0.0 Planning Application PLN18/0635 23-29 Parker Street, Templestowe Lower for the installation and use of the land for an additional ten electronic gaming machines, to a total of 60 machines

File Number: IN19/188

Responsible Director: Director City Planning and Community

Applicant: Supreme Templestowe Pty Ltd (Acn 162 814 548)

Planning Controls: General Residential Zone, Schedule 3 (GRZ3), Heritage

Overlay, Schedule 130 (HO130)

Ward: Heide

Attachments: 1 Decision Plans

2 Legislative Requirements

EXECUTIVE SUMMARY

Purpose

1. This report provides Council with an assessment of a planning permit application submitted for land at 23-29 Parker Street, Templestowe Lower (Templestowe Hotel). This report recommends approval, subject to conditions. The application is being reported to Council as the application has been 'called in' for a decision.

Proposal

- 2. An application has been received to consider a proposal for the installation and use of the land for an additional 10 gaming machines at the Templestowe Hotel, increasing the total number of machines on site from 50 to 60.
- 3. Planning Permit PL12/023131 was issued on the 15 January 2013, allowing an additional 10 gaming machines, increasing the total number of machines on site from 50 to 60. This permit has since expired due to the failure of the owner to act on the permit or to request an extension of time within the allowable time frame.
- 4. It is proposed to use the existing gaming floor area of the hotel to accommodate the additional 10 machines.
- The operating hours of the existing gaming machines at the hotel are between 7am-3am (Monday-Sunday). It is not proposed to extend the operating hours approved by the Victorian Commission for Gambling and Liquor Regulation (VCGLR).
- 6. The Templestowe Hotel is currently licensed for 60 Electronic Gaming Machines by the VCGLR, though the hotel is only using 50 of the existing 60 licences. The operating hours on the gaming machine licence allows the electronic gaming machines to be used at any time except between 3am-12pm on Good Friday and Anzac Day.

Advertising

7. The application was advertised by way of sending letters to all adjacent properties, and by wider notification to the immediate area, placing notices along the site

boundaries to both Parker and James Street (see below). The application was also advertised in the local Leader newspaper.

8. No objections have been received to date.

Notified properties and advertising sign location



Key issues in considering the application

- 9. The key issues for Council in considering the proposal relate to:
 - Planning Policy Framework;
 - · Local Policy Framework; and
 - Particular Provisions.
- 10. It is noted that Council has policy relevant to gaming, being Councils Gambling Policy and Action Plan (2012-2017) and the Health City Strategy (2017-2021). However, it is noted that this policy sits outside of the Planning Scheme and therefore the Planning and Environment Act 1987 does not enable much weight to be given to these policies and strategies.

Assessment

11. The proposed installation and use of the land for an additional 10 gaming machines resulting in a total of 60 machines, is consistent with the relevant objectives, strategies and policies of the Planning Policy Framework, Local Policy Framework and Particular Provisions of the Manningham Planning Scheme.

- 12. It is considered that the proposed increase to the number of gaming machines at the Templestowe Hotel is appropriate, taking into account the relevant planning assessment criteria and having considered the relevant social and economic impacts of the proposal on the area.
- 13. It is proposed to enter into an agreement under Section 173 of the Planning and Environment Act 1987 to accept the offer of an annual financial contribution by the owner of the hotel which is to be used to support local community groups within Manningham, providing on-going net community benefit. If Council resolves to accept the officer's recommendation of approval, this on-going contribution will provide community benefit by way of giving back to local community groups.

Conclusion

14. It is recommended that the application be supported, subject to conditions.

RECOMMENDATION

That Council:

A. Issue a Planning Permit in relation to Planning Application PLN18/0635 at 23-29 Parker Street, Templestowe Lower for the installation and use of the land for an additional 10 electronic gaming machines subject to the following conditions –

Endorsed Plans

1. The layout of the gaming machines as shown on the endorsed plan must not be altered without the prior written consent of the responsible authority.

Gaming Machine Layout

- 2. The gaming floor area must not be altered or increased without the prior written consent of the Responsible Authority.
- 3. The electronic gaming machines must only operate between the hours of 7am-3am from (Monday-Sunday) and from 12pm (noon) to 12am (midnight) on Anzac Day and Good Friday in accordance with the Victorian Commission for Gambling and Liquor Regulation, unless without the prior written consent of the Responsible Authority.

Venue Management Plan

4. Before the use commences, a Venue Management Plan (VMP) must be submitted

to and approved by the Responsible Authority. When approved, the VMP will be endorsed and form part of this permit. The VMP must include the following information to the satisfaction of the Responsible Authority:

- 4.1 Procedures to be undertaken by staff in the event a complaint is received by a member of the public, Victoria Police, an 'authorised officer' of Council or the Victorian Commission for Gambling and Liquor Regulation;
- 4.2 The measures to be taken by management and staff to ensure that patrons depart the premises and the surrounding area in an orderly manner;
- 4.3 The measures to be taken by management and staff to ensure that patrons do not cause any unreasonable or adverse impact to persons beyond the land;
- 4.4 The location of security camera surveillance within the venue and at the entry/exits;
- 4.5 Any other measures to be undertaken to ensure minimal amenity impacts from the premises;

The approved Venue Management Plan must be complied with at all times to the satisfaction of the Responsible Authority.

Section 173 Agreement

- 5. Prior to the installation of any additional electronic gaming machines, the owner of the subject land must enter in and procure the registration on the title to the subject land of an agreement pursuant to Section 173 of the Planning and Environment Act, providing for:
 - 5.1 In addition to any voluntary contributions made to local community and sporting groups, an annual contribution to the sum of \$40,000 or 3% (whichever is greater) of the Net Machine Revenue (NMR) for each financial year of the additional ten (10) electronic gaming machines is to be distributed to local community group(s), as determined by the Council;
 - 5.2 Such contributions shall as necessary be subject to a pro-rata adjustment from time to time to reflect any change to government legislation or taxation, including:
 - 5.2.1 The cessation of the supply of gaming machines, leading to change in the number of gaming machines in use on the subject land;
 - 5.2.2 Any other reduction in the number of gaming machines in use on the subject land; or
 - 5.2.3 Any other reason the land owner's share of gaming revenue derived from the use of gaming machines on the site is diminished.

