



Gambling Policy Review 2016

Statement of Proposal

www.whakatane.govt.nz



What is the Gambling Policy?

The Gambling Policy (Class 4 Venue and Board Venue) focuses on non-casino gaming machines (pokies) and Board Venues (stand-alone TABs). It specifies whether or not gaming machine venues may be established in the District and, if so, where they may be located. It also specifies any restrictions on the maximum number of gaming machines that may be operated at that venue. The Gambling Policy also determines whether or not new TABs may be established in the District and, if so, where they may be located.

The Gambling Policy must be reviewed every three years, taking into account the social impacts of gambling in the District. Whakatāne District Council has carried out a draft Social Impact Assessment which has helped to inform the Policy revision. The assessment concludes that the Whakatāne District has a medium risk of harm from gambling activities and that the level of risk has not changed significantly since the last review.

How can I have my say on the Policy?

The Council has not yet made a final decision about the Policy and welcomes your feedback. Included in this document for your review are the draft Gambling Policy, draft Social Impact Assessment, and Policy Options. There is also a factsheet and video available on our website.

Two information sessions will be held to provide further information about the Policy.

Whakatāne: Tuesday 5 April, 12pm – 1pm. Little Orchard Activity Room, Te Kōputu – Library and Exhibition Centre, Kakahoroa Drive

Murupara: Wednesday 6 April, 12pm – 1:30pm. Murupara Service Centre, Pine Drive

Public submissions open on 21 March and will close on 22 April 2016.

Formal submissions can be made:

- online at www.whakatane.govt.nz/gamblingpolicy-review
- in hard copy by filling in the attached submission form or collecting one from a Council office

Informal submissions can be made:

- by commenting on the Gambling Policy post on our Facebook page at www.facebook.com/WhakataneDistrictCouncil

If you would like to present your submission to the Council, you will need to let us know, and provide your name and contact details so you can be allocated a time to speak. Hearings of submissions are scheduled for 4 May 2016, and the Council will then deliberate on any changes required and adopt the final Gambling Policy.

Contents

Draft Gambling Policy (including permitted area maps)	Page 3
Draft Social Impact Assessment	Page 16
Policy Options.....	Page 38
Submission Form.....	Page 45

Draft Gambling Policy (Class 4 Venue and Board Venue)

1.0 INTRODUCTION

The Gambling Act 2003 came in to force on 18 September 2003. Under the Act, the Whakatāne District Council is required to adopt a Class 4 Venue Policy for the Whakatāne District.

Section 101 of the Gambling Act 2003 stipulates that the Council's Class 4 Venue 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.

[Under the Gambling \(Gambling Harm Reduction\) Amendment Act 2013, the Council is required to consider whether to include a relocation clause when reviewing the Class 4 Venue policy.](#)

The Gambling Act 2003 also amended the Racing Act 2003 so that territorial authority consent is required to establish a new TAB (called a "Board Venue"¹ in the Act). Under that amendment, the Council is required to adopt a Board Venue Policy for the District.

Section 65D of the Racing Act 2003 stipulates that the ~~Council must adopt a Council's Board Venue² Policy. That 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.

Both policies must be reviewed in accordance with the special consultative procedure prescribed in the Local Government Act 2002 every three years. [Reviews must have regard to the social impact of gambling within the District. A revised social impact assessment was undertaken in 2015.](#)

[The Whakatāne District Council covers both Class 4 Venues and Board Venues in this combined policy.](#)

~~In reviewing both policies the Council must have regard to the social impact of gambling within the District. A separate revised social impact assessment of gambling in the Eastern Bay of Plenty Whakatāne District has been completed, including information specific to the Whakatāne District.~~

2.0 CLASS 4 VENUE POLICY

Any person wishing to establish a new Class 4 Venue or operate additional gaming machines at a Class 4 Venue is required to obtain the consent of the Council before applying for a licence from the Department of Internal Affairs.

In developing this policy the Council's focus (while having regard to the social impact of gambling within the District) is limited to:

- a) The location of Class 4 Venues; and
- b) The number of gaming machines permitted at Class 4 Venues.

¹ "Board venue" is defined in section 5 of the Racing Act 2003 as: "Premises that are owned or leased by the Board and where the main business carried on at the premises is providing racing betting or sports betting services under this Act."

Other issues relating to these particular venues, including supervision of the premises, the character of the operators, distribution of proceeds from the gaming machines and procedures to minimise harm from gambling, are covered by the Department of Internal Affairs licensing system.

3.0 BOARD VENUE POLICY

If the New Zealand Racing Board wishes to establish a new Board Venue within the Council's District then it must obtain the consent of the Council. An application by the Board must be considered by the Council, in accordance with the Board Venue Policy.

4.0 POLICY OBJECTIVES

- a) To control the growth of gambling; and
- b) To prevent and minimise the harm caused by gambling, including problem gambling; and
- c) To reduce the exposure of under 18's to gambling; and
- d) To reduce the total number of gaming machines in the district; and
- e) To facilitate community involvement in decisions about the provision of gambling.

5.0 GENERAL CONDITIONS

A club or society requires the consent of the Council in respect of a Class 4 Venue:

- a) To increase the number of gaming machines that may be operated at a Class 4 Venue; and
- b) To start operating gaming machines at a Class 4 Venue that was not on any society's licence within the previous six months; and
- c) To start operating gaming machines at a venue at which a Class 4 license was not held as of 17 October 2001; and
- d) To apply for ministerial discretion in order to increase the number of gaming machines operated at a club; and
- ~~b) To start operating gaming machines at a venue for which a licence was not held on 19 September 2003; and~~
- e) To change the venue to which a Class 4 Licence applies, in accordance with the relocation policy set out by the Council.
- ~~d) To continue to operate gaming machines at a venue for which a licence was not held on 17 October 2001, but which was added to a society's licence on a date after 17 October 2001 and before 19 September 2003.~~

The New Zealand Racing Board requires the consent of the Council if it proposes to establish a Board Venue.

An applicant for the Council's consent under this policy must:

- a) Meet any requirements specified in this policy; and
- b) Meet the fee requirements specified in the Council's fees and charges schedule; and

- c) Comply with regulations set out in the Gambling Act 2003.

6.0 CONSENT FOR AMENDMENT TO AN EXISTING CLASS 4 VENUE LICENCE

The Gambling Act 2003 provides that no society may operate gaming machines at a Class 4 Venue additional to those that were legally operated at that venue on 22 September 2003, unless the Council approves an amendment to that existing Class 4 Venue licence to allow an increase in the number of gaming machines.

The Council may grant consent to an amendment to an existing Class 4 Venue licence to allow an increase in the number of gaming machines that may be operated at a venue when:

- a) The number of gaming machines proposed for the venue at the time of application will not result in the total number of gaming machines in the Council's District exceeding 141 national average ratio of gaming machines per 1,000 residents over 18 years of age (as determined by latest publicly available census data)²; and
- b) The Class 4 Venue venue is not in close proximity to within 50 metres of a parcel of land with a sensitive land-uses (see Clause 1110).

7.0 APPLICATIONS FOR NEW CLASS 4 VENUE AND BOARD VENUES

The Council may grant consent to a new Class 4 Venue or Board Venue when:

- a) The number of gaming machines proposed for the venue will not result in the total number of gaming machines in the District exceeding 141 the ratio of gaming machines per 1,000 residents over 18 years of age as determined by latest publicly available census data; and
- b) The proposed Class 4 or Board Venue is located within a the Business Centre Zone in the Whakatane Town Centre, College and Bridge Streets (Edgecumbe), Murupara or Kopeopeo as defined in the Proposed District Plan Proposed Whakatane District Plan; and
- c) The Class 4 Venue Class 4 Venue or Board Venue venue will have a maximum of four gaming machines in the first twelve (12) month term of the licence; and
- d) The proposed location of the Class 4 Venue or Board Venue venue is not in close proximity to within 50 metres of a parcel of land with a sensitive usesensitive land-uses (see Clause 10 11); and
- e) The regulations stipulated in the Gambling Act 2003 and the regulations contained in The Gambling Regulation 2004 and 2006 are adhered to.

A Class 4 Venue or Board Venue may not be established in any zone other than within the Business Centre Zone of the Proposed District Plan Whakatane District Plan as specified in Clause 11 10.

8.0 APPLICATIONS FOR THE RELOCATION OF CURRENT CLASS 4 VENUES

Applications for the relocation of current Class 4 Venues will be treated as applications for

²The national average ratio of gaming machines per 1,000 residents over 18 years of age as at December 2015 is 5.2 machines. As at December 2015, the Whakatane District has 181 machines, equating to 7.6 machines per 1,000 people aged 18 or older

new Class 4 Venues, except in the following circumstances:

1. The current venue must be relocated due to extenuating circumstances such as (but not limited to) fire or natural disaster. In this case, the Council's Hearings Committee will consider relocation applications.

2. The current venue is located outside of a permitted area for new venues, and is proposing to relocate into a permitted area.

In these circumstances, the new Class 4 Venue will be authorised to operate up to the same number of machines as the previous venue. In any other case, a venue will not be permitted to relocate until the current number of machines in the District drops below 141.

~~The Council may use its discretion to consider relocation of Class 4 venues in extreme circumstances such as (but not limited to) fire or natural disaster.~~

8.09.0 CLUBS INTENDING TO MERGE

When two clubs wish to merge physically and legally, they will be allowed to operate the sum of the number of gaming machines specified in all the corporate societies' Class 4 Venue licences at the time of application, or 18 machines, whichever is the lesser.

9.010.0 PRIMARY ACTIVITY OF CLASS 4 VENUES

The primary activity of any Class 4 Venue must be for the sale of ~~liquoralcohol~~ as defined in the Sale and Supply of ~~LiquorAlcohol~~ Act 19892012 or for sale of ~~liquoralcohol~~ as defined in the Sale and Supply of ~~LiquorAlcohol~~ Act 19892012 and the provision of food.

The premises must be authorised under the Sale and Supply of ~~LiquorAlcohol~~ Act 19892012 to sell and supply ~~liquoralcohol~~ for consumption on the premises. However, operators who promote their premises for family dining or family activities (e.g. cinemas) are not considered appropriate premises for Class 4 gambling.

A Board Venue, as defined by the Racing Act 2003, is the only alternative as a non-~~liquoralcohol~~ venue for gaming machines.

10.011.0 INCOMPATIBILITY OF VENUES

Proposed locations for Applications for new new Class 4 Venues and Board Venues must not be ~~located in close proximity to~~within 50 metres of a parcel of land with a sensitive use (refer to attached maps)~~any sensitive land uses~~. Sensitive land uses include ~~residential areas~~, educational instituteses, playgrounds or public reserves used or likely to be used by children for sport or recreation, community facilities, childcare centres, places of worship, and ~~or~~ marae.

11.012.0 APPLICATIONS FOR CONSENTS

All applications for consents must be made on the approved form and must provide:

- a) Evidence of a police clearance for owners and managers of the venue; and
- b) A copy of the proposed Gambling Harm Minimization Policy and staff training programme; and
- c) An audited 12-month business plan or budget for the establishment,

- covering both gambling and other activities proposed for the venue; and
- d) A site plan covering both gambling and other activities proposed for the venue, including details of each floor of the venue; and
- e) Details on the distance of the proposed venue to the nearest ~~residential zone,~~ educational ~~institution~~~~institutions~~, playgrounds or public ~~reserves~~~~reserves~~ used or likely to be used by children for sport or recreation, childcare centres, places of worship or marae; and
- f) Name and contact details for the applicant; and
- g) Street address of premises proposed for the Class 4 Venue or Board Venue; and
- h) Details of ~~liquor~~~~alcohol~~ licence(s) applying to the premises.

All applications will incur a fee, to be known as the Venue Consent Fee, which will be prescribed by the Council pursuant to section 150 of the Local Government Act 2002. This fee will cover:

- a) The cost of processing the application, including any consultation and hearings involved; and
- b) The cost of inspecting Class 4 gambling venues on a regular basis to ensure compliance with consent or licence conditions; and
- c) A proportion of the cost of monitoring and reviewing the policy.

