

Wairarapa Policy Working Group

Agenda for the Wairarapa Class 4 Gambling and Standalone TAB Venues Hearings and Deliberations Meetings to be held in the Hurunui o Rangi Meeting Room, 50 Holloway Street, Carterton

Monday 15 April 2024

10.00am Hearings

11.30am Deliberations

Membership

Councillor Robyn Cherry-Campbell (Chairperson, CDC) Councillor Steve Cretney (CDC)

Deputy Mayor Melissa Sadler-Futter (SWDC) Councillor Martin Bosley (SWDC)

> Councillor Craig Bowyer (MDC) Councillor Tim Nelson (MDC)

AGENDA

- 1. Apologies
- 2. Conflicts of Interest

3. Wairarapa Class 4 Gambling and Standalone	Pages 3-120
TAB Venues Hearings Report	
4. Wairarapa Class 4 Gambling and Standalone	Pages 121-151
TAB Venues Deliberations Report	







То:	Wairarapa Policy Working Group
From:	Steph Frischknecht, Policy Manager (MDC) Nicki Ansell, Acting General Manager Democracy and Engagement (SWDC)
Endorsed by:	Karen Yates, Strategy and Governance Manager (MDC) Solitaire Robertson, Manager, Planning & Regulatory (CDC) Paul Gardner, General Manager Human Resources & Corporate Services (SWDC)
Meeting Details:	Time: 10.00amDate: Monday 15 April 2024Venue: Hurunui-o-Rangi Meeting Room, Carterton Events Centre, 50Holloway Street, Carterton
Subject:Wairarapa Class 4 Gambling and Standalone TAB Venues Policy Hearings Report	
FOR INFORMATION	

PURPOSE

This report provides the Wairarapa Policy Working Group with the submissions received on the Wairarapa Class 4 Gambling and Standalone TAB Venues Policy ahead of the hearing for those who wish to present. The schedule and procedure are also provided.

The hearing will take place on Monday 15 April 2024 from 10.00am at the Hurunui-o-Rangi Meeting Room, Carterton Events Centre.

RECOMMENDATIONS

It is recommended that the Wairarapa Policy Working Group:

- 1. **receives** the full set of submissions on the Wairarapa Class 4 Gambling and Standalone TAB Venues Policy (Attachment 1);
 - (a) notes that 23 submissions were received; and
 - (b) **notes** five submitters are confirmed to be heard in accordance with the Hearings Schedule and Procedure (Attachment 2).

CONTEXT

The Wairarapa District Councils adopted the Wairarapa Class 4 Gambling and Standalone TAB Venues Statement of Proposal and draft Policy for consultation on 14 February 2024.

Consultation on the Policy is required to meet the requirements of the Special Consultative Procedure outlined in section 83 of the Local Government Act 2002 (LGA).

Section 83 of the LGA requires Council to provide opportunities for people to present their views in a manner and format that is of preference to them, including orally. A formal hearing process is a way of enabling that.

The Wairarapa Policy Working Group (WPWG) has delegated authority to hear submissions and undertake deliberations ahead recommending a final Policy to the Wairarapa District Councils.

ANALYSIS AND ADVICE

Consultation Process

During the consultation period, the opportunity for the community to have their say was advertised through direct emails to key stakeholders, targeted meetings, social media channels and traditional media. Key stakeholders notified included Wairarapa venue owners and operators, social service providers, and lwi.

Copies of the Statement of Proposal and submission form were available on the website and in hardcopy at Council libraries and Customer Service Centres throughout Wairarapa.

Community feedback was sought on the following proposals:

- Proposal 1a Amend the policy so that Class 4 Gambling Venues cannot relocate in Masterton under any circumstances;
- Proposal 1b Amend the policy so that Class 4 Gambling venues cannot relocate to Carterton and South Wairarapa's most deprived areas (those on the New Zealand Deprivation Index of decile 9 or 10¹) if the proposed location is outside of a town centre location is outside of a town centre;
- Proposal 2 Amend the policy to state that no new standalone TAB venues may be established in the Wairarapa; and
- Proposal 3 Amend the policy to clearly state that no additional electronic gaming machines will be granted consent, in any Class 4 venue.

Submissions

A total of 23 submissions were received and five submitters are confirmed to speak in support of their submission.

The full set of submissions is available as Attachment 1. Redactions have been applied to personal information (excluding name and organisation).

¹ 1 An online interactive map showing the New Zealand Deprivation Index is available on the Environmental Health Intelligence NZ website, with NZDep2018 being the rating that currently applies. Areas with a NZ Dep Rating of 9 or 10 represent the most deprived areas: www.ehinz.ac.nz/indicators/population-vulnerability/socioeconomicdeprivation-profile/

Most submissions (14) were made online using the online platform (Survey Monkey). 5 provided their submission via email, and 4 completed their submission on the physical form.

Hearings

The hearing procedure provided to submitters in advance is provided as Attachment 2. Each submitter has been allocated 10 minutes.

Deliberations

Analysis of the submissions are presented as part of the Deliberations Report.

The WPWG will discuss the submissions received, analysis, consider the views of the community and advice from staff, and make recommendations to Wairarapa District Councils at the Deliberations meeting scheduled from 11.30am on Monday 15 April 2024.

SUMMARY OF CONSIDERATIONS

Strategic, Policy and Legislative Implications

Section 83 of the LGA applied to the consultation process.

The Policy review has been completed to comply with the requirements of the Gambling Act 2003 and Racing Industry Act 2020.

Significance, Engagement and Consultation

The consultation process met the requirements of section 83 of the LGA which includes preparing and adopting a Statement of Proposal, making information available and providing an opportunity for people to present their views.

Financial considerations

There are no specific financial considerations associated with the receipt or hearing of submissions.

Implications for Māori

There are no specific implications for Māori arising from the receipt or hearing of submissions. Analysis of submitter demographics will be included in the deliberations report.

Environmental/Climate Change Impact and Considerations

There are no environmental/climate change impacts or considerations arising from the receipt of this report.

NEXT STEPS

WPWG deliberations will take place from 11.30am on Monday 15 April 2024.

ATTACHMENTS

- 1. Wairarapa Class 4 Gambling and Standalone TAB Venues Policy Submissions
- 2. Hearing Schedule and Procedure





6



FULL SET OF SUBMISSIONS

WAIRARAPA CLASS 4 GAMBLING AND STANDALONE TAB VENUES POLICY REVIEW

Submissions #1 to #23

(From consultation between 19 February and 22 March 2024)

Number	Surname / Organisation Name	First Name	Page Number
1	Hardman	Fleur	3
2	Slater	Richard	5
3	Judd	Kylie	7
4	Williams	Beth	9
5	James	Nicholas	11
6	Rhodes	John	13
7	Tololi-Hopkirk	Huia	15
8	Brown	Karen	17
9	Taylor	Susan	19
10	James	Sophie	21
11	Maguire	Anthony	23
12	Jerling	Mark	25
13	Logan	Bruce	27
14	Health NZ		29
15	McRae	Lesley	37
16	Barnett	Paula	42
17	Problem Gambling Foundation Services		47
18	Gaming Machine Association NZ		60
19	Francis	Bob	82
20	Trust House		86
21	The Lion Foundation		91
22	TAB New Zealand		103
23	McNae	Graham	109

COMPLETE

Collector: Started: Last Modified: **Time Spent: IP Address:**

Central survey link (Web Link) Tuesday, February 20, 2024 6:40:55 AM Tuesday, February 20, 2024 6:42:19 AM 00:01:24

Page 3: Your Details

Q1

Your Details

Full Name

Postal Address

Email

Phone

Q2

Would you like to present your views at the hearing?If yes, please make sure that your contact details in the previous section were answered correctly so that we can get in touch.

Page 4: Abou

Q3

Which district

Q4

What is your a

Q5

What is your e

Q6

What is your g

Q7

Do you live wit or, do you identify as tāngata whaikaha/ disabled?



No

it You	
do you live in?	
ge range?	
thnicity? You may tick multiple boxes.	
ender?	
th impairments/long term health conditions	

Yes

Page 5: Your Thoughts

Q8

Proposal 1a: Do you support our proposal to make changes so that Class 4 Gambling Venues cannot relocate in Masterton under any circumstances?

Q9

Proposal 1b: Do you support our proposal to make changes so that Class 4 Gambling Venues cannot relocate to Carterton and South Wairarapa's most deprived areas (those on the New Zealand Deprivation Index of decile 9 or 10) if the proposed location is outside of a town centre?

Q10

Proposal 2: Do you support our proposal to make changes so that no new standalone TAB venues may be established in the Wairarapa?

Q11

Proposal 3: Do you support our proposal to amend the policy wording to clearly state that no additional electronic gaming machines will be granted consent in any Class 4 Gambling Venue, consistent with the widely understood sinking lid approach in the Wairarapa?A sinking lid approach is a limit on the number of gaming machines in an area which is permanently lowered with each reduction of gaming machine (e.g. if a venue closes).

Q12

Is there anything else you would like to note as part of your feedback?

Yes

Yes

Respondent skipped this question

COMPLETE

Collector: Started: Last Modified: Time Spent: IP Address: Central survey link (Web Link) Tuesday, February 20, 2024 9:30:11 AM Tuesday, February 20, 2024 9:33:01 AM 00:02:49

Page 3: Your Details

Q1

Your Details

Full Name

Postal Address

Email

Q2

Would you like to present your views at the hearing?If yes, please make sure that your contact details in the previous section were answered correctly so that we can get in touch.

Page 4: About You

Q3

Which district do you live in?

Q4

What is your age range?

Q5

What is your ethnicity? You may tick multiple boxes.

Q6

What is your gender?

Q7

Do you live with impairments/long term health conditions or, do you identify as tāngata whaikaha/ disabled?

Richard John Slater



No



Q8

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Q12

Is there anything else you would like to note as part of your feedback?

Yes

Yes

Yes

Yes

Respondent skipped this question

COMPLETE

Collector: Started: Last Modified: Time Spent: IP Address: Central survey link (Web Link) Tuesday, February 20, 2024 12:20:23 PM Tuesday, February 20, 2024 12:22:36 PM 00:02:12

Page 3: Your Details

Q1

Your Details

Full Name

Postal Address

Q2

Would you like to present your views at the hearing?If yes, please make sure that your contact details in the previous section were answered correctly so that we can get in touch.

Page 4: About You

Q3

Which district do you live in?

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What is your age range?

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What is your ethnicity? You may tick multiple boxes.

Q6

What is your gender?

Q7

Do you live with impairments/long term health conditions or, do you identify as tāngata whaikaha/ disabled?



No



Q8

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Q12

Is there anything else you would like to note as part of your feedback?

Yes

Yes

Yes

Yes

Respondent skipped this question

COMPLETE

Collector: Started: Last Modified: Time Spent: IP Address: Central survey link (Web Link) Tuesday, February 20, 2024 7:59:17 PM Tuesday, February 20, 2024 8:02:16 PM 00:02:59

Page 3: Your Details

Q1

Your Details

Full Name

Postal Address

Email

Q2

Would you like to present your views at the hearing?If yes, please make sure that your contact details in the previous section were answered correctly so that we can get in touch.

Page 4: About You

Q3

Which district do you live in?

Q4

What is your age range?

Q5

What is your ethnicity? You may tick multiple boxes.

Q6

What is your gender?

Q7

Do you live with impairments/long term health conditions or, do you identify as tāngata whaikaha/ disabled?





No



Yes

Yes

Yes

Q8

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Q12

Is there anything else you would like to note as part of your feedback?

Supportive of all that can be done to reduce problem gambling



COMPLETE

Collector: Started: Last Modified: Time Spent: IP Address: Central survey link (Web Link) Monday, February 26, 2024 2:46:07 PM Monday, February 26, 2024 2:48:55 PM 00:02:47

Page 3: Your Details

Q1

Your Details

Full Name

Postal Address

Email

Phone

Q2

Would you like to present your views at the hearing? If yes, please make sure that your contact details in the previous section were answered correctly so that we can get in touch.

Page 4: About You

Q3

Which district do you live in?

Q4

What is your age range?

Q5

What is your ethnicity? You may tick multiple boxes.

Q6

What is your gender?

Q7

Do you live with impairments/long term health conditions or, do you identify as tāngata whaikaha/ disabled?

Nicholas William James



No



11

Page 5: Your Thoughts

Q8

Yes

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Q9

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Q12

Is there anything else you would like to note as part of your feedback?

I am totally opposed to all forms of gambling due to the social harm it causes.

No - I do no support venue relocations in Carterton and South Wairarapa under any circumstances

Yes

Yes

COMPLETE

Collector: Started: Last Modified: **Time Spent: IP Address:**

Central survey link (Web Link) Sunday, March 10, 2024 9:36:55 PM Sunday, March 10, 2024 9:39:07 PM 00:02:12

Page 3: Your Details

Q1

Your Details

Full Name

Postal Address

Email

Phone

Q2

Would you like to present your views at the hearing?If yes, please make sure that your contact details in the previous section were answered correctly so that we can get in touch.

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Q7

Do you live with impairments/long term nealth conditions or, do you identify as tāngata whaikaha/ disabled?

No

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at is your age range?	
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at is your gender?	
you live with impairments/long term health conditions	



13

Yes

Page 5: Your Thoughts

Q8

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Q12

Is there anything else you would like to note as part of your feedback?

No - I support venue relocations under extraordinary circumstances in any area of Masterton (status quo)

Respondent skipped this question

Yes

COMPLETE

Collector: Started: Last Modified: Time Spent: IP Address: Central survey link (Web Link) Tuesday, March 19, 2024 10:23:52 AM Tuesday, March 19, 2024 10:26:22 AM 00:02:29

Page 3: Your Details

Q1

Your Details

Full Name

Postal Address

Email

Q2

Would you like to present your views at the hearing?If yes, please make sure that your contact details in the previous section were answered correctly so that we can get in touch.

Page 4: About You

Q3

Which district do you live in?

Q4

What is your age range?

Q5

What is your ethnicity? You may tick multiple boxes.

Q6

What is your gender?

Q7

Do you live with impairments/long term health conditions or, do you identify as tāngata whaikaha/ disabled?

Huia Tololi-Hopkirk

15

No



Q8

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Q12

Is there anything else you would like to note as part of your feedback?

No - I do no support venue relocations in Carterton and South Wairarapa under any circumstances

6

Yes

Yes

Respondent skipped this question

17

#8

COMPLETE

Collector: Started: Last Modified: Time Spent: IP Address: Central survey link (Web Link) Tuesday, March 19, 2024 3:35:20 PM Tuesday, March 19, 2024 3:36:48 PM 00:01:27

Page 3: Your Details

Q1

Your Details

Full Name	Karen Brown
Q2	No

Page 4: About You

can get in touch.

Q3

Which district do you live in?

Q4

What is your age range?

Q5

What is your ethnicity? You may tick multiple boxes.

Would you like to present your views at the hearing? If yes, please make sure that your contact details in the previous section were answered correctly so that we

Q6

What is your gender?

Q7

Do you live with impairments/long term health conditions or, do you identify as tāngata whaikaha/ disabled?

Page 5: Your Thoughts

Q8

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Q12

Is there anything else you would like to note as part of your feedback?

2/2

Respondent skipped this question

Yes

Yes

Yes



COMPLETE

Collector: Started: Last Modified: **Time Spent: IP Address:**

Central survey link (Web Link) Tuesday, March 19, 2024 7:16:05 PM Tuesday, March 19, 2024 7:24:21 PM 00:08:16

Page 3: Your Details

Q1

Your Details

Full Name

Organisation (if applicable)

Postal Address

Email

Phone

Q2

Would you like to present your views at the hearing?If yes, please make sure that your contact details in the previous section were answered correctly so that we can get in touch.

Page 4: About You

or, do you identify as tangata whaikaha/ disabled?

Susan Taylor



19

No

Q3	
Which district do you live in?	
Q4	
What is your age range?	
Q5	
What is your ethnicity? You may tick multiple boxes.	
Q6	
What is your gender?	
Q7	
Do you live with impairments/long term health conditions or, do you identify as tāngata whaikaha/ disabled?	

Yes

Yes

Yes

Page 5: Your Thoughts

Q8

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Q12

Is there anything else you would like to note as part of your feedback?

Thank you to the combined councils for implementing policies that protect the communities of Wairarapa. I recommend the same consideration and action be applied to both restricting and reducing outlets that sell tobacco and vape products and creating more smoke and vape-free places in the interest of public health and protection of rangatahi, tamariki and mokopuna present and future

COMPLETE

Collector: Started: Last Modified: Time Spent: IP Address: Central survey link (Web Link) Wednesday, March 20, 2024 4:39:06 PM Wednesday, March 20, 2024 4:53:42 PM 00:14:36

Page 3: Your Details

Q	1
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Your Details

Full Name

Email

Phone

Q2

Would you like to present your views at the hearing?If yes, please make sure that your contact details in the previous section were answered correctly so that we can get in touch.

Page 4: About You

Q3

Which district do you live in?

Q4

What is your age range?

Q5

What is your ethnicity? You may tick multiple boxes.

Q6

What is your gender?

Q7

Do you live with impairments/long term health conditions or, do you identify as tāngata whaikaha/ disabled?



No

Q8

Proposal 1a: Do you support our proposal to make changes so that Class 4 Gambling Venues cannot relocate in Masterton under any circumstances?

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Q12

Is there anything else you would like to note as part of your feedback?

Get this out of our community. Ban gambling completely and fund social services to assist vulnerable people in our community affected by gambling and addiction. There is absolutely no benefit to our community, social, economic or otherwise. The councils have an opportunity here to act for our tamariki and vulnerable people - please use this opportunity by taking a strong stance against gambling.

No - I do no support venue relocations in Carterton and South Wairarapa under any circumstances

Yes

Yes

COMPLETE

Collector: Started: Last Modified: Time Spent: IP Address: Central survey link (Web Link) Thursday, March 21, 2024 10:11:56 AM Thursday, March 21, 2024 10:15:36 AM 00:03:40

Page 3: Your Details

Q1

Your Details

Full Name

Postal Address

Email

Phone

Q2

Would you like to present your views at the hearing?If yes, please make sure that your contact details in the previous section were answered correctly so that we can get in touch.

Page 4: About You

Q3

Which district do you live in?

Q4

What is your age range?

Q5

What is your ethnicity? You may tick multiple boxes.

Q6

What is your gender?

Q7

Do you live with impairments/long term health conditions or, do you identify as tāngata whaikaha/ disabled?







23

No





Page 5: Your Thoughts

Q8

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Q9

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Q12

Is there anything else you would like to note as part of your feedback?

No

Yes

Yes

Yes

Yes

COMPLETE

Collector: Started: Last Modified: **Time Spent: IP Address:**

Central survey link (Web Link) Thursday, March 21, 2024 3:14:26 PM Thursday, March 21, 2024 3:19:36 PM 00:05:09

Page 3: Your Details

Q1

Your Details

Full Name

Organisation (if applicable)

Postal Address

Email

Phone

Q2

Would you like to present your views at the hearing?If yes, please make sure that your contact details in the previous section were answered correctly so that we can get in touch.

Page 4: About You

Q3

Which district do you live in?

Q4

What is your age range?

Q5

What is your ethnicity? You may tick multiple boxes.

Q6

What is your gender?

No

Mark Jerling



Q7

Do you live with impairments/long term health conditions or, do you identify as tāngata whaikaha/ disabled?

Page 5: Your Thoughts

Q8

Proposal 1a: Do you support our proposal to make changes so that Class 4 Gambling Venues cannot relocate in Masterton under any circumstances?

Q9

Proposal 1b: Do you support our proposal to make changes so that Class 4 Gambling Venues cannot relocate to Carterton and South Wairarapa's most deprived areas (those on the New Zealand Deprivation Index of decile 9 or 10) if the proposed location is outside of a town centre?

Q10

Proposal 2: Do you support our proposal to make changes so that no new standalone TAB venues may be established in the Wairarapa?

Q11

Proposal 3: Do you support our proposal to amend the policy wording to clearly state that no additional electronic gaming machines will be granted consent in any Class 4 Gambling Venue, consistent with the widely understood sinking lid approach in the Wairarapa?A sinking lid approach is a limit on the number of gaming machines in an area which is permanently lowered with each reduction of gaming machine (e.g. if a venue closes).

Q12

Is there anything else you would like to note as part of your feedback?

I'd prefer to see no gambling machines at all. These serve no purpose other than to enrich their owners.

No - I do no support venue relocations in Carterton and South Wairarapa under any circumstances

Yes

Yes

Yes

26

COMPLETE

Collector: Started: Last Modified: Time Spent: IP Address: Central survey link (Web Link) Thursday, March 21, 2024 4:17:26 PM Thursday, March 21, 2024 4:23:38 PM 00:06:12

Page 3: Your Details

Q1

Your Details

Full Name

Postal Address

Email

Phone

Q2

Would you like to present your views at the hearing? If yes, please make sure that your contact details in the previous section were answered correctly so that we can get in touch.

Page 4: About You

Q3

Which district do you live in?

Q4

What is your age range?

Q5

What is your ethnicity? You may tick multiple boxes.

Q6

What is your gender?

Q7

Do you live with impairments/long term health conditions or, do you identify as tāngata whaikaha/ disabled?

