



AGENDA

**Meeting of the Nelson City Council
to deliberate on submissions to the**

Gambling Policy Review

**Thursday 8 August 2013
commencing at the conclusion of the
Council – Infrastructure meeting
Council Chamber
Civic House
110 Trafalgar Street, Nelson**

Membership:

His Worship the Mayor Aldo Miccio, Councillors Ian Barker, Ali Boswijk (Deputy Mayor), Gail Collingwood, Ruth Copeland, Eric Davy, Kate Fulton, Paul Matheson, Jeff Rackley, Pete Rainey, Rachel Reese, Derek Shaw and Mike Ward

8 August 2013

1561620

Page No.

Apologies

1. Interests

- 1.1 Updates to the Interests Register
- 1.2 Identify any conflicts of interest in the agenda

2. Confirmation of Order of Business

3. Confirmation of Minutes – 23 July 2013

4-8

Document number 1560494

Recommendation

THAT the minutes of the meeting of the Nelson City Council – to hear submissions to the Gambling Policy Review, held on 23 July 2013, be confirmed as a true and correct record.

4. Submissions on the Gambling Policy Review 2012/13

9-34

Document number 1550733

Recommendation

THAT the report Submissions on the Gambling Policy Review 2012/13 (1550733) and its attachments (1326758, 1550341 and 1561953) be received;

AND THAT the Council consider and deliberate on all submissions received on the Statement of Proposal – Gambling Policy Review;

AND THAT the Council make decisions and give reasons for those decisions on all submissions received on the Statement of Proposal – Gambling Policy Review;

AND THAT the Gambling Policy be amended to reflect the Council’s decisions on submissions made at this meeting, and be reported back to Council for adoption.

**Minutes of a meeting of the Council to hear submissions to the
Gambling Policy Review**

Held in the Council Chamber, Civic House, Trafalgar Street, Nelson

On Tuesday 23 July 2013, commencing at 10.30am

- Present: Councillors A Boswijk (Chairperson), I Barker, G Collingwood, E Davy, J Rackley, R Reese, and D Shaw
- In Attendance: Executive Manager Regulatory (R Johnson), Manager Policy and Planning (N McDonald), Manager Strategic Response (C Ward), Manager Administration (P Langley), and Administration Adviser (L Canton)
- Apologies: His Worship the Mayor, A Miccio, and Councillors R Copeland, K Fulton, P Matheson, P Rainey, and M Ward

1. Apologies

Resolved

***THAT apologies be received and accepted from
His Workshop the Mayor and Councillors
Copeland, Fulton, Matheson, Rainey and Ward.***

Boswijk/Davy

Carried

2. Interests

Councillor Rackley declared a conflict and sat back from the table, but remained in the room to maintain quorum.

3. Confirmation of Order of Business

The Chairperson explained that an updated hearing schedule had been tabled (1553195).

It was also noted that item 3 on the agenda face should read 'Submissions to the Gambling Policy Review'.

4. Submissions to the Gambling Policy Review

Document numbers 1553195, 1552845, and 1551497 refer.

4.1 Dr Philip Townshend, Problem Gambling Foundation, submission number 17

Dr Townshend commended the proposed sinking lid policy and noted that this was in line with both central government policy and increased community awareness of gambling harm. He spoke against separate policies for class 4 gambling venues and New Zealand Racing Board (TAB) venues as it would add unnecessary complexity. He also spoke against limiting the number of gaming machines for merging Club venues.

In response to questions, Dr Townshend said he believed that the relative safety of Club venues was most likely due to limited Club opening hours, and that the nature of clubs as a community of shared concern resulted in stronger social pressures around harmful gambling.

4.2 Dr Philip Townshend and Glen Beattie, Clubs New Zealand Incorporated, submission number 1

Mr Beattie expressed concerns about potential conflicts of interest amongst councillors. The Chairperson advised that councillors who believed they had an interest would not participate in the policy review process.

Mr Beattie spoke about the relative safety of the Club gambling environment compared to that of taverns. He noted the involvement of the Problem Gambling Foundation in training members of Clubs New Zealand in preventing gambling harm. He urged Council not to limit the number of gaming machines for merged Clubs.

In response to questions, Mr Beattie noted there were only two Clubs with gaming machines in Nelson that could merge, with 25 machines between them. Mr Beattie advised that as Clubs were non-profit, all available returns went back to the Club and the community it was involved with. Dr Townshend added that while there was limited data available, a recent analysis of self-exclusions by problem gamblers in Christchurch suggested that problem gambling was hidden to some extent.

4.3 Frank Saxton, submission number 6

Mr Saxton said he considered the process of the Gambling Policy Review to be restrictive of democracy. He said that Clubs did not have a formal process for returning their revenue stream from gaming machines to the community.

4.4 Jeanette Swift and Tony Crosbie, Hospitality New Zealand, submission number 9

Ms Swift spoke to the submission, highlighting Hospitality New Zealand's opposition to a sinking lid policy. She pointed out that the legislated return to the community from gaming machines in taverns was higher

than the return made by Clubs. In addition, she said that the tightly regulated legal and moral responsibility of tavern owners to problem gamblers meant that taverns offered a similar community of care as Club venues. She urged Council to maintain the status quo and the current cap on gambling machines, and to avoid treading Clubs more favourably than taverns.

