

Wednesday, 29 May 2024

*Te Hui o Te Kaunihera ā-Rohe o Heretaunga*

**Hastings District Council**

**District Planning and Bylaws Subcommittee Meeting**

*Kaupapataka*

# Agenda

*Te Rā Hui:*  
Meeting date: **Wednesday, 29 May 2024**

*Te Wā:*  
Time: **1.00pm**

*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](mailto:democracy@hdc.govt.nz)**

*Te Āpiha Matua:*  
Responsible  
Officer: **Group Manager: Planning & Regulatory Services - John  
O'Shaughnessy and Environmental Policy Manager - Rowan  
Wallis**

## District Planning and Bylaws Subcommittee – Terms of Reference

A Subcommittee of Council.

### Fields of Activity

The District Plan Subcommittee is responsible for advising the Council by;

- Providing guidance to Council officers with regard to the drafting of the District Plan (or sections thereof) and consultation on discussion documents and drafts.
- Providing guidance to Council officers in respect of the drafting of Council's new or revised bylaws and providing oversight of the Special Consultative Procedures.
- Te Tira Toitū te Whenua – Hastings District Plan Cultural Values - to consider and advise Council how the cultural values of Waahi Taonga and Waahi Tapu are to be integrated within the District Plan.

### Membership

- 6 Councillors.
- 3 Heretaunga Takoto Noa Māori Standing Committee Members appointed by Council.
- 1 externally appointed member with relevant qualifications and experience.
- 1 member of the Rural Community Board appointed by Council.
- Chair appointed by Council.
- Deputy Chair appointed by Council.

### Quorum – 6 members including 3 Councillors

#### DELEGATED POWERS

- 1) To review and provide comment on draft new or reviewed District Plan provisions and to recommend to the Council the adoption of drafts for consultation.
- 2) To hear and consider all submissions reviewed in respect of any District Plan proposal and to recommend responses to the Council.
- 3) To recommend to the Council the final wording of any new or reviewed District Plan provisions for adoption.
- 4) To review and provide comment on draft new or reviewed bylaws, and to recommend to the Council the adoption of drafts for consultation.
- 5) To hear and consider all submissions received in respect of any bylaw proposal and to recommend responses to the Council.
- 6) To recommend to Council the final wording of any new or reviewed bylaw for adoption by the Council.

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Wednesday, 29 May 2024

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*Te Hui o Te Kaunihera ā-Rohe o Heretaunga*

**Hastings District Council**

**District Planning and Bylaws Subcommittee Meeting**

*Kaupapataka*

# Agenda

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*Mematanga:*

**Membership:**

*Koromatua*

**Chair:** Councillor Alwyn Corban

*Ngā KaiKaunihera*

**Councillors:** Marcus Buddo (Deputy Chair), Michael Fowler, Simon Nixon, and Kevin Watkins – 1 x Vacancy

Rural Community Board appointee - Jonathan Stockley (RCB Chair)

Mayor Sandra Hazlehurst

3 Heretaunga Takoto Noa Māori Standing Committee appointees: Tipene Cottrell, Elizabeth Waiwiri-Hunt and 1x Vacancy

1 External appointee - Vacancy

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*Tokamatua:*

**Quorum:**

6 - including 3 Councillors

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*Apiha Matua*

**Officer Responsible:**

Group Manager: Planning & Regulatory – John O’Shaughnessy

Environmental Policy Manager – Rowan Wallis

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*Te Rōpū Manapori me te  
Kāwanatanga*

**Democracy &**

**Governance Services:**

Christine Hilton (Extn 5633)

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## *Te Rārangi Take*

# Order of Business

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### *Apologies – Ngā Whakapāhatanga*

- 1.0** An apology from Elizabeth Waiwiri-Hunt has been received.  
Leave of Absences had previously been granted to Jonathan Stockley and Councillor Nixon
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### **2.0** *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.

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

- 3.0** Minutes of the District Planning and Bylaws Subcommittee Meeting held Wednesday 29 November 2023.  
*(Previously circulated)*
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- 4.0** **Alcohol Licensing Fees Bylaw 2024** **7**
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- 5.0** **Class 4 venue and TAB venue policy review** **27**
- 

- 6.0** **Review of Environmental Policy Workstream** **55**
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- 7.0** *Minor Items – Ngā Take Iti*
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**8.0** Urgent Items – *Ngā Take Whakahihiri*

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Wednesday, 29 May 2024

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*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

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*Nā:*  
From: **Janine Green, Licensing Inspector**

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*Te Take:*  
Subject: **Alcohol Licensing Fees Bylaw 2024**

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## **1.0 Executive Summary – *Te Kaupapa Me Te Whakarāpopototanga***

- 1.1 The purpose of this report is to seek approval of the development of an alcohol licensing fees bylaw to remedy a shortfall of 40% in revenue in relation to alcohol licensing functions. Over the last 11 years that increasing shortfall has been subsidised by rates. This report details three options for a fees bylaw, with the preferred option; Option One - Spreading the shortfall across all licence types evenly with a 100% cost recovery model and no rate payer contribution.
- 1.2 Currently, The Sale and Supply of Alcohol (Fees) Regulations 2013 (the regulations) provides a risk-based fees framework. Applicants pay an application and annual licensing fee to legally sell or supply alcohol. (**Appendix One** details the risk-based fees system and associated legislation).
- 1.3 The intent of the Fees Regulations was to provide for the total cost recovery of all alcohol licensing functions of territorial authorities (TA's). However, the fees specified in the Regulations are now 11 years old and are not providing total cost recovery.
- 1.4 The Sale and Supply of Alcohol (Fee-setting Bylaws) Order 2013 (Fees Setting Order), made under Section 405 of the Sale and Supply of Alcohol Act 2012 (SSAA 2012), provides for councils to make a fees bylaw. Fee bylaws offer a mechanism for councils to have 100% cost recovery of alcohol licensing functions.
- 1.5 Several TA's have completed this fee bylaw process and developed their own fees to ensure cost recovery of the alcohol licensing functions.
- 1.6 A fees bylaw was considered in the past, however, with the COVID epidemic and subsequent lockdown and then Cyclone Gabrielle, premises were already under pressure and therefore it was postponed. A bylaw now seems appropriate to recover these costs and remedy the deficit moving forward.

