



WAIMAKARIRI
DISTRICT COUNCIL

Hearing Agenda

Gambling Policy Review

**Tuesday 13 September
2022 9am**

*Council Chamber
215 High Street
Rangiora*

Hearing Panel Members:

Councillor Wendy Doody
Councillor Philip Redmond
Councillor Paul Williams

THE RECONVENING OF THE HEARING OF THE GAMBLING POLICY REVIEW WILL BE HELD IN THE COUNCIL CHAMBER, 215 HIGH STREET, RANGIORA ON TUESDAY 13 SEPTEMBER 2022 COMMENCING AT 9:30AM

BUSINESS

Page No

1. APOLOGIES

2. CONFLICTS OF INTEREST

Conflicts of interest (if any) to be reported for minuting.

3. CONFIRMATION OF MINUTES

3.1. Minutes of the Gambling Review Hearing and Deliberations – 3 and 4 August 2022

RECOMMENDATION

4-17

THAT the Hearing Panel:

- (a) **Confirms**, as a true and accurate record, the circulated Minutes of the Gambling Review Hearing and Deliberations, held on 3 and 4 August 2022.

3.2. Matters arising

4. STAFF MEMO

4.1. Gambling Policy Reviews Hearing and Deliberations – Lynley Beckingsale (Policy Analyst)

18-19

5. HEARING PANEL DELIBERATIONS

5.1. Hearing Panel Report on Submissions – Gambling Policy Review 2022 20-26

5.2. Hearing Panel Deliberations Report 27-33

RECOMMENDATION

THAT the hearing panel:

- (a) **Recommends** to Council the adoption of Clauses 1 – 6 of the Gambling Venue Policy without change.

OR

- (b) **Recommends** to Council the adoption of Clauses 1 – 6 of the Gambling Venue Policy with the following changes:

RECOMMENDATION

THAT the hearing panel:

- (a) **Recommends** to Council the adoption of Option (X) to replace the current Clause 7 of the Gambling Venue Policy.

RECOMMENDATION

THAT the hearing panel:

- (a) **Recommends** to Council the adoption of Clauses 8 – 11 of the Gambling Venue Policy without change.

OR

- (b) **Recommends** to Council the adoption of Clauses 8 – 11 of the Gambling Venue Policy with the following changes:

RECOMMENDATION

THAT the hearing panel:

- (a) **Recommends** to Council the adoption of Option (XX) to replace the current Clause 12 of the Gambling Venue Policy.

RECOMMENDATION

THAT the hearing panel:

- (a) **Recommends** to Council the adoption of Clauses 1 – 3 of the Board Venue Policy without change.

OR

- (b) **Recommends** to Council the adoption of Clauses 1 – 3 of the Board Venue Policy with the following changes:

WAIMAKARIRI DISTRICT COUNCIL

MINUTES OF THE HEARING OF THE GAMBLING POLICY REVIEW HELD IN THE COUNCIL CHAMBER, 215 HIGH STREET, RANGIORA ON WEDNESDAY 3 AUGUST 2022, COMMENCING AT 9AM AND DELIBERATIONS ON THURSDAY 4 AUGUST 2022, COMMENCING AT 9AM.

HEARING PANEL MEMBERS PRESENT

Councillor Philip Redmond
Councillor Wendy Doody
Councillor Paul Williams.

IN ATTENDANCE (for 3rd August hearing and 4th August deliberations)

T Tierney (General Manager, Planning, Regulation and Environment), L Beckingsale (Policy Analyst), B Charlton (Environmental Services Manager), M Pugh (Community Development Facilitator) (present for 3 August Hearing) and A Smith (Governance Coordinator).

Two members of the public were present during the hearing on 3 August 2022.

A Smith opened the hearing and called for nominations for Chairperson of the Hearing Panel.

1. APPOINT A HEARING PANEL CHAIRPERSON

Moved: Councillor Williams Seconded: Councillor Redmond

THAT Councillor Wendy Doody be appointed as Chairperson of the Gambling Policy Review Hearing Panel.

CARRIED

2. APOLOGIES

There were no apologies.

3. CONFLICTS OF INTEREST

There were no conflicts of interest recorded by panel members.

4. HEARING OF SUBMISSIONS

NAME	ORGANISATION	COMMENTS
Paul Barrett (in person)		P Barrett shared his personal experience of the impact of his father's gambling addiction on his family. This gambling was done on pokie machines at numerous venues in the Christchurch area and resulted in the loss of a significant amount of money. At the time, the family had been unaware of this gambling habit and only became aware through bank account records after his father's passing. P Barrett subsequently contacted the Department of Internal Affairs to ascertain if anything could be done to stop this same thing from happening to other families. However, after several years and a lost court case, P Barrett still believed that the Government needed to provide some protection for

		<p>people with gambling addictions. He recently shared his family's experiences at a Gambling Conference.</p> <p>Councillor Williams asked if there were any signs of his father's gambling habit. P Barrett said there was no indication until he was approached for money and asked for more the following week. This was the first indication that something was wrong. It was estimated the gambling had been happening for approximately ten years.</p> <p>P Barrett would like a reduction in the number of poker machines. His father was spending four to five hours a day gambling, with a significant amount of money being spent at different venues. P Barrett, therefore, supported restricting the number of transactions a person could make at a venue. Identifying a problem gambler and getting them help was challenging. P Barrett also supported law change in the banking industry, for them to do their part and be able to notify family members of any relevant patterns of bank account use.</p> <p>Councillor Redmond enquired what reduction in the number of machines P Barrett would support – he said any reduction would benefit problem gamblers. P Barrett added that in his father's case, he was visiting many gambling venues, and reducing the number of machines would probably not have helped. He also believed that there needed to be education provided to staff at venues where poker machines were to make them more aware of problem gamblers. He reiterated his earlier comment that there needed to be protection for people with gambling addictions.</p>
Jane Sommerville (in person)	Rangiora RSA Club	<p>J Sommerville, Secretary-Manager of the Rangiora RSA Club, supported by Keith Ballantyne (SI Representative of Clubs New Zealand), spoke to the submission on behalf of the Rangiora RSA. Under Clause 7 of the Policy, the RSAs preferred Option 2. The Club would like to see the gaming machines stay at their current level and not be impacted by the population increase.</p> <p>An increase in the number of machines would provide more opportunities for people to gamble and an increase in harm from gambling. Increasing machine numbers would have a negative impact on the community. Harm in the community was directly linked to socio-economic deprivation, ethnicity, and geographic location of these establishments. The section of the population that increased may not be the demographic that should be increasing gambling spending.</p> <p>The RSA club was the hub of the community with over 4,000 members and a high level of training provided to staff. The club's culture provided a safe</p>

