



Victorian Commission for  
Gambling and Liquor Regulation

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Edward O'Donohue MLC  
Minister for Liquor and Gaming Regulation  
Level 26, 121 Exhibition Street  
MELBOURNE VIC 3000

Dear Minister,

**REDUCING RED TAPE STATEMENT OF EXPECTATIONS FOR THE VICTORIAN  
COMMISSION FOR GAMBLING AND LIQUOR REGULATION**

I am pleased to provide you with a response on behalf of the Victorian Commission for Gambling and Liquor Regulation (the VCGLR) to the Reducing Red Tape (RTR) Statement of Expectations (SOE) dated 25 March 2013.

This letter provides information about activities planned and currently being undertaken by the VCGLR in furtherance of the broad red tape reduction goals and the specific performance measures stipulated in the SOE.

The VCGLR is the independent regulator for the liquor and gambling industries in Victoria and was established in February 2012. The VCGLR's Strategic Priorities 2012-2015 set out a commitment to four key priorities:

1. modern in our regulatory approach, demonstrating the VCGLR's leadership and innovation
2. efficient in our practices and in the way we regulate
3. high performing and dynamic in our workplace where our people are respected, supported and model integrity
4. networked to improve our gambling and liquor regulatory outcomes.

The creation of the VCGLR as a new integrated regulator provides an opportunity to review and streamline administrative and regulatory processes to ensure they are effective, efficient and impose the lowest costs necessary on the business and not-for-profit sectors.

**Develop a comprehensive risk-based approach to regulation that properly takes into account the objectives of the legislation administered by the VCGLR.**

The VCGLR is committed to implementing a world leading approach to gambling and liquor regulation using contemporary regulatory thinking. We are developing a public statement setting out how we view and undertake our statutory functions that :

- describes the organisation's regulatory tools and how we will use them
- articulates what industry and the community can expect from us
- provides a high level framework to support consistent decision-making across the organisation

- assists us to set and deliver priorities and manage resources by taking a risk-based approach to regulation.

We see this work as important to supporting independent, consistent, transparent and accountable behaviour in decision-making. The statement will also articulate our role in minimising gambling and liquor related harms as well as working towards other statutory objectives.

One of our guiding principles is that compliance activities will be risk-based as informed by the use of intelligence. A dedicated intelligence unit will be established to support the organisation in undertaking its regulatory functions.

Some initiatives outlined below start to implement more risk-based regulatory practices into our operations. Further initiatives to embed risk-based practices more comprehensively will be developed once our regulatory approach is finalised.

**Reduce determination times and administrative costs by streamlining application processes, reducing discretionary application requirements, improving information provided to applicants and reducing reporting requirements for those regulated by the VCGLR.**

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Developing and implementing measures to reduce red tape is a significant priority and contributes to the organisation's goal of being efficient in the way we regulate.

We have established a RTR Taskforce (the Taskforce) with staff from across the organisation to look at ways to achieve the goals and measures stipulated in the SOE. The Taskforce looked at our end-to-end role as a regulator including application processes, forms, reporting, compliance monitoring and enforcement. Analysis of common industry concerns and applicant errors was key to this work.

Following the Taskforce's review, we are implementing a range of operational reforms in the areas of liquor and gambling regulation targeted by the Minister. Details of the initiatives selected for implementation in the 2013/14 financial year are outlined in the attached table. Broadly, these initiatives are designed to:

- Streamline internal administrative processes for the handling of applications.
- Review and improve the useability and effectiveness of application forms.
- Provide more guidance for users on processes and obligations of regulated entities.
- Provide more information to applicants to assist them to comply with relevant laws.
- Introduce reforms to reduce determination times for lower-risk applications.

Integration of the administration of the liquor and gaming regulatory regimes into a single regulator presents the opportunity to streamline administration for those with both a liquor and a gaming licence (dual licensees), reducing red tape for those industries.

Since the creation of the VCGLR on 6 February 2012, we have been working to identify and implement initiatives to reduce duplication, improve coordination between licensing regimes and improve customer service for dual licensees. We are working towards reducing the amount of time and resources dual licensees are required to dedicate to licensing issues.

A key initiative is to provide effective and efficient inspections with our inspectors examining premises for compliance with both liquor and gambling laws. In support of this goal, a new integrated service delivery model is being implemented which includes the creation of an integrated inspector role.

We have commenced consultation with relevant stakeholders in relation to red tape reduction. Through actively seeking feedback from VCGLR staff, regulated entities, industry associations

and other stakeholders, we are gathering a greater understanding of ways to adjust our operations to reduce costs to business and not-for-profit sectors.

The organisation is focused on identifying potential legislative amendments to reduce red tape and further improve efficiencies for dual licensees. We provide information to the Department of Justice to assist in understanding the operational impact of new legislation with respect to supporting the minimisation of cost burdens whilst maximising operational effectiveness. Further, when implementing new legislation, we will give consideration, within the limits of our discretion, to the potential costs imposed on regulated entities.

**Reduce determination times for liquor and gambling related applications by streamlining processes that intersect with the planning system, including addressing unnecessary duplication where possible.**

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In conjunction with the Department of Justice we have established a working group to consider ways to reduce determination times for liquor and gambling related applications by streamlining processes that intersect with the planning system. This work will include consultation with the Department of Transport, Planning and Local Infrastructure.

**Reporting and baseline measures**


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As part of our annual reporting cycle, we will shortly publish relevant baseline measures (from 1 January 2011) in order to support the later assessment of our success in working to achieve the specific targets set out in the SOE. In its annual report, the VCGLR will report on activities undertaken to reach the broad goals and specific targets set out in the SOE and well as any other reductions in red tape we have achieved.