Bruce Logan



27

No



Yes

28

Page 5: Your Thoughts

Q8

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Q9

Proposal 1b: Do you support our proposal to make changes so that Class 4 Gambling Venues cannot relocate to Carterton and South Wairarapa's most deprived areas (those on the New Zealand Deprivation Index of decile 9 or 10) if the proposed location is outside of a town centre?

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Q12

Is there anything else you would like to note as part of your feedback?

Yes

Yes

Respondent skipped this question



COMPLETE

Collector: Started: Last Modified: Time Spent: IP Address: Central survey link (Web Link) Friday, March 22, 2024 12:11:30 PM Friday, March 22, 2024 12:18:29 PM 00:06:58

Page 3: Your Details

Q1

Your Details

Full Name

Organisation (if applicable)

Anoop Gopalakrishnan Health NZ

No

Q2

Would you like to present your views at the hearing?If yes, please make sure that your contact details in the previous section were answered correctly so that we can get in touch.

Page 4: About You

Q3

Which district do you live in?

Q4

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Page 5: Your Thoughts

Q8

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Q12

Is there anything else you would like to note as part of your feedback?

I have sent an email with the document attached to submissions@mstn.govt.nz Please see the document for details. Thank you!

No - I do no support venue relocations in Carterton and South Wairarapa under any circumstances

Yes

Yes

21 March 2024

Health New Zealand Te Whatu Ora

Wairarapa Class 4 Gambling and Standalone TAB Venues Policy Review Masterton District Council PO Box 444 Masterton 5840

Tēnā koē,

Wairarapa Class 4 Gambling and Standalone TAB Venues Policy Review

Thank you for the opportunity to provide a written submission on the Wairarapa Class 4 Gambling and Standalone TAB Venues Policy.

Health New Zealand | Te Whatu Ora, National Public Health Service – Te Ikaroa Central Region commends the Masterton, Carterton and South Wairarapa District Councils for taking a public health approach to prevent and minimise gambling harm in the Wairarapa. Health NZ supports the proposed changes.

Health NZ has statutory obligations under the Pae Ora Act 2022 Section 14 (1)(k) and the Health Act 1956 to improve, promote and protect the health of people and communities within the greater Capital, Coast, Hutt Valley and Wairarapa region. Of particular focus for Health NZ is embedding Te Tiriti o Waitangi as its foundation toward improving health outcomes for Māori.

The Class 4 Gambling and Standalone TAB Venues Policy Review aligns to Health NZ's commitment towards healthier and more resilient communities by reducing inequities and promoting good health, particularly for Māori, Pacific peoples and disabled people.

Please find Health NZ's submission attached.

For any clarification regarding the submission, please contact Anoop Gopalakrishnan, anoop.gopalakrishnan@huttvalleydhb.org.nz.

Ngā mihi,

Paula Snowden Ngāpuhi ki Whāingaroa Regional Director, Te Ikaroa Central Region National Public Health Service TeWhatuOra.govt.nz PO Box 31907 Lower Hutt 5018 Waea pūkoro: +64 4 570 9002

Te Kāwanatanga o Aotearoa New Zealand Government


Responses

1. Do you support our proposal to make changes so that Class 4 Gambling Venues cannot relocate in Masterton under any circumstances? (Proposal 1a)

X Yes

□ No – I support venue relocations under extraordinary circumstances in any area of Masterton (status quo)

□ No – I support venue relocations under extraordinary circumstances in Masterton if the proposed location is not a highly deprived area outside of the town centre

 Do you support our proposal to make changes so that Class 4 Gambling Venues cannot relocate to Carterton and South Wairarapa's most deprived areas (those on the New Zealand Deprivation Index of decile 9 or 10) if the proposed location is outside of a town centre? (Proposal 1b)

□ Yes

□ No – I support venue relocations under extraordinary circumstances in any area of Carterton and South Wairarapa (status quo)

☑ No – I do not support venue relocations in Carterton and South Wairarapa under any circumstances

3. Do you support our proposal to make changes so that no new standalone TAB venues may be established in the Wairarapa? (Proposal 2)

X Yes

□ No – I support new standalone TAB venues being able to establish in the Wairarapa (status quo)

 Do you support our proposal to amend the policy wording to clearly state that no additional electronic gaming machines will be granted consent in any Class 4 venue, consistent with the widely understood sinking lid approach in the Wairarapa? (Proposal 3)

X Yes

□ No



Health New Zealand Te Whatu Ora

5. Is there anything else you would like to note as part of your feedback?

Yes

New Zealand

Gambling policies which restrict electronic gambling machine (pokies) operations could lead to reduced gambling opportunity and mitigate subsequent harm over time.

In New Zealand, harmful gambling behaviour is strongly correlated with family, whānau or partner violence, with half of problem gamblers reporting having experienced family or whānau violence¹.

There is also evidence that children and young adults are exposed to considerable gambling messaging, for example, through advertising, which can normalise harmful gambling behaviours².

Māori were over 3.39 times more likely to report either gambling-related arguments or money problems related to gambling compared with non-Māori and non-Pacific peoples. Pacific peoples were 2.67 times more likely to report these harms than non-Pacific peoples and non-Māori³.

Wairarapa

Higher levels of deprivation were seen in Masterton⁴. The population groups more likely to experience inequitable health outcomes include Māori, Pacific peoples, some Asian communities, along with rangatahi⁵.

Māori and Pacific peoples are more likely to be affected by gambling harm than any other group. They are also more likely to have other risk factors for gambling harm, such as low incomes and living in low socioeconomic communities where some forms of gambling, are more accessible⁶.

Annual total Gaming Machine Profits (GMP) to December 2022 were \$1,802,076.18 for Carterton District, \$5,103,410.52 for Masterton District and \$1,649,746.27 for South Wairarapa District^{7, 8, 9}. Individuals considered to be problem gamblers contributed to over half the total Class 4 gambling expenditure¹⁰.

Points 1 & 2

Living closer to a gambling venue with easier access increases the risk of problem gambling¹¹. While it is possible that people may gamble outside their neighbourhoods, there are significant associations between gambling behaviour and neighbourhood access to gambling venues. While gambling harm rates have not changed significantly, the actual number of people who are experiencing gambling-related harm has increased¹². Non-Casino Gaming Machines (NCGMs), which is considered to be one of the most harmful forms of gambling, are concentrated in areas considered to be high deprivation and lower socioeconomic status. These are likely to be areas



where Māori and Pacific peoples live. The support services available to prevent and minimise gambling harm are underutilised¹³.

Health NZ strongly supports Proposals 1a, 2, 3 and 4, but not Proposal 1b. The mere presence of a gambling machine contributes to a level of gambling harm however small. Health NZ considers that any level of gambling harm should be avoided. Even though the expenditure per gambling machine in Carterton is slightly lower than for Masterton and less than half for South Wairarapa, Health NZ strongly opposes Proposal 1b. Every opportunity should be taken to reduce the number of gambling machines or get rid of them altogether.

Point 3

We commend the proposal to maintain the position of not having any new standalone TAB venues in Wairarapa.

There are currently no standalone TAB venues in Wairarapa. This helps minimise gamblingrelated harm as there is no access to TAB venues.

Point 4

Health NZ acknowledges the Masterton, Carterton and South Wairarapa District Councils for not allowing new electronic gaming machines and for adapting the sinking lid policy for Class 4 gambling and TAB venues.



References:

- 1. Auckland University of Technology. 2017. Problem Gambling and Family Violence in Helpseeking Populations: Co-occurrence, impact and coping. Wellington: Ministry of Health.
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- Te Hiringa Hauora | Health Promotion Agency. (2021). 2020 Health and Lifestyles Survey: Methodology Report. Wellington: Te Hiringa Hauora | Health Promotion Agency Insights and Evaluation Unit
- 4. New Zealand 2018 Census Place Summaries. Stats NZ. Available here: https://www.stats.govt.nz/tools/2018-census-place-summaries/new-zealand
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- Abbott, M., Bellringer, M., Garrett, N., & Mundy-McPherson, S. (2016). New Zealand National Gambling Study: Wave 3 (2014). Report number 5. Auckland: Auckland University of Technology, Gambling and Addictions Research Centre.
- 11. Ministry of Health. 2008. Raising the Odds? Gambling behaviour and neighbourhood access to gambling venues in New Zealand. Wellington: Ministry of Health. URL: https://www.health.govt.nz/publication/raising-odds-gamblingbehaviour-and-neighbourhoodaccess-gambling-venues-new-zealand



Health New Zealand Te Whatu Ora

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HE AROTAKENGA O TE KAUPAPA HERE WHARE PETIPETI – MOMO 4: PUKA TĀPAETANGA WAIRARAPA CLASS 4 GAMBLING AND STANDALONE TAB **VENUES POLICY REVIEW:** SUBMISSION FORM

The Wairarapa District Councils (Carterton, Masterton and South Wairarapa) are reviewing their joint Wairarapa Class 4 Gambling and Standalone TAB Venues Policy. This submission form allows you to give feedback on the draft policy. The estimated time to complete this form is between 3-5 minutes. You can make a submission in a number of ways:



Complete our online submission form at: mstn.govt.nz, cdc.govt.nz, or swdc.govt.nz



Download a fillable pdf submission form from any of the above websites and email to: submissions@mstn.govt.nz



Pick up a submission form from one of our libraries or customer service centres or print out our printer-frendly form from the websites above. Post it to Masterton District Council, Freepost 112477, PO Box 444, Masterton 5840, or drop it off to one of our libraries or customer service centres.

Masterton District Council Carterton District Council

161 Queen Street, Masterton 28 Holloway Street, Carterton South Wairarapa District Council 19 Kitchener Street, Martinborough



Phone the Masterton team on 06 370 6300 between 9am and 4pm Monday to Friday (excluding public holidays) and tell us what you think.

Please provide your feedback by 4.30pm Friday 22 March 2024. For more information please refer to the Statement of Proposal, draft policy and supporting information available on each of the Council websites.

Consultation closes 4.30pm Friday 22 March 2024







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O TAIPITOPITO YOUR DETAILS

Privacy Statement

All submissions will be made available to the public via the three Wairarapa District Councils websites. Your name, organisation (if applicable) and feedback will be included in public documents. All other personal details will remain private. If you have extenuating circumstances, please contact us prior to the submission closure date to request that your name be withheld.

The Privacy Act 2020 applies when we collect personal details. Any details that are collected will only be used for the purposes stated. You have the right to access and correct any personal information we hold.

Further information is available by searching Masterton District Council Submission Policy on the MDC website; www.mstn.govt.nz.

Your Details

Full name	Lesley McRae

Org

Pho

Hearing

A joint hearing with the Wairarapa Policy Working Group (this group includes representatives of the three Wairarapa District Councils) will be held in April 2024 for those wanting to present their views. This means that you get approximately 5-10 minutes to present your feedback to elected members in person or via MS Teams online.

Would you like to present your views at the hearing?

If yes, please make sure your contact details in the previous section were answered correctly so that we can get in touch.

Yes (in person)

Yes (via MS Teams)



About You

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What district do you live in?

Ō WHAKAARO YOUR THOUGHTS

Do you support our proposal to make changes so that Class 4 Gambling Venues cannot relocate in Masterton under any circumstances? (Proposal 1a)

VYes

- No I support venue relocations under extraordinary circumstances in any area of Masterton (status quo)
- No I support venue relocations under extraordinary circumstances in Masterton if the proposed location is not a highly deprived area outside of the town centre

Do you support our proposal to make changes so that Class 4 Gambling Venues cannot relocate to Carterton and South Wairarapa's most deprived areas (those on the New Zealand Deprivation Index of decile 9 or 10) if the proposed location is outside of a town centre? (Proposal 1b)

Yes

- No I support venue relocations under extraordinary circumstances in any area of Carterton and South Wairarapa (status quo)
- No I do no support venue relocations in Carterton and South Wairarapa under any circumstances

Do you support our proposal to make changes so that no new standalone TAB venues may be established in the Wairarapa? (Proposal 2)

VYes

No – I support new standalone TAB venues being able to establish in the Wairarapa (status quo)

Do you support our proposal to amend the policy wording to clearly state that no additional electronic gaming machines will be granted consent in any Class 4 venue, consistent with the widely understood sinking lid approach in the Wairarapa? (Proposal 3)

Yes

No No

	46		41
Is there anything else you would	d like to note as part of you	r feedback?	
only that I poker mae and the	there are knes in e shoul	enough He Way	arapa 855





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HE AROTAKENGA O TE KAUPAPA HERE WHARE PETIPETI – MOMO 4: PUKA TĀPAETANGA WAIRARAPA CLASS 4 GAMBLING AND STANDALONE TAB VENUES POLICY REVIEW: SUBMISSION FORM

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161 Queen Street, Masterton28 Holloway Street, Carterton19 Kitchener Street, Martinborough



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SOUTH WAIRARAPA DISTRICT COUNCIL Kia Reretahi Tatau





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Your Details

1	-	- 0	-1
Full name Paul	a Deveu	115h Bd	rnett

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Would you like to present your views at the hearing?

If yes, please make sure your contact details in the previous section were answered correctly so that we can get in touch.

🔲 Yes (in person)

Yes (via MS Teams)

D NO

About You

These questions help us understand which parts of the community are providing feedback so we can improve our engagement approach. Your responses will not be made public with your submission. Only collated data will be reported to the three Councils.

What district do you live in?

What is your age range?

ō WHAKAARO YOUR THOUGHTS

Do you support our proposal to make changes so that Class 4 Gambling Venues cannot relocate in Masterton under any circumstances? (Proposal 1a)

VYes

- No I support venue relocations under extraordinary circumstances in any area of Masterton (status quo)
- No I support venue relocations under extraordinary circumstances in Masterton if the proposed location is not a highly deprived area outside of the town centre

Do you support our proposal to make changes so that Class 4 Gambling Venues cannot relocate to Carterton and South Wairarapa's most deprived areas (those on the New Zealand Deprivation Index of decile 9 or 10) if the proposed location is outside of a town centre? (Proposal 1b)

Ves

- No I support venue relocations under extraordinary circumstances in any area of Carterton and South Wairarapa (status quo)
- No I do no support venue relocations in Carterton and South Wairarapa under any circumstances

Do you support our proposal to make changes so that no new standalone TAB venues may be established in the Wairarapa? (Proposal 2)

Ves

No – I support new standalone TAB venues being able to establish in the Wairarapa (status quo)

Do you support our proposal to amend the policy wording to clearly state that no additional electronic gaming machines will be granted consent in any Class 4 venue, consistent with the widely understood sinking lid approach in the Wairarapa? (Proposal 3)

M Yes

No No

51 6 Is there anything else you would like to note as part of your feedback? this OLL 00 DV 6 C.H. _____ *

TE RIUMINITE ROUTE D. MILAN ADDIDIO

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COUNCIL

SOUTH WAIRARAPA

DISTRICT COUNCIL

Kia Reretahi Tatau





PGF Services Submission

Wairarapa District Councils

Class 4 Gambling and TAB Venues Policy Review 2024

Submitted to	Wairarapa District Councils Class 4 Gambling and TAB Venues Policy Review
	via email submission to submission to submissions@mstn.govt.nz
Details of Submitter	Kristy Kang
	Policy Programme Lead, PGF Services
Physical Address	
Date of Submission	22 March 2024



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EXECUTIVE SUMMARY

PGF Services appreciate the opportunity to comment on Wairarapa District Councils' Class 4 Gambling and Standalone TAB Venues Policy review.

We are heartened by councils' intentions to strengthen the current policy to further mitigate gambling harm across the three districts and in particular, Masterton. PGF commends Councils for showing leadership in this area.

In part, PGF supports Council's preferred option of retaining the sinking lid policy and strengthening relocation provisions to better protect those most at risk in the Masterton community. However, our organisation would fully support council going a step further and removing all the relocation and club merger provisions across all three districts.

A sinking lid policy is one of the best policies available to reduce gambling losses and harm from gambling. Allowing Class 4 venues to merge and/or relocate undermines the efficacy of a sinking lid policy, simply moves gambling around, and does little to protect those most at risk of experiencing harm from gambling. Currently, 36 out of 65¹ councils across Aotearoa New Zealand, including Wairarapa, have adopted a sinking lid policy. However, only five councils have a sinking lid policy with no relocation or club merger provision.

Our submission is evidence-based and founded on what is known about gambling harm across Aotearoa New Zealand and beyond.

PGF advocates strongly for government and councils to take a closer look at the relationship between harmful gambling, social disparity and a funding model that enables it. Funding communities based on a system that relies on our lowest income households putting money they can ill-afford into gaming machines is both unethical and inequitable. The saturation of Class 4 venues in areas of high social deprivation and the resulting harm placed on these communities is disproportionately borne by Māori.

We encourage Council to carefully consider the feedback provided.

¹ Masterton, Carterton and South Wairarapa District Councils share one Class 4 gambling and standalone TAB policy referred to collectively as the Wairarapa region.



RECOMMENDATIONS AND SUBMISSION

1. PGF Group **supports** Council's <u>preferred option</u>. However, we ask council to go a step further and remove all relocation and club merger provisions across the three districts.

INTRODUCTION

ABOUT PGF SERVICES

- 2. PGF Services is part of the Problem Gambling Foundation (trading as PGF Group). We work closely with our subsidiary charitable companies, Asian Family Services and Mapu Maia Pasifika Service, united by a shared purpose to provide public health and clinical services that contribute to the wellbeing of whānau and communities.
- 3. PGF operate under contract to Te Whatu Ora and is funded from the gambling levy to provide clinical intervention and public health services.
- 4. As part of our public health work, we advocate for the development of public policy that contributes to the prevention and minimisation of gambling related harms.
- 5. 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, in this case, a sinking lid policy.

PGF SERVICES' POSITION ON GAMBLING

- It is important to note that we are not an 'anti-gambling' organisation. We are, however, opposed to the harm caused by gambling and advocate strongly for better protections for those most at risk of experiencing gambling harm.
- 7. We recognise that many New Zealanders do not gamble harmfully.
- While most New Zealanders gamble without experiencing any apparent harm, a significant minority do experience harm from their gambling, including negative impacts on their own and the lives of others.



- In 2022/23, total expenditure (losses, or the amount remaining after deducting prizes and payouts from turnover) across the three main forms of gambling; Class 4 Electronic Gaming Machines (EGMs), Lotto, and Casinos, was more than \$2.39 billion, or \$663 for every adult (1).
- 10. In 2023, over \$1.1 billion was lost to pokies across Aotearoa New Zealand (2). This was the highest annual loss since 2003.
- 11. Most money spent on gambling in New Zealand comes from the relatively limited number of people who play Class 4 EGMs, and most clients accessing gambling support services cite pub/club EGMs as a primary problem gambling mode (3).

INFORMATION FOR COUNCIL DECISION MAKING

CLASS 4 GAMBLING

- 12. The harms caused by different forms of gambling are not equal, as evidenced by the different classifications of gambling within the Gambling Act 2003.
- 13. Class 4 gambling EGMs in pubs, clubs and TABs is characterised as high-risk, high-turnover gambling, and continues to be the most harmful form of gambling in New Zealand and the primary mode of gambling for those seeking help (4).
- 14. EGMs are particularly harmful because they allow continuous gambling (5). The short turnaround time between placing a bet and finding out whether you have won or lost, coupled with the ability to play multiple games in quick succession makes continuous gambling one of the most addictive forms of gambling available.

GAMING MACHINE PROFITS (GMP) STATISTICS

- 15. As at 31 December 2023, there were ten Class 4 gambling venues in Wairarapa, hosting a total of 142 EGMs (2).
- 16. In 2023, \$8.8 million was lost to Class 4 EGMs in Wairarapa (2).
- 17. Besides Carterton District, Masterton District and South Wairarapa District have followed followed the national trend of a general growth in annual Class 4 GMP since 2015. The largest



spike was in 2023 with \$5.1 million and \$1.9 million being lost to Class 4 EGMs in Masterton District and South Wairarapa District, respectively (2).

18. We cannot be sure why losses continue to grow while machine numbers decrease, but what we do know is that EGM numbers are not reducing fast enough in areas where they need to, such as in areas of high social deprivation.

CLIENT INTERVENTION DATA

- 19. A total of 63 clients from Wairarapa were assisted between July 2022 to June 2023 for all intervention types. Of these, 46 (73%) were new clients. The majority of help seeking is coming from the Masterton community (3).
- 20. However, it is difficult to know whether this reflects the exact number of all people impacted by gambling in Wairarapa.
- 21. The Ministry of Health's *Strategy to Prevent and Minimise Gambling Harm* states that "needs assessment and outcomes monitoring reports show that only 16% of potential clients for gambling support services (that is, people whose reported harm results in a moderate to high PGSI² score) actually access or present at these services", and that this low service use is also evident for other forms of addiction such as alcohol and drugs (4).
- 22. The Ministry of Health's Continuum of Gambling Behaviour and Harm (Figure 1) estimates the number of people experiencing mild, moderate or severe gambling harm is more than 250,000 that's more than the population of Wellington (4).

² The Problem Gambling Severity Index (PGSI) is commonly used to screen and categorise three levels of harm: severe or high risk (problem gambling), moderate risk and low risk.