		<p>place to ensure the care and protection of members and the wellbeing of those who chose to participate in gaming. It was felt that other commercial venues would not provide a duty of care to those in their venues. The RSA currently had 18 machines, and it had been noted that playing the machines had become less attractive. There was no pressure on the number of machines, even with the increased club membership and the District's population. Since Covid and the increased cost of living, income from gaming machines had decreased. Part of the profits from the gaming machines was used to maintain the facility and provide a social hub in the community. Over 30 non-profit and sporting groups used the venue free of charge. As a Club, the RSA own their machines and returned all profits to the Club, although they do make grants to community groups. The main income is returned to RSA members. There was no guarantee that money earned at other venues would come back to the community in which it was earned. If the income from the machines continued to be threatened and if more venues and machines were available, this valued income of the Club may go to outside organisations, thus risking increased harm in the community and impact on the funding available for the community groups from the RSA Club.</p> <p>There was a fund of approximately \$10,000 per year, which was available for outside organisations to apply for funding. However, if the turnover continued to be threatened, they could be risking increased harm in the community.</p> <p>Councillor Williams asked what percentage of the profit from the gaming machines went towards administration fees. K Ballantyne responded that the Club is its own entity, so there were no admin fees. Regarding gaming machines, 37.14% of funds had to return to the community. With the Club, 30% went to the Government, and the Club used 70% to operate as a community facility. Most of the funds from the gaming machines in the RSA supported their own sporting groups in the form of entry fees, uniforms, and sponsorship to these clubs within the Club. The Club also sponsored the Rangiora Brass Band for \$3,000 per year.</p> <p>Councillor Doody queried the location of the gaming machines in the RSA clubrooms. J Sommerville advised that the machines were located in a room directly beside the bar. A staff member was dedicated at all times to looking after the gaming room and undertaking regular 15-minute checks of the room. Any user who had been there for more than two hours was spoken to, and a report was written. This may be a conversation or could involve a follow-up. This was part of the licence requirements, and all staff involved with the gaming</p>
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		<p>machines were required to undertake a qualification through Clubs NZ. Most gaming machine users were Club members and had good relationships with the staff who looked after them.</p> <p>Councillor Williams asked if there had been any members of the Club who had developed gambling addictions. J Sommerville advised that the Club has a system of self-regulation, and in the past six months, three members had chosen self-exclusion for two years. The RSA could provide advice on where they could seek assistance.</p> <p>Mr Ballantyne said that, unfortunately, the RSA Clubs were placed into the same categories as other Clubs and Hotels. However, they had a much closer relationship with members who used their gaming machines. The Clubs were trying to provide the best case for gaming machines' users, and they have the right to exclude players of the gaming machines, but unfortunately, this would not stop them from going to other venues with gaming machines.</p> <p>Regarding the amount of money spent on gaming machines in Waimakariri, it was not known precisely how many venues in the District had gaming machines. However, J Sommerville advised that yesterday, over \$15,000 was put into the gaming machines at the RSA Club. The Club was cautious in managing people and what they were spending on the machines. J Sommerville believed that the level of staff training was not up to standard in other venues with gaming machines, and there was not the same care and responsibility. An increase in the number of opportunities for gaming in the community would increase the likelihood of harm. It was up to the DIA to initiate increased training of staff. The Oxford Club and Kaiapoi Club had the same level of training with Clubs New Zealand.</p> <p>Councillor Redmond asked how much was returned to the community/club from the machines in the RSA Club. Over 12 months, the profit from 18 gaming machines was budgeted at \$1 million. From this, there were still tax and administration costs to be paid.</p> <p>Clause 12</p> <p>The RSA Club supported the relocation clause, acknowledging that there were circumstances where venues need to be changed i.e. fire, earthquakes, or if there is a need to update the building. If there was no relocation clause in the policy and the Club was required to close from its current site, it would lose its licence if there was a period of downtime.</p>
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<p>Nicky Taylor (via Zoom)</p>	<p>Salvation Army Oasis Christchurch</p>	<p>N Taylor, a Public Health Worker at the Salvation Army Oasis Centre, spoke to the submission, supported by an Oasis Case Worker. The purpose of the centre was to minimise gambling harm in society. Oasis provided free counselling services for people harmed by gambling, their families, and others affected. N Taylor spoke on the seriousness of gambling-related harm in New Zealand and shared some experiences. The severe harm of gambling addiction, including adverse impact on family members and financial problems resulting from gambling, could often lead to crime. Gambling addiction could also cause problems at work and a lack of concentration and could impact family relationships and cause family violence. Gambling was an addiction, similar to alcohol and drugs.</p> <p>The accessibility to gambling was a problem, with reference to online gambling and there was often a stigma associated with gambling and people not wanting to talk about money. There was a large amount of guilt and shame associated with gambling. N Taylor referred to a documentary called "Ka-ching" – which provided an exposé on gambling, an honest look at the reality of gambling and the impact on the community.</p> <p>It was important that people needed to come before any financial considerations. Class 4 gaming machines were identified as the most harmful cause of gambling addiction. Every year there was considerable money lost in gambling, and lower income and vulnerable community members were the most likely to be harmed by gambling.</p> <p>The Salvation Army did not believe the harm caused by gambling could be offset by funding to community groups, and harm minimisation should be the focus. The average poker machine in Waimakariri had more than \$60,000 per year spent on it.</p> <p>Only a small percentage of people impacted by gambling harm would present for help. For example, \$24,000 per day was lost to gambling on poker machines in the past year in Waimakariri. Under the current policy there was room for more machines in Waimakariri, which Salvation Army Oasis considered a concern and would like the sinking lid policy introduced to reduce harm.</p> <p>Councillor Williams questioned if there was statistical information available on users of the gambling machines in the Waimakariri District (i.e. what socio-economic areas etc.) who had sought counselling assistance from Oasis. The Salvation Army had this information, which would be provided to Council staff. N Taylor commented that a full spectrum of people come to Oasis seeking treatment for gambling addiction.</p>
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		<p>In Christchurch, there are two full-time and two part-time Counsellors at the Salvation Army Oasis facility, and there was one other organisation that also had Counsellors (Problem Gambling Foundation). In the past month, there had been 80 counselling sessions at this Salvation Army Oasis. It was pointed out that approximately 80% of gamblers were not affected by the harm of gambling. However, of the other 20% of gamblers, there were various levels of harm, with gaming machines being the most insidious form of gambling as they are designed to be addictive.</p> <p>Councillor Redmond enquired about the national reduction of the number of poker machines, N Taylor responded that research still indicated that reduced access related to reduced harm. Oasis was a branch of the Salvation Army and was funded through a contract with the Ministry of Health.</p> <p>Councillor Doody asked about online gambling – N Taylor acknowledged that Councils had no control over this form of gambling however Salvation Army Oasis was hopeful that the Government would do something about the impact on gambling addiction from this form of gambling.</p>
<p>Jarrold True (Virtually)</p>	<p>Gambling Machine Association</p>	<p>J True spoke via Zoom, to the submission on behalf of the Gambling Machine Association. The Association supported the relocation provisions in the Policy which allowed for a business to be restored following a fire or natural disaster. It also protected community funding, in the instance of an earthquake, where several businesses with gaming machines may need to relocate to new premises to continue to operate. The relocation tool also enabled venues to move away from a lower deprivation area, which could have entrenched venues into these areas. The Relocation clause would also allow for older venues on bigger blocks of land to relocate to smaller, more modern premises, and at the same time free up the larger blocks of land to be available for social housing.</p> <p>Over 55 Councils had a relocation provision in place so it was quite common. The Association supported the status quo without a sinking lid policy. The problem gambling rate was very low 0.2% of the adult population in relation to all forms of gambling in the Waimakariri District. (not just gaming machines).</p> <p>J True referred to previous submitters comments on funding from the Ministry of Health for their service. He advised that the Ministry of Health obtained a budget from the Salvation Army for the service they want to provide and this budget was then submitted to the Gambling Commission. The Gambling Commission then approved this budget and set a levy, which went to the Ministry of Health and that money funded 100% of all the treatment services.</p>