At the end of each financial year, the owner of the land must provide appropriate evidence to Council of the NMR and associated annual contribution, to the satisfaction of the Responsible Authority,

The permit holder must pay the reasonable costs of the Responsible Authority in

relation to the preparation and registration of this Section 173 Agreement.

6. The total number of electronic gaming machines on the premises must not exceed 60.

Permit Expiry

- 7. This permit will expire if the use and installation of the new electronic gaming machines is not completed within four (4) years from the date of this permit.
- 8. This use and installation hereby permitted will expire 15 years from the date of this permit. Upon expiry, the ten (10) additional electronic gaming machines must be removed.

1. BACKGROUND

Application history

- 1.1 The application was submitted to Council on 18 September 2018.
- 1.2 A further information request was sent on 16 October 2018 requesting a response to Council's Local Policy at Clause 22.18 (Gaming) and details of the current Venue Management Plan to manage patron behaviour.
- 1.3 The requested information was received by Council on 30 January 2019.
- 1.4 Notice of the application was given over a two week period which commenced on 8 February 2019. No objections have been received to the proposal.
- 1.5 The statutory time for considering a planning application is 60 days, which fell on the 31 March 2019.
- 1.6 The land is subject to Section 173 Agreement AJ027249K in relation to Planning Permit PL10/021713, approving a two lot subdivision.

The relevant section at Paragraph 3 in the agreement, states:

Specific obligations of the owner

- **3.1** The owner agrees that regardless of any rights conferred by the Planning Scheme, except with the consent of Council:
 - **3.1.1** A plan of consolidation, consolidating Lot 2 with the Templestowe Hotel, must be submitted to Council for approval and lodged at Land Registry within 6 months of the issue of the Statement of Compliance for Plan of Subdivision PS645827W.
- 1.7 The proposal will not impact on the requirements of the above mentioned Section 173 Agreement (as registered by Instrument AJ027249K).
- 1.8 The land is not affected by a Registered Restrictive Covenant.

Site History

1.9 The following planning permits have been issued on the site, since 1992.

PLANNING PERMIT	CATEGORY	DESCRIPTION
PL17/027810	Signage	Approved the construction, erection and display of internally illuminated business identification signage.
PL15/025406	Liquor Licence and Building and Works	Approved buildings and works for alterations and additions (at the basement level) associated with an existing hotel; and use of the land to sell and consume liquor- variations to an existing liquor licence (red line plan and hours of operation).
PL14/024569	Building and works	Approved buildings and works associated with the relocation of a door on the eastern façade.
PL12/023131	Gaming	Approved the installation and use of the land for an additional ten (10) electronic gaming machines.
PL10/021713	Sub-division	Approved a two lot subdivision
PL06/018021	Building and works	Approved building and works associated with the construction of two vergolas.
PL05/016742	Signage	Approved the erection and display of internally illuminated signage.
PL05/016434	Signage	Approved the erection and display of an internally illuminated promotion sign.
PL02/013945	Building and works	Approved the alterations and additions to the hotel.
PL98/009934	Building and works	Approved the alterations to an existing bottle- shop and the upgrade of gaming facilities.
PL97/009378	Building and works	Approved the extensions and internal alterations to the hotel.
PL94/007107	Signage	Approved the erection and display of illuminated advertising signs.
PL93/006351	Building and works	Approved building alterations to the hotel.
PL92/005733	Signage	Approved the erection and display of internally illuminated advertising signs.

- 1.10 Of particular note is expired Planning Permit PL12/023131 which approved the installation and use of the land for an additional 10 electronic gaming machines. This planning permit was issued on 15 January 2013.
- 1.11 Planning Permit PL12/023131 was decided under delegation. The application was advertised, and received a total of two (2) objections. The grounds of objections were summarised as follows:

- Additional gaming machines will increase patronage;
- 2. Gamblers pose a security risk to local residents;
- 3. Noise from the hotel's balcony and air-conditioning will be exacerbated by additional machines.
- 1.12 Condition 5 states... "This permit will expire if the installation of the new electronic gaming machines is not completed within four (4) years of the date of this permit. The Responsible Authority may extend the periods referred to if a request is made in writing before the permit expires, or within three (3) months afterwards".
- 1.13 A request to extend the completion date of this permit was lodged by Zervos Lawyers (the applicant agent of the current planning application) on 26 September 2017. However, there was no scope to approve the extension of time request as the permit had already expired and the required legislative "grace period" had passed.

History of Gaming in Manningham

- 1.14 Councils Gambling Policy and Action Plan (2012-2017) identified various policy objectives and strategies to manage electronic gaming machine use within the municipality. Whilst the policy is a number of years old, the policy positions outlined in the document provide some form of "guidance" in the absence of any new policy position.
- 1.15 The City of Manningham Problem Gambling (Electronic Gaming Machines) Study 2014, was endorsed by Council in April 2014. The study identified a need for strong policy guidance relating to the location of gaming venues in areas within the community that are vulnerable to problem gambling and areas that have the highest density of venues or electronic gaming machines. The study also identified harm minimisation measures through supply regulations of electronic gaming machines. Following on from this study, Amendment C108 introduced Clause 22.18 (gazetted 23 July 2015) into the Local Policy Framework of the Manningham Planning Scheme. The policy was introduced to assist with guiding decision making by setting out criteria for the location, design and operation of gaming venues and outlining the required information to be submitted with a planning application.
- 1.16 The "Healthy City Strategy 2017-2021", outlines action areas for reducing the harms of drugs, alcohol and gambling and identifies that Council work towards reducing the harms of problem gambling, binge drinking and illicit drug use. It is worth noting that a target was not quantified in the Strategy in relation to gambling.
- 1.17 No further action has taken place to 'cap' or limit the amount of gaming venues or machines within the municipality, beyond the capping introduced pursuant to Sections 3.2.4 & 3.4A.5(3A) of the Gambling Regulation Act 2003 by the Minister for Gaming in 2017, being 945 machines in Manningham. At present, there are 522 electronic gaming machines operating within the municipality.

2. THE SITE AND SURROUNDS

The Site

2.1 The subject site is known as the Templestowe Hotel, being on the northern side of Parker Street and southern side of James Street, Templestowe Lower. The site and immediate surrounds are within the General Residential Zone (Schedule 3). The site is irregular in shape, with an overall area of approximately 9347 square metres. The site has a street frontage of approximately 96 metres to Parker Street and approximately 80 metres to James Street, with a total length of approximately 115 metres shared to the eastern abuttals and a depth of approximately 101 metres to the west.

