

Notice is hereby given that an extraordinary meeting of the Hearings Committee will be held on:

Date: Tuesday 15 February 2022
Time: 2.00pm
Meeting Room: Online, via Zoom
Venue: and Live Stream

Hearings Committee

OPEN AGENDA

MEMBERSHIP

Chairperson
Members

J F G Mason
Cr D A Allan
Cr P Tukapua

Cr S J R Jennings
Mayor B P Wanden

Contact Telephone: 06 366 0999
Postal Address: Private Bag 4002, Levin 5540
Email: enquiries@horowhenua.govt.nz
Website: www.horowhenua.govt.nz

Full Agendas are available on Council's website
www.horowhenua.govt.nz

Full Agendas are also available to be collected from:
Horowhenua District Council Service Centre, 126 Oxford Street, Levin
Te Awahou Nieuwe Stroom, Foxton,
Shannon Service Centre/Library, Plimmer Terrace, Shannon
and Te Takeretanga o Kura-hau-pō, Bath Street, Levin

ITEM	TABLE OF CONTENTS	PAGE
PROCEDURAL		
1	Apologies	5
2	Public Participation	5
3	Late Items	5
4	Declarations of Interest	5
REPORTS		
5	Reports	
5.1	Gambling Class 4 Venue Policy - Consideration of Submissions	7
5.2	TAB Venue Policy - Consideration of Submissions	73

1 Apologies

2 Public Participation

Due to COVID-19 Protection Framework this meeting will be held on-line. The meeting will be livestreamed on Council's Live Meetings page. Guidelines for visiting Council's Customer Service Centres can be viewed on Council's website:

<https://www.horowhenua.govt.nz/Council/Council-Meetings> .

Public Participation will be by way of written submission, which will be read out during the meeting. Written submissions will be required by 12 noon on the day prior to the meeting by email to public.participation@horowhenua.govt.nz

3 Late Items

To consider, and if thought fit, to pass a resolution to permit the Council to consider any further items which do not appear on the Agenda of this meeting and/or the meeting to be held with the public excluded.

Such resolution is required to be made pursuant to Section 46A(7) of the Local Government Official Information and Meetings Act 1987, and the Chairperson must advise:

- (i) The reason why the item was not on the Agenda, and
- (ii) The reason why the discussion of this item cannot be delayed until a subsequent meeting.

4 Declarations of Interest

Members are reminded of their obligation to declare any conflicts of interest they might have in respect of the items on this Agenda.

File No.: 22/42

5.1 Gambling Class 4 Venue Policy - Consideration of Submissions

1. Purpose

- 1.1 To provide the platform for members of the hearings committee to hear and consider the submissions received on this policy during the public consultation process of this review process.
- 1.2 To propose that members recommend the policy, as may be amended during the hearings process, for adoption by Council, and subsequent repeal of the 2017 version of this policy

2. Executive Summary

- 2.1 The Gambling Act 2003 requires that Council have a policy on Class 4 Gambling Venues, and that such a policy is reviewed every three years. Horowhenua District Council's current Class 4 Venues Policy was adopted in 2017 and was due for review in 2020.
- 2.2 At the 10 November 2021 meeting, Council resolved to review this policy using the public consultation process as set out in the Local Government Act 2002, and a number of amendments to the policy were proposed.
- 2.3 The policy consulted on is attached as Attachment A. Eight (8) submissions were received and they now need to be considered by the Committee. Copies of the submissions are attached as Attachments B through to Attachment I.

3. Recommendation

- 3.1 That Report 22/42 Gambling Class 4 Venue Policy - Consideration of Submissions be received.
- 3.2 That this matter or decision is recognised as not significant in terms of S76 of the Local Government Act.
- 3.3 That members hear and consider submissions received on this matter following the use of the Special Consultative Procedure as was required by the Gambling Act 2003.
- 3.4 That after the consideration and hearing of submissions, changes be made to the Gambling Class 4 Venue Policy if considered appropriate.
- 3.5 That the Hearings Committee recommends to Council the adoption of the Gambling Class 4 Venue Policy, as may be amended, effective from the date of the adoption by Council, and the repeal of the 2017 policy.

4 Background / Previous Council Decisions

All background matters relating to the review of this policy were presented to the 10 November 2021 meeting of Council where it was resolved to consult on this matter using the Special Consultative process, with submissions closing 19 December 2021.

Council also resolved at the 10 November 2021 meeting that the hearing of submissions be undertaken by the Hearings Committee acting under delegated authority of Council, for subsequent recommendation to Council.

5 Discussion

- 5.1 Through the special consultative procedure, Council consulted on the following proposed changes to the Gambling Class 4 Venue Policy:
 - i. seek to clarify when the relocation policy applies,
 - ii. amend the club merger clause to allow up to two thirds of the combined original total of gaming machines – instead of allowing up to a maximum of thirty, and
 - iii. to implement the charging of fees in relation to the processing of relocation consent requests and merger consent requests.
- 5.2 The proposed amended policy proposed Council retain the current ‘sinking lid’ policy to control venue and machine numbers.
- 5.3 Of the eight (8) submissions received during the consultation period, four (4) were in general support of the proposed changes, three (3) sought changes to the relocation policy to achieve less restriction, and one (1) submission was neither in agreement or disagreement with the proposal. A summary of each submission is provided in section 6 of this report. Furthermore, a copy of each submission is attached as Attachments B through to Attachment I.

5.4 The individual submissions are summarised as follows:

i. Gaming Machine Association (Speaking to their submission)

In its submission, the Gaming Machine Association noted that replacing or amending the sinking lid is outside the scope of the current consultation. The Association opposes the proposal to prevent venues from relocating when their current venue is deemed earthquake prone, and where the venue wishes to relocate to new or refurbished premises. The Association is in support of the current 2017 policy relocation provisions.

ii. Problem Gambling Foundation PGF Group (Speaking to their submission)

The submitter commends Council's decision to continue its sinking lid policy. PGF submits that a sinking lid policy is one of the best policies available to reduce gambling harm and losses from gambling and although ordinarily advocates for a 'true' sinking lid policy that does not permit relocations or club mergers under any circumstances, the submitter supports the changes outlined in the statement of proposal.

iii. Mid Central Public Health Unit (Speaking to their submission)

In its submission, the Public Health Unit supports the existing sinking lid policy, and recommends that Horowhenua District Council ensure that taverns with class 4 gambling venues do not have gambling as their primary activity, limit class 4 gambling venues to existing localities, and amend the draft policy to limit merging clubs to a maximum of 18 machines.

iv. New Zealand Community Trust (Not speaking to the submission)

The submitter opposes the proposal to restrict the relocation policy, and is in support of Council retaining the current 2017 policy provisions with a cap remaining on machine numbers. The Trust submits that this will enable venues to move to new, modern premises and to move if landlords impose unreasonable terms and in the event of natural disaster or circumstances beyond the venue operators' control or the lease expires.

v. Te Awahou Foxton Community Board (Not speaking to the submission)

The submitter is in support of the proposed changes.

vi. One Foundation Limited (Not speaking to their submission)

The submitter suggests the relocation provision should be expanded instead of opposed to restricted or removed. The submitter suggests the relocation provision should continue to allow venues to move to new, modern premises, and to move to buildings that have a higher earthquake rating. Consideration should be given to expanding the relocation provision to allow relocation if the current landlord is imposing unreasonable terms.

vii. Levin TAB and Sports Bar (Not speaking to their submission)

The submitter was neither in support or opposition to the proposed policy, however in their submission reminded that Gaming machines provide our community with a great deal of necessary funding for a variety of activities.

viii. Paulette Stewart (Not speaking to her submission)

The submitter expressed support for the proposed changes. In addition, the submitter suggests a further reduction in gaming machines is necessary and that they would be in support of a full ban on gaming machines in the region.

5.5 Officer Comment

Submissions received from the Gaming Machine Association, New Zealand Community Trust and One Foundation Limited all suggest that the proposed relocation policy is too restrictive. All three submitters suggesting the previous policy provision was less restrictive and their preference for retention of the policy.

Conversely, the Problem Foundation Group (PGF Group) advocate for a 'true' sinking lid policies that do not permit relocation or club mergers. The proposed policy meeting middle ground in either respect.

There have been zero (0) instances of a Class 4 venue relocating nor of clubs merging within the past 5 years.

In the submission received from the Public Health Unit, recommendation is made for Council to ensure that taverns with Class 4 gambling venues do not have gambling as its primary activity. Although this relates to gambling in our district, it does not fit within the scope of a Class 4 Venue Policy as allowed for in the Gambling Act 2003.

The Committee may wish to consider the recommendation from Mid Central Public Health Unit in relation to limiting the number of machines retained in club mergers, to a maximum of 18 machines.

6 Options

The Committee is required to hear and consider the submissions received, make changes considered necessary to the policy that was consulted on, and then make subsequent recommendations to Council – see Part 3 of this report (Recommendations).

6.1 Cost

Not applicable to this report.

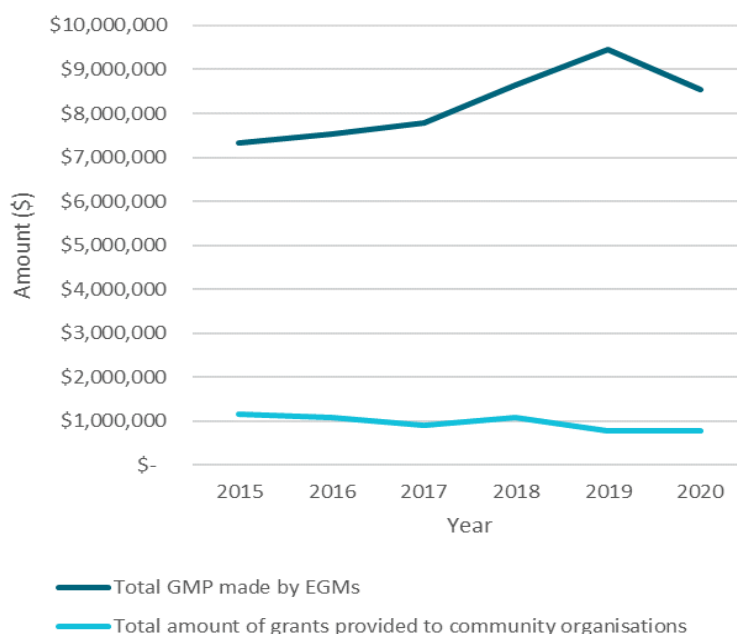
6.2 Community Wellbeing

- 6.2.1 Council and its community can influence the number of gambling venues and machines in the District that in turn support community wellbeing objectives.
- 6.2.2 The number of Class 4 gambling venues in Horowhenua has decreased in recent years, with the Department of Internal Affairs data confirming 11 venues recorded in 2015 has reduced to 9 as at December 2020. The number of gaming machines also decreasing over the same period, down from 164 in 2015, to 146 as at 31 December 2020.
- 6.2.3 Despite a decline in the number of machines, Horowhenua has followed the national pattern of a general growth in gaming machine proceeds (GMP). GMP is the aggregate winnings of gaming machines, minus pay-outs.
- 6.2.4 All Class 4 gaming machines are owned by Gaming Trusts and Societies. The GMP for each machine is monitored by the DIA's Electronic Monitoring System and collected by the Trust that owns the machine. The GMP is then applied in a complex model before it eventually can be distributed to the community as grants. Once through the model,

Societies and Trusts must return 40% of total proceeds to the community by way of grants or applied funding.

6.2.5 According to information gathered from the Department Internal Affairs and provided to Officers by PGF Group (Problem Gambling Foundation), \$9.4 million was lost on class 4 pokies from our Horowhenua Community in 2019, amounting to almost \$25,000 per day.

1. Of the \$9.4 million lost on class 4 gaming machines in 2019, a total of \$782,000 was returned as grants to the Horowhenua Community.



2.

6.3 Consenting Issues

There are no Consents required or consenting issues arising.

6.4 LTP Integration

There is no LTP programme related to this report.

7 Consultation

- 7.1 The review of these policies is required every three (3) years under the requirements of the Gambling Act 2003, and consultation is required to be undertaken using the Special Consultative Procedure as laid down in the Local Government Act 2002.
- 7.2 The consultation period was open for 4 weeks and closed on 19 December 2021.
- 7.3 The consultation was publicised in the newspaper, on Council's website and direct consultation occurred via email with industry stakeholders.
- 7.4 Direct consultation also occurred with Iwi representatives through Officer attendance at the December 2021 Te Tumatakahuki Monthly Hui.

8 Legal Considerations

- 8.1 Section 101 of the Gambling Act 2003 requires Council to have a policy on Class 4 Gambling Venues. Section 102 requires the policy to be reviewed every three (3) years and that it must be through the Special Consultative Process in the Local Government Act 2002.
- 8.2 The Special Consultative process commenced in November 2021 where the proposed Policy was open for public comment. Submissions closed on 19 December 2021 and this Hearing of submissions is the next part of fulfilling the requirements of the Special Consultative Procedure.

9 Financial Considerations

There is no financial impact.

10 Iwi Considerations

Direct consultation occurred with Raukawa Iwi representatives through Officers attendance at the December 2021 Te Tumatakahuki Monthly Hui. There was no opposition to the proposed changes expressed by participants during the Officers presentation and questions and answers at the Hui.

11 Climate Change Considerations

There is no climate change impact.

12 Environmental Considerations

There is no environmental impact.

13 Health & Safety Considerations

There is no Health and Safety impact.

14 Other Considerations

There are no other considerations.

15 Next Steps

Following the hearing of submissions through this process, and any

16 Supporting Information

Strategic Fit/Strategic Outcome
Decision Making
Consistency with Existing Policy
Funding
<u>Confirmation of statutory compliance</u>

In accordance with section 76 of the Local Government Act 2002, this report is approved as:

- a. containing sufficient information about the options and their advantages and disadvantages, bearing in mind the significance of the decisions; and,
- b. is based on adequate knowledge about, and adequate consideration of, the views and preferences of affected and interested parties bearing in mind the significance of the decision.

17 Appendices

No.	Title	Page
A	Attachment A - Proposed Policy	14
B	Attachment B - Submission, Paulette Stewart	17
C	Attachment C - Submission, Levin TAB and Sports Bar	19
D	Attachment D - Submission, Gaming Machine Association	21
E	Attachment E - Submission, One Foundation Limited	24
F	Attachment F - Submission, Te Awahou Foxton Community Board	33
G	Attachment G - Submission, New Zealand Community Trust	36
H	Attachment H - Submission, PGF Group	55
I	Attachment I - Submission, MidCentral Public Health Unit	64

Author(s)	Vaimoana Miller Compliance Manager	
-----------	--	---

Approved by	David McCorkindale Group Manager - Customer & Strategy	
-------------	--	---



GAMBLING CLASS 4 VENUE POLICY

1. INTRODUCTION

The Gambling Act 2003 required Horowhenua District Council to develop with its communities, and subsequently adopt, a policy on Class 4 gambling venues, i.e. pokie machine sites. The policy was adopted by Council on 17 March 2004.

