
Tuesday, 1 December 2020

Te Hui o Te Kaunihera ā-Rohe o Heretaunga

Hastings District Council

Council Meeting

Kaupapataka

Open Agenda

Te Rā Hui:
Meeting date: **Tuesday, 1 December 2020**

Te Wā:
Time: **9.00am**

Te Wāhi:
Venue: **Council Chamber
Ground Floor
Civic Administration Building
Lyndon Road East
Hastings**

Te Hoapā:
Contact: **Democracy and Governance Services
P: 06 871 5000 | E: democracy@hdc.govt.nz**

Te Āpiha Matua:
Responsible
Officer: **Chief Executive - Nigel Bickle**

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HASTINGS DISTRICT COUNCIL
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TE KAUNIHERA Ā-ROHE O HERETAUNGA

Tuesday, 1 December 2020

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	<i>Tiamana</i> Chair: Mayor Sandra Hazlehurst
<i>Mematanga:</i> Membership:	<i>Ngā KaiKaunihera</i> Councillors: Bayden Barber, Alwyn Corban, Malcolm Dixon, Damon Harvey, Tania Kerr (Deputy Chair), Eileen Lawson, Simon Nixon, Henare O’Keefe, Peleti Oli, Ann Redstone, Wendy Schollum, Sophie Siers, Geraldine Travers and Kevin Watkins
<i>Tokamatua:</i> Quorum:	8 members
<i>Apiha Matua</i> Officer Responsible:	Chief Executive – Nigel Bickle
<i>Te Rōpū Manapori me te Kāwanatanga</i> Democracy and Governance Services:	Vicki Rusbatch (Ext 5634)

Te Rārangi Take

Order of Business

1.0 Opening Prayer – *Karaki a Whakatūwheratanga*

2.0 Apologies & Leave of Absence – *Ngā Whakapāhatanga me te Wehenga ā-Hui*

An apology from Councillor Kerr has been received.

Leave of Absence had previously been granted to Councillor Lawson and Councillor Schollum

3.0 Conflict of Interest – *He Ngākau Kōnatunatu*

Members need to be vigilant to stand aside from decision-making when a conflict arises between their role as a Member of the Council and any private or other external interest they might have. This note is provided as a reminder to Members to scan the agenda and assess their own private interests and identify where they may have a pecuniary or other conflict of interest, or where there may be perceptions of conflict of interest.

If a Member feels they do have a conflict of interest, they should publicly declare that at the start of the relevant item of business and withdraw from participating in the meeting. If a Member thinks they may have a conflict of interest, they can seek advice from the General Counsel or the Manager: Democracy and Governance (preferably before the meeting).

It is noted that while Members can seek advice and discuss these matters, the final decision as to whether a conflict exists rests with the member.

4.0 Confirmation of Minutes – *Te Whakamana i Ngā Minitī*

Minutes of the Council Meeting held Thursday 12 November 2020.
(Previously circulated)

5.0 Class 4 Gambling and TAB Venue Hearings Report

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6.0 2020 Meeting Schedule Changes

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7.0 Minor Items – *Ngā Take Iti*

8.0 Urgent Items – *Ngā Take Whakahihiri*

Tuesday, 1 December 2020

Te Hui o Te Kaunihera ā-Rohe o Heretaunga

Hastings District Council: Council Meeting

Te Rārangi Take

Report to Council

Nā:
From: **Junior Tuakana, Environmental Planner (Policy)**

Te Take:
Subject: **Class 4 Gambling and TAB Venue Hearings Report**

1.0 Executive Summary – *Te Kaupapa Me Te Whakarāpopototanga*

- 1.1 The Council meeting on the 3rd September resolved to notify the Statement of Proposal based on a sinking lid without a relocation policy for class 4 gambling and a cap of one for a TAB venue. These changes included wording amendments to the Class 4 gambling venue policy.
- 1.2 The Statement of Proposal and amended documents were publicly notified on the 12th September for a 30 day submission period. The submission period ended on the 12th October 2020.
- 1.3 As a result, 46 submissions were received with 16 submissions in support and 30 submission in opposition to the proposal. A late submission from TAB NZ was accepted.
- 1.4 The purpose of this report is to obtain a decision from the Council on adopting the reviewed Hastings District Class 4 Gambling Venue Policy and Hastings District TAB Venue Policy. The decision must take into consideration the submissions received during the Special Consultative Procedure provided by Section 83 of the Local Government Act.
- 1.5 This proposal arises from the requirement of the Gambling Act 2003 and Racing Industry Act 2020 for Territorial Authorities to review their Class 4 Gambling Venue and TAB Venue policies every three years.

2.0 Recommendations – *Ngā Tūtohunga*

- A) That the Council accepts the late submission of TAB New Zealand (Niall Miller) (46) received 16th October 2020.
- B) That the Council receives the report titled Class 4 Gambling and TAB Venue Hearings Report.
- C) That in accordance with Section 83 of the Local Government Act 2002 the Council receive the submissions of;
- The Gaming Association of New Zealand (Jarrod True) (1)
 - The Cru Bar and Level 1 (Steven Carey) (2)
 - New Zealand Community Trust (Tanya Piejus) (3)
 - Myra Barber (4)
 - Malcolm Dixon (5)
 - Sportslink (Jack Sanders) (6)
 - Clubs Hastings (Jackie Wells) (7)
 - First Light Community Foundation (Mark Sowman) (8)
 - Hawke's Bay Motorcycle Club (Maria Beal) (9)
 - Hawke's Bay District Health Board (Patrick Le Geyt) (10)
 - Hawke's Bay Rugby Union (Jay Campbell) (11)
 - Kia Toa Bowls Club (James Ludlam) (12)
 - Graeme Dingle Foundation HB (Alison Prins) (13)
 - The Lion Foundation (Tony Goldfinch) (14)
 - Sundevils Swim Team (Megan Burney) (15)
 - Mitre 10 Park (Jock Mackintosh) (16)
 - Grassroots Trust Central Limited (Sean Hannan) (17)
 - Havelock North Wanderers AFC (Angela Hunter) (18)
 - Ian Brown (19)
 - Tania Smith (20)
 - Lianne Goodwin (21)
 - Robert Ancell (22)
 - Aaron Edmonds (23)
 - Art Hawke's Bay (Tim Ormond) (24)
 - Richard Kettle (25)
 - Cranford Hospice (Janice Byford-Jones) (26)
 - Cath Healey (27)
 - Benjamin Molineaux (28)
 - Te Rangihaeata Oranga Trust (Vicki Berkahn) (29)
 - Teena Moody (30)
 - Christina McBeth (31)
 - Jim Stevenson (32)
 - Lyn (33)
 - Lisa Tamati (34)
 - Arts Inc. Heretaunga (Andy Heast) (35)
 - Thompson Hokianga (36)
 - Arts Hawke's Bay (Hans Doevendans) (37)
 - Air Training Corps Charitable Trust (Mary Hannan) (38)
 - Trojans Swim Club (Ben Hutton) (39)
 - Ross Webb (40)
 - Anita Nelson (41)
 - Heneriata Edmonds (42)

- David Harding (43)
- Problem Gambling Foundation Group (Paula Snowden) (44)
- Hawke's Bay Golf Club (Alan McDonald) (45)
- TAB New Zealand (Niall Miller) (46)

D) That pursuant to Section 102 of the Gambling Act 2003, Council adopt the Class 4 Gambling Venue 'sinking lid' Policy without relocation policy as proposed in the Statement of Proposal.

OR

That pursuant to Section 102 of the Gambling Act 2003, Council retain the status quo of the current policy – the unchanged 'cap' policy and relocation policy.

OR

That pursuant to Section 102 of the Gambling Act 2003, Council amend the Class 4 Gaming Venue Policy to the proposed cap policy and relocation policy.

OR

Any variation of the above options in giving effect to one or more of the submissions.

E) That the Council resolve to adopt the Class 4 Gambling Policies with amendments

F) That pursuant to Section 97 of the Racing Industry Act 2020, Council adopt the TAB Venue Policy as proposed in the Statement of Proposal.

OR

Any variation of the above options in giving effect to one or more of the submissions.

G) That an application lodged with the Council 17 November 2020 will be assessed against the Class 4 gambling policy that applied at the date.

H) That the amendments made at the meeting be incorporated into the class 4 gambling policy and TAB venue policy and brought back to Council for ratification.

3.0 Background – *Te Horopaki*

3.1 The purpose and intent of the Gambling Act 2003 is to:

- *Control the growth of gambling*
- *Prevent and minimise the harm caused by gambling, including problem gambling.*
- *Authorise some gambling and prohibit the rest.*
- *Facilitate responsible gambling.*
- *Ensures the integrity and fairness of games.*
- *Limit opportunities for crime or dishonesty associated with gambling.*
- *Ensure that money from gambling benefits the community.*
- *Facilitate community involvement in decisions about the provision of gambling.*

3.2 The purpose and intent of the recently amended Racing Industry Act 2020 is to:

- *Reform the law relating to New Zealand racing; and*
- *Prevent and minimise harm from gambling conducted under the Racing Industry Act, including harm associated with problem gambling.*

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- 3.3 Following the adoption of the Gambling and Racing Acts in 2003, new policies were developed by the Council 2004 and three yearly reviews were completed in May 2007, September 2010, August 2013 and May 2017. A fifth review of the Hastings District Council's Class 4 Gambling Venue and TAB Venue policies is now due.
- 3.4 The 2017 review resulted in a move from a sinking lid to a capped policy based on the current machine numbers at the time.
- 3.5 Apart from wording changes, no major changes were considered necessary to the TAB venue policy so an open policy was retained as part of the 2017 review.
- 3.6 Prior to commencing the special consultative procedure for the 2020 review, Council contacted key stakeholders, alerting them to the policy review process and providing them with an opportunity to provide comment on the current policy prior to the formal special consultative procedure.
- 3.7 The stakeholder groups were groups representing Māori, Club societies, Non-club societies, TAB NZ, venues, and health care providers (Te Rangihaeata Oranga Trust, HB Problem Gambling, Hawke's Bay District Health Board).
- 3.8 The officer's original recommendation was option one with minor amendments of the policy. The full report which was considered by the District Planning and Bylaws Subcommittee is attached as Attachment 5.
- 3.9 Following a full debate, the subcommittee unanimously agreed to recommend to Council that the current gambling policy be changed from a capped to a sinking lid policy with no relocation policy (option 3 with the removal of relocation policy) to reduce harm from gambling in the District.
- 3.10 In reaching this decision, the subcommittee noted the 2019 research undertaken by the Department for Internal Affairs (DIA) which showed that Hastings players were spending longer hours playing gaming machines, betting more per game and more players were playing 'pokie' machines.
- 3.11 It was noted that problem gambling disproportionately affected deprived and low income families, of which a significant proportion in this district are Māori. The subcommittee considered that the benefit from community grants derived from gaming machine profits from non-club and club societies did not outweigh the community harm from gambling particularly in our vulnerable communities.

4.0 Current Situation

- 4.1 As at 2018 (*Statistics NZ*) there were 166,368 people resident in Hawkes Bay.
- 4.2 The Hastings District covers a geographic area of 5226.61 square kilometres and has a population of 81,537 (*Statistics NZ*) with estimated population calculated by Statistics New Zealand of 85,000 in 2019. Hastings population has increased by approximately 11 percent between 2013 and 2018.
- 4.3 There are a total of 22,269 Māori people in the Hastings District. Māori make up 27.3% of the population and this has increased year on year since 2006. Hastings has a slightly higher percentage of Māori than the New Zealand population as a whole (NZ 16.5% Hastings 27.3%). European make up the largest population group at 71.8%.
- 4.4 The median income of the Hastings District is \$28,400 and 12.9% of our population earns over \$70,000.
- 4.5 According to the Department of Internal Affairs report of March 2020 Hastings has 17 class 4 gambling venues with a total of 281 machines currently operating (with a maximum of 293 gaming machines available under the current policy). Note that since March 2020, a further five gaming machines have been established at the Loading Ramp, bringing the total to 283. In May 2016 Hastings had 19 class 4 gambling venues with a total of 311 gaming machines.

Number of gaming machines

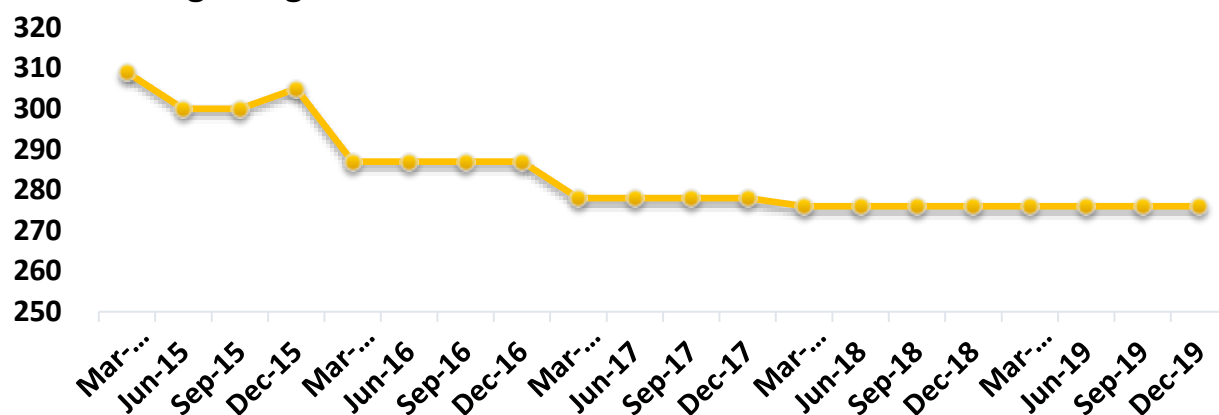


Table 1: Class 4 Machines in the Hastings District between 2015-2019.

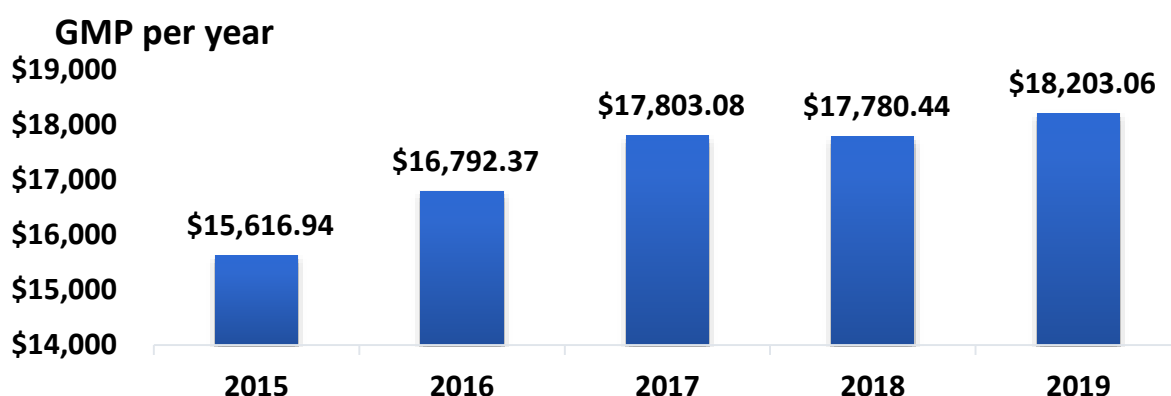


Table 2: Expenditure by year in Hastings District between 2015-2019

- 4.6 Tables 1 and 2 above shows Hastings District expenditure between 2015 and 2019 and the machines available. Points to note;
- Council implemented a sinking lid policy prior to the 2017 review.
 - Machines numbers naturally decline over time but expenditure has increased from year to year (this includes with a sinking lid).
 - Funds are not required by legislation to be returned to the community or region they were generated in and we are not able to require this to happen.
 - Club societies and the TAB Board are not legally required to return a set percentage of their revenue to the community.
 - Some non-club societies return more than the required 40%.

