

Social Impact Assessment of Class 4 and TAB Venue Gambling in the Wairarapa: Social Harms and Benefits

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Prepared for the District Councils of
Masterton, Carterton and South Wairarapa

by
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Key findings

- Compared to neighbouring territorial local authorities, Wairarapa's policy around Class 4 venues is more conservative than that of Palmerston North and Upper Hutt City Councils, but less conservative than Lower Hutt's which takes a wellbeing approach, with sinking lid and no relocations permitted. Wairarapa's policy does allow for relocations and does not restrict these outside areas of high socio-economic deprivation. Both measures are evidenced as effective (Erwin et al., 2020) in reducing Class 4 venues and Electronic Gaming Machine (EGM) numbers. Wairarapa has less venues and less EGMs than its neighbouring districts, but of course also a much lower population. However all three local authority areas within the Wairarapa region had lower Gaming Machine Profit (GMP) per head of population 15 years and over compared with the neighbouring communities. Compared to its neighbouring local authority areas, the Wairarapa region as a whole, and each of its districts, has also experienced lower levels of growth in GMP over time.
- New Zealand Health and Lifestyles Survey data indicates that gambling harm is disproportionately experienced by those living in high socioeconomic deprivation communities, scoring 8, 9 or 10 on the New Zealand Deprivation (NZDEP) scale. Four of Wairarapa's Class 4 venues are located within such areas: 2 venues in decile 9 areas and 2 in decile 8 areas. A further 3 venues sit within Stats NZ Statistical Area 1 (SA1) areas rated as NZDEP decile 7: 70% of the class 4 venues are located in NZDEP areas of decile 7-9, with only 3 venues located in areas of lower socioeconomic deprivation, one in a decile 4 area and 2 in decile 2 areas, both in Greytown.
- Official statistics show a reduction in help seeking regarding gambling harm as a result of Covid-19 restrictions, and an increase in service demand since then, but at lower levels than pre-covid. Such data is subject to under-reporting, and feedback from providers suggests that gambling harm is becoming more of an issue in the face of increasing financial pressures on households: gambling is often part of the picture for whānau in need of social supports, but considerable stigma exists when it comes to reaching out for help, and service navigation needs remain. There is ongoing need for community education to help whānau recognise signs of gambling harm and to encourage them to reach out for support, and know where to turn to access this.
- Based on limited feedback from venues and gaming trusts, the presence of Class 4 venues in Wairarapa brings only very limited economic benefit to the district, with minimal impact on employment. TAB facilities and pokies were identified by only a small number of respondents to the surveys of the present research as contributing to social connection.
- The proportion of GMP returned to Wairarapa in the form of grants funding (18.7%) is low compared to other regions. However returns to the wider Wellington region in which Wairarapa sits, and in which some of the services and activities accessed by Wairarapa residents are based is on the higher side, at 37%. Only a very small number of service providers working to address gambling harm have received gaming trust grants over the past year, and sport is by far the largest recipient of grants funding. With budgeting services, food banks, kaupapa Māori organisations supporting whānau in need all appearing to be working to respond to gambling harm, it would be good to see such organisations actively encouraged and supported to apply for such grants. Lion

Foundation's policy is to return 90% of its grants funding directly to the community of origin, while Pub Charity also stipulates in its policy that funds are generally to be distributed in the area in which funds were generated. Trillian Trust does not address where or how funds are distributed geographically its funding policy, while Trust House, as a smaller gaming trust with half its venues located in the Wairarapa, is currently appearing to distribute its funds in Wairarapa more or less proportionately to the number of venues. Trust House's funding policy prioritises community support and cultural activities and recreation, along with welfare and social services for responding to addiction. It is acknowledged that some social services choose not to apply for grants funding from gaming trusts. It appears that a sizeable amount of money lost by gamblers in the Wairarapa goes on to benefit organisations serving other parts of the country, and uptake of Class 4 gaming grants funding by Wairarapa-based groups and organisations is perhaps lower than it could be. It would be useful to see more promotion of the grants offered by Pub Charity Ltd, Lion Foundation, Trust House, Trillian Trust and TAB to local schools, sports and arts clubs and community groups across the region, and assistance in writing grants applications provided via workshops or other resources, to try and increase the return of gambling spend to the local community for its benefit.

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1. Background

The three councils of Wairarapa (Masterton District, Carterton District and South Wairarapa District Councils) sought a review of their Gambling Venue Policy (2019) as required on a three-yearly basis by the Gambling Act 2003 and the Racing Industry Act 2020. A Social Impact Assessment of Class 4 and TAB venue gambling is an important component of the review, evaluating the impacts of gambling on the Wairarapa community: the groups and organisations which benefit from Class 4 gambling through grants from gaming societies, the economic and entertainment benefits arising from Class 4 gambling within the district, and those populations disproportionately harmed by gambling. The Gambling Act 2003 requires mandatory community consultation including with gaming societies and with organisations representing Māori; one of the purposes of the Gambling Act 2003 is to ensure community input into decisions about the provision of gambling in local communities. It also requires community profiling and assessment of social impacts of gambling but does not specify a methodology for this process. However Social Impact Assessment (IAIA, 2003) is a best practice approach to this task.

The SIA was undertaken by Sarah Wylie, an independent social researcher with extensive experience undertaking community-focused needs analyses and impact assessments for local authorities. The research took place in March – April 2023.

2. Scope of the social impact assessment

The scope of the assessment was as follows:

- A comprehensive description was presented of the relevant legislative context – the Gaming Act (2003), Racing Industry Act (2020) and relevant sections of the Local Government Act (2002)
- Relevant community profiling of the Carterton, Masterton and South Wairarapa Districts
- Development and presentation of a gambling and Class 4 gambling profile of Wairarapa (and its three TLA areas) in relation to New Zealand and comparable districts, including community expenditure on Class 4 gambling, gaming machine profits, numbers of approved venues, number of gaming machines licensed to operate for the most recently reported quarter at the time of writing, December 2022
- Profiling of funds returned to the Wairarapa community and its 3 respective TLA areas from Class 4 gambling in the form of grants, and groups and type of activities receiving these grants – to what extent are those people most commonly gambling likely to be benefitting from the associated grants?
- A review of Gambling Venue Policy trends of comparable districts
- Literature summary regarding community harm and social impacts experienced from Class 4 and Board venue gambling, and impact on different socioeconomic groups, especially high deprivation communities and within a New Zealand context
- Limited qualitative research exploring levels and nature of harm being experienced in different areas of the community (both geographically and socioeconomically/by NZDEP/ socio-culturally)
- Investigation of economic benefits of Class 4 gambling venues in the community, including employment
- Investigation of entertainment benefits of Class 4 gambling venues
- Literature summary regarding gambling harm minimisation best practice, and
- Literature summary regarding online gambling and its impact

This assessment sets out the facts based on quantitative data collated and analysed by the Ministry of Health (MoH), Department of Internal Affairs (DIA), Health Promotion Agency (HPA) the Problem Gambling Foundation (PGF) and others, and surveys undertaken as part of the present SIA. While the author made every effort to ensure accuracy using the most up-to-date information available at the time of writing this report, no guarantee can be made due to the information being sourced from numerous third parties. It is recommended that this document is used to provide general guidance as to the benefits and risks of the provision of class 4 gambling in our community.

3. Legislative context

The Gambling Act 2003 is in place to control the growth of gambling, prevent and minimise harm arising from it, including from problem gambling, authorise some forms of gambling and prohibit others, facilitate responsible gambling, ensure the integrity and fairness of games, limit opportunities for crime and dishonesty associated with gaming, ensure that the money from gambling benefits the community and facilitate community involvement in decisions about the provision of gambling. Under the Act, there are provisions for councils to manage the impacts and limit the opportunities for gambling in their communities.

Under the Gambling Act 2003 ('the Act'), the following are considered legal forms of gambling:

- Lotteries Commission products – Lotto, Instant Kiwi
- Keno
- Scratch tickets
- Housie
- Electronic Gaming Machines in pubs, clubs, and casinos
- Track betting with the TAB
- Sports betting with the TAB
- Casino table games
- Card games – e.g. poker
- Raffles
- Casino/gaming evenings

The Gambling Act 2003 classifies gambling based on the amount of money spent and the risk of problem gambling associated with an activity. Classes of gambling range from Class 1, representing low-stake, low-risk gambling, to Class 4, which represents high-risk, high-turnover gambling. Class 4 venues operate gambling machines, commonly referred to as 'pokies'.

Given the high-risk, high-turnover nature of pokies, the Act allocates responsibility for the administration of Class 4 gambling to Te Tari Taiwhenua Department of Internal Affairs, with both the Ministry of Health and Territorial Authorities also having specified roles.

- Te Tari Taiwhenua Department of Internal Affairs is responsible for administering and regulating gambling in New Zealand.
- The Ministry of Health plays an important role through monitoring and funding of the problem-gambling Foundation.

Section 30 of the Act relates to Class 4 Gambling. It states that Class 4 gambling may only be conducted by a corporate society that must have measures in place to mitigate problem-gambling harm. The Act advises that Territorial Authorities may choose to develop policies that are restrictive or permissive depending on the local area. The role played by local government is limited to the powers provided under Section 101 of the Act: Territorial Authorities must adopt a Class 4 venue policy, and in adopting the initial policy, they are required to have regard to the social impact of gambling within the territorial authority district.

A territorial authority's Class 4 gambling policy:

- (a) Must specify whether or not Class 4 venues may be established in the territorial authority district and, if so, where they may be located; and
- (b) May specify any restrictions on the maximum number of gaming machines that may be operated at a Class 4 venue; and
- (c) May include a relocation policy. A relocation policy is a policy that sets out if and when the territorial authority will grant consent in respect of a venue within its district where the venue is intended to replace an existing venue (within the district) to which a Class 4 venue licence applies (in which case section 97A applies).

Policies are required to be reviewed at least every three years. Where the policy is to be changed or replaced, a special consultative process, as set out in Section 25, Local Government Act 2002 Amendment Act 2014, must be followed.

In determining its policy on whether Class 4 venues may be established in the territorial authority district, where any venue(s) may be located, and any restrictions on the maximum number of gaming machines that may be operated at venues, the territorial authority may have regard to any relevant matters, including:

- (a) The characteristics of the district and parts of the district
- (b) The location of kindergartens, early childhood centres, schools, places of worship, and other community facilities
- (c) The number of gaming machines that should be permitted to operate at any venue or class of venue
- (d) The cumulative effects of additional opportunities for gambling in the district
- (e) How close any venue should be permitted to be to any other venue
- (f) What the primary activity at any venue should be.

Territorial authority consent must be granted before a venue licence for non-casino gaming machines can be acquired from Te Tari Taiwhenua Department of Internal Affairs. The Act makes provisions for the proportion of monies gambled or 'played' which must be returned to the player, the proportion of proceeds that are distributed to the venue, operator and community organisations. A set of rules govern how Class 4 venues operate, including rules for how all games are played. A new set of rules came into place in 2022, The Gambling Act (Class 4) Game Rules 2022. These replaced those in place since 2016. Regulations are also in place regarding harm prevention and minimisation (Gambling (Harm Prevention and Minimisation) Regulations 2004). These regulations are in the process of revision, with new regulations expected to be in place in the first half of 2023, which will take much more of a "safety net" approach to gambling harm minimisation. These seek to make host responsibility requirements "clearer, stronger and more enforceable"¹ through a number of regulatory changes², including:

- mandatory annual training for all staff dealing with gamblers, ensuring that staff in pokies venues are better trained;

¹ <https://www.rnz.co.nz/news/national/479007/new-regulations-planned-for-pokies-to-reduce-problem-gambling>

² <https://www.dia.govt.nz/reducingpokiesharm>

- new requirements around the steps venues must follow to identify harmful gambling, such as regular sweeps and recording signs of gambling harm;
- two new rules around venue design that will support harm minimisation by ensuring that staff can better monitor ATMs, while also ensuring that pokie machines are less visible; and
- introducing a range of new infringement offences to help penalise those who fail to comply with harm minimisation regulations.

Payments to venues for machines are controlled and limited, with a limited proportion of the proceeds being returned to corporate societies, and certain amounts being distributed for authorised purposes. There are two types of corporate society: those that apply funds to their own purposes (e.g. clubs), and those that make grants to other bodies for community purposes.

Following a court decision ruling and the Gambling Commission's subsequent Matatā decision, Te Tari Taiwhenua Department of Internal Affairs have implemented the Matatā decision via guidelines: where Class 4 venue licensees hold a licence enabling them to operate up to a specified number of EGMs at their venue, they now need to have a minimum of that number of EGMs on the licence to maintain the operating entitlement: Machines can be listed as operational or non-operational, but if all EGMs were not listed on the licence prior to the cut-off date of 31 March, 2023, the entitlement would be reduced to the number listed on the new licence.

Up until 2020, The Gambling Act also provided for councils to give consent for the New Zealand Racing Board to establish Board Venues (places where off-site sports and track bets could be placed), under the Racing Act 2003. This was replaced in August 2020 with the Racing Industry Act 2020, following a comprehensive review of the racing industry. The Racing Industry Act subpart 2 – TAB Venues states that a territorial authority consent is required if TAB NZ proposes to establish a TAB venue, with applications made to the TLA for the district the venue will be located within. Section 96 of this Act states that local authorities considering consent applications must consider these in accordance with their TAB Venue Policy.

The legislation regarding these is as follows:

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

Section 97 states that a policy on TAB venues must be adopted in accordance with the special consultative procedure set out in Section 25 of the Local Government Act 2002 Amendment Act 2014, and that a policy may be amended or replaced only in accordance with the special consultative

procedure. A territorial authority must, as soon as practicable after adopting, amending, or replacing a policy on TAB venues, provide a copy of the policy to TAB NZ and the chief executive. A territorial authority must complete a review of a policy within 3 years after the policy is adopted and then within 3 years after that review and each subsequent review is completed. A policy does not cease to have effect because it is due for review or is being reviewed. Council policies regarding Class 4 venues and TAB venues typically address both issues within the same gambling venue policy.

Section 25 of the Local Government Act 2002 Amendment Act 2014

- “(1) Where this Act or any other enactment requires a local authority to use or adopt the special consultative procedure, that local authority must—
 - “(a) prepare and adopt—
 - “(i) a statement of proposal; and
 - “(ii) if the local authority considers on reasonable grounds that it is necessary to enable public understanding of the proposal, a summary of the information contained in the statement of proposal (which summary must comply with section 83AA); and
 - “(b) ensure that the following is publicly available:
 - “(i) the statement of proposal; and
 - “(ii) a description of how the local authority will provide persons interested in the proposal with an opportunity to present their views to the local authority in accordance with section 82(1)(d); and
 - “(iii) a statement of the period within which views on the proposal may be provided to the local authority (the period being not less than 1 month from the date the statement is issued); and
 - “(c) make the summary of the information contained in the statement of proposal prepared in accordance with paragraph (a)(ii) (or the statement of proposal, if a summary is not prepared) as widely available as is reasonably practicable as a basis for consultation; and
 - “(d) provide an opportunity for persons to present their views to the local authority in a manner that enables spoken (or New Zealand sign language) interaction between the person and the local authority, or any representatives to whom an appropriate delegation has been made in accordance with Schedule 7; and
 - “(e) ensure that any person who wishes to present his or her views to the local authority or its representatives as described in paragraph (d)—
 - “(i) is given a reasonable opportunity to do so; and
 - “(ii) is informed about how and when he or she may take up that opportunity.
- “(2) For the purpose of, but without limiting, subsection (1)(d), a local authority may allow any person to present his or her views to the local authority by way of audio link or audiovisual link.
- “(3) This section does not prevent a local authority from requesting or considering, before making a decision, comment or advice from an officer of the local authority or any other person in respect of the proposal or any views on the proposal, or both.

