

Date: Tuesday 25 July 2023 at 2.00PM

Venue: Council Chambers, 63 Miranda Street, Stratford

To hear and consider submissions to the Draft Class 4 Gambling Venues Policy and Draft TAB Venue Policy

Present

The Deputy Mayor – M McKay (the Chairperson), the District Mayor N C Volzke, Councillors: S J Beck, G W Boyde, A M C Dudley, J M S Erwood, A K Harris, E E Hall, V R Jones, W J Sandford, C M Tongaawhikau and M J Watt

In attendance

The Chief Executive – Mr S Hanne, the Director – Corporate Services – Mrs T Radich, the Director – Assets – Mrs V Araba, the Director – Environmental Services – Mr B Sutherland, the Acting Director – Community Services – Mr C Julie, the Committee Advisor and Executive Assistant – Mrs E Bishop, the Environmental Health Manager – Ms R Otter, the HR & Governance Advisor – Mrs C Reynolds (*part meeting*), one member of the public (Mr M Cheer *part meeting*), and one member of the media (Stratford Press)

Via audio visual link: Two members of the public (Mr J True and Mr D Martin part meeting)

1. Welcome

The opening karakia was read.

The Deputy Mayor welcomed the Chief Executive, Councillors, staff, and the media.

The Deputy Mayor reiterated the health and safety message and emergency procedures.

2. Apologies

There were no apologies.

3. Announcements

Speakers to Submissions

The Chairman reinforced to Councillors that the purpose of this meeting is to hear and consider submissions on the Draft Class 4 Gambling Venues Policy and Draft TAB Venues Policy. Councillors were asked to hear all submissions with an open mind, to restrict their question time to the submitters to points of clarification or issues pertaining to subject matter. Councillors were requested not to get into direct dialogue with submitters. The timeframe scheduled for the day is tight. Councillors may take notes whilst submitters are speaking.

4. Declarations of members interest

Elected members were asked to declare any real or perceived conflicts of interest relating to items on this agenda. There were no declarations of interest.

5. Attendance Schedule

The Attendance schedule for Policy and Services Committee meetings, including Hearings, was attached.

6. Acknowledgement of Submissions

Submissions – Page 25

Attached were the 6 submissions received to the Draft Class 4 Gambling Venues Policy and Draft TAB Venue Policy.

Recommendations

1. THAT the submissions to the Draft Class 4 Gambling Venues Policy and Draft TAB Venue Policy be received.
2. THAT the submitters be advised of the outcome of their submission and notified that the minutes of the Policy and Services Committee Meeting, and subsequent meetings, will be available on Council's website.

HARRIS/VOLZKE
Carried
P&S/23/93

Recommended Reason

So that each submission is formally received and the submitter provided with information on decisions made.

7. Submitters To Be Heard

There were 4 submitters wishing to speak. Each submitter was allocated five (5) minutes to present their submission and five (5) minutes for questions.

Submission #	Name	Organisation	Page Number	Time
1	Martin Cheer	Pub Charity	25	2.05pm
Points noted in presentation:				
<ul style="list-style-type: none">• Mr Cheer is the managing director of Pub Charity which is the oldest gaming trust in New Zealand.• They operate at approximately 125 venues from Kaitaia to Central Otago and raise \$40 million of community grants which are distributed to the host areas from which the funds were raised.• For some time these policies have been framed as a debate between those who wish to operate machines and those who wish to oppose machines. The vast majority of people who play and benefit from the machines are not part of this process, he reiterated that the residents, ratepayers and voters all have an interest in this matter. The machines are a fundraising mechanism for this community and an economic benefit for those businesses hosting the machines.• The proposal to reduce the number of machines to 27 to reduce exposure to the general public and to lower the risk of harm from gambling in general does not consider evidence from New Zealand and Australia that says sinking lids and caps have proved to be ineffective mechanisms for reducing harm.• There are low numbers for this area, 0.2% of the adult population considered to be a problem gambler as per the screening index. The harm for Stratford is recorded as 0 for the past three years and there is no record of anyone seeking help for problem gambling setting an extremely low baseline.• Looking at the screening index, which is an analytical tool which looks at the demographic index and risk profile, there is a very low risk for this community.• The argument is to reduce by nine machines to reduce harm, however the number of gaming machines in this community has been reduced by a third from what it was, and the harm rate is unchanged.• He recognised addiction and impulse control is a neurological control issue. These people are exposed to multiple probabilities for impulse control issues and are just as likely to be impacted by nicotine or alcohol.• Gaming Machines are not the only form of gambling in New Zealand. Over the Covid-19 lockdowns online gambling has increased dramatically. So the exposure per capita could be				