The fee will be reviewed annually in accordance with the Council's Revenue and Financing Policy and the Council's adopted Fees and Charges Schedule.

12.013.0 DECISION-MAKING

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

Decisions on applications which meet the policy criteria will be made at officer level pursuant to delegated authority.

The ~~Environmental and Regulatory Hearings~~ Committee ~~be~~ delegated the authority to consider and determine applications which do not meet the criteria specified in the policy.

In the case of an application relating to a Class 4 Venue, ~~the :~~

~~The~~ assessment of the number of gaming machines in ~~the Whakatane~~~~Whakatāne District~~ ~~and nationally~~ will be based on Department of Internal Affairs official records; ~~and~~

- a) ~~The assessment of district population over 18 years old will be based on the latest publicly available census data.~~

13.014.0 MONITORING AND REVIEW

The Council will monitor the social ~~and economic~~ impact of gambling on the community.

The Council may amend this policy as a result of the findings of the ~~economic and~~ social impact monitoring.

The ~~Council~~ will complete a review of the policy ~~every three years. within three years of its adoption, and then within again every three years after that review and each subsequent review is completed.~~

If the Council amends or replaces this policy, it shall do so in accordance with the special

consultative procedure outlined in the Local Government Act 2002.

14.015.0 **EXPLANATION OF TERMS**

Gaming Machine — Refers to Class 4 non-casino gaming machines.

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.

Board Venue — The Racing Act 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.

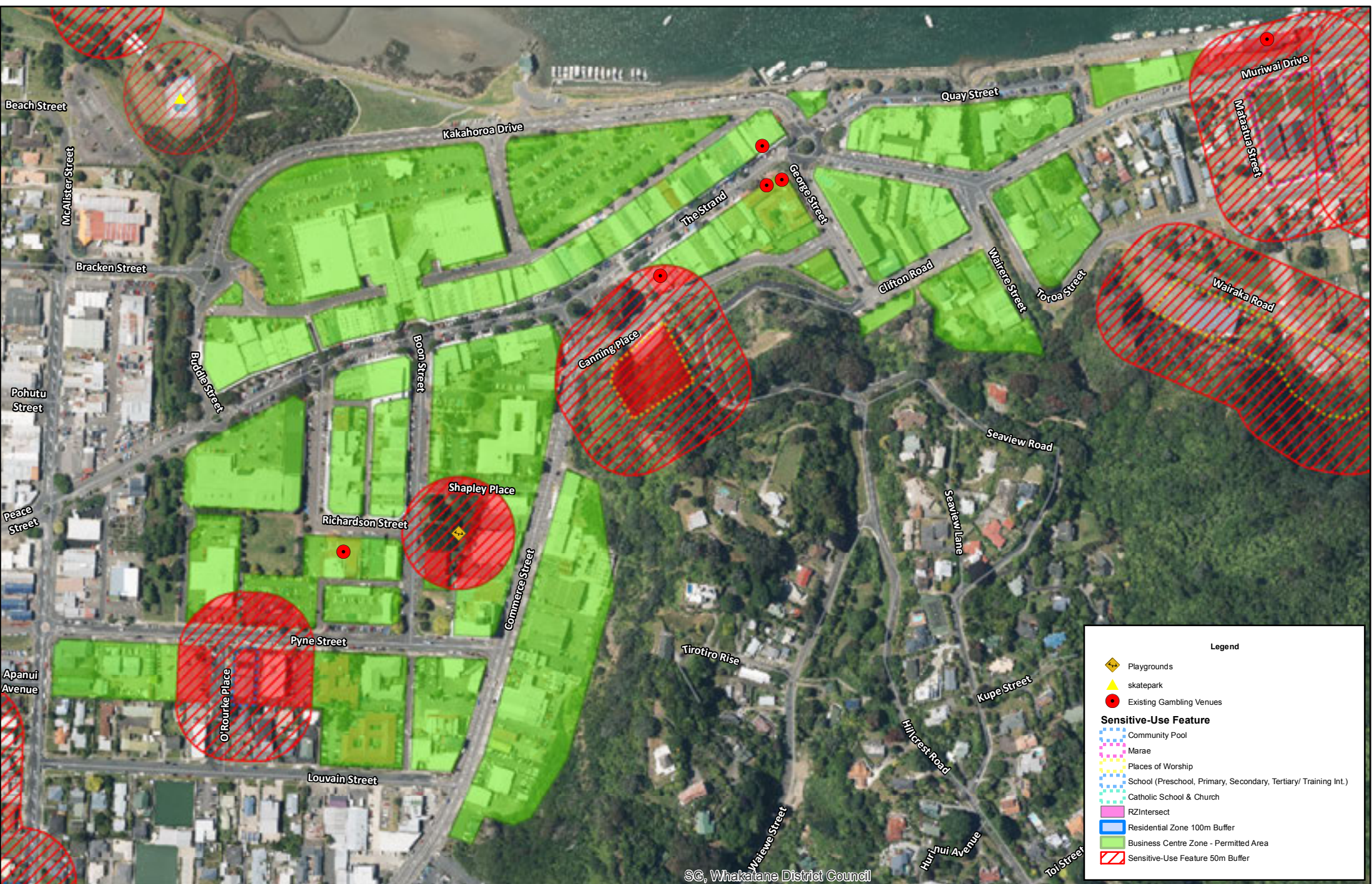
[WhakataneWhakatāne District Plan](#) — Is the Council's planning document prepared under the Resource Management Act 1991 and refers to any planning document that has statutory effect under the Resource Management Act 1991 excluding the Transitional *[WhakataneWhakatāne District Plan](#)*. It contains policies and objectives, as well as rules governing the use of land. It also contains planning maps that show the various zonings of all land within the Council's District. The rules vary depending upon the zone, and to a large extent the zoning determines what land uses will be permitted in each particular zone.

[Proposed District Plan - The Council has undertaken a review of the District Plan and has produced a Proposed District Plan. The Proposed District Plan includes the identification of zones appropriate for the undertaking of commercial business activities. This Plan is now subject to appeals. Those rules not appealed are considered operative.](#)

Corporate Society — Societies operated under the Incorporated Societies Act.

1908, the Charitable Trusts Act 1957 or the Companies Act 1993 that do not have capacity or power to make profit and are incorporated and conducted solely for authorised purposes. Workingmen's clubs registered under the Friendly Societies and Credit Unions Act 1982 are also included.

Authorised Purposes — Charitable or non-commercial purpose that is beneficial to the whole or a section of the community or promoting, controlling, and conducting race meetings under the Racing Act 2003, including the payment of stakes.



SG, Whakatane District Council



Permitted Areas for New Class 4 and Board Venue - Whakatane CBD

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Date of issue: 17/03/2016










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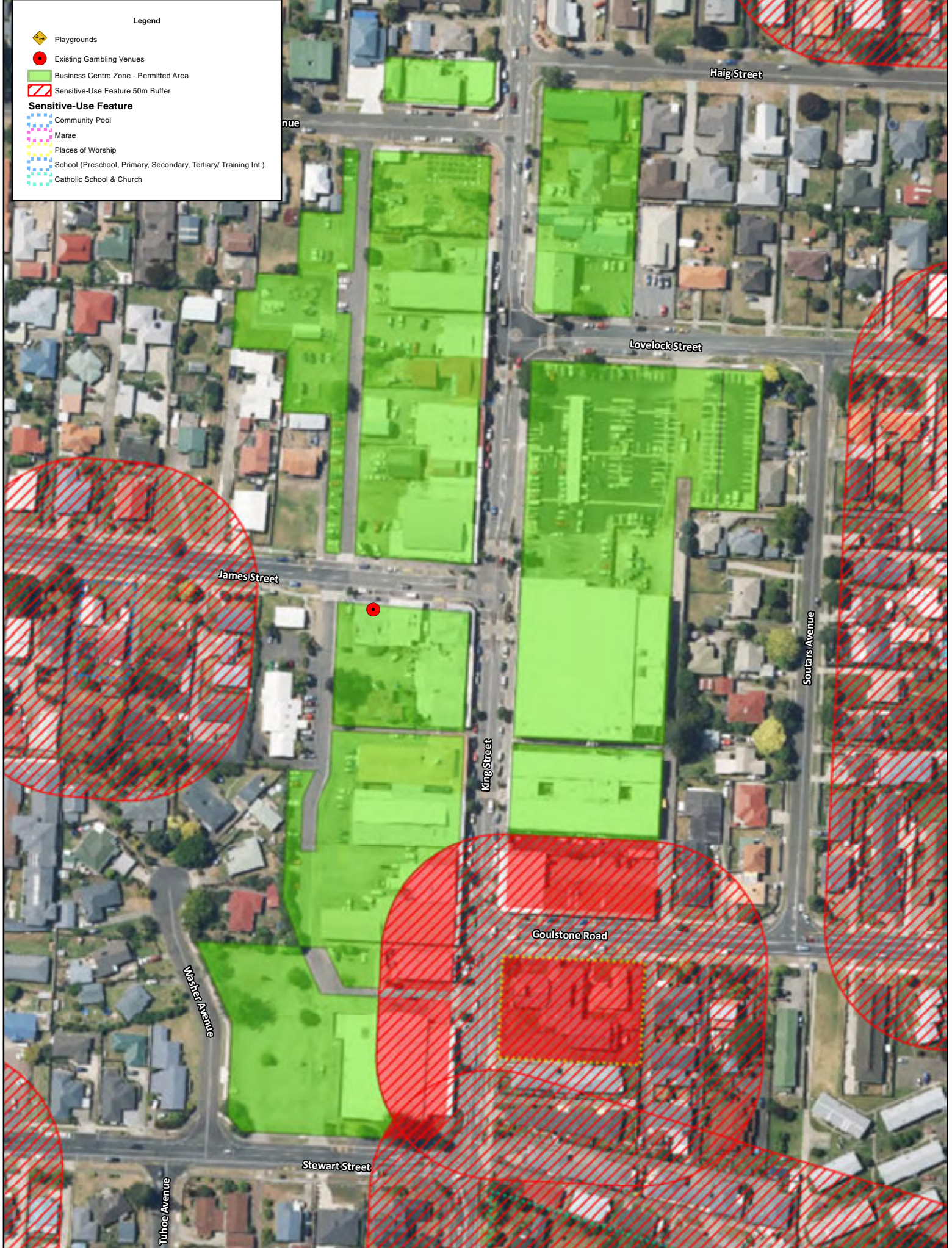
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Legend

-  Playgrounds
 -  Existing Gambling Venues
 -  Business Centre Zone - Permitted Area
 -  Sensitive-Use Feature 50m Buffer
- Sensitive-Use Feature**
-  Community Pool
 -  Marae
 -  Places of Worship
 -  School (Preschool, Primary, Secondary, Tertiary/ Training Int.)
 -  Catholic School & Church