## 2.0 Recommendations - Ngā Tūtohunga

- A) That the District Planning and Bylaws Subcommittee receive the report titled Alcohol Licensing Fees Bylaw 2024 dated 29 May 2024.
- B) That the Committee ratify:
  - i. The development of an alcohol licensing fees bylaw.

AND

  - ii. Approve Option One: Spread the shortfall across all licence types evenly with a 100% cost recovery model.

## 3.0 Discussion – Te Matapakitanga

- 3.1 It was the intention of the regulations to ensure the fees covered the costs to TA's of the alcohol licensing functions. The Fees Setting Order allowed TA's to amend those fees as required through a bylaw. Subsequently, The Ministry of Justice also developed a document to help guide TA's in calculating costs and revenue associated with alcohol licensing functions called "Calculating the costs and revenue of the alcohol licensing system guidance document 2018." This is referred to in this report as "The guidance document 2018."
- 3.2 This document has been utilised to guide officers to analyse current revenue and expenditure and a summary of this document is available in **Appendix Two**. Additionally, there are parameters, exceptions and process-based requirements of the bylaw, officers have had to adhere to, these can be found in **Appendix Two**.
- 3.3 **Current Cost recovery**
- 3.3.1 Alcohol licensing fees provide some revenue to Council, however increasingly, alcohol licensing functions in council are subsidised by rate payers. In 2013, Hastings District rate payers' contribution was significantly less than what it is currently due to general increases in costs and workload. After analysis of income versus expenditure and detailed analysis of officer time and costs by premises risk type, there is a 40% shortfall in revenue.
- 3.4 **Income and expenditure analysis**
- 3.4.1 Analysis has been undertaken of both income and expenditure of the alcohol licensing cost centre. Income can be expected to be around \$275,000 based on the average of 2021-2022 and 2022 - 2023 application activity. There are a core base number of premises applications that generate income and other applications which may fluctuate over time, for example those relating to special licence applications and managers certificates.
- 3.4.2 Expenditure has been calculated at approximately \$454,000 per year (2022) which includes full overheads from across the organization, based on Ministry of Justice "guidance document 2018" criteria. Therefore, Council currently has a 40% shortfall overall.
- 3.4.3 Two part time inspectors manage and process all licence applications and complete monitoring and enforcement actions under the Act. Additional staff assist the inspectors and complete other alcohol licensing administrative functions.
- 3.5 A District Licensing Committee consisting of a chairperson and two list members determine applications for alcohol licences. The council pay fees to the committee members and the fees are determined by the Minister of Justice and are set down in the Cabinet fees framework.
- 3.5.1 Alcohol licensing inspectors have a prescriptive process that is used to assess licence applications.



- 3.5.2 Hastings has a diverse range of alcohol businesses; there are currently 265 active premises licences and 718 certified managers. Council inspectors processed 551 applications in the year 22/23. For more details see **Appendix Three**.
- 3.5.3 Additional analysis was undertaken by inspectors over a few months looking at the time it takes to process and report on each type of alcohol application by risk type to see which application risk types have the biggest costs associated.
- 3.5.4 In summary, the analysis showed there was a large shortfall in revenue from application fees for all special licence types (Class 1, 2 and 3). There is a significant workload difference between processing a class one large event and a small class three event, therefore this has been considered in the calculations to increase fees.
- 3.5.5 There is a large shortfall in processing very low and low risk premises types and generally a smaller shortfall for all other premises licence types.
- 3.5.6 The reason very low and low risk type applications have such a shortfall is that it doesn't take a significantly longer amount of inspector time to process the very low / low vs medium, high and very high licence application types.
- 3.5.7 The forms and process for applying or renewing a licence are prescriptive across all risk types. The only increase in cost to council for a higher risk premises is from monitoring, inspecting and enforcement. Monitoring is completed more regularly on medium and higher risk types than those on a very low or low risk type, i.e., officers would inspect supermarkets, bottle stores and bars more often than remote seller (internet-based licensees) or cellar door licences (small wineries).
- 3.5.8 Medium and higher risk premises are also subject to controlled purchase operations. This is a joint operation with the Police and incurs a cost.
- 3.5.9 The Council also works closely with poor performers or those special licence holders that are less experienced, having meetings with them to assist them in making sure that they improve their performance and applications. There are also costs associated with these meetings.
- 3.5.10 Significant cost is also created when applications are opposed and dealt with by the District Licensing Committee by way of a public hearing. Public hearings can take up a large amount of committee member and reporting staff time and can also involve the use of legal counsel. There is no means of cost recovery for these processes at present, therefore it could be considered reasonable to absorb these costs into the overall application and annual licensing fee system or charge a fee for this process separately. A separate fee for all hearings to recover costs was considered, however, this will have other unintended consequences such as hindering some groups or individuals to object to licences if there is a fee involved, impeding natural justice.

### 3.6 Rationale for fee changes

- 3.6.1 There has been no increase in fees through the regulations since its inception in 2013. However, the costs associated with the heavy workload of the Alcohol Licensing team has increased significantly in response to meeting increased reporting and monitoring requirements under the Act. This has meant that over the last 11 years cost recovery is minimal and a larger proportion of costs are recovered through subsidised means (rates).
- 3.6.2 Due to fees not being increased over several years this has meant that income from fees is not covering the rate of inflation either. This means licensing costs are going down and will continue if an ongoing gradual increase is not considered moving forward.
- 3.6.3 Other considerations to review fees include:
- The alcohol industry is a legitimate private business, therefore should the rate payer be subsidising the processing of such licences?
  - The regime was set up with a fee's regulation with the intent for TA's to fully recover costs.

