

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



**SOUTH WAIRARAPA
DISTRICT COUNCIL**
Kia Reretahi Tātau



KUPU WHAKATAKI

INTRODUCTION

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 Class 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

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.

NGĀ 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
<ul style="list-style-type: none"> • The policy would take a community wellbeing and harm reduction approach. • 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. • 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. 	<ul style="list-style-type: none"> • 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. • 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.

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

- Current and potential levels of gambling harm could be further reduced.

Disadvantages

- 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

- May have positive flow on effects for community organisations accessing gaming machine proceeds.
- Possible economic gain from visitors who frequent gambling venues.

Disadvantages

- Current and potential levels of gambling harm may increase.
- Would be a significant shift from the 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-friendly 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 161 Queen Street, Masterton

Carterton District Council 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.

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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South Wairarapa District Council
swdc.govt.nz
06 306 9611
19 Kitchener Street, Martinborough