

This fact sheet provides clubs and hotels with an overview of the local impact assessment (LIA) process which helps control the number of gaming machines in a locality. A club or hotel may need to complete a LIA if planning to install additional gaming machines.

Overview

The Local Impact Assessment (LIA) process is designed to assess the impact of introducing additional gaming machines into a local government area (LGA).

Depending on the classification of the LGA where the club or hotel is located, the venue may or may not be required to complete a LIA when applying for an increase in the gaming machine threshold (GMT) which controls the number of gaming machines potentially allowed.

What is the gaming machine threshold?

The gaming machine threshold is a number which limits:

- for a club, how many gaming machine entitlements (GMEs) the club is approved to hold
- for a hotel, how many GMEs and poker machine permits (PMPs) the hotel is approved to hold - which cannot exceed 30.

For a new club or hotel, the gaming machine threshold is zero until an application is lodged and approved for a higher GMT.

A separate fact sheet explains the gaming machine threshold scheme in more detail.

Visit www.olgr.nsw.gov.au > Gaming > Resources > Fact sheets and guidelines

Classification of local government areas

Each LGA is classified into Band 1, Band 2 or Band 3 depending on gaming machine density, gaming machine expenditure and the Socio-Economic Indexes for Areas (SEIFA) disadvantage score published by the Australian Bureau of Statistics.

A Band 1 LGA usually has a low gaming machine density, low gaming machine expenditure and high SEIFA score.

A Band 2 LGA usually has moderate gaming machine density, moderate gaming machine expenditure and a moderate SEIFA score.

A Band 3 LGA usually has high gaming machine density, high gaming machine expenditure and a low SEIFA score.

Visit www.olgr.nsw.gov.au > Gaming > Local Impact Assessment (LIA) for LGA band classifications.

What is a LIA?

The purpose of a LIA is to inform and support a community consultation process that will enable the Independent Liquor & Gaming Authority to determine whether approving an increased GMT at a particular club or hotel will provide either a positive contribution towards the local community or an overall positive impact on the local community.

When is a LIA not required?

- When the transfer of GMEs (and/or PMPs in the case of hotels) occurs within the same LGA; or
- When the receiving club or hotel is situated in a Band 1 LGA and the application, if approved, would not result in the GMT being increased by more than 20 within a 12-month period.

When is a LIA required?

Class 1 LIA

A Class 1 LIA must be completed when:

- a) the club or hotel is located in a Band 1 LGA and a mid range increase (21-40) in the GMT is sought; or
- b) the club or hotel is located in a Band 2 LGA and a low range increase (up to 20) in the GMT is sought.

For a Class 1 LIA, the applicant must demonstrate that the proposed increase in the GMT will provide a *positive contribution* towards the local community.

LIA process

Class 2 LIA

A Class 2 LIA must be completed when:

- a) the club or hotel is located in a Band 1 LGA and a high range increase (40+) in the GMT is sought; or
- b) the club or hotel is located in a Band 2 LGA and a mid range (21-40) or high range (40+) increase in the GMT is sought; or
- c) the club or hotel is located in a Band 3 LGA and any increase in the GMT is sought.

For a Class 2 LIA, the applicant must demonstrate that the proposed increase in the gaming machine threshold will have an *overall positive impact* on the local community.

What are the information requirements for a Class 1 and Class 2 LIA?

Separate guidelines have been prepared to explain the Class 1 and Class 2 LIA process steps and requirements.

Visit www.olgr.nsw.gov.au > **Gaming > Local Impact Assessment (LIA)** for these guidelines.

Clubs establishing in new development areas

An assistance mechanism has been established to help clubs wishing to establish in a specified new development area (or within 1 kilometre of such an area), where the local community may not have the benefit of the facilities or services of the kind provided by clubs.

Clubs that wish to take advantage of this mechanism can apply to the Authority by completing a Class 1 LIA to acquire up to 150 gaming machine entitlements over a five-year period. If the application is approved, the initial 50 gaming machine entitlements can be acquired at a reduced forfeiture rate of one entitlement for every six acquired rather than the standard forfeiture rate of one in three.

The club will then have up to five years from the date of approval to acquire the additional GMEs. Otherwise, at the end of the five years, the GMT will be reduced by the unused amount.

Arrangements for Liquor Act permits

If a threshold increase application is made in relation to the acquisition of PMPs for a hotel, the same requirements for completing a LIA apply as stipulated above.