This policy has now been reviewed as required by the Gambling Act 2003, and the Policy is limited to Class 4, non-casino, gambling machine (pokie) venues.

The Council has determined that a 'sinking lid' gambling venue policy will be used to control and, in time, reduce the number of Class 4 gaming machine venues in the District.

The 'sinking lid' policy will not permit the establishment of new Class 4 gaming machine venues and it will not permit gaming machine societies to increase the number of gaming machines in the District.

2. OBJECTIVES OF THE POLICY

The objectives of this policy are:

- To control gaming machine gambling in the Horowhenua District;
- To cap the number of gaming machines in the Horowhenua District;
- To cap the number of Class 4 gaming machine venues in the Horowhenua District;
- To reduce the number of gaming machines through attrition (this does not affect repair and/or replacement of existing gaming machines);
- To prevent and minimise the harm caused by gambling;
- To facilitate community involvement in decisions about gambling;
- To recognise there are negative social, economic and health impacts from problem gambling.

3. GAMING MACHINES AND GAMING VENUES

The following shall apply as the policy of the Horowhenua District Council:

- No additional Class 4 gaming machine venues are to be established in the Horowhenua District except as provided for in Section 4 of this policy;
- All gaming machines as at the date of adoption of this policy may continue until such time as the venue does not hold a licence for gaming machines;
- If a venue has not held a licence for gaming machine gambling within the last six (6) months, the District Council will not allow the re-establishment of a Class 4 gaming machine venue;
- Existing Class 4 venues may not increase the number of gaming machines that exist at the date of this policy. The Council will not grant consent for any venue or club to operate additional gaming machines.

4. MERGED CLUBS

- 4.1 Applications to continue operating gaming machines where two or more existing clubs combine will be considered a new application for consent.
- 4.2 The Council will issue a consent where two or more existing clubs combine, provided the total number of gaming machines in the new venue does not exceed two thirds of the combined original total of machines permitted under the merging venue licences.
- 4.3 Any application for consent for the mergers of clubs which hold class 4 venue licences is required to provide information as detailed in section 6 of this policy, and in addition:
- a) The street address of the new venue; and
 - b) Copies of the class 4 venue licences held by all the proposed merging clubs, confirming the current number of machines licenced to be operated in the existing venues.

5. CLASS 4 VENUES – RELOCATION POLICY

- 5.1 The Council will only consider granting consent for the relocation of a class 4 venue if the premises cannot continue to operate at the existing venue, and is considered to be forced to vacate its existing venue through no fault of its own if–
- a) The existing venue is unfit to continue operation due to a natural disaster or fire;
 - b) The existing venue is required to move due to public works acquisition under the Public Works Act 1981; or
 - c) The expiration of the existing venues' lease.
- 5.2 A Class 4 venue that is forced to vacate its existing venue through no fault of its own as defined by clause 5.1 of this policy, may be granted a consent to continue its gaming activity in another venue or rebuilt premises for the same number of machines that they were licensed to operate subject to –
- 1. The current Class 4 venue operator is intending to and will be conducting Class 4 gambling at the new location,
 - 2. The vacated site will not be able to be used by any other Class 4 operator to operate Class 4 Gambling,
 - 3. The Class 4 operator and venue operator are the same as those cited in the venue agreement for the existing venue and the proposed new venue,
 - 4. The Class 4 operator has been conducting class 4 gambling at the exiting venue within the last 4 weeks,
 - 5. Any new Class 4 Venue, temporary or permanent, will not be located closer than 150 metres to schools, Early Childhood Centres, kindergartens, places of worship, and other community facilities,
 - 6. Any new Class 4 Venue, temporary or permanent, must be located in the District where Class 4 venues are a permitted activity under the Horowhenua District Plan or where a resource consent to undertake the activity proposed is granted.

6. CONSENT APPLICATIONS AND FEES

- 6.1 Applications for Council consent for the relocation of an existing class 4 venue or merge of two or more existing class 4 venues must be made to the Council and must include:
- a) The name and contact details of the applicant(s);
 - b) The names of management staff for the existing venue and new venue;
 - c) The street address of the existing venue and new venue;
 - d) Any prescribed fees; and
 - e) Any other information that may be reasonably required to allow proper consideration of the application, including how the applicant will encourage responsible gambling practices.
- 6.2 Application fees will be set by the Horowhenua District Council pursuant to section 150 of the Local Government Act and shall include the cost of processing the application, including any consultation or hearings involved.

7. ADOPTION, COMMENCEMENT AND REVIEW

This policy was adopted at the duly notified Council meeting held on _____, and after completion of the special consultative procedure, and takes effect from _____.

This policy will be reviewed in conjunction with the TAB Venue Policy within three (3) years of being adopted by Council.

Submission Form: Gambling Class 4 Venue Policy and TAB Venue Policy 2021



Submission date: 22 November 2021, 3:46PM
Receipt number: 4
Related form version: 1

Contact Details

Title: Mrs

Full Name: Paulette Stewart

Name of Organisation (if applicable):

Postal Address for Service:

Postcode:

Daytime Telephone:

After Hours Telephone:

Mobile:

Email:

Preferred method of communication: Email

Please tick this box if you want to keep your contact
details private

Hearing of Submissions

Do you wish to present your comments to Council in person at a hearing?: **No**

My Submission(s)

My Submission

I am in support of the proposed changes as a minimum. A further reduction in pokie machines is needed. I would support a full ban on these machines in our region to reduce the harm they cause.

Submission Attachments

Council Use Only

Date Received:

RM8 Number:

Submission No:

Submission Form: Gambling Class 4 Venue Policy and TAB Venue Policy 2021



Submission date: **23 November 2021, 7:19PM**
Receipt number: **5**
Related form version: **1**

Contact Details

Title: **Mr**

Full Name: **Kerry David Wano**

Name of Organisation (if applicable): **Levin TAB and Sports Bar**

Postal Address for Service: **[REDACTED]**

Postcode: **[REDACTED]**

Daytime Telephone: **[REDACTED]**

After Hours Telephone:

Mobile:

Email: **[REDACTED]**

Preferred method of communication: **Email**

Please tick this box if you want to keep your contact details private

Hearing of Submissions

Do you wish to present your comments to Council in person at a hearing?: **No**

My Submission(s)

My Submission

To whom it may concern The Levin TAB and SB has been committed to offering Levin and greater area Foxton ,Shannon etc a safe environment committed to a harm minimisation policy sanctioned by DIA 17/11/2021.This establishment has been a part of the community for over 50 years and my staff and i have been an integral part for 13years.The reasoning behind more than one TAB would be if one should have a mishap at least patrons have the convenience of another .Gaming machines provide our community with a great deal of necessary funding for a variety of activities .The Levin TAB and SB is committed to a high standard of ethics to provide a safe environment.

Submission Attachments

Council Use Only

Date Received:

RM8 Number:

Submission No:

RECEIVED ON
9/12/2021

The Gaming Machine Association of New Zealand's Submission on Horowhenua District Council's Gambling Venue Policy

Introduction

1. The Gaming Machine Association of New Zealand ("the Association") represents the vast majority of the gaming machine societies that operate in New Zealand. The Association wishes to provide council with pertinent information regarding gaming machine gambling to help council to make a balanced, evidence-based decision.

Summary

2. It is noted that replacing or amending the sinking lid is outside the scope of the current consultation.
3. The Association opposes the proposal to prevent venues from relocating when:
 - The current venue is deemed to be earthquake-prone; and
 - The venue wishes to relocate to new or refurbished premises.
4. The Association supports the status quo relocation provision.

Retaining the Current Relocation Provision

5. In September 2013, Parliament recognised the merit in enabling venues to relocate, and expressly amended the Gambling Act 2003 to enable venues to relocate and retain the same number of machines when a relocation consent was obtained.
6. The amendment was not made to help venues who found themselves needing to move due to circumstances beyond their control. The amendment was made in order to encourage and facilitate venues to move from undesirable locations to more desirable locations. In the in committee reading of the Gambling (Gambling Harm Reduction) Amendment Bill (the Bill that led to the enactment of section 97A), the Bill's sponsor, Te Ururoa Flavell, stated¹:

The Government... wanted to allow venues, with permission from territorial authorities, to move their pokie machines out of harm's way—perhaps to central business districts...

7. Venue relocation is a harm minimisation tool. Venue relocation allows venues to move out of a suburban/residential area to more suitable areas; the central business districts. There is no good policy reason for taking steps to restrict this option. Restricting the

1 https://www.parliament.nz/en/pb/hansard-debates/rhr/document/50HansD_20130807_00000040/gambling-gambling-harm-reduction-amendment-bill-in

option to relocate simply entrenches venues in undesirable residential and high deprivation locations.

8. The current relocation provision was put in place in 2017 after a full public consultation process. There is no new evidence or data to justify a relocation policy change.
9. The proposal to restrict the relocation provision is contrary to the national trend. Over the last seven years, almost all other councils that have reviewed their gambling venue policy have adopted some form of relocation provision. Currently, approximately 55 councils have a relocation policy in place. We are not aware of any council that has since proceeded to restrict or limit its relocation provision.
10. It is submitted that the relocation provision should not be limited to circumstances where the venue, due to no fault of its own, cannot continue to operate at the existing site, i.e., relocation should not be limited to cases where there has been a natural disaster, fire, public works acquisition, or lease expiry.
11. The current relocation policy enables venues to move out of earthquake-prone buildings. Why does council wish to take this option away and force business owners, hospitality staff and the public to continue to occupy unsafe premises?
12. The current relocation policy is positive as it assists with the revitalisation of the district. It allows gaming venues to move to new, modern, refurbished premises. Allowing local businesses to upgrade their premises and provide a more modern, attractive offering to the public helps to revitalise business districts, improves the local economy, and encourages tourism.
13. The first venue to relocate under the amendments made to the Gambling Act 2003 was the Te Rapa Tavern in Hamilton. The photos below show the old rundown premises and the new modern premises. The redevelopment cost \$3,000,000.



The old Te Rapa Tavern



The new Te Rapa Tavern

14. The relocation policy should continue to enable venues to move to smaller, more suitable premises. Enabling venues to move away from large premises, with large car parking areas, to newer, smaller premises also has the advantage of freeing up large areas of land, which may be better used for affordable high-density housing.

15. It would also be reasonable to also allow venues to relocate when the move is due to onerous rental sums or lease terms being imposed. Currently, once a venue has obtained a licence to host gaming machines its value is artificially increased. This often leads to landlords demanding higher than normal rentals. Allowing more flexible relocation prevents landlords demanding unreasonable rentals as it gives the venue operator the ability to relocate to an alternative venue.
16. In cases where the move is voluntary, council could include an additional criterion that the venue must be able to demonstrate that the move will result in the venue relocating to a more desirable location. This will facilitate moves out of high deprivation areas, and moves when a venue is in a residential area or near to a sensitive site such as a school or community facility.
17. We should not have to wait for a fire or earthquake to move machines from undesirable areas to more desirable areas. We should seize every such opportunity and promptly facilitate it.

Oral Hearing

18. Jarrod True, on behalf of the Gaming Machine Association of New Zealand, would like to make a presentation at the upcoming oral hearing.

9 December 2021

Jarrod True
Counsel
Gaming Machine Association of New Zealand
jarrod.true@truelegal.co.nz
027 452 7763

gmanz.org.nz

Colleen Burgess

From: Kerry Bird <kerry@onenz.nz>
Sent: Friday, 10 December 2021 12:21 PM
To: Records Processing
Subject: One Foundation Submission on Horowhenua District Council's Gambling Venue Policy
Attachments: One Foundation Gambling Venue Policy Submission - Horowhenua.pdf

Please find attached our submission for the Gambling Venue Policy Review

Kerry Bird - CE

Mobile: +64 21 376662

Email: kerry@onenz.nz

Website: www.onenz.nz



IMPORTANT NOTICE: One Foundation Limited does not accept responsibility for any changes to this email or any of its attachments after we have transmitted it. This email and attachments may be privileged and confidential, and unauthorised use of the contents is expressly prohibited. If you have received this email in error, please advise us immediately and delete this email together with attachments. One Foundation Limited does not represent or warrant that files attached to this email are free from viruses or other defects and such files may only be used on the basis that the user assumes all responsibility for any loss, damage or consequence resulting from use of the attached files.



Horowhenua District Gambling Venue Policy – One Foundation Submission

Introduction

One Foundation Limited is a gaming society that operates throughout New Zealand. One Foundation has two venues in the Horowhenua District: Levin Sports Bar, 19 Queen Street Levin, and Tony’s Place, 53 Oxford Street, Levin.

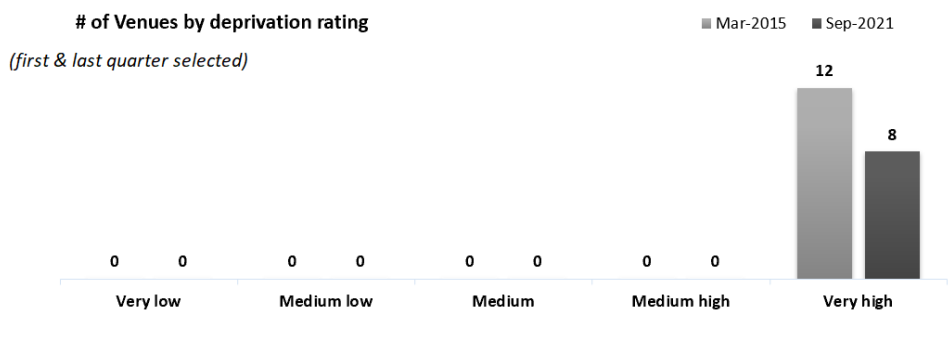
One Foundation opposes the proposed relocation policy restrictions. One Foundation supports the retention of the status quo relocation policy.

The Relocation Policy Should Not be Restricted

The relocation provision should be expanded (not restricted or removed). The relocation provision should continue to allow venues to move to new, modern premises, and to move to buildings that have a higher earthquake rating. Consideration should be given to expanding the relocation provision to allow relocation if the current landlord is imposing unreasonable terms.

Venue relocation is positive. Freely allowing relocation has a number of benefits.

Allowing relocation enables venues to move out of high deprivation suburban areas to the more suitable central business district. Currently all eight Horowhenua venues are located in very high deprivation areas:



The policy should allow a venue to move out of a very high deprivation area to a lower deprivation area, regardless of the reason for the move. Such moves should not be limited to cases where there has been a fire or earthquake. Council should seize every opportunity to move venues to lower deprivation areas and promptly facilitate such moves (not prohibit them).