In response to questions, Mr Crosbie described the strength of the Problem Gambling Foundation, and the process required of venue owners to ensure that identified problem gamblers received the necessary support.

4.5 Jarrod True, New Zealand Racing Board, submission number 30

Mr True spoke to the New Zealand Racing Board submission and gave a presentation (1560033). He said that the rule preventing a venue operating with 100 metres of an ATM, and the proposed sinking lid policy, would prevent a new TAB board venue being set up in Nelson. Mr True spoke in support of a separate policy for TAB board venues, and highlighted the robust systems in place through the Problem Gambling Foundation and the Ministry for Health to address gambling harms.

In response to questions, Mr True said he was unaware of any other Councils in New Zealand with an ATM rule in their gambling policy. He said that the New Zealand Racing Board was considering its brand image and aiming to establish more modern environments with its TAB board venues, but that the Racing Board had no immediate plans to establish a board venue in Nelson.

4.6 Graeme Ambler, Pub Charity, submission number 44

Mr Ambler tabled additional information (1560044). He spoke against the sinking lid policy, highlighting the economic, social and cultural benefits of the funding provided by gaming machines. Mr Ambler said he believed there was a social license for gambling and that it was an individual's right to determine how to spend their money. He suggested that reducing the number of gaming machines would merely divert problem gamblers to other forms of gambling. Mr Ambler reiterated previous submissions regarding the well-funded clinical support available for problem gamblers. He also suggested that Council consider the relocation provisions included in the Flavell Bill.

4.7 Angela Paul and Sally Hughes, New Zealand Community Trust, submission number 28

Ms Paul gave a presentation (1553174) outlining the work of the Trust. She spoke to the Trust's submission, urging Council to cap gaming machine numbers rather than introducing a sinking lid policy. She summarised that, although there was a necessary focus on reducing harms, gambling revenues were nonetheless an important source of funding for the community. She reiterated earlier points about the lack of correlation between the number of gaming machines and problem

gambling, the strict controls for gambling as a valid and legal form of entertainment, and the robust support available for problem gamblers.

In response to a question, Ms Paul said that if there was no relocation clause included in the policy, if a venue was redeveloped, its gaming machines would be removed if any redevelopment was not completed within 6 months. Ms Hughes said that all of the revenue generated was returned to the local community, less that allocated to national organisations, most of which had memberships in the local community. She said the Trust was able to generate a higher return than some other organisations due to the cost efficiencies of being a national organisation.

Attendance: The meeting adjourned for a break from 11.45am to 11.50am.

4.8 Sue Bateup, Health Action Trust Nelson, submission number 43

Ms Bateup explained that her work as a Health Promoter with the Health Action Trust had a focus on the health and wellbeing of older people, who had greater vulnerability to gambling problems. She spoke in support of a sinking lid policy and 18 machine limit for merging Club venues, but said the proposed separation of the policy for different venue types would provide unnecessary complexity and confusion.

In response to questions, Ms Bateup said that, while Club venues offered many advantages in terms of providing social contact, the problem gambling associated with gaming machines was a disadvantage.

4.9 Vern Mardon, submission number 20

Mr Mardon spoke to his submission, highlighting his points about what he believed to be misinformation provided as background for the gambling policy review. Mr Mardon urged Council to consider the benefits provided to the community by gaming trusts when considering its gambling policy, and explained why he believed problem gambling should not be considered a significant problem.

4.10 Emma Lamont-Messer and Terry Williamson, The Lion Foundation, submission number 38

Mr Williamson gave a presentation (1558762) in support of The Lion Foundation's submission. He spoke against the proposed sinking lid policy, saying that the incidence of problem gambling was relatively low and was not related to the number of gaming machines. He said that reducing the number of machines would reduce revenues and the associated contribution to the community.

In response to questions, Ms Lamont-Messer said that the total funds granted to Nelson organisations for 2012/13 was \$3.6 million, including nationwide grants of which the Nelson district received a benefit. She confirmed that 42% of the revenue generated was returned to the community on a national basis, and that the remainder went to other costs. Mr Williamson said a more sophisticated approach to reducing

gambling harms would be to retain a cap, to add a relocation clause to the policy, and to assist with education around problem gambling.

It was agreed that councillors would provide questions and feedback to officers by email, and for transparency any new information and answers to questions would be included in the report to the deliberations meeting.

There being no further submitters to be heard, the meeting ended at 12.51pm.

Confirmed as a correct record of proceedings:

_____ Chairperson _____ Date

8 August 2013

REPORT 1550733

Submissions on the Gambling Policy Review 2012/13

1. Purpose of Report

- 1.1 To consider, deliberate and make decisions on submissions on the Statement of Proposal - Gambling Policy Review.

