

### 3. GAMBLING VENUE POLICY REVIEW 2009 WORKING PARTY REPORT

<b>General Manager responsible:</b>	General Manager Strategy and Planning, DDI 941 8281
<b>Officer responsible:</b>	Programme Manager Strong Communities
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#### PURPOSE OF REPORT

1. The purpose of this report is to provide the Council with an account of the work undertaken by the Gambling Venue Policy Review 2009 Working Party in its review of the Christchurch City Council's Gambling Venue Policy and to provide recommendations regarding the policy for the next three years.

#### EXECUTIVE SUMMARY

2. The Gambling Venue Policy Review 2009 Working Party (the Working Party) was formed by the Regulatory and Planning Committee at its meeting of 2 February 2009. The Terms of Reference of the Working Party were:

*To work with staff to carry out the initial review of the Gambling Venue Policy and make recommendations to the Regulatory and Planning Committee.*

The Working Party met three times: 22 April 2009, 7 May 2009 and 12 June 2009. The Working Party was provided with considerable material to assist its deliberations.

This included a detailed background information paper (**Attachment 1**) on the following:

- The Gambling Act 2003
- The Role of Territorial Authorities
- Gambling Harm Prevention and Minimisation
- Return of Funds to the Community
- History of Gambling in New Zealand
- History of Current Council Policy, and
- The Current Christchurch City Council Gambling Venue and Totalisator Agency Board (TAB) Venue Policy.

The paper also included a number of appendices including:

- Department of Internal Affairs: Gambling Fact Sheet 6, and
- Summary of Changes in Territorial Authorities' Gambling Venue Policies.

3. In addition the Social Impact Assessment prepared by staff and the Economic Impact Assessment prepared by Covec Ltd were provided to the Working Party. Summaries of these assessments are attached as **Attachments 2 and 3**. There was also information that major stakeholders provided in discussions with staff (**Attachment 4**). Legal opinions Attachments 7 & 8.
4. The Christchurch City Council's current class 4 Gambling Venue Policy is a "sinking lid" policy, and its purpose is to prevent any increase in the numbers of gambling venues or machine numbers in the city. The salient paragraphs are given below. (The full policy is provided in the final section of Attachment 1.)

#### **Class 4 Gaming**

1. *The Christchurch City Council will not grant consent under section 98 of the Gambling Act 2003 to allow any increase in class 4 gaming venues or class 4 machine numbers except in the circumstance set out below.*
2. *The Christchurch City Council will grant a consent where two or more corporate societies are merging and require Ministerial approval to operate up to the statutory limit in accordance with section 95 (4) of the Gambling Act 2003. The total number of machines that may operate at the venue must not exceed 18 machines.*

5. At its final meeting, the Working Party was presented with a number of options that could potentially be combined in various different ways to become policy. These are:
- (i) Maintain the status quo.
  - (ii) Replace the sinking lid policy with a cap on venues and numbers at the present levels, allowing the relocation of machines if a venue closes or relocates.
  - (iii) Amend Clause 2 of the status quo to accommodate section 96 consent applications of the Gambling Act 2003 as suggested by Alastair Sherriff in his legal opinion of 3 October 2007 (page 8):

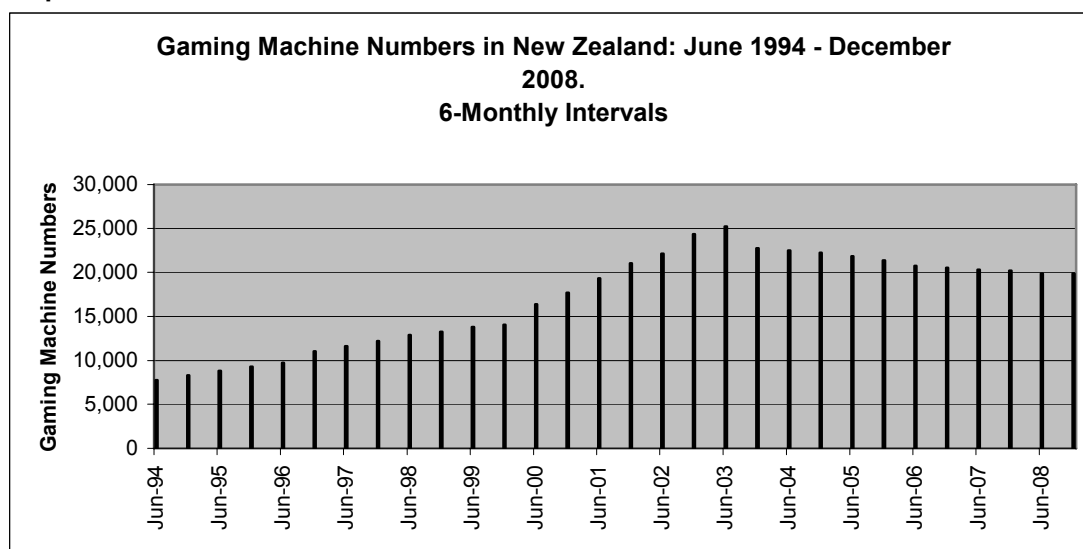
*“2. The Christchurch City Council will grant a consent for up to 18 machines where two or more corporate societies are merging and require Ministerial approval to operate in accordance with section 95(4) of the Gambling Act 2003. The Christchurch City Council will grant a consent for up to 18 machines pursuant to section 98(c) and 100 of the Gambling Act 2003 to a corporate society which is a club which requires Ministerial approval to operate more than 9 gaming machines in accordance with section 96 of the gambling Act 2003. The total number of machines that may operate at the venue, whether section 95 or 96 applies, **must not exceed 18 machines.**”*

