

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.