- 2.2 The Templestowe Hotel (formerly Sheahan's Hotel) was established in 1868. The hotel is part single storey (to the Parker Street frontage) and part double-storey to the rear, facing north. The hotel is listed on the Victorian Heritage Database being of local significance as an early timber hotel.
- 2.3 The hotel comprises a symmetrical timber, corrugated iron gable roofed building with a skillion verandah set between two projecting gables. The hotel has been subject to a number of extensions and renovations over the years. Part of the original building facing Parker Street was preserved when the hotel was remodelled and extended in 1964.
- 2.4 An extensive area of on-site car parking is located to the north, east (in-part) and west of the hotel.
- 2.5 The hotel comprises a Bistro with an associated buffet and centralised bar, public sports bar with TAB facilities, function room facilities, a drive-through bottle-shop and associated beer cool room, party room, amenity facilities and a gaming room.
- 2.6 The gaming room (178 square metres) is positioned on the eastern side of the building, with direct access to the Bistro, toilet facilities and an external smoking area. The gaming room currently comprises 50 electronic gaming machines, with five centralised clusters and a row along the eastern and south-western walls, respectively. The gaming area is visible from some sections of the dining area, rather than being secluded.
- 2.7 The hotel currently operates between 7am-3am (Monday-Sunday).

The Surrounds

- 2.8 The Yarra River and associated parklands (Finns Reserve) are located approximately 1 kilometre to the north and north-west of the subject site, being accessible via the Ruffey Trail.
- 2.9 Approximately 50 metres to the east of the site along Parker Street is the intersection of Parker, High/Ruffey Streets. Located approximately 800 metres east of this intersection is the Templestowe Village Activity Centre, comprising a variety of shops and restaurants along Anderson and James Streets. The Manningham Templestowe Leisure Centre and Templestowe RSL are located on the periphery of this commercial hub.
- 2.10 The hotel is located in an established residential area, with the site sharing direct interfaces with private residential properties to the north-east, east and west. The Fronditha Lower Templestowe Aged Care facility is also to the west, along Parker Street.

2.11 There are some non-residential uses including a vet clinic and panel repair premises within proximity to the site to the east, along Parker Street.

2.12 Details of the various abuttals are described as follows:

Direction	Address	Description
North-East	23 James Street	This lot is directly north-east of the car park and contains a single-storey brick dwelling.
East	26 James Street	This lot is a partial abuttal to the east and contains a double-storey dwelling,
East	23 Ruffey Street	This lot is directly east of the car park and contains a single-storey brick dwelling.
East	2/21 Ruffey Street	This lot is directly east of the car park and contains a recently constructed two storey dwelling.
East	33-35 Parker Street	This lot is directly east of hotel and has access to Parker and Ruffey street. The lot contains a single-storey veterinary clinic.
West	Units 2, 3, 4 and 5 at 12 Omar Street	These lots are directly west of the hotel, partly adjacent to the drive-through bottle-shop. The dwellings are all two-storey.
West	12 James Street	This lot is directly west of the car park and contains a single-storey brick dwelling.
All abutting properties listed above are located within the General Residential		

All abutting properties listed above are located within the General Residential Zone (Schedule 3) and are not affected by any overlays.

3. THE PROPOSAL

- 3.1 An application has been received to consider a proposal for the installation and use of the land for an additional 10 gaming machines at the Templestowe Hotel, increasing the total number of machines on site from 50 to 60.
- 3.2 The application would result in the net increase in the number of EGMs within the Templestowe Hotel from 50 to 60 machines.

Submitted plans and documents

3.3 The proposal is outlined on the plans prepared by Enth Degree Architects Pty Ltd, job number 1408, dated January 2017 which demonstrate how the additional 10 electronic gaming machines can be positioned within the existing floor area of the gaming room.

- 3.4 The following reports were submitted in support of the application:
 - 4. A Social and Economic Impact Assessment prepared by Ratio Consultants, dated January 2019.

 A Gaming Expenditure Impact Analysis prepared by Shine Wing Australia, dated 29 January 2019.

4. LEGISLATIVE REQUIREMENTS

- 4.1 Refer to Attachment (Planning & Environment Act 1987, Manningham Planning Scheme and other relevant legislation policy).
- 4.2 Pursuant to Clause 52.28 (Gaming) of the Manningham Planning Scheme, a permit is required to "install or use a gaming machine".

Referrals

External

- 4.3 There are no statutory referrals required as part of the application.
- 4.4 Comments were sought from VicRoads, as Parker Street is within a Road Zone Category 1 (an arterial road being under the jurisdiction of VicRoads). VicRoads did not identify any traffic related issues with the proposal.

Internal

The application was referred internally to the Social Planning and Community Development Unit. Their comments are as follows:

- 4.5 The Patron Analysis identified where patrons live and then utilises population-level statistics in those geographic areas to 'paint a picture' of the likely profile of customers. THE Social and Economic Impact Assessment suggests there is minimal community risk associated with the additional machines. The relative affluence of the catchment area (2.5km radius) suggests there is minimal social and community risk associated with the planning application. Using data from the VCOSS (Victorian Council of Social Services) Every Suburb Every Town indicates the poverty rate of Lower Templestowe is 12% which is marginally below the poverty rate of Greater Melbourne being 13%. This indicates there are some pockets of poverty within these 'affluent' areas from which the majority of patrons live.
- 4.6 It is acknowledged that disadvantaged segments of the community are most vulnerable to gambling problems.
- 4.7 Groups within the community most vulnerable are recent migrants, older people, people experiencing domestic violence, people with low proficiency in English and people living alone.
- 4.8 The 2016 census indicates that the patron catchment area has significantly higher percentage of older residents. Being 19.7% in Templestowe Lower are aged 65+, 24.6% in Bulleen, 21.9% in Templestowe, 22.4% in Doncaster (including Doncaster Hill) in comparison to 14.1% in the greater metro area.

4.9 The upgrade to the function centre at the venue (if permit PL15/025406 is acted on) will increase patronage at the hotel with the potential of increasing gaming revenue, not necessarily decreasing gaming revenue as it is argued in the Social and Economic Impact Assessment.