- (iv) Have no restrictions on either the numbers of venues or machines apart from the legislated number.
- (v) Replace the sinking lid policy with area-specific caps on venues and machine numbers.
- (vi) Allow the numbers of machines under mergers to be 30.

The Working Party considered all these options and discussed (i) and (ii) in some detail. Options (i), (ii) (iii) and (iv) are the main options and these are considered in more detail in the Background section of this report.

6. Key pieces of information that led the Working Party to limit its deliberations to these two options are:
- (a) At 31 December 2008 Christchurch had the greatest number of venues and of machines of any of the major centres. This translates into Christchurch having the highest rate of venues and of machines per thousand population aged 15 and over of the major centres, namely Auckland, Hamilton, Wellington and Christchurch, and of all cities except Dunedin.
  - (b) Since 1978 there has been a proliferation of different forms of gambling in New Zealand with the most significant increase being through the introduction of gaming machines in clubs, hotels and bowling alleys. Following the introduction of the Gambling Act, nationally the numbers of societies, venues and gaming machines have consistently dropped, and the same is true for Christchurch. However this decline has happened more slowly relative to the rate of growth of numbers of gaming machines before the introduction of the Act as can be seen in Graph 1 below:

**Graph 1**



**Source: Department of Internal Affairs**

- (c) The funding of charitable organisations through gambling is considered a redistribution of wealth from a sector of society with low socioeconomic status (gamblers) to the wider population through the distribution of grants.<sup>1</sup>
7. The Working Party debated the possibility of amending the current policy to allow the relocation of machines if a business changes location, as members considered this could be advantageous from a business perspective. However they felt that this argument was not compelling enough to make any change to the current policy. Consequently this report recommends retaining the existing policy.
8. The Working Party also considered the necessity of undertaking a special consultative procedure as described under section 83 of the Local Government Act (2002) if the current policy were to be retained unchanged. A legal opinion on this matter was sought.
9. As discussed under Legal Considerations below, the legal opinion states that if the current policy were to be retained unchanged, the Council is not required to undertake a special consultative procedure under the Gambling Act 2003. On the grounds that consultation has already taken place as part of the review process; that a strong preference was expressed through consultation on the previous review; and on the view that the decision to retain the current policy is not significant, there may be no necessity to carry out further consultation.

#### **FINANCIAL IMPLICATIONS**

10. If the Council accepts the recommendation not to carry out a special consultative procedure there will be some savings in terms of staff time and other costs (such as printing and advertising).

#### **Do the Recommendations of this Report Align with 2009-19 LTCCP budgets?**

11. Yes. Budgets to review this policy are sourced from the City and Community Long-Term Policy and Planning Activity in the 2009-2019 LTCCP.

<sup>1</sup> Covec. 2009. *The Economic Impacts of NCGMs on Christchurch City. A Report prepared for the Christchurch City Council.*

## LEGAL CONSIDERATIONS

12. Section 102(5) of the Gambling Act 2003 provides that councils must complete a review of a policy on class 4 gambling venues within three years after the policy is adopted, and then within three years after that review and each subsequent review is completed. Section 102(2) of the Gambling Act 2003 provides that a Gambling Venue Policy may be amended or replaced only in accordance with the special consultative procedure provided in Section 83 of the Local Government Act 2002 (LGA02).
13. The decision in this report is whether, as a result of the review of the Council's Gambling Policy, or the Policy should be amended, or whether to continue it without amendment. The discussion of the matters that need to be considered in respect of that decision is considered in the rest of this report (in particular see the "Assessment of Options" section).
14. If the Council decision is that the Policy should be amended (or replaced) then the Gambling Act 2003 clearly requires that the special consultative procedure (SCP) be used.
15. If the decision is to continue the Policy without amendment the Gambling Act does not require an SCP process to be used. The Council may reach a decision that the Gambling Policy continue for another three years in its current form without any public process so the Working Party recommendation is that the policy be continued without amendment and therefore without the SCP.