4. Literature summary: Community harm and social impacts experienced from Class 4 and Board venue gambling³

When considering the issue of problem gambling and gambling harm created by different types of gambling, it is important to remember that local authorities only have the power under the Act to regulate and administer Class 4 gambling – venues for pokie machines in pubs and clubs and standalone TAB venues.

The most complete set of information in Aotearoa New Zealand regarding the incidence and prevalence of gambling-related harm across the total population, and people's gambling knowledge and behaviours lies in Te Hiringa Hauora / Health Promotion Agency's representative, face-to-face Health and Lifestyles Survey, which was conducted every two years up until 2016 (Thimasarn-Anwar, T., Squire, H., Trowland, H. & Martin, G., 2017)⁴, and then again in 2020. Interviewing for the 2020⁵ Health and Lifestyles Survey was delayed for five months due to the COVID-19 lockdown, with interviewing subsequently suspended on two occasions in the Auckland region in response to the alert level being raised to level 3. At all other times, interviewing took place at alert levels 1 and 2 with additional COVID-19 precautions in place, but Te Hiringa Hauora / Health Promotion Agency report that it is unclear what impact the delays to the survey and the pandemic response have had on the data. No adjustments were made to account for the impacts of these delays and the pandemic response. Findings from the 2018 and 2020 surveys are available via HPA's website and an online tool, Kupe.

The 2020 survey findings suggest that the majority of those who choose to gamble do so occasionally and responsibly. Gambling is quite common: 69.3% of New Zealanders participate in some form of legal gambling activity on an occasional basis (compared to 70% in 2016), while 20% do not gamble at all.

The Health and Lifestyles survey identifies the different levels of gambling participation in New Zealand. The most common gambling in New Zealand is playing Lotto: the 2020 survey findings suggested that 59.1% of adults purchased a Lotto ticket at least once per year. One in ten adults bet on horse or dog races in the past year and just under 5% had bet on a sports event.

The Ministry of Health's Strategy to Prevent and Minimise Gambling Harm 2022/23 to 2024/25 notes that DIA data shows that total gambling expenditure (player losses) on the four main types of gambling is continuing a trend of increased expenditure over time. While 2019/20 bucked this trend due to Covid-19 lockdown restrictions, substantial expenditure recovery occurred in 2020/21, with total

³ The literature and legislative review in the present report is an update of work conducted by the author for Westland District Council in 2022, used with permission.

⁴ 2016 (Thimasarn-Anwar, T., Squire, H., Trowland, H. & Martin, G., 2017). *Gambling report: Results from the 2016 Health and Lifestyles Survey*. Wellington: Health Promotion Agency Research and Evaluation Unit. February 2018: HPA

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

⁵ <https://kupe.hpa.org.nz/#!/gambling>

gambling expenditure in 2020/21 being the highest ever recorded since records began in 2007. This trend of increased gambling spending over time is occurring in a context where the number of places people can gamble on pokies is decreasing (DIA, 2022).

What do we mean by problem gambling?

According to the Gambling Act 2003, a problem gambler is *a person whose gambling causes harm or may cause harm*. Harm is further defined within the Act as follows:

harm or distress of any kind arising from, or caused or exacerbated by, a person's gambling; and includes personal, social, or economic harm suffered—

i. by the person; or

ii. by the person's spouse, civil union partner, de facto partner, family, whānau, or wider community; or

iii. in the workplace; or

iv. by society at large.

Problem gambling is a significant public health concern in New Zealand, estimated, based on 2018 Census data, to affect approximately 11 percent of New Zealanders each year either directly or indirectly⁶, and with about one in five people in New Zealand experiencing harm in their lifetime due to their own or someone else's gambling (Ministry of Health, 2022). International evidence cited in the Reducing Pokies Harm Public Discussion Document (DIA, April 2022) suggests that a person experiencing severe gambling harm will also effect on average around 7 other people – whānau, friends, employers etc. Direct impacts can include neglect and financial and emotional distress. There is also a strong correlation between gambling and family or partner violence for women and children.

In research exploring the effectiveness of local government policy in capping gambling in New Zealand, Erwin, Lees, Pacheco & Turcu (2020), Class 4 gambling was identified as contributing the most harm to NZ compared to other types of gambling (Ministry of Health, 2019; Ministry of Health 2022⁷). According to the National Gambling Study of 2014, over half of the total Class 4 gambling expenditure comes from individuals considered to be high risk or problem gamblers (Abbott et al., 2016)⁸, while analysis from the 2020 Health Lifestyles Survey⁹ showed that 50.3% of those who played EGMs in pubs or clubs at least once per month experienced some level of gambling harm.

The Health and Lifestyles Surveys employ the Problem Gambling Severity Index (PGSI; Ferris & Wynne, 2001)¹⁰, a 9-item scale used to assess people's experiences of gambling-related harm in the last 12 months. Four risk categories are applied to respondents based on their responses: non-problem

⁶ Erwin, C., Lees, K., Pacheco, G. & Turcu, A. (2020) *Capping gambling in NZ: The effectiveness of local government policy intervention*. Auckland.

⁷ Ministry of Health (2022). *Strategy to Prevent and Minimise Gambling Harm 2022/23 to 2024/25*. Wellington: Ministry of Health.

⁸ 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.

⁹ Te Hīringa Hauora (2021) Results from the Health and Lifestyles Survey 2020.

¹⁰ Ferris, J., & Wynne, H. (2001). *The Canadian Problem Gambling Index: Final report*. Ottawa, ON: Canadian Centre on Substance Abuse.

gambler, low risk, moderate risk and problem gambler. Key indicator data on HPA's Kupe Data Explorer online tool suggests that moderate risk and problem gamblers are more likely than non-problem gamblers to bet on horses, dogs and sports events and to participate in gaming machines in pubs or clubs. In the Ministry of Health report on gambling published in 2019, they cited data from the Problem Gambling Foundation showing that of those who sought professional help for their gambling issues, almost half (48%) were Class 4 gamblers, using non-casino gaming machines.

2016 Health and Lifestyles survey findings indicate that 0.1% of gamblers are classified as problem gamblers. 2020 survey findings show that 1.6% of gamblers (65,000 adults) fall into the problem and moderate risk categories combined, with this proportion growing to 3.7% for Māori (the highest proportion of any ethnic group) and 4.8% for Māori males. A further 119,000 adults were low risk gamblers, and 180,000 adults had an occasion where they spent more time or money gambling than they intended to in the past 12 months.

Repeated studies have shown that problem gambling is an equity issue, disproportionately affecting Māori, and to a lesser extent Pasifika, and some Asian communities, along with rangatahi (Ministry of Health, 2022). Males are more than twice as likely as females to meet the criteria for the category of problem gambler. The 2016 survey found that gambling harm is experienced disproportionately by those living in areas with a high social deprivation index score (8/10 or higher), yet the most recent data¹¹ shows that 63% of pokie machines are located within medium high or very high deprivation areas. People in these areas were 4.5 times as likely to experience gambling-related arguments or money problems related to gambling as those in the general population.

Although the incidence of problem gambling is low in this country, it is widely spread across society and can look very different from individual to individual.

A report jointly published by the Central Queensland University and the Auckland University of Technology in 2017, *Measuring the Burden of Gambling in New Zealand*¹², outlines six main kinds of harm associated with gambling in New Zealand, all manifesting in different ways as follows:

- Decrements to the person's health, both morbidity and mortality
- Emotional or physiological distress
- Financial difficulties, diverted financial resources, bankruptcy or reduction of financial situation
- Reduced performance/loss of role at employment or study
- Relationship conflict or breakdown
- Criminal activity and neglect of responsibilities, including the consequences of such action.

¹¹ Malatest International (2021) Gambling harm needs assessment 2021.

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

¹² Browne, M., Bellringer, M., Greer, N., Kolandai-Matchett, K., Rawat, V., Langham, E., Rockloff, M., Palmer Du Preez, K. & Abbott, M. (2017) *Measuring the Burden of Gambling Harm in New Zealand*. Central Queensland University and Auckland University of Technology, May 2017

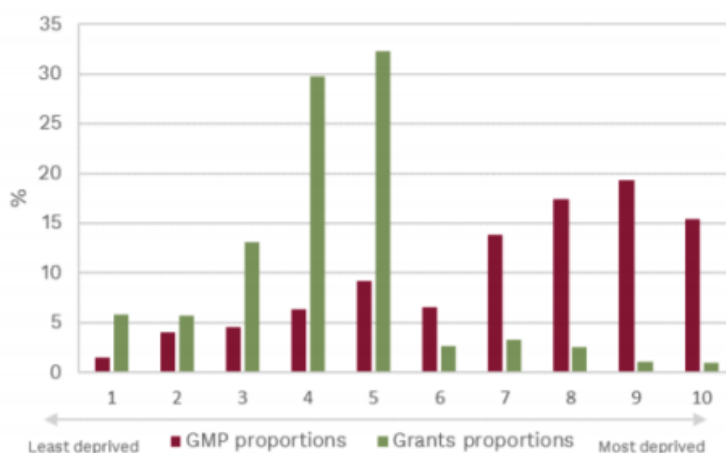
Browne et al. (2017) concluded that although harm is associated with problematic gambling, it is not synonymous with clinical addiction and some harms may occur well before diagnostic criteria are met. They cautioned that standard instruments for measuring prevalence of gambling problems, such as the Problem Gambling Severity Index (PGSI) used in the Health and Lifestyles Survey are designed to screen for the likelihood of experiencing problems, rather than describe the extent of harm being experienced.

Many of the impacts of gambling affect people other than the person laying the bet or playing the game. HPA advise that local authorities need to be mindful of this when considering Gambling Venues Policies: it is about more than just personal responsibility, and therefore requires a public health approach, considering how gambling impacts families and communities, and not just individuals.

Entertainment benefits of Class 4 gambling venues

As outlined earlier in the present report, it is more common than not for adults to engage in gambling activity at some time or other, and this can be a harmless activity that presents opportunities for socialisation, relaxation, entertainment and connection (Melatest 2021). The existence of Class 4 gambling and race and sports betting also results in some employment opportunities and contributes to economic development. The Gambling Act 2003 requires gaming societies to return at least 40 percent of the net proceeds from gambling to the community (in accordance with their authorised purposes) in the form of grants. It should be noted that due to COVID-19, in 2020, legislation was temporarily amended to state that societies unable to meet the minimum rate of return to the community, would not be penalised for the 2020 and 2021 financial years, but this did not remove the obligation to minimise costs and maximise community returns.¹³ The Racing Industry Act 2020 also requires TABs to ensure profits benefit New Zealand racing long-term and to return funds to New Zealand national sporting organisations. In 2019, the Class 4 sector returned about \$241 million to 13,000 community groups in the form of grants funding across New Zealand, in addition to tax and duty payments to the government.¹⁴

Figure 1. Origin of Gaming Machine Profit and destination of community and sports grants by deprivation – PGF et al. (2020) in Melatest (2021)



In their assessment of gambling harm undertaken in 2021 for the Ministry of Health, Malatest International noted that the overall distribution of funds had shifted away from communities over time, and that while Class 4 gambling provides more local funding than some other forms of gambling, it also comes with higher risk of harm from problem gambling. The authors referred to

¹³ <https://www.legislation.govt.nz/regulation/public/2020/0136/18.0/LMS360280.html>

¹⁴ PGF Group, Hāpai Te Hauora, & The Salvation Army. (2020). Ending community sector dependence on pokie funding. White paper. Wellington: Discussion Document: Review of Class 4 gambling. <http://hapai.co.nz/sites/default/files/White%20Paper%20Ending%20community%20sector%20dependence%20on%20pokie%20funding.pdf>

reports by BERL and NZIER in 2020 that showed inequitable distribution of community grants back to the most socioeconomically deprived communities, where the majority of Class 4 venues are located and expenditure on electronic gaming machines, 'pokies' is high.¹⁵ At the same time, the distribution of venues nationally is strongly skewed towards areas of high socioeconomic deprivation. Figures presented by DIA (2022) show that as at March 2021, 33% of venues were in NZDEP 9 and 10 (high deprivation areas), 30% in NZDEP 7 and 8 (Medium-High) areas, 18% in NZDEP 5-6 (Medium) areas, 12% in NZDEP3-4 (Medium low) deprivation areas and just 7% in areas of very low socio-economic deprivation, NZDEP 1 and 2 areas. Gambling is more accessible and more normalised in communities who can least afford it, and who face many other challenges which gambling can also compound.

Gambling harm minimisation best practice

Erwin et al. (2020) recently conducted research in New Zealand exploring the impact of public policy interventions on gambling, and in particular, council policies around Class 4 gambling. Erwin et al. gathered information on Class 4 gambling policies from all 67 TAs in NZ, and from this, constructed a novel panel data set of territorial authority-level Class 4 gambling policy types over time, combining these findings with data on machine spending from DIA and demographic and economic indicators from Stats NZ and MBIE. They found that all three forms of policy intervention prevalent in New Zealand – absolute caps on the number of pokie machines and/or venues, per capita caps on number of machines and/or venues and sinking lid policies (restricting transfer of Class 4 licences in order to slowly reduce availability over time) are effective in reducing Class 4 venues and non-casino gaming machines when compared with territorial authorities with no restrictions beyond those in the Gambling Act 2003. They estimated that absolute caps reduce the number of pokie machines by 15% and the number of venues by 16.9% on a per 100,000 population basis over one year. Estimated reductions are marginally larger for the per capita cap policy and lower for the sinking lid policy.

In terms of reducing machine spending, Erwin et al. (2020) found sinking lids and per capita caps to be the most effective policy measures. Compared to the reference group (territorial authorities with no restrictions beyond those in the Gambling Act 2003), these policies are associated with a cumulative reduction) in machine spending of 13 – 14%. As of December 2020, 43% of TAs had adopted a sinking lid policy, while 37% had no restrictions on the number of venues or machines that could be established within their district (Malatest International, 2021).

Guidelines developed and promoted by the Department of Internal Affairs require all gambling operators to fulfil their host obligations to help prevent or minimise harm from gambling. As indicated earlier in the present report in the section regarding legislative context, regulations for harm reduction and minimisation are under review, with new regulations expected to be released by the end of the

¹⁵ PGF Group, Hāpai Te Hauora, & The Salvation Army. (2020). Ending community sector dependence on pokie funding. White paper. Wellington: Discussion Document: Review of Class 4 gambling. <http://hapai.co.nz/sites/default/files/White%20Paper%20Ending%20community%20sector%20dependence%20on%20pokie%20funding.pdf>

current financial year. These regulations are being developed following a process of public consultation¹⁶.

The Ministry of Health's response to prevention and minimisation of gambling harm is set out in an integrated strategy, as required by the Gambling Act 2003, with the latest strategy released in June 2022, covering the period 2022/23 to 2024/25. The revised strategy was designed to align strongly with changes in the health and disability system outlined in the Pae Ora (Healthy Futures) Act, 2022 and with changes to mental health set out in Kia Manawanui Aotearoa – long-term pathway to mental wellbeing and Whakamaau: Māori Health Action Plan 2020-2025. The strategy has a strong equity focus, aiming to reduce health inequities attributable to gambling harm for priority populations – Māori, Pasifika, Asian people and young people / rangatahi, better meeting the needs of these groups through 1) more targeted and culturally responsive services and supports, 2) public health initiatives designed to increase awareness and engagement by those at risk, and 3) strengthened enablers including building gambling workforce capacity and capability, addressing cultural and linguistic barriers, developing digital services and supports and investing in research and evaluation.

