report, the net effect of introducing 40 gaming machines to the Commercial Hotel will not be detrimental to the social and economic well-being of the City of Whittlesea. I consider the economic and social benefits around community contributions, redevelopment and employment should hold significant weight due to their value and certainty of outcome, while the potential negative effects relate almost exclusively to the potential for increased problem gambling which I believe will be minimal in this case.

Commercial Hotel

Expert's Report in Respect of

Application for 40 Electronic Gaming Machines

19 May 2016



ShineWing
AUSTRALIA

1. Executive Summary

- 1.1 The Commercial Hotel is situated on Plenty Road, South Morang, approximately 25km from the Melbourne CBD. The Hotel is seeking approval to operate 40 Electronic Gaming Machines ("EGMs") onsite at the venue (the Hotel does not presently operate gaming machines). The venue is operated by the ALH Group.
- 1.2 The City of Whittlesea consists of three Statistical Local Areas ("SLA") Whittlesea South-East, Whittlesea South-West and Whittlesea North, where the Commercial Hotel is located. Although the LGA is divided into three SLA's there are two gaming machine caps that apply to the area based on postcodes, Whittlesea A with a regional cap of 581, and Whittlesea B with a municipal limit of 212. For these purposes, the Commercial Hotel falls within the municipal limit area, Whittlesea B.
- 1.3 There are currently two venues within the Whittlesea B area operating 110 gaming machines. The remaining 8 venues within the City of Whittlesea are located within the Whittlesea A area, with these venues currently operating 581 gaming machines.
- 1.4 The Commercial Hotel is bounded by Plenty River and a gorge to the east, north-east and south-east, Hawkstowe Park to the north and residential dwellings to the west and south, noting that there is reduced access to residential dwellings to the north-west. The above factors, to an extent, therefore restrict the ability to attract patrons, by virtue of the residential catchment area being somewhat constrained.
- 1.5 We have used a benchmarking approach in order to estimate the likely future gross gaming expenditure (which we consider appropriate for venues not currently operating gaming machines).
- 1.6 Based on an analysis of comparable venues within the State, and of the recent trend in gaming expenditure in both the State of Victoria and the City of Whittlesea, it is reasonable to conclude that the level of gross gaming expenditure generated from an introduction of 40 EGMs at the Commercial Hotel would, upon the relative maturity of the venue, be between \$5,645,090 and \$6,239,310 per annum with 85% of this achieved within the first 12 months of trade, being between \$4,798,327 and \$5,303,414.
- 1.7 Factoring in the proposed number of EGMs at the Hotel and the estimated gross gaming expenditure, the expected NMR (based on the midpoint) at the Hotel is \$407 and \$346 for the first 12 months of trade, which is comparable to the average for the State of Victoria for hotels of \$338 and the average for metropolitan hotels of \$373.
- 1.8 Based on our experience regarding Greenfield sites, the Victorian Longitudinal Community Attitudes Survey, patron survey for surrounding ALH Group venues and a Bistro Survey for the Commercial Hotel, we believe the transferred expenditure rate will be 60% of the estimated gross gaming expenditure for the Commercial Hotel, and the new expenditure rate will be 40%. This equates to new expenditure of \$1,919,331 to \$2,121,365 in the first 12 months.
- 1.9 We note that one of the conditions of this application being approved is the proposed reduction of attached EGMs within the LGA (pertaining to venues operated by the ALH Group being the Plough Hotel, Excelsior Hotel and Bundoora Hotel). The combined impact to the LGA in terms of gaming expenditure (of these events in totality) would most likely be lower than the estimate for new expenditure within the LGA arising in isolation from the Commercial Hotel commencing gaming operations. Whilst there is a high likelihood of some lost (i.e. non-transferred) gaming expenditure as a result of the reduction in EGMs in those aforementioned venues, we believe that this will be

immaterial in the context of the new expenditure identified above, and therefore conclude that it will be less than the new expenditure arising from this application.

Social and Economic Impact Assessment

Application for approval of premises for gambling
suitable for 40 electronic gaming machines (EGMs)
at the Commercial Hotel, South Morang

Prepared by: DIANA BELL 5 July 2016

Social and Economic Impact Assessment

*Summary*

The social and economic impact assessment was conducted in response to the application by the Australian Leisure and Hospitality Group Pty Ltd (ALH) (Applicant) for 40 electronic gaming machines (EGMs) at the Commercial Hotel (Hotel), 820 Plenty Road South Morang.

There is an unusually high rate of expenditure on EGMs in the City of Whittlesea. EGM density per 1,000 adults in the City of Whittlesea is lower than average for the metropolitan area, but expenditure per adults is considerably higher.

A public health approach was taken to assess the impact of more EGMs on the population. The public health approach involves reviewing the literature and assessing quantitative and qualitative data on impacts. The whole municipality was chosen as the best area for analysis because 75% of population live within a viable driving distance from the Hotel.

The population prevalence of problem gambling in Victoria has not changed over the past five years. Expenditure has increased, while the number of people who play EGMs has decreased, (from 21.5% in 2009 to 16.8% in 2014). This means the people who play EGMs are playing more intensively than previously, and the problem gambling prevalence among people who gamble must be higher than ever.

The socio-demographic profile of the City of Whittlesea shows a less advantaged municipality, with poorer outcomes on income, education, employment, and other demographic indicators. The municipality is also significantly worse off on measures of social capital and health and wellbeing. For example, the municipality has one of the lowest rates of volunteering in the State, and among the highest rates of diabetes, heart disease and smoking.

The City of Whittlesea's high per capita spending rate on gambling is a risk factor for problem gambling. The other factors that contribute to problem gambling are accessibility, socio-economic disadvantage, a lack of alternative options, low levels of social capital, the normalisation of gambling, male gender, and younger age, unemployment, and employment in gambling venues. These risk factors are evident in the municipal profile.

Gambling has impacts on health and wellbeing. It affects mental and physical health, but also has impacts on finances, family and relationship functioning, productivity as an employee, student or volunteer, involvement in crime, and perception of safety.

The burden of harm from gambling has shown that gambling affects all gamblers, not just problem gamblers. Gambling problems as a social issue are of a similar level as major depressive disorder and alcohol misuse and dependence. This is primarily due to damage to relationships, emotional/psychological distress, health and financial impacts.

The community attitude survey undertaken showed strong opposition to EGMs at the Commercial Hotel, and negative attitudes toward gambling. Nearly three in four (71.6%) respondents knew

Summary • 1

Social and Economic Impact Assessment

• • •

someone who had been harmed by gambling and one in three had experienced harm from their own or someone else's gambling.

The areas where this impact assessment differed to the Urbis Social and Economic Impact Assessment (SEIA) were:

- Gaming expenditure: because the expenditure does not stay within the municipality
- Employment, infrastructure, complementary expenditure: there is consistent research to show that EGMs do not create new employment, community infrastructure assets, or create new business opportunities
- Social, recreational opportunities: EGMs at the Commercial Hotel would not create a new form of recreation, would remove the unique features of music and shows and being 'pokie-free'
- Crime and social disturbance: strong evidence that gambling is associated with increased family violence
- Relationships, emotional costs, community values: there is strong evidence that gambling has a negative impact on social capital
- Additional information: the evidence of impact on health and the harms associated with gambling that is not confined to problem gamblers

Summary of impacts

Victorian Commission for Gambling and Liquor Regulation (VCGLR) Indicator	Urbis SEIA (Applicant)	This SEIA
Economic impacts		
Gaming expenditure	Beneficial	Detrimental
Employment	Beneficial	Neutral
Infrastructure investment	Beneficial	Neutral
Supply contracts	Beneficial	Neutral
Complementary expenditure	Beneficial	Neutral
Shifts in expenditure	Detrimental	Detrimental
Revenue distribution	Not assessed	Not assessed
Tourism	Not assessed	Not assessed
Evidence of financial stress	Detrimental	Detrimental
Social impacts		
Social, recreational opportunities	Beneficial	Detrimental
Increase in problem gambling, residents at risk, and demand for community support	Detrimental	Detrimental
Incidence of gambling related crime and social disturbance	Not assessed	Detrimental
Relationships and emotional costs and impact on community values and lifestyle	Not assessed	Detrimental
Additional social and economic impact information	Not assessed	Detrimental
Community views	Not assessed	Detrimental

This Social and Economic Impact Assessment of the application concludes that the proposal for 40 EGMs at the Hotel will have, on balance, a net detrimental impact on the health and wellbeing of the municipal district.

Summary • 2



Commercial Hotel, South Morang

Social and Economic Impact Assessment

May 2016



URBIS STAFF RESPONSIBLE FOR THIS REPORT WERE:

Director	Rhys Quick
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Job Code	MPE1-1886

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You must read the important disclaimer appearing within the body of this report.

URBIS
Australia Asia Middle East

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1 Introduction

1. This report has been prepared according to the instructions of Australian Leisure and Hospitality Group (the Applicant) as operators of the Commercial Hotel (the Hotel), who are applying for approval of the premises as suitable for 40 EGMs. 20 of these entitlements will be transferred from other ALH venues in the municipality, including 10 from the Plough Hotel, 4 from the Excelsior and 6 from Bundoora Taverner.
2. The purpose of this report is to provide an assessment of the likely social and economic impacts associated with the introduction of 40 EGMs at the Commercial Hotel. This report considers whether or not the impact of the proposed machines will be detrimental to the well-being of the community of the City of Whittlesea. The key conclusions from this assessment are as follows:
 - The application is associated with the relocation of 20 EGMs from other venues operated by ALH, including the Plough, Excelsior and Bundoora Taverner. These venues are generally located in areas of higher levels of disadvantage relative to the Commercial Hotel, which is located in an area with relatively low levels of disadvantage.
 - The Commercial Hotel catchment exhibits characteristics of a developing residential area and establishing families, with socio-economic profiles indicating a lower incidence of problem gambling.
 - If the application for gaming machines is approved, ALH has indicated that they will establish a significantly expanded community contributions plan, including \$100,000 annually for ten years, for local community organisations and problem gambling initiatives.
 - With the relocation of some machines combined with strong population growth in the municipality, the increase in EGMs is broadly in line with growth, such that the application will not result in a higher provision of EGMs relative to population in the municipality in the short term.
 - Redevelopment of the Hotel will result in improved facilities for local residents to enjoy, including a new beer garden and function room for entertainment, live events and private functions. These development works are intended to appeal to a broader cross section of local residents, and are expected to cost in the order of \$2.3 million.
3. The potential for an increase in problem gambling as a direct result of this application is minimal given:
 - The wide range of activities to be offered in the Hotel.
 - The established and tested responsible service of gaming procedures of the ALH Group.
 - The general lack of social and economic disadvantage of residents in the surrounding area.
 - The small gaming offer proposed, relative to surrounding venues.
4. The net effects of the installation of 40 EGMs at the Commercial Hotel will not be detrimental to the wellbeing of the local South Morang community or the City of Whittlesea community more broadly.

2 Venue Information

2.1 VENUE HISTORY

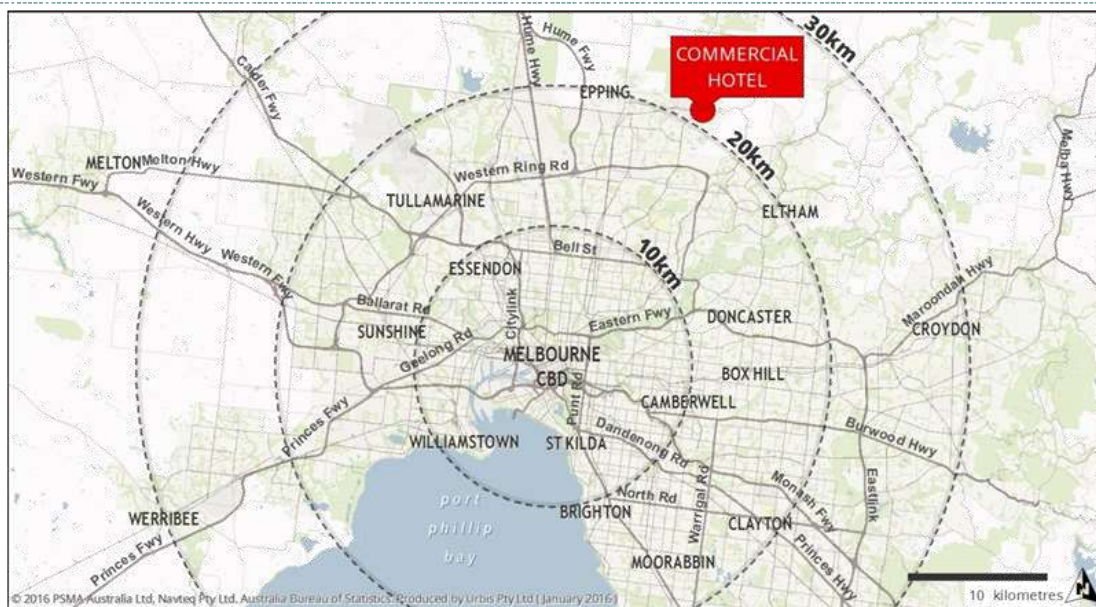
5. The Commercial Hotel was built in 1890 but was partially destroyed by fire in the late-1990s. The façade remains intact but the interior was rebuilt and extended to form what is now the bistro, public bar and liquor store.
6. The Hotel has been central to the local community since it began operation and remains a key part of many local sporting clubs today. In the mid-1950s, publican Alf Dwyerput became the founding president of the South Morang Football Club. The strong relationship between the Commercial Hotel and the South Morang Football Club continues today through its ongoing sponsorship.
7. The Australian Leisure and Hospitality Group (ALH) purchased the venue in 2012 and now operates it as part of its portfolio.

2.2 VENUE LOCATION AND CONTEXT

8. The Commercial Hotel is located at 820 Plenty Road, South Morang. The venue has a prominent location at a key intersection between Plenty Road, McDonalds Road and Gorge Road. The Hotel is well positioned to serve the growing population in the South Morang-Mernda growth corridor to the west and north, as well as established areas nearby.
9. The Commercial Hotel is located within the City of Whittlesea in the outer northern suburbs of Melbourne, approximately 25 km from Melbourne's CBD *[refer Map 2.1]*.
10. The City of Whittlesea comprises three Statistical Local Areas (SLA): Whittlesea - North, Whittlesea – South-East and Whittlesea – South-West. The Commercial Hotel is located in the southern part of the North SLA, but bordering the South-East SLA *[refer Map 2.3]*.
11. The venue is in a mixed use area. To the west of the venue is a Masters Home Improvement store, although with Masters' mooted sale, it is unclear whether this store will remain. The site will remain zoned for commercial use. To the south west is Axis Lifestyle Centre – a mixed use development including bulky goods retailing and commercial office floorspace, and to the south across busy Gorge Road is a small group of shops including takeaway food, convenience retail and commercial tenants. The venue is sufficiently removed from this small group of shops which therefore does not drive an ant track of pedestrians past the venue. The hotel is not considered to be a convenience venue. The nearest major retail centre is Westfield Plenty Valley, located around 2 km to the west *[refer Map 2.2]*.

REGIONAL LOCATION

MAP 2.1



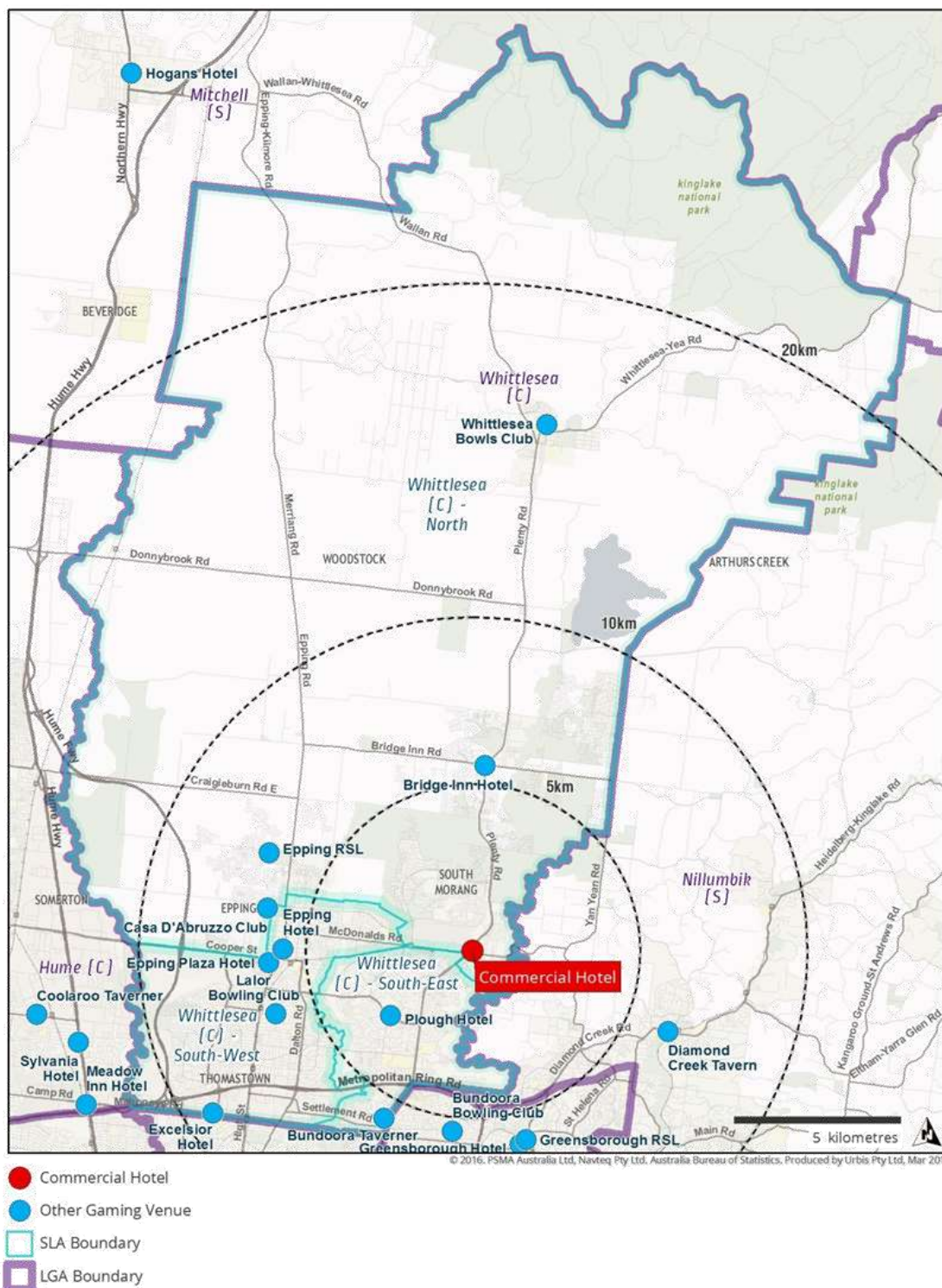
LOCAL CONTEXT

MAP 2.2



CITY OF WHITTLESEA

MAP 2.3

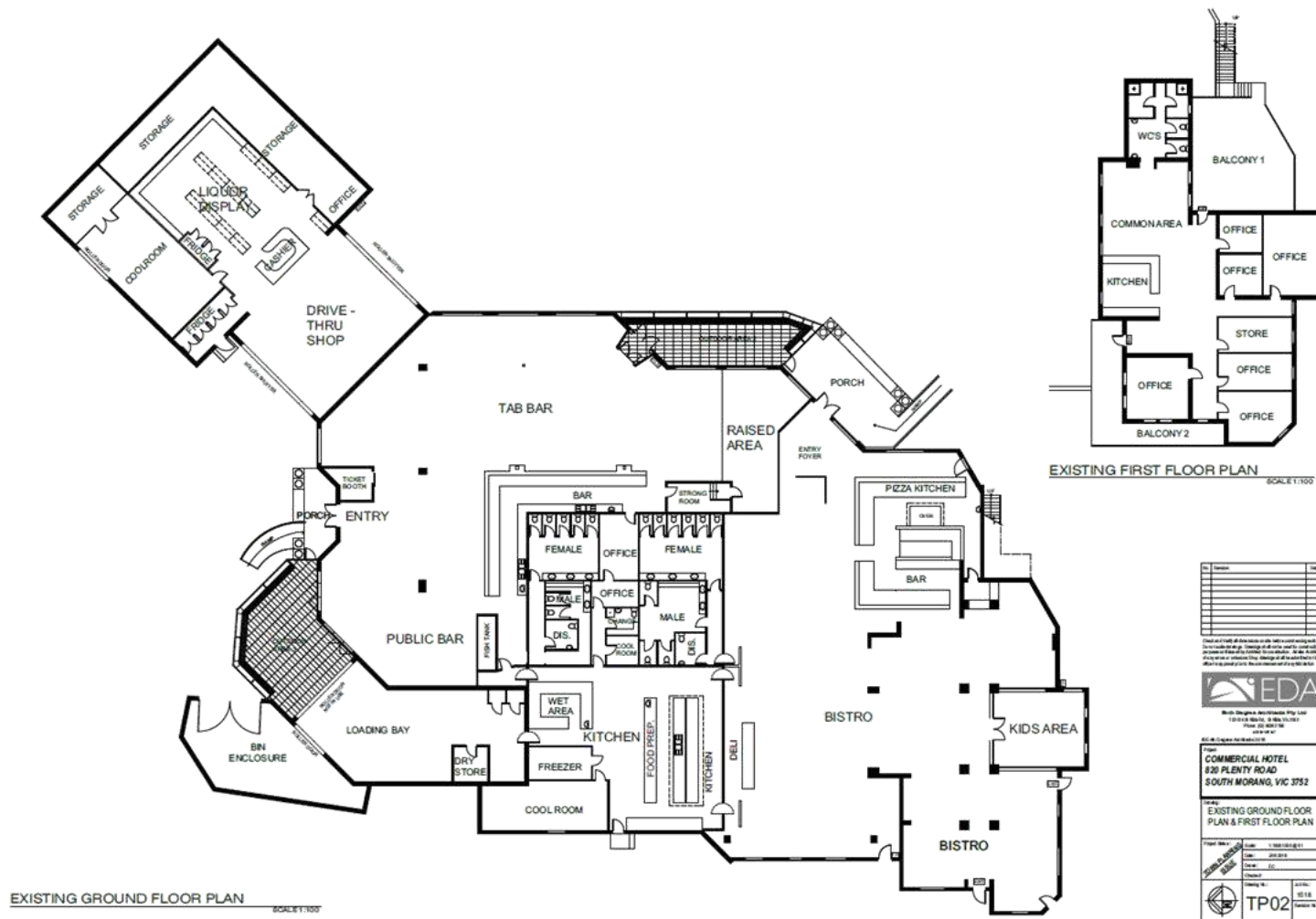


2.3 OPERATIONS AND FACILITIES

12. The Hotel positions itself as the heart of the local community. It offers a range of events and social functions to engage people in the local community. Examples of upcoming events include rock'n'roll tribute bands, including Kisstroyer (KISS), Inxsive (INXS), Gold Chisel (Cold Chisel) BABBA (ABBA) and Dirty Deeds (AC/DC). Comedy shows such as Rodney Rude and women's entertainment such as Manpower also feature on a semi-regular basis.
13. It offers a range of facilities to provide entertainment and a meeting place for members of the local community. These include:
 - The Bar and Bistro is open seven days a week for lunch and dinner, with specials on weekdays. Takeaway pizzas are also available.
 - Kids eat free on Tuesdays and there is a small indoor children's play area. Birthday parties are provided for. The Hotel operates ALH's Club 4 Kids program which offers a free gift with every Kids Meal purchased, the chance to enter the monthly in-venue prize draws and special birthday treats and exclusive offers.
 - A public bar; which includes an outdoor beer garden, pool tables and a dining area. The bar is a social gathering place for local sporting teams. According to its website, it is the "unofficial 'clubhouse' for a number of local sporting teams - a place to re-convene after matches, sell raffle tickets, celebrate victories and commiserate losses."
 - The TAB room, which can be used for functions (labelled TAB bar on the plans in Map 2.4) and provides space to hire for local functions catered by the Hotel for groups between 20 to 500 people. Events include live music events, Christmas parties, weddings and receptions, meetings and conferences, farewells and engagements.
 - Poker tournaments are on Wednesday and Sunday with a total attendance of about 120 patrons (World pro on Wednesday attended by about 90 and social tournament on Sunday afternoon attended by about 30). Three times a year there is also a 'championship tournament' that attracts about 120-140 people.
 - A drive through BWS bottle shop, with a separate large format Dan Murphy's liquor store also on site.
14. The Hotel employs approximately 32 full-time, part-time and casual staff, providing a key source of local employment opportunities.

CURRENT GROUND FLOOR LAYOUT

MAP 2.4



2.4 BISTRO PATRON DISTRIBUTION

15. A survey of bistro patrons was conducted between over January and February 2016 (refer to Table 2.1). Map 2.4 shows the distribution of these patrons. The survey results comprise 1,053 responses and indicated that the bistro at the venue has a largely localised draw. Some 55% of patrons come from the three nearby suburbs of South Morang, Doreen and Mill Park. As such, a significant proportion of patrons is coming from the growth areas to the north of the venue.

Bistro Patron Distribution by Suburb

COMMERCIAL HOTEL

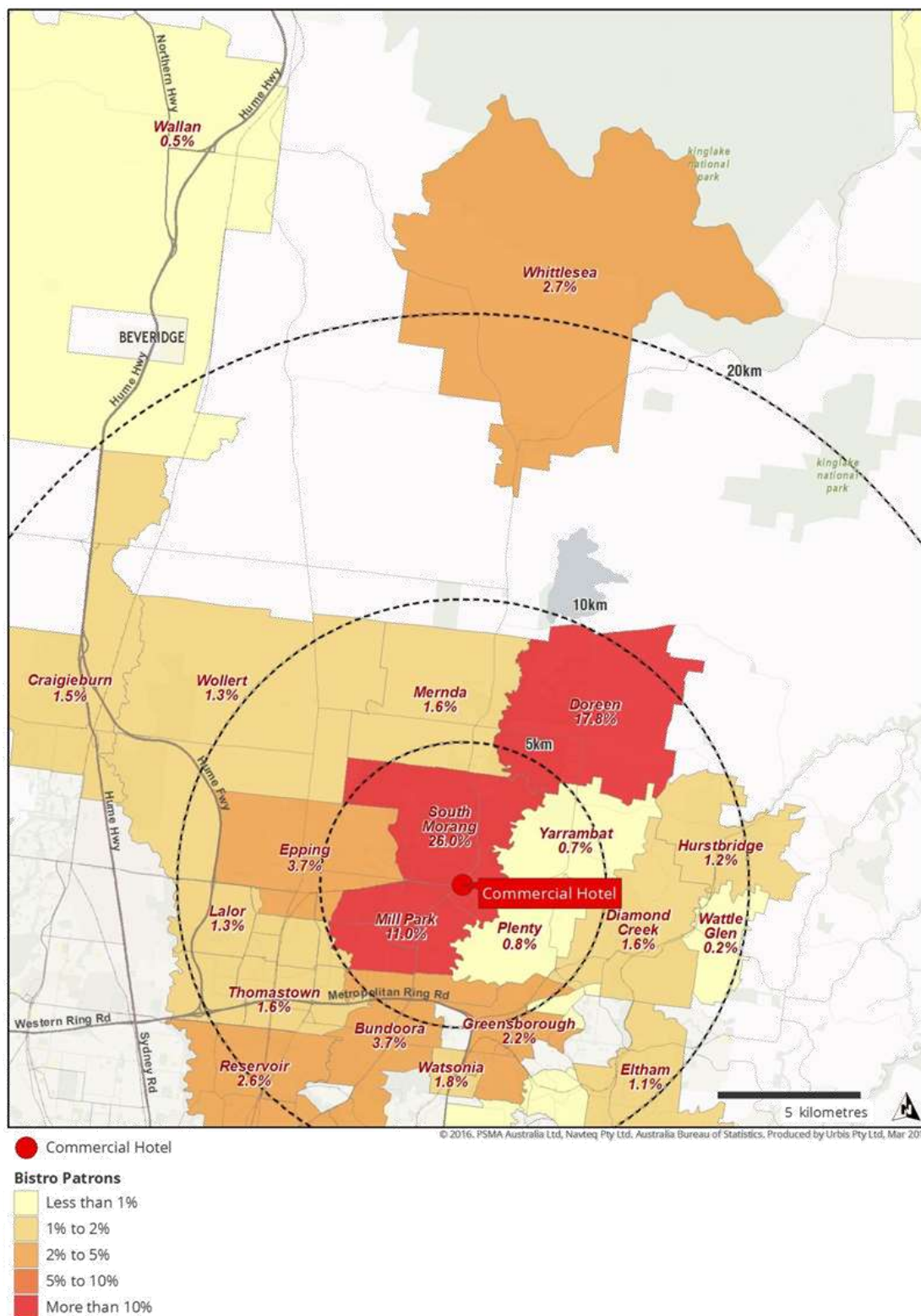
TABLE 2.1

Suburb	Respondents	% of Total
South Morang	274	26%
Doreen	187	18%
Mill Park	116	11%
Bundoora	39	4%
Epping	39	4%
Whittlesea	28	3%
Reservoir	27	3%
Greensborough	23	2%
Adelaide	20	2%
Watsonia	19	2%
Diamond Creek	17	2%
Thomastown	17	2%
Craigieburn	16	2%
Mernda	15	1%
Taylors Hill	15	1%
Wollert	14	1%
Lalor	14	1%
Hurstbridge	13	1%
Eltham	12	1%
Other	148	14%
Total	1,053	100%

Source: ALH ; Urbis

BISTRO PATRON DISTRIBUTION

MAP 2.5



2.5 COMMUNITY CONTRIBUTIONS

16. The Commercial Hotel currently contributes to several local sporting clubs, including the South Morang Football Club and the Diamond Valley Eagles. In the absence of gaming machines, the Hotel has contributed almost \$11,000 cash to local clubs and groups over two years, as shown in Table 2.2. This is in addition to the large contributions provided by the broader ALH Group.

Sponsorships and Donations to Local Organisations

JUNE 2014 TO FEBRUARY 2016

TABLE 2.2

South Morang Football Club	\$6,744
Diamond Valley Eagles Basketball Club	\$1,619
Heat Netball Club	\$887
The Winged Dragon Martial and Healing Arts	\$766
Rhythm Nation Dance Studio	\$500
Other Donations	\$200
Total	\$10,716

Source: ALH ; Urbis

17. In addition to the community contributions directly from the hotel outlined above, over the last 3 years ALH donations in the City of Whittlesea have included:
- Northern Hospital Appeal - \$35,200.
 - City of Whittlesea Meadowglen & YMCA fun run - \$2,200.
 - City of Whittlesea Governor's Charity Pro Am 2013 - \$11,000.
 - Rotary Club of Whittlesea to build a storage shed - \$12,500.

2.6 FUTURE COMMUNITY CONTRIBUTIONS

18. Should the venue be granted approval to operate EGMs, ALH have indicated that they will establish a significantly expanded community contributions plan:
- \$100,000 annually for ten years, including \$10,000 for an annual charity day; \$40,000 to the City of Whittlesea for problem gambling initiatives and \$50,000 to a committee for grants to local community/sports groups.
 - At end of 10 years, \$25,000 per annum to local community/sporting groups to be allocated via a committee for the term of the operation of the EGMs.

2.7 PLANNED DEVELOPMENT

19. The planned redevelopment of the venue, as shown in Maps 2.6 and 2.7, involves:
- Internal modifications to the existing TAB area to provide an enclosed space for the proposed gaming room with 40 EGMs and upgrading the remainder of the TAB to a sports bar.
 - Refurbishment of the existing BWS bottle shop to provide a 305 square metre function room (noting no net addition of floorspace at the ground floor) capable of accommodating 200 patrons. There will be ancillary facilities including toilets, a bar and a main entrance.

- Construction of a roof top bar/beer garden on the first floor level on the northern side of the building. The new beer garden will have an approximate floor area of 431 square metres. Access to this beer garden area will be via a newly installed lift and staircase adjacent to the public bar area at the ground floor level. The beer garden will be primarily external with limited roofing provided.

20. These changes will improve the ability of the venue to cater for events and, with the upstairs beer garden, provide a better facility for social gatherings. Current estimates of the costs to deliver this development are in the order of \$2.3 million.

2.8 OPERATING HOURS

21. Despite the liquor licence allowing longer hours, operating hours for the venue are currently as follows:

- For the bistro, 11:30am - 3:00pm and 5:30pm - 9:00pm every day.
- For the public bar, Sunday - Thursday 12:00pm - 10:00pm and Friday - Saturday 12:00pm - 1:00am.

22. Should gaming machines be added to the venue, these hours will expand slightly. The bistro is currently open between 11.30am to 3pm and 5.30pm to 9pm every day. The public bar is currently open between 12pm and 10pm from Sunday to Thursday and 12pm to 1am on Friday and Saturday.

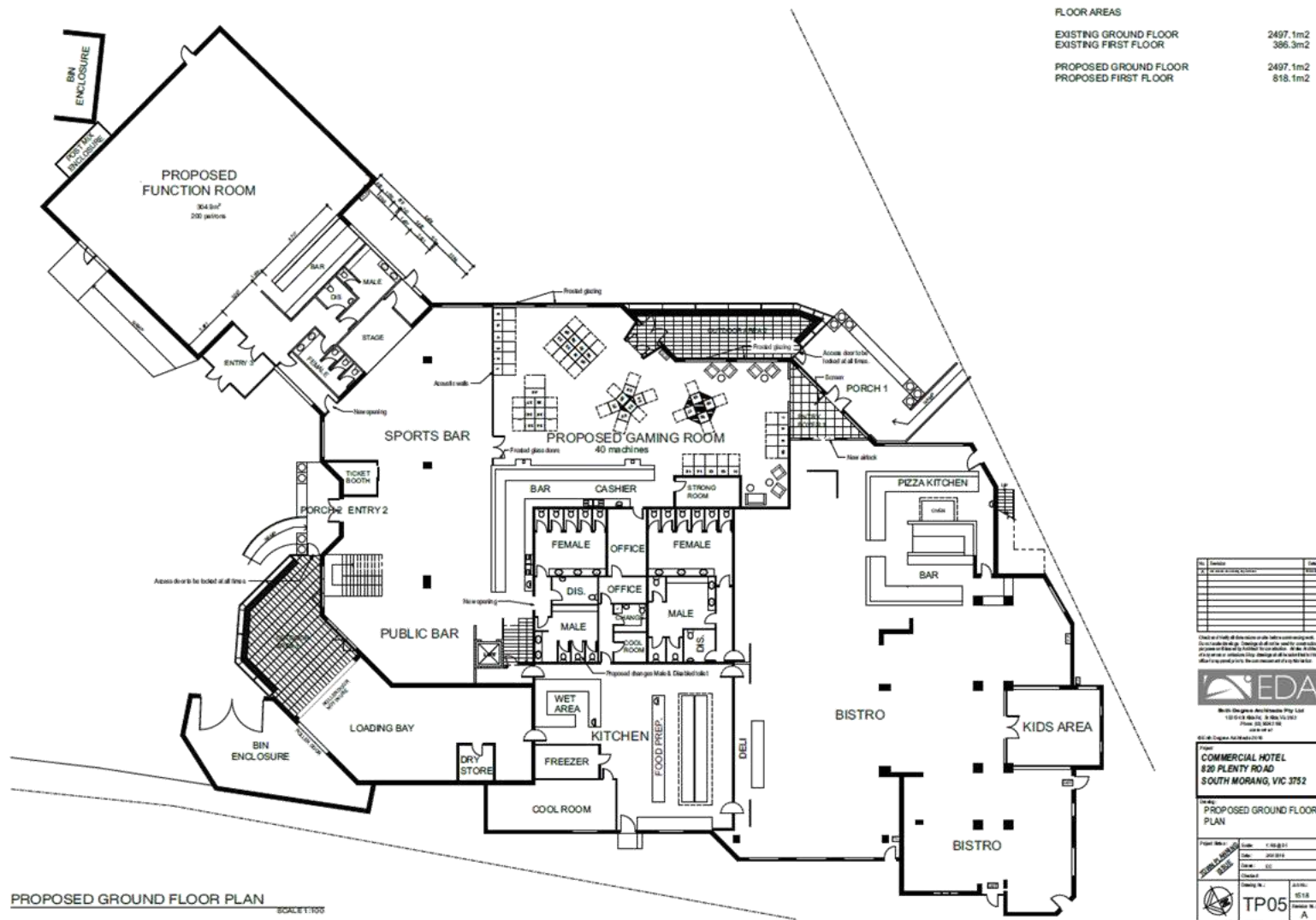
23. The opening hours for the gaming room are intended to be as follows:

- Monday-Saturday 10am-1am
- Sunday 10am-11pm
- Good Friday/ANZAC Day 12 noon-11pm

24. These hours, with a minimum closing time of 9 hours and no operation past 1am, are considered to be a positive harm minimisation measure, particularly in comparison to other gaming venues in the area which are typically open for the maximum 20 hours per day, and open through the early hours post 1am.

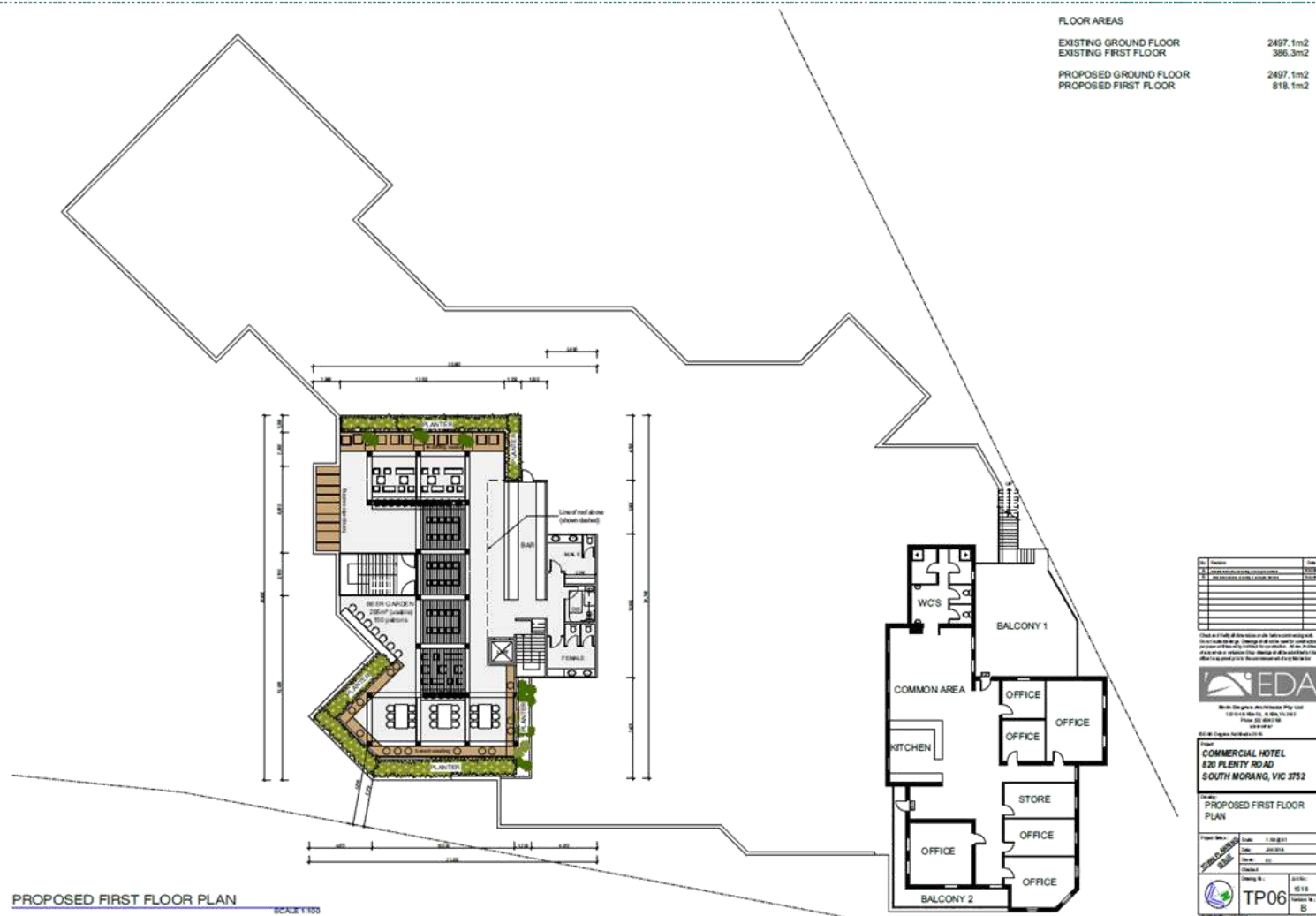
PROPOSED GROUND FLOOR LAYOUT

MAP 2.6



PROPOSED FIRST FLOOR LAYOUT

MAP 2.7



3 Municipal Profile

25. Before granting an approval of premises as suitable for gaming the Commission must be satisfied that the net economic and social impact of approval will not be detrimental to the wellbeing of the community of the municipal district in which the premises are located.
26. This section presents the socio-economic profile of residents in the City of Whittlesea. Where available, demographic data is presented for the Whittlesea (C) – North, Whittlesea (C) – South-East and Whittlesea (C) – South-West SLAs that comprise the municipality.
27. Suburbs included as part of each SLA are:
 - **North:** the northern part of Epping, South Morang, Mernda, Wollert, Woodstock, Yan Yean, Humevale, Beveridge, Eden Park and Whittlesea and the western part of Doreen.
 - **South-East:** Mill Park and part of Bundoora.
 - **South-West:** Thomastown and Lalor and the southern part of Epping.

3.1 POPULATION

28. The residential areas that comprise the City of Whittlesea are diverse, from established suburbs in the south to developing new residential estates on the urban frontier. The majority of the municipality is rural, particularly in the north.
29. The City of Whittlesea's historical and forecast population trends are shown in Table 3.1 and Chart 3.1. Historical population figures to 2014 are based on ABS Estimated Resident Population (ERP) and forecasts are based on Victoria in Future 2015 (VIF 2015) estimated population growth rates for the equivalent areas prepared by the Department of Environment, Land, Water and Planning.
30. The ABS ERP figures show that the 2014 residential population of the City of Whittlesea was approximately 187,000 people. This represents an average annual growth rate of 5.2% since 2009, which is much greater than Melbourne's growth rate over the same period.
31. The municipality is part of Melbourne's northern growth corridor, along with the City of Hume. Population growth averaged some 8,300 people over the five years to 2014, and will continue to grow strongly to 2021.
32. Growth is expected to be strongest in the north of the municipality, where new residential estates are being built, both around Epping North, and also the South Morang-Mernda corridor served by the Commercial Hotel. New dwelling approvals have averaged 2,250 per annum over the last five years in the North SLA, accounting for the majority of new dwelling approvals in the municipality, which have averaged 2,800 new dwelling approvals over the last five years [*refer Chart 3.1.*].

Population Growth, 2001-2021

CITY OF WHITTLESEA

TABLE 3.1

SLAs	Estimated Residential Population ¹				DELWP Projections (Rebased) ²	
	2001	2004	2009	2014	2016	2021
North	12,930	19,260	40,340	75,120	86,600	112,510
South-East	41,600	42,990	44,380	44,040	44,220	46,100
South-West	<u>62,860</u>	<u>61,490</u>	<u>60,720</u>	<u>67,850</u>	<u>69,520</u>	<u>74,400</u>
City of Whittlesea	117,390	123,740	145,450	187,010	200,340	233,010
Greater Melbourne (000's)	3,500	3,642	4,032	4,440	4,628	5,064
Average Annual Change (No.)		2001-04	2004-09	2009-14	2014-16	2016-21
North		2,110	4,220	6,960	5,740	5,180
South-East		460	280	-70	90	380
South-West		<u>-460</u>	<u>-150</u>	<u>1,430</u>	<u>840</u>	<u>980</u>
City of Whittlesea		2,120	4,340	8,310	6,670	6,530
Greater Melbourne (000's)		50	80	80	94	87
Average Annual Change (%)		2001-04	2004-09	2009-14	2014-16	2016-21
North		14.2%	15.3%	14.6%	7.4%	5.4%
South-East		1.1%	0.8%	0.2%	0.2%	0.8%
South-West		<u>-0.7%</u>	<u>-0.4%</u>	<u>1.0%</u>	<u>1.2%</u>	<u>1.4%</u>
City of Whittlesea		1.8%	3.3%	5.2%	4.2%	3.6%
Greater Melbourne		1.3%	2.1%	1.9%	2.1%	1.9%

1 As at June 30

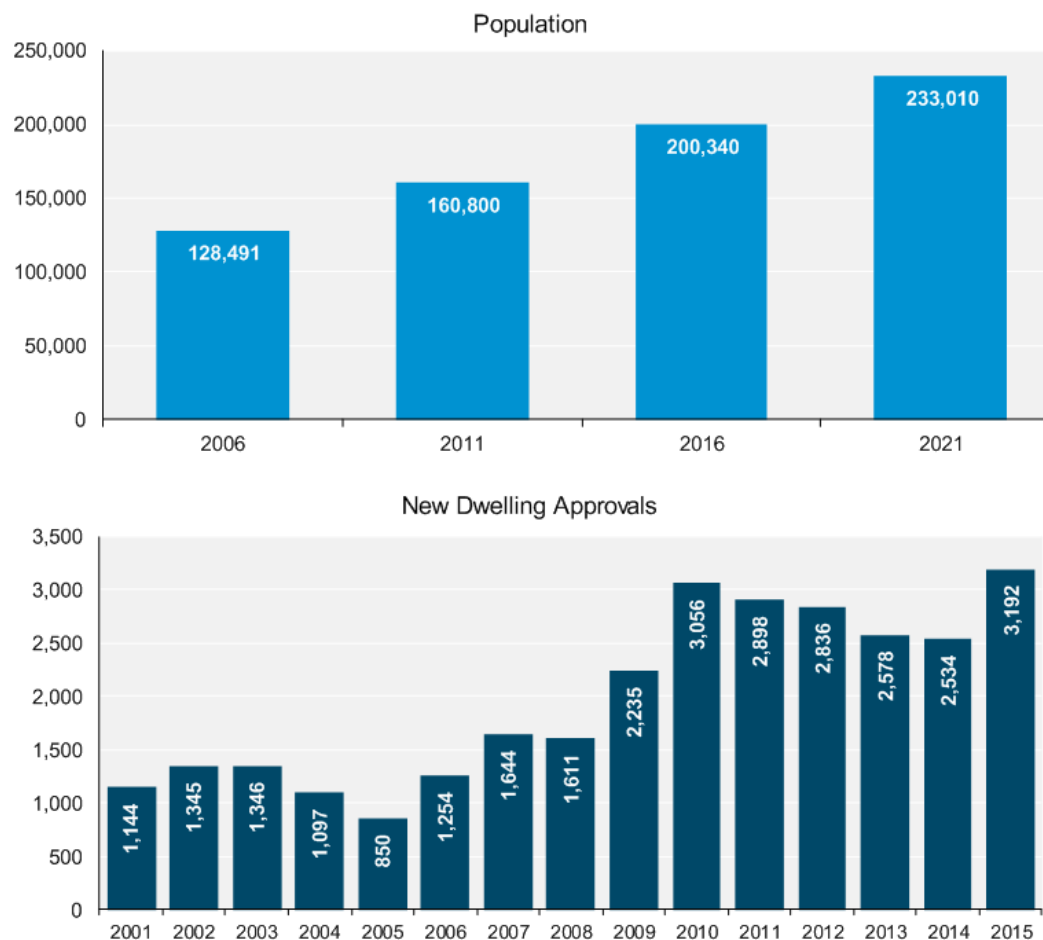
2. Victoria in Future 2015 forecast growth rate for comparable areas applied to the latest ERP for 2014.