2. Recommendation

THAT the report Submissions on the Gambling Policy Review 2012/13 (1550733) and its attachments (1326758, 1550341 and 1561953) be received;

AND THAT the Council consider and deliberate on all submissions received on the Statement of Proposal – Gambling Policy Review;

AND THAT the Council make decisions and give reasons for those decisions on all submissions received on the Statement of Proposal – Gambling Policy Review;

AND THAT the Gambling Policy be amended to reflect the Council's decisions on submissions made at this meeting, and be reported back to Council for adoption.

3. Background

- 3.1 A statement of proposal was released on 6 June 2013 for consultation via the special consultative procedure (Attachment 1). The proposal is to make the following changes to the current policy:

- To amend the current policy on class 4 gambling (pokie) venues by introducing a 'sinking lid' on venues, whereby no new consents for gambling venues will be issued by Nelson City Council, with an exception for the merger of class 4 club venues (e.g. RSAs, sports clubs and working men's clubs). Where class 4 club venues merge the number of pokie machines permitted will be considered on a case-by-case basis and will not exceed a maximum of 18 machines

for the merged venue. This is a change from the current policy where the maximum allowable number of machines per merged club venue is 30.

- To separate the current Gambling Policy into two separate policies. The first policy will cover the criteria for granting or withholding consent for the establishment of Class 4 gambling venues. The second policy will cover the criteria for granting or withholding consent for the establishment of New Zealand Racing Board (TAB) venues.
 - Other than the proposed amendments in 3.2.1 and 3.2.2 above, the proposal states that Council's intention is to retain the existing policy in its current form.
- 3.2 Submissions closed on 8 July 2013 and 65 written submissions were received. Eleven of those submitters made oral submissions to Council at a meeting on 23 July 2013. The submissions are summarised in Attachment 2 and the minutes of the 23 July meeting have been included on the agenda for this Council meeting. The Council needs to consider the submissions, make decisions on them and provide direction to staff on changes to the Gambling Policy.
- 3.3 The rationale for the changes proposed is set out in the Statement of Proposal (Attachment 1).

4. Discussion

Summary of Submissions

- 4.1 Most of the submissions commented on the proposed sinking lid on class 4 gambling venues. Some also commented on the proposed exemption for club mergers and some commented on the proposed separation of the class 4 gambling and TAB venue policies.

Sinking Lid

- 4.2 13 submissions supported the adoption of a sinking lid policy on class 4 gaming venues as proposed. These submissions came from health organisations and professionals who work with problem gamblers and their families, the Resident's Association, National Council of Women and individuals.
- 4.3 52 submissions opposed the adoption of a sinking lid policy and many of these indicated support for retaining the status quo (the current policy). Thirty two of those submissions were from a range of community sport, recreation and social service organisations. The others were from the Gaming Trusts (Lion Foundation, NZ Community Trust and Pub Charity), Clubs New Zealand, the TAB and from individuals.

- 4.4 The key reasons put forward in support of the sinking lid include:
- NZ experience since 2000 shows that sinking lids work and the disadvantages that have been attributed to them do not occur;
 - Despite a drop in machine numbers the return of funding to the Nelson community has continued at about the same level as a result of Gaming Trusts improving the proportion of losses they return to the community¹ in which the money is collected;
 - No evidence to suggest that a decline in gaming machine numbers is increasing internet gambling at this stage²;
 - Over 80 percent of people presenting to problem gambling services say pub pokies are their main form of harmful gambling. Impacts not just on the gambler, also families, employers;
- 4.5 The key reasons put forward in opposition to the sinking lid include:
- No solid evidence that sinking lids deliver measurable outcomes;
 - Will have a significant negative impact on the community and the many community organisations that depend on Gaming Trust funding. No alternative source of funding suggested by Council;
 - Disproportionate response to problem gambling (prevalence low);
 - Evidence that the number of gaming machines in the community has no correlation to the number of problem gamblers;
 - The industry is closely monitored and heavily regulated already;
 - People will move to other forms of gambling.
 - Existing policy should only be amended if evidence to show it is not working.
- 4.6 Four submissions, including Clubs NZ, the NZ Problem Gambling Foundation, opposed a sinking lid on pokies in club venues on the basis that evidence shows that club venues are safer gambling environments than pub venues.
- 4.7 Hospitality NZ was opposed to the differential treatment of pub and club venues in the Statement of Proposal.

¹ Refers to the percentage of money collected from gamblers that is returned to the community.

² Ministry of Health. 2013. Preventing and Minimising Gambling Harm: Three-year service plan and levy rates for 2013/14 to 2015/16. Wellington: Ministry of Health

Club Mergers

- 4.8 Four submissions supported an exception to the sinking lid where club venues wish to merge without amendments.
- 4.9 One submission supported an exception to the sinking lid for club venues wishing to merge, but with a less restrictive cap on the number of pokie machines a merged club may operate. The rationale is that there is a body of evidence which indicates that class 4 gambling in club venues is less harmful than pub venues.

Separation of Class 4 venue and TAB venue policies

- 4.10 Only nine submissions commented on this aspect of the proposal.
- 4.11 Five submissions supported a separation of the Class 4 and TAB venue policies, including the NZ Racing Board and individual submitters.
- 4.12 Four submissions, including the NZ Problem Gambling Foundation and others did not support a separation of the two policies on the basis that it is irrelevant to Nelson and it would lead to confusion without offering any obvious benefits. Nelson currently has no stand-alone TABs but many of those that exist in other parts of the country have a mixture of pokie and TAB gambling.

Additional Information Requested by Councillors

- 4.13 Councillors requested some additional information following the meeting to hear oral submissions on 23 July. As requested, a map showing facilities (schools, preschools, kindergartens, playgrounds and places of worship) and ATMs with a 100m buffer around them is provided in Attachment 3.
- 4.14 Information on relocating venues in an emergency was also requested. Relocation was not addressed in the Statement of Proposal because of legal advice that a strict reading of the Gambling Act 2003 does not allow Councils to provide for this in their Gambling policies. Even if it were permitted, this was not addressed in the Statement of Proposal and therefore it could be argued that Council would need to consult on that issue.

5. The Gambling (Harm Reduction Amendment) Bill

- 5.1 The Gambling (Harm Reduction Amendment Bill) has recently been reported back to Parliament with significant amendments. The Bill does not appear to impact on the Council's proposal to introduce a 'sinking lid'. It would still be possible to do this if it passed into legislation. The Bill also proposes to allow territorial authorities to include relocation policies which would set out if and when new venues could be granted consent in place of existing venues. However, until the Bill is passed it is not possible to take this into consideration.

6. Conclusion

- 6.1 Council needs to deliberate on submissions and make decisions on any changes to its proposal to enable a final decision to be made on the Gambling Policy at the Policy and Planning meeting on 29 August 2013.

Jenny Hawes
Principal Adviser Community

Attachments

- Attachment 1: Statement of Proposal [1326758](#)
Attachment 2: Summary of Submissions [1550341](#)
Attachment 3: GIS Map: facilities showing 100m buffer from ATM machines
[1561953](#)

Supporting information follows.

Supporting Information	
1. Fit with Purpose of Local Government	Council is required by the Gambling Act 2003 and Racing Act 2003 to have gambling venue policies and therefore it fits with the purpose of performing regulatory functions.
2. Fit with Community Outcomes and Council Priorities	Controlling the number of gambling venues and machines contributes to the 'People-Friendly Places' and 'Kind Healthy People' community outcomes.
3. Fit with Strategic Documents	The draft Gambling Policy takes into account the impact of gambling on social and community wellbeing, consistent with the Council's Social Wellbeing Policy 2011.
4. Sustainability	The Council's Gambling Policy supports the Nelson 2060 vision of strong, healthy, resilient communities.
5. Consistency with other Council policies	No consequential inconsistencies with other Council policies.
6. Long Term Plan/Annual Plan reference and financial impact	Not applicable.
7. Decision-making significance	This is not a significant decision in terms of the Council's Significance Policy.
8. Consultation	Early input was sought from key stakeholders and previous submitters. Formal consultation occurred via a Special Consultative Procedure under sections 83 and 87 of the Local Government Act 2002. Section 102(2) of the Gambling Act 2003 requires Council to use a special consultative procedure when adopting, amending or replacing its Gambling Policy.
9. Inclusion of Māori in the decision making process	Iwi were invited to provide input through the pre-consultation phase and the special consultative procedure. Council is also required by the Gambling Act 2003 to give notice to organisations representing Māori and this was done.
10. Delegation register reference	Decision of Council.



Nelson City Council

te kaunihera o whakatū

STATEMENT OF PROPOSAL

GAMBLING POLICY REVIEW

1. Introduction

The Gambling Act 2003 requires councils to adopt a Class 4 Gambling Venue Policy to regulate the location and number of class 4 gambling (pokie) venues in their area. The policy may also specify restrictions on the number of class 4 gambling (pokie) machines. The Racing Act 2003 requires councils to adopt a New Zealand Racing Board (TAB) Venue Policy. The policy must specify whether new TAB venues may be established and if so, where they may be located.

The legislation requires that the policies are reviewed every three years. Nelson City Council adopted a Gambling Policy in 2004, which covered both class 4 gambling venues and TAB venues. The policy was reviewed in 2007 and 2010 and is due for review again.

The Racing and the Gambling Acts both require councils to undertake a special consultative procedure when amending or replacing their gambling venue policies. This Statement of Proposal relates to proposed amendments to the current Nelson City Council Gambling Policy and has been prepared to fulfil the requirements of the special consultative procedure as outlined in section 83 and 87 of the Local Government Act 2002. The amendments are being proposed as a result of a review of the policy.

The special consultative procedure requires Council to seek feedback from the public, as well as community groups and organisations that have a stake in, or are affected by, any proposed changes to its Gambling Policy.

Nelson City Council's original Gambling Policy placed a cap on the number of pokie machines in Nelson at 328. The cap reduced to 301 in 2007 and 285 in 2010. The number of pokie machines with consent to operate in Nelson is currently below the cap of 285. As at 12 March 2013, there were 257 pokie machines operating throughout the city, although under current consents, the numbers could increase to 275 machines.

2. Options Considered By Council as Part of Review

In reviewing the current policies, Council considered a number of options as follows:

Numbers of Class 4 Gambling Machines and Venues		
Options	Advantages	Disadvantages
Maintain the current cap of 285 pokie machines permitted to operate in the city at any one time (current policy).	Reduces the potential for problem gambling by limiting the growth of opportunities to gamble, while still enabling existing class 4 gambling venues to continue to operate.	Given that pokie machine numbers have already fallen below the cap, maintaining the current cap would allow machine numbers to increase, subject to consents.

Numbers of Class 4 Gambling Machines and Venues		
Options	Advantages	Disadvantages
Lower the Cap	Further reduces the potential for problem gambling by minimising the proliferation of opportunities to gamble, while still enabling existing gambling venues to continue to operate.	May discourage new hospitality businesses, if they need gambling machines to be financially viable. May reduce the return of funding from charitable trusts operating gambling machines in Nelson to the community. May lead to some job losses in the hospitality industry.
Sinking lid on class 4 gambling (pokie) venues. A sinking lid policy means no new licenses for pokie venues and/or machines can be issued, and pokie machines cannot be transferred to a new pub or owner if the venue closes.	Further reduces the potential for problem gambling by reducing total pokie venue and machine numbers over time, while still enabling existing gambling venues to continue to operate.	A sinking lid is likely to have little effect on the availability of gambling in the short term. Its impact is likely to be felt over the longer term. May discourage hospitality businesses from establishing in Nelson if they are financially reliant on pokie machines. May reduce over time the return of funding to the community from charitable trusts operating pokie machines in Nelson, however, it is unlikely to have a significant impact in the short term. May lead to some job losses in the hospitality industry.
Increase the cap	May allow for new hospitality businesses to be established if they can host pokie machines and if the hosting of pokie machines enables the business to be financially viable.	An increase in the number of pokie machines may increase the potential for problem gambling.

Note: Some councils have previously permitted existing venues to "relocate" under certain conditions, or in specific circumstances. A strict interpretation of the Gambling Act 2003 does not allow for this, so it is not included as a valid option.

Location of Class 4 Gambling Machine Venues and Numbers		
Options	Advantages	Disadvantages
Remove or reduce some or all of the current restrictions relating to location contained in the current policy, such as proximity to early childhood centres, schools or community facilities or	May encourage new hospitality businesses to establish.	Increases the potential for problem gambling.

Location of Class 4 Gambling Machine Venues and Numbers		
Automatic Teller Machines.		
Increase restrictions relating to location. This could include increasing the permitted distance of a gambling venue to residential areas, early childhood centres and schools and specifying how close one class 4 gambling venue can be to another.	Further minimises the potential for problem gambling.	Likely to discourage new hospitality businesses if they need pokie machines to be viable. May reduce the return of funding to the community from charitable trusts operating pokie machines in Nelson. May lead to some job losses in the hospitality industry.

New Zealand Racing Board Venue Policy		
Options	Advantages	Disadvantages
Combined policy for class 4 gambling (pokie) venues and New Zealand Racing Board (TAB) venues (current policy).	Makes it simpler for readers to find Council's policy on gambling venues.	Potential for class 4 gambling venue policy to dominate New Zealand Racing Board policy.
Separate policies for class 4 gambling (pokie) venues and New Zealand Racing Board (TAB) venues.	Would be more precise in terms of legislative requirements. Would allow for more specific consideration of the issues relevant to the different forms of gambling.	Potential for policies to develop contrary aims.

3. The Proposal

Having considered the options available, Council's proposal in respect of which it now seeks submissions is as follows:

- (i) To amend the current policy on class 4 gambling venues by introducing a 'sinking lid' on venues, whereby no new consents for gambling venues will be issued by Nelson City Council, with an exception for the merger of class 4 club venues (e.g. RSAs, sports clubs and working men's clubs). Where class 4 club venues merge the number of pokie machines permitted will be considered on a case-by-case basis and will not exceed a maximum of 18 machines for the merged venue. This is a change from the current policy where the maximum allowable number of machines per merged club venue is 30.
- (ii) To separate the current Gambling Policy into two separate policies. The first policy will cover the criteria for granting or withholding consent for the establishment of Class 4 gambling venues. The second policy will cover the criteria for granting or withholding

consent for the establishment of New Zealand Racing Board (TAB) venues.

Other than the proposed amendments in (i) and (ii) above, Council's intention is to retain the existing policy in its current form.

4. Reasons for the Proposal

The reason for replacing the existing cap on machine numbers with a sinking lid is to minimise the potential for problem gambling by reducing over time the opportunities for gambling on pokie machines in Nelson. This is in line with the overall objective of Council's Gambling Policy which is:

"To support and promote harm minimisation principles for gambling activities within the Nelson City area."

The current policy allows for clubs to merge, with the number of machines permitted in the merged venue to be considered on a case by case basis and not to exceed 30 machines. The ability for clubs to merge remains unchanged, as there is good evidence that club venues produce lower rates of gambling harm than pub venues. However, it is proposed that the maximum number of machines permitted following a club merger be reduced from the current maximum of 30 to a maximum of 18 to ensure consistency with the proposed sinking lid policy. This will continue to require territorial consent and Ministerial approval.

The reasons for separating the current policy into two separate policies, one for gambling venues and one for TAB venues, are:

- The Racing Act 2003 and the Gambling Act 2003 are separate pieces of legislation, and separately require a policy relating to the different forms of gambling.
- The Racing Act 2003 does not share the purpose of the Gambling Act 2003 to "control the growth of gambling" therefore, the policies should be separate to allow for the different considerations to be made when reviewing the policy.
- Combining the different policies into a single document can result in the issues associated with class 4 gambling venues overshadowing the appropriate consideration of the issues associated with New Zealand Racing Board venues.

5. Submissions

Anyone can make a submission about any aspect of Council's proposal (outlined in section 3). We encourage you to give us your views. Council in making its decision will take account of all the submissions made.

Submissions are to be made in writing and forwarded to:

Gambling Policy Review
Nelson City Council
PO Box 645
Nelson 7040

Or emailed to submissions@ncc.govt.nz

Submissions must be received no later than 4pm on 8 July 2013. Any person who wishes to speak to the Council in support of their submission will be given the opportunity to address Council at a hearing on 23 July 2013.

SUMMARY OF SUBMISSIONS ON THE GAMBLING POLICY STATEMENT OF PROPOSAL

Submission Number	Name of Individual or Organisation	Submission Points	Staff comments
1	Clubs New Zealand	<p>Opposes 'sinking lid' (or 'cap') on pokies in clubs. Would like clubs policy separated out from pubs (similar to the TAB policy). Say this would be consistent with sections 95 and 96 of the Gambling Act. Would also like to include ability for clubs to relocate gaming venues</p> <p>Pubs and clubs should be treated differently. Alcohol and gambling are not the predominant purpose of clubs. Club staff know members personally and problem gamblers are quickly identified. The submission provided a copy of the Host Responsibility Policy (Gambling at a Class 4 venue) of the Nelson Suburban Club, which is a detailed document covering issues such as access, product safety, venue design, information to patrons etc.</p> <p>Proceeds of class 4 gambling are returned directly to the club for membership and data shows that Club venues are a safer environment for gambling (supported by the Problem Gambling Foundation).</p> <p>Submission also commented on matters not covered in the Council's proposal.</p>	
2	National Council of Women	Supports the Council's proposed changes.	
3	Athletics NZ	<p>Opposes sinking lid.</p> <p>Concerned that it would reduce funding they receive from Gaming Trusts and limit the activities they undertake for their members.</p>	
4	United Bowling Club/Bowls Nelson	<p>Opposes sinking lid.</p> <p>Concerned that it would reduce funding they receive from Gaming Trusts and limit the activities they undertake for their members. Say it is increasingly hard for clubs to survive without this funding.</p>	
5	Spirit of	Opposes sinking lid.	

Attachment 2

SUMMARY OF SUBMISSIONS ON THE GAMBLING POLICY STATEMENT OF PROPOSAL

	Adventure Trust	Would prefer to see the status quo retained. Say a sinking lid would deny a legal funding source to charities. Yet gambling will remain readily available through other avenues.	
6	Frank Saxton	Opposes sinking lid. Does not allow for changes in the market place – says as total numbers decrease the value of the remaining ones will accrue a super normal profit to owners. Likely proportion of machines owned by trusts will decline as proportion owned by clubs increases. Clubs keep profits to themselves and venues become grander with little return to the community unlike the Trusts.	
7	John Greaney	Opposes sinking lid. Gaming machines have place in society with support for those who “go off rails”. Most people don’t have problems. Funding is important to local community groups and organisations that struggle to find other funding support.	
9	Hospitality New Zealand Nelson Branch	<ul style="list-style-type: none"> • Opposes sinking lid/supports retaining the status quo. • Opposes differential treatment of club-based and tavern-based gambling based on presumption that clubs are more generous or less dangerous places to gamble. – based on unsupported assumptions. • No objection to separating the Gambling Policy into two separate policies. <p>Represents around 100 members in Nelson. Argue there is strong evidence that the number of gaming machines in the community has no correlation to the number of problem gamblers. Considers education targeted at problem users is more effective at addressing problem gambling (e.g. present measures of information on responsible gambling at venues, use of personal exclusions and player information displays). Sinking lid will deter future developments of new hospitality businesses in Nelson and will reduce funding available to the community.</p>	Note: the Problem Gambling Foundation says that there is a correlation (as machine numbers have fallen the amount spent on gambling has fallen). It is difficult to get an accurate picture of problem gambling prevalence rates over time in NZ as different screens have been used, however research suggests that, at any given time, between 0.3% and 1.8% of adults living in the community in New Zealand are likely to score as “problem gamblers” on standard questionnaires.(DIA Problem Gambling

SUMMARY OF SUBMISSIONS ON THE GAMBLING POLICY STATEMENT OF PROPOSAL

			Factsheet, www.dia.govt.nz). 77%-85% of problem gamblers use gaming machines as their primary mode of gambling (Ministry of Health, 2008).
10	Jane Wickham and Graeme Muir	Support Council's proposed changes.	
13	Arthritis New Zealand	Opposes a sinking lid. Organisation benefits from Gaming Trust funding. Unfair to single out one type of gambling. Unfair to Most people don't have problems. Funding is vital to Arthritis NZ and would struggle to find other funding support. Would look to Council for funding.	
14	Coastguard New Zealand	Opposes a sinking lid/supports retaining the status quo. Charitable organisation that depends on Gaming Trust funding to do the work they do (represents approximately 17% of total income). Say other community organisations in a similar situation and policy poses serious risk to those organisations.	
15	LandSAR (New Zealand Land Search and Rescue Inc.)	Opposes a sinking lid. Applies for and receives \$200K per annum from local and national Gaming Trusts- used to support volunteer search and rescue system (esp. training and equipment). Without this funding its ability to support NZ Police in saving lives would be significantly compromised. Will reduce pool of funding available from gaming machines both in Nelson and nationally.	
16	Hockey Nelson	Opposes a sinking lid. Organisation benefits from Gaming Trust funding. Gaming machines have been around for a long time. Most people don't have problems. Funding is important to local community groups and organisations that struggle to find other funding support.	

17	Problem Gambling Foundation of NZ	<p>Shows a degree of social engineering and disruption to personal choice.</p> <p>Supports proposal to retain existing gambling policy with addition of a sinking lid – keep faith with the robust consultative process that was undertaken in forming this policy, which is currently working very well.</p> <p>Does not support proposal to limit number of machines at merging clubs to 18.</p> <p>Does not support proposal to split class 4 and TAB venue policies.</p> <p>Sinking lid NZ experience since 2000 shows sinking lid works and disadvantages that have been attributed to them do not occur. Quotes DIA 2013 figures showing close correlation between falling machine numbers and amount lost through class 4 gaming over period 2003/2005.</p> <p>Says that despite a drop in machine numbers, the return of funding to the Nelson community has continued at about the same level as a result of Gaming Trusts improving the proportion of losses they return to the community [data from Problem Gambling database which has been audited by Price Waterhouse].</p> <p>Over the last two years most societies have implemented policies to return higher proportions to the community in which they were collected.</p> <p>Spurious argument to suggest that Councils should maintain pokie numbers as way of protecting people from internet gambling. Ministry of Health have stated they do not see internet gambling as significant problem in NZ.</p> <p>Club mergers Plethora of evidence exists showing that Club venues are safer gambling environments than Pub venues. In Nelson there are only two Clubs that could merge and if they did the result would be 25 pokie machines. On the basis of available evidence this would be safer than an 18 machine Pub venue (some currently exist) and should be encouraged.</p> <p>Split class4 and TAB venue policies Irrelevant to Nelson. Would add complexity and confusion and not add any practical advantage for Nelson.</p>	
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SUMMARY OF SUBMISSIONS ON THE GAMBLING POLICY STATEMENT OF PROPOSAL

18	Christopher Mitsen	<p>Supports a sinking lid.</p> <p>Would like to see permitted distance from ATMs/playgrounds, schools etc doubled.</p>	
19	Nelson Residents' Association Inc	<p>Supports a sinking lid.</p> <p>Supports separating class 4 and TAB venue policies</p> <p>Hardship caused to families by problem gambling is real and creates unnecessary demands on voluntary organisations – have to pick up pieces.</p> <p>Consider alleged benefits provided by Gaming Trusts are illusory and do not compensate for money extracted from addicted players.</p>	
20	Vern Mardon	<p>Opposes a sinking lid.</p> <p>Problem gambling prevalence not changed in 9 years. Gaming machines have unwillingly reduced since 2004. Amount of money spent on gambling remained consistent but income from Gaming Trusts has reduced – says this indicates people transferred from gaming machines to other forms of gambling.</p> <p>Proposal unfairly disadvantages Gaming Trusts over Club venues.</p> <p>Says biggest threat to problem gamblers is online gaming.</p> <p>Questions the accuracy and bias of the national statistics provided in the Issues paper that went to the Council workshop in March 2012 and considers that Nelson does not have a major gambling problem.</p>	<p>The national statistics on gambling-related harm provided in the Issues Paper (1219594) came from the NZ Problem Gambling Foundation's factsheets and DIA Problem Gambling factsheet. The Issues paper also included information on the amount of funding returned to the Nelson community by way of grants.</p>
21	Camp Quality NZ	<p>Opposes a sinking lid.</p> <p>Deliver recreational activities to children living with cancer. Without Gaming Trust funding the organisation would struggle to deliver programmes.</p> <p>Its position is that sinking lid policies do not reduce problem gambling. Concerned with damage reduced availability of funding will do over time to the charitable sector.</p>	

