

	Gambling Harm Prevention and Reduction Policy
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Responsible officer:	Manager Community Planning
Policy owner	General Manager Community Services

Introduction

The Gambling Harm Prevention and Reduction Policy (Policy) is a key commitment of the Council and Wellbeing Plan 2017– 2021. It adopts a public health promotion approach and contributes to the achievement of Objective 1.5 '*Environments that enable and encourage positive public health and wellbeing outcomes*' and more specifically, Strategy 1.5.1 '*Contribute to reducing harm caused by gambling, liquor, tobacco and fast food consumption*'. The Policy is intended to be applied alongside the Melton Planning Scheme and read in conjunction with related Council policies and initiatives.

While the Melton Planning Scheme provides an important role in assessing gaming related planning applications, it is important to note that local planning policies are limited to addressing locational issues and to a lesser extent operation and design issues. This Policy identifies a range of harm prevention and reduction strategies that Council can support in addition to the Planning Scheme.

Purpose

The Policy aims to:

- identify Council's gambling harm reduction commitments and provide specific guidance in relation to their application
- address gambling related harms for individuals and the community by defining Council's harm prevention and reduction expectations associated with:
 - gambling product design, placement, access and availability
 - marketing, sponsorship and promotion
 - the appropriate location and design of new and redesigned gambling establishments
 - limiting the exposure of minors to gaming floors and other areas associated with gambling and the hours of operation where gambling products are available, and
 - demonstrating net community benefit.
- recognise the potential harms that can be fuelled by incidental exposure to gambling products, as a result of the normalisation of gambling behaviours

- support relevant Planning Scheme provisions in relation to the interpretation of siting, design, locational and net community benefit and associated aspects of gambling establishments
- ensure harm reduction principles are incorporated in the design of new gambling establishments
- establish an internal referral and advice process to assess gambling product related applications and decisions
- assist Council in advocacy programs in relation to gambling harm reduction.

The relevant Council and Wellbeing Plan 2017-2021 commitment, Melton Planning Scheme provision and supporting evidence are indicated below each Policy commitment.

Scope

This Policy applies to:

- all gambling establishments within and adjoining the municipality
- gambling related matters, associated with land uses and activities covered by the Melton Planning Scheme as well as the land within a 2.5km (5km in new growth areas) radius of Council's municipal borders (falling within the Council's referral or decision making jurisdictions)
- all Council decisions, leases, licences, requests for hire and events where gambling products may be available or are to involve a gambling operator.

Gambling context and background

Victorian context

Recent Victorian Responsible Gambling Foundation studies into gambling harm have shifted the focus away from individual action and responsibility, to understanding the structure and operation of the gambling industry and the design of gambling products themselves. Current Victorian research into gambling in Victoria has found that:

- gambling losses fuel harms to individuals, families and communities with the people who can least afford to lose large sums of money are the ones who are losing the most
- gaming machines are designed to exploit consumers and maximise player losses; their design features disguise losses as wins and accentuate near misses by employing visual and auditory stimuli to amplify the excitement and heighten the experience of the consumer
- gambling products apply game design elements and game principles (called gamification) to lure more people into game play and to maximise profits
- gamification is deliberate in its attempt to attract new market sectors including women, young people, older people and people from culturally diverse backgrounds
- gambling establishments are positioned as the predominate entertainment on offer in the most disadvantaged areas of Melbourne
- normalising the role of gambling is a key marketing strategy, which is often reflected in the location, design and function of a gambling establishment
- the design of the gambling establishment and level of exposure to gambling products, images, lights and sounds are key concerns, especially for children and young people (this is a key harm prevention target area of this Policy)

- people experience gambling harms in various gambling environments, including hotels and clubs; while clubs report Statements of benefit as a requirement to offset the taxation paid, few clubs actually report real community benefit
- enticements aimed at maximising revenue, including rewarding patrons with free food and drinks, free shuttle buses and room hire that feature strongly in gambling operations, are able to be claimed as a tax offset by clubs as benefits to the community.

Refer to [Responsible Gambling Foundation \(2019\) – Research Program](#) and selected references

City of Melton context

In 2018, over \$67.8million was lost in the City of Melton on gaming machine gambling alone; over \$185,703 lost per day. There are 515 gaming machines across seven gaming establishments in the municipality, being 61 per cent of the number allowed under the State Government's cap of 824 machines. With another 309 gaming machines permitted by the State Government, and at least some of these entitlements already purchased by gaming operators, it is reasonable to expect that player losses will rise above \$100million per annum in the City of Melton in the near future.