The current relocation provision enables gaming venues to move to new, modern, refurbished premises. This is positive. Permitting local businesses to upgrade their premises and provide a more modern, attractive offering to the public helps to revitalise business districts, improves the local economy, and encourages tourism.

The relocation provision should continue to enable venues to move out of buildings that may be earthquake-prone. This is a health and safety issue.

Currently, once a venue has obtained a licence to host gaming machines its value is artificially increased. This often leads to landlords demanding higher than normal rentals. Expanding the relocation provision would prevent landlords demanding unreasonable rentals, as it would give the venue operator the ability to relocate to an alternative venue.

The relocation provision should also allow venues to move away from large premises, with large car parking areas, where such land may be better used for affordable high-density housing.

Grant Funding

Non-casino gaming machines are the largest funders of Horowhenua District-based grassroots organisations.

In 2019, One Foundation made 70 grants to Horowhenua District-based organisations, totalling \$817,447.00. The grants included:

<u>Organisation</u>	<u>Approved</u>
Ohau School	85,080
The Horowhenua Events Centre Trust	50,000
Horowhenua Kapiti Rugby Football Union Incorporated	48,965
Horowhenua Kapiti Cricket Association Incorporated	72,500
Horowhenua Kapiti Cricket Association Incorporated	35,175
Horowhenua Sports Turf Trust	31,850
Weraroa Cricket Club Incorporated	30,869

Te Kohanga Reo O Tu Roa	24,831
Levin Old Boys Cricket Club Incorporated	24,589
Levin Golf Club Incorporated	24,500
Levin Racing Club Incorporated	22,260
Levin Soccer Club Incorporated	19,571
Te Kohanga Reo O Tu Roa	18,224
Kereru Marae Committee	18,217
Horowhenua Kapiti Rugby Football Union Incorporated	17,560
Horowhenua Kapiti Rugby Football Union Incorporated	17,529
Levin Bowling Club Incorporated	16,905
Levin Returned and Services' Association Incorporated	15,914
Levin Golf Club Incorporated	13,600
Horowhenua Kapiti Rugby Football Union Incorporated	12,241
The Horowhenua Events Centre Trust	12,031
Waiopehu College Parents Teachers Association Incorporated	11,639
The Koputaroa School Board Of Trustees	11,144
Levin Returned and Services' Association Incorporated	10,973
Te Kohanga Reo O Tu Roa	10,924
The Levin Intermediate Board of Trustees	10,712
Horowhenua Canoe Polo Club Incorporated	8,500
The Ohau School Board of Trustees	7,476
Horowhenua Sports Turf Trust	7,238
Horowhenua Sports Turf Trust	6,774

Levin Basketball Association Inc	6,450
Horowhenua College Parent Teacher Association Incorporated	6,348
Levin Hockey (Mcob)	6,150
Horowhenua District Neighbourhood Support Incorporated	6,061
Levin Swimming Club Incorporated	6,000
Levin Inline Hockey Club Incorporated	5,987
Horowhenua Agricultural Pastoral and Industrial Association	5,769
Levin Christian Care Trust	5,682
Big Bang Adventure Charitable Trust	5,420
Horowhenua Agricultural Pastoral And Industrial Association	5,380
Levin Racing Club Incorporated	5,297
Levin Returned and Services' Association Incorporated	5,280
The Hearing Association Horowhenua Branch	4,883
Levin Returned and Services' Association Incorporated	4,800
Horowhenua Agricultural Pastoral and Industrial Association	4,793
Horowhenua Agricultural Pastoral and Industrial Association	4,783
The Scout Association of New Zealand St Marys Scout Group Levin	4,611
Levin Returned and Services' Association Incorporated	4,400
Horowhenua Hockey Association Incorporated	4,300
Levin & Districts Brass Incorporated	4,031
Horowhenua Agricultural Pastoral and Industrial Association	3,900
Levin Bird Club	3,737
Horowhenua Agricultural Pastoral and Industrial Association	3,730

Fale Pasifika Horowhenua	3,626
Horowhenua Motorcycle Club Incorporated	3,608
Whenua Fatales Roller Derby League Inc	3,250
Horowhenua Hockey Association Incorporated	3,090
Horowhenua Junior Softball Club	2,952
The Horowhenua Petanque Club Incorporated	2,360
Levin Group of Riding For The Disabled Incorporated	2,335
Nua Eagles Netball Club	2,217
The Koputaroa School Board of Trustees	2,000
The Hearing Association Horowhenua Branch	1,638
Legacy Centre Levin	1,600
Zion Family Centre Trust	1,352
The Levin College Old Boys Rugby Football Club Incorporated	1,252
Horowhenua Indoor Bowls Centre Incorporated	1,080
Horowhenua College Parent Teacher Association Incorporated	957
Horowhenua Kids, Teens and Family Trust	775
Horowhenua Prisoners Aid and Rehabilitation Society Inc	248
Grand Total	817,447

Harm Minimisation Measures

When making a decision regarding what restrictions Council should impose (if any), regard must be had to the considerable number of harm minimisation measures that are already in place.

One Foundation operates its gaming machines in a responsible manner. Access is limited to persons aged 18 years and over and steps are taken to prevent problem gambling at its venues.

The machines have limits on the amount of money that can be staked and the amount of prize money that can be won. The maximum stake is \$2.50. The maximum prize for a non-jackpot machine is \$500.00. The maximum prize for a jackpot-linked machine is \$1,000.00.

The machines have a feature that interrupts play and displays a pop-up message. The pop-up message informs the player of the duration of the player's session, the amount spent and the amount won or lost. A message is then displayed asking the player whether they wish to continue with their session or collect their credits.

The machines do not accept banknotes above \$20.00 in denomination.

ATMs are not located in the gaming rooms.

All of our venues have a comprehensive written harm minimisation policy in place.

As part of the monitoring of the gaming room venue, staff are required to enter data in a control sheet every half an hour. The control sheet details the number of players on each machine and whether they are male or female. This process ensures that the staff are regularly monitoring the gaming room and keeping a record of the persons playing. This process helps staff to identify any person who may be subject to an exclusion order. The process also helps to identify any person who may need to be approached due to an extended session of play.

First Sovereign Trust Limited: Daily Gaming Room Control Sheet
CRUZAJ BAR CAFE GAW-631

Date: 1, 11, 17

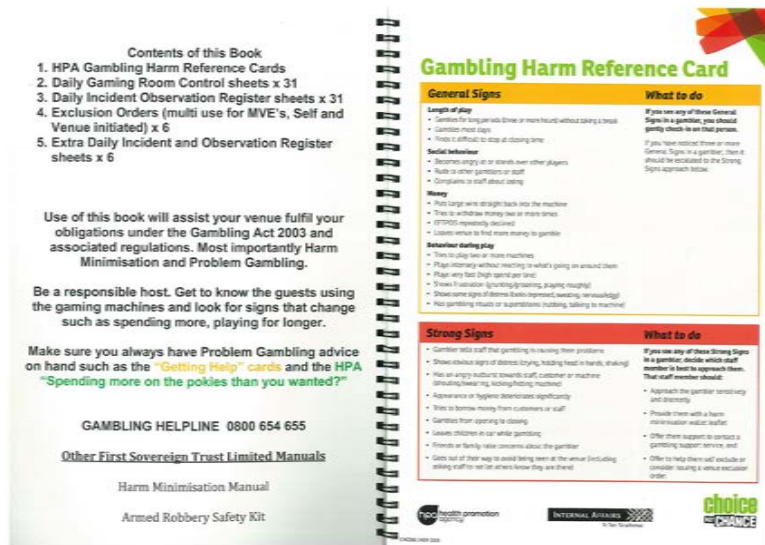
Time	JAN 1	JAN 2	JAN 3	JAN 4	JAN 5	JAN 6	JAN 7	JAN 8	JAN 9	JAN 10	JAN 11	JAN 12	JAN 13	JAN 14	JAN 15	JAN 16	JAN 17	JAN 18
08:00:00 AM																		
08:30:00 AM																		
09:00:00 AM																		
09:30:00 AM																		
10:00:00 AM																		
10:30:00 AM																		
11:00:00 AM																		
11:30:00 AM																		
12:00:00 PM																		
12:30:00 PM																		
01:00:00 PM																		
01:30:00 PM																		
02:00:00 PM																		
02:30:00 PM																		
03:00:00 PM																		
03:30:00 PM																		
04:00:00 PM																		
04:30:00 PM																		
05:00:00 PM																		
05:30:00 PM																		
06:00:00 PM																		
06:30:00 PM																		
07:00:00 PM																		
07:30:00 PM																		
08:00:00 PM																		
08:30:00 PM																		
09:00:00 PM																		
09:30:00 PM																		
10:00:00 PM																		
10:30:00 PM																		
11:00:00 PM																		
11:30:00 PM																		
12:00:00 AM																		
12:30:00 AM																		
01:00:00 AM																		
01:30:00 AM																		
02:00:00 AM																		
02:30:00 AM																		
03:00:00 AM																		

HAVE YOU CHECKED ALL YOUR VENUES EXCLUSION ORDERS

STRONG SIGN - TRIES TO BORROW MONEY FROM CUSTOMERS OR STAFF

Staff Member Name: Vicki Initial: VJ
Staff Member Name: Maree Initial: MG
Staff Member Name: Saina Initial: SJ

Our venues use the Health Promotion Agency's gambling harm reference cards. These cards detail the general and strong signs of problem gambling and outline what our staff should do when the signs are observed.



All our venue staff undertake comprehensive problem gambling awareness and intervention training. Refresher training is provided on a 6- to 12-monthly basis.

In addition to the above we also keep a daily incident and observation register. Any incident that gives rise to potential concern is recorded in the register. If multiple minor incidents are noted, the venue manager is required to approach the player and provide information and advice. The register is also a great way for the staff to share their observations with other staff who are on different shifts.

The gaming room has pamphlets that provide information about the characteristics of problem gambling and how to seek advice for problem gambling.



Our gaming rooms have signage that encourages players to gamble only at levels they can afford. The signage also explains how to seek assistance for problem gambling. The signage is state-of-the-art electronic signage that includes the latest video clips from the *Safer Gambling Aotearoa* campaign to end harmful gambling.



Video links: <https://youtu.be/r0d4AWfkB0E>
https://youtu.be/zrEkAQ_IfNo
<https://youtu.be/qXlob2UZPRg>
<https://youtu.be/7981oARw7B4>
<https://youtu.be/BAkNzYalx8I>

Any person who advises that they have a problem with their gambling is excluded from the venue. The exclusion is similar to a trespass order, in that it makes it illegal for the person to re-enter the gaming room for a set period of up to two years.

Our venue staff do not permit a player to play two gaming machines at once.

All our machines have a clock on the main screen. All the machines display the odds of winning.

Oral Hearing

I do not wish to make a presentation at the upcoming Council hearing. Please have regard to my written submission.

9 December 2021

Kerry Bird
CEO
One Foundation Limited
kerry@onenz.nz

Submission Form: Gambling Class 4 Venue Policy and TAB Venue Policy 2021



Submission date: 11 December 2021, 2:21PM
Receipt number: 6
Related form version: 1

Contact Details

Title: Not applicable

Full Name: Patricia Metcalf

Name of Organisation (if applicable): Te Awahou Foxton Community Board

Postal Address for Service:

[REDACTED]
[REDACTED]

Postcode:

[REDACTED]

Daytime Telephone:

[REDACTED]

After Hours Telephone:

[REDACTED]

Mobile:

[REDACTED]

Email:

[REDACTED]

Preferred method of communication: Email

Please tick this box if you want to keep your contact
details private

Hearing of Submissions

Do you wish to present your comments to Council in person at a hearing?: **No**

My Submission(s)

My Submission

Submission to Gambling Class 4 Policy and TAB Venue Policy (Draft)

- The Board acknowledges that many community social services and sporting groups rely on the grants received from the proceeds of the gaming machines in licensed premises “pokies”
- The Board concurs with Council that the money can be coming from the very families and communities they are trying to support.
- More money is taken out of our community than what comes back by way of grants

Therefore:

- The Minor changes to the TAB Venue Policy and
 - The three changes as proposed in the draft Gambling Class 4 Venue Policy
1. Seek to clarify when the relocation policy applies
 2. amend the club merger clause to allow up to two thirds of the combined original total of gaming machines – instead of allowing up to a maximum of thirty, and
 3. to implement the charging of fees in relation to the processing of relocation consent requests and merger consent requests.

Submission Attachments

Council Use Only

Date Received:

RM8 Number:

Submission No:

RECEIVED ON
17/12/2021

Submission Form: Gambling Class 4 Venue Policy and TAB Venue Policy 2021



Submission date: **17 December 2021, 8:42AM**
Receipt number: **7**
Related form version: **1**

Contact Details

Title: **Mr**

Full Name: **Don Martin**

Name of Organisation (if applicable): **New Zealand Community Trust**

Postal Address for Service: **22 Sar Street, Thorndon, Wellington**

Postcode: **6140**

Daytime Telephone: **0210605892**

After Hours Telephone:

Mobile:

Email: **don.martin@nzct.org.nz**

Preferred method of communication: **Email**

Hearing of Submissions

Do you wish to present your comments to Council in person at a hearing?: **No**

My Submission(s)

My Submission

Thank you for the opportunity to submit. Please let me know if you have any questions

Submission Attachments

[NZCT Horowhenua District Council Pre Engagement FINAL Dec 19 2021.pdf](#)

Council Use Only

Date Received:

RM8 Number:

Submission No:



Submission to
Horowhenua District Council
Pre-Engagement
on the proposed
Class 4 Gambling Venues Policy

December 19, 2021

New Zealand Community Trust's submission on Horowhenua Council's Gambling Venue Policy

Introduction

Established in 1998, New Zealand Community Trust (NZCT) is one of New Zealand's largest gaming trusts with 13% market share. Our publicans raise funds by operating gaming lounges within their pubs, hotels and other venues. In the 12 months to 30 September 2021, NZCT approved **\$43.8** million distributed in grant funding to sporting, local government and community groups nationwide.

Gaming machine funding

The Gambling Act 2003 seeks to balance the potential harm from gambling against the benefits of using gaming machines as a mechanism for community fundraising.

NZCT provided to Horowhenua District Council for the direct benefit of the community from October 2018 to September 2019 a total of **\$195,684** across **29** worthy recipients. NZCT during the same period approved multi regional grants that benefit Horowhenua of \$136,908 and National Grants that benefit Horowhenua of \$15,185, an overall total of **\$347,777**.

A list of all the grants made during this time are attached as appendix 1.