### **Have you considered the legal implications of the issue under consideration?**

16. As above.

## ALIGNMENT WITH LTCCP AND ACTIVITY MANAGEMENT PLANS

17. In the 2009-2019 LTCCP's Communities Outcomes section it is noted that "The Council works with a wide range of community groups and other agencies so it can achieve our community outcomes." (page 57).

Relevant Community Outcomes include:

- (a) A Prosperous City: We have a strong economy that is based on a range of successful and innovative businesses. Christchurch has a strong, healthy economy.
- (b) A Healthy City: We live long, healthy and happy lives. Our city environment supports the health of the community.

18. The Activity Management Plans used to build up the LTCCP each include Strategic Directions (i.e. the Council's strategic intent in relation to the activity). The Review of the Gambling Venues Policy is consistent with part of the Strategic Directions for the City and Community Long-Term Policy and Planning Activity Management Plan, as follows:

Develop strategies, policies and plans that:

- Support the achievement of the Council's long-term vision and contribute to achieving Community Outcomes
- Respond to emerging City issues.

### **Do the recommendations of this report support a level of service or project in the 2009-19 LTCCP?**

19. Not applicable.

## **ALIGNMENT WITH STRATEGIES**

### **Do the recommendations align with the Council's strategies?**

20. No, there is no directly relevant strategy. The legislation requires the Council to review the Gambling Venue Policy every three years.

## **CONSULTATION FULFILMENT**

21. Major stakeholders were consulted and they provided information in these discussions with staff (see Attachment 4).
22. When the Council reviewed its policy in 2006 it undertook a special consultative procedure. The Council received a total of 2,062 submissions, with 138 groups/organisations or individuals requesting to make a verbal submission to a Council hearing panel. Of the former, 2,030 of submitters (98 per cent) indicated they did not support the proposed changes to the Gambling Venue and TAB Policy. Of these, 1,923 (95 per cent) said they would prefer to retain the current policy.
23. It is the view of the Working Party that the situation has not changed significantly since 2006 and that the consultation carried out then and the recent consultation with key stakeholders provides sufficient understanding of the views of interested and affected parties.

## **GAMBLING VENUE POLICY REVIEW 2009 WORKING PARTY RECOMMENDATION**

That the Council **resolves**:

- (a) To accept this report as its review under section 102(5) of the Gambling Act 2003.
- (b) To retain, without amendment, the current Gambling Venue Policy of 2006 as the Gambling Venue Policy 2009, as a result of the Gambling Venue Policy Review 2009 Working Party review.
- (c) Not to undertake a special consultative procedure, or any further consultation, in respect of recommendation (b), on the basis that the Gambling Act 2003 does not require that the special consultative procedure be used, and that the consultation that has taken place in the process to date, together with the very clear expression of community views in the last policy review of 2006, provides the Council with sufficient understanding of public views on this matter.

## **COMMITTEE RECOMMENDATION**

The Committee recommends unanimously that the Gambling Venue Policy Review 2009 Working Party recommendation be **adopted** by the Council.

## **BACKGROUND (THE ISSUES)**

24. Gambling has both benefits and costs, or harms. Benefits of class 4 gambling accrue to the individual from the fun and entertainment people derive from playing on the gaming machines and to the community as a whole from the return of profits either as grants to community organisations through the various Trusts which own the machines, or to benefits provided to members of Chartered Clubs.
25. However these benefits are offset to a greater or lesser extent by the harms gambling causes either to the individual who has a gambling problem and their family/whanau and associates, or to the wider community through crime and dishonesty occurring related to gambling.

26. These issues are explored in greater detail in the Social and Economic Impact Assessments, summaries of which are provided as **Attachments 2 and 3**.
27. As Table 1 shows, at 31 December 2008 Christchurch had the greatest number of both venues and machines of any of the major centres. This translates into Christchurch having the highest rate of venues and machines per thousand population aged 15 and over of all major cities except Dunedin, as Table 2 shows.