Figure 1: Continuum of Gambling Behaviour and Harm (Ministry of Health, 2019)

- 23. A New Zealand gambling study estimates that 30% of EGM losses is from problem and moderate risk gamblers (6).
- 24. While the Ministry of Health's client intervention data is not an accurate measure of the prevalence of gambling harm in New Zealand, it can tell us the rate of harm from different classes of gambling amongst those who have sought help.
- 25. Data for 2022/23 shows that of the 4,411 individuals who received full intervention support for their own or someone else's gambling, 1,987 (45.0%) were for Class 4 EGMs (3).

Primary Mode	Full Interventions	Percentage
Non-Casino Gaming Machines (EGMs or Pokies)	1,987	45.0%
Lotteries Commission Products	490	11.1%
Overseas online gambling	478	10.8%
Casino Gaming Machines (EGMs or Pokies)	439	10.0%
TAB (NZ Racing Board)	388	8.8%
Casino Table Games (inc. Electronic)	332	7.5%
NZ Other gambling	213	4.8%
Housie	49	1.1%
Cards	35	0.8%
Total	4,411	100%

Table 1: 2022/23 client intervention data by primary gambling mode.

26. Given that almost half of the clients in 2022/23 sought help due to Class 4 EGMs, this indicates the level of harm EGMs are causing in our communities.



ONLINE GAMBLING

- 27. Online gambling is not within the scope of the Wairarapa Councils' Class 4 gambling and TAB venue policy reviews. Online gambling is the purview of the DIA who are responsible for addressing online gambling within legislation.
- 28. Like many others in Aotearoa New Zealand, we are concerned that children and young people in particular, are not receiving adequate protections to harmful online content, including exposure to and availability of gambling and gaming products.
- 29. The Gambling Act 2003 is now almost 20 years old and no longer reflects the online gambling and gaming environment we now have, nor does it afford the robust regulatory framework that will protect consumers online.
- 30. There is considerable progress being made to improve online safety. The DIA has conducted a Safer Online Services and Media Platforms review, and recently consulted on a new approach to content regulation that minimises the risk of harms caused by online content to New Zealanders. This review is welcomed by our organisation and will over time, improve online safety particularly for our children and young people.
- 31. PGF also notes that an area of concern for local government is that an 'unintended consequence' of a reduction in physical gaming machines through more restrictive Class 4 gambling policy, would lead to an increase in online gambling.
- 32. As a comment of assurance, there is no tangible evidence that this occurs more rapidly due to a sinking lid policy. There are no New Zealand studies tracking the migration patterns of pokie players. Rather, the COVID-19 lockdowns have shown that while there was an increase in online gambling during lockdown (namely, MyLotto sales) (7, 8), people returned to Class 4 gambling after the lockdown. This was highlighted when the DIA saw an increase in GMP by 116% in the June to September 2020 quarter, which followed the COVID-19 lockdown in 2020 (9).
- 33. PGF also anticipated that clients would migrate to online gambling during the 2020 lockdown, but this did not happen. Venue closures due to COVID provided a forced break from pokies that yielded many benefits. Many clients did not gamble at all; they saved money; enjoyed their families, and reassessed their priorities. Online gambling at home was too visible and confronting. Part of visiting venues is that gambling is invisible from the family and private.
- 34. Existing evidence suggests that Class 4 gambling competes with other industries for household expenditure, but not so much with other forms of gambling. The New Zealand Institute of



Economic Research (NZIER) found that the cost to retail sales of Class 4 gambling was estimated to be \$445 million for the 2018/19 year. Increased retail sales would generate an additional 1,127 full-time equivalent jobs for 1,724 workers worth approximately \$50 million in wages and salaries (10). This is an interesting finding given that previous cost-benefit assessments of Class 4 gambling have tended to assume that this activity creates additional employment or is neutral from an employment perspective.

DENSITY OF CLASS 4 GAMBLING VENUES

- 35. 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.
- 36. In Wairarapa, 50% of Class 4 gambling venues (as at 31 December 2023) are located in mediumhigh or very-high deprivation areas, i.e. deciles 7-10 (2).
- 37. Data published by the DIA shows that almost 61% (609 out of 1,003 as at 31 December 2023) of Class 4 gambling venues in New Zealand are located in medium-high or very-high deprivation areas (2).

Very Low	Medium Low	Medium	Medium High	Very High
Decile 1–2	Decile 3–4	Decile 5–6	Decile 7–8	Decile 9–10
68	139	187	277	332

Table 2: Class 4 gambling venues as at 31 December 2023 by deprivation score.

38. A report commissioned by the Ministry of Health notes that EGMs in the most deprived areas provide over half of the total Class 4 EGM expenditure (11).

IMPACT OF GAMBLING HARM TO VULNERABLE POPULATION GROUPS

- 39. It is unethical that the majority of Class 4 EGM expenditure is coming from our lowest income households who can least afford it.
- 40. This is particularly concerning given that this disproportionately impacts Māori who generally live in the areas where many Class 4 venues are located. We note that 13.4% of Carterton's population (12), 21.3% of Masterton's population (13), 14.2% of South Wairarapa's population (14) identified as Māori.



- 41. The 2020 Health and Lifestyles Survey estimates indicated that Māori were 3.13 times more likely to be moderate-risk or problem gamblers than non-Māori and non-Pacific peoples (15).
- 42. Research indicates that Māori 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

- 43. 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.
- 44. It follows then that stronger restrictions on the number and location of addictive products, such as EGMs, require a public health approach to the prevention and minimisation of gambling harm.
- 45. Sections 92 and 93 of the Gambling Act mandate the maximum number of pokie machines a Class 4 venue can host (18 if the venue licence was held on or before 17 October 2001, nine if the licence was granted after that date). This is the minimum regulation a TLA must implement in its Class 4 gambling policy.
- 46. 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 (16).
- 47. 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.
- 48. 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.
 - 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.

THE FUNDING SYSTEM

- 49. Following the removal of tobacco funding, EGMs were introduced with the primary purpose of funding communities.
- 50. Trusts and Societies are required to return 40% of GMP to the community by the way of grants or applied funding. This has inextricably linked gambling harm with the survival of community groups, sports and services.
- 51. However, it cannot be guaranteed that the GMP lost in Wairarapa is returned to groups in Wairarapa. For example, of the \$8.6 million lost in Wairarapa in 2022 (2), \$2.1 million was returned to organisations based in Wairarapa in 2022 (17). This is only around 24.4% of the amount lost in 2022.
- 52. Moreover, the unethical nature of the funding model cannot be ignored. The *Gambling Harm Reduction Needs Assessment* (2018), prepared for the Ministry of Health, raises fundamental questions about the parity of this funding system (18).
- 53. Further research commissioned by the DIA revealed that there is a very strong redistributive effect from more deprived communities to less deprived communities when examining the origin of GMP and the destination of Class 4 grants (19).
- 54. Overall, less deprived communities (decile 1-5) provided 26% of the GMP but receive 88% of the grants. Conversely, more deprived communities (decile 6-10) provide 74% of the GMP but receive only 12% of the grants (19).



Figure 2: The origin of GMP and the destination of Class 4 grants by socio-economic decile (BERL, 2020)

PRIORITISING THE PREVENTION OF HARM

- 55. While a sinking lid is at present the best public health approach available to TLAs to prevent and minimise gambling harm in their communities, we contend that such a policy does not go far enough or work fast enough to do this.
- 56. Several councils have already expressed their frustration at the limited opportunities available to them in their attempts to reduce the harm from Class 4 gambling in their communities.
- 57. We continue to encourage Council to advocate to central government for the following:
 - a. Adoption of a more sustainable, ethical, and transparent community funding system.
 - b. More powers for councils to remove EGMs from their communities.
 - c. The urgent removal of Class 4 EGMs from high deprivation areas 7-10 in New Zealand.

CONCLUSION

- 58. The Gambling Act 2003 was enacted to provide a public health approach to the regulation of gambling and to reduce gambling harm.
- 59. A sinking lid with no relocation or venue merger provisions is the best public health approach available to councils who wish to prevent and minimise gambling harm in their communities.
- 60. PGF appreciates the opportunity to make a written submission on Wairarapa's Class 4 Gambling and Standalone TAB Venues Policy.



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The Gaming Machine Association of New Zealand's Submission on Wairarapa Councils' 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 the Wairarapa Councils with pertinent information regarding gaming machine gambling to help council to make a balanced, evidence-based decision.

Summary

- 2. The Association asks that:
 - The relocation provision be retained, but clarified to confirm that the proposed location cannot be in a highly deprived area outside a town centre (option 3).
 - The sinking lid be replaced with caps at current numbers (Masterton: 4 venues and 64 gaming machines, Carterton: 2 venues and 27 gaming machines, and South Wairarapa: 4 venues and 51 gaming machines) (option 3).

The Wairarapa Gaming Landscape – No Need for a More Restrictive Policy

- 3. Since the policy was last adopted, gaming machine numbers have reduced, gaming spend has not grown as fast as in neighbouring districts, and problem gambling presentation rates have reduced. There has been no new evidence or new concern over the last three years that would justify a major policy change. In fact, the key indicators as set out in the social impact assessment, support a lessening of restrictions. The social impact assessment confirms:
 - A reduction in problem gambling help seeking in the Wairarapa region; a 62% reduction since 2017 (pages 2 and 27).
 - Gaming machine venue numbers have reduced in all districts: Masterton only has 4 venues (a 20% reduction since 2015), Carterton only has 2 venues (a 50% reduction since 2015), and South Wairarapa only has 4 venues (a 33% reduction since 2015) (pages 24-25).
 - All three districts are experiencing population growth, further reducing the number of local machines per head of population (page 17).
 - The gaming machine profit per person in the Wairarapa region is less than the national average (page 25).
 - The gaming machine profit per person in the Wairarapa region is less than Upper Hutt, Lower Hutt, and Palmerston North (page 28).

• Compared to its neighbouring local authority areas, the Wairarapa region as a whole, and each of its districts, has experienced lower levels of growth in gaming machine profits over time (page 28).

Retaining the Existing Relocation Provision

- 4. The current relocation provision was adopted after a full public consultation process. The relocation provision is entirely reasonable.
- 5. The current relocation provision has extensive safeguards:
 - Relocation is not permitted where the Council reasonably believes that the character of the district, or part of the district, will be adversely affected by the relocation: clause 6.4(a).
 - Relocation is not permitted where the Council reasonably believes there is likely to be an adverse effect on any kindergarten, early childhood centre, school, place of worship, or other community facility.
 - All relocation applications are publicly notified and subject to a public hearing, including the receipt of submissions by interested members of the public: clauses 9.2 and 9.3.
 - All relocation applications are required to include a social impact statement: clause 9.2.
 - A relocation application can only be made if, due to <u>extraordinary circumstances</u>, the venue can no longer operate at the existing site.
- 6. The proposed additional safeguard that the new location cannot be in a highly deprived area outside of the town centre is sensible, and the only additional amendment required.
- 7. If a venue wishes to move to the CBD or to a location that has a lower deprivation rating, the policy should permit Council to consider this and assess the application on its merits. There is no good policy reason for restricting this option.
- 8. A relocation policy also has other benefits.
- 9. A relocation policy 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.
- 10. 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

- 11. A venue is sometimes required to relocate to adjacent premises due to its fixed lease coming to an end or public works acquisition. When it is clear that the same business exists but has simply relocated a short distance, it is fair and reasonable for the policy to permit the venue to continue its current gaming machine operation.
- 12. 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 relocation prevents landlords demanding unreasonable rentals as it gives the venue operator the ability to relocate to an alternative venue.
- 13. Enabling relocation permits venues to re-establish after a natural disaster or fire. This is fair and reasonable for the venue owners, and protects against a sudden loss of community funding following a natural disaster.
- 14. Enabling relocation enables venues to move out of earthquake-prone buildings. This is a health and safety issue.
- 15. Enabling relocation allows venues to move away from large premises, with large car parking areas, where such land may be better used for affordable high-density housing.
- 16. Previously, venues were able to relocate a short distance without needing to obtain Council consent under what was known as the Waikiwi Tavern precedent. This option was removed by the High Court on 19 February 2024: *Feed Families Not Pokies Aotearoa Inc v Secretary for Internal Affairs* [2024] NZHC 217 [19 February 2024]. The only way now for a venue to relocate, no matter how minor the distance, is to obtain a relocation consent under Council's gambling venue policy. It is therefore more important than ever that Councils cater for venue relocations in their gambling venue policies.

Gaming Machine Funding

- 17. 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.
- 18. In 2022, approximately \$328m of grant funding was approved across 22,053 grants to



9,783 different organisations.¹ In addition, over \$50m was applied by various RSAs and Workingmen's Clubs to support their own activities. Of the grants distributed in 2022, 51% were sports-related. The second most popular category was community (20%). This funding is crucial.



- 19. The local benefit from the gaming machine funding includes the following:
 - External grants made to local community groups;
 - External grants made to national and regional organisations that provide services and support locally; and
 - Gaming profits used by local club venues to fund the upkeep of their clubrooms and to provide sporting and recreational facilities to their members.

External Grants

- 20. The amount of grants made to Wairarapa-based organisations is posted on the granted.govt.nz website.
- 21. In 2022, grants totalling **\$1,889,613.00** were made to the Masterton District:



Amount Granted by Organisation



22. In 2022, grants totalling **\$125,548.00** were made to the South Wairarapa District:

Amount Granted by Organisation



23. In 2022, grants totalling **\$78,559.00** were made to the Carterton District:

Amount Granted by Organisation



Grants to National and Regional Organisations

24. Approximately 6% of all grants are made to national and regional organisations. For example, if St John sought funding for a new ambulance for the Masterton station, the funding application would be made by the Auckland-based head office, and the funding allocated to Auckland, despite the grant having a direct benefit to Wairarapa region.

Club Authorised Purpose Payments

- 25. Two of the 10 venues that operate gaming in the Wairarapa region are clubs:
 - Wairarapa Services & Citizens Club 10 gaming machines.
 - South Wairarapa Working Men's Club 13 gaming machines.

- 26. The gaming machine proceeds are used by these clubs to benefit the very members who play the machines. All the profits remain within the local economy. Clubs are required to publish their accounts on the Incorporated Societies website or the Friendly Societies website. The accounts set out the gross gaming revenue, the gaming profits, and how the profits are allocated.
- 27. By way of example, in the year ended 30 June 2023, the Wairarapa Services & Citizens Club made a profit of \$71,552.00 from its gaming machines.

Gambling is an Enjoyable Activity

28. Gambling is a popular form of entertainment that most New Zealanders participate in. The 2020 Te Hiringa Hauora Health and Lifestyles Survey² found that 69.3% of adult New Zealanders had participated in some form of gambling in the previous 12 months (estimated to be 2,837,000 New Zealanders aged 16 and over).



29. The majority of people who gamble do so because they find it an enjoyable activity. This was observed by Suits (1979, p. 155)³, who stated:

Gambling is a recreational activity or a kind of participation sport from which the principal satisfaction derives from the activity itself and from the ebb and flow of wins and losses rather than from ultimate outcome - the net amount won or lost. For most gamblers, the purpose of gambling is not to get rich, but to "have fun," to experience "excitement," or to have "something to look forward to," and they

- ² https://kupe.healthpromotion.govt.nz/#!/gambling/gambling-participation
- 3 Suits, D. (1979). The Elasticity of Demand for Gambling. The Quarterly Journal of Economics, 93(1), 155–162. https://doi.org/10.2307/1882605

view payment for this recreation in the same light as others look on outlays for theatre tickets, vacation trips, or a night on the town.

30. Gambling for the non-addicted gambler may also be an avenue for socialising, stress relief and a way of having fun. Contrary to how it may appear from a non-gambler's perspective, gamblers do not necessarily anticipate they will make money from gambling. Parke (2015)⁴ stated:

Players mostly realise that they are paying for a leisure experience. They are not expecting to be paid, except for a small minority, who are going to earn an income as a professional gambler.

Positive Wellbeing Impact from Gambling in New Zealand

31. The 2021 TDB Advisory report, Gambling in New Zealand: A National Wellbeing Analysis⁵, found that gambling in New Zealand had a net positive wellbeing benefit totalling around \$1.74b to \$2.16b per annum.



Revenue Breakdown

32. The return to players on a non-casino gaming machine is required to be set between 78% and 92%, with most being set at 91.5%. On average, for every \$1.00 gambled, 91.5 cents are returned to the player in winnings. The money retained is typically allocated as follows:

5 https://www.gamblinglaw.co.nz/download/Gambling_in_New_Zealand.pdf

⁴ Parke, J. (2015). Gambling, leisure and pleasure: Exploring psychosocial need satisfaction in gambling. Presentation at the KPMG eGaming summit. https://assets.kpmg/content/dam/kpmg/pdf/2016/07/im-esummit-report-2015.pdf.

Typical Distribution of Gaming Machine Profits

	GST Inclusive	GST Exclusive
Government Duty	20%	23%
GST	13.04%	0
Problem Gambling Levy	1.08%	1.23%
DIA Costs	2.9%	3.33%
Gaming Machine Depreciation	6.95%	8%
Repairs & Maintenance	2.84%	3.27%
Venue Costs	13.9%	16%
Society Costs	1.74%	2%
Donations	37.53%	43.16%

Gaming Machines – Key Facts

- 33. Gaming machines have been present in New Zealand communities since the early 1980s. Initially the machines were operated without a gaming licence. The first gaming licence was issued to Pub Charity on 25 March 1988, almost 36 years ago.
- 34. Gaming machine numbers are in natural decline. In 2003, New Zealand had 25,221 gaming machines. In September 2023, New Zealand had 14,284 gaming machines.
- 35. The proceeds from non-casino gaming machines increased 3.1% from \$895 million in 2018 to \$924 million in 2019. However, after adjusting for both inflation and changes in the adult population, expenditure on non-casino gaming machines is declining (\$242 per person in both 2015/16 and 2016/17 years to \$238 in the 2017/18 year). This coincides with declining numbers of venues and machines.
- 36. New Zealand has a very low problem gambling rate by international standards. The New Zealand National Gambling Study: Wave 4 (2015)⁶ found the problem gambling rate was 0.2% of people aged 18 years and over (approximately 8,000 people nationally). The problem gambling rate is for all forms of gambling, not just gaming machine gambling.
- 37. All gaming machine societies contribute to a problem gambling fund. This fund provides over \$25 million per annum to the Ministry of Health to support and treat gambling addiction and to increase public awareness. The funding is ring-fenced and not able to be redirected to other health areas.
- 38. An excellent, well-funded problem gambling treatment service exists. The problem gambling helpline is available 24 hours a day, 365 days per year. Free, confidential help is available in 40 different languages. Free face-to-face counselling is also available and specialist counselling is available for Māori, Pasifika and Asian clients. An anonymous, free text service (8006) is available. Support via email is also available (help@pgfnz.org.nz).
Existing Gaming Machine Safeguards

- 39. Retaining the sinking lid is not necessary given the significant measures that are already in place to minimise the harm from gaming machines.
- 40. **Gamblers are now only permitted to make one cash withdrawal per day.** If a second cash withdrawal is made, the venue staff are required to talk to the player about their gambling and complete a two-page report about the person's gambling. That report must then be reviewed by the venue manager within seven days.
- 41. ATMs are excluded from all gaming rooms. ATMs at gaming venues must be in direct line of sight from the main bar area or main customer service area.
- 42. Gaming machines cannot be visible from outside the venue.
- 43. Venue staff are required to undertake three formal sweeps of the gaming room per hour and keep a detailed record of each sweep.
- 44. Limits exist on the type of venues that can host gaming machines. The primary activity of all gaming venues must be focused on persons over 18 years of age. For example, it is prohibited to have gaming machines in venues such as sports stadiums, internet cafes, and cinemas.
- 45. There is a statutory age limit that prohibits persons under 18 years of age playing a gaming machine.
- 46. There are very restrictive 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.
- 47. All gaming machines in New Zealand 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.
- 48. Gaming machines in New Zealand do not accept banknotes above \$20.00 in denomination.
- 49. All gaming venues have a harm minimisation policy.
- 50. All gaming venues have pamphlets that provide information about the characteristics of problem gambling and how to seek advice for problem gambling.
- 51. All gaming venues have signage that encourages players to gamble only at levels they can afford. The signage also details how to seek assistance for problem gambling.
- 52. All gaming venue staff are required to have undertaken comprehensive problem gambling awareness and intervention training.

- 53. Any person who advises that they have a problem with their gambling is required to be excluded from the venue.
- 54. It is not permissible for a player to play two gaming machines at once.
- 55. All gaming machines have a clock on the main screen. All gaming machines display the odds of winning.
- 56. The design of a gaming machine is highly regulated and controlled. For example, a gaming machine is not permitted to generate a result that indicates a near win (for example, if five symbols are required for a win, the machine is not permitted to intentionally generate four symbols in a row).
- 57. It is not permissible to use the word "jackpot" or any similar word in advertising that is visible from outside a venue.

