

A. Entity responses

As mandated in Section 64 of the *Auditor-General Act 2009*, the Queensland Audit Office gave a copy of this report with a request for comments to the Department of Justice and Attorney-General.

This appendix contains its detailed responses to our audit recommendations.

The head of the entity is responsible for the accuracy, fairness, and balance of its comments.



Comments received from Director-General, Department of Justice and Attorney-General



Department of Justice and Attorney-General
Office of the Director-General

In reply please quote: 537265/7, 6907427, ORP-2287646

Your reference: PRJ03892

19 JAN 2024

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Dear Mr Worrall

Thank you for your email dated 12 December 2023 seeking a formal response to recommendations from the Queensland Audit Office's (QAO) proposed report, *Minimising gambling harm*.

The Department of Justice and Attorney-General (the Department) welcomes the QAO's report and notes the 10 recommendations aimed at protecting consumers and communities from harm, regulating the gambling industry, and implementing and monitoring harm minimisation strategies.

The Department agrees or agrees in-principle to each of those recommendations as detailed in the **enclosed** response.

As outlined, the Department is well-progressed in delivering a range of initiatives for at-risk groups, enhancing our risk-based compliance monitoring regime, reviewing the voluntary *Responsible Gambling Code of Practice*, and strengthening governance arrangements to support the implementation of the *Gambling Harm Plan for Queensland 2021-25*.

Although noting the challenges faced by the Department in delivering a comprehensive response, the report concludes the Department has made progress in recent years. I would like to acknowledge the work of the Department's officers to date and confirm our ongoing commitment to preventing gambling harm.

I thank the QAO for their positive engagement throughout the performance auditing process and look forward to continuing our regulatory efforts, taking into consideration the enhancements recommended in your report.

Should you have any questions please contact [REDACTED]

Yours sincerely



Jasmina Jodic PSM
Director-General

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Responses to recommendations

Department of Justice and Attorney-General

Minimising gambling harm

Response to recommendations provided by Jasmina Joldić PSM, Director-General, Department of Justice and Attorney-General on 19 January 2024.

Recommendation	Agree/Disagree	Timeframe for implementation (Quarter and financial year)	Additional comments
<p>We recommend that the Department of Justice and Attorney-General:</p> <ol style="list-style-type: none"> develops a plan to improve and sustain its understanding of gambling-related harm and its prevalence in Queensland. This should include: <ul style="list-style-type: none"> conducting regular and targeted studies to assess the extent and impact of gambling issues prioritising Queensland specific research to identify key challenges and vulnerabilities. 	Agree in-principle	<p>Initial research agenda: Q1/2024-25</p> <p>Annual research program: Ongoing</p>	<p>Subject to Government consideration and funding, the Department of Justice and Attorney-General (DJAG) will develop a plan to improve its understanding of gambling related harm and prevalence through regular, local and targeted gambling harm studies and research.</p> <p>This plan will align with existing national and other interjurisdictional research agendas and will seek to prioritise research gaps and build the evidence base for Queensland specific risks and challenges.</p> <p>Planning is already underway for research to be conducted in 2024 into young Queensland First Nations mens' engagement with online gambling to better understand prevalence, harms and potential protective factors. This research project is expected to be completed by Q1 2024-25.</p> <p>DJAG agrees ongoing and regular large scale population level surveys are essential to assessing the impact of gambling harm on the Queensland community. The results of the large-scale 2023 Queensland Gambling Survey (QGS), with a sample size of over 15,000 adults, will assist in the identification and prioritisation of future gambling harm strategies and initiatives. Initial findings of the QGS 2023 report are scheduled for publication in mid-2024. Subject to Government consideration and funding, DJAG proposes to conduct the QGS every three years.</p>
<ol style="list-style-type: none"> comprehensively assess the long-term funding needed to effectively deliver its harm minimisation plans. 	Agree	<p>Initial assessment Q1/2024-25</p> <p>Ongoing assessment to respond to Government priorities</p>	<p>DJAG notes QAO's findings about the growth of gambling revenue over recent years, current funding arrangements, and the comparisons between Queensland and other jurisdictions in relation to investment in gambling harm minimisation.</p> <p>Insufficient funding or inflexible funding models can substantially and negatively impact the ability of a regulator to deliver on its objectives and meet the standards expected by the community.</p> <p>The rapidly evolving, complex and potentially harmful nature of gambling requires oversight by a well-resourced, contemporary regulatory regime which is empowered to design harm minimisation into all aspects of role and activity.</p>

Recommendation	Agree/ Disagree	Timeframe for implementation (Quarter and financial year)	Additional comments
			DJAG will comprehensively assess longer-term funding needs and seek Government consideration of revised arrangements to enable the regulator, operating efficiently, to effectively deliver initiatives under the GHMP 2021-25 and the Government's broader harm minimisation objectives.



Recommendation	Agree/ Disagree	Timeframe for implementation (Quarter and financial year)	Additional comments
<p>3. develops and implements strategies and initiatives aimed at preventing gambling-related harm in Queensland. This should include greater focus on at-risk groups and emerging gambling activities such as wagering.</p>	<p>Agree in-principle</p>	<p>See timeframes for specific strategies and initiatives outlined in 'additional comments'</p>	<p>DJAG agrees a focus on prevention and early intervention is critical to effectively minimising gambling harm under a public health approach. Consistent with the response to recommendation 1 and subject to Government consideration and funding, future strategies and initiatives will be informed by international, national and state level studies and research, stakeholder engagement, lived experience perspectives, horizon scanning, and other relevant information and data sources.</p> <p>A number of strategies and initiatives aimed at at-risk groups and emerging gambling activities are substantially progressed, including:</p> <ul style="list-style-type: none"> the development of a comprehensive set of community education modules (incorporating prevention materials) with handover to Queensland's Gambling Help services by end of Q3 2023-24 for their delivery a partnership with Queensland Cricket to address the normalisation of gambling in sport, which includes the 'Forget the Bet' campaign launched on 7 December 2023 the development of education materials for grass roots sporting clubs, expected to be released in Q3 2023-24 needs analysis on gambling help services for culturally and linguistically diverse communities has been completed, which is being used to inform the development of targeted initiatives for this at-risk group that will commence early 2024 a review of the Queensland Responsible Gambling Code of Practice is currently underway, with a draft code of practice and principles for electronic gaming machine environments, and industry consultation on this draft code, expected to be completed in Q4 2023-24. DJAG will also progress the development of a new safer gambling code of conduct for the wagering industry. <p>The Commonwealth Government is currently considering the findings and recommendations of the Parliamentary inquiry into online gambling and its impacts on those experiencing gambling harm, released in June 2023.</p> <p>DJAG will continue to work collaboratively with the Commonwealth, and states and territories in delivering nationally consistent reform to online gambling/wagering.</p>



<p>4. completes its implementation of the recommendations from the 2021 review of gambling help services. This should include:</p> <ul style="list-style-type: none"> • tailoring support services to better meet the needs of at-risk groups and make them more accessible • improving community education initiatives to reach more people at risk of gambling harm • addressing challenges in accessing non-therapeutic counselling options like financial counselling and peer support • designing and implementing outcomes-focused performance measures for gambling help services to enable more effective performance monitoring. 	<p>Agree Q2/2024-25</p>	<p>DJAG has delivered or is well progressed on delivering the majority of responses to findings from the external review that could be implemented within the current funding allocation, including:</p> <ul style="list-style-type: none"> • improved access to peer support through the Gambling Help Online website, which was launched in July 2023 • increased flexibility and availability of Gambling Help services through expanded hours of service and embedding virtual counselling as a method of front-line support, which commenced in July 2023 • established a First Nations Gambling Harm Steering Group in October 2023 to guide and inform relevant initiatives • improved client counselling and outcome measurement tools developed and trialled by Gambling Help services (Gambling Recovery Star and the Family Impact Star), which are now mandated for use in funded service delivery • provision of funding to the Financial Counsellors' Association of Queensland over a two-year period to increase the number of trained gambling financial counsellors in Queensland, with a target of 20 additional counsellors trained by 30 June 2024 • completion of a needs analysis for culturally and linguistically diverse communities in August 2023, with development of targeted initiatives for this at-risk group commencing in early 2024. <p>The following activities are also being progressed:</p> <ul style="list-style-type: none"> • a First Nations cultural audit of Gambling Help services is expected to be completed in the second half of 2024 • development of a screening tool and training for First Nations health workers to identify and support the treatment of gambling harm, which is expected to be delivered in Q4 2023-24 • development of a comprehensive suite of community education modules to improve the consistency of Government-funded community education activities through Gambling Help services and to accommodate a diverse range of community cohorts, including at-risk groups such as First Nations and culturally and linguistically diverse communities, with the first roll-out of education modules to occur in Q3 2023-24 • a dedicated youth gambling education resource to increase awareness and understanding of the risk and potential harm from gambling and to better equip and empower young people to develop safer gambling behaviours and mitigate
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Recommendation	Agree/ Disagree	Timeframe for implementation (Quarter and financial year)	Additional comments
			<p>their risk of gambling harm will be delivered in second half of 2024</p> <ul style="list-style-type: none"> the first phase of a project to improve the quality and consistency of data supplied by Gambling Help service providers to more effectively monitor service delivery performance and community need will be completed by 30 June 2024. Phase two of the project will further refine data collection activities and will commence 30 June 2024. <p>DJAG will explore additional options regarding sustainable access to non-therapeutic supports noting that additional enhancements to Queensland Gambling Help services to better service community needs may require Government funding consideration.</p>
<p>5. works with relevant industry stakeholders to prioritise the development of a centralised self-exclusion system in Queensland. In doing this, it should ensure data- and privacy-related risks are known and effectively managed.</p>	<p>Agree</p>	<p>Phase II trial: Q1/2024-25</p> <p>Roll-out: Q3/2024-25</p>	<p>DJAG notes the QAO's comments regarding community concern about an industry-led self-exclusion system, including privacy concerns for those using self-exclusion services, and strong stakeholder preference for a government or gambling help service-managed system.</p> <p>An industry phase II trial of the multi-venue self-exclusion system (developed by Clubs Queensland and the Queensland Hotels Association) is proposed to commence by mid-2024. Legislative amendments to support the roll-out of a centralised self-exclusion system are also being progressed.</p> <p>DJAG will work with industry and other relevant stakeholders, such as the Office of the Information Commissioner Queensland (OIC) to ensure data and privacy risks are identified and managed.</p>



Recommendation	Agree/ Disagree	Timeframe for implementation (Quarter and financial year)	Additional comments
<p>6. prioritises completing its review of the <i>Queensland responsible gambling Code of Practice</i> to align with its goal of implementing it as a mandatory requirement in Queensland. This should include:</p> <ul style="list-style-type: none"> • updating the code of practice to reflect current better practices and ensure that it promotes a safer gambling industry • developing an enforcement mechanism that holds gambling operators accountable for breaches of the code of practice. 	Agree in-principle	Q2/2024-25 (code development – EGMs,; wagering and casino operations)	<p>DJAG has already commenced a review of the <i>Responsible Gambling Code of Practice</i>. This review will provide advice to the Queensland Government about modernising the regulatory framework to better control gambling harm risk in contemporary gambling environments, including online environments.</p> <p>Stage 1 of the review involves the development of safer gambling framework principles for all gambling sectors, development of a code of practice for electronic gaming machines in club and hotel environments, and an analysis of potential mandatory requirements for gambling operators. It is anticipated this component of the project will be completed by June 2024.</p> <p>DJAG is also continuing to prioritise codes of practice for the wagering and casino sectors to strengthen consumer protection. The casino code will reflect the specific findings and recommendations of the External Review of the Queensland Operations of the Star Entertainment Group Limited (Gotterson Review).</p> <p>Proposed codes, supported by enforcement mechanisms to holds gambling operators accountable, will be require Government policy consideration and implementation support.</p>

Recommendation	Agree/ Disagree	Timeframe for implementation (Quarter and financial year)	Additional comments
<p>7. implements a comprehensive and risk-based approach to assessing and managing gambling-related risks. This should include:</p> <ul style="list-style-type: none"> conducting regular risk assessments of gambling activities and operators, considering factors such as compliance history, location, gambling turnover, and socio-economic factors developing a risk-based system for identifying and prioritising high-risk gambling providers targeting compliance activities towards high-risk gambling providers and activities using data and insights to inform and improve the department's compliance program. 	Agree	Q4/ 2023-24	<p>While DJAG has historically adopted a risk based approach to electronic gaming machine (EGM) gambling harm minimisation in hotels and clubs, the approach has relied heavily on compliance history and did not sufficiently consider other relevant risk factors.</p> <p>In September 2023, DJAG commenced prioritisation of higher-risk venues through broader consideration and analysis of risk factors including:</p> <ul style="list-style-type: none"> number of EGMs number of excluded patrons compliance history harm minimisation history Socio-Economic Indexes for Areas (SEIFA) data average daily turnover of EGMs metered win (12 months) number of days since the last DJAG inspection. <p>As at 4 January 2024, 53 compliance inspections assessing harm minimisation have been undertaken.</p> <p>Mandatory codes of practice (as outlined in recommendation 6) will further strengthen the effectiveness of DJAG's ability to influence gambling operators to better control gambling harm risk.</p> <p>DJAG is developing a proactive program to assess compliance with the principles of the <i>National Consumer Protection Framework</i> by online wagering service providers and will continue to work collaboratively with interstate gambling regulators to target those licensed by other jurisdictions.</p> <p>DJAG is committed to maturing its risk-based approach, noting the criticality of systems to support data and intelligence insights. The extent to which DJAG is able to fully mature its risk-based programs through system capabilities will be dependent on the level of government investment. For example, Liquor and Gaming New South Wales' <i>Pivotal</i> database and transition to a cloud-based online platform is estimated to cost \$400,000 to build with an annual recurring cost of \$350,000.</p>



Recommendation	Agree/ Disagree	Timeframe for implementation (Quarter and financial year)	Additional comments
<p>8. strengthens its regulatory oversight of the gambling industry to ensure that gambling providers are implementing effective harm minimisation measures. This should include:</p> <ul style="list-style-type: none"> developing and implementing detailed and harm-focused inspection checklists providing regular training to compliance officers on harm minimisation and compliance inspections regularly monitoring and reporting on the performance of regulatory activities with a focus on harm minimisation outcomes. 	Agree in-principle	Q4/ 2023-24	<p>DJAG's ability to strengthen its regulatory oversight will foremost and primarily be enhanced through the Queensland Government's adoption of mandatory gambling codes of practice (Recommendation 6).</p> <p>In the interim DJAG has revised harm minimisation programs targeted at hotel and club gambling (refer Recommendation 7). This includes enhanced, harm-focussed inspection checklists which form part of a regulatory toolkit to be adapted dependant on the risk posed by the individual operator.</p> <p>Delivery of a comprehensive training program to DJAG compliance officers across the state will commence in January 2024 and is scheduled for finalisation in June 2024. Training will be scheduled and delivered as part of inspector induction and on a regular refresher basis.</p> <p>The <i>Liquor and Gambling Proactive Compliance Plan 2023-24</i> sets out the regulator's proactive priorities including three related to gambling harm minimisation (casinos; electronic gaming machines, and online wagering).</p> <p>Work is underway to publish regular performance reports. Ongoing reports will improve the transparency of the regulator's activity.</p>

Recommendation	Agree/ Disagree	Timeframe for implementation (Quarter and financial year)	Additional comments
<p>9. strengthens its governance and performance monitoring arrangements for delivering the harm minimisation plan. This should include:</p> <ul style="list-style-type: none"> developing and implementing a clear and comprehensive governance framework that outlines the roles and responsibilities of all stakeholders, accountability mechanisms, project management, and decision-making processes managing perceived or actual conflicts of interest among stakeholder groups through robust governance structures and risk management protocols establishing effective monitoring and reporting processes to track progress, identify and address issues early on, and ensure that the plan is achieving its objectives establishing formal processes for altering the annual plans, such as changes to scope, milestones, and budget 	Agree	Q3/2023-24	<p>In 2023, DJAG instigated a number of improvements to governance and monitoring arrangements for the Gambling Harm Minimisation Plan (GHM Plan), particularly as they relate to the role of the external stakeholder group - the Safer Gambling Advisory Committee (SGAC). The revised and improved framework clarifies roles and responsibilities in planning and delivery, reporting structures and provides for a formal decision-making process, including for establishing and amending scope, budget, and delivery timeframes for approved initiatives.</p> <p>Additionally, a mandatory code of conduct for SGAC members was developed in 2023, which includes specific requirements relating to managing perceived or actual conflicts of interest. In November 2023, SGAC members received training about the SGAC code of conduct and their associated obligations, as well as public sector ethics (as public officials of a public sector entity).</p> <p>New reporting processes have also been instigated to ensure more effective monitoring and tracking of progress and identification of barriers to successful project completion. Issues associated with conflict of interest and risk management protocols are subject to further consideration.</p> <p>In developing and implementing the GHM Plan, DJAG has adopted a delivery through partnerships model (government, industry and community), with this approach presenting a challenge to traditional public sector paradigms, structures, practices and accountabilities. Learnings will inform future approaches to enhance DJAG's governance arrangements.</p>



Recommendation	Agree/ Disagree	Timeframe for implementation (Quarter and financial year)	Additional comments
<p>10. improves its processes for evaluating the effectiveness of its strategies and their impact on gambling prevalence and harm. This should include:</p> <ul style="list-style-type: none"> developing clear and measurable performance indicators that align with the broader strategy outcomes setting clear benchmarks or targets for performance measures to assess how well the department is performing against its goals collecting baseline data to assess the performance of its strategies and initiatives conducting regular evaluations of its strategies and initiatives, including assessing their impact on changes in behaviour over time. 	Agree	<p>Enhancements completed</p> <p>External evaluation Q3 2023-24</p>	<p>In 2022, DJAG engaged an external contractor to develop a comprehensive evaluation framework for the GHM Plan.</p> <p>Building on this framework, DJAG has instigated a number of enhancements to improve the process for evaluating the GHM Plan, including establishing a clear theory of change, program logic and specific measures for each project that ensures alignment with the broader outcomes of the GHM Plan.</p> <p>DJAG has also established a monitoring and evaluation plan for each project to support a future assessment of the project's effectiveness and its contribution toward outcomes. This will be further informed through an interim evaluation of the GHM Plan by an independent external program evaluator.</p> <p>The collection of baseline data for a number of initiatives under the GHM Plan (and broader overarching objectives) has been affected by funding constraints, however, the 2023 Queensland Gambling Survey was conducted (with data collection completed and a report due by the end of Q4 2023-24).</p> <p>Additional funding will be required to conduct additional pre- and post-intervention studies, behaviour change assessments and for overarching periodic time series population studies (and specific cohorts/regions) to assess the effectiveness of the framework/specific initiatives.</p> <p>Consistent with the evaluation framework developed for the GHM Plan, DJAG will undertake an interim evaluation and final evaluation of the GHM Plan. Through the collection of outcomes data on key initiatives, DJAG will be able to monitor and track the ongoing effectiveness of these initiatives as a basis for adjusting future delivery, where required.</p>