Source : ABS Regional Population Growth, Estimated Resident Population, (3218.0); DELWP, Victoria in Future Projections 2015; Urbis

Population and New Dwelling Approval Trends

CITY OF WHITTLESEA

CHART 3.1



Source : ABS, Building Approvals, Australia (87310); DELWP Victoria in Future 2015; Urbis

3.2 DEMOGRAPHIC PROFILE

33. Table 3.2 and Charts 3.2 to 3.5 show key demographic characteristics for the City of Whittlesea. They are benchmarked against averages for Greater Melbourne.
34. The areas within each SLA are in different stages of urban development and therefore have their own defining characteristics. The North SLA is a growth area, with new housing developments being developed and new residents moving in. The southern SLAs are more established urban areas. Some key variations in demographic characteristics of SLAs within the municipality and other points to note include:
 - The Whittlesea North SLA having higher household incomes than both the municipal and Melbourne average.
 - There is a very high proportion of family households within both the Whittlesea municipality and the Whittlesea North SLA.
 - There is a younger age profile within the Whittlesea North SLA, consistent with young families moving to the new growth areas.
 - A very high proportion of households paying off a mortgage in the Whittlesea North SLA and higher than average across the City of Whittlesea due to new home developments.
 - The high proportion of mortgages reflects the nature of a substantial proportion of the municipality being a growth area. This contributes to an elevated recorded level of mortgage stress, as new households devote a larger than average proportion of their income to servicing their mortgage in the first years of their mortgage. It should be noted that since 2011 however, property prices in the City of Whittlesea have become more affordable relative to the rest of Melbourne.
35. As at September 2015, unemployment in South Morang was 5.1%, and 6.3% in Mill Park North, both in the local area of the Commercial Hotel. These unemployment rates are both below the unemployment rate for the City of Whittlesea and Greater Melbourne.
36. Generally these statistics highlight the less disadvantaged nature of the north of the municipality relative to the south, particularly the south west.
37. The demographics of the local area (residents within 2.5 km of the Commercial Hotel), which is the area of most relevance to this application, are considered in the next sub-section.

Demographic Profile

CITY OF WHITTLESEA, 2011

TABLE 3.2

Characteristics	Statistical Local Areas (Whittlesea)			City of Whittlesea	Melbourne Average
	North	South-East	South-West		
Income					
Average Household Income	\$90,495	\$82,725	\$63,233	\$77,922	\$86,412
Var'n from Melbourne Avg.	4.7%	-4.3%	-26.8%	-9.8%	n.a.
Avg. Per Cap. Income (aged 15-64)	\$43,320	\$37,056	\$30,298	\$36,811	\$45,019
Var'n from Melbourne Avg.	-3.8%	-17.7%	-32.7%	-18.2%	n.a.
Household					
Average Household Size	3.0	3.0	2.9	3.0	2.6
Average Age	31.1	36.3	38.4	35.3	37.3
Aged 65+ (% of Population)	6%	10%	15%	11%	13%
Family Household (% of Total Hholds)	85%	82%	81%	83%	72%
Households Owned Outright (% of Hholds)	18%	38%	45%	34%	34%
Households Under Mortgage (% of Hholds)	65%	41%	31%	45%	38%
Renter Occupied Households (% of Hholds)	17%	20%	24%	20%	28%
Car Ownership (% of Households)	98%	96%	91%	95%	91%
Dwelling Structure					
Separate House (%)	89%	92%	89%	90%	73%
Semi-detached (%)	10%	4%	5%	6%	12%
Flat, Unit or apartment (%)	1%	4%	6%	4%	15%
Other dwelling (%)	0%	0%	0%	0%	0%
Housing Costs					
Loan Mortgage Repayments (monthly \$)	\$2,141	\$1,794	\$1,659	\$1,930	\$2,020
% Households in Mortgage Stress ¹	12.5%	2.9%	4.8%	6.9%	3.4%
Rent Payments (weekly \$)	\$337	\$317	\$281	\$307	\$331
% Households in Rental Stress ¹	4.3%	5.2%	6.6%	5.4%	6.8%
Labour Force					
Labour Force Participation	75%	67%	55%	65%	66%
% Unemployed	4%	6%	7%	6%	5%
White Collar Workforce	66%	67%	54%	63%	72%
Blue Collar Workforce	34%	33%	46%	37%	28%
Birthplace					
Australia	76%	65%	54%	65%	67%
Asia	8%	12%	12%	11%	12%
Europe	9%	14%	21%	15%	11%
Other Region	7%	9%	12%	10%	10%

 +20% or more variation from Melbourne average

 -20% or more variation from Melbourne average

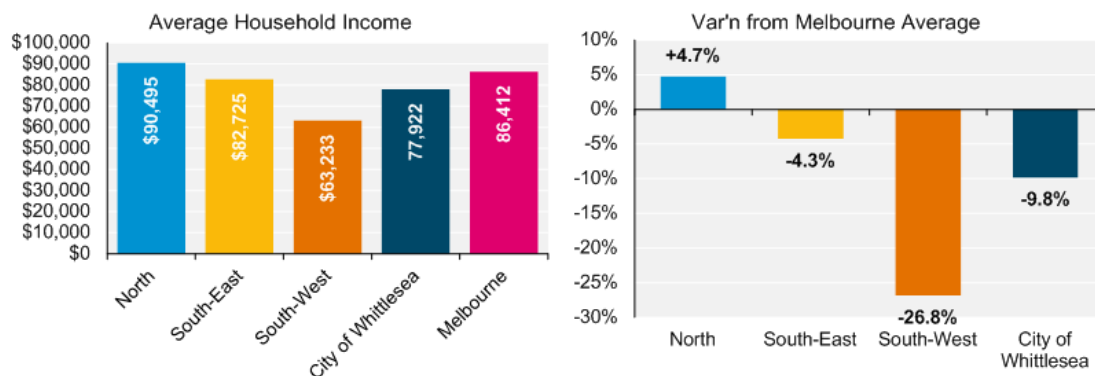
1. The Affordable Housing Taskforce has defined people as having difficulty in accessing affordable housing if they are in the lowest two quintiles (lowest 40%) of income distribution and pay 30% or more of their gross household income in housing costs. This group is referred to as being in housing stress.

Source : ABS Census of Population and Housing 2011; Urbis

Average Household Income

CITY OF WHITTLESEA, 2011

CHART 3.2

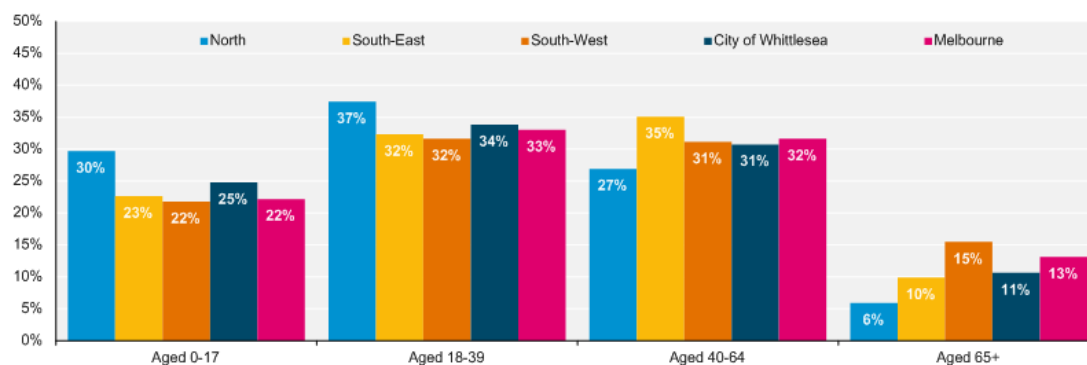


Source : ABS Census of Population & Housing 2011; Urbis

Age Profile

CITY OF WHITTLESEA, 2011

CHART 3.3

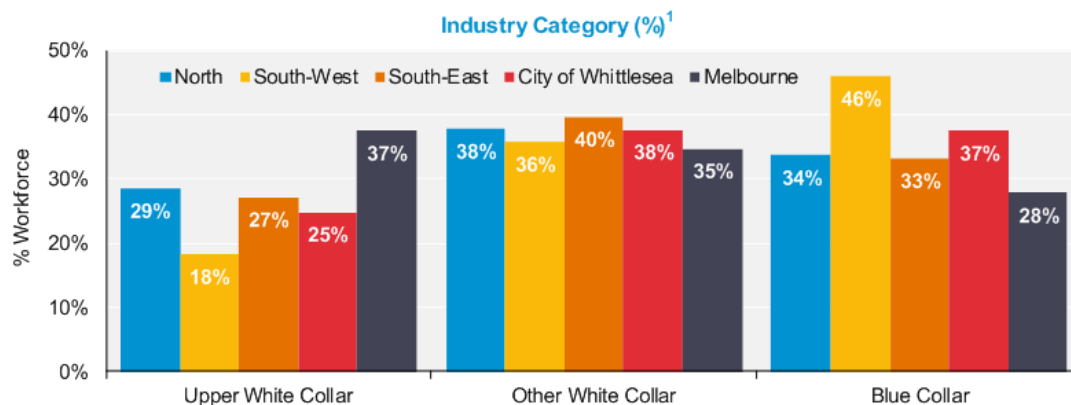


Source : ABS Census of Population & Housing 2011; Urbis

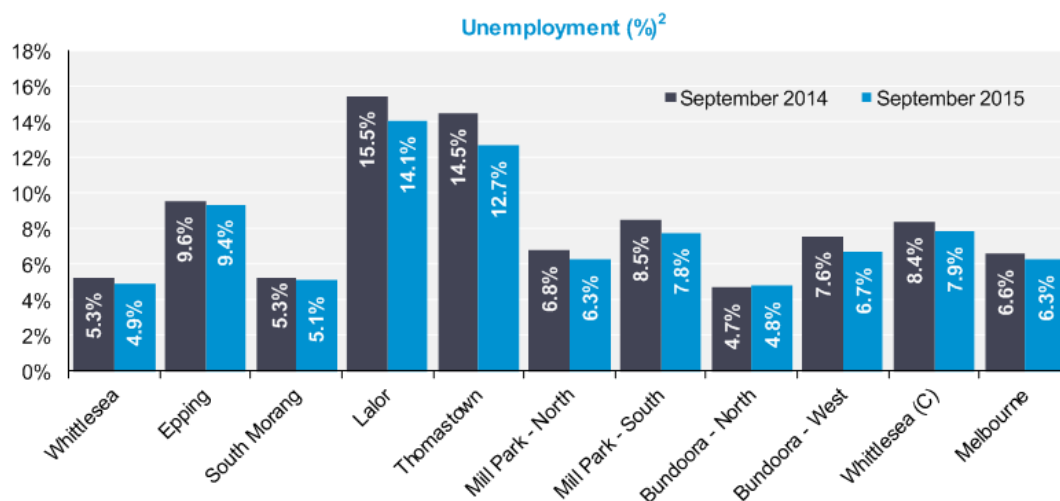
Employment

CITY OF WHITTLESEA

CHART 3.4



¹ Upper White Collar includes managers and professionals; Other White Collar includes community & personal service workers, clerical & administrative workers and sales workers; Blue Collar includes technicians & trades workers, machinery operators & drivers and labourers.
Source : ABS Census of Population & Housing 2011 Urbis



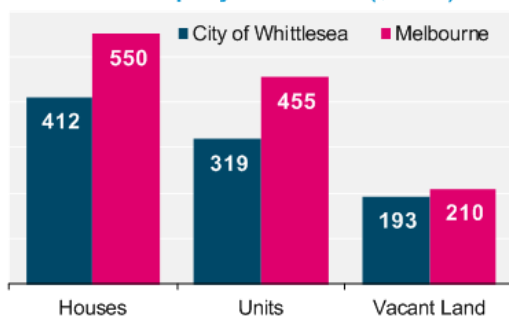
² Small Area Labour Market data is published at SA2, LGA and GCCSA area levels.
Source : Small Area Labour Markets, Smoothed Series; Urbis

Housing Status and Cost

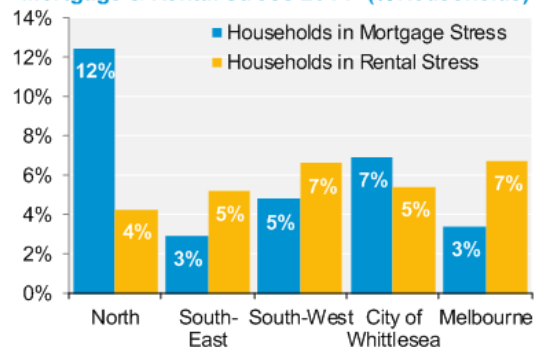
CITY OF WHITTLESEA

CHART 3.5

Median Property Prices 2014 (\$'000s)



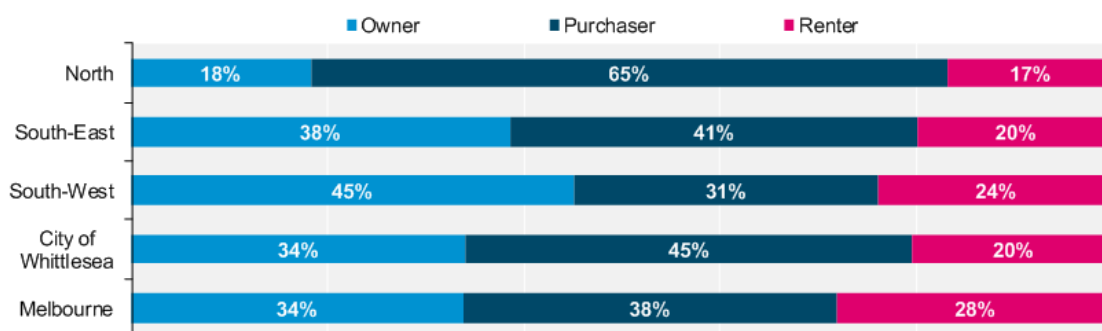
Source : Guide to Property Values Victoria 2014; Urbis

Mortgage & Rental Stress 2011¹ (% Households)

Source : ABS Census of Population and Housing 2011; Urbis

1. The Affordable Housing Taskforce (established by the ACT government) has defined people as having difficulty in accessing affordable housing if they are in the lowest two quintiles (lowest 40 percent of income distribution) and pay 30 percent or more of their gross household income in housing costs. This group is referred to as being in housing stress.

Housing Status (% Households)



Source : ABS Census of Population and Housing 2011; Urbis

3.3 SOCIO-ECONOMIC INDEX OF DISADVANTAGE (SEIFA)

38. Table 3.3 presents the SEIFA Index for the City of Whittlesea, as published by the ABS, to provide a general measure for the disadvantage in the area. Refer to the Definitions section of this report for details of how SEIFA is derived.
39. Using SEIFA, it is evident that residents in the City of Whittlesea are marginally more disadvantaged than other municipalities on average. The LGA is ranked 38 out of 80 LGAs in Victoria (where 1 is the most disadvantaged). Of the municipalities in Melbourne, the City of Whittlesea ranks 26 out of 30.

SEIFA

INDEX OF RELATIVE SOCIO-ECONOMIC DISADVANTAGE

TABLE 3.3

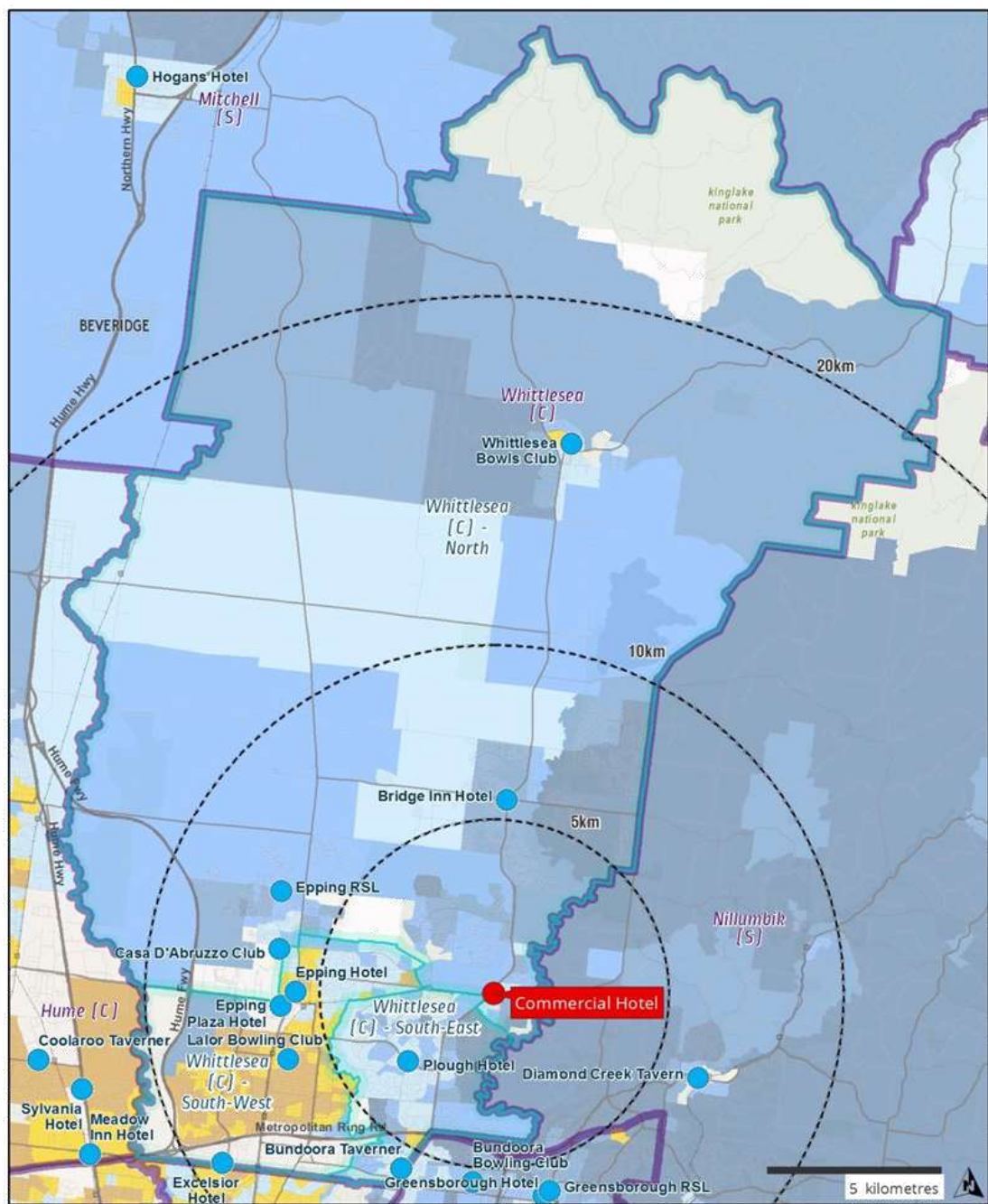
Statistical Local Area	Rank (of 207)	Index Score
North	175	1,055
South-East	130	1,019
South-West	11	905
Local Government Area	Rank (of 80)	Index Score
City of Whittlesea	38	989

Source : ABS Socio-Economic Indexes for Areas, Index of Relative Socio-Economic Disadvantage 2011 (cat. 2033.0); Urbis

40. While Whittlesea has a low score overall, disadvantage is unevenly distributed throughout the municipality as commonly experienced in municipalities that are on the urban fringe. There are pockets of disadvantage in the City of Whittlesea in long established areas, particularly around Thomastown and Lalor, some 10 km from the Commercial Hotel by road. Residents in this area already have access to gaming at several local venues including the Lalor Bowling Club, Epping Plaza Hotel and the Excelsior Hotel. It is unlikely that the introduction of gaming machines at the Commercial Hotel will have a detrimental impact on residents in these areas. In fact the transfer of a small number of machines from the Excelsior is seen as positive in this regard.
41. Map 3.1 shows the SEIFA index for the City of Whittlesea at the SA1 level, the smallest area at which information is available. This indicates that residents in South Morang and to the north of the Hotel are relatively less disadvantaged than residents to the south-west. Within 800m of the Commercial Hotel there are no small statistical areas (SA1s) that are in the lowest two national SEIFA deciles, with all but one SA1 ranked in the top six deciles. This indicates that the immediate surrounding area does not experience high levels of socio-economic disadvantage.

SEIFA INDEX – CITY OF WHITTLESEA

MAP 3.1



© 2016, PSMA Australia Ltd, Navteq Pty Ltd, Australia Bureau of Statistics, Produced by Urbis Pty Ltd, Mar 2016

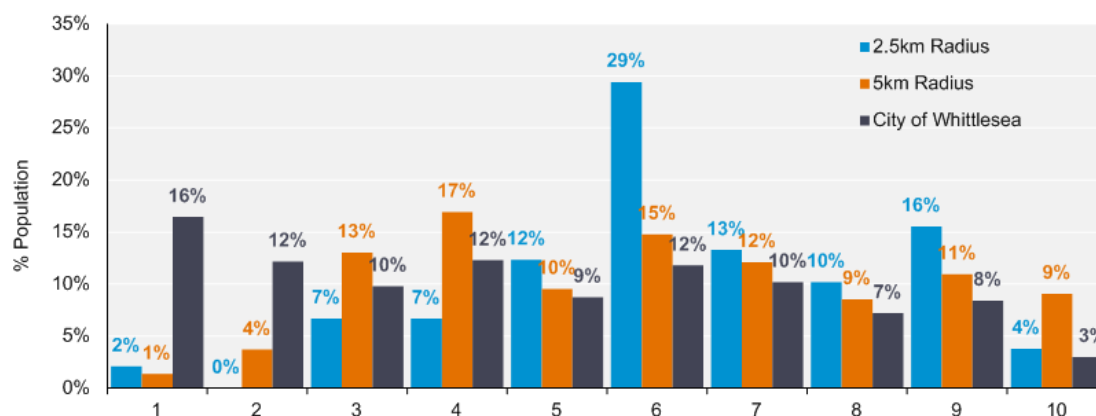
3.4 LOCAL CHARACTERISTICS

42. The Council's *Gambling Strategy and Action Plan 2014-2024* cites research by the Department of Justice, which found that 54% of EGM players travelled no more than 5 kilometres to a gambling venue, indicating that most people who chose to participate in gambling are not prepared to travel far to access venues (on page 29 of the *Action Plan*). In built up metropolitan areas, the core catchment for a gaming venue is typically closer to just 2.5km around the venue.
43. This catchment distance is expected to apply to gaming machines at the Commercial Hotel also. This is consistent with the results of the bistro survey (see Section 2.4), which found that some 55% of patrons live in adjacent suburbs. In my experience in conducting bistro and gaming room surveys, gaming rooms typically have an even tighter draw than bistro facilities in the same venue.
44. For this reason, it is appropriate to focus on a demographic analysis of residents within 5km of the venue in assessing the impacts of the proposed gaming machines. I have also assessed the 2.5 km radius as the area that will have the most direct access to any new machines. Note that the 2.5km radius is a subset of the 5km radius in the charts and tables in this section.
45. The SEIFA rankings are often reported in deciles: all areas (in this case the state) are ranked and grouped into ten deciles, where Decile 1 represents the 10% most disadvantaged areas, Decile 2 10%-20% most disadvantaged and so on. Chart 3.6 shows the proportion of residents in each state based SEIFA decile, with a much lower proportion of residents surrounding the Commercial Hotel in the deciles of high disadvantage relative to the rest of the City of Whittlesea.
46. Within 2.5km of the Commercial Hotel, only 2% of the population are ranked in Deciles 1 to 2, where disadvantage is considered to be high. This compares with the City of Whittlesea as a whole where 28% of the population are ranked in deciles 1 or 2. This data suggests that the residents in and around South Morang are substantially less disadvantaged than residents elsewhere in the municipality, with very few people considered to be living in an area of high disadvantage. The vast majority of residents surrounding the Hotel (within 2.5km) are considered to be relatively less disadvantaged, with 72% of residents in deciles six and above.

Proportion of Residents in SEIFA Deciles

2.5KM AND 5KM RADIUS AND THE CITY OF WHITTLESEA

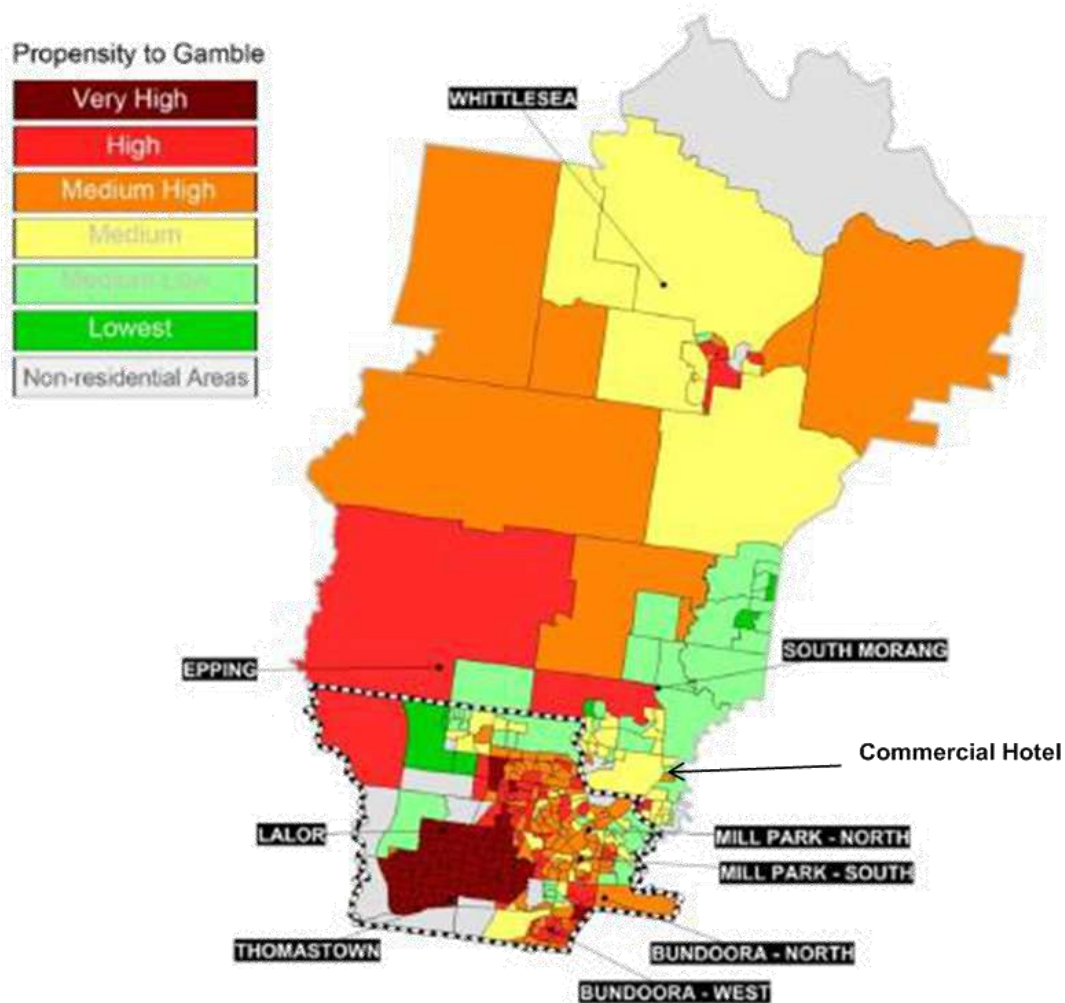
CHART 3.6



47. Map 4 in the Council's *Gambling Strategy and Action Plan 2014-2024* (refer Map 3.2) shows the Propensity to Gamble Index.
48. The Propensity to Gamble Index estimates the propensity of residents living in an area to gamble based on several key socio-economic characteristics from the 2011 Census that approximate socio-economic disadvantage. These include:
- The highest level of schooling achieved, for those aged 18 and over, is Year 10 and below.
 - Incomes, in the lowest 25%, for people aged 18 and over.
 - Those in less skilled occupations (sales workers, machinery operators and drivers and labourers) for those aged 18-64.
 - Unemployment that is higher than average.
49. As shown in Map 3.2, the Commercial Hotel is surrounded by several green areas, indicating areas in which residents have a low propensity to gamble. The high propensity areas are located to the south west.

CITY OF WHITTLESEA PROPENSITY TO GAMBLE INDEX

MAP 3.2



Source: City of Whittlesea, Gambling Strategy and Action Plan 2014-2024, p. 37.

50. Table 3.4 outlines the demographic statistics used to comprise the Propensity to Gamble Index for the 2.5km and 5km radii around the Commercial Hotel:
- The proportion of residents with per capita incomes below \$20,800 is around 39%, equal to the Melbourne average, compared to 43% for the City of Whittlesea.
 - Labour force participation is higher than both the municipal and Melbourne average, and unemployment is lower.
 - There is a higher proportion of residents in unskilled work, perhaps due to the nearby Westfield Plenty Valley, a large employer of sales workers.
 - Those who only finished school at Year 10 or did not go to school is higher than the Melbourne average at 29% compared to 27%, but lower than the municipal average of 33%.
51. This analysis reveals that residents in the local area of the Commercial Hotel, those most likely to use its facilities, have demographics characteristics that suggest a lower propensity to gamble than the rest of the municipality according to the Council's strategy.

Propensity to Gamble Demographic Characteristics

WITHIN 2.5KM AND 5KM OF THE COMMERCIAL HOTEL

TABLE 3.4

Characteristics	2.5km	5km	City of Whittlesea	Melbourne Average
Per Capita Income (Persons aged 15 and over) (%)				
\$Neg/Nil	10%	11%	11%	10%
\$1 - \$20,800	27%	28%	32%	29%
\$20,800 - \$41,600	24%	24%	25%	23%
\$41,600 - \$78,000	28%	27%	25%	25%
\$78,000 +	10%	10%	8%	14%
Labour Force				
Labour force participation	70%	70%	65%	66%
% unemployed	4.4%	4.9%	5.6%	5.5%
% in unskilled occupations	30%	30%	32%	24%
Highest Level of Schooling Achieved				
Up to Year 10 or Equivalent	28%	28%	31%	25%
Did not go to school	1.42%	1.41%	2.45%	1.40%

 +20% or more variation from Melbourne average
 -20% or more variation from Melbourne average

Source : ABS Census of Population and Housing 2011, Urbis

52. Table 3.5 provides more detailed socio-economic characteristics of the local area. Most of the key differences between the 2.5km/5km radii and the rest of the City are similar to the differences between the North SLA and other areas described earlier. Distinguishing characteristics of the 2.5km and 5km radii from the hotel relative to the rest of the municipality include:
- Income levels that are at or slightly above Melbourne average levels and over 11% higher than the City of Whittlesea as whole.
 - More mature residents with 15% of the 2.5km population aged over 65. As discussed later in this report, this age group is acknowledged as being less susceptible to problem gambling.
 - Levels of mortgage stress are recorded as being higher than average due primarily to the absolute volume of people who are in the early stages of paying a mortgage, however rental stress is lower. I note the increasing affordability of housing in the area relative to the rest of Melbourne should have reduced housing stress since the time of the 2011 Census.
 - More residents around the hotel are employed in white collar employment relative to the municipality as a whole, with high levels of labour force participation.

Socio-Economic Characteristics

2.5KM AND 5KM RADIUS

TABLE 3.5

Characteristics	2.5km	5km	City of Whittlesea	Melbourne Average
Income				
Average Household Income	\$86,861	\$87,777	\$77,922	\$86,412
Var'n from Melbourne Avg.	0.5%	1.6%	-9.8%	n.a.
Avg. Per Cap. Income (aged 15-64)	\$40,431	\$39,640	\$36,811	\$45,019
Var'n from Melbourne Avg.	-10.2%	-11.9%	-18.2%	n.a.
Household				
Average Household Size	3.0	3.0	3.0	2.6
Average Age	35.1	34.7	35.3	37.3
Aged 65+ (% of Population)	15%	13%	11%	13%
Family Household (% of Total Hholds)	84%	85%	83%	72%
Households Owned Outright (% of Hholds)	30%	32%	34%	34%
Households Under Mortgage (% of Hholds)	51%	50%	45%	38%
Renter Occupied Households (% of Hholds)	18%	18%	20%	28%
Car Ownership (% of Households)	97%	97%	95%	91%
Dwelling Structure				
Separate House (%)	88%	90%	90%	73%
Semi-detached (%)	8%	6%	6%	12%
Flat, Unit or apartment (%)	4%	3%	4%	15%
Other dwelling (%)	0%	0%	0%	0%
Housing Costs				
Loan Mortgage Repayments (monthly \$)	\$1,949	\$1,949	\$1,930	\$2,020
% Households in Mortgage Stress ¹	7.4%	6.0%	6.9%	3.4%
Rent Payments (weekly \$)	\$332	\$322	\$307	\$331
% Households in Rental Stress ¹	4.9%	4.4%	5.4%	6.8%
Labour Force				
Labour Force Participation	70%	70%	65%	66%
% Unemployed	4%	5%	6%	5%
White Collar Workforce	68%	67%	63%	72%
Blue Collar Workforce	32%	33%	37%	28%
Birthplace				
Australia	72%	70%	65%	67%
Asia	8%	9%	11%	12%
Europe	13%	12%	15%	11%
Other Region	7%	8%	10%	10%

 +20% or more variation from Melbourne average

 -20% or more variation from Melbourne average

1. The Affordable Housing Taskforce has defined people as having difficulty in accessing affordable housing if they are in the lowest two quintiles (lowest 40%) of income distribution and pay 30% or more of their gross household income in housing costs. This group is referred to as being in housing stress.

Source : ABS Census of Population and Housing 2011; Urbis

3.5 DEMOGRAPHICS AROUND OTHER VENUES

53. Surveys of gaming room patrons at other ALH venues in the local area from which EGMs are to be transferred conducted earlier this year show that each venue also draws the majority of its patrons from suburbs in the immediate area.
54. As shown in Table 3.6, 43% of all gaming patrons in the Plough Hotel live in Mill Park, and further north in Epping and South Morang. Almost all respondents live in suburbs bordering Mill Park, where the Hotel is located. Importantly, 54% of gaming patrons resided in Mill Park and South Morang combined which are the two suburbs where we expect the Commercial Hotel would draw most heavily, indicating residents in the area are accessing machines elsewhere already, and suggests potential for a level of transfer of gaming play between venues.

Plough Hotel

GAMING ROOM SURVEY, JAN-FEB 2016

TABLE 3.6

Suburb	Respondents	% of Total	SEIFA score
Mill Park	220	43%	1006
Epping	84	17%	974
South Morang	55	11%	1037
Lalor	44	9%	885
Bundoora	34	7%	1026
Thomastown	33	6%	885
Other suburb not listed	39	8%	
Total	509	100%	

Source: ALH ; Urbis

55. It is a similar story for the Excelsior, where 53% of respondents live in Thomastown, Reservoir or Lalor, as shown in Table 3.7. The majority of patrons at the Excelsior live in areas of high disadvantage, and therefore any removal of machines from this venue could be considered a positive outcome.

Excelsior Hotel

GAMING ROOM SURVEY, JAN-FEB 2016

TABLE 3.7

Suburb	Respondents	% of Total	SEIFA score
Thomastown	45	21%	885
Reservoir	33	16%	939
Lalor	33	16%	885
Mill Park	14	7%	1006
Epping	14	7%	974
Glenroy	8	4%	929
Broadmeadows	8	4%	797
Greensborough	6	3%	1063
Campbellfield	6	3%	827
Craigieburn	6	3%	978
Preston	5	2%	983
South Morang	5	2%	1037
Other suburb not listed	27	13%	
Total	210	100%	

Source: ALH ; Urbis

56. Finally, Table 3.8 shows the results for Bundoora Taverner, where 55% of patrons live in Bundoora alone, although noting Bundoora is a large suburb. Bundoora is not a particularly disadvantaged area, although the venue does draw patronage from nearby areas of higher disadvantage such as Reservoir, Thomastown and Lalor.

Bundoora Taverner

GAMING ROOM SURVEY, JAN-FEB 2016

TABLE 3.8

Suburb	Respondents	% of Total	SEIFA score
Bundoora	230	55%	1026
Mill Park	42	10%	1006
Reservoir	25	6%	939
Watsonia	22	5%	998
Greensborough	19	5%	1063
Kingsbury	15	4%	960
Thomastown	15	4%	885
Lalor	13	3%	885
South Morang	10	2%	1037
Plenty	7	2%	1125
Macleod	6	1%	1062
Other suburb not listed	16	4%	
Total	420	100%	

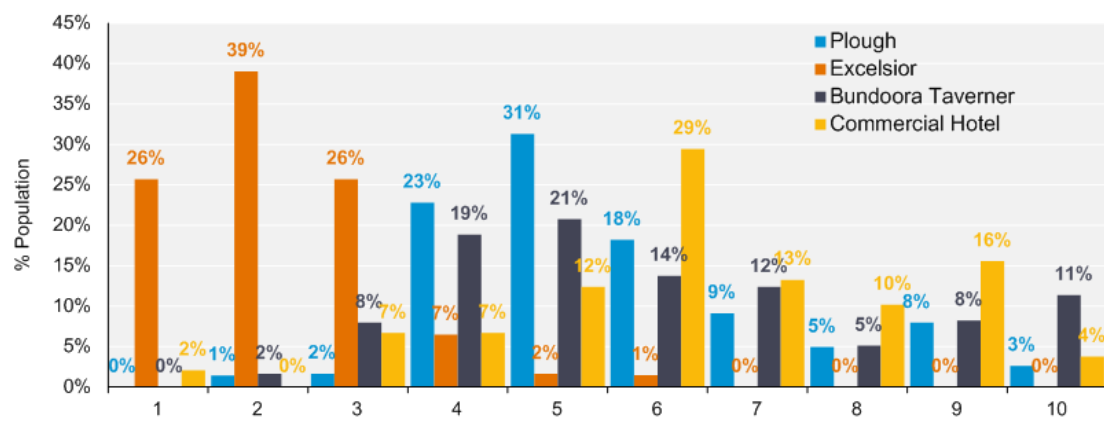
Source: ALH ; Urbis

57. A summary of the demographic profile of each area with 2.5 km of each venue is shown in Table 3.9. Some 20 EGMs will be moved from other ALH venues in the municipality, 10 from the Plough, 4 from the Excelsior and 6 from Bundoora Taverner. The demographic profile of these four areas reveals that residents near the Commercial Hotel, or those most likely to use the Hotel for gaming, have a demographic profile that is less vulnerable, particularly relative to the Excelsior. Residents in the area around the Commercial Hotel have the highest incomes, and the lowest unemployment and the highest workforce participation of the areas around each of the four venues.
58. A reduction in the number of machines in other venues is positive as it will reduce problem gambling in these areas which are characterised by higher risk demographic profiles. The changes in EGM distribution associated with this application will reduce machines in areas of high disadvantage and redistribute them to an area of relatively less disadvantage. This must be seen as positive in the same way that an increase in the number of machines in an area has the potential to increase the risk of problem gambling.
59. As shown in Chart 3.7 and Map 3.3, the Commercial Hotel has a greater proportion of residents in the upper (lower disadvantage) SEIFA deciles, relative to the other ALH venues. The Excelsior in particular serves a highly disadvantaged catchment with 91% of the population within 2.5km in Deciles 1 to 3.

Population by SEIFA Decile Within 2.5km Radius of Gaming Venue

ALH VENUES, CITY OF WHITTLESEA

CHART 3.7



Source : ABS Census of Population & Housing 2011; Urbis

Key Demographics Within 2.5km of Other ALH Venues

PLOUGH, EXCELSIOR AND BUNDOORA TAVERNER VS COMMERCIAL HOTEL

TABLE 3.9

Characteristics	Plough 2.5km	Excelsior 2.5km	Bundoora 2.5km	Commercial Hotel 2.5km	Melbourne Average
Income					
Average Household Income	\$85,403	\$62,000	\$80,266	\$86,861	\$86,412
Var'n from Melbourne Avg.	-1.2%	-28.3%	-7.1%	0.5%	n.a.
Avg. Per Cap. Income (aged 15-64)	\$36,958	\$32,222	\$38,688	\$40,431	\$45,019
Var'n from Melbourne Avg.	-17.9%	-28.4%	-14.1%	-10.2%	n.a.
Household					
Average Household Size	3.1	2.7	2.8	3.0	2.6
Average Age	35.1	41.0	37.9	35.1	37.3
Aged 65+ (% of Population)	13%	26%	20%	15%	13%
Family Household (% of Total Hholds)	85%	76%	77%	84%	72%
Households Owned Outright (% of Hholds)	37%	50%	41%	30%	34%
Households Under Mortgage (% of Hholds)	44%	25%	37%	51%	38%
Renter Occupied Households (% of Hholds)	19%	25%	22%	18%	28%
Car Ownership (% of Households)	97%	88%	93%	97%	91%
Dwelling Structure					
Separate House (%)	94%	83%	90%	88%	73%
Semi-detached (%)	3%	11%	4%	8%	12%
Flat, Unit or apartment (%)	2%	6%	6%	4%	15%
Other dwelling (%)	0%	0%	0%	0%	0%
Housing Costs					
Loan Mortgage Repayments (monthly \$)	\$1,770	\$1,707	\$1,972	\$1,949	\$2,020
% Households in Mortgage Stress ¹	2.8%	4.3%	2.2%	7.4%	3.4%
Rent Payments (weekly \$)	\$309	\$272	\$327	\$332	\$331
% Households in Rental Stress ¹	4.1%	5.9%	7.8%	4.9%	6.8%
Labour Force					
Labour Force Participation	68%	52%	63%	70%	66%
% Unemployed	5%	7%	6%	4%	5%
White Collar Workforce	66%	58%	72%	68%	72%
Blue Collar Workforce	34%	42%	28%	32%	28%
Birthplace					
Australia	65%	51%	63%	72%	67%
Asia	5%	5%	4%	8%	12%
Europe	2%	1%	3%	13%	11%
Other Region	28%	43%	30%	7%	10%

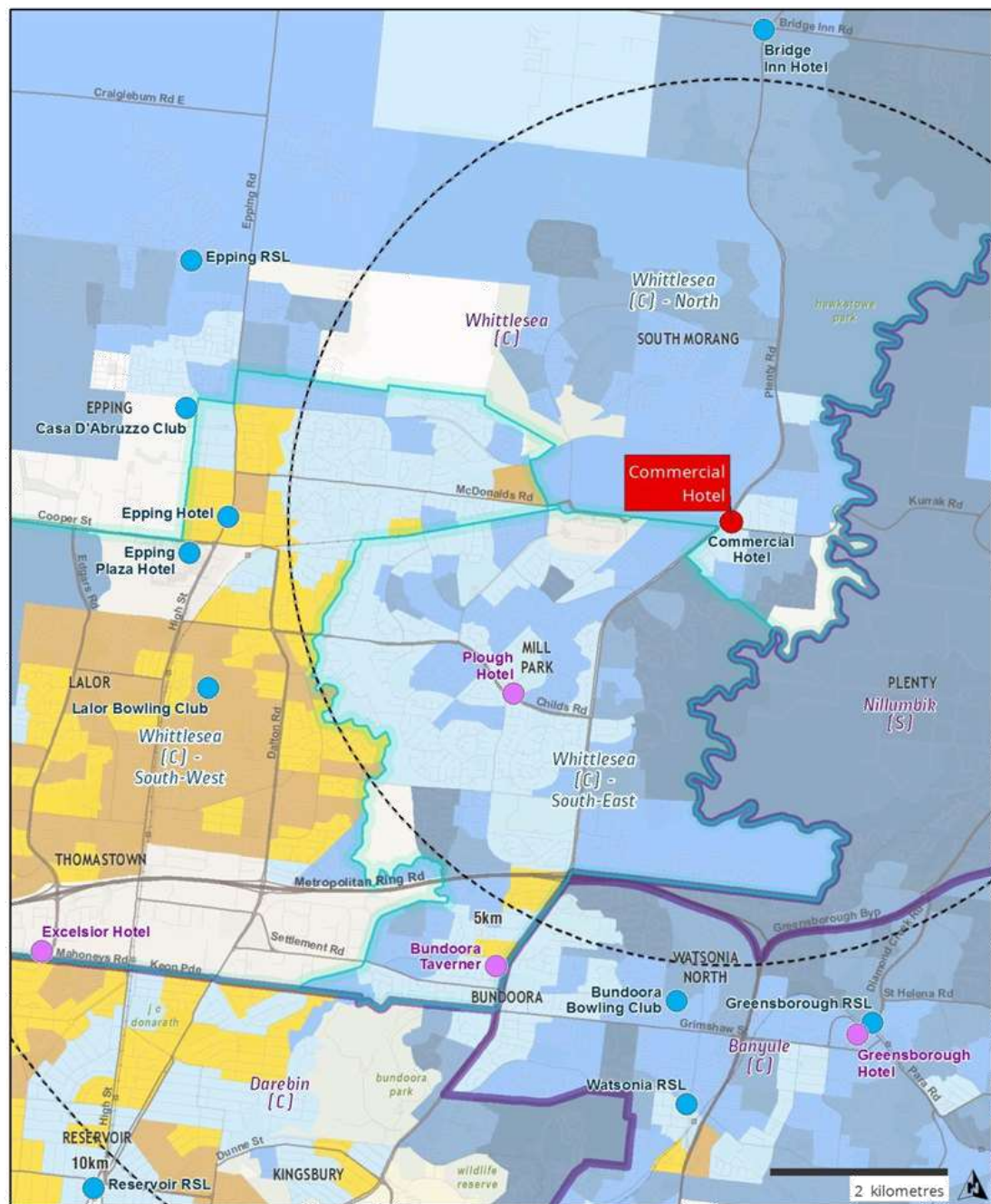
■ +20% or more variation from Melbourne average ■ -20% or more variation from Melbourne average

1. The Affordable Housing Taskforce has defined people as having difficulty in accessing affordable housing if they are in the lowest two quintiles (lowest 40%) of income distribution and pay 30% or more of their gross household income in housing costs. This group is referred to as being in housing stress.

Source : ABS Census of Population and Housing 2011; Urbis

SEIFA INDEX – PROXIMITY TO GAMING VENUES

MAP 3.3



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4 EGM Provision and Expenditure

4.1 REGIONAL CAP

- 60. The City of Whittlesea has a 'regional cap' of 581 EGM entitlements in the southern part of the municipality. This area covers the suburbs of Thomastown, Lalor, Epping, Mill Park and Bundoora. There are currently 570 EGMs in this area.
- 61. The Commercial Hotel is located outside the capped region.
- 62. In 2009, the State Government introduced a 'municipal limit' for areas not covered by the regional cap. The State Government applied a municipal limit of 212 EGMs in the north of the municipality not covered by the regional cap. EGM numbers in this region remain well below this limit.
- 63. As a result of this application, the number of EGMs in the capped area will be reduced by 20 due to the transfer of machines from other venues, as discussed below.

4.2 CURRENT PROVISION OF EGMS

- 64. The City of Whittlesea currently has ten gaming venues, as shown in Table 4.1 and Map 4.1. The proposed addition of 40 EGMs at the Commercial Hotel would make it one of the smaller venues (equal second smallest) in the municipality. Note Table 4.1 reflects EGM provision and expenditure for the 2015 financial year and does not include top ups to the Excelsior (+2 EGMs) and the Plough (+5 EGMs) as discussed later.
- 65. In the financial year 2015, the City of Whittlesea had four of the ten highest clubs for gaming expenditure, including the highest (Epping Plaza Hotel). The three venues from which ALH intend to transfer machines from to the Commercial Hotel (Bundoora Taverner, the Plough and the Excelsior) are all among the highest revenue venues.