- 4.10 Future potential closures as references in the Social Economic Impact
 Assessment may reduce the gaming opportunities for the municipality as a
 whole. However on the flip side could potentially increase patronage numbers at
 the Templestowe Hotel.
- 4.11 The proposed community chest (\$40,000 per annum) can be considered equating to \$4,000 per annum for each of the 10 new EGM annually, or 3% of the anticipated annual Net Machine Revenue (NMR) of \$130,334. Should Council be in favour of granting this planning application then, in order to maximise the social benefits, Council may wish to explore directing contributions to research and projects designed to address the harmful effects of gambling.
- 4.12 It is suggested a 1.5% contribution of the net machine revenue of all sixty (60) machines could be explored.

5. NOTIFICATION

- 5.1 The application was advertised by way of sending letters to all adjacent properties and by wider notification to the immediate area, placing notices on the site frontages to Parker Street and James Street, and through notice in the local Leader newspaper.
- 5.2 No objections have been received to date.

6. ASSESSMENT

- 6.1 On 25 September 2009, the Victorian Commission for Gambling and Liquor Regulations (VCGLR) announced the maximum permissible number of gaming machines for each municipal district in Victoria. As required by the Minister for Gaming's order on 20 September 2017, the criteria for determining the maximum permissible number of gaming machines is a maximum of ten gaming machines per thousand adults. Accordingly, the maximum number of machines permitted in Manningham is currently 945. At present, there are 522 electronic gaming machines operating within the municipality.
- 6.2 It is noted, that Council's Healthy City Strategy (2017-2021) aims to work towards reducing the harms of problem gambling. A 'target' or quantified measure has not been adopted as part of the strategy to provide further guidance to achieving this within the strategy.
- 6.3 The 'Healthy City Strategy' has been endorsed by Council, but has not been incorporated into the Manningham Planning Scheme and therefore does not form a statutory basis for the assessment of this planning application.
- 6.4 The Templestowe Hotel management must adhere to the Responsible Gambling Code of Conduct to manage patron behaviour in the venue as a response to the potential harms associated with problem gambling associated with the use and installation of electronic gaming machines.

6.5 The proposed installation and use of an additional 10 electronic gaming machines is considered to be consistent with the aims and objectives of the Planning Policy Framework and the Local Planning Policy Framework, including the Municipal Strategic Statement, as well as the Particular Provision and the zones and overlays which apply to the subject site, as discussed below.

- 6.6 The following assessment is made under the headings:
 - Planning Policy Framework
 - Local Policy Framework
 - Particular Provisions

Planning Policy Framework

- 6.7 The Planning Policy Framework does not include any specific gaming policy, however, there are some broader strategies of relevance.
- 6.8 Clause 17.01-1R seeks to facilitate growth and employment in areas that are supported by good public transport services and integrated walking and cycling paths and Clause 17.01-1S (Diversified Economy), seeks to improve access to jobs closer to where people live. The applicant has submitted that there will be an estimated increase of between 3- 5 equivalent full time positions at the venue as a result of the additional electronic gaming machines. This estimate is attributed to a number of factors including the function room opening at the hotel, the assumption that the Yarra Valley Country Club will not renew their gaming licence (currently have 70 electronic gaming machines) beyond 2022, as indicated on the VCGLRs website and the proposed increase to the number of electronic gaming machines operating at the hotel.
- 6.9 Clause 17.02-1S seeks to encourage development that meets the community's needs for retail, entertainment, office and other commercial services.
- 6.10 The Templestowe Hotel is accessible via the existing bus routes (290 & 905) along Parker Street and is within an established residential area. As a long established and well-presented entertainment venue with a variety of services and functions, the hotel is well supported by local and wider spectrum patronage.
- 6.11 An increase to the existing number of gaming machines will provide more choice for recreational gamers, whilst providing additional employment opportunities in a readily accessible venue.
- 6.12 In addition, the establishment of a Section 173 Agreement as part of any planning approval will provide an annual cash contribution to community groups within Manningham, in addition to the contributions already provided by the owner of the hotel to the Bulleen Boomers and Templestowe Bowls Club. This on-going contribution will provide community benefits by way of giving back to other localised community groups.
- 6.13 Clause 13.02-1S is relevant to the proposal as the Templestowe Hotel is located within a Bushfire Prone Area and falls within a use category for which bushfire risk should be considered.
- 6.14 In assessing bushfire risk, consideration can cover people, property and community infrastructure. Where risk is identified, appropriate bushfire protection measures can be required to be implemented to address such risk.

6.15 The applicant submits that the venue has evacuation measures in place in respect of the bushfire risk at the land.

- 6.16 Specific bushfire construction standards apply in designated bushfire prone areas in Victoria, which future buildings and works at the land must meet. Future works at the site will be required to provide a minimum BAL of 12.5.
- 6.17 As part of the use of the land for dining, alcohol consumption and recreational gambling purposes, the hotel provides an evacuation management plan.
- 6.18 Finns Reserve, to the north-west and the Ruffey Creek Linear Park to the east are the closest landscape features that may present a bushfire risk to the hotel. The reserve is located approximately 100m from the subject site and approximately 170m from the hotel. There is a buffer of a number of roads and relatively dense residential lots between the site and reserves, as well as a wide car park which is fully constructed.
- 6.19 The site is within the coverage of the MFB and is relatively close to a fire station in Williamsons Road. The subject land contains minimal vegetation.
- 6.20 There are three, well-spaced, points of vehicular access. Two are to Parker Street, with the first being a two-way accessway at the south-western frontage with access to the drive-through bottle shop and the second, a one-way vehicular access providing entry only from Parker Street via the south-eastern frontage. The third vehicular access is at the rear of the site, providing an entry/exit point to the north, via James Street. The dual entry/exit arrangement enables users of the hotel to safely evacuate the premises in the event of a fire.
- 6.21 Taking into consideration all of the above and recognising that the proposed use will not cause an increase in overall patron numbers within the hotel at any one time, the proposal is unlikely to increase any risk to human life relating to the possible impact of a bushfire.

Local Planning Policy Framework

Clause 22.14 Community Health and Well-Being

- 6.22 This Clause seeks to minimise adverse impacts associated with the location and operation of gaming venues and associated gaming machines. A detailed assessment will be provided further in this report regarding the appropriateness of the site, venue and area pursuant to Clause 22.18 (Gaming).
- 6.23 Taking into consideration that the Templestowe Hotel is a current gaming venue, operating with 50 electronic gaming machines, the socio-economic status of the suburb and that there are no proposed works associated with the increase in the number of EGMs, the proposal is considered to minimise adverse impacts to adjoining land owners.

