NSW Independent Liquor & Gaming Authority

Our ref: DF24/024877

Mr Harry Harris

Russell Corporate Advisory

4 June 2025

Dear Mr Harris,

Application No. 1-9192807897

Applicant WYONG RUGBY LEAGUE CLUB LTD

Application for Gaming Machine Threshold increase with a Class 1 Local Impact

Assessment

Application date 30 October 2023

Decision date 30 September 2024

Licence name Woolgoolga Diggers Club

Trading hours Monday to Sunday 5:00 AM – 5:00 AM

Premises 17 Beach Street

Woolgoolga NSW 2456

Legislation Sections 3, 34, 35, 36 of the Gaming Machines Act 2001

Clauses 33, 34, 35, 37 and 39 of the Gaming Machines Regulation 2019

Section 53 of the Liquor Act 2007

Decision of the Independent Liquor & Gaming Authority Application for a Gaming Machine Threshold Increase and Class 1 Local Impact Assessment – Woolgoolga Diggers Club

We **partially approve** the application for a Gaming Machine Threshold (**GMT**) increase under section 34(4) of the *Gaming Machines Act 2001* (the **Act**) and the class 1 Local Impact Assessment (**LIA**) under section 36(3) of the Act.

The GMT for the licence is increased by 10 (from 61 to 71).

Impact of ILGA v Whitebull & Ors [2023] NSWCA 224

The court in *ILGA v Whitebull & Ors* [2023] *NSWCA 224* (the *Whitebull decision*) confirmed that the Independent Liquor & Gaming Authority (the *Authority*) may take into account harm minimisation considerations when making a decision under section 34 of the Act.

It also confirmed the Authority's power to impose conditions in relation to the operation of gaming machines under section 53 of the *Liquor Act* 2007 (the **Liquor Act**).

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The principles in the *Whitebull* decision underpin the Authority's decision-making under section 34 of the Act.

Statement of reasons

We are satisfied that:

- the GMT increase application and LIA comply with the requirements of Part 4 Division 1 of the Act and Part 3 Division 3 of the Gaming Machines Regulation 2019 (the Regulation);
- the LIA has demonstrated that gambling activities in the relevant venue are likely to be conducted in a responsible manner;
- an increase in the gaming machine threshold for the relevant venue will provide a positive contribution towards the local community where the venue is situated;
- the LIA has adequately addressed any community concerns arising out of the consultation process under the regulation; and
- it is otherwise appropriate that the LIA be approved.

However, we are concerned that the proposed GMT increase of 20 presents a significant risk of increasing gambling-related harm due to the following factors, and therefore were only satisfied with increasing the GMT by 10:

- the venue is in a Band 2 (medium risk) Statistical Areas 2 (SA2);
- the venue has high gaming intensity, with its average profit per gaming machine being higher than all other gaming machine profit averages measured against, and almost double that of other clubs within the Local Government Area; and
- the proposed increase is significant, being more than 20% of the current GMT threshold.

Our main findings

The local community for the purposes of this decision is the Woolgoolga-Arrawarra SA2. The broader community is the Local Government Area (**LGA**) of Coffs Harbour.

The venue has proposed to make a financial contribution of \$1,045,541.08 to the Responsible Gambling Fund over the next five years in five equal instalments of \$209,108.22, commencing within 28 days of the approval and then annually thereafter. That proposal was on the basis of 20 machines.

Factors which may suggest that the grant of the application may increase the harm associated with the misuse and abuse of gambling activities or fail to facilitate the balanced development, in the public interest, of the gaming industry include:

- the applicant seeks to increase the venue's GMT by 20, which equates to a 32% increase on the current threshold:
- the venue is in a Band 2 SA2:
- the venue has high gaming intensity, with its average profit per gaming machine being higher than all other gaming machine profit averages measured against. The gaming activity at the venue (\$79,471.86) is almost double that of other clubs within the LGA (\$39,481.54);
- the venue's SA2 has identified location factors with higher rates of Aboriginal and Torres Strait Islander people and lower proportion of people completing year 12 compared with the NSW average, which are associated with a higher risk of harm; and
- the <u>NSW Gambling Survey 2019 report</u> shows elevated rates of gaming machine gambling participation in the local health district (**LHD**) (22%) compared to the NSW rate (16%).

Factors which may partially or fully mitigate against the above include:

- the venue has unrestricted trading, limited by gaming machine shutdown hours from 1:00AM to 7:00AM and an occasional extended trading condition (OETC) that limits the sale of liquor between midnight and 5:00AM to no more than 12 occasions within any 12month period;
- the applicant has no objections to a no gaming past-midnight condition being imposed on the licence:
- there is no current increase in actual post-midnight gaming, based on current advertised trading hours, with the venue not currently operating past midnight on any night of the week;
- the proposed increase is a low range threshold increase under the Regulation;
- the rate of at-risk gamblers in the LHD (20.2%) is aligned to the NSW average (19.5%);
- if approved, the applicant will be required to contribute over \$500,000 to the Responsible Gambling Fund to assist with mitigating local risks by implementing programs and initiatives to prevent and reduce gambling harm;
- since a previous refusal by the Authority in April 2023, the venue has reviewed their harm minimisation processes and included better practice harm minimisation measures such as requiring a Responsible Gambling Officer to take action after 2 hours of play (and two-hourly after that); and
- the venue is a signatory to the ClubsNSW Code of Practice as part of its commitment to harm minimisation.

The material we considered

We considered the following material when making our decision:

- the application material including evidence that stakeholders and the community were notified about the application;
- the liquor licence;
- the local impact assessment;
- the applicant's response to the LIA and submissions;
- the gaming plan of management;
- conditions proposed by Liquor & Gaming NSW (L&GNSW) to be imposed on the liquor licence;
- venue map and images;
- data provided by L&GNSW pertaining to:
 - location factors for the LGA and SA2 where the venue is located; and
 - gaming participation and prevalence in the LHD compared to NSW; and
- the Authority's statement of reasons dated 5 September 2023 refusing a previous application by the applicant for a GMT increase with class 1 LIA in respect of the venue.

We also considered Guideline 11 Class 1 Local Impact Assessment process guidelines.

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 <u>NCAT</u> 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

Schedule 1: Licence conditions to be imposed – Woolgoolga Diggers Club

No.	Condition to be imposed	Description
1.	Positive Contribution	The venue is to make a financial contribution of \$522,770.54 to the Responsible Gambling Fund over the next five years in five equal instalments of \$104,554.11, commencing within 28 days of the approval and then annually thereafter.
2.	CCTV	 The licensee must maintain a closed-circuit television (CCTV) system on the premises in accordance with the following requirements: a. the system must record continuously from opening time until one hour after the premises is required to close (or, in the case of a premises that is not required to cease trading, continuously at all times); b. recordings must be in digital format and at a minimum of ten (10) frames per second; c. any recorded image must specify the time and date of the recorded image; and d. the system's cameras must cover the following areas:
3.	Late Night Gaming	Gaming machines are to cease operation by 12:00AM.