A Cap at Current Numbers is Reasonable

- 58. A cap at current numbers is reasonable, given the current environment of high regulation and naturally reducing machine numbers.
- 59. Gaming machine venue numbers have already declined considerably.
- 60. There is no direct correlation between gaming machine numbers and problem gambling rates. Over the last ten years, the problem gambling rate has remained the same, despite gaming machine numbers declining rapidly (4,618 gaming machines have been removed from the market).
- 61. The 2012 National Gambling Survey⁷ concluded that the prevalence of problematic gambling reduced significantly during the 1990s and has since stayed about the same. The report stated on pages 17 and 18:

Problem gambling and related harms probably reduced significantly during the 1990s but have since remained at about the same level despite reductions in noncasino EGM numbers and the expansion of regulatory, public health and treatment measures. Given that gambling availability expanded markedly since 1987 and official expenditure continued to increase until 2004, these findings are consistent with the adaptation hypothesis. This hypothesis proposes that while gambling problems increase when high risk forms of gambling are first introduced and made widely available, over time individual and environmental adaptations occur that lead to problem reduction. 62. The New Zealand National Gambling Study: Wave 3 (2014)⁸ noted that the problem gambling rate had remained the same over the last 10-15 years despite gaming machine numbers decreasing. The report stated on page 19:

In contrast to the 1990s, there is no evidence that problem gambling prevalence decreased with decreasing participation rates during the 2000s. When methodological differences between studies are taken into account, it appears that problem gambling prevalence has remained much the same during the past 10 to 15 years.

...gambling participation has decreased substantially in New Zealand during the past 20 years, and problem gambling and related harm has probably plateaued...

63. Professor Max Abbott is New Zealand's leading expert on problem gambling. In 2006, Professor Abbott published a paper titled *Do EGMs and Problem Gambling Go Together Like a Horse and Carriage?* The paper noted that gaming machine reductions and the introduction of caps generally appear to have little impact on problem gambling rates. Professor Abbott noted:

EGM reductions and the introduction of caps generally appear to have little impact (page 1).

Over time, years rather than decades, adaptation ('host' immunity and protective environmental changes) typically occurs and problem levels reduce, even in the face of increasing exposure (page 6).

Contrary to expectation, as indicated previously, although EGM numbers and expenditure increased substantially in New Zealand from 1991 to 1999, the percentage of adults who gambled weekly dropped from 48% to 40%. This is of particular interest because it suggests that greater availability and expenditure do not necessarily increase high-risk exposure (page 14).

64. Retaining the sinking lid is unlikely to reduce problem gambling, but will, over time, reduce the amount of funding available to community groups based in the Wairarapa region. Reducing gaming machine venues reduces casual and recreational play, and therefore reduces machine turnover and the amount of money generated for grant distribution. However, problem gamblers are people who are addicted to gambling. If a new bar is established and the policy prevents that bar from hosting gaming machines, a person who is addicted to gambling will simply travel the short distance to the next bar that has gaming machines, or worse, may move to another form of gambling such as offshore-based internet and mobile phone gambling.

Unintended Consequences – Increase in Internet and Mobile Phone Gambling

- 65. Any reduction in the local gaming machine offering may have unintended consequences, as this may simply lead to a migration of the gambling spend to offshore internet- and mobile-based offerings. While it is illegal to advertise overseas gambling in New Zealand, it is not illegal to participate in gambling on an overseas-based website or mobile phone application.
- ⁸ https://www.health.govt.nz/publication/new-zealand-national-gambling-study-wave-3-2014



- 66. It now takes only a simple search and a few minutes to download to your computer, tablet, or mobile phone any type of casino game you desire, including an exact replica of the gaming machine programs currently available in New Zealand venues.
- 67. There is no question that New Zealanders love gambling online.
- 68. The 2020 Health and Lifestyle Survey found that 1 in 4 New Zealand adults participated in some form of online gambling, with 19% participating almost every week.⁹

In the last 12 months,



- 69. TAB New Zealand's online channels make up over 80% of its betting turnover.
- 70. SkyCity has a very popular offshore-based online casino with a large selection of gaming machine games.

⁹ https://www.hpa.org.nz/sites/default/files/2020%20Health%20and%20Lifestyles%20Survey%20Top%20line%20report.pdf



- 71. TAB New Zealand estimates that the total online spend with offshore gambling websites by New Zealanders for the 12 months to August 2020 was \$570-\$580m.
- 72. In March 2022, Kiwibank advised¹⁰ that its customers were spending around \$30 million every month playing on online gambling sites. Kiwibank is only one bank; one of the smaller banks.
- 73. The migration from physical Lotto stores and SkyCity was apparent during the Covid-19 lockdowns. When the physical venues were closed, the number of online registered players, and the amount of online revenue, skyrocketed.

NZ Lotteries Commission 'MyLotto'						
	FY20	FY19	FY18			
Registered Players	1,230,000	845,000	746,000			
Increase on previous Year	45.6%	13.3%	17.1%			
MyLotto Sales	\$430.6m	\$227.6m	\$201.1m			
Increase on previous Year	89.2%	13.2%	25.8%			
% of Total Lotto Sales	31%	19%	16%			

(Information sourced from annual reports)

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https://www.newshub.co.nz/home/new-zealand/2022/03/kiwibank-customers-spending-30m-every-month-playing-on-onlinegambling-sites.html

Sky City Casino NZ Online Casino						
KPIs	FY21	FY20	Movement			
Customer Registrations	48,958	25,661	90.8%			
First Time Depositors (new actives)	28,114	15,855	77.3%			
Deposit Conversion	57%	62%	n/a			
Total Bets	\$792.5m	\$253.5m	212.5%			
Gaming Revenue	\$27.9m	\$10.2m	173.5%			
Operating Costs & Taxes	\$14.8m	\$5.6m	n/a			
Profit	\$13.1m	\$4.5m	190.6%			

(Information sourced from annual reports)

- 74. Offshore-based online gambling poses considerable risks because it:
 - Is highly accessible, being available 24 hours a day from the comfort and 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 the medium;
 - Provides no guaranteed return to players;
 - Is more easily abused by minors;
 - Has reduced protections to prevent fraud, money laundering or unfair gambling practices; and
 - Is unregulated, so on-line gamblers are often 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 also open an account and deposit funds.
- 75. 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.

Council Conflicts of Interest

76. It is important that the committee of councillors that determines the gambling venue policy reflects the full views of the community. It has, however, become common for councillors who are involved in community and sporting groups to withdraw from the

gambling venue policy deliberation as they consider the receipt of funding by a group that they are associated with constitutes a conflict. It has also been common for councillors with very strong, pre-determined anti-gambling views to refuse to withdraw from the policy deliberation, despite their strongly held views.

- 77. The Association has sought independent legal advice (copy attached) from Brookfields Lawyers regarding gambling venue policy conflicts. In summary, the key advice is:
 - Being a member of a club or organisation that receives funding from a gaming grant will not usually give rise to conflict of interest when it comes to deciding or discussing Council's gambling venue policy, unless that member holds a paid role (e.g., a coach who is paid for that service); and
 - Where an elected member, outside of a debate on the issue, has expressed a view on the gambling venue policy that suggests that they do not and cannot have an open mind on the matter, this could give rise to a conflict of interest on the grounds of predetermination.

Oral Hearing

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

23 February 2024

Jarrod True Counsel Gaming Machine Association of New Zealand



VAVIGATING YOUR SUCCESS

15 March 2021

By Email: chair@gmanz.nz

Gaming Machine Association of New Zealand c/o Peter Dengate-Thrush Independent Chair

ATTENTION: Peter-Dengate Thrush

GAMBLING VENUE POLICY - CONFLICT OF INTEREST

We refer to your email instructions of 26 February 2021, seeking our advice regarding councillor conflicts of interest with respect to decision-making on Council's gambling venue policy.

YOUR QUESTIONS

- 1. You have asked us to advise whether:
 - Membership of a club or organisation that receives gaming machine grant funding would constitute a conflict of interest that would require the councillor to withdraw from decision-making or discussion regarding a proposed gambling venue policy; and
 - b. If Council has itself received gambling grant funding, does this impact on its ability to decide on a gambling venue policy, such that the decision should be made by an independent commissioner?

EXECUTIVE SUMMARY

- 1. In summary:
 - a. If an elected member has a financial interest in a club or organisation that may be impacted by the gambling venue policy, the member must not participate in any discussion or decision-making on the policy. It would be rare for a financial interest to arise in this context, but examples may be where the elected member is in a paid role at a club or organisation, and the role is funded from a gaming grant. A more remote interest may arise where the quantum of membership fees paid to a club or organisation may be impacted by a gaming grant. In those circumstances,

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it may be prudent to seek a decision from the Auditor-General as to whether the potential interest is deemed too remote to influence decision-making.

- b. Being a member of a club or organisation that receives funding from a gaming grant will not usually give rise to a conflict of interest when it comes to deciding or discussing Council's gambling venue policy, unless that member holds a paid role (e.g. a coach who is paid for that service).
- c. Being a member or a club or organisation that operates a gaming licence will give rise to a conflict of interest, particularly where the elected member serves in an executive role at the club or organisation.
- d. Where an elected member, outside of a debate on the issue, had expressed a view on the gambling venue policy that suggests that they do not and cannot have an open mind on the matter, this could give rise to a conflict of interest on the grounds of predetermination.
- 2. The fact that Council may have previously been the recipient of gaming grant money would not create a conflict of interest when deciding its gambling venue policy. Such democratic decision-making is fundamental to its role and is distinguishable from regulatory or quasi-judicial decision-making where appointment of an independent commissioner may be appropriate to avoid any appearance of bias. The decision-making processes in the Local Government Act 2002 (LGA) already impose important requirements to ensure that such decision-making involves consideration of broader community views and not just the interests of Council as an organisation. It would therefore be unnecessary and inappropriate to appoint an independent commissioner because Council initiatives may have previously benefited from gaming grants.

ANALYSIS

3. Under section 101 of the Gambling Act 2003 (GA), territorial authorities must, using the special consultative procedure in section 83 of the LGA, adopt a policy that specifies whether class 4 venues may be established in the district, and if so, where they may be located (the policy). The policy may also specify any restrictions on the maximum number of gaming machines that may be operated at a class 4 venue and may include a relocation policy.

Does membership of an organisation or club create a conflict of interest for participation in discussion or decision-making on gambling venue policies?

- 4. It is not uncommon for councillors to be members of organisations and clubs, some of which may receive grant funding from gaming machines. This raises the question of whether membership of such a club or organisation would constitute a conflict of interest that would prevent the councillor from participating in discussion or decision-making regarding the policy.
- 5. Broadly speaking, a conflict of interest occurs when an elected member is affected by some other interest that he or she has in their private life. There are different types of conflict of interest:

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- a. Financial conflicts of interest where the member (or their spouse or partner) has a direct or indirect financial interest in a particular decision, they cannot discuss or vote on the matter.¹
- b. Non-financial conflicts of interest.

Financial conflicts of interest

- 6. The applicable legislation is the Local Authorities (Members' Interests) Act 1968 (LAMIA). While the LAMIA does not define what a financial interest is, section 6(2) outlines a number of examples where a member will be deemed to have a financial interest:
 - The member, or his or her spouse, owns 10% or more of the issued capital of an incorporated company or any company controlling that company, that has a pecuniary interest (direct or indirect) in a matter before the local authority or committee; or
 - The member, or his or her spouse, is a member of the company and either of them is the managing director or the general manager of the company; or
 - The member, or his or her spouse, is a member of a company controlling the company having a pecuniary interest in the matter before the local authority or committee, and either the member, or his or her spouse, is the managing director or the general manager; or
 - The member, or his or her spouse, is the managing director or general manager of the company, and either of them is a member of a company controlling that company.
- 7 Other than these examples, the LAMIA does not define what a "financial interest" is. However, the Auditor-General has described a "financial interest" as "a reasonable expectation of financial loss or gain from the particular decision".²
- 8. It is unlikely that membership alone of a community organisation that receives gaming grant funding would give rise to a financial interest. This is because such organisations and clubs are usually run on a not-for-profit basis. One example where a financial interest could potentially arise would be if the member were in a paid position at the club or organisation, and the funding for that position comes from gaming grants. Another example may be where there is a prospect that membership fees or subscriptions to a club could be affected by the amount of gaming grant funding. However, given that gambling venue policies are relatively high-level in nature and do not directly address matters such as the licensing of particular venues (which involve a separate decision-

² Controller and Auditor-General, Local Authorities (Members' Interests) Act 1968: A Guide for members of local authorities on managing financial conflicts of interest, June 2020, at 4.15, referring to the definition of a financial interest in Downward v Babington [1975] VR 872.

¹ Section 6(1) of the Local Authorities (Members' Interests) Act 1968.

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LAWYERS

making process, often by Council officers acting under delegated authority), or allocation of gaming grants (which are decided by the organisations that operate gaming licences subject to statutory requirements), any such potential impact is likely to be too speculative or remote to constitute a financial interest in the decision-making on a gambling venue policy.

9. Notwithstanding this view, where an elected member may receive a financial benefit of the kind described above from a club or organisation receiving gaming grant funding, they may as a matter of prudence wish to first obtain an exemption from the Auditor-General under section 6(3)(f) of the LAMIA (on the grounds that the financial interest is too remote or insignificant to be regarded as likely to influence him or her in voting or taking part in the discussion of the policy) before participating in discussion or decision-making on the policy. It is a relatively simple process to apply for such an exemption.

Non-financial conflicts of interest

10. A non-financial conflict of interest is any situation where a member is not affected financially by a decision but is affected in some other way that may constitute bias or the appearance of bias. Non-financial conflicts of interest are relevant to the avoidance of bias in decision-making. As opposed to financial interests, which can create personal liability for an elected member, bias is a matter of Council's accountability to the public. The avoidance of bias is part of the administrative law principles of natural justice, which require the Council to act fairly in reaching its decisions. The fairness principle has been described in these terms.³

In exercising that discretion, as in exercising any other administrative function, they [members] owe a constitutional duty to perform it fairly and honestly ... What is a fair procedure to be adopted at a particular enquiry will depend upon the nature of its subject matter.

11. The test for whether an interest may give rise to an apparent bias has been stated by the Court of Appeal as being where circumstances.⁴

...might lead a fair-minded lay observer to reasonably apprehend that the judge might not bring an impartial mind to the resolution of the instant case.

- 12. Unlike a financial conflict of interest, a potential non-financial conflict does not automatically exclude a member from participating in a decision. It will depend on how serious the conflict is. The Auditor-General has suggested a number of factors that may be relevant to an assessment of whether a potential conflict is serious enough to exclude a member from participation in decision-making. They include:⁵
 - The type or size of the person's other interest;
 - The nature or significance of the particular decision or activity being carried out by the public organisation;
 - The extent to which the person's other interest could specifically affect, or be affected by, the public organisation's decision or activity; and

³ Bushell v Secretary of State for the Environment [1981] AC 75, 95.

⁴ Muir v Commissioner of Inland Revenue [2007] 3 NZLR 495.

⁵ Controller and Auditor-General, Managing conflicts of interest: A guide for the public sector, June 2020, at 4.31.

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LAWYERS

- The nature or extent of the person's current or intended involvement in the public organisation's decision or activity.
- 13. In our view, in the context of decision-making on a gambling venue policy, the mere fact that an elected member is also a lay member of an organisation or club that receives gaming grant funding is unlikely to give rise to a conflict of interest. This is because of the level of remoteness from any possible benefit or loss associated with the decisionmaking. In most cases, the contents of a gambling venue policy will not directly impact on funding that has or may be received by a club or organisation from gaming machine grants. The purpose of the policy is to specify whether class 4 venues may be established. and if so their location. It can also specify restrictions on the number of gaming machines that may operate at a class 4 venue. Such matters do not necessarily impact directly on whether a club or organisation may receive gaming grant funding, and if so, the amount of any such grant. Funding decisions are made by the organisations who operate the gaming machines, not the Council. The fact that a member, by virtue of membership of a club or organisation that has received gaming grants, has knowledge or experience of the beneficial impacts that gaming grants can have on the community does not give rise to a conflict of interest. To the contrary, it may contribute to a fair and balanced consideration of the issues arising when making decisions on a gambling venue policy. This would be consistent with the purpose of the of the GA, which is inter alia to ensure that money from gambling benefits the community and to facilitate community involvement in decisions about the provision of gambling.6
- 14. It is important to distinguish between membership of a <u>club or organisation that receives gaming grants</u>, and membership of a <u>club or organisation that holds a gaming licence</u>. In our view, while the former would not give rise to a conflict of interest in decision-making on a gambling venue policy, there is a much greater likelihood that the latter could give rise to a conflict of interest. This is particularly the case if the elected member holds an executive role in the club or organisation that operates a gaming licence. This is because, while a gambling venue policy does not specify whether or not a particular club or organisation is able to obtain a gaming licence *per se*, the policy may affect the eligibility of a club or organisation to hold a licence. As such, participation in the discussion or decision-making by a member of any such club or organisation could create an appearance of bias and therefore a conflict of interest.
- 15. Elected members should also always be mindful of avoiding predetermination, i.e., approaching decision-making with a closed mind. Elected members are entitled (and expected) to bring their previous knowledge and experiences to decision-making, but to approach any decision with an open mind. This means that elected members should be cautious about being vocal, other than in the course of Council debates, about particular views in a manner that may suggest that they do not and cannot have an open mind on a particular matter. This is because a conflict of interest may arise as a result of possible predetermination (i.e. actual or perceived bias).
- 16. In summary:

⁶ Section 3 of the GA.

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LAWYERS

- a. If an elected member has a financial interest in a club or organisation that may be impacted by the gambling venue policy, the member must not participate in any discussion or decision-making on the policy. It would be rare for a financial interest to arise in this context, but examples may be where the elected member is in a paid role at a club or organisation, and the role is funded from a gaming grant. A more remote interest may arise where the quantum of fees paid to a club or organisation may be impacted by a gaming grant. In those circumstances, it may be prudent to seek a decision from the Auditor-General as to whether the potential interest is deemed to remote to influence decision-making.
- b. Being a member of a club or organisation that receives funding from a gaming grant will not usually give rise to a conflict of interest when it comes to deciding or discussing Council's gaming venue policy.
- c. Being a member or a club or organisation that operates a gaming licence will give rise to a conflict of interest, particularly where the elected member serves in an executive role at the club or organisation.
- d. Where an elected member, outside of a debate on the issue, has expressed a view on the gambling venue policy that suggests that they do not and cannot have an open mind on the matter, this could give rise to a conflict of interest on the grounds of predetermination.

Would Council be conflicted in deciding a gambling venue policy because it has previously received gaming grants?

- 17. Council initiatives will frequently fall within the second category of the definition of an "authorised purpose" for which gaming proceeds may be used, as set out in section 4 of the GA i.e., "a non-commercial purpose that is beneficial to the whole or a section of the community". Notwithstanding the eligibility for Council initiatives to receive gaming grants, Parliament conferred territorial authorities with the responsibility of formulating a gaming venue policy for their districts. We do not consider that any conflict of interest would arise in relation to decision-making on a gambling venue policy because the Council may have previously been awarded gaming grants. This is because:
 - a. While individual elected members are subject to the LAMIA which prevents them from participating in decision-making where they have a financial interest, Council as an entity is not subject to the LAMIA.
 - b. Caselaw recognises the inevitability of a degree of conflict within councils when exercising certain statutory functions. It is established, for example, that a council may object to its own district plan, prosecute itself, and apply to itself for a resource consent.
 - c. The standard of impartiality for a Council is that it must approach its duty of inquiring into submissions with an open mind.⁷ Given the requirement to undertake a special consultative process and the diverse views of individual members, it is unlikely that the fact that certain projects

⁷ Lower Hutt City Council v Bank [1974] 1 NZLR 545 at 550.

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undertaken by Council have benefited from gaming grants would unduly influence Council decision-making on its gambling venue policy. For the same reasons outlined above in relation to individual members, the connection between gaming grant money and decision-making on gambling venues is too remote to constitute a conflict of interest. In any event, compliance with the statutory rules in the LGA regarding decisionmaking by local authorities⁸ and the general principles relating to local authorities⁹ are intended to ensure that Council decision-making is open, transparent, and has regard to the diversity of community interests, notwithstanding the many facets and activities undertaken by Council.

18. We note that Council is not undertaking a quasi-judicial role when formulating a gambling venue policy. There is greater need to avoid the appearance of bias when it comes to regulatory or quasi-judicial decision making (such as considering a resource consent application). In those circumstances, where there is an apparent conflict in Council's interests, it is common for Council to delegate its decision-making to an independent commissioner. To that end, the Resource Management Act 1991 (RMA) specifically allows for the appointment of independent commissioners to decide consent applications. However, while Council may delegate its decision-making on a gambling venue policy to a particular committee or sub-committee of Council, it would be unnecessary (and in our view, inappropriate) to delegate such decision-making to an independent commissioner.

Yours faithfully BROOKFIELDS

Linda O'Reilly Partner

Direct dial: +64 9 979 2167 email: oreilly@brookfields.co.nz

8 Section 76 of the LGA.

9 Section 14 of the LGA.



R.C. (Bob) Francis CNZM.Q.S.O. M.B.E. J.P.

Wairarapa Class 4 Gambling and Standalone TAB Venues Policy.

Please find attached my submission which is a speech I delivered at the National Licensing Trust Conference in Masterton last year.

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I question limiting any increase in machines and limiting movement of existing machines.

I wish to be heard in support of my submission.

Bob Francis 13th March 2024



O TAIPITOPITO YOUR DETAILS

Privacy Statement

All submissions will be made available to the public via the three Wairarapa District Councils websites. Your name, organisation (if applicable) and feedback will be included in public documents. All other personal details will remain private. If you have extenuating circumstances, please contact us prior to the submission closure date to request that your name be withheld.

The Privacy Act 2020 applies when we collect personal details. Any details that are collected will only be used for the purposes stated. You have the right to access and correct any personal information we hold.