Clause 22.06 Eating and Entertainment

6.24 This Clause seeks to ensure entertainment premises are appropriately located. The proposal is at an existing venue which is well located on a main road (Parker Street) and within close proximity to public transport. The venue is well separated from Templestowe Village Activity Centre which is in part a "strip shopping centre" (a prohibited location for gaming).

6.25 The "free-standing" location of the hotel suggests it is a destination venue, thereby discouraging impulsive and opportunistic gambling.

6.26 Existing planning permits and VCGLR approvals at the site control the patron numbers and hours of operation of the venue, thereby ensuring the amenity of the neighbourhood is not adversely impacted by the operations of the hotel.

Clause 22.18 Gaming

- 6.27 Problem gambling has emerged as a significant public health and well-being issue for sections of the Victorian community, highlighting the need to assess the appropriateness of the proposed location of the gaming machines, as well as its associated socio-economic demographics.
- 6.28 The *objectives* of this policy are:
 - To ensure that the social and economic impacts of gaming are considered when determining applications for gaming venues and machines.
 - To support the social and economic wellbeing of Manningham's communities.
 - To locate gaming machines in a manner consistent with Manningham's activity centre hierarchy as part of the overall range of entertainment facilities and activities available in the municipality.
 - To ensure that gaming venues and machines are located, designed and operated in a manner that minimises opportunities for convenience gaming.
 - To discourage the location of gaming machines where they are readily accessible from or highly exposed to disadvantaged areas or gamblingsensitive uses.
 - To ensure that gaming venues and machines are located, designed and operated so the community has a choice of non-gaming entertainment and recreation facilities and activities within the gaming venue and in the local area.
 - To protect the operation and amenity of existing uses surrounding gaming venues.

Social and Economic Impacts

Problem Gambling

- 6.29 Gambling in general and the use of EGMs in particular, is a legal and legitimate form of entertainment and leisure that is associated with a range of social and economic harms and benefits. This assessment takes into account competing stakeholders interests that acknowledge both harms and benefits associated with increasing the number of EGMs operating at the Templestowe Hotel.
- 6.30 Problem gambling is 'characterised by difficulties in limiting money and/or time spent on gambling, which leads to adverse consequences for the gambler, other, or for the community.' A person's vulnerability to problem gambling is determined by a number of interrelated social, health, economic and physical factors, essentially, their socio-economic advantage level.
- 6.31 In Australia, gambling is a legal form of entertainment and has become normalised as an integral part of Australian social, leisure and sporting culture.

- The liberalisation of gaming in Victoria in the early 1990's saw the rapid expansion and decentralisation of gaming venues in clubs and hotels, many of which were already located in existing communities.
- 6.32 Gaming venues such as the Templestowe Hotel provide a range of social, leisure and entertainment activities including dining, bars, music, viewing of televised sport and different forms of gambling, such as sports betting and Keno. Some social and leisure clubs, including those that cater for older people or people from a particular cultural group, use gaming venues as destinations for their outings.
- 6.33 In recent years, the profile of gambling in the community has been raised through increased sponsorship/marketing and the increased use of online betting available on a variety of sporting codes.
- 6.34 The Templestowe Hotel has demonstrated that it is committed to conducting all aspects of gambling in a professional and responsible manner and adhere to the Responsible Gambling Code of Conduct, as follows:
 - Displaying 'Responsible Gambling Messages' at the cashier station or entry to the gaming room;
 - Providing Responsible Gambling information in a range of forms, including brochures, posters and on-screen player information displays;
 - Self-exclusion program for the venue;
 - Chance or probability of winning being available on screens or by request from venue staff;
 - Pre-commitment strategies;
 - Staff interactions with customers to identify problem gambling behaviour;
 - Preventing staff from gambling in the venue;
 - Maintaining links with local problem gambling support services;
 - Prohibiting gambling by minors;
 - Encouraging/promoting patrons to take regular breaks;
 - Paying all winnings greater than \$1000 by cheque;
 - Displaying clocks in the gaming room and on-screen.
- 6.35 A **condition** will require a venue management plan to provide a further commitment to the management of complaints and patron behaviour and the location of lighting and security cameras at the venue.

Electronic Gaming Machines (EGMs)

- 6.36 Although EGMs are a popular form of gambling, they can pose significant risks to existing and potential gamblers due to a number of factors including:
 - The capacity to play alone;
 - Technological features that result in players losing touch with reality and time:
 - Misunderstanding about how EGMs work and the misconception amongst some players that they are able to recover their losses;
 - The speed of play (relating to cash input) and their relative accessibility due to location and operating hours.

6.37 In the case of the proposal, the 10 extra EGMs are sought to provide additional availability and choice for patrons, particularly during peak hours. The venue will continue to comply with the Responsible Gambling Code of Conduct to manage patron behaviour.

Social and Economic assessment

- 6.38 Findings of the Social and Economic Assessment (prepared by Ratio, dated January 2019) concluded:
 - 1. The proposal for an additional 10 electronic gaming machines will have slightly positive social and economic impact on the local community and the City of Manningham.
 - 2. The benefits associated with the proposal include increased community contributions of \$40,000 per annum to community organisations. If council are supportive of the application this contribution could be established by way of a 173 Agreement or conditions on permit.
 - 3. The benefits associated with the proposal also include additional employment. The operator considers this to be between 3-5 EFTs over a period of time.
 - 4. The additional machines will also offer more choice for recreational gamers.
 - 5. We consider that the existing underlying risk to problem gaming behaviour is unlikely to change as a result of the proposed additional 10 EGMs.
 - 6. As this is an application for a top-up at an existing venue within a relatively affluent area, the benefits attached to the application are small. However, the disbenefits associated with the application, such as the additional potential problem gambling, are also small.
 - 7. We are satisfied that these benefits will neutralise any potential disbenefits, including the risk of increased problem gambling behaviour, mindful that the gaming room, if the proposal is approved, will remain relatively modest in size.
- 6.39 The relative mobility of Manningham's community, and the distances people actually travel to gaming venues highlights the challenges associated with identifying suitable locations for gaming venues which are able to protect people who are potentially vulnerable to problem gambling.
- 6.40 Harm minimisation that encompasses the social model of health that recognises a range of social, economic and environmental conditions forms part of this assessment to determine the appropriateness of intensifying gaming machines at the Templestowe Hotel.
- 6.41 Research has identified specific social and economic factors that increase a person's risk of developing problem gambling, such as age, gender, family, household structure, culture and socio-economic disadvantage. However, a consultation and engagement process undertaken in Manningham as part of the 2014 Study on Electronic Gaming Machines, found that there is no clearly identifiable cohort that is particularly at risk of problem gambling in the municipality.