Class 4 Gambling Venue Policy

- 4.7 The Gambling Act 2003 specifies that a city council or district council must have a class 4 venue policy. A council's venue policy sets out the rules around class 4 gambling in their district. The aim of the venue policy is to give local councils and the communities they represent a say in how class 4 venues operate in their district. This is in line with the Gambling Act's purpose.
- 4.8 The last policy review was undertaken in 2017 and resulted in a change from a 'sinking lid to a 'capped' policy. The new policy direction included a relocation policy with increased flexibility for some venues. This flexibility enabled some venues to relocate within the same vicinity rather than

being forced to move the gambling licence to premises in the Central Commercial Zone. The relocation maps are attached as Attachments 1-4.

- 4.9 The capped approach means that every time a venue closes, the number of machines permitted in the Hastings District remains the same. Other venues can apply for additional machines if their permitted number of machines hasn't been exceeded or a new venue can apply to host machines. The Council's current cap is set at allowing 293 machines to operate in the district (currently 281 operating plus 2 machines not currently in use).
- 4.10 A sinking lid policy on the other hand is adopted with a view to decreasing the number of gaming machines or venues over time. A sinking lid includes a ban on any new gaming machines or venues in a district, and if a venue closes and the licence lapses, those machines cannot be re-established in the district. A licence is attached to the venue where they are located so a sinking lid with no relocation means a licence cannot be moved if the venue closes.
- 4.11 The sinking lid policy cannot force existing venues to reduce the number of machines they are operating so it only affects new venues.

TAB Venue Policy

- 4.12 The Racing Act 2003 has been recently replaced with The Racing Industry Act 2020. The Racing Industry Act still specifies a territorial authority must complete a review of a policy within 3 years after adopted and then within 3 years after that review and each subsequent review is completed.
- 4.13 In terms of the TAB Venue Policy, Hastings District Council has the ability to regulate whether or not new stand-alone TAB venues may be established in the district and if so where these may be located. Council consent is not required under the legislation to establish a TAB facility in a bar, hotel or club. The District has just one stand-alone TAB venue (Stortford Lodge).
- 4.14 Table 3 below shows the total gambling expenditure for New Zealand from 2011-2019. Points to note:
- There has been a gradual increase in spending in TAB activity.
 - There has been an increase in spending for pokies.
 - The overall expenditure on gambling is consistently increasing.

Summary of gambling expenditure for FY 2018/19

Reported Gambling Expenditure 2011/12 to 2018/19 Actual dollars (non-inflation adjusted) for gambling operators' financial year-end.								
	2011/12 \$m	2012/13 \$m	2013/14 \$m	2014/15 \$m	2015/16 \$m	2016/17 \$m	2017/18 \$m	2018/19 \$m
NZ RACING BOARD (TAB)	\$283	\$294	\$310	\$325	\$342	\$338	\$350	\$332
NZ LOTTERIES COMMISSION	\$419	\$432	\$463	\$420	\$437	\$555	\$561	\$530
GAMING MACHINES (outside Casinos)	\$854	\$827	\$806	\$818	\$843	\$870	\$895	\$924
CASINOS	\$483	\$490	\$486	\$527	\$586	\$572	\$578	\$616
TOTAL	\$2,038	\$2,042	\$2,065	\$2,091	\$2,209	\$2,334	\$2,383	\$2,402

Table 3: Gambling expenditure between 2011-2019 (Department of Internal Affairs sourced from https://www.dia.govt.nz/diawebsite.nsf/wpg_URL/Resource-material-Information-We-Provide-Gambling-Expenditure-Statistics).

5.0 Discussion – Te Matapakitanga

6.0 Submissions on the Proposed Class 4 Gambling Venue Policy

- 6.1 A total of 46 submissions were received on the draft class 4 gambling venue policy. Of the 46 submissions; 16 submission indicated general support for the sinking lid, and 29 submissions were generally opposed.
- 6.2 The submissions that **supported** the proposed venue policies were received from;
- 6.3 **Myra Barber (4)** – Supported the sinking lid and restriction to one TAB venue.
- 6.4 **Hawke's Bay District Health Board (Patrick Le Geyt) (10) and Te Rangihaeata Oranga Trust (Vicki Berkahn) (29)** both support the proposed sinking lid policy along with the removal of the relocation policy but have requested the following changes;
- Hastings District Council removing class 4 gambling venues from high deprivation areas within the Hastings District (Hastings Central and Flaxmere), over time at the rate of 6 machines per licence renewal.
 - Hastings District Council monitoring and removing class 4 gambling venues where the operation of class 4 gambling machines is assessed as being the primary activity and revenue source for the class 4 venue.
 - Hastings District Council trialling the closure of areas permitted for conducting class 4 gambling at peak food and beverage service delivery times, i.e. 12pm-2pm and 5pm-7pm.
 - HDC Maori responsiveness strategy:** under prosperity and wellbeing that council policy will have a deprivation focus.

- e) **HDC Safer Hastings Strategy:** The HDC safer Hastings strategy has a goal to reduce addition related harm and reduce the number of gambling opportunities.
- f) **HDC Annual Plan:** The Hastings District Council should explicitly state under its regulatory functions that under section 101 of the Gambling Act 2003 it is required to have a policy that guides if, where, and how many class 4 pokies and venues may be established.
- g) Hastings District Council monitoring and ensuring that all class 4 venues shall provide;
 - Approved problem gambling assessment tools;
 - Staff training programmes for identification of problem gambling;
 - Procedures to reduce the likelihood of problem gambling;
 - Identification of instances of problem gambling;
 - Referrals of those identified to the Hawke's Bay Gambling Harm treatment provider www.gamblinghb.co.nz
 - Facilitation of any ban/self- ban procedures for problem gamblers, including identification and notification of breaches
- 6.5 **Tania Smith (2)** – Supports the sinking lid policy for gaming machines and the cap of one for TAB standalone venues in the Hastings District.
- 6.6 **Lianne Goodwin (21)** - Support a sinking lid policy.
- 6.7 **Robert Ancell (22)** - Support a sinking lid policy along with the removal of the relocation policy.
- 6.8 **Aaron Edmonds (23)** - Support a sinking lid policy along with the removal of the relocation policy. The submitter has experienced first-hand the effects of gambling.
- 6.9 **Cath Healey (27)** - Supports a sinking lid but there needs to be a more robust host responsibilities that are monitored regularly.
- 6.10 **Benjamin Molineaux (28)** – Supports removing the relocation policy but if a relocation policy is retained to have a condition to enable relocation but the number of machines at the new venue has to reduce by one third.
- 6.11 **Te Rangihaeata Oranga Trust (Vicki Berkahn) (29)** – See submission 10.
- 6.12 **Teena Moody (30)** - Support a sinking lid policy along with the removal of the relocation policy.
- 6.13 **Lyn (33)** Supported a sinking lid policy
- 6.14 **Lisa Tamati (34)** – Neutral to existing venues as long as machines are monitored and strict controls are in place. Does not support new venues.
- 6.15 **Thompson Hokianga (36)** - Support any reduction in gambling venues or TAB venues. Gambling in general has become noticeably harmful in our community.
- 6.16 **Anita Nelson (41)** – Supports a sinking lid policy.
- 6.17 **Heneriata Edmonds (42)** – Supports a sinking lid policy.
- 6.18 **Problem Gambling Foundation Group (Paula Snowden) (44)** – Supports the proposed changes but would like to include further measures to control gambling;
 - a) The council will not grant consent for the establishment of any additional class 4 venues or additional gaming machines under this policy.
 - b) Venue relocation is prohibited, A gambling venue consent is for one venue (one premises) and is not transferable to another venue. The consent is given to a venue at a given address, not to a person or business. To remove doubt, if a corporate society proposes to change to a

new venue, a new consent is required under section 98 (c) of the Gambling act 2003 and clause (i) of this policy applies.

- c) Club mergers are prohibited. Once a venue or club ceases to operate, the machine numbers will not be allocated by to any new or existing venue or club.
- d) PGF recommends that the Hastings District Council include best practice guidelines with the policy and encourages council to undertake a duty of care in monitoring venues.
- e) According to PGF, 23 out of the 67 territorial authorities implement a sinking lid policy.

6.19 *The submissions that **opposed** the proposed sinking lid and removal of the relocation policy were received from;*

6.20 **The Gaming Association of New Zealand (Jarrod True) (1)** – Opposes the sinking lid policy and removal of the relocation policy and has requested the retention of the current cap and relocation policy (option 2). The following points have been raised.

- Gaming safeguards in place to minimise harm.
- A restrictive policy is unlikely to reduce problem gambling, but will over time, reduce the amount of funding available to community groups in the Hastings District.
- Increase in spending on online gambling.
- Venue relocation is a harm minimisation tool to move machines away from high deprivation areas and unsafe or damaged premises.

6.21 **The Cru Bar and Level 1 (Steven Carey) (2)** – Opposed both proposed changes in its entirety. No reasons were given.

6.22 **New Zealand Community Trust (Tanya Piejus) (3)** – Opposes the sinking lid and the exclusion of a relocation policy and prefers the current policy (293 cap and current relocation policy).

6.23 **Malcolm Dixon (5)** – Opposes the sinking lid and recommends retaining the current cap and relocation policy as a sinking lid would move gamblers online. Organisations have become reliant on pokies.

6.24 **Sportslink (Jack Sanders) (6)** – opposes the sinking lid and the removal of the relocation policy. Their submission is to retain the current policy (293 cap and current relocation policy).

6.25 **Clubs Hastings (Jackie Wells) (7)** – is seeking to retain the current cap and relocation policy.

6.26 **First Light Community Foundation (Mark Sowman) (8)** – Opposed the sinking lid and removal of relocation policy noting that a sinking lid would move gamblers towards online gambling. Growth is needed to meet the growth of demand and the future growth of the community.

6.27 **Hawke's Bay Motorcycle Club (Maria Beal) (9)** – Opposes the sinking lid as there are no alternatives to funding with the loss of machines.

6.28 **Hawke's Bay Rugby Union (Jay Campbell) (11)** – Opposes sinking lid and supports current cap number of 293 and relocation policy plus notes the strict harm minimise obligations in place. Organisations reliant on gaming funding enables clubs to function.

6.29 **Kia Toa Bowls Club (James Ludlam) (12)** - Opposes the proposed changing to class 4 gambling and would like to retain the current 293 cap and relocation policy also noting the reliance of pokies for clubs. Organisations reliant on gaming funding to enable them to function.

6.30 **Graeme Dingle Foundation HB (Alison Prins) (13)** – Opposes the sinking lid and supports current cap number of 293 and relocation policy. A sinking lid would lead gamblers to gamble online where there are no community benefits.

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- 6.31 **The Lion Foundation (Tony Goldfinch) (14)** - Opposes the sinking lid and supports the current cap number of 293 and relocation policy. Less machine equals less community funding.
- 6.32 **Sundevils Swim Team (Megan Burney) (15)** – opposes the proposed sinking lid and would support either cap option. The submitter believes a sinking lid would lead to a move towards online gambling which is unregulated and does not benefit the community in that there are no funds returned to the community. The submitter has recommended that given the effects of covid-19 on community groups and funding the sinking lid may be deferred until the next review period.
- 6.33 **Mitre 10 Park (Jock Mackintosh) (16)** – Opposes the proposed sinking lid given that funding they have received.
- 6.34 **Grassroots Trust Central Limited (Sean Hannan) (17)** - Opposes sinking lid and supports current cap number of 293 and relocation policy.
- 6.35 **Havelock North Wanderers AFC (Angela Hunter) (18)** – Opposes the proposed sinking lid and supports current cap number of 293 and relocation policy.
- 6.36 **Ian Brown (19)** – Opposed the sinking lid and also believes a sinking lid would cause move towards online gambling which is unregulated and does not benefit the community in that there are not funds returned to the community.
- 6.37 **Art Hawke's Bay (Tim Ormond) (24)** - Opposes sinking lid and supports current cap number of 293 and relocation policy.
- 6.38 **Richard Kettle (25)** - Opposes sinking lid and supports current cap number of 293 and relocation policy.
- 6.39 **Cranford Hospice (Janice Byford-Jones) (26)** – Opposes the sinking lid but notes that careful consideration to the proposal and what impacts this may have on the sectors that rely on the funds. Taking away the machines could lead to a move towards online gambling.
- 6.40 **Christina McBeth (31)** - Opposes sinking lid and supports current cap number of 293 and relocation policy.
- 6.41 **Jim Stevenson (32)** - Opposes sinking lid and supports current cap number of 293 and relocation policy.
- 6.42 **Arts Inc. Heretaunga (Andy Heast) (35)** – Opposes the sinking lid and also believes less machine equals less community funding and that pokies are needed as there is limited alternative to funding.
- 6.43 **Arts Hawke's Bay (Hans Doevendans) (37)** - Opposes the sinking lid and supports the current cap number of 293 and relocation policy.
- 6.44 **Air Training Corps Charitable Trust (Mary Hannan) (38)** - Opposes sinking lid and supports current cap number of 293 and relocation policy.
- 6.45 **Trojans Swim Club (Ben Hutton) (39)** - Opposes sinking lid and supports current cap number of 293 and relocation policy.
- 6.46 **Ross Webb (40)** - Opposes sinking lid and supports current cap number of 293 and relocation policy.
- 6.47 **David Harding (43)** - Opposes sinking lid and supports current cap number of 293 and relocation policy. Consideration should be given to allow an increase in the number of machines (15 to 24 months).
- 6.48 **Hawke's Bay Golf Club (Alan McDonald) (45)** - Opposes sinking lid and supports current cap number of 293 and relocation policy. Without the funding subscriptions would need to increase.
- 6.49 **TAB New Zealand (Niall Miller) (46)** - Opposes sinking lid and supports current cap number of 293 and relocation policy. The following points have been raised.
- A sinking lid would reduce the amount of funding available to the community over time.

- Less machines would lead to a move towards online gambling.
- Low gambling rate.
- Regulations on gambling are stringent.
- Relocation is a harm minimisation tool to move machines from high deprivation areas along with unsafe/damaged buildings.

7.0 Class 4 Gambling Venue Policy issues raised by submitters

7.1 **Gaming machine numbers are in a natural decline and less machines equals less community funding.**

7.2 The submissions of **The Gaming Association of New Zealand (1), New Zealand Community Trust (3), The Lion Foundation (14), Grassroots Trust Central Limited (17), Arts Inc. Heretaunga (35), Mary Hannan (38), TAB New Zealand (46)** have requested that the current policy and cap of 293 be retained in that a move to a sinking lid as proposed would reduce the amount of funding available.

7.3 In September 2014 the Gambling (Class 4 Net Proceeds) Regulation were amended to increase the minimum percentage of return that non-club societies must make to communities from 37.12% to the current level of 40%. Non-club societies are required to allocate 40% of their machine net proceeds.

