

## 1. GAMBLING ACT 2003 - GAMING VENUE POLICY

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The purpose of this report is to propose a consultation process for the development of Class 4 Gaming Venue Policy and TAB Policy.

### INTRODUCTION

The Regulatory and Consent Committee agreed at its October 2003 meeting that staff should present a draft "statement of proposal" and consultation plan to the November 2003 meeting for the Committee's consideration.

The Gambling Act 2003 came into force on the 18 September 2003 and places a requirement on the Council to introduce a policy on class 4 venues<sup>1</sup> and a policy of TAB venues by 18 March 2004.

Section 101 of the Act stipulates that the territorial authority gaming venue policy:

- Must specify whether or not class 4 venues may be established in the territorial authority district and, if so, where they may be located; and
- May specify any restrictions on the maximum number of gaming machines that may be operated at a class 4 venue.

Territorial authorities would then consider applications for consent in accordance with these policies. Subject to the community veto, there will be a Ministerial discretion to vary gaming machine numbers upwards.<sup>2</sup> This will apply only for clubs on non-commercial premises (not, for example, pub sites).

The Act stipulates that the territorial authority must adopt a Board (TAB) venue policy that:

- Must specify whether or not new Board venues may be established in the territorial authority district and, if so, where they may be located; and
- May specify any restrictions on the maximum number of gaming machines that may be operated.

Territorial authorities would then consider applications for consent in accordance with these policies.

The Act states in adopting these policies the territorial authority must have regard to the social impact of gambling within the territorial authority district.

The Act identifies that territorial authorities may have regard to certain relevant matters, including:

- the characteristics of the district and parts of the district,
- the location of kindergartens, childhood centres, schools, places of worship and other community facilities,
- the number of gaming machines that should be permitted to operate at any venue or class of venue,
- the cumulative effects of additional opportunities for gambling in the district,
- how close any venue should be permitted to be to any other venue,
- what the primary activity at any venue should be.

### INFORMATION OF GAMING IN CHRISTCHURCH

It is proposed that further information on gaming in Christchurch be presented at a seminar meeting on 17 November 2003, including maps of current location, breakdowns of sites and machines per area unit ward (current and proposed). A social impact report will also be presented at the seminar.

<sup>1</sup> Class 4 gambling is gambling that is not of any other class and relates to a type that utilizes or involves a gaming machine and may be only conducted by a corporate society that holds both an operator's licence for the gambling and a venue licence for the place at which the gambling is conducted.

<sup>2</sup> The Ministerial discretion will allow upward variation of machine numbers to a maximum of: 30 machines at any existing site where two or more genuine clubs want to merge, or 18 machines on new club sites.

## POLICY

It is suggested that the Council develop one proposal and consultation plan that covers both class 4 venues and TAB venues.

It is suggested the objectives of the policy/policies should be consistent with the purpose of the Act.

- (a) *control the growth of gambling; and*
- (b) *prevent and minimise the harm caused by gambling, including problem gambling; and*
- (c) *authorise some gambling and prohibit the rest; and*
- (d) *facilitate responsible gambling; and*
- (e) *ensure the integrity and fairness of games; and*
- (f) *limit opportunities for crime or dishonesty associated with gambling; and*
- (g) *ensure that money from gambling benefits the community; and*
- (h) *facilitate community involvement in decisions about the provision of gambling.*

The Act allows territorial authorities a number of approaches regarding its gaming venues.

### CLASS 4 VENUE POLICY

#### **Option 1 - A policy that disallows (new) class 4 gaming and disallows an increase of gaming machines at existing venues in the city.**

This approach would mean that all class 4 venues licensed on or before 17 October 2001 would be able to continue (as per the Act). All new venues would be disallowed. No additional machines would be allowed at existing venues.

Christchurch would still have a relatively high number and ratio of gaming machines; approx 2,100 machines, 169 sites and 1 machine to 150 residents<sup>3</sup> (or 1 machine per 100 residents over the age of 18 years).

#### **Option 2 - A policy that disallows (new) class 4 gaming but allows an increase of gaming machines at existing venues (up to legislative maximum).**

#### **Option 3 - A policy that allows new class 4 gaming and an increase in numbers of machines at existing venues and places no restrictions on where they are located.**

This approach would mean that all class 4 venues licensed on or before 17 October 2001 would be able to continue (as per the Act) and the number of machines at these venues would be able to increase up to legislative maximum.

There would be no restrictions on the location or number of venues or machine.

#### **Option 4 - A policy that allows new class 4 gaming venues in the city and an increase in the number of machines at existing sites but places restrictions on where they may be located.**

Under this option new class 4 venues would be allowed but the Council would place restrictions on where they may be located. There are a number of possible restrictions:

- **Option 4.1 - Cap on the number of machines/venues in the city**
  - eg the number of machines proposed for the venue will not increase the city maximum of 1 machine per 100 residents over 18 years of age and/or
  - eg the number of venues in the city is restricted to a certain number.