		<p>The gaming machines therefore funded all services including face to face, email, telephone consultation and also problem gambling research. In relation to other districts of a similar size, all problem gambling referrals for assistance were relatively low in Waimakariri District, with four new people referred in 2018/19, four new people in 2019/20, and two new people in 2020/21.</p> <p>In the last ten years there had been a dramatic reduction in the number of gaming machine, with over 4,600 machines lost (25%), however there had not been any reduction in the problem gambling rate.</p> <p>On the benefit of the gaming machines, this provided entertainment for adults; and there was also significant grants from local machines. In 2020, despite the significant impact of Covid, there was over 162 local grants made.</p> <p>Of the 11 venues in the district, three were Club venues. The funding from the machines in Clubs was used to provide support to the Clubs own members. So in a Club environment, money spent at the machines was used by the Club to benefit its own members. This funding was extremely valuable and not able to be replaced.</p> <p>Spoke on the harm minimisation measures in place, minimum age was 18-years, maximum bet at any one time was \$2.50, maximum prize to win on a machine was \$500, or if a machine was jackpot linked the maximum prize is \$1,000. Every gaming venue had staff who had been trained in relation to harm minimisation, including how to identify a potential problem gambler and how to approach that person to offer them support. Gaming machines do not accept \$50 or \$100 notes, only \$5, \$10 or \$20 notes and ATMs were not allowed inside a gaming room. Every gaming room had signage and pamphlets offering advice on the harms of gambling. There was an exclusion system in place where a person could be excluded from a venue for up to two years. Regarding the gaming machines, these all had clocks on the main screen, and they must display clear honest feedback to the user. There was no advertising of gaming machines on Television or radio.</p> <p>There had been a move to online gambling and restricting poker machine gambling was unlikely to impact on online gambling. Online gambling with Mylotto was also increasing in numbers and the subsequent amount of spending through this source. There were now 1.2 million registered players and the online spend was \$430 million.</p> <p>TAB – over 60% of sport gambling was done either through phone or computer.</p>
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		<p>There was also offshore-based online gambling, which did not generate any community funding or local grants, no local jobs were generated and they paid no tax. These providers were not subject to any regulations or controls at all. There were thousands of online gambling providers.</p> <p>Councillor Williams had no questions, but thanked the presenter for their presentation.</p> <p>Councillor Redmond asked how problem gambling were measured. This was the number of problem gamblers who had contacted treatment services. This information was published by the Ministry of Health's by territorial areas. In Waimakariri, the number was very low.</p> <p>There was not a correlation to the numbers of people seeking help with gambling addiction and the reduction in machines. J True stated there would always be venues with poker machines and gambling facilities. There would also always be online gambling.</p> <p>The status quo was the preferred option, which would allow for additional machines in line with the district's population growth (an additional 133 machines). The Association did not support the ceiling cap which would be restrictive. The current policy was sensible and the Association did not see the need for any change. A reduction in the number of machines did not reduce problem gambling harm, but it would reduce the amount of community funding available.</p> <p>Councillor Doody asked about problem gamblers who had acknowledged their addiction and initiated treatment. J True advised that the vast majority of people who had approached venues and asked to be excluded, had already approached a counselling service provider and this action was a result of the initial session from the provider.</p>
Warwick Hodder	Class 4 Gambling Society	W Hodder was unable to attend to speak to this submission and had provided a brief summary of points of his submission that he wished the Panel to consider.
<i>The hearing adjourned at 10.38am and reconvened at 10.45am.</i>		
Tara Dymus (Virtually)	Maori Public Health Leadership	<p>Maori Public Health (Hapai Te Hauora) was established in 1996, and one of the portfolios of this group was gambling harm minimisation, which had been in place for approximately 15 years.</p> <p>The prevention of gambling harm was a top priority for this organisation and agreed with most of the measures the Council submitted to reduce this harm. Policies need to protect families and their rights and</p>

		<p>believed the Councils Policy was serious about protecting the community. Hapai recommended adopting Option 4, introducing a sinking lid policy.</p> <p>Councillor Williams questioned if Hapai had information on specific numbers of local residents in the Waimakariri District dealing with gambling addiction. T Dymus advised that Hapai was a national organisation and did not run a clinical service, so they did not have this information.</p> <p>Councillor Redmond spoke on other submitters who had indicated a reduction of 25% in the number of gaming machines nationwide, however that gambling harm had not been reduced as a consequence. Councillor Redmond asked for an explanation of why a sinking lid policy would reduce harm? T Dymus explained that there was general support of the sinking lid policy to minimise gambling harm but it was not that effective as a measure on its own and there needed to be other laws in place to be effective against gambling harm. In addition, there were many other impacts on the people presenting for help for gambling addiction and the figure of 2% with gambling addiction was not a true representation of the impact on families and the community.</p>
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The hearing adjourned at 10.58am on 3 August and reconvened at 9am on Thursday 4 August. 2022.

5. STAFF MEMO

5.1. Gambling Policy Reviews Hearing and Deliberations – Lynley Beckingsale (Policy Analyst)

Moved Councillor Redmond

Seconded Councillor Doody

THAT the Gambling Policy Review Hearing panel receive Memo no. 220719122813 for information.

CARRIED

6. HEARING PANEL DELIBERATIONS

6.1. Hearing Panel Report on Submissions – Gambling Policy Review 2022

6.2. Hearing Panel Deliberations Report

Clauses 1-6 Gambling Venue Policy

Having considered the pre-consultation report and submissions received, the Hearing Panel individually considered Clauses one to six of the Gambling (Class 4) Venue Policy.

Councillor Redmond noted there was not much discussion relating to Clauses one to six in the submissions received or by those submitters who presented at the hearing and supported the adoption of the clauses without change.

Councillor Williams was also in support of no change to the clauses, however, he did question Clause two and how it was known if the gaming machines were not the primary part of the venues' operation or income. T Tierney advised that it was a requirement to provide information on revenue and turnover at the time of application. The Department of Internal Affairs also undertook follow-up audits.

Moved: Councillor Redmond

Seconded: Councillor Williams

THAT the Gambling Policy Review Hearing Panel:

- (a) **Recommends** to Council the adoption of Clauses one to six of the Gambling Venue Policy without change.

CARRIED

Clause 7 Gambling Venue Policy

Clause seven currently supported that a district-wide cap of one gambling machine per 120 people 18-years or older be used as a guideline to limit any increase in machine numbers. Options considered by the panel were:

Option 1: status quo

Option 2: cap machine numbers at 165 (current level)

Option 3: ration to be current level at 1:260

Option 4: introduce a sinking lid policy.

Councillor Williams supported Option 1, on listening to the submitters during the hearing. Based on the statistics of people seeking assistance for gambling addiction in the district over the past three years, there had not been any indication that a reduction in the number of machines reduced problem gambling

Councillor Redmond noted that under the status quo option, there would be the provision for 130 more gambling machines in the district. He did not believe that any of the submitters would support such an increase in machines, not even the venue operators in the district. There had been a 25% decline in gaming machines nationally without any reduction in gambling harm. Having more machines would create more harm, with gaming venues located closer, though it was acknowledged that people do travel to gaming venues. On this basis, Councillor Redmond supported Option 2, but suggested a cap of 175 machines, to allow for flexibility, noting that one submitter had indicated that there would be an application for a gaming machine licence coming in the near future. With this cap, it was actually a sinking lid policy, with the number of machines not increasing as the same as the increase in population in the district.