**Table 1**

	As at 31 December 2008		
City	Number of venues	Number of machines	National % of machines
Auckland	121	1,579	7.94%
Christchurch	124	1,896	9.54%
Dunedin	52	631	3.17%
Hamilton	37	558	2.81%
Manukau	70	1,010	5.08%
North Shore	46	651	3.27%
Waitakere	35	477	2.40%
Wellington	54	787	3.96%
<b>Total</b>	<b>1,537</b>	<b>19,879</b>	

*Source: Department of Internal Affairs*

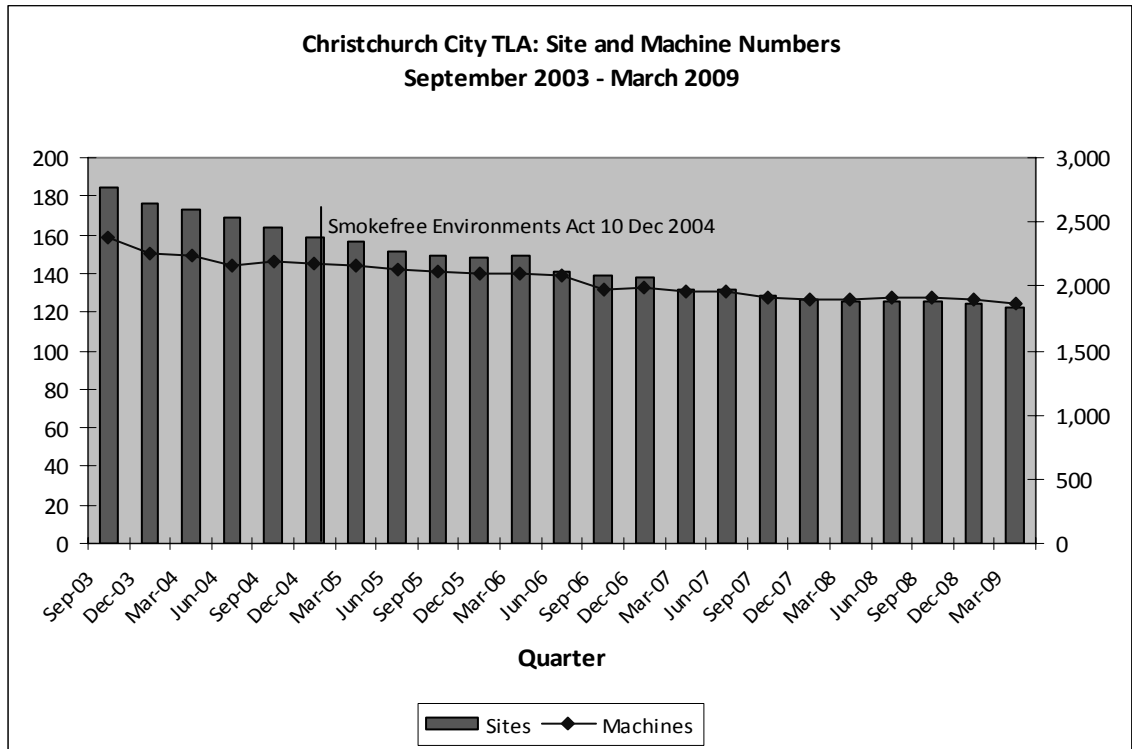
**Table 2**

		As at 31 December 2008	
City	Population aged 15 and over (2006 Census)	Venues per thousand population aged 15 and over	Machines per thousand population aged 15 and over
Auckland	328,560	0.37	4.81
Christchurch	282,762	0.44	6.71
Dunedin	98,709	0.53	6.39
Hamilton	100,995	0.37	5.53
Manukau	242,631	0.29	4.16
North Shore	164,838	0.28	3.95
Waitakere	142,284	0.25	3.35
Wellington	147,690	0.37	5.33
<b>Total</b>	<b>3,160,371</b>	<b>0.49</b>	<b>6.29</b>

*Source: Department of Internal Affairs*

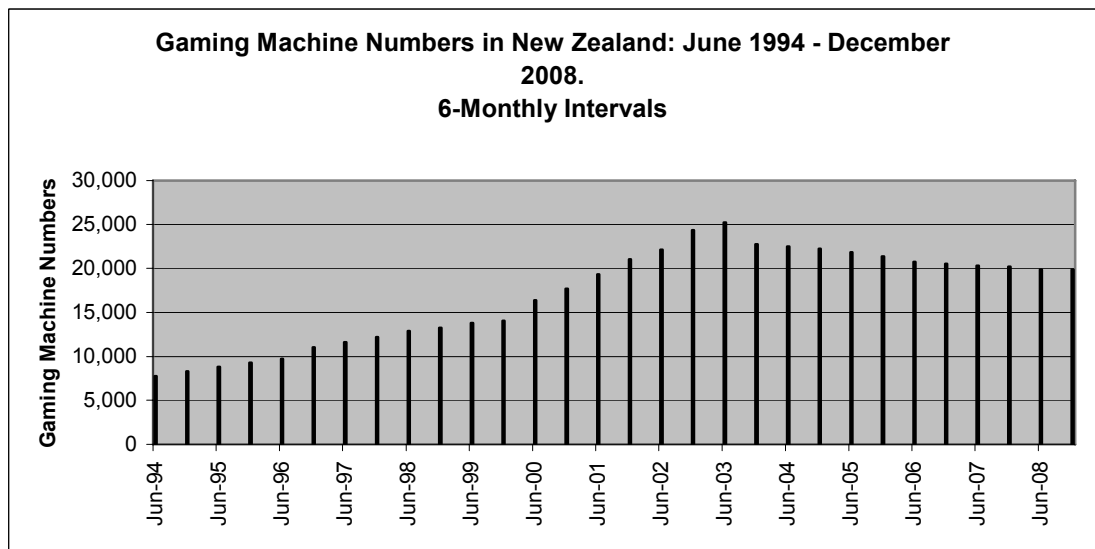
28. Since the introduction of the Gambling Act numbers of societies, venues and gaming machines have consistently dropped nationally, and the same is true for Christchurch as Graph 2 shows. However this decline has happened more slowly relative to the rate of growth before the introduction of the Act, as shown in Graph 3 below.