Current EGM Distribution

CITY OF WHITTLESEA

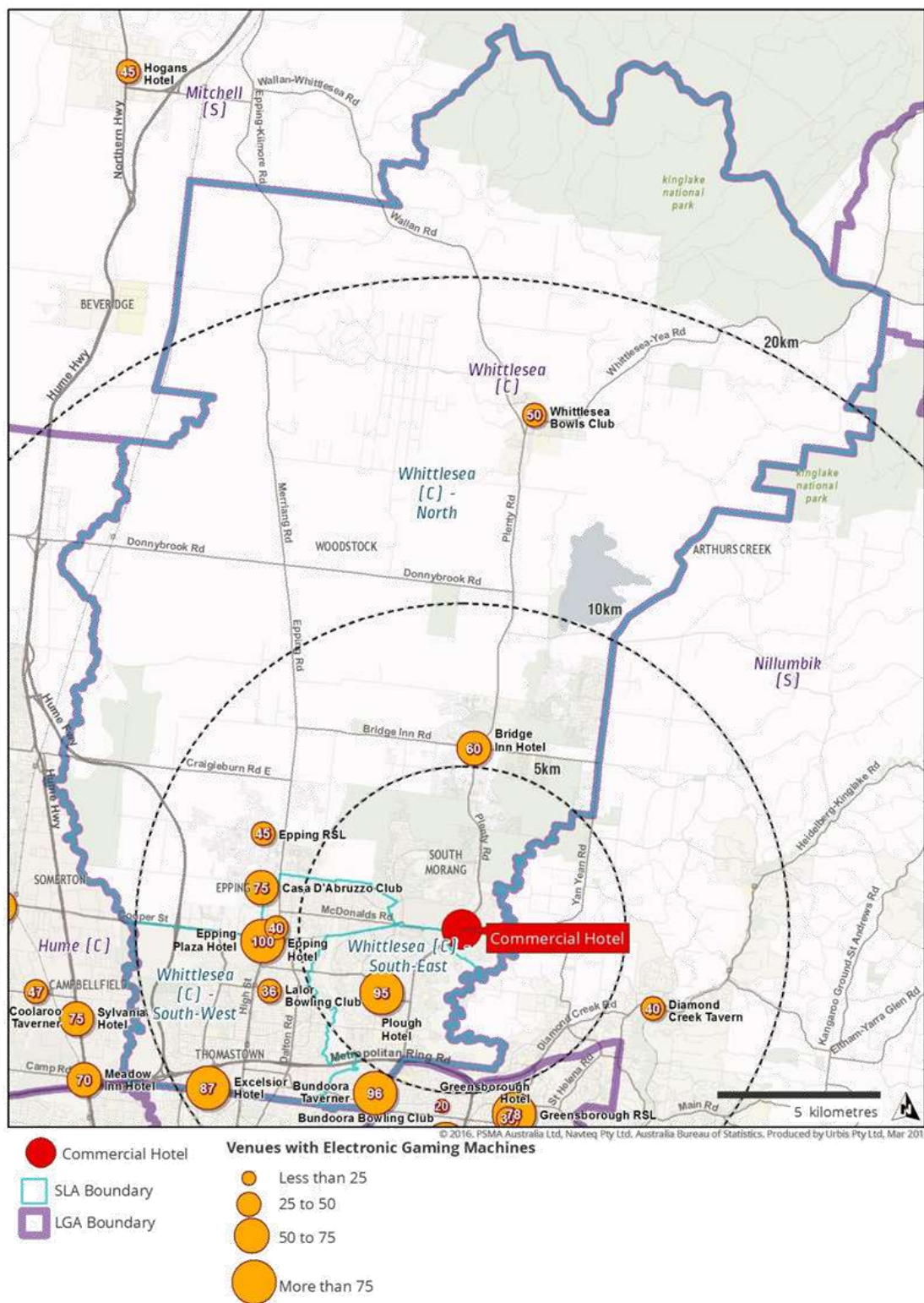
TABLE 4.1

Venue	Address	Venue Type	Attached Entitlements	Licensed EGMs	2014-15 EGM Expenditure
Bridge Inn Hotel	1425 Plenty Road, Mernda	Hotel	60	60	\$5,932,131
Bundoora Taverner	49 Plenty Road, Bundoora	Hotel	96	100	\$18,124,038
Casa D'Abruzzo Club	55 O'Herns Road, Epping	Club	75	75	\$6,115,347
Epping Hotel	743 High Street, Epping	Hotel	40	40	\$7,488,665
Epping Plaza Hotel	Epping Plaza Shopping Centre, Cnr High & Cooper St, Epping	Hotel	100	100	\$21,137,399
Epping RSL	195 Harvest Home Road, Epping	Club	45	45	\$3,254,926
Excelsior Hotel	82 Mahoney'S Road, Thomastown	Hotel	87	105	\$15,901,821
Lalor Bowling Club	Cnr Sydney Crescent & Gordon Street, Lalor	Club	36	36	\$2,607,188
Plough Hotel	Childs Road, Mill Park	Hotel	95	100	\$18,308,238
Whittlesea Bowls Club	101 Church Street, Whittlesea	Club	50	50	\$2,777,113
Total			684	711	\$101,646,866

Source : Victorian Commission for Gambling and Liquor Regulation; Urbis

CITY OF WHITTLESEA EGM DISTRIBUTION

MAP 4.1



66. Table 4.2 shows that at 30 June 2015, the number of EGMs per 1,000 adults (persons aged over 18) was 4.69 in the City of Whittlesea compared to the Melbourne average of 5.32 EGMs per 1,000 adults.
67. Despite the provision of machines being lower than the Melbourne average, net gaming expenditure per adult for the 2014/2015 financial year was \$698, well above the Melbourne average of \$576. This indicates that machines in the region are used intensively and that additional machines are unlikely to increase net expenditure per adult materially because expenditure is already high. The majority of gaming expenditure induced by this proposal would be transferred from other venues in the municipality. Mr Stillwell of ShineWing Australia in his report has estimated a transfer rate of 60%.

EGM Summary Statistics

CITY OF WHITTLESEA, AS AT JUNE 2015

TABLE 4.2

	City of Whittlesea	Melbourne
Adult Population (+18 years) ¹	145,693	3,505,348
No. of Venues ²	10	317
Adult Population (+18) Per Venue	14,569	11,058
Electronic Gaming Machines		
No. of EGMs ²	684	18,632
EGMs Per 1,000 (18+)	4.69	5.32
Expenditure		
Net Expenditure 2013/14 (\$M)	\$101.6	\$2,020
Net Expenditure per Adult (18+)	\$698	\$576

1. Latest adult population figures for 2015 as published on VCGLR website.

2. Venue and EGM totals for year ending 30 June 2015, as published on VCGLR website.

Source : Victorian Commission for Gambling and Liquor Regulation; Urbis

68. Even with the proposed 40 EGMs, the provision of gaming machines per adult would be below the Melbourne average.
69. As shown in Table 4.3, 20 of the 40 proposed EGMs will come from ALH venues within the municipality, including 6 from Bundoora, 10 from the Plough and 4 from the Excelsior. The remaining 20 EGMs for this proposal will come from outside the municipality.

EGM Changes

ALH VENUES WITHIN WHITTLESEA

TABLE 4.3

VENUE	TRANSFER TO COMMERCIAL HOTEL
Bundoora Taverner	-6
Plough Hotel	-10
Excelsior Hotel	-4
TOTAL	-20

Source: ALH

70. ALH has separately received approval from the VCGLR for two venues to have their EGM numbers topped up to their approved entitlement, including the Plough (5 more EGMs) and the Excelsior (2 more EGMs). These additional machines will be installed within the next month or so. The applicant agrees that it won't re-introduce machines at those venues during the life of the current gaming machine entitlements.
71. As a result, the total number of EGMs in the City of Whittlesea will sit at 691 once those machines are installed. Therefore, the net increase of 20 EGMs resulting from this application will take the municipal total to 711.
72. It is worth noting that even after the addition of 27 EGMs as a result of the increases at other venues and the net increase of 20 as a result of this application, the EGM density in 2016 will be the same as it was in 2015 prior to any changes being made (4.69 EGMs per 1,000 adults). This is a result of the strong population growth in the City of Whittlesea, most of which is concentrated in the northern areas. In effect, the increase of 27 EGMs is directly in line with the increase in population between 2015 and 2016. Continued strong population growth beyond this year will see the density of machines continue to decline relative to Melbourne averages.

Proposed EGM Provision

CITY OF WHITTLESEA

TABLE 4.4

	EGM Venues	EGM No.	Adult Pop'n (18+) VCGLR ¹	EGM Density (Per 1,000 Adults)
2015				
City of Whittlesea	10	684	145,693	4.69
2016 - Pre Commercial Hotel				
City of Whittlesea	10	684	151,573	4.51
+7 EGMs from other ALH venues	10	691	151,573	4.56
2016 - Post Commercial Hotel				
+20 EGMs (net) at Commercial Hotel	11	711	151,573	4.69

¹ Adult population for 2016 is estimated from VCGLR adult population for 2015 plus 1 year growth between 2011 and 2016.
Source : ABS Estimated Resident Population, 2014; DEWLP Victoria in Future Projections 2015; VCGLR; Urbis

4.3 EGM EXPENDITURE ANALYSIS

73. The estimated impact of this application on EGM expenditure has been assessed by ShineWing Australia in a separate report.
74. This analysis indicates that installing 20 machines at the Commercial Hotel will generate between \$5,645,090 and \$6,239,310 in gaming revenue at the venue when fully established. Expenditure is expected to be around 85% of these figures in the first year after opening.
75. Given the surrounding facilities, and the fact that patrons from around South Morang are travelling already to other venues, around 60%, or \$3,387,054 to \$3,743,586, is expected to be transferred from other existing gaming venues in Victoria. As such, "new" expenditure in the municipality is estimated at between \$2,258,036 and \$2,495,724 or 2.2%-2.5% of current expenditure.
76. Considering the new expenditure, the average net amount of gaming expenditure per EGM per day at the Commercial Hotel will be around \$407, or \$346 in the first year. The average for Victoria is \$338.

5 Gaming Policies and Procedures

5.1 CITY OF WHITTLESEA PLANNING AND GAMING POLICIES

77. The City of Whittlesea's *Gambling Strategy and Action Plan 2014-2024* was released in 2014 and supersedes the previous Responsible Gaming Strategy (2002). At the core of the plan is to assess the need for additional gaming machines from the perspective of community health and wellbeing, including both its positive and negative impacts on community health.
78. A community health and wellbeing approach recognises that gambling is a lawful recreational activity that can impact the health and wellbeing of the community (p. 18). The Council's approach has four pillars:
- Plan. This includes social, economic and land use planning.
 - Lead, partner and facilitate change within the community.
 - Inform and engage. As part of the Council's information campaign, the policy outlines the negative consequences of gambling. The City of Whittlesea has the fourth highest gaming expenditure in Melbourne and gaming losses per capita 23% higher than the Melbourne average.
 - Advocate. A key part of this pillar is the Council's 'Enough Pokies' campaign, which it launched in October 2014. This campaign aims to restrict the distribution of pokies in vulnerable communities.
79. As noted in the Strategy, "Council's commitment to public health and wellbeing priorities includes the strategic objective: **We take a preventative approach to health issues and health policy.** The specific Council goal states: **Council will work in partnership with community and service providers to reduce and minimise the negative social, economic and health impacts of gambling.**¹
80. The Plan outlines three objectives that the Council aims to achieve over the life of the Strategy:
- Council will be a highly effective leader in working towards reducing the harm to public health caused by gambling.
 - Advocate for best practice gambling regulation and policy changes that reduce the potential harms to the social, economic, environmental and health outcomes of current and future City of Whittlesea residents.
 - Provide transparent and coordinated decision-making across Council in relation to gambling, especially in Council's role as a regulator and planning authority.²
81. This report addresses the issues raised in the Strategy, with the application to result in reduction of gaming machines in more vulnerable areas of the community.

¹ City of Whittlesea, *Gambling Strategy and Action Plan 2014-2024*, p. 26.

² Ibid, pp 45-51.

5.2 OPERATOR'S COMMITMENT TO RESPONSIBLE GAMBLING

82. As the largest operator of gaming machines in the state, ALH have well-established procedures to minimise the harmful effects of problem gambling, abiding by all legislative requirements, but also implementing initiatives that are in addition to mandated requirements. ALH has also adopted a responsible gambling charter that concisely sets out the standards and goals that ALH have set for themselves. Some of the additional responsible service of gaming initiatives that go beyond legislative requirements include those detailed below.

5.2.1 STAFF TRAINING

83. ALH ensure staff are well-informed and recognise their obligations in providing a safe environment for patrons:
- Staff are required to sign a statement confirming that they have read and understood the ALH Code and to adhere to the standards set out in the ALH Code at all times.
 - Staff are provided with the "Know your Code" responsible gambling pocket guide listing signs to look out for and behaviours that may indicate that a patron is experiencing a problem with their gambling.
 - ALH requires all relevant staff undertake an additional RSG e-training session that has been developed in conjunction with Gamblers Help.
84. In relation to the operation of the Commercial Hotel, ALH have indicated they have established additional staff training requirements or programs. These sessions will include:
- As part of a partnership reached with Gamblers Help (Northern) three years ago to deliver additional staff training, Hotel management will meet regularly with Gamblers Help representatives, and hotel staff will attend additional training sessions.
 - As part of the role of David Schwarz as ALH's Responsible Gambling Ambassador (see below), Mr Schwarz is contracted to deliver workshops to ALH management and staff about his experiences and providing staff with necessary skills. All Commercial Hotel gaming staff will attend a session with David Schwarz prior to the commencement of EGM operation.
 - Following the completion of the training requirements outlined above, each staff member will undertake a period of further training at one of ALH's other hotels that currently operate gaming machines.

5.2.2 DAVID SCHWARZ PROGRAM

85. For the last 9 years, ALH has worked with David Schwarz, a well-known former professional footballer and reformed problem gambler. As the ALH Responsible Gambling Ambassador, Mr Schwarz provides employee education and customer awareness about the importance of "asking for help if your gambling becomes a problem".
86. Mr Schwarz regularly delivers workshops and training sessions to ALH management and staff providing them with insights and strategies to help assist patrons who may be experiencing difficulties with their gambling and will deliver workshops to all of the Commercial Hotel staff prior to the commencement of operation of EGMs.
87. Mr Schwarz is available for staff to discuss any gambling problems they or their families and friends may be experiencing and to answer questions should staff be concerned about a particular patron or uncertain about how best to respond to a particular patron who appears to be having difficulty with their gambling.
88. Posters featuring Mr Schwarz and providing further information are displayed prominently in each venue, in addition to the other signage required by the various state and territory laws and will be displayed in the Commercial Hotel. New posters promoting the Victorian Government "Your Play" initiative and voluntary pre-commitment will be introduced to venues shortly.

5.2.3 PRE COMMITMENT

89. ALH committed to introducing a voluntary pre-commitment system before this became a legislative requirement. Consequently ALH has a well-established system that assists patrons to gamble responsibly by nominating spend and / or time limits on EGMs. Pre-commitment settings can be set at the hotel or via the internet and customers can:
- Set a limit for time or dollars spent on EGM's in any 24 hour period (these limits last indefinitely unless changed by the customer).
 - Lower the time or dollar limit at any time (but not increase it for a minimum of 24 hours from when the limit is set).
90. All ALH EGMs display voluntary pre commitment warning messages on the main playing screen of EGMs to ensure that patrons know how much they are spending and when they are approaching their limit.

5.2.4 INTERACTION WITH PATRONS

91. All staff are expected to interact with patrons regularly and in particular when signs of problem gambling are observed. If signs of problem gambling are observed, staff will encourage patrons to take a break and participate in the hotel's other offerings. In appropriate circumstances, staff will also provide patrons with information about the assistance services available from Gamblers Help and encourage patrons to seek assistance with their gambling.
92. The variety of offerings within the Hotel also provides a means of encouraging people to take a break from playing EGMs. For example the Hotel will publicly announce events such as Morning Melodies, trivia and pool competitions as well as the availability of morning or afternoon tea as a way of encouraging patrons to participate in other activities in the venue as well, also reminding patrons of the time.

5.3 IMPACT ON PROBLEM GAMBLING

93. Problem gambling and its related effects are the major negative social consequence of gaming. These effects need to be weighed up against the positive factors of this application. In my view, the impact on problem gambling in the City of Whittlesea caused by installing additional EGMs at the venue will be minimal.
94. The key factors typically considered in relation to problem gambling and in reaching this conclusion are set out below:
- Introducing EGMs to the venue is unlikely to act as the primary attraction to visitors or change the focus of the venue. The use of EGMs is expected to be ancillary to other activities at the venue such as dining and live entertainment, with a small offer of 40 EGMs seen as being well-balanced to the rest of the facilities in the hotel.
 - The venue will offer 40 EGMs, which is a small gaming offer compared to most other venues in the municipality. It comes with reduced risks compared with much larger venues which are more closely linked to problem gambling behaviour³. These venues typically operate almost 20-hours a day.
 - As a new gaming room, ALH have had the opportunity to take independent expert advice about the layout of the room.
 - The venue is not considered to be in a location that would induce a high degree of 'convenience' gambling which is linked to problem gambling behaviour.
 - The demographic profile of residents in the local area (i.e. within 5 km of the venue) is significantly less disadvantaged than some areas to the south where machines are to be removed.
 - The hotel is proposing to operate reduced gaming hours relative to other venues in the area, including the three venues from which machines are to be transferred. The proposed ordinary hours of 10am-1am are far less than the mandatory four hour shut down would allow and are consistent with responsible gambling service practices. The Blue Moon research into the effect of compulsory shutdowns of venues in NSW found greater risk of problem gambling existed post 2am.⁴ Chapter 14 of the Productivity Commission report into Gambling discussed similar findings.⁵
 - The EGM expenditure increase in the municipality as a result of this application is expected to be modest. Around 60% of expenditure is estimated to be transferred from other venues in the municipality. Machines are to be removed from some high expenditure venues. A lower expenditure venue represents a reduced risk of problem gambling behaviour compared to one where expenditure is high.
 - The Commercial Hotel is committed to working with the City of Whittlesea as part of its effort to minimise problem gambling, including the proposed contribution of \$40,000 p.a. for problem gambling initiatives.
 - Half of the new EGMs at the Commercial Hotel are to be transferred from other local venues that operate extended hours, are more focussed on gaming as a use, that generate significant gaming revenue per EGM and are located in more disadvantaged parts of the municipality. Removal of EGMs from these venues reduces the likelihood of problem gambling in those areas.

³ Hing & Haw, *The Influence of Venue Characteristics on a Player's Decision to Attend a Gambling Venue*

⁴ Blue Moon Research, *Evaluation of the Six Hour Shutdown of Electronic Gaming Machines in NSW*

⁵ *Gambling – Productivity Commission Inquiry Report, 2010*

95. The transfer of machines to the Commercial Hotel from venues which are accessible to areas of higher disadvantage, operate longer hours and generate exceptionally high levels of EGM expenditure, is a positive outcome in minimising the risk of problem gambling. Overall, the risk of increased problem gambling as a direct result of this application is likely to be minimal.

6 Social and Economic Impact Summary

96. The projected economic and social impacts of the approval of this application are summarised in the tables below. When considering the points in this section, it is important to recognise not all benefits and disbenefits are of equal significance. It is not possible to apply a dollar value to each benefit or cost. Therefore, the net effect cannot be derived from an arithmetic calculation. Ultimately, a level of judgement is required.

6.1 ECONOMIC BENEFITS

97. The economic benefits of the proposal are:

EFFECT	DESCRIPTION	WEIGHT GIVEN
Community contributions	<p>ALH will provide the following community contributions:</p> <ul style="list-style-type: none"> \$100,000 for ten years, including \$10,000 for annual charity day; \$40,000 to the City of Whittlesea for problem gambling initiatives and \$50,000 to a committee for grants to local community/sports groups. At end of 10 years, \$25,000 per annum to local community/sporting groups to be allocated via a committee for the term of the gaming machines operation. 	High weight given the direct impact community contributions can have on local social groups.
Value of development works	Renovations to the venue will include a new function room and a new roof-top beer garden. These additions are expected to cost combined \$2.3 million. This expenditure will benefit local workers who complete the works (I would expect a significant proportion of trades people on the project will reside in the municipality), with additional flow-on benefits to the local economy.	High weight because improved facilities provide local residents with greater options for entertainment and leisure facilities.
Ongoing effects as a result of development works	Supply contracts will increase because of the venue's redevelopment. This is due to the increase in demand for food, beverage and products related to the operation of the bistro and bar areas. ALH estimate that outside of gaming revenue, the development of the hotel will result in a 60% increase in hotel turnover. This provides an indication of the additional demand created.	Medium weight as these are flow-on effects generated by the proposed application, with some benefits to other local businesses, some accruing outside of the municipality.
Employment creation	The addition of gaming, the extension of other facilities in the hotel and flow on effects of greater business have been estimated by ALH to require around 20 additional staff (a mix of full-time, part-time and casual) or the equivalent of 9 full-time equivalent staff. This is on top of the 32 existing staff. This appears to be a reasonable estimate, given the proposed expansion.	High weight because of the direct impact employment opportunities provide for the local community, particularly jobs for young people. Minimal transfer of employment is expected.

EFFECT	DESCRIPTION	WEIGHT GIVEN
Value of other expenditure in Whittlesea	By providing an improved entertainment offer, more people will be encouraged to spend time in the South Morang area, spending more at other local businesses in the process, rather than their spending being directed to businesses close to where they currently access gaming machines.	Low weight as while it is difficult to measure direct impacts from the proposed application, the transfer of spending is expected to be low.
Gaming expenditure as an economic benefit	Net new gaming expenditure to the City of Whittlesea as a result of the installation of 40 EGMs is estimated to be between \$1.9 million and \$2.1 million in the first year of trade. Expenditure by gamers who play for recreation is an economic benefit just as any other entertainment spending choice is a benefit. This expenditure is also associated with an additional social benefit.	Low weight as the benefit accrues to the operator.

6.2 ECONOMIC DISBENEFITS

98. There are also economic disbenefits as a result of this proposal. They are summarised below:

EFFECT	DESCRIPTION	WEIGHT GIVEN
Economic costs associated with problem gambling	Problem gambling does have an economic cost relating to the provision of services. For example, the financial losses of the gamblers themselves and other support services which deal with the problems of gamblers and their families and friends. While a level of problem gambling exists in the City of Whittlesea, the important consideration here is whether this application will <u>increase</u> the problem. As discussed, I believe the problem gambling change will be minimal in the municipality.	Medium weight. While the impact of problem gambling is significant on those affected and their families, I believe the problem gambling change will be minimal in the municipality.
Potential diversion of trade from retail facilities	The maximum impact which retailers in the municipality could incur is at or below the value of the new spending, estimated at \$2 million in the first year of trading. In reality, the impact is likely to be a fraction of this, given the range of activities and locations that people spend their money on.	Low weight I do not expect any single business to be materially impacted.
Diversion of trade from other gaming venues	A large proportion of gaming expenditure is expected to be transferred from other venues in the municipality. This is normal in a competitive marketplace.	Low weight. This is expected in a competitive market, with much of the transferred expenditure from other ALH venues.

6.3 SOCIAL BENEFITS

99. The social benefits from the proposed installation of 40 EGMs to the Commercial Hotel include:

EFFECT	DESCRIPTION	WEIGHT GIVEN
Enhanced access to EGM facilities for residents and visitors	For those who play gaming machines in a responsible manner, introducing EGMs at the Commercial Hotel creates a social benefit by increasing the entertainment offer available at the venue.	Medium weight. For many people, gambling is a recreational activity. The proposed application improves accessibility to EGMs.
Improved facilities adding to the appeal of the Commercial Hotel	The new beer garden and function room will provide additional venues for local residents to relax, socialise, hold functions and enjoy live entertainment in high quality facilities.	High weight because improved facilities provide local residents with greater options for entertainment and leisure facilities, with significant social benefits as a result.
Social benefit derived from community contributions	Approval of the EGMs will allow the Hotel to contribute more to the community, as noted in Section 6.1. While there is an economic value of those activities, the social value created by investment in community activities exceeds a dollar value. The ability of the Hotel to contribute to local community and sporting groups, promote social interaction and general well-being represents a very important social benefit of this application.	High weight given the direct impact community contributions can have on local social groups.

6.4 SOCIAL DISBENEFITS

100. Social disbenefits of this proposal are summarised as follows:

EFFECT	DESCRIPTION	WEIGHT GIVEN
The increase in problem gambling and associated social impacts.	As with any gaming application, the key potential social disbenefit relates to the impact on problem gambling. Excessive gambling can have adverse impacts on people's health, jobs, finances, emotional states and relationships. The <i>Productivity Commission Inquiry Report into Gambling, 2010</i> detailed potential measures of harm caused by gambling across a range of social and economic indicators.	Medium weight. As discussed under the economic impact, problem gambling is the most serious consequence of gaming machines; however, my assessment indicates the potential for increased problem gambling behaviour is minimal in this case.

6.5 ECONOMIC AND SOCIAL IMPACT SUMMARY

101. I consider the application for introducing gaming machines at the Commercial Hotel deserves the Commission's favourable consideration.
102. As discussed above, it is not possible to assign a precise value to all economic and social benefits and disbenefits, and therefore a degree of judgement is required in weighing up the net outcome of an application such as this. The benefits of this application which I place greater weight on due to their direct impact in the community and certainty of outcome include:
 - Cash donations to the community to the value of \$100,000 annually, including \$40,000 to local problem gambling initiatives.
 - Redevelopment works to the value of \$2.3 million creating better facilities for the community including a new beer garden and a modern, flexible function room, and also generating construction activity for local workers.
 - Local employment creation with an increased requirement for staff ongoing in the hotel.
 - Flow on economic activity as a result of greater use of other elements of the hotel outside of gaming such as increased bar and bistro sales.
103. The key disbenefit of this application is the potential for increased problem gambling. However, the likelihood of a change in problem gambling as a direct result of this application is minimal due to a number of factors including the transfer of machines from highly productive venues in more disadvantaged areas, the nature of a small 40 EGM venue, contributions to problem gambling initiatives and limited opening hours.
104. I place a low weight on other potential disbenefits such as diversion of trade from other businesses, including retailers or other gaming venues because the impacts on any one retailer is unlikely to be perceptible, while other gaming venues operate in a competitive environment where impacts are expected. Much of the diversion will be from other ALH venues.
105. On the basis of the assessment presented in this report, the net effect of introducing 40 gaming machines to the Commercial Hotel will not be detrimental to the social and economic well-being of the City of Whittlesea. I consider the economic and social benefits around community contributions, redevelopment and employment should hold significant weight due to their value and certainty of outcome, while the potential negative effects relate almost exclusively to the potential for increased problem gambling which I believe will be minimal in this case.

Disclaimer

This report is dated May 2016 and incorporates information and events up to that date only and excludes any information arising, or event occurring, after that date which may affect the validity of Urbis Pty Ltd's (**Urbis**) opinion in this report. Urbis prepared this report on the instructions, and for the benefit only, of ALH (**Instructing Party**) for the purpose of Social and Economic Impact Assessment (**Purpose**) and not for any other purpose or use. To the extent permitted by applicable law, Urbis expressly disclaims all liability, whether direct or indirect, to the Instructing Party which relies or purports to rely on this report for any purpose other than the Purpose, and to any other person which relies or purports to rely on this report for any purpose whatsoever (including the Purpose).

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All surveys, forecasts, projections and recommendations contained in or associated with this report are made in good faith and on the basis of information supplied to Urbis at the date of this report, and upon which Urbis relied. Achievement of the projections and budgets set out in this report will depend, among other things, on the actions of others over which Urbis has no control.

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This report has been prepared with due care and diligence by Urbis and the statements and opinions given by Urbis in this report are given in good faith and in the reasonable belief that they are correct and not misleading, subject to the limitations above.

Appendix A

Curriculum Vitae



Rhys Quick

Director

Rhys is an economic property consultant with 17 years of experience specialising in the retail and gaming sectors. He has an extensive knowledge of the Australian and New Zealand markets, having consulted on a wide variety of projects for many of the major property groups throughout the region.

Expertise

Rhys' experience encompasses a range of projects undertaken for clients in the Australasian retail industry including shopping centre owners and developers, supermarket, discount department store, department store and bulky goods operators, and other retail chains. His particular areas of expertise are major shopping centre development analysis and economic impact assessments, having appeared as an expert witness in relation to some of these assessments.

Rhys' other major area of expertise is the gaming sector having consulted for both the public and private sectors on a variety of projects in the leisure and entertainment industry. Rhys is also an experienced expert witness in relation to gaming machine applications before the Victorian Commission for Gambling and Liquor Regulation (formerly Victorian Commission for Gambling Regulation) and the Victorian Civil and Administrative Tribunal.

His specific areas of expertise include:

- the preparation of Economic and Social Impact Assessments
- property performance benchmarking and analysis
- development project feasibility assessments
- undertaking market demand studies
- shopping centre portfolio reviews
- turnover and rental income analysis and forecasting
- providing demographic market profiles
- site location assessments and recommendations
- national location and acquisition strategies

Qualifications and Affiliations

Bachelor Economics, Hons (Monash University)

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Appendix B

Definitions & Sources of Information

DEFINITION FOR SOCIAL AND ECONOMIC IMPACT

The Victorian Commission for Gambling and Liquor Regulation (VCGLR) has the following definition for social and economic impact, which has been published in the "Economic and Social Impact Submission" form for Local Authorities published August 2012:

Term	Explanation
Economic Impact of the Proposal	Economic Impact is the sum of the effects on the viability and development of the economy (of the municipal district) in the short or medium-term, and how this is likely to affect the well-being of the community.
Social Impact of the Proposal	Social Impact is the sum of the effects on the social infrastructure, social opportunities and social interactions (of the municipal district) in the short or medium-term, and how this is likely to affect the well-being of the community.
Well-Being of the Community of the Municipal District	Economic prosperity and social robustness or health of the overall community of the municipal district.
Will Not be Detrimental to the Well-Being of the Community of the Municipal District	When the net economic and social impact of the proposal (i.e. the sum of the incremental effects) is considered neutral or positive).

HOUSING STRESS DEFINITION

Research by the ACT Taskforce on Affordable Housing titled "Strategies for Action" in December 2002 defined "housing stress" in the following manner:

"The Taskforce has defined people as having difficulty in accessing affordable housing if they are in the lowest two quintiles (lowest 40 percent of income distribution) and pay 30 percent or more of their gross household income in housing costs. This group is referred to as being in housing stress."

SOCIO-ECONOMIC INDEX OF DISADVANTAGE (SEIFA)

The SEIFA "Index of Relative Socio-Economic Disadvantage" is derived from the 2011 Census of Population and Housing and measures aspects of social and economic conditions in the area.

The index ascribes values to a number of social and economic attributes to generate a comprehensive measure of advantage and disadvantage. The Index of Relative Socio-Economic Disadvantage covers the indicators as taken from the ABS technical paper below.

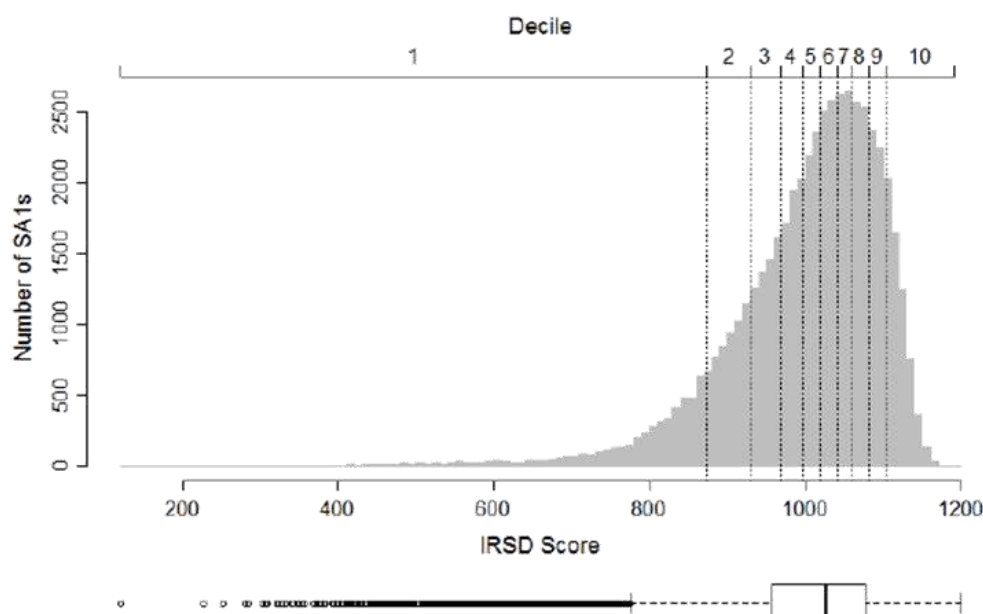
The index value is used to order or rank regions in terms of disadvantage. A higher index score means an area is relatively less disadvantaged, while a lower score indicates the area is disadvantaged relative to other areas. The decile markings along the top axis show that there is not much difference in the scores of SA1s in the middle deciles. This means that SA1s in the middle deciles do not vary much in terms of indicators of disadvantage used. The discriminating power of this index lies in the lower end of the distribution, i.e. for identifying relatively disadvantaged SA1s. The index cannot be used to measure the size of the difference in socio-economic disadvantage between areas rather it represents an ordinal rank not a cardinal value.

4.2 Final IRSD variables and loadings

Variable mnemonic	Variable loading	Variable description
INC_LOW	-0.90	% People with stated annual household equivalised income between \$1 and \$20,799 (approx. 1st and 2nd deciles)
CHILDJOBLESS	-0.85	% Families with children under 15 years of age who live with jobless parents
NONET	-0.81	% Occupied private dwellings with no internet connection
OCC_LABOUR	-0.75	% Employed people classified as 'labourers'
NOYR12ORHIGHER	-0.75	% People aged 15 years and over whose highest level of education is Year 11 or lower. Includes Certificate I and II
UNEMPLOYED	-0.74	% People (in the labour force) unemployed
LOWRENT	-0.73	% Occupied private dwellings paying rent less than \$166 per week (excluding \$0 per week)
ONEPARENT	-0.71	% One parent families with dependent offspring only
DISABILITYU70	-0.66	% People aged under 70 who have a long-term health condition or disability and need assistance with core activities
NOCAR	-0.56	% Occupied private dwellings with no cars
SEP_DIVORCED	-0.54	% People aged 15 and over who are separated or divorced
OVERCROWD	-0.52	% Occupied private dwellings requiring one or more extra bedrooms (based on Canadian National Occupancy Standard)
OCC_DRIVERS	-0.52	% Employed people classified as Machinery Operators and Drivers
OCC_SERVICE_L	-0.50	% Employed people classified as Low Skill Community and Personal Service Workers
NOEDU	-0.44	% People aged 15 years and over who have no educational attainment
ENGLISHPOOR	-0.34	% People who do not speak English well

2013, ABS, Socio-Economic Indexes for Areas (SEIFA) – Technical Paper 2013, Cat. 2039.0.55.001, pg. 32

4.11 IRSD score distribution



2013, ABS, Socio-Economic Indexes for Areas (SEIFA) – Technical Paper 2013, Cat. 2039.0.55.001, pg. 39

Sources of Information

This report draws on a variety of information and sources provided to this office, the most important of which are:

- Estimated Resident Population (ERP) figures as published by the Australian Bureau of Statistics (ABS).
- Department of Environment, Land, Water & Planning (DELWP), Victoria in the Future 2015, Population Projections.
- Statistical information provided by the ABS, including the 2001, 2006 and 2011 Censuses of Population and Housing and Socio-Economic Indices for Areas (SEIFA).
- Department of Education, Employment and Workplace Relations "Small Area Labour Markets" quarterly publication.
- Department of Sustainability and Environment (DSE), "A Guide to Property Values" (2014).
- Gambling – Productivity Commission Inquiry Report, 2010
- Department of Justice Report "A Study of Gambling in Victoria – Problem Gambling from a Public Health Perspective", September 2009
- Victorian Competition & Efficiency Commission Inquiry into the Social and Economic Costs of Problem Gambling, VCGLR, 10 September 2012
- Hing & Haw, "Influence of Venue Characteristics on a Player's Decision to Attend a Gambling Venue", 2010
- Blue Moon Research, "Evaluation of the six hour shutdown of electronic gaming machines in NSW", April 2008

Abbreviations

ABS	Australian Bureau of Statistics
CBA	Central Business Area
CCD	Census Collector District
DEEWR	Department of Education, Employment and Workplace Relations
DPCD	Department of Planning and Community Development
DSE	Department of Sustainability and Environment
EGM	Electronic Gaming Machine
ERP	Estimated Resident Population
FTE	Full Time Equivalent
LGA	Local Government Area
NDA	New Dwelling Approval
RSG	Responsible Service of Gaming
SA1	Statistical Area 1
SA2	Statistical Area 2
SEIA	Social and Economic Impact Assessment
SEIFA	Socio-Economic Indexes for Areas
SLA	Statistical Local Area
VCGLR	Victorian Commission for Gambling and Liquor Regulation
VIFSA	Victoria in Future Small Area

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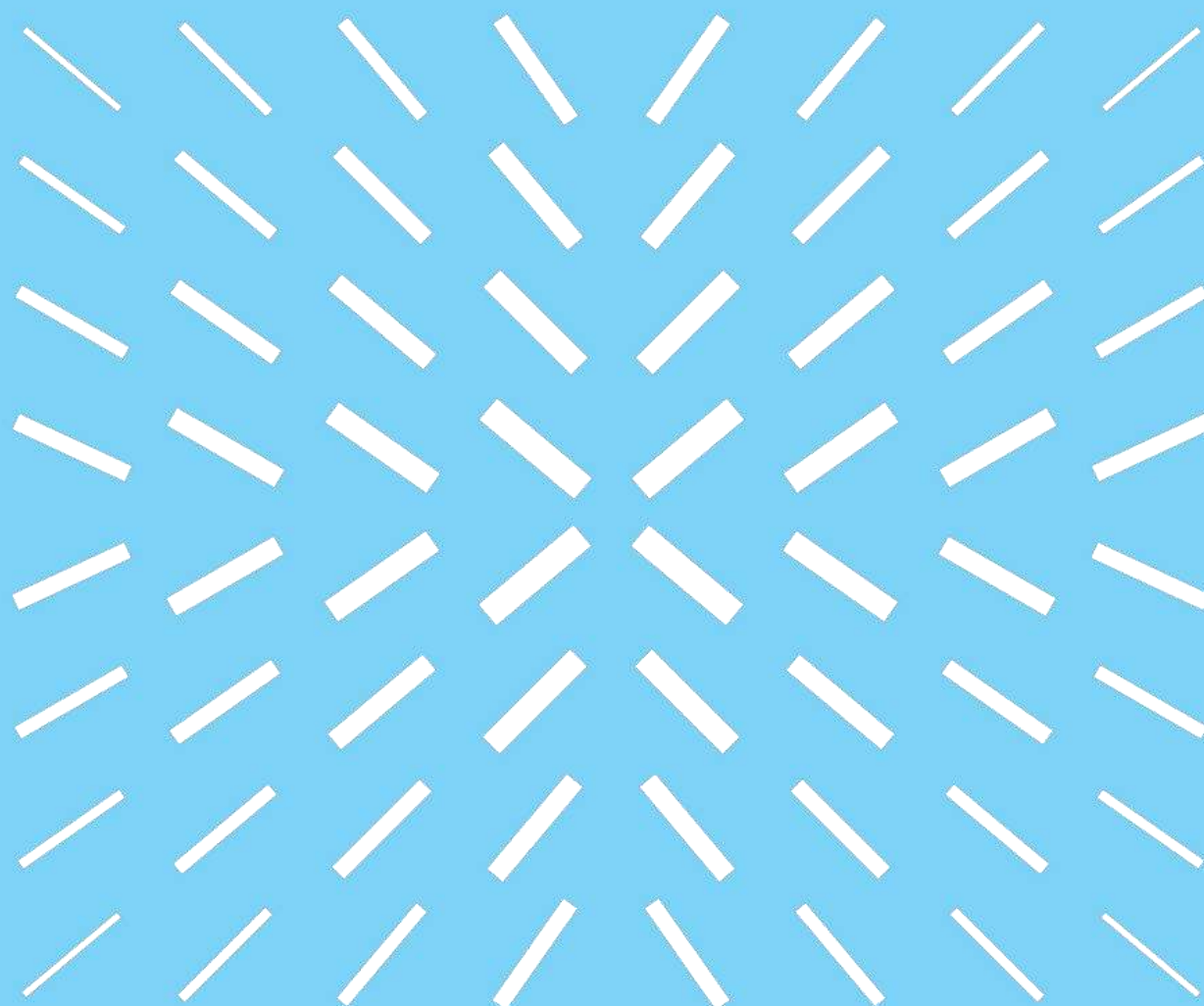
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Commercial Hotel

Expert's Report in Respect of

Application for 40 Electronic Gaming Machines

19 May 2016



ShineWing
AUSTRALIA

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1. Executive Summary

- 1.1 The Commercial Hotel is situated on Plenty Road, South Morang, approximately 25km from the Melbourne CBD. The Hotel is seeking approval to operate 40 Electronic Gaming Machines ("EGMs") onsite at the venue (the Hotel does not presently operate gaming machines). The venue is operated by the ALH Group.
- 1.2 The City of Whittlesea consists of three Statistical Local Areas ("SLA") Whittlesea South-East, Whittlesea South-West and Whittlesea North, where the Commercial Hotel is located. Although the LGA is divided into three SLA's there are two gaming machine caps that apply to the area based on postcodes, Whittlesea A with a regional cap of 581, and Whittlesea B with a municipal limit of 212. For these purposes, the Commercial Hotel falls within the municipal limit area, Whittlesea B.
- 1.3 There are currently two venues within the Whittlesea B area operating 110 gaming machines. The remaining 8 venues within the City of Whittlesea are located within the Whittlesea A area, with these venues currently operating 581 gaming machines.
- 1.4 The Commercial Hotel is bounded by Plenty River and a gorge to the east, north-east and south-east, Hawkstowe Park to the north and residential dwellings to the west and south, noting that there is reduced access to residential dwellings to the north-west. The above factors, to an extent, therefore restrict the ability to attract patrons, by virtue of the residential catchment area being somewhat constrained.
- 1.5 We have used a benchmarking approach in order to estimate the likely future gross gaming expenditure (which we consider appropriate for venues not currently operating gaming machines).
- 1.6 Based on an analysis of comparable venues within the State, and of the recent trend in gaming expenditure in both the State of Victoria and the City of Whittlesea, it is reasonable to conclude that the level of gross gaming expenditure generated from an introduction of 40 EGMs at the Commercial Hotel would, upon the relative maturity of the venue, be between \$5,645,090 and \$6,239,310 per annum with 85% of this achieved within the first 12 months of trade, being between \$4,798,327 and \$5,303,414.
- 1.7 Factoring in the proposed number of EGMs at the Hotel and the estimated gross gaming expenditure, the expected NMR (based on the midpoint) at the Hotel is \$407 and \$346 for the first 12 months of trade, which is comparable to the average for the State of Victoria for hotels of \$338 and the average for metropolitan hotels of \$373.
- 1.8 Based on our experience regarding Greenfield sites, the Victorian Longitudinal Community Attitudes Survey, patron survey for surrounding ALH Group venues and a Bistro Survey for the Commercial Hotel, we believe the transferred expenditure rate will be 60% of the estimated gross gaming expenditure for the Commercial Hotel, and the new expenditure rate will be 40%. This equates to new expenditure of \$1,919,331 to \$2,121,365 in the first 12 months.
- 1.9 We note that one of the conditions of this application being approved is the proposed reduction of attached EGMs within the LGA (pertaining to venues operated by the ALH Group being the Plough Hotel, Excelsior Hotel and Bundoora Hotel). The combined impact to the LGA in terms of gaming expenditure (of these events in totality) would most likely be lower than the estimate for new expenditure within the LGA arising in isolation from the Commercial Hotel commencing gaming operations. Whilst there is a high likelihood of some lost (i.e. non-transferred) gaming expenditure as a result of the reduction in EGMs in those aforementioned venues, we believe that this will be

immaterial in the context of the new expenditure identified above, and therefore conclude that it will be less than the new expenditure arising from this application.

2. Qualifications

- 2.1 ShineWing Australia is part of the ShineWing network that has offices in more than 20 locations across Asia. ShineWing Australia is also a member of Praxity International, a global alliance of independent accountancy, tax and business consulting firms that have a presence in over 100 countries.
- 2.2 ShineWing Australia has extensive experience in the gaming industry. Aside from being retained as accountants and advisors to a number of private gaming and hospitality participants over the years, ShineWing Australia was the lead audit & tax advisor for the Tattersall's group up until the time of its listing on the ASX, whilst still acting as lead advisor on the listing process.
- 2.3 More recently, ShineWing Australia, specifically lead partner Tim Stillwell, has consulted to in excess of 100 Clubs and Hotels in respect to their gaming operations and the transition to the new gaming regime. Services included:
 - Financial Modelling and Discounted Cash Flow Analysis;
 - Competitive Analysis of LGAs and competing venues state-wide incorporating Net Machine Revenue appraisal and comparison;
 - Auction Consultation & Bidding Strategies; and
 - Assistance with finance proposals.
- 2.4 ShineWing Australia was appointed as lead gaming consultant to the AFL and Tabcorp in addition to its individual client appointments throughout the timeframe leading up to the 2010 Gaming Auction. Tim Stillwell worked directly with Tabcorp, the AFL and numerous AFL clubs in this regard.
- 2.5 Over the past six years, Tim Stillwell, of ShineWing Australia, has been appointed as an advisor and an expert witness for the Moe Racing Club (regarding Bairnsdale Sporting and Convention Centre), Royal Hotel (Benalla), Hogan's Hotel, Cobram Hotel, Craigieburn Sporting Club, Bridge Inn Hotel, Bendigo Stadium, Hoppers Crossing Club, Terminus Hotel, Tower Hotel, Sandown Greyhounds Entertainment, Baxter Tavern Hotel Motel, Rubicon Hotel, Malvernvale Hotel, Kilmore Racing Club, Swan Hill Club, Box Hill RSL, Mornington on Tanti Hotel, Dromana Hotel, Wantirna Club, Yarraville Club, Sporting Legends Club, Sale & District Greyhound Racing Club, Valley Inn Hotel and Myrtleford Savoy Sporting Club in relation to their applications for additional gaming machines at their respective venues. His role for the Moe Racing Club, Hogan's Hotel, Craigieburn Sporting Club, Cobram Hotel, Tower Hotel, Terminus Hotel, Sandown Greyhounds Entertainment, Baxter Tavern Hotel Motel, Rubicon Hotel, Malvernvale Hotel, Kilmore Racing Club, Swan Hill Club, Box Hill RSL, Mornington on Tanti Hotel, Dromana Hotel, Wantirna Club, Yarraville Club, Sporting Legends Club, Sale & District Greyhound Racing Club, Valley Inn Hotel and Myrtleford Savoy Sporting Club incorporated the preparation of a gaming expenditure analysis report and attendance at the VCGLR/VCAT hearing as an expert witness for all venues.
- 2.6 Tim has 19 years experience in the accounting industry, 16 of which have been at ShineWing Australia. Tim's experience encompasses accounting and taxation advisory across a broad cross section of industries inclusive of gaming & hospitality. Tim is the lead partner of ShineWing Australia Hospitality & Gaming which has recently focused significantly on the services and clients referred to above. Tim has developed an intricate knowledge of not only gaming industry participation and performance but also the regulatory requirements which face incumbent and Greenfield operators.
- 2.7 Tim is also a director of On Tap Hospitality, a designated service offering to pubs and clubs which provides sophisticated financial and management reporting to stakeholders, day to day accounting and bookkeeping, payroll, supplier payments and reconciliations, along with systems and controls improvement and compliance with statutory obligations.

3. Independence

- 3.1 We have established policies and procedures designed to ensure our independence, including policies on holding financial interests in the company and other related parties, business relationships, employment relationships, and the provision of non-audit services in accordance with professional statement APES 110 "Code of Ethics for Professional Accountants".
- 3.2 The remuneration for this report is not based on a success or contingency fee, or on a basis that is related to the outcome of the matter.
- 3.3 Tim Stillwell has no interest in the Australian Leisure and Hospitality Group Pty Ltd (the applicants) or any contingent interest in the outcome of this application.

4. Instructions

- 4.1 We have been requested by Ms Amanda Johns of Thomson Geer, representing Australian Leisure and Hospitality Group Pty Ltd, the current operator of the Commercial Hotel, to provide an estimate of EGM expenditure and source of the expenditure arising from the impact of an introduction of 40 gaming machines at the Hotel.

