

Meeting	Class 4 Gambling Venues Policy Hearing Panel
Date	Wednesday 28 November 2018
Time	9.00am
Venue	Northern Wairoa War Memorial Hall – 37 Hokianga Road, Dargaville

Agenda

Hearing Panel:

Chair: Mayor Jason Smith

Members: Deputy Mayor Peter Wethey
Councillor Anna Curnow

Contents

		Page
1	Opening	1
1.1	Karakia	1
1.2	Present	1
1.3	Apologies	1
1.4	Confirmation of Agenda	1
1.5	Conflict of Interest Declaration	1
2	Decision	3
2.1	Class 4 Gambling Venues Policy – Submission Hearings	5
	Attachment 1: Statement of Proposal	11
	Attachment 2: Draft Policy as Notified	15
	Attachment 3: Submissions received*	
	Attachment 4: Late submissions	19
3	Hearing	23
3.1	Chris Biddles	
3.2	Dargaville Arts Association	
3.3	Dargaville Community Development Board	
3.4	Kaipara Care Committee	
3.5	Kauri Coast Recreational Society	
3.6	Linking Hands Incorporated	
3.7	Mangawhai Activity Zone Charitable Trust	
3.8	Medical Officers of Health, Public and Population Health Unit of Northland District Health Board	
3.9	Nga Manga Puriri Northland Problem Gambling Service	
3.10	Northland Sports Coalition	
3.11	Problem Gambling Foundation Group	
3.12	Pub Charity Limited	
3.13	Sport Northland	
3.14	Te Runanga o Ngati Whatua	
3.15	The Lion Foundation	
3.16	Western Sharks Rugby	
3.17	Parihaka Sports Club Incorporated	
	Closure	25

* Attachment 3 was provided under a separate cover, 'Submissions to the Class 4 Gambling Venues Policy Review 2018'.

**Class 4 Gambling Venues Policy Hearing
Wednesday 28 November 2018 in Dargaville**

1 Opening

1.1 Karakia

1.2 Present

1.3 Apologies

1.4 Confirmation of Agenda

The Committee to confirm the Agenda.

1.5 Conflict of Interest Declaration

Elected members are reminded of the need to be vigilant to stand aside from decision-making when a conflict arises between their role as Councillors and any private or other external interest they might have. It is also considered best practice for those members to the Executive Team attending the meeting to also signal any conflicts that they may have with an item before Council.

2 Decision

File number: 3201.05 **Approved for Hearing Panel** ☒
Report to: Class 4 Gambling Venues Policy Hearings Panel
Meeting date: **28 November 2018 Extraordinary Meeting**
Subject: **Class 4 Gambling Venues Policy – Submission Hearings**
Date of report: 21 November 2018
From: Kathie Fletcher, Policy Manager
Report purpose ☒ **Decision** ☐ **Information**
Assessment of significance ☐ **Significant** ☒ **Non-significant**

Summary

Council is required, under s101 of the Gambling Act 2003 to adopt a Class 4 Gambling Venues Policy. Council is required to review the Class 4 Gambling Venues Policy every three years. The key question put to the public was whether they agreed that Council should continue with the current sinking lid approach. The Statement of Proposal, **Attachment 1**, considers a 'Cap' approach and how this compares to the sinking lid approach.

Council adopted the Statement of Proposal, **Attachment 1**, and associated draft Class 4 Gambling Policy, **Attachment 2**, at its meeting on 20 September 2018. Submission were sought between 02 October 2018 and 05 November 2018.

This report is to support the hearings for the Class 4 Gambling Policy review and presents the submissions received, **Attachment 3**, to the Statement of Proposal. In addition, one late submission has been received, **Attachment 4**. The submitter has not asked to be heard in support of their submission. The Hearings Panel has discretion as to if it will accept this late submission or not.

Responsibility was delegated to Councillors Curnow and Wethey and Mayor Smith at the September 2018 Council meeting.