**Graph 2**



Source: Department of Internal Affairs

**Graph 3**



Source: Department of Internal Affairs

**Economic impacts of gaming machines**

29. As part of their report,<sup>2</sup> Covec estimated the net economic impacts of gaming machines on the Christchurch economy. First they estimated gross impacts. Then they estimated the impacts of foregone expenditures and subtracted them from gross gaming machine impacts to calculate net impacts. They found these net impacts to be:

<sup>2</sup> Covec. 2009. *The Economic Impacts of NCGMs on Christchurch City. A Report prepared for the Christchurch City Council.*

- Lost output of \$13 million
- Additional GDP of \$2 million;
- Lost employment for 630 full-time equivalents, and
- Lost household income of \$8 million.

Hence, the impact of gaming machines is largely negative; however these impacts are small compared with the size of the Christchurch economy.

30. There is no statistical relationship between the number of gaming machines and player expenditure. In other words, changes in the number of machines appears to have no material impact on expenditure.
31. Considering the wider costs and benefits of gaming and the subsequent funding of charitable organisations, the latter is a redistribution of wealth from a sector of society with low socioeconomic status (the gamblers) to the wider population through the distribution of grants.<sup>3</sup> This exacerbates income inequalities.

### **Decisions which are not in keeping with the current policy**

32. Council has made two decisions regarding the issue of licences which are not in keeping with the current policy, one relating to the Christchurch Working Men's Club, the other relating to the Sumner-Redcliffs RSA.
33. The Council discussed the deferred application by the Christchurch Working Men's Club for Territorial Authority consent under the Gambling Act 2003 at its meeting of 4 October 2007. The Council made a number of resolutions regarding this discussion; these are attached as **Attachment 5**. In particular the Council recognised that:
  1. *(e)....."an anomaly has been identified in the current Council policy in that it makes no allowance for consents to be given for section 96 Ministerial approvals whilst permitting consents to be given for section 95 Ministerial approvals.*
  2. *That the Council identifies that the reasons for the inconsistency in the current policy have arisen because the Council did not consider section 96 consent situations when making provision for section 95 consent situations either in 2004 or in 2006 for purposes of a S96 application by the Club for Ministerial approval.*
  3. *That this matter be included as part of Council's submission on the Gambling Act."*
34. The Working Party discussed this decision and the rationale behind it, outlined in paragraph 33.2 above. The Working Party considered that the confluence of circumstances of the Christchurch Working Men's Club was exceptional. It is unlikely to reoccur because the possibility of future applications under section 96 has now been considered. No future application would be granted because any such application would increase the number of machines in the city, which would directly contravene the current policy.
35. The Sumner-Redcliffs RSA applied for territorial authority consent from the Council in December 2005 for four gaming machines, and it was granted by Council staff in January 2006. However, Council staff did not realise that in December 2005 the RSA's gambling licence from the Department of Internal Affairs (DIA) had been surrendered for more than 6 months. This meant that in accordance with the Council's Gambling Policy applicable at that time, the consent should not have been granted.
36. At its meeting of 19 December 2008, the Council carried a motion whereby the Sumner-Redcliffs RSA (Inc) be granted a territorial authority consent under section 98(c) of the Gambling Act 2003 to operate four gaming machines from its premises at 34 Wakefield Avenue, Sumner, Christchurch. The motion included further resolutions so the Council's decision complies with section 80 of the Local Government Act 2003. The full wording of the motion is attached as **Attachment 6**.