- There is academic literature to suggest that if application fees are higher, this would make it unattractive for “cowboy” or bad operators to open to make a quick profit.
- In contrast to the above, increased fees could make it harder for smaller operators (small clubs, small sized businesses) to open at all or stay open as fees would be too costly.
- There are approximately five councils with a fee bylaw stating fees that differ from the Alcohol Fees Regulations and several which are currently in the process of doing so. Fees from other councils ranged from a 10 percent increase to some risk categories to a 400% increase over 3 years for others, to try to sufficiently recover costs. Some TA’s chose a 100% cost recovery model, others still subsidised a percentage via rates. (More details on other council bylaw fees – **Appendix Four**).
- New Zealand has one of the lowest cost alcohol licensing regimes in the world. Off and on licence fees are significantly higher in many parts of Australia, Scotland, Ireland, Canada and England. By way of an example, a bottle shop in Queensland Australia pays \$4,076, then additional fees up to \$8,500 if they are open between 7am and 9am or 12.00 am and 2am. In Victoria Australia, licensees pay a base fee, trading hours fee and a capacity patrons’ multiplier, therefore a general bar licence may cost \$4,531.50+. New South Wales Australia, a bar that has the capacity to hold 60 people would pay approximately \$7,817 and a small bar in Glasgow Scotland would pay approximately 2,300 pounds.
- The Fee regulations were to be reviewed every five years, but this has only been completed once in the last 11 years, with no changes to fee levels due to lack of information. Ministry of Justice is in the process of completing the second review, but we have no indication of dates for completion. The review started two years ago and a final report with any recommendations or changes is yet to be publicly released.
- New Zealand Institute of Licensing Inspectors has also written to the Justice Minister with our concerns and in response, the Justice Minister gave no indication of a date for the review to be completed or if a fee rise is in the process.
- Having a local fee regime means the fees are suitable for our local situation and our licensees and Council can cover the actual costs with no burden on rate payers.

## 4.0 Options – *Ngā Kōwhiringa*

### 4.1 Fee options and discussions.

#### 4.1.1 There are three options:

1. Spread the shortfall across all licence types evenly with a 100% cost recovery model and complete stakeholder engagement, i.e., no rate payer contribution.
2. Increase the fees by a percentage retaining a rate payer contribution and complete stakeholder engagement.
3. Keep the current regime and fee structure with no increase, i.e., await an increase through the Justice Department review.

4.1.2 Inspectors have provided options which increase fees in different ways by different percentages. These options allow for either a 100% cost recovery or a model whereby the rate payer still contributes.

4.1.3 A risk based increase was analysed and considered, whereby only those risk types where there is a shortfall have a fee increase, by the actual amount of the shortfall per licence. With this model low/very low premises risk types and all special licences would be the most impacted. This option would change the intent of the risk based / weighted fee system and was subsequently not included.

4.1.4 To help alleviate the increasing costs to the licensees, officers propose council provides an option to undertake the notification process. Currently licensees are required to place one or two

advertisements, depending on their risk rating, in the local paper, notifying the licence application to the public. One advertisement in the newspaper costs \$160.00, council could offer this service for a reduced flat fee.

4.1.5 This process is still in line with the legal requirement to notify the licence and currently several councils across NZ offer this service for a fee. Additionally, this process will reduce staff monitoring time and minimise the risk of public notices being posted incorrectly, which occurs frequently.

4.1.6 The notification fee can be added to the bylaw, it is at the discretion of the council.

**Fee Option One: General fee increase spreading the shortfall across all licence types with a 100% cost recovery model (no rate payer contribution).**

4.1.7 It is recommended that a general increase of fees to all licence types is required to cover increasing costs. It is proposed the increase is completed over 3 years, with a larger increase in year one and gradual increase in year 2 and 3 to cover inflation and rising workload/ costs to council.

4.1.8 The below fee table shows a general increase to all premises licence types to cover the current shortfall. Although there is a 40% shortfall in costs overall, this equates to the need for an 85% increase in fees for all premises licence types, due to the distribution of licences that are in the Hastings District. (Currently 176 low and very low premises vs only 89 medium, high, or very high premises types).

**Option One Proposed fee table;** 85% increase over all licence types then a 10% increase year after year over 3 years to cover inflation and other rising costs associated with increased officer time. (GST inclusive) no rate payer contribution.

Application fee / Annual fee for premises (new and renewal)	Current fee under the Act and Regulations	Proposed fee 2024 (85% increase)	Proposed fee 2025 (10% increase)	Proposed fee 2026 (10% increase)
Application Fee - Very low risk	\$368.00	\$680.80	\$748.80	\$823.70
Application Fee – Low Risk	\$609.50	\$1127.60	\$1240.40	\$1364.40
Application Fee – Medium Risk	\$816.50	\$1510.50	\$1661.55	\$1827.65
Application Fee – High Risk	\$1023.50	\$1893.50	\$2082.85	\$2291.13
Application Fee – Very High Risk	\$1207.50	\$2233.90	\$2457.30	\$2703.00
Annual Fee – Very Low risk	\$161.00	\$297.85	\$327.60	\$360.30
Annual Fee – Low Risk	\$391.00	\$723.35	\$795.70	\$875.30
Annual Fee – Medium Risk	\$632.50	\$1170.10	\$1287.10	\$1415.80
Annual Fee – High Risk	\$1035.00	\$1914.75	\$2106.20	\$2316.80
Annual Fee – Very High Risk	\$1437.50	\$2659.40	\$2925.35	\$3217.88
<b>Special Licence Fees</b>				
Class One	\$575.00	\$1063.75	\$1170.10	\$1287.12
Class Two	\$207.00	\$382.95	\$421.25	\$463.40

Class Three	\$63.25	\$117.00	\$128.70	\$141.60
Temporary licence types				
Temporary Authority	\$296.70	\$548.90	\$603.80	\$664.20
Temporary Licence	\$296.70	\$548.90	\$603.80	\$664.20
Variation of licence	\$368.00	\$680.80	\$748.80	\$823.60
Public Notification via council website (instead of public newspaper)	\$160 per ad - newspaper	TBD	TBD	TBD

**Option 2: Increase the fees by another percentage (38% / 45%/ 65% / 75% as examples) retaining a rate payer contribution and complete stakeholder engagement.**

4.1.9 The below table shows an increase to all licence types by differing percentages, then an additional 10% increase would be added year on year for 3 years to cover inflation and increasing officer costs. (GST inclusive)