7.4 Recipients of funding had to be registered organisations and tended to be charitable organisations, sports or cultural groups; the recipient also had to be for non-commercial purpose that would be beneficial to the whole or sections of the community.

7.5 In comparison to the revenue gathered by machines owned by TAB venues and club societies there is no minimum rate of return to the community and they had the ability to spend on their own purpose (race meetings, club purposes) but could elect to return funds to community groups.

7.6 **Comment**

7.7 *Under section 4 of this report, table 1 supports the view that over time machine numbers have gradually decreased. What emerges when Tables 1 and 2 are viewed is that while machine numbers are on a decline, the expenditure over the years had increased.*

7.8 *This suggests any link between losses in machines and a decline in community funding may be less direct than is intuitive. Even with the implementation of a sinking lid prior to the 2017 review, revenue generated still increased. A sinking lid policy does not affect existing venues so long as the venue is operating and not looking to close, and the community funding will continue.*

7.9 *From the 276 machines operating in the District, only 182 machines are required to return a minimum of 40% of their funds generated. As covered, the 94 machines owned by club societies and the TAB venues have no minimum rate of return to community groups.*

7.10 *Furthermore, any revenue generated is not required to be returned to the community they were generated. So groups based in other regions of the country that operate machines here could return funds to their community instead of returning to the Hastings District.*

7.11 **A sinking lid would cause a move towards online gambling which is unregulated and does not benefit the community in that there are no funds returned to the community.**

The submissions of **The Gaming Association of New Zealand (1), New Zealand Community Trust (3), Malcolm Dixon (5) First Light Community Foundation (Mark Sowman) (8), Graeme Dingle Foundation HB (Alison Prins) (13), The Lion Foundation (14), Sundevils Swim Team (Megan Burney) (15), Grassroots Trust Central Limited (17), Ian Brown (19), Cranford Hospice (Janice Byford-Jones) (26), Jim Stevenson (32), Air Training Corps Charitable Trust (Mary Hannan) (38), TAB New Zealand (46)** support the comment that a sinking lid would move gamblers online.

7.12 Their reasoning is that fewer machines will contribute towards a move online.

7.13 Comment

7.14 *Currently there only two NZ gambling providers who are permitted to advertise online gambling in NZ (TAB NZ and Lotto NZ). As covered in the submission by The Gaming Association of New Zealand, 'New Zealanders love gambling online. This is reflected in The Lotteries Commission reported in its 2017/18 Annual Report that online sales accounted for 16 per cent of its total sales (201.1m), compared with 13 percent the previous year'.*

7.15 *'The TAB noted in its latest six-monthly report that online channels made up 59.2 per cent of its betting turnover, up 2.2 percentage points on last year'.*

7.16 *Sky City has launched an offshore-based online casino with a large selection of gaming machines.*

7.17 *While it is illegal for online services to advertise in New Zealand there are no restrictions placed on people searching for an offshore gambling provider. These services are unregulated and is not beneficial by way of the availability community funding in comparison to pokies.*

7.18 *Online gambling is another form of entertainment for gamblers. Until government looks into some form of intervention or regulation the ability to choose whether they gamble online or at a designated gambling facility is at the gamblers discretion.*

7.19 *There is no conclusive evidence that more machines in society is going reduce a movement to online gambling. A shift online is out of the scope that Council's policy can cover.*

7.20 *Lotto and sports betting are examples of a shift towards online.*

7.21 **Strict harm minimise obligations are in place to reduce the harm from gaming machines (requirement under the Gambling Act).**

7.22 **The Gaming Association of New Zealand (1), New Zealand Community Trust (3), The Lion Foundation (14), Grassroots Trust Central Limited (17), TAB New Zealand (46).** The current policy is appropriate given the significant measures that are already in place to minimise harm from gaming machines.

7.23 The following safeguards are in place to limit the harm from gambling;

- There is a statutory age limit that prohibits persons under 18 years of age playing a gaming machine.
- The maximum stake is \$2.50 while the maximum jackpot prize for a not-jackpot machine is \$500.
- All gaming machines in NZ have a feature that interrupts play and displays a pop-up message.
- Gaming machines in NZ do not accept banknotes above \$20.00 in denomination.
- ATMs are excluded from all gaming rooms.
- All gaming venues have a harm minimisation policy.
- All gaming venue staff are required to have undertaken comprehensive problem gambling awareness and intervention training.

7.24 These are just some of the measures used to curb the gambling behaviour and to reduce harm.

7.25 Comment

7.26 *The Gambling Act regulates the requirements for gambling venues.*

7.27 *The use of a cap or sinking lid policy are tools that councils employ to control class 4 venues within their region. According to the Problem Gambling Group, 23 out of the 67 territorial authorities have already introduced a sinking lid policy.*

- 7.28 *With the use of a cap or sinking lid along with the safeguards in place to disrupt play, its aim of controlling gambling behaviour is extensive while still providing a gambling environment for the recreational or social gambler.*
- 7.29 *According to the Department of Internal affairs in its analysis, Hastings players are spending longer hours playing gaming machines, betting more per game and more players are playing pokies machines.*
- 7.30 *This is reflective in the revenue generated as shown under table 2 of section 4 of this report.*
- 7.31 *While these measures are in place, it does not guarantee a safe net setting to capture those vulnerable to addiction. This is however a feature that online gambling does not have.*
- 7.32 **The relocation policy and requested changes to the relocation policy**
 The submissions from **The Gaming Association of New Zealand (1)**, **Malcolm Dixon (5)**, **Sportslink (Jack Sanders) (6)**, **Clubs Hastings (Jackie Wells) (7)**, **First Light Community Foundation (Mark Sowman) (8)**, **The Lion Foundation (14)**, **Grassroots Trust Central Limited (17)**, **TAB New Zealand (46)** are seeking that the relocation policy is retained.
- 7.33 *There submissions are based on a number of points that need to be considered.*
- 7.34 *Retaining a relocation policy enables venue licences to move away from sensitive activities such as schools, churches and early childhood centres.*
- 7.35 *The redevelopment of a site, an earthquake prone building, or damage during a natural disaster are examples where a relocation would be beneficial.*
- 7.36 *A relocation policy also enables machines to remain in society if not relocated to a new premises.*
- 7.37 *The submissions of **Hawke's Bay District Health Board (Patrick Le Geyt) (10)**, **Robert Ancell (22)**, **Aaron Edmonds (23)**, **Te Rangihaeata Oranga Trust (Vicki Berkahn) (29)**, **Teena Moody (30)**, **Problem Gambling Foundation Group (Paula Snowden) (44)** along with **Benjamin Molineaux (28)** supports removing the relocation policy as retaining a relocation policy still enables machines to be present in the community if a venue closes.*
- 7.38 *Submitter (28) **Benjamin Molineaux** has requested an additional change if Council retains the relocation policy. His request seeks a condition be applicable to any relocation application to reduce the gaming machines at the new location by one third.*
- 7.39 **Comment**
- 7.40 *As part of the 3 September Council meeting to decide upon the policy direction for a class 4 venue and TAB venue it was decided to notify a draft class 4 venue policy based on a sinking lid with the removal of the relocation policy.*
- 7.41 *This was based on the effects on members of the public as this affects not only influenced individuals but the individual's family and community. This point is supported by the submission of submitter 44 (Problem Gambling Foundation) in that for 'a person who identifies as a problem gambler approximately six other people are affected'.*
- 7.42 *The officer's recommendation was to retain the relocation policy.*
- 7.43 *The officer's recommendation of the relocation policy was based on the points raised by the submitters seeking the retention of the policy.*
- 7.44 *For venues affect by natural disasters or identified as earthquake prone, a relocation policy enables venues to move their licence to a safer and secure location.*
- 7.45 *In response to submitter 28 (Benjamin Molineaux) who requested that if a relocation policy is retained, the gaming machine numbers should be reduced by one third, it is noted that this this relief cannot be granted. The Gambling Act 2003 does not provide for a relocation policy to mandate a reduction in gaming machines as part of the policy. Section 97A(2)(a) of the Gambling Act 2003*

provides that, where an old venue has consent to relocate to a new venue 'despite section 100(1)(b)(i), the maximum number of gaming machines permitted to operate at the new venue at the time when the new class 4 venue licence takes effect is the same as the maximum number of gaming machines permitted to operate at the old venue immediately before the licence relating to the old venue is cancelled'.

7.46 *Section 100(1)(b) is the provision that allows a TA to grant consent with a condition specifying the maximum number of gaming machines that are able to be operated at the venue. That section does not apply where a venue is relocating pursuant to a relocation policy, so the territorial authority cannot stipulate a reduced number of machines at a relocated venue.*

7.47 **Other issues.**

7.48 **Te Rangihaeata Oranga Trust (Vicki Berkahn) (29) and Hawke's Bay District Health Board (Patrick Le Geyt) (10)** have requested the following changes;

- a) Hastings District Council removing class 4 gambling venues from high deprivation areas within the Hastings District (Hastings Central and Flaxmere), over time at the rate of 6 machines per licence renewal.
- b) Hastings District Council monitoring and removing class 4 gambling venues where the operation of class 4 gambling machines is assessed as being the primary activity and revenue source for the class 4 venue.
- c) Hastings District Council trialling the closure of areas permitted for conducting class 4 gambling at peak food and beverage service delivery times, i.e. 12pm-2pm and 5pm-7pm.
- d) **HDC Maori responsiveness strategy:** under prosperity and wellbeing that council policy will have a deprivation focus.
- e) **HDC Safer Hastings Strategy:** The Hastings District Council safer Hastings strategy has a goal to reduce addition related harm and reduce the number of gambling opportunities.
- f) **HDC Annual Plan:** The Hastings District Council should explicitly state under its regulatory functions that under section 101 of the Gambling Act 2003 it is required to have a policy that guides if, where, and how many class 4 pokies and venues may be established.
- g) Hastings District Council monitoring and ensuring that all class 4 venues shall provide;
 - i) Approved problem gambling assessment tools;
 - ii) Staff training programmes for identification of problem gambling;
 - iii) Procedures to reduce the likelihood of problem gambling;
 - iv) Identification of instances of problem gambling;
 - v) Referrals of those identified to the Hawke's Bay Gambling Harm treatment provider www.gamblinghb.co.nz
 - vi) Facilitation of any ban/self- ban procedures for problem gamblers, including identification and notification of breaches

7.49 **Comment**

7.50 *In response to point A, Council does not have the authority or ability to remove existing machines from high deprivation areas. Under the Gambling Act, territorial consent is required for new machines, but not for renewals of licences which are regulated by the Department of Internal Affairs.*

7.51 *The high deprivation areas that are mentioned are all commercially zoned sites.*

- 7.52 *The criteria used to describe high deprivation areas is not an appropriate description when comparing with the location of gambling venue as venues have to be associated with another commercial activity.*
- 7.53 *As a requirement to operate, gambling venues are required to be the secondary activity of the site where the applicant is required to demonstrate. Apart from a couple of venues located on suburban commercial sites the majority of venues are located within the commercial zone.*
- 7.54 *Furthermore, a majority of Hastings is classed with a high deprivation area rating of 9 or 10 as in Flaxmere.*
- 7.55 *In response to point B, this action would need to be undertaken by the Department of Internal Affairs as their role is to maintain the monitoring and functioning of venues once a licence is issued.*
- 7.56 *In response to point C, this is not something that can be regulated within the Class 4 Gaming Policy.*
- 7.57 *In response to point D, the former HDC Māori Responsiveness Strategy has been revised in 2019 and now recognised as Te Kura Nui - HDC Māori Relationships Framework. Regarding the areas of Council Influence and in particular, the Prosperity and Wellbeing Pillar and the deprivation focus referred to, the development of Te Kura Nui along with the implications of COVID-19 in 2020 have seen Council respond to and address Māori aspirations in new and meaningful ways.*
- 7.58 *That is, we are looking to the different strengths and experiences that our community have, seeing these as opportunities and together in partnership with our diverse community, realising the potential through engaging in a strengths-based approach to wellbeing across the cultural, spiritual, mental and socio-economic. It is not considered that this requires any changes to the Policy.*
- 7.59 *In response to point E, while Council has a role in the outcomes within the Safer Hastings Strategy, Council also has a responsibility to provide for gambling venues which it does within the class 4 gambling and TAB venue policies.*
- 7.60 *One of the purposes of the Gambling Act is to authorise some gambling and prohibit the rest (s 3(c)) which is what the policies set out to achieve.*
- 7.61 *In response to point F, it is unnecessary to include explicit reference to the Gambling Act within the Annual Plan as this has no relevance to the annual plan and causes duplication within Council documents.*
- 7.62 *In response to point G, these requests are already under the function and role of the Department of Internal Affairs. It is unnecessary for Council to assume this responsibility.*
- 7.63 **Problem Gambling Foundation Group (Paula Snowden) (44)** – Supports the proposed changes but would like to include further measures to control gambling;
- a) The council will not grant consent for the establishment of any additional class 4 venues or additional gaming machines under this policy.
 - b) Venue relocation is prohibited, A gambling venue consent is for one venue (one premises) and is not transferable to another venue. The consent is given to a venue at a given address, not to a person or business. To remove doubt, if a corporate society proposes to change to a new venue, a new consent is required under section 98 (c) of the Gambling act 2003 and clause (i) of this policy applies.
 - c) Club mergers are prohibited. Once a venue or club ceases to operate, the machine numbers will not be allocated by to any new or existing venue or club.
 - d) PGF recommends that the Hastings district Council include best practice guidelines with the policy and encourages council to undertake a duty of care in monitoring venues.
- 7.64 **Comment**
- 7.65 *In response to point A and B, these would be the effect of the policy in the statement of proposal.*

- 7.66 *In response to point C, A club merger enables two or more clubs to merge into one group/club while retaining the same number of machines each club operated at the previous premises. The sum of from the club merger is limited to a total of 30 machines. The current class 4 gambling policy enables the application of clubs looking to merge under section 5.2 of the policy and no change has been recommended or notified in respect of this part of the Policy. To date, one club merger has been successful within the formation of Clubs Hastings.*
- 7.67 *Removing club mergers would be consistent with the removal of the relocation policy. Council had sought advice which recommended the removal of this standard as it would be a consistent approach if a relocation policy didn't exist.*
- 7.68 *In response to point D, it is unnecessary to request Council to undertake the role of the Department of Internal Affairs as this is one of their functions and responsibilities.*
- 7.69 **Savings for applications already received by Council**
- 7.70 Officers are aware that the Lion Foundation has, for some time this year, been in correspondence with the Council about seeking territorial authority consent for an additional 4 machines at the Loading Ramp in Havelock North. The Loading Ramp currently has consent for 5 machines and the application will seek to increase this to the maximum of 9. At the time of writing this report, officers had indicated one further piece of information was required in order for the application to be accepted. It is anticipated that this will be provided shortly and that there will be a live application with Council for consideration at the time of the Revised Policy hearing.
- 7.71 Given the application will require public notification, it is likely that the Revised Policy will have been adopted before the application is heard. Section 100 of the Gambling Act requires the territorial authority to consider an application "in accordance with its class 4 venue policy", which refers to the policy adopted at the relevant time. If the sinking lid approach is adopted, the application would need to be assessed against the Revised Policy, which does not provide for any further gaming machines to be approved. In other words the application would be automatically declined. The Gambling Act does not include any transitional or savings provision which provides for this situation.
- 7.72 Officers are concerned that this creates unfairness to the applicant, who has liaised with Council and prepared their application in good faith. They therefore recommend a savings provision be included in the Revised Policy if a sinking lid approach is retained, to allow the current application to be assessed against the Existing Policy that applied at the time it was lodged. The savings provision would only apply to this one application, which if granted, would allow a further 4 machines in the District.
- 7.73 The savings provision would not guarantee the application will be granted, but will allow the application to be considered against the criteria in the Existing Policy, and either granted or refused as provided for in s 100 Gambling Act.
- 7.74 **Comment**
- 7.75 *For completeness, the following insertion should be included;*
- That any application lodged with the Council by [date] will be assessed against the Class 4 gambling policy that applied at the date.*
- Note that this savings provision is only required if Council adopts a sinking lid policy, or a cap which does not provide capacity for the 4 additional machines.*

8.0 Submissions on the Proposed TAB Venue Policy

- 8.1 The new cap on a TAB venue is only applicable to standalone TAB venues. This does policy does not apply to TAB facilities located within pubs or clubs.

