

# **Statement of Proposal**

## **Gambling Class 4 Venue Policy and Draft TAB Venue Policy**

### **Introduction**

This Statement of Proposal has been prepared to fulfil the purposes of Section 83(1)(a) and Section 97(2)(a) of the Local Government Act 2002, and Section 102 of the Gambling Act 2003.

### **Background Information**

- (a) The Gambling Act 2003 requires the Horowhenua District Council (“Council”) to review its Policy on Class 4 Venues (Gambling Venue Policy) and the Racing Industry Act 2020 requires the review of its TAB Venue Policy (previously adopted under the Racing Act 2003 and known as the New Zealand Racing Board (TAB) Policy). In reviewing these policies the Council is undertaking public consultation under Section 76 of the Local Government Act 2002, and having regard to the social impact of gambling within its district as required under the Gambling Act 2003.

### **What is Class 4 Gambling?**

Class 4 Gambling refers to any activity that involves the use of gaming machines (also known as ‘pokies’) outside of a casino (e.g. in pubs and clubs) and may only be run by a licensed corporate society. Class 4 Gambling rules also state these machines can only be used to raise money for community organisations and for non-commercial purposes.

Council can use a policy to control the total number of machines in the district and per venue, and the location of these venues.

### **What is a TAB Venue?**

TAB Venue is a premise that is owned or leased by TAB New Zealand where its main business is providing racing betting or sports betting services.

A council must develop a policy which specifies whether or not new TAB venues may be established in that district and, if so, where they can be located.

### **What are we proposing to change and why?**

When a review of a Class 4 Gambling Policy take place an assessment of the social impacts of gambling must be undertaken.

We’ve recently completed a review that showed while the number of Class 4 gambling venues and machines has dropped in the Horowhenua District, the spend has increased.

The availability of funding to community and local sports groups is considered a key benefit to the district from having Class 4 gambling venues.

A number of important community social services and sporting groups rely on community funding to support their activities, and in doing so, the money can at times be coming from the very whānau and communities they are trying to support into wellbeing.

The objective of the Council’s Class 4 Gambling Venue Policy is:

- To control gaming machine gambling in the Horowhenua District;
- To cap the number of gaming machines in the Horowhenua District;
- To cap the number of Class 4 gaming machine venues in the Horowhenua District;
- To reduce the number of gaming machines through attrition (this does not affect repair and/or replacement of existing gaming machines);
- To prevent and minimise the harm caused by gambling;

- To facilitate community involvement in decisions about gambling;
- To recognise there are negative social, economic and health impacts from problem gambling.

The objective of Council's TAB Venue Policy is:

- In accordance with Section 96(3) of the Racing Industry Act 2020, to specify whether or not new TAB venues may be established in the Horowhenua district and, if so, where they may be located.

## **Proposed Changes**

- Minor changes are proposed to the TAB Venue Policy to remove reference to the Racing Act 2003 which was repealed in August 2020 by the Racing Industry Act 2020. This means Council proposes to keep the status-quo and allow one standalone TAB Venue in the District.
- Changes are proposed to the Gambling Class 4 Venue Policy, however Council proposes to keep the current 'sinking lid' policy to control venue and machine numbers. Changes proposed:
  1. seek to clarify when the relocation policy applies,
  2. amend the club merger clause to allow up to two thirds of the combined original total of gaming machines – instead of allowing up to a maximum of thirty, and
  3. to implement the charging of fees in relation to the processing of relocation consent requests and merger consent requests.
- The draft Class 4 Gambling Venue Policy and the draft TAB Venue Policy are included in the Statement of Proposal.

## **Reason for the Review**

The Gambling Act 2003 and the Racing Industry Act 2020 requires the review of these policies is at least once every three (3) years.

Under Section 102(5B) of the Gambling Act 2003, whenever a territorial authority is considering whether to include a relocation policy in its Class 4 Gambling Venue Policy, it must consider the social impact of gambling in high-deprivation communities within its district.

## **GAMBLING CLASS 4 VENUE POLICY**

### **1. INTRODUCTION**

The Gambling Act 2003 required Horowhenua District Council to develop with its communities, and subsequently adopt, a policy on Class 4 gambling venues, i.e. pokie machine sites. The policy was adopted by Council on 17 March 2004.

This policy has now been reviewed as required by the Gambling Act 2003, and the Policy is limited to Class 4, non-casino, gambling machine (pokie) venues.

The Council has determined that a 'sinking lid' gambling venue policy will be used to control and, in time, reduce the number of Class 4 gaming machine venues in the District.

The 'sinking lid' policy will not permit the establishment of new Class 4 gaming machine venues and it will not permit gaming machine societies to increase the number of gaming machines in the District.

### **2. OBJECTIVES OF THE POLICY**

The objectives of this policy are:

- To control gaming machine gambling in the Horowhenua District;
- To cap the number of gaming machines in the Horowhenua District;
- To cap the number of Class 4 gaming machine venues in the Horowhenua District;
- To reduce the number of gaming machines through attrition (this does not affect repair and/or replacement of existing gaming machines);
- To prevent and minimise the harm caused by gambling;
- To facilitate community involvement in decisions about gambling;
- To recognise there are negative social, economic and health impacts from problem gambling.

