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Our ref:

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Mr Ross Kennedy Victorian Commission for Gambling and Liquor Regulation **GPO Box 1988** MELBOURNE VICTORIA 3001

Dear Mr Kennedy

Statement of Expectations for the Victorian Commission for Gambling and Liquor Regulation

I am pleased to provide you with this Statement of Expectations (SOE) for the Victorian Commission for Gambling and Liquor Regulation (the Commission). This SOE applies for the period 31 December 2017 - 30 June 2019, or until otherwise amended.

Improving the administration and enforcement of regulation

This SOE sets out my expectations of the Commission's contribution to the Government's program to reduce red tape affecting businesses, not-for-profit organisations, government service providers and households by promoting greater efficiency and effectiveness in the administration and enforcement of regulation. It also outlines my expectations regarding broader improvements in the Commission's performance.

As Minister for Consumer Affairs, Gaming and Liquor Regulation, I am responsible for administering the Victorian Commission for Gambling and Liquor Regulation Act 2011, the Gambling Regulation Act 2003, the Casino Control Act 1991 and the Liquor Control Reform Act 1998 that affect businesses and the broader Victorian community. This SOE should be read within the context of the objectives, obligations and functions outlined in these Acts. This SOE outlines key governance and performance objectives and targets aimed at improving the administration and enforcement of regulation and thus reducing its cost impact on business and the community. This SOE replaces the SOE dated 10 June 2016.

Improvements and targets

Based on consultation between the Department of Justice and Regulation and the Commission, I have identified key elements of governance and operational performance where there are opportunities for the Commission to make improvements that would reduce cost impacts on business or reduce harm from gambling and liquor in the Victorian community.

The Commission is expected to identify activities it will undertake to achieve the following performance improvements and targets, with the aim of reducing harm from liquor and gambling:



- Continue to implement an integrated risk based approach to the regulation of gambling and liquor industries in Victoria.
- Increase the proportion of compliance inspections occurring at high risk times.
- Increase the proportion of compliance inspections occurring at high risk premises, as identified by the risk-based approach to compliance.
- As a result of the establishment of regional hubs, increase the proportion of compliance inspections in regional areas occurring at high risk times and at high risk premises.
- Monitor the implementation by Crown Melbourne Ltd. of commitments given in response to the findings of the Sixth Casino Review.
- Finalise the Joint Enforcement Strategy with Victoria Police and report to me on the outcomes of the strategy.
- Develop an evaluation framework for measuring the effectiveness of the risk-based approach to compliance and licensing.

The Commission is further expected to undertake the following activities that will reduce regulatory burden, as measured by the Regulatory Change Measurement Model:

- Increase the proportion of forms able to be completed online.
- Reduce time taken to determine low risk applications for liquor and gambling, consistent with a risk-based approach.

In developing actions to achieve these improvements and targets, the Commission is expected to consult with the Red Tape Commissioner, business and the broader community as appropriate.

Reporting

Reporting on your progress to achieve these SOE performance targets should be undertaken in the context of annual financial reporting to avoid dual reporting streams. As part of annual reporting, regulators are expected to report on:

- · current baseline levels for performance targets set in this SOE; and
- activities to be undertaken to reach the performance targets and improvements set out in this SOE.

I also expect that these SOE performance targets will be incorporated into the Commission's Corporate Plan, and this SOE should be published on the Commission's website upon receipt. I expect that within 2 months of receipt of this letter, the Commission will respond to this SOE, outlining how it intends to achieve the performance improvements and targets set out in this SOE.

This response should include details of the specific activities that will be undertaken by the Commission.

I look forward to seeing the Commission continuously working towards achieving best practice in the administration and enforcement of regulation.

Moure sincerely

Hon Marlene Kairouz MP

Minister for Consumer Affairs, Gaming and Liquor Regulation