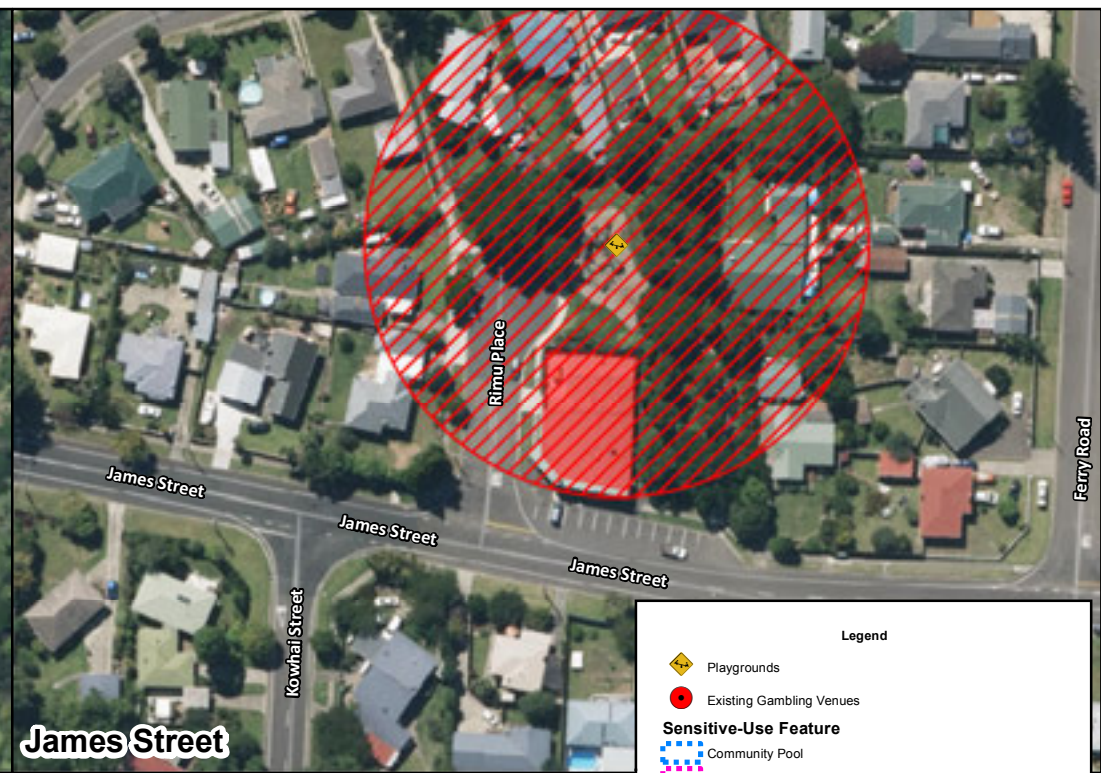


Permitted Areas for New Class 4 and Board Venues - Kopeopeo



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Legend

- Playgrounds
- Existing Gambling Venues

Sensitive-Use Feature

- Community Pool
- Marae
- Places of Worship
- School (Preschool, Primary, Secondary, Tertiary/ Training Int.)
- Catholic School & Church
- Business Centre Zone - Permitted Area
- Sensitive-Use Feature 50m Buffer

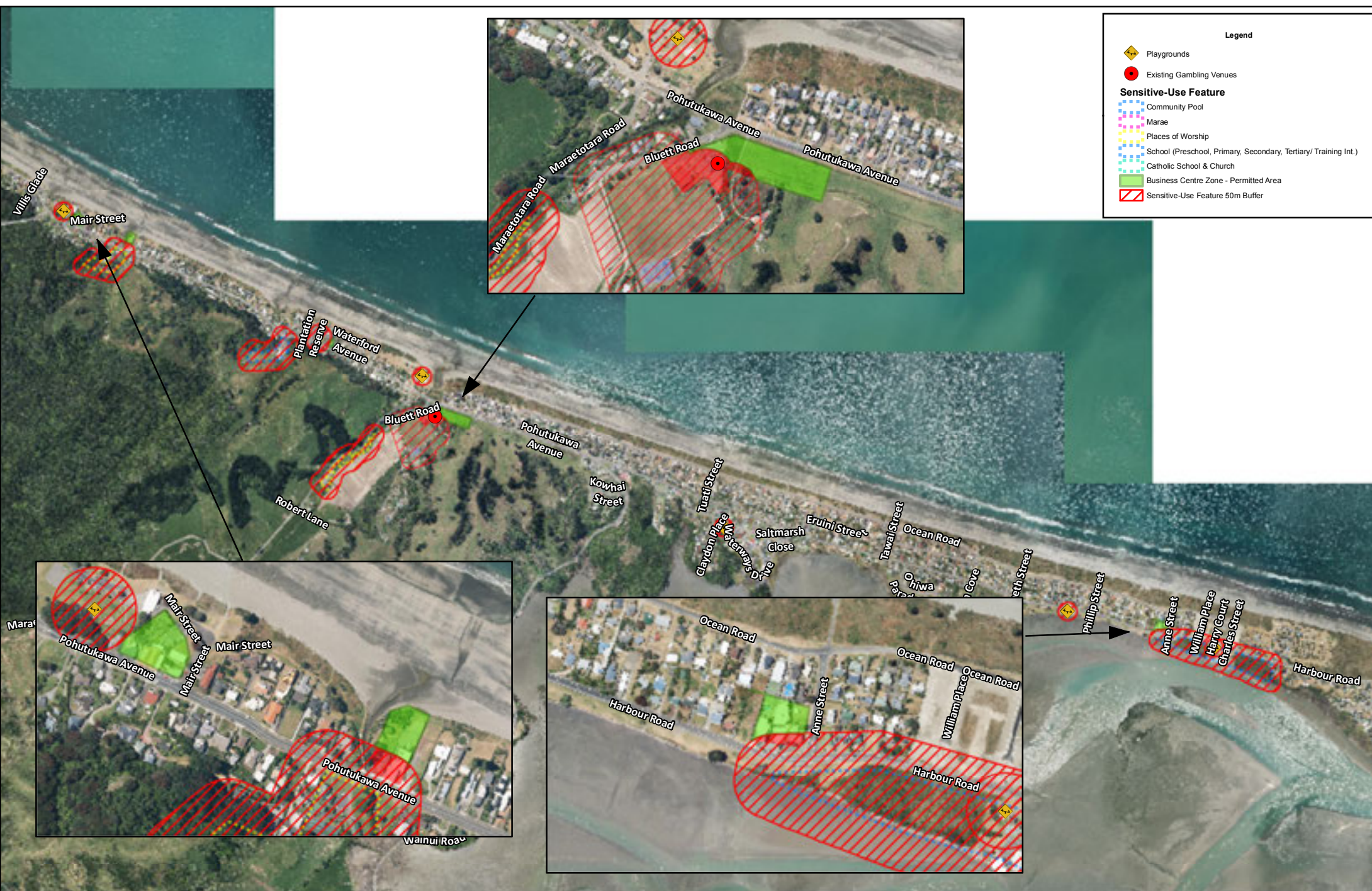


Permitted Areas for New Class 4 and Board Venues - Whakatane Heads, James Street, King Street (Allandale), Coastlands

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Legend

- Playgrounds
- Existing Gambling Venues

Sensitive-Use Feature

- Community Pool
- Marae
- Places of Worship
- School (Preschool, Primary, Secondary, Tertiary/ Training Int.)
- Catholic School & Church
- Business Centre Zone - Permitted Area
- Sensitive-Use Feature 50m Buffer



Permitted Areas for New Class 4 and Board Venues - Ohope (Pohutukawa Avenue, Bluett Road, Harbour Road)

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Legend

- Playgrounds
- Existing Gambling Venues
- Business Centre Zone - Permitted Area
- Sensitive-Use Feature 50m Buffer

Sensitive-Use Feature

- Community Pool
- Marae
- Places of Worship
- School (Preschool, Primary, Secondary, Tertiary/ Training Int.)
- Catholic School & Church

Permitted Areas for New Class 4 and Board Venues - Edgumbe



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Legend

- Playgrounds
- Existing Gambling Venues
- Business Centre Zone - Permitted Area
- Sensitive-Use Feature 50m Buffer

Sensitive-Use Feature

- Community Pool
- Marae
- Places of Worship
- School (Preschool, Primary, Secondary, Tertiary/ Training Int.)
- Catholic School & Church

Permitted Areas for New Class 4 and Board Venues - Murupara



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Gambling Policy Review 2016

Draft Social Impact Assessment

www.whakatane.govt.nz



Introduction

1.8 million New Zealand adults engaged in gambling of some form in 2011/2012. Gambling can provide social entertainment, employment opportunities, and the return of funds to communities. However, it can also contribute to financial strain, family problems and social harm.

This report assesses the social impact of gambling in the Whakatāne District.

The Whakatāne District Council, under the Gambling Act 2003 and the Racing Act 2003, must have a Class 4 Venue and Board Venue Policy. Although there are several types of gambling available in the District including Lotto, scratch tickets, and – increasingly - internet gambling, the Council only has regulatory powers in regards to Class 4 gambling machines (also called pokies), Class 4 Venues, and Board Venues (stand-alone TABs). The information gathered in this report will assist the Council to review the current Gambling Policy (Class 4 Venue and Board Venue).

Background

There are four classes of gambling along with casino gambling, sport and race betting, private gambling and Lotto that are authorised types of gambling under the Gambling Act 2003. Territorial Authorities only have regulatory powers in regards to Class 4 gambling and Board venues.

Class 4 Gambling

Class 4 gambling generally involves a gaming machine. The Council has the ability to regulate the number of machines and the number and location of Class 4 gambling venues that can be established in the District.

Other issues relating to each venue are covered by the Department of Internal Affairs (DIA) licensing system including:

- supervision of the premises;
- the character of the operators;
- distribution of proceeds from the gaming machines; and
- procedures to minimise harm from gambling.

There are currently 13 Class 4 gambling venues in the Whakatāne District and 181 gaming machines.¹

¹ DIA – Gaming Machines venues and numbers by region at 30 September 2015

Class 4 Gambling Venues and Gaming Machine Numbers in the Whakatāne District as at 30 September 2015²



² DIA – Gaming Machines venues and numbers by region at 30 September 2015

Board Venues

Gambling that occurs in a Board Venue is often sport and racing focused. A Board Venue is any premises owned or leased by the New Zealand Racing Board and where the main business carried out is providing racing-betting or sports-betting services. These are standalone or distinct venues and do not include TAB outlets or agencies that are additional activities of a bar or hotel, such as self-service TAB terminals.

The Council is able to regulate how many Board Venues can be established and where.

There are currently no Board Venues in the District.

Gambling in New Zealand

The history of gambling opportunities in New Zealand

The history of organised gambling in New Zealand began in 1929 with the Golden Kiwi lottery. In 1951 the TAB began and between 1951 and 1987, most people gambled through the TAB and race track or purchasing a Golden Kiwi ticket. For many others, community fundraising (e.g. housie) provided other gaming opportunities.

Since 1987, however, there has been a proliferation of different forms of gambling in New Zealand. Lotto was introduced in 1987 and electronic gaming machines introduced in 1988. The Golden Kiwi was replaced with the Instant Kiwi in 1989 and other variations introduced, e.g. Lotto Strike in 1993 and Daily Keno in 1994. The Christchurch Casino opened in 1994 and the Auckland Casino in 1996. Telebingo and sports betting were introduced in 1996.

From 1987 to 1997, gaming machines became available in clubs, hotels and bowling alleys. The number of gaming machine licenses almost doubled from 8,000 to 15,000 and the maximum number of gaming machines per site increased from 12 to 18. During this time, the jackpots from gaming machines increased from \$100 to \$500 and 7-day horse and dog racing was introduced. Trackside TV channel, TABs in pubs and telephone gambling games were also introduced.

Between 1997 and 2005, gaming machines accounted for more than half of all gambling expenditure in New Zealand. Casino room formats were established in pubs, incorporating both TAB and gambling machines, and TAB betting started on the Internet in 1998. By 2003, telephone betting accounted for more than 30% of the TAB's total racing and sports turnover. Four casinos were granted approval – two in Queenstown, one in Dunedin and one in Hamilton.

In 2003 the Gambling Act was adopted to largely control the growth and proliferation of gambling.

Most recently, the internet has provided increased opportunities to gamble. The Act refers to internet gambling as 'remote interactive gambling.' With some exceptions, remote interactive gaming based in New Zealand is prohibited. However, it is not illegal for someone in New Zealand to participate in the activity if the website is based overseas.

The current profile of gambling in New Zealand

Gambling is a relatively normalised activity in current New Zealand society. A large proportion of the adult population participates in some form of gambling in any given year.

According to the most recent data available, the most popular gambling activities for New Zealand adults are New Zealand Lotteries products (including 'Strike,' 'Powerball,' and 'Big Wednesday').³

The internet provides gambling opportunities that have not traditionally been considered in studies around gambling prevalence and risk in New Zealand. The New Zealand Health Survey does include internet gambling within the category 'other forms of gambling,' but there is an overall lack of New Zealand-based data on internet gambling in particular. As such, it is difficult to draw specific conclusions about expenditure and the level of risk associated with the activity.