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<sup>3</sup> *Ibid p21*



37. The Working Party discussed this decision and the rationale behind it. In its report to the Council, the Regulatory and Planning Committee noted that a review of the other consents issued by the Council under section 98(d) of the Gambling Act 2003 had been carried out and found there was only one other consent that the Council had issued in respect of a club (besides the Sumner-Redcliffs RSA and Christchurch Working Men's Club consents). That was for the Hoon Hay Club (consent was granted in January 2005) which subsequently ceased operation. All the other consents were issued in respect of licensed premises which were not clubs, and were all issued in 2004.
38. Hence the Committee concluded that the same type of situation, where the Council granted consent to a club under its former Gambling Policy, and it may have been under the wrong provision of the Gambling Act, giving rise to problems for the club with DIA, cannot occur again. Since November 2006, the new policy has been in force and it does not provide for the Council to grant any consents except where there is a merger of clubs under section 95, so there should also not be any similar problems arising in relation to the current Gambling Policy.
39. In summary, neither of these situations is likely to reoccur, therefore there is no need to make any changes to the current policy. The Working Party further noted that if similar requests were to be made in the future, the Council should apply the policy as it stands and not make exceptions.

#### THE OBJECTIVES

40. To comply with the Gambling Act 2003, to consider the costs and benefits of non-casino gaming machine gambling, and to arrive at an appropriate policy regarding the licensing of new venues.

#### THE OPTIONS

41. There are a number of options that could potentially be combined in various different ways to become policy. These are:
- (i) Maintain the status quo.
  - (ii) Replace the sinking lid policy with a cap on venues and numbers at the present levels, allowing the relocation of machines if a venue closes or relocates.
  - (iii) Amend Clause 2 of the status quo to accommodate section 96 consent applications of the Gambling Act 2003 as suggested by Alastair Sherriff in his legal opinion of 3 October 2007 (page 8):

“2. The Christchurch City Council will grant a consent for up to 18 machines where two or more corporate societies are merging and require Ministerial approval to operate in accordance with section 95(4) of the Gambling Act 2003. The Christchurch City Council will grant a consent for up to 18 machines pursuant to section 98(c) and 100 of the Gambling Act 2003 to a corporate society which is a club which requires Ministerial approval to operate more than 9 gaming machines in accordance with section 96 of the gambling Act 2003. The total number of machines that may operate at the venue, whether section 95 or 96 applies, **must not** exceed 18 machines.”
  - (iv) Have no restrictions on either the numbers of venues or machines apart from the legislated number.
  - (v) Replace the sinking lid policy with area-specific caps on venues and machine numbers.
  - (vi) Allow the numbers of machines under mergers to be 30.

Options (i), (ii), (iii), and (iv) are the main options and have been considered further below.

## THE PREFERRED OPTION

42. Option (i) - Maintain the status quo.

## ASSESSMENT OF OPTIONS

### The Preferred Option

#### Maintain the status quo – Option (i)

43. It has been argued by some stakeholders that maintaining the status quo may limit the growth in funds available for authorised purposes. However there is no substantive evidence that there is a causative link between the number of venues and the levels of funding.
44. The results of a recent Ministry of Health report<sup>4</sup> “suggest that living in a neighbourhood closer to a gambling venue increased the odds that a person (a) had gambled at a gambling venue, and (b) was a problem gambler. Furthermore, people who had more gambling venues within five kilometres of their neighbourhood centre may have been more likely to have gambled at a gambling venue in the past year.” Thus restricting growth in the number of venues may help prevent any increase in gambling related harm.

	<b>Benefits (current and future)</b>	<b>Costs (current and future)</b>
<b>Social</b>	<ul style="list-style-type: none"> <li>• Fulfils one of the purposes of the Act in restricting the growth of gambling opportunities</li> <li>• Restricting growth in the number of venues and machines may prevent any increase in gambling related harm</li> </ul>	<ul style="list-style-type: none"> <li>• May limit growth in funds raised for approved purposes</li> </ul>
<b>Cultural</b>	<ul style="list-style-type: none"> <li>• May limit risk of problem gambling occurrence</li> </ul>	<ul style="list-style-type: none"> <li>• May reduce the number of venues able to be attended for such activities</li> </ul>
<b>Environmental</b>	<ul style="list-style-type: none"> <li>• Not applicable.</li> </ul>	<ul style="list-style-type: none"> <li>• Not applicable.</li> </ul>
<b>Economic</b>	<ul style="list-style-type: none"> <li>• EIA found the impact of gaming machines is largely negative but noted these effects are very small, indeed almost negligible, compared with the overall Christchurch economy</li> </ul>	<ul style="list-style-type: none"> <li>• Possible decline in number of venues may discriminate between new operators and existing ones</li> </ul>
<p><b>Extent to which community outcomes are achieved:</b></p> <p>Maintaining the status quo would contribute to a safer, healthier city as it mitigates gambling harm. It would allow for gambling as a recreational leisure activity.</p> <p><b>Impact on the Council’s capacity and responsibilities:</b></p> <p>Limited impact as no need to issue new consents</p> <p><b>Effects on Māori:</b></p> <p>Supported by Mahaanui Kurataiao and He Oranga Pounamu. Māori are significantly affected by gambling related harm yet receive very few of the perceived benefits from gambling. Maintaining the status quo could reduce the negative effects on Māori.</p> <p><b>Consistency with existing Council policies:</b></p> <p>Not applicable.</p> <p><b>Views and preferences of persons affected or likely to have an interest:</b></p> <p>The views of the public were sought in 2006 and a majority favoured retaining the status quo at that time.</p> <p>Key stakeholders were consulted in the current review process. Broadly, those stakeholders that operate non-casino gaming machines (NCGMs) preferred a policy that allowed the transfer of machines to new venues. Those involved in addressing or treating problem gambling or in public health preferred the status quo.</p>		

