REPORT TO ORDINARY COUNCIL MEETING

ITEM NO. 10.6 - 17 APRIL 2018



ITEM 10.6 RESPONSE TO COUNCIL RESOLUTION 07/2017 – POKER

MACHINE LICENCES

REPORTING MANAGER EXECUTIVE MANAGER COMMUNITY ARTS & CULTURE

TRIM FILE REF 2018/155683

ATTACHMENTS 1 <u>⇒</u>Northern Beaches Council Gambling and Poker Machine

Harm Management Strategy (Included In Attachments

Booklet 5)

EXECUTIVE SUMMARY

PURPOSE

To respond to a Council Resolution.

That:

- A. Council calls on the State Government to put an immediate cap (no further increase) on poker machine licences in the Northern Beaches Local Government area.
- B. Council write to the local State MPs on the Northern Beaches seeking their support in advocating for the proposed cap on poker machine numbers.
- C. Staff bring back a report within four months advising strategies, including the creation of a Northern Beaches Council Gambling and Poker Machine Harm Management Strategy, in relation to what council can do to restrict the proliferation of poker machines in the Northern Beaches Local Government area. This is completely separate to any action the State Government may take on the issue.

SUMMARY

In response to Parts A & B of the resolution, on 18 December 2017 Council wrote to all Northern Beaches State Members of Parliament (MP's); The Hon Brad Hazzard MP, James Griffin MP, Jonathan O Dea MP, and The Hon Rob Stokes MP, seeking their support for State Government to put an immediate cap on poker machine licences in the Northern Beaches Local Government Area (LGA).

On 27 December 2017 Council received a response from James Griffin MP indicating that he supported Council in assisting the community to manage the number of poker machines in the electorate. He has forwarded Council's correspondence to the Minister for Racing for consideration and has advised he will be in contact again once he received a response from the Minister.

This report focuses on Part C, the creation of a Northern Beaches Gambling and Poker Machine Harm Management Strategy (Attachment 1). It should be noted that as the control of Electronic Gambling Machines (EGMs, Poker Machines, 'Pokies') is the responsibility of the State Government, specifically the Department of Liquor and Gaming NSW, Council has limited direct impact on their proliferation. In this context, the attached Draft Northern Beaches Council Gambling and Poker Machine Harm Management Strategy sets out a range of actions that Council has some control and influence over to limit the harm to individuals and the community from EGMs.

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In summary, the recommended actions are:

- 1. That Council continue to lobby State and Federal Ministers to minimise EGMs and other gambling harms.
- 2. That Local Government NSW is approached to lead research and lobbying efforts to minimise the number and associated community harms of EGMs in NSW. This should consider:
 - a) The NSW Government fully implement the recommendations of the 2010 Australian Government Productivity Commission Report on Gambling
 - b) The NSW Government fully implement the recommendations of the 2014 Upper House Select Committee Inquiry on the Impact of Gambling
 - c) The State Government provide comprehensive, venue based, monthly data on EGMs usage and losses on the Department of Liquor and Gaming NSW website, free of charge, as it is in Victoria.
- Council considers each request for increased EGMs coming via Liquor and Gaming NSW through a Local Impact Assessment on its merits, including the potential individual and community harms it may cause.
- 4. Council provides community information on the harms of gambling and services available to those effected.
- 5. That Council continue as a key member of the Northern Beaches ClubGrants Committee, working with local Clubs to ensure fair and equitable distribution of funds to a range of community organisations.
- 6. Council explore the option to ban the future advertising of gambling on its buildings and properties and in any form of sponsorship. This does not include general promotions for clubs, ClubGrants and hotels, or their other services and activities.
- 7. Council assess the potential harms from gambling when applying or renewing leases on Council property, and where suitable implement appropriate clauses to the lease to restrict EGMs.

RECOMMENDATION OF ACTING GENERAL MANAGER PLANNING PLACE & COMMUNITY

That:

- A. Council place the Draft Northern Beaches Council Gambling and Poker Machine Harm Management Strategy on public exhibition for a minimum of 28 days.
- B. The outcomes of the public exhibition are reported back to Council.



REPORT

BACKGROUND

This report presents the Draft Northern Beaches Council Gambling and Poker Machine Harm Management Strategy, which details the extent and use of Electronic Gambling Machines (EGM, Poker Machines, 'Pokies') in NSW and specifically in the Northern Beaches Local Government Area. The draft strategy also draws on key research and best practice in the regulation of EGMs to limit their harm to individuals, their families and wider community.

Council's Ability to Influence EGM Harms

In NSW EGMs are controlled by the State Government through the Department of Liquor and Gaming NSW, not by local government. Section 209 of the NSW Gaming Machine Act 2001 prevents gambling from being considered in social and economic assessments undertaken according to the Environmental Planning & Assessment Act 1979 as part of the determination of applications for development by local government. This limits the direct influence local Councils have on the number of EGMs and their associated harms in the community.

In addition to advocacy and promotional campaigns, Council has a number of mechanisms at its disposal for the restriction of EGMs on its own sites, which can include restrictions on gambling advertising and specific terms in leases between Council and the relevant club on Council properties. Council would need to take into consideration the commercial implications of this on potential lessees / licencees of placing these restrictions on EGMs, as for some clubs it is a key revenue stream. This could reduce the ability of these not-for-profit clubs to support their community and sporting activities.

Actions that Council can take to control and influence EGMs and their harm to the community are contained in the attached Draft Northern Beaches Council Gambling and Poker Machine Harm Management Strategy.

CONSULTATION

Internal consultation was undertaken with relevant Business Units, including Property and Development Assessment.

TIMING

The majority of these initiatives can be introduced in the next financial year.

FINANCIAL CONSIDERATIONS

Should Council elect to ban gambling advertising and promotion on any of its properties there may be financial implications with loss of income through sponsorship.

SOCIAL CONSIDERATIONS

There is ample information and reports on the social and community harms caused by EGMs.

ENVIRONMENTAL CONSIDERATIONS

There are negligible environmental impacts.

GOVERNANCE AND RISK CONSIDERATIONS

There are negligible governance and risk impacts.