NZCT's contribution to community funding reflects its venue numbers and the turnover of each of those venues.

Summary

NZCT provided to Horowhenua District for the benefit of the community from October 2018 to September 2019 a total of **\$195,684** across **29** worthy grants.

NZCT during the same period approved multi regional grants that benefit the Horowhenua of **\$136,908** and National Grants that benefit Horowhenua of **\$15,185**, an overall total of **\$347,777**.

Allowing a cap and a broad relocation policy to include where landlords are imposing unreasonable terms will ensure hundreds of thousands of dollars continue to be granted to the local community.

The 2021 TDB Advisory report, Gambling in New Zealand: A National Wellbeing Analysis, found that gambling in New Zealand had a net positive wellbeing benefit of between **\$1,740** million and **\$2,160** million each year.

New Zealand has a very low problem gambling rate by international standards – at 0.2% of people aged 18 and over (approximately 8000 people nationally). According to the New Zealand National Gambling Study: Wave 4 (2015).

Council gambling venue policies are critical to maintaining the infrastructure that allows community funding from gaming trusts to be sustainable long term. Sinking lid and no-relocation policies destroy this infrastructure. Councils need to take an informed and balanced approach to community benefit and potential harm from gambling.

All gaming machine societies contribute to a problem gambling fund – which provides some \$20 million per year to the Ministry of Health to support and treat gambling addiction.

Problem gamblers are currently supported using a range of measures. The controlled, class 4 environment is the one of the best environments to reduce gambling harm to people and communities.

Information is freely available in the community to enable support and identify risks associated with gambling by members of the public, individuals at risk, staff at venues, and by loved ones.

A sinking lid is a blunt instrument that does little to address problem gambling and reduces community funding by removing the fundraising infrastructure (i.e., gaming machines within tightly controlled entertainment venues) over time. Problem gambling is a complex addiction.

A cap on gaming machine numbers and an effective broader relocation policy to include where landlords are imposing unreasonable terms and that allows venues to move out of deprived areas is much fairer to the community and hospitality business owners, as well as helping address problem gambling.

If gaming venues are removed from the community, gamblers are more likely to move to the online environment where gambling is unregulated, unmonitored, and have no harm minimisation measures. Online gambling incentivises spending and returns nothing to benefit the New Zealand community. The controlled environment around class 4 is recognized as one of the safest places in which to enjoy gambling, whilst providing benefit back to the community.

In addition to contributing some \$1 million each year to the problem gambling levy, NZCT contributes an estimated \$800,000 each year, to resources and initiatives that help minimise harm.

Class 4 societies must distribute or apply 100% of profits to community authorised purposes. It's important to appreciate this a not-for-profit model.

Continue to the keep the Relocation Provision

- It is recommended a relocation policy be retained with cap remaining on machine numbers to enable venues to move to new, modern premises and to move if landlords impose unreasonable terms and in the event of natural disaster or circumstances beyond the venue operators' control, or the lease expires.

In September 2013, Parliament recognised the merit in enabling venues to relocate, and expressly amended the Gambling Act 2003 to enable venues to relocate and retain the same number of machines when a relocation consent was obtained.

Venue relocation is a harm minimisation tool. Venue relocation allows venues to move out of a suburban/residential area to a more suitable area; the CBD. There is no good policy reason for taking steps to remove this option. Removing the option to relocate simply entrenches venues in undesirable residential locations.

Enabling relocation permits venues to re-establish after a natural disaster or fire as the current policy allows.

Enabling relocation enables venues to move out of earthquake-prone buildings, an important Health and Safety consideration.

The relocation policy is positive as it assists with the revitalisation of the area. It allows gaming venues to move to new, modern, refurbished premises. Allowing local businesses to upgrade their premises and provide a more modern, attractive offering.

The national picture - community organisations rely on pub gaming to survive

The purpose of the pub gaming sector is to raise funds for the community. Many community sports, arts, and other groups, including councils accept grants and may depend on pub gaming grants to survive. It is crucial that this fundraising system is sustainable long term.

Seventy-five percent of groups surveyed in 2012 indicated their organisation is moderately or totally reliant on gaming funding to support their core business. Fifty-five percent said there would be a high to extreme risk to their organisation and their core business if they did not receive this funding.¹ There is no evidence that this situation has changed for the better since then.

The reduction in gaming trust funding has had a negative impact on community organisations, with many organisations and activities ceasing to operate and others severely reduced in capacity and capability. Grassroots community organisations are struggling with few alternative sources for funding available to replace the loss of gaming funding. Voluntary organisations are increasingly reliant on nationwide public donation campaigns to stay afloat. The Covid-19 pandemic has only worsened this situation.

Locally in Horowhenua

Horowhenua organisations like these that have benefited from NZCT's grants in 2019 would miss out in the future if less funding is available.

Organisation	Total Amount Approved
Athletic Rugby Football Club Levin Inc	\$2,532
Big Bang Adventure Charitable Trust	\$7,563
CentreSkate Inc	\$4,802
Fale Pasifika Horowhenua	\$3,354
Foxton Rugby Club Inc	\$2,000
Hanana Netball Club Inc	\$2,000
Horowhenua Agricultural Pastoral and Industrial Association Inc	\$3,524
Horowhenua Badminton Assn Inc	\$5,000
Horowhenua Kapiti Cricket Association Inc	\$25,387
Horowhenua Sports Turf Trust	\$1,455
Horowhenua Sports Turf Trust	\$1,072
Laird Park Bowling Club Inc	\$6,360
Levin Cycling Club Inc	\$4,209
Levin GymSports Inc	\$3,832
Levin Hustle Baseball Inc	\$5,085
Levin Inline Hockey Club Inc	\$5,996
Levin Masters Swimming Club Inc	\$648
Levin Old Boys Cricket Club Inc	\$10,000
Levin Pony Club Inc	\$1,840
Levin Pony Club Inc	\$1,000
Levin Swimming Club Inc	\$4,038

¹ Page iii, Community Funding Survey, Point Research 2012.

Levin Waitarere Surf Lifesaving Club Inc	\$5,925
Levin Women's Bowling Club Inc	\$900
Manawatu Volunteer Coastguard Inc	\$32,000
Shannon Rugby Football Club Inc	\$2,767
Shannon Rugby Football Club Inc	\$2,335
Waiopahu College	\$14,950
Waiopahu College	\$15,110
Weraroa Cricket Club Inc	\$20,000
	<u>\$195,684</u>

While 91 cents of every dollar goes back to the person gambling, every year considerable funds are returned to the community by the non-club class 4 gambling sector. Refer 2020 grant distribution modelling by KPMG on behalf of DIA and industry, which analysed some \$294 million² of grants distributed to in 2019 to more than 9,700 worthwhile sports and community groups. The sector's contribution to the community through funding, in addition to the contribution to government revenue from GST, other taxes and levies, is acknowledged by central government.

We anticipate that the Government will regulate to require gaming societies to return at least 80% of the net proceeds they generate to the region where the funds were raised. This means communities that do not operate gaming machines will be unlikely to receive gaming grants and their local sports and community groups will suffer. NZCT already aims to return 92% of our funds locally.

The pub gaming sector has already experienced a significant decline

During the last 18 years the pub gaming sector has experienced a significant decline, yet problem gambling has remained static. Department of Internal Affairs (DIA) statistics show that, between 30 June 2003 and 30 June 2021:

- the number of gaming venues reduced from 2,122 to 1,059 (a 50% reduction)³
- the number of gaming machines operating reduced from 25,221 to 14,704 (a 41.7% reduction)⁴.

Council policies contribute to the decline in the pub gaming sector

Sometime the policies are based on the erroneous belief that limiting gaming machine numbers will limit problem gambling. In fact, despite the 41% reduction in gaming machine numbers during the past 17 years, New Zealand's problem gambling rate has remained consistently low as a percentage of the population. The 2015 New Zealand Gambling Study (the most recent) found the rate was 0.2% and the latest Health and Lifestyles Survey found it was 0.1%. The 2012 New Zealand Gambling Study concluded "...there has probably been no change in the prevalence of current problem and moderate-risk gambling since 2006."⁵

Online gambling is the unregulated threat to watch out for

The public has access to a growing number of overseas gambling websites where they can spend their entertainment dollar. These sites are highly accessible, even to minors, often offer inducements to keep players betting, and have no bet size restrictions or guaranteed return to players. They do not return any funds to the New Zealand community or the New Zealand Government and have no harm minimisation measures in place.

² Grant Distribution Modelling, KPMG, November 2020.

³ DIA statistics: https://www.dia.govt.nz/diawebsite.nsf/wpg_URL/Resource-material-Information-We-Provide-Summary-of-Venues-and-Numbers-by-Territorial-AuthorityDistrict

⁴ Ibid.

⁵ Page 7, *New Zealand 2012 Gambling Study: Gambling harm and problem gambling*.

During the Covid-19 lockdown in 2020, 8% of gamblers gambled online for the first time and an additional 12% gambled online more than usual.⁶

Offshore-based online gambling poses considerable risks because it:

- Is highly accessible, and is available 24 hours a day from the privacy of your home;
- Has no restrictions on bet sizes;
- Has no capacity for venue staff to observe and assist people in trouble;
- Reaches new groups of people who may be vulnerable to this online channel;
- Provides no guaranteed return to the person playing;
- Is more easily abused by under 18s;
- Has reduced protections to prevent fraud, money laundering or unfair gambling practices; and is unregulated, so on-line gamblers can be encouraged to gamble more by being offered inducements or by being offered the opportunity to gamble on credit. For example, many overseas sites offer sizable cash bonuses to a customer's account for each friend that they induce to open an account and deposit funds.

Offshore-based online gambling does not generate any community funding for New Zealanders, does not generate any tax revenue for the New Zealand Government, and does not make any contribution to the New Zealand health and treatment services as no contribution is made to the problem gambling levy^{6b}.

Location of gaming machines is more important than their number

Research⁷ suggests that when it comes to preventing and minimising gambling harm, the location of gaming machines is more important than the number of gaming machines operating. The Government acknowledged this point in 2013 when it amended the Gambling Act⁸ to require local authorities to consider adding relocation clauses to their gambling policies.

As well as harm minimisation benefits from allowing venues to relocate out of areas of high deprivation, relocation clauses provide sensible options for business owners who are otherwise at the mercy of building owners who know they have captive tenants. Relocation clauses also give councils more flexibility for re-zoning and town planning.

Helping reduce harm

Research⁹ by Auckland University of Technology shows that problem gambling behaviour is influenced more by the distance to the nearest gambling venue, rather than the number of gambling venues within walking distance.

The Ministry of Health's 2013 Gambling Resource for Local Government acknowledges this point and states that one of the major factors associated with increased prevalence of problem gambling is "location and/or density of gambling venues and machines".¹⁰ The Ministry of Health also found "being a problem gambler is significantly associated with living closer to gambling venues."¹¹ Allowing gaming operations to move out of high-deprivation areas could potentially diminish gambling harm for at-risk communities.

⁶ Impact on Covid-19: Topline results, April 17, 2020, Health Promotion Agency

⁷ *Brief Literature Review to Summarise the Social Impacts of Gaming Machines and TAB Gambling in Auckland*, Gambling & Addictions Research Centre, AUT University, 2012.

⁸ Section 97A and 102(5A).

^{6b} http://www.gamblinglaw.co.nz/download/Online_gambling_Cabinet_paper.pdf

⁹ *Brief Literature Review to Summarise the Social Impacts of Gaming Machines and TAB Gambling in Auckland*, Gambling & Addictions Research Centre, AUT University, 2012.

¹⁰ Page 21, *Ministry of Health Gambling Resource for Local Government*, 2013.

¹¹ *Ibid.*

Supporting local hospitality businesses

Relocation clauses help ensure the continual improvement and growth of your local hospitality sector. Rather than tying gaming operations to a physical address, which may over time become a less desirable location, relocations allow gaming operators to move their business to more suitable premises. This is particularly important if premises are deemed unsafe or unusable for a lengthy period, such as after a fire or earthquake. The result is attractive and safe entertainment environments in your community.

Responding to future demand

Broad relocation clauses help gambling venue policies accommodate urban growth, re-zoning changes or changes in population demographics. This is not possible while gambling machine entitlements are linked to a physical address.

The DIA recommended relocation policies as a way of allowing territorial authorities to future-proof their class 4 gambling policies.¹²

Gaming machines can only be played in strictly controlled environments

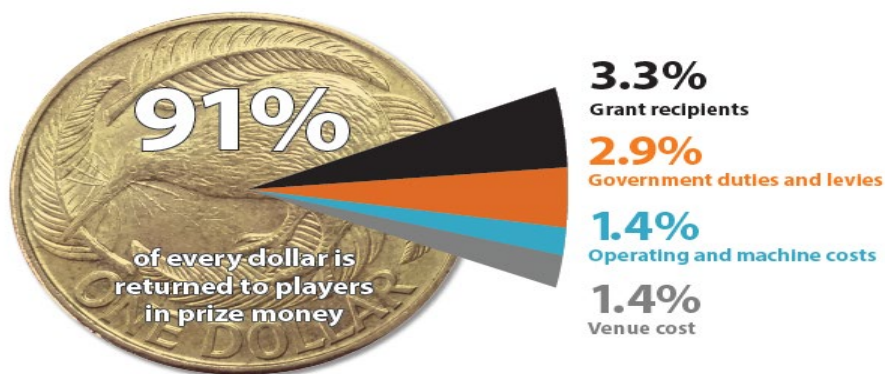
Corporate societies licensed to conduct class 4 gambling are fully aware of their obligations under the Gambling Act 2003. All gaming rooms are operated by trained staff at licensed venues.

The DIA is responsible for monitoring the class 4 gambling industry, including venue 'key persons', bar staff and societies, to ensure they adhere to legislative requirements. The penalties for non-compliance include fines, suspensions, loss of operating or venue licence and potential criminal charges.

Pub gaming's vital support for the community

In most countries, gambling is purely for commercial gain. New Zealand is different. We are one of the few countries with a community-focused model for pub gaming, where the proceeds are returned to the community instead of the private sector.

NZCT's revenue distribution in 2020/21



¹² Internal Affairs Policy Briefing 3: Options for improving territorial authority gaming machine policies, 28 March 2013.

In the year ending 30 September 2021, NZCT distributed \$43.8 million through 1,889 grants.

NZCT provided to Horowhenua District for the benefit of the community from October 2018 to September 2019 a total of **\$195,684** across **29** worthy grants.

NZCT during the same period approved multi regional grants that benefit the Horowhenua of **\$136,908** and National Grants that benefit Horowhenua of **\$15,185**, an overall total of **\$347,777**. (See appendix 1 for details).