8.2 Submitters who support the proposed TAB venue cap.

8.3 **Myra Barber (4), Tania Smith (20), Lianne Goodwin (21), Aaron Edmonds (23), Thompson Hokianga (36)**, supports the cap on standalone TAB venues in the Hastings District.

8.4 **Hawke's Bay District Health Board (Patrick Le Geyt) (10) and Te Rangihaeata Oranga Trust (Vicki Berkahn) (29)** - Hastings District Council monitoring and ensuring that all TAB venues shall provide;

- i. Approved problem gambling assessments tools.
- ii. Staff training programmes for identification of problem gamblers.
- iii. Procedures to reduce likelihood of problem gambling.
- iv. Identification of instances of problem gambling.
- v. Referrals of those identified to the Hawke's Bay Gambling Harm treatment provider
- vi. Facilitation of any ban/self-ban procedures for problem gamblers, including identification and notification of breaches.

8.5 Comment

8.6 *In response to points i. to vi., these requests are already covered under the function and role of the Department of Internal Affairs. It is unnecessary for Council to assume this responsibility.*

Oppose TAB venue cap of one.

8.7 **The Cru Bar and Level 1 (Steven Carey) (2)** – Opposed both proposed changes in its entirety. No reasons were given.

8.8 **Ian Brown (19)** – Opposes the cap on a TAB venue.

8.9 **TAB New Zealand (Niall Miller) (46)** – Opposes the cap on TAB venues.

8.10 TAB NZ believe that they are ideal to deal with gambling as staff are well trained to identify potential problem gamblers. Alcohol is prohibited, and the relationship between alcohol and gambling is well documented.

8.11 Because there is no alcohol or food sold at their premises, there is less distraction for venue staff.

8.12 Comment

8.13 *The policy is only applicable to standalone venues. Given that there has not been a request to increase TAB venues in the district since the inception of this policy, it is not anticipated that the cap on the current number will affect TAB venues.*

9.0 Options – Ngā Kōwhiringa

Option One - Recommended Option - Te Kōwhiringa Tuatahi – Te Kōwhiringa Tūtohunga

9.1 The following options were identified and discussed with the subcommittee for consideration for this review;

9.2 The existing Class 4 Gambling and TAB Venue policies can either remain in their current form, be amended (as per the statement of proposal notified for submissions), or be amended following consideration of the submissions received as part of the Special Consultative Procedure.

9.3 The existing Class 4 Gambling and TAB Venue policies were adopted in May 2017. This 2017 review resulted in the move from a sinking lid policy to a cap for Class 4 Gambling while the TAB Venue policy remained the same.

Class 4 gambling venue policy:

9.4 **Option One:** New cap level of 283. This would be a reduction from 293 machines under the current policy. This means that gaming machines in the Hastings District will be maintained at the current level which would be at a ratio of 3.41 machines per 1,000 residents (retain relocation policy). If a venue closes, an application can be made to re-establish those machines elsewhere in the District.

- 9.5 **Option Two:** Current Cap level of 293 machines, making 15 gaming machines available for existing or new venues (retain relocation policy).
- 9.6 **Option Three:** Sinking lid; no new machines or venues will be permitted in the Hastings District. As machines are not utilised the number available drops (no relocation policy).

Option 1: New Cap level of 283¹ (includes the two machines not used).	
Advantages	Disadvantages
Provide a continuing opportunity for business to retain machines, especially in the hospitality industry.	Enhance normalisation of an accepted problem activity.
Retains job opportunities.	Create more opportunity for the negative impacts of gambling.
Create a more competitive market.	Increase the likelihood of occurrence of gambling addiction, with subsequent negative impacts on family life and the extended community impacts.
Retain funding for community projects.	Further potential for more personal harms (depression, anxiety, suicide, mental and physical health problems, financial) and social harms (crime).
Provide entertainment opportunities for those who choose to gamble.	May enable gaming machines to be located in vulnerable areas.
Provides opportunity to gambling in a controlled environment in comparison to online gambling which is unregulated.	
Retain Relocation Policy	
Enables the reestablishment of Class 4 venue to specified zone.	Becomes normalised establishment in society.
Gives alternative option for site location.	Limited controls compared to proposed policy.
Greater control of the establishment through relocating venues to less sensitive activities	Greater exposure to sensitive activities such as residential activities, early childhood centres and places of assembly.

Note¹ that at the time the revised proposal was notified, information as to the numbers of gaming machines existing in the District did not include the Loading Ramp machines, which have since been established and are now included in the numbers.

Note further that this number could increase to 287 if the proposed application by the Loading Ramp, seeking approval for 4 machines, is approved, which is possible if the Council adopts the recommended savings provision.

Option 2: Status Quo: Cap of 293. Retain Current relocation policy	
Advantages	Disadvantages
Provide a continuing opportunity for business growth, especially in the hospitality industry.	Enhance normalisation of an accepted problem activity.
Create potential further job opportunities.	Create more opportunity for the negative impacts of gambling.
Create a more competitive market.	Increase the likelihood of occurrence of gambling addiction, with subsequent negative impacts on family life and the extended community impacts.
Retain funding for community projects.	Further potential for more personal harms (depression, anxiety, suicide, mental and physical health problems, financial) and social harms (crime).
Provide entertainment opportunities for those who choose to gamble.	May enable gaming machines to be located in vulnerable areas.
Provides opportunity to gambling in a controlled environment in comparison to online gambling which is unregulated.	
Provide a continuing opportunity for business growth, especially in the hospitality industry.	Enhance normalisation of an accepted problem activity.
Retain Relocation Policy	
Enables the reestablishment of Class 4 venue to specified zone.	Becomes normalised establishment in society.
Givens alternative option for site location.	Limited controls compared to proposed policy.
Greater control of the establishment through relocating venues to less sensitive activities	Greater exposure to sensitive activities such as residential activities, early childhood centres and places of assembly.

Option 3: Sinking Lid with No Relocation Policy	
Advantages	Disadvantages
Continuing opportunity for gamblers within existing venues (but no new ones).	Restrained (against theoretical potential) grant funding of community projects.
Restrained increase in problem gambling and its effects on the community.	Move towards online gambling which is unregulated.
With less venues to select from, venue staff will be able to monitor patrons more efficiently.	
No immediate reduction in grant funding of community projects.	
Restrained normalisation of an accepted problem activity.	
Potential longer term reduction to Class 4 problem gambling.	
No Relocation Policy	
Reduces Class 4 venues in the community over time.	Does not enable movement of venues away from vulnerable communities.
Machines are not seen as normalised within the community.	Unable to move machines away from unsafe venues or venues which may have been damaged by earthquake, fire or flood.

9.7 TAB Venue Policy:

- 9.8 The subcommittee recommended a move from an open policy for TAB venues to a cap of one TAB venue for the district.
- 9.9 The officer's recommendation was to retain the current policy with minor word amendments for consistency.

10.0 Statutory Considerations

- 10.1 In consideration of the draft venue policies Council must address three key pieces of legislation; The Local Government Act 2002, The Gambling Act 2003 and The Racing Act 2003.
- Local Government Act 2002
- 10.2 In developing a gambling venue policy, Council is required to adopt the special consultative procedure set by Section 83 of the Local Government Act 2002.
- 10.3 This requires Council to prepare a Statement of Proposal and Summary Statement of Proposal to be included on an agenda for a meeting of the local authority, and give public notice of the

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availability of the Statement of Proposal explaining how people may participate in its development. Then, accepting submissions not less than one-month from the first public notice, acknowledging submissions by written notice and holding a hearing during which a decision is deliberated and publicly made available.

Gambling Act 2003

- 10.4 Council must also have specific regard to the Gambling Act 2003.
- 10.5 In developing the Class 4 Gambling Venue Policy, Section 101 states that Council must have regard to the social impact that gambling has within the Hastings District (s101(2)), and must specify whether or not class 4 venues may be located in the District (s101(3)(a)), and must specify any restrictions on the maximum number of machines that may be operated at a class 4 venue (s101(3)(b)) not exceeding the statutory maximum of nine gaming machines. Section 101(4) of the Act provides for Council to consider relevant factors such as the characteristics of the district, location to educational and community facilities, other class 4 gambling venues and the primary purpose of the venues. These requirements have been met under clause 6 of the proposed Class 4 Gambling Venue Policy.

Racing Industry Act 2020

- 10.6 In addition to the Class 4 Gambling Venue policy, Council is required by the recently amended Racing Industry Act 2020 to implement a TAB venue policy. In the development of this policy Council must have regard to; the social impact of gambling on the Hastings District community, and whether or not TAB venues may be established within the district and if so, where they may be located. These requirements have been met.
- 10.7 Section 97 (3) states that the policy must be reviewed within 3 years of it being adopted and then again within 3 years after that review has been completed and after each subsequent review. These requirements have been met.

Notification and the Special Consultative Procedure

- 10.8 The reviewed Class 4 Gambling and TAB Venue policy (Statement of Proposal) were adopted for consultation at the Council meeting of 3 September 2020, and publicly notified on 12 September 2020. Club societies and non-club societies were directly notified along with groups representing Māori and groups of interest that had requested to be notified because of the impact the policy would have on them.
- 10.9 Submissions on the reviewed policies were received over a one-month period which ended on 12 October 2020. The full submissions are included in the agenda.

Attachments:

1↓	Hastings CBD Area	STR-3-4-17-429	
2↓	Havelock North Village Area	STR-3-4-17-430	
3↓	Stortford Lodge Area	STR-3-4-17-428	
4↓	Clive Suburban Commercial Area	STR-3-4-17-427	
5↓	Class 4 Gambling Venue and TAB Venue Policies Review - Report to District Planning and Bylaws Subcommittee - 5 August 2020	STR-3-4-20-543	
6↓	Class 4 Gambling Venue Policy	STR-3-4-20-463	
7↓	TAB Venue Policy	STR-3-4-20-464	
8↓	Statement of Proposal 2020	STR-3-4-20-545	
9⇒	Submission #1 The Gaming Machine Association of NZ (Jarrod True)	STR-3-4-20-516	Under Separate Cover

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10⇒	Submission #2 The Cru Bar (Steve Carey)	STR-3-4-20-517	Under Separate Cover
11⇒	Submission #2 Level 1 Bar (Steve Carey)	STR-3-4-20-518	Under Separate Cover
12⇒	Submission #3 NZ Community Trust (Tanya Piejus)	STR-3-4-20-519	Under Separate Cover
13⇒	Submission #4 Myra Barber	STR-3-4-20-473	Under Separate Cover
14⇒	Submission #5 Malcolm Dixon	STR-3-4-20-474	Under Separate Cover
15⇒	Submission #6 Sportslink (Jack Saunders)	STR-3-4-20-520	Under Separate Cover
16⇒	Submission #7 Clubs Hastings (Jackie Wells)	STR-3-4-20-521	Under Separate Cover
17⇒	Submission #8 First Light Submission Mark Sowman)	STR-3-4-20-522	Under Separate Cover
18⇒	Submission #9 Hawke's Bay Motorcycle Club (Maria Beal)	STR-3-4-20-523	Under Separate Cover
19⇒	Submission #10 HBDHB (Patrick Le Geyt)	STR-3-4-20-524	Under Separate Cover
20⇒	Submission #11 Hawke's Bay Rugby Union (Jay Campbell)	STR-3-4-20-525	Under Separate Cover
21⇒	Submission #12 Kia Toa Lawn Bowls Club (James Ludlam)	STR-3-4-20-527	Under Separate Cover
22⇒	Submission #13 Graeme Dingle Foundation (Alison Prins)	STR-3-4-20-526	Under Separate Cover
23⇒	Submission #14 The Lion Foundation (Tony Goldfinch)	STR-3-4-20-528	Under Separate Cover
24⇒	Submission #15 Sundevils Swim Team (Megan Burney) PDF	STR-3-4-20-529	Under Separate Cover
25⇒	Submission #16 Mitre 10 Park (Jock Mackintosh)	STR-3-4-20-530	Under Separate Cover
26⇒	Submission #17 Grassroots Trust Central Limited (Sean Hannan)	STR-3-4-20-531	Under Separate Cover
27⇒	Submission #18 Havelock North Wonderers Association Football Club (Angela Hunter)	STR-3-4-20-532	Under Separate Cover
28⇒	Submission #19 Ian Brown	STR-3-4-20-488	Under Separate Cover
29⇒	Submission #20 Tania Smith	STR-3-4-20-489	Under Separate Cover
30⇒	Submission #21 Lianne Goodwin	STR-3-4-20-490	Under Separate Cover
31⇒	Submission #22 Robert Ancell	STR-3-4-20-491	Under Separate Cover
32⇒	Submission #23 Aaron Edmonds	STR-3-4-20-492	Under Separate Cover
33⇒	Submission #24 Tim Ormond	STR-3-4-20-515	Under Separate Cover
34⇒	Submission #25 Richard Kettle	STR-3-4-20-493	Under Separate Cover
35⇒	Submission #26 Janice Byford-Jones (Cranford Hospice)	STR-3-4-20-494	Under Separate Cover

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36⇒	Submission #27 Cath Healey	STR-3-4-20-495	Under Separate Cover
37⇒	Submission #28 Benjamin Molineaux	STR-3-4-20-496	Under Separate Cover
38⇒	Submission #29 Te Rangihaeata Oranga Trust (Vicki Berkahn)	STR-3-4-20-541	Under Separate Cover
39⇒	Submission #30 Teena Moody	STR-3-4-20-498	Under Separate Cover
40⇒	Submission #31 Christina McBeth	STR-3-4-20-499	Under Separate Cover
41⇒	Submission #32 Jim Stevenson	STR-3-4-20-500	Under Separate Cover
42⇒	Submission #33 Lyn	STR-3-4-20-501	Under Separate Cover
43⇒	Submission #34 Lisa Tamati	STR-3-4-20-502	Under Separate Cover
44⇒	Submission #35 Arts Inc. Heretaunga (Andy Heast)	STR-3-4-20-503	Under Separate Cover
45⇒	Submission #36 Thompson Hokianga	STR-3-4-20-504	Under Separate Cover
46⇒	Submission #37 Art Hawke's Bay (Hans Doevendans)	STR-3-4-20-505	Under Separate Cover
47⇒	Submission #38 Mary Hannan (Air Training Corps Charitable Trust)	STR-3-4-20-506	Under Separate Cover
48⇒	Submission #39 Trojans Swim Club (Ben Hutton)	STR-3-4-20-507	Under Separate Cover
49⇒	Submission #40 Ross Webb	STR-3-4-20-508	Under Separate Cover
50⇒	Submission #41 Anita Nelson	STR-3-4-20-509	Under Separate Cover
51⇒	Submission #42 Heneriata Edmonds	STR-3-4-20-510	Under Separate Cover
52⇒	Submission #43 David Harding	STR-3-4-20-511	Under Separate Cover
53⇒	Submission #44 Problem Gambling Foundation (Paula Snowden)	STR-3-4-20-542	Under Separate Cover
54⇒	Submission #45 Alan McDonald	STR-3-4-20-513	Under Separate Cover
55⇒	Submission #46 TAB New Zealand (Niall Miller)	STR-3-4-20-514	Under Separate Cover

Summary of Considerations - *He Whakarāpopoto Whakaarohanga*

Fit with purpose of Local Government - *E noho hāngai pū ai ki te Rangātōpū-ā-Rohe*

The Council is required to give effect to the purpose of local government as set out in section 10 of the Local Government Act 2002. That purpose is to enable democratic local decision-making and action by (and on behalf of) communities, and to promote the social, economic, environmental, and cultural wellbeing of communities in the present and for the future.