In 2011/2012, while 45.2% of respondents to the New Zealand Health Survey had gambled on Lotto products, only 1.7% of people had participated in 'other forms of gambling, including internet-based gambling.'⁴ While this may not seem to indicate that internet gambling is 'taking over' from more traditional forms of gambling in New Zealand, it should be noted that the NZHS data is from 2011. International research estimates that "global internet gambling jumped by 50% from 2010 to 2015, rising from 7.6% to 10% of total gambling losses. It forecasts an online share of 12.9% by 2020."⁵

The amount of actual dollars spent on the major forms of gambling in New Zealand - not including online gambling - has remained relatively static since the introduction of the Gambling Act in 2003, at around \$2,000 million dollars each year. When adjusted for inflation, however, total gambling expenditure in 2014 declined by almost 20% from the peak recorded in 2004. Spending on gaming machines in pubs and clubs decreased from \$1,035 million in 2004 to \$806 million in 2014, however gaming machines consistently account for the largest proportion of annual gambling expenditure. The actual amount wagered on these machines (which may include reinvestment of the same dollar) was \$8,783 million in 2013/14.⁶ During the same period, TAB racing and sports betting increased from \$199 million to \$311 million. This increase was driven in large part by the TAB's biggest ever betting event, the Football World Cup 2014, as well as the introduction of TAB online services (e.g. "Watch & Bet").

The graph below outlines expenditure on gambling in New Zealand from 1994 to 2014. Expenditure refers to the amount wagered, minus prizes/dividends, and may also be called gross profit.

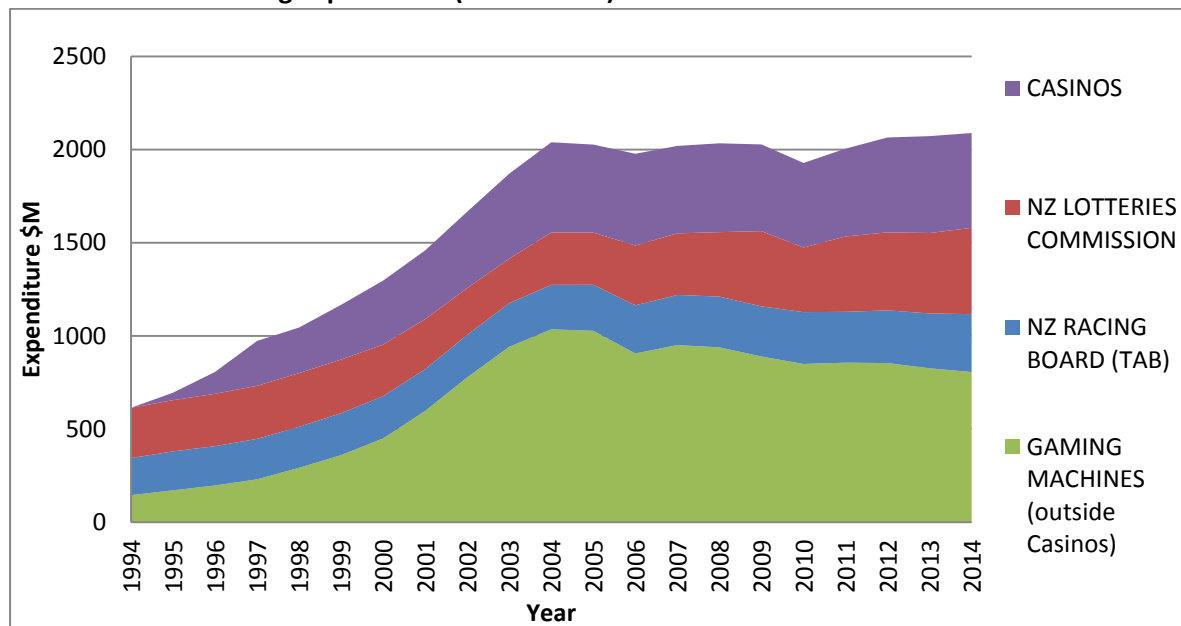
³ Ministry of Health (2015): p40

⁴ Ibid, p41

⁵ Collins, S (2016)

⁶ DIA – Gambling Expenditure Statistics

New Zealand Gambling Expenditure (Gross Profit) 1994 - 2014⁷



Gambling in the Whakatāne District – Risk Profile

In 2013, KPMG in conjunction with the Ministry of Health (MoH) released guidance for local government in establishing their risk profile when it comes to gambling.⁸ The risk profile considers several factors (outlined below) and generates a score by which the overall level of risk for a District can be understood as low, medium, or high.

Prevalence Rate

The prevalence rate is a way to measure at-risk gambling in the District. It looks at the number of people in the District that have sought help for problem gambling in comparison to national statistics.

The total number of clients in New Zealand seeking help for problem gambling in the 2014/15 year was 12,741. This is the highest figure for the past five years. The latest information from the MoH shows that 32 intervention clients were assisted in the Whakatāne District in the 2014/15 year.⁹ Considering the District population (32,691 residents as at the 2013 Census), the number of intervention clients in the District as compared to the national rate of help-seeking suggests that the prevalence rate of at-risk gambling in the Whakatāne District is likely to be of low risk.

Gambling Density

The density of gaming machines is important because research has shown that the more opportunities there are to gamble, the more at risk the community can be of experiencing gambling related harm. Gambling density comprises of two components:

⁷ Ibid.

⁸ Ministry of Health and KPMG (2013)

⁹ Ministry of Health – Intervention Client Data for 2004/05 to 2014/15

- Number of gaming machines per person; and
- Expenditure per person.

Having less than 75 machines per 10,000 people is considered to be low risk. The Whakatāne District currently has 181 machines, which equates to 55 machines per 10,000 people. Although indicating a low risk this is still higher than the national average of 38 machines per 10,000 people.

The table below sets out how the Whakatāne District compares to other Territorial Authorities in the Bay of Plenty.

Number of gaming machines per 10,000 residents – Bay of Plenty¹⁰

Territorial Authority	Population (Census 2013)	Number of gaming machines in the District	Number of gaming machines per 10,000 residents
Western Bay of Plenty District	43,692	184	42
Tauranga City	114,789	529	46
Whakatāne District	32,691	181	55
Rotorua District	65,280	395	61
Ōpōtiki District	8,436	69	82
Kawerau District	6,363	54	85

The second component of gambling density is expenditure (also referred to as Gambling Machine Proceeds). The DIA monitors every gaming machine electronically; therefore expenditure data on gaming machines is accurately recorded and attributed. As set out below, in 2014/15, \$8.3 million was spent on gaming machines in the Whakatāne District. This equates to \$253.76 per resident, per annum (more than the national average of \$190 per person per annum).

Gaming Machine Expenditure in the Whakatāne District 2014/15¹¹

	Jul-Sep 2014	Oct- Dec 2014	Jan- Mar 2015	Apr-Jun 2015	Total Jul 2014 - Jun 2015
Whakatāne District	\$2,051,023.31	\$2,220,806.95	\$1,973,045.68	\$2,050,650.42	\$8,295,526

Taking into account these two components, the risk rating for the District's gambling density is low.

Ethnicity

Research has shown that Māori and Pacific people are more likely than those of other ethnicities to be vulnerable to problem gambling using gaming machines. Research has found rates of problem gambling among Māori and Pacific people to be more than three times those for Pakeha.¹² In the 2014/15 year 35% of clients who received problem gambling treatment services identified themselves as Māori, whilst Māori represent 14.9% of the total New Zealand population (clients that

¹⁰ DIA – Gaming Machines venues and numbers by region at 30 September 2015

¹¹ DIA – Summary of Expenditure by Territorial Authority/District

¹² Abbott, M.W. & Volberg, R. A. (2000)

identified themselves as 'other' - which includes New Zealand European - made up 36%, despite representing over 74% of the population).¹³

The Whakatāne District has a very high percentage of Māori residents, with 43.5% of people identifying themselves as Māori. The District has a very low percentage of Pacific peoples at only 2.5%. The risk rating of problem gambling for Māori is considered high in our District, whilst it is considered low for Pacific peoples.

Socioeconomic Deprivation

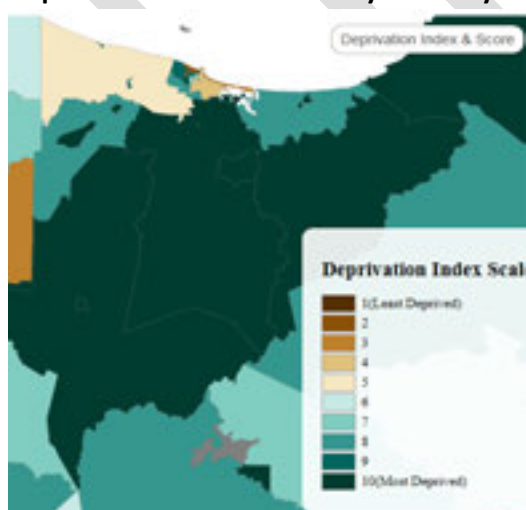
Living in a high deprivation area is a major risk factor for problem gambling.¹⁴ Community deprivation in New Zealand is measured through the deprivation index,¹⁵ which takes into account a number of variables from the 2013 Census, including:

- Car and telephone access
- Sole parenting
- Receipt and means-tested benefits
- Educational qualifications
- Unemployment
- Household income
- Home ownership
- Home living space.

A score of 10 on the index indicates that the community is in the most deprived 10 percent of areas in New Zealand and a score of 1 indicates the least deprived areas.

The District as a whole has an average index score of 8, which suggests high levels of deprivation and therefore a high risk of problem gambling. It is worth noting that most of the census areas in the Whakatāne District fall at a 9 or 10 on the Deprivation Index Scale. All but 16 gaming machines in the District are machines are located in these high deprivation areas.

Deprivation in the Eastern Bay of Plenty 2013¹⁶



¹³Ministry of Health – Intervention Client Data for 2004/05 to 2014/15

¹⁴Ministry of Health (2008); see also Abbott, M.W. & Volberg, R. A. (2000)

¹⁵Atkinson, J. et al; (2014)

¹⁶Singh, H. (2014)

Service Availability

To address the potential 'harms' of gambling there are a range of problem gambling service providers across New Zealand, some of which specifically target ethnic groups most at risk from harm (Māori, Pacific Island and Asian).

Funding for the development and implementation of problem gambling intervention services in New Zealand comes from the problem gambling levy, which is collected from gambling proceeds by the Inland Revenue Department. The Ministry of Health (MoH) is charged with funding and coordinating intervention services which are then delivered by a range of service providers by contractual agreement. The MoH currently contracts only one provider who provides services in the Whakatāne District. Te Kahui Hauora Trust, based in Rotorua, provide a counselling service available two days a week in the Whakatāne District.

In addition, the Gambling Helpline is available 24 hours a day, 7 days a week.

A District is considered to have a high risk of problem gambling if it has two or less local services per 10,000 people that deal with gambling harm. The Whakatāne District has a high risk rating in this area.

Whakatāne District Risk Profile

The level of risk for each factor is assigned a number of points (1 for low risk, 2 for medium risk and 3 for high risk), which are then added together to generate an overall risk level for the District.¹⁷

The Whakatāne District ranks 14 on the risk assessment scale out of a total of 24, indicating that the overall level of gambling risk is medium.

Social Impacts of Gambling – Benefits

Entertainment

Gambling is usually a harmless activity from which people derive personal enjoyment and positive social effects. Research has shown that the more communal the gambling activity, the higher the level of enjoyment, fun and socialising.¹⁸

Employment

A national survey undertaken in 2009 estimated that there were 300 full-time equivalents (FTEs) directly employed by Class 4 non-club corporate societies and 215 employees of external service providers and contractors also working for the societies.¹⁹ A 2010 report by the NZRB stated that the racing industry employed more than 16,930 FTE positions.²⁰

¹⁷ Ministry of Health and KPMG (2013): p40

¹⁸ Ministry of Health and KPMG (2013): p19

¹⁹ Ibid.