The present strategy is supported with \$15.7 million more than was the case for the 2019/20 to 2021/22 strategy. The \$76.123 million for strategy implementation is recouped via a levy on the main types of gambling, including Class 4 and TAB venue gambling.

¹⁶ [https://www.dia.govt.nz/diawebsite.nsf/Files/Gambling-Reducing-Pokies-Harm/\\$file/Reducing-Pokies-Harm-Public-Discussion-Document-1.pdf](https://www.dia.govt.nz/diawebsite.nsf/Files/Gambling-Reducing-Pokies-Harm/$file/Reducing-Pokies-Harm-Public-Discussion-Document-1.pdf)

5. The Communities of the Wairarapa

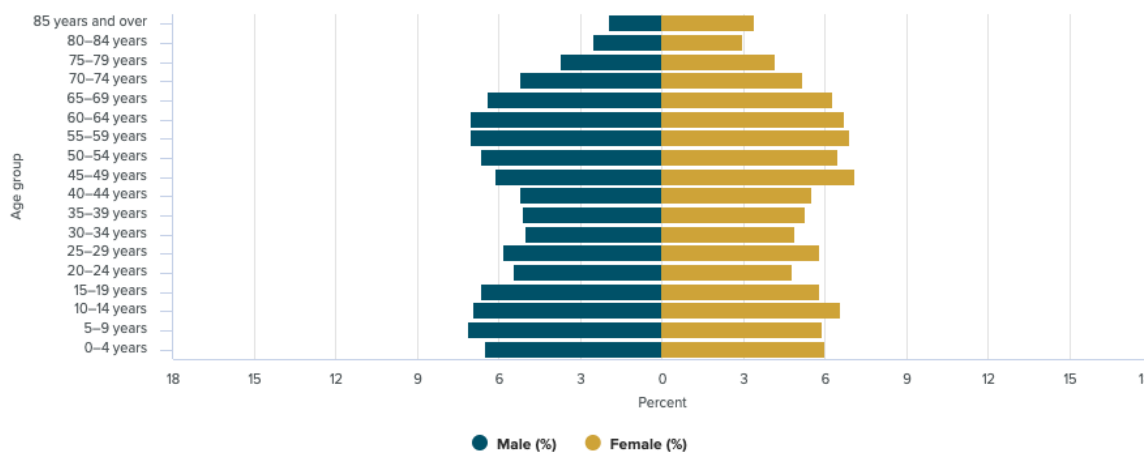
With the 2023 Census data not due for release until 2024 and 2018 Census data now quite dated, a combination of Stats NZ population estimates and 2018 Census data and third party analyses including those of Infometrics and individual local authorities were drawn on to provide a snapshot of the three local authority areas which comprise Wairarapa and are covered by the existing Gambling Venue Policy.

As at June 2022, the estimated population of the Wairarapa (South Wairarapa, Masterton and Carterton districts combined) was 51,000, with over half the residents residing in Masterton district (29,000, 56.9%), 11,750 (23.0%) in South Wairarapa and 10,250 (20.0%) in Carterton district. All three districts are experiencing population growth. All three communities have ageing populations structures, with median ages higher (and in the case of Carterton and South Wairarapa much higher) than is the case for New Zealand as a whole.

Masterton District

At the time of the 2018 Census, Masterton district's population was 25,557, up 13.7% on its 2013 population, 23,352. Just over a fifth of Masterton district's population in 2018 identified as Māori (n=5,433, 21.3%) compared to 16.5% nationally. The median age for the district was 43.2 years, compared to 37.4 years for New Zealand as a whole.

Figure 2. Age and sex of people in Masterton district, 2018 Census



Stats NZ

The median personal income for Masterton district as at the time of the 2018 Census was \$29,800, while 14.6% of the population earned \$70,000 or more. For the December quarter, 2022, MSD data shows that 789 people in Masterton District were on the Jobseeker benefit, while 429 people were receiving the Sole Parent Benefit.

Masterton district is divided into 15 SA2 areas for reporting of demographic data by Statistics New Zealand: Cameron and Soldiers Park, Douglas Park, McJorow Park, Kuripuni, Lansdowne East and Lansdowne West, Solway North and Solway South, Masterton Central, Opaki and Ngaumutawa span

the urban area of Masterton town itself, and Homebush – Te Ore Ore, Kopuaranga, Upper Plain, Opaki and Whareama cover the rural parts of the district.

The NZDEP18 indices developed by Otago University ranks all SA1 and SA2 areas, geographic units used by StatsNZ, into ten quintiles, with 1 representing the 10% of least socioeconomically deprived households in New Zealand and 10 the most deprived.

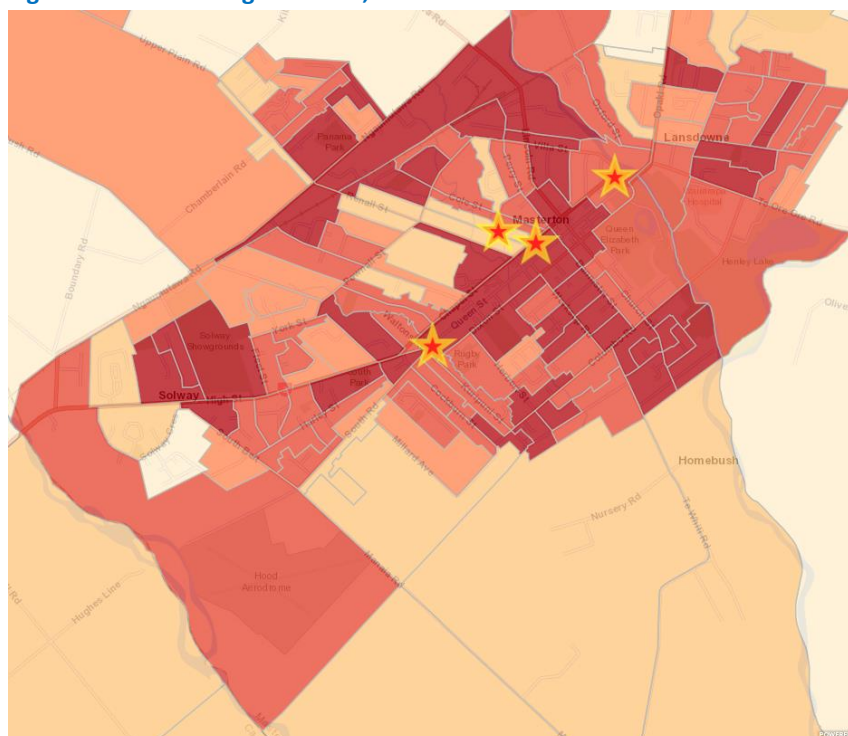
Of the rural SA2 areas of Masterton district, Homebush – Opaki is decile 1, indicating that it is in the 10 percent of least socioeconomically deprived areas nationally, Te Ore Ore, Kopuaranga and Upper Plain are all rated decile 2, indicating very low levels of socioeconomic deprivation, while Whareama is decile 5, reflective of middle New Zealand.

Levels of socioeconomic deprivation are higher in urban Masterton. McJorow Park is the SA2 within Masterton with highest levels of socioeconomic deprivation, decile 10, while Masterton Central is decile 9, Douglas Park and Cameron and Soldiers Park are both decile 8, Ngaumutawa, Kuripuni, Solway North and Solway South and Lansdowne East are all decile 7 (moderately high levels of socioeconomic deprivation), while Lansdowne West is decile 6.

Figure 3 shows Masterton urban SA1 areas (the smallest area of reporting, with each area comprising approximately 200 households) by NZDEP rating, with location of all Class 4 venues in Masterton indicated with a star. Darker colours indicate higher levels of socioeconomic deprivation.

Two of the venues are located in NZDEP decile 9 areas, one in an SA1 rated decile 8 and only one in a lower deprivation area, NZDEP decile 4, sitting within the wider SA2 area of Douglas Park, NZDEP decile rating of 8.

Figure 3. NZDEP ratings for SA1s, Masterton urban area and location of Class 4 venues

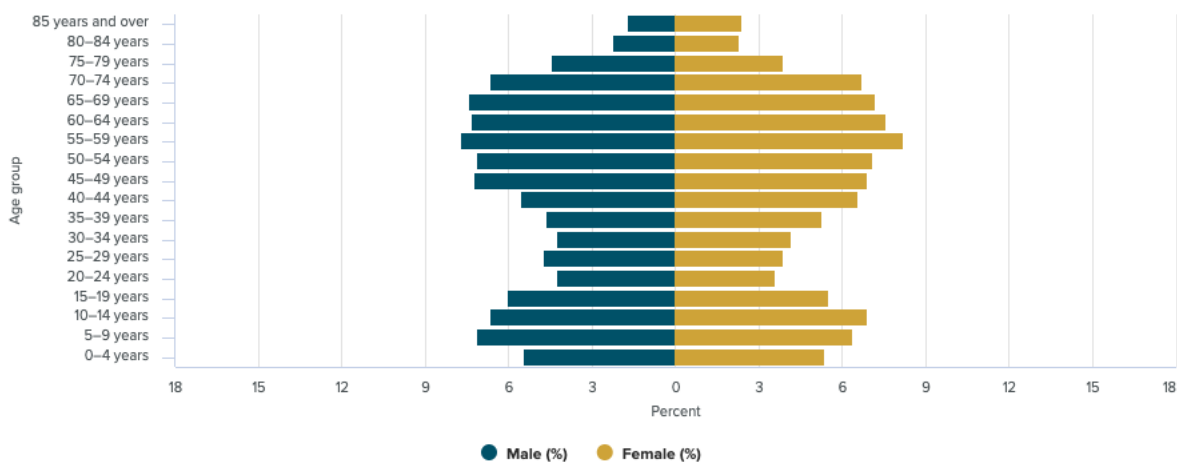


Stats NZ, LINZ, Esri, HERE, Garmin, NGA, USGS

Carterton District

At the time of the 2018 Census, Carterton district’s population was 9,198, up 11.7% on its 2013 population, 8,235. 13.4% of Carterton district’s population in 2018 identified as Māori (n=1,236), lower than the proportion of population Māori nationally (16.5%) and lower than was the case for Masterton district, but higher than South Wairarapa. The median age for the district was 46.5 years, compared to 37.4 years for New Zealand as a whole.

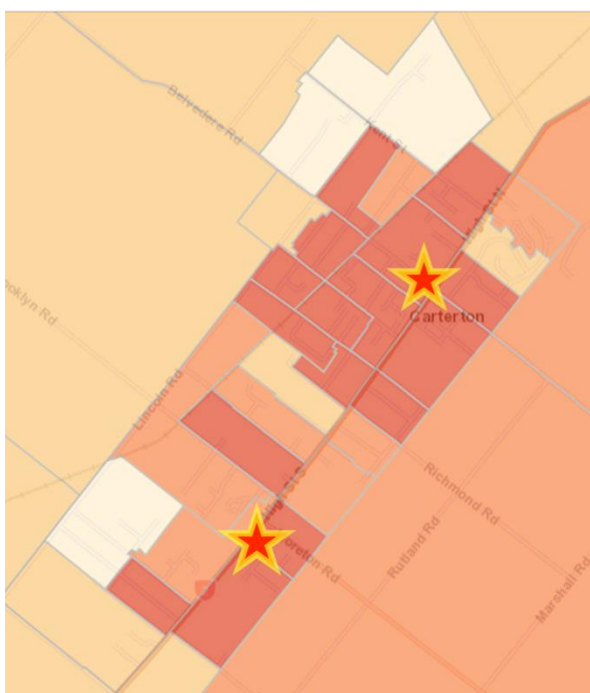
Figure 4. Age and sex of people in Carterton district, 2018 Census



Stats NZ

The median personal income for Carterton district as at the time of the 2018 Census was the same as for Masterton district, \$29,800, and like Masterton district, 14.6% of the population earned \$70,000 or more. For the December quarter, 2022, MSD data shows that 216 people in Masterton District were on the Jobseeker benefit, while 90 people were receiving the Sole Parent Benefit.

Figure 5. NZDEP ratings for SA1s, Carterton urban area and location of Class 4 venues



Stats NZ, LINZ, Esri, HERE, Garmin, NGA, USGS

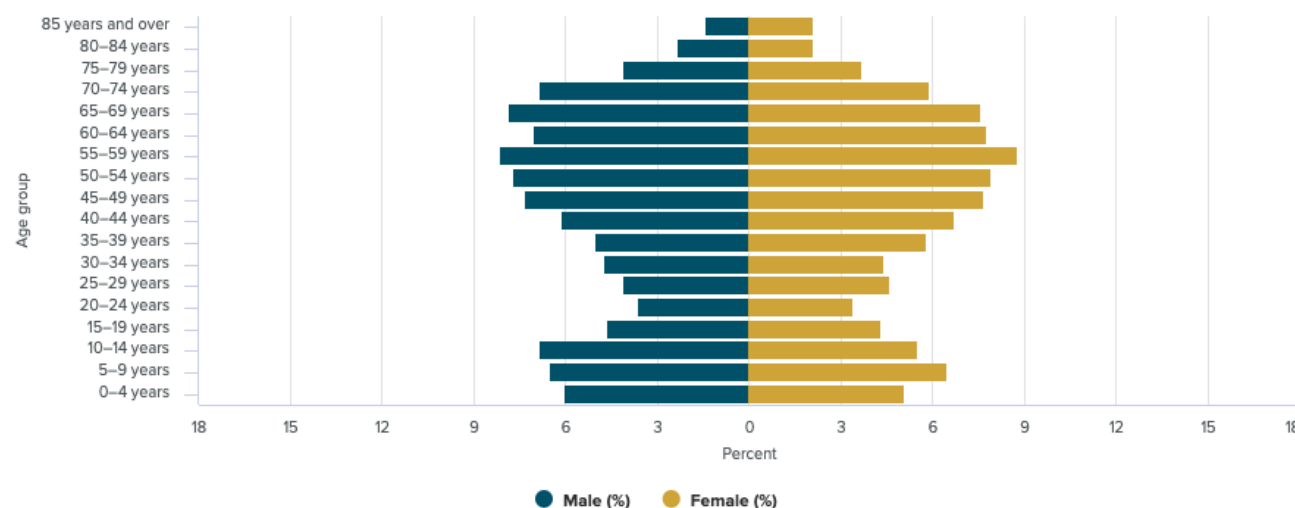
Carterton district comprises 5 Statistical Area 2 (‘SA2’) areas used by Statistics New Zealand: Mount Holdsworth (NZDEP decile 2), Kokotau (NZDEP decile 3) and Gladstone (NZDEP decile 2) spanning the rural areas of the district, and Carterton North and Carterton South (both NZDEP decile 6) comprising the town of Carterton itself. Carterton district is overall less socioeconomically deprived than Masterton district.

Figure 5 shows Carterton urban SA1 areas (the smallest area of reporting, with each area comprising approximately 200 households) by NZDEP rating, with location of all Class 4 venues in Carterton indicated with a star. One of the venues is located in NZDEP decile 7 areas, and the other in an SA1 rated decile 8, both being areas of high socioeconomic deprivation.

South Wairarapa District

At the time of the 2018 Census, South Wairarapa district's population was 10,575, up 11.0% on its 2013 population, 9,528. 14.2% of the population of South Wairarapa in 2018 identified as Māori (n=1,500) compared to 16.5% nationally. The median age for the district was 47.1 years, the oldest median age of the three local authority areas comprising the Wairarapa, and nearly 10 years older than the median age of residents across New Zealand, 37.4 years. Figure 6 clearly demonstrates the over-representation of residents aged 50 years+ in the population of South Wairarapa.