6.42 Both the research and the consultation/engagement process did reveal, however, that the two key factors determining a person's vulnerability to problem gambling are social isolation and the experience of traumatic life event. Groups within the community most vulnerable to social isolation and socio-economic disadvantage, and therefore problem gambling, are recent migrants, older people, people experiencing domestic violence, people with low proficiency in English and people living alone.

- 6.43 There is a strong correlation between these minority groups and the level of disadvantage. As such, this application must provide an assessment of the Index or Relative Socio-economic Disadvantage in Templestowe Lower, and nearby suburbs.
- 6.44 On the contrary, the presence of EGMs and gaming venues in the community results in a number of social and economic benefits. These include the provision of affordable social, leisure and recreational facilities and opportunities, employment generation, redistribution of revenue to community groups, tourism, and opportunities for volunteering. Gaming venues also provide people with opportunities to socialise in an accessible, safe, comfortable, affordable and welcoming environment.

Social-Economic Index of Relative Socio-economic Disadvantage

- 6.45 The relevant index contained within the Australian Bureau of Statistics Socio-Economic Indexes for Areas (SEIFA) is derived from attributes that reflect a person's level of disadvantage such as low income, low education attainment, high unemployment, and jobs in relatively unskilled occupations. A higher score on the index means a lower level of disadvantage. The percentile column indicates the approximate position of the suburb in relation to surrounding suburbs, municipalities and the nation. A higher number indicates a higher socio-economic status. The 2019 Australian Bureau of Statistics (ABS) attributes a percentile of 84 for Templestowe Lower meaning that approximately 84% of Australian suburbs have a lower classification (are more disadvantaged) than this area, while 16% are higher.
- 6.46 Based on the current statistics provided by the Australian Bureau of Statistics (ABS), Manningham sits well above the median for Melbourne Metro Local Government Areas at 1066. The primary and secondary patron catchment have scores ranging from the 69th percentile to the 93rd percentile. The catchment area displays scores all sitting above the Victorian suburb average (1020). These scores indicate, that there are very limited areas of disadvantage located within close proximity to the venue.
- 6.47 The Social-Economic Impact Assessment report submitted by the applicant provides an assessment of the Primary Patron Catchment, encompassing Templestowe, Templestowe Lower, Bulleen, Doncaster and Manningham as a whole. The findings suggest a mix of socio-economic profiles in the primary catchment area, however, on balance the majority of indicators are positive in comparison to the averages of Metropolitan Melbourne. An assessment of the indicators with higher representation amongst problem gambling suggests that the primary catchment area generally exhibits few of the characteristics that are commonly found in problem gamblers.
- 6.48 The applicant submits that overall, the analysis of the key social and economic indices illustrates that the primary patron catchment is typically characterised by

- a mixed socio-economic profile that is mostly above the Metropolitan Melbourne average on a number of indicators.
- 6.49 As this data is relevant to the current statistics and most recent census (2016) and ABS figures available, it is reasonable to expect that there could be changes to the demographics in time. It is therefore considered appropriate to apply a **condition** to limit the use of the additional machines for a period of 15 years. This will enable an updated review of the socio-economic position and census data for the municipality and assess any apparent disadvantage. Any further application made to continue the use of the machines upon expiry would consider these matters of relevance.

Location of EGMs

- 6.50 The location of additional machines within an existing approved venue, as sought as part of this application, is considered to provide for better social outcomes, compared to the creation of a new venue within the municipality.
- 6.51 The availability of opportunities to gamble, which is a determinant of gambling, is a function of the social and environmental context of the local area. This is influenced by factors including locational convenience, number of adults per gaming venue, advertising, exposure and opening hours.
- 6.52 There is a direct link between problem gambling and factors such as the number or density of EGMs and the level of gaming expenditure per adult, particularly in disadvantaged areas. The location of gaming venues and machines is a primary consideration of this Clause and the objectives of the Particular Provision at Clause 52.28 (Gaming).
- 6.53 The location of electronic gaming machines is based on the principle that they should be accessible, but not overly convenient. When determining appropriate locations for electronic gaming machines, it is reasonable to focus on the concept of availability, rather than accessibility. Gambling should be available, as it is a lawful form of entertainment that is associated with a range of social and economic benefits, as well as harms, however, venues should be well located to discourage impulsive and opportunistic gambling.
- 6.54 A detailed assessment of the appropriateness of the location of the electronic gaming machines is provided as follows:

Policy	Response		
Appropriate areas : Gaming venues and machines should be located:			
In the Doncaster Hill Activity Centre, the Pines Activity Centre or Commercial Areas	Not satisfied- The Templestowe Hotel is an existing venue which is not located within a prescribed activity centre or a commercial area. It should be noted that this <u>is not</u> a new gaming venue application.		
In areas where residents within a 5km radius of the proposed location of the gaming machines	Satisfied - The Templestowe Hotel is located approximately 850 metres to the west of Templestowe Village Activity Centre, which		

have a reasonable choice of alternative non-gaming entertainment and recreation facilities encompasses a variety of commercial facilities (including shops and restaurants, the Manningham Templestowe Centre and Templestowe RSL).

The venue is within close proximity to parklands to the north and north-west, accessible via the Ruffey Trail.

Where they will make a positive contribution to the redistribution of gaming machines away from areas of relative socio-economic disadvantage

Satisfied - The proposal is not a redistribution of electronic gaming machines from another venue, however, the location is considered acceptable when considering the low level of socio-economic disadvantage in Templestowe Lower and surrounding suburbs and the anticipated 'transfer' from other venues, in more disadvantaged areas.

Gaming venues and machines should not be located:

In or within 800 metres of areas of relative socio-economic disadvantage. This is defined as locations where any Australian Bureau of Statistics collection district is within the most disadvantaged 20 per cent of collection districts in Victoria, as established by the SEIFA index of Relative Disadvantage.