²⁰ Ibid.

Community funding

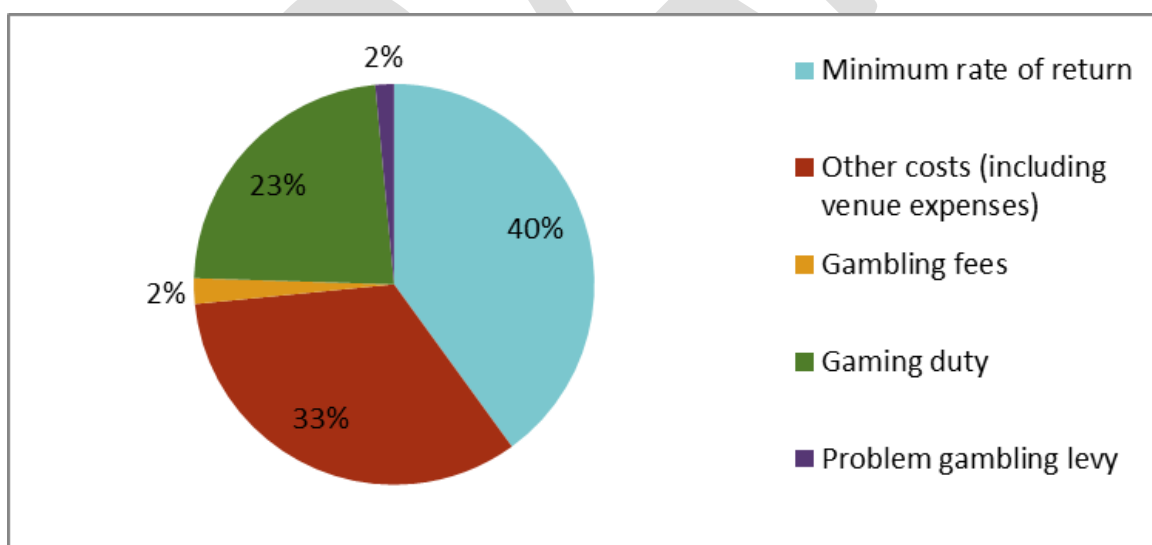
Class 4 gambling machines are operated by both club and non-club societies. A significant benefit of Class 4 gambling to the community is the distribution of the proceeds of non-club societies back into the community by way of grants administered through various trusts. These grants provide financial support to many clubs and organisations that find it increasingly difficult to obtain sponsorship and other revenue streams²¹.

The New Zealand system is unique in providing a community dividend from the proceeds of gambling. The Gambling Act is very clear that Class 4 gambling is only permitted where it is used to raise funds for authorised purposes. These are:

- I. a charitable purpose:
- II. a non-commercial purpose that is beneficial to the whole or a section of the community:
- III. promoting, controlling, and conducting race meetings under the Racing Act 2003, including the payment of stakes: (Gambling Act 2003, 4:a)

Currently, for non-club societies, the minimum proportion of gambling expenditure that must be used to fund authorised purposes is 40%. Clubs are not mandated to meet this percentage, but as a part of their Class 4 licence the DIA sets a minimum rate. At this time, there is no legislative requirement for funds to be disbursed back into the area in which they were obtained.

Allocation of non-club societies' Class 4 gaming machine GST-exclusive gross proceeds, from 1 September 2014²²



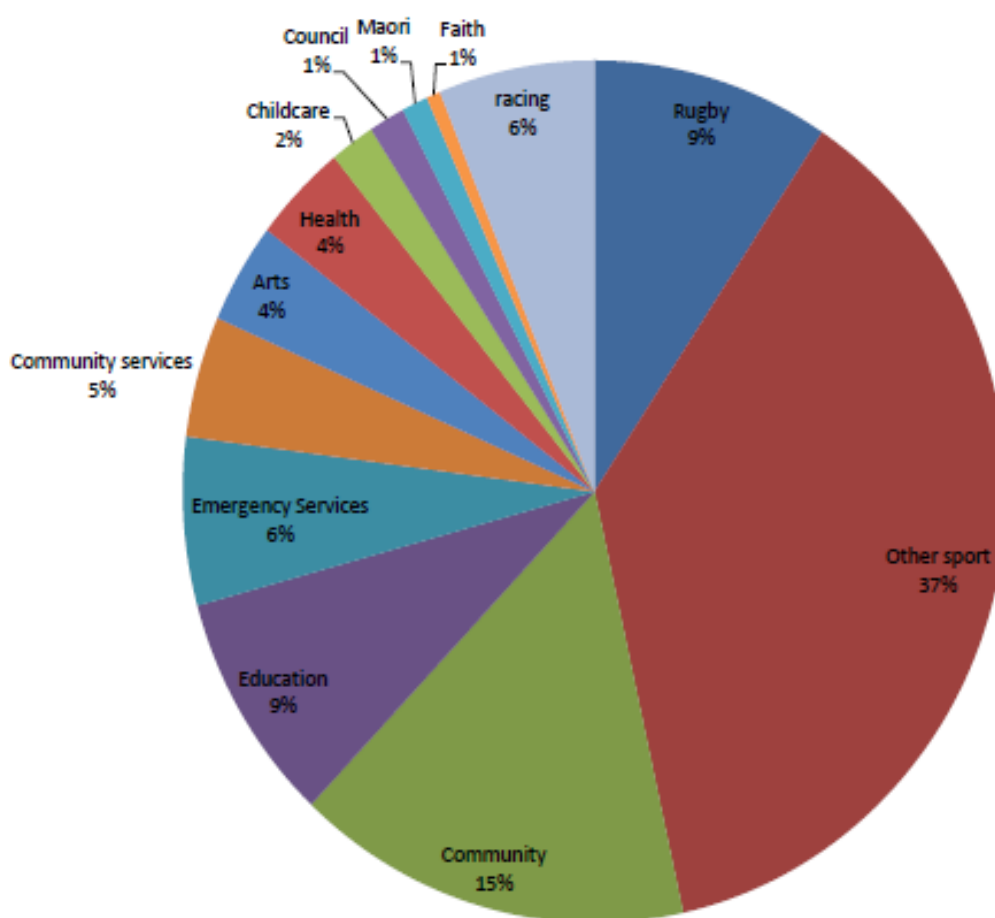
In New Zealand, the money returned to authorised purposes through grants varies each year, but totals more than \$200 million annually. Sporting organisations receive a high proportion of allocated grants. An analysis by the DIA of grants between 2004 and 2012 shows 44% of grants by value were allocated to sport (excluding racing).²³

²¹ True, J. (2014)

²² DIA (2015)

²³ Ibid

Grants by Recipient Type in New Zealand 2004 – 2012 (Total grants amounted to \$1.7 billion) ²⁴



Organisations in the Whakatāne District received over \$2.3 million in 2014/2015 from gaming Trusts. Grants ranged from \$121, for Onepū Netball Club, to \$285,000, for the Bay of Plenty Rugby Union.

Grants Distributed by Non-Club Corporate Societies in the Whakatāne District – 2014/15²⁵

	Number of Venues	Number of Machines	Grants distributed
The Lion Foundation ²⁶	3	54	\$722,794.00
Grassroots Trust ²⁷	2	27	\$420,394.00
The Southern Trust ²⁸	2	23	\$1,064,540.00
Pub Charity Limited ²⁹	1	9	93,030

²⁴ Ibid

²⁵ Refers to grants distributed over the most recent 12 month period for which data was available as at September 2015. Actual dates do not align due to the corporate societies having varying reporting timeframes.

²⁶ The Lion Foundation 2015, Community Grants April 2014 – March 2015.

²⁷ Email from Tiffany Wood, Grants Manager, MaxServ, 'Approved funding from Grassroots Trust from 1 October 2014 - 30 September 2015', received 12 November 2015, and Grass Roots Trust 2015, Grant Recipients.

²⁸ The Southern Trust 2015, Donations Map October 1 2014 – September 30 2015.

²⁹ Pub Charity Limited 2015, Donations Recipients October 2014 – September 2015.

Social Impacts of Gambling – Costs

Financial costs

The individual direct financial cost of gambling in New Zealand is \$493 per person per year and \$190 of this relates to gaming machine expenditure. However, it should be noted that this loss is not necessarily borne evenly across the community and is influenced by the various risk factors, such as ethnicity and living in areas of high social deprivation.

Impact of social deprivation on levels of at risk gambling³⁰

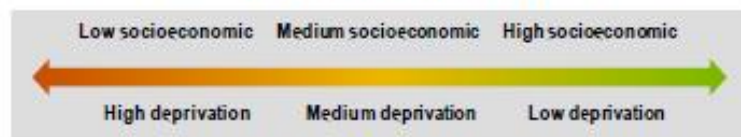
Gambling venue, and gaming machine numbers for low, medium and high socioeconomic communities.

	Low socioeconomic	Medium socioeconomic	High socioeconomic
Number of venues per 10,000 adults	13.1	9.5	4.8
Number of gaming machines per 10,000 adults	177	120	58

Gambling spend in low, medium and high socioeconomic communities



Deprivation continuum



Problem gambling

The initial cost of gambling is often financial loss; however casual gambling can lead to problem gambling, which has many further potential costs. These include:

³⁰ Ministry of Health and KPMG (2013): p22

- **Personal impacts:** including elevated physical and mental health problems relative to the general adult population and, in extreme cases, suicide attempts and suicide³¹
- **Financial impacts:** on average, problem gamblers spend approximately 15 times more than non-problem gamblers per month on gambling³²
- **Interpersonal impacts:** including relationship breakups and family neglect. Close family members of heavy gamblers are most often affected. In extreme cases, children of problem gamblers may be left with reduced access to basic necessities, including adequate housing, warmth and food³³
- **Parenting impacts:** people who report having a parent with gambling problems are also significantly more likely to experience gambling problems themselves, so problem gambling has the potential to have an impact on future generations³⁴
- **Work and study impacts:** including lost time at work or study and in extreme cases, resignation or termination of a job or a course, due to gambling-related absenteeism or crime³⁵
- **Criminal and legal impacts:** problem gambling has been linked to criminal activity, and studies have suggested that much of the crime goes unreported³⁶. Apart from the financial cost of gambling-related crime to organisations and individuals directly involved, there are often financial and other costs for problem gamblers who are convicted, and their families.³⁷

Problem gambling affects a relatively small proportion of the population, with 3.1% of the population over the age of 15 at risk of being problem gamblers and possibly experiencing negative consequences. Most people do not experience problems resulting from their gambling.