reduced by implementing this policy but everyone in reach of a smart phone has a gateway for all sorts of gambling opportunities.

- He noted he did not support the proposed policy.

Questions/Points of Clarification:

- The District Mayor asked if Mr Cheer was suggesting there was no harm in our area as there are no people registered for harm during the year? Mr Cheer clarified he was not suggesting there was no harm from this form or any other form of gambling.
- The District Mayor asked if Mr Cheer thought a trail of destruction from a problem gambler who stole from their employer, family and overspent family budgets, but was not registered as a problem gambler, was harmless? Mr Cheer said no.

2	Don Martin <i>Via audio visual link</i>	New Zealand Community Trust	37	2.15pm
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Points noted in presentation:

- A sinking lid removes community funding for Stratford, therefore the Trust supports a cap of 36 machines and retaining the relocation clause to allow venues to move to a new and modern premises.
- 73% of funds collected go to small projects. For Stratford Avon School received \$18,000, Huiakama School \$17,000, St Joseph's Primary School \$11,000 and the Stratford Amateur Swimming Club \$7,000. Where would these organisations get funding from without these funds?
- The machines create an avenue to distribute funds through the community.
- He understood there is a balancing act but noted the Trust is here to support activities and is one of the largest funders of amateur sports.
- Reducing harm is taken very seriously.
- In the last 18 years 10,000 machines have been removed out of the market and from that funding from the sector was reduced by \$80 million.
- Most people gamble for entertainment – from lotto, sports to racing. 13% of adults gamble on electronic gaming machines. It is wide spread and socially accepted.
- He noted that while machine numbers are reducing, problem gambling numbers are static.
- Gaming machines are controlled – online games are the problem and are a major risk for kids.
- The Trust offers support for staff training and control checks. \$20 million has gone from the gaming sector to DIA for their prevention and minimisation programme every year.
- Relocations are positive. It enables businesses to move away from high deprivation areas, supports local hospitality businesses and creates jobs. It allows businesses to respond to future demands and allows appropriate benefit and responsibility to be placed on the venue.
- For every dollar spent 91% is returned as prize money. 3.3% of every dollar spent is returned in grants.

3	Te Haupai Korewha	Tui Ora	57	2.25pm
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The submitter was not present.

4	Jarrod True <i>Via audio visual link</i>	The Gaming Association of New Zealand	59	2.35pm
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Points noted in presentation:

- Supports the retention of the current relocation provision as it enables a relocation in any circumstance. The proposal changes the existing clause and narrows it down to only consider relocation in certain circumstances.
- Supports the retention of the current cap.
- Relocation as a harm minimisation tool allows businesses to move out of areas, there is no good policy reason to restrict relocation if a business wants to move through no fault of their own to a more desirable location. Relocation allows businesses to move out of the undesirable areas such as residential and high deprivation areas. They should not have to wait for a fire or an earthquake to move. They should be able to move out of an earthquake prone building, to free up large locks of land or where the landlord is demanding unreasonable rents, and to move to a new modern refurbished premises. The Te Rapa Tavern was presented as an example of relocation as it helped improve the local economy and creates employment. Council should not be entrenching businesses in run down undesirable locations.