Application fee / Annual fee for premises (new and renewal)	Current fee under the Act and Regulations	Proposed fee 2024 - 38% increase	Proposed fee 2024 - 45% increase	Proposed fee 2024 - 65% increase	Proposed fee 2024 - 75% increase
Application Fee - Very low risk	\$368.00	\$511.50	\$533.60	\$607.20	\$644.00
Application Fee - Low Risk	\$609.50	\$803.90	\$883.80	\$1005.70	\$1066.60
Application Fee - Medium Risk	\$816.50	\$1126.80	\$1183.95	\$1347.25	\$1428.90
Application Fee - High Risk	\$1023.50	\$1412.40	\$1484.10	\$1688.80	\$1791.15
Application Fee - Very High Risk	\$1207.50	\$1666.35	\$1750.90	\$1992.40	\$2113.10
Annual Fee - Very Low risk	\$161.00	\$222.20	\$233.45	\$265.00	\$281.75
Annual Fee - Low Risk	\$391.00	\$539.60	\$566.95	\$645.15	\$684.25
Annual Fee - Medium Risk	\$632.50	\$872.85	\$917.10	\$1043.60	\$1106.90
Annual Fee - High Risk	\$1035.00	\$1428.30	\$1500.75	\$1707.75	\$1811.25
Annual Fee - Very High Risk	\$1437.50	\$1983.75	\$2084.40	\$2371.90	\$2515.60
Special Licence Fees					

Class One	\$575.00	793.50	\$833.75	\$948.75	\$1006.25
Class Two	\$207.00	285.70	\$300.15	\$341.55	\$362.25
Class Three	\$63.25	87.30	\$91.70	\$104.40	\$110.70
Temporary Authority					
Temporary Authority	\$296.70	409.45	\$430.20	\$489.55	\$519.25

**Option 3: Keep the current regime and fee structure with no increase.** (GST inclusive)

See **Appendix One** for current fee structure.

### 5.0 Option analysis – Risks vs Benefits

Option	Advantages	Disadvantages
<p><b>Option 1: Spread the shortfall across all licence types evenly with a 100% cost recovery model and complete stakeholder engagement (no rate payer Contribution).</b></p>	<ul style="list-style-type: none"> <li>• Council will recover costs in year one</li> <li>• Council will cover costs due to inflation and cover costs of increased demand for additional ongoing work by inspectors</li> <li>• Fair regime</li> <li>• The intent of the original regime under the regulations is continued, with the higher risk premises paying more than lower risk premises and a 100% cost recovery model</li> <li>• Increase sits in the middle when compared to other councils with fee bylaws and those considering bylaws around NZ (as seen in <b>Appendix Four.</b>)</li> <li>• Still one of the cheapest regimes internationally.</li> </ul>	<ul style="list-style-type: none"> <li>• Some premises or licensees may not want an increase this large in year one</li> <li>• Some businesses may find the increase too much and close down</li> <li>• New smaller businesses may reassess whether having alcohol at their store / café etc is financially viable</li> <li>• The Ministry of Justice may review the fees and make them higher than our fees.</li> </ul>
<p><b>Option 2 Increase the fees by another percentage keeping some rate payer contribution and complete stakeholder engagement.</b></p>	<ul style="list-style-type: none"> <li>• Council will recover some costs and rate payers continue to contribute</li> <li>• A rate payer contribution may reflect the recognition of the health and safety benefits and public benefits accruing to the wider community</li> <li>• There is less financial burden on alcohol premises</li> </ul>	<ul style="list-style-type: none"> <li>• Some premises or licensees may not want an increase stating the fees are sufficiently high already</li> <li>• Some rate payers may not like paying towards a private industry</li> <li>• The Ministry of Justice may review the fees and make them higher than our fees</li> </ul>

<p><b>Option 3</b> Do not change fees and continue to recover costs through current system and policy</p>	<ul style="list-style-type: none"> <li>• No bylaw required</li> <li>• At some point the Ministry of Justice may review the fees and the regulatory fees system may change.</li> </ul>	<ul style="list-style-type: none"> <li>• Costs will not be recovered, and alcohol licensing continues to run with a large shortfall</li> <li>• Rate payers will continue to have to pay towards a private industry</li> <li>• The percentage of ratepayer contribution will continue to rise year on year.</li> </ul>
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## 6.0 Conclusion

- 6.1 The intent of the regulations and associated fees order was to allow TA's to have 100% cost recovery of the alcohol licensing functions.
- 6.2 Hastings District Council requires an alcohol licensing bylaw to remedy the current 40% deficit.
- 6.3 The preferred option is option one whereby Council keeps the intent of the regulations, and the fee system is risk based and based on a total cost recovery model with no rate payer contribution.
- 6.4 The proposed increase sits in the middle when compared to other councils with fee bylaws and those considering bylaws around New Zealand (as seen in **Appendix Four.**) With the proposed increase, we would remain one of the cheapest alcohol licensing regimes in the world.
- 6.5 The fees are not unreasonable considering how many years the council has been running with a shortfall with large and rising rate payer contribution (11 years).
- 6.6 The proposal only increases the fees by the amount required to get full cost recovery of the alcohol licensing regime.
- 6.7 The alcohol industry is a private industry and this is in line with the "user pays" system.
- 6.8 It is recognised that this proposed fee increase is a significant increase and of course will have some impact on licensees. However, it only reflects the increased costs associated with this activity over the last 11 years.
- 6.9 Should Council agree to the proposed bylaw, officers will consult with all licensees and regular special licence holders and consider their feedback and suggestions before taking a draft bylaw to full council for approval.

## 7.0 Next steps – *Te Anga Whakamua*

- 7.1 If approval for the bylaw is granted, officers would complete consultation with alcohol premises and those directly affected by the potential fee increases (licensees and regular special licence holders).
- 7.2 Officers would analyse feedback and develop the draft bylaw.
- 7.3 A draft bylaw would be presented to full council for consideration and approval.

## Attachments:

[1](#) Attachments to bylaws committee report 2024

REG-14-3-24-284

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## Summary of Considerations - *He Whakarāpopoto Whakaarohanga*

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### **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 is linked to Regulatory functions which help to prevent harm and help create a safe and healthy environment for people, which promote the best use of natural resources and which are responsive to community needs.

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### **Māori Impact Statement** - *Te Tauākī Kaupapa Māori*

There are no known impacts for mana whenua / iwi / tangata whenua above and or beyond the general community population specifically in relation to this policy review.