Amateur sport has traditionally been our focus, and between 75 and 80% of the grants we distribute go to sports organisations. Each year, NZCT funds around 50 different sports.

In 2020/21, we funded the equivalent of:

- uniforms for 49,998 rugby teams (one uniform costs \$60), or
- 2,999,867 footballs (one football costs \$15), or
- 5,625 four-person waka (one waka costs \$8,000), or
- more than 2.25 million hours – or 256.8 years – of coaching (one hour of coaching costs \$20), or
- 30 artificial playing fields (one field costs \$1.5 million).

To raise this much money themselves, our grant recipients would have had to:

- cook and sell more than 22.4 million \$2 sausages at sausage sizzles and every person in New Zealand would need to buy and eat five sausages, or
- sell five \$2 raffle tickets to every man, woman and child in New Zealand each year, or
- wash more than 8.9 million cars at \$5 a wash, which would take 10 people continuously washing cars for 30 minutes around 50 years to achieve.

Grants distributed by gaming machine trusts were 10% of the total philanthropic funding to the community and voluntary sector in 2011 and were at almost twice the level given by New Zealand businesses. In 2019, the amount of funds returned to the community from non-casino, non-club gaming grants was \$294 million.¹³ Class 4 gaming societies are required to distribute a minimum return of 40% to the community, on top of government fees, levies and GST, site rental, and machine and operating costs (see the chart on the next page showing NZCT's revenue distribution for the 2018/19 reporting period).

Each year the gambling industry pays circa \$18 to \$20 million to the government, so the Ministry of Health can implement its Preventing and Minimising Gambling Harm Strategic Plan. These funds pay for the implementation of public health services, intervention services, research, evaluation and workforce development.

Pub gaming is tightly regulated and no more than 16% of gaming proceeds can be paid to gaming venue operators to cover site rental, including staff costs and business overheads relating to the gambling operation.

Reasons to maintain the relocation policy on gaming machines and venues

Gaming machines are an important component of your local hospitality sector and an important source of community funding, and the benefits are considerable.

¹³ *Grant Distribution Modelling*, KPMG, November 2020.

Local hospitality sector

Businesses that host gaming machines are typically pubs and hotels. Gaming machine venues contribute to your local economy by employing staff and providing hospitality options for residents and tourists.

Community funding

Around \$294 million is returned to the community every year through grants awarded by class 4 gaming societies. Many community organisations, such as sports clubs, hospices, rescue services and arts groups, would struggle or cease to function without this funding. There is currently no sustainable alternative to this funding to the level provided by gaming societies.

Class 4 gaming societies have probity processes we go through with every grant application to ensure the applicant is authentic and able to deliver the outcomes detailed in their grant application, and that any goods or services to be paid for by the grant are at arm’s length and free from any conflicts of interest.

The benefits are considerable

Recent research in 2021 carried out independently by TBD who produced the TBD Advisory report, *Gambling in New Zealand: A National Wellbeing Analysis*, found that gambling in New Zealand had a net positive wellbeing benefit totalling around \$1.7 to \$2.1 billion per annum. The costs and benefits are summarised in table, which can be found on page 87 of the report (replicated below)^{7b}

Table 32: Quantifiable costs and benefits of gambling in New Zealand, p.a., \$ million,

	Gross benefits	Costs	Net benefits
Consumption-side	2,740 to 3,160	2,090	650 to 1,070
Production-side	1,800	990	810
Government	280	-	280
Total	4,820 to 5,240	3,080	1,740 to 2,160

The report for the first time reliably indicates benefits, as well as costs and shows that this net benefit is provided each year throughout New Zealand.

Gaming machine numbers have little effect on problem gambling numbers

It is naïve, misleading, and wrong to assume that fewer gaming machines will result in fewer problem gamblers. A gambling addiction is a complex psychological condition, which is influenced by many factors and usually has co-morbidities, such as mental health issues and other addictions. Evidence show that problem gambling rates have plateaued.

Gaming machines are a legal and valid entertainment choice

Pub gaming is a legal, valid, and enjoyable source of entertainment for Hutt residents and tourists alike. Most players regard gaming as light entertainment and know when to stop. The Gambling Commission has reminded councils and the regulator that “... conditions can only properly be imposed if they reduce the harm caused by problem gambling, as distinct from simply reducing gambling activity which is a lawful and permitted activity under the Act.”¹⁴ We recognise that Horowhenua Council aims, to balance the needs of visitors and residents while achieving a focus on wellbeing and economic development. If appropriate measures remain in place to support problem gambling, then funding structure should remain in the community for the good it will bring.

¹⁴ Gambling Commission decision GC 03/07.

Pub gaming brings many benefits to New Zealand. Business and Economic Research Ltd (BERL)¹⁵ calculated in 2015 that each year the entertainment value to recreational players was around \$250 million, the grants value to the community was also around \$250 million (now \$294 million), and the Government revenue value in the form of tax, duties and levies was around \$279 million.

Problem gambling rates have plateaued

The New Zealand 2012 National Gambling Study found that the number of people who regularly participate in continuous forms of gambling, like gaming machines, decreased from 18% in 1991 to 6% in 2012.¹⁶ The study concluded: “Problem gambling and related harms probably reduced significantly during the 1990s but have remained at about the same level despite reductions in non-casino EGM [electronic gaming machine] numbers and the expansion of regulatory, public health and treatment measures.”¹⁷

The 2016 National Gambling Study (the most recent) found the problem gambling rate was 0.2% and concluded: “From 2012 to 2015, overall gambling participation has declined whilst problem gambling and low-risk and moderate-risk gambling levels have remained static. This poses a public health challenge of identifying the factors to explain the persistence of harm despite declining gambling participation. One reason may be a high relapse rate [66%].”

The 2016 Health and Lifestyles Survey states that “In 2016, 3.1% of New Zealand adults 18 years and over had experienced an occasion when they had gambled more than intended, but this proportion has been dropping steadily”

It also states that the current problem gambling rate has now dropped to an all-time low of 0.1% of the adult population (around 7,500 people), despite an upward trend in gaming machine expenditure.¹⁸

Problem gambling rates in New Zealand are relatively low

NZCT is committed to reducing and minimising the harm that can be caused by gambling. As can be seen in the table, New Zealand has one of the lowest rates of problem gambling in the world.¹⁹ Relatively few New Zealanders are gambling at levels that lead to negative consequences; most people who gamble know when to stop.

Country	Problem gambling prevalence (% population*)
New Zealand	0.1–0.2
UK	0.7
Norway	0.7
Australia	2.3
USA	2.6
Canada	3
Mixture of CPGI, PGSI and SOGS scores ²⁰	

¹⁵ *Maximising the benefits to communities from New Zealand’s Community Gaming Model*, BERL, February 2013.

¹⁶ Pg 8, *NZ 2012 National Gambling Study: Overview and gambling participation*.

¹⁷ Pg 18, *ibid*.

¹⁸ DIA media release: <http://livenews.co.nz/2017/04/21/new-zealand-gaming-pokie-spending-patterns-continue/>

¹⁹ *Maximising the benefits to communities from New Zealand’s community gaming model*, BERL, February 2013.

²⁰ A range of different measurements are available to measure problem gambling rates. CPGI refers to the Canadian Problem Gambling Index, PGSI is the Problem Gambling Severity Index and SOGS is the South Oaks Gambling Screen.

Strict harm minimisation obligations

A key purpose of the Gambling Act is to prevent and minimise the harm that can be caused by gambling, including problem gambling. To that end, in all class 4 gambling venues:

- all venues must have staff trained in gambling harm minimisation on duty whenever gaming machines are operating
- all venues must have a gambling harm minimisation policy in place
- all venues must display pamphlets and signs directing gamblers to help services
- venue staff must be able to issue and enforce Exclusion Orders
- venue staff must help problem gamblers if they have an ongoing concern about them.
- stake and prize money are limited
- odds of winning are displayed
- gaming rooms are restricted to people over the age of 18 years
- gaming rooms can only be operated in adult environments, such as pubs, nightclubs and clubs
- play is interrupted every 30 minutes with an update on how long the player has been at the machine, how much money they've spent, and their net wins and losses
- \$50 and \$100 notes are not accepted
- no ATMs are allowed in licensed gambling areas
- gaming advertising is prohibited
- the DIA monitors every gaming machine's takings
- syndicated play is prohibited

Ongoing obligations

The Gambling Act obliges venue staff to provide ongoing help to a potential or current problem gambler. Offering help once, and then ignoring continued warning signs, is not sufficient.

A venue is automatically in breach of the law if an excluded person enters the gambling area. Venues must be able to show they have robust systems and processes in place that restrict excluded people from entering.

Training

NZCT provides face-to-face and online problem gambling training to staff at each of its gaming venues and trains over 500 staff a year.

Trainers deliver a presentation on problem gambling and take staff members through each part of the problem gambling resource kit in detail. Venue staff also work through an online training tool, which includes an assessment that they must pass. Refresher training is provided annually. Gaming venues are continually reminded of their obligation to ensure a person trained in harm minimisation is always on duty when gaming machines are operating.



Support is available for problem gamblers

Each year the gambling industry pays circa \$18 - 20 million to the government in the form of a problem gambling levy, so the Ministry of Health can implement its Preventing and Minimising

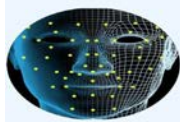
Gambling Harm Strategic Plan (PMGH). These funds pay for the implementation of public health services, intervention services, research, evaluation and workforce development.

Harm minimisation activities

Gaming trusts take legal obligations very seriously, none more so than those around minimising the harm that can be caused by gambling. To meet our harm prevention and minimisation requirements, NZCT provides a problem gambling resource kit to each of its gaming venues. The kit includes:

- NZCT's Harm Prevention and Minimisation Policy
- a plain language harm prevention and minimisation manual and policy guide
- exclusion orders and guidance on the exclusion order process
- a pad of gambling host responsibility record sheets to record any problem gambling issues and action taken by staff
- signage, pamphlets and other problem gambling resources.

In addition to this toolkit, increasingly facial recognition technology is used to identify problem gamblers and assist them to be excluded. NZCT has strongly recommended to the Ministry of Health on the proposed Strategy to Prevent and Minimise Gambling Harm 2022/23 to 2024/25 that this technology be rolled out further as part of problem gambling harm minimisation work underway.



The Guardian - Facial Recognition System

A fully integrated, market-leading system that identifies excluded persons as they enter a gaming room, by matching them against a centralised database.

Three short videos showing how the facial recognition system works can be viewed at: <https://www.coms.net.nz/the-guardian-facial-recognition/>

NZCT also provides all its gaming venues with the Health Promotion Agency's harm minimisation signs to display in and around the gaming area, wallet cards with information for potential problem gamblers and host responsibility resources for staff.



Two of the findings from the inaugural PMGH baseline report were that problem gambling services are effectively raising awareness about the harm from gambling, and interventions for gambling-related harm are moderately accessible, highly responsive and moderate to highly effective.²¹

The world's largest clinical trial²² for problem gambling treatment found that, one year after calling the Gambling Helpline, three-quarters of callers had quit or significantly reduced their gambling.

About NZCT

Established in 1998, New Zealand Community Trust (NZCT) is the one of the largest gaming trusts with 13% market share, operating in venues and communities throughout New Zealand. In the 12 months to 30 September 2021, NZCT approved \$43.8 million in grant funding to sporting, local government and community groups nationwide.

²¹ Page 16, *Outcomes Framework for Preventing and Minimising Gambling Harm Baseline Report*, May 2013.

²² *The Effectiveness of Problem Gambling Brief Telephone Interventions*, AUT, Gambling & Addictions Research Centre.

NZCT's Board, Regional Advisory Committees and management take risk mitigation and assurance seriously and our risk framework recognises the need for effective controls and mitigation tools/strategies to prevent and minimise harm from problem gambling.

While most New Zealanders gamble without experiencing any harm, a small minority who participate suffer some degree of harm and the impacts for them and people affected by their gambling, can be significant.

NZCT contributes through the problem gambling levy approximately \$1 million per annum to the collective annual levy of \$18-20 million. That is a significant amount, on top of an estimated \$800,000 which NZCT expends within the organisation each year, on training, resourcing, and technology, such as facial recognition technology (FRT), directed to identifying and mitigating problem gambling in our venues. We have a strong interest in seeing the levy spent effectively.

Over the last 10 years, the Ministry of Health has received more than \$186 million in funding from the four gambling sectors that contribute to the annual levy.

In that period, it appears the problem gambling rate has not reduced, and the key objectives of the strategy have not been met, as confirmed by the damning Needs Assessment Report.



We have twin goals of serving both our publicans and the communities in which they operate. At least 75% to 80% of the funds we currently distribute are directed towards sports activities, making NZCT the largest funder of amateur sports participation in New Zealand. We focus on sport because of the many positive benefits it offers communities, such as:

- crime reduction and community safety
- economic impact and regeneration of local communities
- education and lifelong learning
- participation
- physical fitness and health
- psychological health and wellbeing
- social capital and cohesion.²³

Overseas research²⁴ has found participation in sport can lead to increased health and productivity for individuals, and increased wealth or wellbeing of society. While amateur sport is our main focus, we are also strong supporters of other worthy community activities, including local government projects.

Further information about our submission

For further information, or if you have any questions about NZCT's submission, contact Don Martin, Communications and Marketing Manager on (04) 495 1594 or don.martin@nzct.org.nz

²³ Sport England's Value of Sport Monitor.

²⁴ http://www.ausport.gov.au/information/asc_research/publications/value_of_sport.