- There is a balance between harm and the benefit that comes from gaming machines. They are a form of entertainment, 67% of adults gamble at least once a year, and they create regional and national grants. In 2022 \$516,997 of grants were made in Stratford.
- The problem gambling rate is very low – only 0.2% of the adult population. Presentation numbers for Stratford is 0 new clients over the last 5 years. Locally problem gambling is not high and wouldn't justify a restrictive cap or a sinking lid.
- Machine numbers in Stratford have reduced considerably from 49 machines in 2015.
- There are very strict measures for the venues with new harm prevention measures being introduced from 1 December:
 - One cash withdrawal per day – with any player getting a second withdrawal requiring a report to be completed. There will be legal requirement for the venue manager to review those reports potentially approach the person if viewed as potential problem gambler.
 - ATMs must be in line of sight of the main bar.
 - Gaming machines cannot be visible from outside the venue.
 - Venue staff must undertake three gaming room sweeps per hour to monitor the players. If these are not done they can receive a \$1,000 fine.

8. [Decision Report – Draft Class 4 Gambling Venues Policy and draft TAB Venue Policy.](#)
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Council needs to consider submissions to the Draft Class 4 Gambling Venues Policy and draft TAB Policy as part of the consultation process.

Recommendations

1. THAT the report be received.
HALL/SANDFORD
Carried
P&S/23/94
2. THAT the committee considers submissions received as part of the public consultation process
BOYDE/DUDLEY
Carried
P&S/23/95
3. THAT the committee adopts the *draft* Class 4 Gambling Venues Policy with the amendment to the relocation clause as noted.
4. THAT the committee adopt the draft TAB Venue Policy.
5. THAT the commencement date of both policies be Wednesday 9 August 2023.
VOLZKE/BOYDE
Carried
P&S/23/96

Recommended Reason

The *draft* Class 4 Gambling Venues Policy and *draft* TAB Venue Policy has gone through the public consultation process, required by Sections 82 and 83 of the Local Government Act 2002. Six submissions were received on the Class 4 Gambling Policy as a result of the public consultation process. The committee is now required to consider these submissions.

The Environmental Health Manager noted the following points:

- The objective and intent of the Class 4 Gambling Venues Policy is to minimise harm, control the location of gambling venues and the number of gaming machines.
- The officers preferred option is option 1.
- Option 1 accepts people experience enjoyment from gaming and provides community groups with the ability to apply for funding but addresses community harm by keeping the number of machines at an acceptable level.
- The policy is reviewed every three years and can be reviewed earlier if any changes arise that require an earlier review.

Questions/Points of Clarification:

- Councillor Boyde noted that the submissions consistently requested the relocation provision to be retained, he asked for further elaboration on this proposal. Ms Otter explained that it provides an effective way to reach the target of 27 machines. To achieve the sinking lid the level needs to be high to move and apply for another premises. The District Mayor noted he had changes to this clause to propose. Councillor Boyde noted venues should be able to relocate when a new location is more desirable.

Submissions

1. Pub Charity
 - The District Mayor noted there was a common thread from the providers submitting. This is regarding the sinking lid and relocation policy. Online gambling is outside the jurisdiction of this policy.
 - Thank and acknowledge comments.
2. NZCT
 - Thank and acknowledge comments.
3. Tui Ora
 - This submission does not support club mergers or relocations and recommends to set a number of five gaming machines and have strong policies about reducing harm.
 - Thank and acknowledge comments.
4. Gaming Association of New Zealand
 - Councillor Boyde reiterated he did not feel the relocation element was right.
 - Councillor Hall noted that Mr True had spoken in detail about the reported harm for people who were troubled gamblers. It is likely much higher than these figures and you could not see the true harm of gambling in our community simply by those who have sought help.
 - Councillor Jones noted the high regulation for this industry compared to online gambling with even more regulations being brought in.
 - The District Mayor noted that until recently, over the past 3-4 years there have been 27 machines in the district and only a relatively short period with 36 machines. Retaining the cap of 36 machines would effectively be an increase to the practice over the past 3-4 years.
5. Problem Gambling Association
 - Thank and acknowledge comments.
6. Te Whatu Ora – Health New Zealand
 - Supports having no TAB venues in the District.
 - Thank and acknowledge comments.