Figure 6. Age and sex of people in South Wairarapa district, 2018 Census



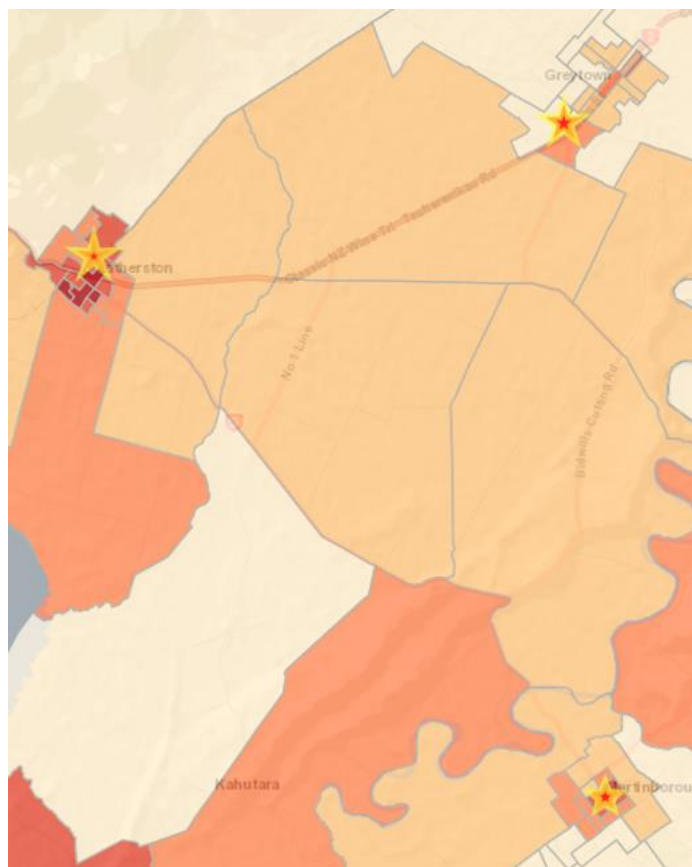
Stats NZ

The median personal income for South Wairarapa district as at the time of the 2018 Census was \$32,900, while 19.8% of the population earned \$70,000 or more, higher than was the case for the other two districts. For the December quarter, 2022, MSD data shows that 231 people in South Wairarapa District were on the Jobseeker benefit, while 108 people were receiving the Sole Parent Benefit.

South Wairarapa district is divided into 6 populated SA2 areas for reporting of demographic data by Statistics New Zealand, with the three towns each having their own urban SA2 – Greytown, Featherston and Martinborough, the rural area to the northwest boundary of the district and north of Featherston and south-east to just outside Martinborough covered by the Tauherenikau SA2, the rural area west of the Ruamahanga River being Kahutara, and the rural area east of the river being Aorangi Forest.

Compared to Masterton and Carterton, the urban areas of South Wairarapa district are lower in levels of socioeconomic deprivation, with Featherston highest on decile 7, Martinborough decile 5 and Greytown decile 3. Breaking down to SA1 levels, Martinborough has two SA1 areas surrounding the square that are decile 7, Featherston has 4 SA1s which are decile 9, all in the southern areas of the town, while the lowest decile for SA1s in Greytown was 7, applying to one SA1 area to the northeast of the town.

Figure 7. NZDEP ratings for SA1s, South Wairarapa urban areas and location of Class 4 venues



Stats NZ, LINZ, Esri, HERE, Garmin, NGA, USGS

Figure 7 shows SA1 areas for the towns of South Wairarapa by NZDEP rating, with location of all Class 4 venues in the district indicated with a star. Darker colours indicate higher levels of deprivation. The Class 4 venue in Featherston is located in a decile 7 area, while the two venues in Greytown are located in a decile 2 area, and the Martinborough venue is in an SA1 area that is decile 7, indicating moderately high levels of socioeconomic deprivation.

The University of Auckland has developed the New Zealand Index of Multiple Deprivation (2018). This utilises 29 indicators across seven domains (education, income, crime, housing, health, education, access to services) in a similar manner to the NZDEP, but in what they define as a more nuanced manner.

The former Wairarapa DHB published this data in 2020 for the Wairarapa Region. The index of multiple deprivation (IMD Team, School of Population Health, University of Auckland 2020) is presented on the following page. Looking at individual domains, the IMD identifies Aorangi Forest (the south-eastern part of South Wairarapa) and pockets of the towns of Masterton, Carterton, Featherston and Martinborough as having highest levels of deprivation around employment, pockets of the towns of Masterton and Featherston having highest levels of deprivation around income, and Aorangi Forest and parts of Masterton, Carterton, Greytown and Featherston as having highest levels of crime deprivation. Access to services was identified as ranging from moderate (in Masterton and Martinborough) to very low for the rest of the region.

2018 New Zealand Index of Multiple Deprivation

Wairarapa



Overall Deprivation

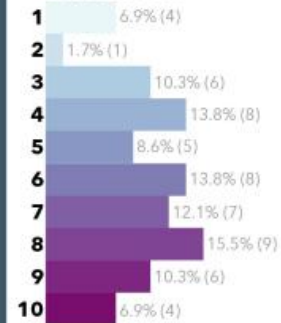
Rank: 12 / 20

(1 = least deprived, 20 = most deprived)



DHB Deprivation Profile

LEAST DEPRIVED



MOST DEPRIVED

About this map

This map shows relative overall deprivation in the Wairarapa District Health Board by 2018 Data Zone (DZ). In 2018, DZs have an average population of around 760 people. The coloured bars above match those on the map, and show the proportion of DZs in Wairarapa that fall within each national deprivation decile. DZs in Decile 1 are among the 10% least deprived in NZ, while DZs in Decile 10 are among most deprived 10%. "Rank" shows how Wairarapa compares with other DHBs in New Zealand, based on the proportion of data zones that are within the most deprived 30% nationally. It is important to keep in mind that there will be many people living in the most deprived areas who may not be deprived. Conversely, there will be people living in less deprived areas who are deprived.

For more information on the NZ Index of Multiple Deprivation, visit the project website: www.fmhs.auckland.ac.nz/imd

- City
- Town
- State Highway
- Railway

Source: with thanks to Dr Robert Berry for sharing the code for his atlas based on the Welsh IMD (https://rpubs.com/rural_gis/634674)

© IMD Team: Dr Daniel John Exeter, Dr Anier Chi Lun Lee, Dr Jinfeng Zhao, Dr Sue Crengle, Annie Chiang, Michael Browne, and Hayden Rickard. School of Population Health, University of Auckland, 2020

6. Gambling profile of the Wairarapa

Policy environment

The Wairarapa Class 4 Gambling and Standalone TAB Venues Policy was last accepted in June 2019. The existing policy is presented in Appendix 1 of the present report. The policy upholds an absolute cap on the number of Class 4 gambling venues and the number of EGMs operating or consented in the Wairarapa region, and also applies a sinking lid for Class 4 venues, although relocations are allowable if the venues remains with the same operator and Council are satisfied that the character of the district or part-district will not be adversely affected, and nor any school, kindergarten, ECE, place of worship or community facility. The policy does not reference NZDEP restrictions for relocations. It does allow for new standalone TAB venues to be established, providing that these do not adversely affect the character of the district / part of the district, and that these do not adversely affect kindergartens, ECEs, schools, places of worship or community facilities. At the time the policy was last reviewed, there were 165 EGMs operating or consented across the region: 64 in Masterton, 56 in South Wairarapa and 45 in Carterton.

Venues & EGMs

As at December 2022 there were 10 Class 4 venues in the Wairarapa region, 4 in South Wairarapa district (2 in Greytown, 1 in Featherston, 1 in Martinborough), 4 in Masterton and 2 in Carterton.

South Wairarapa

- **Empire Hotel**, 37 Johnston St, Featherston South (Pub Charity Ltd venue with 15 electronic gaming machines)
- **South Wairarapa Working Men's Club**, 120 Main St, Greytown (Non-commercial club venue, 13 EGMs)
- **Greytown Hotel**, 33 Main St, Greytown (Trust House Foundation venue, 9 EGMs)
- **Pukemanu Hotel**, 9 Memorial Square, Martinborough (Trust House Foundation venue, 14 EGMs)

Carterton

- **Ev's Bar**, 3 Belvedere Rd, Carterton (The Lion Foundation 2008 venue, 9 EGMs)
- **Royal Oak Hotel**, 321 High St, South Carterton (Trillian Trust Limited venue, 18 EGMs)

Masterton

- **The Farriers Bar and Restaurant**, 4 Queen St, Masterton (Trust House Foundation venue with 18 electronic gaming machines)
- **Jackson Street Bar**, 20 Jackson St, Masterton (Trust House Foundation venue with 18 electronic gaming machines)
- **Kuripuni Tavern**, 458a Queen St, Masterton (Trust House Foundation venue, 18 EGMs)
- **Wairarapa Services & Citizen's Club ('Club Wairarapa')**, 20 Essex St, Masterton (Non-commercial club venue, 10 EGMs)

In total, there are 142 EGMs in the Wairarapa region, distributed as follows:

- 64 in Masterton (the maximum number of EGMs allowable under the existing policy)

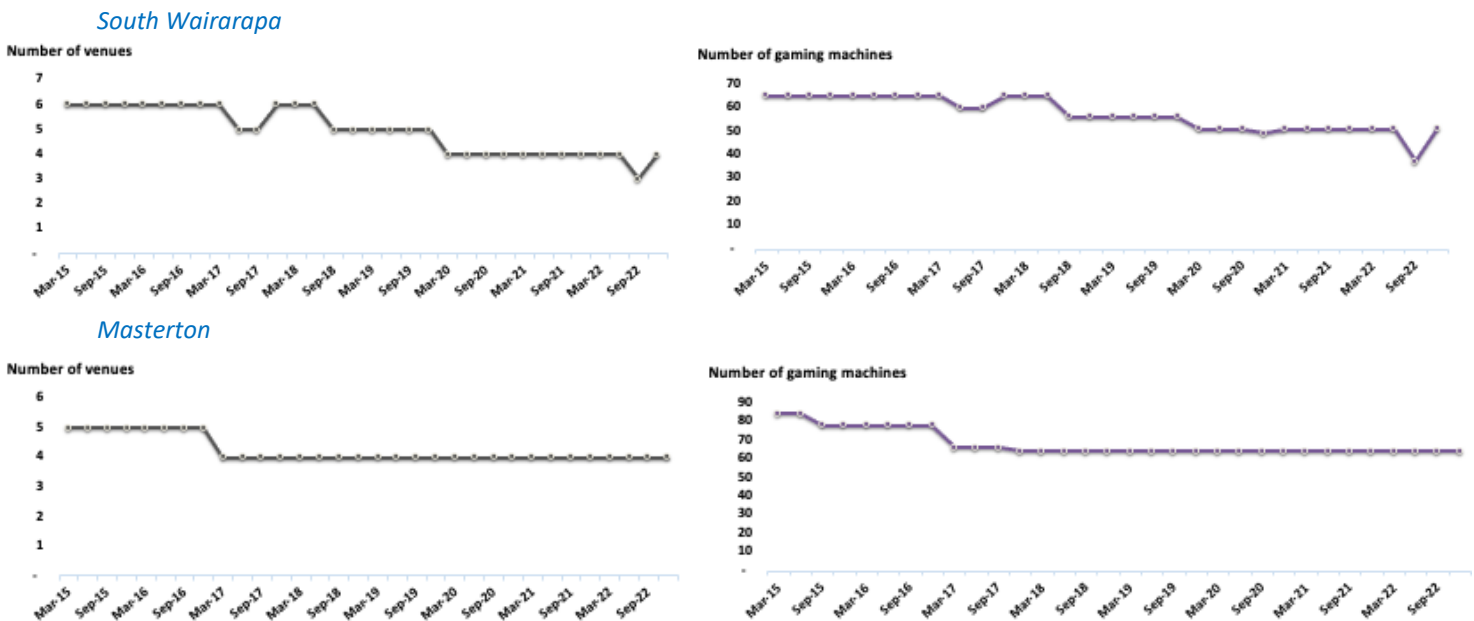
- 51 in South Wairarapa (56 = absolute cap according to policy but subject to sinking lid)
- 27 in Carterton (45 = absolute cap, subject to sinking lid)

Seven of the 10 Class 4 venues also offer TAB facilities, with three of the four Class 4 venues in South Wairarapa (South Wairarapa Working Men’s Club, Empire Hotel, Pukemanu Bar & Eatery) also offering full service PubTABs, along with Jackson Street Bar and Kuripuni Sports Bar (Masterton) and Royal Oak Hotel in Carterton, while Ev’s Bar in Carterton has self-service Pub TAB facilities.

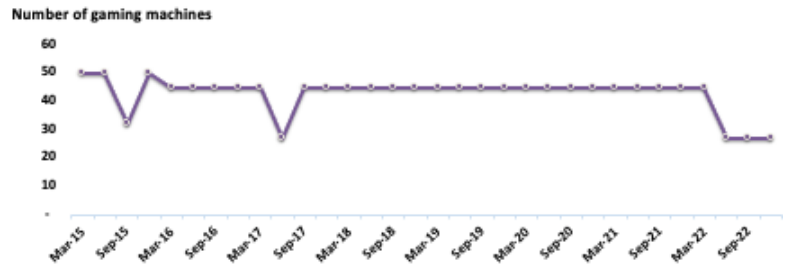
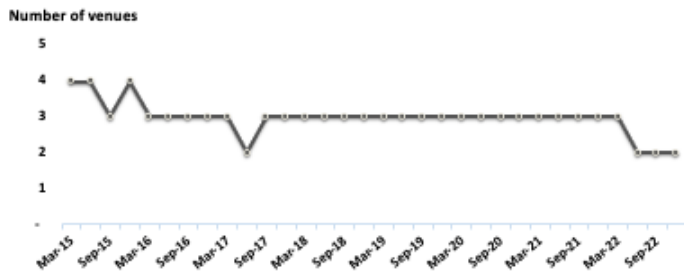
Numbers of venues and EGMs per quarter for each of the three districts across the Wairarapa region are shown in Figure 8. Note that the last data point on the graphs is for December 2022 but is not labelled. Overall, the region has seen a gradual decline in both number of venues and number of EGMs over time.

- The number of Class 4 venues in Carterton reduced in the March 2022 quarter from 3 to 2: there had been 3 venues in the Carterton district since September 2017.
- The number of venues in Masterton district dropped from 5 to 4 in the March quarter, 2017 and remained unchanged since.
- The number of venues in South Wairarapa has dropped since 2018, when the number dropped from 6 to 5, and then again in the March quarter, 2020, when it dropped from 5 to 4, when Featherston RSA removed its machines. The number of venues temporarily reduced in the September quarter, 2022 before returning to 4 in the December quarter. It is possible that this reflects a clerical error by DIA. No new venues or machines have been approved as per the sinking lid policy.

Figure 8. Number of venues and gaming machines per quarter for each district and for the Wairarapa region as a whole

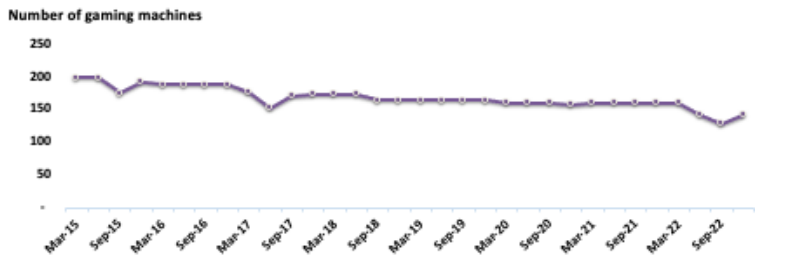
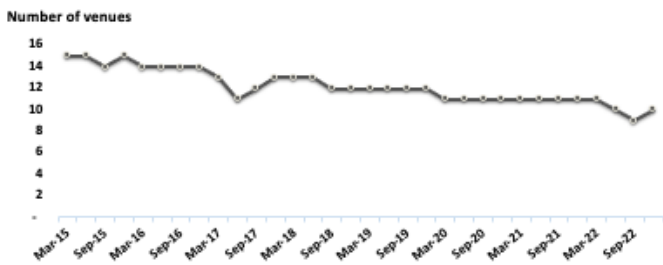


Carterton



DIA

Wairarapa Region



DIA

Gaming Machine Profits

For the year to 31 December 2022, Gaming Machine Profits ('GMP', representing expenditure / player loss) on EGMs across the Wairarapa region was \$8,555,232.97, up 0.98%, \$83,041.85 on the previous year. This GMP for Wairarapa comprised 0.84% of the total New Zealand GMP for that period. The GMP for the Wairarapa region for 2022 equated to around \$167.75 per person (all ages) across the district, whereas the national GMP equated to \$196.95 per person. Nationally as at December 31 2022, there were 14,503 EGMs across 1,028 venues.