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### **Sustainability** - *Te Toitūtanga*

This bylaw is required for full cost recovery functions of alcohol licensing in council under Section 405 of the Sale and Supply of Alcohol Act 2012.

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### **Financial considerations** - *Ngā Whakaarohanga Ahumoni*

The bylaw process will incur minimal costs for consultation and administration / officer time. This will be sourced from existing Planning and Regulatory budgets.

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### **Significance and Engagement** - *Te Hiranga me te Tūhonotanga*

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

There is a requirement under Section 5 of the Sale and Supply of Alcohol Act 2013 - Fee-setting by territorial authorities that states TA's "must consult with the persons the authority has reason to believe are representative of interests likely to be substantially affected by the bylaw." There is no requirement to complete a full special consultative procedure under the Local Government Act to develop this bylaw.

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

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Stakeholder engagement will be completed if the development of a bylaw is approved. Stakeholders would include current licensees and regular special licence holders, they will be formally consulted with via a survey and licensee meeting.

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

Not applicable.

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### Appendix One – Risk Based Fee system

#### How does the weighting work?

The risk categories are drawn from the Sale and Supply of Alcohol Act 2012 and are based on the risk attributed to each licence due to the type of premises, the hours of business and the number of enforcement holdings that have been issued to the licence holder.

The lower the weighting/risk rating, the lower the fees category. The Council must attribute a cost/risk rating to all licenced premises under Section 5 of the Sale and Supply of Alcohol (Fees) Regulations 2013; it is unable to adjust the weighting which is determined by the Act. The Act outlines the three categories that the Council must use when determining the risk associated with each licensed premises. These are outlined below.

#### Premises type

The Act recognises that there are certain premises that have a higher risk.

#### Sale and Supply of Alcohol Act (Fees) Regulations 2013 Part 1 – On licences, off licences and club licences

Licence Held or sought	Type of premises	Weighting
On licence	Class 1 restaurant, night club, tavern, adult premises	15
On licence	Class 2 restaurant, hotel, function centre	10
On licence	Class 3 restaurant, other premises not otherwise specified	5
On licence	BYO restaurant, theatres, cinemas, winery cellar doors	2
Off licence	Supermarket, grocery store, bottle store	15
Off licence	Hotel, Tavern	10
Off licence	Class 1, 2, or 3 club, remote sale premises, premises not otherwise specified	5
Off licence	Winery cellar doors	2
Club Licence	Class 1 club	10
Club Licence	Class 2 Club	5
Club Licence	Class 3 Club	2

#### Hours of Business

The Act also recognises the fact that licensed premises that are open later attract a higher risk rating.

Type of Premises	Latest trading time allowed by licence	Weighting
Premises for which an on licence or club licence is held or sought	2.00 am or earlier	0

	Between 2.01.am. and 3.00 am.	3
	Any time after 3.00 am.	5
<b>Premises for which a off licence is held or sought (other than remote sales premises)</b>	10.00 pm. or earlier	2
	Anytime after 10.pm.	3
<b>Remote Sales premises</b>	Not applicable	0

**Enforcement Holdings**

If a licence holder breaches Section 288 of the Act, they are issued with an enforcement holding. The Act also notes that repeated offences can lead to a licence cancellation. If a licensed premises has been issued with an enforcement holding they have effectively broken the law, and the Act recognises this by attributing a higher risk rating.

<b>Number of enforcement holdings in last 18 months</b>	
None	0
1	10
2 or more	20

**The Risk rating**

Adding up the weightings from each of these categories, the Council is able to attribute a risk rating to each licence and determine the fees category.

<b>Cost / Risk Rating of Premises</b>	<b>Fee category</b>
0-2	Very Low
3-5	Low
6-15	Medium
16-25	High
26 plus	Very High

**Fees under the regulations**

<b>Fee category</b>	<b>Fee under the regulations (GST Inclusive)</b>	
	<b>Application Fee</b>	<b>Annual fee</b>
Very Low	\$368.00	\$161.00
Low	\$609.50	\$391.00
Medium	\$816.50	\$632.50
High	\$1023.50	\$1035.00
Very High	\$1207.50	\$1437.50



















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Wednesday, 29 May 2024

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*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

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

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**Te Take:**  
**Subject: Class 4 venue and TAB venue policy review**

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## **1.0 Executive Summary – *Te Kaupapa Me Te Whakarāpopototanga***

- 1.1 The purpose of this report is to advise the District Plan and Bylaws Committee on the required review of the Council’s current class 4 venue and TAB venue policies, and to recommend next steps in terms of the outcome of that review.
- 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 every 3 years after the policy is adopted and then 3 years after that review and each subsequent review is completed.*
- 1.3 The Racing Industry Act 2020 (which now replaces the Racing Act 2003) requires that a territory authority must adopt a policy on TAB venues and then *“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”.*
- 1.4 Both the Gambling Act and Racing Industry Act require that, if the result of the required review is that the policies should be amended or replaced, the Special Consultative Procedure as set out in the Local Government Act 2002 must be used. If the Council resolves that amendment or replacement is unnecessary, no consultation is required.
- 1.5 This report recommends that no changes be made other than administrative changes to update the name of the Racing Industry Act 2020.

## 2.0 Recommendations - Ngā Tūtohunga

- A) That the District Planning and Bylaws Subcommittee receive the report titled Class 4 venue and TAB venue policy review dated 29 May 2024.

### Class 4 venue policy

- B) That the subcommittee recommend to Council that the Class 4 venue policy be retained in its current form and no changes be made.

### TAB venue policy

- C) That the subcommittee recommend to Council that the TAB venue policy be retained in its current form with changes being limited to updating the name of the Racing Industry Act 2020.
- D) That the subcommittee recommend to Council that no further consultation be undertaken given the decision to endorse the current versions of the policies without amendment or replacement.

## 3.0 Background – Te Horopaki

### Class 4 venue policy

- 3.1 The Gambling Act 2003 requires that a territorial authority 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.
- 3.2 The last Gambling Policy review was undertaken in 2020 and resulted in a change from a *cap* to a *sinking lid* policy. The policy included the retention of the relocation policy with minor changes to improve the overall wording. The relocation map is attached as Attachment 3-6.
- 3.3 The aim of a sinking lid policy is to decrease the number of gaming machines or class 4 venues over time. 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, 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.
- 3.4 The capped approach on the other hand 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 has not been exceeded or if a new venue is establishing. If Council adopts a *cap*, only 255 machines would be permitted to operate in the district. The number is based on the machines operating in the district under the current *sinking lid* policy. The class 4 venue policy is attached as Attachment 1.