### **3. GAMING MACHINES AND GAMING VENUES**

The following shall apply as the policy of the Horowhenua District Council:

- No additional Class 4 gaming machine venues are to be established in the Horowhenua District except as provided for in Section 4 of this policy;
- All gaming machines as at the date of adoption of this policy may continue until such time as the venue does not hold a licence for gaming machines;
- If a venue has not held a licence for gaming machine gambling within the last six (6) months, the District Council will not allow the re-establishment of a Class 4 gaming machine venue;
- Existing Class 4 venues may not increase the number of gaming machines that exist at the date of this policy. The Council will not grant consent for any venue or club to operate additional gaming machines.

### **4. MERGED CLUBS**

- 4.1 Applications to continue operating gaming machines where two or more existing clubs combine will be considered a new application for consent.

- 4.2 The Council will issue a consent where two or more existing clubs combine, provided the total number of gaming machines in the new venue does not exceed two thirds of the combined original total of machines permitted under the merging venue licences.
- 4.3 Any application for consent for the mergers of clubs which hold class 4 venue licences is required to provide information as detailed in section 6 of this policy, and in addition:
- a) The street address of the new venue; and
  - b) Copies of the class 4 venue licences held by all the proposed merging clubs, confirming the current number of machines licenced to be operated in the existing venues.

## 5. **CLASS 4 VENUES – RELOCATION POLICY**

- 5.1 The Council will only consider granting consent for the relocation of a class 4 venue if the premises cannot continue to operate at the existing venue, and is considered to be forced to vacate its existing venue through no fault of its own if–
- 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 expiration of the existing venues' lease.
- 5.2 A Class 4 venue that is forced to vacate its existing venue through no fault of its own as defined by clause 5.1 of this policy, may be granted a consent to continue its gaming activity in another venue or rebuilt premises for the same number of machines that they were licensed to operate subject to –
- 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 Class 4 operator has been conducting class 4 gambling at the exiting venue within the last 4 weeks,
  - 5. Any new Class 4 Venue, temporary or permanent, will not be located closer than 150 metres to schools, Early Childhood Centres, kindergartens, places of worship, and other community facilities,
  - 6. Any new Class 4 Venue, temporary or permanent, must be located in the District where Class 4 venues are a permitted activity under the Horowhenua District Plan or where a resource consent to undertake the activity proposed is granted.

## 6. **CONSENT APPLICATIONS AND FEES**

- 6.1 Applications for Council consent for the relocation of an existing class 4 venue or merge of two or more existing class 4 venues must be made to the Council and must include:
- a) The name and contact details of the applicant(s);
  - b) The names of management staff for the existing venue and new venue;
  - c) The street address of the existing venue and new venue;
  - d) Any prescribed fees; and

e) Any other information that may be reasonably required to allow proper consideration of the application, including how the applicant will encourage responsible gambling practices.

6.2 Application fees will be set by the Horowhenua District Council pursuant to section 150 of the Local Government Act and shall include the cost of processing the application, including any consultation or hearings involved.

7. **ADOPTION, COMMENCEMENT AND REVIEW**

This policy was adopted at the duly notified Council meeting held on \_\_\_\_\_, and after completion of the special consultative procedure, and takes effect from \_\_\_\_\_.

This policy will be reviewed in conjunction with the TAB Venue Policy within three (3) years of being adopted by Council.

## **TAB VENUE POLICY**

### **1. INTRODUCTION**

Section 96 of the Racing Industry Act 2020 requires that the Horowhenua District Council adopts TAB Venue Policy for the District in accordance with the special consultative procedure in s83 of the Local Government Act 2002.

The TAB Venue Policy must specify whether or not new TAB venues may be established in the District and, if so, where they may be located. In the development of its policy, Council must have regard to the social impact of gambling on the Horowhenua District communities.

In the Racing Industry Act, a **TAB venue** means “premises owned or leased by TAB NZ and where the main business carried on at the premises is providing racing betting, sports betting, or other racing or sports betting services under this Act.”

It therefore does not apply to any other TAB outlet or self- service betting machine.

### **2. OBJECTIVES OF THE POLICY**

This policy has been prepared to take account of the purpose of the Racing Industry Act 2020. All current opportunities for sports or race betting within the District have been considered when setting this policy and include current Pub/social outlets and opportunities for telephone and internet gambling.

The objective of the Horowhenua District Council's TAB Venue Policy is to provide for the continued opportunity to facilitate race and sports betting within the District, taking into account:

### **3. TAB VENUE CONDITIONS**

A maximum of one (1) TAB Board Venue may be established in the Horowhenua District.

### **4. ADOPTION, COMMENCEMENT AND REVIEW**

This policy was adopted at the duly notified Council meeting held on \_\_\_\_\_, and after completion of the special consultative procedure, and takes effect from \_\_\_\_\_.

This policy will be reviewed within three (3) years of being adopted by Council.