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<sup>3</sup> Wellington has 1046 machines, 1 to 167 ratio; Waitakere 468 machines 1 to 349 ratio; Auckland 3937 machines 1 to 102 ratio; Manukau 1296 machine 1 to 237 ratio)

- **Option 4.2 - Cap on the number of machines/venues per ward (or other sub city area)**
  - eg the number of machines proposed for the venue will not increase the ward maximum of 1 machine per 100 residents over 18 years of age and/or
  - eg the number of venues in the city is restricted to a certain number.
- **Option 4.3 - Specific areas where venues are allowed**
  - eg the proposed venue is located in the central city zone or business zone of the City Plan.
- **Option 4.4 - Specific areas are not allowed**
  - eg the proposed venue is not located in living zones, B1, open space or conservation zones of the City Plan.
- **Option 4.5 - Location in relationship to other facilities**
  - eg the proposed venue is not located is not located within 400 metres of a childcare or early childhood education facility, school, library, rest home, or place of worship

This option would be more difficult and costly to administer. The distance would be somewhat arbitrary.
- **Option 4.6 - Specific restriction on co-location of venues**
  - eg class 4 and TAB venues are not combined
  - eg location within certain number of metres of an existing class 4 or Tab venue
- **Option 4.7 - Restriction on the number of machine per site allowed in certain localities**
  - eg maximum number of machines per venue according to the zone  
(this limit could be set under the legislative maximum)
- **Option 4.8 - Any combination of the above restrictions**

#### TAB VENUE POLICY

##### **Option 1 - A policy that disallows new TAB venues**

This approach would mean that all TAB venues licensed on or before 17 October 2001 would be able to continue (as per the Act). All new venues would be disallowed.

##### **Option 2 - A policy that allows new TAB venues and places no restrictions on where they are located.**

##### **Option 4 - A policy that allows new TAB venues in the city but places restrictions on where they may be located.**

Under this option new TAB would be allowed but the Council would place restrictions on where they may be located. There are a number of possible restrictions:

- **Option 4.1 - Cap on the number of venues in the city**
  - eg the number of venues in the city is restricted to a certain number.
- **Option 4.2 - Cap on the number of venues per ward (or other sub city area)**
  - eg the number of venues in the city is restricted to a certain number.

- **Option 4.3 - Specific areas where venues are allowed**
  - eg the proposed venue is located in the central city zone or business zone of the City Plan.
- **Option 4.4 - Specific areas are not allowed**
  - eg the proposed venue is not located in living zones, B1, open space or conservation zones of the City Plan.
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  - eg the proposed venue is not located within 400 metres of a childcare or early childhood education facility, school, library, rest home or place of worship.

This option would be more difficult and costly to administer. The distance would be somewhat arbitrary.
- **Option 4.5 - Specific restriction on co-location of venues**
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  - eg location within certain number of metres of an existing class 4 or Tab venue.
- **Option 4.6 - Any combination of the above restrictions**

#### **STATEMENT OF PROPOSAL FOR CONSULTATION**

It is proposed that examples of policies for each of these options will be considered in depth at the seminar, prior to the Council adopting a Statement of Proposal for consultation.

#### **FEES**

The Policy should also include information regarding the application process and fee structure. If the Council wishes to set a fee this will need to be included in the proposal and special consultative procedure. A suggested fee structure will be presented at the seminar.

The Council may also wish to include other matters beyond requirements of the Act in the policy, for example support for groups working on gambling addictions, public education and health promotion initiatives. These have not been included in the draft.

#### **CONSULTATION PLAN**

Section 102 states that a policy on class 4 venues and TAB's must be adopted in accordance with the special consultative procedure under section 83 of the Local Government Act 2002. The special consultative procedure states that Council must:

- Prepare a statement of proposal,
- Prepare a summary of information contained in the statement of proposal,
- Include the statement of proposal on the agenda for a meeting of the Council,
- Make the statement of proposal available for public inspection,
- Distribute the summary of information contained in the statement of proposal,
- Give public notice of the proposal and consultation being undertaken,
- Include in the public notice a statement about how people may contain information,
- Include in the public notice a statement of the period within which submissions on the proposal can be made to the local authority (of not less than 1 month),
- Give opportunity for people to be heard by the local authority (if that person requests).

Due to the legislation timeframe (which requires adoption by 18 March 2004 and a special consultative procedure before this) the Council will need to hold a Council meeting to adopt the Policy prior to 18 March 2004. The normal March meeting will be too late and the February meeting would be too early as it would not allow for submission period and hearings.

In accordance with these requirements, the following consultation process is proposed;

## Proposed Consultation Plan

November/December 2003

7 November 2003 - Committee Report.

13 November 2003 - Committee and Community Board Chair Seminar.

20 November 2003 - Council adopts statement of proposal.

24 November 2003 - Consultation open for submissions.

Proposals sent to relevant groups, including societies, residents groups, social service groups, gaming support groups, clubs - with invitation to make submissions in person, on web site, written form or on response form.

Proposal posted on website with response form.

Meetings - with gambling support groups, health sector, societies, Maori (with other TLA's where appropriate).

December 2003 - Board reports.

City scene articles December 2003/January 2004 - and public notice.

Public notice.

February 2004

5 February 2004 - Submissions close.

1, 2 and 3 March 2004 - Committee consider written and oral verbal submissions.

March 2004

15 March 2004 - Council meeting to adopt policy.

### Recommendation:

1. That the Council retrospectively approve the holding of a seminar for all Councillors and Community Board Chairpersons on 17 November 2003, 9.30am to discuss the Gaming Venue Policy options.
2. That the Council endorse the proposed consultation plan outlined above.
3. That the Council authorises the Regulatory and Consents Committee to hear submissions on the policy at hearings to be held on 1, 2 and 3 March 2004.
4. That the Council agree to hold a Council meeting on 15 March 2004 to adopt the draft Gaming Venue Policy.