Figure 9. Wairarapa region GMP per quarter to March 2015 – December 2022

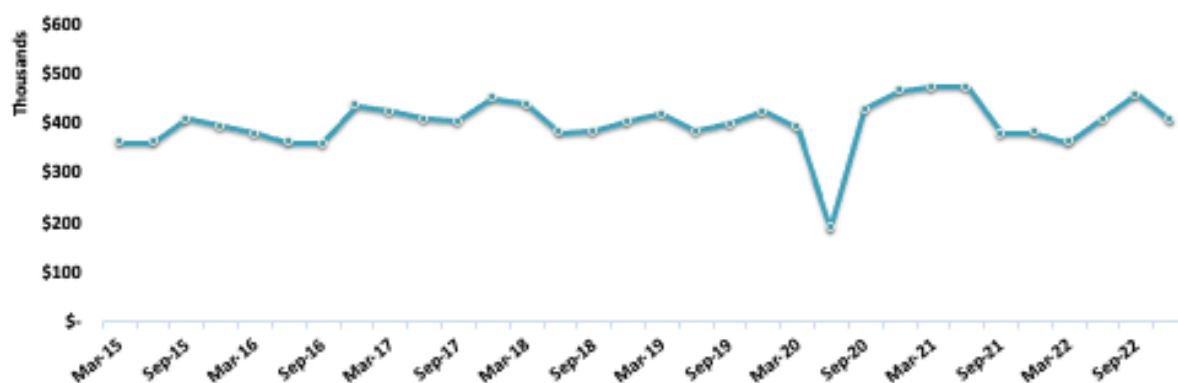


Department of Internal Affairs

Figure 10. GMP per quarter to March 2015 – December 2022 for each of the three districts comprising the Wairarapa region

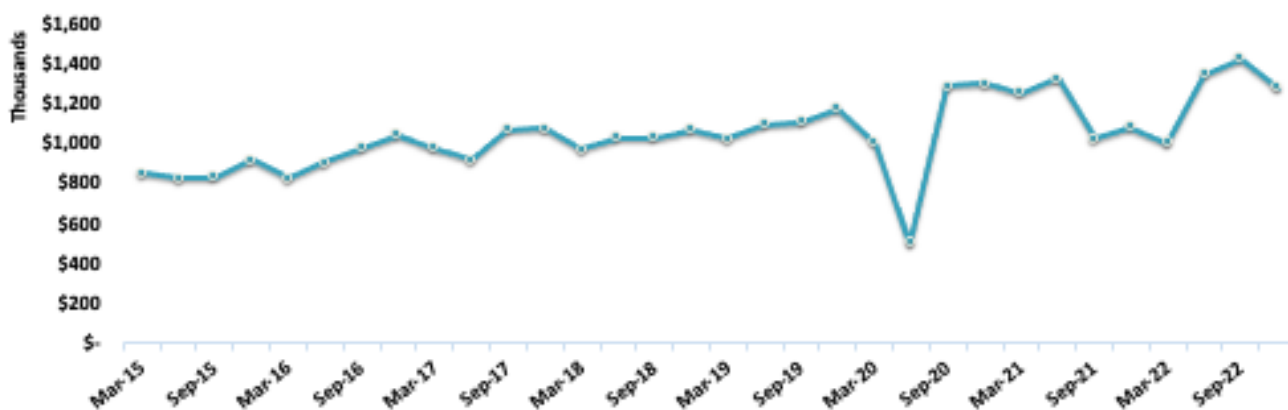
South Wairarapa

GMP per quarter



Masterton

GMP per quarter



Carterton

GMP per quarter



Annual total GMP to December 2022 was \$1,802,076.18 for Carterton district, \$5,103,410.52 for Masterton district and \$1,649,746.27 for South Wairarapa district.

For the December 2022 quarter, the GMP per gaming machine for Wairarapa as a whole and for each of its districts was as follows:

Wairarapa region:	\$15,099.09 per EGM
Carterton:	\$16,391.07 per EGM
Masterton:	\$21,171.97 per EGM
South Wairarapa:	\$8,049.13 per EGM

Annual GMP per gaming machine for the 2022 calendar year for Wairarapa as a whole and for each of its districts was as follows:

Wairarapa region:	\$60,248.12 per EGM
Carterton:	\$66,743.56 per EGM
Masterton:	\$79,740.79 per EGM
South Wairarapa:	\$32,347.97 per EGM

Problem gambling Ministry of Health-funded interventions

The numbers of people across the Wairarapa region accessing health-funded interventions to address problem gambling are presented in Table 1. The trend of declining numbers of people seeking formal help to address problem gambling, with a reversal of this trend for the latest reported year, mirrors national patterns.

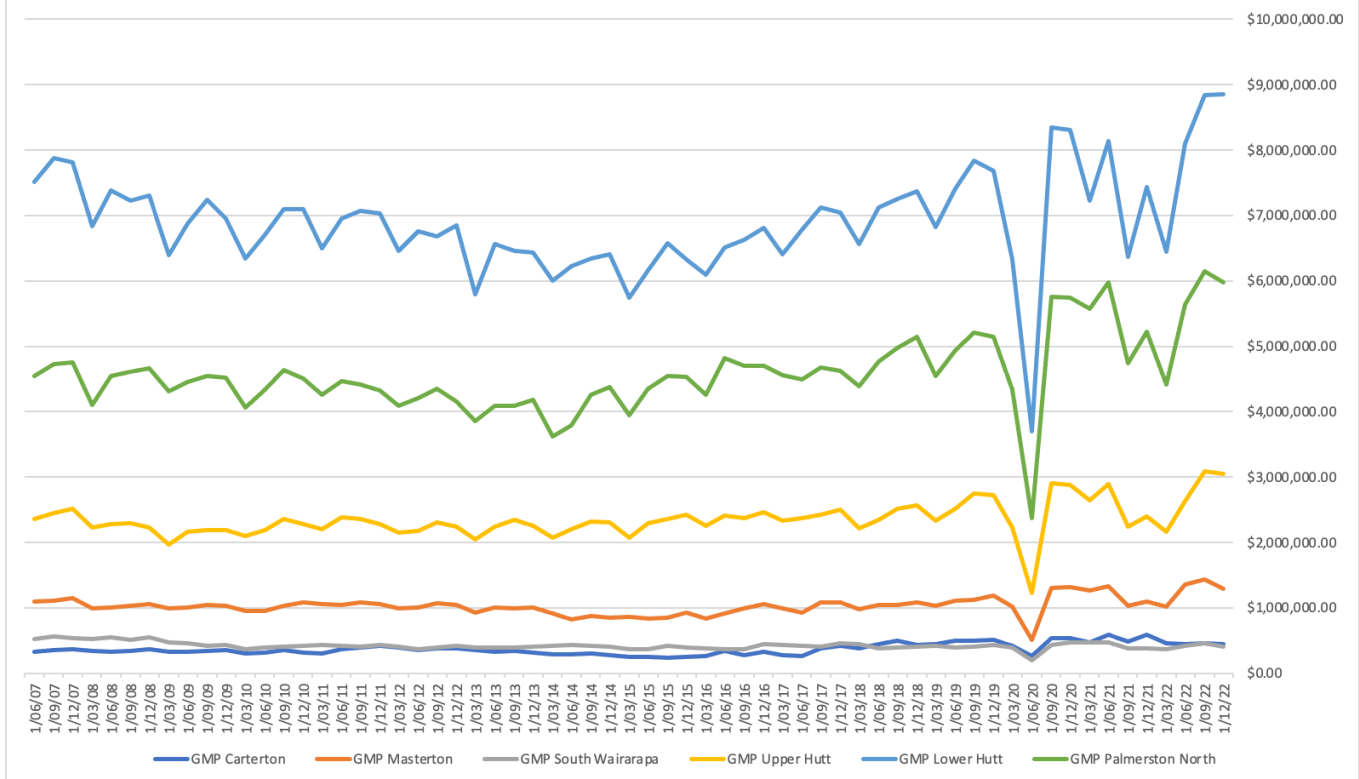
Table 1. Number of new clients who have received gambling harm treatment services and identifying to service provider a primary problem gambling mode causing them harm, Wairarapa region and the South Wairarapa, Carterton and Masterton Districts (Ministry of Health¹⁸)

Area	Year to June 30 2017	Year to June 30 2018	Year to June 30 2019	Year to June 30 2020	Year to June 30 2021
Wairarapa region - total	164	114	84	36	62
South Wairarapa	10	3	7	2	11
Masterton	143	95	67	26	33
Carterton	11	16	10	8	18

How does the Wairarapa region compare?

The yearly GMP for Palmerston North to December, 2022 was \$22,173,761.97, up 3.1% on the previous year, while the number of venues, 21, remained unchanged and the number of EGMs, 295 reduced by 0.7% from the 297 in place in 2021. GMP per machine for Palmerston North, year to December 2022 was \$75,165.29. The yearly GMP for Lower Hutt to December, 2022 was \$32,239,960.11, up 10.6% on the previous year, while the number of venues, 27, remained unchanged and the number of EGMs, 424 increased by 1.0% from the 420 in place in 2021. GMP per machine for the year to December 2022 was \$76,037.64. Figures for Upper Hutt show the yearly GMP to December 2022 was \$10,933,793.61, up by 7.4% from the previous year. The number of venues, 11 and the number of EGMs, 165, remained unchanged compared to the previous year. GMP per machine for the year to December 2022 for Upper Hutt was \$66,265.42.

Figure 11. Comparison of Quarterly GMP for Masterton, Carterton and South Wairarapa Districts with neighbouring Upper Hutt, Lower Hutt and Palmerston North City TLA areas, June 2007 - December 2022



To adjust for population, the annual GMP for 2022 for each community was divided by the estimated 2022 population aged 15 years and over for each local authority area in the Wairarapa and for the comparison communities. Per head of estimated (June) 2022 population aged 15 years and over¹⁷, Annual GMP for 2022 was as follows:

- Carterton: \$213.77
- Masterton: \$215.33
- South Wairarapa: \$159.70
- **Total Wairarapa: \$201.49**
- Upper Hutt: \$283.99
- Lower Hutt: \$355.45
- Palmerston North: \$303.75

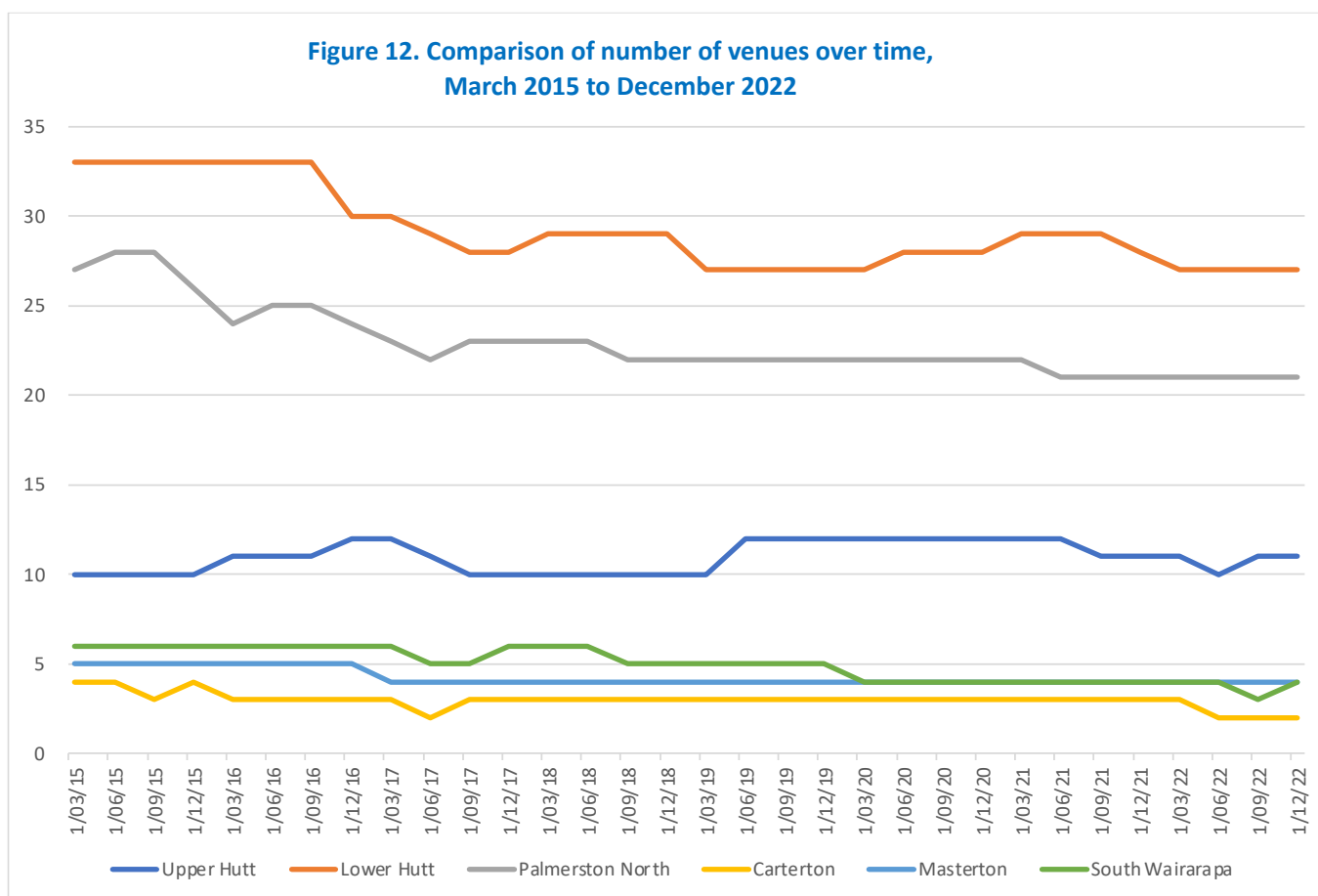
All three local authority areas within the Wairarapa region had lower GMP per head of population 15 years and over compared with neighbouring communities. For the Wairarapa community with lowest GMP per person aged 15 years and over, South Wairarapa, the figure was around half that of the nearby community with highest GMP per head of estimated 2022 population aged 15 years and over, Lower Hutt.

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 GMP over time.

¹⁷ Population estimates by Statistics NZ are subject to rounding and are indicative only.

Comparisons of number of venues and number of EGMs per district are presented in Figures 12 and 13. Palmerston North and the three local authority areas of the Wairarapa have experienced a trend of reduction in number of venues over time. Upper Hutt has not experienced this same trend.