5. Information Sources

- 5.1 We have relied upon the following information, amongst other documentation, in the completion of this report:
- Data released by the Minister for Gaming regarding EGM expenditure at gaming venues in Victoria;
 - VCGLR data in respect of gaming numbers, expenditure and population statistics published at <http://www.VCGLR.vic.gov.au> – last accessed on 19 May 2016;
 - Consumer Price Index data published by the Australian Bureau of Statistics <http://www.abs.gov.au> – last accessed on 19 May 2016;
 - Population projections – Victoria In Future 2015, published by the Department of Transport, Planning and Local Infrastructure <http://www.dtpli.vic.gov.au> – last accessed on 19 May 2016
 - 2003 Victorian Longitudinal Community Attitudes Survey
 - Instructions from the Applicant Hotel

6. Defined Terms

6.1 Throughout this report, the following abbreviations and terms have been used.

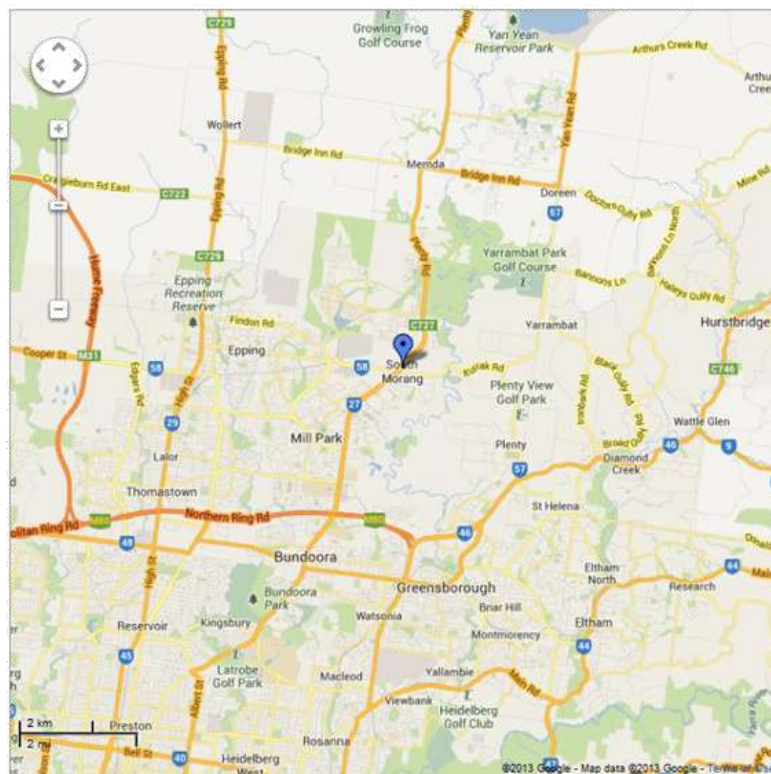
Term	Meaning
EGM	Electronic Gaming Machine
Gross Gaming Expenditure	EGM expenditure after returns to players, representative of the aggregate of Transferred Expenditure and New Expenditure
Hotel	Commercial Hotel
LGA	Local Government Area
New Expenditure	Gross Gaming Expenditure after Transferred Expenditure
NMR	Net Machine Revenue (equivalent to Gross Gaming Expenditure) per machine per day
SLA	Statistical Local Area
Transferred Expenditure	EGM expenditure drawn from other EGM venues (both existing and future venues)

7. EGM Expenditure and Background Information

- 7.1 We have reviewed the gross gaming expenditure in the City of Whittlesea and the State of Victoria since July 2009.
- 7.2 We have also given consideration to the characteristics of the Statistical Local Areas within the City of Whittlesea due to the large area covered by this LGA.

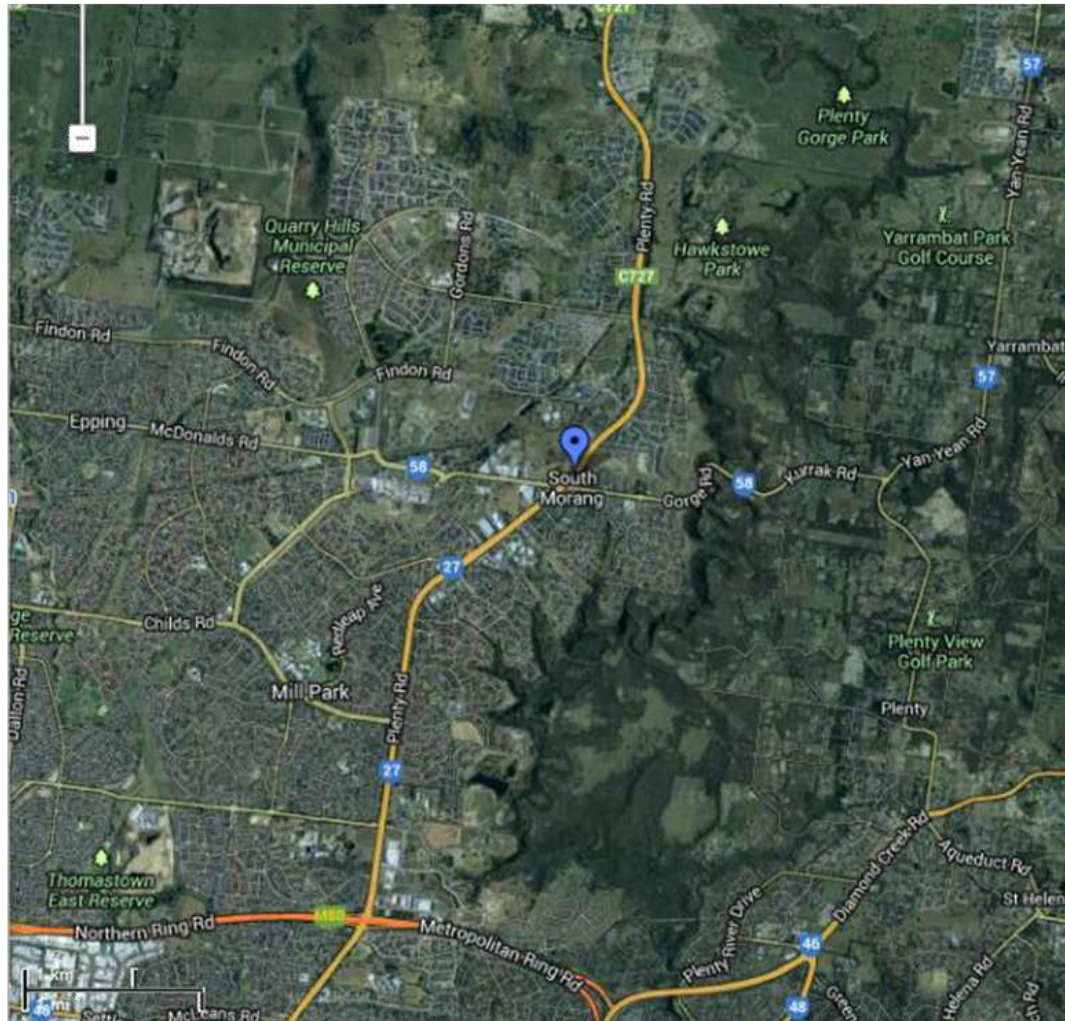
Commercial Hotel

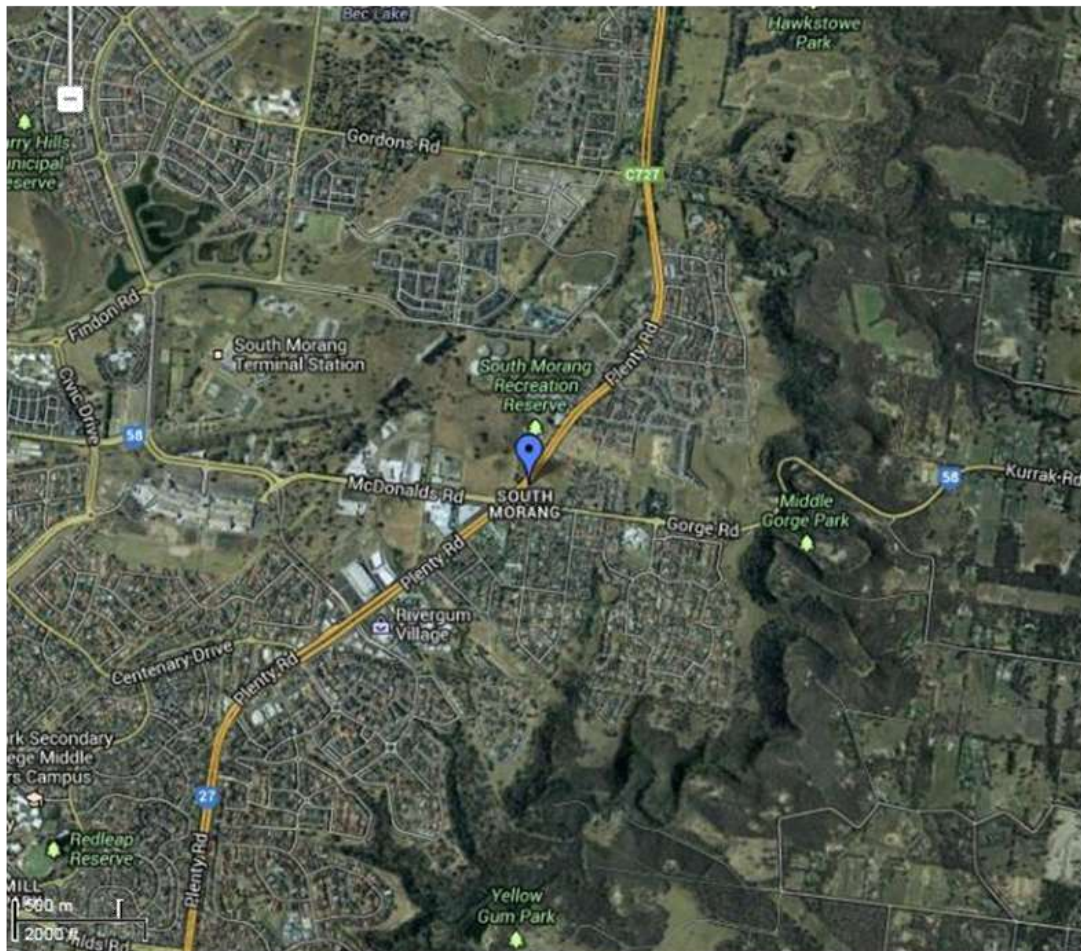
- 7.3 The Commercial Hotel is situated on Plenty Road, South Morang, approximately 25 kilometres from the Melbourne CBD.
- 7.4 The Commercial Hotel is bounded by the Plenty River and a gorge to the east, north-east and south-east, Hawkstowe Park to the north, industrial and commercial real estate to the immediate north-west and residential dwellings to the north-west, south-west and south. Due to the existence of the aforementioned Plenty River, gorge, industrial and commercial real estate, there are no residential dwellings in these areas. As such, we note that there is reduced capacity for the Hotel to attract gaming patrons due to these barriers of trade. This is supported by the Hotel's patron locality survey, which indicates that the vast majority of patrons reside to suburbs to the north, west and south of the venue, with an immaterial amount of patrons residing to the east of the Hotel.
- 7.5 The Hotel offers a bistro, public bar, TAB, BWS drive-through bottleshop with a large onsite car park available to patrons. There is also a Dan Murphy's liquor store located at the rear of the property.
- 7.6 The Hotel's location is outlined on the map below:



Commercial Hotel: Application to VCGLR 19 May 2016 / 7

- 7.7 The following maps show the limited access to residential dwellings from the surrounding areas in the City of Whittlesea as mentioned in section 7.4. It is also of note that the venue is located on a major intersection making it easily accessible by residents of Epping, South Morang and Mill Park should they wish to travel to the venue by road. Based on our professional experience, we consider that patrons residing to the east of the gorge (i.e. the area between South Morang/Mill Park and Yarrambat/Plenty), in suburbs such as Yarrambat and Plenty, already have access to gaming venues, notably the Diamond Creek Hotel and Greensborough Hotel, and therefore are notionally already being catered to. As such, we believe the major catchment areas for the Commercial Hotel will primarily be the suburb of South Morang, as well as neighbouring areas of Epping, Bundoora and Mill Park.



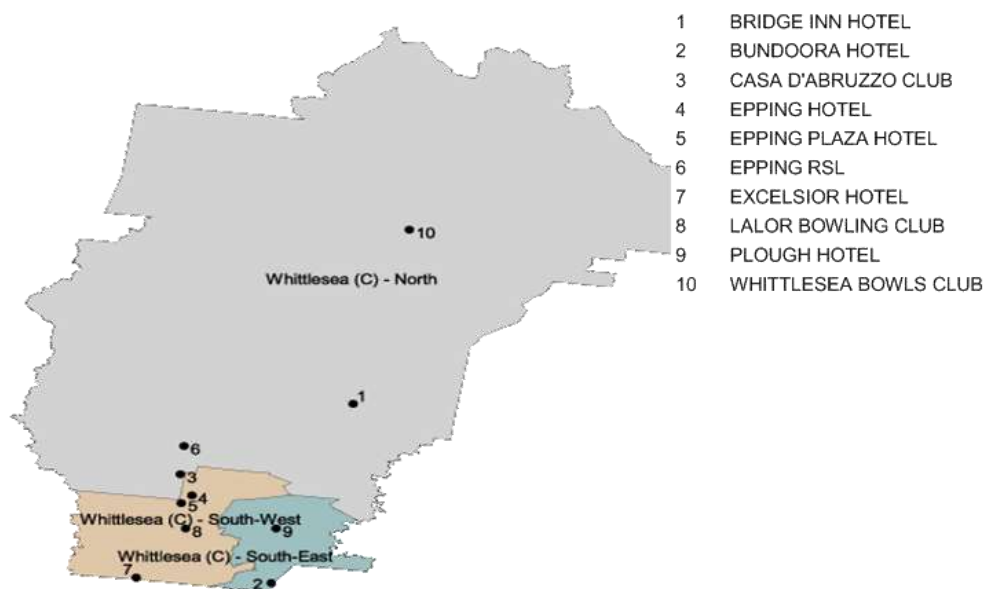


City of Whittlesea - Current Profile

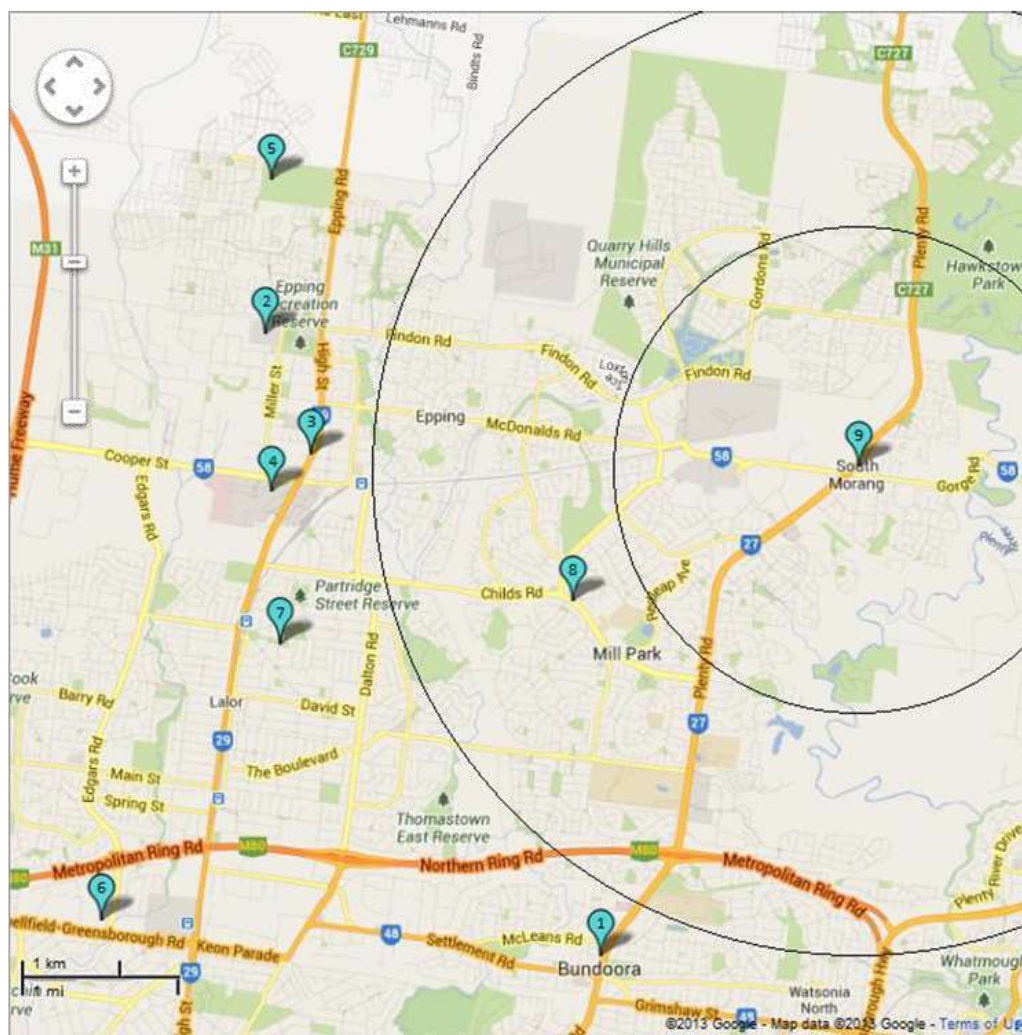
- 7.8 The City of Whittlesea ("Whittlesea") is located north-east of Melbourne. The LGA incorporates more than 17 suburbs, townships, small communities and rural areas, covering approximately 490 square kilometers.
- 7.9 The City of Whittlesea is bounded by the City of Hume to the west, Shire of Mitchell to the north, the Shire of Murrundindi to the north-east, the Shire of Nillumbik to the east, the City of Banyule to the south-east, the City of Darebin to the south and the City of Moreland to the south-west.
- 7.10 The City of Whittlesea is split into 3 Statistical Local Areas ("SLA") Whittlesea South-East, Whittlesea South-West and Whittlesea North where the Commercial Hotel is located, although noting the venue is located on the border of Whittlesea South-East.
- 7.11 Although the LGA is divided into three SLA's there are two gaming machine caps that apply to the area based on postcode. Whittlesea A, with a regional cap of 581 incorporates the postcodes of Thomastown, Lalor, Epping, Mill Park and Bundoora, and Whittlesea B where the municipal limit of 212 applies to the remaining areas of the LGA. For cap purposes, the Commercial Hotel falls within the municipal capped area of Whittlesea B where there are currently 110 gaming machines in operation.

7.12 The total number of licensed gaming machines for the Whittlesea B area will be 150, assuming that approval is granted for 40 gaming machines at the Commercial Hotel.

7.13 The following map shows the location of existing venues across the City of Whittlesea as depicted on the VCGLR website.



7.14 The following map shows the proximity of those venues located within the City of Whittlesea:



Number	Venue	Number	Venue
1	Bundoora Hotel	6	Excelsior Hotel
2	Casa D'Abruzzo Club	7	Lalor Bowling Club
3	Epping Hotel	8	Plough Hotel
4	Epping Plaza Hotel	9	Commercial Hotel
5	Epping RSL		

7.15 The above map does not show the Whittlesea Bowls Club located approximately 14 kilometres north of the Commercial Hotel and the Bridge Inn Hotel in Mernda, located approximately 6 kilometres north of the Commercial Hotel.

7.16 Up until the past three years, there have been minimal changes to the number of gaming machines in operation within the City of Whittlesea. However, since the commencement of the new gaming regime on 16 August 2012 there has been the following changes to the number of gaming machines in operation at the venues located within the LGA:

- Casa D'Abruzzo Club has increased the number of gaming machines from 60 to 75 in December 2012.
- As a result of the legislative changes that restrict any individual or hotel group from holding more than 35% of the hotel allocated entitlements, from the 2013FY onwards the ALH

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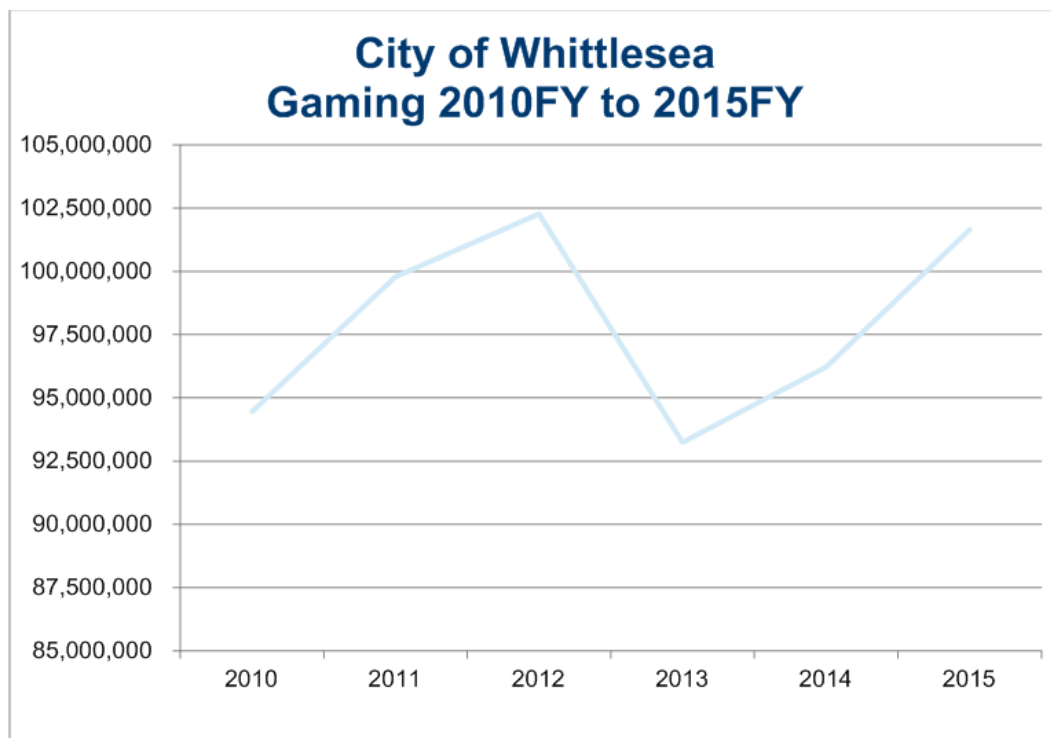
Group reduced the number of gaming machines in operation at the Bundoora Hotel, Excelsior Hotel and the Plough Hotel by 4, 18 and 5 EGMs respectively.

- The Bridge Inn Hotel in Mernda commenced operating 40 gaming machines in December 2013, and subsequently increased to operating 60 gaming machines in the 2016FY.
- The Whittlesea Bowls Club increased the number of gaming machines from 40 to 50 in June 2013.
- Epping RSL increased the number of gaming machines from 40 to 45 in August 2012.

7.17 In conjunction with this application, the ALH Group, being the operator of the Commercial Hotel, proposes to decrease the number of EGMs in operation at other gaming venues which they operate within the City of Whittlesea. Specifically, the Plough Hotel, Bundoora Hotel and the Excelsior Hotel are proposed to decrease the number of EGMs operating to 90 EGMs, 90 EGMs and 85 EGMs respectively. On this basis, the overall net increase in EGMs within the LGA will be an increase of 20 EGMs (being a 40 EGM increase for the Commercial Hotel and 20 EGM decrease at the aforementioned ALH Group venues).

7.18 The following graphs show the trend of gross gaming expenditure within the City of Whittlesea, from the years ended 30 June 2010 to 30 June 2015. There has been an average increase of 1.52% p.a. for gross gaming expenditure within the City of Whittlesea over the five years. This increase is largely due to the commencement of gaming operations at the Bridge Inn Hotel in the 2014FY.

7.19 Individual venue gross gaming expenditure is detailed in appendix 1.



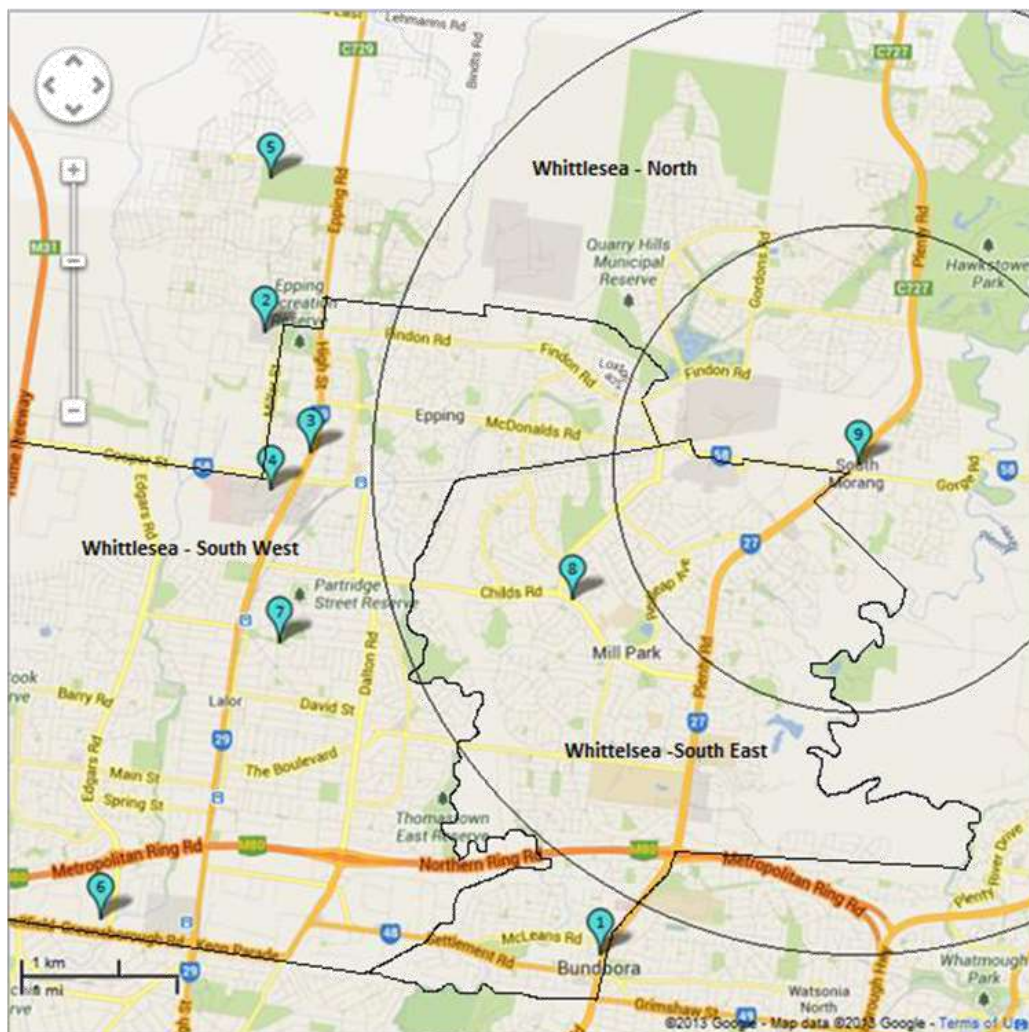
7.20 We note there was a significant decrease in gaming expenditure derived in the City of Whittlesea in the 2013FY. This was due to the following:

- General decline in gaming expenditure experienced across the state as a whole;
- Reduction in gaming expenditure at ALH Group operated venues following the reduction of EGMs due to capping restrictions;

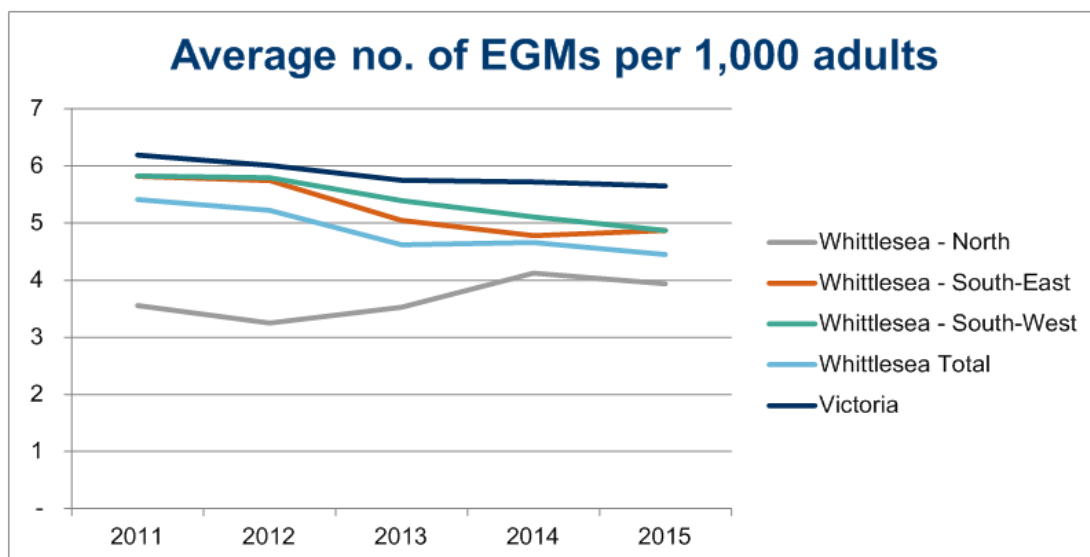
- Transitional issues associated with the change in the gaming operator model such as ATM bans and monitoring issues (being periods where EGMs were inactive when transitioning monitoring systems).

7.21 We have also reviewed the Statistical Local Areas within the City of Whittlesea.

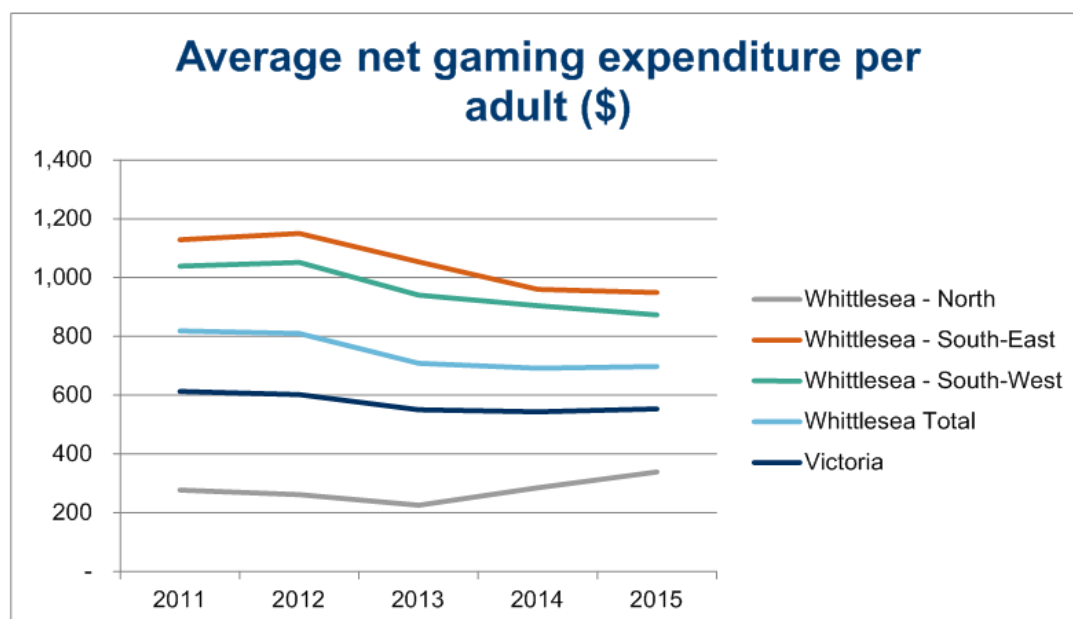
7.22 There are 10 venues within the City of Whittlesea comprising of 4 clubs and 6 hotels currently operating 691 gaming machines. There are four venues within the Whittlesea North SLA currently operating 230 gaming machines. The following map details the venues (as referenced in paragraph 7.14) within the City of Whittlesea and their location within the SLAs.



7.23 The graph below (refer appendix 2) shows the average number of EGMs per 1,000 adults for each SLA within the City of Whittlesea as against the City of Whittlesea in totality and Victoria. The graph indicates that the EGM density within the City of Whittlesea in 2015 of 4.53 is lower than the State average at 5.65, as is the EGM density for Whittlesea North SLA at 3.94 EGMs per 1,000 adults. Noting that the venue is within close proximity to the Whittlesea South-East SLA, we note that the EGM density for this SLA is 4.87.



7.24 Using the information pertaining to gaming expenditure and adult population growth, we have analysed the trend of average net EGM expenditure per adult per annum in the graph following (refer appendix 2). As shown below, the average net EGM expenditure per adult in the year ended 30 June 2015 in the City of Whittlesea of \$698 is above the average for the State of \$553 however, the Whittlesea North SLA average net EGM expenditure per adult was \$339 which is below the average for the State. Noting that the venue is within close proximity to the Whittlesea South-East SLA, we note that the average net EGM expenditure per adult for this SLA is \$950.



7.25 The two preceding graphs (average no. of EGMs per adult and average net gaming expenditure per adult) indicate that in the Whittlesea North SLA there is a comparatively lower gaming expenditure per adult and a lower EGM density for the SLA compared to State averages. In percentage terms the Whittlesea North SLA is 39% below the State average when comparing gaming expenditure per adult and 30% below the State average for EGM density. It would therefore be reasonable to conclude that should another venue commence operating gaming machines in this SLA these indices would remain below State averages.

7.26 The City of Whittlesea has a SEIFA ranking in 2011 which was 38 out of the 80 State municipalities with a score of 989 in terms of the level of disadvantage. This indicates the City of Whittlesea is marginally more disadvantaged than other municipalities on average. We note however, that the SEIFA score for the SLAs of Whittlesea North and Whittlesea South-East are 1,055 and 1,019 respectively, and as such, these SLAs do not experience comparatively high levels of socio-economic disadvantage.

City of Whittlesea – Gaming Profile

7.27 The following outlines the composition of gaming venues within the City of Whittlesea based on available information:

Venue	Club or Hotel	Current attached	Anticipated Attached
Bundoora Hotel	Hotel	96	90 [#]
Casa D'Abruzzo Club	Club	75	75
Epping Hotel	Hotel	40	40
Epping Plaza Hotel	Hotel	100	100
Epping RSL	Club	45	45
Excelsior Hotel	Hotel	89**	85 [#]
Lalor Bowling Club	Club	36	36
Plough Hotel	Hotel	100**	90 [#]
Whittlesea Bowls Club	Club	50	50
Bridge Inn Hotel	Hotel	60	60
Commercial Hotel	Hotel	-	40*
TOTAL		691	711

* On the basis of this application being approved by the VCGLR.

Proposed reductions to current operations based on this application being approved by the VCGLR.

** Inclusive of additional EGMs to be introduced at these venues on or around 15 May 2016.

7.28 Based on the adult population of the City of Whittlesea and the Whittlesea North SLA in 2015, the EGM density would become 4.88 and 5.06 gaming machines for every 1,000 adults on approval of this application respectively as compared with the average for the State of Victoria of 5.65. (refer appendix 6).

8. Estimate for Gross Gaming Expenditure

- 8.1 Given the Commercial Hotel does not presently operate gaming machines, we have conducted an analysis of comparable venues that currently operate gaming machines in the State in order to estimate the gaming expenditure from the introduction of 40 gaming machines at the Commercial Hotel. We have undertaken the initial benchmarking analysis on the assumption there are no changes in the number of gaming machines at venues located within close proximity to the Commercial Hotel.
- 8.2 We consider that adopting a benchmarking approach is the most reliable and transparent method of estimation of gaming expenditure for venues not currently operating gaming machines.

Benchmarking analysis

- 8.3 When conducting a benchmarking exercise, it is of crucial importance to ensure that the sample group used as the basis for analysis is appropriate to the venue for which the gaming expenditure estimate is being conducted.
- 8.4 We have established an appropriate selection of Hotel venues on which our analysis has been carried out based on the following characteristics of the venue;
- Number of EGMs in operation
 - Location of venue with respect to strip shopping, accessibility, residential catchment area and general location
 - Number of gaming venues within proximity of the venue
 - Number of competing venues within the LGA
 - Gaming expenditure per adult in the LGA
 - SEIFA Ranking of the LGA
 - EGM density in the LGA
 - Venue offerings such as Bar, Bistro, TAB, Accommodation, Function area etc.
 - Population growth within the LGA.
- 8.5 The selection of sample (benchmarking) venues is based on several of the above factors being broadly consistent. Furthermore, venues were eliminated from the sample group during this process due to there being minimal consistency or congruence in the above factors, as compared with the Commercial Hotel.
- 8.6 For the purposes of our benchmarking analysis, we started with a base set of venues being hotels in Victoria operating 30 to 50 gaming machines at 30 June 2015. We then eliminated hotels in country areas as it is more appropriate given the location of the Hotel to consider metropolitan venues and also eliminated any venues where the characteristics listed in paragraph 8.4 differ considerably to those displayed by the Commercial Hotel.
- 8.7 We have determined in this particular case, that the three most influential characteristics to consider with respect to the analysis of comparable venues are as follows:
- SEIFA, given the, broadly speaking, inverse relationship between gaming expenditure per adult and SEIFA rankings within an LGA;

- venue location and accessibility in terms of any barriers to access such as parklands, freeways, airports and industrial parks; and
- residential catchment area in terms of ability to attract gaming patrons from local residential housing.

8.8 In addition to the above, other characteristics we considered relevant in our analysis included:

- Venues with multiple service offerings (i.e. bistro, functions, bar & gaming); and
- Outer suburban location within metropolitan Victoria.

8.9 Of the venues included in our analysis, we determined that the Bridge Inn Hotel, Pascoe Vale Taverner Hotel and Sugar Gum Hotel were the most comparable to the Commercial Hotel, in consideration of the characteristics outlined in paragraphs 8.4 and 8.8. Please refer to appendix 4 for a detailed explanation of our analysis.

8.10 The 2015 gross gaming expenditure, number of gaming machines and respective NMR for the comparable venues is detailed below:

Venue Name	2015FY Expenditure	Gaming Machines	NMR
Bridge Inn Hotel	5,932,131	40	406
Pascoe Vale Taverner Hotel	5,336,023	42	348
The Sugar Gum Hotel	8,494,506	50	465
Total	19,762,660	132	

8.11 Of the comparative venues outlined above, we note that the venues operated between 40 and 50 machines, as compared to the 40 machines proposed at the Commercial Hotel. As such, we have used the average NMR of the venues above to assist in the process of calculating the estimated gross gaming expenditure to be derived by the 40 machines at the Commercial Hotel.

Venue Name	NMR	Estimated Expenditure (\$)
Bridge Inn Hotel	406	
Pascoe Vale Taverner Hotel	348	
The Sugar Gum Hotel	465	
Average	407	
Commercial Hotel	407	5,942,200

8.12 It is reasonable to conclude that the NMR (average) derived above would be appropriate for use in determining the gross gaming expenditure at the Commercial Hotel on the following basis:

- Given the gaming expenditure per adult in the City of Whittlesea is comparably higher than that of the City of Moreland, it would be expected that the proposed Commercial Hotel would outperform the Pascoe Vale Taverner Hotel.
- We do not believe the Commercial Hotel would be able to achieve an NMR similar to the Sugar Gum Hotel, as it has more competitors in its immediate vicinity than the Sugar Gum Hotel.
- As the Bridge Inn Hotel was a Greenfield venue, which commenced gaming in 2014FY in the City of Whittlesea, we envisage that the Commercial Hotel would be able to derive a similar NMR to the Bridge Inn Hotel, given the characteristics of the LGA of Whittlesea and the lack of direct competitors within 5kms of both venues.

8.13 On the basis of the commentary above, we estimate that the 40 EGMs sought by the Hotel will generate gross gaming expenditure of \$5,942,200 as outlined above. This estimate has been calculated based on the average NMR of the benchmarked venues, which we believe is appropriate for this calculation.

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- 8.14 We have adopted the gross gaming expenditure of \$5,942,200 as the midpoint of the gaming estimate. We have provided the following range for the gross gaming expenditure to allow for a 10% margin (5% either way).

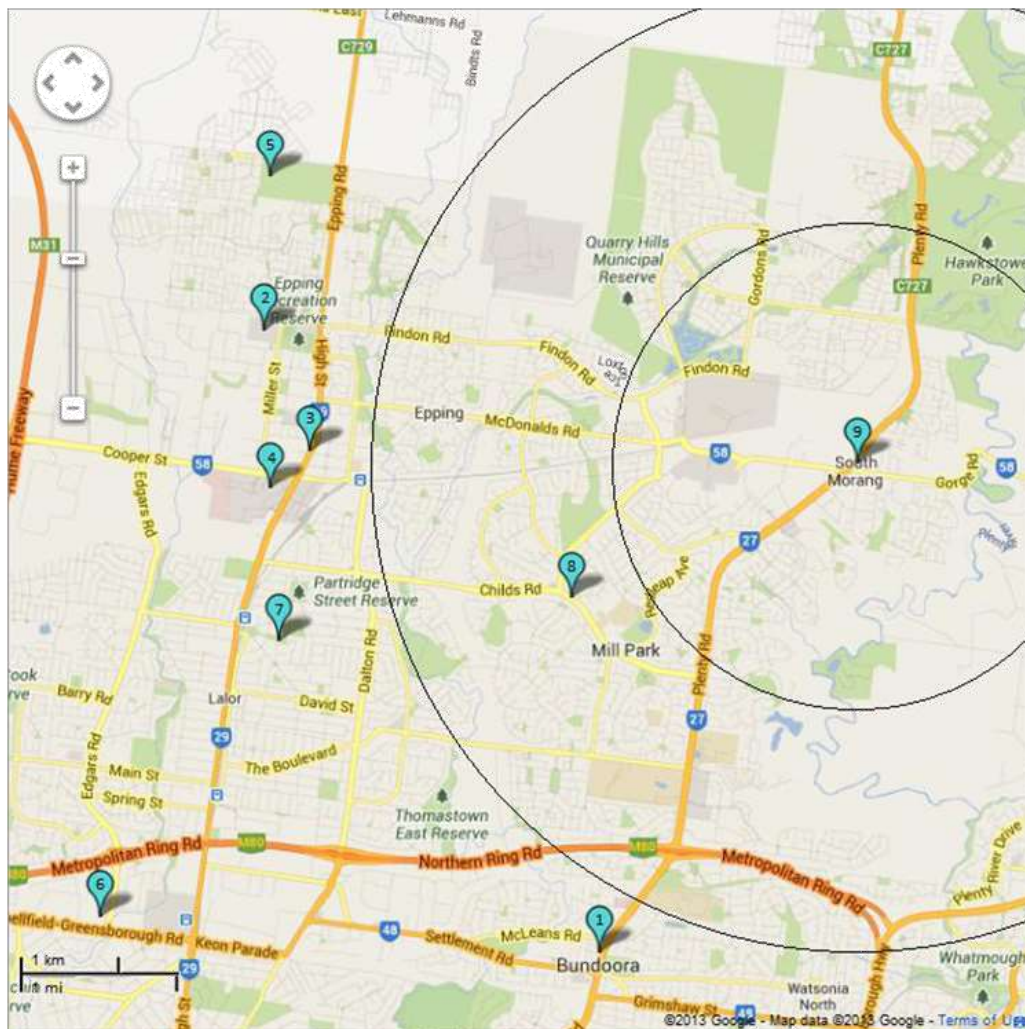
Estimated Gross Gaming Expenditure	Range	NMR (per EGM per day)
\$5,645,090	Low	\$387
\$5,942,200	Mid	\$407
\$6,239,310	High	\$427

- 8.15 Of the gross expenditure estimated above, it is reasonable to assume that approximately 85% of this expenditure will be derived within the first 12 months of trade. Our experience suggests that it takes at least 18 to 24 months for a new gaming venue to achieve ultimate peak gaming expenditure. In our experience, our analysis of new Greenfield venues suggests that the expenditure derived in year 1 is approximately 65% to 85% of the total peak expenditure derived at a venue, (as seen in the cases of the Sanctuary Lakes Hotel, The Brook on Sneydes, West Waters Hotel and Hotel 520 on Sayers). We believe that based on consideration of this evidence, for the Commercial Hotel, 85% of achieved (peak) expenditure in subsequent years is likely to be derived during the first 12 months (being the maximum of the anecdotal range). Specifically, given that the Commercial Hotel is an existing venue with a previously established patronage base (although not specifically for gaming), located in a mature gaming market, there is potential for there to be an accelerated phase in for the gaming expenditure.

Estimated Gross Gaming Expenditure (first 12 months)	Range	NMR (per EGM per day)
\$4,798,327	Low	\$329
\$5,050,870	Mid	\$346
\$5,303,413	High	\$363

9. Transferred Expenditure and New Expenditure

- 9.1 In the 2003 Victorian Longitudinal Community Attitudes Survey, Commission research found that the distance travelled by individuals to gaming venues is generally less than five kilometres with people tending to prefer their local area.
- 9.2 This research relating to the distance travelled to a gaming venue in metropolitan areas, indicates 59% of patrons travel less than 5 kilometres, and 39.7% travel less than 2.5 kilometres to attend a gaming venue. The research also suggests that 25% of patrons travel between 5 and 10 kilometres to attend a gaming venue and 16% travel more than 10 kilometres.
- 9.3 As per the following map, there are no gaming venues within a 2.5 kilometre radius of the Hotel and only one venue (the Plough Hotel) within a 5 kilometre radius of the the Hotel. We also note that there is significant adult population residing in South Morang, Mernda and Doreen. As such, it is reasonable to assume that there are patrons currently travelling more than 5 kilometres to attend gaming venues.



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Number	Venue	Distance to Commercial Hotel (by road)	Number	Venue	Distance to Commercial Hotel (by road)
1	Bundoora Hotel	7.6km	6	Excelsior Hotel	12.5km
2	Casa D'Abruzzo Club	8.0km	7	Lalor Bowling Club	9.1km
3	Epping Hotel	7.5km	8	Plough Hotel	4.9km
4	Epping Plaza Hotel	8.4km	9	Commercial Hotel	-
5	Epping RSL	10.3km			

9.4 A bistro survey was conducted at the Hotel from Saturday 23 January 2016 to Sunday 14 February 2016 of which 26% of patrons currently visiting the Hotel reside in the suburb of South Morang. A further 15% of current patrons reside in Doreen, and 10% from Mill Park, which indicates that a number of bistro patrons are currently travelling in excess of 5 kilometres to visit the venue. The remaining bistro patrons reside in suburbs as follows (refer appendix 7 for location reference):

- 6% in Mernda
- 4% in Epping
- 4% in Bundoora
- 35% other.

9.5 We have also been provided with results from a gaming patron postcode survey from Thursday 28 January to Thursday 25 February 2016 for the Plough Hotel, which indicates that 43% of patrons reside in Mill Park. The remaining patrons reside in suburbs more than 2.5 kilometres from the venue as follows (refer appendix 7 for location reference):

- 17% in Epping
- 11% in South Morang
- 9% in Lalor
- 6% in Thomastown
- 7% in Bundoora
- 7% other

9.6 If we are to assume that the current patron base of the Commercial Hotel is broadly indicative of the origins of gaming patrons, it is reasonable to assume that some residents within the City of Whittlesea are likely to travel in excess of 2.5 kilometres to participate in gaming activities at the Hotel and in some situations it is reasonable to conclude that patrons will travel over 5 kilometres to attend gaming venues. However, we also note that a significant component of patrons will be derived from local residents who reside within 2.5 kilometres of the Hotel.

9.7 Although industry principles and historical evidence does not demonstrate that the profile of bistro patrons can be directly correlated to the profile of gaming patrons, based on the outcomes of the survey and the Longitudinal Survey, it is likely that the Commercial Hotel would derive the majority of its gaming patrons from (in descending order in terms of percentage of overall patronage) the suburbs of South Morang, Mill Park, Epping, Mernda and Doreen.

9.8 Due to the high performing nature of all the hotel venues within the City of Whittlesea, which have an average NMR of \$511 as compared to a State average for hotels of \$345 and metropolitan average for hotels of \$373, combined with a relatively high gaming expenditure per adult in the municipality of \$698 versus a State average of \$553, we believe it is reasonable to assume there is excess peak utilisation at all hotel venues in the immediate area. In this regard we consider that people may relocate their gaming activities to the Commercial Hotel should the application for gaming machines be approved.

9.9 In order to determine an appropriate transfer rate applicable to this Hotel, the following factors have been considered:

- Number of competitor gaming venues;
- Scale of competitor gaming venues;
- Performance of competitor gaming venues; and
- Comparative convenience and accessibility of the Commercial Hotel in comparison to existing competitor venues.

9.10 Our experience of analysing recent 'Greenfield' venues that have commenced operating gaming machines indicates that where there are multiple (e.g. 3) gaming venues within relative proximity (3kms – 4kms), the transfer rate was up to 50%. We note that Greenfield venues generally do not have the concentration of competitors that existing non-gaming venues have, therefore Greenfields would be expected to derive lower levels of transferred expenditure. In addition, we believe this venue would have a transfer rate above 50%, as unlike Greenfields, this venue would have less capacity to generate new expenditure, as it is located in a mature gaming market.

9.11 Furthermore, as the Commercial Hotel is located in a mature gaming market, it would be reasonable to assume that the majority of estimated gross gaming expenditure would be derived from existing gaming patrons within the LGA, as opposed to new gaming patrons.

9.12 For the reasons outlined above, we consider that the transfer rate will be 60% as this Hotel is located within a well performing LGA, with 1 high performing venue within 3 kilometres and 6 venues within 5 to 7 kilometres (3 of which are high performing hotel venues) and noting there is already evidence of residents travelling in excess of 5 kilometres to attend gaming venues. Given the number of venues within a 5 to 7 kilometre radius and the fact that they are some of the highest performing hotel venues within the State of Victoria, it would be reasonable to assume that the transfer rate will exceed the 50% threshold assessed under the Greenfield analysis. The estimated transferred rate is conversely supported by our analysis and rationale for the rate of new expenditure as per sections 9.19 to 9.23.

