

NSW Independent Liquor & Gaming Authority

Our ref: DF26/025508

Ms Kylie Tritton and Mr Jay Dunlop
Peninsula Law Solicitors

16 June 2026

Dear Ms Tritton and Mr Dunlop

Application No.	1-9721036812
Applicant	Royal Kew Pty Ltd
Application for	Gaming Machine Threshold Increase with Class 1 Local Impact Assessment
Application date	17 February 2026
Decision date	20 May 2026
Licence name	Royal Hotel
Licence No.	LIQH400119208
Trading hours	Monday to Saturday 05:00 AM – 12:00 AM Sunday 10:00 AM – 10:00 PM
Gaming machine shutdown hours	Monday to Sunday 04:00 AM – 10:00 AM
Premises	2 Ocean Drive Kew NSW 2439
Legislation	Sections 3, 34, 35, 36 and 37B of the <i>Gaming Machines Act 2001</i> Clauses 31, 32, 33, 37, 38, 40 and 57 of the Gaming Machines Regulation 2019 Section 47B of the <i>Liquor Act 2007</i>

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

We **approve** the application for a Gaming Machine Threshold (**GMT**) increase under section 34(4) of the *Gaming Machines Act 2001* (the **Act**) and the Class 1 Local Impact Assessment (**LIA**) under section 36(3) of the Act — with the conditions set out in Schedule 1.

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

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

It also confirmed the Authority's power to impose conditions in relation to the operation of gaming machines under section 47B of the *Liquor Act 2007* (the **Liquor Act**).

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

Statement of reasons

We are satisfied that:

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

Our main findings

The local community for the purposes of this decision is Laurieton - Bonny Hills, Statistical Areas Level 2 (**SA2**). The broader community is the Local Government Area (**LGA**) of Port Macquarie-Hastings Council.

The applicant sought to increase the venue's GMT by 2 (from 10 to 12), supported by a Class 1 LIA and a two-year period to source the additional Gaming Machine Entitlements (**GME**). The venue is a historic hotel in a small Mid North Coast town within a new development and growth area.

If the application is approved, the venue has proposed to make a financial contribution of \$124,349 to the Responsible Gambling Fund (**RGF**) over the next five years in five equal instalments of \$24,870, commencing within 28 days of the approval and then annually thereafter.

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

- the venue is in a Band 2 SA2, meaning that it is in a higher risk area than 50% of NSW.

- the average profit per gaming machine at the venue is higher than comparable venues, suggesting gaming intensity is relatively high
- the SA2 has a higher than NSW average proportion of people at higher risk of gambling harm, including individuals with lower levels of education, Aboriginal and Torres Strait Islander people.
- the gambling participation in the Local Health District (**LHD**) is above the NSW rate
- the gambling prevalence of moderate and high-risk gamblers in the LHD is higher than the corresponding statewide average for NSW.

We considered the objection from Port Macquarie Hastings Council raising concerns regarding the potential cumulative impacts on social harms caused by increasing gaming machines in the local community.

However, the factors below weighed in favour of approval of the application, and may also partially or fully mitigate some of the risks identified above:

- the modest scale of the proposed GMT increase by 2
- the venue currently has standard trading with no post-midnight gaming
- the venue will be contributing to the RGF
- the harm-minimisation measures outlined in the plan of management and licence conditions, as set out in Schedule 1 which may tend to reduce the risk of gambling harm

The Authority decided the risks associated with the movement of GMEs from relatively lower risk SA2s to SA2s more likely to experience gambling harm is mitigated by the imposition of a condition that requires gaming machine entitlement to fill the increased GMT to be sourced from Band 2 or Band 3 SA2s.

The material we considered

We considered the following material when making our decision:

- the legislation
- the application material — including evidence that stakeholders and the community were notified about the application
- the local impact assessment
- the gaming plan of management
- conditions proposed by Liquor & Gaming NSW (**L&GNSW**) to be imposed on the liquor licence
- venue map and images
- venue compliance history
- data provided by L&GNSW pertaining to:
 - location factors for the LGA and SA2 where the venue is located
 - gaming profits at the venue
 - gaming participation and prevalence in the local health district compared to NSW
- L&GNSW compliance materials
- stakeholder submissions and the applicant's response to them.

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

This decision will be published in accordance with section 36C of the *Gaming and Liquor Administration Act 2007*.

Opportunity for review

The applicant and anyone who was notified of the application and made a submission, may apply to NCAT for a review of the decision.

An application for review must be made no later 28 days after the decision is published on the website. There is a fee to lodge the application.

For more information, please contact the NCAT Registry at Level 10 John Maddison Tower, 86-90 Goulburn Street Sydney or visit the NCAT website.

If you have any questions

Please contact Liquor & Gaming NSW at: new.applications@liquorandgaming.nsw.gov.au if you have any questions.

Yours sincerely



Caroline Lamb

Chairperson

Independent Liquor & Gaming Authority

Schedule 1: Licence conditions to be imposed - Royal Hotel

No.	Condition to be imposed	Description
1.	Financial community contribution	The venue is to make a financial contribution of \$124,349 to the Responsible Gambling Fund over the next five years in five equal instalments of \$24,870, commencing within 28 days of the approval and then annually thereafter.
2.	CCTV	1. The licensee must maintain a closed-circuit television (CCTV) system on the premises in accordance with the following requirements: a. the system must record continuously from opening time until one hour after the premises is required to close (or, in the case of a premises that is not required to cease trading, continuously at all times), b. recordings must be in digital format and at a minimum of ten (10) frames per second, c. any recorded image must specify the time and date of the recorded image, d. the system's cameras must cover the following areas: i. all entry and exit points on the premises, ii. the footpath immediately adjacent to the premises, and iii. all publicly accessible areas (other than toilets) within the premises. 2. The licensee must also: a. keep all recordings made by the CCTV system for at least 30 days, b. ensure that the CCTV system is accessible at all times the system is required to operate pursuant to sub-clause 1(a), by at least one person able to access and fully operate the system, including downloading and producing recordings of CCTV footage, and c. provide any recordings made by the system to a police officer or Liquor and Gaming NSW inspector within 24 hours of any request by the police officer or Liquor and Gaming NSW inspector to provide such recordings.
3.	GME Sourcing	The gaming machine entitlements transferred to the venue as a result of this gaming machine threshold increase must be transferred from venues in Band 2 or Band 3 SA2 areas.