Prevalence of gambling by level of risk of gambling problems, 2006/07 and 2011/12³⁸

Problem gambling level	Prevalence (%) 2006/07	Prevalence (%) 2011/12
No gambling	34.9	47.9
Recreational gambling	59.9	49.0
Low-risk gambling	3.5	1.8
Moderate-risk gambling	1.3	1.0
Problem gambling level	0.4	0.3

However, for the minority that do develop a problem, the impacts can be far reaching and are not exclusive to the problem gamblers themselves. Every person with a gambling problem affects between five and ten other people.³⁹

³¹ Ministry of Health (2013); SHORE (2008); Abbott (2001); Productivity Commission (1999)

³² Abbott, M. (2001)

³³ Ministry of Health (2013)

³⁴ SHORE (2008); Abbott, M. (2001); Productivity Commission (1999)

³⁵ SHORE (2008); Abbott, M. (2001)

³⁶ Ibid

³⁷ Abbott, M. (2001)

³⁸ Ministry of Health (2012)

³⁹ Problem Gambling Foundation of New Zealand (2014)

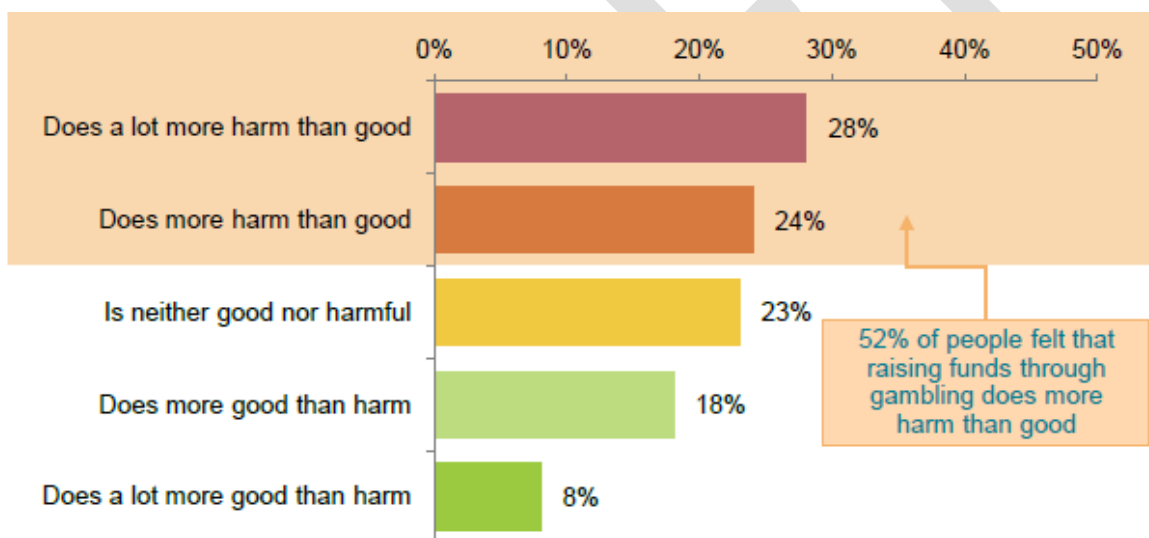
In the 2014/15 year, over 50% of clients assisted for problem gambling identified non-casino gambling machines as their primary mode of gambling. Less than ten percent identified NZ Racing Board services as their primary mode of gambling.⁴⁰

Class 4 gambling differs from many other forms of gambling as it is available most of the time and offers the possibility of instant gratification. It is considered to be high-risk, high-turnover gambling,⁴¹ with gaming machines designed to encourage gamblers to stay and gamble for long periods of time,⁴² Research indicates “an average increase of 0.8 problem gamblers for each new electronic gaming machine.”⁴³

Community views on gambling

A report by the Ministry of Health found that of the 1,724 people questioned, 52% thought that raising money through gambling did more harm than good in the community and 26% felt that it did more good than harm.

Views on whether raising funds through gambling does harm or good in the community⁴⁴



Note: due to rounding, responses add to more than 100%

In the Whakatāne District, consultation was undertaken in 2007 on the Council’s gambling policy. Of the 16 formal submissions received six felt the policy should be made less restrictive, six felt it should be more restrictive, six supported the proposed policy or felt it could be more restrictive, and four were neutral.⁴⁵ Community consultation will be undertaken in the 2015/16 year prior to adoption of the policy.

⁴⁰ Ministry of Health, Intervention client data, 2015

⁴¹ DIA (2015)

⁴² Choice not Chance (2015)

⁴³ Storer, j. et al; (2009)

⁴⁴ Ministry of Health (2013)

⁴⁵ Summary of Submissions received on the Council’s Draft Gambling Policy, Whakatāne District Council meeting, 8 March 2007

Conclusion

Gambling is a leisure activity, it provides for business opportunities and employment, and provides significant allocation of funding to community activities.

Problem gambling has significant negative impacts, relating to those affected as well as their family, friends and colleagues.

The demographic profile of the Whakatāne District puts the area at risk of harm from gambling, especially due to its areas of high deprivation and significant Māori population. The low number of services provided by MOH to deal with problem gambling increases the District's overall risk of gambling harm.

However, when compared with New Zealand as a whole, the Whakatāne District has a low number of clients seeking help with problem gambling, a lower than average Pacific population, and a low density of Class 4 gaming machines.

Over the past year, around 8.3 million dollars was spent in the District on Class 4 gambling. Research suggests that much of this has come from members of the community that can least afford it. 2.3 million dollars was returned to the area in the form of grants.

Undertaking a gambling profile assessment has indicated that the Whakatāne District is at medium risk of gambling harm, ranking 14 on the risk assessment scale out of a possible total of 24. This suggests that any policy response should restrict locations and number of machines in the District, however may not need to go so far as to implement a sinking lid policy.⁴⁶

⁴⁶ Ministry of Health and KPMG (2013): p40

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Appendix 1 – Gaming Venues in the Whakatāne District as at 30 September 2015⁴⁷

Society Name	Venue Name	Venue Address	Physical	Number of Gaming Machines	Census Area Unit	Deprivation Index Score
GRASSROOTS TRUST LIMITED	COBB & CO	81 THE STRAND WHAKATANE 3080		9	Whakatāne North	9
THE SOUTHERN TRUST	KOPE TURF BAR	7-9 JAMES STREET WHAKATANE 3080		18	Trident	10
THE SOUTHERN TRUST	MATATA HOTEL	47 ARAWA STREET MATATĀ 3084		5	Matatā	9
THE LION FOUNDATION (2008)	MURUPARA HOTEL	PINE DRIVE MURUPARA 3272		18	Murupara	10
MURUPARA SERVICES & CITIZENS CLUB INC	MURUPARA SERVICES & CITIZENS CLUB	PINE DRIVE MURUPARA 3272		8	Murupara	10
PUB CHARITY LIMITED	OFFICE BAR & GRILL	80 THE STRAND WHAKATANE 3080		9	Whakatāne North	9
OHOPE CHARTERED CLUB (INC)	OHOPE CHARTERED CLUB	7 BLUETT ROAD ŌHOPE 3121		16	Ōhope	3
THE LION FOUNDATION (2008)	PLAINS HOTEL	11-19 COLLEGE ROAD EDGE CUMBE 3082		18	Edgecumbe	9
RANGITAIKI COSMOPOLITAN CLUB INCORPORATED	RANGITAIKI COSMOPOLITAN CLUB INCORPORATED	11 BRIDGE STREET EDGE CUMBE 3082		12	Edgecumbe	9
THE LION FOUNDATION (2008)	THE QUART HOUSE BAR	115 THE STRAND WHAKATANE 3080		18	Whakatāne North	9
GRASSROOTS TRUST LIMITED	WHAKATANE HOTEL	79 THE STRAND WHAKATANE 3080		18	Whakatāne North	9
WHAKATANE RETURNED SERVICES ASSOCIATION INCORPORATED	WHAKATANE RSA CLUB	13/23 RICHARDSON STREET WHAKATANE 3158		18	Whakatāne North	9
WHAKATANE SPORTFISHING CLUB INCORPORATED	WHAKATANE SPORTFISHING CLUB	MURIWAI DRIVE WHAKATANE 3080		14	Whakatāne North	9

⁴⁷ DIA – Gaming Machines venues and numbers by region at 30 September 2015

Appendix 2 – Funds Received by Organisations in the Whakatāne District from Gaming Trusts in 2014/2015⁴⁸

Trust	Organisation	Funds Received
The Lion Foundation ⁴⁹	Allandale School	\$40,000.00
The Lion Foundation	Alzheimers Soc Eastern Bay of Plenty Inc	\$14,166.00
The Lion Foundation	Assistance Dogs NZ	\$2,000.00
The Lion Foundation	BOP Indoor Bowls Centre Inc	\$2,443.00
The Lion Foundation	BOP Motorcycle Club	\$5,000.00
The Lion Foundation	Bay of Plenty Badminton Assn Inc	\$2,500.00
The Lion Foundation	Bay of Plenty Cricket Assn Inc	\$5,000.00
The Lion Foundation	Bay of Plenty Hockey Assn Inc	\$3,800.00
The Lion Foundation	Bay of Plenty Rugby Union Inc	\$5,000.00
The Lion Foundation	Blue Light Ventures Inc – Murupara	\$672.00
The Lion Foundation	CNIKA – Central Kids Garaway Kindergarten	\$5,000.00
The Lion Foundation	Citizens Advice Bureau Inc – Whakatane	\$7,500.00
The Lion Foundation	Community Hospice Service– Eastern Bay of Plenty	\$20,000.00
The Lion Foundation	Disabilities Resource Centre Trust (Whakatane)	\$17,286.00
The Lion Foundation	EBOPPA – Edgecumbe Playcentre	\$7,500.00
The Lion Foundation	Eastern Bay of Plenty Hunt Club Inc	\$900.00
The Lion Foundation	Eastern Bay of Plenty Playcentre Assn Inc	\$8,247.00
The Lion Foundation	Eastern Bay of Plenty Rugby Sub-Union Inc	\$6,116.00
The Lion Foundation	Edgecumbe Choir Inc	\$3,600.00
The Lion Foundation	Edgecumbe College	\$28,661.00
The Lion Foundation	Edgecumbe Pony Club	\$2,944.00
The Lion Foundation	Edgecumbe Sports Club Inc	\$12,000.00
The Lion Foundation	Edgecumbe Squash & Tennis Club Inc	\$20,000.00
The Lion Foundation	Galatea Rugby and Sports Club Inc	\$45,000.00
The Lion Foundation	Galatea School	\$2,950.00
The Lion Foundation	He Maungarongo Kohanga Reo	\$40,000.00
The Lion Foundation	Liberty Ministries Trust	\$10,000.00
The Lion Foundation	Mataatua Sports Trust	\$6,619.00
The Lion Foundation	Matata Community Resource Centre	\$3,489.00
The Lion Foundation	Matata Rugby & Sports Club Inc	\$4,000.00
The Lion Foundation	Murupara Golf Club Inc	\$12,500.00
The Lion Foundation	Netball Whakatane Centre	\$20,000.00
The Lion Foundation	Nga Kaihoe O Aoteroa (Waka Ama NZ) Inc	\$2,500.00
The Lion Foundation	Northern Districts Cricket Assn Inc	\$5,000.00
The Lion Foundation	Onepu Netball Club Inc	\$121.00
The Lion Foundation	Order of St John Central Regional Trust Board	\$10,000.00
The Lion Foundation	Otakiri Playcentre	\$2,000.00
The Lion Foundation	Otakiri School	\$1,775.00
The Lion Foundation	Parafed Bay of Plenty Inc	\$10,000.00
The Lion Foundation	Paroa Rugby & Sports Club Inc	\$10,000.00
The Lion Foundation	Patutaatahi Kohanga Reo	\$15,000.00
The Lion Foundation	SANZ – Kingsley Scout Group	\$5,000.00

⁴⁸ Refers to grants distributed in the district over the most recent 12 month period for which the data was available as at September 2015. Actual dates do not align due to varying reporting timeframes.