Our Trustees

Alan Isaac

Board Chair

David Pilkington

Board Member and Net Proceeds Committee Chair

Kerry Prendergast

Board Member and Audit and Risk Committee Chair

Peter Dale

Board Member

Lesley Murdoch

Board Member

Peter Miskimmin

Board Member

<https://www.nzct.org.nz/about-us/#meet-our-trustees>

Appendix 1

**Grants to Horowhenua by NZCT - October
2018 to September 2019**

Grant #	Organisation	Total Amount Approved	Amount drawn from Horowhenua District	Date of Approval	Purpose
77565	Athletic Rugby Football Club Levin Inc	\$2,532	\$2,532	23/04/2019	Towards netball uniforms: dresses and bibs
78640	Big Bang Adventure Charitable Trust	\$7,563	\$7,563	25/06/2019	Towards Event Director contract
76955	CentreSkate Inc	\$4,802	\$4,802	19/02/2019	Towards hire of the Horowhenua Events Centre
77364	Fale Pasifika Horowhenua	\$3,354	\$3,354	19/02/2019	Towards marquee hire and porta loos, tables & chairs
77621	Foxton Rugby Club Inc	\$2,000	\$2,000	27/03/2019	Towards travel for Senior Premier and Senior Reserves
77384	Hanana Netball Club Inc	\$2,000	\$2,000	27/03/2019	Towards netball dresses and bibs (excludes tracksuits)
75408	Horowhenua Agricultural Pastoral and Industrial Association Inc	\$3,524	\$3,524	23/10/2018	Towards marquee hire and install and commercial fans for animal nursery
77710	Horowhenua Badminton Assn Inc	\$5,000	\$5,000	23/04/2019	Towards shuttles
76737	Horowhenua Kapiti Cricket Association Inc	\$25,387	\$25,387	18/12/2018	Towards HKUSA Umpires; Towards Chief Executive Officer contract (excluding fundraising element); Towards uniforms for U18 Girls Team, U15 Boys Team and U13 Boys Team; Towards cost of participating in NZ Districts U18 Female Development Tournament
78668	Horowhenua Sports Turf Trust	\$1,455	\$1,455	23/07/2019	Towards repairs to steps and stair gate at the Halliwell Hockey Turf Pavilion
76056	Horowhenua Sports Turf Trust	\$1,072	\$1,072	23/10/2018	Towards purchase and install inside Halliwell Hockey Pavilion and Clubrooms
78796	Laird Park Bowling Club Inc	\$6,360	\$6,360	23/07/2019	Towards upgrade of bowling green
75851	Levin Cycling Club Inc	\$4,209	\$4,209	23/10/2018	Towards First Aid training; Towards Traffic Management & site Traffic Management supervisor courses
78623	Levin GymSports Inc	\$3,832	\$3,832	25/06/2019	Towards landing mats, foam vault & spotters box
75820	Levin Hustle Baseball Inc	\$5,085	\$5,085	23/10/2018	Towards fencing
79402	Levin Inline Hockey Club Inc	\$5,996	\$5,996	21/08/2019	Towards temporary tiered seating
78155	Levin Masters Swimming Club Inc	\$648	\$648	21/05/2019	Towards pool and meeting room hire
76083	Levin Old Boys Cricket Club Inc	\$10,000	\$10,000	23/10/2018	Towards junior playing strip; Towards cricket balls and equipment
79840	Levin Pony Club Inc	\$1,840	\$1,840	13/09/2019	Towards NZPCA Coaches Conference 2020 costs (for 4 coaches); Towards accommodation costs for coaches (excludes breakfast)
78676	Levin Pony Club Inc	\$1,000	\$1,000	25/06/2019	Towards Equilibrium Massage Therapy Pads
77850	Levin Swimming Club Inc	\$4,038	\$4,038	23/04/2019	Towards lane hire
76760	Levin Waitarere Surf Lifesaving Club Inc	\$5,925	\$5,925	18/12/2018	Towards rescue boards
79083	Levin Womens Bowling Club Inc	\$900	\$900	23/07/2019	Towards fertiliser for upkeep of green
77455	Manawatu Volunteer Coastguard Inc	\$32,000	\$32,000	27/03/2019	Towards outboards for Coastguard rescue vessel
76729	Shannon Rugby Football Club Inc	\$2,767	\$2,767	23/01/2019	Towards playing uniforms; jerseys/socks and shorts
77590	Shannon Rugby Football Club Inc	\$2,335	\$2,335	23/04/2019	Towards bus charter to season games
78940	Waiopahu College	\$14,950	\$14,950	21/08/2019	Towards school sports uniforms
75686	Waiopahu College	\$15,110	\$15,110	20/11/2018	Towards synthetic grass surface (Cricket Wicket); Towards mobile cricket cage
78651	Weraroa Cricket Club Inc	\$20,000	\$20,000	25/06/2019	Towards contract of Weraroa Club Administrator / Club Manager (excludes fundraising element); Towards contract of Weraroa Club Development Manager
		\$195,684	\$195,684		

Regional grants that benefit Horowhenua District

76745	Bike Manawatu Inc	\$10,000	\$2,398	18/12/2018	Salary
76490	Bowls Manawatu Inc	\$5,000	\$1,194	23/01/2019	Salary
76917	Central Districts Cricket Association Inc	\$100,000	\$7,596	18/12/2018	Towards District Development programmes (excluding Marlborough Cricket Association and Wairapa Cricket Association); Towards equalised tournament costs for National Under 17 Tournament
79985	Central Region Rowing Development Trust	\$58,684	\$587	13/09/2019	Towards accommodation; Towards row suits; Towards double rowing skiffs; Towards GPS speed coaches
76170	Central Zone Deaf Rugby Union Inc	\$5,000	\$177	18/12/2018	Towards travel for 26th National Deaf Rugby Championship in Auckland
76239	Hockey Manawatu Inc	\$70,000	\$11,300	6/12/2018	Towards salary of Office Manager; Towards salary of General Manager
78959	Horowhenua Kapiti Cricket Association Inc	\$38,000	\$4,940	23/07/2019	Towards Community & Pathway Coordinator (excludes fundraising element); Towards Community Cricket Coordinator; Towards Community Development & Participation Coordinator
77064	Horowhenua Kapiti Rugby Football Union Inc	\$90,000	\$45,000	19/02/2019	Towards salary of Chief Executive Officer; Towards salary of Rugby Development Officer; Towards salary of Community Rugby Assistant; Towards salary of Community Rugby Manager; Towards salary of Accounts Manager (excludes fundraising element); Towards salary of Ripa Rugby Officer
79477	Lower North Island Secondary Schools Netball Inc	\$15,000	\$105	21/08/2019	Towards accommodation for umpires and officials
79862	Manawatu Badminton Association Inc	\$30,825	\$2,466	13/09/2019	Towards playing tops; Towards salary for General Manager (excluding fundraising element, kiwisaver and allowances); Towards salary for Shuttle Time Coaching Officer
79355	Manawatu Rugby Union Inc	\$8,433	\$337	21/08/2019	Towards venue hire (excludes catering); Towards physiotherapist charges for Cyclones and Under 19 teams
77019	Manawatu Rugby Union Inc	\$142,000	\$20,229	19/02/2019	Towards salary of CEO; Towards salary of Operations Manager; Towards salary of Assistant Trainer; Towards venue hire
76469	Manawatu Softball Association Inc	\$3,500	\$839	18/12/2018	Towards travel and accommodation
79898	Mid Central Zone of NZRL Inc	\$75,000	\$1,110	30/09/2019	Towards salary of Football & Development Manager; Towards salary of General Manager
76838	Netball Central Zone Inc	\$250,000	\$11,300	24/12/2018	Towards salary of CEO (excludes fundraising element); Towards salary of Performance Manager; Towards salary of Coach Lead / Coach Development Officer; Towards salary of Community Netball Manager; Towards salary of Umpire Development Officer
77083	Netball Manawatu Centre Inc	\$85,000	\$20,298	23/01/2019	Towards salary of Game Development Officer; Towards salary of Operations Officer (excludes fundraising element); Towards salary of Netball Development Officer
78422	No 5 District Federation of NZ Football Inc - Capital Football Inc	\$111,160	\$197	21/05/2019	Towards travel costs for 2019 Futsal Youth Nationals
79964	No 5 District Federation of NZ Football Inc - Capital Football Inc	\$175,000	\$280	30/09/2019	Towards travel and accommodation for the 2019 National Age Group Tournament
79037	Special Olympics Lower North Island Regional Council	\$10,000	\$96	23/07/2019	Towards accommodation, bus and van hire for 2019 Special Olympics Lower North Island Snow Sports Programme (excluding driver accommodation and meals, cleaning, diesel); Towards mountain costs, gear hire, instructors, lessons and lift tickets for 2019 Special Olympics Lower North Island Snow Sports Programme (excluding wristguard bond deposit)
76645	Swimming Manawatu Inc	\$5,407	\$1,416	6/12/2018	Towards pool hire at Freyberg Community Pool and Lido Aquatic Centre
76425	Tennis Central Region Inc	\$87,000	\$4,350	6/12/2018	Towards salary of Participation Manager; Towards salary of Chief Executive Officer; Towards salary of Senior Events Coordinator; Towards salary of Events & Operations Manager
78677	Tennis Manawatu Inc	\$10,333	\$413	21/08/2019	Salary
79728	Wellington Softball Association Inc	\$50,000	\$280	13/09/2019	Salary for role working with clubs and associations across the lower North Island
		\$1,435,342	\$136,908		

Grants to national organisations that benefit Horowhenua

76771	Basketball NZ Inc	\$150,000	\$700	19/02/2019	Salary
77085	Gymsports NZ Inc	\$200,000	\$959	27/03/2019	Towards salary of Midlands Relationship Manager; Towards salary of Central Regional Relationship Manager; Towards salary of Relationship Team Manager; Towards salary of Community Sport Manager; Towards salary of Southern Regional Relationship Manager
79427	Halberg Foundation	\$120,000	\$352	21/08/2019	Towards salaries of regional Disability Sport Advisors
79892	Hockey NZ Inc	\$28,500	\$190	13/09/2019	Towards fees for Regional Development Programmes
79295	NZ Golf Inc	\$150,000	\$260	21/08/2019	Towards salary of Lower North Island Regional Support Manager; Towards salary of Northern Regional Support Manager; Towards salary of Mainland Regional Support Manager; Towards salary of Waikato & BOP Regional Support Manager
77086	NZ Rural Games Trust	\$10,000	\$1,425	19/02/2019	Towards big screen, sound system, fencing and marquee hire, traffic management, security, dog trial gates and trailer for 2019 Hilux NZ Rural Games (excluding per diem, ferry crossings and accommodation)
79761	NZ Rural Games Trust	\$10,000	\$700	30/09/2019	Towards costs associated with Rural Games in 2020 (excludes mileage)
76807	Parkinsons NZ	\$30,000	\$1,199	18/12/2018	Towards salaries of regional Parkinson s Community Educators
78597	Project Litefoot Trust	\$10,057	\$101	25/06/2019	Salary
77216	Project Litefoot Trust	\$75,000	\$4,091	19/02/2019	Towards salaries of Sustainability Advisors; Towards salary of Development Officer (excludes fundraising element); Towards salary of Liteclub Project Manager - Auckland
77216	Project Litefoot Trust	\$75,000	\$4,091	19/02/2019	Towards salaries of Sustainability Advisors; Towards salary of Development Officer (excludes fundraising element); Towards salary of Liteclub Project Manager - Auckland
78223	Special Olympics NZ	\$250,000	\$632	21/05/2019	Towards salary for Manager Sports Operations; Towards salaries for eight (8) Regional Sports Coordinators
76958	Yachting NZ Inc	\$152,000	\$486	19/02/2019	Towards salaries for Regional Support Officers (Northern, Central and Southern)
		\$1,260,557	\$15,185		

Colleen Burgess

From: Kristy Kang <Kristy.Kang@pgf.nz>
Sent: Friday, 17 December 2021 1:08 PM
To: Records Processing
Subject: Gambling Class 4 Venue Policy and TAB Venue Policy Reviews - PGF Group Submission
Attachments: Horowhenua District Council Class 4 Gambling Policy 2021 Submission - PGF Group.pdf
Importance: High

Kia ora,

I hope you are enjoying your week.

Please find attached PGF Group's submission on the proposed changes to the Class 4 Gambling Venue and TAB Venue Policy reviews.

We also wish to speak at the hearing.

If you have any questions, please let me know.

Thank you.

Ngā mihi,
Kristy

Kristy Kang (She/Her)
Policy and Public Health Manager | PGF Group
Email kristy.kang@pgf.nz
DDI 09 553 6896





**Horowhenua District Council:
Proposed changes to Class 4 Gambling Venue
and TAB Venue Policy
PGF Group Submission**

Submitted to	Horowhenua District Council via email submission to recordsprocessing@horowhenua.govt.nz
Details of Submitter	Kristy Kang Policy and Public Health Manager, PGF Group kristy.kang@pgf.nz 09 553 6896
Physical Address	Level 1, 128 Khyber Pass Road Grafton, Auckland 1023
Date of Submission	17 December 2021



EXECUTIVE SUMMARY

PGF Group thanks Horowhenua District Council for the opportunity to comment on the proposed changes to the Class 4 Gambling Venue and TAB Venue policies.

We commend the Council's decision to continue its sinking lid policy. A sinking lid policy is one of the best policies available to reduce gambling harm and losses from gambling. While we advocate for a 'true' sinking lid policy that does not permit relocations or club mergers under any circumstances, we support the changes outlined in the statement of proposal.

PGF also supports the submission made by Mapu Maia, and encourage the Council to carefully consider the feedback they have provided.

ABOUT PGF GROUP

1. The Problem Gambling Foundation of New Zealand trades as PGF Group and is the overarching brand for PGF Services, Mapu Maia Pasifika Services, and Asian Family Services.
2. PGF Group is a Charitable Trust that operates nationally to provide gambling harm minimisation and prevention services. Our services are delivered under contract to the Ministry of Health and funded from the gambling levy.
3. As well as providing clinical interventions and treatment, we provide a range of public health services. A key part of our public health work is advocating for the development of public policy that contributes to the prevention and minimisation of gambling-related harms.
4. This includes working with Territorial Local Authorities (TLAs) to encourage the adoption of policies that address community concerns regarding the density and locality of gambling venues.

ADVICE FOR COUNCIL DECISION MAKING

GAMBLING HARM

5. The harms caused by different forms of gambling are not equal, as evidenced by the different classifications of gambling within the Gambling Act 2003.
6. In Aotearoa New Zealand, there are four main types of gambling modes: Class 4 electronic gaming machines (EGMs or 'pokies'), Lotto, casinos, and TAB.



7. The Gambling Act 2003 defines problem gambling as gambling that causes or may cause harm to an individual, their family, or the wider community.
8. It is estimated by the Ministry of Health that approximately 250,000 Kiwis are at mild, moderate, or severe risk of experiencing gambling harm. An even smaller portion – less than 16% of those most at risk – are likely to seek help from gambling intervention services (1).
9. While client intervention data from the Ministry of Health is not an accurate measure of the prevalence of gambling harm in Aotearoa, it can help inform us of the rate of harm from different classes of gambling amongst those who have sought help.
10. Data for 2019/20 shows that 4,439 individuals received support for their own or someone else’s gambling (2). Of those 4,439 individuals, 2,098 (47.3%) were for Class 4 EGMs (2).