Further information is available by searching Masterton District Council Submission Policy on the MDC website: www.mstn.govt.nz.

Robert Charles Franci

Your Details

Full name

Organisation (if applicable)

Postal address

Phone

Email

Hearing

A joint hearing with the Wairarapa Policy Working Group (this group includes representatives of the three Wairarapa District Councils) will be held in April 2024 for those wanting to present their views. This means that you get approximately 5-10 minutes to present your feedback to elected members in person or via MS Teams online.

Would you like to present your views at the hearing?

If yes, please make sure your contact details in the previous section were answered correctly so that we can get in touch.



Yes (via MS Teams) No

- Trust Speech.
- My brief from Karl was to talk about the significant and positive benefits from years of investment in our region by Trust House through their charitable arm., however before I do that I do wish to make some comments/observations regarding the changing environment you are operating in regarding your gaming machines and outlets especially in this digital age.
- Important to note that the present law you operate under re Gaming was effective from 2003 Gambling in Clubs, Pubs (Class 4). I phones hit the market in 2005
- Massive change with the online environment which is growing dramatically. It doesn't take long to find evidence of the trends in technology and social habits changing the way people gamble and access gambling. I ask the question is this the time to promote your physical spaces.
- The new deal regarding the TAB with British gambling giant Entain will see an extension of online option's . There is provision in the agreement of a \$5million allocation for harm minimisation. I will come back to that issue.
- Kieran McAnulty talked about the TABs uncertain future largely due to competition from offshore gambling websites and their ageing infrastructure.
- Lotteries which includes Lotto are now generating approx 50% of their business online. They have been aggressive in seeking support for geoblocking offshore gambling providers to protect their revenue, they experienced a major increase online during Covid 19. The trend is reflected in many other industries and is potentially the most long-lasting impact of Covid 19.
- Sky City have linked with a company in Malta to provide an online service limited to NZ based gamblers, presently generating about \$25million online revenue, has been a major boost to some ordinary performances.
- The conservative Government in Britain are designing new laws for a digital age in which people can lose serious amounts of money almost unhindered in formal gambling environments. How these will be enforced including facial recognition tools is unclear but will require intrusions into people's private lives. There will be major debate from those that support a free and open economy.
- The advent of the smart phone and high speed internet has disrupted the age old control that the state had over access to gambling opportunities through local and central government control and licensing regimes.
- The question I ask of you will you survive in the future recognising venues and machines continue to decline, 24,000 to 14,000 in the past 10 years plus the enormous competition I have talked about that is increasing dramatically almost daily.
- Before I provide my own answer to that question I share with you briefly my own interest in Racing/gambling and in the past a regular bet at the TAB on the horses. My father was a great racing man who spent most of his working life at Borthwicks Freezing Works at Waingawa. He shared with me the times before the TAB how they bet with illegal bookmakers some operating at the freezing works. On payday in the late 1930s and 40s they would often play Two Up behind the big freezers at lunch time. As a young guy on a Saturday I would often bike around the corner to the local bookie to deliver a small note from my Dad. Paddy O'Brien and I part owned a couple of slow racehorses a few years ago, we really enjoyed that involvement. Certainly there was no harm or negatives from that involvement.
- Paddy and I have both great memories of those times

- Personally I encourage you all to consider how you can improve the service you provide to your respective communities. Instead of adopting a defensive position about your products, these trends I have talked about are an opportunity to promote the benefits of your physical spaces. You are fulfilling an important social roll for often your older community, how can you extend that. Your ongoing support for your respective communities through the grant process is so important. Do you have the situation that the largest concentration of pokie machines is in the most deprived areas. That is not the situation here however is often raised as a negative by the anti group
- I continue to support a number of small community organisations including, Autism, Cancer Society, Wellington Free Ambulance, A homeless shelter, and others, the regular grants from Trust House are critical to the ongoing viability of those important community organisation.
- Problem Gambling NZ has one of the lowest rates of problem gambling in the world approx half of Australia. You are presently paying a problem gambling levy and provide good management at your respective sites.
- Is there an opportunity for more localised support for organisation providing support for identified problem gamblers to meet your harm minimisation responsibility. I appreciate the checks and balances you presently have in your operation plus the review announced by the Minister in March.
- I encourage you recognise the significant challenges I have talked about

HE AROTAKENGA O TE KAUPAPA HERE WHARE PETIPETI – MOMO 4: PUKA TĀPAETANGA **WAIRARAPA CLASS 4 GAMBLING AND STANDALONE TAB VENUES POLICY REVIEW: SUBMISSION FORM**

The Wairarapa District Councils (Carterton, Masterton and South Wairarapa) are reviewing their joint Wairarapa Class 4 Gambling and Standalone TAB Venues Policy. This submission form allows you to give feedback on the draft policy. The estimated time to complete this form is between 3-5 minutes. You can make a submission in a number of ways:



Complete our online submission form at: mstn.govt.nz, cdc.govt.nz, or swdc.govt.nz



Download a fillable pdf submission form from any of the above websites and email to: submissions@mstn.govt.nz



Pick up a submission form from one of our libraries or customer service centres or print out our printer-frendly form from the websites above. Post it to Masterton District Council, Freepost 112477, PO Box 444, Masterton 5840, or drop it off to one of our libraries or customer service centres.

Masterton District Council Carterton District Council South Wairarapa District Council 161 Queen Street, Masterton28 Holloway Street, Carterton19 Kitchener Street, Martinborough



Phone the Masterton team on 06 370 6300 between 9am and 4pm Monday to Friday (excluding public holidays) and tell us what you think.

Please provide your feedback by 4.30pm Friday 22 March 2024. For more information please refer to the Statement of Proposal, draft policy and supporting information available on each of the Council websites.

Consultation closes 4.30pm Friday 22 March 2024



SOUTH WAIRARAPA DISTRICT COUNCIL Kia Reretahi Tātau





Ō TAIPITOPITO **YOUR DETAILS**

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Further information is available by searching Masterton District Council Submission Policy on the MDC website: www.mstn.govt.nz.

Your Details

Full name

John Prendergast

Organisation (if applicable) Trust House Limited

Postal address		
Phone		
Email		

Hearing

A joint hearing with the Wairarapa Policy Working Group (this group includes representatives of the three Wairarapa District Councils) will be held in April 2024 for those wanting to present their views. This means that you get approximately 5-10 minutes to present your feedback to elected members in person or via MS Teams online.

Would you like to present your views at the hearing?

If yes, please make sure your contact details in the previous section were answered correctly so that we can get in touch.

✓ Yes (in person)

Yes (via MS Teams)

No

About You

These questions help us understand which parts of the community are providing feedback so we can improve our engagement approach. Your responses will not be made public with your submission. Only collated data will be reported to the three Councils.

What district do you	live in?					
Masterton	Carterton	South Wairara	ара	Other		
What is your age rang	ge?					
What is your ethnicity	y? (you may t	ick multiple boxes)			
What is your gender?	2					
Do you live with impa whaikaha/disabled?	irments/long	term health conditi	ions or,	do you identify	as tāngata	

Ō WHAKAARO YOUR THOUGHTS

Do you support our proposal to make changes so that Class 4 Gambling Venues cannot relocate in Masterton under any circumstances? (Proposal 1a)
Yes
✓ No – I support venue relocations under extraordinary circumstances in any area of Masterton (status quo)
No – I support venue relocations under extraordinary circumstances in Masterton if the proposed location is not a highly deprived area outside of the town centre
Do you support our proposal to make changes so that Class 4 Gambling Venues cannot relocate to Carterton and South Wairarapa's most deprived areas (those on the New Zealand Deprivation Index of decile 9 or 10) if the proposed location is outside of a town centre? (Proposal 1b)
✓ Yes
No – I support venue relocations under extraordinary circumstances in any area of Carterton and South Wairarapa (status quo)
No – I do no support venue relocations in Carterton and South Wairarapa under any circumstances
Do you support our proposal to make changes so that no new standalone TAB venues may be established in the Wairarapa? (Proposal 2)
Yes
No – I support new standalone TAB venues being able to establish in the Wairarapa (status quo)
Do you support our proposal to amend the policy wording to clearly state that no additional electronic gaming machines will be granted consent in any Class 4 venue, consistent with the widely understood sinking lid approach in the Wairarapa? (Proposal 3)
✓ Yes
No

Is there anything else you would like to note as part of your feedback?

We are concerned with the proposed wording of the policy as far as it relates to no relocation of venues within Masterton. We understand the intent, and have no issue about a prohibition on PERMANENT relocation, however the current wording would also prohibit the TEMPORARY relocation of machines in the event of unforeseen circumstances eg fire, flood, earthquake etc. We have faced that situation before - in a different Council area - and in that case we were permitted a temporary relocation.

By way of background, Trust House is the operating company of what was originally the Masterton Licensing Trust, established in 1947 when Masterton came out of 40 years of prohibition, to manage responsibly the sale and distribution of alcohol "in the interests of the public wellbeing". We take very seriously that responsibly of carefully managing a sensitive social product. In 1989 we added gaming to our portfolio of sensitive social products, and in 1999 social housing.

There are four class 4 gambling venues in Masterton, three of them operated by Trust House the Kuripuni Sports Bar, Jackson Street Bar, and The Farriers Bar & Eatery (54 machines in total) - and the Wairarapa Services & Citizens Club (10 machines). Masterton has just half the number of gaming machines compared to our neighbours - Masterton 1 machine per 420 people, Carterton 1 per 200 people and SWDC 1 per 230 people.

The Social Impact Assessment dated April 2023 reports that "the proportion of GMP returned to Wairarapa in the form of grants funding of 18.7% is low", however Trust House distributes at a much higher level, with ALL Net Proceeds (40%) from gaming from our Trust House machines getting granted back to the local community, amongst the highest return rates in NZ. Approximately \$2m per year is granted to the Masterton community by way of grants from Trust House's Masterton gaming venues, and conceivably approximately a third of that amount ie approximately \$650,000pa would be permanently lost to the Masterton community if any of Trust House's three venues were to suffer a fire, flood, earthquake or other similar event that forced temporary closure, with no ability under Council's proposed policy to temporarily relocate.

We support the intent of the policy, we acknowledge the sinking lid approach, and "in the interests of the public wellbeing" we are very stringent in doing everything we can to minimise harm from gambling - since 2017 there has been a 62% reduction in the number of people seeking problem gambling help in the Wairarapa region.

We respectfully ask that the proposed policy wording be amended, to read:

"Class 4 Gambling Venues cannot permanently relocate in Masterton under any circumstances. Council will consider on a case by case basis a request by an existing venue operator to temporarily relocate machines from an existing venue."

We believe this proposed change does not alter or detract from the intent of the proposed policy change, however it will provide a mechanism to enable a temporary relocation of machines while an existing site undergoes repair/remediation following an unforeseen event. Leaving the policy wording as proposed could result in a significant and permanent reduction in the amount of grant funding available to be distributed back to the local community, and a permanent reduction in the community benefits that would have accrued from that grant funding if a current venue was rendered temporarily unusable. We do not believe that is a desirable outcome, and think it unlikely that this was an outcome anticipated when the proposed policy change was drafted.



SOUTH WAIRARAPA DISTRICT COUNCIL Kia Reretahi Tätau





FOUNDATION

Submission : Wairarapa Class 4 Gambling and Standalone TAB Venues Policy Review

March 2024

1. INTRODUCTION

We are pleased to submit The Lion Foundation's (TLF) response to the Wairarapa Class 4 Gambling and standalone TAB (Board) Venues Policy review. Our submission relates to Class 4 Gambling only.

The Lion Foundation is one of New Zealand's largest gaming machine societies by venue number, machine number and money returned to the community through grants.

Formed in 1985, we have distributed over \$1 billion in grants to local, regional and national community causes since our inception.

The Lion Foundation acknowledges the thorough and comprehensive process undertaken by the Council Policy Advisors. The New Zealand community funding model is one of the most efficient in the world and we support any review that allows consideration to be given to the **total impact** that gambling has on and within our communities. In New Zealand, gaming is not operated for commercial gain, but rather for community gain.

2. ABOUT THE LION FOUNDATION (TLF)

The Lion Foundations' purpose, simply put, is to effectively and efficiently sustain community funding. Our aim is to protect and help people build better communities in a way that is safe, ethical, transparent, and consistent with the intent of the Gambling Act.

Our focus is on compliance and the reduction of gambling harm. The Lion Foundation is not here to grow or promote gambling.

We currently operate Electronic Gaming Machines (EGMs) at only one venue:

Ev's Bar 3 Belvedere Road Carterton 5713 Operating 9 EGMs (maximum

The Venue Operator and managers/staff of this venue are members of the local community and have the community's interest at the heart of the businesses.

Venue Operators receive a limited/capped payment – defined by the Gambling Act and related Regulations, more specifically the Gambling (Venue Payments) Regulations 2016¹. The venue payment is a fair and equitable payment designed to compensate the Venue Operators for the operational costs (staffing etc) incurred in operating the EGMs for the Class 4 Society

3. GAMING MACHINE FUNDING

TLF aims to return at least 90% of funds back to the community of origin (where the funds were generated), with the remaining 10% of funds being returned to organisations providing a national benefit to all New Zealanders.

All local and regional grants are considered by a Regional Grants Committee, comprised of local community members, who are extremely well placed to ensure that grant funding lands where it is most needed.

We are a broad based, inclusive funder - that is, we fund a wide range of organisations across all community groups. Our grants are committed to the following community sectors:

- Sport
- Community, Arts & Culture
- Health
- Education

Wherever possible, the members of the Regional Grants Committee endeavour to distribute funding to organisations within the district from where funds generated. A list of grants funded from proceeds generated from the venue in Carterton is attached. Included in this list is funds being applied to organisations that do not have a registered address in Carterton but benefit to the Carterton community has been indicated by the grant applicant. These include grants distributed to organisations in Masterton (nil venues) and South Wairarapa (nil venues).

Similarly, it does happen that funds generated from other TLA's often also benefits the district/s. Our Regional Grants Committee members can determine that it is appropriate to *cross* TLA boundaries.

By way of example – a recent application from Wellington Free Ambulance for a contribution towards the build of a fully equipped, permanent emergency ambulance station in Masterton (where TLF does not have any venues) was approved for the full amount requested (\$50,000). The Regional Grants Committee members approved payment from funds generated in three districts – Carterton; Palmerston North and Tararua.

As stated previously, approximately 10% of all funds generated from all venues is allocated to national organisations, which include (not an exhaustive list). Please refer to the attached list of grants "LF National".

Life Education Trust	Royal NZ Ballet	Graeme Dingle Foundation
Holocaust Centre of NZ	NZ Football	Surf Lifesaving NZ Inc
Special Olympics NZ	Netball NZ	Basketball NZ
Endometriosis N Z	Assistance Dogs NZ	Royal NZ Plunket Soc Inc
Barnardo's N Z	NZ Spinal Trust	NZ Rugby League Inc

It is important to note that TLF has stringent processes that are employed when a grant is assessed to ensure that grant funding lands where it is supposed to land. Grants can only be distributed for authorised purpose (Gambling Act) and can only be distributed upon an application being received.

TLF acknowledges that a vast majority of volunteer-based community organisations do not always have the ability to navigate the process that is involved in applying for Class 4 funding. The highly

regulated and complicated granting process is difficult enough for professional funding advisors to navigate. In an effort ensure that all community to organisations have a fair opportunity to access community funding, TLF has launched a series of educational webinars. The webinars provide valuable "how to information" and are proving to be a success. These webinars supplement the ongoing work that TLF's Grants Advisors undertake within the community.

We commenced this submission by stating that consideration needs to be given to the total impact that gambling has on and within our communities.



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.

In 2022, approximately \$328m of grant funding was approved across 22,053 grants to 9,738 different organisations². In addition, over \$50m was applied by various RSAs and Workingmen's Clubs to support their own activities. 51% of the grants distributed in 2022 were sports related. The second most popular category was community (20%).

The 2021 TDB Advisory report, Gambling in New Zealand: A National Wellbeing Analysis³, found that gambling in New Zealand had a net positive wellbeing benefit totalling \$1.74b to \$2.16b per annum. We would encourage the decision makers to avail themselves of the information contained in this report.

As part of an initiative to inform the Department of Internal Affairs of the value of Community funding in response to a Discussion Document (Reducing Pokies Harm 2022), the Gaming Machine Association of New Zealand (GMANZ) collated feedback from numerous community organisations. A very small sample of this feedback: -

² Gaming machine Gambling Statistics and Research Paper – information for territorial Authorities (updated November 2023) – Jarrod True and Martin Cheer – New Zealand Gambling Law Guide https://www.gamblinglaw.co.nz

³ https://www.gamblinglaw.co.nz/download/Gambling_in_New_Zealand.pdf

GMANZ - Please explain, in as much detail as you can, how a reduction in community grants would affect your service, group members, and the wider community.

- "A reduction in funding would see a reduction in service and experience, ultimately leading to a decrease in the number of people taking part in sport. This would be a social disaster for a country so long the envy of the world to have a declining participation in sport base that this would create."
- "The less funding we currently annually receive to pay for our leased offices, means the less we are able to deliver our mission which is to grant the one wish of all children aged 3-17 who are living with a critical illness. Funding from Class 4 community grants is critical to our ability to continue to deliver on our mission."
- "We are in a low decile community and rely heavily on grant funding to support our operations. We are an amateur multi-sports club (mainly rugby) and no, or reduced, grant funding would force our closure. This would deny hundreds of kids the opportunity to get into sport, deny them a safe haven, and be an absolute affront to the thousands of volunteers who have helped the club grow over the last 100+ years."
- "Cancer Society benefits from these grants, it helps us to cover the cost of salary and events This will have a direct effect on our services we provide to the wider community".
- "We are a voluntary lifeguard service and reduced funding would impact our ability to offer a front line rescue service. Community grants allow us to purchase equipment for training and subsidize a coach without which over 50 young people would lose out."

5. PROPOSED POLICY OPTIONS

- 5.1 <u>Proposal 4</u> We support the changes proposed that support the flow and readability of the policy.
- 5.2 <u>Proposal 3</u>- Clear and precise language is always favourable in any policy document. In this respect, we would support changes to ensure that policy wording reflects the true and unambiguous nature of a policy.

This being said however, we suggest that the Council has the opportunity to review the sinking lid approach whilst seeking to make the language of the policy clear and unambiguous. Adoption of a capped policy remains an option given the current ambiguity in language.

The Lion Foundation **does not support the sinking lid approach**. As identified in numerous reports (including the Social impact assessment report):-

• The number of gambling venues and EGMs is decreasing. This is however mostly the result of a natural decline and not the result of sinking lid policies. Gaming machine numbers are in natural decline. In 2003, New Zealand had 25,221 gaming machines. In December 2023, this number has been recorded by the Department of Internal Affairs as being 14,226.

- Gaming Machine venue numbers have also decreased in all districts: Masterton now only has 4 Venues (20% reduction if compared to 2015); Carterton has 2 venues (50% reduction if compared to 2015) and South Wairarapa has 4 (a 33% reduction since 2015)- page 24-25 of Social Impact Assessment report.
- All 3 districts have witnessed population growth page 17 of Social Impact Assessment report. Thus, the number of machine per head of population has also decreased.
- By adopting a capped policy Council maintains control over the growth of gambling as intended by the Gambling Act.
- By adopting a capped policy existing levels of funding can be maintained. With increasing expenditure, the levels of funding will increase proportionally.
- There is no evidence that a reduction in venues or machines results in a reduction in problem gambling⁴.
- There is a very well-funded problem gambling services exists which is available 24 hours per day, 365 days per year.
- The Gambling Harm Needs Assessment 2021⁵ (commissioned by the Ministry of Health) has identified that:
 - The prevalence of harmful gambling remains relatively unchanged (page 7). The most recent gambling participation and prevalence data captured in the HLS survey showed that between 2016 and 2018, the prevalence of harmful gambling among adults (aged 15 years and over) in New Zealand remained relatively unchanged (Te Hiringa Hauora, 2018) (page 32 of the Report).
- The New Zealand National Gambling Study: Wave 4 (2015) found that the problem gambling rate was 0.2% of people aged 18 years and over (approximately 8,000 people nationally). The problem gambling rate is for all forms of gambling, not just gaming machine gambling⁶.
- Figures from the Ministry of Health's Intervention Client data⁷ report that in a total of 22 clients sought help in the period 2022/2023 Masterton (13), South Wairarapa (6) and Carterton (3). Of this number June 2021. Of these numbers over the same period, 5 were reported as being new clients Masterton (2), South Wairarapa (1) and Carterton (2).
- The adoption of a sinking lid policy also completely disregards the research that concludes that gambling is a popular form of entertainment that people find enjoyable.
 - Players mostly realise that they are paying for a leisure experience. They are not expecting to be paid, except for a small minority, who are going to earn an income as a professional gambler.⁸

Funded by the Ministry of Health, the NGS started in 2012 with a randomly selected national sample and followed those respondents over 4 years. The Study showed that despite a reduction in the number of machines from 18,000 in 2012 to 16,000 in 2018, the problem gambling risk did not change significantly from 2012 to 2015. Given population growth, per capita expenditure actually decreased over this period.