Figure 12. Comparison of number of venues over time, March 2015 to December 2022



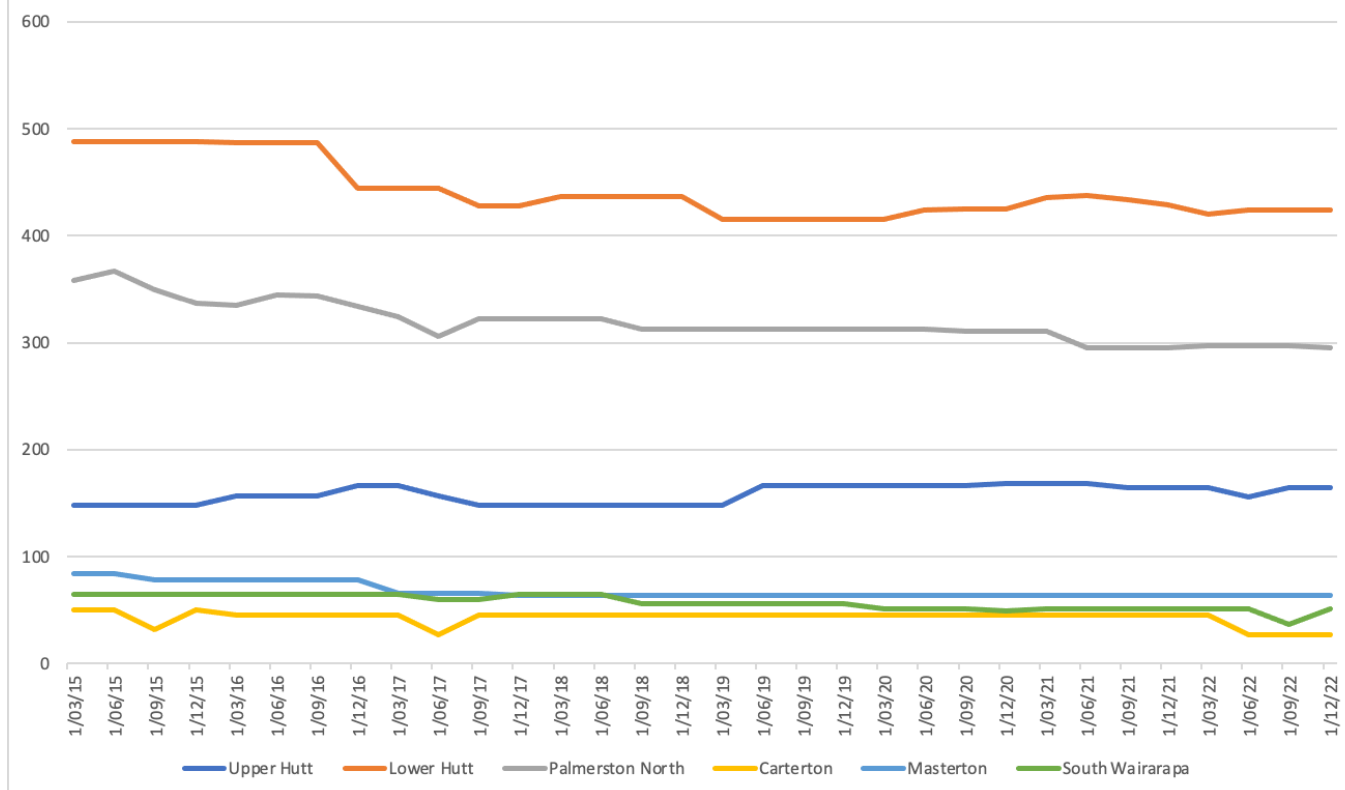
The Class 4 and TAB venue policies of Upper Hutt, Lower Hutt and Palmerston North City Councils were reviewed for comparison. Upper Hutt’s policy was adopted in 2020, with a social impact assessment¹⁸ conducted in February 2020, and some slight changes made to the 2016 policy. A stated objective of the Upper Hutt policy is to “control the growth of gambling”. The policy identifies an absolute cap of 174 EGMs for the city for the duration of the policy, and with 168 EGMs consented at the time SIA, there is no evidence of a policy agenda to reduce availability of Class 4 gambling across Upper Hutt. Upper Hutt does not apply a sinking lid policy. New Class 4 and TAB venues may be established within business commercial zones as set out in their District Plan, providing these meet the requirements of the Gambling Act 2003 (ie. Regarding proximity to schools etc.) and there is provision for relocation and transfer of venues if they cease to operate.

Hutt City Council revised its Class 4 Gambling and Board Venue Policy in 2021. This policy¹⁹ takes a wellbeing approach to minimise gambling harm, especially in high deprivation communities, and Hutt City identifies a leadership role regarding gambling harm reduction. The stated goal of the Hutt City policy is to reduce the number of gambling machines and Class 4 gambling venues in their community, ensuring that no new venues or EGMs can be added, that venues cannot relocate and that no new licences will be issued. Their policy applies a sinking lid approach to Class 4 and TAB venue gambling.

¹⁸ <https://www.upperhuttcity.com/files/assets/public/home/consultation/gambling-policy-social-assessment-report-2020.pdf>

¹⁹ Hutt City Council (2021) Hutt City Council Class 4 Gambling Venue and Board Venue Policy 2021.

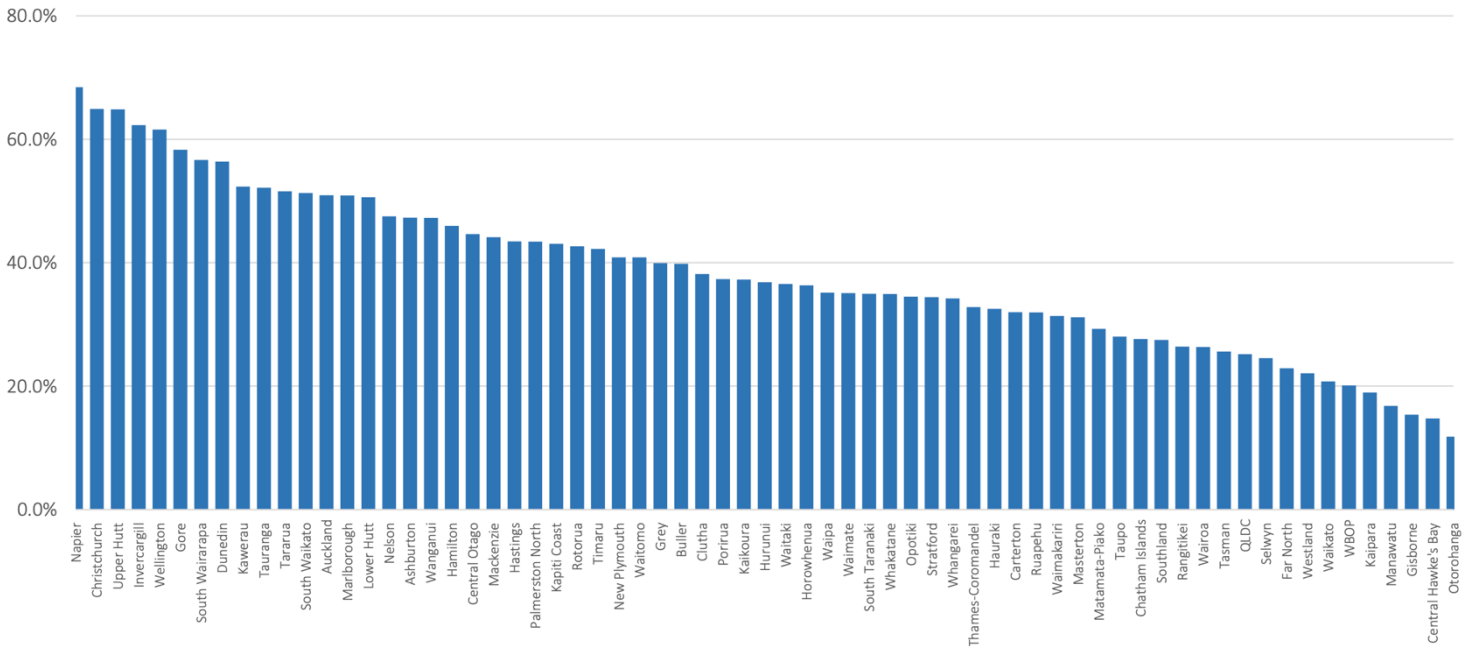
Figure 13. Comparison of number of EGMs over time, March 2015 to December 2022



Palmerston North has not reviewed its Class 4 Gambling Venue Policy or its Racing Board Venue Policy since 2017, nor seemingly brought the two policies together in line with current legislation. A review was planned for 2021-22 but it appears that this is running behind schedule. The Class 4 venue policy applies an overall cap to the number of EGMs in Palmerston North, 347, well above the 295 EGMs in operation in 2022. It allows for the establishment of new venues and increase in number of EGMs at venues with fewer than 9 EGMs, and for the relocation of existing venues. While not exercising a sinking lid approach, Palmerston North has experienced a gradual reduction in number of venues and number of machines over time.

Findings of an analysis undertaken in 2020 as part of an assessment of the effectiveness of local government measures in capping gambling showed that South Wairarapa had the seventh highest proportion of its population living within a kilometre of a pokie machine, while Masterton and Carterton were at the upper end of the third with lowest proportion of population living within a kilometre of a pokie machine. Findings are presented in Figure 14.

Figure 14. Approximate proportion of the TA population within 1 km of an electronic gaming machine (EGM)



Notes: The distance measure is constructed using geographic boundaries and population estimates sourced from Stats NZ. Physical locations of EGMs provided by DIA.

Erwin, Lees, Pacheco & Turcu, 2020

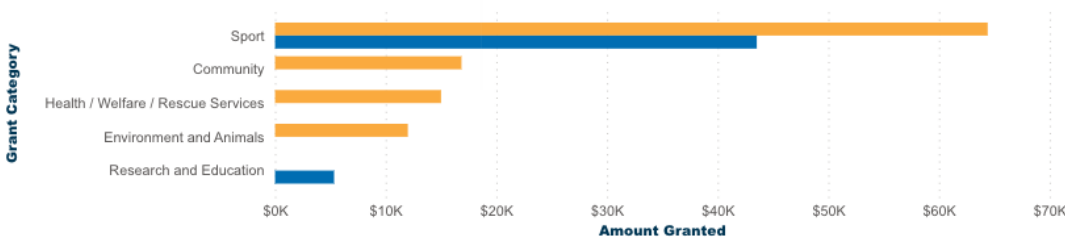
Community grants funding arising from gambling in the Wairarapa region

For the 18 month period from 1 January 2021 to 30 June 2022, a total of \$2,105,971 (\$1,587,068 in 2021, \$518,904 in the first half of 2022) was approved in grants funding to recipients based in the Wairarapa, with 81.9% of grants funding into the Wairarapa received by organisations based in Masterton District, within which 56.9% of Wairarapa’s population resides. Grants for each district are summarised in Figure 15.

Figure 15. Grants funding for each area within the Wairarapa region
Carterton

Amount Granted by Category

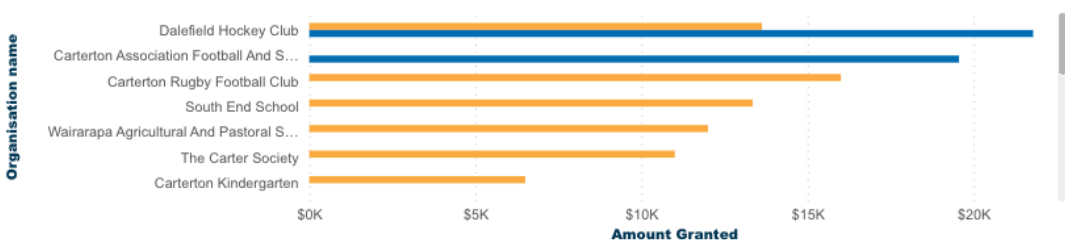
Year of Acceptance ● 2021 ● 2022 (Jan - June)



Society Name	Amount Granted
Trust House Foundation	\$50,186
The Lion Foundation	\$44,377
One Foundation	\$33,759
Trillion Trust	\$23,789
Air Rescue Services	\$5,000
Total	\$157,111

Amount Granted by Organisation

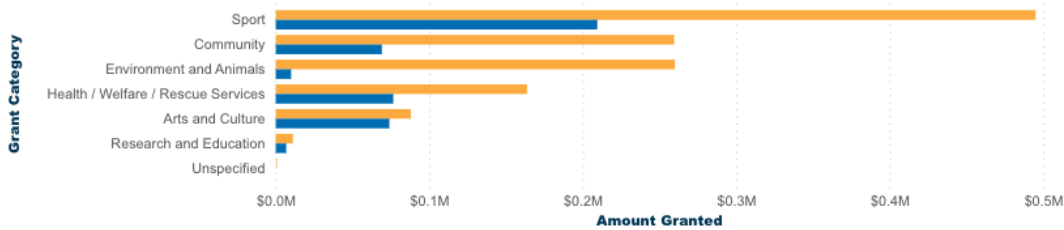
Year of Acceptance ● 2021 ● 2022 (Jan - June)



Masterton

Amount Granted by Category

Year of Acceptance ● 2021 ● 2022 (Jan - June)

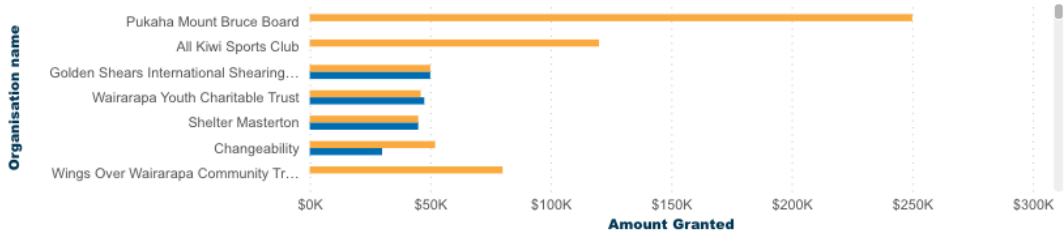


Society Name Amount Granted

Trust House Foundation	\$1,255,298
Pub Charity	\$250,849
One Foundation	\$91,312
TAB New Zealand	\$65,509
The Lion Foundation	\$47,304
Trillian Trust	\$7,320
Air Rescue Services	\$6,500
Total	\$1,724,091

Amount Granted by Organisation

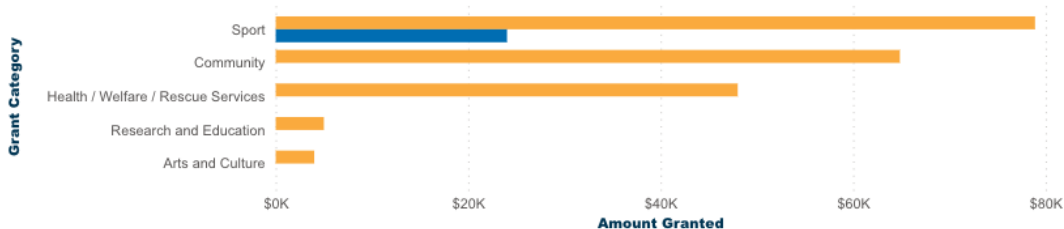
Year of Acceptance ● 2021 ● 2022 (Jan - June)



South Wairarapa

Amount Granted by Category

Year of Acceptance ● 2021 ● 2022 (Jan - June)