N/A- Not applicable to this application (the Templestowe Hotel is an existing venue).

This does not apply to existing venues.

In suburbs or townships where the density of gaming machines per 1,000 resident adults, including the proposed machines, is greater than the metropolitan Melbourne average. **Satisfied -** The Australian Bureau of Statistics states the current population in Templestowe Lower in 2019 is estimated to be 14,762. This equates to a density of 4.06 EGMs per 1,000 adults, which is below the Metropolitan average of 5.15.

This does not apply to Doncaster Hill.

Appropriate sites: Gaming venues and machines should be located:

Within the Doncaster Hill Activity Centre or the Pines Activity Centre, outside of the main shopping, transport, community and civic functions of the centre. **Not satisfied -**The Templestowe Hotel is an existing venue that is not located within an Activity Centre in Manningham. It should be noted that this <u>is not</u> a new gaming venue application.

This does not apply to a sports or recreation club with a land				
holding of more than 2 hectares.				
At a sports or recreation club with a land holding of more than 2 hectares.	Not satisfied - The Templestowe Hotel is an existing venue, with a site area of 9347 square metres.			
Gaming venues and machines should not be located:				
Where they are convenient to core retail areas, supermarkets, community facilities and services or bus interchanges where large numbers of pedestrians are likely to pass in the course of their daily activities, increasing the likelihood of spontaneous decisions to play gaming machines.	Satisfied - The Templestowe Hotel is not conveniently located to core retail areas, supermarkets, community facilities and services or bus interchanges, where large numbers of pedestrians are likely to pass in the course of their daily activities.			
 Within 400 metres of: Gambling-sensitive uses, such as social security offices, welfare agencies, and gambler support services; A bus interchange; Social (public and community) housing developments or clusters comprising 50 or more dwellings. 	Satisfied - The Templestowe Hotel is not located within 400 metres of any of these facilities.			
Council owned land.	Satisfied - The Templestowe Hotel is not located on Council owned land.			
Appropriate venues: Gaming machines should be located in venues which:				
Provide a range of social, leisure and recreational activities other than gaming as the primary purpose of the venue. Alternative non-gaming social, leisure and recreational facilities include hotels, clubs, cinemas, restaurants, bars and	Satisfied- The Templestowe Hotel provides a range of social, leisure and recreational facilities, including a bistro, sports bar, kid's playground and function room (nearing completion).			

indoor recreation facilities.		
Operate alternative social and recreational activities at all times when gaming machines are available for use by patrons.	Not satisfied - The above listed facilities will be available for the majority of the time the gaming room is in operation, however, between midnight and 3am there will be limited alternative facilities operating within the venue. Once the function room has been completed, there may be functions that run until 1am (hours restricted by liquor licence permit PL15/025406).	
Have a gaming floor area less than 25 per cent of the total floor area of the venue.	Satisfied - The gaming floor area will not be increased as part of the proposal. The existing total area of the gaming floor area is below 25 per cent of the total area of	
	the venue.	
Have access to natural light and allow patron surveillance of outdoor areas.	Satisfied - The existing gaming floor area has access to natural light to the north and east.	
Have clear directional signs from gaming areas to all nongaming amenities, including toilets and dining areas, lounges, recreation facilities.	Satisfied - Signage at the Templestowe Hotel currently provides directional advice to dining, lounge and sports bars facilities.	
Physically and visually separate the venue's non-gaming activities from gaming activities.	Satisfied - The gaming room is located in the north-eastern corner of the hotel and is separated from the dining area by toilet amenities and bar facilities.	
Are designed so that amenities for the venue's non-gaming activities, including entrances and exits, toilets, meeting spaces and dining areas, can be accessed without entering the gaming area.	Satisfied - Access to all amenities of the hotel can be obtained without passing through the gaming area.	
Do not operate for more than 18 hours per day, or beyond 2am.	Not Satisfied- The Social Economic Impact Statement provides an EGM Utilisation Survey from 7am-3am for a seven day period. This suggests that the venue is operating for more than 18 hours per day and beyond 2am.	
	The existing VCGLR approvals at the land allow the operation of gaming machines	

between 7am-3am (Monday-Sunday).

Given the proposal is for an additional 10 machines at the site, it is not considered reasonable to require the additional machines proposed to operate for a shorter period.

In this instance, the hours of operation for the 10 additional machines is in line with the existing operations of the site, and it is not envisaged that allowing the additional machines to operate in line with the existing use of the land will cause any additional impact to the area.

A **condition** will limit the hours of operation to between the hours of 7am-3am from (Monday-Sunday) and from 12pm (noon) to 12am (midnight) on Anzac Day and Good Friday

Will not have a significant adverse amenity impact on the adjoining land uses as a result of operating hours, traffic, noise, car parking, safety and security. Satisfied - Given the Templestowe Hotel is a long established venue operating with fifty (50) electronic gaming machines and that existing planning permits and VCGLR approvals control the patron numbers and hours of operation at the venue, it is not considered that there will be adverse impacts to the adjoining residential properties.

Expenditure

- 6.55 The application is estimated to increase gaming expenditure in the hotel by \$774,963, with 50% of this figure being attributed to "transferred expenditure".
- 6.56 Findings of the Gaming Expenditure Impact Analysis (prepared by Shine Wing Australia, dated 29 January 2019), indicates:

"In the 2003 Victorian Longitudinal Community Attitudes Survey, Commision research has found the distance travelled by individuals to gaming venues is generally less than five kilometres with people tending to prefer their local area.

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 the 6.5% of persons who travel more than 20 kilometres are likely to represent those persons who are visiting the area and/or persons resident in one of the LGAs with no EGMs who travel to nearby venues.

There are no competing gaming venues within a 2.5 kilometre radius of the Templestowe Hotel and 11 venues within a 5 kilometre radius.

