

## Gambling Venues Policy Review 2020

### Statement of Proposal

#### Background

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In accordance with the Gambling Act 2003 and the Racing Act 2003, the Council is required to have a policy on Class 4 gambling and TAB venues (Policy). This combined Policy is due for review every three years. The Policy determines whether Class 4 and standalone TAB venues can be established in the district and, if so, where they can be located. Through these controls, the Policy aims to minimise harm to the community caused by this type of gambling.

A venue (licensed premise for gaming machines) is required to gain consent from the territorial authority under its Class 4 Gambling Policy before it can apply to the Department of Internal Affairs for a licence to operate class 4 gambling.

Class 4 gambling involves gaming machines (also known as pokies). The machines are owned by societies or clubs and run by venues. A proportion of the net proceeds are required to be distributed to the community, or to a club's approved purposes.

TAB venues are legislated for under the Racing Act 2003. Council only has jurisdiction over numbers and locations of standalone TAB venues, not TAB outlets or agencies that are part of a business or bar.

#### The Proposal

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Council is reviewing its existing Policy (2017), known as a cap policy. The proposed Policy provides for a continuation of the existing Policy in regards to the number of venues allowed and where they may be situated in the Napier District, but proposes to reduce the number of machines to 298 from 320. We want to know if you think the reduced cap Policy strikes an appropriate balance between permitting responsible gambling and minimising harm to the community as required by the Acts.

The current Policy sets the following conditions:

- a cap on the number of class 4 venues at 20,
- a cap on the number of machines at 320, proposed to reduce to 298
- a cap of 3 machines in the Taradale Suburban Commercial Zone,
- a cap on TAB venues at 2,
- ability for licence holders to relocate machines from both class 4 and TAB venues,

- ability for incorporated clubs when amalgamating to merge machine numbers within set limits.
- Limiting new or relocating venues to locations within the following zones – Inner City Commercial Zone; Art Deco Quarter: Fringe Commercial Zone; Ahuriri Mixed Use Zone; Main Industrial Zone; West Quay Waterfront; Taradale Suburban Commercial Zone (3 max.)

Council also wishes to hear from our community of any ideas for managing and minimising the harm caused by gambling in general.

### Reasons for the proposal

Under this cap policy, there is provision for the consent of new venues once numbers fall below the cap. Council would like to continue to control the location of these venues in order to minimise harm to the community. Council would like to continue its policy of locating these venues outside the neighbourhood centres, known as Suburban Commercial Zones in the District Plan, in favour of locating them in the centre of town so that they are more accessible for visitors and tourists.

The cap policy set at 20 venues and 320 machines has been in existence in Napier since 2013 albeit with the added changes in 2017 around relocation, mergers, restrictions on new/relocated venues in certain zones and the specific cap of 3 venues in Taradale. Council is proposing to reduce the number of gaming machines from 320 to 298 as this is the number of consented machines currently in Napier.

Council want to hear if you think this Policy strikes the right balance between the potential harm from this form of gambling against the benefits of providing for gaming machine use.

### Analysis of options

The Council, in consultation with the community, have the opportunity to consider the following gambling venue policy options during this review.

<b>Option</b>	<b>Benefits</b>	<b>Disadvantages</b>
<b>1. Status quo</b> - Retain the cap at 320 machines and 20 venues and 2 TAB venues - Retain relocation policy and Club Merger Policy - Retain restrictions on new/relocated venue locations - Cap of 3 venues in Taradale	Will provide no further opportunities for gambling from what currently exists.  Provide a continuing opportunity for business growth, especially in the hospitality industry.  Retain current level of funding for community projects.  Provide entertainment opportunities at same level for those who choose to gamble.  Enables the reestablishment of Class 4 venue within specified zones.	May not reduce gambling harm  Can normalise an accepted problem activity.  Create more opportunity for the negative impacts of gambling  Increase the likelihood of occurrence of gambling addiction, with subsequent negative impacts on family life and the extended community impacts.  Greater potential for more personal harms (depression, anxiety, suicide, mental and physical health problems, financial) and social harms (crime).

	<p>Protects vulnerable communities (Taradale) and certain zones.</p> <p>Allows for natural relocation of venues/machines and mergers of clubs.</p>	<p>Limited controls compared to other policy options.</p> <p>Greater exposure to sensitive activities such as residential activities, early childhood centres and places of assembly.</p>
<i>Option</i>	<b>Benefits</b>	<b>Disadvantages</b>
<p>2. <b><i>Reduced Cap - decrease machines cap to current level of 298</i></b></p> <p><b><i>(proposed option for consultation)</i></b></p>	<p>Responds to and ensures continued natural attrition of venues/gaming machines in District.</p> <p>Would probably result in retention of funding for community projects at current levels.</p> <p>Provides entertainment opportunities for those who choose to gamble.</p> <p>Ceasing relocations and club mergers will stop the ability of the 'problem' being shifted and will accelerate natural attrition.</p>	<p>Will not allow for new Class 4 gambling opportunities in District.</p> <p>Continued level of potential for more personal harms (depression, anxiety, suicide, mental and physical health problems, financial) and social harms (crime).</p> <p>May result in unintended consequence of making existing venues/machines more valuable and less likely to close or move out of already vulnerable areas.</p>