Points noted in discussion:

- The District Mayor noted the submissions were split into two groups – one being the service groups keen to support the retention of existing machines and justified by the grants given to the community. He noted these grants are only a portion of what is taken from the community and he did not support the claims that a sinking lid would affect the ability for these grants as the reality has been there have only been 27 machines operating over the past 3-4 years. If 27 machines became the reality with a sinking lid then it would be capped at 27. He noted that the Problem Gambling Foundation says the number and location of machines both count towards accessibility.
- The District Mayor also noted the concern within the submissions regarding the relocation policy. Having read the submissions, and taking on the reference that relocation can be a harm minimising tool, he suggested a change be made to the proposal that relocation was only possible as a result of a natural disaster or event. It does seem restrictive to not have any provision for relocation to a better, brighter and more desirable location. He suggested relocation for an event or natural disaster but adding a second permissible section to be at the discretion of the Chief Executive meeting criteria to relocate for another reason. This would address the concern of a number of agencies.
- Councillor Harris supported the sinking lid to 27. This is no dramatic change as the community has had 27 machines for the most part. She noted there had been discussion prior to the release of this policy regarding relocation and she supported allowing relocation for the growth of a business – for example if a business wanted to move to incorporate a restaurant this would also have great benefits in terms of employment.
- Councillor Hall supported the sinking lid to 27 machines but asked if the relocation wording was changed how it would affect the ability to get to 27 machines? Ms Otter noted that depending on the wording it still has the ability to reduce to 27 machines albeit faster or slower depending on council's direction. It will still provide the ability to reach the goal of 27 machines and creates the ability to move out of a lower socio-economic area or to enhance a business.

The HR & Governance Administrator left the meeting at 2.52pm.

- The District Mayor noted that criteria for a relocation would need to ensure the premises the business is leaving discontinues as a venue as well as a requirement for no additional machines at the new venue.
- Councillor Dudley asked if a clause could be added to ensure the business who currently has more than the cap of 9 machines would have to be capped if they relocated? Ms Otter clarified that as this license was prior to 2001 if they relocated and continued to operate then they could take those machines with them.
- Councillor Boyde supported the proposal with a tweak to the relocation provision.

- Changes to be made:

- Clause 6.1

Delete first sentence and replace with “ An existing Class 4 venue that is forced to vacate its existing venue through no fault of its own as outlined below, will be granted permission to do so subject to meeting the conditions set out in clause 6.2 below.

- (a) The existing venue is unfit to continue operation due to a natural disaster or fire;
- (b) The existing venue is required to move due to public works acquisition under the Public Works Act 1981; or
- (c) The existing venue is an earthquake prone building or a venue with <34% NBS and the premises is relocating into a venue of more than 34% NBS

An existing Class 4 venue that seeks to relocate for other reasons may be granted a consent to continue its gaming activity in another venue or rebuilt premises for the same number of machines that they are licensed to operate, subject to it meeting the conditions set out in Clause 6.2 below and subject to the approval of the Chief Executive.

- Clause 6.2

A Class 4 venue that is seeking to relocate to another venue must meet the requirements as follows:

1. The current Class 4 venue operator is intending to and will be conducting Class 4 gambling at the new location,
 2. The vacated site will not be able to be used by any other Class 4 operator to operate Class 4 Gambling,
 3. The Class 4 operator and venue operator are the same as those cited in the venue agreement for the existing venue and the proposed new venue,
 4. The new venue must also be in the same or lower deprivation area than the existing venue.
 5. The replacement venue meets the other relevant requirements of this policy and the Act.
- The Deputy Mayor noted her support for the change to the relocation policy to help support businesses in our local community to improve and help problem gambling in an area by allowing them to move.

9. Closing Karakia

D21/40748

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The closing karakia was read.

The meeting closed at 3.00pm.

M McKay
Chairperson

Confirmed this 22nd of August 2023.

N C Volzke
District Mayor