9.13 Therefore, based on the gaming expenditure estimate of the Hotel and an estimated transferred expenditure of 60% as a proportion of estimated gross gaming expenditure, the following table outlines the total amount of estimated transferred expenditure derived by the Hotel under each of the scenarios outlined in paragraph 8.14.

Estimate Expenditure Range	Transferred Expenditure
	60%
Low	3,387,054
Mid	3,565,320
High	3,743,586

9.14 We estimate that approximately 85% of the estimated gross gaming expenditure will be derived within the first 12 months of the trade, therefore the transferred expenditure for the first 12 months of trade can be seen in the below table.

Estimate Expenditure Range	Transferred Expenditure
	60%
Low	2,878,996
Mid	3,030,522
High	3,182,048

9.15 We have considered all the current gaming venues within the City of Whittlesea, the results of the Longitudinal Survey and the Bistro survey and based on venue offering, location, accessibility, 2015FY gaming performance and proximity to the Commercial Hotel, have estimated that the transferred expenditure would be broadly derived from the following venues:

Venue	Transferred Expenditure (expressed as a percentage of total estimated expenditure at the Commercial Hotel)	Full Gaming Expenditure Estimate (Midpoint) \$	First 12 Month Gaming Expenditure Estimate (Midpoint) \$
Plough Hotel	20%	1,188,440	1,010,174
Bridge Inn Hotel	10%	594,220	505,087
Epping Hotel	7.5%	445,665	378,815
Epping Plaza Hotel	7.5%	445,665	378,815
Bundoora Hotel	5%	297,110	252,544
Other Venues in LGA	5%	297,110	252,544
Other Venues outside the LGA	5%	297,110	252,544
Total	60%	3,565,320	3,030,522

9.16 The below table depicts the impact of the transferred expenditure as outlined in section 9.13 to the venue's 2015FY gaming expenditure within the City of Whittlesea. We note that the transferred expenditure will be derived predominately from existing venues within the Whittlesea South West and Whittlesea South East SLAs

Venue	2015FY Gaming Expenditure	Full Transferred Expenditure Estimate (Midpoint)	Full Transferred Expenditure Estimate as a percentage of total venue expenditure (Midpoint) \$
Plough Hotel	18,308,238	1,188,440	6.49%
Bridge Inn Hotel	5,932,131	594,220	10.02%
Epping Hotel	7,488,665	445,665	5.95%
Epping Plaza Hotel	21,137,399	445,665	2.11%
Bundoora Hotel	18,124,038	297,110	1.64%
Other Venues in LGA	30,656,395	297,110	0.97%

Venue	2015FY Gaming Expenditure	First 12 Month Transferred Expenditure Estimate (Midpoint) \$	First 12 Month Transferred Expenditure Estimate as a percentage of total venue expenditure (Midpoint) \$
Plough Hotel	18,308,238	1,010,174	5.52%
Bridge Inn Hotel	5,932,131	505,087	8.51%
Epping Hotel	7,488,665	378,815	5.06%
Epping Plaza Hotel	21,137,399	378,815	1.79%
Bundoora Hotel	18,124,038	252,544	1.39%
Other Venues in LGA	30,656,395	252,544	0.82%

9.17 Based on the above gaming expenditure estimate of the Hotel and the estimated rate of transferred expenditure of 55% from venues within the City of Whittlesea as a proportion of gross gaming expenditure, the following table shows the impact of a transfer of the gross gaming expenditure within the City of Whittlesea.

Estimate Expenditure Range	Transferred Expenditure from venues within City of Whittlesea
	55%
Low	3,104,800
Mid	3,268,210
High	3,431,620

9.18 We estimate that approximately 85% of the estimated gaming expenditure will be derived within the first 12 months of the trade, the transferred expenditure for the first 12 months of trade can be seen in the below table.

Estimate Expenditure Range	Transferred Expenditure from venues within City of Whittlesea
	55%
Low	2,639,080
Mid	2,777,979
High	2,916,877

New Expenditure

9.19 We estimate that, of the gross gaming expenditure derived from the introduction of EGMs, 60% will be transferred expenditure. As such, the new expenditure is estimated to be 40% of gross gaming expenditure.

9.20 With reference to the Longitudinal Survey outlined in section 9.2, it is likely that there would be residents within the South Morang area who would be required to travel in excess of 2.5 kilometres to access gaming venues within the City of Whittlesea. As such, it is our opinion that there would be adults residing within this area who are not currently gaming at these venues due to their relative proximity however would undertake gaming at the Commercial Hotel due to its more convenient location. Additionally, it would be our opinion that there are adults residing within 2.5 kilometres of other gaming venues that do not currently frequent those venues, but would become gaming patrons of the Commercial Hotel due to its comparative convenience and accessibility.

9.21 We estimate that, on the basis of an appraisal of the level of transferred expenditure, approximately 40% of the revenue generated by the additional EGMs will be new revenue largely sourced by residents of South Morang (within Whittlesea North) who are not currently frequenting a gaming venue and based on the factors outlined in section 9.20 and our analysis of relevant case studies. The new revenue is as follows:

Estimate Expenditure Range	New Expenditure
	40%
Low	2,258,036
Mid	2,376,880
High	2,495,724

9.22 We estimate that approximately 85% of the estimated gaming expenditure will be derived within the first 12 months of the trade, the new expenditure for the first 12 months of trade can be seen in the below table.

Estimate Expenditure Range	New Expenditure
	40%
Low	1,919,331
Mid	2,020,348
High	2,121,365

9.23 As mentioned in paragraph 7.17, in conjunction with this application, there will be a decrease in EGMs in operation at the Plough Hotel, Bundoora Hotel and Excelsior Hotel with the City of Whittlesea. We have not sought to quantify the impact to these venues of the proposed decrease in gaming machines as a result of this application, however we believe it reasonable to assume that, given the material negative impact experienced in the 2013FY when these venues previously decreased gaming machines, that there would be a high likelihood of a decrease in gaming expenditure at these venues (however, not necessarily to the same extent).

We note however that it is likely that some of the reduction in gaming expenditure at the hotels listed above will be lost, as it will not necessarily be transferred to other venues within the LGA (for

example, if patrons simply choose not to continue gaming). Similarly this report has not sought to quantify the lost (i.e. non-transferred) gaming expenditure. Nevertheless, it would be reasonable to assume that the actual overall additional expenditure in the LGA would be less than the estimate of total new expenditure as detailed above.

In this context, we note that there are 3 hotel venues in Victoria operating 90 EGMs or less, namely, Kealba Hotel, Gladstone Park Hotel and Keysborough Hotel, which derive gaming expenditure at broadly similar levels to the Plough Hotel and the Bundoora Hotel, and above those derived at the Excelsior Hotel. This demonstrates that there is capacity for those venues reducing gaming machines in the City of Whittlesea, to continue to derive gaming expenditure similar to those currently being derived (or the levels anticipated after the impact of any transferred expenditure arising from this application).

Other Factors impacting Gross Gaming Expenditure

9.24 There are three key anti-gambling measures that came into effect from 1 July 2012 (or earlier as applicable) in Victoria which aim to reduce the impact of problem gambling which include:

- Removal of ATMs from gaming venues (subject to certain exclusions);
- Prohibition on banknote acceptors that accept denominations greater than \$50; and
- Prohibition on gaming machine advertising;

As of 1 December 2015, the voluntary pre-commitment policy commenced in Victoria. As this policy has not been in operation for 12 months, we have not been able to assess the impact of the policy change on gaming venues within Victoria.

9.25 Our estimates included in this report are based on the assumption of the current regulatory controls remaining consistent. Past experience demonstrates that gaming venue performance may change considerably when regulatory controls are altered.

10. Conclusion

- 10.1 Based on an analysis of comparable venues within the State, and of the recent trend in gaming expenditure in both the State of Victoria and the City of Whittlesea, it is reasonable to conclude that the level of gross gaming expenditure generated from an introduction of 40 EGMs at the Commercial Hotel would, upon the relative maturity of the venue, be between \$5,645,090 and \$6,239,310 per annum with 85% of this achieved within the first 12 months of trade, being between \$4,798,327 and \$5,303,414.
- 10.2 Factoring in the proposed number of EGMs at the Hotel and the gross gaming expenditure estimated, the expected NMR (based on the midpoint) at the Hotel is \$407 which is comparable to the average for the State of Victoria for hotels of \$338 and average for metropolitan hotels of \$373.
- 10.3 Based on anecdotal evidence regarding Greenfield sites, member surveys for surrounding ALH Group venues and a Bistro Survey for the Commercial Hotel, the geographic location of the Hotel, the relative maturity of gaming within the municipality and the level of gaming expenditure of venues within the municipality, we believe the transferred expenditure rate will be 60% of the estimated gross gaming expenditure for the Commercial Hotel, and the new expenditure rate will be 40%. This equates to new expenditure of \$1,919,331 to \$2,121,365 in the first 12 months.
- 10.4 We note that one of the conditions of this application being approved is proposed reduction of attached EGMs within the LGA (pertaining to venues operated by the ALH Group being the Plough Hotel, Excelsior Hotel and Bundoora Hotel). The combined impact to the LGA in terms of gaming expenditure (of these events in totality) would most likely be lower than the estimate for new expenditure within the LGA arising in isolation from the Commercial Hotel commencing gaming operations. We believe this is due to the high likelihood of lost (i.e. non-transferred) gaming expenditure as a result of the reduction in EGMs in those aforementioned venues. We do however believe that this lost expenditure will be immaterial in the context of the new expenditure identified above, and therefore conclude that it will be less than the new expenditure arising from this application.

11. Declaration

- 11.1 We declare, that we have made all enquiries that we believe are desirable and appropriate and that no matter of significance which is regarded as relevant has to our knowledge been withheld from the VCGLR.

12. Appendices

12.1 Appendix 1: City of Whittlesea – Gross Gaming Expenditure

Venue	2010FY \$	2011FY \$	% Change	2012FY \$	% Change	2013FY \$	% Change	2014FY \$	% Change	2015FY \$	% Change	Avg 5 year (p.a.) % change
Bridge Inn Hotel	-	-	-	-	-	-	-	2,652,286	-	5,932,131	123.66%	123.66%
Whittlesea Bowls Club	2,986,149	2,779,255	(6.93%)	2,883,332	3.74%	2,666,559	(7.52%)	2,862,224	7.34%	2,777,113	(2.97%)	(1.40%)
Casa D'Abruzzo Club	5,257,212	5,453,116	3.73%	5,468,901	0.29%	5,359,977	(1.99%)	5,800,975	8.23%	6,115,347	5.42%	3.26%
Epping RSL	2,811,274	2,680,028	(4.67%)	2,926,469	9.20%	2,856,608	(2.39%)	3,203,431	12.14%	3,254,926	1.61%	3.16%
Total Whittlesea North	11,054,635	10,912,399	(1.29%)	11,278,702	3.36%	10,883,144	(3.51%)	14,518,916	33.41%	18,079,517	24.52%	12.71%
Bundoora Hotel	18,092,888	18,522,787	2.38%	19,201,822	3.67%	17,937,770	(6.58%)	17,846,735	(0.51%)	18,124,038	1.55%	0.03%
Plough Hotel	18,974,503	20,239,101	6.66%	20,844,475	2.99%	18,570,386	(10.91%)	17,276,614	(6.97%)	18,308,238	5.97%	(0.70%)
Total Whittlesea South East	37,067,391	38,761,888	4.57%	40,046,297	3.31%	36,508,156	(8.84%)	35,123,349	(3.79%)	36,432,276	3.73%	(0.34%)
Epping Hotel	7,058,188	7,534,172	6.74%	7,906,389	4.94%	7,674,718	(2.93%)	7,337,183	(4.40%)	7,488,665	2.06%	1.22%
Epping Plaza Hotel	18,867,109	21,019,064	11.41%	21,408,494	1.85%	21,033,163	(1.75%)	21,750,522	3.41%	21,137,399	(2.82%)	2.41%
Excelsior Hotel	17,390,512	18,632,222	7.14%	18,939,827	1.65%	14,720,595	(22.28%)	15,133,134	2.80%	15,901,821	5.08%	(1.71%)
Lalor Bowling Club	3,014,003	2,933,430	(2.67%)	2,700,635	(7.94%)	2,419,148	(10.42%)	2,355,934	(2.61%)	2,607,188	10.66%	(2.70%)
Total Whittlesea South West	46,329,812	50,118,888	8.18%	50,955,345	1.67%	45,847,624	(10.02%)	46,576,773	1.59%	47,135,073	1.20%	0.35%
Total Whittlesea LGA	94,451,838	99,793,175	5.66%	102,280,343	2.49%	93,238,925	(8.84%)	96,219,038	3.20%	101,646,866	5.64%	1.52%

12.2 Appendix 2: Historical Data

12.2.1 State of Victoria

Year	Adult population	No. of EGMs	Net EGM expenditure \$	Average no. EGMs per 1,000 adults	Average net EGM expenditure per adult \$
2010	4,251,486	26,682	2,597,183,124	6.28	611
2011	4,322,850	26,778	2,651,368,385	6.19	613
2012	4,456,675	26,778	2,681,453,401	6.01	602
2013	4,532,257	26,068	2,490,488,907	5.75	550
2014	4,606,164	26,360	2,504,343,302	5.72	544
2015	4,647,818	26,264	2,571,926,031	5.65	553

12.2.2 City of Whittlesea

Year	Adult population	No. of EGMs	Net EGM expenditure \$	Average no. EGMs per 1,000 adults	Average net EGM expenditure per adult \$
2010	116,534	621	94,451,838	5.48	799
2011	121,786	621	99,793,175	5.31	818
2012	128,233	621	102,280,343	5.13	809
2013	131,625	608	93,238,925	4.62	708
2014	139,000	648	96,219,038	4.66	692
2015	145,693	660	101,646,866	4.53	698

12.2.3 Whittlesea North SLA

Year	Adult population	No. of EGMs	Net EGM expenditure \$	Average no. EGMs per 1,000 adults	Average net EGM expenditure per adult \$
2010	37,243	140	11,054,635	3.76	297
2011	39,378	140	10,912,399	3.56	277
2012	43,072	140	11,278,702	3.25	262
2013	48,072	170	10,883,144	3.53	226
2014	50,910	210	14,518,916	4.12	285
2015	53,361	210	18,079,517	3.94	339

12.2.4 Whittlesea South East SLA

Year	Adult population	No. of EGMs	Net EGM expenditure \$	Average no. EGMs per 1,000 adults	Average net EGM expenditure per adult \$
2010	33,980	200	37,067,391	5.89	1,091
2011	34,352	200	38,761,888	5.82	1,128
2012	34,820	200	40,046,297	5.74	1,150
2013	34,665	175	36,508,156	5.05	1,053
2014	36,607	175	35,126,349	4.78	959
2015	38,370	187	36,462,276	4.87	950

12.2.5 Whittlesea South-West SLA

Year	Adult population	No. of EGMs	Net EGM expenditure \$	Average no. EGMs per 1,000 adults	Average net EGM expenditure per adult \$
2010	46,992	281	46,329,812	5.98	986
2011	48,221	281	50,118,888	5.83	1,039
2012	48,470	281	50,955,345	5.80	1,051
2013	48,752	263	45,847,624	5.39	940
2014	51,483	263	46,576,773	5.11	905
2015	53,962	263	47,135,073	4.87	873

12.3 Appendix 3 – Gaming Expenditure by month

	2010FY	2011FY	2012FY	2013FY	2014FY	2015FY
July	8,440,123	8,583,160	8,865,086	8,530,268	8,297,761	9,270,084
August	8,581,395	8,814,675	8,994,748	8,652,757	8,631,890	9,725,859
September	8,040,723	8,839,517	8,809,516	7,803,360	7,742,941	9,414,643
October	8,437,271	8,830,357	8,996,075	8,176,737	8,056,324	9,738,744
November	7,591,242	8,247,297	8,449,496	7,452,035	8,100,731	9,001,711
December	8,194,232	8,785,809	8,762,704	8,133,568	8,348,633	9,492,434
January	7,529,085	7,787,425	7,942,099	7,302,061	7,890,351	8,739,889
February	6,839,102	7,447,561	7,475,760	6,637,592	6,881,107	8,211,499
March	7,543,609	8,239,924	8,979,872	7,521,548	7,840,719	8,858,216
April	7,640,386	8,008,376	8,073,510	7,702,814	7,966,501	8,636,831
May	7,984,459	8,184,346	8,482,335	7,832,970	8,503,953	9,120,852
June	7,630,209	8,024,729	8,449,143	7,493,216	7,958,126	8,950,450

12.4 Appendix 4: Estimated Gaming Expenditure

12.4.1 In order to provide an appropriate estimate of gross gaming expenditure applicable to the venue, we have prepared an analysis of venues and LGAs which exhibit broadly similar characteristics to that of the Commercial Hotel and the City of Whittlesea.

12.4.2 The Commercial Hotel demonstrates the following characteristics:

- The Hotel is located in metropolitan Melbourne;
- The Hotel operates between 30 and 50 EGMs;
- The Hotel is not located within a strip shopping centre;
- The Hotel has 1 competitor within a 5 kilometre radius;
- The venue offers a bistro, public bar, TAB, drive-through bottle shop and Dan Murphy's on site;
- The City of Whittlesea has a SEIFA ranking of 989;
- Average gaming expenditure within the City of Whittlesea in the 2015FY was \$698
- The population in the City of Whittlesea is forecasted to increase on average by 3.52% per annum by 2021.

12.4.3 In the first instance, we have conducted our analysis on only metropolitan hotel venues with between 30 and 50 EGMs operating at the venue. The following venues were initially included in our analysis.

Venue Name	Local Government Area	EGMs as at 30 June 2015
ST ALBANS HOTEL	City of Brimbank	50
EPPING HOTEL	City of Whittlesea	40
ASHLEY HOTEL	City of Maribyrnong	50
BRAYBROOK HOTEL	City of Maribyrnong	31
GOLDEN FLEECE HOTEL (MELTON)	Shire of Melton	45
HARP OF ERIN HOTEL	City of Boroondara	47
SUGAR GUM HOTEL	Shire of Melton	50
COURT JESTER HOTEL	City of Stonnington	48
BALACLAVA HOTEL	City of Port Phillip	45
ROYAL HOTEL (SUNBURY)	City of Hume	31
CHERRY HILL TAVERN	City of Manningham	50
GLENGALA HOTEL	City of Brimbank	50
BRIDGE INN HOTEL	City of Whittlesea	40
SOMERVILLE HOTEL	Shire of Mornington Peninsula	39
POWELL HOTEL	City of Maribyrnong	30
L'UNICO HOTEL	City of Monash	35
JUNCTION HOTEL	City of Darebin	46
TEMPLESTOWE HOTEL	City of Manningham	50
OLIVE TREE HOTEL	City of Hume	43
CLUB HOTEL (FERNTREE GULLY)	City of Knox	40
DUKE OF EDINBURGH	City of Moreland	50
THE PRINCE OF WALES HOTEL - RICHMOND	City of Yarra	40

MONASH HOTEL	City of Monash	45
TANKERVILLE ARMS HOTEL	City of Yarra	49
VAUCLUSE HOTEL	City of Yarra	31
BROWNS CORNER	City of Moreland	35
PASCOE VALE TAVERNER HOTEL	City of Moreland	42
LINCOLNSHIRE ARMS HOTEL	City of Moonee Valley	38
LONDON TAVERN	City of Glen Eira	50
WESTMEADOWS TAVERN	City of Hume	40
CHELSEA HEIGHTS HOTEL	City of Kingston	40
TUDOR INN HOTEL	City of Kingston	47
OAKLEIGH JUNCTION HOTEL	City of Monash	45
DROMANA HOTEL	Shire of Mornington Peninsula	41
KEILOR HOTEL	City of Brimbank	50
SANDRINGHAM HOTEL	City of Bayside	40
BAKERS ARMS HOTEL	City of Yarra	32
ROSE SHAMROCK & THISTLE HOTEL	City of Darebin	45
RIVERSDALE HOTEL	City of Boroondara	42
MALVERN VALE CLUB HOTEL	City of Stonnington	30
BAXTER TAVERN HOTEL MOTEL	Shire of Mornington Peninsula	30
WESTERNPORT HOTEL	Shire of Mornington Peninsula	40
WHEELERS HILL HOTEL	City of Monash	40
ALBION CHARLES HOTEL	City of Darebin	50
COOLAROO TAVERNER	City of Hume	48
PALACE HOTEL	City of Boroondara	40
PRESTON HOTEL	City of Darebin	40
GREENSBOROUGH HOTEL	City of Banyule	30
RYE HOTEL	Shire of Mornington Peninsula	30
DIAMOND CREEK TAVERN	Shire of Nillumbik	40
ANGEL TAVERN	City of Stonnington	45
ZAGAME'S CARDINIA HOTEL	Shire of Cardinia	50
THE JIM DANDY HOTEL	City of Greater Dandenong	30
FORESTERS ARMS HOTEL	City of Monash	46
RIVIERA HOTEL	City of Frankston	40
LONG BEACH HOTEL	City of Kingston	49
KINGS CREEK HOTEL	Shire of Mornington Peninsula	33
CROSS KEYS HOTEL	City of Moonee Valley	40
FERNTREE GULLY HOTEL	City of Knox	50
DAVA HOTEL	Shire of Mornington Peninsula	32
MILANO'S HOTEL	City of Bayside	48
THE PHOENIX HOTEL	City of Wyndham	50
VILLAGE BELLE HOTEL	City of Port Phillip	31
ELTHAM HOTEL	Shire of Nillumbik	40
BELL'S HOTEL	City of Port Phillip	40
MARINE HOTEL	City of Bayside	50
OLINDA CREEK HOTEL	Shire of Yarra Ranges	47
LYNDHURST CLUB HOTEL	City of Moreland	30

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SHANGHAI CLUB	City of Melbourne	48
THE BEACH	City of Port Phillip	32
RIFLE CLUB HOTEL	City of Hobsons Bay	40
TOWER HOTEL	City of Boroondara	33
PARKVIEW HOTEL	City of Yarra	30
THE BRIDGE HOTEL	City of Kingston	50
DICK WHITTINGTON TAVERN	City of Port Phillip	40
MCKINNON HOTEL	City of Glen Eira	45
KIRKPATRICKS HOTEL	Shire of Mornington Peninsula	40
RACECOURSE HOTEL (MALVERN EAST)	City of Stonnington	40
CARDINIA PARK HOTEL	Shire of Cardinia	40
TERMINUS HOTEL	Shire of Yarra Ranges	30
NEW BAY HOTEL	City of Bayside	50

12.4.4 Of the 81 venues listed above, 64 venues were excluded from further analysis predominantly due to the SEIFA rating of the SLA in which the venue is located, therefore the following table details the remaining venues on which further analysis was undertaken.

Venue Name	Local Government Area	EGMs as at 30 June 2015
EPPING HOTEL	City of Whittlesea	40
ASHLEY HOTEL	City of Maribymong	50
BRAYBROOK HOTEL	City of Maribymong	31
GOLDEN FLEECE HOTEL (MELTON)	Shire of Melton	45
SUGAR GUM HOTEL	Shire of Melton	50
BRIDGE INN HOTEL	City of Whittlesea	40
POWELL HOTEL	City of Maribymong	30
JUNCTION HOTEL	City of Darebin	46
DUKE OF EDINBURGH	City of Moreland	50
BROWNS CORNER	City of Moreland	35
PASCOE VALE TAVERNER HOTEL	City of Moreland	42
ROSE SHAMROCK & THISTLE HOTEL	City of Darebin	45
ALBION CHARLES HOTEL	City of Darebin	50
PRESTON HOTEL	City of Darebin	40
RIVIERA HOTEL	City of Frankston	40
LYNDHURST CLUB HOTEL	City of Moreland	30
RIFLE CLUB HOTEL	City of Hobsons Bay	40

12.4.5 Further analysis was prepared on those 17 venues detailed in the above table, based on the following criteria:

- Location of venue with respect to strip shopping, accessibility, residential catchment area and general location;
- Number of gaming venues within proximity of the venue;
- Number of competing venues within the LGA;
- Gaming expenditure per Adult in the LGA;
- EGM density in the LGA;
- Venue offerings such as Bar, Bistro, TAB, Accommodation, Function area etc.

- Population growth within the LGA.

The below table details the remaining 17 venues, and the predominant reason(s) why they were excluded from the sample group (where applicable):

Venue Name	Reason for exclusion
EPPING HOTEL	Located in strip shopping
ASHLEY HOTEL	Multiple competitors in immediate proximity
BRAYBROOK HOTEL	Multiple competitors in immediate proximity
GOLDEN FLEECE HOTEL (MELTON)	Located in strip shopping
SUGAR GUM HOTEL	N/A
BRIDGE INN HOTEL	N/A
POWELL HOTEL	Multiple competitors in immediate proximity
JUNCTION HOTEL	Multiple competitors in immediate proximity
DUKE OF EDINBURGH	Located in strip shopping
BROWNS CORNER	Located in strip shopping
PASCOE VALE TAVERNER HOTEL	N/A
ROSE SHAMROCK & THISTLE HOTEL	Multiple competitors in immediate proximity
ALBION CHARLES HOTEL	Multiple competitors in immediate proximity
PRESTON HOTEL	Multiple competitors in immediate proximity
RIVIERA HOTEL	Major unique barrier to trade i.e. adjacent to Port Phillip Bay, low forecasted population growth
LYNDHURST CLUB HOTEL	Located in strip shopping
RIFLE CLUB HOTEL	Multiple competitors in immediate proximity, with low forecasted population growth

12.4.6 Consequently, based on the analysis above, the following three venues are the most relevant in terms of conducting a comparative analysis to the Commercial Hotel and City of Whittlesea.

- Sugar Gum Hotel
- Bridge Inn Hotel
- Pascoe Vale Taverner Hotel

12.4.7 Broadly speaking the above venues exhibit the following characteristics, in addition to those outlined previously, which are considered integral to their appropriateness for this benchmarking process and are consistent to those of the Commercial Hotel:

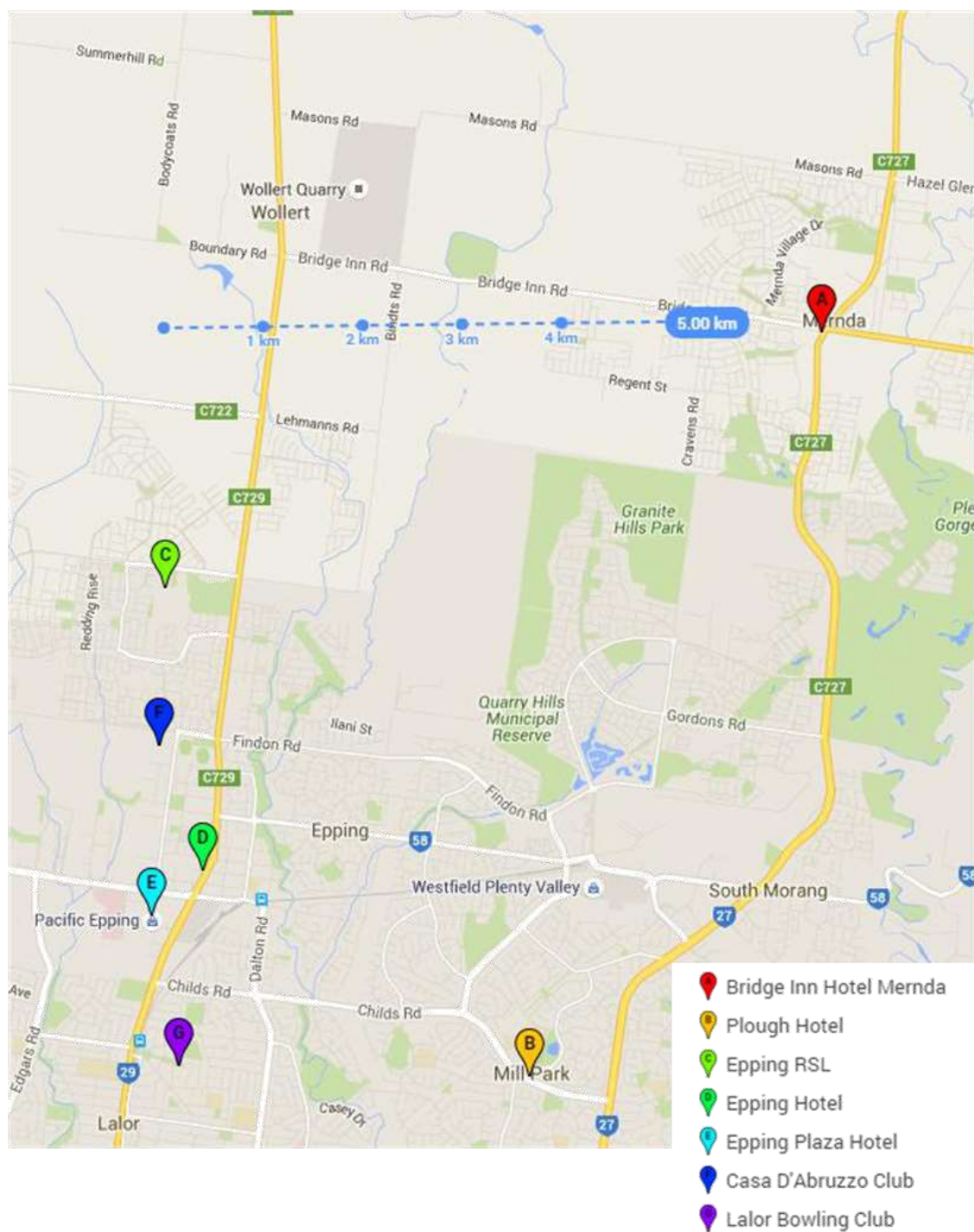
- Have some constraints to accessibility by virtue of road infrastructure or natural features;
- Are located within proximity to densely populated suburbs; and
- Have competitors who display comparatively above average gaming performance

- 12.4.8 We have determined that the following three venues are the most relevant in terms of conducting a comparative analysis to the Commercial Hotel and City of Whittlesea.

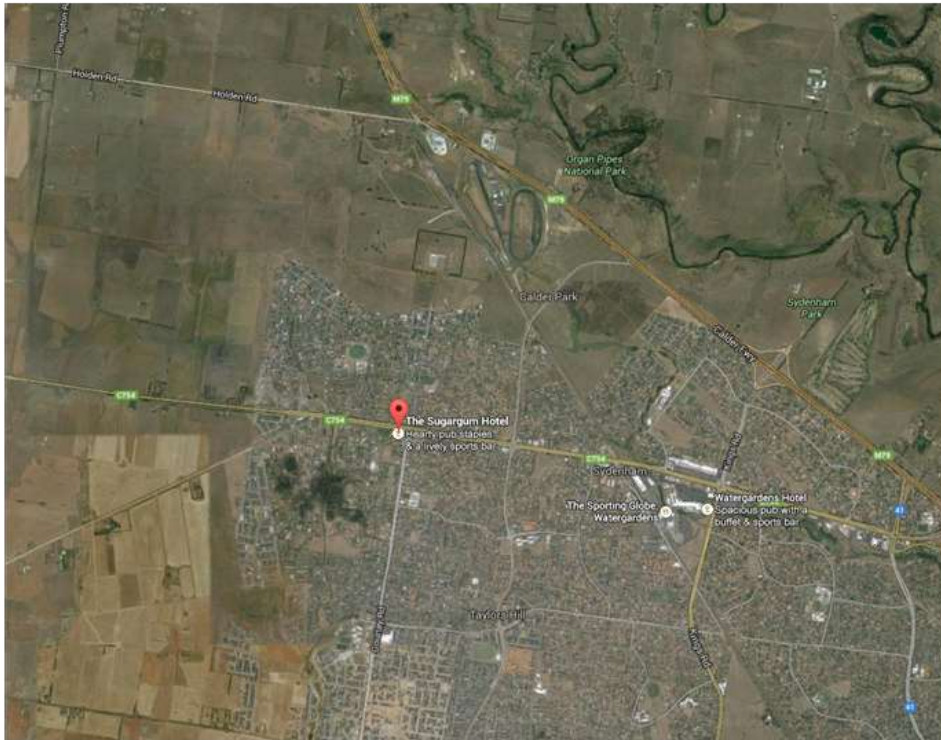
	Commercial Hotel	Bridge Inn Hotel	Pascoe Vale Taverner Hotel	The Sugar Gum Hotel
Number of Machines	40	40	42	50
NMR 2015FY	-	406	348	465
Gaming Expenditure 2015FY	-	5,932,131	5,336,023	8,494,506
LGA	City of Whittlesea	City of Whittlesea	City of Moreland	Shire of Melton
Location i.e. are there residential catchment constraints	Yes	Yes	Yes	Yes
SEIFA (LGA)	983	983	1,000	993
Spend per Adult in LGA (2015FY)	\$697	\$697	\$468	\$582

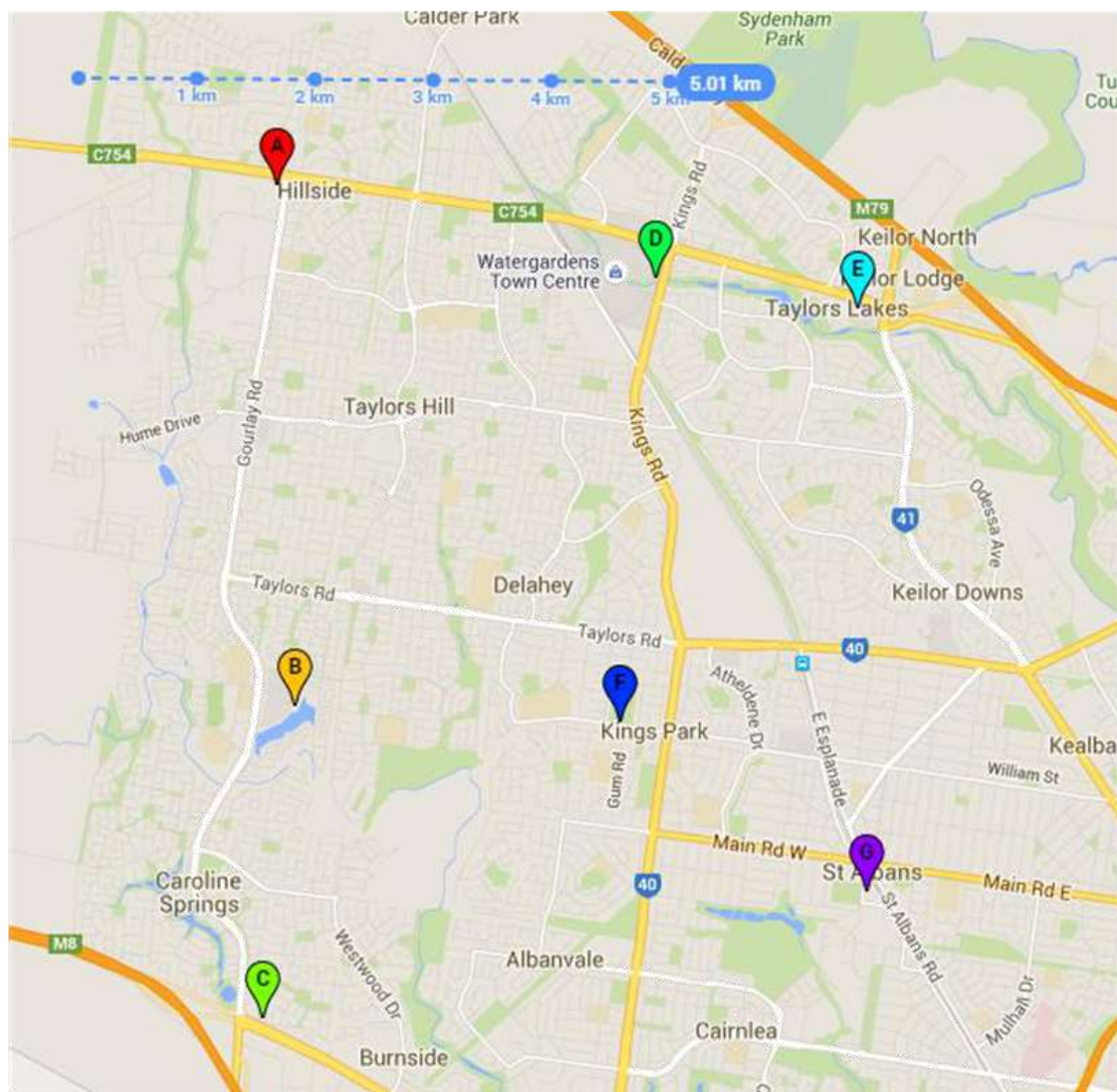
12.5 Appendix 5: Sample group venue maps

Bridge Inn Hotel Mernda



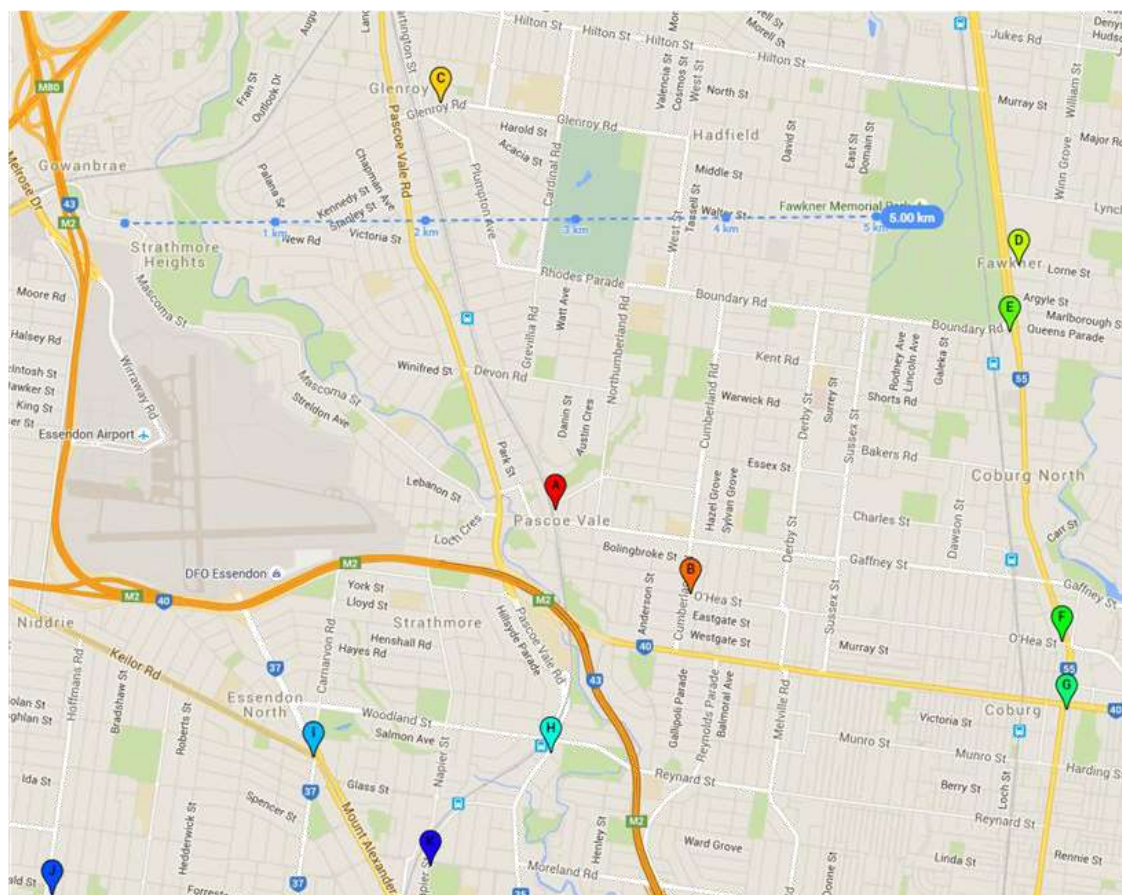
Sugar Gum Hotel





- The Sugargum Hotel
- WestWaters Hotel
- The Club
- Watergardens Hotel
- Taylors Lakes Hotel
- St Albans Sports Club
- St Albans Hotel

Pascoe Vale Taverner Hotel



- Pascoe Vale Hotel
- Pascoe Vale RSL
- Glenroy RSL
- Fawkner RSL
- First & Last Hotel
- Drums Hotel
- Browns Corner Hotel
- Cross Keys Hotel
- Lincolnshire ARMS Hotel
- Keilor East RSL
- Essendon Football Club

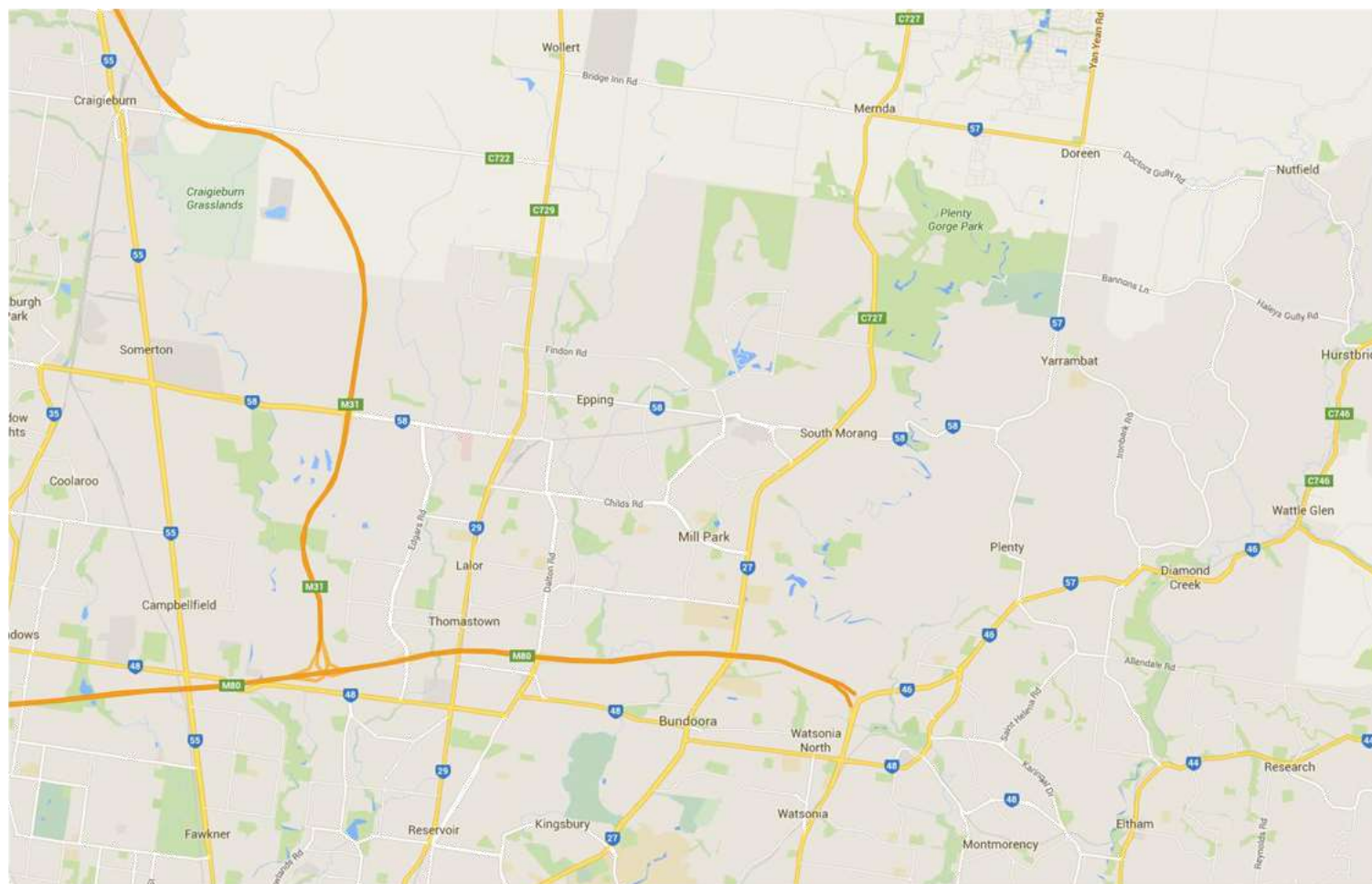
12.6 Appendix 6: Estimate City of Whittlesea expenditure post introduction of 40 gaming machines at the Commercial Hotel.

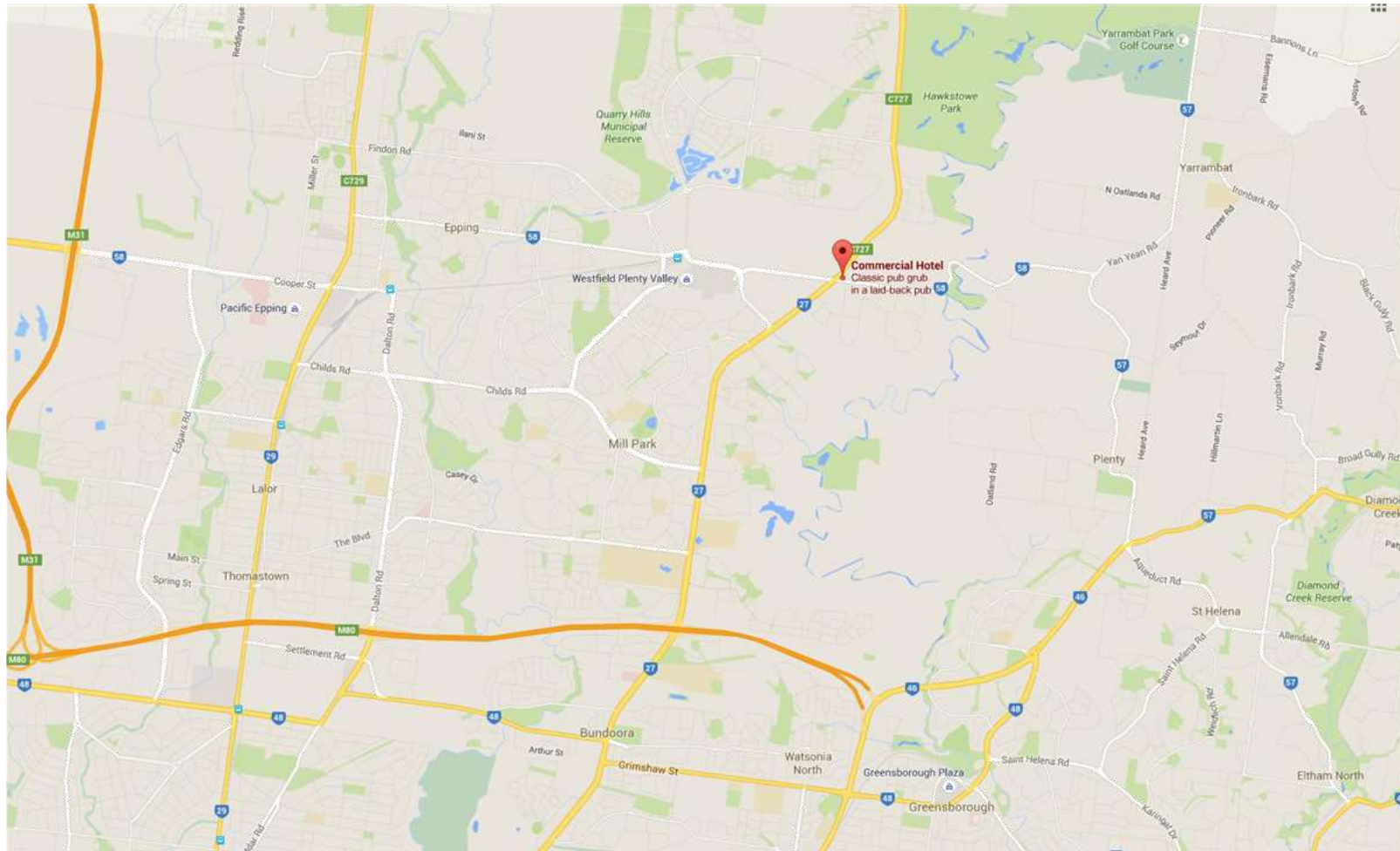
PROPOSED	Adult population (2015)	No. of EGMs	Net EGM expenditure	Average no. EGMs per 1,000 adults	Average net EGM expenditure per adult
Whittlesea - North	53,361	270	22,499,028*	5.06	422
Whittlesea - South-East	38,370	175	35,169,558 [#]	4.56	917
Whittlesea - South-West	53,962	266	46,251,171 [#]	4.93	857
City of Whittlesea	145,693	711	103,919,757	4.88	713
Victoria	4,647,818	26,264	2,571,926,031	5.65	553
Country Victoria	1,142,470	7,632	551,727,941	6.68	483
Metropolitan	3,505,348	18,632	2,020,198,090	5.32	576

* This does not include the impact of the increase in 20 gaming machines at the Bridge Inn Hotel that occurred in the 2016FY.