<b>Option</b>	<b>Benefits</b>	<b>Disadvantages</b>
<p>3. <b>Sinking Lid</b> i.e. Once a venue or machine is 'handed in' or 'decommissioned' it is unable to be replaced anywhere throughout the City.</p> <p><i>This would negate the need for 'caps'. It's suggested within this Option that 'relocations' and 'mergers' are also removed from the Policy further enhancing the 'sinking' nature of the Policy.</i></p>	<p>Ensures continued decline of Class 4 gambling machines in the District through natural attrition.</p> <p>No immediate reduction in grant funding of community projects.</p> <p>Restrains increase in problem gambling and its effects on the community.</p>	<p>May inhibit general hospitality growth.</p> <p>Potential lessening of grant funding for the community over time.</p> <p>May cause movement toward online gambling which is unregulated.</p>
<p>4. <b>Remove relocations and/or mergers</b>  <i>In addition to any option above, further option of removing ability for gaming machines to be relocated and/or for clubs to merge.</i></p>	<p>Ceasing relocations and club mergers will stop the ability of the 'problem' being shifted and will accelerate natural attrition.</p> <p>Prevents the merging of club machines to create small casino effect on one site (venues can only have a max of 30 machines on one site)</p>	<p>May prevent venues from being relocated from deprived areas.</p> <p>Ceasing club merger of machines may prevent clubs' ability to naturally merge</p>

**Have your say:** Before making any final decisions on this policy or the prevention of gambling harm generally, we'd like to have your input. Submissions may be lodged between 18 January and 17 February 2021. You can make a submission:

- Online submission: [www.sayitnapier.nz](http://www.sayitnapier.nz);
- Post: Napier City Council, Private Bag 6010, Napier 4142; or
- Delivering your submission in person to the Customer Services Centre, Dunvegan House, 215 Hastings Street, Napier.

If you would like to speak to your submission, please indicate this and provide your contact details. We will be in touch to let you know the date and time for verbal submissions.

## Draft Gambling Venues Policy

Approved by	Council		
Department	City Strategy		
Original Approval Date	19 July 2017	Review Approval Date	
Next Review Deadline	19 July 2020	Document ID	
Relevant Legislation	Gambling Act 2003 and Racing Act 2003		
NCC Documents Referenced	Napier District Plan		

## Purpose

The purpose of this policy is to:

- Address the cumulative effects that additional opportunities for gambling in the district could present our community
- ~~To e~~Curb the growth of gambling in the district
- ~~To m~~Minimise the harm to the community caused by gambling
- Control the LOCATION of class 4 gambling and TAB board venues

## Definitions

- Class 4 Gambling means gambling that utilises or involves a gaming machine as defined in the Gambling Act 2003
- Club means a voluntary association of persons combined for a purpose other than personal gain
- Gaming Machine means a device whether totally or partly mechanically or electronically operated, that is adapted or designed and constructed for the use in gambling. Also commonly known as 'pokie machines'
- TAB Board Venue means the premises that are owned or leased by the NZ Racing Board where the main business carried ~~on~~ out at the premises is providing racing or sports betting services.

## Policy

### 1. Total number of venues and machines to be allowed

- New class 4 and TAB board venues may be established, subject to the following conditions:
  - The maximum number of gaming venues in the Napier does not exceed 20;
  - The maximum number of class 4 gaming machines in the Taradale Suburban Commercial Zone does not exceed 3;
  - The total number of Class 4 gaming machines in the Napier District does not exceed ~~320~~298;
  - The maximum number of TAB board venues will not exceed 2.

## 2. Number of gaming machines allowed per venue

- a. The maximum number of gaming machines for Class 4 venues, clubs and TABs shall be the same as allowed under section 92, 93 and 94 of the Gambling Act 2003:

Category	Number of Machines
Licensed on or before 17 October 2001	18
Licensed since 17 October 2001	9

## 3. Class 4 and TAB board venue relocations

- a. A class 4 gambling licence holder who holds consent from Council to operate in the Napier District may apply for consent to relocate.
- b. A consent to relocate is subject to the conditions provided in the policy and in accordance with section 97A of the Gambling Act:

The maximum number of gaming machines permitted to operate at the new venue at the time when the new class 4 venue licence takes effect is the same as the maximum number of gaming machines permitted to operate at the old venue immediately before the licence relating to the old venue is cancelled.

## 4. Club Mergers

- a. Upon amalgamation of incorporated clubs operating a class 4 venue, the maximum number of machines of the new entity shall:
- Where the total number of machines operated by the clubs exceed 30, the maximum shall be 30 gaming machines, or such lesser number determined by resolution of Council.
  - Where the total number of gaming machines operated by the clubs is greater than 17 but less than 31, the max. shall not exceed the amalgamated total.

## 5. Conditions for Consent

- a. New or relocating venues may only be located within the following zones specified in the Napier City Council District Plan:
- Inner City Commercial Zone
  - Art Deco Quarter
  - Fringe Commercial Zone
  - Ahuriri Mixed Used Zone
  - Main Industrial Zone
  - West Quay Waterfront
  - Taradale Suburban Commercial Zone (maximum of 3 venues)
- b. Applicants must meet all application, declaration and fee requirements.

## Policy Review

The review timeframe of this policy will be no longer than every three years.

## Document History

Version	Reviewer	Change Detail	Date
	To be populated		