A hearing is scheduled for Wednesday 28 November 2018 so that those submitters who asked to speak to their submission can present their case verbally, expand on their submission and answer any questions from the Class 4 Gambling Venues Policy Hearings Panel (Hearings Panel). The Hearings Panel will deliberate on the submissions at a separate meeting following the Hearing. 33 submissions were received, with 17 submitters who have asked to be heard. The Deliberations will result in recommendations being made to Council on the final Class 4 Gambling Venues Policy.

Of the 33 submissions received, 8 support the status quo on gambling (i.e. sinking lid) and 25 called for a cap. The late submission also supported the cap approach. However, reaching a decision on the Policy direction to be taken should not be thought of as a simple matter of majority rules. Rather, the two opposing arguments (perceived benefits and perceived negative impacts) and their supporting evidence will need to be considered on their merits. Council must have regard to the social impacts of gambling within the Kaipara district. This includes both positive and negative impacts.

Recommendation

That the Class 4 Gambling Venues Policy Hearings Panel:

- 1 *Receives the Policy Manager's report 'Class 4 Gambling Venues Policy – Submission Hearings' dated 21 November 2018 and its attachments; and*
- 2 *Believes it has complied with the decision-making provisions of the Local Government Act 2002 to the extent necessary in relation to this decision; and in accordance with the provision of section 79 of the Act determines that it does not require further information prior to making a decision on this matter; and*
- 3 *Receives the submissions made to the proposed amended draft Class 4 Gambling Venues Policy Statement of Proposal, circulated with the aforementioned report; and*
- 4 *Receives the verbal submissions made on the proposed amended draft Class 4 Gambling Venues Policy Statement of Proposal; and*
- 5 *Receives and accepts the late submission made on the proposed amended draft Class 4 Gambling Venues Policy Statement of Proposal.*

Reason for the recommendation

To allow the public process to continue as required under s 83 of the Local Government Act 2002.

To allow the Hearings Panel to be informed of the community's views on this matter.

It is important that the community is given the opportunity to have their submissions on the Draft Policy and Statement of Proposal to be heard and that the Hearings Panel is given the opportunity to reflect on the submissions presented prior to deliberating on changes to the proposal. It is also considered appropriate to consider and accept the late submission.

Reason for the report

This report supports the presentation of submissions received to the Statement of Proposal for the Draft Class 4 Gambling Venues Policy, to a hearing scheduled for Wednesday 28 November 2018.

Background

In 2004 all local authorities were required to adopt a policy about non-casino gambling machines (pokies) in their districts as a requirement of s101 of the Gambling Act 2003 (GA 2003). This is Council's Class 4 Gambling Venues Policy. The aim of this Policy is to promote and support the safe and responsible enjoyment of gambling activities by providing a framework to manage the number of gaming machines and the relocation of existing gambling venues. Currently, Council has a 'sinking lid' approach contained within this Policy. This means that Council will not permit new Class 4 venues to open in the Kaipara district, and will not permit venues to operate more machines than they were licensed for at 18 September 2003.

This Policy is required to be reviewed triennially. The last review was in 2015 meaning that another review was due in 2018. As part of this 2018 review, feedback was sought from a number of key stakeholders. The outcome of this review, presented to Council at its July 2018 Council meeting, also considered social impacts of class 4 gambling within the Kaipara district. There was general support for

the sinking lid approach and Council's current Policy, but a number of stakeholders asked for Council to consider a 'capped' approach to machine numbers, and to consider rewording the relocation provision.

The Statement of Proposal considers the sinking lid and cap approaches, as well as a number of other amendments to the Policy. These are both considered in scope.

Other amendments included rewording the relocation provision to include another example (i.e. for venues to relocate to new, modern premises). The amendments also stress the list does not limit the reasons for relocation, but will be determined on a case-by-case basis by Council.

Council adopted the Statement of Proposal and an amended draft of this Policy for public consultation at its 27 September 2018 Council meeting. **Attachment 2** of this report contains the Draft Policy as it was notified. The consultation period ran from 02 October 2018 until 5pm 05 November 2018. 33 submissions were received, **Attachment 3**, together with one late submission, **Attachment 4**. As the submission was received late, the Hearings Panel has discretion as to if it will or will not receive it. Because of this, the late submission is considered separately throughout this report.

