



## Statement of Proposal:

# Review of the 2010 Gambling Venues Policy and Proposed New Policy

### Introduction and reasons for the proposal

1. Under the Gambling Act 2003 and the Racing Act 2003, territorial authorities must have a class 4 (non-casino gaming machines) venues policy and Racing Board (TAB) venues policy, respectively. The policies must be reviewed every three years using the special consultative procedure.
2. The Council's existing policy (covering both types of venues) was adopted in June 2010 and is overdue for review. Amendments to the Gambling Act 2003 made in 2013 mean that the Council must also consider whether to include a "relocation policy" for class 4 gambling venues as part of this review.
3. The Council has developed a proposed 2015 Gambling Venues Policy, which is a revision of its 2010 Policy. A number of changes are proposed, which are summarised on page 2, and discussed in more detail in the Consultation Document. The Consultation Document should be read in conjunction with this Statement of Proposal. It includes a draft of the proposed 2015 Gambling Venues Policy and discussion on rationale for the options proposed.
4. The Council now seeks feedback from stakeholders, Māori and residents about its proposed 2015 Gambling Venues Policy.

## Summary of information

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5. The majority of people who gamble on non-casino gaming machines (sometimes called pokies) or at the TAB do so without significant harm.
6. The proportion of people who are problem gamblers or moderate risk gamblers appears to be falling. The amount of gambling on non-casino gaming machines (NCGMs) has been falling, as have the number of machines and the number of venues.
7. It is estimated that only three people in every thousand are problem gamblers. For these people, the Council's gambling venues policy will have little impact on reducing harm, since access to alternative forms of gambling - such as online gambling at overseas "casino" sites - are readily available.
8. There are, however, some relationships between the proximity of gambling machines to residential areas that increase the likelihood of gambling, including problem gambling.
9. The proposed 2015 Policy therefore aims to facilitate people's reasonable access to class 4 and TAB gambling, while taking a prudent and precautionary approach to minimising harm where a venues policy has a reasonable prospect of being effective. Wholesale changes to the existing policy are not proposed.
10. The key elements of the proposed 2015 policy are as follows.
  - Continue to place maximum limits on the number of machines in most geographic areas. As with the existing policy, no limit would apply in the central city area.
  - Lower the maximum limits that were established in the 2010 Policy so that no more than two further venues can be established in any zone. In practice this means the new limits would be the lesser of:
    - the existing number of NCGMs in an area plus 18; or
    - the current cap.
  - Allow venues to relocate and take their existing entitlement of machines with them, but only provided:
    - they relocate to or within the central zone; or
    - they relocate to or within an area identified as a "centre" in the Wellington District Plan; and
    - the NCGMs at the new venue would not mean that any zone would be above its limit of machines.
  - Remove the requirement that only premises with an alcohol on-licence can be NCGM venues, but only where any NCGM venues without an on-licence are located in "centres" identified in the Wellington District Plan.
  - Retain the existing policy on Racing Board venues, meaning they may be established anywhere in the Wellington District, subject to the provisions of the Wellington City District Plan.

## Have your say

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### **We need your feedback by 5pm on Friday 22 May 2015.**

11. The Council is keen to know what people think about the proposed 2015 Gambling Venues Policy.
12. Please make a submission online at [wellington.govt.nz](http://wellington.govt.nz) or complete the attached submission form and send it to Gambling Venues Policy Review, Freepost, Wellington City Council, PO Box 2199, Wellington.
13. You can get more copies online at [wellington.govt.nz](http://wellington.govt.nz), the City Service Centre, libraries, by emailing [policy.submission@wcc.govt.nz](mailto:policy.submission@wcc.govt.nz) or phoning (04) 499 4444.
14. If you wish to make an oral submission to Councillors, please indicate this on the submission form and make sure you have included your contact details. We will contact you to arrange a time for you to speak. Submissions will be heard by the Community, Sport and Recreation Committee in June 2014.

**Written submissions open on 20 April 2014  
and close at 5pm on Friday 22 May 2015.**

## Consultation Document:

# Review of the 2010 Gambling Venues Policy

March 2015

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### Purpose

This document outlines Wellington City Council's (WCC) proposed Gambling Venues Policy 2015, following a review of its June 2010 Policy.

The document also discusses trends in gambling and outlines the rationale for the policy as proposed.

### Summary

Under the Gambling Act 2003 and the Racing Act 2003, territorial authorities must have a class 4 (non-casino gaming machines) venues policy and Racing Board (TAB) venues policy, respectively. The policies must be reviewed every three years using the special consultative procedure.

The overwhelming majority (~98 percent) of people who gamble on "pokie" machines or at the TAB do so without significant harm.

The amount of gambling on non-casino gaming machines (NCGMs) has been falling, as have the number of machines and the number of venues. The proportion of people who are problem gamblers or moderate risk gamblers also appears to be falling.

It is estimated that only three people in every thousand are problem gamblers. For these people, the Council's gambling venues policy will make little impact on reducing harm, since access to alternative forms of gambling - such as online gambling at overseas "casino" sites - are readily available.

There are, however, some relationships between the proximity of gambling machines to residential areas that increase the likelihood of gambling, including problem gambling. The Council notes these relationships, and will put in place prudent limits and restrictions within the policy in recognition of them.

The proposed Gambling Venues Policy 2015 therefore aims to facilitate people's reasonable access to class 4 and TAB gambling, while taking a prudent and precautionary approach to minimising harm where a venues policy has a reasonable prospect of being effective. Wholesale changes to the existing policy are not proposed.

The key elements of the proposed 2015 policy as follows:

- Continue to place maximum limits on the number of machines in most geographic areas. As with the existing policy, no limit would apply in the central city area.
- Lower the maximum limits that were established in the Gambling Venues Policy 2010 so that no more than two further venues can be established in any zone. In practice this means the new limits would be the lesser of:
  - the existing number of NCGMs in an area plus 18; or
  - the current cap.
- Allow venues to relocate and take their existing entitlement of machines with them, but only provided:
  - they relocate to or within the central zone; or
  - they relocate to or within an area identified as a “centre” in the Wellington District Plan; and
  - the NCGMs at the new venue would not mean that any zone would be above its limit of machines.
- Remove the requirement that only premises with an alcohol on-licence can be NCGM venues, but only where any NCGM venues without an on-licence are located in “centres” identified in the Wellington District Plan.
- Retain the existing policy on Racing Board venues is that they may be established anywhere in the Wellington District, subject to the provisions of the Wellington City District Plan.

The proposed policy also contains additional references to the Racing Act 2003, to be more explicit about the requirements under that Act.

## Structure

This document is in two sections. Section 1 outlines the trends in gambling and discusses the Council’s proposals for updating the policy. Section 2 provides the draft Gambling Venues Policy 2015.

The Gambling Venues Policy 2015 incorporates both the class 4 gambling venues policy and the Racing Board venues policy, as required by the Gambling Act 2003 and the Racing Act 2003 respectively.

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<sup>2</sup> Refer to the Wellington Town Belt Act - Section 5 ‘Interpretation’, at [www.legislation.govt.nz](http://www.legislation.govt.nz)

# Section 1: Trends in gambling and description of policy proposals

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## Background

The Gambling Act 2003 came into effect on 18 September 2003 and requires territorial local authorities to have in place a Gambling Venues Policy that:

- specifies whether or not class 4 venues (hereafter referred to as non-casino game machine venues or NCGM venues) may be established in its 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 NCGM venue (the Gambling Act 2003 establishes a maximum limit of nine machines for venues established after October 2001 and 18 machines for venues established prior).
- may include a relocation policy<sup>1</sup>.

In adopting the policy, the Council must have regard to the social impacts of gambling in its district.

The Wellington City Council adopted a policy in March 2007, which was subsequently reviewed in 2010 as required by the Gambling Act 2003.

The 2010 policy was due for review in 2013 (though this was delayed since amendments to the Gambling Act 2003 were being made in 2013). Though the 2010 policy is now overdue for review, it still continues to have effect.

One of the new requirements introduced in the 2013 amendments was that territorial authorities must consider whether or not to include a relocation policy in its gambling venues policy. When considering whether to include a relocation policy, the territorial authority must consider the social impact of gambling in high-deprivation communities in its district.

The objectives of the Gambling Act 2003 are an important consideration when councils develop their policies, since a council's policy should not be inconsistent with the purpose of the legislation that gives effect to that policy.

The purposes of the Gambling Act 2003 (see Section 3 of the Act) that are most relevant to a Gambling Venues Policy are to:

- control the growth of gambling
- prevent and minimise the harm caused by gambling, including problem gambling
- facilitate responsible gambling
- ensure that money from gambling benefits the community
- facilitate community involvement in decisions about the provision of gambling.

## Trends in gambling

The Council's proposed 2015 policy was developed after considering some key trends in gambling and problem gambling in New Zealand and in Wellington. This is because two purposes of the Act are to control the growth of gambling and prevent and minimise harm from gambling.

New Zealanders' level of gambling has been generally falling since 2006. The rate of problem gambling also appears to be falling.

In 2012 the Health Promotion Agency conducted the Health and Lifestyles Survey, which included a survey section specifically designed to allow comparison with the Health Sponsorship Council's Gaming and Betting Activities Survey 2006/07. The results of these surveys show the following.

### General

Between 2006 and 2012 the proportion of New Zealanders gambling at least once a year fell from 82.4 percent to 70.3 percent<sup>2</sup>.

The fall in participation rates was across all ethnic groups (Māori dropped from 87 percent to 72.1 percent) and all age groups<sup>2</sup>.

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<sup>1</sup> Under section 101 of the Gambling Act 2003, a relocation policy is 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) or to which a class 4 venue licence applies.

The proportion of people playing NCGMs in the last 12 months “decreased significantly” from 18 percent in 2006 to 13.6 percent in 2012<sup>2</sup>.

There is a strong correlation between frequent, continuous gambling (such as on gaming machines) and moderate risk gambling or problem gambling. Overall the proportion of people engaged in frequent, continuous gambling fell from 4.1 percent to 3.1 percent<sup>2</sup>.

The proportion of people frequently playing NCGMs also fell significantly. People playing at least once a week fell from 2 percent in 2006 to 1.2 percent in 2012. People playing at least once a month fell from 4.7 percent to 3.4 percent<sup>2</sup>.

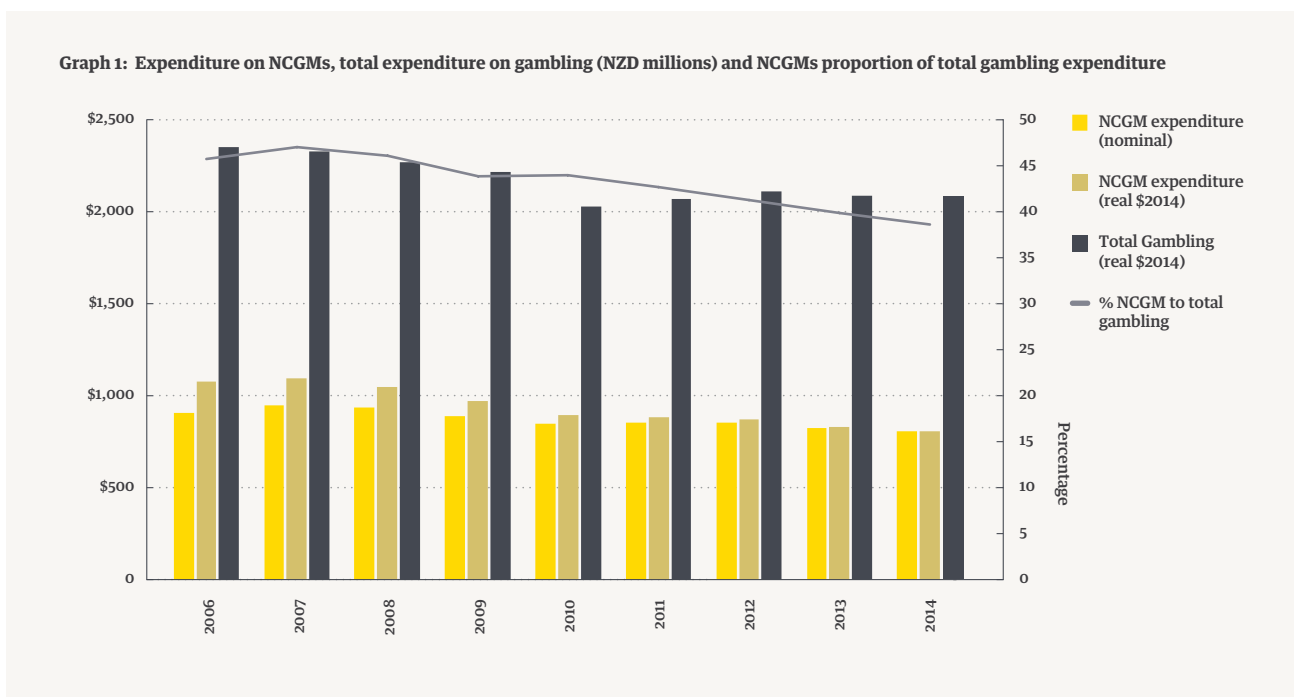
The proportion of people participating in frequent, continuous gambling varied with ethnicity. Māori (4.1 percent) and Pacific (4.5 percent) had the highest rate compared to European/Other (3.1 percent) and Asian (0.2 percent)<sup>2</sup>.

Overall, the proportion of the population that is moderate risk or problem gamblers is very small and appears to be falling.

In 2012, 0.3 percent of the population is estimated to be problem gamblers. Moderate risk gamblers make up 1 percent of the population. These rates have also fallen from 2006 when they were 0.4 percent and 1.3 percent respectively<sup>3</sup>. Compare this to alcohol use, where one in five adult New Zealanders have hazardous drinking patterns<sup>4</sup>.

### Non-Casino Gaming Machines (NCGM)

The use of NCGMs has been steadily falling in New Zealand, both in terms of total expenditure on NCGMs and as a proportion of total gambling expenditure (see graph 1).



<sup>2</sup> New Zealanders’ Participation in Gambling - Results from the 2012 Health and Lifestyles Survey, Health Promotion Agency, December 2013

<sup>3</sup> Problem Gambling in New Zealand - Preliminary findings from the NZ Health Survey (July 2011 to March 2012), Ministry of Health, August 2012

<sup>4</sup> Ministry of Health, Findings from the 2011/12 Health Survey

The total number of gaming machines has also been steadily falling. In 2007, there were 20,120 machines, while in 2014 there were 17,130. The number of licenced venues has followed the same trend falling from 351 to 329 in the last year<sup>5</sup>.

Gaming machine societies own the NCGMs. Under the Gambling Act 2003, these societies must be approved by the Department of Internal Affairs (DIA), and they must be not-for-profit. The Lion Foundation, NZ Community Trust and Pub Charity are the three largest of these societies.

The societies arrange with venue owners for NCGMs to be located at a particular venue. Venue owners can be reimbursed for their actual and reasonable expenses to host the NCGMs - but they cannot make profit from them.

About a quarter of all the money lost (by gamblers) on NCGMs goes to the government in the form of duties, levies and fees.

The rest of the money can be used to meet actual and reasonable costs of societies and venue owners and be distributed to the community. By law, at least 40 percent (soon expected to rise to 42 percent) of the money must be distributed to the community.

In 2013, \$246 million was distributed to communities. In the previous year \$261 million was distributed. The amount of money going to communities has been falling in line with reduced gambling on NCGMs. For example, in 2007 around \$305 million was distributed.

The money goes to a wide variety of authorised purposes. Sport receives 44 percent of the money distributed to the community. Other organisations

to receive significant grants include St Johns New Zealand, Life Education Trust, and the Bone Marrow Cancer Trust.

Gaming machines are undoubtedly a higher-risk form of gambling. Of those people participating at least monthly on NCGMs, 16 percent are at moderate risk or are problem gamblers. Compared this to sports betting (TAB) where the equivalent rate is 10.8 percent<sup>2</sup>.

In the 2011/12 year more than 50 percent of gamblers who accessed problem gambling services said NCGMs were their primary gambling mode.

However, the market appears to be changing. On-line gambling (at overseas sites) offers virtual gaming machines. In 2012, 1.4 percent of the population used on-line gambling through an overseas website (which includes on-line casinos).

These sites offer strong inducements for gamblers to start gambling with them and often have very poor ethics. Many consider this type of gambling to be the highest risk for problem gamblers.

### **Wellington City specific information**

In December 2011, Wellington's density of NCGMs was 35.7 per 10,000 population, below the national average of 41.2 machines per 100,000. Auckland (28.4) and Hamilton (31.7) were below Wellington, but both these centres have casinos providing additional gaming machines. Christchurch had 39.4 NCGMs (more than Wellington despite also having a casino). Napier had 64 NCGMs per 10,000 population and South Wairarapa had 81.7<sup>6</sup>.

The total number of class 4 (NCGM) gaming venues operating in the Wellington City district has decreased since 2010 - from 48 to 44 in 2014. The total number of machines operating has also fallen from 723 to 681 over the same period.

<sup>5</sup> Guide: Pokies in New Zealand, Department of Internal Affairs, February 2015



	Total number of venues		Total number of EGMs	
	Dec 2010	Dec 2014	Dec 2010	Dec 2014
Wellington Central	18	18	296	287
Newtown	3	3	54	54
Lambton/ Seatoun/ Thorndon	3	3	25	25
Kilbirnie	4	3	57	54
Johnsonville/Tawa South	7	6	107	95
Island Bay	3	3	25	25
Crofton Downs/ Hataitai/ Miramar/Newlands	4	3	61	52
Brooklyn / Karori / Strathmore / Te Aro	6	5	98	89
<b>Totals</b>	<b>48</b>	<b>44</b>	<b>723</b>	<b>681</b>

Source: Department of Internal Affairs (DIA)

The Department of Internal Affairs publishes Gaming Machine Proceeds figures quarterly. For Wellington City district the total proceeds for three quarters to December 2014 were \$27.6 million. This is 1.4 percent less than the same three quarters in 2010. When the 2010 figure is adjusted for inflation, the real value of proceeds has fallen by 6.3 percent over the period.

In 2014, \$23 million of grants from gaming machine proceeds were paid to Wellington community groups. 57 percent of this went to Wellington sports organisations.

Table 3 below shows the number of venues and machines in Wellington as at February 2015 and how this compares to the caps established in the 2010 policy.

By far the majority of Wellington’s NCGMs are in the Central zone. The Southern, Eastern and Northern zones are close to their maximum limits. Onslow, Western and Lambton zones are well below their limits.

There does not appear to significant demand to add venues in Wellington.

<sup>6</sup> Informing the 2012 Gambling Harm Needs Assessment, Allen-Clarke, 31 July 2012, report for the Ministry of Health

### Areas of higher deprivation in Wellington City

Wellington City has no areas that reach the highest level of deprivation on the New Zealand deprivation index. The areas with the highest deprivation indices are shown in the table below. 1000 on the index is the mean score across New Zealand.

**Table 1: Deprivation indices for Wellington Suburbs - most deprived**

Suburb <sup>7</sup>	Deprivation index
Kilbirnie	1044.0
Mt Cook	1039.0
Strathmore Park	1028.0
Te Aro	1024.0
Newtown	1024.0
Berhampore	1024.0

The deprivation index incorporates criteria such as whether a home is owned by the occupier, equalised income and access to a car. It is possible that areas like Mount Cook, with its high proportion of young people and students, or Kilbirnie with a high proportion of retirees, show up as something of an anomaly in the index calculations.

However, even taken at face value, Wellington's most deprived areas are still relatively well-off compared to the deprived areas of other cities. For example in Otara West the deprivation index is 1270, in Mangere it is 1335 and in Cannons Creek North it is 1238.

For comparison, Wellington's least deprived areas are provided in table 2.

**Table 2: Deprivation indices for Wellington Suburbs - least deprived**

Suburb	Deprivation index
Wadestown	895.0
Ngaio	893.0
Crofton Downs	893.0
Kaiwharawhara - Khandallah	889.0
Seatoun - Karaka Bays - Breaker Bay	888.0

Given the relatively low levels of deprivation in Wellington, this is not considered a significant issue in terms of designing the policy, including the relocation policy.

Nonetheless, measures to discourage an increase of venues into suburban residential areas are proposed. These measures are expected to reduce the risk of problem gambling in Wellington's more deprived areas.

### Proximity and concentration of venues and NCGMs and the incidence of gambling

The relationship between gambling and problem gambling and the location and concentration of NCGM venues and NCGMs is not clear cut.

A study published by the Ministry of Health found that living in a neighbourhood closer to a NCGM venue was significantly associated with:

- having gambled on an NCGM in the last year, and
- being a problem gambler who had gambled on an NCGM in the last year.

But, the study also found that there was no significant association between the number of venues within 800 metres of the neighbourhood centre and the odds of having gambled on a NCGM in the last 12 months.

Similarly, there were no consistently significant associations between problem gambling and the number of NCGMs within 800 metres of the neighbourhood centre.

And, there were no consistently significant associations between problem gambling and the number of gambling venues or NCGMs with 5 kilometres of the neighbourhood centre.

The study's findings suggest that having a venue closer to residences increases people's (including problem gamblers') use of NCGMs, but once a venue is in an area the number of venues and/or machines has little effect on people's behaviour.

The evidence does not therefore provide clear support for “sinking lid” type policies. Nonetheless, maintaining some restrictions on the number of machines allowable in an area would still be prudent, since it should limit the ability of new venues to expand into new suburban areas.

### Discussion and policy proposals

Based on the information above, the Council considers that there is no demonstrable need to reduce the number or locations of NCGMs in order to control the growth of gambling. Gambling revenue is falling in real terms across New Zealand and the evidence suggests Wellington is following the same general trend.

Similarly, levels of harm from NCGMs appear to be falling (as evidenced by reduced NCGM use and reductions in the rate of problem gamblers and of continuous gambling). Moreover, the evidence shows no significant link between the number of NCGMs in an area or the number of venues in an area and the incidence of problem gamblers using NCGMs.

There is a link between the proximity of residential areas to the nearest NCGM venue and the likelihood of people (including problem gamblers) gambling on an NCGM. However, as noted above the evidence suggests that the number of venues in an area or the number of machines at those venues has little or no impact on the likelihood of people gambling on NCGMs.

Based on the information and discussion above the following is proposed for the 2015 policy:

- **Continue to place maximum limits on the number of machines** in most geographic areas. This should prevent significant expansion of gaming venues in suburban areas (since most areas are already at or close to the cap on machines set in the 2010 policy).

This, in turn should prevent significant numbers of new venues opening closer to residential areas with an associated risk of increased gambling related harm.

- **Lower the maximum limits on gaming machines** in some places. The limits established in the 2010 policy would be reduced in some zones so that no more than two further venues can be established in any zone. In practice this means the new caps will be the lesser of:
  - the existing number of NCGMs in an area plus 18; or
  - the current cap.

While there is little demand for additional venues at this time, this proposal would “future-proof” the policy in terms of any significant upswing in demand. It would control the growth of gambling and minimise harm from gambling by limiting the opportunity for new venues opening within residential areas that do not currently have venues. This recognises the evidence that proximity of residential areas and the nearest NCGM venue is associated with a risk of increased problem gambling.

An alternative option is to leave the existing maximum limits in place. This would allow for significant expansion of venues in the Onslow, Western and Lambton Zones at some future point. Such expansion may be associated with future increases in gambling-related harm - though given current trends in use of NCGMs this risk appears low.

Table 3 shows the effect of the above proposal and how this compares to the exiting policy and the number of NCGMs in Wellington.

**Table 3: Maximum NCGMs under the proposed Gambling Venues Policy 2015 compared with the existing policy**

Zone	Maximum number of machines (proposed for 2015 policy)	Maximum number of machines (existing 2010 policy)	Current number of NCGMs licenced
Southern	100	100	97
Northern	136	136	126
Eastern	114	114	113
Onslow	18	53	0
Western	53	67	35

In addition, to make it easier for stakeholders to understand the boundaries for each zone, a map will be appended to the 2015 policy with the boundaries clearly shown.

- **Allow venues to relocate** and take their existing entitlement of machines with them, but only provided:
  - they relocate to or within the central zone; or
  - they relocate to or within an area identified as a “centre” in the Wellington District Plan; and
  - the NCGMs at the new venue would not mean that any zone would be above its cap.

This proposal recognises the evidence that the number of machines at a gambling venue does not increase the likelihood of problem gambling and therefore there is little or no harm reduction benefit from not allowing venues to retain their existing machine entitlement. However, restricting the relocation policy to within the central zone or within centres should discourage relocating venues to residential areas that do not currently have venues (noting that proximity of residential areas and the nearest NCGM venue is associated with a risk of increased problem gambling).

In terms of its effect on areas with higher deprivation, this proposed policy is not expect to materially increase the risks of problem or harmful gambling in these areas. This is because it discourages relocation into residential suburban areas (as the operator would lose their right to additional NCGMs).

## Other matters

### Linking NCGM venues with selling alcohol

The 2010 policy specifies that only venues with an alcohol on-licence may be NCGM venues. This was included principally as it was considered an additional way to restrict 18 year-olds from being exposed to gambling venues. The Gambling Act 2003 does not require NCGM venues to sell alcohol.

Under the Gambling Act 2003, it is an offence for anyone under 18 years old to participate in class 4 gambling. When granting a venue licence the Department of Internal Affairs must be satisfied that the possibility of persons under 18 years old gaining access to class 4 gambling at the class 4 venue is minimal.

There is considerable evidence that even a small amount of alcohol reduces gambling control and increases the likelihood of risky gambling behaviour. For example Baron and Dickerson found “a consistent theme of alcohol use contributing significantly to impaired control of gambling behaviour”.

Given the link between alcohol consumption and risky gambling, the Council’s current policy sends an inconsistent message in terms of minimising harm from gambling.

Recognising this inconsistency and the controls over underage gambling already provided by the Gambling Act 2003, it is proposed to remove the requirement to require a liquor licence as a pre-requisite to becoming an NCGM venue.

The Gambling Act 2003 explicitly provides for Board venues (ie stand-alone TABs) to also be class 4 (NCGM) venues. At present two TABs in Wellington are also NCGM venues, but because Board venues are generally not licenced they cannot become NCGM venues in Wellington.

Removing the requirement for NCGM venues to hold an on-licence would allow all Board venues to operate gaming machines (provided the venue is not in a zone that is above its maximum cap). This is consistent with the legislation.

The Gambling Act 2003 includes criteria the DIA must apply when deciding whether to grant an NCGM venue licence. As well as permission from the relevant territorial authority, DIA must be satisfied that:

- the person managing the venue is suitable and can adequately supervise the venue
- the class 4 venue is not used mainly for operating gaming machines
- the risk of problem gambling at the class 4 venue is minimised
- the proposed venue is suitable in all other respects to be a class 4 venue.

In light of the controls already in place, it is not considered necessary for the Council to place additional restrictions on the type of premises that can be granted an NCGM licence. However, as noted above, the evidence suggests that locating venues closer to residential areas is associated with increased gambling, including problem gambling. It is therefore, proposed to restrict any **NCGM venues without an on-licence to “centres” identified in the District Plan.**

An alternative option would be to only allow for on-licenced premises and Board venues only to hold class 4 venue licences. As noted above, this more limited approach should not be necessary given the controls already provided for under the Gambling Act 2003.

### New Zealand Racing Board Venues

Section 65D of the Racing Act 2003 requires territorial authorities to adopt a Board Venue Policy.

The Racing Act specifies that a “Board venue” 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. Historically, these venues were referred to as Totalisator Agency Board (TAB) venues.

The policy must specify whether or not new Board venues may be established in the territorial authority district and, if so, where they may be located.

Total gambling through the TAB has increased about 11 percent since 2006, though once adjusted for inflation the real value of this gambling has actually fallen by 5 percent as table 4 shows.

	millions (nominal)	millions (real in 2012 dollars)
2006	\$258	\$300
2007	\$269	\$303
2008	\$272	\$297
2009	\$269	\$288
2010	\$278	\$286
2011	\$273	\$276
2012	\$286	\$286

The existing policy is that TAB venues may be established anywhere in the Wellington District, subject to the provisions of the Wellington City District Plan and meeting application and fee requirements. The Council does not propose any changes to this policy.

<sup>8</sup> Note that virtually all current ventures outside the central zone are already in areas identified as “centres” in the Wellington District Plan.

<sup>9</sup> Alcohol Consumption and Self-Control of Gambling Behaviour, Baron and Dickerson, Journal of Gambling Studies Vol. 15(1) Spring 1999.

## Section 2: Proposed Gambling Venues Policy 2015

March 2015

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### 1. Introduction

The Gambling Act 2003 (the Act) came into effect on 18 September 2003 and requires territorial local authorities to have in place a policy that:

- specifies whether or not class 4 venues (non-casino gaming machine venues, NCGMs) may be established in its 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 class 4 venue (the Gambling Act 2003 establishes maximum limits of either 18 machines or 9 machines on gaming machines venues, depending on whether the venue was established before or after October 2001).

The Racing Act 2003 requires territorial authorities to adopt a policy on Board venues<sup>10</sup>. The Board venues policy must:

- specify whether or not New Zealand Racing Board stand-alone venues may be established in the district and, if so, where they may be located.

In adopting both a class 4 venues policy and a Board venues policy, the Council must have regard to the social impacts of gambling in its district.

### 2. Objectives of the gambling venues policy

The objectives of the Gambling Act 2003 are, amongst other things, 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 objectives of Wellington City Council's Gambling Venues Policy are to:

- manage the risk of gambling harm created by non-casino gaming machines (NCGMs) and TAB gambling to the extent that this can be reasonably done through a gambling venues policy

- ensure that, within the limits prescribed by the Gambling Act 2003 and Racing Act 2003, people who wish to participate in NCGM and Board venue (TAB) gambling can do so within the Wellington District
- provide for the relocation of class 4 venue licences in certain circumstances.

### 3. General provisions for class 4 venues

A society requires the Council's consent in respect of a class 4 (NCGM) venue:

- to increase the number of gaming machines that may be operated at such a venue
- to operate gaming machines at a venue that was not on any society's licence within the previous 6 months
- to operate gaming machines at a venue for which a licence was not held on 17 October 2001
- to relocate a venue to which a class 4 venue licence currently applies.

An applicant for Council consent under this policy must:

- meet the application conditions specified in this policy
- meet the fee requirements specified in this policy.

### 4. Where class 4 venues may be established

Class 4 (NCGM) venues may be established anywhere in the Wellington district, subject to the following restrictions. Failure to comply with any of the relevant restrictions will result in consent being refused.

For the purposes of this policy the Wellington district is divided into seven zones. The total number of gaming machines in any zone may not exceed the machine levels detailed in the table.

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<sup>10</sup> The Racing Act 2003 specifies that a "Board venue" means the 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. Historically, these venues were referred to as Totalisator Agency Board (TAB) venues.

Zone <sup>11</sup>	Maximum number of machines
Southern	100
Northern	136
Eastern	114
Onslow	18
Western	53
Lambton (excluding Central Area Zone)	24
Central Area Zone	No limits

Zone boundaries are based on the electoral wards as at September 2013.

Applicants whose licences were held on 17 October 2001 may have a maximum of either nine machines, or the number of machines lawfully operated on 23 September 2003, whichever is the higher number.

Applications seeking ministerial discretion, under section 95 of the Gambling Act 2003, to increase the number of gaming machines at a club venue, as the result of clubs merging, will receive consent, subject to the limits prescribed by the Gambling Act.

Applications seeking ministerial discretion, under section 96 of the Gambling Act, to increase the number of gaming machines at a club venue above nine will not receive local authority consent.

Applicants must obtain any necessary resource consents under the Wellington City District Plan or Resource Management Act.

### 5. Relocation class 4 venues

This relocation policy sets out when the Council will grant consent in respect of a venue that replaces an existing venture. The effect of this relocation policy is prescribed in section 97A of the Gambling Act 2003.

Any class 4 (NCGM) venue may be relocated provided:

- it relocates to or within the Central zone; or
- it relocates to or within an area identified as a “centre” in the Wellington District Plan; and
- the NCGMs in the new venue would not result in more NCGMs in a zone than is allowed under section 4 of this policy.

### 6. Where board venues may be established

The New Zealand Racing Board requires the consent of the Council if it proposes to establish a Board venue. For the avoidance of doubt, this policy only applies to applications for the establishment of stand-alone Board venues. These are venues in premises that are owned or leased by the New Zealand Racing Board, where the main business is providing racing and/or sports betting services. The policy does not cover the installation of TAB terminals in premises not owned or leased by the Board (for example hotels, bars and clubs).

TAB venues may be established anywhere in the Wellington District, subject to the provisions of the Wellington City District Plan and meeting application and fee requirements.

### 7. Applications and fees for consents

All applications for consents must be made on the approved form. All applications will incur a fee, to be known as the Gaming/Gambling Venue Consent Fee, which is prescribed by the Council pursuant to section 150 of the Local Government Act 2002.

Fees will be charged for consideration of applications, at the rate of \$90 per hour (GST inclusive). A deposit may be required.

<sup>11</sup> Central Area Zone is the central area as defined by the District Plan excluding land zoned residential.  
 Lambton Zone is that area comprising the Lambton electoral ward as at September 2003 except for the central area.  
 Southern Zone is that area made up of the Southern electoral ward as at September 2003.  
 Northern Zone is that area made up of the Northern electoral ward as at September 2003.  
 Eastern Zone is that area made up of the Eastern electoral ward as at September 2003.  
 Western Zone is that area made up of the Western electoral ward as at September 2003.  
 Onslow Zone is that area made up of the Onslow electoral ward as at September 2003.