<sup>4</sup> Ministry of Health. 2008. *Raising the Odds? Gambling behaviour and neighbourhood access to gambling venues in New Zealand*. Wellington: Ministry of Health

**Option (ii)**

45. Replace the sinking lid policy with a cap on venues and numbers at the present levels, allowing the relocation of machines if a venue closes or relocates.

	<b>Benefits (current and future)</b>	<b>Costs (current and future)</b>
<b>Social</b>	By allowing the transfer of machines to higher use venues it would increase the funds available for community organisations	<ul style="list-style-type: none"> <li>• Could slow or stop the reduction in the number of venues and machines and hence adversely affect problem gambling</li> <li>• Allowing the transfer of machines from venues where usage is low to venues where usage is higher may increase problem gambling</li> </ul>
<b>Cultural</b>	<ul style="list-style-type: none"> <li>• Venues able to be spread through various areas of the city</li> </ul>	<ul style="list-style-type: none"> <li>• May not fulfil the purpose of the Act to control the growth of gambling</li> </ul>
<b>Environmental</b>	<ul style="list-style-type: none"> <li>• Not applicable.</li> </ul>	<ul style="list-style-type: none"> <li>• Not applicable.</li> </ul>
<b>Economic</b>	<ul style="list-style-type: none"> <li>• This amendment could be of assistance to some businesses</li> </ul>	<ul style="list-style-type: none"> <li>• May be disadvantageous to some businesses by increasing competition with these</li> <li>• EIA found the impact of gaming machines is largely negative but noted these effects are very small, indeed almost negligible, compared with the overall Christchurch economy</li> </ul>

**Extent to which community outcomes are achieved:**

Could possibly enhance business activity and hence contribute to a more prosperous city, although gaming machines have minimal impacts on the overall economy. It would allow for gambling as a recreational leisure activity. However it may have negative health and safety effects

**Impact on the Council's capacity and responsibilities:**

Limited, though Council would have to consider and issue consents

**Effects on Māori:**

Current policy supported by Mahaanui Kurataiao and He Oranga Pounamu. Māori are significantly affected by gambling related harm yet receive very few of the perceived benefits from gambling. Any increase in opportunities for gambling would increase the negative effects on Māori.

**Consistency with existing Council policies:**

Not applicable.

**Views and preferences of persons affected or likely to have an interest:**

The views of the public were sought in 2006 and a majority favoured retaining the status quo at that time. Key stakeholders were consulted in the current review process. Broadly, those stakeholders that operate NCGMs preferred a policy that allowed the transfer of machines to new venues. Those involved in addressing or treating problem gambling or in public health preferred the status quo.

**Option (iii)**

46. Amend the status quo to accommodate section 96 consent applications of the Gambling Act 2003 as suggested by Alastair Sherriff in his legal opinion of 3 October 2007 (page 8):

"2. The Christchurch City Council will grant a consent for up to 18 machines where two or more corporate societies are merging and require Ministerial approval to operate in accordance with section 95(4) of the Gambling Act 2003. The Christchurch City Council will grant a consent for up to 18 machines pursuant to section 98(c) and 100 of the Gambling Act 2003 to a corporate society which is a club which requires Ministerial approval to operate more than 9 gaming machines in accordance with section 96 of the Gambling Act 2003. The total number of machines that may operate at the venue, whether section 95 or 96 applies, must not exceed 18 machines."