⁴ National Gambling Study, MOH, 2012-2015. The National Gambling Study (NGS) was the first NZ longitudinal study into gambling, health, lifestyles, and attitudes about gambling. Evidence to date shows that there is no correlation between the number of machines and the prevalence of people seeking help for problem gambling.

⁵ https://www.health.govt.nz/system/files/documents/publications/gambling-harm-needs-assessment-2021.pdf

⁶ <u>https://www.health.govt.nz/system/files/documents/publications/national-gambling-study-report-6-aug18.pdf</u>

⁷ <u>https://www.health.govt.nz/our-work/mental-health-and-addictions/gambling/service-user-data/intervention-client-data#total_assisted</u> Refer table 10

⁸ Parke, J. (2015). Gambling, leisure and pleasure: Exploring psychosocial need satisfaction in gambling. Presentation at the KPMG eGaming summit. https://assets.kpmg/content/dam/kpmg/pdf/2016/07/im-esummit-report-

- Gambling is a recreational activity or a kind of participation sport from which the principal satisfaction derives from the activity itself and from the ebb and flow of wins and losses rather than from ultimate outcome the net amount won or lost. For most gamblers, the purpose of gambling is not to get rich, but to "have fun," to experience "excitement," or to have "something to look forward to," and they view payment for this recreation in the same light as others look on outlays for theatre tickets, vacation trips, or a night on the town.⁹
- Furthermore, TLF believes adopting a sinking lid policy is not appropriate given the significant measures that are already in place to minimise the harm from gaming machines. By way of example (not an exhaustive list):
 - There is a statutory age limit that prohibits persons under 18 years of age playing a gaming machine.
 - There are very restrictive limits on the amount of money that can be staked and the amount of prize money that can be won.
 - Gaming machines in New Zealand do not accept banknotes above \$20.00 in denomination.
 - ATMs are excluded from all gaming rooms.
 - All gaming venues have pamphlets that provide information about the characteristics of problem gambling and how to seek advice for problem gambling.
 - All gaming venues have signage that encourages players to gamble only at levels they can afford. The signage also details how to seek assistance for problem gambling.
 - All gaming venues have a harm minimisation policy.
 - All gaming venue staff are required to have undertaken comprehensive problem gambling awareness and intervention training. This obligation has been increased with recent changes to the Gambling (Harm Prevention and Minimisation) Regulations 2004 (amended 2023).
 - It is not permissible for a player to play two gaming machines at once; and
 - The design of a gaming machine is highly regulated and controlled. For example, a gaming machine is not permitted to generate a result that indicates a near win (for example, if five symbols are required for a win, the machine is not permitted to intentionally generate four symbols in a row).
- 5.3 <u>Proposal 1(a) and (b)-</u> The current relocation clause is fit for purpose, and we submit that the Social Impact Assessment report does not provide sufficient evidence that would justify a substantial major policy change.

We urge the decision makers to carefully consider that: -

 Venue relocation is recognised as an effective harm minimisation tool – it allows for venues to relocate from high deprivation areas to more suitable areas, with complete oversight by the Council/s. Venues in areas of high deprivation remain there because they existed at the time the Gambling Act was enacted. By adopting a "no relocation policy" local licensing authorities prevent venues from relocating out of areas of high deprivation by denying venues access to sensible relocation policies.

- The importance of venue relocations as a harm minimisation tool is often underestimated as are the other reasons for relocation which include:
 - Enabling venues to re-establish after a natural disaster, flood, or fire.
 - Enabling venues to move out of earthquake-prone and dangerous buildings.
 - Enabling venues to move to new refurbished premises.
 - Creating fairness in cases of public works acquisition or lease termination.
 - Preventing landlords demanding unreasonable rentals.

6. UNREGULATED ONLINE OFFSHORE GAMBLING

Of great concern is the fact that problem gambling associated with **offshore based online gambling** is growing exponentially. By supporting the adoption of sinking lid policies, preventing relocations of venues and therefor supporting and encouraging the closure of physical and safe Class 4 gambling environments, the advocates of sinking lid policies are driving [potential problem] gamblers into a world of unregulated and potentially harmful gambling.

In March 2024 – stark realities of the dangers of offshore online gambling and the increased risk to New Zealanders accessing unregulated offshore gambling websites was once again highlighted by the media 10 _

Brock said between June 26 and September 25 last year, Westpac customers spent \$136.8m with online gambling merchants, compared with \$3.2m spent at physical gambling locations in that period.

The Gambling Harm Needs Assessment 2021 has identified that: -

Access to online gambling for money has increased. Gambling Harm services, lived experience and gambling industry representatives (of which we are one) indicated (at page 26) :-

"How easy it is to start to gamble. Just out of boredom. Instead of going to the pub, you can just stay home, download the apps and enter your card details. So it's definitely changed within the past three years. It used to be going down to the pub. Now it's so effortless you just pop out your phone. (lived experience representative)"

Offshore online gambling providers do not have to operate in accordance with the Gambling Act, do not offer any harm minimisation features to protect players; do not contribute to New Zealand communities.

Furthermore, offshore based online gambling poses considerable risk in that:

 It is highly accessible, being available 24 hours a day from the comfort and privacy of your home;

¹⁰ Westpac gambling block welcome, but not enough | The Post - The Press (NZ)

- 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 the medium;
- Provides no guaranteed return to players;
- Is more easily abused by minors;
- Is unregulated, so online gamblers are often 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 also open an account and deposit funds.

The Gambling Commission in its recent commentary - REPORT **ON THE PROPOSED PROBLEM GAMBLING LEVY: 2022-2025, dated 10 February 2022**¹¹, suggested that the Ministry of Health should give –

"Serious consideration should be given to including online gambling as a leviable sector within the problem gambling formula set out in section 320 of the Act. Online gambling is already responsible for a growing number of presentations to problem gambling service providers, a trend that is likely to continue as life moves increasingly online".

7. HARM MINIMISATION

The Lion Foundation is committed to preventing and minimising harm from gambling, including problem gambling, whilst facilitating a responsible and legal form of recreational gambling.

We are committed to creating safe gambling environments in all our venues, and minimising the harm caused by problem gambling.

At TLF we play a considerable part in the prevention and minimisation of harm at the venues – *a fence at the top of the cliff* approach. We ensure our Venue Operators and their gaming staff are fully trained in all relevant areas of harm minimisation. We have released an online training system which has been developed by industry professionals. Input has been sought and received from all walks of life, including employees of the Salvation Army Oasis National Office.

In addition to our online programme, all staff involved in gaming at The Lion Foundation venues undertake frequent face to face training courses (including refresher courses) run by experienced TLF personnel. All TLF personnel have a wealth of experience in the gaming and hospitality sectors. Training focuses on how problem gambling – how to observe and identify problem gamblers, how to support problem gamblers and how to ensure that harm is minimised. In addition to the ongoing training, our industry trained staff are constantly in contact with the venue staff and are available to assist with a variety of matters at a moment's notice – either in person or telephonically.

Our Account Managers are physically present in the venues on a weekly basis – ensuring compliance standards are met.

The Lion Foundation offers a range of harm minimisation material to the gambler in the venue – including, but not limited to, wallet cards with information for potential problem gamblers, signage in and around gaming rooms from the Health Promotion Agency, etc. Venue staff interaction and supervision and observation of patrons is also key to the minimisation of harm.

We support the introduction of new harm minimisation measures, provided they are based on good evidence that they will have a positive impact on the reduction in harm caused by gambling.

8. CONCLUSION

It is our submission that the Council's policy needs to optimise the balance between reasonable controls over the incidence of problem gambling against the generation of funds for the community from legitimate gambling.

Finally, we are not here to grow gambling; we believe though that pragmatic use of funds generated by this legalised form of entertainment make a hugely positive contribution to community life across New Zealand.

For further comment or information please contact Tony Goldfinch at The Lion Foundation on

or email:_____email:

or Samantha Alexander on

or

Approved Grants -

Payments by TLA

As of 2024-03-22 10:05:57 New Zealand Standard Time/NZST • Generated by Sam Alexander • Sorted by Grant Request: Organisation Name (Ascending)

Date Field: Payment Date equals Custom (4/04/2023 to 29/02/2024)

	Grant	Grant Request:		Grant Request:	
Grant Request:	Request:	Grant Request		Amount	Allocated Amount
Org TLA 个	Category ↑	Number	Grant Request: Organisation Name	Requested	from Carterton TLA
Carterton					
District Council	Education	9040483	South End School	\$15,204.35	\$11,500.00
		9045370	W M F K A- Carterton Kindergarten	\$2,000.00	\$2,000.00
Sport	Sport	9040353	Carterton Golf Club Inc	\$10,000.00	\$3,000.00
		9039772	Carterton Rugby Football Club Inc	\$25,478.43	\$20,000.00
	9040354	Dalefield Hockey Club Inc	\$6,928.00	\$3,000.00	
		9044248	Eventing Wairarapa	\$1,955.00	\$1,727.00
		9044428	Gladstone & Districts Sports & Social Club Inc	\$6,016.59	\$5,594.00
LF National	Education	9045091	Road Safety Education Ltd	\$60,000.00	\$5,000.00
Health	Health	9042865	Breast Cancer Foundation N Z	\$131,827.00	\$7,500.00
		9044916	Heart Kids N Z Inc	\$300,000.00	\$3,000.00
		9041228	Kidney Kids of N Z Inc	\$11,250.00	\$2,000.00
		9043852	National Heart Foundation of N Z	\$30,804.80	\$5,000.00

Masterton	Community -				
District Council	Culture - Arts	9042834	Masterton District Council	\$40,000.00	\$38,500.00
	Education	9044768	Life Education Trust Wairarapa, Tararua and Central Hawkes Bay	\$10,000.00	\$5,000.00
		9041660	Wairarapa Mathematical Assn Inc	\$2,253.85	\$2,254.00
	Health	9044808	CCS Disability Action Wairarapa Inc	\$3,000.00	\$3,000.00
	Sport	9045434	Wairarapa Tennis Assn	\$5,000.00	\$3,000.00
Napier City Council	Sport	9042958	No 4 District Fed of N Z Football T/A Central Football Inc	\$38,000.00	\$5,000.00
South Wairarapa District Council	Community - Culture - Arts	9044743	Featherston Booktown Trust	\$56,138.00	\$5,000.00
	Education	9045277	Kuranui College	\$10,401.10	\$9,067.00
Wellington City Council	Community - Culture - Arts	9045255	Capital Kiwi Trust Board	\$100,000.00	\$5,000.00
		9042428	N Z Festival	\$150,000.00	\$5,000.00
H	Health	9044824	Laura Fergusson Trust Wellington Inc	\$45,595.42	\$5,000.00
		9045445	Wellington Free Ambulance Service Inc	\$50,000.00	\$10,000.00
	Sport	9044046	Wellington Regional Sports Education Trust	\$80,000.00	\$10,000.00



COMPLETE

Collector: Started: Last Modified: Time Spent: IP Address: Central survey link (Web Link) Tuesday, March 26, 2024 4:54:53 PM Tuesday, March 26, 2024 4:58:00 PM 00:03:07

Page 3: Your Details

Q1	
Your Details	
Full Name	Niall Miller
Organisation (if applicable)	TAB New Zealand
Email	
Phone	
02	
Q2	Yes (via MS Teams)

Would you like to present your views at the hearing? If yes, please make sure that your contact details in the previous section were answered correctly so that we can get in touch.

Page 4: About You

Q3

Which district do you live in?

Q4

What is your age range?

Q5

What is your ethnicity? You may tick multiple boxes.

Q6

What is your gender?

Other (please specify): Upper Hutt
Wairarapa Class 4 Gambling an Longone TAB Venues Policy Review 104

Q7

Do you live with impairments/long term health conditions or, do you identify as tāngata whaikaha/ disabled?

Page 5: Your Thoughts

Q8

Proposal 1a: Do you support our proposal to make changes so that Class 4 Gambling Venues cannot relocate in Masterton under any circumstances?

Q9

Proposal 1b: Do you support our proposal to make changes so that Class 4 Gambling Venues cannot relocate to Carterton and South Wairarapa's most deprived areas (those on the New Zealand Deprivation Index of decile 9 or 10) if the proposed location is outside of a town centre?

Q10

Proposal 2: Do you support our proposal to make changes so that no new standalone TAB venues may be established in the Wairarapa?

Q11

Proposal 3: Do you support our proposal to amend the policy wording to clearly state that no additional electronic gaming machines will be granted consent in any Class 4 Gambling Venue, consistent with the widely understood sinking lid approach in the Wairarapa?A sinking lid approach is a limit on the number of gaming machines in an area which is permanently lowered with each reduction of gaming machine (e.g. if a venue closes).

Q12

Is there anything else you would like to note as part of your feedback?

circumstances in any area of Carterton and South Wairarapa (status quo)

No - I support venue relocations under extraordinary

No - I support venue relocations under extraordinary circumstances in any area of Masterton (status quo)

No - I support new standalone TAB venues being able to establish in Wairarapa (status quo)

No

Respondent skipped this question





TAB New Zealand's Feedback on Wairarapa's Gambling Venue Policy

Introduction

- 1. TAB New Zealand (TAB NZ), formerly the New Zealand Racing Board, is a statutory body established through the Racing Industry Act 2020 which provides betting services to New Zealanders and is required to return profit back to New Zealand's racing and sporting organisations.
- 2. On 1 June 2023, TAB NZ formally entered into a partnership agreement with Entain Australia to conducted TAB NZ's wagering and broadcasting activities within New Zealand.
- 3. When you bet with the TAB on the gallops, trots, or greyhounds, take a punt on the All Blacks or European football, every betting dollar contributes to grassroots racing and sports in New Zealand as well as the livelihoods of thousands of Kiwis involved in these sectors. Each year, around \$170 million is returned to New Zealand racing and sports.

Summary

- 4. TAB NZ disagrees with the introduction of a sinking lid approach to TAB NZ Venues (proposal 2), and alternatively invites Wairarapa's collective Council approach to support the following:
 - The introduction of a cap of one (1) TAB NZ venue for the whole district.
- 5. Additionally, TAB NZ encourages the collective council approach to consider:
 - The introduction of a suitable relocation policy that strikes a balance between minimising potential gambling harm and allowing a business to adjust to changes that can be outside their control (natural or economic).

Problem Gambling

6. TAB NZ acknowledges the potential for gambling harm and certainly does not argue that problem gambling does not cause harm, that fact is widely known that for some people that develop a gambling problem, problem gamblers can experience the most severe negative consequences. For others, such as no-risk gamblers who experience zero harm, low risk and moderate risk gamblers could be categorised as inconsequential harm (low risk) such as feeling guilty after gambling, and temporary harm (moderate risk) such as feeling guilty and may have lost track of time.

- New Zealand has a very low problem gambling rate by international standards. The New Zealand National Gambling Study: Wave 4 (2015)¹ found the problem gambling rate for ALL forms of gambling was 0.2% of adults (18 years and over).
- 8. Potential gambling harm from race betting or sports betting accounts for less than 10pc of **ALL** problem gambling presentations.
- 9. TAB NZ contributes to a problem gambling service levy. This levy provides approximately \$20 million per annum to the Ministry of Health to support and treat gambling problems and to increase public awareness of safer gambling through the health promotion agency. The funding is ring-fenced and not able to be redirected to other health areas.

TAB NZ Venues

- 10. A Council's TAB Policy applies to 'standalone' TAB NZ Venues only and are separate from a TAB offering within a bar or club.
- 11. A TAB NZ Venue is a venue that is either owned or leased by TAB NZ and used mainly for race betting or sports betting. These stores offer more space to provide information on upcoming event, previous form and viewing areas.
- 12. TAB NZ takes its harm minimisation and responsible gambling obligations very seriously. TAB NZ conducts its business activities with integrity and is committed to providing a safe and enjoyable environment for customers to wager responsibly.

TAB venues offer local in store betting services for racing and sport, and act as communal hubs for those that wish to avoid a bar environment. TAB NZ does not serve or permit alcohol within its venues, which reduces comorbidity or co-existing risk factors. TAB NZ employs local staff and contributes to NZ by way of taxes, levies, profit distribution and problem gambling treatment referrals.

Offshore betting providers do not contribute to New Zealand via taxes. Offshore betting providers do not contribute to the New Zealand problem gambling levy. Further, the harm minimisation procedures of offshore-based betting providers are not regulated.

- 13. TAB NZ Venues provide an environment whose staff are well trained to identify potential problem gambler indicators and to intervene and provide assistance to those persons. Such intervention and assistance may not be as readily available within offshore online gambling environments.
- 14. The Current TAB Venue Policy is reasonable.

TAB NZ Venues and Harm Minimisation

- 15. All TAB NZ Venues have internal CCTV for the security and safety of staff and customers.
- 16. All TAB NZ Venues have signage displayed that encourages players to gamble only at levels they can afford. This includes the TAB's *Has the Fun Stopped? Take a Timeout* responsible gambling campaign, which is prominently displayed in all TAB Venues. The signage provides advice on how to seek assistance for problem gambling.

¹ <u>https://www.health.govt.nz/system/files/documents/publications/national-gambling-study-report-6-aug18.pdf</u>



- 17. Automatic teller machines (ATMs) are prohibited in any TAB NZ Venues.
- 18. TAB NZ does not sell or serve alcohol in its venues.
- 19. TAB NZ provides problem gambling awareness training to each employee and agent.

TAB NZ Venues are Clean, Well-lit, and Open

- 20. The TAB NZ Venues in New Zealand are consistently being remodelled and upgraded. Gone are the days of poorly lit venues that are designed to shield those inside from the gaze of the general public.
- 21. New TAB NZ Venues are designed to ensure that the gambling activity is transparent and look modern and well-lit so as to ensure customers cannot gamble "anonymously" in the dark.

Alcohol Free Environment

-

- 22. All TAB NZ Venues are alcohol-free. It is well documented that alcohol consumption is known to contribute to potential problem gambling for some people.
- 23. The link between alcohol use, smoking and problem gambling was noted by the Ministry of Health in the 2009 document *A Focus on Problem Gambling: Results of the 2006/07 New Zealand Health Survey*² as follows:

Problem gambling was significantly associated with current smoking and hazardous alcohol consumption. Compared to people with no gambling problems, problem gamblers had:

- 3.73 times the odds of being a current smoker
- 5.20 times the odds of having hazardous drinking behaviour

after accounting for possible confounding factors.

24. In the standalone TAB NZ Venue environment, the staff are solely dedicated to the service of gambling and monitoring of gambling activity.

TAB NZ Venues Have Modest Trading Hours

- 25. TAB offerings in bars, clubs and hotels are available until the establishment closes. TAB NZ Venues operating hours are modest by comparison, with standard trading hours being:
- 26.

Monday:	11am	-	7pm
Tuesday:	11am	-	7pm
Wednesday:	11am	-	8pm
Thursday:	11am	-	10pm
Friday:	11am	-	10pm
Saturday:	9am	-	8pm
Sunday:	11am	-	7pm

A Capped Policy is Reasonable

27. A Capped policy of 1 (one) TAB NZ Venue is reasonable, given the current environment of good Government regulation.

² http://www.health.govt.nz/system/files/documents/publications/a-focus-on-problem-gambling-results-200607-nz-health-survey.pdf

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- 28. Whilst TAB NZ acknowledges that it has not had a standalone venue within the district for some time, the introduction of a more restrictive policy (such as a TAB NZ Venue sinking lid policy) will prevent TAB NZ from the ability to establish a standalone offering in circumstances that can fall outside its control to service TAB customers.
 - A venue (offering TAB NZ services) closing for natural or economic reasons.
 - A breach of the wagering agreement between TAB NZ and the venue.
 - Non settlement and/or credit betting issues
 - Brining the business/brand into disrepute
 - Harm Minimisations failures.
 - Anti Money Laundering customer identification failures

Relocations

- 29. Venue relocation is a harm minimisation tool. Allowing venue relocation is positive and enables venues to move out of residential areas to more suitable areas, such as.
 - From a high deprivation area to a lower deprivation area.
 - From an unsuitable site such as a residential area or an area close to a sensitive site (e.g., a school or library) to a more suitable area such as a central business district.
 - To new, more modern & vibrant refurbished premises.
 - Out of earthquake-prone buildings.
 - Out of large blocks of land that could be used for other purposes, such as new high-density affordable housing or other business facilities.
- 30. TAB NZ does not support the position taken by certain lobby groups that too many venues are in high deprivation areas, and then recommend councils not allow relocations (i.e. a 'gold standard' sinking lid policy). This position simply entrenches venues to remain in those locations without any ability to relocate until they are no longer financially viable and must close.

Oral Hearing

31. TAB NZ would like to make a presentation at the upcoming oral hearing should the opportunity be provided.

Niall Miller TAB New Zealand

HE AROTAKENGA O TE KAUPAPA HERE WHARE PETIPETI – MOMO 4: PUKA TĀPAETANGA **WAIRARAPA CLASS 4 GAMBLING AND STANDALONE TAB VENUES POLICY REVIEW: SUBMISSION FORM**

The Wairarapa District Councils (Carterton, Masterton and South Wairarapa) are reviewing their joint Wairarapa Class 4 Gambling and Standalone TAB Venues Policy. This submission form allows you to give feedback on the draft policy. The estimated time to complete this form is between 3-5 minutes. You can make a submission in a number of ways:



Complete our online submission form at: mstn.govt.nz, cdc.govt.nz, or swdc.govt.nz



Download a fillable pdf submission form from any of the above websites and email to: submissions@mstn.govt.nz



Pick up a submission form from one of our libraries or customer service centres or print out our printer-frendly form from the websites above. Post it to Masterton District Council, Freepost 112477, PO Box 444, Masterton 5840, or drop it off to one of our libraries or customer service centres.