Link to the Council's Community Outcomes – Ngā Hononga ki Ngā Putanga ā-Hapori

This proposal promotes the wellbeing of communities in the present and for the future.

Māori Impact Statement - Te Tauākī Kaupapa Māori

The proposal has been presented to the Heretaunga Takoto Noa Māori Standing Committee where the process was explained. Groups representing Māori had been notified as part of the Special consultation process to ensure Māori participation in the review process:

Sustainability - Te Toitūtanga

There are no implications:

Financial considerations - Ngā Whakaarohanga Ahumoni

At this stage there is no financial considerations for Council in regards to the review of the policies.

Significance and Engagement - Te Hiranga me te Tūhonotanga

This report has been assessed under the Council's Significance and Engagement Policy as being of medium significance.

Consultation – internal and/or external - Whakawhiti Whakaaro-ā-roto / ā-waho

There has been community engagement though the use of the special consultation process as required under section 83 of the Local Government Act when reviewing a bylaw/policy:

Risks

Opportunity: To protect the community from gambling harm:

REWARD – Te Utu	RISK – Te Tūraru
The review will result in an updated policy till the next review in three years. The review enables the public to express their views on the proposed policy changes.	The risk of not acting is not an option as sections 101 and 102 of the Gambling Act requires a territory to adopt a policy and to review the policy every three years once adopted. The policy is now due for review.

Rural Community Board – Te Poari Tuawhenua-ā-Hapori

There is no implication to the rural community:











Wednesday, 5 August 2020

Te Hui o Te Kaunihera ā-Rohe o Heretaunga

**Hastings District Council: District Planning and
Bylaws Subcommittee Meeting**

Te Rārangi Take

Report to District Planning and Bylaws Subcommittee

Nā:
From: Junior Tuakana, Environmental Planner (Policy)

Te Take:
Subject: Class 4 Gambling Venue and TAB Venue Policies Review

1.0 Executive Summary – Te Kaupapa Me Te Whakarāpopototanga

- 1.1 The purpose of this report is to give the subcommittee an opportunity to comment on proposals for a review of the revised Class 4 gambling and TAB venue policies which control access to TAB venues and gambling machines (pokies) in the District.
- 1.2 The Gambling Act 2003 requires that *a territory authority must adopt a class 4 venue policy and 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.* The review process enables the community to provide feedback to the Council on how gambling and the council's venue policy are affecting the district.
- 1.3 The Racing Act 2003 requires that *a territory authority must adopt an agency policy (TAB venue policy) and 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.* The review process provides the opportunity for the community to provide information to the Council on how gambling and the council's venue policy are affecting the district.
- 1.4 Both the Gambling Act and Racing Act requires that the proposed policy review be subject to the Special Consultative Procedure as set out the Local Government Act 2002. Community Feedback will be sought and used to assess the views and opinions of the community to the proposed gambling policies.

2.0 Recommendations – Ngā Tūtohunga

- A) That the District Planning and Bylaws Subcommittee receives the report titled Class 4 Gambling Venue Policy and TAB Venue Policy Review.
- B) That the Subcommittee recommends to Council the adoption of the statement of proposal with reviewed changes set out in Attachments 6-8 of the report and the reviewed option for Class 4 Gambling Venue Policy and TAB venue policy as set out in the report for the Special Consultative Procedure of the Local Government Act 2002.
- C) That the Subcommittee recommends to Council that the timetable within this report is implemented.

3.0 Background – Te Horopaki

Class 4 Gambling Venue Policy

- 3.1 The Gambling Act 2003 specifies that a city council or district council must have a class 4 venue policy. A council's venue policy sets out the rules around class 4 gambling in their district. The aim of the venue policy is to give local councils and the communities they represent a say in how class 4 gambling operates in their district, this is in line with the Gambling Act's purpose.
- 3.2 The last Gambling Policy review was undertaken in 2017 and resulted in a change from a 'sinking lid' policy to a 'capped' policy. The policy included the retention of the relocation policy with increased flexibility for some venues. This flexibility enable some venues to relocate within the same vicinity rather than being forced to relocate the gambling licence to a premises in the Hastings Commercial Zone or Havelock North Village zones. The relocation map is attached as Attachment 2-5.
- 3.3 The capped approach means that every time a venue closes, the number of machines permitted in the Hastings District remains the same. This means that other venues can apply for additional machines if their permitted number of machines hasn't been exceeded or if a new venue is established. The Council's current cap is set at allowing 293 machines to operate in the district (currently 276 operating).
- 3.4 A sinking lid policy on the other hand is adopted to decrease the number of gaming machines or class 4 venues in its district. A sinking lid policy includes a ban on any new gaming machines or venues in a district. If a venue closes and the licence is not taken up within six months since the venue closed then the machines in the community are lost. The sinking lid policy cannot force venues to reduce the number of machines they are operating so only affect new venues.

TAB Venue Policy

- 3.5 The Racing Act 2003 specifies a territorial authority must complete a review of a policy within 3 years after adopted and then within 3 years after that review and each subsequent review is completed.
- 3.6 In terms of the TAB Venue Policy, Hastings District Council has the ability to regulate whether or not new stand-alone TAB venues may be established in the district and if so where these may be located. Council consent is not required under the legislation to establish a TAB facility in a bar, hotel or club. The District has just one stand-alone TAB venue (Stortford Lodge).

4.0 Discussion – Te Matapakitanga

- 4.1 Council is now at a position where the Gambling Act and Racing Act requires the review of Council's Class 4 Gambling Venue Policy and TAB Venue Policy. Officers have completed a Statement of Proposal under the Special Consultative procedure as set out in the Local Government Act 2002 attached as Appendix 6.
- 4.2 Once the proposed reviewed document is open for submission feedback received will be used to assess the views and opinions of the submitter to the proposed gambling policies. A submitter will have the option to speak to their submission when Council assess the proposal. A hearings report will be produced based on the submissions received. The Council may change the policy proposals as a result of the submissions received.

Class 4 Gambling Venue Policy

- 4.3 In developing or reviewing a policy under the Gambling Act 2003 the Council must have regard to the following;

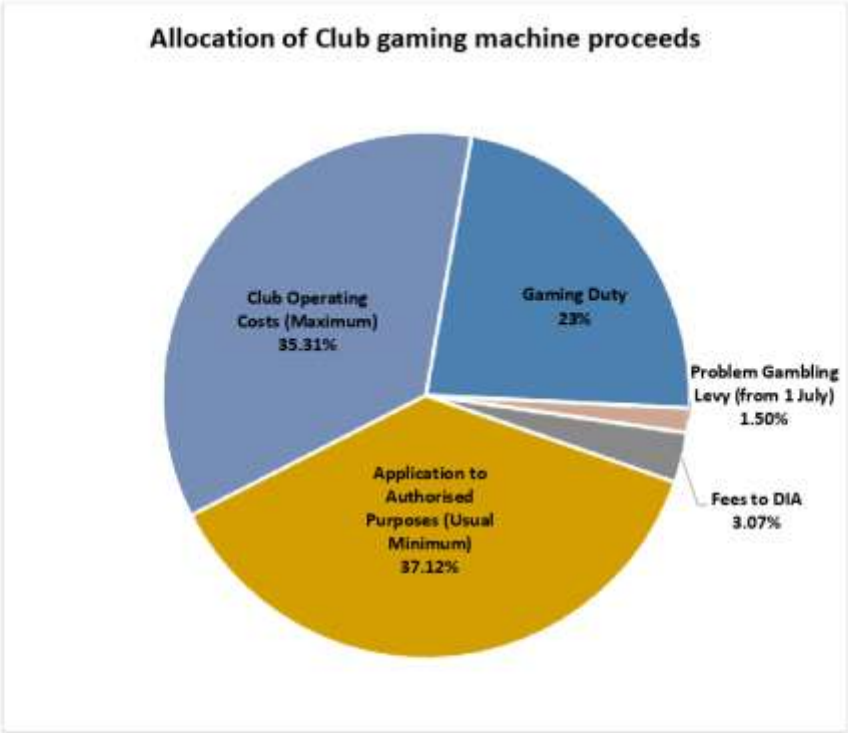
Section 101

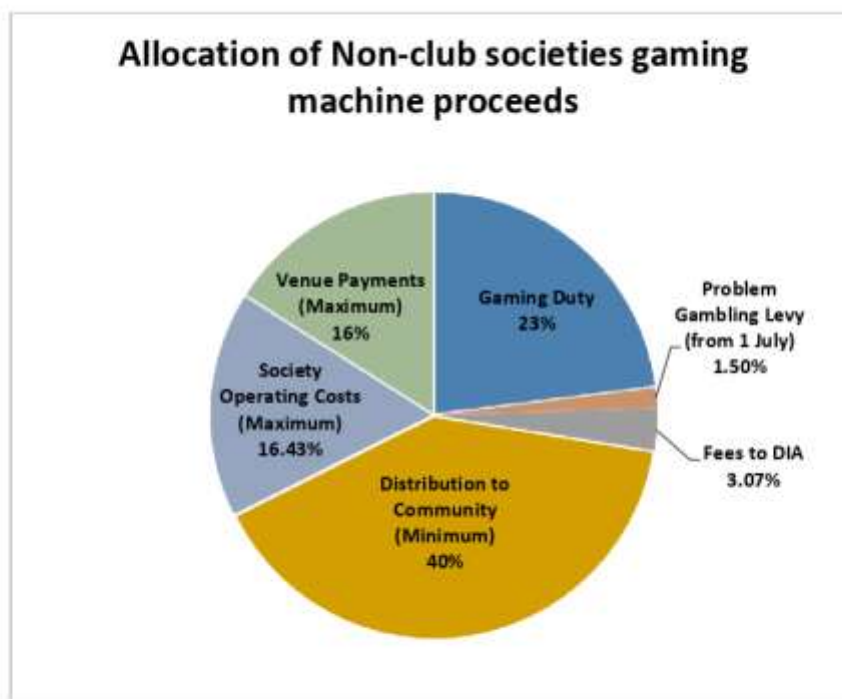
- (a) *must specify whether or not class 4 venues may be established in the territorial authority district and, if so, where they may be located; and*
- (b) *may specify any restrictions on the maximum number of gaming machines that may be operated at a class 4 venue; and*
- (c) *may include a relocation policy.*
- (4) *In determining its policy on whether class 4 venues may be established in the territorial authority district, where any venue may be located, and any restrictions 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*

Class 4 Gambling (pokies)

- 4.4 Class 4 gambling is gambling using non-casino gaming machines, also known as "pokies". There are three types of class 4 societies.
- Non-club societies operate machines in separately owned pubs and bars.
 - Club societies operate gaming machines from their own clubrooms.
 - The New Zealand Racing Board also operates gaming machines in venues it owns or leases.
- All operators require licences from the Department. Non-club societies own almost 80 per cent of the gaming machines operating in licensed venues. These societies also generate most of the gaming machine profits and grants returned to the community.

- 4.5 All class 4 societies must apply or distribute their proceeds from gaming machines to authorised purposes. When applying for a licence, a non-club society (which distributes its funds) has to specify what authorised purposes it intends to raise money for. Non-club societies must then grant funds only to those purposes that are specified in their licence, which must be consistent with the purposes set out in their trust deeds or constitutions.
- 4.6 Below is the funding allocation for clubs and societies as required under the Gambling Act;





Class 4 Gambling Venue Policy

- 4.7 When establishing or reviewing their policies, Councils have to go through a consultation process as per the Local Government Act 2002. This process allows for class 4 venue policies to reflect local factors and the differences between communities.
- 4.8 The Class 4 venue policies must be updated every three years, and must include:
- whether class 4 gambling venues may be established in their district;
 - if permitted, where venues may be located; and
 - Consideration of the social impact of gambling.
- 4.9 Class 4 venue policies may specify a restriction on the maximum number of gaming machines per venue, and may also include a relocation policy. Class 4 societies need consent from the territorial authority if they wish to establish a venue within that councils' district. Class 4 societies have to apply for consent from territorial authorities when:
- increasing the number of gaming machines that may be operated at a class 4 venue;
 - a society is applying for a class 4 venue licence and a licence has not been held by any society for the venue within the last 6 months; and
 - a society proposes, in accordance with a relocation policy of the territorial authority, to change the venue to which a class 4 venue licence currently applies.

Sinking Lid vs Capped Policy

- 4.10 As covered previously, the last review was undertaken in 2017 and resulted in a change from a sinking lid to a capped policy to control class 4 gambling in the District.
- 4.11 Currently there is a cap of 293 machines within the district that may operate with 276 active machines operating within the district (permitted up to 278 without the need for Department of Internal Affairs consent). The policy also includes a relocation policy which gives flexibility to some venues.
- 4.12 New venues can apply to host machines (maximum of 9) where Council consent is required. With any application received, the applicant is required to demonstrate how they meet the performance standards of the class 4 gambling venue policy.
- 4.13 The benefit of the capped option is certainly that community funding will be maintained while the control of harm created through gambling can be controlled by the maximum number of machines. Retaining a relocation policy would be beneficial to enable the re-establishment of venues away from sensitive sites.
- 4.14 The sinking lid benefits the community by reducing machine availability and in that a perceived reduce in harm.

TAB Venue Policy

- 4.15 *In adopting a TAB venue policy as required under the Racing Act 2003 a territorial authority must include the following;*
- (1) A territorial authority must, within 6 months after the commencement of this section, adopt a policy on Agency venues.*
- (2) In adopting a policy, the territorial authority must have regard to the social impact of gambling within the territorial authority district.*
- (3) The policy must specify whether or not new Agency venues may be established in the territorial authority district and, if so, where they may be located.*
- (4) In determining its policy on whether Agency venues may be established in the territorial district and where any Agency venues may be located, the territorial authority may have regard to any relevant matters, including—*
- (a) the characteristics of the district and parts of the district:*
- (b) the location of kindergartens, early childhood centres, schools, places of worship, and other community facilities;*
- (c) the cumulative effects of additional opportunities for gambling in the district.*
- 4.16 The Council's current TAB Venue Policy is largely unchanged apart from minor changes in wording as part of this review.
- 4.17 The proposals have been presented to Heretaunga Takoto Noa Māori Standing Committee who will be kept up to date on the process.
- 4.18 Both the TAB venue policy and the class 4 gambling venue policy will be reviewed and notified together as they share the same date for completion.