[#] This does not take into consideration the impact of the decrease in gaming machines at other ALH Group operated venues as proposed.

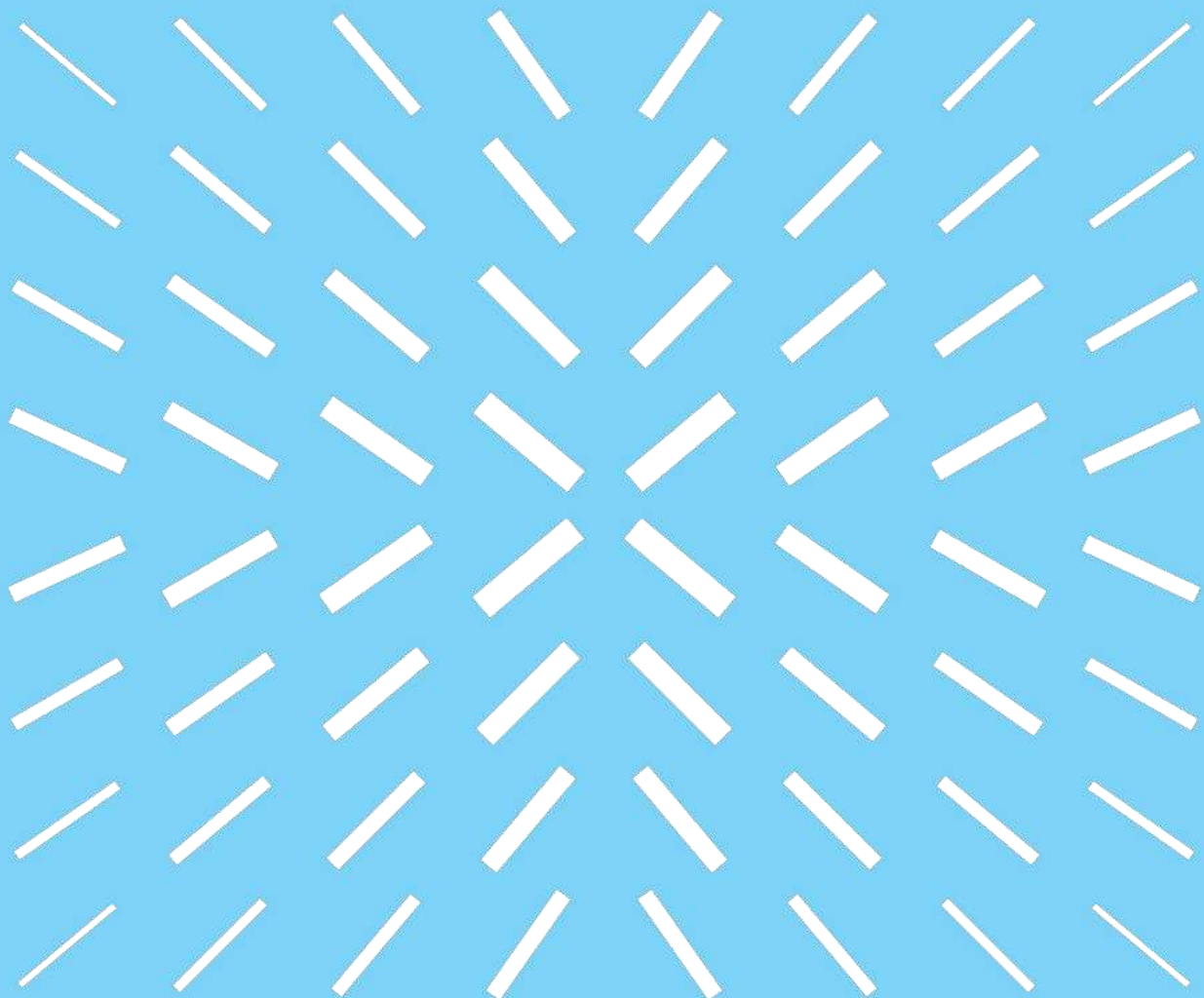
12.7 Appendix 7: Neighbouring Suburbs Map





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Social and Economic Impact Assessment

Application for approval of premises for gambling
suitable for 40 electronic gaming machines (EGMs)
at the Commercial Hotel, South Morang

Prepared by: DIANA BELL 5 July 2016

Social and Economic Impact Assessment

*Summary*

The social and economic impact assessment was conducted in response to the application by the Australian Leisure and Hospitality Group Pty Ltd (ALH) (Applicant) for 40 electronic gaming machines (EGMs) at the Commercial Hotel (Hotel), 820 Plenty Road South Morang.

There is an unusually high rate of expenditure on EGMs in the City of Whittlesea. EGM density per 1,000 adults in the City of Whittlesea is lower than average for the metropolitan area, but expenditure per adults is considerably higher.

A public health approach was taken to assess the impact of more EGMs on the population. The public health approach involves reviewing the literature and assessing quantitative and qualitative data on impacts. The whole municipality was chosen as the best area for analysis because 75% of population live within a viable driving distance from the Hotel.

The population prevalence of problem gambling in Victoria has not changed over the past five years. Expenditure has increased, while the number of people who play EGMs has decreased, (from 21.5% in 2009 to 16.8% in 2014). This means the people who play EGMs are playing more intensively than previously, and the problem gambling prevalence among people who gamble must be higher than ever.

The socio-demographic profile of the City of Whittlesea shows a less advantaged municipality, with poorer outcomes on income, education, employment, and other demographic indicators. The municipality is also significantly worse off on measures of social capital and health and wellbeing. For example, the municipality has one of the lowest rates of volunteering in the State, and among the highest rates of diabetes, heart disease and smoking.

The City of Whittlesea's high per capita spending rate on gambling is a risk factor for problem gambling. The other factors that contribute to problem gambling are accessibility, socio-economic disadvantage, a lack of alternative options, low levels of social capital, the normalisation of gambling, male gender, and younger age, unemployment, and employment in gambling venues. These risk factors are evident in the municipal profile.

Gambling has impacts on health and wellbeing. It affects mental and physical health, but also has impacts on finances, family and relationship functioning, productivity as an employee, student or volunteer, involvement in crime, and perception of safety.

The study on the burden of harm from gambling has shown that gambling affects all gamblers, not just problem gamblers. Gambling problems as a social issue are of a similar level as major depressive disorder and alcohol misuse and dependence. This is primarily due to damage to relationships, emotional/psychological distress, health and financial impacts.

The community attitude survey undertaken showed strong opposition to EGMs at the Commercial Hotel, and negative attitudes toward gambling. In addition, many respondents had experience of harms from gambling. Nearly three in four (74%) respondents knew someone who had been

Summary • 1

Social and Economic Impact Assessment

• • •

harmed by gambling and one in three (36%) had experienced harm from their own or someone else's gambling.

The areas where this impact assessment differed to the Urbis Social and Economic Impact Assessment (SEIA) were:

- Gaming expenditure: because the expenditure does not stay within the municipality
- Employment, infrastructure, complementary expenditure: there is consistent research to show that EGMs do not create new employment, community infrastructure assets, or create new business opportunities
- Social, recreational opportunities: EGMs at the Commercial Hotel would not create a new form of recreation, and would remove the unique features of music and shows and being 'pokie-free'
- Crime and social disturbance: strong evidence that gambling is associated with increased family violence
- Relationships, emotional costs, community values: there is strong evidence that gambling has a negative impact on social capital
- Additional information: the evidence of impact on health and the harms associated with gambling that is not confined to problem gamblers

Summary of impacts

Victorian Commission for Gambling and Liquor Regulation (VCGLR) Indicator	Urbis SEIA (Applicant)	This SEIA
Economic impacts		
Gaming expenditure	Beneficial	Detrimental
Employment	Beneficial	Neutral
Infrastructure investment	Beneficial	Neutral
Supply contracts	Beneficial	Neutral
Complementary expenditure	Beneficial	Neutral
Shifts in expenditure	Detrimental	Detrimental
Revenue distribution	Not assessed	Not assessed
Tourism	Not assessed	Not assessed
Evidence of financial stress	Detrimental	Detrimental
Social impacts		
Social, recreational opportunities	Beneficial	Detrimental
Increase in problem gambling, residents at risk, and demand for community support	Detrimental	Detrimental
Incidence of gambling related crime and social disturbance	Not assessed	Detrimental
Relationships and emotional costs and impact on community values and lifestyle	Not assessed	Detrimental
Additional social and economic impact information	Not assessed	Detrimental
Community views	Not assessed	Detrimental

This Social and Economic Impact Assessment of the application concludes that the proposal for 40 EGMs at the Hotel will have, on balance, a net detrimental impact on the health and wellbeing of the municipal district.

Summary • 2

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1. Introduction

1.1 Overview

The City of Whittlesea currently has 10 gaming venues with 711 licensed Electronic Gaming Machines (EGMs) and 691 entitlements. The number of EGMs in the City of Whittlesea have been expanding since the early 1990s when they first introduced. Concern over the concentration of EGMs in disadvantaged areas led to the introduction of capped regions in some municipalities. Eight of the ten existing venues are located within the regional capped areas. The regional cap limits the number of EGMs to 581 in the suburbs of Thomastown, Lalor, Epping, Mill Park and Bundoora. The remainder of the City of Whittlesea has a municipal limit of 212 EGMs.

The Council's *Gambling Strategy and Action Plan 2014-2014* states its position on gambling, which is to reduce the detrimental impacts of gambling on the health and wellbeing of individuals, families, businesses, and communities in the City of Whittlesea, whilst acknowledging that use of EGMs is a legal recreational activity that forms part of a range of entertainment options available to the community.

An application for an 11th gaming venue with 40 EGMs has been received by Council and the Victorian Commission for Gambling and Liquor Regulation (VCGLR). Council will assess the planning application separately, and may make a submission to the VCGLR on the granting of the gaming licences for the EGMs

Council will base its decision on the suitability of another gaming venue based on the assessment of the impacts on the community.

1.2 Purpose and scope

The purpose of this report is to assess the potential impacts of a new gaming venue. This report focuses on the health and related social impacts of problem gambling and harmful gambling at the individual, family and community levels.

First, the report provides information on the population prevalence of gambling and describes the summary of the literature on economic and social impact assessment of gambling, the risk factors for problem gambling, and the impacts associated with harmful gambling.

Second, the report presents a municipal profile that provides information on the socio-demographic, social capital and health indicators of the community.

Next, the report addresses the particular impacts requested by the VCGLR. These are broken down into economic and social impacts. This allows comparison with the applicant's Social and Economic Impact Assessment (SEIA).

Finally, the report discusses the results of the community consultation conducted for this application.

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1.3 Background and public health approach

When assessing the merits of a further expansion of gambling in the City of Whittlesea, it is important to assess the potential impact to public health. The Victorian Responsible Gambling Foundation (VRGF) have also recognised this and adopted a public health approach to preventing gambling harm.

Public health is understood as an outcome of the social, environmental, and economic determinants of health. The status of health within a population typically shows improvement with each step up the socioeconomic ladder. This is commonly known as the socioeconomic gradient of health, and is a global phenomenon seen in low, middle and high income countries (World Health Organization, 2012). Health inequalities are the unequal access to the resources needed for physical and mental health. These include adequate income, educational opportunities, healthy food, social support, and access to services and housing. These factors can also limit opportunities to adopt healthy behaviours. An example of a health behaviour with a strong social gradient is smoking. In 2011/12 the Victorian Population Health Survey found that seven of the eight local government areas (LGAs) with significantly higher than average smoking prevalence were considered to be socioeconomically disadvantaged. The prevalence of obesity, diabetes, depression, and anxiety are all significantly higher in people who live in low socioeconomic areas.

Public health theory focuses on the health of populations rather than the health of individuals. Fundamentally, this distinction is made because even very small changes to a risk factor when conferred across a whole population can have a substantial impact on the incidence of a public health problem in the community (Baum, 2016). This means that a preventive measure to reduce risk to a population can bring enormous benefit to the community while having little impact on individuals. A classic example of this is the wearing of seatbelts while driving. If everyone in a population wears a seatbelt, the burden of road deaths and injuries reduces, even though the only people who directly benefit are those who are involved in a life-threatening road crash. Conversely, the introduction of a new risk factor such as electronic gaming machines to a community can impact across the population even though only a small proportion of the population will become problem gamblers.

People respond to gambling issues in different ways, depending on how they frame gambling. Examples of traditional gambling frames have been explained by Korn (2003) (p.237), which are summarised below:

- Gambling is a matter of individual freedom
- Gambling is a recreational activity, a form of entertainment
- Gambling is a major source of public revenue
- Gambling provides benefits of increased tourism and employment
- Gambling addiction is an individual rather than social pathology, and should be treated within a medical model like other mental disorders
- Gambling is part of our culture
- Gambling is seen within the context of public accountability, public responsibility, and public health. Because gambling is in the public domain ... there is an incumbent responsibility for political leaders

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to be informed about the costs and benefits of gambling, and to be held publicly accountable for their policy choices.

The various traditional frames are preferred by different sectors engaged with gambling, particularly the gaming industry. However, Korn argues that the public health frame, built on research, is better for capturing the key economic and social impacts of gambling.

1.4 Method

This impact assessment used a triangulated, or multi-method approach. This involved reviewing the literature on the risk factors and impacts of gambling including the conducting of social and economic impact assessments of gambling, assessing the community profile against the risk factors and consulting the community. A survey was conducted online to gauge public opinion of the application and a focus group was held with representatives of community agencies. The survey was posted on the Council website's 'Community Voice' page and disseminated through social media. Most of the questions for the survey were compiled from recognised population surveys such as the Productivity Commission's 1999 survey, the internationally used Attitudes Toward Gambling Scale (Orford, Griffiths, Wardle, Sproston, & Erens, 2009), the 2003 Victorian Longitudinal Community Attitudes Survey (J. McMillen, Marshall, Ahmed, & Wenzel, 2004), and the SA Centre for Economic Studies survey used in Tasmania (2008).

2. Prevalence

In 2014, a major study measured participation and problem gambling in Victoria. The *Study of Gambling and Health in Victoria* (Hare, 2015) compared findings with those of a 2008 survey published in *A Study of Gambling in Victoria – Problem Gambling from a Public Health Perspective* (Department of Justice, 2009).

- Participation in gaming machine gambling declined from 21.46 per cent in 2008 to 16.74 per cent in 2014.
- The prevalence of problem gambling in adults in Victoria is 0.81 per cent, or 35,600 people in 2014, compared 0.70 per cent or 30,000 people in 2008. This is not a statistically significant change.
- The prevalence of moderate risk gamblers also did not change significantly (from 2.36% in 2008 to 2.79% or 122,500 people).
- Low-risk gambling increased from 5.7 per cent in 2008 to 8.91 per cent (391,000 people)
- Non-problem gamblers decreased from 64.31 per cent in 2008 to 59.47 per cent in 2014.
- Nongamblers increased from 26.93 per cent in 2008 to 30.14 per cent in 2014.
- EGMs were the main gambling activity (66.58%) and highest spend activity (50.64%) for problem gamblers who gambled on them mostly in pubs (86.53%) and clubs (64.68%).
- There was an increase in frequency of EGM gambling among problem gamblers from 56.37 times per year in 2008, to 87.61 times per year in 2014.
- Moderate risk gamblers increased their frequency of EGM gambling from 22.73 times per year in 2008, to 86.24 times per year in 2014.

This means that people having a degree of problems with their gambling are gambling more intensively on EGMs.

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The study did not ask about the amount of money spent on gambling, just the highest spend activities. At the time of the first study, the total amount spent on EGMs in pubs and clubs in 2007/08 was \$2.6 billion. This figure dropped slightly in 2013/14 to \$2.5 billion when the second study was conducted.

Over the same period as the 4 per cent drop in expenditure, the participation rate dropped by 22 per cent from 21.46 per cent of the adult population to 16.74 per cent of the population, meaning that a smaller group of EGM users were experiencing larger losses.

The Victorian Commission for Gambling and Liquor Regulation (VCGLR) uses adult population to calculate per adult spend rates on EGMs which were \$637 per adult in 2007/08 and \$544 per adult in 2013/14 which reflects the population growth (from 4,094,364 adults in 2007/08 to 4,606,164 in 2013/14) as well as the lower overall expenditure. However, when comparing the population spend rates for just the proportion of the adult population who used gaming machines, the spend rate increased from \$2,972 on average per gaming machine user in 2007/08 to \$3,248 per user in 2013/14.

3. Social and economic impacts of gambling

In order to assist with social and economic impact assessments of gambling, a comprehensive review of the international literature was conducted by Williams, Rehm, and Stevens (2011). This study emphasised that social costs and benefits cannot be quantified in economic terms. Social impacts are much harder to measure but it is important to give them equal consideration to economic benefits. The findings from the literature review in relation to EGMs are summarised below.

Table 1. Summary of economic and social impacts of gambling in the literature

Impacts	Research findings
Economic impacts (i.e. impacts that are primarily monetary in nature):	
Government revenue from taxes and licensing fees.	EGMs are a reliable source of increased government revenue and increased public services, because of the significant revenue-generating potential of EGMs relative to all other forms of gambling.
Public services: changes in the quantity or quality of government funded services as a result of increased government revenue from gambling.	
Regulatory costs: changes in the amount of government revenue directed to gambling regulation.	EGMs are reliably associated with increased government regulatory costs, similar to other forms of gambling.
Infrastructure value: the introduction of new buildings, roads and infrastructure upgrades (attributable to gambling) which add to the capital wealth of the community.	EGMs have little potential for adding to infrastructure value.
Infrastructure costs: the amount of government revenue to support the infrastructure needed to service new gambling facilities (e.g. road maintenance, police	EGMs have little potential for creating infrastructure costs, but there has been no empirical research on this topic.

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Impacts	Research findings
services)	
Business starts and failures associated with introduction of gambling: (e.g. lotteries, hospitality industry, construction industry, pawnshops)	EGMs almost always draw their money from within a jurisdiction and thus tend to reliably have negative impacts on other businesses when they are introduced in large numbers.
Personal income: changes in average personal income or rates of poverty associated with gambling introduction.	There is no empirical evidence or theoretical reason to expect EGMs to have any impact on personal incomes (of the general population).
Property values: changes in property values in geographic areas of new gambling venues (i.e. Casinos)	There is no empirical evidence or theoretical reason to expect EGMs to have any impact on property values.
Social impacts (i.e. impacts that are primarily non-monetary in nature)	
Problem gambling: Changes in the prevalence of problem gambling and the main indices potentially associated with problem gambling (i.e. personal bankruptcy rates, divorce rates, suicide rates, treatment numbers)	More problem gamblers report problems with EGMs than any other form of gambling. This is related to this 'continuous' form of gambling that offers a much higher frequency of play/reinforcement. Thus, EGMs are reliably associated with increased rates of problem gambling and indices related to problem gambling.
Crime: change in the rate of crime and gambling-related crime	EGM introduction has a slightly positive relationship with increased crime due to its relationship with increased problem gambling.
Employment: the number of full and part time jobs that are directly or indirectly created as a result of gambling introduction and the percentage of the general workforce that this represents.	EGMs are the least labour intensive form of gambling. Thus, when revenue is diverted to EGMs from other businesses it is negatively impacting business sectors that employ more people (e.g. cafes) and thereby creating a net decrease on overall employment.
Socio-economic inequality: whether gambling acts as a form of regressive taxation, where poorer people contribute disproportionately more to gambling revenue than people with higher incomes.	EGMs, like most other forms of gambling, are economically regressive.
Leisure activity: changes in the pattern of behaviour associated with gambling introduction.	EGMs have little impact on overall leisure behaviour because they are patronized by the minority of the population.
Public attitudes: Change in public attitudes about gambling (e.g. perceived harms, or government role).	EGMs contribute toward more negative attitudes regarding gambling.
Quality of life/Public health/Social capital/Values: Change in the general quality of life, state of public health, societal interconnectedness, social values.	Negative subjective well-being is reliably associated with people who have high amounts of expenditure or time on EGMs. The poorer mental health of these individuals also has a

Social and economic impacts of gambling • 10

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Impacts	Research findings
	negative impact on their families.

4. Risk factors for problem gambling

The Victorian Responsible Gambling Foundation's literature review on risk factors for problem gambling has contributed a framework of risk factors for problem gambling which provides more information for assessing the impacts of EGMs on problem gambling:

Environmental and geographic:

- Accessibility is significant risk factor for problem gambling – there is sound research on geographic accessibility, and emerging research on temporal and social accessibility.
- Higher expenditure at gaming venues is associated with an increased risk of problem gambling
- Area-level socio-economic disadvantage is risk factor for problem gambling
- A lack of alternative leisure options may be a risk factor, but more research is needed

Social:

- Low levels of social capital are linked to problem gambling, and gambling can reduce social capital
- Loneliness or social exclusion is a risk factor for problem gambling
- Normalisation of gambling may be a risk factor

Cultural:

- Aboriginal people are at higher risk for problem gambling
- Religious adherence may be a protective factor

Demographic and socio-economic:

- Male gender is consistently associated with problem gambling
- Rates of problem gambling decline with age
- Lower socio-economic status is a risk factor for problem gambling
- Unemployment is associated with problem gambling
- People employed in gambling venues may be at higher risk of problem gambling (Miller, 2015)

5. Harms associated with gambling

Problem gambling is at the extreme end of the scale of harm, and affects a relatively small proportion of the population. In this way, gambling related harm can be compared to alcohol related harm. It is well known that alcohol related harm can arise from a single episode of drinking, or regular consumption that is over the recommended guidelines. The harms can be short term or long term, impacting on health, relationships, injuries, depression for example. The normalisation and social acceptance of high levels of alcohol consumption has contributed to this harm. However, alcoholism is not the main issue with alcohol-related harm and affects a much smaller proportion of the population than binge drinking for example. In the same way, focusing on people who screen for problem gambling misses the extent of harm from gambling that gamblers, not just problem gamblers, experience.

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Gambling has been found to have an impact on health and wellbeing in a number of ways. It affects mental and physical health, but also has impacts on finances, family and relationship functioning, productivity as an employee, student or volunteer, and involvement in crime or perception of safety.

A recent Victorian study used quality of life domains to understand the health impacts of gambling on the community (Browne et al., 2016). Drawing on a taxonomy of harms and the Victorian prevalence statistics, Browne et al calculated overall burden of harm in comparison to other common health conditions. The public health model of disease burden was used to give context to the many impacts and co-occurring conditions associated with gambling in Victoria.

Using public health methodology, the impacts found in the Victorian prevalence study were supplemented by qualitative measures estimated in terms of health-related quality of life (HRQL) and disability-adjusted life years (DALYs). These measures put the various degrees of gambling risk on a scale that allows comparison with other health states. The results demonstrated that a large contribution of harm from gambling is attributable to 'low risk' gamblers. This is because although there is a lower individual level of harm, this low level harm is affecting a sizeable population.

In terms of the absolute scale of harms from gambling to the Victorian community, the burden of harm was substantial, approaching the level of major depressive disorders and alcohol use and dependency, and far greater than most of the other common health conditions computed.

At the population level, harms accruing to non-problem gamblers far exceeded those occurring to problem gamblers. This was particularly demonstrated in demographic groups such as females aged 55 and over, who although with a lower prevalence of problem gambling, actually contributed substantially to the 'burden of harm' in Victoria.

The results suggest that this burden of harm was primarily due to damage to relationships, emotional/psychological distress, health and financial impacts.

The study showed that gambling problems affect a broad section of the community and not just those classified as problem gamblers. In many ways this study has serious implications for the policy environment on gambling. The problem gambling prevalence rates that we are so familiar with did not reveal this level of harm.

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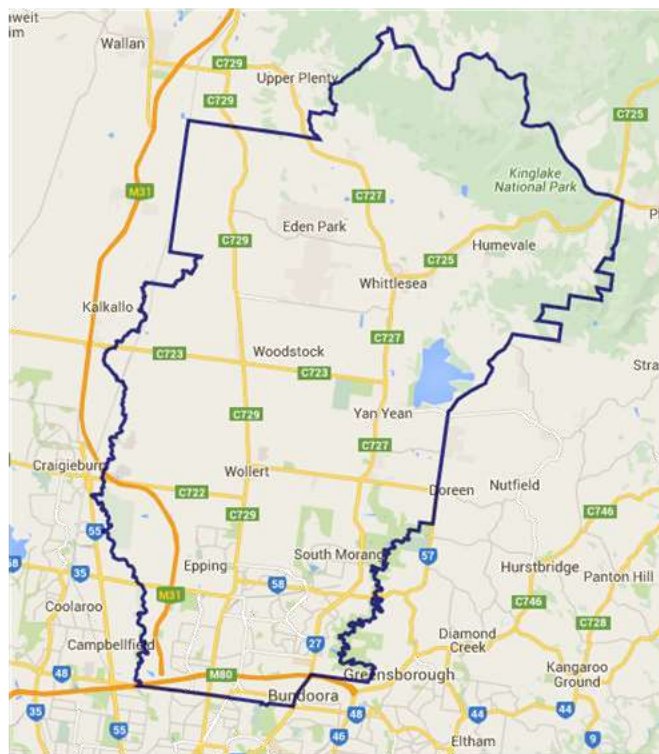
6. Municipal profile

The City of Whittlesea is located on Melbourne's metropolitan fringe, with its southernmost border approximately 20km north of the CBD. Covering 490 square kilometres, it is a large municipality containing established urban, growth and rural areas. The municipal area includes the major rural centre of Whittlesea, the rural localities of Beveridge, Donnybrook, Eden Park, Humevale, Kinglake West, Wollert, Woodstock and Yan Yean as well as the established and growing urban suburbs of Bundoora, Doreen, Epping, Lalor, Mernda, Mill Park, South Morang and Thomastown. The Wurundjeri Willam people were the original inhabitants of the area and are the traditional owners of this land.

6.1 Note on profile area

The entire municipality has been selected as the most appropriate area to profile for this impact assessment. There are several reasons for this which include:

- The hotel is located on a major intersection and close to a major shopping centre making it accessible from all parts of the municipality.
- The municipality is heavily dependent on car transport, meaning that travelling further for services, recreation and entertainment is typical for outer suburbs, particularly in the growth area.
- The estimated catchment includes areas up to 7km to the south and west of the hotel.
- Plenty Road is the main thoroughfare serving the highly populated areas of Mernda, Doreen and South Morang, therefore it is reasonable to assume that gaming patrons will come from up to a 7km radius of the hotel.



- The wider radius takes in the majority (approximately 75%) of the population
- Services that address gambling-related harm are supported by the wider municipality rather than catchment areas.
- The municipal profile area allows for the assessment to include social data that is not available for smaller areas.

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6.2 Geography

Area of Whittlesea Municipality	490 Km ²
Population density	3.99 persons per hectare
Most populous community	Mill Park
Distance to Melbourne (from South Morang)	26 km
Travel time to Melbourne (from South Morang without traffic)	43 minutes

Land Use

Agricultural

Commercial

Education

Hospital/Medical

Industrial

Parkland

Residential

Transport

Water

Agricultural	61.5%
Commercial	0.9%
Education	0.5%
Hospital/Medical	0.1%
Industrial	2.9%
Parkland	19.0%
Residential	13.8%
Transport	0.3%
Water	1.0%

Source: City of Whittlesea Economic Profile

6.2.1 Statistical geography

Smaller areas of the City of Whittlesea are analysed using Australian Bureau of Statistics (ABS) SA2 boundaries, shown in Table 2.

6.3 Population

The Estimated Residential Population of the City of Whittlesea as of June 2015 is 195,397.

The SA2s of South Morang and Epping have experienced some of the largest growth in Australia in recent years. The change in population between 2011 and 2015 is shown below in Table 2. This table summarises the population for the City of Whittlesea and each of its SA2 areas. It shows how population change is affecting different parts of the municipality in different ways. Some small areas are rapidly growing whilst others are stable or even declining in population.



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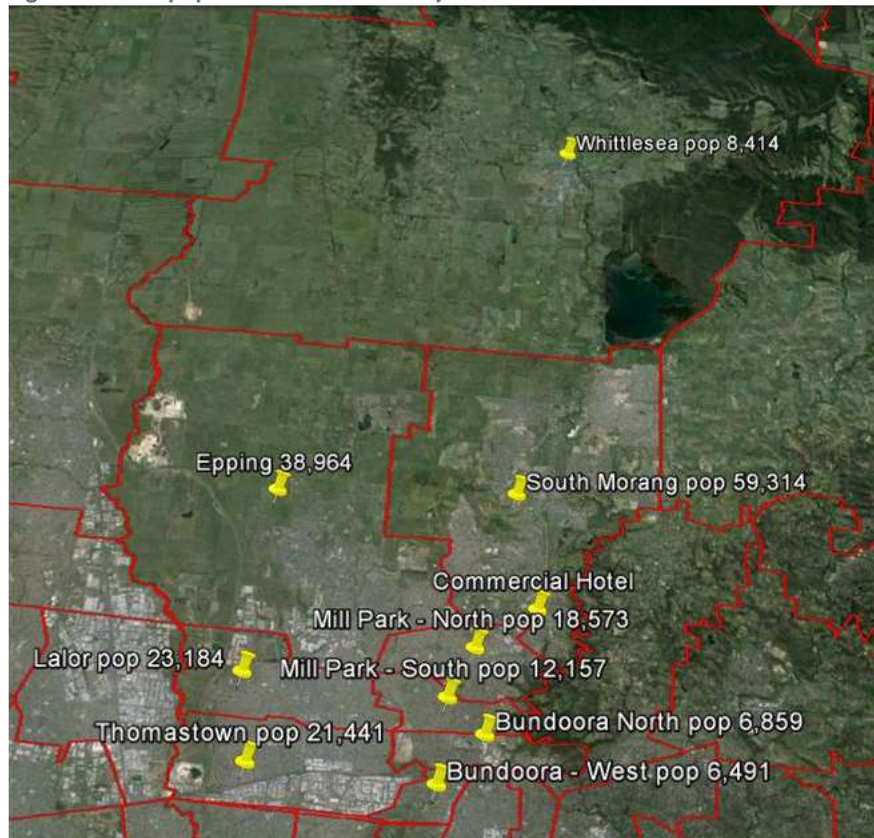
Table 2. Population change in City of Whittlesea by SA2

Statistical Area Level 2 (SA2)	2011	2015	Change 2011-2015	
	pop	pop	%	no.
Bundoora - North	5,642	6,859	21.6%	1,217
Bundoora - West	6,503	6,491	-0.2%	-12
Epping	27,888	38,964	39.7%	11,076
Lalor	20,782	23,184	11.6%	2,402
Mill Park - North	19,046	18,573	-2.5%	-473
Mill Park - South	12,810	12,157	-5.1%	-653
South Morang	39,119	59,314	51.6%	20,195
Thomastown	21,430	21,441	0.1%	11
Whittlesea	7580	8414	11.0%	834
Total estimated residential population	160,800	195,397		

Source: ABS 3218.0 - Regional Population Growth, Australia, 2014-15

The population distribution of the current estimated population is shown on the map below.

Figure 2. 2015 population distribution by SA2



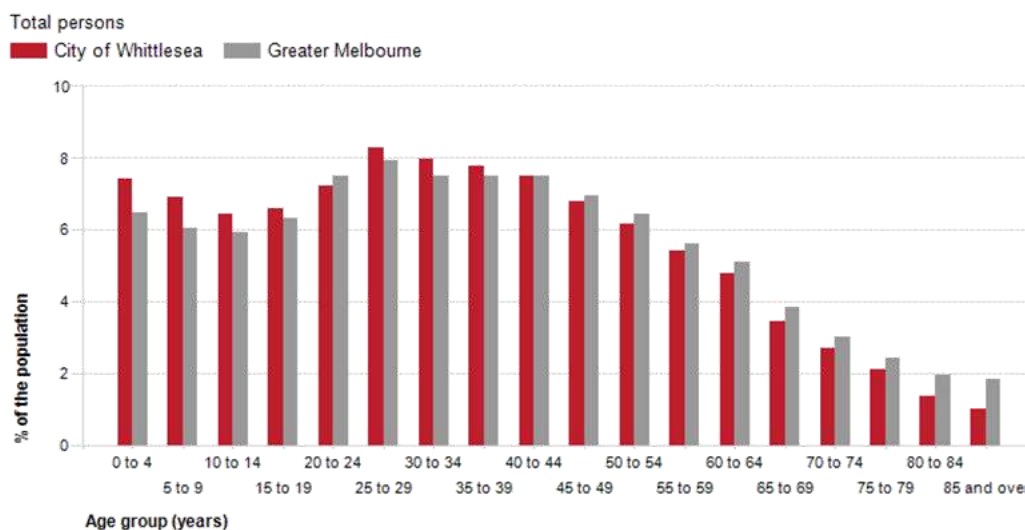
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The population of the City of Whittlesea has a younger age profile than for Melbourne overall.

- The median age in 2011 was 34 years, compared to 36 years for Greater Melbourne.
- The largest population group is 25-29 year olds.

Figure 3. 2011 population by 5-year age groups



Source: City of Whittlesea Profile

- In terms of age structure by service users, the largest population group is young parents and homebuilders (age 35 -49 years).

Figure 4. 2011 population age structure by service user groups



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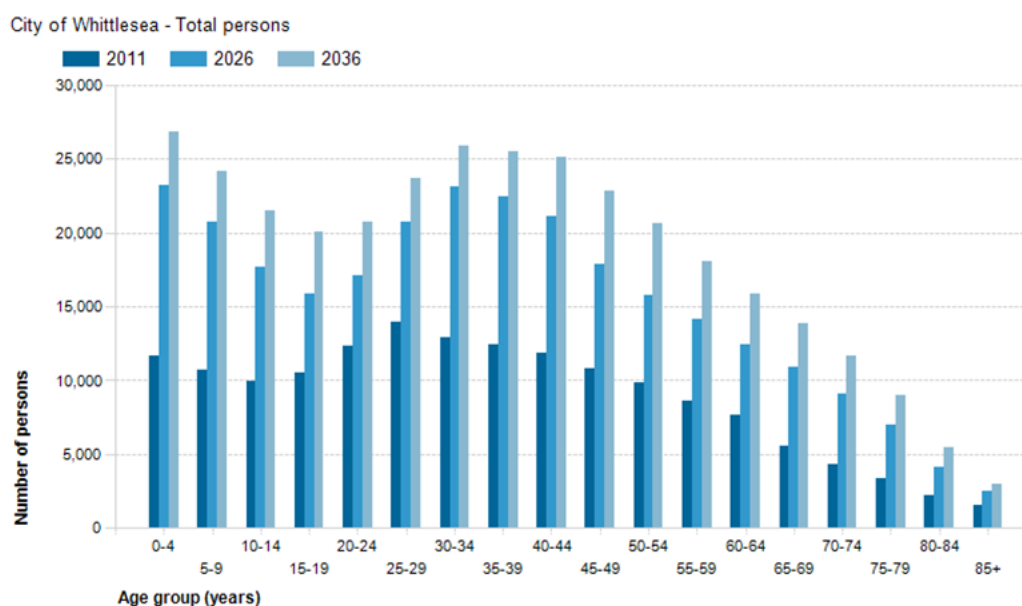
Analysis of the service age groups of the City of Whittlesea in 2011 compared to Greater Melbourne shows that there was a higher proportion of people in the younger age groups (0 to 17 years) and a lower proportion of people in the older age groups (60+ years).

- Overall, 24.8% of the population was aged between 0 and 17 years, and 15.5% were aged 60 years and over, compared with 22.2% and 18.2% respectively for Greater Melbourne.

6.3.1 Population Forecast

- Between 2011 and 2036, the population for the City of Whittlesea is forecast to increase by 173,331 persons (108% growth), at an average annual change of 2.97 per cent.
- In 2011, the dominant age structure for persons in the City of Whittlesea was ages 25 to 29, which accounted for 8.7 per cent of the total persons.
- The largest increase in persons between 2011 and 2026 is forecast to be in ages 0 to 4, which is expected to increase by 11,531 and account for 8.4 per cent of the total persons.

Figure 5. Forecast population by five-year age group, 2011 and 2031



Source: City of Whittlesea Forecast

6.3.2 Diversity

- The City of Whittlesea is a diverse area with one in three people born overseas.
- In 2011, 53.4 per cent of the population spoke English only, and 42.7 per cent spoke a non-English language, compared with 66.3 per cent and 29.1 per cent respectively for Greater Melbourne.
- The Aboriginal and Torres Strait Islander (ATSI) Census population of the City of Whittlesea in 2011 was 1,138, living in 501 dwellings. The City of Whittlesea has the fourth largest ATSI population in metropolitan Melbourne.

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Tolerance of diversity or an ability to get along with individuals from different cultural and social backgrounds is a key aspect of social cohesion and an indicator of social capital that bridges the different groups within the community. Despite the high level of diversity, the community acceptance of diverse cultures is considerably lower than on average for Melbourne, ranked in the bottom five among metropolitan municipalities.

The table below summarises the characteristics which show a high level of diversity in the City of Whittlesea.

Table 3. Diversity indicators for City of Whittlesea

Population characteristics	City of Whittlesea	Greater Melbourne
Aboriginal and Torres Strait Island Population, 2011	0.73%	0.45%
Percentage of population born overseas, 2011	33.6%	31.4%
Percentage of population born in non-English speaking country, 2011	30.2%	24.2%
Percentage speaking a language other than English at home, 2011	42.7%	45.7%
Percentage with low English proficiency, 2011	7.5%	5.0%
Humanitarian arrivals as a percentage of new settlers	7.2%	7.5%
Community acceptance of diverse cultures, 2011	44%	54%

Sources: Census of Population and Housing, 2011, Dept. Health LGA profiles, 2013, VicHealth Community Indicators, 2011

6.4 Socio-economic factors

On many socio-economic indicators, the City of Whittlesea community is worse off than on average for the metropolitan area.

- Unemployment is higher along with the proportion of jobless families with children.
- The median household income is lower, but the median mortgage repayment is higher.
- Almost 20 per cent of households receive rent assistance.
- More than one in eight households with children is dependent on Centrelink payments.

Educational qualifications relate to education outside of primary and secondary school and are one of the most important indicators of socio-economic status.

- There is a lower overall level of education, and higher than average youth disengagement.

Transport is an issue in outer suburban areas, and this is reflected in the high level of long commute times and transport limitations. Access to public transport is particularly important for young people, people with disabilities, and people who don't drive. Most of the City of Whittlesea area is highly vulnerable to oil prices on the VAMPIRE Index (see Figure 9. VAMPIRE Index scores by SA1 in Whittlesea).

Even with a lower than average density of gaming machines, gambling expenditure is well above the average expenditure on gaming machines in Melbourne.

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Table 4. Socio-economic indicators

Socio-economic indicators	City of Whittlesea	Greater Melbourne
Unemployment, March 2016	7.0%	6.0%
Jobless families with children under 15, 2011	13.8%	11.4%
Median household income, 2011	\$1275	\$1333
Households with income over \$156,000 per year, 2011	7.6%	12.3%
Low individual income (less than \$400 per week), 2011	42.8%	38.8%
Low income households (less than \$600 per week), 2011	16.6%	16.9%
Low income households with mortgage stress, 2011	15.4%	11.4%
Low income households with rental stress, 2011	29.8%	24.6%
Median monthly mortgage repayment, 2011	\$1863	\$1810
Median weekly rent, 2011	\$300	\$300
Households receiving rent assistance, 2014	19.2%	15.5%
Population with private health insurance	39.1%	51.1%
People who ran out of food and couldn't afford to buy more in the last 12 months, 2011	6.3%	6.1%
Single person households	15.2%	23.3%
Income support recipients		
Welfare dependent families with children, 2014	12.8%	9.1%
People 65 years and over who are age pensioners, 2014	83.8%	68.4%
Healthcare card holders, 2014	9.3%	8.1%
People receiving Disability Support Pension (per 1,000 pop), 2012	62.9	47.1
Education		
People with bachelor degrees	13.5%	23.6%
People with advanced diplomas or diplomas	7.7%	8.8%
People with vocational qualifications	17.3%	15.0%
People with no educational qualification, 2011	51.4%	42.4%
People with Year 10 or below as highest schooling, 2011	30.1%	24.8%
Youth disengagement 15 -24 years, 2011	9.2%	7.4%
Transport disadvantage		
People who report transport limitations, 2011	30.9%	23.2%
People with at least 2-hour daily commute, 2014	17.8%	12.6%
Proportion of population near public transport, 2013	76.9%	84.5%
Vulnerability to fuel and other price rises (VAMPIRE Index), 2011	See Figure 9. VAMPIRE Index scores by SA1 in Whittlesea	
Gambling indicators		
Gaming machine losses per head of adult population, 2015	\$698	\$553
Average distance to nearest electronic gaming machine, 2011	2.6 km	2.1 km
Number of electronic gaming machines per 1000 adults, 2015	4.5	5.3

Sources: Census of Population and Housing, 2011, Dept. Health LGA profiles, 2013, Social Atlas Australia, Community Indicators Victoria, Dept. Employment Small Area Labour Markets March 2016 Quarter

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6.5 Social capital

Social capital indicators are used here to examine the strength of the community living in the City of Whittlesea, benchmarked against the greater metropolitan area of Melbourne. There is no single definition of social capital, but the social cohesion approach is most often used in the field of public health. In this approach, social capital is defined by its function, meaning the trustworthiness of the social environment makes reciprocity, norms and sanctions possible. In this way, social capital functions in four ways: more cohesive groups are better placed to take collective action; groups can enforce and maintain social norms; it enables a reciprocity of exchanges, and the diffusion of information across social networks. Social capital is generally beneficial but can be harmful as well if it functions in a socially exclusive manner. Negative effects can include the exclusion of outsiders, and the downward levelling of social norms (Department of Health & Human Services, 2015).

Tenure in a neighbourhood is thought to increase the stability of the area. At the time of the VPHS survey in 2011, over 80% of respondents had lived in their neighbourhood for five years or more. With the recent population growth, this proportion will have reduced, and new neighbourhoods would not yet have strong sense of stability.

- Most indicators of social and support networks are similar to Melbourne averages, but the perception of having access to community services and resources, and opportunities for social engagement is significantly lower.

Social trust refers to trust among casual acquaintances or strangers in everyday social interactions, while civic trust refers to trust in public or civic institutions, and the respect that citizens are accorded in their relationships with those institutions.

- Indicators of social trust are considerably lower in the City of Whittlesea than for the metropolitan area, while indicators of civic trust are similar to the Melbourne average.

Whether individuals take up opportunities for social interaction, community and civic engagement may depend on the extent and strength of social and support networks, and the relative levels of social and civic trust.

- Indicators of community and civic engagement in the City of Whittlesea are consistently and substantially lower than on average for Melbourne.

In 2015, the City of Whittlesea adopted a Community Building Strategy recognising that social connections, civic participation and social cohesion in communities directly contributes to a broad range of positive health, social and economic outcomes. The Community Building Policy recognises that local communities are strengthened by amplifying the voice of the community; building individual and community capacity; fostering resilience, and community connectedness.

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Table 5. Indicators of social capital

	City of Whittlesea	Greater Melbourne
Social environment and support networks		
Number of people spoken with previous day: 10 or more	51.5%	50.5%
People with Internet access at home	79%	81.9%
Years lived in current neighbourhood: 5 or more	81.2%	77.7%
Community acceptance of diverse cultures	44%	54%
People able to get help from family, friends and neighbours when needed	91.3%	92.1%
People able to get help with care for themselves or children in an emergency	85.6%	89.2%
Able to get help finding a job through a friend or relative, if needed	52.9%	54.4%
Able to get help finding a job through a contact in a group, if needed	62.8%	58.8%
People receiving help from a volunteer-based organisation	3.9%	4.8%
People who attended a support group meeting previous 2 years	5.9%	8.6%
Access to community services and resources when needed	77.8%	83.9%
People who feel the area has easy access to recreational and leisure facilities	72.5%	81.6%
People who feel the area has good or very good opportunities to volunteer, 2011	52.4%	63.7%
Social and civic trust		
People who feel safe walking down the street at night, 2011	49.5%	59.1%
People who feel that most people can be trusted, 2011	25.8%	38.6%
People feel there are opportunities to have say on important issues	38.6%	39.3%
People who feel valued by society	54.1%	52.4%
Community and civic engagement		
Membership of an organised group – sports group	19.9%	24.6%
Membership of an organised group – religious group	18.4%	18.2%
Membership of an organised group – school group	9.2%	12.0%
Membership of an organised group – professional group	11.6%	25.4%
Membership of an organised group – other community/action group	14.2%	17.3%
Attendance at a local community event	38.3%	50.7%
People who helped out a local group by volunteering	15.7%	20.8%
Taken action on behalf of the community	16.1%	23.9%
Participation in citizen engagement (in the last year)	36.9%	47.5%
Membership of a decision-making board or committee	12.6%	16.6%
Rating of local neighbourhood for community and support groups: Good or very good	47.7%	59.3%
Rating of local neighbourhood for being an active community that does things and gets involved: Good or very good	44.6%	55.4%
Rating of local neighbourhood as a pleasant environment: Good or very good	73.4%	79.8
People who are actively involved in children's school	12.2%	14.1%
Participation in arts and culture	53.1%	65.2%

Sources: VPHS Social Capital Report, 2011-12; VicHealth Indicators Survey, 2011

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6.6 Health and wellbeing

The City of Whittlesea is ranked 2nd highest among the metropolitan municipalities for prevalence for diabetes, heart disease, and sleeping less than 7 hours per day. It is ranked 3rd for smoking, 4th on fair or poor self-rated health, and 11th for high psychological distress. Females in particular had a very high prevalence of self-rated poor health (24.5% compared to 16.3%). Children are also doing less well than on average, measured by the Australian Early Development Census. While crime is lower than the Victorian average, family violence incidents are higher.

Table 6. Indicators of health and wellbeing

	City of Whittlesea	Greater Melbourne (Victoria)
Subjective wellbeing Australian Unity Wellbeing Index	76.1%	76.9%
Long commute, more than 2 hours per day	17.8%	12.6%
People who sleep less than 7 hours per day	41.9%	33.0%
Adequate work-life balance, 2011 (CIV/VicHealth)	50%	54.6%
Self-reported health: Fair or poor self-assessed health	22.8%	16.5%
Self-reported health: Fair or poor self-assessed health - males	20.6%	16.6%
Self-reported health: Fair or poor self-assessed health - females	24.5%	16.3%
Self-reported health: Excellent or Very Good	34.4%	46.7%
High psychological distress	13.6%	11.0%
Consumed alcohol at least weekly at a level to cause short term harm	8.4%	8.5%
Current smokers	21.9%	15.2%
Type 2 diabetes	8.4%	5.1%
Heart disease	9.8%	(6.9%)
Obesity	20.3%	16.5%
Children who are on track on all 5 developmental domains	44.0%	54.0%
Children who are developmentally vulnerable on 2 or more domains	11.0%	9.1%
Criminal offences per 100,000 population, 2016	7411.4	(8575.9)
Family violence incidents per 100,000 population, 2016	1452.0	(1264.2)

Sources: VPHS 2011-12, VicHealth Indicators Survey, 2011, AEDI 2012, Crime Statistics Australia

6.7 Correlations between gambling and social engagement

Correlations were found between gambling and various social indicators. EGM expenditure in metropolitan municipalities is negatively associated with SEIFA disadvantage score, median weekly income, volunteering, feeling safe at night, and involvement in citizen engagement, and positively associated with fair or poor health and unemployment.

Strong correlations ($r=0.5$ or larger) are presented below.

Table 7. Correlations between EGM expenditure and selected social conditions, metropolitan municipalities

	EGM losses per adult,
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	2014/15
SEIFA disadvantage	-0.75
Median gross weekly individual income	-0.67
Volunteerism	-0.74
People who feel safe alone at night	-0.69
People involved in citizen engagement	-0.69
Fair or Poor self-reported health	0.57
Unemployment, 2013	0.65
Membership of a decision-making board or committee	-0.51

Source: City of Greater Dandenong, Statistical data for Victorian communities

In the City of Whittlesea, health indicators are significantly poorer than on average for metropolitan Melbourne. This can be explained by the typical social gradient of health. When a community does not have equal resources, it doesn't have health equity. Unequal access to resources, both economic and social is demonstrated by the socio-economic indicators and also the social capital indicators.

6.8 Comparison of key risk factors with population vulnerability

The table below compares the risk factors identified by the Victorian Responsible Gambling Foundation background paper, *Risk factors for problem gambling: environmental, geographic, social, cultural, demographic, socio-economic, family and household* (Miller, 2015).

Table 8. Comparison of risk factors with municipal indicators

Risk factor	Municipal indicators
Environmental and geographic:	
Accessibility is significant risk factor for problem gambling – there is sound research on geographic accessibility, and emerging research on temporal and social accessibility.	There are 10 venues, with 691 entitlements. This is a lower EGM density than on average for the metropolitan area. Some the venues are open for 20 hours per day. For example, the Plough Hotel is open from 8am to 4am. Family friendly venues are more socially accessible.
Higher expenditure at gaming venues is associated with an increased risk of problem gambling	In the City of Whittlesea, the per capita expenditure in 2014/15 was \$698, compared to the metropolitan average of \$576 or the Victorian average of \$553
Area-level socio-economic disadvantage is risk factor for problem gambling	The City of Whittlesea is relatively disadvantaged (SEIFA 988.6) whereas the greater metropolitan area is not (SEIFA 1021.1)
A lack of alternative leisure options may be a risk factor, but more research is needed	Responses to the community survey highlighted a lack of alternative leisure options in the City of Whittlesea
Social:	
Low levels of social capital are linked to problem gambling, and gambling can reduce	The VPHS Social Capital Report showed lower levels of social capital on nearly all indicators

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Risk factor	Municipal indicators
social capital	
Loneliness or social exclusion is a risk factor for problem gambling	Unable to ascertain. Lower than average single person households and lower than average social inclusion indicators
Normalisation of gambling may be a risk factor	Normalisation can reduce social capital, and lower social capital (e.g volunteering) is associated with increased gambling
Cultural:	
Aboriginal people are at higher risk for problem gambling	City of Whittlesea has a relatively higher ATSI population
Religious adherence may be a protective factor	Membership of a religious group is similar to metropolitan average
Demographic and socio-economic:	
Male gender is consistently associated with problem gambling	Similar to metropolitan average
Rates of problem gambling decline with age. Young people aged 18-34 are most at risk	Whittlesea has a younger median age (34 compared to 36 for metropolitan area). In 2011, 26% of the population were aged 18-34, similar to the metro average of 26%
Lower socio-economic status is a risk factor for problem gambling	Most socio-economic indicators are lower for the City of Whittlesea than for the metropolitan area
Unemployment is associated with problem gambling	Unemployment is higher in the City of Whittlesea (7%) than for the metropolitan area (6%)
People employed in gambling venues may be at higher risk of problem gambling	This risk is less likely to be determined by municipality

7. Venues and electronic gaming machines

There are ten venues in the City of Whittlesea, with 711 licensed EGMs in the City of Whittlesea.

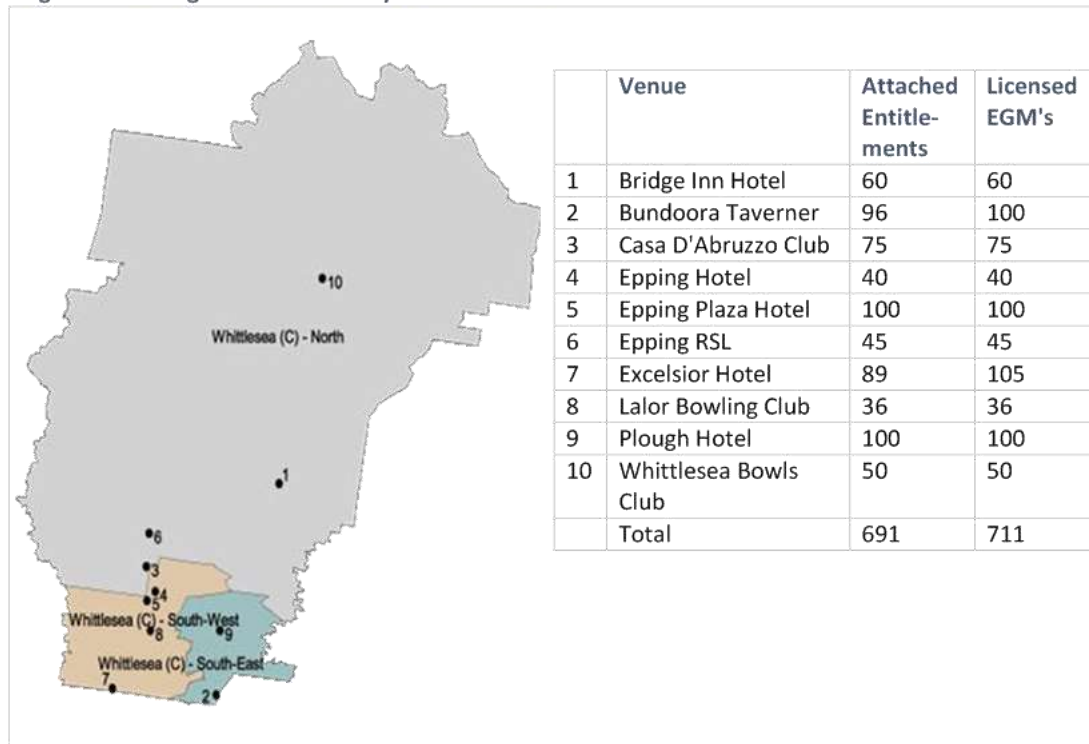
Licensed gaming machines must have an attached entitlement in order to operate. Entitlement holders are able to operate gaming machines providing they have a venue approved by the VCGLR. Entitlements are forfeited if not used within the required six months 'use it or lose it' timeframe.

Of the 711 licensed EGMs in Whittlesea, 691 of these have attached entitlements. This proposal will increase the number of attached entitlements from 691 to 711.

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Figure 6. Gaming venues in the City of Whittlesea



Eight of the ten existing venues are located within the regional capped areas. The regional cap limits the number of EGMs to 581 in the suburbs of Thomastown, Lalor, Epping, Mill Park and Bundoora. The remainder of the City of Whittlesea has a municipal limit of 212.

Table 9. EGMs in City of Whittlesea by capped area

Cap	Maximum EGMs permissible	No. of attached entitlements
Regional capped area	581	581
Municipal limit area	212	110

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A summary of information on gaming venues in the municipality for 2014/15 is presented in Table 10.

Table 10. Summary information on gaming venues in the City of Whittlesea, provided by VCGLR

	Venue	Address	Attached Entitlements	License d EGM's	Expenditure (July 2014-June 2015)	Average expenditure per EGM entitlement ¹
1	Bridge Inn Hotel	1425 Plenty Road Mernda	60	60	\$5,932,131	\$98,869
2	*Bundoora Taverner	49 Plenty Road Bundoora	96	100	\$18,124,038	\$188,792
3	Casa D'Abruzzo Club	55 O'Herns Road Epping	75	75	\$6,115,346	\$81,538
4	Epping Hotel	743 High Street Epping	40	40	\$7,488,664	\$187,217
5	Epping Plaza Hotel	Epping Plaza Shopping Centre, High & Cooper St Epping	100	100	\$21,137,399	\$211,374
6	Epping RSL Club	195 Harvest Home Road Epping	45	45	\$3,254,926	\$72,332
7	*Excelsior Hotel	82 Mahoney's Road Thomastown	89	105	\$15,901,820	\$178,672
8	Lalor Bowling Club	Cnr Sydney Crescent & Gordon Street Lalor	36	36	\$2,607,187	\$72,422
9	*Plough Hotel	Childs Road Mill Park	100	100	\$18,308,238	\$183,083
10	Whittlesea Bowls Club	101 Church Street Whittlesea	50	50	\$2,777,112	\$55,542
*Hotels operated by ALH			691	711	\$101,646,865	

7.1 Analysis of gaming data

Analysis of the gaming data shows that although EGM density in the municipality is lower than on average for the metropolitan area or Victoria, expenditure is considerably higher. On a per EGM basis, expenditure in the City of Whittlesea is 42 per cent higher than overall expenditure in Metropolitan Melbourne. Furthermore, the City of Whittlesea is ranked 5th on disadvantage among metropolitan municipalities. The analysis is shown in Table 11 below.

¹ Calculated by dividing 2014/15 expenditure by the number of entitlements for each venue

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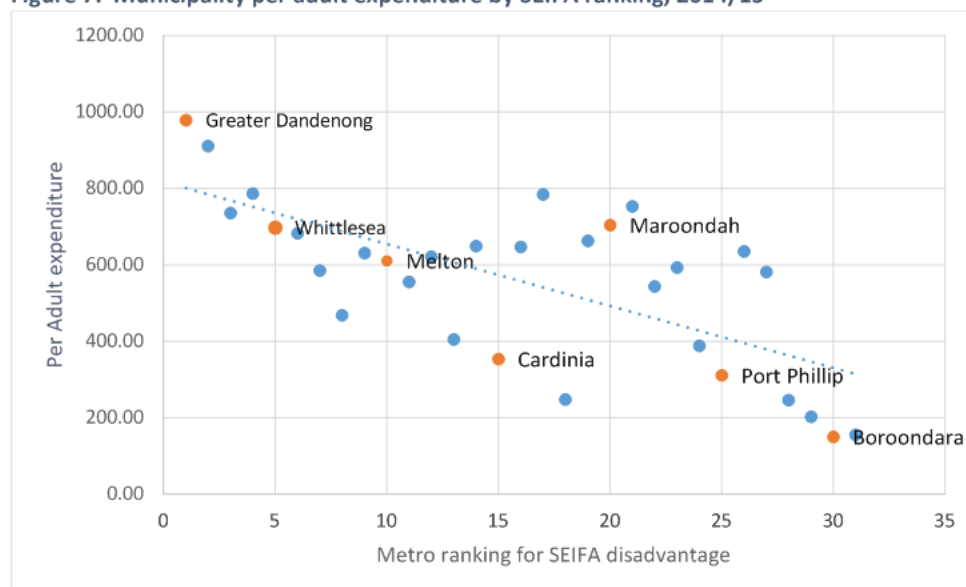
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Table 11. Analysis of EGM Data 2014/15, sourced from VCGLR spreadsheets

Indicator	City of Whittlesea	Rank - Metro	Metropolitan Melbourne	Victoria
Adult expenditure (per capita)	\$698	8	\$576	\$553
Adults per venue	14, 569	26	11,058	9,185
EGMs per 1,000 adults	4.5	21	5.3	5.6
Average expenditure per EGM	\$154,010 ²	1	\$108,426	\$97,926
SEIFA (disadvantage)	988.6	5	1020.3	1009.6
SEIFA (advantage/disadvantage)	983.4	4	1021.1	1006.7

Based on this analysis, it is apparent that in the municipality there is an unusually high spending pattern on EGM gambling. This is typical for municipalities in the lower range of SEIFA, which makes the City of Whittlesea vulnerable to the impacts of EGMs. Expenditure by SEIFA ranking is shown in Figure 7.

Figure 7. Municipality per adult expenditure by SEIFA ranking, 2014/15



Note on discrepancy between entitlements and licensed EGMs: The ALH venues are listed in Table 10 as having more licensed EGMs than attached entitlements. This is explained in the ShineWing report. ALH was required to reduce the number of attached entitlements in order to comply with the rule that restricts any individual or organization from holding more than 4,812 (35 %) of the hotel entitlements in Victoria (Stillwell, 2016) (p.11-12, para 7.16).

² Calculated from EGM density x adult population

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The applicant has agreed it will not re-install the removed machines at the Bundoora Taverner, The Plough Hotel and Excelsior Hotel during the life of the current gaming machine entitlements (which is August 2022) (p. 38 para 70).

Note: Ownership restrictions mean that an individual or organisation cannot directly or indirectly hold more than 4,812 gaming machine entitlements. ALH currently have licences for 5,520 EGMs in 79 venues. If successful, this application will increase ALH licences to 5,560, or 748 over the number it is permitted to operate. This means ALH can operate more machines without further application if the cap on EGMs is lifted, or the ownership restrictions are relaxed.

The application proposes a net increase of attached entitlements of 20 EGMs (from 285 to 305), and a net increase in licensed EGMs of 40 EGMs (from 305 to 345). This will be achieved by moving 20 existing entitlements from ALH venues in Whittlesea to the new venue, and obtaining 20 new entitlements.

In Whittlesea, there are 485 hotel entitlements, of which ALH hold 59 per cent. If successful with obtaining a gaming licence for the Commercial Hotel, the number of hotel licences in the City of Whittlesea will increase to 505, of which ALH will hold 305 (60%).

Table 12. Current and proposed schedule of licences and attached entitlements

Venue	Attached entitlements	Licensed EGMs	Proposed attached entitlements	Proposed licensed EGMs
Bundoora Taverner	96	100	90	100
Excelsior Hotel	89	105	85	105
Plough Hotel	100	100	90	100
Current total	285	305		
Commercial Hotel			40	40
Proposed total			305	345

Sources:

VCGLR: City of Whittlesea Current Venues, Monthly Net EGM expenditure (combined with Shire of Nillumbik); ID Profile, Atlas, Forecast: <http://profile.id.com.au/whittlesea>

8. SEIFA

The estimated catchment area of the suburbs of South Morang, Epping, Mill Park and Bundoora do not fall neatly into a ABS geography. The SLA boundaries of Whittlesea - North, Whittlesea - South West and Whittlesea – South East do not sufficiently overlay the catchment as the Commercial Hotel is on the boundary between the North and South East SLAs. It is more appropriate therefore to consider the smaller SA2 areas. However, it is important to take into account that the South Morang SA2 takes in Mernda and Doreen. These suburbs were excluded from the estimated catchment area.

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The population of the South Morang SA2 is distributed roughly one third in the suburb of South Morang and two-thirds in the suburbs of Mernda and Doreen³.

Socio-economic Index for Areas (SEIFA) is a value created by combining information about the economic and social resources of a community collected in the Census of Population and Housing. Measures are standardised across Australia with a mean of 1000. Therefore, areas with scores above 1000 are relatively less disadvantaged than the Australian average, and those with scores below 1000 are relatively more disadvantaged. In the City of Whittlesea, the SEIFA Disadvantage score is 983.4 with small areas ranging between 795 and 1135. The SA2s that overlay the estimated catchment area are highlighted below.

Table 13. SEIFA Disadvantage scores in City of Whittlesea, 2011 Census

2011 Statistical Area Level 2 Name (SA2)	% municipal population	Score	State Decile	Minimum SA1 score	Maximum SA1 score
Bundoora - North	3.3%	1050	7	990	1111
Bundoora - West	3.7%	992	4	903	1057
Epping	16.1%	986	4	831	1104
Lalor	11.9%	879	1	795	1062
Mill Park - North	10.9%	1030	6	956	1111
Mill Park - South	7.4%	1004	5	951	1093
South Morang (includes Mernda, Doreen)	23.0%	1063	8	953	1135
Thomastown	12.2%	878	1	801	1021
Whittlesea	4.4%	1034	7	941	1096
Whittlesea (LGA)	100%	988.6		795	1135

Note: As of 2011, around one quarter of City of Whittlesea residents (24.1%) live in SA2s that are in the first decile of socio-economic disadvantage in Victoria. Another 20 per cent live in SA2s that are in the 4th most disadvantaged in Victoria.

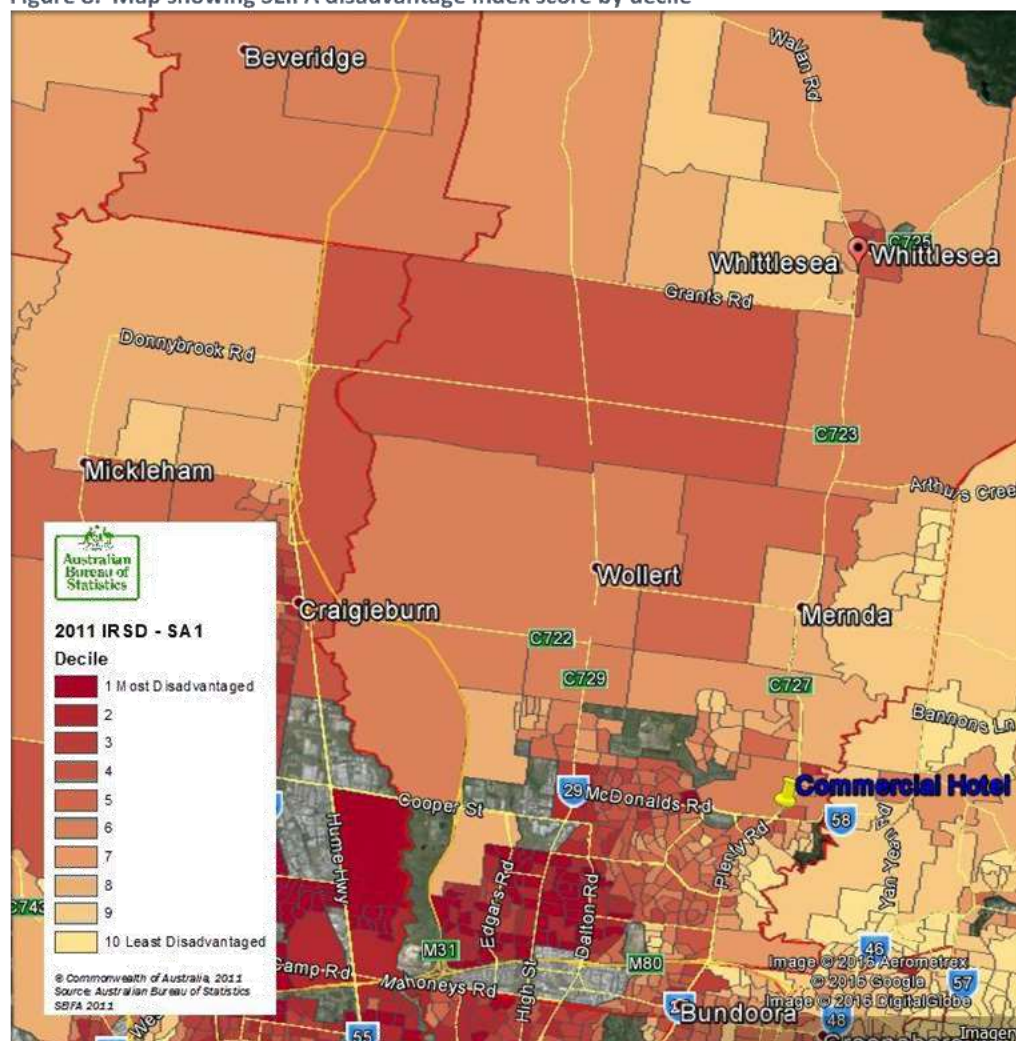
Of the municipal population excluded from the presumed catchment area, 24 per cent are from the most disadvantaged areas of Lalor and Thomastown, 15 per cent are from the least disadvantaged Mernda-Doreen area, and 4 per cent from the less disadvantaged rural north area.

³ 2016 population for South Morang is 21,473 (35%) and Mernda-Doreen 40,279 (65%) according to small area forecast, City of Whittlesea.

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Figure 8. Map showing SEIFA disadvantage index score by decile



8.1 Other socio-economic vulnerabilities

Oil and mortgage vulnerability

SEIFA is one index based on 2011 Census variables. Another index based on Census variables that is applicable to the growth areas in particular is the Vulnerability Analysis of Mortgage, Petrol and Inflation Risks and Expenditure (VAMPIRE) Index. This index, made up of car dependence, income level and mortgages produces a vulnerability score that can be mapped in a similar way to SEIFA. Typically, outer suburban growth areas with inadequate access to public transport, and mortgages that are high relative to income, are particularly vulnerable to oil and interest rate increases (Dodson & Sipe, 2008). Figure 9 shows there are several parts of the populated areas of the City of

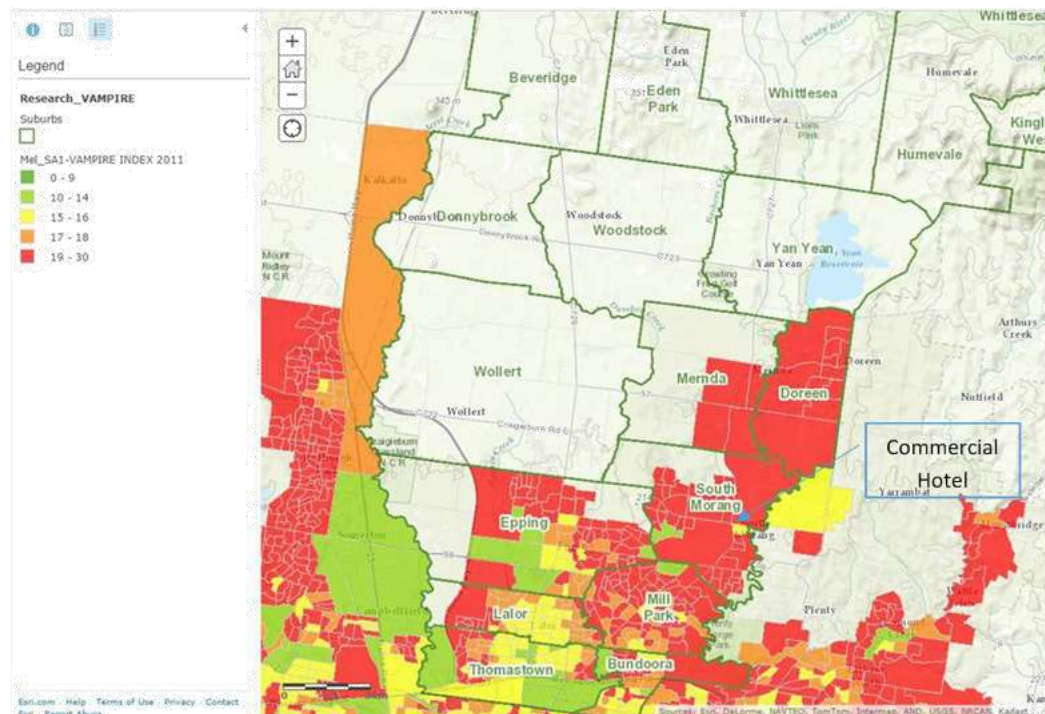
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Whittlesea that are vulnerable on the VAMPIRE Index, including the proposed catchment area for the Commercial Hotel.

Figure 9. VAMPIRE Index scores by SA1 in Whittlesea



Vulnerable populations

The City of Whittlesea has one of the highest proportions of Aboriginal and Torres Strait Islander (ATSI) people in the metropolitan area, with over 1100 people. One of the more disconcerting statistics reported by the Study of Gambling and Health in Victoria (Hare, 2015) was the finding that among indigenous Victorians, the rate of problem gambling was more than twelve times higher than for non-indigenous people (8.71% compared to 0.72%).

Sources:

SEIFA: [2033.0.55.001 - Socio-economic Indexes for Areas \(SEIFA\), 2011](https://seifa.id.com.au/2033.0.55.001)

VAMPIRE: Australian Urban Research Infrastructure Network <https://portal.aurin.org.au/>

Other socio-economic indicators: <http://profile.id.com.au/whittlesea>

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9. The Commercial Hotel

The Commercial Hotel is a prominent and attractive building on the busy intersection of Plenty Road, McDonalds Road and Gorge Road. It has a large carpark with entrances and exits on Plenty Road and Gorge Road that serves the venue, Dan Murphy's Liquor Store, and a BWS drive-through bottle shop. Surrounding the hotel are homemaker stores, a Masters hardware store, residential housing, small shops, cafes and takeaway food outlets. The hotel also offers a takeaway food service and home delivers pizza and liquor. The small amount of street parking serving the shops across the road mean that those customers would be likely to find the carpark convenient as well.

The hotel opens at 11.30am daily and closes at 9pm Sunday to Wednesday, staying open until late Thursday to Saturday. It has a late night (general) liquor licence to supply liquor on the premises between 7am and 1am Monday to Saturday and 10am to 1am on Sunday. The hours of operation however must comply with the planning permit. The liquor licence permits a maximum of 803 patrons indoors and 147 outdoors. The TAB space which is currently used for live entertainment can hold up to 500 patrons, and regularly has attendances of 300 at live shows.

The application for EGMs changes the entertainment offering of the hotel from a live music venue to a gaming venue. The existing floor plan provides a large stage and floor area for live music for up to 500 patrons. The proposed ground floor gives this floor area to a gaming room, with 40 EGMs. The existing drive-through bottle shop is proposed to be converted to a small oblique stage area, toilets and function room, with a beer garden upstairs.

The main entrance into the hotel gives access to both the gaming room and the bistro. There is an airlock on the entrance to the bistro, but there does not appear to be a door to the gaming room. A second large entrance from the carpark on the Plenty Road side of the building gives access to the sports bar and public bar. Access to the bistro from this entrance is via the gaming room. The proposed layout will not provide for the same level of entertainment currently provided, with a much smaller stage and audience area. If approved, gaming machines will be the predominant entertainment offer. The floor space of the gaming room is larger than needed for 40 EGMs, giving the impression that space has been planned for future additional EGMs. There are no windows in the external wall, providing no natural light during the day.

The Commercial Hotel has a long tradition of live music, dancing and shows for large audiences. The proposal does not specify what is intended for live entertainment if the EGMs are approved. The plan does not allow for shows to audiences of up to 500 as presently offered.

Plenty Road is the main thoroughfare through the City of Whittlesea. The site with its ample parking will provide convenience gambling for nearby residents and people driving past or visiting the Dan Murphys on the same location, or nearby retail and commercial businesses.

10. Venue patron profile

The applicant provided a patron survey conducted over January and February 2016. Over 1,000 patrons of the bistro at the Commercial Hotel were surveyed. The survey data was collected from bistro patrons only. It shows that people travelled from all parts of the municipality to dine at the bistro. Map 2.5 of the Urbis SEIA, shows about 26 per cent of patrons were from South Morang. In total, around 40 per cent of patrons were from within a five kilometre radius. The remaining 60 percent were from more than five kilometres away.

The reason for choosing the Commercial Hotel over other closer hotels is not known. For at least 75 per cent of patrons, proximity could not have been the main reason, because there is a closer hotel for all except those living in the south-eastern part of South Morang. Possible reasons could be the features of the hotel that are unique, such as music and shows, or the absence of gaming machines⁴. In the City of Whittlesea, the only other hotels without EGMs are the Donnybrook Hotel (22 kms) and the Royal Mail Hotel, Whittlesea (17 kms). Outside the City of Whittlesea, the closest hotels without EGMs are in Northcote (18 kms) and Panton Hill (18km)⁵.

Although only 40 per cent of bistro patronage was from within five kilometres of the Commercial Hotel, the ShineWing report estimates that the major catchment area for EGMs at the hotel would be the suburbs of South Morang, Epping, Bundoora and Mill Park. It is accepted that if approved, the EGM catchment would include people living in the local area and potentially from further afield such as Mernda and Doreen as well.

The reasons for this estimate are:

- Gambling activity in communities follows the provision of gambling facilities (Marshall, 2005; Productivity Commission, 1999; Vasiliadis, Jackson, Christensen, & Francis, 2013).
- Residential proximity to venues is independently associated with increased visitation and gambling participation (Young, Markham, & Doran, 2012a).
- People living in Mernda and Doreen have to travel to South Morang for other activities such as shopping and restaurants, so it is not unreasonable to suggest they would travel to South Morang to play EGMs as well

The patron profile for the Commercial Hotel therefore would be similar to the patron profile for the Bridge Inn Hotel and the venues to the south and east. This then presents a mix of people from the growth area and the established area, meaning the patron profile would be similar to the City of Whittlesea population.

Note: The two reports are not consistent in explaining the proportion of patrons from surrounding suburbs. The proportion of patrons from Doreen and Mernda is reported as 18 per cent and 1 per cent respectively by the SEIA and 15 per cent and 6 per cent respectively by ShineWing.

⁴ Based on a search of general and late night general licensed premises

⁵ Distances measured from the Commercial Hotel, South Morang

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11. Economic impact

11.1 Expenditure

The table below records the annual expenditure and the number of EGMs at the end of each year that data is available for. The average expenditure per EGM has been calculated to see if expenditure follows the number of EGMs, which it appears to do. The overall expenditure per EGM in the municipality does not appear to decline with increased numbers of EGMs.

Table 14. Annual EGM expenditure in City of Whittlesea, 2008 - 2015

Year	Expenditure	EGMs	Average expenditure per EGM
2014/15	101,646,865	660	154,010
2013/14	96,219,037	648	148,486
2012/13	93,238,924	608	153,353
2011/12	102,280,343	621	164,703
2010/11	99,793,175	621	160,698
2009/10	94,451,837	621	152,096
2008/09	94,931,183	621	152,868

Expenditure in the first six months of the current financial year is \$53,334,738, giving an indication that 2015/16 expenditure will increase further. This is to be expected as the Bridge Inn Hotel will be in its second full year of operating EGMs. During stable EGM numbers between 2008/09 to 2011/12, there was steady growth in expenditure. In the following three years, there was a net increase of 39 EGMs. The movement of EGMs is shown in Table 15.

Table 15. EGM movements in Whittlesea since 2012/13

Venue	EGM Increase	EGM Decrease
Bridge Inn Hotel	40	
Casa D'Abruzzo	15	
Whittlesea Bowls Club	10	
Epping RSL	5	
Bundoora Hotel		4
Excelsior Hotel		18
Plough Hotel		9 ⁶
Totals	70	31

⁶ These numbers are obtained from VCGLR venue data. The Urbis and ShineWing reports list the Plough Hotel as having 95 entitlements but the VCGLR spreadsheet lists 91.

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- In the City of Whittlesea, expenditure per capita on gaming machines is 21 per cent higher than on average for the metropolitan area.
- This is a considerable difference, even more so when considering that the density of gaming machines in Whittlesea is lower than the metropolitan average by 17 per cent.
- As shown in Table 11, on a per EGM basis, expenditure in Whittlesea is 42% higher than overall expenditure in Metropolitan Melbourne.
- Table 14 shows that the high per EGM expenditure remains constant with increased EGMs.

11.1.1 Estimating expenditure impact of 40 EGMs at the Commercial Hotel

It would be expected that expenditure on EGM gambling in the municipality would increase with the introduction of more EGMs, especially when installed in a suburb that does not presently have EGMs.

The ShineWing report estimates EGM expenditure on 40 EGMs at the Commercial would be in the range of \$5,645,090 to \$6,239,310. The upper estimate of \$6.2 million equates to \$155,000 per EGM which is low for a hotel EGM in the City of Whittlesea, but high for an average hotel in Victoria. The average loss per hotel EGM in Whittlesea is \$191,000 while the Victorian hotel average is \$126,000. In the first year, the report estimates expenditure of between \$4.8 million and \$5.3 million.

The per EGM expenditures in the last financial year in Whittlesea are shown in Table 16.

Table 16. EGM expenditure by venue and EGM, 2015

Name	Expenditure 01 Jul 14 - 30 June 15 \$	EGMs 30 June 2015	Expenditure per EGM \$	Net machine revenue per day (NMR)
Bridge Inn Hotel	5,932,131	40	148,303	406
Bundoora Taverner	18,124,038	96	188,792	517
Casa D'Abruzzo Club	6,115,347	75	81,538	223
Epping Hotel	7,488,665	40	187,217	513
Epping Plaza Hotel	21,137,399	100	211,374	579
Epping RSL Club	3,254,926	45	72,332	198
Excelsior Hotel	15,901,821	87	182,780	501
Lalor Bowling Club	2,607,188	36	72,422	198
Plough Hotel	18,308,238	91	201,189	551
Whittlesea Bowls Club	2,777,113	50	55,542	152

The proposed movement of EGMs will result in the Plough Hotel and Bundoora Taverner both operating 90 EGMs and the Excelsior Hotel operating 85. The 2014/15 expenditure figures show that hotels with between 75-90 machines generally had the highest player loss per EGM. The only hotel with 100 EGMs in this high average was the Epping Plaza Hotel. As the ShineWing report explains:

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there are 3 hotel venues in Victoria operating 90 EGMs or less, namely, Kealba Hotel, Gladstone Park Hotel and Keysborough Hotel, which derive gaming expenditure at broadly similar levels to the Plough Hotel and the Bundoora Hotel, and above those derived at the Excelsior Hotel. This demonstrates that there is capacity for those venues reducing gaming machines in the City of Whittlesea, to continue to derive gaming expenditure similar to those currently being derived (para 9.23).

The Keysborough Hotel (89 EGMs) and the Gladstone Park Hotel (86 EGMs) have the highest per EGM expenditure in Victoria. They are followed by the Roxburgh Park Hotel (71 EGMs), the Epping Plaza Hotel (100 EGMs), the Kealba Hotel (86 EGMs) and the Plough Hotel (91 EGMs).

The ShineWing report states that the current high average expenditure per EGM means it is "reasonable to assume there is excess peak utilisation at all hotel venues in the immediate area" (para 9.8). There is no evidence provided for this assumption, although ALH could have provided the data from their 3 other venues in the municipality. Although the EGMs have high average player losses, it doesn't mean they are being fully utilized, as there are over 660 EGMs available.

The Bridge Inn Hotel with 40 EGMs achieved expenditure of \$5.93 million in its first full year, and in the last financial year the Epping Hotel, also with 40 EGMs achieved expenditure of \$7.49 million. The report estimated expenditure at the Commercial Hotel based on the average of three comparative venues, The Bridge Inn Hotel, Pascoe Vale Taverner Hotel and the Sugar Gum Hotel, however it didn't take into account that the Bridge Inn Hotel had only been operating for a short time before 2014/15. Paragraph 8.15 of the ShineWing report explains that new venues generally take 18 to 24 months to establish themselves and in the first year take about 65 per cent to 85 per cent of total peak expenditure. Therefore, the estimate is likely to be understated.

A concern with estimating transferred expenditure is that there have been no evaluations to determine the accuracy of expert estimates. Taking the Bridge Inn Hotel as an example, the estimated expenditure in the first year was \$5.11 million, with an estimated 70 per cent of that amount transferred, resulting in a net increase in expenditure in the municipality of \$1.7million. It is acknowledged that these estimates were made in 2008, and could not have taken into account the other changes before the new EGMs were installed.

The first full year expenditure at the Bridge Inn Hotel in 2014/15 was \$5.93 million, which was reasonably close to the estimate (16% above), but the overall expenditure increase in Whittlesea from the financial year in which the hotel opened (2012/13) to the end of the first full year of operation (2014/15) was \$8.4 million (494% higher than estimated). It is difficult to test the actual transferred expenditure when there is an overall increase of that amount. The per venue expenditures across the two comparison points are shown in the table below.

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Table 17. Comparison of expenditure in City of Whittlesea before and after Bridge Inn Hotel EGMs

Venue	Expenditure 2012 – 13 \$	EGMs 30 June 2013	Expenditure 2014 - 15 \$	EGMs. 30 June 2015	Difference \$
Bridge Inn Hotel	0	0	5,932,131	40	5,932,131
Bundoora Taverner	17,937,770	90	18,124,038	96	186,268
Casa D'Abruzzo Club	5,359,977	75	6,115,347	75	755,370
Epping Hotel	7,674,718	40	7,488,665	40	-186,053
Epping Plaza Hotel	21,033,163	100	21,137,399	100	104,236
Epping RSL	2,856,608	45	3,254,926	45	398,318
Excelsior Hotel	14,720,595	87	15,901,821	87	1,181,226
Lalor Bowling Club	2,419,148	36	2,607,188	36	188,040
Plough Hotel	18,570,386	85	18,308,238	91	-262,148
Whittlesea Bowls Club	2,666,559	50	2,777,113	50	110,553
Totals	93,238,925	608	101,646,866	660	8,407,941

In the two-year period in which the Bridge Inn completed one full year of operating EGMs, all venues except the Epping Hotel and the Plough Hotel also had increases in expenditure. The Bundoora Taverner and Plough Hotel were listed as having six additional EGMs each at the end of 2014-15. The 2013-14 financial year has not been used for comparison because the Bridge Inn Hotel commenced operating in December 2013, making it difficult to determine the impact during that year.

However, the difference in expenditure between 2011/12 and 2012/13 in which the Bridge Inn Hotel operated for half the year, was \$2.98 million, and between 2013/14 and 2014/15 the difference was \$5.43 million. Taking all other venues into account, the difference is largely accounted for by new expenditure the Bridge Inn Hotel, and to a smaller extent, an increase in expenditure at the Excelsior Hotel and Casa D'Abruzzo Club.

The ShineWing report estimates that the transfer rate at the Commercial Hotel would be 60 per cent, with new expenditure in the first twelve months of between \$1,919,331 and \$2,121,365. This is less than the actual new expenditure in the first year of operation of the Bridge Inn Hotel when it only operated EGMs for six months (\$2.98 million), and far less than new expenditure in the Bridge Inn Hotel's first full year of operation (\$5.43 million). Although there was likely to have been some transferred expenditure, the large amount of 70 per cent is not easily detected in the expenditure data. Therefore, it seems likely that the venue generated more than 30 per cent of expenditure from new gamblers. Given these figures, it is not unreasonable to assume that a similar scenario could be seen at the Commercial Hotel, particularly with a high population base in the area.

Although the report mentions proportions of patrons in determining a catchment, it does not attempt to quantify the estimated number of patrons or the estimated expenditure per patron. In Victoria, participation in EGM gambling declined from 21.46 per cent of adults in 2008 to 16.74 per cent in 2014 (Hare, 2015). The average expenditure rate on EGMs in Melbourne was \$637 per adult

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in 2007/08 and \$544 per adult in 2013/14 which reflects the metropolitan population growth (from 4,094,364 adults in 2007/08 to 4,606,164 in 2013/14) as well as the lower overall expenditure. However, when comparing the population spend rates for just the proportion of the adult population who used EGMs, the spend rate increased from \$2,972 on average per EGM gambler in 2007/08 to \$3,248 per gambler in 2013/14. The decline in EGM participation together with increased expenditure indicates more intensive play, which in turn increases the risk of harm.

The Total Consumption Theory of gambling suggests that gambling expenditure is positively associated with gambling-related harm. Markham, Young and Doran (2014) found a measurable correlation between venue level EGM expenditure and the prevalence of gambling-related harm among patrons. Increased EGM expenditure predicts the prevalence of gambling-related harm at the venue level, which means the use of per capita EGM expenditure may be justified as a proxy for gambling-related harm. This is an important consideration when contemplating an increase in EGMs and associated expenditure.

The Productivity Commission estimated that 40 per cent of expenditure on EGMs is from problem gamblers and a further 20 per cent is from moderate risk gamblers (Productivity Commission, 1999).

11.1.2 Impact of Increased Gambling Expenditure

The estimate of new expenditure may be understated by the applicant, based on the comparison of the predicted and actual expenditure at the Bridge Inn Hotel. Previous research has suggested that an increase in gaming expenditure is associated with an increase in problem gambling.

The Urbis report considers gaming expenditure to be an economic benefit in the same way that any other entertainment spending by choice is an economic benefit, however it doesn't take into account that a large proportion could be from problem gamblers.

The expenditure on EGMs does not stay in the municipality, so there is no economic benefit to Whittlesea. Together with the increased risk of problem gambling, increased gambling expenditure would be detrimental.

11.2 Employment

The Urbis SEIA states that the hotel employs 32 full-time, part-time and casual staff, providing a key source of local employment opportunities. The staffing is made up of eight permanent employees (7 are full time) and 24 casuals. The equivalent full time (EFT) for the casual employees is not given. The proposal for gaming machines estimates an additional 20 casual staff (9 EFT) will be employed with 5 EFT employed in gaming. This is given high weight because of the direct impact employment opportunities provide for the local community, particularly young people. Minimal transfer of employment is expected.

The City of Whittlesea economic profile shows that out of 57,618 jobs in the municipality, gambling activities account for 37 jobs (0.06%) or 31 EFT. As a comparison, the construction industry provides 6,504 EFT jobs, the manufacturing industry provides 7,549 EFT jobs and the food and beverage industry provides 1,894 EFT jobs (Economy id, 2015).

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The South Australian Centre for Economic Studies (SACES) (2005a) compared the rate of gaming employment to other forms of employment, and found that gambling employed fewer people than other hospitality offerings. The job intensity of gambling was quite low at 3.2 jobs per \$1 million of gambling revenue compared to 8.3 jobs per \$1 million of revenue from sales of liquor/beverages and 20.2 jobs per \$1 million of revenue from food and meals. SACES also found no evidence that the introduction of EGMs had a positive impact on the level of hotel and club sector employment in Tasmania (2008).

The Productivity Commission found that people employed in the gambling industry are highly employable in other sectors, therefore 'gambling industries do not create *net* employment benefits, because they divert employment from one part of the economy to another' (2010a)(p.6.1).

11.2.1 Impact of the proposal on employment

The Urbis report gives high weight to employment creation.

Evidence shows that gaming does not create new employment, and that people who work in gambling venues are at increased risk of problem gambling.

The proposed longer opening hours and the need for gaming room staff is likely to create some new jobs, but new employees are most likely to come from other venues or parts of hospitality industry. Therefore, there would be no net increase in employment in the municipality, and a neutral employment impact on the community.

11.3 Infrastructure investment, development and maintenance

The renovations to the hotel do not add anything to the assets or wealth of the community. Research on infrastructure development having a beneficial impact on communities is in relation to casinos, or new EGM venues on a very large scale.

Any improvements to the venue to accommodate EGMs is diminished by the fact that gaming venues are plentiful in the municipality.

Providing work for local tradespeople is not an infrastructure impact, and would need to be considered when assessing employment impact. The construction industry is the leading employer in the City of Whittlesea providing over 6,500 full time jobs. Building approvals in the municipality in 2014/15 was worth over \$1billion, with a similar value over the past five years. As this means there will be construction jobs for many years to come in Whittlesea, the hotel renovation is not likely to benefit local workers.

11.3.1 Impact of the proposal on community infrastructure

The Urbis SEIA gives high weight to the renovations of the hotel at cost of \$2.3million, because it will benefit local tradespeople. There is no evidence that the proposal would improve community infrastructure, therefore the impact would be neutral.

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11.4 Supply contracts

Supply contracts, complementary expenditure and shifts in expenditure all relate to the potential for other businesses in the municipality to be impacted either positively or negatively by the addition of EGMs to the Commercial Hotel.

ALH estimate the redevelopment of the hotel will result in a 60 per cent increase in hotel turnover, separate to the gaming revenue, as an indication of the additional demand anticipated.

There is no evidence given for how the estimate of 60 per cent increase in demand (that would be separate to gaming) was calculated. The plans do not include any expansion of service areas or bistro hours to accommodate the additional demand.

As the gaming patronage is estimated to include a 60 per cent transfer rate, it may be reasonable to expect the same for the hotel revenue. If this were the case, there would be no net increase in supply contracts in the municipality.

The suppliers are not named and the amount of increased supply contracts that would actually come from within the City of Whittlesea was unable to be determined.

11.4.1 Impact of the proposal on supply contracts

The Urbis SEIA gives medium weight to the flow on effects of increased supply contracts due to the hotel's redevelopment.

There is no evidence that increased supply contracts would benefit the Whittlesea community. The impact of any increase in supply contracts would be neutral.

11.5 Complementary expenditure

On the application form (Q19) complementary expenditure is estimated at \$1,400,000. There is no explanation of how this figure was calculated. As the hotel anticipates an increase of 60 per cent in turnover that is not gaming related, this may be the only complementary expenditure. In this case, any complementary expenditure will benefit the applicant and not surrounding businesses.

The research literature has not found any benefit to other businesses as a result of EGMs. The only benefits found have been associated with casinos that draw patronage from outside the local area, creating a need for accommodation and other hospitality services (Williams et al., 2011).

11.5.1 Impact of the proposal on complementary expenditure

The Urbis SEIA suggests that by providing an improved entertainment offer, more people would be encouraged to spend time in the South Morang area, spending more at other local businesses in the process, rather than their spending being directed to businesses close to where they currently access gaming machines. The report offers no support for this theory however, but it suggests this is given low weight as the transfer of spending is expected to be low.

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The applicant expects to increase business in the hotel in addition to generating expenditure on EGMs. There is no foreseeable benefit to other businesses in the form of complementary expenditure. Any impact on complementary expenditure would be neutral.

11.6 Shifts in expenditure

Question 11 of the submission form asks about anticipated business closures. As this would be a new venue with 40 EGMs expecting to generate \$6 million in expenditure, it can be assumed that at least some of that money would be redirected to gambling from other expenditures. It has been estimated that 70 per cent of the losses would be shifts in expenditure from other gaming venues, leaving 30 per cent or approximately \$1.8 million that would be new expenditure.

There is no data available to estimate the impact on other businesses. However, the research has shown that EGMs almost always draw their money from within a jurisdiction and thus tend to reliably have negative impacts on other businesses when they are introduced in large numbers.

Several studies have found a decrease in business revenues due to the substitution of expenditure e.g. (Pinge, 2008; The South Australian Centre for Economic Studies, 2005a; Williams et al., 2011).

11.6.1 Impact of shifts in expenditure

The Urbis report acknowledges there would be an impact on other businesses due to the additional expenditure on gaming machines. I agree, there would be a detrimental impact on other businesses as result of EGMs at the Commercial Hotel.

11.7 Revenue distribution

This question refers to Question 20 of the VCGLR applicant's form, which asks for information about the proportion of net expenditure which remains or is returned to the municipality. The question was not answered by the applicant.

11.8 Financial stress

Question 14 of the VCGLR local government submission form asks for evidence of financial stress, in the form of bankruptcy data. This data is not available, and if it were, it is likely to be understated because of the legal implications of declaring bankruptcy due to gambling.

Data on financial stress was requested from Gamblers' Help on 16 June, 2016, and as of the date of completion of this SEIA (5/7/16) had not been provided.

Three quarters of respondents to the community survey said they knew someone who had been harmed financially by playing EGMs, and 36 per cent said they had personally been harmed by their own or someone else's gambling.

Losing more money than intended on EGMs is one of the most immediate harms from gambling, and is included in the widely accepted definition of Problem Gambling:

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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 (Neal, Delfabbro, & O'Neil, 2005).

Household expenditure on gambling increased rapidly after the introduction of EGMs in Victoria (The South Australian Centre for Economic Studies, 2005b). The financial impacts of problem gambling mean that in some households gambling expenditure is diverted from personal or household needs, reducing the standard of living.

It is widely acknowledged that EGMs extract the highest losses from the poorest communities (Productivity Commission, 1999, 2010a; The South Australian Centre for Economic Studies, 2008). Financial instability can tip people into a cycle of poverty and even bankruptcy or homelessness, which makes this one of the top triggers for seeking help (Hare, 2015).

In the 2015 prevalence study of Victoria, 63 per cent of problem gamblers named financial problems as the top reason to seek help, 73 per cent reported that their gambling was causing them financial problems, and 61 per cent reported borrowing money or selling something to get money to gamble. As Neal (2005) suggests, financial problems are just the start of a series of adverse impacts from gambling that are inter-related.

11.8.1 Impact of the proposal on financial stress

The Urbis report acknowledges the likelihood of an increase in problem gambling as a result of proposal. I agree, increased EGMs are likely to increase financial stress in the community, and is therefore a detrimental impact on the community.

12. Social impact

12.1 Social, recreational and entertainment opportunities

12.1.1 Access to EGMs

EGMs provide a leisure option for a small proportion of the population (less than 17%) who use them. Currently, the hotel has two unique features that set it apart from other hotels in the area. It provides large format shows for large audiences up to 500 and it is the only 'pokie-free' venue in the wider area. The provision of EGMs would change both of these unique features. The application has not set out what will happen to the current live show offering, but the floorplan indicates a much reduced capacity to continue with the same size and quality of shows currently offered. As the only 'pokie-free' pub in the area, the choice for an alternative venue will be removed for people who prefer to avoid gambling, and for self-excluded gamblers.

From a consumer perspective, there is a widespread lack of understanding of how EGMs work, including the random nature of each game, and the overall chance of winning. Having faulty beliefs about how EGMs work can lead to people making spending decisions that significantly underestimate the price they are paying for the entertainment (Productivity Commission, 2010a).

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It is well known that EGMs are designed to prolong play and maximise losses through a variety of design features (Neal et al., 2005). Many of the design features of EGMs are misleading and deceptive such as displaying losses as wins, creating a positive reinforcement effect for losses (Dixon, Harrigan, Sandhu, Collins, & Fugelsang, 2010).

12.1.2 Improved facilities

Information on the social, recreational and entertainment opportunities to be provided is given in the statement of Tim Lalor, Operations Manager of ALH. He suggests that the proposal would make the Commercial Hotel the only venue in the LGA to offer a roof top beer garden and the only licensed venue to have dedicated function facilities.