Refer to [Responsible Gambling Foundation - Pokies in Victoria, Melton](#)

Harm prevention and reduction strategies

In relation to electronic gaming venues, this Policy recognises that the State Government has implemented a number of statutory harm minimisation measures that go beyond the scope of planning considerations. As a result, meeting the statutory minimum harm minimisation measures is not generally considered to represent any particular benefit of the proposal, unless non-statutory venue specific initiatives have been proposed. As the aspirations of this Policy go beyond statutory requirements, incorporating its harm prevention and reduction strategies may indicate relative benefits of a new gaming venue proposal.

Council venues, facilities and land

Council's owned and managed infrastructure is developed to meet identified community need, for community use and benefit. As gambling products and activities are contrary to such purposes, Council prohibits the operation of any new gaming machine/s on Council owned land and will not support commercial gambling activities or the supply of gambling products in any of its civic venues or managed facilities.

As Council seeks to discourage the normalisation of gambling, fundraising activities that mimic gambling environments or those that involve multiple forms of simulated gambling are not exempt from the application of this Policy.

This section may also apply to land leased, purchased or proposed to be transferred from Council ownership at the sole discretion of Council.

Refer to [Council and Community Alcohol Policy, Lease and Licence Policy and Community Facility Access Policy](#)

Reduce exposure to gambling products

Reducing the exposure to gambling related stimuli, particularly to young people who may attend a gambling establishment's bistro, family area, function room, play area or court yard is a key harm prevention strategy of this Policy.

Council will require evidence of intentional design of any new or redeveloped gambling establishment. Intentional design will demonstrate that limited exposure to gambling

products has been achieved, particularly in relation to minors, families and others seeking to avoid gambling products, while enjoying other aspects of the entertainment premises.

Design features that would fail to meet this commitment include:

- entrances that require passage to the bistro or family entertainment areas past the gaming room floor
- bistros, dining areas, function rooms, and any other place within the gambling establishment where minors might attend within the establishment, being located in such close proximity that gambling products, particularly electronic gaming machines (EGMs), are visible or audible at any time
- failing to screen or otherwise reduce exposure to more adult and gambling product availability and promotion
- passage ways to amenities located in audible or visual proximity to gambling products.

Opening hours

Opening hours are an integral harm reduction strategy of this Policy. The Melton Local Planning Policy on gaming requires a six hour shutdown. However for new venues, Council will encourage longer closure periods. Council has indicated a preference for an eight hour gaming floor shutdown.

For new gaming venues, this Policy recommends an eight hour shut down of the gaming floor, either between:

- 1am-9am, or
- 3am-9am and 3pm-5pm daily.

Gaming machine density

Avoiding clustering and saturation is a key harm reduction strategy of this Policy. New gambling establishments or additional gaming machines will not be supported where the density of gaming machines is above 5.5 per 1000 population at local community levels or within a 5km radius of the premises. This would apply to the Melton Township and surrounding suburbs where the EGM density is approximately 13.

Reduction of gambling products and exposure to minors

Gambling establishment operators seek to maximise the opportunity to expose their customers to the various gambling products on offer at their establishment. Gambling products on offer may include gaming machine areas, Keno, racing, sports betting, meat raffles, lucky cards or envelopes. It is an intention of this Policy that none of these products be available or visible within the areas of the venue that families and children are accessing.

Site context and compatibility of land uses

Gaming machines will not be permitted in locations in close proximity (within 400m) to family and children services, medical centres, Centrelink offices, justice providers and other similar community service locations.

Assessing net community benefit in electronic gaming machine applications

Net community benefit refers to the overall benefits to the community derived from the operation of the gambling establishment as a whole. Council will consider the net

community benefit of each application and proposal, and assess against the harm reduction strategies and aspirations of this Policy, including:

- how the proposal demonstrates the harm prevention and reduction strategies of this Policy in terms of overall siting, design, form, function and hours of operation of the gambling establishment and gambling product placement
- consideration of community perceptions of gambling in the overall proposal including the availability of alternative non-gambling related recreation activities
- the outcome of any community engagement undertaken, the data sources and strategies employed in addressing any community concerns raised in association with the proposal
- an assessment of land use impacts associated with gambling activities, describing the conditions and compatibility of current and emerging surrounding land uses, and that threshold distances (400m) have been achieved
- evidence that the gambling establishment is not proposed within an area of the municipality experiencing relative disadvantage.