Staff confirmed that the current number of machines in the district was 165, which included an additional eight machines, as had been advised on the DIA website.

L Beckingsale advised that in the last 12 months there had been a reduction of five machines at Five Stags in Rangiora, however, the Woodend Tavern had increased its machines with eight to complete their allowable number of machines at 18 (this brought the total number of gaming machines in the district up to 165). The updated clause in the Act allowed for nine machines in any new premises.

Councillor Doody supported Option 1, retaining status quo.

Moved: Councillor Doody

Seconded: Councillor Williams

THAT the Gambling Policy Review Hearing Panel:

- (a) **Recommends** to Council the adoption of Option 1 (status quo) to replace the current Clause 7 of the Gambling Venue Policy.

CARRIED

Following further discussion (as recorded below), the mover, with the consent of all hearing panel members, subsequently agreed to the withdrawal of this motion and a replacement motion was resolved.

Councillor Doody, on referring to the submitter's presentations and all the submissions received, believed it was better for people with gambling addiction to actually be at a venue, rather than taking part in online gambling.

Councillor Williams noted that people would be gambling more on line and this would reduce the amount of funding available for groups such as Oasis Salvation Army. A percentage of funding from the gaming machines went towards this group through their Ministry of Health contract, and their work in protection from gambling addiction.

Councillor Redmond did not support the recommendation. Evidence presented by Oasis Salvation Army talked about the hidden addiction, however there also needed to be a balance between legitimate users and those harmed by gambling. The only way to deal with problem gamblers was to ban gaming machines completely and Councillor Redmond noted that this was not an action he supported either. The number of machines in the district currently was at a lower level than was allowable and probably reflected both the current demand from users and machine providers. The problem of gambling ran deeper than the small numbers of people who had presented for counselling for gambling addiction from this district. Councillor Redmond noted that submitter P Barrett acknowledged that in his father's instance, any gaming machine would have been an issue. Councillor Redmond also agreed with previous comments of fellow panel members that online gambling was a serious concern. Councillor Redmond supported Option 2, which would cap machine numbers and takes away the option to increase machine numbers excessively in the district.

L Beckingsale clarified that the status quo would mean that any new premise would be allowed to apply for up to nine gaming machines no matter where they were located. Accessibility showed that if people could walk to a venue to play the gaming machines, they would do that but there may be more consideration given if it meant travelling in a car to get to a venue. If there was no cap on the number of gaming machines, and the status quo retained, any venue could apply to have gaming machines on their premises.

There was further discussion on introducing a cap on the number of machines, rather than staying with the status quo in the Policy, which would have the limit of one gambling machine per 120 people 18-years or over in the district. Councillor Redmond suggested a cap of 185 gaming machines which would still represent a significant reduction of approximately potentially 300 gaming machines that could be

allowed in the district if the status quo of the Policy was retained. Option two gave some flexibility for any new applications, with allowance for an additional 20 gaming machines into the district. Councillor Williams, in reconsidering the situation, commented on the increase in population in the district which the status quo for the Policy would allow for a significant increase in the current number of gaming machines in the district. The introduction of a cap of 185 machines would be a compromise of allowing more machines in the district, however also putting a limit on this increase.

As previously noted in the minutes, the mover and all hearing panel members were in agreement to the withdrawal of the original motion.

Moved: Councillor Redmond Seconded: Councillor Williams

THAT the Gambling Policy Review Hearing Panel

- (a) **Recommends** to Council the adoption of Option Two with gaming machine numbers to be capped at 185, to replace the current Clause 7 of the Gambling Venue Policy.

CARRIED

Against: Councillor Doody

Clauses eight to 11 Gambling Venue Policy

Having considered the pre-consultation report and submissions received, the Hearing Panel individually considered Clauses eight to 11 of the Gambling (Class 4) Venue Policy.

Moved: Councillor Redmond Seconded: Councillor Williams

THAT the Gambling Policy Review Hearing Panel:

- (a) **Recommends** to Council the adoption of Clauses eight to 11 of the Gambling Venue Policy without change.

CARRIED

Councillor Redmond noted this was not a contentious area in the submissions received in the consultation process and there was general support for these clauses of the Policy to be retained unchanged.

Relocation Clause

The Policy did not currently include a relocation clause, and staff confirmed that the Gambling Act now requires this now be included. There were safeguards within the Policy as it stood, with each venue wanting to put in machines or relocating machines being required to go through a process of community consultation. Submitters were asked to consider whether or not they would support a relocation clause being added to the Policy as part of the consultation. This proposed clause related to relocation of machines from one site to another site. There had been support from submitters to the inclusion of a Relocation Clause in the Policy.

Councillor Williams believed there needed to be a relocation clause included in the policy, to cover an instances of a fire or earthquake damaging premises and in this respect favours Option Two, which read:

Relocation of gaming machines is allowed where the venue is intended to replace an existing venue (within the district) to which a class 4 licence applies.

Councillor Redmond acknowledged that it was important to have some flexibility to

allow relocation to other venues in the instance of a natural disaster. Reference was made to the comments of submitter Mr True, who pointed out the difficulties if relocation of machines was not allowed. He was conscious that of 67 Councils in the country, there had been 55 who had adopted a relocation clause in their policy. Councillor Redmond sought some clarification on relocation and how this would be facilitated.

Staff provided background on a relocation, referring to the time following the Canterbury earthquakes, and venues needed to relocate. At this time there was not consultation processes undertaken but public notification and a common sense approach was undertaken, especially when venues were only moving a short distance. There were safeguards built in to the legislation relating to relocation. It was possible that any relocation would generate public consultation and even if the Relocation Clause was included in the policy, this did not exclude the Council from needing to undertake a consultation process, especially if there was significant public interest.

Councillor Williams acknowledged that including the relocation clause would enable businesses to relocate and continue trading in a temporary premises, in the case of a fire or natural disaster. The consultation period could involve a significant period of time which would impact on a business being able to continue operating.

Councillor Doody asked about the venues around the district that had gambling machines onsite and reference was made to a list of these venues that had been included in the information provided to the Hearing Panel Members.

Moved: Councillor Redmond

Seconded: Councillor Williams

THAT the Gambling Policy Review Hearing Panel:

- (a) **Recommends** to Council the adoption of Option (2) to become Clause 12 of the Gambling Venue Policy.

CARRIED

Board venue policy

There were no stand-alone Agency venues in the District and no applications for board venues had been received in the last ten years. Clause four of the Board Venue Policy ensured the community had the opportunity to contribute to any application decisions. All the hearing panel members supported the Board Venue Policy without change to clause one to three. There were no issues raised by submitters on this Policy.

Moved: Councillor Doody

Seconded: Councillor Williams

THAT the Gambling Policy Review Hearing Panel:

- (a) **Recommends** to Council the adoption of Clauses one to three of the Board Venue Policy without change.

CARRIED

6.3. Copy of all Submissions

Thanks were extended to all the submitters and members of the hearing panel were impressed with the quality of all the submissions received.

Councillor Doody noted the importance of the consultation process and consideration of the submissions received

Councillor Redmond referred to his previous occupation, in which he had involvement with members of the community in relation to gambling – from owners of venues with gambling machines and positive work of Oasis Salvation Army in relation to gambling addiction. All submitters had valid points and it was hoped that the decision of the Panel has reflected the balance.