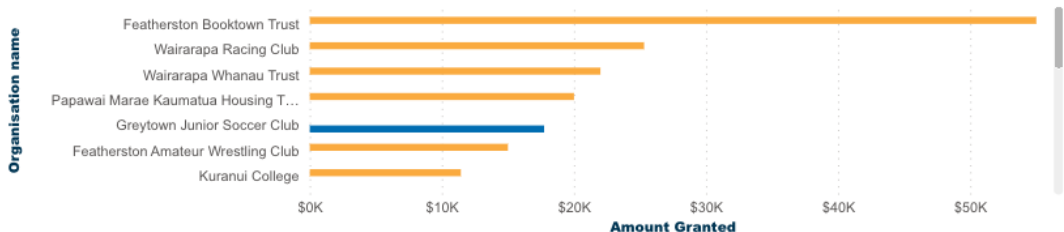


Society Name Amount Granted

Trust House Foundation	\$124,850
The Lion Foundation	\$62,435
Air Rescue Services	\$17,739
Trillian Trust	\$9,437
One Foundation	\$5,308
BlueSky Community Tr...	\$5,000
Total	\$224,769

Amount Granted by Organisation

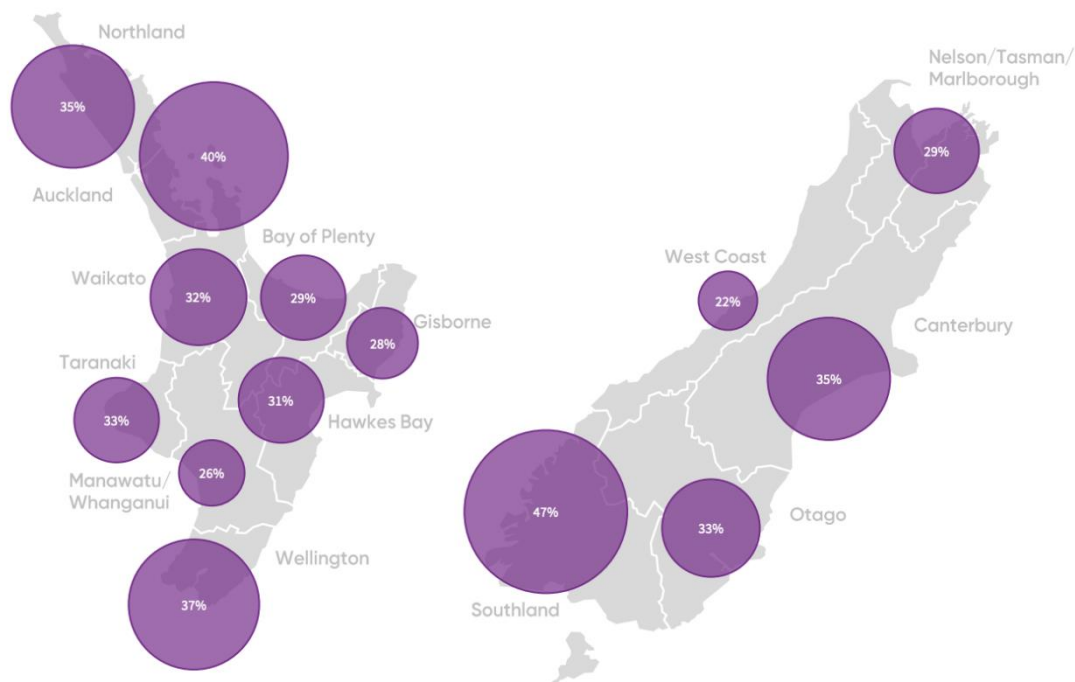
Year of Acceptance ● 2021 ● 2022 (Jan - June)



Granted.govt.nz

For the 2021 calendar year, 18.7% of the GMP for Wairarapa was returned to the region in grants funding, and 37% to the wider Wellington region in which Wairarapa sits. The proportion of GMP returned to Wairarapa is quite low compared to other regions. Figure 16 shows net proceeds returned by region: the proportion of the amount spent through EGMs which is returned to the region in which it was spent.

Figure 16. Net proceeds returned from pokies as grants by region, 2021



[https://www.dia.govt.nz/diawebsite.nsf/Files/Gambling-Class-4-Grants-Data-Review/\\$file/Class-Four-Gaming-Analytical-Review-2021.pdf](https://www.dia.govt.nz/diawebsite.nsf/Files/Gambling-Class-4-Grants-Data-Review/$file/Class-Four-Gaming-Analytical-Review-2021.pdf)

Table 2 presents the amount of funding provided to recipients in the Wairarapa in the 18 month period 1 January 2021 to 30 June 2022 for each of the gaming societies with venues within the region, along with the number of venues based locally and the percentage of their total funding which went in grants to the Wairarapa. A further \$146,879 was received from trusts which do not currently have venues within the region: One Foundation, Blue Sky Community Trust and Air Rescue Services.

Table 2. Wairarapa grants for 18 month period to June 30 2022 from gaming societies with venues based locally

Gaming society	Number of venues in Wairarapa region (Class 4)	Total number of venues (Class 4)	Amount granted to Wairarapa	Wairarapa grants as % of total grants funding	Total \$ granted nationally
Trust House Foundation	5	10	\$1,430,334	43.4%	\$3,298,596
Trillian Trust	1	21	\$40,546	2.7%	\$15,117,934
The Lion Foundation 2008	1	114	\$114,116	0.2%	\$51,020,926
Pub Charity	1	122	\$250,849	0.5%	\$52,418,519
TAB New Zealand (TAB venues)			\$65,509	0.3%	\$25,446,327

Information sourced from [granted.govt.nz](https://www.dia.govt.nz/diawebsite.nsf/Files/Gambling-Class-4-Grants-Data-Review/$file/Class-Four-Gaming-Analytical-Review-2021.pdf) (grants) and from gaming society websites (venues)

Lion Foundation’s policy is to return 90% of its grants funding directly to the community of origin, while Pub Charity also stipulates in its policy that funds are generally to be distributed in the area in which funds were generated. Trillian Trust does not address where or how funds are distributed geographically in its funding policy, while Trust House, as a smaller gaming trust with half its venues located in the Wairarapa, is currently appearing to distribute its funds in Wairarapa more or less proportionately to the number of venues. Trust House’s funding policy prioritises community support and cultural activities and recreation, along with welfare and social services for responding to addiction.

Community feedback regarding Class 4 gambling in the Wairarapa region

As part of the Social Impact Assessment, two electronic surveys were sent out (with multiple follow-up reminders also sent), one to problem gambling service providers for the Wairarapa region, local Rūnanga, health, wellbeing and social service and community development organisation stakeholders across the region, and a second survey to the Class 4 venues and gaming societies in the Wairarapa. Recipients of the stakeholder survey were contacted by Council staff to alert them to the survey.

Five responses were received for the venue and trusts survey (3 venues, two trusts) out of 14 recipients (10 venues, 4 trusts): a response rate of 35.7%. Fourteen responses were received for the community stakeholders and provider survey, three of which were from the same organisation but from different roles within it. Accounting for these, the response rate for the survey (ie. number of organisations which responded as proportion of number sent the survey link) was 61.1%, while a further two organisations made contact with the researcher to inform them that they did not have enough knowledge of the issue to respond.

Community organisation feedback

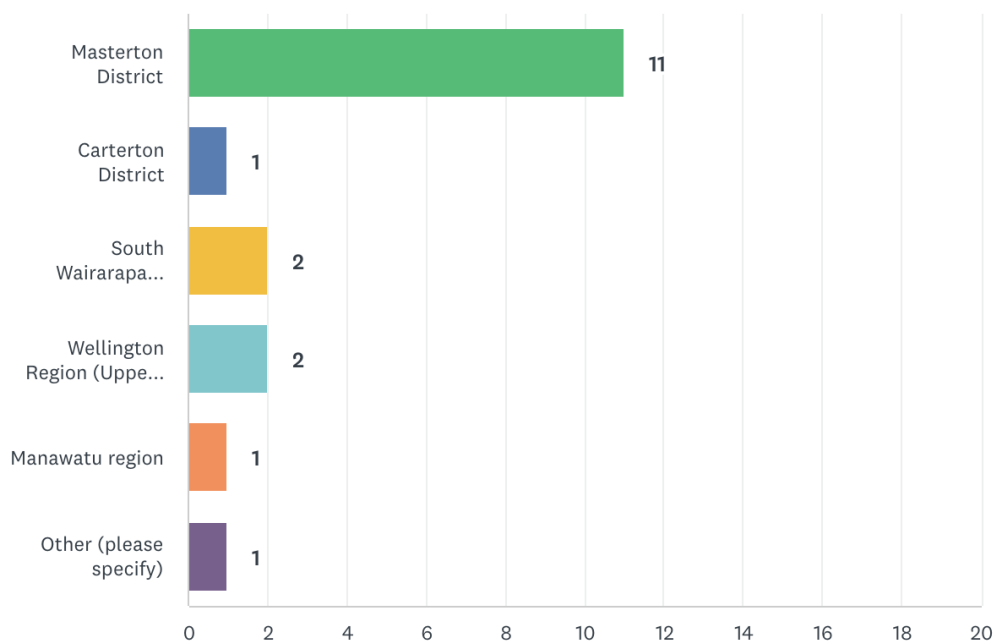
The respondent group

The 14 survey responses came from a range of community organisations including problem gambling specialised supports, foodbanks, Kaupapa Māori and Iwi/Runanga-based organisations, counselling and family violence services, budgeting and social services. Half the respondents preferred that their responses be reported anonymously, so a full breakdown of organisations (N by type) which responded is not provided to respect this. However across the respondent group, the following supports are delivered:

- Specialist gambling treatment and public health services tailored for Asian, Pasifika and Māori communities and the general population (PGF Group)
- Free counselling for those impacted by gambling harm and tailored interventions around their goals
- Whānau support
- Financial management and empowerment
- Referral to specialist gambling harm service providers
- Referral to budget advisory supports
- Facilitation of Multi-Venue Exclusions
- Community awareness raising and health promotion re gambling
- Alcohol and drug support
- Health services
- Practical support for those struggling financially

Of the services identified as provided by the respondent group, 10 were available in-person / kanohi ki te kanohi in Masterton District, 4 were available in-person / kanohi ki te kanohi in Carterton District, 5 were available in-person / kanohi ki te kanohi in South Wairarapa and 3 delivered an in-person / kanohi ki te kanohi service across the Wairarapa region as needed. Seven of the providers delivered supports via phone or online (Zoom, Teams, videocall)

Figure 17. Location of respondents' organisations



Of the respondents' organisations, the majority were located in Masterton District. Accounting for the organisation with multiple survey responses, which was Masterton-based, 75% of the responding organisations were located in Masterton District, 16.7% (n=2) in South Wairarapa District, one (8.3%) in Carterton District, 16.7% (n=1) in Wellington Region (ie. Upper Hutt, Lower Hutt, Wellington City, Porirua, Kapiti), 16.7% (n=1) in Manawatu and one respondent organisation, PGF Group, is contracted to deliver a national treatment and public health services around problem gambling / gambling harm from bases in Auckland, Christchurch and Hamilton.

Patterns observed since 2020 regarding gambling behaviour in Wairarapa

The survey asked respondents to think about problem gambling and gambling harm - when gambling is causing stress, financial difficulties, negatively impacting on health, relationships and employment or leading to criminal activity, and to choose one of a range of statements to best describe the pattern their organisation has observed in Wairarapa since 2020. Half (n=7) the respondents were able to comment, and of these, 2 felt that problem gambling and gambling harm had become "much more prevalent / evident" in Wairarapa, 3 felt that it had become "somewhat more prevalent / evident" and one selected "slightly more prevalent / evident": all 7 respondents able to respond indicated that problem gambling and gambling harm was more of an issue than pre-Covid.

The following comments were offered:

"Client intervention data from the Ministry of Health shows the number of people seeking support for their or someone else's gambling for the Carterton/Masterton/South Wairarapa regions decreasing from 69 clients for 2020/2021 to 60 clients for 2021/2022. However, client numbers are not indicative of all those experiencing harm from gambling. The Ministry of Health's Strategy to Prevent and Minimise Gambling Harm indicates that there is significant under reporting - "needs assessment and outcomes monitoring reports show that only 16% of potential clients seeking help for gambling services." – Problem gambling service provider

“Most if not all, Māori have or are affiliated to gambling, whether it's directly affecting or indirectly.”

“This is based on client by client need. Seeing a trend of client in high debt, gambling to get more money to pay debt.”

“I believe judgement should be suspended and community education programme's begun on when and how to manage gambling. Signs of distress and where to find help are key. Also the socio-economic pressures on families and individuals due to NZ's economic crises is pressuring people to risk their meagre finances to improve income. There is more odds or chance of winning a small winning at the gambling venues than buying weekly Lotto tickets.”

Class 4 gambling: The survey asked respondents an open-ended question concerning the patterns they had observed regarding pokie behaviour since 2020. Of the 14 respondents, 4 did not feel able to comment. Responses were thematically analysed, and are summarised as follows:

- Impact of problem gambling increasingly manifests in poverty, food insecurity, lack of basic resources, poor school attendance of tamariki and increasingly identified as reason for needing help from organisations (n=4)
- Increase in gambling behaviour and spend/loss observed post-2020 lockdowns (n=3)
- Around half clients seen by PGF city Class 4 gambling as main mode of gambling harm, in line with Ministry of Health data (n=1)
- Continued barriers to seeking help (n=1)
- Gambling behaviours persisting in community, including Housie at Council-owned venues (n=1)
- Average use consistent with rest of NZ (n=1)
- Few pokie machines around (n=1)

Other forms of gambling (Lotto, online betting, trackside betting, TAB betting etc.): The survey also asked respondents an open-ended question concerning the patterns they had observed regarding behaviour in terms of other forms of gambling since 2020. Nine of the respondents were able to answer this question, with a range of feedback provided but no strong themes. Observations are summarised as follows:

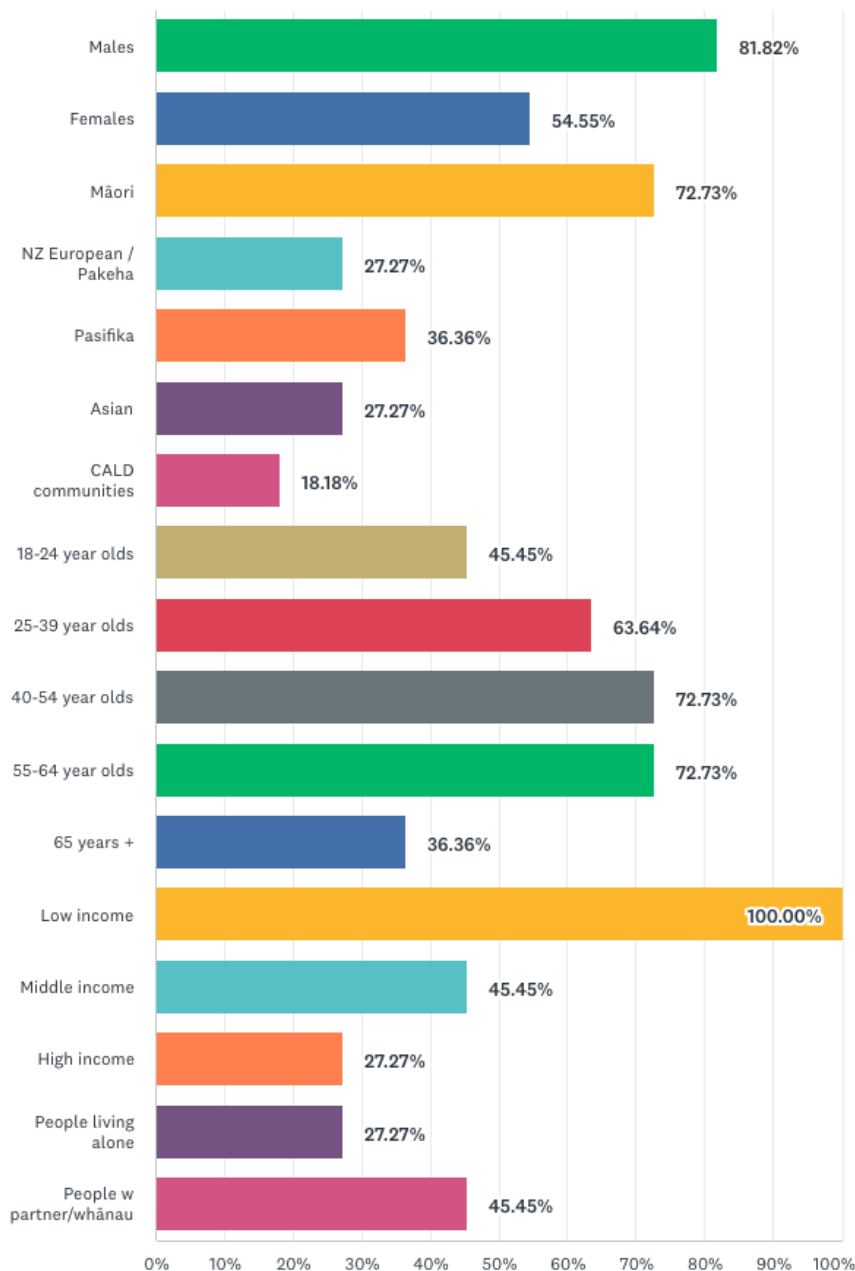
- Increase in online pokies and sports betting observed (n=2)
- PGF client intervention data shows fewer people seeking help for sports and track betting, Lotto, casino table games and casino EGMs (n=1)
- Other forms of gambling are also sometimes factors in whānau experiencing mental health issues, negative impacts on tamariki mokapuna and their engagement in learning and behaviour, and family harm and abuse (n=1)
- One budgeting service provider identified Lotto as sometimes included in clients' budgets (n=1)
- Online betting is highly accessible and gives instant reward with lights and sounds (n=1)
- Increase in TAB venue betting (n=1)
- Increasingly present in clients seeking help (n=1)
- Increased Lotto spend, especially online and especially for large draws (n=1)