The purpose of the hearings is for submitters to present their case verbally, expand on their submissions and answer any questions from the Hearings Panel. The Hearings Panel does not deliberate at hearings nor make decisions on submissions. This occurs during Deliberations.

Issues

The submissions present a range of detailed information arguing either for or against the status quo or to apply a cap on class 4 gambling venues.

The Policy:

- (a) Must specify whether or not class 4 gambling 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 gambling venue; and
- (c) May include a relocation provision.

Through the review process Council *must* have regard to the social impacts of gambling within the district, (both positive and negative impacts) and *may* have regard to the following:

- (a) The characteristics of the district and parts of the district.
- (b) The location of kindergartens, early childhood centres, schools, places of worship, and other community facilities.
- (c) The number of gaming machines that should be permitted to operate at any venue or class of venue.
- (d) The cumulative effects of additional opportunities for gambling in the district.
- (e) How close any venue should be permitted to be to any other venue.
- (f) What the primary activity at any venue should be.

Of the 33 Submissions, 17 have asked to present at the Hearing. The Hearing is to take place on Wednesday 28 November 2018 in the Northern Wairoa War Memorial Hall (Dargaville Town Hall), Hokianga Road, Dargaville commencing at 09.00am.

Submitter number	Submitter name
1	Biddles Chris
4	Dargaville Arts Association
5	Dargaville Community Development Board
8	Kaipara Care Committee
9	Kauri Coast Recreational Society
11	Linking Hands Inc.
12	Mangawhai Activity Zone Charitable Trust
14	Medical Officers of Health, Public and Population Health Unit of Northland District Health Board
16	Nga Manga Puriri Northland Problem Gambling Service
21	Northland Sports Coalition
23	PGF Group
24	Pub Charity Limited
27	Sport Northland
30	Te Runanga o Ngati Whatua
31	The Lion Foundation
32	Western Sharks Rugby
33	Parihaka Sports Club Inc.

After the Hearings have been held, the Hearings Panel will meet to deliberate on the submissions and proposed Policy. They can then make a recommendation to Council on what form the final Policy should take when adopted.

Council staff will then amend the Draft Policy, as per the recommendations from the Hearings Panel before presenting it to Council for adoption. Council can then adopt the final Policy.

Factors to consider

Community views

Hearings represent an important opportunity for members of the community to have their views heard both by elected members and by interested members of the public who are welcome to attend.

Policy implications

The Hearings are an opportunity for members of the public and other organisations to have input into policy decisions.

Financial implications

There are no direct financial implications as a result of the hearings process.

Legal/delegation implications

Council is required to give all submitters the opportunity to be heard in relation to their submission. There is also a requirement for the elected members to receive all views presented with an open mind and then give the submissions received due consideration during the Deliberations process.

Next steps

Following the Hearing, the Hearings Panel will meet again to deliberate. They will then recommend the approach to be taken in the final Policy. The amended Policy can then be presented to the Council for adoption.

Attachments

1. Statement of Proposal
2. Draft Policy as Notified
3. Submissions received
4. Late submissions

STATEMENT OF PROPOSAL

The Kaipara District Council ('the Council') is undertaking consultation on its draft Class 4 Gambling Venue Policy ('the Policy'). This Policy has been prepared under the Gambling Act 2003, and once adopted will replace the existing Class 4 Gambling Venue Policy 2015. This Statement of Proposal has been prepared in accordance with the requirements set out in section 83 of the Local Government Act 2002 for the adoption of the Special Consultative Procedure.

Background:

The Council's Policy sets out if and where non-casino gaming machines ('pokies') can locate in the District, and provides restrictions on the number of machines at the venues. The Council's existing Policy takes a 'sinking lid' approach, and allows for relocations in certain circumstances.

Council's policy has seen a gradual reduction of venues and machines within the District since 2003. There has been a decrease of one venue and seven pokies since the Policy was last reviewed in 2015. As of July 2018, there were seven venues in the Kaipara, operating 60 pokies.