Moved: Councillor Doody

Seconded: Councillor Redmond

THAT the Gambling Policy Review Hearing Panel acknowledge receipt of all the submissions and thanked submitters.

CARRIED

L Beckingsale provided a summary of the process going forward following this consultation process, hearing and deliberations. A report from the Hearing Panel would go to the Council meeting of 6 September, seeking approval of the updated Policies.

There being no further business, the hearing and deliberations concluded at 9.57am on 4 August 2022.

CONFIRMED

Chairperson
Gambling Policy Review Hearing Panel
Councillor Wendy Doody

Date

WAIMAKARIRI DISTRICT COUNCIL**MEMO**

FILE NO AND TRIM NO: ENV-07 / 220719122813

DATE: 25 July 2022

MEMO TO: Hearing Panel Gambling Policy reviews
Councillors W Doody, P Williams and P Redmond

FROM: Lynley Beckingsale, Policy Analyst

SUBJECT: Gambling Policy Reviews Hearings and Deliberations

The hearing for the above reviews will take place on Wednesday 3 August from 0900 hrs. Six submitters are wanting to attend the hearing to express their views personally to the panel.

The first set of documentation is the Hearing Schedule and attached to this the submissions from those attending.

The second set of documentation is for the deliberations meeting to be held on Thursday 4 August. This includes a summary report detailing the result of the consultation and responses from submitters. There is a file with all submissions, including extra documentation received. The final document is the deliberations report which steps through the options and decisions for each policy clause. It is important that the reasons for each decision are documented.

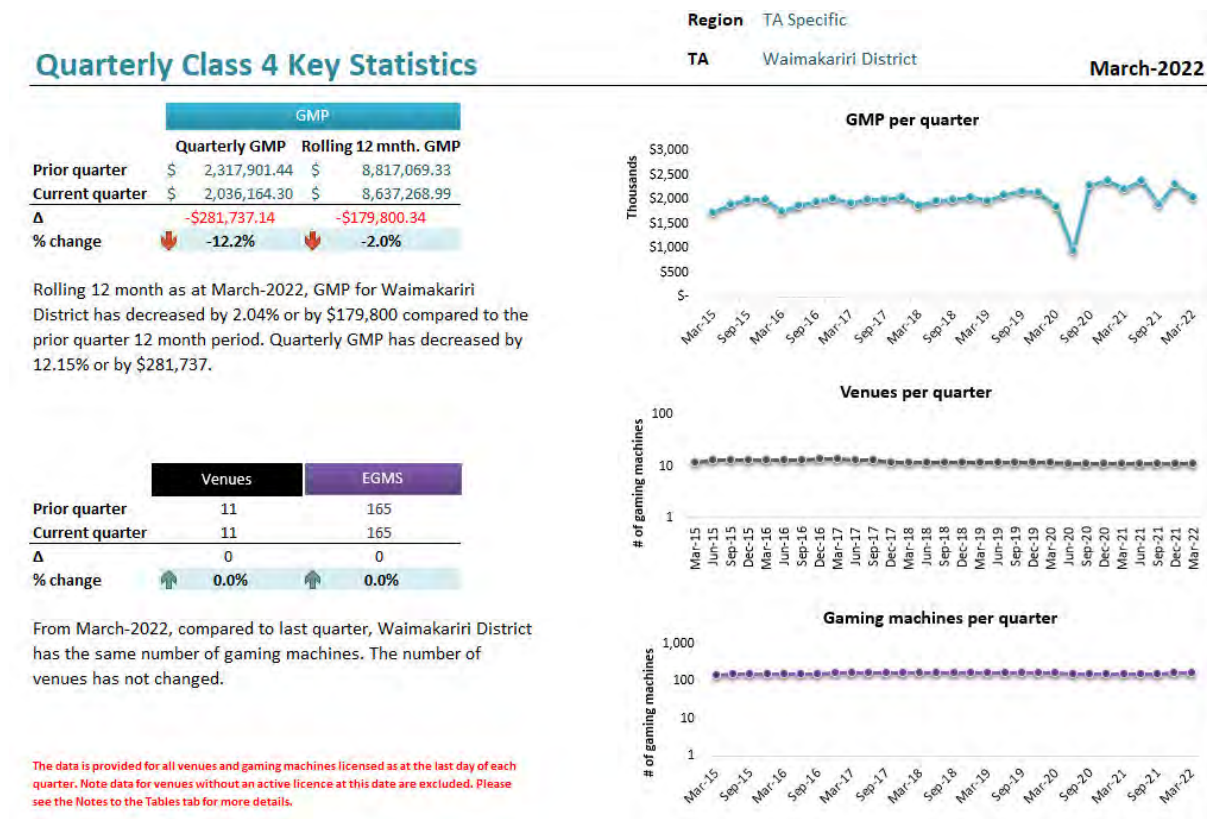
To assist with the deliberations I have also included the Social Impact Assessment and the pre-consultation report. Section 65D of the *Racing Act 2003* specifies that in “*adopting a policy, the territorial authority must have regard to the social impact of gambling within the territorial authority district.*”

I have included one late submission from Sarah Campagnolo. Although she does not specifically answer the consultation questions I felt her submission worthy of consideration given the depth of understanding she has of gambling in our district. As she has requested the examples she has given are available to you in this pack, the document in the Council’s records management system has these redacted.

I would also draw your attention to the legal opinion from Brookfields Lawyers presented by Jarrod True, Counsel for the Gaming Machine Association of New Zealand. This opinion discusses conflict of interest with respect to decision-making on Council’s gambling venue policy. For your convenience I have attached the letter from Brookfields to this memorandum.

For your information I have copied the latest statistics for this district from the Department of Internal Affairs website.

DIA Class 4 Machine statistics to March 2022 – Waimakariri District



Venue	Number of EGM
MANDEVILLE TAVERN	9
Mainstreet Sports Bar	18
Craft Bar and Kitchen Kaiapoi	9
PINEACRES RESTAURANT & BAR	9
PLOUGH HOTEL	18
The Brook Bar and Eatery	18
Woodend Tavern	*18
Kaikanui Tavern	18
KAIAPOI WMC AND MSA	18
OXFORD WORKINGMENS CLUB & MSA	12
Rangiora RSA Club	18

*Increased by 8 machines between September and December quarters 2021.

Introduction

Public consultation regarding the Council's gambling policy reviews was undertaken from Friday 10 June until Monday 11 July. Submitters were invited to comment on all aspects of the Council's policies with particular attention given to Clause 7 and discussion around whether or not a relocation policy should be included.

In total 38 submissions have been received and a broad spectrum of views expressed. The statement of proposal options have been used to provide context to the results.