Primary Mode	Full Interventions	Percentage
Non-Casino Gaming Machines (EGMs or pokies)	2,098	47.26%
Lotteries Commission Products	508	11.44%
Casino Table Games (inc. Electronic)	485	10.92%
Casino Gaming Machines (EGMs or Pokies)	414	9.32%
TAB (NZ Racing Board)	405	9.12%
Housie	85	1.91%
Cards	55	1.24%
Other	390	8.79%
Total	4,439	100%

Table 1: 2019/20 client intervention data by primary gambling mode

11. It is important to consider that all gambling is not the same. Although EGMs are a legal form of entertainment in New Zealand, they are highly addictive and have been specifically designed to be very absorbing and encourage people to participate in continuous gambling (3).
12. EGMs enable players to place hundreds of bets in a matter of minutes. You do not have to wait for the horses to finish a race, a roulette wheel to stop spinning, or for the weekly Lotto draw – just press a button and in mere seconds you have a result.
13. This continuity, coupled with the spread and availability throughout communities in New Zealand, makes Class 4 gambling (EGMs in pubs, clubs, and TABs) the most harmful form of gambling in New Zealand (1).



GAMING MACHINE PROFITS (GMP) STATISTICS

14. As at 30 September 2021, there were eight Class 4 gambling venues in the Horowhenua District Council area, hosting 139 EGMs between them. The number of venues and EGMs decreased from three and 25, respectively, since 2015 (4).
15. Since 2015, Horowhenua has followed the national trend of a general growth in annual GMP. The largest spike was in 2019 with approximately \$9.5 million being lost to EGMs in Horowhenua. In 2020, losses dropped to approximately \$8.5 million largely due to the national COVID-19 alert level 4 lockdown (4).
16. We cannot be sure why losses continue to grow while machine numbers are coming down, but what we do know is that EGM numbers are not being reduced fast enough in areas where they need to, particularly high deprivation areas.

DENSITY OF CLASS 4 GAMBLING VENUES

17. What makes Class 4 EGMs more harmful than casino EGMs is their location within our communities and the design of EGM rooms within Class 4 venues.
18. Data published by the DIA shows that almost 63% (659 out of 1,051 as at 30 September 2021) of Class 4 gambling venues in New Zealand are located in medium-high or very high deprivation areas (4).

Very Low Decile 1–2	Medium Low Decile 3–4	Medium Decile 5–6	Medium High Decile 7–8	Very High Decile 9–10
78	127	187	315	344

Table 2: Class 4 gambling venues as at 30 September 2021 by deprivation score.

19. In Horowhenua, all eight Class 4 gambling venues are located in very high deprivation areas (4).
20. This indicates a clear disparity where EGMs in Horowhenua are disproportionately located in higher deprivation areas.
21. A report commissioned by the Ministry of Health – *Informing the 2015 Gambling Harm Needs Assessment* – notes that EGMs in the most deprived areas provide over half of the total Class 4 EGM expenditure (5).
22. It is unethical that the majority of Class 4 EGM expenditure is coming from our lowest income households who can least afford it. This is particularly concerning given that this



- disproportionately impacts Māori and Pacific peoples who generally live in the areas where many of these machines are situated (6).
23. We note that, according to the 2018 Census data, 30.2% of Horowhenua's population are made up of Māori and Pasifika peoples (7).
24. The 2018 Health and Lifestyles Survey estimates that Māori were four times more likely to be moderate-risk or problem gamblers than non-Māori, and that Pacific peoples were 1.5 times more likely to be moderate-risk or problem gamblers than non-Pacific peoples (8).
25. Research indicates that Māori and Pasifika experience harmful gambling differently, and that this disparity has not diminished over the years. This is a systemic issue that is inequitable.

EFFICACY OF A SINKING LID

26. Much of the research quoted in an attempt to denounce the efficacy of a sinking lid is outdated and findings from more recent research has countered assertions made by the Class 4 gambling industry.
27. From a public health perspective, there is a generally held view that the easier it is to access an addictive product, the more people there are who will consume that product.
28. It follows then that stronger restrictions on the number and location of addictive products, such as EGMs, constitute a public health approach to the prevention and minimisation of gambling harm.
29. The Auckland University of Technology's New Zealand Work Research Institute recently published a research paper, *Capping problem gambling in New Zealand: the effectiveness of local government policy intervention*, which aimed to understand the impact of public policy interventions on problem gambling in New Zealand (9).
30. This research focussed on Class 4 gambling to assess the impact of local government interventions (absolute and per capita caps on the number of machines and/or venues and sinking lid policies) on the number of machines/venues and the level of machine spending over the period 2010-2018.
31. Key findings from this research include:
- a. All three forms of policy intervention are effective in reducing Class 4 venues and EGMs, relative to those TLAs with no restrictions beyond those mandated by the Gambling Act.



- b. Sinking lids and per capita caps are equally the most effective at reducing machine spending.
- c. Those TLAs who adopted restrictions above and beyond those mandated by the Gambling Act experienced less gambling harm than those TLAs who have not.

SUBMISSION AND RECOMMENDATIONS

- 32. We strongly support Horowhenua District Council's decision to retain its existing sinking lid policy. We believe that this decision is an important step towards preventing and minimising gambling harm for those in Horowhenua.
- 33. We submit that a sinking lid policy should include the following three provisions:
 - a. A ban on any new venues – no permit will be given to operate any new Class 4 gambling venues in the Council area if that venue proposes having EGMs, including TAB venues.
 - b. No relocations – if a venue with EGMs closes for any reason, the Council will not permit the EGMs to be relocated to any venue within the Council area.
 - c. No mergers – there will be no merging of Class 4 venues under any circumstances.
- 34. Allowing for relocations and club mergers undermine the efficacy of a sinking lid.
- 35. However, if relocations and mergers will be allowed under the Council's Class 4 Gambling Venue Policy, we support the outlined changes as set out in the statement of proposal. The proposed changes are restrictive and takes on a conservative approach when considering relocations and club mergers.
- 36. We also support the minor change proposed to the TAB Venue Policy of removing the reference to the Racing Act 2003 to the Racing Industry Act.

CONCLUSION

- 37. The Gambling Act 2003 was enacted to provide a public health approach to the regulation of gambling and to reduce gambling harm.
- 38. A sinking lid – with no relocations or venue mergers permitted – is the best public health approach available to councils who wish to prevent and minimise gambling harm in their communities.



39. However, the proposed changes to the Class 4 Gambling and TAB Venue policies are restrictive and indicate commitment to further reduce the number of gaming machines in Horowhenua compared to the previous policies.
40. PGF appreciates the opportunity to make a written submission on the Council's proposed Class 4 gambling venues policy.
41. If you have any further questions, please do not hesitate to contact us.



REFERENCES

1. Ministry of Health. Strategy to prevent and minimise gambling harm 2019/20 to 2021/22. Wellington; 2019.
2. Ministry of Health. Intervention client data Wellington: Ministry of Health; 2021 [Available from: <https://www.health.govt.nz/our-work/mental-health-and-addiction/addiction/gambling/service-user-data/intervention-client-data#ppgm>].
3. Schüll ND. Addiction by design: Princeton University Press; 2012.
4. Department of Internal Affairs. Gaming machine profits (GMP dashboard). Wellington: Department of Internal Affairs; 2021 [Available from: <https://www.dia.govt.nz/gambling-statistics-gmp-dashboard>].
5. Allen & Clarke. Informing the 2015 gambling harm needs assessment: Final report for the Ministry of Health. Wellington: Ministry of Health.; 2015.
6. NZIER. Harmless fun for all? Class 4 gambling in Lower Hutt: NZIER Report to Hutt City Council. Wellington: NZIER; 2021.
7. Statistics New Zealand. 2018 Census place summaries - Horowhenua District 2021 [Available from: <https://www.stats.govt.nz/tools/2018-census-place-summaries/horowhenua-district#ethnicity-culture-and-identity>].
8. Health Promotion Agency. Gambling harm Wellington: Kupe Data Explorer; 2021 [Available from: <https://kupe.hpa.org.nz/#!/gambling/gambling-harm>].
9. Erwin C, Lees, K., Pacheco, G., & Turco, A. Capping problem gambling in NZ: The effectiveness of local government policy interventions. . Auckland: New Zealand Work Research Institute.; 2020.

Colleen Burgess

From: Nigel Fitzpatrick <Nigel.Fitzpatrick@midcentraldhb.govt.nz>
Sent: Friday, 17 December 2021 2:14 PM
To: Records Processing
Cc: Robert Holdaway
Subject: submission to Horowhenua District Council gambling policy 005
Attachments: submission to Horowhenua District Council gambling policy 005.docx

Please accept submission on behalf of Public Health

Ngā mihi

Nigel

Nigel Fitzpatrick
Health Promotion Adviser
Public Health Services, 200 Broadway, Private Bag 11036, Palmerston North
Phone: 06 3508469, 0273843812.

Gambling Class 4 Venue Policy and TAB Venue Policy 2021
Horowhenua District Council

Dear Sir/Madam

Re: Gambling Class 4 Venue Policy and TAB Venue Policy 2021

Please find attached a Submission on the above policy lodged on behalf of MidCentral District Health Board's Public Health Service. We would like the opportunity of speaking to this submission.

Yours faithfully

Robert Holdaway
Co-ordinator Public Health Regulation

**SUBMISSION FOR HOROWHENUA DISTRICT COUNCIL CLASS 4
VENUE POLICY AND TAB VENUE POLICY 2021**

To: Horowhenua District Council
Submission on: **Gambling Class 4 Venue Policy and TAB Venue
Policy 2021**
Name: Public Health Services,
Address: Public Health Unit, MidCentral District Health Board,
Private Bag 11-036, Palmerston North 4442
Attention:

Class 4 Gambling and TAB Venue Policy

The Gambling Act has led to the Ministry of Health adopting specific roles:

Since 1 July 2004, the Ministry of Health has been responsible for developing and implementing the 'integrated problem gambling strategy focused on public health' that is described in section 317 of the Gambling Act 2003 (<https://www.health.govt.nz/publication/strategy-prevent-and-minimise-gambling-harm>, accessed November 2021)

The Public Health Service's goal is to improve, promote and protect health and wellbeing, reducing inequalities and improving whānau ora.

Health is influenced by a wide range of factors beyond the health sector and so we are grateful for the opportunity to make the following comments.

1. Harm from Electronic Gaming Machines

Research on electronic gaming machines (EGMs) shows that people who gamble regularly are at greater risk of harm and therefore continued reductions in accessibility to these devices is needed:

Given their particularly strong association with harm and their widespread availability, a continued focus on EGMs is warranted. While the number of venues and machines have reduced substantially during the past decade they remain readily accessible, especially in geographical areas where there are substantial numbers of residents with attributes that increase their vulnerability to the development of gambling and related problems. These attributes include low prior involvement in high-risk gambling forms (e.g. Pacific and Asian people, some recent migrant groups and people with non-Christian religions), Māori, low income and socio-economic status, unemployment, high

exposure to major life events and ongoing stressors, low social capital and high rates of mental health and addictive disorders.¹

Not many people regularly use EGMs - according to the most recent NZ quantitative research on gambling - the 2016 Lifestyle survey which found:

- 1 in 10 New Zealand adults (around 374,000; 10%) had played a gaming machine at a pub or club in the past year.
- Participation in pokies in pubs or clubs has been decreasing steadily since 2006/07, when it was 19%...
- In relation to personal expenditure on gaming machines or pokies, the most commonly reported (38%) average spend was \$11 to \$25 per session².

While the prevalence of risky gambling is relatively low at a general population level, a different picture emerges when we look at the incidence of gambling harm amongst those who regularly play. Schull (2014) points out that many find it misleading to measure the problem within the general population, given the percentage of people experiencing harm amongst the gambling population is a good deal higher, and higher still among regular or repeat gamblers. Almost half (49%) of people who gamble on gaming machines in pubs or clubs pokies at least monthly were found to be at risk.¹

Estimates of problem gambling vary by survey. For those with the most serious problems it is around 0.1%¹ to 0.2%² (assuming one can pool data from the four surveys conducted in a longitudinal study); for those with moderate problems the number varies between 1.51% and 1.82%, and for low harm the numbers are around 3.31% and 4.62%.

Statistics New Zealand³ estimate that 29,300 people aged above 15 years live in Horowhenua District. So if Horowhenua has similar rates to New Zealand, there is likely to be around 29 to 59 people with serious problems; 442 to 533 people with moderate gambling issues, and 969-1,353 with lesser problems due to gambling. However, the number of people affected by problem gambling would be much bigger (perhaps 17 times larger) depending on the gamblers' connection to family, friends, work and the likelihood of crime.

The Department of Internal Affairs notes that problem gambling is more often associated with electronic gaming machines and that the impacts on family, friends, and workplaces can also be severe:

Harm from problem gambling (which can include, for example, poor parenting, family violence, other crime, and suicide) affects a lot of

¹ Thimasarn-Anwar, T., Squire, H., Trowland, H. & Martin, G. (2017). *Gambling report: Results from the 2016 Health and Lifestyles Survey*. Wellington: Health Promotion Agency Research and Evaluation Unit.

² <https://www.hpa.org.nz/research-library/research-publications/new-zealanders-participation-in-gambling-results-from-the-2016-health-and-lifestyles-survey>, accessed November 2021

³ <http://nzdotstat.stats.govt.nz/wbos/Index.aspx?DataSetCode=TABLECODE7980#>, accessed November 2021

people other than the gambler. The families of problem gamblers, in particular, often suffer significant harm

The behaviour of each severe problem gambler is likely to affect between 7 and 17 other people, at least to some degree. Along with other available evidence, this suggests that at any given time, a reasonable ballpark figure for the number of adults and children in New Zealand affected to some degree by their own or someone else's gambling might range up to 500,000.⁴

The 2016 Lifestyle survey states:

- 1 in 5 New Zealand adults (22%) have been affected at some time in their lives by their own gambling or the gambling of others.
 - 6% (~214,000 New Zealand adults) of respondents reported experiencing at least one form of household-level gambling harm (including having an argument about time or money spent on gambling, or going without or bills not being paid because too much money was spent on gambling by another person).
- The prevalence of household-level harms has been decreasing since 2006/07. Māori respondents were most likely to be affected by household gambling harms but the prevalence of household arguments about gambling has been dropping at a faster rate for Māori than for non-Māori.
- The most commonly reported form of gambling associated with household harm was gaming machines at pubs or clubs.
 - Experience of a friend or family member gambling more than intended has been steadily dropping since 2006/07, from 36% to 12% in 2016. Māori and Pacific people and those who gamble themselves were most likely to be close to someone with problems with their gambling.
 - Māori and those who live in high deprivation areas are most impacted by the gambling of others.

Rural populations can be at greater risk and can have a different set of needs than urban gamblers. Tolchard⁵ notes

“In New Zealand, prevalence research indicates a greater risk of problem gambling is associated with rural areas. However, this is confounded by Maori or Pacific Islanders, who are more represented in rural than urban areas and are known to experience greater gambling problems (Devlin & Walton, 2012).”