### TAB venue policy

- 3.5 The Racing Industry Act 2020 requires that a territory authority adopt TAB venue policy and must complete a review of a policy within 3 years after the policy is adopted and then 3 years after that review and each subsequent review is completed. Note that the Council currently has an “agency venue policy” prepared under the Racing Act 2003 to manage TAB venues. The transitional provisions of the Racing Industry Act provide that such a policy “*continues in force on and after commencement of [the new Act] and must be treated as if it were a TAB venue policy adopted in respect of the corresponding TAB venue under [section 97](#)*”. Therefore, even though the current TAB

policy was prepared under the Racing Act 2003, it is required to be reviewed under the Racing Industry Act 2020 as a TAB venue policy under that Act.

- 3.6 In terms of the TAB venue policy, Council has the ability to regulate whether or not new TAB venues may be established in the district and if so where these may be located (s 96). 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 located at Stortford Lodge. The TAB venue policy is attached as Attachment 2.

#### 4.0 Discussion – Te Matapakitanga

- 4.1 As the relevant policies were last reviewed in 2020, they are now required to be reviewed. The review was commenced in December 2023 and the below discusses officers' recommendations in terms of that review process.
- 4.2 As discussed further below, because the recommendation is that no substantive amendments be made, no further consultation is required. The Special Consultative Process only needs to be used if the Council decides to propose amendments or replacement.
- 4.3 The Committee may determine that consultation is nevertheless appropriate. In that event, officers will need to prepare a statement of proposal for notification to be adopted by the Council. There would then be a process for submissions which would be used to assess the views and opinions of submitters to the proposal to retain the policies. A hearings report will be produced based on the submissions received and a hearing convened. The Council may change the policy proposals as a result of the submissions received. This option is discussed further below.

##### Class 4 venue policy

- 4.4 Section 101 of the Gambling Act 2003 sets out matters a policy must include and matters the territorial authority may have regard to when determining its policy. While this policy is being reviewed rather than prepared, the matters are nevertheless useful and are listed as follows:

(3) *The policy -*

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

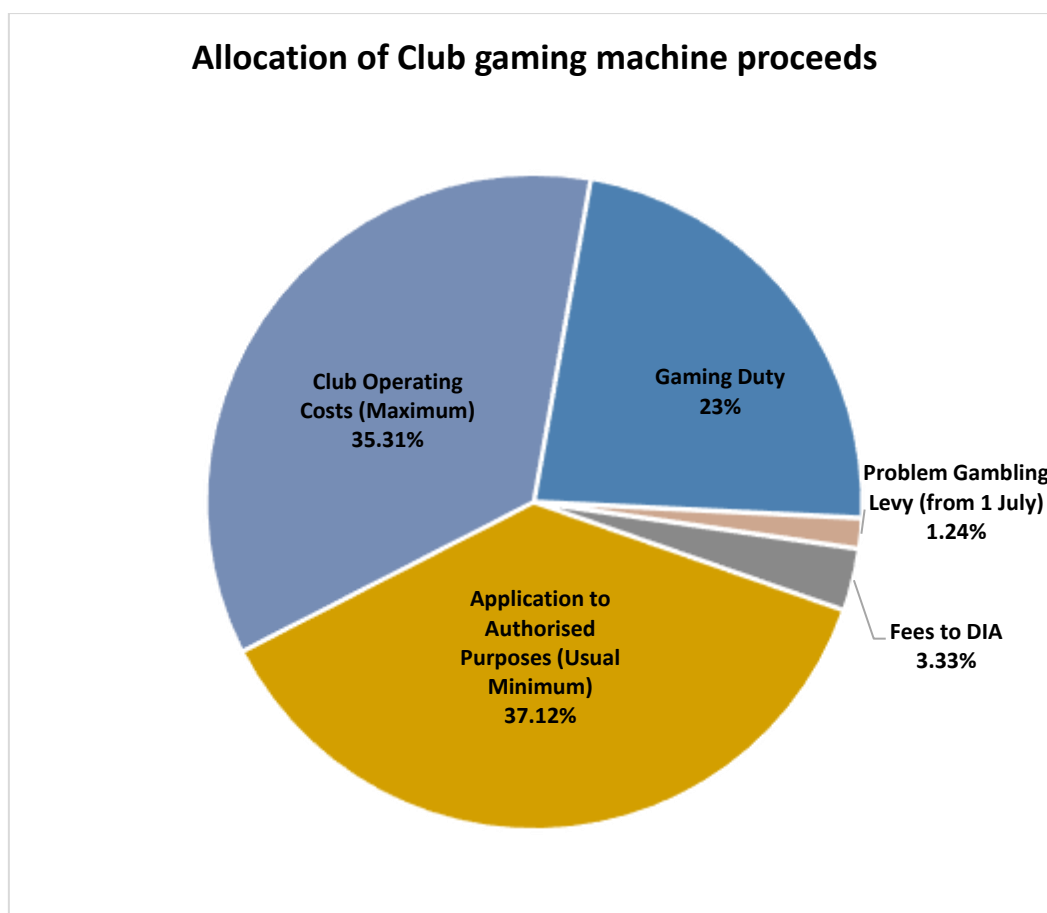
4.5 Class 4 gambling is the use of non-casino gaming machines, also known as “pokies”. There are three types of class 4 groups that own machines.

- Non-club societies operate machines in venues owned pubs and bars.
- Club societies which tend to operate gaming machines from their own venues.
- The New Zealand Racing Board also operates gaming machines in venues it owns or leases.