Gambling (Class 4) Venue Policy

Clauses 1 - 6

Clause	Policy element	Option
1	The application is associated with premises that have an on-licence, club licence or is a chartered club in terms of the <i>Sale and Supply of Alcohol Act 2012</i> , or is a TAB venue.	No change
2	Gambling machines are not the primary part of the venue's operation or income.	No change
3	Venues are not in a Residential Zone as defined by the Operative District Plan.	No change
4	The venue is not on a site the Council considers will unnecessarily display Class 4 gambling activity to places and institutions primarily frequented by people under the age of 18 years.	No change
5	Class 4 gambling machines will not be located within a venue where the primary activity is associated with family or children's activities.	No change
6	The application is associated with premises that have an on-licence, club licence or is a chartered club in terms of the <i>Sale and Supply of Alcohol Act 2012</i> , or is a TAB venue.	No change

Responses:

- 26 submitters agree that no change is required to clauses 1 – 6
- 1 submitter disagrees without further explanation

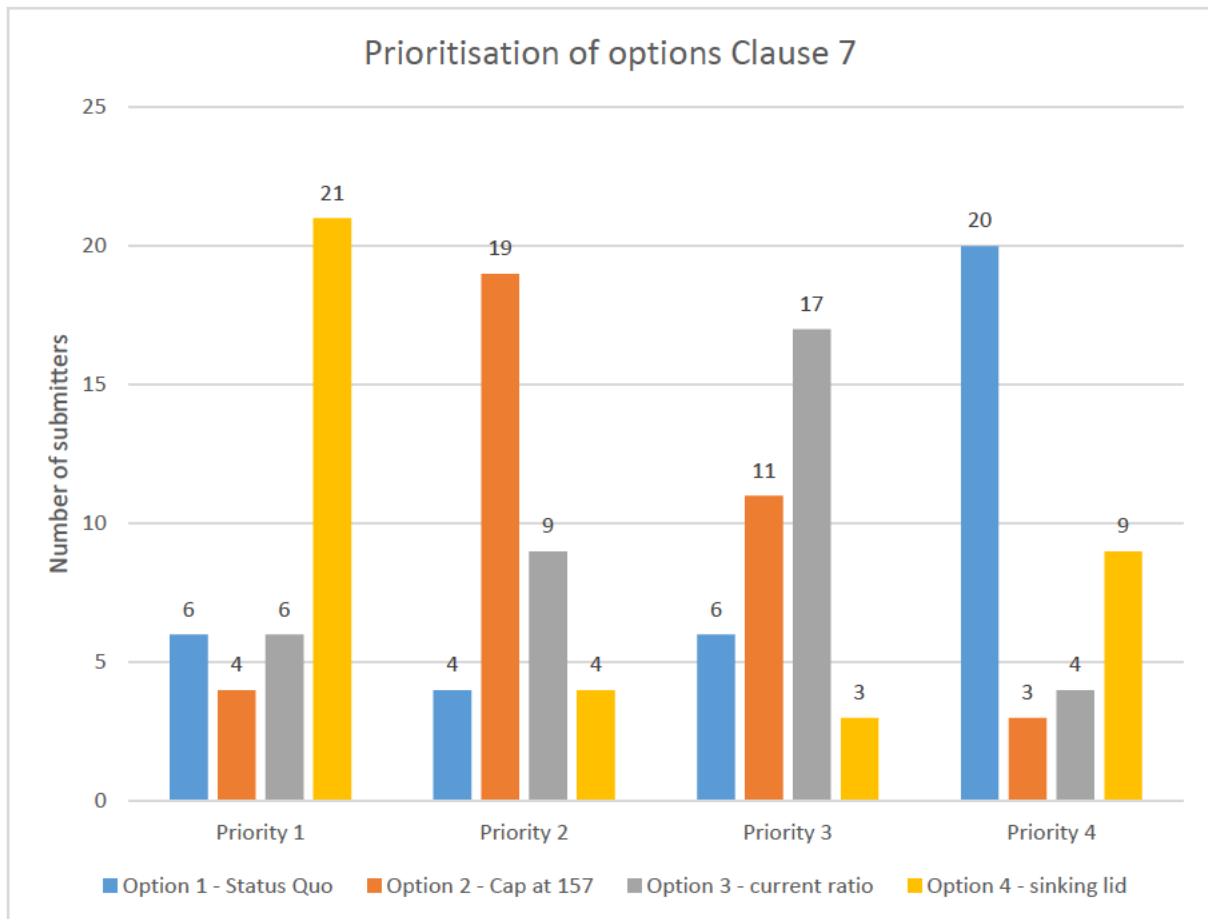
Two submitters further qualified their agreement with one suggesting more monitoring of pokie machines and commenting that by hiding these machines from children it also means they are also out of sight of staff. The second submitter wanted clause 2 strengthened going on to suggest that this "...could be done by capping the rental paid to venues by the operators of gambling machines."

Clause 7

Clause	Policy element	Option
7	A district-wide cap of 1 gambling machine per 120 people 18 years or older be used as a guideline to limit any increase in machine numbers.	Option 1 – status quo
		Option 2 – cap machine numbers at 157 (current level)
		Option 3 – ratio to be current level at 1:260
		Option 4 – introduce a sinking lid policy

Responses:

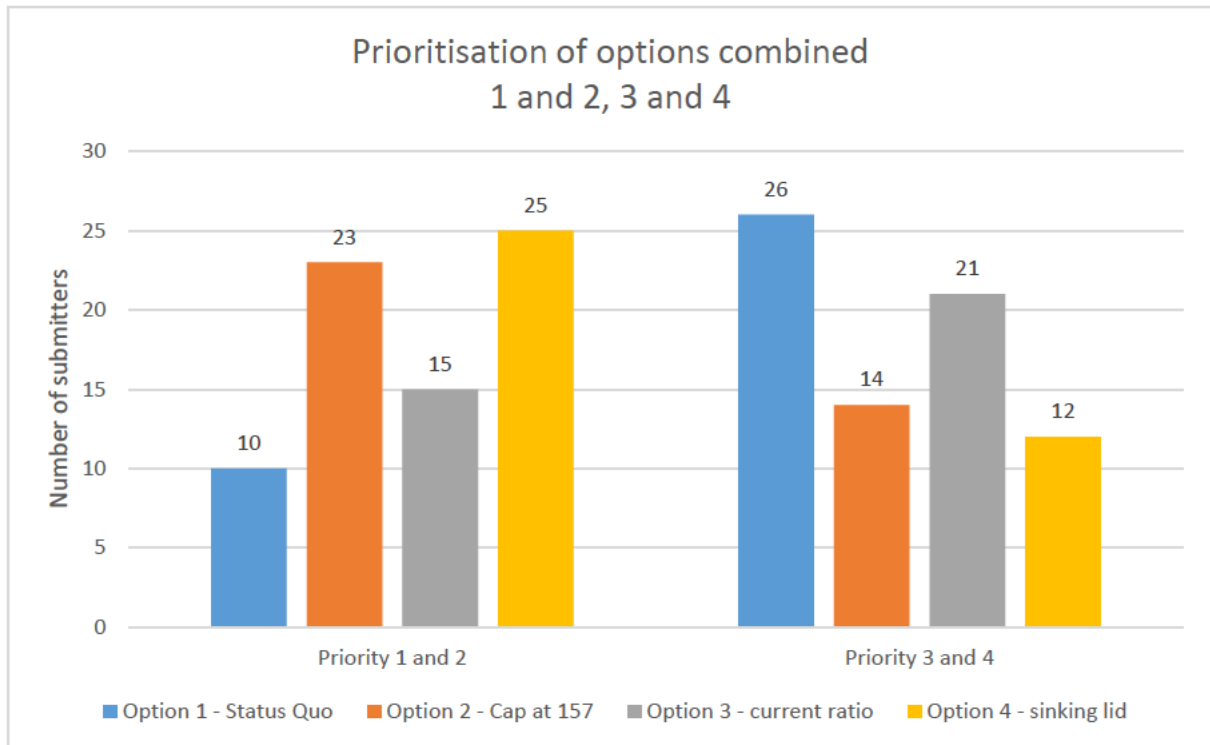
Submitters were asked to give their priority (1 being the most preferred and 4 the least preferred) for each of the options. The following graph shows their responses.