4

[https://www.dia.govt.nz/pubforms.nsf/URL/ProblemGamblingFactsFinal.pdf/\\$file/ProblemGamblingFactsFinal.pdf](https://www.dia.govt.nz/pubforms.nsf/URL/ProblemGamblingFactsFinal.pdf/$file/ProblemGamblingFactsFinal.pdf), accessed April 2021

⁵ Tolchard, B. (2015). The impact of gambling on rural communities worldwide: A narrative literature review. *Journal of Rural Mental Health*, 39(2), 90–107. <https://doi.org/10.1037/rmh0000030> accessed November 2021

4

Abbott⁶ notes that the greatest need is in small towns (minor urban ie 1000 to 9999 population)

The Department of Internal Affairs website states: Under the Gambling Act 2003, “local authorities are charged with and enabled to control the growth of gambling and prevent and minimise the harm caused by gambling”.⁷

2. Ensuring taverns do not become primarily gambling venues

The Alcohol Regulatory and Licencing Authority has provided judgement⁸ as to whether or not a venue is actually operating as a tavern which it needs to do in order to legally host EGMs. A tavern is used principally for the sale of alcohol and other refreshments to the public as per Section 5 of the Sale and Supply of Alcohol Act 2012 and therefore should have an alcohol licence:

[95] In *Morrisson Bar Limited*⁵⁸, the Authority cited these decisions, and said at [26]:

“It seems to us that based on the authorities referred to above, there are a number of factors which can be looked at when considering whether premises are a tavern or a restaurant or a nightclub or entertainment venue. These factors include:

The nature and configuration for the premises

The public perception provided it is referable to the legal definition

The reasons why patron attend the premises

The revenue from various sectors of the business

The imposition of a cover charge

The current nights of the week when the premises are open

The trading hours and days requested

The nature of the entertainment.”

[96] As the learned authors Alan Dormer and Alastair Sherriff have noted in Brooker’s *Sale of Alcohol* (at SA5.72.03) the nature of ‘food and beverages offered’ is also an indicator of use.

6

[https://www.moh.govt.nz/NoteBook/nbbooks.nsf/0/01FE156D98B6EB7DCC2575CF0070101C/\\$file/a-focus-on-problem-gambling-results-200607-nz-health-survey.pdf](https://www.moh.govt.nz/NoteBook/nbbooks.nsf/0/01FE156D98B6EB7DCC2575CF0070101C/$file/a-focus-on-problem-gambling-results-200607-nz-health-survey.pdf), accessed September 2021

⁷ http://www.localcouncils.govt.nz/lqip.nsf/wpg_url/Policy-Local-Government-Legislation-Other-legislation, accessed April 2021

⁸ <http://www.nzlii.org/cgi-bin/sinodisp/nz/cases/NZARLA/2018/225.html?query=kaiti>, accessed November 2021

See also <http://www.nzlii.org/cgi-bin/sinodisp/nz/cases/NZARLA/2017/448.html?query=graces%20place>
Accessed December 2021

5

[97] As the definition of the term ‘tavern’ has not changed from when these cases were decided under the 1989 Act, as we said in *L & H Graces Place Ltd*⁵⁹, consideration of these factors remains the correct approach to take when determining whether premises are a tavern.

According to Department of Internal Affairs, year ending 1/09/2021, the EGM’s across the Horowhenua District grossed \$9,542,223 which divided by the 139 machines existing in Horowhenua equals an average per machine of \$68,649. This means that a venue with 18 machines with average size of takings will be grossing \$1,235,684 in the last 12 months. Given the size of the takings, it could well be that some venues are operating more as a gambling venue than as a place that provides refreshments to the public.

We recommend that the District Licencing Committee look at this issue in more detail, seeking actual earnings from each venue so that it can be determined if the places are still primarily a place of refreshment. Where gambling revenue exceeds revenue from refreshments, we would recommend the venue owner reduce the number of machines in order to retain his/her licence to sell alcohol (losing this licence would also entail loss of the ability to host EGM’s).

3. Maintaining the sinking lid policy

We strongly recommend that the current sinking lid for machines in the district be maintained. We acknowledge Council’s leadership in this area, as we believe it will help reduce the incidence and prevalence of problems primarily caused by gambling.

Research has found that reducing EGM numbers is beneficial:

Results suggest that sinking lids reduce problem gambling expenditure by 13 percent relative to regions not adopting policies beyond national-level restrictions.⁹

So although expenditure per machine has been increasing, it appears likely that the sinking lid policy has helped reduce gambling harm. Continuing the sinking lid policy would mean slow change, which gives groups time to find other funding options.

We do not support the policy providing permission for merging clubs to have more than 18 machines – limiting all premises with the same number of EGMs helps administration and reduces risk.

⁹ Erwin, C., Lees, K., Pacheco, G. & Turcu, A. (2020) Capping gambling in NZ: The effectiveness of local government policy intervention. Auckland.
https://www.health.govt.nz/system/files/documents/publications/capping_gambling_in_nz.pdf, accessed November 2021

4. Class 4 gambling machines should be limited to current localities

One of the problems Council may face is movement of gambling venues to communities that do not currently have venues and who do not want these facilities.

We note that there is no provision within the policy for consultation with affected communities when new venues are proposed for their area. If local venues do not have local support any problems may well be blamed (even unfairly) on the local authority.

We, therefore recommend restricting gaming machines to existing localities.

We support the existing policy for TAB venues.

Recommendations

That Horowhenua District Council:

- 1. Ensure that taverns with class 4 gambling venues do not have gambling as their primary activity.**
- 2. Maintain the existing sinking lid policy.**
- 3. Limit class 4 gambling venues to existing localities.**
- 4. Amend the draft policy to limit merging clubs to a maximum of 18 machines.**

File No.: 22/44

5.2 TAB Venue Policy - Consideration of Submissions

1. Purpose

- 1.1. To provide the platform for members of the hearings committee to hear and consider the submissions received on this policy during the public consultation process of this review process.
- 1.2. To propose that members recommend the policy, as may be amended during the hearings process, for adoption by Council, and subsequent repeal of the 2017 version of this policy.

2. Executive Summary

- 2.1. Section 96 of the Racing Industry Act 2020 requires Council to adopt a TAB Venue Policy for the District, and that such a policy is reviewed every three (3) years.
- 2.2. At the 10 November 2021 meeting, Council resolved to review this policy using the public consultation process as set out in the Local Government Act 2002, and a number of amendments to the policy were proposed.
- 2.3. The policy consulted on is attached as Attachment A. One (1) submission was received and the matter now needs to be considered by the Committee. A copy of the submission is attached as Attachments B.

3. Recommendation

- 3.1. That Report 22/44 TAB Venue Policy - Consideration of Submissions be received.
- 3.2. That this matter or decision is recognised as not significant in terms of S76 of the Local Government Act.
- 3.3. That Hearings Committee members hear and consider submissions received on this matter following the use of the Special Consultative Procedure as was required by the Racing Industry Act 2020.
- 3.4. That after the consideration and hearing of submissions, changes be made to the TAB Venue Policy if considered appropriate.
- 3.5. That the Hearings Committee recommends to Council the adoption of the TAB Venue Policy, as may be amended, effective from the date of the adoption by Council, and the repeal of the 2017 policy.

4. Background / Previous Council Decisions

- 4.1. All background matters relating to the review of this policy were presented to the 10 November 2021 meeting of Council where it was resolved to consult on this matter using the Special Consultative process, with submissions closing 19 December 2021.
- 4.2. Council also resolved at the 10 November 2021 meeting that the hearing of submissions be undertaken by the Hearings Committee acting under delegated authority of Council, for subsequent recommendation to Council.

5. Discussion

- 5.1. Though the special consultative procedure, Council proposed no changes to the TAB Venue Policy where only one (1) stand alone TAB Venue is permitted in the District.
- 5.2. In the Racing Industry Act 2020, a **TAB venue** means “premises owned or leased by TAB NZ and where the main business carried on at the premises is providing racing betting, sports betting, or other racing or sports betting services under this Act.”
- 5.3. During the public consultation period that ended on 19 December 2021, one (1) submission was received.
- 5.4. Stakeholder Comment:
The submitter, Levin TAB and Sports Bar recommending that Council allow for more than one (1) TAB Venue in the district. The submitter did not make any other recommendations and informed they did not wish to speak to their submission. A copy of their submission is attached as Attachment B.
- 5.5. The Committee should therefore decide on whether to amend the TAB Venue Policy to allow for more than one (1) stand alone TAB Venue in the District, giving consideration to the submission received.
- 5.6. Officer Comment:
Currently there are no TAB venues in the Horowhenua, however as the Policy does not cover other TAB outlets or self-service betting machines, the public continue to have access to TAB gambling via self-service betting machines located in a number of alcohol licensed premises in the district.
- 5.7. Officers recommend that the Committee endorse the policy as it is written for the reasons that access to self-service betting machines is currently available and will continue to be available in alcohol licensed premises.

6. Options

The Committee is required to hear and consider submissions received, make changes considered necessary to the policy that was consulted on, and then make subsequent recommendations to Council – see Part 3 of this report (Recommendations).

6.1. Cost

There is no costs associated with this report and no rates impacts arising.

6.2. Community Wellbeing

The proposed policy suggests no changes to the current 2017 policy where only one (1) stand alone TAB Venue is permitted in the District. Currently there are no stand alone TAB venues in the Horowhenua, however access to TAB gambling is available via a number of Taverns and Sports Bars in the district.

6.3. Consenting Issues

There are no Consents required.

6.4. LTP Integration

There is no LTP programme associated.

7. Consultation

- 7.1. The review of these policies is required every three (3) years under the requirements of the Racing Industry Act 2020, and consultation is required to be undertaken using the Special Consultative Procedure as laid down in the Local Government Act 2002.
- 7.2. The consultation period was open for 4 weeks and closed on 19 December 2021.
- 7.3. The consultation was publicised in the newspaper, on Council's website and direct consultation occurred via email with industry stakeholders.
- 7.4. Direct consultation also occurred with Iwi representatives through Officer attendance at the December 2021 Te Tumatakahuki Monthly Hui.

8. Legal Considerations

- 8.1. The Racing Industry Act 2020 requires Council to have a policy on stand alone TAB Venues. Section 97 requires the policy to be reviewed every three (3) years and furthermore that it must be through the Special Consultative Process in the Local Government Act 2002.
- 8.2. The Special Consultative process commenced in November 2021 where the proposed Policy was open for public comment. Submissions closed on 19 December 2021 and this Hearing of submissions is subsequently required as part of the Special Consultative Procedure.

9. Financial Considerations

There are no financial impacts arising.

10. Iwi Considerations

Direct consultation occurred with Raukawa Iwi representatives through Officers attendance at the December 2021 Te Tumatakahuki Monthly Hui. There was no opposition expressed by participants to retaining the policy with no changes during the Officers presentation and questions and answers at the Hui.

11. Climate Change Considerations

There is no climate change impact.

12. Environmental Considerations

There is no environmental impact.

13. Health & Safety Considerations

There is no Health & Safety impact.

14. Other Considerations

There are no other considerations.

15. Next Steps

That after the consideration and hearing of submissions, changes be made to the TAB Venue Policy if considered appropriate, and that the Hearings Committee recommends to Council the adoption of the TAB Venue Policy, as may be amended, effective from the date of the adoption by Council, and the repeal of the 2017 policy (as outlined in Section 3, Recommendations).


16. Supporting Information

Strategic Fit/Strategic Outcome
Decision Making
Consistency with Existing Policy
Funding
<u>Confirmation of statutory compliance</u> In accordance with section 76 of the Local Government Act 2002, this report is approved as: <ul style="list-style-type: none">a. containing sufficient information about the options and their advantages and disadvantages, bearing in mind the significance of the decisions; and,b. is based on adequate knowledge about, and adequate consideration of, the views and preferences of affected and interested parties bearing in mind the significance of the decision.

17. Appendices

No.	Title	Page
A	Attachment A - Proposed Policy	78
B	Attachment B - Submission, Levin TAB & Sports Bar	79

Author(s)	Vaimoana Miller Compliance Manager	
-----------	--	---

Approved by	David McCorkindale Group Manager - Customer & Strategy	
-------------	--	---



TAB VENUE POLICY

1. INTRODUCTION

Section 96 of the Racing Industry Act 2020 requires that the Horowhenua District Council adopts TAB Venue Policy for the District in accordance with the special consultative procedure in s83 of the Local Government Act 2002.

The TAB Venue Policy must specify whether or not new TAB venues may be established in the District and, if so, where they may be located. In the development of its policy, Council must have regard to the social impact of gambling on the Horowhenua District communities.

In the Racing Industry Act, a **TAB venue** means “premises owned or leased by TAB NZ and where the main business carried on at the premises is providing racing betting, sports betting, or other racing or sports betting services under this Act.”

It therefore does not apply to any other TAB outlet or self- service betting machine.

2. OBJECTIVES OF THE POLICY

This policy has been prepared to take account of the purpose of the Racing Industry Act 2020. All current opportunities for sports or race betting within the District have been considered when setting this policy and include current Pub/social outlets and opportunities for telephone and internet gambling.

The objective of the Horowhenua District Council's TAB Venue Policy is to provide for the continued opportunity to facilitate race and sports betting within the District, taking into account:

3. TAB VENUE CONDITIONS

A maximum of one (1) TAB Board Venue may be established in the Horowhenua District.

4. ADOPTION, COMMENCEMENT AND REVIEW

This policy was adopted at the duly notified Council meeting held on _____, and after completion of the special consultative procedure, and takes effect from _____.

This policy will be reviewed within three (3) years of being adopted by Council.

Submission Form: Gambling Class 4 Venue Policy and TAB Venue Policy 2021



Submission date: **23 November 2021, 7:19PM**
Receipt number: **5**
Related form version: **1**

Contact Details

Title: **Mr**

Full Name: **Kerry David Wano**

Name of Organisation (if applicable): **Levin TAB and Sports Bar**

Postal Address for Service:

Postcode:

Daytime Telephone:

After Hours Telephone:

Mobile:

Email:

Preferred method of communication: **Email**

Please tick this box if you want to keep your contact details private

Hearing of Submissions

Do you wish to present your comments to Council in person at a hearing?: **No**

My Submission(s)

My Submission

To whom it may concern The Levin TAB and SB has been committed to offering Levin and greater area Foxton ,Shannon etc a safe environment committed to a harm minimisation policy sanctioned by DIA 17/11/2021.This establishment has been a part of the community for over 50 years and my staff and i have been an integral part for 13years.The reasoning behind more than one TAB would be if one should have a mishap at least patrons have the convenience of another .Gaming machines provide our community with a great deal of necessary funding for a variety of activities .The Levin TAB and SB is committed to a high standard of ethics to provide a safe environment.

Submission Attachments

Council Use Only

Date Received:

RM8 Number:

Submission No: