
REPORT 2
(1215/52/IM)

GAMBLING VENUES POLICY CONSULTATION

1. Purpose of Report

This report presents the results of consultation on the proposed Gambling Venues Policy 2010 and summarises the submissions received. It seeks Committee agreement to refer the policy to Council for consideration and adoption.

2. Executive Summary

The Wellington City Council's Gambling Venues Policy outlines the Council's approach to class 4 gaming machines (non-casino gaming machines [NCGMs] or "pokies") and Totalisator Agency Boards (TAB's).

Under the 2007 Gambling Venues Policy, the Wellington district is split into seven different zones (Southern, Northern, Western, Eastern, Onslow, Lambton [excluding Central Area Zone] and the Central Area Zone. Although there are a number of general conditions:

- There are no limitations on the number of TABs, NCGMs or venues allowed in the Central Area Zone
- There is a "cap" on the number of NCGMs allowed in the remaining six 'capped' zones.

Although the current policy is meeting its stated objectives (in that the number of NCGMs is not growing in areas of concern) it does not address the risk of problem gambling to susceptible populations from NCGMs in these areas. Council is required under Section 101(2) of the Gambling Act 2003 '*to have regard to the social impact of gambling*' when formulating its Class 4 venue policy.

To address this issue, Council agreed to consult on a proposed amendment to the policy to change from a 'fixed' cap to a 'population-based' cap (based on a ratio of 1 machine: 300 people) in the capped suburban zones. The effect of this would be a gradual reduction of NCGMs to the new limits in the 'areas of concern' over time through natural attrition. This approach also allows NCGM numbers to increase in other parts of the city that are not considered to be 'at risk' such as the Central Area Zone or other suburban zones with NCGM numbers below the cap.

Consultation on the proposed amendment to the Gambling Venues Policy commenced on 2 March and closed on 9 April 2010. 297 submissions were received. Of these, 245 formed part of a campaign requesting a moratorium on NCGMs. Of the remainder (52):

- 24 support stronger restrictions on NCGMs (sinking lid etc)
- 25 want to continue the current policy or have less restrictions on NCGMs (no change, permit relocation of venues, higher population based ratio etc.)
- The remainder either support the policy as it stands or express no particular preference

It is proposed that the approach consulted upon be adopted. It is also proposed that a minor amendment to one of the existing policy objectives be made that more accurately reflects the intention of the policy with respect to the protection of susceptible populations in the identified areas of concern.

3. Recommendations

Officers recommend that the Committee:

1. **Receive the information.**
2. **Note that 297 submissions were received and 16 oral submissions heard on 22 April on the Statement of Proposal to amend the Gambling Venues Policy 2007.**
3. **Note that, of these, 245 formed part of a campaign requesting a moratorium on non-casino gaming machines. Of the remaining 52:**
 - 24 support stronger restrictions on Non-Casino Gaming Machines (sinking lid etc)
 - 25 want to continue the current policy or less restrictions on Non-Casino Gaming Machines (permit relocation of venues, higher population-based ratio etc.)
 - The remainder either support the policy as it stands or express no particular preference.
4. **Note that a summary of issues raised by submitters is attached as Appendix One.**
5. **Recommend to Council that it:**
 - (a) **Agree to amend objective one of the Gambling Venues Policy to better reflect the intention of the policy by amending it from:**

'Manage the growth of gaming machines in areas of concern'

to

'Manage the risk from the number of gaming machines in areas of concern'
 - (b) **Agree to adopt the Gambling Venues Policy as amended**

(c) *Agree that the Gambling Venues Policy 2010 come into effect on 1 July 2010*

6. ***Delegate*** to the Chief Executive Officer and Social Portfolio leader, the authority to make any necessary amendments to the policy required as a result of decisions of this Committee, prior to the policy going to Council for approval.

7. ***Note*** that the Gambling Venues Policy is required to be reviewed again in 2013.

4. Background

4.1 The Gambling Act 2003

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. Under the Act, territorial authorities are required to have a policy in place which:

- specifies whether or not class 4 venues (venues with non-casino gaming machines or “pokies”) 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 establishes a limit of 9 machines on gaming machines venues)
- specifies whether or not TAB stand-alone venues may be established in the district.

4.2 The Wellington City Council Gambling Venues Policy

The objectives of the current Wellington City Council Gambling Venues Policy are to:

1. Manage the growth of gaming machines in areas of concern
2. Ensure that, within the limits prescribed by the Gambling Act, people who wish to participate in gaming machine and TAB venue gambling can do so within the Wellington District
3. Ensure that gaming machines are located within venues where there is a degree of supervision and control of those using the machines, to assist in reducing the risk of problem gambling, and gambling by those under 18 years of age.

Under the policy, the Wellington City district is made up of seven gambling zones. These include six suburban zones (Southern, Northern, Western, Eastern, Onslow, and Lambton) and the Central Area Zone in the city centre. Although there are a number of general conditions (e.g. subject to the provisions of the Wellington City District Plan, meeting application and fee requirements, etc.):

- There are no limitations on the number of TABs, NCGMs or venues allowed in the Central Area Zone
- There is a fixed “cap” on the number of NCGMs allowed in the six suburban zones.

In accordance with the requirements of the Gambling Act, 2003, the Gambling Venues Policy must be reviewed on a three-yearly basis.

5. Discussion

5.1 Consultation on the Gambling Venues Policy

The review of the Gambling Venues Policy 2007, identified five ‘areas of concern’ in Johnsonville, Tawa (Northern zone), Karori (Western zone), Miramar (Eastern zone), and Newtown (Southern zone). These areas were identified as having populations with the socio-demographic profiles of a higher likelihood of engaging in problem gambling activities and also had significant clusters of NCGMs.

Although the current policy was seen to be meeting its stated objectives (in that the number of NCGMs is not growing in areas of concern) it does not address the risk to susceptible populations from NCGMs in these areas of concern, a requirement under section 101(2) of the Gambling Act 2003.

To address this issue, the Statement of Proposal recommended an amendment to the current policy by changing from a ‘fixed’ cap to a ‘population-based’ cap (based on a ratio of 1 machine: 300 people) in the capped suburban zones. The effect of this policy change would be to gradually reduce the number of NCGMs in the identified areas of concern over time. This means that when NCGM numbers in the areas of concern decline due to natural attrition, they would not be replaced above the established caps. This approach would also allow NCGM numbers to increase in other parts of the city that are not considered to be ‘at risk’ (such as the Central Area Zone, etc.) and would mean that there will be no immediate or sudden impact on community groups who are dependent on money derived from NCGM gambling to fund their activities.

The Statement of Proposal also discussed other options for the Gambling Venues Policy as follows:

1. No restrictions on NCGM venues or NCGM numbers
2. Restriction on location of NCGM venues
3. Restriction on NCGM numbers and location of NCGM venues (current policy position)
4. Restriction on total NCGM numbers in Wellington district
5. Total Restriction on NCGM venues and numbers
6. Restriction on NCGM venues

Submissions on the proposed amendment were accepted between March/April 2010. Two advertisements were placed in the ‘Our Wellington’ page of the Dominion Post which also ran an editorial on the subject. Hard copies of the Statement of Proposal and Summary of Information were mailed out to key

stakeholders, resident associations, *Mana Whenua* etc. Copies were available online on the Council website and also distributed through all community libraries and the service centre.

5.2 Feedback from consultation

In total, 297 submissions were received on the Gambling Venues Policy. Of these, 245 formed part of a campaign (from addresses throughout the Wellington region and a small number from outside the region) requesting a moratorium on NCGMs. Of the remainder (52):

- 24 support stronger restrictions on NCGMs (sinking lid etc)
- 25 want to continue the current policy or less restrictions on NCGMs (permit relocation of venues, higher population based ratio etc.)
- The remainder either support the policy as it stands or expressed no particular preference.

A total of 258 '*individual*' submissions (including the 245 submissions) were received and almost all supported the proposal or desired stronger restrictions on NCGMs (e.g. sinking lid, lower caps, etc.).

A total of 36 submissions were received from *organisations*. Of these:

- 16 supported the current proposal or stronger restrictions on NCGMs (e.g. sinking lid, lower caps, etc.)
- 3 (2 Gambling Trusts, the New Zealand Racing Board) disagreed with the proposal
- 17 community organisations dependent on money obtained from NCGMs to fund their activities, expressed concern at the impact of the proposal on their potential funding or did not support the proposal.

Following consultation, further information and clarification was obtained from several stakeholders (the New Zealand Racing Board, Pub Charity, The Lion Foundation, the New Zealand Problem Gamblers Foundation etc.) to clarify requests in some submissions for the removal of the designated liquor licence requirement for NCGM venues and a relocation policy.

5.3 Substance of feedback from Consultation

The key issues raised by submitters are outlined below: The officers response to the issues raised is outlined in Appendix One. The issues raised included:

- Implement a cap on Central Area Zone
- Implement a moratorium on gaming machines
- Implement a sinking lid
- Carry out a public referendum/advocate to central Government for a review of the pokie trust funding system
- Set a higher gaming machine number/ head of population ratio (e.g. 1/400 people)
- Set a lower cap in the Northern Zone
- Set a lower gaming machine number/ head of population ratio
- Retain the status quo (i.e. current NCGM numbers in the suburban zones)

- Include a relocation policy (for existing venues)
- Implement a contestable application process for gaming machines
- Separate the Board Venue (TAB) policy and class 4 Venue (gaming machine) policy and have a review and consultation of the two policies carried out at different times
- Remove the requirement that class four premises hold a designated liquor licence/ amend the primary activity requirement to enable TAB Board Venues to host gaming machines.
- Retain the status quo gaming machine caps in the six suburban zones
- Protect sports funding for the six suburban zones

One of the more significant issues raised, was a request to remove the requirement on venues to have a designated liquor licence. After consideration of the options (see Appendix 1), it was decided that the risks of such a proposal vastly outweighed any potential benefits.

5.4 More Recent Evidence

Two additional developments have recently come to light that impact on the Gambling Venues Policy. These are:

- The release of a report¹ on problem gambling in December 2009 that links *access* to NCGMs with problem gambling. The findings of this study support the growing evidence that restricting the per capita density of NCGMs will lead to reduced gambling harm. To address the issue of problem gambling in the 'areas of concern', the report says that a policy that focuses on limiting availability will be more effective than one that focuses on education and early intervention.
- A statement released by the Ministry of Health on 29 April reporting a 25% rise (nationally) in the number of problem gamblers using its counselling services between 2008 and 2009. In Wellington, this rise appears to have been much more significant with a 154% increase on 2008 figures. Although data on the specific gambling modes cited by the problem gambling was not provided for Wellington, NCGMs were specifically identified as the primary mode for the national figures.

This additional data not only indicates an increase in problem gambling within the Wellington City district in 2008/09 but adds to the growing body of evidence linking *access* to NCGMs with problem gambling. This is further evidence to support policy approaches that reduce access to NCGMs.

5.5 Consideration of all factors

The policy review revealed that the 2007 Gambling Venues Policy was meeting its stated objectives (in that the number of NCGMs is not growing in areas of concern). The new policy approach, however, will also attempt to address the effect of NCGM numbers on susceptible populations in the identified areas of concern.

¹ Access or Adaptation? A meta analysis of surveys of problem gambling prevalence in Australia and New Zealand with respect to concentration of electronic gaming machines: John Storer, Max Abbot and Judith Stobbs. A copy of the report will be placed in the Councillors Lounge prior to the meeting of the SPC.

The recommended policy approach specifically targets the reduction of NCGM numbers in those zones with identified areas of concern. Unlike ‘sinking lids’ implemented by other territorial agencies, however, it does not cover the entire city and permits NCGM gambling activities to occur in zones where areas of concern have not been identified (the Central Area Zone, etc.). This is a balanced approach in that it allows the Council to meet its obligation under Section 101(2) of the Gambling Act 2003, while allowing NCGM gaming activities in other areas.

At present, this obligation and the approach used by Council is outlined in Objective One of the Gambling Venues Policy as follows:

‘Manage the growth of gaming machines in ‘areas of concern’

In order to better reflect the Councils’ policy and its targeted risk management approach to areas of concern, however, it is recommended that the current wording is amended as follows:

‘Manage the risk from the number of gaming machines in ‘areas of concern’

This wording change more effectively clarifies the intent of the 2010 policy.

The proposed approach, therefore, aligns with the available evidence to date on problem gambling while balancing this with the need to manage the risk of any impact on community organisations that depend on NCGM gambling to fund their activities. Given the fact that almost all existing NCGM venues in Wellington were ‘grandfathered’ under the Gambling Act, 2003, the proposed policy amendment will not have any immediate effect on the current numbers of NCGMs. Instead it will allow a slow decline in NCGM numbers over time (as a result of natural attrition of venues), within targeted areas of concern.

Analysis of the submissions received (and further information provided by stakeholders) did not provide any significant new justification for changing the proposed policy approach. For this reason, it is recommended that draft policy as outlined in the Statement of Proposal be adopted.

5.10 Financial

There are no specific financial implications for Council associated with this policy.

5.11 Climate Change

There are no specific climate change implications associated with this policy.

6 Conclusion

Consultation on a proposed amendment to the Wellington City Council Gambling Venues Policy resulted in 297 written submissions and 16 oral submissions. After analysis of the submissions, Officers recommend that the proposed policy amendment (a population-based cap on NCGM numbers in the capped suburban zones) be adopted and objective one of the policy be amended to more accurately reflect this policy approach.

This report seeks Committee agreement to refer the draft Gambling Venues Policy 2010 to Council for consideration and adoption.

7 Appendices

Appendix 1: Summary of Submissions received

Appendix 2: Draft Gambling Venues Policy 2010

Contact Officer: *Brian O'Sullivan, Senior Policy Analyst*

Supporting Information

1) Strategic Fit / Strategic Outcome

This Policy is required under the Gambling Act 2003. It addresses the 10 year priority of the LCTTP to promote strong, safe and healthy communities.

2) LTCCP/Annual Plan reference and long term financial impact

There are no direct LCTTP implications in this report.

3) Treaty of Waitangi considerations

There are no specific Treaty of Waitangi considerations in this report.

4) Decision-Making

This is not a significant decision.

5) Consultation

This is a report on the consultation that has taken place.

6) Legal Implications

There are no specific legal implications in this report.

7) Consistency with existing policy

This reports on consultation on a Statement of Proposal and makes a recommendation to amend current Council Policy.

APPENDIX 1: Summary of Submissions Received

Issues Raised	Number of submitters	Officer Response
Cap on Central Area Zone	4 (including CPAC)	<p>A cap in the central area zone would see a restriction on applications for new NCGM venues in the Central Area Zone beyond a specific figure. At present, existing NCGM venues in this zone are grandfathered and, therefore, legally entitled to operate within the zone. Any reduction in numbers that occurs at present occurs only through natural attrition.</p> <p>Despite the lack of a cap in the Central Area Zone, the number of NCGMs in this zone has been dropping steadily since the Gambling Act was introduced in 2003. The number dropped from 391 in 2007 to 379 at present.</p> <p>The WCC Gambling Venues Policy, however, has a clear focus on managing the risks from NCGMs in 'areas' of concern' as expressed through the objective:</p> <p style="text-align: center;"><i>'to manage the growth of gaming machines in 'areas of concern'.</i></p> <p>Given that the numbers have been dropping and the Central Area Zone is not currently identified as an 'area of concern', a cap in the Central Area Zone would not appear to be a priority at this time. It is recommended, however, that the wording of this objective is amended to more clearly reflect Council's obligations under section 101(2) of the Gambling Act and the intent of the policy.</p>
Moratorium on Machines	2	<p>Objective two of Council's policy currently allows people that wish to participate in gaming machine and TAB venue gambling to do so as follows:</p> <p style="text-align: center;"><i>Ensure that, within the limits prescribed by the Gambling Act, people who wish to participate in gaming machine and TAB venue gambling can do so within the Wellington District</i></p> <p>A moratorium on NCGMs in Wellington, therefore, could not occur unless this objective was removed.</p> <p>In addition, given that existing NCGM venues in the Wellington City District were grandfathered under the Gambling Act, 2003, Wellington City Council would only have the legal authority to restrict <u>new</u> applications for NCGMs. A moratorium on NCGMs does not, therefore, appear to be a practical option at this time.</p>

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Sinking lid	11 (including Capital Primary Health Organisation, PGFNZ, WELCOSS, Salvation Army Oasis Centre, , Wellington Community Law Centre, Agape Budgeting, South East and City PHO, Downtown Community Ministry, Regional Public Health)	A sinking lid across the city would see Council declining new applications for NCGM machines/venues in the city. In addition, a cap would be set below the existing number of NCGMs and adjusted to reduce further as the number of NCGMs begins to 'sink'. A reduction in NCGM numbers would occur over time through the dissolution of existing venues (i.e. where the venue goes out of business, makes a business decision to remove NCGMs, etc.) resulting in a gradual decline of both NCGM numbers and NCGM venues in all Wellington district zones. A sinking lid across the city would, however, would universally restrict gaming machine gambling in contravention of objective two of the policy. It would not specifically target those 'areas of concern' that have actually been identified as part of the review.
Public Referendum on NCGMs and community funding	2 (NZFPG)	Wellington City Council has very limited authority on the regulation of NCGMs under the Gambling Act, 2003. Council has conducted a review of its Gambling Venues Policy, it has consulted widely on the proposed amendment. There is, therefore, no clear benefit from a public referendum by Council on NCGMs and community funding.
Set lower gaming machine numbers/ head of population ratio (e.g. 1/400 people)	2	<p>A lower ratio of gaming machine numbers/ head of population would lower the cap for the number of NCGMs in the suburban areas.</p> <p>Setting a more restrictive cap, however, is unlikely to have any meaningful effect (due to the grandfathering of gaming machines at existing venues) in that the current proposal already reduces the cap in four suburban zones and sets a ratio at a target that is believed to be practicable and achievable. The proposed ratio also ensures that any risk of a sudden fiscal impact on community organisations is minimised.</p>
Set higher gaming machine numbers/ head of population ratio.		<p>A higher ratio of gaming machine numbers/ head of population would permit an increase the number of NCGMs allowed in the suburban areas.</p> <p>If there is an increase in NCGM numbers in the suburban zones identified as 'areas of concern' where significant clusters of NCGMs already exist, Council would not be fulfilling the stated objective of managing the growth of gaming machines in 'areas of concern'. Neither would it be fulfilling its obligations under the Gambling Act Section 101(2) of the Gambling Act 2003 '<i>to have regard to the social impact of gambling</i>'.</p>
Set a lower cap in Northern zone.	1 (CPAC)	The number of NCGMs in the Northern zone is currently at the maximum (146) allowed under the existing policy. The zone contains two identified 'areas of concern' and significant clusters of NCGMs. Council has an obligation, therefore, to address the impact on susceptible populations in this area.

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		The intent of the proposed amendment is to allow a meaningful reduction in NGCMs while also managing any potential reduction in funding of local community organisations through NGCM gambling. The proposed amendment to the policy sets a cap with a lower figure (136) that was felt to be practically achievable over the time period leading up to the next review of the policy (given the fact that all current NCGMs are grandfathered under the Gambling Act).
Retain the status quo (or current NCGM numbers in the suburban zones)	2 (including New Zealand Racing Board, Te Kohanga Reo o Motu Kairangi, Cricket Wellington, Pub Charity)	Although the current 'cap' has kept machine numbers at a fixed level in the areas of concern, these machines are likely to be having an impact on vulnerable members of the community through problem gambling. By retaining the current policy, Council would not be addressing the risk to susceptible populations in areas of concern.
Include a relocation policy (for existing venues)	4 (including Lion Foundation, Diabetes NZ, New Zealand Foundation of the Arts, Muscular Dystrophy Assn.)	<p>Three of the four submissions on a 'relocation policy' did not clarify what exactly was intended by 'relocation policy'. The only submission which did include detail (the Lion Foundation) suggested inclusion of a clause within the policy as follows:</p> <p><i>Where an existing Class 4 gambling venue is ceasing to operate, the Council may, at its own discretion, allow the transfer of existing venues conditions to another location(s) that meets the criteria of the existing policy.</i></p> <p>The submission indicated that "the clause would enable existing venues the opportunity to relocate their businesses to enhance the economic viability of those operations whilst assisting the Council with a policy that supports the movement of the venues to a more desirable location for the operation of gaming machines."</p> <p>Under the proposed (and the current) policy, however, businesses already have the ability to make a business decision to relocate to other gambling zones where the number of NCGMs is below the established cap (e.g. Central Area Zone, Western Zone, Lambton Zone). Businesses are only prevented from relocating NGCMs to a zone where there is an identified 'area of concern' and the number of NCGMs has already reached the cap.</p>
Contestable application for gaming machine venues	Capital E	This proposal from Capital E suggested a variation to the current system where approval for NCGMs would be allocated to Gaming Trusts through a contestable application process. The proposal speaks in support of the flexibility, timeliness and local focus which can be achieved with funding administered through the Gaming Trust system. Under the suggested scheme, the total number of NCGMs permitted in the Wellington City district would be decided through a reallocation assessment process.

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		<ul style="list-style-type: none"> • NCGM numbers in suburban zones could be kept at the current limits • The Central Area Zone would continue to have an unlimited number • On a regular basis (or whenever NCGMs come up for renewal or reallocation) Gaming Trusts would be provided with an opportunity to submit an application for NCGMs to be approved for hosting at a venue of their choice. • These applications would be evaluated by an independent panel convened by WCC (consisting of a WCC grants Officer, representatives from DIA, HANZ, PGFNZ, a local Ward Councillor and an independent assessor from the philanthropic sector. • Assessment criteria for applications would be established to prioritise the needs of local communities and might include items such as ‘the suitability of proposed allocation of funding in local area’, ‘effectiveness of the venues problem gambling policy’, ‘compliance history of the venue’, etc. <p>It was suggested that this would help to make the distribution process of funding from Gaming Trusts more transparent but would also incentivise Gaming Trusts to seek responsible high-quality venue partners and to consider the community focus and desired outcomes of the local area from which their operations draw their funds.</p> <p>The key shortcoming with this proposal is the fact that all of the existing NCGM machines are ‘grandfathered’ under the Gambling Act. In effect, this means that Council would only have the ability to do this for new NCGM applications. Applications for this are also likely to be low as NCGM numbers have been dropping in the Central Area Zone and most current Gaming Trust interests appear to be centred around specific suburban zones (i.e. at locations where the areas of concern are situated) where susceptible populations require protection.</p>
<p>Separate the Board Venue (TAB) policy and class 4 Venue (gaming machine) policy and have a review and consultation of the two policies done at different times.</p>	<p>1 (New Zealand Racing Board)</p>	<p>This submission suggested that Council should separate the Board Venue (TAB) policy and Class 4 (gaming machine) policy and carry out <u>separate</u> policy reviews and consultation of the two policies at different times (every 3 years for the Class 4 policy and every 2 years for the TAB policy). The key reasons given were:</p> <ul style="list-style-type: none"> • Councils are required to adopt two separate policies, a TAB Board Venue policy under s 65D of the Racing Act 2003 and a Class 4 gambling venue policy under s 101 of the Gambling Act 2003. • Combined consultation results in a discussion dominated by the harm caused by gaming machines without due consideration being given to TAB Board Venues

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		<p>Although section 65D of the Racing Act (2003) and section 101 of the Gambling Act (2003) do specify that territorial agencies should have a TAB venue policy and a Class 4 gambling venues policy, there is no requirement that these policies should be managed separately through independent administrative processes. Given the similarities and combined influence of these gambling modes, there is, in fact, strong justification for administering and reviewing these policies collectively.</p> <p>From an administrative perspective, separating the policies and reviewing them at different time periods is also likely to create significant additional costs for no perceivable benefit. It is therefore recommended that the Board Venue (TAB) policy and Class 4 Venue (gaming machine) policy are not separated and that the review (and any required consultation) continue to occur at the same time.</p>
<p>Remove requirement for Class 4 venues to hold a designated liquor licence/ Amend the primary activity requirement to enable TAB Board Venues to host gaming machines.</p>	<p>2 (Pub Charity/ New Zealand Racing Board)</p>	<p>The current Wellington City Council Gambling Venues Policy requires all Class 4 venues to have a designated liquor licence as follows:</p> <p><i>All gaming machine venues must have a current on-licence with a designation, a club liquor licence or a permanent club charter, under the Sale of Liquor Act 1989.</i></p> <p>Grounds raised by submitters to remove the requirement for a liquor licence include:</p> <ul style="list-style-type: none"> • The Gambling Act 2003 limits TLA authority to issues of location and future numbers of gaming machines (Pub Charity) • The Class Four Gaming Regulations 2004 determine suitability of venues and the Gambling Act specifies requirements for the issue of Class 4 Gambling Licences (Pub Charity) • It is no longer a requirement of the Gambling Act 2003 or any of the associated regulations or licence conditions that class 4 venues have a liquor licence (New Zealand Racing Board). <p>The requirement for Class 4 venues to have a liquor licence is not a legal requirement under the Gambling Act, 2003. The Department of Internal Affairs (under its 'Information for Territorial Agencies), however, advises that "<i>a territorial authority can choose to place this requirement in their Gambling Venue Policy as a 'relevant matter'.</i></p> <p>Removing the requirement for a designated liquor licence and extending the ability to unlicensed premises to act as Class 4 venues would set a significant new direction for</p>

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		<p>Wellington in that it opens up the opportunity for any non-licensed premises to host Class 4 gaming machines (provided they could show they were an ‘onsite entertainment, recreation, or leisure focused on persons 18 years and over’). The removal of the requirement for a designated liquor licence, therefore, could result in a subsequent and significant increase in the number of Class 4 gaming machines and gaming machine venues in the Central Area Zone and those suburban zones where gaming machine numbers are below the current caps.</p> <p>The ramifications of such a policy change are also significant in that when a Class 4 venue consent is granted, Council has no ability to set conditions on the consent, other than what currently exists (that is, that it has to be a licensed premises with a designated licence).</p> <p>After consideration of the various options, it is clear that the risk of removing the requirement for a designated liquor licence significantly outweighs any benefits. It is recommended, therefore, that the requirement for a designated liquor licence be retained.</p>
<p>Retain the status quo gaming machine caps in the six suburban zones</p>	<p>3 (New Zealand Community Trust, New Zealand Racing Board, Pub Charity²)</p>	<p>Three submissions suggested that the <i>status quo</i> be maintained in the suburban zones (i.e. the cap on the number of gaming machines be maintained). One submission noted that a reduced cap would not reduce problem gambling but would reduce community funding opportunity. No evidence was provided to support this statement.</p> <p>The policy amendment proposed was developed as the existing Gambling Venues Policy does not address the risk and impacts of problem gambling in identified ‘areas of concern’. Given that the ‘areas of concern’ are located in the suburban zones, allowing the current limits would mean that the Council would not be achieving policy objective of <i>manage the growth of gaming machines in ‘areas of concern’</i>.</p>

² With the exception of the requirements that Class 4 premises hold a designated liquor licence

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<p>Protect sports funding for the six suburban zones</p>	<p>New Zealand Community Trust</p>	<p>One submission suggested that funding for sports activities obtained from NCGM gambling activities in the six suburban zones should be protected and noted that the socio-demographic profile identified in the identified ‘areas of concern’ is also often involved in amateur sport and could, therefore, be affected if sporting funding is reduced to those areas. The socio-demographic profile identified for the areas of concern is as follows:</p> <ul style="list-style-type: none"> • identifying as being of Māori or Pacific ethnicity • having fewer educational qualifications • living in areas of higher neighbourhood deprivation. • being aged 35–44 years <p>No evidence was provided to identify the level of participation of this socio-demographic profile in sports in the identified ‘areas of concern’. Neither was any evidence provided to support the claim that this population group would be affected by the proposed policy approach. For this reason, it is recommended that no measures are necessary for the protection of sports activities in the six suburban zone.</p>
<p>Concern with impact on funding</p>	<p>16 Community groups expressed concern at the potential impact on funding on their activities</p>	<p>A significant number of submissions raised concern that the proposed policy approach would have an impact on their activities. In most cases, this was not directly related to the current policy but towards the reduction of the funding pool in general. This came forward strongly during the oral submissions as well. A number of oral submitters also realised concern with the lack of transparency around the distribution of funds and possible inefficiencies with so many different trusts distributing funding.</p>

Gambling Venues Policy 2010

June 2010

Gambling Venues Policy (2010)

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 which;

- specifies whether or not class 4 venues (hereafter referred to as gaming machine 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 class 4 venue. (The Gambling Act establishes a limit of 9 machines on gaming machines venues)
- specifies whether or not TAB stand-alone venues may be established in the district³.

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– it has now been reviewed as required by the Gambling Act 2003.

2. OBJECTIVES OF THE POLICY

The objectives of the Gambling Act 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:

1. Manage the risk from the number of gaming machines in areas of concern
2. Ensure that, within the limits prescribed by the Gambling Act, people who wish to participate in gaming machine and TAB venue gambling can do so within the Wellington District
3. Ensure that gaming machines are located within venues where there is a degree of supervision and control of those using the machines, to assist in reducing the risk of problem gambling, and gambling by those under 18 years of age.

³ 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.

3. GENERAL CONDITIONS

A society requires Council's consent in respect of a class 4 venue:

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

The New Zealand Racing Board requires the consent of the Council if it proposes to establish a Board/TAB venue. In respect of TAB venues, the Gambling Venues Policy will only apply to applications for the establishment of stand-alone Board venues.

Board venues are premises that are owned or leased by the New Zealand Racing Board, where the main business is providing racing and/or sports betting services. It does not cover the installation of TAB terminals in premises not owned or leased by the TAB (e.g. hotels, bars and clubs).

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 (Gaming Machine) venues may be established

Class 4 gaming 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.

- 4.1 For the purposes of this policy the Wellington District is divided into 7 zones. The total number of gaming machines in any zone may not exceed the machine levels detailed in the table below. The maximum number is based on a machine to population ratio of 1 machine:300 people.

Gaming Venue Zones	Maximum number of Machines
Southern	100
Northern	136
Eastern	114
Onslow	53
Western	67
Lambton (excluding Central Area Zone)	95
Central Area Zone	No limits

APPENDIX 2

- 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

4.2 All gaming machine venues must have a current on-licence with a designation, a club liquor licence, or a permanent club charter, under the Sale of Liquor Act 1989⁴.

4.3 Applicants whose licences were held on 17 October 2001 may have a maximum of either 9 machines, or the number of machines lawfully operated on 23 September 2003, whichever is the higher number

4.4 Applications seeking Ministerial discretion to increase the number of gaming machines at a club venue above 9 will not receive local authority consent

4.5 Applications seeking Ministerial discretion 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

4.6 Meeting application and fee requirements

4.7 Obtaining any necessary resource consents under the Wellington City District Plan or Resource Management Act.

5. WHERE TAB VENUES MAY BE ESTABLISHED

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.

⁴ Applications where the operator is trading on a temporary authority under the Sale of Liquor Act 1989 will not be determined until an on licence has been granted for the operator.

6. 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 can be required, with the actual fees incurred coming firstly off the amount of the deposit.

7. 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.

8. 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.

9. MONITORING AND REVIEW

The Council will complete a review of the policy within 3 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.

10. COMMENCEMENT OF POLICY

The policy will take effect from the time the Council resolves to adopt it. The 2007 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.

11. EXPLANATION OF TERMS

Class 4 Venue - The Act 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

Gaming Machine – Refers to Class 4 non casino gaming machines

APPENDIX 2

TAB/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 on at the premises is providing racing betting or sports betting services.