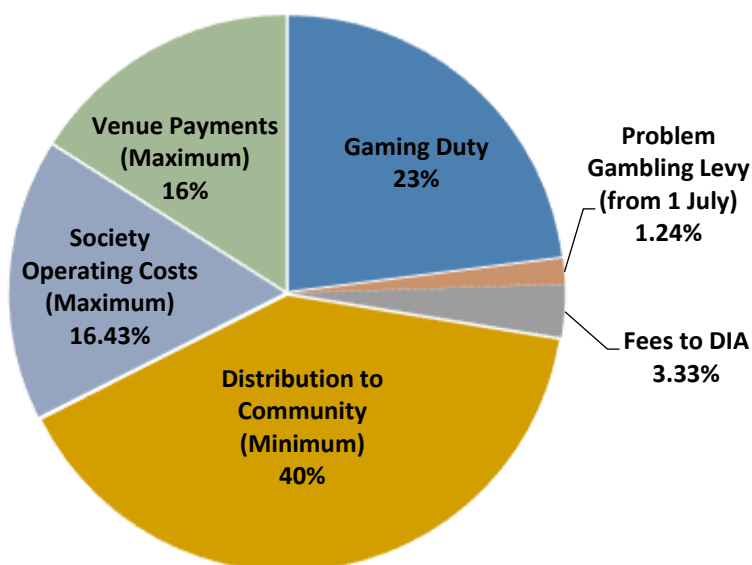
All operators require licences from the Department of Internal Affairs. Non-club societies own almost 80 per cent of the gaming machines operating in licensed venues. These societies also generate most of the gaming machine profits and grants returned to the community.

4.6 All non-club societies must apply or distribute a minimum of 40% of 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.

4.7 Below is the funding allocation differences for clubs and societies as required under the Gambling Act.



## Allocation of Non-club societies gaming machine proceeds



### Class 4 venue policy

- 4.8 When establishing or changing their policies, Councils must go through the special 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.
- 4.9 A class 4 venue policy may specify a restriction on the maximum number of gaming machines per venue and may also include a relocation policy. Depending on the policy, class 4 societies require consent from the governing territorial authority for the following reasons:
- To increase 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, is applying to change the venue to which a class 4 venue licence currently applies.

### Sinking lid vs cap

- 4.10 As stated previously, the last review was undertaken in 2020 and resulted in a change to a *sinking lid* policy.
- 4.11 As of Dec 2023, there are 255 machines operating within the district. The policy includes the ability to relocate the venue licence to a new premises due to unforeseen events such as nature disasters (earthquake or fire).
- 4.12 Under a *cap* policy, new venues can apply to host machines if there are machines available (maximum of 9 for new venues under the gambling act) where Council consent is required. With any application, the applicant is required to demonstrate how they meet the performance standards of the venue policy.

- 4.13 The benefit of the *cap* option is that community funding will be maintained while controlling the harm created through gambling. Retaining a relocation policy would be beneficial to enable the re-establishment of venues.
- 4.14 The *sinking lid* benefits the community by reducing machine available in society which has a flow on effect and enables venue staff to monitor patrons due to less machines.

#### **TAB venue policy**

- 4.15 In adopting a TAB venue policy as required under the Racing Industry Act 2020 a territorial authority must include the following;

*have regard to the social impact of gambling within the territorial authority district. It must specify if new venues can be established and may consider characteristics of the district, the location of venues such as schools and churches and the cumulative effects of additional opportunities for gambling in the district.*

- 4.16 The council's current TAB Venue policy provides for a cap of one such venue.

#### **Review**

- 4.17 The Class 4 Venue policy was amended in 2020 and at that time was the subject of reporting and submissions from the public and stakeholders. Council's decision was to adopt a sinking lid approach in the policy.
- 4.18 The sinking lid policy has now been in play for 3 years. As a result of the policy, numbers of machines have reduced from 273 to 255.
- 4.19 As the revised approach has only been in play a short time, officers do not consider there is any reason to revert to a cap approach at this stage. An analysis of the costs and benefits of the options are set out below, however the reasons for council adopting the sinking lid approach in 2020 remain equally applicable in 2024. There is no new information available to Council which suggests the new approach is having any unintended consequences such that a change should be considered.
- 4.20 It is also proposed to retain Council's current *cap of one* for TAB Venues.
- 4.21 The outcome of the review process has been presented to Heretaunga Takoto Noa Māori Standing Committee for feedback. One comment was received from committee member Tom Keefe via zoom call. Mr Keefe supports any policy that aimed at reducing pokie numbers. Other than Mr Keefe's comment, there were no further issues or concerns raised. The standing committee will be informed on the policies' progress.
- 4.22 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.
- 4.23 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.
- 4.24 The demographics of Hastings has to also be considered in this review. Māori are disproportionately represented in harm statistics and Hastings has a slightly higher than average Māori population.
- 4.25 Both a *cap* and a *sinking lid* policy have their benefits, costs and 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.



- 4.26 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. Online gambling is outside of the scope or control of Council and its policy review.
- 4.27 Retaining the *sinking lid* policy 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 4 venues provides for regulated and legitimate gambling while discourages a movement to online gambling which is unregulated.
  - Retaining the proposed relocation policy enables venues to move if required while still maintaining a safe distance from sensitive sites.
- 4.28 The current Class 4 policy includes a relocation policy. Section 101(5) of the Gambling Act 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.
- 4.29 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. This is considered to be appropriate because it provides venues with flexibility if the licence hold is required to move the machines to a new venue.
- 4.30 Officers recommend retaining a *sinking lid* and relocation policy for notification. This would provide for gambling while managing the possible harm created.
- 4.31 Officers recommend retaining a cap of one TAB venue because there has been no application received since the policy was adopted.

## 5.0 Options – Ngā Kōwhiringa

### Class 4 Venue Policy

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

- 5.1 **Option One:** New *cap* level of 255. This means that gaming machines in the Hastings District will be maintained at the current level while retaining the relocation policy.
- 5.2 **Option Two:** *Sinking lid*; no new machines or venues will be permitted in the Hastings District. As machine are not utilised the number available drops. This option would retain the relocation policy.