⁴⁹The Lion Foundation 2015, Community Grants April 2014 – March 2015

The Lion Foundation	Sport BOP Charitable Trust	\$15,000.00
The Lion Foundation	TRFKA – Karamuramu Kindergarten	\$28,828.00
The Lion Foundation	Taneatua Rugby Union Football Club Inc	\$5,000.00
The Lion Foundation	Te Awhina Support Services Inc	\$15,000.00
The Lion Foundation	Te Kura Kaupapa Motuhake O Tawhiuau	\$10,000.00
The Lion Foundation	Te Kura o Te Paroa	\$5,600.00
The Lion Foundation	Te Teko Golf Club	\$30,000.00
The Lion Foundation	Trident High School	\$36,005.00
The Lion Foundation	Whakatane Amateur Swimming Club Inc	\$3,033.00
The Lion Foundation	Whakatane Athletic and Harriers Club	\$75,000.00
The Lion Foundation	Whakatane Community Toy Library Inc	\$5,000.00
The Lion Foundation	Whakatane District Community Arts Council Inc	\$8,500.00
The Lion Foundation	Whakatane District Pony Club Inc	\$900.00
The Lion Foundation	Whakatane Intermediate School	\$15,000.00
The Lion Foundation	Whakatane Lawn Tennis Club Inc	\$30,000.00
The Lion Foundation	Whakatane Soc of Arts & Crafts Inc	\$7,000.00
The Lion Foundation	Whakatane Squash Rackets Club Inc	\$4,639.00
The Lion Foundation	Yachting NZ Inc	\$2,000.00
Grassroots Trust ⁵⁰	Allandale Primary School	\$10,000.00
Grassroots Trust	Apanui School	\$8,640.45
Grassroots Trust	Bay of Plenty Rugby Union Inc	\$285,000.00
Grassroots Trust	Central Kids Garaway Kindergarten	\$8,451.06
Grassroots Trust	Community Hospice Service (EBOP) Trust	\$6,000.00
Grassroots Trust	Marist Rugby and Sports Club Whakatāne Inc	\$16,279.00
Grassroots Trust	Te Kohanga Reo O Wairaka	\$1,888.60
Grassroots Trust	The Girl Guide Assn of NZ Eastern Bay of Plenty District	\$1,500.00
Grassroots Trust	Whakatāne District Council	\$50,000.00
Grassroots Trust	Whakatāne High School	\$3,000.00
Grassroots Trust	Whakatāne Intermediate	\$8,000.00
Grassroots Trust	Whakatāne Surf Lifesaving Club Inc	\$21,635.00
Pub Charity Limited ⁵¹	Allandale School	\$10,000.00
Pub Charity Limited	Apanui School	\$7,000.00
Pub Charity Limited	Eastern Bay of Plenty Hunt	\$1,632.84
Pub Charity Limited	Eastern Bay of Plenty Playcentre Assn	\$21,697.50
Pub Charity Limited	Eastern Bay of Plenty Rugby Sub-Union	\$2,603.05
Pub Charity Limited	Ebat Charitable Trust	\$5,000.00
Pub Charity Limited	Mataatua Sports Trust	\$5,000.00
Pub Charity Limited	Otakiri Playcentre	\$5,722.42
Pub Charity Limited	Tama Ki Hikurangi Te Kohanga Reo	\$5,733.66
Pub Charity Limited	Te Kura O Te Paroa	\$5,000.00
Pub Charity Limited	Whakatāne District Friends of the Library	\$2,500.00
Pub Charity Limited	Whakatāne High School	\$6,000.00
Pub Charity Limited	Whakatāne High School	\$3,300.00
Pub Charity Limited	Whakatāne High School	\$6,000.00
Pub Charity Limited	Whakatāne Squash Club Inc	\$5,840.00
The Southern Trust ⁵²	Allandale School	\$29,000.00
The Southern Trust	Alzheimers Society Eastern Bay of Plenty Inc	\$5,000.00

⁵⁰ Email from Tiffany Wood, Grants Manager, MaxServ, 'Approved funding from Grassroots Trust from 1 October 2014 - 30 September 2015', received 12 November 2015, and Grass Roots Trust 2015, Grant Recipients.

⁵¹ Pub Charity Limited 2015, Donations Recipients October 2014 – September 2015.

⁵² The Southern Trust 2015, Donations Map October 1 2014 – September 30 2015.

The Southern Trust	Apanui School	\$30,000.00
The Southern Trust	Apanui School	\$18,000.00
The Southern Trust	Athletics NZ	\$365.00
The Southern Trust	Auckland District Kidney Society Inc	\$1,800.00
The Southern Trust	Awakeri Badminton Club Inc	\$4,500.00
The Southern Trust	Awakeri Playcentre	\$4,154.00
The Southern Trust	Bay of Plenty Badminton Assn Inc	\$2,500.00
The Southern Trust	Bay of Plenty Badminton Assn Inc	\$450.00
The Southern Trust	Bay of Plenty Cricket Assn Inc	\$1,800.00
The Southern Trust	Bay of Plenty Golf Inc	\$815.00
The Southern Trust	Bay of Plenty Hockey Assn Inc	\$968.00
The Southern Trust	Bay of Plenty Multiple Sclerosis Society Inc	\$2,000.00
The Southern Trust	Bay of Plenty Primary Schools Rugby Football Union Inc	\$10,000.00
The Southern Trust	Bay of Plenty Rugby Union	\$27,433.50
The Southern Trust	Bay of Plenty Touch Assn Inc	\$1,000.00
The Southern Trust	Beat Bowel Cancer Aotearoa Inc	\$4,167.00
The Southern Trust	Bowls NZ Inc	\$2,500.00
The Southern Trust	Bowls NZ Inc	\$5,665.00
The Southern Trust	Carers NZ	\$1,000.00
The Southern Trust	CCS Disability Action Bay of Plenty Inc	\$15,000.00
The Southern Trust	Child Cancer Foundation Inc	\$2,500.00
The Southern Trust	Cnika – Garaway Kindergarten	\$12,000.00
The Southern Trust	Coeliac NZ	\$2,000.00
The Southern Trust	Community Hospice Service Eastern Bay of Plenty	\$43,000.00
The Southern Trust	Cystic Fibrosis Assn Bay of Plenty Branch	\$2,600.00
The Southern Trust	Dare Foundation of NZ	\$960.00
The Southern Trust	East Bay of Plenty Chamber of Commerce & Industry Inc	\$2,875.00
The Southern Trust	Eastern Bay Dressage Group	\$542.00
The Southern Trust	Eastern Bay of Plenty Gymnastics Club Inc	\$9,771.00
The Southern Trust	Eastern Bay of Plenty Hunt Inc	\$3,000.00
The Southern Trust	Eastern Bay of Plenty Rugby Sub-Union	\$6,767.00
The Southern Trust	Edgecumbe Pony Club Inc	\$1,000.00
The Southern Trust	Edgecumbe Pony Club Inc	\$1,144.00
The Southern Trust	Edgecumbe Primary School	\$3,000.00
The Southern Trust	Girl Guiding NZ – Bay of Plenty Region	\$500.00
The Southern Trust	Gymsports NZ	\$328.00
The Southern Trust	Halbery Disability Sport Foundation	\$18,000.00
The Southern Trust	IDFNZ – Kids Foundation	\$2,000.00
The Southern Trust	James Street School	\$23,000.00
The Southern Trust	Kawerau District Council	\$4,500.00
The Southern Trust	Liberty Ministries Trust – Liberty Life Church	\$494.00
The Southern Trust	Life Education Trust NZ	\$5,000.00
The Southern Trust	Marist Rugby & Sports Club Whakatāne Inc	\$40,000.00
The Southern Trust	Midlands Hockey Inc	\$500.00
The Southern Trust	Netball Whakatāne Centre Inc	\$10,000.00
The Southern Trust	Ngā Whetu O Tawera Kohanga Reo	\$4,000.00
The Southern Trust	Northern Districts Cricket Assn	\$5,065.00
The Southern Trust	Northern Districts Cricket Assn	\$2,026.00
The Southern Trust	NZ Football Inc	\$25,000.00
The Southern Trust	NZ Football Inc	\$20,000.00
The Southern Trust	NZ Indoor Bowls Inc	\$2,000.00
The Southern Trust	NZ Maori Golf Assn	\$10,000.00

The Southern Trust	NZ Marist Rugby Football Federation Inc	\$5,000.00
The Southern Trust	Ōhope Beach School	\$3,485.00
The Southern Trust	Ōhope Indoor Bowls Club	\$1,400.00
The Southern Trust	Order of St John Northern Region Trust Board	\$5,000.00
The Southern Trust	Otakiri Playcentre	\$17,000.00
The Southern Trust	Parafed Bay of Plenty	\$3,000.00
The Southern Trust	Parent to Parent NZ Inc	\$2,000.00
The Southern Trust	Parkinsonism Society of NZ Inc	\$2,800.00
The Southern Trust	Paroa Rugby & Sports Club Inc	\$21,976.00
The Southern Trust	Plains Rangers Football Club	\$3,000.00
The Southern Trust	Presbyterian Māori Synod – Te Aka Puaho	\$40,000.00
The Southern Trust	Presbyterian Support Services Northern	\$20,000.00
The Southern Trust	Rangimarie Marae Committee Inc	\$5,000.00
The Southern Trust	Scout Assn of NZ	\$5,000.00
The Southern Trust	Sir Edmund Hillary Outdoor Pursuits Centre of NZ	\$7,500.00
The Southern Trust	Spirit of Adventure Trust	\$2,200.00
The Southern Trust	Squash Bay of Plenty Inc	\$2,000.00
The Southern Trust	St Joseph's Catholic School Matatā	\$6,000.00
The Southern Trust	Surf Life Saving NZ Inc	\$10,000.00
The Southern Trust	Tanatana Kohanga Reo	\$10,000.00
The Southern Trust	Tanatana Marae	\$20,000.00
The Southern Trust	Taneatua School	\$6,000.00
The Southern Trust	Te Kura Kaupapa Māori O Te Orini Ki Ngatiawa	\$10,000.00
The Southern Trust	Te Kura Kaupapa Māori O Te Orini Ki Ngatiawa	\$29,000.00
The Southern Trust	The Bym Trust	\$1,000.00
The Southern Trust	Trident High School	\$28,589.00
The Southern Trust	Tumanako Hou Trust Whakatāne	\$11,000.00
The Southern Trust	Upper Central Zone of NZ Rugby League Inc	\$5,000.00
The Southern Trust	Upper Central Zone of NZ Rugby League Inc	\$460.00
The Southern Trust	Volleyball Bay of Plenty Assn	\$5,000.00
The Southern Trust	Waikato/Bay of Plenty Area Judo Assn Inc	\$2,000.00
The Southern Trust	Wairaka Marae & Trustees Committee	\$39,291.00
The Southern Trust	Whakatāne Amateur Swimming Club Inc	\$6,000.00
The Southern Trust	Whakatāne Athletic & Harrier Club Inc	\$10,000.00
The Southern Trust	Whakatāne Citizens Advice Bureau Inc	\$4,400.00
The Southern Trust	Whakatāne Citizens Band Eastern Bay of Plenty Brass	\$30,000.00
The Southern Trust	Whakatāne Clay Target Club Inc	\$12,074.00
The Southern Trust	Whakatāne Croquet Club	\$20,000.00
The Southern Trust	Whakatāne Dart Assn Inc	\$2,700.00
The Southern Trust	Whakatāne District Council	\$70,576.00
The Southern Trust	Whakatāne District Pony Club Inc	\$5,000.00
The Southern Trust	Whakatāne Golf Club Inc	\$46,000.00
The Southern Trust	Whakatāne High School	\$17,000.00
The Southern Trust	Whakatāne High School	\$14,500.00
The Southern Trust	Whakatāne Indoor Bowls Assn	\$10,000.00
The Southern Trust	Whakatāne Judo Club Inc	\$5,790.00
The Southern Trust	Whakatāne Kiwi Trust	\$16,400.00
The Southern Trust	Whakatāne Menz Shed Inc	\$8,000.00
The Southern Trust	Whakatāne Racing Club Inc	\$10,000.00
The Southern Trust	Whakatāne Squash Racquets Club Inc	\$14,709.00



Gambling Policy Review 2016

Policy Options

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Policy Options

The Gambling Act 2003 and the Racing Act 2003 require territorial authorities to have a policy relating to Class 4 Venues and Board Venues respectively. Both Acts specify that the policy must be reviewed every three years, taking into account the social impacts of gambling in the District.

The gambling risk assessment undertaken in the draft Social Impact Assessment indicates that the Whakatāne District is at medium risk of gambling harm. Following guidance from the Ministry of Health, this would suggest that any policy response should restrict Class 4 Venue and Board Venue locations, as well as the total number of gaming machines allowed in the District. However, the Council may not need to go so far as to implement a sinking lid policy. Given this guidance, it is considered prudent that the Council's current policy be largely retained.

The sections below discuss the main policy options.