- The highest priority (1) given by the majority of submitters (21 of 38 - 55%) was given for Option 4 which is the sinking lid.
- Option 2 which is capping the number of machines at the current level was the second priority for 19 of 38 submitters (50%).

- Option 3 which is the current ratio of people over the age of 18 years to machines has been given a lower priority by submitters.
- Option 4 (status quo) was given the lowest priority by the majority of submitters at 20 of 38.

To assist with clarifying the responses, the highest (1 and 2) priorities were combined and the lowest (3 and 4) priorities were combined.



- The most preferred option is Option 4 (sinking lid), followed closely by Option 2 (cap at 157 (current number)).
- The least preferred option is Option 1 (status quo), followed by Option 3 (current ratio).

Clauses 8 - 11

Clause	Policy element	Option
8	External signs at venues be restricted to one per site, of an appropriate size and attached directly to the building, and that describes that gambling machines are on the premises. Advertising of prize money of any description shall not be visible from the exterior of the premises.	No change
9	Gambling machines must not be visible from the road.	No change
10	The gambling area of a venue does not have a separate entrance to a street, separate name or otherwise appear as a separate activity from the primary venue.	No change
11	Venues are to have a host responsibility and gambling harm minimisation policy and staff training programme.	No change

Responses:

- 27 submitters agreed that no change was needed to clauses 8 – 11
- 11 submitters did not venture an opinion

Three submitters further clarified their response with the following suggestions:

“Limit the amount of transactions a person can do per session or day.”

“Appropriate for existing venues, new venues should not be able to have gambling machines”.

“I would suggest one addition to Clause 11, that venues must display in a prominent position information about assistance for gambling addiction.”

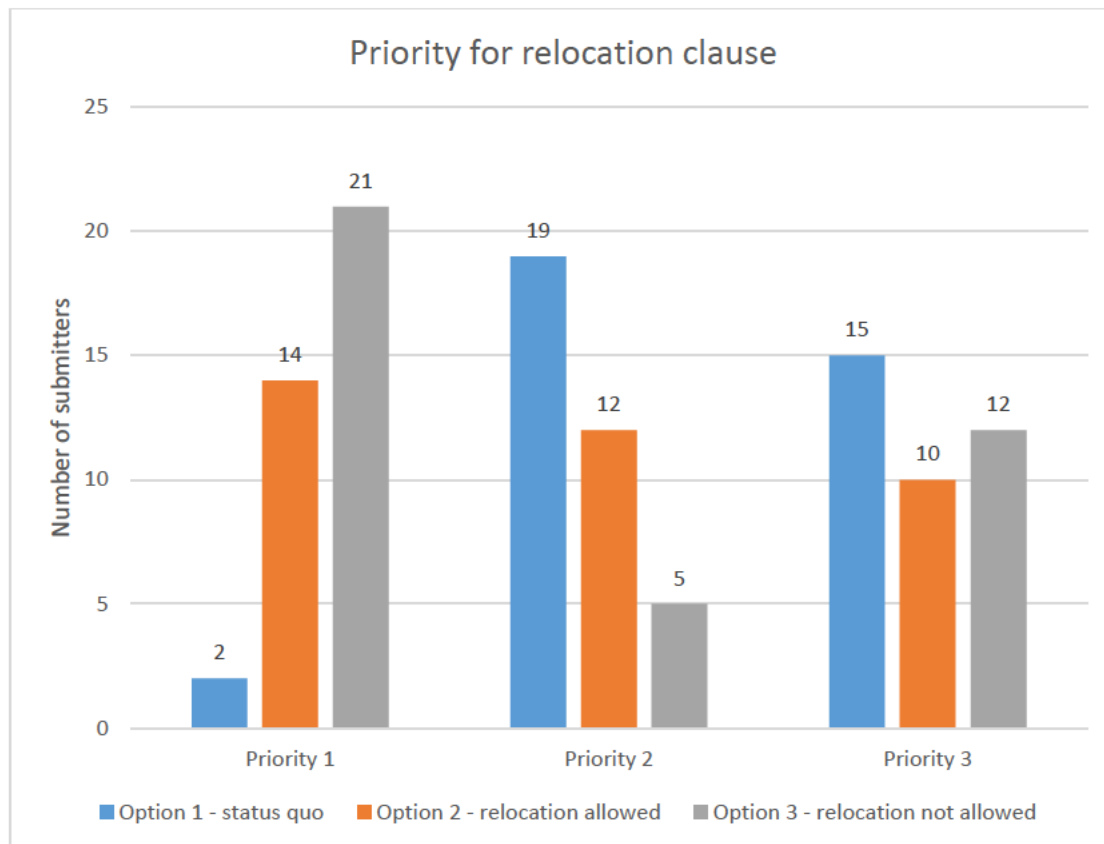
Relocation Policy

Submitters were asked to consider whether or not they would support a relocation policy and give their priority (1 being the highest priority and 3 the lowest) for each of the options.

Clause	Policy element	Option
12	<p>Relocation policy sets out if and when the territorial authority will grant consent in respect of a venue within its district where the venue is intended to replace an existing venue (within the district) to which a class 4 venue licence applies.</p> <p>Note: whether Council's relocation policy is triggered in any given situation is informed by the <i>Waikiwi</i> precedent.</p> <p>https://www.dia.govt.nz/Gambling-territorial-authorities-applying-policies-relocations-Waikiwi-decision</p>	Option 1 – status quo (no relocation clause, applications for new venues must go through a public consultation process).
		Option 2 – relocation of machines is allowed where the venue is intended to replace an existing venue (within the district) to which a class 4 licence applies.
		Option 3 – relocation of machines is not allowed.

Responses:

The following graph shows their responses.



- Just over half of the submitters (21 of 38) gave their highest priority to Option 3 (relocation not allowed).

- Combining the two ‘most preferred’ priorities reveals a very even result across the options:
 - Option 1 status quo (no relocation policy) – 21
 - Option 2 relocation allowed – 25
 - Option 3 relocation not allowed – 26

A number of submitters commented on the relocation policy in support of their preference.

“Relocation to be subject to scrutiny of proposed new premises. Harm limitation is most strongly related to host responsibility, which the council cannot control but only monitor. This really requires proactive vigilance and active response by council to any discovered or reported issues, however such surveillance functions are not mentioned in the existing policy at all.”

“Venue relocation is a harm minimisation tool allowing venues to relocate out of undesirable areas (such as areas of high deprivation) to more suitable areas, such as town centres. Also allows gaming venues to move to new, modern and refurbished premises.”

“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.”

Final comments Gambling (Class 4) Venue Policy:

A number of submitters took the opportunity to discuss class 4 gambling in general with some telling their personal story and others making more general comments.

The final comments are under Q8 of the submissions report and where full submissions have been received outside of the consultation database these are included separately.

Board Venue Policy

Note: No applications for board venues have been received by Council in the last ten years. There are no ‘stand-alone’ Agency venues in the District. Clause 3 of the policy ensures the community has the opportunity to contribute to any application decisions.