Most people who use pokies for gambling do so for fun and entertainment. Pokie proceeds can benefit the community, by way of grants made through societies who own the machines, and in profits generated by clubs who operate a number of venues in the Kaipara. However, some people who play on these machines can become addicted to gambling.

Forms of Gambling

Other forms of gambling (i.e. casinos, pokies in casinos, the Lotto and internet gambling) fall within the scope of the Department of Internal Affairs.

Policy Review

Under section 101 of the Gambling Act 2003, gambling policies must have regard to the social impact of gambling within the District. An assessment of the social impacts of gambling was received by Council at the Ordinary Council Meeting of 26 July 2018, and can be found on the Council's website .

This review considered the various social impacts seen in our community from gambling, which includes:

- People in the Kaipara District spent nearly \$3 million

on gaming machines in the year ending December 2017;

- Community organisations in the Kaipara District received over \$800,000 funding towards a wide variety of community organisations between January 2016 and December 2017 from pokies;
- The clubs in the Kaipara district also receive funding from gaming machine proceeds generated in their venues (i.e. RSA and sports clubs);
- An estimated 0.3% of New Zealand adults are problem gamblers. When applying these estimates to the Kaipara population, this could equate to 50 problem gambler; 253 moderate risk gamblers, and 842 low-risk gamblers

As part of this review, feedback was sought from a number of key stakeholders. There was generally support for the sinking lid approach and Council's current Policy, but a number of stakeholders asked for Council to consider a 'capped' approach to machine numbers, and to consider rewording the relocation policy. Council officers have now considered a sinking lid vs. cap approach, as well as a number of other amendments to the Policy.

¹ www.kaipara.govt.nz/gambling

WHAT'S BEING PROPOSED?

The current Policy applies the 'sinking lid' approach, as adopted by a number of other Councils in New Zealand. This means that Council will not permit new Class 4 venues to open in the Kaipara district, and will not permit venues to operate more machines than they were licensed for at 18 September 2003. The Policy review has considered other ways of controlling the number of pokies allowed in the District. Many other Councils in New Zealand have a cap in place, or have no restrictions on venue numbers (in which case venues are limited to the default Gambling Act numbers of 9 pokies per new venue).

OPTION 1: (Sinking Lid)

Current and Preferred

This is the approach in our current Policy. It does not allow new Class 4 venues to be established in the Kaipara, and existing venues cannot operate more pokies than they were licensed for at 18 September 2003.

PROS

- Effectively carries over the Council's existing restrictive gambling venue Policy.
- Was originally developed in consideration of the social impact of gambling in the Kaipara.
- Strikes a balance between the need to promote the district's health while minimising harm to communities caused by gambling.
- Continues to provide access to community organisations and club premises who rely on pokie proceeds for funding.

CONS

- This does not allow for business opportunities created by establishing new Class 4 venues.
- Does not provide for an increase in gaming venues or machine numbers based on population growth.
- The research on the sinking lid approach is not conclusive that it is effective at combatting problem gambling, or the negative impacts of gambling.
- This option does not reflect the submissions of a number of industry organisations (i.e. corporate societies and Class 4 industry representatives).

OPTION 2: (Cap)

A number of districts in New Zealand place a cap on total number of venues or machines. This is often based on existing venue and machine numbers at the time of the policy being adopted. There were comments received during the Policy Review that suggested Council could cap the numbers as they are currently – i.e. 60 machines. Other councils impose a ratio (i.e. one machine per 220 adults). The current ratio of gambling machines to the adult population in the Kaipara is approximately 1:276, which is slightly above the New Zealand figure of 1:271.

PROS

- May have positive flow-on effects to community organisations accessing pokie proceeds as proceeds will increase.
- May have possible economic gain from visitors who frequent gambling establishments.
- A cap can be reviewed every three years, and allows Council to control machine numbers while reflecting population growth.

CONS

- A ratio approach may cause challenges from the community as to the data used (i.e. Census figures used, or population estimates based on modelling).
- Current and potential levels of gambling harm may increase as more machines and venues are allowed to establish.
- This option is a substantial shift from the Council's historic and current stance to promote the district's health, and to minimise the effects and growth of gambling through a sinking lid.
- This option contrasts with the submissions and feedback of public health organisations (i.e. Problem Gambling Foundation, District Health Board).
- If Council gives consent to new venues or increases in machine numbers, the consent cannot be revoked.

Council has decided to consult on Option 1, to roll-over the sinking lid approach, believing it the most suitable method to strike a balance between providing for entertainment and gambling opportunities for those who wish to partake, while minimising negative social and economic impacts of gambling.

Council's current Policy ('sinking lid' with permitted relocations) is considered a proportionate method of addressing pokie gambling in the Kaipara.

Other proposed amendments

The Council is also proposing a number of other amendments:

- Rewording the relocation provision to include another example (i.e. for venues to relocate to new, modern premises). The amendments also stress the list does not limit the reasons for relocation, but will be determined on a case-by-case basis by Council. This is intended to provide more clarity for venues, and encourage redevelopment of sites. Any relocating venue will need to be assessed by the Council, and meet the Policy requirements.

Editing the Policy to:

- Ensure that it does not unnecessarily duplicate material contained in the Gambling Act 2003;
- Remove criteria that the Department of Internal Affairs is tasked with assessing;
- Provide a specific purpose and objectives to provide clear Policy direction for Council;
- Explicitly state who shall make the decisions when applications for re-locations are made; and
- Minor edits to ensure the Policy is clear and concise.

Tell us your thoughts!

We encourage you to tell us your views on our approach, and the proposed amendments to the Policy.

For a copy of the draft Policy and the feedback form, visit the Kaipara District Council website:

www.kaipara.govt.nz/gambling

How to give feedback:

Feedback forms and the proposed Policy are also available from the Dargaville Public Library, community libraries and the Dargaville and Mangawhai Customer Service Centres.

You may give feedback the following ways:

Mail: Policy Team
Kaipara District Council
Private Bag 1001
Dargaville 0310

Online www.kaipara.govt.nz/gambling

Email: policy@kaipara.govt.nz

The period for giving us written feedback is from 2 October 2018 to 5 November 2018.

People who wish to be heard by the Council will be given the opportunity to do so. The hearing of submissions will take place at Dargaville in the week of 26 November 2018.

Full Council will receive the recommendations of the Panel from deliberations, and vote on whether to adopt the reviewed Policy in December 2018.



Note: Submissions, as part of the public consultation process are a public record, and will be included in a publicly available Agenda, and will remain on Council's Minute records.

GIVING YOUR FEEDBACK

Full Name: _____

Organisation: _____ *(if giving feedback on behalf of)*

Postal Address: _____

Email: _____ Phone: _____

I: ☐ SUPPORT ☐ OPPOSE *(tick one which applies)*

The Council's proposed amendments to the Class 4 Gambling Venue Policy.


My reasoning for my above statement is...

Do you wish to speak to your submission?

☐ YES ☐ NO

The hearings are scheduled for the week of 26 November 2018.

As this submission form will be used to discuss relevant public feedback, it will be included as part of a public agenda.

 KAIPARA DISTRICT <small>Kaipara he Ohangaiti</small> <small>Tei o Hokiā Tei o Hōkio</small>	Title of Policy	Class 4 Gambling Venues Policy		
	Sponsor	General Manager Community (Acting)	Adopted/authorised by	Council
	Written By	Paula Hansen	Date adopted/authorised	23 June 2015
	1st commenced date	2004	Last Review Date	September 2018
	Type of Policy	Legislative	Next Review Date	March 2018
	File Reference	3201.04.01		

Document Control			
Version	Date	Author(s)	Comments
1.0	June 2015	Paula Hansen	Periodic review, minor editing
2.0	09/07/15	Mark Schreurs / Paula Hansen	Making the final draft into a final version following adoption.
3.0	09/2018	Natalie Robinson	Statutory review – editing

1 Background

- 1.1 The Gambling Act 2003¹ requires the Kaipara District Council (the Council) to adopt a policy relating to the number and location of Class 4 gaming machine gambling venues in the District.
- 1.2 The policy must specify whether or not Class 4 venues may be established in the District and if so, where they may be located. The policy may specify any restrictions on the maximum number of gaming machines that may operate at Class 4 venues, and may include a relocation policy.
- 1.3 This policy must be reviewed at least every three years, and if the policy is amended, it must follow the requirements of the special consultative procedure as set out in the Local Government Act 2002.

