## NSW Independent Liquor & Gaming Authority

Our ref: DF25/017146

Mr Grant Cusack

Hatzis Cusack Lawyers

15 April 2025

#### Dear Mr Cusack

Application No.	1-9022757922
Applicant	BLAIRGROVE PTY. LIMITED
Application for	Gaming machine threshold increase with Class 1 Local Impact Assessment
Decision date	19 February 2025
Licence name	The Grand Shanghai Hotel
Licence number	LIQH440019012
Trading hours	Monday to Saturday 09:00 AM – 12:00 midnight Sunday 10:00 AM – 10:00 PM
Premises	21-23 Belmore Street Burwood NSW 2134
Legislation	Sections 3, 34, 35 and 36 of the <i>Gaming Machines Act</i> 2001 Clauses 33 and 40 of the <i>Gaming Machines Regulation</i> 2019

# Decision of the Independent Liquor & Gaming Authority Application for a gaming machine threshold increase with Class 1 LIA – The Grand Shanghai Hotel

We **refuse** the Class 1 Local Impact Assessment under section 36 of the *Gaming Machines Act 2001* (the Act) and **refuse** the application for a gaming machine threshold increase under section 34 of the Act.

#### Statement of reasons

We are concerned that the social impact of approving the application may be detrimental to the well-being of the local or broader community and therefore refused the application on harm minimisation grounds.

#### Our main findings

The application was refused at the 15 May 2024 meeting and was reconsidered at the 19 February 2025 meeting following a Supreme Court order that the Authority's original decision be set aside and the matter be remitted to the Authority for determination.

We note that when the application was submitted in October 2023, the venue was in a Band 2 SA2 which has since been reclassified as a Band 3 SA2. For the purposes of this decision the venue was treated as being situated in a Band 2 SA2.

We are concerned that if the application were granted, with the result that the venue's gaming machine threshold is increased from 20 to 30, it is likely to increase the harm associated with the misuse and abuse of gambling activities due to the:

- gaming intensity average annual profit per machine for the SA2 (\$427,874) and the LGA (\$367,043) is high compared to comparable venues in NSW of the same region, type, banding and size (\$150,850)
- location factors the LGA has a higher population of young people and people from culturally and linguistically diverse (CALD) backgrounds, which are populations identified as being at increased risk of experiencing gambling problems and gambling harm (having regard to the findings of the NSW Gambling Survey 2024)
- problem gambling rates the local health district (LHD) has elevated levels of at-risk gamblers (25.2%) compared to the NSW average (19.5%)
- Socio-Economic Indexes for Areas (SEIFA) based on 2021 Census data noting that the
  application was assessed as if it relates to Band 2 SA2, the Authority considered the
  level of social disadvantage in the SA2 in which the venue is situated as significantly
  higher than other areas within the Burwood LGA and NSW generally. This indicates that
  the Burwood SA2 may be more susceptible to harm, when compared to other areas of
  the Burwood LGA.

#### The material we considered

We considered the following material when making our decision:

- the application material
- local impact assessment (LIA) dated October 2023
- liquor licence document dated 9 February 2024
- a gaming plan of management for the licensed business
- current local gaming statistics, images and location factors
- compliance history report dated 7 February 2025
- stakeholder submissions and the applicant's response to them
- profit and loss statement for the month ended 31 December 2024 for the licensed business
- NSW Gambling Survey 2024.

This decision will be published in accordance with section 36C of the *Gaming and Liquor Administration Act* 2007.

#### Opportunity for review

The applicant and anyone who was notified of the application and made a submission, may apply to NCAT for a review of the decision.

An application for review must be made no later 28 days after the decision is published on the website. There is a fee to lodge the application.

For more information, please contact the NCAT Registry at Level 10 John Maddison Tower, 86-90 Goulburn Street Sydney or visit the NCAT website.

### If you have any questions

Yours sincerely

Caroline Lamb

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Chairperson

**Independent Liquor & Gaming Authority**