Pre-consultation Survey

- 4.19 As part of the preliminary review process, a pre-consultation survey was circulated to the following key stakeholder groups to gather their opinions on the current Class 4 Gambling venue and TAB Venue policies:-
- Groups representing Maori
 - Clubs
 - Societies
 - HBDHB and Te Rangihaeata Oranga Trust (HB Problem Gambling)
 - NZ Racing Agency
- These views helped Council form a position for a proposed policy document.
- 4.20 The Council received seven responses which varied from a return to a sinking lid (without relocation policy) to the retention of the current cap on machines (293). One response in particular requested that Council lower the cap to the current machine level of 278.
- 4.21 While all had their merits regarding managing class 4 gambling in the district, in officers' view the request to lower the cap met the balance of benefit and harm produced.
- 4.22 In conclusion, as a result of the pre-consultation responses and the review paper on the current state of gambling in the council officers recommend to consult on retaining the cap on machine numbers but lowering the cap to the current level of 278 machines. This reflects the current gambling environment and balances the harm of gambling.

Research

- 4.23 Initial research into gambling harm and impacts on the community has been completed as well as initial consultation with key stakeholders to guide the draft changes to the policies.
- 4.24 Research included a literature review that analysed recent statistics on gambling harm, gambling machine numbers and potential impacts on communities and lastly analysing issues and options for this policy review. This can be found in the research report as Attachment 1.

Considerations

- 4.25 It is proposed to consult on retaining the relocation policy as this allows venues to move machines from sensitive activities. It is also recommended to retain the current TAB venue policy.
- 4.26 As known within the gambling community, the reasons for an increase or decrease in problem gambling are complex and multi-faceted and most recent literature and research indicates that machine use and harm is not simply a by-product of an increase or decrease of the number of machines, venues or spend. There are multiple factors at play that contribute to harm.
- 4.27 In other social policy areas there is still evidence to show a reduction of access and use equates to a reduction in harm, such as in the alcohol industry and smoking. There is no solid evidence stating that the same would not apply for gambling, but the availability of online gambling makes the position less clear.
- 4.28 The demographics of Hastings has to also be considered in this review. Maori are disproportionately represented in harm statistics and Hastings has a slightly higher than average Maori population.

- 4.29 Both a cap and a sinking lid policy implemented to control gambling have their benefits and costs and an impact on society. Balancing the need to provide for recreational gamblers with the need to minimise social harm has been taken into consideration when recommending the preferred option.
- 4.30 Furthermore, the increase and accessibility of gambling online has shown to be a problem. This method of gambling is unregulated with no set amount of spend, and access is 24 hours a day, 7 days a week. This form of gambling is mobile so can be played anywhere and without the trained staff to monitor patrons at class 4 venues. Funding generated is not required to be returned to the community so all funds are directed off shore.
- 4.31 Retaining the capped policy with minor changes as proposed would be beneficial for the following reasons;
- Community funding is still available even with less available machines in the community.
 - Less machines enables venues to better monitor gamblers including harmful gambling.
 - Having some class for venues provides for regulated and legitimate gambling plus discourages a movement to online gambling which is unregulated.
 - Retaining the proposed relocation policy enables venues to move if required while still distancing from sensitive sites.
- 4.32 A requirement of s 102(5A) of the Gambling Act is that Council consider whether to include a relocation policy (as defined in section 101(5)) in its policy. Section 101(5) defines a relocation policy as a policy setting 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.
- 4.33 The current policy includes an exception from meeting parts of the policy if a venue is relocating, and allowed the same number of gaming machines at the new location. The amendments to the Gambling Act mean that the policy cannot provide how many machines are allowed, but rather the Act provides that the same number of machines can be operated at the new venue as the old venue.
- 4.34 As mentioned previously, a pre-consultation questionnaire had been circulated to stakeholder groups in the community for their view on the current policy.
- 4.35 As a result of responses received and with the research paper attached, officers recommend to retain the cap and TAB venue policy but reduce the cap to the new number of 278 as this would reflect the number of machines operating in the district without the need for consent. The policy review would include the retention of the relocation policy.
- 4.36 Officers recommend to keep a cap and amend the Class 4 Gaming Machine Policy to a lower cap of 278 machines and retain the current relocation policy. This would be the more permissive option to gambling while managing the harm created.

5.0 Options : – Ngā Kōwhiringa

Class 4 Gambling Venue Policy

- 5.1 The following options have been identified for consideration for this review:

Option One: New cap level of 278. This would be a reduction from 293 machines under the current policy. This means that gaming machines in the Hastings District will be maintained at the

current level which would be at a ratio of 3.41 machines per 1,000 residents (retain relocation policy).

- 5.2 **Option Two:** Current Cap level of 293 machines, making 15 gaming machines available for existing or new venues (retain relocation policy).
- 5.3 **Option Three:** Sinking lid; no new machines or venues will be permitted in the Hastings District. As machine are not utilised the number available drops (retain relocation policy).

Option 1: Recommended Option New Cap level of 278 (includes the two machines not used).	
Advantages	Disadvantages
Provide a continuing opportunity for business to retain machines, especially in the hospitality industry.	Enhance normalisation of an accepted problem activity.
Retains job opportunities.	Create more opportunity for the negative impacts of gambling.
Create a more competitive market.	Increase the likelihood of occurrence of gambling addiction, with subsequent negative impacts on family life and the extended community impacts.
Retain funding for community projects.	Further potential for more personal harms (depression, anxiety, suicide, mental and physical health problems, financial) and social harms (crime).
Provide entertainment opportunities for those who choose to gamble.	May enable gaming machines to be located in vulnerable areas.
Provides opportunity to gambling in a controlled environment in comparison to online gambling which is unregulated.	
Retain Relocation Policy	
Enables the reestablishment of Class 4 venue to specified zone.	Becomes normalised establishment in society.
Gives alternative option for site location.	Limited controls compared to proposed policy.
Greater control of the establishment through relocating venues to less sensitive activities	Greater exposure to sensitive activities such as residential activities, early childhood centres and places of assembly.
Option 2: Status Quo: Cap of 293. Retain Current relocation policy	

Advantages	Disadvantages
Provide a continuing opportunity for business growth, especially in the hospitality industry.	Enhance normalisation of an accepted problem activity.
Create potential further job opportunities.	Create more opportunity for the negative impacts of gambling.
Create a more competitive market.	Increase the likelihood of occurrence of gambling addiction, with subsequent negative impacts on family life and the extended community impacts.
Retain funding for community projects.	Further potential for more personal harms (depression, anxiety, suicide, mental and physical health problems, financial) and social harms (crime).
Provide entertainment opportunities for those who choose to gamble.	May enable gaming machines to be located in vulnerable areas.
Provides opportunity to gambling in a controlled environment in comparison to online gambling which is unregulated.	
Provide a continuing opportunity for business growth, especially in the hospitality industry.	Enhance normalisation of an accepted problem activity.
Retain Relocation Policy	
Enables the reestablishment of Class 4 venue to specified zone.	Becomes normalised establishment in society.
Gives alternative option for site location.	Limited controls compared to proposed policy.
Greater control of the establishment through relocating venues to less sensitive activities	Greater exposure to sensitive activities such as residential activities, early childhood centres and places of assembly.
Option 3: Sinking Lid	
Advantages	Disadvantages
Continuing opportunity for gamblers with the same choice of sites currently offered.	Restrained (against theoretical potential) grant funding of community projects.
Restrained increase in problem gambling and its effects on the community.	Move towards online gambling which is unregulated.

Continued competition between existing businesses, possibly improving their quality and range of services.	
No immediate reduction in grant funding of community projects.	
Restrained normalisation of an accepted problem activity.	
Potential longer term reduction to Class 4 problem gambling.	
Provides opportunity to gambling in a controlled environment in comparison to online gambling which is unregulated.	
Relocation policy	
Gives alternative option for site location.	May lead to a cluster of Class 4 venues in one location.
Tighter controls for the reestablishment of class 4 venues.	
Enables the maintenance of Class 4 machines in the community.	

Options B for TAB Venue Policy – Ngā Kōwhiringa

Option 1: Recommended Option Retain the current TAB venue policy.

Advantages	Disadvantages
Provides an update for the TAB venue policy.	
It doesn't normalise the activity with other activities such as dining out.	
Provide a continuing opportunity for new TAB venues.	Increase in the number of gambling venues leads to an increase in problem gambling.

- 5.4 The status quo enables the growth of a TAB venue if necessary. As covered previously, there is only one TAB venue for the District.

6.0 Next steps – Te Anga Whakamua

Special Consultative Procedure

- 6.1 Once the Subcommittee has had the opportunity to comment on the proposal, the recommendations will be referred to full Council to approve the Statement of Proposal for Community Consultation.

6.2 The proposed timeline under the special consultative procedure is as follows:-

- 5th August seek approval from the District Plan and Bylaws Subcommittee for the proposed reviewed document to go to Full Council meeting.
- 3rd September Council meeting seeking approval to adopt the statement of proposal and commence the special consultation process.
- Public Notice for submissions will open – 12th September.
- Notice and submission forms will be delivered to all three libraries.
- There will be the ability to submit online through my voice my choice.
- Council's website and Facebook page will be linked to an online submission process.
- Public notice will be in the Hawke's Bay Today, Hastings Leader and the Havelock North Village Press (as are accessible to the community).
- Submission period ends 11th October 2020.
- Council hearing date to be set for 1st December 2020.
- Decision of policies to be released two weeks after conclusion of hearing.

6.3 In addition to general community notification, the following stakeholder groups will be notified;

- Groups representing Maori (marae, Te Puni Koriri, Ngati Kahungunu Iwi Incorporated)
- Hawke's Bay District Health Board
- Hapai te Hauora (Maori Public Health)
- NZ Racing Board
- Post Settlement Governance Entity (PSGE) Ngāti Pāhauwera Development Trust, Maungaharuru Tangitū Trust, Mana Ahuriri Trust, Hineuru iwi Trust, Heretaunga Tamatea Settlement Trust, Te Whanganui-a-Orotū, Ngati Kahungunu Iwi Incorporated.
- Societies and Clubs who currently own the machines in the district
- Te Rangihaeata Oranga (HB problem gambling)
- Venue operators (bars)

Attachments:

1	Gambling Class 4 Review Paper 2020	STR-3-4-20-450	Under Separate Cover
2	Havelock North Village Area	STR-3-4-17-430	Document 3
3	Hastings CBD Area	STR-3-4-17-429	Document 3
4	Stortford Lodge Area	STR-3-4-17-428	Document 3
5	Clive Suburban Commercial Area	STR-3-4-17-427	Document 3
6	Class 4 Gambling Venue Policy and TAB Venue Policy Statement of Proposal 2020	STR-3-4-20-458	Document 3
7	CLASS 4 Gambling Venue Policy Draft 2020 (PDF)	STR-3-4-20-459	Document 3
8	TAB Venue Policy Draft 2020 (PDF)	STR-3-4-20-460	Document 3

Summary of Considerations - *He Whakarāpopoto Whakaarohanga*

Fit with purpose of Local Government - *E noho hāngai pū ai ki te Rangatōpū-ā-Rohe*

The Council is required to give effect to the purpose of local government as set out in section 10 of the Local Government Act 2002. That purpose is to enable democratic local decision-making and action by (and on behalf of) communities, and to promote the social, economic, environmental, and cultural wellbeing of communities in the present and for the future.

Link to the Council's Community Outcomes – *Ngā Hononga ki Ngā Putanga ā-Hapori*

This proposal promotes the medium wellbeing of communities in the present and for the future.

Māori Impact Statement - *Te Tauāki Kaupapa Māori*

The proposal has been presented to the Heretaunga Takoto Noa Māori Standing Committee where the process was explained. This include going through the notification and consultation process with the public and groups representing Maori:

Sustainability - *Te Toitūtanga*

There are no implications:

Financial considerations - *Ngā Whakaarohanga Ahumoni*

Apart from time of the processing officer, there are no financial considerations for this Council's budgets:

Significance and Engagement - *Te Hiranga me te Tūhonotanga*

This decision/report has been assessed under the Council's Significance and Engagement Policy as being of medium significance.

Consultation – internal and/or external - *Whakawhiti Whakaaro-ā-roto / ā-waho*

Stakeholder groups have been informed through the preconsultation process. Stakeholder groups and the community will be able to submit their views once the draft is released through the special consultation process:

Risks: Legal - Ngā Tūrarū: Ngā Ture

Opportunity: To protect the community from gambling harm

REWARD – <i>Te Utu</i>	RISK – <i>Te Tūrarū</i>
The review will result in an updated policy till the next review in three years. The review enables the public to express their views on the proposed policy changes.	The risk of not acting is not an option as sections 101 and 102 of the Gambling Act requires a territory to adopt a policy and to review the policy every three years once adopted. The policy is now due for review.

Rural Community Board – *Te Poari Tuawhenua-ā-Hāpori*

There is no implication to the rural community:

CLASS 4 GAMBLING VENUE POLICY



1. INTRODUCTION

The Gambling Act 2003 was enacted on 18 September 2003. The Act requires Hastings District Council to adopt a Class 4 Gambling Venue policy for the Hastings District in accordance with the special consultative procedure set out in the Local Government Act 2002.

The Class 4 Gambling Venue policy:

- Must consider the social impacts of gambling within its district and specify whether or not class 4 venues may be established in the district, and if so, where they may be located.
- May specify any restrictions on the maximum number of gaming machines that may be operated at any gambling venue. The Gambling Act establishes a maximum limit of nine machines for new venues.
- No new machines or venues will be permitted in the district.
- ~~May include a relocation policy~~

The Class 4 Gambling Venue policy will be reviewed every three years.

2. ANTICIPATED OUTCOMES

The adoption of Class 4 Gambling Venue policy will achieve the following outcomes:

- *Harmful impacts of high risk forms of gambling on the Hastings District community will be avoided or minimised.*
- *Class 4 gambling venue operators will be responsible gambling hosts.*
- ~~*Any new class 4 gambling venues shall be established within the Central Commercial zone, Havelock North Village Centre zone.*~~
- ~~*Class 4 gambling club venues can only relocate in a limited number of defined zones.*~~

3. OBJECTIVES OF THE POLICY

- To support the purpose and intent of the Gambling Act 2003.
- To avoid the establishment of class 4 gambling activities in locations close to residential areas, public facilities or other identified land uses sensitive to gambling activities.

- To avoid the proliferation of class 4 gambling venue strips or blocks within the ~~city~~District
- To encourage responsible gambling practices and attitudes in class 4 gambling venues.
- To minimise the potential for new entrant problem gamblers by reducing accessibility to gambling venues.
- To reduce the exposure and risk of under-18 year old persons to gambling opportunities and the promotion of gambling.
- To ensure as far as practicable that the actual and reasonable costs relating to venue consent applications are borne by the applicant(s).

4. ESTABLISHMENT OF CLASS 4 MACHINES & VENUES

Hastings District Council has a 'cap-sinking lid' approach to class 4 gambling. Therefore the Council will not grant consent where:

- (i) ~~A proposal to establish a new Class 4 gambling venue is not within the Central Commercial zone, Havelock North Village Centre zone (as defined in the maps in this policy).~~
- (ii) ~~The total number of gaming machines in the Hastings District exceeds 293~~No new Venues or machines will be permitted within the district.