Clause	Policy element	Option
1	Venues are not in a residential zone as defined by the Operative District Plan	No change
2	Venues are not on a site the Council considers will unnecessarily display gambling activity to places and institutions primarily frequented by people under the age of 18 years old.	No change
3	All applications will be publicly notified and open for submissions for a period of 10 working days. The Hearings Committee will hear and decide all applications.	No change

Responses:

- 13 submitters agreed that no changes were needed to clauses 1 – 3 of the Board Venue Policy
- 5 submitters would like to see changes (see comments below)
- 18 submitters did not comment

A number of submitters took the opportunity to explain their responses about TAB venues:

“Board venues are not obliged to support their local communities. Instead their profits are in the main used to offset internal racing related costs.”

“The current Board Venue policy states that there are currently no premises to which it applies. Let’s make it so there is never an opportunity to have a venue.”

“Consent should still be required to operate in private venues.”

“I believe TABs and gambling related to animal ‘sports’ should be removed from the community entirely.”

“Propose a sinking lid be applied to TABs, without the option for new TAB venues. This will decrease exposure and access to gambling venues.”

“Recommends the Council adopt a sinking lid policy where no new venues or clubs will be permitted to operate in the Council’s area if that venue or club proposes to have pokies including TAB venues. We recommend this be clearly stated in the Board Venue Policy.”

Waimakariri District Council

Gambling Policy reviews

Deliberations

Thursday 4 August 0900 – 1200

Legislative requirements

Council is required to have two policies to assist with minimising gambling related harm in the District, being the Gambling Venue Policy and the Board Venue Policy. The first of these policies is developed under the *Gambling Act 2003, S1001*, and the second under the *Racing Industry Act 2020, S96* (previously the *Racing Act 2003*).

Both Acts include a purpose to “*prevent and minimise harm from gambling conducted under this Act, including harm associated with problem gambling*”. Additionally, the *Gambling Act* has a purpose to “*control the growth of gambling;...*”

The *Local Government Act 2002* includes in the purpose provision for local authorities to be accountable to their communities and provides for local authorities to play a broad role in promoting ...”*the social, economic, environmental, and cultural well-being of their communities,...*”

Gambling (Class 4) Venue Policy

The objectives of the Gambling Venue Policy are to:

- Control the growth of gambling
- Prevent and minimise the harm to the community caused by gambling, including problem gambling
- Control the growth of electronic gambling machine gambling in the district
- Allow those who wish to participate in electronic gaming machine gambling to do so, safely and responsibly within the district

Clauses 1 - 6

Clause	Policy element	Option
1	The application is associated with premises that have an on-licence, club licence or is a chartered club in terms of the <i>Sale and Supply of Alcohol Act 2012</i> , or is a TAB venue.	No change
2	Gambling machines are not the primary part of the venue's operation or income.	No change
3	Venues are not in a Residential Zone as defined by the Operative District Plan.	No change
4	The venue is not on a site the Council considers will unnecessarily display Class 4 gambling activity to places and institutions primarily frequented by people under the age of 18 years.	No change
5	Class 4 gambling machines will not be located within a venue where the primary activity is associated with family or children's activities.	No change
6	The application is associated with premises that have an on-licence, club licence or is a chartered club in terms of the <i>Sale and Supply of Alcohol Act 2012</i> , or is a TAB venue.	No change

The Hearing Panel, having considered the pre-consultation report and submissions received either:

Recommends to Council the adoption of Clauses 1 – 6 of the Gambling Venue Policy without change.

Or

Recommends to Council the adoption of Clauses 1 – 6 of the Gambling Venue Policy with the following changes:

Reasons for this decision

Clause 7

Clause	Policy element	Option
7	A district-wide cap of 1 gambling machine per 120 people 18 years or older be used as a guideline to limit any increase in machine numbers.	Option 1 – status quo
		Option 2 – cap machine numbers at 157 (current level)
		Option 3 – ratio to be current level at 1:260
		Option 4 – introduce a sinking lid policy

The Hearing Panel, having considered the pre-consultation report and submissions received:

Recommends to Council the adoption of Option (X) to replace the current Clause 7 of the Gambling Venue Policy.

Reasons for this decision

Clauses 8 - 11

Clause	Policy element	Option
8	External signs at venues be restricted to one per site, of an appropriate size and attached directly to the building, and that describes that gambling machines are on the premises. Advertising of prize money of any description shall not be visible from the exterior of the premises.	No change
9	Gambling machines must not be visible from the road.	No change
10	The gambling area of a venue does not have a separate entrance to a street, separate name or otherwise appear as a separate activity from the primary venue.	No change
11	Venues are to have a host responsibility and gambling harm minimisation policy and staff training programme.	No change

The Hearing Panel, having considered the pre-consultation report and submissions received either:

Recommends to Council the adoption of Clauses 8 - 11 of the Gambling Venue Policy without change.

Or

Recommends to Council the adoption of Clauses 8 - 11 of the Gambling Venue Policy with the following changes:

Reasons for this decision

Relocation Policy

Submitters were asked to consider whether or not they would support a relocation policy and give their priority (1 being the highest priority and 3 the lowest) for each of the options.

Clause	Policy element	Option
12	<p>Relocation policy sets out if and when the territorial authority will grant consent in respect of a venue within its district where the venue is intended to replace an existing venue (within the district) to which a class 4 venue licence applies.</p> <p>Note: whether Council's relocation policy is triggered in any given situation is informed by the <i>Waikiwi</i> precedent.</p> <p>https://www.dia.govt.nz/Gambling-territorial-authorities-applying-policies-relocations-Waikiwi-decision</p>	Option 1 – status quo (no relocation clause, applications for new venues must go through a public consultation process).
		Option 2 – relocation of machines is allowed where the venue is intended to replace an existing venue (within the district) to which a class 4 licence applies.
		Option 3 – relocation of machines is not allowed.

The Hearing Panel, having considered the pre-consultation report and submissions received either:

Recommends to Council the adoption of Option (XX) to become Clause 12 of the Gambling Venue Policy.

Reasons for this decision

Board Venue Policy

The objective of this policy is to:

Ensure the Council and the community has influence over the provision of gambling in the district.

Section 65D of the *Racing Act 2003* specifies:

1. A territorial authority must, within 6 months after the commencement of this section, adopt a policy on Board venues.
2. In adopting a policy, the territorial authority must have regard to the social impact of gambling within the territorial authority district.
3. The policy must specify whether or not new Board venues may be established in the territorial authority district and, if so, where they may be located.
4. In determining its policy on whether Board venues may be established in the territorial district and where any Board venues may be located, the territorial authority may have regard to any relevant matters, including—
 - a) the characteristics of the district and parts of the district:
 - b) the location of kindergartens, early childhood centres, schools, places of worship, and other community facilities:
 - c) the cumulative effects of additional opportunities for gambling in the district.

Note: No applications for board venues have been received by Council in the last ten years. There are no 'stand-alone' Agency venues in the District. Clause 3 of the policy ensures the community has the opportunity to contribute to any application decisions.

Clause	Policy element	Option
1	Venues are not in a residential zone as defined by the Operative District Plan	No change
2	Venues are not on a site the Council considers will unnecessarily display gambling activity to places and institutions primarily frequented by people under the age of 18 years old.	No change
3	All applications will be publicly notified and open for submissions for a period of 10 working days. The Hearings Committee will hear and decide all applications.	No change

The Hearing Panel, having considered the social impact assessment, pre-consultation report and submissions received either:

Recommends to Council the adoption of Clauses 1 – 3 of the Board Venue Policy without change.

Or

Recommends to Council the adoption of Clauses 1 – 3 of the Board Venue Policy with the following changes:

Reasons for this decision