2 Purpose

- 2.1 The purpose of this Policy is to state the Council's position regarding Class 4 gambling and to provide guidance as to the conditions required for relocation of a Class 4 venue in the Kaipara district.

3 Objectives

- (a) To ensure the Council and the community has influence over the provision of new Class 4 gambling venues in the Kaipara District.
- (b) To enable the Council and the community to influence the operating of existing Class 4 gambling venues in the Kaipara District.
- (c) To allow those who wish to participate in Class 4 gambling to do within the Kaipara District.
- (d) To minimise any potential negative social and economic impacts of Class 4 gambling in the Kaipara District.
- (e) To ensure the Kaipara District community is able to maximise the benefits from Class 4 gambling proceeds returned to the community.

4 Establishment of Class 4 venues

- 4.1 No new Class 4 venues may be established in the District except as provided for in clause 6 of this Policy.
- 4.2 Class 4 gambling activities will only be permitted to be undertaken in premises holding 'On Licences' and 'Club Licences' granted under the Sale and Supply of Alcohol Act 2012 (SSAA) or premises which are Totalizer Agency Board (TAB) venues.

¹ <http://www.legislation.govt.nz/act/public/2003/0051/latest/DLM207497.html?src=qs>

5 Restrictions on maximum number of machines that may be operated at an existing Class 4 venue

- 5.1 Council has set a 'sinking lid' on the number of gaming machines in the District.
- 5.2 The total number of machines within all venues will be restricted to the number at each venue licensed on 18 September 2003. These numbers will not increase and will potentially lead to a decrease in the number of venues and machines operating within the District.

6 Relocation of existing Class 4 venues permitted under specific circumstances

- 6.1 Council may permit existing Class 4 venues to relocate where:
 - a) Due to circumstances beyond the control of the owner or lessee of the premises in which the machines are located, the premises cannot continue to operate at the existing site. Examples of such circumstances include, **but are not limited to**, the following:
 - i. Expiry of lease;
 - ii. Building considered to present a significant health and safety risk;
 - iii. Acquisition of property under the Public Works Act; and
 - iv. Site redevelopment.
 - b) An existing Class 4 venue is seeking relocation to a newly developed, modern premises.
 - c) In the case of a club only², two or more existing clubs are merging, and a relocation is involved, including to a new site.
- 6.2 Any permission to establish a Class 4 venue at a new site will be subject to the following conditions:
 - a) The intended holder of the Class 4 venue licence must remain the same at the new location as it was in the previous location (with the exception of clubs merging as permitted in 6.1(b)).
 - b) The vacated site will not be able to be used as a Class 4 venue.
 - c) The number of gaming machines permitted to operate at the new venue will not exceed:
 - i. the number permitted to be operated at the existing site; **or**
 - ii. in the case of clubs, where two or more clubs that merge, they may consolidate the number of gambling machines operated at the merged venue to the lesser of 30 gambling machines or the sum of the number of gambling machines previously operated by each club individually.

7 Where Class 4 Gambling Venues may be established on relocation

- 7.1 Any Class 4 gambling venue may be established in the district where it is a permitted activity under the Kaipara District Plan or where a resource consent to undertake the activity has been granted by Council, however no such venue shall be located within 100 metres of any kindergarten, early childhood centre, kohanga reo, school, place of worship and other community facility, for example a hall or marae.

² As defined in section 4 of the Gambling Act 2003

8 Kaipara District Council Consent Application

- 8.1 Applications for Council's consent must be made on the approved form and must provide:
- a) Name and contact details for the application;
 - b) Street address of premises proposed for the Class 4 licence;
 - c) Names of management staff;
 - d) Details of liquor licence(s) applying to the premises;
 - e) If applicable, copies of the Class 4 gambling venue licences held by merging clubs, confirming the current number of machines licensed to be operated in the merging club venue;
 - f) Evidence as to how venues are merging i.e. forming a new legal entity; and
 - g) Evidence that the applicant satisfies the requirements of this Policy.
- 8.2 Where an application meets all of the criteria within the Class 4 Gambling Venues Policy, a non-refundable fee, as specified in Council's most recent Fees and Charges, must accompany the application. The amount of the application fee will be set by Council in accordance with section 150 of the Local Government Act 2002, and shall include consideration of the cost of processing the application.
- 8.3 A decision to consent to a relocation under this Policy, including any assessment of the sufficiency of information provided, will be made by the Chief Executive, or a person delegated to do so on his/her behalf.



Kaipara District Council

Class 4 Gambling Venue Policy

Consultation Document

9 November 2018

CONTACT DETAILS:

Hospitality New Zealand

Contact: Kim Odendaal

Phone: 0800 500 503

Email: kim@hospitality.org.nz

www.hospitality.org.nz

Hospitality New Zealand (Hospitality NZ) is a member-led, not-for-profit organisation representing approximately 3,000 businesses, including cafés, restaurants, bars, nightclubs, commercial accommodation, country hotels and offlicences.

At present, 709 of our members operate Non-Casino (Class 4) Gaming Machines nationally. Hospitality NZ has a 115-year history of advocating on behalf of the hospitality and tourism sector and is currently led by Chief Executive Vicki Lee.

We have a team of 8 Regional Managers around the country, a National Office in Wellington and we have our own in-house Solicitor, in Wellington. Hospitality NZ specialises in employment and alcohol licensing matters, as well as advising on the entire range of hospitality-related statutes and legislation – including the Gambling Act 2003, and Harm Minimisation.

The Hospitality NZ Wellington-based team and the team of Regional Managers provide guidance and assistance to members to ensure they are educated about and adhere to the legal requirements that apply to their businesses. Our team is available 24/7 to members needing assistance, advice and guidance, and we have over 130 written resources available to members.

We work closely with Councils, authorities, and other industry-related agencies, and can assist with developing useful, usable, and practical tools, resources, education, policies, signs, and collateral.

We also develop and provide short training courses, under our Training Academy umbrella, which includes our current up-dated Gambling Harm Minimisation Training for Gaming Venues which we are in the process of finalising to roll-out across the country.

This submission relates to the consultation document “Class 4 Gambling Venue Policy 2018”.

We would welcome the opportunity to work further with the Council on this strategy, and in particular any policy regarding relocation of gaming machines.

Hospitality New Zealand, while independent from, is a member of the Gaming Machine Association of New Zealand

Relocation of Gaming Machines:

While HNZ supports including the rewording the relocation provision to include another example, our preference would be to have no restrictions on the ability for class 4 gaming machines to relocate.

Hospitality NZ, through our Regional Managers, make submissions to various Councils on their Gambling Venue Policies as the opportunities arise, and in almost every one over the last several years, we have submitted that Council policies should include the ability to relocate.

Unfortunately, few Councils include a relocation clause. For some that do, relocation is only permitted should there be a genuine reason (e.g earthquake, or building repairs) that the business can no longer operate in its existing venue. Venues need to apply to Council to relocate, and must either maintain or reduce the number of gaming machines. (See for example Thames Coromandel District Council Gambling Venue Policy and Board Venue Policy).

In Rotorua Lakes District Council Class IV Gambling Policy and Board Venue Policy, relocation of gaming machines is not permitted for the relocation of an existing venue from a location outside the Central Business District to another location outside the Central Business District.

It should be noted that Councils have no jurisdiction to regulate the number of TAB gambling facilities, or number of Lotto gambling facilities.

The most obvious barrier to relocation is local Council policies. As noted above, few include relocation clauses and those that do either have impractical restrictions in the ability to relocate, or do not allow for relocation for reasons other than the inability to operate in the existing venue, or only allow relocation into Central Business

Further clarification is sought on “*will be determined on a case-by-case basis by Council*”, will this process of Council consent to relocate add additional levels of cost, and bureaucracy to the process, with no guaranteed outcome of relocation?

Another significant barrier to relocation is the Sale and Supply of Alcohol Act 2012 and the alcohol-licensing process for venues, as well as Local Alcohol Policies.

While the alcohol-licensing process is too long to specify in detail within this submission, the basic overview of some of the barriers include, but are not limited to:

- A new licensed premises must be built, fitted out, and have all relevant consents signed off by Council before an alcohol licence can be issued. A change in ownership follows a similar process. This means that gaming machine space would have to be planned for, designed, and included in the fit-out first, but without guarantee that either the alcohol licence will be issued, or that machines could / would be approved to be relocated.
- All alcohol licence applications and renewals must be publically advertised, and are subject to expensive, and often drawn-out, court hearings should even one person raise

an objection. We have seen new, as well as longstanding alcohol licences being objected to, under the guise of a 'licensee suitability issue' when it's really for no reason other than the venue have, or are planning to have, gaming machines, and without specific evidence of harm from that particular venue.

- As the alternative to that, or when that argument doesn't succeed, objections to alcohol-licensed tavern venues who also have gaming machines are being objected to on the grounds that not enough of the total revenue comes from alcohol.
- The criteria assessing the primary purpose / business of a venue is assessed significantly differently under the Sale and Supply of Alcohol Act 2012, and the Gambling Act 2003. In fact, the December 2017 issue of Gambits said "It is important to note that the requirements around the use of venues are different in the Gambling Act (2003) and the Sale and Supply of Alcohol Act (2012). A venue may not meet the requirements for its alcohol licence but still comply with the Gambling Act."
- Local Alcohol Policies can contain clauses which limit the location of new venues, and those location clauses are not necessarily aligned to deprivation ratings.

Please note that Hospitality NZ would be happy to provide in full the alcohol licensing process barriers, should that be required.

Further barriers to relocation is the continuous advocacy from some groups, including the Ministry-funded Problem Gambling Foundation, against relocation policies during Council Gambling Venue Policy consultation.

As previously set out, Hospitality NZ supports the ability to relocate gaming machine licences. Our position is that the relocation of gaming machine licences should be without any restrictions.

Other Comments:

Online gambling, and gaming with embedded gambling, has the potential to be a significant factor in problem gambling – particularly as unlike physical gaming machines located in venues, online gambling can be undertaken from anywhere, at any time, and credit cards can be used for this type of gambling.

Conclusion:

I thank the Kaipara District Council for the opportunity to provide input into the Class 4 Gambling Venue Policy.

Lastly, I reiterate that Hospitality NZ has a significant number of members who operate gaming machines, and as such, Hospitality NZ and its members have the experience, knowledge, and capacity to work with the Council to assist in developing reasonable and practical policies, plans, legislation, training, collateral, education, and other initiatives for gaming machine operators.

3 Hearing

The following submitters wish to be heard:

- 3.1 Chris Biddles** [Page 1 of 'Submissions to the Class 4 Gambling Venues Policy Review 2018']
- 3.2 Dargaville Arts Association** [Page 4]
- 3.3 Dargaville Community Development Board** [Page 5]
- 3.4 Kaipara Care Committee** [Page 16]
- 3.5 Kauri Coast Recreational Society** [Page 21]
- 3.6 Linking Hands Incorporated** [Page 24]
- 3.7 Mangawhai Activity Zone Charitable Trust** [Page 26]
- 3.8 Medical Officers of Health, Public and Population Health Unit of Northland District Health Board** [Page 28]
- 3.9 Nga Manga Puriri Northland Problem Gambling Service** [Page 54]
- 3.10 Northland Sports Coalition** [Page 61]
- 3.11 Problem Gambling Foundation Group** [Page 64]
- 3.12 Pub Charity Limited** [Page 102]
- 3.13 Sport Northland** [Page 120]
- 3.14 Te Runanga o Ngati Whatua** [Page 125]
- 3.15 The Lion Foundation** [Page 129]
- 3.16 Western Sharks Rugby** [Page 135]
- 3.17 Parihaka Sports Club Incorporated** [Page 137]

Closure

Kaipara District Council
Dargaville