Option 1: New Cap level of 255.	
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.	
Provides opportunity to gambling in a controlled environment in comparison to online gambling which is unregulated.	
<b>Retain Relocation Policy</b>	
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.
<b>Option 2: Recommended option Sinking Lid</b>	
<b>Advantages</b>	<b>Disadvantages</b>
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.	May lead to a move to 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.	
<b>Relocation policy</b>	
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 C for TAB Venue Policy – Ngā Kōwhiringa

<b>Option 1: Recommended Option Retain the current cap of one for TAB venues.</b>	
<b>Advantages</b>	<b>Disadvantages</b>
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.
<b>Option 2: Open policy for TAB venues</b>	
<b>Advantages</b>	<b>Disadvantages</b>
Enables the growth for additional TAB venues.	Increase in the number of gambling venues leads to an increase in problem gambling.

5.3 The status quo enables the continuation of the sole TAB venue at Stortford Lodge.

## 6.0 Next steps – Te Anga Whakamua

- 6.1 Once the subcommittee has had the opportunity to consider this report, the recommendations will be referred to full Council. If the Subcommittee adopts officers' recommendations, the Council will be asked to endorse the review of both policies and to resolve not to amend or replace them.
- 6.2 If the subcommittee consider that changes are recommended to either policy, or it recommends no change but considers the public should be given the opportunity to comment, the special consultative procedure will be recommended.

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

- 29<sup>th</sup> May seek approval from the District Plan and Bylaws Subcommittee to notify the statement of proposal.
- Public Notice for submissions will open – early June.
- 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 early July 2024.
- Month to prepare hearing report.
- Full council hearing date to be set for mid-August 2024.
- Decision on policies to be released two weeks after conclusion of hearing.

6.4 In addition to general community notification, the following stakeholder groups will be notified.

- Groups representing Māori (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, Tamatea Pokai Whenua 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)

## 7.0 Next steps – Te Anga Whakamua

7.1 The District Plan and Bylaws Subcommittee makes a decision on whether it agrees with officer’s recommendation (29<sup>th</sup> May 2024)

7.2 This matter will then be referred to the Council in light of the subcommittee’s recommendations.

7.3 If consultation is to occur, public notice will occur and the timeline set out above will be followed.

### Attachments:

1	<a href="#">Final Class 4 Venue Policy 1st December 2020 (PDF)</a>	STR-3-4-20-547
2	<a href="#">Final TAB Policy 1st December 2020 (PDF)</a>	STR-3-4-20-546
3	<a href="#">Havelock North Village Area</a>	STR-3-4-17-430
4	<a href="#">Hastings CBD Area</a>	STR-3-4-17-428
5	<a href="#">Stortford Lodge Area</a>	STR-3-4-17-428
6	<a href="#">Clive Suburban Commercial Area</a>	STR-3-4-17-427

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## Summary of Considerations - *He Whakarāpopoto Whakaarohanga*

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### 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.

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### 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. This include going through the notification and consultation process with the public and groups representing Maori:

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### Sustainability - *Te Toitūtanga*

There are no implications:

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### Financial considerations - *Ngā Whakaarohanga Ahumoni*

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

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### 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.

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

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

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### Risks

Opportunity: To protect the community from gambling harm <Enter text> :

REWARD – <i>Te Utu</i>	RISK – <i>Te Tūraru</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.

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

There is no implication to the rural community:

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Wednesday, 29 May 2024

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*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

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*Nā:*  
From: **Rowan Wallis, Environmental Policy Manager**

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*Te Take:*  
Subject: **Review of Environmental Policy Workstream**

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## **1.0 Purpose and summary - *Te Kaupapa Me Te Whakarāpopototanga***

- 1.1 The District Plan and Bylaws Subcommittee provides guidance to the Environmental Policy team in helping them to establish their workstream priorities with these recommendations then being reported to Council for adoption.
- 1.2 The workstream was reviewed a year ago and with the completion of some pieces of work, RMA replacement Act legislation due mid-2024, and the impacts of Cyclone Gabrielle it is appropriate to undertake a further review. The influences on the workstream include;
  - National Policy Statement – Urban Development 2020
  - National Policy Statement – Highly Productive Land 2022
  - National Policy Statement – Indigenous Biodiversity 2023
  - Resource Management Act reforms Tranche 2 to select committee May 2024
- 1.3 Council's focus to date has been on responding to the high levels of housing demand and this was very evident in our previous workstream priorities with Tamatea Pokai Whenua's Stock Road site being the number one priority. The Wairatahi development has gained approval through the Covid Fast Track process but this is as a resource consent application so the underlying zoning remains as Plains Production. It is recommended that a Plan Change be instigated to ensure the administration of any future consents does not become problematic for Council's consents planners to administer.
- 1.4 Although Plan Change 5 (Medium Density Plan Change) is nearing the decision stage there could still be a considerable amount of work should appeals on the decisions be referred to the Environment Court.

- 1.5 Post Cyclone the District Plan and Bylaws Sub-committee met on an informal basis and the workstream priorities were discussed. The sub-committee had been pleased with the positive outcomes achieved with Plan Change 4 Te Mata Building Prohibition Area and requested that the remaining outstanding and cultural landscapes be reviewed in the same manner and that this be put forward as a priority in the district plan review workstream. Guidance was also sought from the Heretaunga Tako te Noa Committee and they advised that it would be sensible to look at the Outstanding Landscapes of Kohinurākau and Kahuranaki as a first stage in the process.
- 1.6 Closely linked with the Outstanding Landscapes review is the review of the wāhi taonga section of the plan. Post Cyclone hapu have identified a large number of sites that were impacted and they want to nominate these sites for registration to get protection of them as quickly as possible. There is a sense of urgency for this work among a number of hapu.
- 1.7 The Commercial Strategy is also put forward as a priority. This document has reached the end of its 20 year timeframe and is due for review. The commercial environment is a very different one to that of 2003, when it was adopted.
- 1.8 The attached table outlines the projects that are currently being worked on and those that are necessary to meet legislative requirements. The suggested priority listing is based upon statutory requirements and those that the policy team have assessed as having the highest priority to achieve the outcomes sought by Council.

## 2.0 Recommendations - *Ngā Tūtohunga*

- A) That the District Planning and Bylaws Subcommittee receive the report titled Review of Environmental Policy Workstream dated 29 May 2024.
- B) That the Subcommittee ratify the Workstream Priorities for the Environmental Policy team and recommend that it be adopted by Council as its environmental and district plan priorities.

### Attachments:

[1](#)  Policy Workstream Priorities

ENV-9-1-24-665