1 Concerning the number of gaming machines in the District

The current policy sets a limit of 6 gaming machines per 1,000 residents in the district aged 18 or older. As at the latest available census data, this equates to 141 machines. Any application for new machines that would result in this limit being breached would be declined. The intention of this stance was to allow gaming machine numbers to naturally drop to close to the national average density.

1.1 Option 1: Limit number of gaming machines to 117

This option caps the total number of gaming machines in the District to 117. This figure equates to 5 machines per 1,000 residents aged 18 or older, which is in line with the current national average. This cap could be revised every three years alongside the policy, and updated to reflect the national average ratio at the time of review.

Analysis:

In effect, this option proposes a sinking lid approach to new applications until such time as the number of machines in the district drops to 117 or below. The number of machines in current Class 4 Venues would not change. As such, this approach provides an opportunity to reduce gambling harm, but is not expected to reduce the current benefits provided to the District by gambling, such as employment opportunities, social entertainment, and the provision of grants and funding.

Capping machines at a certain number, rather than a ratio linked to population, provides a clearer reference-point for applicants as well as those vetting applications.

1.2 Option 2: Limit number of gaming machines to 141 (status quo) – preferred option

This option retains the limit on the number of machines allowed by the current policy (6 per 1,000 residents aged 18 or older), but for clarity caps machines at a specific number rather than a ratio.

Analysis:

As with Option 1, this stance would mean a sinking lid approach to new applications until such time as the number of machines in the District dropped, in this case to 141 or below. This option would provide a way of reducing gambling harm, but would permit new Class 4 Venues or machines in the District earlier than Option 1 would. The current policy specifies 6 machines per 1,000 people aged 18 or above as this ratio was in line with the national average at the time of the last policy review.

1.3 Option 3: Sinking Lid

Implement a Sinking Lid policy (i.e. no further machines allowed from this point forward).

Analysis:

This approach provides the most effective way to reduce gambling harm by not allowing for the replacement of any machines going forward, regardless of the total number in the District. However, it may therefore have a negative effect on the current positive outcomes of gambling in the District, including employment, social entertainment, and funds available from trusts.

1.4 Option 4: Reduce restrictions

Alternatively, the Council could opt to increase the number of machines allowed in the District, either by setting a higher cap, or by removing any limitation on the number of machines in the District beyond those specified in the legislation.

Analysis:

This approach would be more enabling for businesses, allowing a greater number of machines within the District as a whole, and possibly in each Class 4 venue. As such, it could help to enhance the positive outcomes of gambling, including the economic success of local businesses, social enjoyment, and the availability of funding. However, this option might result in an increase in the current levels of gambling risk, which is not consistent with the general objectives of the policy.

2 Concerning the location of new Class 4 Venue and Board Venues

Section 101 (3) of the Gambling Act states that the Council's gambling policy must consider the location of Class 4 venues in the District. Research has shown that living in close proximity to gambling venues increases the potential for problem gambling. By limiting gambling venues to business areas it is hoped that this risk factor will be reduced.

The current policy limits proposed venue locations to "Business 1 Zone in the Whakatāne Town Centre, College and Bridge Streets (Edgecumbe), Murupara or Kopeopeo as defined in the Whakatāne District Plan."

The current policy also limits the "close proximity" of proposed venues to sensitive land uses, including "residential areas, education institutes, playgrounds or public reserves used or likely to be used by children for sport or recreation, community facilities, childcare centres, places of worship or Marae."

2.1 Option 1: Limit venues to business centres with buffer zones – preferred option

The proposed policy has been updated to limit gambling venues to land zoned as *Business Centre* as per revised terminology in the Proposed Whakatāne District Plan. It also specifies that new Class 4 Venues must be located at least 50 metres away from parcels of land with sensitive uses. Providing a specific buffer zone removes any confusion around what might constitute 'close proximity' to such areas.

Analysis:

The intention of this limitation is to prevent the normalisation of gambling for children, limit cultural offence, and reduce the potential of gambling related harm. Location restrictions might be considered to be more effective than reducing machine numbers to achieve these outcomes.

The maps attached to the Draft Policy set out the locations of *Business Centre* zones in the District, and indicate a 50 metre buffer zone around nearby parcels of land with sensitive uses.

2.2 Option 2: No restrictions

An alternative option would be to not restrict the location of proposed Class 4 venues.

Analysis:

Under the Act, the Council must have regard to the location of kindergartens, early childhood centres, schools, places of worship and other community facilities when considering the location of Class 4 venues, as well as the general characteristics of the District. To fulfil the Council's obligations under the Act, and to minimise gambling related harm to the community, it is not recommended that this option be adopted.

3 Concerning the number of gaming machines in a venue

The current Council policy limits the maximum number of gaming machines for a venue to four for the first 12 months of its licence.

The Gambling Act 2003 limits the maximum number of gaming machines for venues that held a licence before 17 October 2001 to 18. Venues that obtained a licence after this date may operate nine machines (except with the approval of the Minister for a club to operate up to 18).

3.1 Option 1: Limit the number of gaming machines in a venue (status quo) – preferred option

The proposed policy retains the maximum number of gaming machines in a venue to four for the first 12 months of its licence, and to nine after this time (as long as this does not breach the limit on the total number of machines in the District outlined above).

Analysis:

This approach protects the District from increased levels of gambling harm, and also assists in ensuring that gaming machines are not the primary purpose for a new venue.

However this option is more restrictive than the legislation, and may be seen as not being enabling for local business.

3.2 Option 2: No restrictions

An alternative option would be to not restrict the number of gaming machines in a venue beyond the restrictions already contained in the Act.

Analysis:

This option is not consistent with the general approach proposed for the policy, to encourage a reduction in the number of machines in the district. In order to minimise gambling related harm to our community, it is not recommended that this option be adopted.

4 Concerning the establishment and location of Board Venues

Section 65D (3) of the Racing Act stipulates that the Council's Board Venue Policy must specify whether new Board Venues may be established in the district and, if so, where they may be located.

4.1 Option 1: Allow Board Venues in the District (status quo) – preferred option

At this time, there are no Board Venues in the District. The current policy allows for the establishment of Board Venues under the same conditions as those for new Class 4 Venues. The proposed policy retains these conditions, and clarifies that Board Venues will only be allowed to

operate gaming machines if their application to do so does not breach the limit on overall gaming machine numbers set out above.

Analysis:

If established, Board Venues would contribute to economic growth in the District, and provide new social entertainment options for the community. However, allowing such a venue to open might contribute to gambling harm in the District, whether or not the venue operated gaming machines.

4.2 Option 2: Disallow Board Venues in the District

An alternative option would be to not allow the establishment of any Board Venues in the District.

Analysis:

This option presents an opportunity to reduce gambling related harm. However, disallowing Board Venues altogether may be seen as an inhibitor of economic growth, and as being overly restrictive. As there are currently no Board Venues in the District, such locations do not present any issues to the community at this time. However it is proposed that this factor be reviewed in three years alongside the Policy if Board Venues have been established in the interim.

5 Concerning the primary activity of Class 4 Venues

Under Section 101 (4)(f) of the Gambling Act, the Council may have regard to the primary activity of a venue when considering Class 4 Venue applications. The current policy requires that the primary activity of a Class 4 Venue be the authorised sale and supply of alcohol for consumption on the premises - specifically excluding venues promoted for family dining or activities (e.g. cinemas). A Board Venue, as defined by the Racing Act 2003, is the only alternative as a non-liquor venue for gaming machines.

5.1 Option 1: Consider primary purpose of venue (Status Quo) - preferred option

The current policy limitations are proposed to be carried over, however wording has been amended to reflect the Sale and Supply of Alcohol Act 2012.

Analysis:

This option helps to prevent the normalisation of gambling for children and to ensure Class 4 gaming machines are only allowed alongside suitable age-appropriate activities.

5.2 Option 2: No restrictions

An alternative option would be not to restrict venues to just those with a primary purpose of selling and supplying alcohol.

Analysis:

This would extend the opportunity to operating gaming machines, and the associated benefits of doing so, to a wider range of businesses in the district. However, it would also create the possibility of gaming machines being operated out of venues that are not socially compatible with gambling. To fulfil the Council's obligations under the Act, and to minimise harm to our community, it is not recommended that this option be adopted.

6 Concerning the merging of clubs

Section 95 (1)(f) of the Act states that clubs wishing to merge must first have consent from the Council to operate from their proposed venue. The current policy requires that where clubs legally and physically merge, the number of machines they will be allowed to operate is 18 or less (and no more than the total number of machines operated by the clubs before the merger).

This is more restrictive than the legislation, which states that merged clubs may have a total of 30 machines, but only with the approval of the Minister of Internal Affairs. However, it is consistent with the general provisions of the Act that no venue may have more than 18 machines, except by the Minister's approval.

6.1 Option 1: Merged clubs may operate 18 machines or less (status quo) – preferred option

The current policy position is proposed to be retained, allowing clubs to merge but retaining the maximum number of machines for any one venue to 18.

Analysis:

This option would provide an opportunity to reduce the number of machines in the District whilst allowing clubs to merge and continue to operate their machines. This avoids an overly restrictive approach, but is consistent with the general objectives of the policy.

6.2 Option 2: No restrictions

An alternative option would be to not restrict the number of machines that merged clubs can operate beyond the restriction of 30 machines already contained in the Act.

Analysis:

This option would eliminate a possible opportunity to reduce the number of machines in our District, and as such is not consistent with the general objectives of the policy.

7 Concerning the relocation of existing venues

An additional clause is proposed outlining the Council's relocation policy in regard to Class 4 Venues. The Council is legislatively required under the Gambling (Gambling Harm Reduction) Amendment Act 2013 to consider whether to include such a clause. The purpose of the clause would be to clearly set out when the Council would grant consent for a Class 4 Venue in cases where the venue is intended to replace an existing Class 4 Venue.

This clause could act to protect venues in areas with a sinking lid policy (otherwise relocation would result in a loss of Class 4 machines), or to allow relocating venues to retain 18 machines if their licence was granted prior to 17 October 2001 (when the Act reduced the maximum number of machines per Class 4 venue to nine). The clause could also be used as a tool to encourage current venues to relocate to more desirable areas (such as from a residential to a business zone).

In the past, the Council did receive a relocation request following the closing of a Class 4 venue, whereby the applicant was interested in establishing a new venue in Whakatāne. An application was never lodged, however such a scenario may present itself in the future.

7.1 Option 1: Relocation only allowed in certain circumstances – preferred option

The proposed policy states that applications to relocate Class 4 Venues will be treated as applications for new venues except in the following circumstances:

1. The current venue must be relocated due to extenuating circumstances such as (but not limited to) fire or natural disaster. In this case, the Council's Hearings Committee will consider relocation applications.
2. The current venue is located outside of a permitted area for new venues, and is proposing to relocate into a permitted area.

As per the Act, these circumstances would mean that the new venue is able to operate the same number of machines as the previous venue did.

In any other case, a venue would not be permitted to relocate until the current number of machines in the District drops below the threshold outlined above.

Such a policy response is intended to potentially assist in decreasing the number of gaming machines in the district, consistent with the general approach of the policy. However, it also provides for local businesses that are experiencing extenuating circumstances, and encourages certain current venues to relocate to more desirable areas without being penalised.

Analysis:

This option is consistent with the general approach proposed for the policy, to encourage a reduction in gaming machines until the total number of machines in the District falls below 141. It also allows for relocation of current venues into more desirable areas as defined by the policy.

However this option does not actively facilitate the changing of venues by corporate societies, and may be seen by some to be overly restrictive and not enabling for local business.

7.2 Option 2: Relocation allowed

This option would allow any current Class 4 Venues to relocate, as long as the new venue is within the *Business Centre* zone and not within 50 metres of sensitive land uses. As per the Act, this would enable the new venue to operate the same number of machines as the previous venue did.

Analysis:

This option would enable current businesses to continue operating their machines, potentially in a more financially viable venue. This approach is consistent with the Council's strategic direction, being enabling for local business. However it will not help to reduce the number of machines in the District.