Electronic gaming machine applications

The report submitted by an applicant to the Victorian Commission for Gambling and Liquor Regulation (VCGLR) for new or additional EGMs, or to Council in for a Planning Permit, would normally include a comprehensive report prepared by a consultant. A component of this report is the retail gravity report, which is an approach preferred by the gambling industry employed to estimate the losses that might be incurred by the proposed new gaming machines. These reports have been found to be inaccurate, as they underestimate the dollar amounts actually lost as reported by the VCGLR. This is a concern, as these calculations often form the basis from which to calculate potential for harm and estimated benefits of a proposal.

For existing gambling establishments, the calculation of estimated gaming losses will be derived by dividing the total losses recorded by the licensed venue by the number of EGMs in operation over the reported period. This calculation will establish the average gaming player loss per EGM. This will provide the basis for Council's assessment of estimated loss for any new EGM proposed. For new gaming operator proposals, the estimated loss will be based on the average loss per EGM of similar establishments.

Advocacy and engagement

Council, through its delegated Officers, will continue to be involved in local government working groups to advocate for regulatory reform by the State Government to reduce harm from gambling. Council's advocacy will focus on the frequency of gambling consumption and expenditure, and the establishment of similar standards for gambling consumption to those established for alcohol.

The Canadian research of Currie et al. (2012) suggested the following limits for gambling consumption:

- gambling no more than three times per month
- spending no more than \$1000 per year (\$20 per week) on gambling
- spending less than one per cent of gross income on gambling.

Local strategies recommend maximum \$1 bets, mandatory pre-commitment, limiting the number of EFTPOS transactions and amounts, and payouts over \$500 in the form of a cheque.

Council will continue advocate for harm prevention and reduction measures through its policy and regulatory reform.

Community benefit and grants fund

Council will honour existing agreements with gambling establishments that contribute to community funding in the City of Melton and will consider how it will be involved in any associated community funding administration in the future. Local considerations include:

- Council's administration of the Community Grants Contribution Agreements on behalf of contributing gaming establishments on a holistic benefit to community and net cost to Council basis
- when existing Community Grants Contribution Agreements or new agreements are proposed, a report will be presented to Council for consideration
- establishing and maintaining partnerships with clubs to advocate for the meaningful administration and distribution of the Community Benefit Funding allocation
- Community Benefit Statements and benefit activities reported to the VCGLR will be assessed for compliance with the stated commitments in the proponent's Social and Economic Impact Assessment Report (SEIA), Planning Permit conditions and other relevant commitments.

Policy implementation

All Council staff are expected to be aware of this Policy and the commitments it contains and are responsible for referring matters to the Community Planning department for discussion and advice. In situations as to whether the Policy applies, Council Officers are to contact the Delegated Officer in the Community Planning department to discuss further.

When this Policy is considered in relation to Council owned buildings, the establishment of new or renewed contracts, leases, legal agreements and recreation and leisure policies, a report will be presented to Council for consideration.

Policy review

This Policy will be reviewed within four years from the date of adoption; or as triggered by changes to legislation, government or Council policy or directive, or in response to any other requirement which may trigger the need to do so.

References

[Local Government Act 1989](#)

[Planning and Environment Act 1989](#)

[Gambling Regulation Act 2003](#)

[Municipal Public Health and Wellbeing Act 2008](#)

[Melton City Council, Melton Planning Scheme](#)

[Melton City Council, Council and Wellbeing Plan 2017-2021](#)

[Melton City Council, Council and Community Alcohol Policy](#)

[Melton City Council, Lease and Licence Policy](#)

[Melton City Council, Community Facility Access Policy](#)

[Melton City Council, Electronic Gaming Planning Policy Project Reference Document \(2017\)](#)

[Responsible Gambling Foundation](#)

Blaszczynski, A, Collins, P, Fong, D, Ladouceur, R, Nower, L, Shaffer, HJ, Tavares, H & Venisse, JL 2011, 'Responsible gambling: general principles and minimal requirements', *Journal of Gambling Studies*, vol. 27, no. 4, pp. 565–73.

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Currie, SR, Hodgins, DC, Casey, DM, el-Guebaly, N, Smith, GJ, Williams, RJ, Schopflocher, DP & Wood, RT 2012, 'Examining the predictive validity of low-risk gambling limits with longitudinal data', *Addiction*, vol. 107, no. 2, pp. 400–06.

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Livingstone C, Kipsaina C, Rintoul A. (2012) *Assessment of poker machine expenditure and community benefit claims in selected Commonwealth Electoral Divisions*. UnitingCare Australia, Canberra.