We believe that a notional transfer rate of 50% is appropriate for adoption based on consideration of the following factors in totality:

- 8. There are 11 competitor venues within 5 kilometres;
- 9. Of the gaming patrons surveyed at the venue, approximately 74% reside in suburbs within the immediate catchment area (being Templestowe, Templestowe Lower, Bulleen, Doncaster and Eltham) to the Templestowe Hotel. This demonstrates that a material component of gaming patronage is localised.
- 10. A large portion of the gaming patrons who reside in those suburbs within close proximity would also have easy access to a high performing gaming competitors (e.g Shoppingtown Hotel), therefore with the increased availability of gaming machines at the Templestowe Hotel, it is highly likely that some of these residents would transfer their gaming patronage from this competitor venue to the Templestowe Hotel.
- 11. There would be patrons residing in areas within the LGA where there are currently no venues operating gaming machines as well as patrons residing in the immediate capture area who do not currently play gaming machines, or only play in part. As such, it is highly likely that some of these residents would undertake gaming activities at the Templestowe Hotel with an increased availability of gaming machines, and would not be traferring gaming expenditure from other venues.
- 12. As suggested by the gaming patron locality survey, there are a number of patrons frequenting the venue who do not reside in close proximity to the Templestowe Hotel. These patrons would subsequently visit the Templestowe Hotel and conduct an incidential gaming experience that they may otherwise have conducted at their local/preferred venue of choice."
- 13. Given an equal weighting of these above factors, whilst the location of the venue would indicate a proportion of gaming expenditure will be derived from local patrons whose gaming expenditure (or part thereof) is not occuring at other venues, there will also be a component, of gaming expenditure derived from patrons who are currently conducting their gaming expenditure at competing venues within the State of Victoria, although not necessarily within the City of Manningham.
- 6.57 An application requirement of Clause 22.18, states if the applicant contends that gaming expenditure is likely to be transferred from other venues, the applicant is to provide detail of how the transfer has been calculated, the amount of transfer expenditure anticipated and the resulting impact on revenue and employment of the venue where the expenditure is transferred.
- 6.58 The expenditure report submitted with the application concludes that 50% of additional expenditure would be transferred expenditure, equating to \$387,481 in the first 12 months of trade, post installation of the additional 10 electronic gaming machines.
- 6.59 The applicant submits that the transferred expenditure impact is spread across a number of venues and the largest impact on a singluar venue is 1.31% of the 2018 gaming expenditure derived.

6.60 The transferred expenditure anticipated from the venues within close proximity to the Templestowe Hotel will not detrimentally impact the revenue or employment of these venues.

Community contributions

- 6.61 In addition, to providing weekly food and beverage specials, including senior buffet meals, the venue currently provides the following annual cash contributions to the community:
 - Bulleen Boomers: \$10,000
 - Templestowe Bowling Club: \$2,500
- 6.62 It is anticipated that the net machine revenue from the additional gaming machines will be \$130,334. The applicant submits that a proposed annual contribution to local community groups to the sum of \$40,000 will provide an overall net community benefit. This figure is thus slightly more than a 3% calculation which equates to \$39,100.20,
- 6.63 Agreements providing for community based cash contributions are commonplace inclusions in respect of planning approvals for gaming machine throughout Victoria. There is no prescribed rate for such a contributions and Council policy does not touch on this in terms of a dollar value or percentage of the net machine revenue.
- 6.64 The inclusion of a percentage of the net machine revenue will enable the agreement to run with the land for years. The impacts of inflation will result in the sum of \$40,000 depreciating in value over time, thus a percentage of the net machine revenue may be a more appropriate method to ensure ongoing community benefit for years to come.
- 6.65 The level of contribution may be deemed to be reasonable, given the machines are "topping up" an established gaming venue. It is proposed to manage the contribution through the establishment of a Section 173 Agreement. It is considered that the drafting of the agreement will state-
 - "In addition to any voluntary contributions made to local community and sporting groups, an annual contribution to the sum of \$40,000 or 3% (whichever is greater) of the Net Machine Revenue (NMR) for each financial year of the additional ten (10) electronic gaming machines is to be distributed to local community group(s), as determined by Council."
- 6.66 Council's Social Planner has suggested a 1.5% contribution of the net machine revenue of all sixty (60) machines could be explored. Given the applicant is currently providing an annual contribution to the Bulleen Boomers and Templestowe Bowling Club and that the application is only for additional machines at the site, it is not considered reasonable to require an annual payment derived from all 60 machines.
- 6.67 The applicant was provided an opportunity to increase their annual contribution in relation, but chose to only offer the \$40,000 for the additional 10 machines being applied for.
- 6.68 The annual contribution will not be a direct payment to Council, but rather to community project groups or organisations within the municipality. This payment could be directed to groups within the community most vulnerable to social

- isolation and socio-economic disadvantage or research and projects designed to address the harmful effects of gambling.
- 6.69 An annual cash contribution to community groups will provide net community benefit to these groups and organisations within the muncipality.
- 6.70 Council's Corporate Counsel and Group Manager Governanace and Risk sighted the proposed wording of the agreement. No issues were raised in terms of the legality of establishing a Section 173 Agreement to this effect.

Heritage

- 6.71 The relevant Statement of significance in respect of the Templestowe Hotel indicates that it is:
 - "Of local significance as an early timber hotel, in form and materials retaining much of the characteristics of an 1870s country hotel, and one of only a few examples remaining within the metropolitan area; its significance is reduced to local by the extent of the changes to the building."
- 6.72 Clause 21.11 (Heritage) and Clause 43.01 (Heritage Overlay) seek to enhance cultural heritage through the retention and protection of significant buildings, precincts, trees and landscapes and minimise impacts on heritage places as a result of changes to adjoining land uses.
- 6.73 The proposal will not adversely affect the significance of the heritage place as there are no external works or vegetation removal proposed and the Templestowe Hotel is currently operating as a gaming venue.

Particular Provisions

- 6.74 Clause 52.28 Gaming, seeks to ensure gaming machines are situated in appropriate locations/premises and that social and economic impacts are considered as part of any assessment on their suitability.
- 6.75 A purpose of this clause is to prohibit gaming machines in specified shopping complexes and strip shopping centres. The Schedule to Clause 52.28, sets out shopping complexes in Manningham where the installation or use of a gaming machine is prohibited. Prohibition also exists in all strip shopping centres.
- 6.76 Decision guidelines are provided at Clause 52.28-9. Apart from planning policy considerations regard must be given to compatibility with adjoining/nearby land uses, capability of the site to accommodate the proposal and whether the gaming premises provides a full range of services to patrons.
- 6.77 These matters have been considered through the assessment section of this report.

7. CONCLUSION

7.1 It is recommended that the application be supported, subject to conditions.

8. DECLARATION OF CONFLICT OF INTEREST

8.1 No officers involved in the preparation of this report have any direct or indirect conflict of interest in this matter.