5. EXCEPTIONS FROM MEETING PARTS OF THE POLICY

5.1 Venue Relocation

- ~~i) Council may grant consent under s 98(c) of the Act to a proposal to change the venue to which a class 4 venue licence currently applies, provided that the relocation of a venue to which a Class 4 Venue licence currently applies can only occur within the Hastings Central Commercial or the Havelock North Village Centre zones with the following exception:~~

- ~~• That the existing venues at Stortford Lodge and Clive, can only relocate within the Stortford Lodge and Clive zones as defined in the attached maps or within the Hastings Central Commercial or Havelock North Village Centre zones.~~

- ~~ii) In accordance with s 97A (2)(b) of the Act the maximum number of gaming machines permitted to operate at the new venue at the time when the new class 4 venue licence takes effect is the same as the maximum number of gaming machines permitted to operate at the old venue immediately before the licence relating to the old venue is cancelled.~~

5.2 Club Mergers

Council will consider an exception to Clause 4 above for the relocation or merger of clubs; as defined by the Act with existing class 4 machines, as outlined below:

- (i) When two or more clubs wish to merge physically and legally in terms of section 95 of the Gambling Act 2003, the maximum number of machines allowed will be the sum of the number of gaming machines specified in all the clubs Class 4 venue licences at the time of application with a maximum limit of 30 as provided in Section 95(4) of the Gambling Act 2003.
- (ii) For premises licensed after 17 October 2001, to which Section 96 of the Gambling Act 2003 applies, the maximum number of gaming machines allowed will be the number of machines specified in the class 4 venue licence (held immediately before an application under Section 96 is made) with a maximum limit of 18 as provided in Section 96(4) of the Gambling Act 2003.

6. SOCIAL IMPACT CONSIDERATIONS WHEN APPLYING TO ALL CLASS 4 GAMBLING VENUES UNDER THIS POLICY

In addition to those conditions outlined in the Gambling Act 2003, Council shall have regard to the following:

- (i) The applicant shall provide a declaration that the gaming area in a venue will not have a separate entrance, separate name, or otherwise seem to be separate from the primary activity of the venue.
- (ii) The primary activity of the venue shall not be an activity associated with family or children's activities.
- (iii) The venue must have an 'on licence' or 'club licence' for the sale of liquor-alcohol for consumption on the premises.
- (iv) The principal venue entrance shall not be located closer than a 100 metre radius of any educational facility, place of assembly, or licensed early childhood centre.
- (v) The principal entrance of the venue premises shall not be located closer than a 100 metre radius to any residentially zoned or suburban commercial zoned land.
- (vi) The venue premises shall not be within a 100 metre radius of the principal entrance of any other class 4 gambling venue or TAB venue.
- (vii) Meeting all application, declaration, and fee requirements.

7. APPLICATIONS

Applications for territorial authority consent may be lodged at any time. Applications received by Hastings District Council under Clause 5.1 or 5.2 of the Policy will be assessed subject to the objectives of the Hastings District Council Class 4 Gambling Venue Policy, the purpose and intent of the Gambling Act 2003 and any other matter that Council considers relevant and reasonably necessary to determine the application.

Applications for consent must be made on the approved form and must provide to the satisfaction of Council:

- (i) name and contact details for the application, including the society name, the venue trading name(s), and other name(s) related to the venue, and the venue operators name
- (ii) street address of premises proposed for the Class 4 venue
- (iii) a specific legal description with deposited plan where required clearly identifying the area where the venue is proposed to be located
- (iv) the names of key persons at the society and venue
- (v) an audit assessment, from an independent Chartered Accountant holding a Certificate of Public Practice, of the business plan or budget for the establishment, covering at least 12 months, and clearly distinguishing the percentage of revenue to be derived from both gambling and other activities proposed for the venue, showing that the venue is clearly not to be used primarily for operating gaming machines
- (vi) a site plan covering both gambling and other activities proposed for the venue, including details of each floor of the venue, and clearly showing where the machines are to be located and the size of the area the machines will be within
- (vii) details of ~~liquor~~-alcohol licence(s) applying to the premises including licence number.
- (viii) Other relevant information requested by the territorial authority, or that the applicant wishes to provide.

8. DETERMINING APPLICATIONS

Notification

Applications under Clause 5.1 of the Policy and/or applications which do not meet one or more of the conditions under clauses 6 of this policy will require a hearing and shall be publically notified.

Any application requiring a hearing shall be publicly notified as follows:

- in the public notice section of a local newspaper circulating within the city, within 15 working days of receipt of the application
- by way of a public notice displayed prominently in the window of the proposed venue for the period during which submissions are open
- by the direct notification in writing of all owners and residents of any property where any part of that property is located within 100m of the subject site
- By the direct notification in writing of any other person that Council may consider will be adversely affected by the granting of consent

Hearings Considerations

The Hearings Committee will consider each application on its merits, judged against the following criteria:

- i) The extent to which the application meets the objectives of the Hastings District Council Class 4 Gambling Venue Policy, and the Purpose and intent of the Gambling Act 2003, and
- ii) The extent to which an application that does not meet a condition of clause 6, (Social impact considerations) is of a minor effect, and

- iii) The extent of the potential impact on the character of the zoned area/ locality, and
- iv) The potential cumulative effects of additional gambling in that locality, and
- v) Whether the venue has reasonable potential to have a negative effect on the operation, amenity, or reasonable enjoyment of residential and/or sensitive land uses in the locality, and
- vi) That when relocating the venue relinquishes the gaming machines tied to the current location, and
- ~~vii) The extent to which the relocated venue is giving effect to the sinking lid policy by resulting in a lesser number of machines overall, and~~
- ~~viii)~~vii) Any other matter that Council considers relevant and reasonably necessary to determine the application.

9. APPLICATION FEES

- (i) To be considered, a deposit in accordance with the Council's schedule of fees and charges must accompany the application.
- (ii) Actual and reasonable costs of processing the application, including but not limited to any notification, consultation, hearing, administration costs, and/or inspection, may be charged to the applicant in accordance with section 150 of the Local government act.
- (iii) The deposit will be utilised to pay for costs and fees associated with the application, and any further costs or disbursements will be charged to the applicant in the event the deposit is exhausted. Any unused portion of the deposit will be refunded.
- (iv) All fees and costs must be paid in full prior to a consent being issued.

Hastings District Council Class 4 Gambling Venue Policy

Prepared by:	Environmental Policy Planning and Regulatory Services
Adopted by:	Hastings District Council
Dated:	24 May 2020
Date by which review must be started <u>by Review Date:</u>	24 May 2023

DEFINITIONS

Adjoining: allotments sharing one or more common boundaries or separated only by a road reserve or similar equivalent

Allotment:

- a) Any parcel of land under the Land Transfer Act 1952 that is a continuous area and whose boundaries are shown separately on a survey plan, whether or not:-
 - i) the subdivision shown on the survey plan has been allowed, or subdivision approval has been granted, under another Act; or
 - ii) a subdivision consent for the subdivision shown on the survey plan has been granted under this Act; or
- b) Any parcel of land or building or part of a building that is shown or identified separately:-
 - i) on a survey plan; or
 - ii) on a licence within the meaning of Part I of the Companies Amendment Act 1964; or
- c) Any unit on a unit plan; or
- d) Any parcel of land not subject to the Land Transfer Act 1952.

Bounded by: sharing all or part of a property boundary

Central Commercial zone: as defined in the Hastings District Plan and any subsequent changes (see map, Appendix One)

Class 4 gambling venue (Venue): A place located on one or more contiguous allotments at which gaming machines (also known as pokies) are located, or for the purposes of application at which it is proposed that gaming machines be located.

Club: a voluntary association of persons combined for a purpose other than personal gain.

Gambling promotion signage: branding or signage using the words casino or jackpot or any other words or images that convey the impression that a venue is a casino and accessible to the public

Gaming machine: refer to definition of 'Gaming Machine' in Gambling Act 2003

Educational Facility: means land and/or buildings used to provide regular instruction or training in accordance with a systematic curriculum by suitably qualified instructors, and includes schools, technical institutes, teachers colleges and universities, kura kaupapa (primary school), and kura maori (secondary school) and their ancillary administrative, cultural, health, retail and communal facilities.

Family: any group that can be identified as a family and that includes persons below the age of 18 years

Family activities: Activities which have a target market which includes family(s). This includes but is not limited to restaurants where the primary activity is dining, retail shops, and areas where there are games or entertainments whose target market may include under 18 year old persons

Key persons: as defined in the Gambling Act 2003

Place: includes –

- a) a building, structure or tent whether fully or partly constructed; and

- b) a room in a building or structure; and
- c) a court or a mall; and
- d) land; and
- e) a vehicle, vessel, or aircraft; and
- f) a caravan or a trailer or other conveyance

Places of Assembly: means land and/or buildings used for the public and/or private assembly of people, primarily for worship, education, recreational, social, ceremonial, cultural, and spiritual activities for meditation, and functions of a community character. May include a church, church hall, church yard, and marae. Any charges for entry into or use of the facility may only be made by groups or organisations operating on a non-profit making basis.

Premises: Building in which a venue is located.

Primary part of a venue's operation: Area greater than 15% of floor space for gaming machine area, including area around the machines.

Primary Activity: The activity(s) primarily associated with and promoted by the venue.

Private Club: refer to definition of 'Club', and in this context meeting the criteria of operating as a club as defined in section 65 (3), in the Gambling Act 2003

School /Licensed early childhood centre: As defined in sections 2 and 308 of the Education Act 1989 respectively

Society: A corporate society as defined in the Gambling Act 2003 (including reference to section 33), which has an operator's licence for class 4 gaming machines.

TAB venues: means premises that are owned or leased by the new Zealand Racing Board and where the main business carried out at the premises is providing racing betting or sports betting services under the Racing Act 2003 (the Act), including racecourses. It is noted that the Act specifies that this policy does not apply to TAB facilities that are part of another venue.

Venue: see Class 4 gaming venue.

Zone: An area of the city, defined as a zone in the Hastings District Plan or any subsequent changes.



TAB VENUE POLICY

1. INTRODUCTION

A subsequent amendment to the Racing Act 2003 as a result of the Gambling Act 2003, came into effect on 1 August 2003. The Act requires Hastings District Council to adopt a Board (hereinafter referred to as TAB) Venue policy for the Hastings District in accordance with the special consultative procedure set out in the Local Government Act 2002.

The TAB Venue policy must specify whether or not new stand alone TAB venues may be established in the district and, if so, where they may be located. In the development of this policy Council must have regard to the social impact of gambling on the Hastings District community. The TAB Venue policy will be reviewed three years after it is adopted.

2. OBJECTIVES OF THE POLICY

The objectives of the Gambling Act 2003 are to control the growth of gambling and prevent and minimise the harm caused by gambling, including problem gambling. Beyond the objectives stated in the Act, the objective of the Hastings District Council's TAB Venue policy is:

- *To control the growth of gambling within the scope of the Gambling Act 2003, while providing for the continued availability of sports or race betting within Hastings District in accordance with the purpose and intent of the Gambling and Racing Acts.*
- *The maximum number of TAB venues for the district will not exceed one.*

3. TAB VENUE CONDITIONS

Requirements applying to all new locations:

- (i) The venue premises shall not adjoin any educational facility, place of assembly, or licensed early childhood centre
- (ii) The principal entrance of the venue premises shall not be located closer than a 100 metre radius to any residentially zoned or suburban commercial zoned land
- (iii) The venue shall not be part of a place where another TAB venue, or a class 4 venue is located
- (iv) The venue premises shall not be within a 100 metre radius of the principal entrance of any other TAB venue, or class 4 gambling venue
- (v) The Board shall provide a declaration that the venue has approved problem gambling assessment tools, staff training programme, and procedures to reduce the likelihood of problem gambling, identify instances of problem gambling, and refer those identified to problem gambling treatment agencies, and any bar/self-bar procedures for problem gamblers
- (vi) The Board shall agree to participate in any freely available register of barred problem gamblers in the area
- (vii) Meeting application and fee requirements

4. WHERE TAB VENUES MAY BE ESTABLISHED

(i) TAB venues may be established within the Hastings Central Commercial zone subject to meeting the other conditions of this Policy.

~~(+)(ii)~~ TAB venues may be established in a Commercial Service zone, an Industrial zone or in Havelock North Retail Zone as defined in the Hastings District Plan or any subsequent changes, subject to meeting the other conditions of this Policy, and:

- the area of the contiguous zone is larger than 4 hectares. For this purpose this shall be defined as:
 - the venue being within an allotment, or a cluster of allotments within the Commercial Service or in Havelock North Village Centre Zone and
 - the allotment or cluster of allotments having a minimum combined total area within an appropriate zone or zones of at least 4 hectares must be adjoining (sites separated only by road reserve or similar equivalent for the purposes of this policy are considered to be adjoining), and

~~(+)(iii)~~ TAB venues may be established on land in the Rural zone or Plains zone as defined in the Hastings District Plan or any subsequent changes, subject to meeting the other conditions of this Policy, and:

- The venue is a racecourse.

5. APPLICATIONS FOR TAB VENUE CONSENT

Applications for territorial authority consent must be made on the approved form and must provide:

- (i) name and contact details for the application, including the society name, the venue trading name(s), any other name(s) related to the venue, and the venue operator's name(s)
- (ii) street address of premises proposed for the TAB venue
- (iii) a specific legal description with deposited plan where required clearly identifying the area where the venue is proposed to be located;
- (iv) the names of management staff;
- (v) evidence of police approval for owners and managers of the venue;
- (vi) if not in the Central Commercial zone, evidence of the distance to the nearest residential zone, and to the nearest school, early childhood centre, kindergarten, place of worship or other community facility, and to other gambling venues;
- (vii) the Board must show that the possibility of people under the age of 18 years gaining access to the venue is minimal.
- (viii) other relevant information requested by the territorial authority, or that the applicant wishes to provide.

6. APPLICATION FEES

- (i) To be considered, a deposit in accordance with the Council's schedule for fees and charges must accompany the application.
- (ii) Actual and reasonable costs of processing the application, including but not limited to any notification, consultation, administration costs, and/or inspection, may be charged to the applicant.
- (iii) The deposit will be utilised to pay for costs and fees associated with the application, and any further costs or disbursements will be charged to the applicant in the event the deposit is exhausted. Any unused portion of the deposit will be refunded.
- (iv) All fees and costs must be paid in full prior to a consent being issued.

Hastings District Council TAB Venue Policy	
Prepared by:	Environmental Policy Planning & Regulatory Services
Adopted by:	Hastings District Council
Dated:	24 May 2020
Date by which review must be started <u>Review date:</u>	24 May 2023

DEFINITIONS

Adjoining: allotments sharing one or more common boundaries or separated only by a road reserve or similar equivalent

Allotment:

- a) Any parcel of land under the Land Transfer Act 1952 that is a continuous area and whose boundaries are shown separately on a survey plan, whether or not:-
 - i) the subdivision shown on the survey plan has been allowed, or subdivision approval has been granted, under another Act; or
 - ii) a subdivision consent for the subdivision shown on the survey plan has been granted under this Act; or
- b) Any parcel of land or building or part of a building that is shown or identified separately:-
 - i) on a survey plan; or
 - ii) on a licence within the meaning of Part I of the Companies Amendment Act 1964; or
- c) Any unit on a unit plan; or
- d) Any parcel of land not subject to the Land Transfer Act 1952.