- People are raising concerns about the gambling of others around them (n=1)
- Clients have been caught selling food parcels to fund addictions (n=1)
- Heard of examples of people losing vehicles in high-stake gambling card games at home (n=1)

Sectors of population of Wairarapa most likely to use pokies

The survey stated “We know from national research that some groups are more likely to experience problem and harmful gambling than others. In Wairarapa, which sectors of the population do you see as most likely to be using pokies? The question asked respondents to select all groups that applied. Findings, presented in Figure 18, align strongly with the literature regarding groups more likely to be over-represented among problem gamblers. Those on low incomes, males, Māori and in middle age were most commonly identified as most likely to be using pokies locally.

Figure 18. Groups in Wairarapa most likely to be using pokies



Help-seeking behaviours around problem gambling and gambling harm

The survey asked “Thinking about the situation in Wairarapa now compared with pre-Covid, what pattern are you seeing in terms of people reaching out for support around problem gambling / gambling harm?” Five of the 14 respondents did not feel able to comment. Of the nine who did respond, one indicated that people were much more willing now to reach out for help, three indicated that help seeking behaviours had not changed, while one identified a bit more reluctance to reach out for help. Other responses were as follows:

“Our whānau who lived these experiences around problem gambling, the result from covid lockdown meant those affected had to deal internally with their addictions. Mental Health services were out of reach and now, our whānau are realizing that THERE IS A PROBLEM, it’s the next step that needs tweaking, it’s the “Where to from here?” - the question should be that.”

“We can only base our answers on the Ministry’s client intervention data. ... There is significant under-reporting on how many people reach out for support. Shame and stigma are key factors, and has been identified by the Ministry’s recent Strategy as a key barrier to services. From our experience, most people reach out when their gambling has become extremely apparent, e.g. loss of relationship with spouse/family, loss of property, crime, etc.”

“People become ashamed to tell friends or family what is happening for them financially so they don’t seek budgeting help or other advice around their social needs and the impact of their gambling.”

“People seem to go underground and it’s their families that are asking us for support for the individual with the addiction.”

Biggest concerns regarding support for problem gamblers and their whānau in Wairarapa

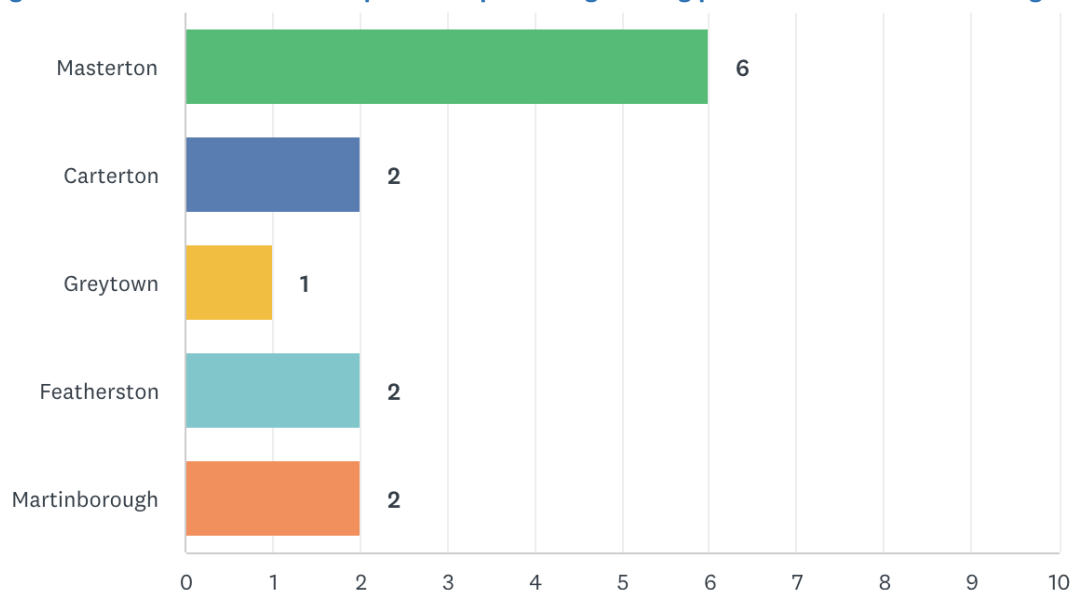
Eleven of the 14 respondents identified concerns, summarised as follows:

- Inadequate supports / capacity available locally (n=4)
- Gambling impacts on tamariki – food is always the first cost cut and this impacts negatively on tamariki (n=2)
- Service navigation – not knowing where to go for help (n=2)
- Stigma is a significant barrier to reaching out for help – put off asking for help until the problem is severe, and don’t admit to problem when accessing other social supports (n=1)
- Wait times (n=1)
- Gambling sits within a wider context of increased poverty and hardship (n=1)

Areas within Wairarapa of greatest concern in terms of problem gambling

The survey asked respondents to select the towns within Wairarapa where they saw problem gambling as most concerning. Eight of the 14 respondents skipped the question, and noted in the comments that the issue was not specific to any one area, and that location of services where people sought help did not reflect where they actually lived. All 6 respondents who did respond indicated that Masterton was a place where problem gambling as most concerning, with two respondents each also selecting Carterton, Featherston and Martinborough, and only one selecting Greytown.

Figure 19. Places within Wairarapa where problem gambling perceived as most concerning



Effective local initiatives in Wairarapa to address gambling harm

A range of measures were identified by respondents as working well locally. These are summarised as follows:

- The existing Sinking Lid Policy held by the Councils
- Wānanga within iwi and hapu
- Oasis Wairarapa counselling
- Building Financial Capabilities programme
- Group programmes at Te Awhina Community House – social interaction outside the pubs
- Good working relationships between providers
- Pubs and taverns who provide option for people to voluntarily exclude themselves from the venue for periods of time (One of the venue respondents phoned the researcher and talked about how this was working well for them, with high uptake and all staff well-trained in harm minimisation)
- New service specifically designed for Pasifika clients
- Ongoing support of provider agencies

Thinking about what would support their organisation to improve support for people and whānau negatively impacted by gambling, 12 of the 14 respondents offered suggestions, as follows:

- Greater resourcing from Te Whatu Ora to problem gambling and gambling harm services (n=3)
- Public and service education regarding where to go for help (n=3)
- Ongoing public education around signs of problem gambling (n=2)
- Increased resourcing of Whānau Ora staffing (n=1)
- More wānanga at local marae (n=1)
- Increased support for whānau in own homes (n=1)
- Office spaces accessible to support services in all towns of Wairarapa to increase accessibility (n=1)
- Continuing to encourage venues to use referral forms to problem gambling supports (n=1)
- Increased support for services addressing poverty (n=1)

Desired actions from Wairarapa councils in the future re Class 4 gambling venues

Ten of the 14 respondents put forward preferences for the Councils' responses re Class 4 venues in the future. These responses had a strong theme of continuing to work to reduce the presence and accessibility of pokies across the region. Feedback is summarised as follows:

- Strengthen the sinking lid policy by removing the provision of relocation or club merger or restricting this to areas outside NZDEP 7-10 areas (n=4)
- Close them down as there is no benefit in gambling (n=2)
- Limit access via shortened opening hours (n=1)
- Stronger promotion of help services (n=1)
- Undertake anonymous surveys of the users of the venues to seek their consumer views on how to manage better the facilities and keep the community and individuals from harms (n=1)
- Strengthen harm minimisation practices of venue staff (n=1)

Benefits arising for Wairarapa from presence of pokies and TAB venues locally

Only five²⁰ of the 14 respondents were able to identify any benefit to the community from the presence of venue gambling, as follows:

- Grants funding to sports clubs and community groups which families benefit from (n=2), although one noted that allocations needed to be more transparent and that trusts show bias in allocating grants and do not allocate based on community need
- Social connection (n=2)
- Entertainment (n=2)
- Profit for venue businesses (n=1)

Class 4 venue feedback

The respondent group

The 5 responses to the survey came from a mix of trusts, service club and licensed premises venues based across the three local authority areas. Of the respondents, one was based in Masterton, two in Carterton and two in Greytown.

Impact on employment

Of the five respondents, two indicated that Class 4 venue gambling generated between 0.5 and 0.75 extra full-time equivalent ('FTE') positions at their venue, and two indicated that 1 FTE was generated at the venue due to the EGMs. One respondent, a gaming society, indicated that 3 or more FTE positions were generated by Class 4 gambling at their venues.

Extent of positive impact on food and beverage sales

The survey asked respondents to indicate on a sliding scale 0-100 the extent to which they estimated the Class 4 venue positively impacts on food and beverage sales at their venue(s). Across the five responses, the average rating was 48/100, a moderate impact. Only one respondent indicated a strong impact (slider rated as 70/100).

²⁰ Some respondents identified more than one benefit.

Local projects funded through gaming grants which respondents were most excited about

Four of the 5 respondents were able to identify local projects funded through gaming grants which they were most excited about, as follows:

- Covering the costs of pathway and representative programmes delivered by Wairarapa Cricket Association
- Funding to Carterton Rugby Club to purchase new training and playing equipment
- Covering the costs of a toy librarian for Carterton Toy Library
- Kids Foundation
- Burns support
- St John
- Cancer Society
- CCS Disability Action Wairarapa Inc.
- Featherston Booktown Trust
- Greytown School
- Local sports clubs in South Wairarapa

Other benefits arising for Wairarapa from the presence of pokies and TAB venues locally

Asked about other benefits arising from venue gambling, two of the respondents focused only on community grants funding arising from this, with one noting that a huge amount of community grants are made from pokies whereas they saw little benefit arising from TABs, while the other focused on benefits to schools and kindergartens, sports clubs and teams, and community groups and events benefitting the community.

One of the respondents highlighted advantages of in-person gambling versus online gambling in terms of accessibility, detection and management of problem gambling behaviour and gambling harm:

*With the increasing spend to online gambling and gaming venues offer the same entertainment value but we have trained staff to monitor gambling harm and can offer a more personable approach to let gamblers know that the gambling may be impacting on their well-being. Can only operate gaming room within trading hours so there's no 24 hour play access like online gambling.
– Gaming trust representative*

Another identified venue gambling as a means of social interaction.

It's keeping it as a social activity, in a rural area where coming together is limited. - Publican

Help-seeking behaviour regarding problem gambling / gambling harm

The survey asked respondents to think about the situation in Wairarapa now compared with pre-Covid (up to early 2020), and to select the option on a 5-point scale that best described patterns they are seeing in terms of people reaching out for support around problem gambling / gambling harm. Of the 5 respondents, one felt unable to comment, while two indicated that people are now slightly more willing to reach out for help, and two did not feel that help seeking behaviours had changed.

Commenting further, one of the gaming trust respondents commented as follows:

“Our venue takes harm minimising practice seriously and have a good relationship with all their customers where it is clear on what is acceptable behaviour and harmful gambling is address and support offered. Online gambling means all spend goes overseas and nothing is returned to the local communities.”

Appendix



Wairarapa Class 4 Gambling and Standalone TAB Venues Policy

First Adopted:	2003
Latest Version:	26 June 2019
Adopted by:	Masterton, Carterton and South Wairarapa District Councils
Review Date:	26 June 2022

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1. Purpose

- 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 Act 2003 (s.65D).

2. Scope

- 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. When Council Consent is Required

- 3.1. Council consent is required before:
 - a) A corporate society applies for a Class 4 Venue licence and a Class 4 Venue licence has not been held by any corporate society for the venue within the last six months.
 - b) A corporate society increases the number of gaming machines that may be operated at a Class 4 Venue (this includes at a venue where clubs propose to merge).
 - c) A corporate society changes the location of a venue to which a Class 4 Venue licence currently applies.
 - d) The NZ Racing Board establishes a standalone TAB Venue.

4. Establishment of New Class 4 Gambling Venues

- 4.1. No new Class 4 gambling venues may be established in the Wairarapa region.
- 4.2. Gambling venues existing or consented as at 1 January 2019 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. Merged Gambling Venues

- 5.1. 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 7.4; 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 7.4.

6. Relocation of Class 4 Gambling Venues

- 6.1. Council may permit a Class 4 venue to re-establish at a new site 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.
- 6.2. Permission to relocate a Class 4 venue will be subject to the following conditions:
- a) the gambling venue operator at the new site shall be the same venue operator at the site to be vacated;
 - b) 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.
- 6.3. A standalone TAB venue with gaming machines may be considered as an alternate venue if a Class 4 venue closed, subject to the conditions of this policy.
- 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. Except in the case of a standalone TAB venue, 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. Restriction on the Number of Gaming Machines

- 7.1. No increase in the number of gaming machines currently operating or consented in the Wairarapa Region as of 1 January 2019 (165) will be permitted.

Further to the provision above, the maximum number of gaming machines allowed in each district is detailed in the table below.

District	Maximum Gaming Machines Allowed
Masterton	64
Carterton	45
South Wairarapa	56

- 7.2. 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.
- 7.3. No venue may operate more than 18 gaming machines if existing at 17 October 2001 and not ceasing operations for any period longer than six months, or more than 9 machines if not existing prior to the 18 October 2001 or having ceased operations for any period longer than six months.

- 7.4. 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.

8. Standalone TAB Venues

- 8.1. New standalone TAB venues may be established in the Wairarapa region.
- 8.2. No new standalone TAB venue will 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.

9. Applications

- 9.1. 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 or standalone TAB 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.
- 9.2. 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.
- 9.3. 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.
- 9.4. Applicants will be notified of Council's decision within 30 days after the application is received.

10. Application Fees

- 10.1. 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.

11. Review of Policy

11.1. The policy will be reviewed every three years.

12. Definitions

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'.

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.

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

13. Related Documents

Wairarapa Combined District Plan

14. References

Gambling Act 2003

Racing Act 2003

15. 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