- Masterton District Council Carterton District Council South Wairarapa District Council
- 161 Queen Street, Masterton28 Holloway Street, Carterton19 Kitchener Street, Martinborough



Phone the Masterton team on 06 370 6300 between 9am and 4pm Monday to Friday (excluding public holidays) and tell us what you think.

Please provide your feedback by 4.30pm Friday 22 March 2024. For more information please refer to the Statement of Proposal, draft policy and supporting information available on each of the Council websites.

Consultation closes 4.30pm Friday 22 March 2024



SOUTH WAIRARAPA DISTRICT COUNCIL Kia Reretahi Tätau





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Ö TAIPITOPITO YOUR DETAILS

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Privacy Statement

All submissions will be made available to the public via the three Wairarapa District Councils websites. Your name, organisation (if applicable) and feedback will be included in public documents. All other personal details will remain private. If you have extenuating circumstances, please contact us prior to the submission closure date to request that your name be withheld.

The Privacy Act 2020 applies when we collect personal details. Any details that are collected will only be used for the purposes stated. You have the right to access and correct any personal information we hold.

Further information is available by searching Masterton District Council Submission Policy on the MDC website: www.mstn.govt.nz.

Your Details

Full name Graham Man	V AE	
Organisation (if applicable)		
Postal address		
Phone	Email.	

Hearing

A joint hearing with the Wairarapa Policy Working Group (this group includes representatives of the three Wairarapa District Councils) will be held in April 2024 for those wanting to present their views. This means that you get approximately 5-10 minutes to present your feedback to elected members in person or via MS Teams online.

Would you like to present your views at the hearing?

If yes, please make sure your contact details in the previous section were answered correctly so that we can get in touch.

Yes (in person)

Yes (via MS Teams)

No No

About You

These questions help us understand which parts of the community are providing feedback so we can improve our engagement approach. Your responses will not be made public with your submission. Only collated data will be reported to the three Councils.

What district do you live in?

What is your age range?

What is your ethnicity? (you may tick multiple boxes)

What is your gender?

Do you live with impairments/long term health conditions or, do you identify as tāngata whaikaha/disabled?

Ō WHAKAARO YOUR THOUGHTS

Do you support our proposal to make changes so that Class 4 Gambling Venues cannot relocate in Masterton under any circumstances? (Proposal 1a)
☐ Yes
No – I support venue relocations under extraordinary circumstances in any area of Masterton (status quo)
No – I support venue relocations under extraordinary circumstances in Masterton if the proposed location is not a highly deprived area outside of the town centre
Do you support our proposal to make changes so that Class 4 Gambling Venues cannot relocate to Carterton and South Wairarapa's most deprived areas (those on the New Zealand Deprivation Index of decile 9 or 10) if the proposed location is outside of a town centre? (Proposal 1b)
T Yes
No – I support venue relocations under extraordinary circumstances in any area of Carterton and South Wairarapa (status quo)
No – I do no support venue relocations in Carterton and South Wairarapa under any circumstances
Do you support our proposal to make changes so that no new standalone TAB venues may be established in the Wairarapa? (Proposal 2)
☐ Yes
☑ No – I support new standalone TAB venues being able to establish in the Wairarapa (status quo)
Do you support our proposal to amend the policy wording to clearly state that no additional electronic gaming machines will be granted consent in any Class 4 venue, consistent with the widely understood sinking lid approach in the Wairarapa? (Proposal 3)
Yes
No

Is there anything else you would like to note as part of your feedback?
Firstly I am NOT a pokie player but I believe
that it someone is interested in that it is their
right to be able to do so. It is not the machine
or the venue that's the problem, it is the person
who may need education or help. Most users are
responsible and enjoy the past time and love
having a gamble.
I am against no new TABs in the Wairaropa
because consider it sometime in the future the
Licensing Trast decided not to run TAB' in their premises
Masterton would have none. The new TAB/Entain portnership
is an expanding business and may want to establish
here. Horse racing has many stakeholders and employs
many people. TAB turnover is a vital component.













Hearings Procedure Monday 15 April 2024 Wairarapa Class 4 Gambling and Standalone TAB Venues Policy Review

PLEASE NOTE THAT THE SCHEDULE MAY BE SUBJECT TO CHANGE

Time	Sub #	Name	Agenda Page
10.00am	19	FRANCIS, Bob	87
10.10am	18	Gaming Machine Association of New Zealand (TRUE, Jarrod)	65
10.20am	20	Trust House Limited (PRENDERGAST, John)	91
10.30am	21	The Lion Foundation (ALEXANDER, Samantha)	96
10.40am	22	TAB New Zealand (MILLER, Niall)	108

- The Wairarapa Policy Working Group (WPWG) will hear all submissions. The group comprises elected members from the three Wairarapa District Councils Masterton (MDC), Carterton (CDC), and South Wairarapa (SWDC):
 - Cr Robyn Cherry-Campbell (Chairperson) (CDC)
 - Cr Steve Cretney (CDC)
 - Cr Craig Bowyer (MDC)

- Cr Tim Nelson (MDC)
- Cr Melissa Sadler-Futter (SWDC)
- Cr Martin Bosley (SWDC).
- The hearing gives you an opportunity to expand on the submission you made and/or to focus on your key points. You can assume that the elected members have read your submission.
- Each submission will be limited to an address period of 7 minutes with 3 minutes for responding to questions from the elected members. A bell will be rung at 6 minutes and again at 10 minutes.
- The Chairperson has the right, with or without the agreement of the other members, to terminate a submission in progress or to extend the time allowed for any submission.
- The Chairperson, or any member through the Chairperson, may ask questions relevant to the matter being heard. The Chairperson may wish to clarify or correct







any matter raised.

- Hearings will be taking place in person at the Hurunui o Rangi Meeting Room, Carterton District Council on Monday 15 April 2024. This is located in the Carterton Events Centre, 50 Holloway Street, Carterton. We will also have a MS Teams option available.
- Please arrive at the venue 10 minutes prior to your allocated speaking time and report to reception on arrival. Please also allow additional time as individual submissions may run longer than scheduled and your speaking time may be delayed.
- If you want to use a PowerPoint, please advise Steph Frischknecht on 370 6300 and either email your presentation in advance of the hearing to <u>stephanie.frischknecht@mstn.govt.nz</u> (the preferred option), or bring a flash drive on the day 10 minutes prior to your allotted time.
- If your circumstances change and you are unable to make your allocated time, please ring Claire Jordan on <u>06 370 6300</u> or <u>027 444 2357</u> as soon as possible.
- If for any reason you are unable to attend, the WPWG will still consider your written submission.
- The WPWG will not normally indicate whether or not they support your submission.
- At the conclusion of hearing all the submissions the meeting will close. The WPWG will reconvene at 11.30am to deliberate and make recommendations to the Wairarapa District Councils on matters raised in the consultation. Both the hearings and deliberation meetings are open to the public.
- The Wairarapa District Councils will consider the recommendations at their meetings in May 2024. Carterton District Council will meet on 1 May and Masterton District Council and South Wairarapa District Council (Strategy Working Committee) will meet on 8 May. The meetings are open to the public with the meeting details notified on the respective Council websites.







To:	Wairarapa Policy Working Group	
From:	Steph Frischknecht, Policy Manager (MDC) Nicki Ansell, Acting General Manager Democracy and Engagement (SWDC)	
Endorsed by:	Karen Yates, Strategy and Governance Manager (MDC) Solitaire Robertson, Manager, Planning & Regulatory (CDC) Paul Gardner, General Manager Human Resources & Corporate Services (SWDC)	
Meeting Details:	Time: 11.30am Date: Monday 15 April 2024 Venue: Hurunui-o-Rangi Meeting Room, Carterton Events Centre, 50 Holloway Street, Carterton	
Subject: Wairarapa Class 4 Gambling and Standalone TAB Venues Polic Deliberations Report		
FOR DECISION		

PURPOSE

This report provides a summary of the submissions received on the Wairarapa Class 4 Gambling and Standalone TAB Venues Policy. It also seeks agreement from the Wairarapa Policy Working Group to make a recommendation that the Wairarapa District Councils adopt the proposed Policy.

RECOMMENDATIONS

It is recommended that the Wairarapa Policy Working Group:

- 1. **notes** that the Wairarapa Policy Working Group have been provided with the full set of submissions as part of the Hearings Report.
- 2. considers the community feedback received and advice from staff.
- 3. **recommends** the Wairarapa District Councils adopt the proposed Wairarapa Class 4 Gambling and Standalone TAB Venues Policy (Attachment 1).

CONTEXT

The Masterton, Carterton and South Wairarapa District Councils (the Wairarapa District Councils) share a joint Wairarapa Class 4 Gambling and Standalone TAB Venues Policy made under Section 101 of the Gambling Act 2003 and Section 96(1) of the Racing Industry Act 2020 (the Acts).

The Policy has a three-year review period which is a legislative requirement under the Acts. As a joint Policy, the review was delegated to the Wairarapa Policy Working Group (WPWG) to progress and make recommendations back to the Wairarapa District Councils.

The WPWG recommended an amended Policy be adopted for consultation based on the findings of a Social Impact Assessment (SIA), an assessment of gambling harms and benefits, and the effectiveness of the current Policy in achieving its purpose. If an amendment is proposed, the Special Consultative Procedure (SCP) set out in section 83 of the Local Government Act 2002 (LGA) must be used.

The Wairarapa District Councils adopted a Statement of Proposal and draft Policy for consultation on 14 February 2024. Consultation occurred between 19 February and 22 March 2024. A hearing is being held on Monday 15 April 2024 from 10.00am.

The WPWG has delegated authority to undertake deliberations ahead recommending a final Policy to the Wairarapa District Councils.

ANALYSIS AND ADVICE

Consultation Process

During the consultation period, the opportunity for the community to have their say was advertised through direct emails to key stakeholders, targeted meetings, social media channels and traditional media. Key stakeholders notified included Wairarapa venue owners and operators, social service providers, and lwi.

Copies of the Statement of Proposal and submission form were available on the website and in hardcopy at Council libraries and Customer Service Centres throughout Wairarapa.

Community feedback was sought on the following proposals:

- Proposal 1a Amend the policy so that Class 4 Gambling Venues cannot relocate in Masterton under any circumstances;
- Proposal 1b Amend the policy so that Class 4 Gambling venues cannot relocate to Carterton and South Wairarapa's most deprived areas (those on the New Zealand Deprivation Index of decile 9 or 10¹) if the proposed location is outside of a town centre;
- Proposal 2 Amend the policy to state that no new standalone TAB venues may be established in the Wairarapa; and
- Proposal 3 Amend the policy to clearly state that no additional electronic gaming machines will be granted consent, in any Class 4 venue.

The rationale and further details of each proposal is provided in the Statement of Proposal (Attachment 2).

¹ 1 An online interactive map showing the New Zealand Deprivation Index is available on the Environmental Health Intelligence NZ website, with NZDep2018 being the rating that currently applies. Areas with a NZ Dep Rating of 9 or 10 represent the most deprived areas: www.ehinz.ac.nz/indicators/population-vulnerability/socioeconomicdeprivation-profile/

Summary of Submissions

A total of 23 submissions were received during the consultation period. Seven submitters responded on behalf of an organisation and the remainder were made by individuals.

Submitter Demographics

Submitters were asked demographic questions to help understand which parts of the community responded. These questions were optional and not all submitters responded.

- The largest number of submitters fell into the 60-64 (5) and 65+ age groups (5), followed by the 30-39 (4), 40-49 (3) and 50-59 (2) age groups.
- Most submitters identified as NZ European (13). Three submitters identified as Pākehā, two as Māori, one as Asian, and one as another ethnicity.
- Eleven submitters identified as men and eight identified as women.
- Most submitters did not identify as living with impairments/long term health conditions or as tangata whaikaha/ disabled (17). Two did.
- Most submitters lived in Wairarapa: Masterton (9), South Wairarapa (4), Carterton (3). Three submitters lived outside the region.

Consultation Proposals

Proposal 1a – Venue Relocation Policy for Masterton

Submitters were asked if they support the proposal to make changes so that Class 4 Gambling Venues cannot relocate in Masterton under any circumstances. Of the 22 submitters that responded to this question, 16 supported the proposal and six supported a less restrictive venue relocation policy for Masterton.

The one submitter that did not respond directly to this question commented in their submission that they question limiting movement of existing machines.



Those that commented in support of the policy wanted to reduce gambling harm and considered gambling offers limited benefit to the community.

Submitters who support a less restrictive venue relocation policy noted the social/economic benefits of gambling and considered venue relocation to be a harm minimisation tool. The following reasons were provided in support of venue relocation:

- enables temporary relocation in circumstances such as a fire or flood, or relocation from an earthquake prone or dangerous building (4 submitters)
- enables venues to relocate from a high deprivation area to a more suitable area or to a newly refurbished premise (3 submitters)
- may enable better alternative use of spaces should a venue relocate e.g. development of large carparking space occupied by existing venue (2 submitter)
- supports fairness in cases of public works acquisition or lease termination (2 submitters)
- may prevent landlords from demanding unreasonable rent (2 submitters)
- did not consider there was substantial evidence that justified a policy change (1 submitter), or considered that the current relocation policy already has sufficient safeguards (1 submitter).

Of the six submitters who supported a less restrictive approach, alternatives preferred included:

- no amendment to the current policy wording (status quo) (4 submitters)
- a policy amendment to prohibit permanent relocations in Masterton but for temporary relocations to be considered on a case-by-case basis (1 submitter); and

• a policy amendment that the relocation could not be to a highly deprived area if the proposed location is outside of the town centre (consistent with the proposal for Carterton and South Wairarapa) (1 submitter).

Proposal 1b – Venue Relocation Policy for Carterton and South Wairarapa

Submitters were asked if they support the proposal to make changes so that Class 4 Gambling Venues cannot relocate to Carterton and South Wairarapa's most deprived areas (those on the New Zealand Deprivation Index of decile 9 or 10) if the proposed location is outside of a town centre. Of the 22 submitters who responded:

- 12 supported the proposal
- 7 supported a more restrictive venue relocation policy that would not allow Class 4 gambling venues to relocate in Carterton or South Wairarapa under any circumstances, and
- 3 supported the current policy which is a less restrictive option (status quo).

The one submitter that did not respond directly to this question commented in their submission that they question limiting movement of existing machines.



The primary reason given for supporting Council's proposal or a more restrictive venue relocation policy was to protect the community from gambling harm and it was commented that gambling offers limited benefit gambling to the community.

Submitters who supported the status quo commented that the current relocation policy is fit for purpose and did not consider there was substantial evidence that justified a policy change.

Proposal 2 – Standalone TAB Venues

Submitters were asked if they support the proposal to make changes so that no new standalone TAB venues may be established in Wairarapa. Of the 20 submitters that responded to this question, 18 supported the proposal and two did not.



Submitters that supported the proposal did not make any comments specifically in relation to standalone TAB venues.

The reasons given by the two submitters who did not support the proposal included retaining flexibility for a venue to establish in Wairarapa in the future. One submitter commented in support of capped approach of one (1) TAB NZ venue and provided information about harm minimisation measures in place at TAB NZ venues such as being alcohol-free, security measures, signage, building design (e.g. well lit), and trading hours.

Proposal 3 – Electronic Gaming Machines

Submitters were asked if they support the proposal to amend the policy wording to clearly state that no additional electronic gaming machines (EGMs) will be granted consent in any Class 4 venue, consistent with the widely understood sinking lid approach in the Wairarapa.

Of the 22 submitters that responded to this question, 19 supported the proposal to clarify the sinking-lid approach for EGMs and three submitters did not, two of which commented in support of a capped approach. The one submitter that did not respond directly to this question commented in their submission that they question limiting an increase in machines.

Proposal 3: Amend the policy wording to clearly state that no additional electronic gaming machines will be granted consent in any Class 4 venue (i.e. a sinking-lid apporach)



Reasons the three submitters gave for not supporting a sinking-lid approach for EGMs included:

- gaming machine numbers are naturally declining;
- a capped approach allows Council to maintain control over the number of machines
- there is existing regulation and safeguards in place;
- gambling offers entertainment benefits;
- may reduce funding available for community organisations; and
- potential for unintended consequences (e.g. migration to online gambling).

Other feedback

Submitters were asked if there was anything else they would like to note as part of their feedback. Comments generally related to the harm and benefits of gambling and have been incorporated in the above sections as part of feedback on Council's proposal.

One submitter provided feedback on an aspect of the policy not covered by the proposals. This submitter requested the policy be amended to remove the club merger provisions from across the three districts as they considered allowing Class 4 venues to merge and/or relocate undermines the efficiency of a sinking lid policy by "moving gambling around," rather than protecting those most at risk of experiencing gambling harm.

Club Merger Provisions

The current and proposed policy provides for Council to consent to the merger of two or more clubs and for that combined club to operate a single venue (either at one of the existing venues or a single newly established venue). Should two or more clubs merge, the combined club may operate the lesser of 18, or the number of gaming machines the combined clubs operated immediately prior to the merger.

Staff consider that this provision is not inconsistent with a harm reduction approach as it could reduce the number of venues operating while not providing for any increase in the overall number of gaming machines. This clause is also subject to the venue relocation requirements in section 6 of the Policy which provides additional safeguards.

Further analysis and community consultation would be required if Council wishes to propose an amendment to its club merger provisions. It is therefore suggested this could be explored further for the next policy review in three years' time.

Deliberations

Deliberations are an opportunity for the WPWG to discuss the submissions received, consider the submission analysis, views of the community, any advice from staff, and make recommendations to the Wairarapa District Councils.

Overall, the majority of submitters support the proposed changes to the Policy. Staff therefore consider it appropriate to recommend Councils adopt the proposed Policy without further amendment.

Option		Option Advantages Disadvantages	
1	Recommend Wairarapa District Councils adopt the Policy	 The proposed Policy received support from the majority of submitters. The Policy takes a community wellbeing and harm reduction approach. The Policy was developed in consideration of the harm and economic/social benefits of gambling. 	 Some submitters may not feel their feedback has been considered. The Policy may discourage new hospitality businesses, if they need gambling machines to be financially viable. Over time the Policy may reduce the amount of funding available to community organisations. May lead to a small number of job losses if a Masterton venue is unable to continue in its current location.
2	Recommend Wairarapa District Councils adopt the Policy with amendments	 Advantages dependent on extent of changes. May receive support from a small number of 	 Disadvantages dependent on extent of changes. May not receive support from the

OPTIONS CONSIDERED

Ор	tion	Advantages	Disadvantages
		submitters who preferred an alternative option.	 majority of submitters who supported the proposals. Significant changes may be inconsistent with the consultation proposals and trigger a requirement for further community consultation which would delay the review.
3	Recommend Wairarapa District Councils do not adopt the Policy	- No advantages identified.	 Council may not proceed with proposed policy amendments despite consulting on changes and receiving majority support. The proposed policy has been developed in consideration of gambling harm and the social/economic benefits. Council is legally required to have a policy.

RECOMMENDED OPTION

Option 1 is recommended. The proposed Policy was supported by the majority of submitters and developed in consideration of the harm and economic/social benefits of gambling.

SUMMARY OF CONSIDERATIONS

Strategic, Policy and Legislative Implications

Councils are required to have a policy under the Acts and review the policy every three years. The review process met the requirements set out in the Acts.

The LGA states that one of the purposes of councils is to promote the social, economic, environment and cultural well-being of communities, in the present and for the future.

Significance, Engagement and Consultation

Consultation followed the SCP as outlined in the LGA. The Statement of Proposal and ways our community could have their say and present their views was widely advertised and available. The consultation period ran from 19 February to 22 March 2024.

Financial considerations

Costs associated with reviewing the Policy and community consultation sit within current budgets of each Council.

The enforcement of the Policy is through the Department of Internal Affairs. There is no ongoing cost to Council associated with the policy.

Implications for Māori

Minimising harm to our community caused by gambling is a key objective of the Policy, including our Māori communities.

We promoted the consultation opportunity ensure that Mana Whenua, Te Hauora Rūnanga o Wairarapa, and Māori health and social services providers had an opportunity to submit on the Policy. We will also provide notification of the final Policy.

Two submitters identified as Māori, accounting for 9 per cent of the submissions received.

Environmental/Climate Change Impact and Considerations

The Policy has no direct impact on Environmental and Climate Change.

NEXT STEPS

If the WPWG endorses the recommendation in this Report, the Policy will go to Wairarapa District Councils for adoption at their meetings in May 2024. Carterton District Council is meeting on 1 May and Masterton District Council and South Wairarapa District Council (Strategy Working Committee) are meeting on 8 May.

Following adoption, the Policy will be published on the Council websites and notification will be sent to submitters and stakeholders that were informed of the consultation. A copy will also be provided to Department of Internal Affairs and TAB NZ as required by the Acts.