	<b>Benefits (current and future)</b>	<b>Costs (current and future)</b>
<b>Social</b>	<ul style="list-style-type: none"> <li>If numbers of machines were to increase this option fulfils the perception that community funding will increase but there is little evidence to support this</li> </ul>	<ul style="list-style-type: none"> <li>Does not reflect wider community views as to restrictions sought through the previous consultation process</li> <li>Could possibly lead to an increase in machines and hence increase social problems through problem gambling</li> </ul>
<b>Cultural</b>		<ul style="list-style-type: none"> <li>May not fulfil the purpose of the Act to control the growth of gambling</li> </ul>
<b>Environmental</b>	<ul style="list-style-type: none"> <li>Not applicable.</li> </ul>	<ul style="list-style-type: none"> <li>Not applicable.</li> </ul>
<b>Economic</b>	<ul style="list-style-type: none"> <li>This amendment could be of assistance to some businesses</li> </ul>	<ul style="list-style-type: none"> <li>EIA found the impact of gaming machines is largely negative but noted these effects are very small, indeed almost negligible, compared with the overall Christchurch economy</li> </ul>
<p><b>Extent to which community outcomes are achieved:</b></p> <p>Could possibly enhance business activity and hence contribute to a more prosperous city, although gaming machines have minimal impacts on the overall economy. It would allow for gambling as a recreational leisure activity. However it may have negative health and safety effects</p> <p><b>Impact on the Council's capacity and responsibilities:</b></p> <p>Limited, though Council would have to consider and issue consents.</p> <p><b>Effects on Māori:</b></p> <p>Current policy supported by Mahaanui Kurataiao and He Oranga Pounamu. Māori are significantly affected by gambling related harm yet receive very few of the perceived benefits from gambling. Any increase in opportunities for gambling would increase the negative effects on Māori</p> <p><b>Consistency with existing Council policies:</b></p> <p>Not applicable.</p> <p><b>Views and preferences of persons affected or likely to have an interest:</b></p> <p>Possible support from Trusts and Chartered Clubs. Probable concerns from public health organisations and problem gambling groups. Broadly, those stakeholders that operate NCGMs preferred a policy that allowed the transfer of machines to new venues. Those involved in addressing or treating problem gambling or in public health preferred the status quo.</p>		

**Option (iv)**

47. Have no restrictions on either the numbers of venues or machines apart from the legislated number.

	<b>Benefits (current and future)</b>	<b>Costs (current and future)</b>
<b>Social</b>	<ul style="list-style-type: none"> <li>If numbers of venues were to increase this option fulfils the perception that community funding will increase but there is little evidence to support this</li> </ul>	<ul style="list-style-type: none"> <li>Does not reflect wider community view as to restrictions sought through the previous consultation process.</li> <li>May increase social problems through problem gambling</li> </ul>
<b>Cultural</b>	<ul style="list-style-type: none"> <li>Venues able to be spread through various areas of the city. Market driven selection</li> </ul>	<ul style="list-style-type: none"> <li>Inconsistent with the idea that gaming machine availability should be controlled</li> <li>May not fulfil the purpose of the Act to control the growth of gambling</li> </ul>
<b>Environmental</b>	<ul style="list-style-type: none"> <li>Not applicable.</li> </ul>	<ul style="list-style-type: none"> <li>Not applicable.</li> </ul>
<b>Economic</b>	<ul style="list-style-type: none"> <li>Provides opportunity for venues to obtain further income from servicing machines</li> <li>The market would determine the distribution and number of venues</li> <li>Provides a level playing field for competition</li> </ul>	<ul style="list-style-type: none"> <li>EIA found the impact of gaming machines is largely negative but noted these effects are very small, indeed almost negligible, compared with the overall Christchurch economy</li> <li>May increase costs of treatment of problem gambling</li> <li>May result in increased economic costs to individuals affected by problem gambling and their families</li> <li>May result in further redistribution of wealth from lower socioeconomic groups to the wider community</li> </ul>
<p><b>Extent to which community outcomes are achieved:</b></p> <p>It would allow for gambling as a recreational leisure activity. However it may have negative health and safety effects.</p> <p><b>Impact on the Council's capacity and responsibilities:</b></p> <p>Limited, though Council would have to consider and issue consents</p> <p><b>Effects on Māori:</b></p> <p>Current policy supported by Mahaanui Kurataiao and He Oranga Pounamu. Māori are significantly affected by gambling related harm yet receive very few of the perceived benefits from gambling. Any increase in opportunities for gambling would increase the negative effects on Māori.</p> <p><b>Consistency with existing Council policies:</b></p> <p>Not applicable.</p> <p><b>Views and preferences of persons affected or likely to have an interest:</b></p> <p>Possible support from Trusts and Chartered Clubs. Probable concerns from public health organisations and problem gambling groups. Broadly, those stakeholders that operate NCGMs preferred a policy that allowed the transfer of machines to new venues. Those involved in addressing or treating problem gambling or in public health preferred the status quo.</p>		