A scan of licensed premises in the City of Whittlesea shows numerous dedicated reception venues as well as numerous clubs and hotels that cater for functions. There are also many venues that have all fresco facilities.

While the addition of a function room and beer garden may potentially attract new patrons, they do not provide anything unique. ALH considers there is a real market for these facilities, but do not anticipate they would improve the hotel's performance sufficiently to warrant the investment unless EGMs are approved.

Tim Lalor explains in his statement 'the Hotel does not perform well enough to meet the ALH return on investment requirements for additional capital works. Without the addition of EGMs to the Hotel there is not a sufficient business case and the limited budget for capital works will be allocated to other venues throughout the country'.

12.1.3 Impact of community contributions

The application lists donations made by ALH in the City of Whittlesea over the last three years. A total of \$9097 was donated by the Commercial Hotel to City of Whittlesea based sporting clubs and a dance studio over the 21 months between June 2014 and February 2016. In addition, ALH made donations to City of Whittlesea based organisations. These totalled \$60,900 or average of \$20,300 per year. Over the same period the three ALH hotels generated \$154 million in total expenditure, meaning the community contributions amounted to 0.04 per cent or \$1 for every \$2500 of expenditure.

If successful with approval to operate EGMs, the Commercial Hotel would offer \$40,000 per year for ten years to the City of Whittlesea for problem gambling initiatives, and \$50,000 per year for ten years to a new committee made up of ALH and City of Whittlesea representatives for grants to local community/sports groups, and \$10,000 per year for a charity golf day. After ten years, the hotel would offer a further \$25,000 per year to the aforementioned committee. These offers are made with the intention of offsetting the risk of problem gambling and to help ensure that EGMs at the Commercial Hotel do not have a detrimental effect on the local community (David Curry's statement para 51).

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Proposed community contributions as part of a gaming licence application are problematic to assess because a monetary amount is proposed to offset a social impact. The amount offered is not the result of an estimate of the cost to the community of additional problem gambling, but is a contribution of an arbitrary amount. The Victorian Competition and Efficiency Commission (VCEC) estimated the cost of problem gambling (from all forms of gambling) to be \$1.5 - \$2.8 billion in 2010/11 (2012). Most of this cost was from excess gambling expenditure by problem gamblers (\$1 billion to \$1.4 billion); and the intangible costs associated with impacts on mental wellbeing for problem gamblers and their families (\$400 million to \$1.2 billion). The total amount is in the vicinity of the expenditure on EGMs in the same year of \$2.5 billion.

If the proposed contribution is offered purely to add weight to the VCGLR's 'no net detriment' test, it should not be assessed as a positive impact unless compared to an estimate of the cost of harms.

Engaging councils in the administration of venue contributions is not needed as there are other appropriate institutions to administer community contributions such as the Community Support Fund and the Victorian Responsible Gambling Foundation. Most agencies are able to receive charitable donations on their own behalf, and at their own discretion. Engaging councils in this process could serve to legitimise gambling as discussed further below.

Acceptance of contributions of gambling proceeds by community groups can set up a dependency on gambling and a sense of reciprocity that legitimises and normalises gambling. Some community groups are now refusing offers of money from gaming venues to avoid this compromise. In Castlemaine, the 'People not Pokies' initiative aims to fund the town's sporting and community clubs without accepting money from gambling revenue.

12.1.4 Impact of the proposal on social, recreational and entertainment opportunities

The Urbis SEIA only mentions the impact of additional social, recreational and entertainment opportunities in the summary. It gives medium weight to the enhanced access to EGM facilities for residents and visitors and high weight to the provision of a beer garden and function room, which it justified as providing local residents with greater options for entertainment and leisure facilities, with significant social benefits. It does not expand any further on what the significant social benefits would be.

The community survey undertaken for this application indicated strong opposition to EGMs at the Commercial Hotel. The municipality has high expenditure on gaming machines and high numbers of EGMs. The addition of EGMs to this venue would not increase choice of recreation because there are so many gaming venues already available. In contrast, the proposal would actually decrease choice by eliminating the last remaining pokie-free pub in the area and downsizing the traditional music and shows that the venue is known for. The proposed community contribution is very small relative to the amount of expenditure generated by the existing three ALH hotels; it would not be adequate to offset the cost of problem gambling; and should not be used to add 'weight' to the Commission's decision without comparing to the costs of harm.

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My assessment of the impact of the proposal on the social, recreational, and entertainment opportunities is that it would be detrimental.

12.2 Problem gambling

Data on the incidence of problem gambling in the City of Whittlesea was requested on 16/6/2016, but to date has not been provided.

Problem gambling is not limited to the affected individuals. The Victorian Competition and Efficiency Commission found that for each person having problems with their gambling, between seven and ten people are affected (2012).

The risk factors for problem gambling and the community vulnerability to these risk factors are set out in Table 8. The main impacts of accessibility and reduced social capital are outlined below:

12.2.1 The impact of accessibility on problem gambling and gambling related harm

The application suggests enhanced accessibility of gambling to local residents is a positive impact. However, the literature has consistently found accessibility to be a negative impact because of its association with problem gambling.

- The physical accessibility of EGMs is strongly associated with gambling expenditure (Marshall, 2005) and gambling expenditure is strongly associated with gambling harms (Francis Markham et al., 2014; F. Markham, Young, & Doran, 2016; Vasiliadis et al., 2013).
- Young, Markham & Doran (2012b) found that geographically accessible locations for venues such as shopping centres were associated with higher levels of problem gambling. They also found that residential proximity was independently associated with increased visitation, gambling participation and problem gambling.
- The 2009 Victorian problem gambling study found that of those who used EGMs in the last year, over half travelled less than five kilometres to their preferred venue.
- Gamblers classified as problem gamblers, at moderate risk or low risk, all rated 'close to home' as the preferred feature of their favourite EGM venues. This contrasts with non-problem gamblers who rated other venue features such as 'food quality' and 'social reasons' ahead of accessibility (Department of Justice, 2009).
- The density of EGMs in a community also has an impact on the level of problems with gambling. Pearce, Mason, Hiscock & Day (2008) found that a higher density of gambling opportunities within a five kilometre radius of a neighbourhood was associated with a higher probability of gambling, and that people who lived closer to gaming venues were more likely to have gambling problems than those who lived further away.
- Storer, Abbott & Stubbs (2009) found strong evidence that the prevalence of problem gambling increases with the increasing density of EGMs at a rate of eight problem gamblers for every ten additional machines. This finding was supported by Barratt, Livingston, Matthews & Clemens (2014) who used help-seeking as a proxy for problem gambling to find a strong correlation between gaming machine density and rates of counselling for problem gambling.
- Importantly, the density of EGMs has also been found to be concentrated in the most socio-economically disadvantaged areas, where a disproportionate share of losses is carried by the most vulnerable populations (Jan McMillen & Doran, 2006; Productivity Commission, 1999; Rintoul, Livingstone, Mellor, & Jolley, 2013).

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- Increased availability and accessibility are an important dimension of the normalisation of gambling. (Bestman et al., 2016; Thomas, Lewis, McLeod, & Haycock, 2012).
- High rates of gambling problems have been observed in venue employees, by up to ten times the prevalence in the general population. Possible reasons for this include the accessibility and normalisation of gambling (Hing & Gainsbury, 2011; Hing & Nisbet, 2009).

12.2.2 Normalisation and the impact of gambling on social capital

The normalisation of gambling as a recreation or entertainment can be harmful. Although most people are opposed to EGMs in local communities, many still patronise gaming venues when there are few alternatives. This can act to legitimise gambling, despite community opposition, creating a disempowering effect. Normalisation and legitimisation of gambling can work to undermine values, and impact on social capital. The Commercial Hotel will continue to market itself as a family friendly venue. EGMs are an adult-only entertainment, and the product is not permitted to be marketed directly to underage audiences (Thomas et al., 2012). However, encouraging children into gaming venues means that children will be exposed to gambling from an early age.

- It is thought that marketing techniques that encourage families and children into gaming venues such as children's meals, birthday parties, and reward schemes act to shape adults' and children's perceptions of gambling as a normal and benign form of recreation. The presence of children in a venue can reinforce a sense of safety and harmlessness, and may be influential in shaping future gambling behaviour in children (Bestman et al., 2016).
- The gambling behaviour of parents can influence children's later behaviour by becoming a social norm. Children raised in problem gambling families are more likely to develop gambling problems (Dowling, Jackson, Thomas, & Frydenberg, 2010).
- The concept of making money with no effort is thought to be encouraging of greed and idleness, which has been expressed as undermining work ethic, family values, healthy lifestyles, altruism, volunteerism and trust (Productivity Commission, 1999). In this way, a gambling culture can affect the feel and cohesion of a community.
- Surveys consistently show that public opinion is that gambling is harmful (McAllister, 2014; J. McMillen et al., 2004; Productivity Commission, 1999)

12.2.3 Harm prevention and responsible service of gambling

The main concern with problem gambling is with people who play regularly on EGMs.

- In 2010 the Productivity Commission estimated that 4 per cent of the population gamble on EGMs at least once per week. Of the people who are playing every week, almost one in three (30%) are either problem gamblers or moderate risk gamblers.
- Losses on EGMs by problem gamblers are estimated by the Productivity Commission at 40 per cent, with a further 20 per cent from moderate risk gamblers. In the City of Whittlesea, this means around \$60million per year is generated from people having problems with their gambling.
- The 2014 Victorian prevalence study found that moderate risk and problem gamblers were playing much more frequently than five years ago.

The Urbis SEIA suggest that the shorter opening hours of the Commercial Hotel would reduce the risk of problem gambling. However, when considering the loss rate on each machine on an hourly

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basis, the hourly loss on each machine at the Commercial Hotel will be \$28.49. This compares to \$28.96 for the Epping Plaza Hotel and \$27.56 for the Plough Hotel. What this shows is that the hourly loss will be the same – just that the losses will be confined to 15 hours instead of 20, meaning the total amount lost will be less, but the earlier closing will not make any difference on hourly expenditure.

Every venue in Victoria has an approved responsible gambling code of conduct and all gaming staff undergo training, yet the rate of expenditure and the rate of problem gambling has not decreased.

The application gives a great deal of detail about the mandatory responsible service of gaming documentation and training involvement in its other venues, but it does not give any examples of how many incidents were recorded, how they were handled or how prevention has been applied and reported. The number of people on self-exclusion lists would provide a good indicator of the level of problem gambling in the community, but this information was not provided.

The ALH gaming venues in Whittlesea are among the largest and highest spending in Victoria. The application refers to research (Hing & Haw, 2010) which found a preference for larger venues with a lay-out that allows privacy was among 15 preferences of problem gamblers. The authors acknowledged that additional research would be needed to establish whether problem gamblers would simply go to smaller, less glamorous venues if these were the only ones available. Among the other risk factors for problem gambling were convenient physical access, extended opening hours, easy access to an ATM, gaming machines that offer bonus features, linked jackpots, low denomination play, having favourite gaming machines, and staff who do not interrupt people while they are gambling. No potential venue-based protective factors were found, and the only gambler-based protective factor was a preference for venues having a wide range of non-gambling activities (Hing & Haw, 2010).

As ALH operates three large venues in Whittlesea, I visited one of them, the Plough Hotel, to get a feel for the operator's responsible service of gambling. I noticed the venue mostly consisted of the gaming room which is entered from the street with no separation from other areas which were a small bar and TAB facility. There is no bistro and only about four small tables. The gaming area was in semi-darkness and the clock was difficult to see, being located in an alcove above the cashier's desk. There was no evidence the hotel was striving to exceed standards of responsible service of gambling. At 11 am there were about a dozen people patronising the EGMs, but the venue was uninviting for a nongambler. The Plough Hotel did not impress me as a model of responsible service of gambling.

12.2.4 Impact of the proposal on problem gambling

The Urbis SEIA suggests that a smaller gaming offer and shorter opening hours will reduce the risk of problem gambling, however the projected expenditure which is at the high end for hotels does not bear this out. The venue is highly accessible geographically and socially. At present it doesn't open until 11.30 am but plans to open at 10am with EGMs which would make them accessible for 15

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hours per day, increasing exposure to gambling. When the projected expenditure is calculated on a per hour basis, the loss will be the same as for the highest loss hotels in the City of Whittlesea.

It needs to be kept in mind that more problem gambling occurs in hotels than clubs, and that a reduced risk factor of shorter hours does not make this a protective factor. The Urbis SEIA frames the proposed opening hours as an example of responsible service of gambling, but the hours are subject to planning permission which can be not be exceeded by the liquor licence. The current liquor licence permits trading hours from 7am to 1am on Monday to Saturday, and 10am to 1am on Sundays. Although a planning permit would be needed to extend trading past 1am, the hotel could extend its gaming hours to commence from 7am without any additional approval process.

The SEIA suggests a 'modest' increase in expenditure in the municipality, however this understates both the impact and the intention. EGMs do very well in the City of Whittlesea, with among the highest expenditure in the State. This exposes the whole municipality to increased risk of gambling even before more machines and venues are added.

The Urbis SEIA found the increase in problem gambling would be detrimental. I agree with this assessment that the impact of the proposal on problem gambling would be detrimental.

12.3 Crime and social disorder

Gambling has long been connected with organised crime, but research has shown that some people commit crimes because of their gambling, in particular to finance their gambling habits once their legitimate sources of funds are exhausted (Productivity Commission, 2010b). The Productivity Commission's survey of counselling clients found that 40 per cent of problem gambling help-seekers had committed a gambling related crime at some point during their gambling careers.

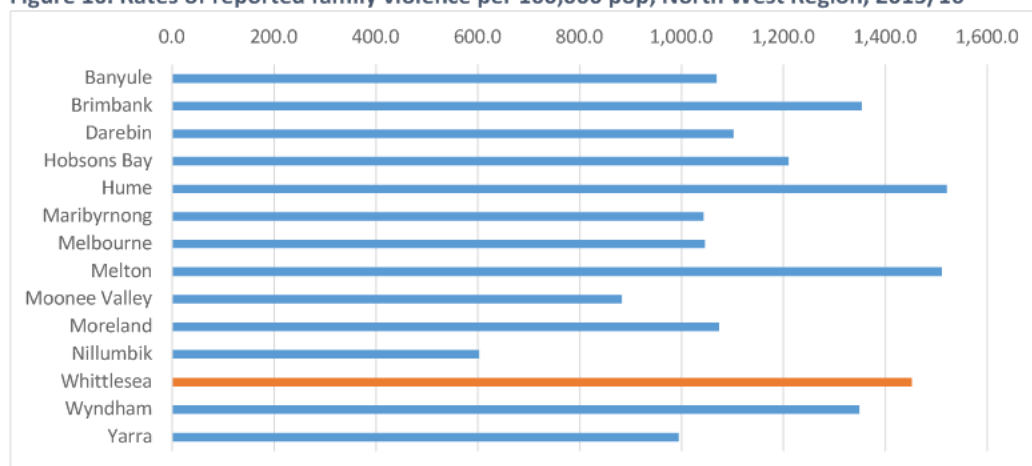
Wheeler, Round and Wilson (2011) found gambling expenditure on EGMs in Melbourne was significantly and strongly associated with crime, particularly income-generating crime from 1996 to 2006.

12.3.1 Family violence

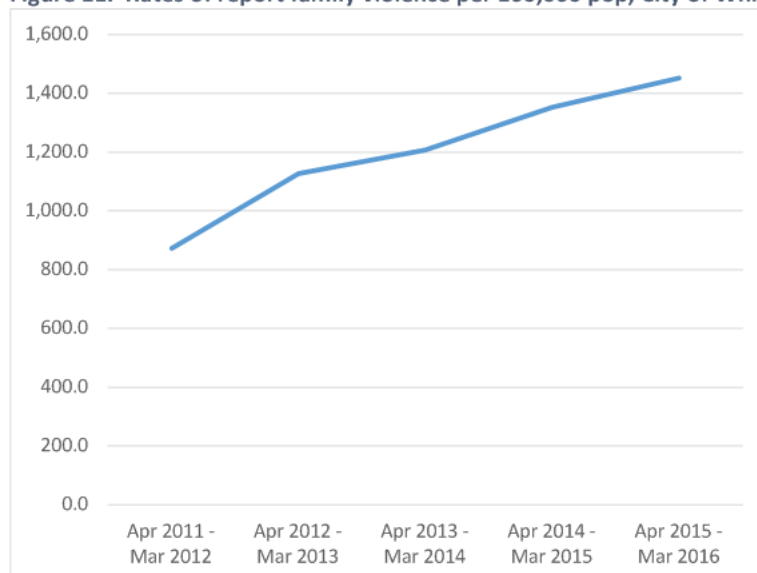
The family violence incidents attended by police in the City of Whittlesea is high at a rate 1452 per 100,000 population. In 2013/14 there were 2,359 reported incidents of family violence, and children were present at 897 of those. The chart below compares the rates of family violence per 100,000 population between the municipalities in the North West region of Melbourne.

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Figure 10. Rates of reported family violence per 100,000 pop, North West Region, 2015/16

The rate of family violence in the City of Whittlesea has increased by 66.4 per cent in the four years between 2011/12 and 2015/16. The chart below shows the rates over the past four years.

Figure 11. Rates of report family violence per 100,000 pop, City of Whittlesea

Source: Crime Statistics Agency Victoria, Family Incidents Data Tables

There is no way of determining how many of those incidents are related to EGM gambling, but there is strong evidence of a link between gambling and family violence. This link was acknowledged in the Victorian Royal Commission on Family Violence (VRCFV). The commission also acknowledged that the effects of gambling problems are felt disproportionately by women.

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Dowling et al (2014) found that half of people with gambling problems (56%) reported perpetrating physical violence against their children. Between one-third and one-half of people with gambling problems and their family members report being victims of some form of family violence. Current partners and former partners were the most common perpetrators and victims of gambling related family violence (Suomi et al., 2013).

In response to this research, Women's Health in the North are addressing gambling related violence in the high gambling expenditure areas of northern Melbourne including the City of Whittlesea.

12.3.2 Impact of the proposal on crime and social disorder

There is not enough evidence to determine if another EGM venue would increase crime in the City of Whittlesea as the crime rate is lower than the metropolitan average.

More research is needed on the impact of gambling on crime and family violence, but the studies cited are relevant to the assessment of impact. Family violence is a serious issue in the City of Whittlesea and increased exposure to gambling is likely to lead to increased gambling problems, which in turn is likely to increase violence in families.

There is a risk that an impact of the proposal could increase gambling related violence.

12.4 Relationship and emotional costs and impact on community values and lifestyle

Gamblers' Help data was requested on the impact on relationships but has not been made available at the time writing. However, there is good evidence that links gambling with damage to relationships.

The impacts on relationships can occur when there is disagreement about gambling which can lead to lying and lack of trust, and to conflict and breakdown. It has been estimated that a person with a gambling problem negatively affects at least seven other people (Productivity Commission, 1999; Victorian Competition and Efficiency Commission, 2012). These can include parents, children, partners, siblings, close friends and work colleagues.

Relationship concerns are among the top triggers for help-seeking among problem gamblers, after financial problems and feeling depressed or worried (Hare, 2015).

The damage to relationships from gambling can be an outcome of gambling or it can be a determinant of other harms (Browne et al., 2016). In terms of the cost of relationship breakdowns to the community, Browne et al found ongoing consequences including social isolation, maladaptive behaviours, emotional distress and life course and intergenerational harms, which lead to damage done to social cohesion and social capital through isolation or exclusion of individuals or groups. In assessing the relative impact of the various domains of harm, relationship harms contributed 24.9 per cent and emotional/psychological harms contributed 18.6 per cent as proportions of harm.

Gambling is also seen as an escape from relationship problems or even a safe place to escape from violence or the threat of violence (Huggett & McDonald, 2012).

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12.4.1 Impact of the proposal on relationship and emotional costs and impact on community values and lifestyle

There is strong evidence that problems with gambling impact on relationships and have emotional costs. As problem gambling would be likely to increase if the Commercial Hotel had EGMs, there would also be relationship and emotional costs to the individual and their families and friends.

12.5 Additional social and economic impact information: Health

There are strong links between gambling and mental health conditions such as depression and anxiety (Abdollahnejad, Delfabbro, & Denson, 2014; Black, Shaw, McCormick, & Allen, 2013; Lorains, Cowlshaw, & Thomas, 2011; Morasco, Vom Eigen, & Petry, 2006).

Morasco et al (2006) found a high prevalence of problem gambling among patients in an urban primary health care setting (15 per cent) and a significant relationship between gambling severity and health functioning. Pathological gamblers reported the poorest mental and physical health, and even recreational (non-problem) gamblers reported poorer health than nongamblers.

In a comparison of people with severe gambling problems (pathological gambling disorder) to a matched control group of people without gambling problems, Black et al (2013) found that people with gambling problems were at increased risk for chronic medical conditions and obesity. They were more likely to have poorer health related lifestyle choices, including smoking, avoiding exercise, and longer hours of television watching.

The City of Whittlesea's health indicators reflect increased rates of chronic disease and risk factors such as smoking and obesity.

The gambling related harm study found most harm from gambling in relation to the health of people who gamble is caused by increased levels of anxiety and stress. Gambling at problematic levels is equivalent to exposure to high levels of stress or arousal, which is damaging to health, through high blood pressure for example (Browne et al., 2016).

12.5.1 Impact of the proposal on health

The impact of gambling on the health of the community has always been difficult to measure. The new research from the Victorian Responsible Gambling Foundation *Assessing gambling-related harm in Victoria* (Browne et al.) has assessed the impact of gambling (and not just problem gambling) using a burden of disease methodology to find that gambling-related harm in the community is of the same magnitude as major depression and harm from alcohol. This research sheds new light on gambling related harm that should be considered as an impact of a new gaming proposal.

As Whittlesea already experiences harm from EGMs, another venue would have a negative impact on the various manifestations of harms including physical and mental health.

13. Community consultations

13.1 Consultation with community agencies

To supplement the impact assessment with some qualitative information, I met with a group of representatives from community agencies: Kildonan Uniting Care, Plenty Valley Community Health, North East Primary Care Partnership, YMCA Whittlesea, Whittlesea Community Connections, and Hume Whittlesea Primary Care Partnership.

The participants related anecdotal information about families and individuals affected by gambling. In particular, the main concerns with another gaming venue in Whittlesea were families affected by financial problems including mortgage foreclosures due to gambling and family violence. Other problems they see on a regular basis related to gambling are mental health issues, relationship breakdowns, and spending the household budget so that there is no money for food sometimes and things like school fees.

13.2 Community attitude survey

A survey was posted on the 'Have Your Say' page of the City of Whittlesea website for three weeks from 23 June to 13 July 2016. The survey was limited to people who identify with the City of Whittlesea.

Q1. Do you live, work or play in the City of Whittlesea?

This question screened out participants who said no. There were 173 responses to this question with seven screened out for a 'no' response, and leaving 166 valid responses.

Q2. Which suburb do you spend most time in?

There were 166 respondents to the survey, and 148 completed most questions. The respondents were distributed across the City of Whittlesea, with almost half (49%) from South Morang.

Table 18. Distribution of survey respondents

Suburb or Area	Number	Per cent
Bundoora	5	3.0
Doreen	19	11.4
Epping	33	19.9
Epping North	4	2.4
Lalor	3	1.8
Mernda	24	14.5
Mill Park	17	10.2
South Morang	49	29.5
Thomastown	5	3.0
Whittlesea Township	4	2.4
Rural North (Beveridge, Donnybrook, Eden Park,	3	1.8

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Humevale, Kinglake West, Wollert, Woodstock, Yan Yean)		
Total	166	100.0

Q22. Please provide us with some demographic information so we can check the demographic representedness of our respondents:

What is your gender?

Table 19. Gender of survey respondents

	Number	Per cent
Male	48	28.9
Female	94	56.6
Not answered	24	14.5
Total	166	100.0

Of the respondents who gave their gender (142), one third (34%) were male and two-thirds (66%) were female.

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What is your age group?

Table 20. Age groups of survey respondents

	Number	Per cent
18-24 years	4	2.8
25-44 years	83	57.6
45-64 years	47	32.6
65 years and over	10	6.9
Total	144	100.0

There was a good spread of age groups with 60% aged under 45 years and 40% aged 45 and over, which is roughly similar to the Whittlesea adult population.

Which best describes your household?

Table 21. Household types of survey respondents

	Number	Per cent
Single person household	17	11.8
Couple – no children, or no children living at home	40	27.8
Shared household	13	9.0
One parent family	11	7.6
Two parent family	63	43.8
	144	100.0

The respondent household types are broadly representative of the Whittlesea population which is made up of 14.8% single person, 22.9% couple, 2.2% shared, 12.7% one-parent families and 43.3% two-parent families.

Q3. General attitude toward gambling. Please indicate how much you agree or disagree with each of the following statements:

There are too many opportunities for gambling nowadays
 People should have the right to gamble whenever they want
 Gambling should be discouraged
 Most people who gamble do so sensibly
 Gambling is a fool's game
 Gambling is dangerous for family life
 Gambling is an important part of cultural life
 Gambling is a harmless form of entertainment
 Gambling is a waste of time
 On balance, gambling is good for society
 Gambling livens up life
 It would be better if gambling was banned all together
 Gambling is like a drug
 Gambling is good for communities

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Responses were scored from 1=Strongly Disagree to 5= Strongly Agree. All items were added together to produce a scale score. Negatively worded items were reverse scored. A low score on a scale from 1 to 5 is positive toward gambling.

The Attitudes Toward Gambling Scale (Orford et al., 2009) showed that attitudes were negative. On a scale of 1 to 5 where 1 is positive toward gambling and 5 is negative, the mean score was 4.1 from 145 respondents who completed the scale.

Q4. Please tell us how strongly you agree or disagree with these statements about gambling?

Table 22. Agreement with statements about gambling

Statement	Disagree and Strongly disagree	Neutral	Agree and Strongly agree	Mean score out of 5
Gambling is too widely accessible in the City of Whittlesea	5.1%	14.9%	79.8%	4.25
Gambling is a serious social problem in the City of Whittlesea	4.5%	9.7%	85.7%	4.34
The number of poker machines in the City of Whittlesea should be reduced	6.5%	7.1%	86.3%	4.42
Poker machines have been good for my local community	84.4%	11.1%	4.6%	1.65
Gambling has increased employment in my local community	52.6%	33.1%	14.2%	2.35
Gambling has improved social life in my local community	83.8%	12.3%	3.8%	1.68

Responses were scored from 1=Strongly Disagree to 5= Strongly Agree. There were 154 responses to the questions. These results also show a negative attitude toward EGMs in the local area.

Q5. How would you rate your experience of poker machines?

Table 23. Rating of experience of EGMs

Would you say it has:	Number	Per cent
Made my life a lot more enjoyable	2	1.8
Made my life a little more enjoyable	5	4.5
Made no difference to my life/ Can't say	70	62.5
Made my life a little less enjoyable	12	10.7
Made my life a lot less enjoyable	23	20.5
Total	112	100.0

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Of the 154 respondents to this question, 42 had not played EGMs. The results presented above are for those who have experience of using EGMs. Almost one in three respondents (31.2%) said EGMs made their lives less enjoyable. Of those who had experienced an impact on their lives, there were five people who said their experience of EGMs was negative for every person who said it was positive.

Q6. Do you think the Whittlesea community has benefited from pokies in hotels?

Table 24. Opinion of community benefit of EGMs

	Number	Per cent
Yes	10	6.6
No	125	82.8
Can't say	16	10.6
Total	151	100.0

Q7. Before now, were you aware that the Commercial Hotel (corner of Plenty Rd and McDonalds Rd in South Morang) had applied for a licence to operate 40 poker machines?

Table 25. Awareness of EGM licence application

	Number	Per cent
Yes	31	21.1
No	115	78.2
Can't say	1	0.7
Total	147	100.0

Q8. (After the explanation about the application including expenditure and community contributions) Do you think the community will benefit from having 40 poker machines at the Commercial Hotel?

Table 26. Opinion of community benefit after proposed benefits explained

	Number	Per cent
Yes	11	7.3
No	135	90.0
Can't say	4	2.7
	150	100.0

The majority (78%) of respondents did not know about the about the application to operate EGMs at the Commercial Hotel. Likewise, the majority (83%) thought the community had not benefitted from EGMs in hotels. After the explanation about the application including the projected expenditure and proposed community contributions, an even higher proportion (90%) thought the community would not benefit from having EGMs at the Commercial Hotel.

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Q9. To what extent do you agree or disagree that the local community will benefit ECONOMICALLY from having poker machines at the Commercial Hotel?

Q10. To what extent do you agree or disagree that the local community will benefit SOCIALLY from having poker machines at the Commercial Hotel?

Table 27. Agreement with economic and social benefit of the application

	Disagree or Strongly disagree	Neutral	Agree or strongly Agree	Mean score out of 5	Res pon ses wer e scor
The local community will benefit ECONOMICALLY	83.5%	10.3%	6.2%	1.66	
The local community will benefit SOCIALLY	84.9%	10.3%	4.8%	1.62	

ed from 1=Strongly Disagree to 5= Strongly Agree. There were 146 responses to the questions. The majority of respondents disagreed that EGMs would benefit the community economically (83.5%) or socially (84.9%).

Q11. There are currently no poker machines in South Morang. Do you think poker machines should be available in South Morang?

Table 28. Opinion on permitting EGMs in South Morang

	Number	Per cent
Yes	10	6.8
No	132	89.8
Can't say	5	3.4
Total	147	100.0

The majority of respondents (90%) thought that EGMs should not be available in South Morang.

Q12. Which of the following best describes how you think the wellbeing of the community of South Morang would be affected by the approval of the application to install 40 poker machines into the Commercial Hotel?

Table 29. Opinion of impact of EGMs on community wellbeing

	Number	Per cent
Community wellbeing would greatly decrease	68	45.3
Community wellbeing would decrease	66	44.0
Community wellbeing would not change	12	8.0
Community wellbeing would increase	3	2.0
Community wellbeing would great increase	1	0.7
Total	150	100.0

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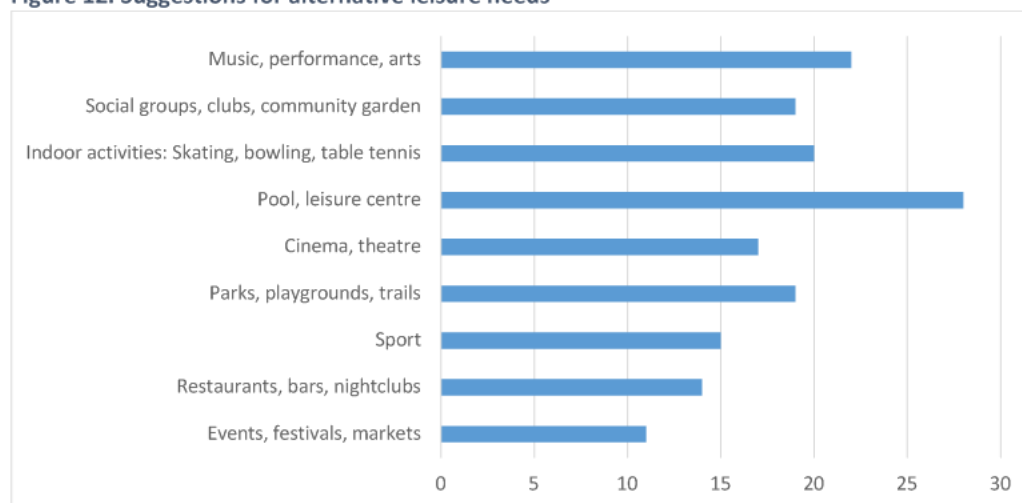


The large majority of respondents (89.3%) thought that community wellbeing would decrease if 40 EGMs were approved for the Commercial Hotel. This is in contrast to only 8% who thought there would be no change and 2.7% who thought community wellbeing would increase.

Q13. What other leisure activities would you like to see in South Morang?

There were 98 responses to this open text question, often with multiple suggestions. The suggestions were grouped in categories shown below:

Figure 12. Suggestions for alternative leisure needs



The number of suggestions for alternative leisure activities indicates that there is an unmet demand for leisure activities in the City of Whittlesea. Some examples of responses are shown below:

More community events and music festivals, cafes and restaurants. A film festival.
Dance classes, karaoke, more outlets to do art activities, ten pin bowling, live bands, movie cinema, cycling, community gardening, paddling in the lakes area
Would like to see supervised hubs with pool tables, table tennis tables and other domestic gaming activities free of any betting and alcohol for 16 year old and older. An opportunity for all to enjoy and socialise.
Better night entertainment (not pokies), trendy bars, trendy eating facilities and nightclub venues
An aquatic centre

Q14. The City of Whittlesea has some of the fastest growing suburbs in Australia. Do you think the number of poker machines available in your local community should increase, decrease, stay the same, or keep pace with population growth?

Table 30. Opinion of the number of EGMs in the community

The number of EGMs in local community should:	Number	Per cent
Increase	3	2.0
Increase just to keep pace with population growth	7	4.7

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Stay the same	23	15.4
Small decrease	19	12.8
Large decrease	93	62.4
Can't say	4	2.7
Total	149	100.0

There was very little support for growth of EGMs (6.7%), a small percentage thought the number of EGMs should stay the same (15.4%) and the majority thought the number of EGMs should decrease (75.2%).

Q15. Do you personally know someone who has experienced problems with their gambling?

Table 31. Knowledge of someone harmed from gambling

	Number	Per cent
Yes	110	74.3
No	33	22.3
Can't say	5	3.4
	148	100.0

Three out four respondents personally knew someone who had experienced gambling problems.

Q16. If yes, what harms were experienced?

Table 32. Harms experienced by known person

Type of harm	Number	Per cent
Financial harm (e.g. debt, lost money from savings, diverted spending money from household expenditure, luxury items, holidays)	106	96.4
Relationship problems (e.g. dishonesty, less time with partner or family, neglect, conflict, less trust, breakdown)	102	92.7
Emotional or psychological distress (e.g. shame, reduced self-worth, guilt, regret, loss of 'face' or reputation, insecurity, vulnerability, feeling unable to control gambling)	88	80.0
Decreased health (e.g. long hours of sitting, increased blood pressure, loss of sleep, increased drinking or smoking, increased experience of family violence, self-harm, other health problems)	61	55.5
Cultural harm (e.g. culturally based shame, reduced involvement in community and cultural practices, reduced connection to community due to social exclusion because of gambling)	40	36.4
Reduced performance at work/study (e.g. tiredness or distraction, absenteeism, job loss, reduced participation in volunteering)	65	59.1
Other, please specify	5	4.5

The types of harm listed are adapted from the taxonomy of harms developed by Langham et al (2016). The percentages are calculated from the 110 respondents who personally knew someone

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harmed from gambling. These responses demonstrate a manifestation of harms that are not necessarily from problem gambling and can involve different types of harms. The 'other' category was specified as:

- Financial abuse, family violence, divorce, loss of family business, loss of employment
- Time in jail for stealing money to fund gambling addiction
- Suicide

Q17. Have you personally been affected by someone else's gambling, or your own gambling?

Table 33. Personal experience of harm from gambling

	Number	Per cent
Yes	54	36.5
No	90	60.8
Can't say	2.3	2.7
Total	148	100.0

More than one in three respondents (36.5%) had experienced harm as a result of either their own gambling or someone else's gambling.

Q18. If yes, what harms were experienced?

Table 34. Harms experienced personally

Type of harm	Number	Per cent
Financial harm (e.g. debt, lost money from savings, diverted spending money from household expenditure, luxury items, holidays)	39	72.2
Relationship problems (e.g. dishonesty, less time with partner or family, neglect, conflict, less trust, breakdown)	49	90.7
Emotional or psychological distress (e.g. shame, reduced self-worth, guilt, regret, loss of 'face' or reputation, insecurity, vulnerability, feeling unable to control gambling)	33	61.1
Decreased health (e.g. long hours of sitting, increased blood pressure, loss of sleep, increased drinking or smoking, increased experience of family violence, self-harm, other health problems)	23	42.6
Cultural harm (e.g. culturally based shame, reduced involvement in community and cultural practices, reduced connection to community due to social exclusion because of gambling)	16	29.6
Reduced performance at work/study (e.g. tiredness or distraction, absenteeism, job loss, reduced participation in volunteering)	23	42.6
Other, please specify	4	7.4

Of the respondents who had personally experienced harm from gambling, the most common form was relationship problems, followed by financial harm and emotional or psychological distress. This is a similar result to the gambling related harm study (Browne et al., 2016). However, all types of harm were represented. The 'other' category was specified as:

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- Being asked for money
- Giving up own time to support a victim

Q19. Some people think that individuals should be responsible for preventing harm from gambling problems. Others say it is the responsibility of the gambling providers or the responsibility of governments. Whose responsibility is it to prevent or reduce gambling harms? How strongly do you agree or disagree with each option?

Table 35. Opinions on responsible gambling

Whose responsibility is it to prevent or reduce gambling harms?	Disagree or strongly disagree	Neutral	Agree or strongly agree	Mean score out of 5
Each individual	8.2%	6.2%	83.6%	4.09
The gambling providers	6.2%	8.3%	85.5%	4.34
Local government authorities	4.8%	8.2%	85.7%	4.42
State government	4.2%	6.2%	88.2%	4.50

Responses were scored from 1=Strongly Disagree to 5= Strongly Agree. There was strong agreement that responsibility to prevent or reduce gambling harm lies with all four entities, the individual, the gambling providers, councils and State government.

Q20. Do you want poker machines at the Commercial Hotel?

Table 36. Preferences for EGMs at the Commercial Hotel

	Number	Per cent
Yes	12	8.2
No	132	90.4
Can't say	2	1.4
Total	146	100.0

The majority of respondents (90%) do not want EGMs at the Commercial Hotel.

Q21. Do you have any other comment to make regarding the application for 40 poker machines at the Commercial Hotel?

Sixty-five respondents made additional comments on the survey. Two comments were favourable toward EGMs and the rest were all unfavourable, citing gambling related problems, the need for venues without EGMs, dislike of EGM venues, and the lack of demand for more EGMs as the main reasons. Some examples of comments are given below:

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Please don't put them in. I hate eating at places with pokies machines.
Keep the commercial a pub. Good food, great bar for locals and others and a venue for bands for people to come and have a great time. Pokies have a way of isolating people.
It is completely unnecessary and I think it will be harmful to our local community. Pokies are addictive and can cause great problems.
Could they find a more unique and upmarket way of turning a profit? Not just more of the same 'entertainment' that most other Whittlesea venues supply. Gamblers will just have another place to play for a change.
Don't do it; it is ugly and unattractive for any venue; do music!
We been many times at that hotel because we don't support gambling, and it is one of few in whittlesea area without poker machines, and we love for that.
These machines will service the profits of corporate australia and not provide wider community benefit to the community.
I feel more people will be financially disadvantaged if there are more machines at another location and it is unnecessary to have more at another venue
Gambling should not be made readily accessible in every corner of the municipality
I do not think that providing more locally accessible pokies machines will benefit the individuals within the community. There are plenty of places to go and gamble both locally and online, there is no sense in making something which is obviously addictive, even more accessible to the detriment of local families.
Whilst every individual has the right to gamble as they see fit, I believe we have more than enough venues that provide this opportunity without providing more venues. We need to retain the family friendly venues for those people who choose not to gamble.
The Hotel should find a better way to encourage locals through their doors, and not depend on machines that are rigged for people to fail and rigged to suck people in.
I don't want the back part with the drinking area/dancing area to disappear.
There are more than enough pokie machines around already.

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*Appendix 1. Community survey***Proposed installation of 40 Electronic Gaming Machines at the Commercial Hotel, South Morang**

The City of Whittlesea has been notified of an application by Australian Leisure and Hospitality Group to the Victorian Commission for Gambling and Liquor Regulation to install 40 electronic gaming machines at the Commercial Hotel, South Morang. This hotel does not currently operate gaming machines.

The full details of the application can be obtained from the City of Whittlesea or the Victorian Commission for Gambling and Liquor Regulation. Council is surveying the community about this application as part of its Social and Economic Impact Assessment of the application.

Facts about poker machine gambling in Whittlesea:

- There are currently 10 venues operating 691 poker machines in the City of Whittlesea
- Losses from poker machines in Whittlesea last year totalled \$101 million.
- Whittlesea Council does not decide if gambling licences are granted. The State government gambling regulator grants licences if they are satisfied that the net economic and social impact of approval will not be detrimental to the wellbeing of the community (in other words, if the benefits outweigh the harms)

Survey closes: 30 June

Further information can be obtained from: Jon Rawlings?

Participation in this survey is voluntary, and your responses are completely anonymous.

Survey questions

1. Do you live, work or play in the City of Whittlesea? (Mandatory question: Yes = next question; No = thank you for your interest, but we need the views of people who have a connection to the City of Whittlesea)
2. Which suburb do you spend the most time in? (mandatory question)
 - ☐ Bundoora
 - ☐ Doreen
 - ☐ Epping
 - ☐ Epping North
 - ☐ Lalor
 - ☐ Mernda
 - ☐ Mill Park
 - ☐ South Morang
 - ☐ Thomastown
 - ☐ Whittlesea Township
 - ☐ Rural North (Beveridge, Donnybrook, Eden Park, Humevale, Kinglake West, Wollert, Woodstock, Yan Yean)

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3. We would like to ask about your general attitude toward gambling. Please indicate how much you agree or disagree with each of the following statements:

(Strongly agree; Agree; Neither agree or disagree; Disagree=4; Strongly disagree = 5)

There are too many opportunities for gambling nowadays
 People should have the right to gamble whenever they want
 Gambling should be discouraged
 Most people who gamble do so sensibly
 Gambling is a fool's game
 Gambling is dangerous for family life
 Gambling is an important part of cultural life
 Gambling is a harmless form of entertainment
 Gambling is a waste of time
 On balance, gambling is good for society
 Gambling livens up life
 It would be better if gambling was banned all together
 Gambling is like a drug
 Gambling is good for communities

4. Please tell us how strongly you agree or disagree with these statements about gambling in the City of Whittlesea. (Strongly agree; Agree; Neither agree or disagree; Disagree; Strongly disagree)

Gambling is too widely accessible in the City of Whittlesea
 Gambling is a serious social problem in the City of Whittlesea
 The number of poker machines in the City of Whittlesea should be reduced
 Poker machines have been good for my local community
 Gambling has increased employment in my local community
 Gambling has improved social life in my local community

5. How would you rate your experience of gambling on poker machines? Would you say it has: (limit to one answer)

- ☐ Made my life a lot more enjoyable
- ☐ Made my life a little more enjoyable
- ☐ Made no difference to my life
- ☐ Made my life a little less enjoyable
- ☐ Made my life a lot less enjoyable
- ☐ Can't say
- ☐ Haven't played

6. Do you think the Whittlesea community has benefited from pokies in hotels? (Yes; No; Can't say)

7. Before now, were you aware that the Commercial Hotel (corner of Plenty Rd and McDonald's Rd in South Morang) had applied for a licence to operate 40 poker machines?

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(Yes; No; Can't say)

8. The installation of 40 poker machines at the Commercial Hotel is estimated to increase the losses in the municipality by another \$2 million in the first year.

Twenty machines would be moved from ALH's other venues in Whittlesea, and 20 would be additional to the City of Whittlesea.

The expected customer expenditure on the new poker machines at the Commercial Hotel (once established) is between \$5.6 million and \$6.2 million per year

If successful in obtaining a licence for 40 poker machines, ALH will offer \$40,000 to the City of Whittlesea for problem gambling initiatives (per year for 10 years), and \$50,000 to a committee for grants to local community/sports groups (per year for 10 years, then \$25,000 after that). The redevelopment will include a gaming room, new function room and new roof-top beer garden at a cost of \$2.3 million.

Do you think the community will benefit from having 40 poker machines at the Commercial Hotel? (Yes; No; Can't say)

9. To what extent do you agree or disagree that the local community will benefit ECONOMICALLY from having poker machines at the Commercial Hotel? (Strongly agree; Agree; Neither agree or disagree; Disagree; Strongly disagree)
10. To what extent do you agree or disagree that the local community will benefit SOCIALLY from having poker machines at the Commercial Hotel? (Strongly agree; Agree; Neither agree or disagree; Disagree; Strongly disagree)
11. There are currently no poker machines in South Morang. Do you think poker machines should be available in South Morang? (Yes; No; Can't say)
12. Which of the following best describes how you think the wellbeing of the community of South Morang would be affected by the approval of the application to install 40 poker machines into the Commercial Hotel?
- ☐ Community wellbeing would greatly decrease
 - ☐ Community wellbeing would decrease
 - ☐ Community wellbeing would not change
 - ☐ Community wellbeing would increase
 - ☐ Community wellbeing would greatly increase
13. What other leisure activities would you like to see in South Morang? (open answer)
14. The City of Whittlesea has some of the fastest growing suburbs in Australia. Do you think the number of poker machines available in your local community should increase, decrease, stay the same, or keep pace with population growth?

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- ☐ Increase
 - ☐ Increase just to keep pace with population growth
 - ☐ Stay the same
 - ☐ Small decrease
 - ☐ Large decrease
 - ☐ Can't say
15. Do you personally know someone who has experienced problems with their gambling? (Yes; No; Can't say)
16. If yes, what harms were experienced? (tick all that apply)
- ☐ Financial harm (e.g. debt, lost money from savings, diverted spending money from household expenditure, luxury items, holidays)
 - ☐ Relationship problems (e.g. dishonesty, less time with partner or family, neglect, conflict, less trust, breakdown)
 - ☐ Emotional or psychological distress (e.g. shame, reduced self-worth, guilt, regret, loss of 'face' or reputation, insecurity, vulnerability, feeling unable to control gambling)
 - ☐ Decreased health (e.g. long hours of sitting, increased blood pressure, loss of sleep, increased drinking or smoking, increased experience of family violence, self-harm, other health problems)
 - ☐ Cultural harm (e.g. culturally based shame, reduced involvement in community and cultural practices, reduced connection to community due to social exclusion because of gambling)
 - ☐ Reduced performance at work/study (e.g. tiredness or distraction, absenteeism, job loss, reduced participation in volunteering)
 - ☐ Other, please specify
17. Have you personally been affected by someone else's gambling, or your own gambling? (Yes; No; Can't say)
18. If yes, what harms were experienced? (tick all that apply)
- ☐ Financial harm (e.g. debt, lost money from savings, diverted spending money from household expenditure, luxury items, holidays)
 - ☐ Relationship problems (e.g. dishonesty, less time with partner or family, neglect, conflict, less trust, breakdown)
 - ☐ Emotional or psychological distress (e.g. shame, reduced self-worth, guilt, regret, loss of 'face' or reputation, insecurity, vulnerability, feeling unable to control gambling)
 - ☐ Decreased health (e.g. long hours of sitting, increased blood pressure from worrying about gambling, loss of sleep, increased drinking or smoking, increased experience of family violence, self-harm, other health problems)
 - ☐ Cultural harm (e.g. culturally based shame, reduced involvement in community and cultural practices, reduced connection to community due to social exclusion because of gambling)
 - ☐ Reduced performance at work/study (e.g. tiredness or distraction, absenteeism, job loss, reduced participation in volunteering)
 - ☐ Other, please specify

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19. Some people think that individuals should be responsible for preventing harm from gambling problems. Others say it is the responsibility of the gambling providers or the responsibility of governments. Whose responsibility is it to prevent or reduce gambling harms? How strongly do you agree or disagree with each option? (Strongly agree, Agree, Neither agree nor disagree, Disagree, Strongly Disagree, Can't say)

Each individual

The gambling providers

Local government authorities

State government

20. Do you want poker machines at the Commercial Hotel?

- ☐ Yes
☐ No
☐ Can't say

21. Do you have any other comment to make regarding the application for 40 poker machines at the Commercial Hotel?

22. Please provide us with some demographic information so we can check the demographic representedness of our respondents:

What is your gender?

- ☐ Male
☐ Female

What is your age group?

- ☐ 18-24
☐ 25-44
☐ 45-64
☐ 65 and over

Which best describes your household?

- ☐ Single person household
☐ Couple – no children, or no children living at home
☐ Shared household
☐ One parent family
☐ Two parent family

Thank you for your participation.

Further information on the application can be found on the Victorian Commission for Gambling and Liquor Regulation [webpage](#)

For support or advice about gambling call 1800 858 858 or visit www.responsiblegambling.vic.gov.au

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*Appendix 2. About the author***Diana Bell**

I am an experienced community health planner and policy & research analyst. I have a Bachelor of Social Science and seven years experience in local government. Before that I worked in the not for profit and tourism sectors. I have prepared three previous SEIAs for local government submissions on gambling applications.

I am currently undertaking a masters by research part time. My research topic is the community impacts of gambling.