ATTACHMENTS

- 1. Proposed Wairarapa Class 4 Gambling and Standalone TAB Venues Policy
- 2. Wairarapa Class 4 Gambling and Standalone TAB Venues Policy Review Statement of Proposal









Wairarapa Class 4 Gambling and Standalone TAB Venues Policy

Kaupapa Here Whare Petipeti – Momo 4

First Adopted:	2003
Latest Version:	2024 [TBC]
Adopted by:	Masterton, Carterton and South Wairarapa District Councils
Review Date:	2027 [TBC]

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1. Purpose | *Pūtake*

- 1.1. The purpose of the Wairarapa Class 4 Gambling and Standalone TAB Venues Policy is to:
 - a) minimise the harm to the community caused by gambling;
 - b) have regard to the social impacts of gambling in the Wairarapa region, including the cumulative effect of additional opportunities for gambling in the district;
 - c) control Class 4 gambling in the Wairarapa region; and
 - d) ensure that Council and their communities have influence over the provision of new Class 4 gambling and standalone TAB venues in the Wairarapa region.
- 1.2. This policy is made in accordance with the Gambling Act 2003 (s.101) and the Racing Industry Act 2020 (s.96).

2. Scope | Whānuitanga

2.1. This policy applies to Class 4 and standalone TAB venues in the Masterton, Carterton and South Wairarapa Districts (referred to collectively as the Wairarapa region).

3. Objectives | Whāinga

- 3.1. The objectives of the three Wairarapa Councils are to:
 - a) prevent and minimise harm to the community caused by gambling
 - b) control and manage gambling in the Wairarapa region
 - c) restrict the locations of gambling venues within the Wairarapa region
 - d) promote community involvement in decisions about the provisions of gambling
 - e) ensure the community have influence over the location of new gambling venues in the district
 - f) promote opportunities for money from gambling to benefit the Wairarapa community.

4. Definitions | Kuputaka

The following definitions are relevant to this policy:

Class 4 Gambling: Gambling that utilises or involves a gaming machine, as defined in the Gambling Act 2003 (s.30).

Class 4 Gambling Venue: A place to conduct Class 4 gambling.

Council: The Masterton, Carterton or South Wairarapa District Council.

Gaming Machine: A device, whether totally or partly mechanically or electronically operated, that is adapted or designed and constructed for the use in gambling, as defined in the Gambling Act 2003 (s.4). Commonly known as 'pokie machines'.

New Zealand Deprivation Index (NZDep): An index of socioeconomic deprivation based on census information. Deprivation scores range from 1 (least deprived) to 10 (most deprived).

Standalone TAB Venue: Premises that are owned or leased by the New Zealand Racing Board and where the main business carried on at the premises is providing racing or sports betting services under the Racing Act 2003.

Statistical Area 1 (SA1): Geographical areas with a range of approximately 100-200 residents, and a maximum population of approximately 500 residents.

Venue Licence: A Class 4 venue licence issued by the Secretary for Internal Affairs.

5. Venue Criteria | Paearu Whare

Under sections 101 of the Gambling Act 2003 and section 96 of the Racing Industry Act 2020, this policy can restrict the establishment of class 4 gambling and standalone TAB venues, and consider other criteria including the maximum number of gaming machines.

5.1 Establishment of New Class 4 Gambling Venues

- No new Class 4 gambling venues may be established in the Wairarapa region.
- Gambling venues existing or consented as at 1 January 2024 and not ceasing operations for any period longer than six months will be regarded as existing venues under this policy and will be granted consent to continue their operations automatically.

5.2 Establishment of Standalone TAB Venues

• No new standalone TAB venues may be established in the Wairarapa region.

5.3 Merged Gambling Venues

- Where Council consents to the merger of two or more clubs under Section 95 of the Gambling Act 2003, the combined club may:
 - a) operate an existing single venue, which will be regarded as an existing venue, subject to clause 5.4; or
 - b) apply to the Council for a single new venue to be established, provided that all existing venues are closed, subject to section 6 and clause 5.4.

5.4 Restriction on the Number of Gaming Machines

- The Council has set a 'sinking lid' on the number of gaming machines in the Wairarapa Region. This means no increase in the number of gaming machines in any Class 4 gambling venue in the Wairarapa Region as of 1 January 2024 will be permitted.
- Any gaming machine that is relinquished for a period of longer than six months may not be replaced on that site and may not be transferred to another site under any circumstances.
- Where two or more club venues merge, the combined club may operate the lesser of 18, or the number of gaming machines both clubs operated immediately prior to the merger.

6. Venue Relocation | Te Hūnuku Wāhi

- 6.1. Council will not grant consent for a Class 4 venue to re-establish at a new site in Masterton District under any circumstances.
- 6.2. Council may permit a Class 4 venue to re-establish at a new site in Carterton or South Wairarapa Districts where, due to extraordinary circumstances, the owner or lessee of the Class 4 venue cannot continue to operate at the existing site. Examples of such circumstances include, but are not limited to, the following:
 - a) expiration of the lease;
 - b) acquisition of property under the Public Works Act 1981; or
 - c) site redevelopment.

- 6.3. Permission to relocate a Class 4 venue in Carterton or South Wairarapa Districts will be subject to the following conditions:
 - a) where the relocation is to an area outside of a town centre area (identified in Schedule 1), the relocation will be to a Statistical Area 1 (SA1) on the New Zealand Deprivation Index (NZDep) of decile 1 to 8. The NZDep decile rating will be that which applies at the time the application for relocation is submitted to the Council; and
 - b) the gambling venue operator at the new site shall be the same venue operator at the site to be vacated; and
 - c) the number of gaming machines permitted to operate at the new venue will not exceed the number permitted to be operated at the existing site.
- 6.4. Class 4 gambling venues will not be permitted where the Council reasonably believes that:
 - a) the character of the district, or part of the district, for which the venue is proposed will be adversely affected; or
 - b) there is likely to be an adverse effect on any kindergartens, early childhood centres, schools, places of worship, or other community facilities.
- 6.5. Class 4 gambling venues will not be approved outside premises authorised under the Sale and Supply of Alcohol Act 2012 to sell and supply alcohol for consumption on the premise, and where the gaming area is designated as restricted and is visually and physically separated from family or children's activities.

7. Applications for Consent | *Ngā Tono Whakaaetanga*

- 7.1. Council consent is required before:
 - a) Two or more clubs merge.
 - b) A corporate society changes the location of a venue to which a Class 4 Venue licence currently applies.
- 7.2. Applications must be made on the approved form and must provide:
 - a) Name and contact details of the applicant.
 - b) Street address of the proposed or existing Class 4 gambling venue.
 - c) A scale site plan covering both gambling and other activities proposed for the venue, including any screening or separation from other activities proposed.
 - d) A copy of any certificate of compliance or resource consent required for the primary activity of the venue under the Wairarapa Combined District Plan.
 - e) For Class 4 gambling venues only, evidence of the authority to sell or supply alcohol for consumption on the premise under the Sale and Supply of Alcohol Act 2012.
 - f) For applications relating to the merging of two or more clubs, details of the number of machines operated at each venue immediately prior to merger and the number of machines intended to be operated at each site, as applicable.
- 7.3. To aid the Council in determining whether there is likely to be an adverse effect, all applications are required to be publicly notified and will include a social impact statement.
- 7.4. Applications will be determined by the Hearings Committee of the Council, which may receive submissions from the applicant and any interested parties at a public hearing.
- 7.5. Applicants will be notified of Council's decision within 30 days after the application is received.

8. Application Fees | Ngā Utu Tono

- 8.1. Fees for gambling consent applications will be set by Council annually and will include consideration of the cost of:
 - a) processing the application;
 - b) establishing and triennially reviewing the Gambling and Standalone TAB Venues Policy;
 - c) the triennial assessment of the economic and social impact of gambling in the Wairarapa region.

9. Policy Review Requirements | Herenga Arotake Kaupapa Here

9.1. The policy is required to be reviewed every three years.

Related Documents

Wairarapa Combined District Plan

References

Gambling Act 2003 Racing Industry Act 2020

Version Control

Date	Summary of Amendments	Approved By
2016	Minor updates	Masterton, Carterton and South Wairarapa District Councils
2019	Merged the Wairarapa Gambling Venue Policy and the Wairarapa TAB Board Venue Policy. Minor amendments for clarification.	Masterton, Carterton and South Wairarapa District Councils
2024	Removal of reference to a "maximum number of gaming machines allowed" for clarification purposes.	Masterton, Carterton and South Wairarapa District Councils
	Amendment so that Class 4 venues cannot re-establish at a new site in Masterton District under any circumstances.	
	Inclusion of a new condition of relocation for Carterton and South Wairarapa Districts – that the relocation of Class 4 Gambling venues will be to a decile 1-8 area on the New Zealand Deprivation Index if the relocation is to an area outside of town centres identified in Schedule 1.	
	Amendment so that no new standalone TAB venues may be established in the Wairarapa region.	
	Minor amendments for clarification and to improve flow and readability.	
	Updates to reflect the name of new	

legislation since the last review.	

Schedule 1: Maps of Town Centre Areas where Class 4 Gambling Venue relocation is permitted in NZDep SA1 areas of Decile 1 to 10

Refer clause 6.3(a) of the Policy





ATTACHMENT 2

HE AROTAKENGA O TE KAUPAPA HERE WHARE PETIPETI – MOMO 4: HE TAUĀKĪ O TE TONO **WAIRARAPA CLASS 4 GAMBLING AND STANDALONE TAB VENUES POLICY REVIEW: STATEMENT OF PROPOSAL**









KUPU WHAKATAKI

This Statement of Proposal has been prepared in accordance with Section 83 of the Local Government Act 2002.

It includes the following sections:

- Background
- Our proposal
- Summary of key changes
- Options considered by Council
- How you can have your say
- Find out more
- What happens next.

Our Wairarapa Class 4 Gambling and Standalone TAB Venue Policy is due for review. We're proposing a few changes and would like your feedback so we can ensure our policy reflects the views of the community. Consultation closes 4.30pm Friday 22 March 2024.

HOROPAKI BACKGROUND

The Masterton, Carterton, and South Wairarapa District Councils (the Wairarapa District Councils) have a combined Wairarapa Class 4 Gambling and Standalone TAB Venues Policy. The purpose of this policy is to:

- minimise the harm to the community caused by gambling
- have regard to the social impacts of gambling in the Wairarapa region; including the cumulative effect of additional opportunities for gambling in each district
- control Class 4 gambling in the Wairarapa Region
- ensure that councils and their communities have influence over the provision of new Glass 4 gambling and TAB venues in the region.

What is a Class 4 Gambling Venue?

A Class 4 gambling venue is a place licensed to operate Class 4 gambling i.e. gaming machines (pokies) in pubs and clubs. Class 4 gambling does not include pokies in casinos.

There are currently 10 gambling venues in the Wairarapa. Of these, two are in Carterton district, four are in Masterton district and four are in South Wairarapa district.

What is a Standalone TAB Venue?

A standalone TAB venue is a place where the main business carried out is to provide racing or sports betting services. These are standalone and do not include TAB outlets or agencies that are additional activities of a bar or hotel.

There are currently no standalone TAB venues in the Wairarapa.

Class 4 Gambling and Standalone TAB Venue Policy

Under the Gambling Act 2003 and Racing Industry Act 2020, every council is required to have a policy on Class 4 Gambling and Standalone TAB venues. The policies:

- must state if Class 4 gambling venues and standalone TAB venues may be established in the district and, if so, where they may be located
- can restrict the number of gaming machines (pokies) that can be operated at a venue
- can allow existing venues to move to a new location.

Under legislation, this policy must be reviewed every three years. This policy was last reviewed in 2019 and remains in effect until a new policy is adopted.

Social Impact Assessment

When reviewing gambling policies, Councils are required to consider the social impact of gambling on its community. In summary, a social impact assessment of gambling in the Wairarapa showed that:

- gambling harm is disproportionately experienced by those living in high socioeconomic deprivation communities
- gaming machines are used more extensively in Masterton than other areas of Wairarapa
- the presence of Class 4 venues in Wairarapa brings limited economic benefit to the Wairarapa, with minimal impact on employment
- the proportion of gaming machine profits returned to Wairarapa in the form of grants funding is low compared to other regions
- the number of gambling venues and electronic gaming machines is decreasing
- expenditure (the amount lost) on gaming machines is increasing.

A full copy of the Social Impact Assessment can be found on each of the Wairarapa District Council websites:

Masterton: mstn.govt.nz

Carterton: cdc.govt.nz

South Wairarapa: swdc.govt.nz

TĀ TĀTOU TONO OUR PROPOSAL

We are proposing a few changes to the Wairarapa Class 4 Gambling and Standalone TAB Venues Policy based on feedback from key stakeholders and the findings of the social impact assessment. These changes are intended to further mitigate gambling harm and also make sure the policy is easy to understand for the community and to implement by council staff.

Summary of Key Changes

The key proposed changes are summarised below.

Proposal 1a: Amend the policy so that Class 4 Gambling Venues cannot relocate in Masterton under any circumstances
 Proposal 1b: Amend the policy so that Class 4 Gambling venues cannot relocate to Carterton and South Wairarapa's most deprived areas (those on the New Zealand Deprivation Index of decile 9 or 10¹) if the proposed location is outside of a town centre

Reason for Proposal

Feedback from social service agencies suggests that gambling harm is becoming more of an issue in Wairarapa in the face of increasing financial pressures on households. Those in our most deprived communities are most at risk from gambling harm.

The current policy permits the relocation of an existing Class 4 gambling venue in extraordinary circumstances if Council reasonably believes the proposed location will not have an adverse effect on the character of the district or on any kindergartens, early childhood centres, schools, places of worship or other community facilities. However, the policy does not explicitly prohibit the relocation of Class 4 venues to areas of high socio-economic deprivation.

Of the districts in the Wairarapa, Masterton has highest overall levels of deprivation. Evidence also shows gaming machines are used more extensively in Masterton than other parts of the Wairarapa. In 2022, expenditure per gaming machine was \$79,741 in Masterton compared to \$66,744 in Carterton and \$32,348 South Wairarapa). This is also above the national average for New Zealand as a whole (\$70,197). We are therefore proposing to amend the policy to prohibit the relocation of Class 4 venues in Masterton under any circumstances to help mitigate further gambling harm.

We are also proposing to amend the policy to prohibit the relocation of Class 4 venues to the most deprived areas in Carterton and South Wairarapa to ensure that our most vulnerable communities will not see the introduction of a Class 4 venue in the area they live . Exempting town centres from this condition ensures that the policy is not overly restrictive as some of our main business streets are in areas rated as most deprived (e.g. Fitzherbert Street, Featherston). It also assists in containing venues in town centres where there is greater visibility.

¹An online interactive map showing the New Zealand Deprivation Index is available on the Environmental Health Intelligence NZ website, with NZDep2018 being the rating that currently applies. Areas with a NZ Dep Rating of 9 or 10 represent the most deprived areas: www.ehinz.ac.nz/indicators/population-vulnerability/socioeconomic-deprivation-profile/.

Proposal 2: Amend the policy to state that no new standalone TAB venues may be established in the Wairarapa.

Reason for Proposal

The current policy permits new standalone TAB venues to be established if Council reasonably believes the proposed location will not have an adverse effect on the character of the district or on any kindergartens, early childhood centres, schools, places of worship or other community facilities.

Wairarapa has no standalone TAB venues and this has not changed since the policy was last reviewed in 2019. Amending the policy to maintain the position of having no standalone TAB venues is consistent with our community wellbeing and harm reduction approach.

Seven of the ten Class 4 Gambling venues offer TAB facilities – two in Masterton, two in Carterton and three in South Wairarapa, so TAB facilities will still be accessible in the Wairarapa.

Proposal 3: Amend the policy to clearly state that no additional electronic gaming machines will be granted consent, in any Class 4 venue.

Reason for Proposal

The current policy is widely understood to have a sinking lid approach to the number of electronic gaming machines (EGMs) in the Wairarapa. A sinking lid is a limit on the number of EGMs within an area that is permanently lowered with each reduction of EGM. The sinking lid approach for the Wairarapa has been described in various reports and in the media.

However, while the wording of the policy is clear that there is a sinking lid for EGMs at each venue, the policy also sets out a "maximum number" of EGMs allowed in each district. This could create confusion because a "maximum number allowed" may be interpreted as a cap on numbers, rather than a sinking lid. We have made minor changes to the wording of policy to eliminate ambiguity and clarify the sinking lid approach for EGMs.

Proposal 4: Updates as required to reflect changes since the last review and to improve the flow and readability.

Reason for Proposal

The current policy refers to the Racing Act 2003. Since the last review, this has been replaced with the Racing Industry Act 2020.

The current policy refers to venues existing or consented "at at 1 January 2019." This has been updated to 1 January 2024.

Other changes are proposed to improve the flow and readability of the policy. This includes the addition of objectives and Te Reo Māori heading translations.

NGÃ MEA I WHAKAAROTIA E TE KAUNIHERA OPTIONS CONSIDERED BY COUNCIL

In accordance with section 77 of the LGA, all reasonably practicable options have been considered. The advantages and disadvantages associated with each option are detailed below. We are proposing to proceed with Option 1.

Option 1

Adopt the proposed Wairarapa Class 4 Gambling and Standalone TAB Venues Policy.

This is our preferred option.

Advantages	Disadvantages
• The policy would take a community wellbeing and harm reduction approach.	 The policy may discourage new hospitality businesses, if they need gambling machines to be financially viable. Over time the policy may reduce the amount of funding available to community organisations.
The policy would reflect an appropriate balance between minimising gambling harm	
and economic/social benefits.The policy continues to support a reduction	
in gambling venues and gaming machines in the long term.	 Could negatively impact existing businesses in Masterton if they needed to relocate in extraordinary circumstances and may lead to a small number of job losses.
 The policy has been developed in consideration of the social impact of gambling in the Wairarapa. 	
• The policy takes into account regional differences while still maintaining a consistent approach for Wairarapa for most policy positions.	

Our proposed Wairarapa Class 4 Gambling and Standalone TAB Venues Policy can be found on each of the Wairarapa District Council websites.

Masterton:	mstn.govt.nz
Carterton:	cdc.govt.nz
South Wairarapa:	swdc.govt.nz

Option 2

Adopt a more restrictive proposed Wairarapa Class 4 Gambling and Standalone TAB Venues Policy (e.g. do not allow the relocation of Class 4 venues in Carterton or South Wairarapa under any circumstances)

Advantages	Disadvantages
• Current and potential levels of gambling harm could be further reduced.	• May not provide an appropriate balance between minimising gambling harm and the economic/social benefits.
	• Could negatively impact existing businesses and their ability to operate if they needed to relocate in extraordinary circumstances (e.g. earthquake strengthening).
	• May reduce over time the amount of funding available to community organisations.
	• May lead to some job losses. Of the five venues who responded to a survey conducted as part of the Social Impact Assessment, an estimated 6.5 FTE positions were created by Class 4 gambling in Wairarapa.

Option 3

Adopt a less restrictive proposed Wairarapa Class 4 Gambling and Standalone TAB Venues Policy. (e.g. remove the sinking lid approach or allow the relocation of Class 4 venues in Masterton under exceptional circumstances if the proposed location is not a highly deprived area outside of the town centre)

Advantages	Disadvantages
• May have positive flow on effects for community organisations accessing gaming machine proceeds.	 Current and potential levels of gambling harm may increase. Would be a significant shift from the
 Possible economic gain from visitors who frequent gambling venues. 	Councils' current stance to promote community wellbeing and may be negatively perceived by the community.
	 If the sinking lid policy was removed, the number of gambling venues and gaming machines may increase.

TE ĀHUA O TŌ TUKU KŌRERO HOW YOU CAN HAVE YOUR SAY

We welcome your feedback on the proposed Wairarapa Class 4 Gambling and Standalone TAB Venues Policy. Please note Masterton District Council is managing submissions on behalf of Carterton and South Wairarapa District Councils.



Complete our online submission form at: mstn.govt.nz, cdc.govt.nz, or swdc.govt.nz



Download a fillable pdf submission form from any of the above websites and email to: submissions@mstn.govt.nz



Pick up a submission form from one of our libraries or customer service centres or print out our printer-frendly form from the websites above. Post it to Masterton District Council, Freepost 112477, PO Box 444, Masterton 5840, or drop it off to one of our libraries or customer service centres.

Masterton District Council
Carterton District Council
South Wairarapa District Council

161 Queen Street, Masterton
28 Holloway Street, Carterton
19 Kitchener Street, Martinborough



Phone the Masterton team on 06 370 6300 between 9am and 4pm Monday to Friday (excluding public holidays) and tell us what you think.

Consultation closes 4.30pm Friday 22 March 2024

Hearing

A joint hearing with representatives of the Wairarapa Councils will be held in April 2024 to provide any person or organisation who makes a written submission the opportunity present their views.

Please indicate on your submission form that would you like to speak at the hearing and include an email address or phone number. We will contact you to arrange a time.

Want more information?

If you have any questions about the proposed Wairarapa Class 4 Gambling and Standalone TAB Venues Policy or the consultation process, please phone us on 06 370 6300 between 9am and 5pm Monday to Friday (excluding public holidays).

What happens next?

Following the February/March 2024 consultation period, all feedback will be considered by the three Wairarapa district councils. Following a hearing and deliberations meeting, the Councils will then meet to consider the adoption of the policy.



Masterton District Council mstn.govt.nz 06 370 6300 161 Queen Street, Masterton



Carterton District Council cdc.govt.nz 06 379 4030 28 Holloway Street, Carterton



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