Bounded by: sharing all or part of a property boundary

Hastings Central Commercial Zone: as defined in the Hastings District Plan and subsequent changes (see map, Appendix One)

Class 4 Gambling venue (Venue): A place located on one or more contiguous allotments at which gaming machines (also known as pokies) are located, or for the purposes of application at which it is proposed that gaming machines be located.

Educational Facility: means land and/or buildings used to provide regular instruction or training in accordance with a systematic curriculum by suitably qualified instructors, and includes schools, technical institutes, teachers colleges and universities, kura kaupapa (primary school), and kura maori (secondary school) and their ancillary administrative, cultural, health, retail and communal facilities.

Key persons: as defined in the Gambling Act 2003

Place: includes –

- a) a building, structure or tent whether fully or partly constructed; and
- b) a room in a building or structure; and
- c) a court or a mall; and
- d) land; and
- e) a vehicle, vessel, or aircraft; and
- f) a caravan or a trailer or other conveyance

Places of Assembly: means land and/or buildings used for the public and/or private assembly of people, primarily for worship, education, recreational, social, ceremonial, cultural, and spiritual activities for meditation, and functions of a community character. May include a church, church hall, church yard, and marae. Any charges for entry into or use of the facility may only be made by groups or organisations operating on a non-profit making basis.

Premises: Building in which a venue is located.

School / Licensed early childhood centre: As defined in sections 2 and 308 of the Education Act 1989 respectively

TAB venues (Venue): means 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 betting or sports betting services under the Racing Act 2003 (the Act), including racecourses. It is noted that the Act specifies that this policy does not apply to TAB facilities that are part of another venue.

Zone: An area of the city, defined as a zone in the Hastings District Plan or any subsequent changes.

Statement of Proposal

PROPOSED CLASS 4 GAMBLING VENUE POLICY & TAB VENUE POLICY



1. INTRODUCTION

- 1.1. The Gambling Act 2003 and the Racing Act 2003 requires all Territorial Authorities to develop a Class 4 Gambling and TAB Venue policy. The Hastings District Council adopted a Class 4 Gambling Venue Policy and TAB Venue policy in May 2004 and three yearly reviews were undertaken and completed in May 2007, September 2010, August 2013 and May 2017 in accordance with the Gambling Act 2003 and Racing Act 2003.
- 1.2. The Class 4 Gambling Venue Policy and TAB Venue policies currently have the following objectives:
 - To support the purpose and intent of the Gambling Act 2003.
 - To avoid the establishment of class 4 gambling activities in locations close to residential areas, public facilities or other identified land uses sensitive to gambling activities.
 - To avoid the proliferation of class 4 gambling venue strips or blocks within the city
 - To encourage responsible gambling practices and attitudes in class 4 gambling venues
 - To minimise the potential for new entrant problem gamblers by reducing accessibility to gambling venues
 - To reduce the exposure and risk of under-18 year old persons to gambling opportunities and the promotion of gambling
 - To ensure as far as practicable that actual and reasonable costs relating to venue consent applications are borne by the applicant(s)
 - To control the growth of gambling within the scope of the Gambling Act 2003, while providing for the continued availability of sports or race betting within Hastings District in accordance with the purpose and intent of the Gambling and Racing Acts.

2. REASON FOR PROPOSAL

- 2.1 Under the Gambling Act 2003 all Class 4 Gambling and TAB Venue policies must be reviewed on a three yearly basis. The current policies were adopted in May 2017 and are therefore due for review. The current policies can be viewed on the council website at <https://www.hastingsdc.govt.nz/assets/Document-Library/Policies/Gambling-Strategy/Class-4-Gambling-Venue-Policy.pdf?> and <https://www.hastingsdc.govt.nz/assets/Document-Library/Policies/Gambling-Strategy/Gambling-TAB-Venue-Policy-Final.pdf?>
- 2.2 Section 102(5A) of the Gambling Act provides that the first time a territorial authority commences a review of a policy after the [Gambling \(Gambling Harm Reduction\) Amendment Act 2013](#) comes into force, the territorial authority must (and may at any other time) consider whether to include a relocation policy (as defined in [section 101\(5\)](#)) in its class 4 venue policy. As this review is the second review since the Amendment Act came into force on 14 September 2013, this review also considers the merits of a relocation policy.

- 2.3 This proposal is for a change of the current cap policy to a sinking lid and with the removal of the relocation policy. The proposal includes some minor wording amendments to the existing Class 4 Gambling Venue Policy. The proposed sinking lid policy with no relocation for gaming machines will reduce the current number of machines operating in the district over time.
- 2.4 The TAB Venue policies will move from an open policy to a cap of one TAB venue in the District. Minor changes are proposed to the TAB venue policy for internal consistency. The number of TAB venues is proposed to limit the number in the District. Any new TAB venue proposal will be subject to the zone and locational requirements.
- 2.5 The proposed sinking lid with no relocation policy and TAB venues cap is based on a meeting held with the District Plan and Bylaws sub-committee where it was discussed on the options available and best solution to control class 4 gambling in the district. It was concluded that the sinking lid with no relocation policy was the best option as this provides for gambling but with emphasis to reduce machine numbers over time.
- 2.6 The proposed amendments are as follows:

Class 4 Gambling Venue Policy

Clause 1 (points 3 and 4) "Introduction".

- *Include no new machines or venues will be permitted in the district.*
- *Remove reference to may include a relocation policy.*

Clause 2 (points 3 and 4) "Anticipated Outcomes".

- *Delete "any new class 4 gambling venues shall be established within the central commercial zone, Havelock North Village Centre zone".*
- *Delete "class 4 gambling club venues can only relocate in a limited number of defined zones".*

Clause 3 (point 3) "Objectives of the Policy".

- *Remove reference to city and replace with District.*

Clause 4 (i and ii) "Establishment of Class 4 Machines & Venues"

- *Delete reference to 'cap' and replace with Sinking lid.*
- *Delete (i) A proposal to establish a new Class 4 gambling venue is not within the Central Commercial zone, Havelock North Village Centre zone (as defined in the maps in this policy)*
- *Delete "The total number of gaming machines in the Hastings District exceeds 293" and replace with "No new venues or machines will be permitted within the district".*

Clause 5 "Exceptions from Meeting Parts of the Policy"

- *Delete 5.1 Venue Relocation*
- *Council may grant consent under s 98(c) of the Act to a proposal to change the venue to which a class 4 venue licence currently applies, provided that the relocation of a venue to which a Class 4 Venue licence currently applies can only occur within the Hastings Central Commercial or the Havelock North Village Centre zones with the following exception:*

- *That the existing venues at Stortford Lodge and Clive, can only relocate within the Stortford Lodge and Clive zones as defined in the attached maps or within the Hastings Central Commercial or Havelock North Village Centre zones.*
- *In accordance with s 97A (2)(b) of the Act the maximum number of gaming machines permitted to operate at the new venue at the time when the new class 4 venue licence takes effect is the same as the maximum number of gaming machines permitted to operate at the old venue immediately before the licence relating to the old venue is cancelled.*

Clause 6 (iii) "Social impact considerations when applying to all class 4 gambling venues under this policy"

- Delete reference to "liquor" and replace with "alcohol"

Clause 7 (vii) Applications

- Remove reference to liquor and replace with alcohol and add *including licence number.*

Clause 8 (ii) "Hearing considerations"

- Add *social impact considerations.*

Clause 8 (vii) "Hearing considerations"

- Delete as the removal of the relocation policy is proposed *"The extent to which the relocated venue is giving effect to the sinking lid policy by resulting in a lesser number of machines overall, and"*

Clause 9 (ii) "Application Fees"

- Include *in accordance with section 150 of the Local government act.*

Table reference to review date "Hastings District Council Class 4 Gambling Venue Policy".

- Replace *Date by which review must be completed* and replace with *review date.*

TAB Venue Policy

Clause 2 "Objective of the Policy"

- Include the following "The number of TAB venues for the district is capped at one".

Clause 4(i) "Where TAB venues may be established"

- Include *Hastings* to Central commercial zone.

Table reference to review date "Hastings District Council Class 4 Gambling Venue Policy".

- Replace *Date by which review must be completed* and replace with *review date.*

- 2.5 Section 102(6) of the Gambling Act provides a policy does not cease to have effect just because it is being reviewed. Therefore, the current policy remains in place until a new policy is formally adopted.

3. WHAT IS THE PERCEIVED PROBLEM?

- 3.1 These policies provide criteria for processing consent applications for Class 4 Gambling and TAB Venues in the Hastings District. Controls and standards are prescribed as per the Gambling Act 2003 to help inhibit and diminish problem gambling.

4. COUNCIL OBJECTIVES

- 4.1 The reviews of the policies under the provisions of the Gambling Act 2003 (the Act) and the Local Government Act 2002 are designed to ensure that Hastings District Council's policies continue to address identified problems and give effect to the following Council Objectives:
- Building safer communities.
 - Develop a safe and vibrant city heart in the Hastings CBD.
 - Provide resilient and adaptable social and recreational infrastructure and support services.

5. OPTIONS FOR ADDRESSING THE PROBLEM

- 5.1 The review of Hastings District Council's Class 4 Gambling Venue Policy and TAB Venue Policy has resulted in a recommendation to change the May 2017 policy with amendments. A sinking lid with no relocation policy is proposed. With the exception for club mergers, the sinking lid will control class 4 gambling for the district. A cap policy is proposed to limit the number of TAB venues in the district. The cap will be set to one venue as this is the current number of the TAB venue. Minor wording amendments are proposed to these existing policies to provide consistency with the Gambling Act and to provide further clarity and to simplify the existing wording.
- 5.2 The following options have been identified for consideration in terms of a capped versus sinking lid;
- Option One: New cap level of 278. This would be a reduction from 293 machines under the current policy. This means that gaming machines in the Hastings District will be maintained at the current level which would be at a ratio of 3.41 machines per 1,000 residents (retain relocation policy).
 - Option Two: Current Cap level of 293 machines, making 15 gaming machines available for existing or new venues (retain relocation policy).
 - Options Three: Sinking lid no new machines or venues will be permitted in the Hastings District. As machine are not utilised the number available drops. Option 3 would also remove the relocation policy.
- 5.3 A requirement of s 102(5A) of the Gambling Act is that Council consider whether to include a relocation policy (as defined in [section 101\(5\)](#)) in its policy. Section 101(5) defines a relocation policy as a policy setting 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. The current policy includes an exception from meeting parts of the policy if a venue is relocating, and allowed a maximum of 9 gaming machines at the new location. The amendments to the Gambling Act mean that the policy cannot provide how many machines are allowed, but rather the

Act provides that the same number of machines can be operated at the new venue as the old venue.

6. ASSESSMENT OF OPTIONS

- 6.1 The current Class 4 Gambling Venue Policy and TAB Venue policy were adopted in May 2017. The proposed changes serve to update and amend these two policies to provide further clarity of these policies and to ensure consistency with the current Hastings gambling environment.
- 6.2 The 2017 review resulted in a change to the Hastings Class 4 Gambling Venue Policy from a sinking lid to a cap on the number of gaming machines (293).
- 6.3 According to the Department of Internal Affairs report on 29 July 2019 there are 17 venues operating gaming machines and 293 gaming machines may be operated (276 machines are currently being operated) in the District. In May 2016, the Department of Internal Affairs recorded 19 venues and 287 (293 without the need of territorial authority consent) gaming machines operating within the Hastings District. This formed the basis for the current cap number of 293 machines for the district.
- 6.4 The proposed sinking lid with no relocation policy on gambling machines is based on a meeting held with the District Plan and Bylaws sub-committee where it was discussed on the options available and best solution to control class 4 gambling in the district. It was concluded that the sinking lid with no relocation policy was the best option as this provides for gambling but with emphasis to reduce machine numbers over time.
- 6.5 In reaching this decision, the subcommittee noted the 2019 research undertaken by the Department for Internal Affairs (DIA) which showed that Hastings players were spending longer hours playing gaming machines, betting more per game and more players were playing 'pokie' machines.
- 6.6 It was noted that problem gambling disproportionately affected deprived and low income families, of which a significant proportion in this district are Māori. The subcommittee considered that the benefit from community grants derived from gaming machine profits from non-club and club societies did not outweigh the community harm from gambling particularly in our vulnerable communities.

7. NEW ZEALAND BILL OF RIGHTS ACT 1990

- 7.1 The Council must determine whether the proposed Class 4 Gambling and TAB Venue policies give rise to any implications under the New Zealand Bill of Rights Act 1990 (BORA). Council's legal advice is that the restriction set out in the proposed Class 4 Gambling and TAB Venue policies do not impose any unreasonable limitations on any particular right set out in the BORA.

8. CONSULTATION

8.1 Submissions

As part of the special consultative procedure required by the Local Government Act 2002, Council wishes to hear from any person, group or business that would like to make a submission on the proposed policies. Submissions may be lodged between 12 September and 12 October 2020.

Details of the policies can be viewed at:

- The Hastings District Council Lyndon Road East, Hastings.
- The Hastings, Flaxmere and Havelock North Libraries
- The Hastings District Council website: www.myvoicemychoice.co.nz where you can make an online submission.

Submissions may be lodged to the following address:

Class 4 Gambling and TAB Venue policies – Submissions
Hastings District Council
Private Bag 9002
Hastings
Attn: Junior Tuakana

Please ensure you include your contact details (name, phone, email, postal address), and whether or not you wish to speak to the Council at the hearing.

For further information contact **Junior Tuakana**:

Phone: 06 871 5000

Email: juniort@hdc.govt.nz

Tuesday, 1 December 2020

Item 6

Te Hui o Te Kaunihera ā-Rohe o Heretaunga
Hastings District Council: Council Meeting

Te Rārangi Take

Report to Council

Nā:
From: **Jackie Evans, Manager: Democracy and Governance**

Te Take:
Subject: **2020 Meeting Schedule Changes**

1.0 Executive Summary – *Te Kaupapa Me Te Whakarāpopototanga*

- 1.1 The purpose of this report is to consider amendments to the schedule of Council and Committee Meetings for the 2020 Meeting Calendar which was adopted by Council on 10 December 2019.
- 1.2 This report recommends that the 2020 Meeting Schedule as amended below be adopted.
- 1.3 The Local Government Act 2002, Schedule 7, Clause 19 states:

“A local authority must hold meetings at the times and places that it appoints”.

If a local authority adopts a schedule of meetings-

- a) *The schedule-*
 - i) *may cover any future period that the local authority considers appropriate, and*
 - ii) *may be amended*

Although a local authority must hold the ordinary meetings appointed, it is competent for the authority at a meeting to amend the schedule of dates, times and number of meetings to enable the business of the Council to be managed in an effective way.

- 1.4 The meeting schedule has been amended as follows:
 - **Tuesday, 8 December 2020** – Council meeting **now starting at 10.30am** (instead of 1.00pm).

2.0 Recommendations – *Ngā Tūtohunga*

- A) That Council receive the report of the Manager: Democracy and Governance titled 2020 Meeting Schedule Changes dated 1 December 2020 and note the change/s outlined.

Attachments:

There are no attachments for this report.