Further, as part of our annual business planning process, we will include relevant red tape reduction targets in our plan for the 2013/14 financial year.

We are committed to achieving red tape reductions for the gambling and liquor industries whilst continuing to meet our regulatory objectives. I look forward to providing you with continued updates about the organisation's progress.

  
Yours sincerely,

  
Mr Bruce Thompson  
Acting Chairman

## Specific Red Tape Reduction Measures



Reduce determination times for lower-risk liquor licence applications and approvals by 15 per cent.	
<b>Focus:</b>	
<ul style="list-style-type: none"> <li>• new permanent and temporary liquor licences</li> <li>• liquor licence transfers</li> <li>• temporary approval of unaccompanied minors on licensed premises.</li> </ul>	
1.	<p>Review and improve the useability and effectiveness of selected VCGLR application forms ensuring they are effective in gathering the information necessary to determine an application whilst not asking for unnecessary information and documents.</p> <p>For example:</p> <ul style="list-style-type: none"> <li>• increase use of plain English</li> <li>• provide clearer instructions on information and documents that must be provided for an application to be accepted</li> <li>• ask more effective questions to gather a good understanding of the applicant's business and reduce follow-up requests by the VCGLR for information.</li> </ul>
2.	Review and improve the process used by the VCGLR to determine a new licensee's right to occupy a licensed premises during a transfer application.
3.	Provide more effective guidance on processes where an applicant wishes to vary a licence they are applying to transfer.
4.	<p>Streamline internal VCGLR administrative processes to more quickly move applications received through to determination.</p> <p>For example:</p> <ul style="list-style-type: none"> <li>• reduce the time taken for an application received by mail to be provided to licensing staff to commence determination.</li> </ul>
5.	Pilot the greater use of email to communicate with applicants reducing reliance on postal services.
6.	<p>Review and improve information provided to applicants to increase understanding of the VCGLR's application requirements and processes.</p> <p>For example:</p> <ul style="list-style-type: none"> <li>• provide clearer guidance on what training applicants must complete, when they must complete it and what evidence of training must be provided with an application.</li> </ul>
7.	<p>Review and improve the VCGLR's online application portal for temporary limited licences.</p> <p>For example:</p> <ul style="list-style-type: none"> <li>• ask more effective questions to gather a good understanding of the applicant's business and reduce follow-up requests by the VCGLR for information.</li> </ul>
8.	<p>To reduce determination times for lower-risk applications, consider the introduction of risk-based reforms to the application process for the temporary approval of unaccompanied minors on licensed premises for underage live music events. Consider whether it is appropriate to allow all-ages live music events in more circumstances. The VCGLR has already released a public consultation discussion paper to inform its consideration of this reform.</p>
9.	<p>Develop more proactive management and support for major events requiring a liquor licence.</p> <p>For example:</p> <ul style="list-style-type: none"> <li>• maintain a calendar of major events enabling the VCGLR to have contact with event organisers well in advance of events to streamline the application process.</li> </ul>

**Reduce determination times for lower-risk minor gaming approvals and permits by 15 per cent.**

**Focus:**

- trade promotion lotteries
- raffles
- lucky envelopes
- fundraising events.

1.	Provide more information to applicants to assist them to comply with relevant laws. For example: <ul style="list-style-type: none"> <li>• increase information on requirements for fundraising events rules.</li> </ul>
2.	Develop lower cost ways for applicants to demonstrate their suitability for a trade promotion lottery and raffle permit. This will better reflect the lower-risk of harm to the community presented by this type of activity.
3.	Provide more information to support applicants to draft terms and conditions that are compliant with relevant laws and reduce application requirements for trade promotion lotteries. This will better reflect the lower-risk of harm to the community presented by this type of activity.
4.	Refine the current risk-based approach to determining appropriate conditions for raffles with high value prizes so that conditions are more tailored to the risk presented by the applicant. For example: <ul style="list-style-type: none"> <li>• cease the automatic imposition of additional conditions for lower risk, repeat applicants with a good history of compliance.</li> </ul>
5.	Streamline internal VCGLR administrative processes to more quickly move applications received through to determination. For example: <ul style="list-style-type: none"> <li>• adjust ICT to better support efficient practices by staff when determining raffles applications</li> <li>• change the delegation of Commission powers to speed up determinations.</li> </ul>
6.	Review and improve the useability and effectiveness of VCGLR application forms ensuring they are effective in gathering the information necessary to determine the application whilst not asking for unnecessary information and documents. For example: <ul style="list-style-type: none"> <li>• reduce confusion by introducing separate application forms for the different types of minor gaming.</li> </ul>
7.	Develop a strategy to increase use of the existing online application portal for trade promotion lotteries.

**Reduce the red tape on applicants and participants in gaming and liquor inquiries conducted by the Commission by 25 per cent**

**Focus:**

Inquiries conducted by the Commission are those matters that could involve a hearing by one or more Commissioners. Examples include:

- applications to allow electronic gaming machines (EGMs) or increase EGM numbers
- reviews of certain gambling related decisions
- disciplinary or amenity hearings against licence and permit holders and other related entities
- contested liquor licence or permit applications
- reviews of liquor licence or permit decisions.

1.	Review and improve the useability and effectiveness of VCGLR application forms ensuring they gather information necessary to support an inquiry whilst not asking for unnecessary information and documents. For example: <ul style="list-style-type: none"> <li>• improve forms for EGM applications.</li> </ul>
2.	Utilise directions hearings where appropriate to encourage efficient and expeditious finalisation of matters.
3.	Increase publicly available information about Commission inquiry processes and procedures to increase understanding of how the Commission operates.
4.	Develop and distribute estimated timeframes for the finalisation of internal reviews of liquor licence and permit decisions.