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## 8. Decision making

The Council has 30 working days in which to determine a consent application.

That decision will be made at officer level pursuant to delegated authority and be based on the criteria detailed in this policy.

In the case of an application relating to a class 4 venue the assessment of the number of gaming machines in the Wellington district will be based on Department of Internal Affairs' official records.

## 9. Appeals

Applicants have the right to request a review of the decision by Council officers, if it is believed that an error of fact or process has been made.

## 10. Monitoring and review

The Council will complete a review of the policy within three years of its adoption, in accordance with the special consultative procedure outlined in the Local Government Act 2002. Subsequent reviews will take place on a three-yearly cycle, as required by the Gambling Act 2003 and Racing Act 2003.

## 11. Commencement of policy

The policy will take effect from the time the Council resolves to adopt it. The 2010 Gambling Venues Policy is revoked on the adoption of this policy. All applications for territorial local authority (Council) consent will be considered under the policy in place at the time the application is received.

## 12. Explanation of terms

*Class 4 venue* - The Gambling Act 2003 categorises gambling activities according to their intensity and potential for harm. Class 4 gambling (non-casino gaming machines) is the highest-risk form outside of a casino. Racing and sports betting, which are covered by the Racing Act 2003, do not fall within this classification system

*Society* - is a Corporate Society as defined under the Gambling Act 2003. It is a not-for-profit organisation that may undertake class 4 gambling

*Gaming machine* - Refers to class 4 non-casino gaming machine

*Board venue* - The Racing Act 2003 specifies that a Board venue means the 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.







# The Review of the Gambling Venues Policy 2010: submission form

Absolutely Positively  
**Wellington City Council**  
Me Heke Ki Pōneke

## Section one - details for the submission form

### Enter your name and contact details

Mr  Mrs  Ms  Miss  Dr

First name\*

Last name

<input type="text"/>	<input type="text"/>
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Street address\*

<input type="text"/>
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Phone/mobile

Email

<input type="text"/>	<input type="text"/>
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\* Mandatory fields

I am making a submission  As an individual  On behalf of an organisation  I would like to make an oral submission

Name of organisation

### We are keen to get your views on the Wellington City Council Gambling Venues Policy.

You can have your say:

- submitting online at [Wellington.govt.nz](http://Wellington.govt.nz),
- emailing a submission [policy.submission@wcc.govt.nz](mailto:policy.submission@wcc.govt.nz)

- complete this form, detach and post back to us (no postage required)
- phoning us on 04 499 4444
- requesting an opportunity to make an oral submission.

**Submissions close at 5pm, Friday 22 May 2015.**

#### Disclaimer:

All submissions (including name and contact details) are published and made available to elected members of the Council and the public. Personal information supplied will be used for the administration and reporting back to elected members of the Council and the public as part of the consultation process. All information collected will be held by Wellington City Council, 101 Wakefield Street, Wellington. Submitters have the right to access and correct personal information.

## Section two - questions

### Question 1: Do you agree with the proposed changes in the draft policy?

The proposed changes include

- Continuing to place maximum limits on the number of machines in most geographic areas. As with the existing policy, no limit would apply in the central city area.  Yes  No
- Lower the maximum limits that were established in the 2010 Policy so that no more than two further venues can be established in any zone. In practice this means the new limits would be the lesser of:
  - the existing number of NCGMs in an area plus 18; or
  - the current cap. Yes  No

- Allow venues to relocate and take their existing entitlement of machines with them, but only provided:
  - they relocate to or within the central zone; or
  - they relocate to or within an area identified as a "centre" in the Wellington District Plan; and
  - the NCGMs at the new venue would not mean that any zone would be above its limit of machines. Yes  No
- Remove the requirement that only premises with an alcohol on-licence can be NCGM venues, but only where any NCGM venues without an on-licence are located in "centres" identified in the Wellington District Plan.  Yes  No
- Retain the existing policy on Racing Board venues, meaning they may be established anywhere in the Wellington District, subject to the provisions of the Wellington City District Plan.  Yes  No

### Question 2: If you disagree with any of the proposed changes in Question 1, can you provide additional information on your position?

<input type="text"/>
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**Question 3: Do you have any other suggestions or feedback?**

Thank you for your comments. Please return this submission form by 5pm 22 May 2015.

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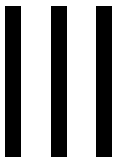
**Please return this submission form  
by 5pm 22 May 2015.**

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Free Post Authority Number 2199

**Absolutely Positively  
Wellington City Council**

Me Heke Ki Pōneke



Freepost Wellington City Council  
Proposal: Review of the 2010 Gambling Venues Policy (COP01)  
Wellington City Council  
PO Box 2199  
Wellington 6140