SUMMARY OF SUBMISSIONS ON THE GAMBLING POLICY STATEMENT OF PROPOSAL

23	Bowls Nelson	<p>Opposes a sinking lid.</p> <p>Organisation benefits from Gaming Trust funding. Gaming machines have been around for a long time. Most people don't have problems. Funding is important to local community groups and organisations that struggle to find other funding support.</p>	
24	Stoke Bowling Club	<p>Opposes a sinking lid.</p> <p>Gambling is inherent in our character, variety of forms of gambling and unfair to apply a sinking lid to pokie venues only.</p> <p>Although problems with some gamblers, it is an individual choice how people spend their money.</p> <p>Sports clubs do benefit from the return of a proportion of pokie profits to the community and without this funding clubs may look to Council for funding to fill gap.</p>	
25	Te Kahui Hauora o Ngati Koata Trust	<p>Supports proposal to retain existing gambling policy with addition of a sinking lid – keep faith with the robust consultative process that was undertaken in forming this policy and it is currently working very well.</p> <p>Does not support proposal to limit number of machines at merging clubs to 18.</p> <p>Does not support proposal to split class 4 and TAB venue policies.</p> <p>Same position as submission 17.</p> <p>Also note that over 80% of people presenting to problem gambling services say pub pokies are main form of harmful gambling and approx. 32% of people presenting to problem gambling treatment services identify as Maori.</p>	
26	Sandy Fontwit	<p>Supports sinking lid.</p> <p>Potential for harm from gambling outweighs return of money to community.</p>	
27	Wanderers Cricket Club	<p>Opposes a sinking lid.</p>	

SUMMARY OF SUBMISSIONS ON THE GAMBLING POLICY STATEMENT OF PROPOSAL

		<p>Organisation benefits from Gaming Trust funding. Gaming machines have been around for a long time. Most people don't have problems. Problem gamblers would still gamble in some form so policy is a waste of time and will only hurt other worthwhile community groups. Club unable to survive without gaming funding.</p>	
28	NZ Community Trust	<p>Oppose a sinking lid.</p> <p>Nelson will lose out on funding – far more people will be affected negatively rather than positively from sinking lid.</p> <p>Reduce the number of gaming machines in the city will not reduce number of problem gamblers.</p> <p>Ratio of problem gamblers in Nelson same as national average (2.9 per 1000). Social cost only a fraction of that caused by alcohol, tobacco and other drugs.</p> <p>Robust systems exist in Nelson to support problem gamblers.</p> <p>Pub gaming machines only played in strictly controlled environment.</p> <p>Recommend capping machine numbers at current levels (257). Machine density higher than national average (5.9 vs 4.5 machines per 1000) but rate of problem gambling no higher. Community groups will feel funding is slightly more secure. Would like to see relocation clause - more flexibility to move to better venues in lower risk areas.</p>	
29	Community Gaming Association	<p>Oppose sinking lid</p> <p>Unintended consequences for communities and community organisations.</p> <p>No solid evidence that sinking lid policies deliver measurable outcomes.</p> <p>Far more good than harm delivered to communities.</p> <p>Responsible gaming industry, effective harm minimisation policies.</p> <p>Recommend a cap of 201 – lift from 173 currently operating with option to transfer venue licence.</p> <p>Provided a number of figures in relation to problem gambling rates etc.</p>	
30	NZ Racing Board	<p>Opposes a sinking lid</p> <p>Strongly supports separation of Class 4 Venue and TAB Venue policies.</p> <p>Class 4 venues</p> <p>Supports the status quo cap of 285. Is a review process and the policy should only be amended if there is evidence to show that there is some defect in it.</p> <p>Gaming industry already heavily regulated.</p>	<p>Note: the Statement of Proposal did not include an exemption for relocation because of legal advice that a strict reading of the Gambling Act 2003 does not allow Councils to provide for this in their Gambling</p>

SUMMARY OF SUBMISSIONS ON THE GAMBLING POLICY STATEMENT OF PROPOSAL

		<p>Will not reduce problem gambling but will reduce community funding. Could be unintended consequences such as increase in online gambling. Would like to see policy which allows relocation of existing class 4 gaming machine venues – where 18 machine venues would reduce to 9 machines and 9 would reduce to 8) and machines moving to more desirable area. Allowing relocation prevents landlords demanding unreasonable rentals.</p> <p>Argues that it is lawful for Council to adopt a policy that allows for a new class 4 gambling venue consent to be issued when an existing venue is closing down and the business at the previous location is establishing at a new location. And in light of pending changes to Gambling Act (Flavell Bill) it would be appropriate to now adopt a relocation policy as part of the gambling venue policy, even if a sinking lid is adopted.</p> <p>TAB venues Also invites Council to remove current restriction on ATMs (very common and can be set up overnight). Race and Sports betting – low prevalence of problem gambling. Takes statutory responsibilities to minimise problem gambling seriously, regular audits and checks, staff training, no ATMs in any TAB Board Venue..</p>	<p>Policies. The Flavell Bill would require Councils to consider whether they wish to have a relocation policy but the Bill has yet to be passed so can't be taken into account.</p>
32	Josephine Faragher, social worker/health manager	<p>Supports a sinking lid proposal. Does not support separation of Class 4 venue and TAB venue policies.</p> <p>Same position as submission 17.</p>	
33	Ross Wylie	Supports the proposed changes.	
34	Tasman Rugby Union	<p>Opposes the sinking lid.</p> <p>Heavily reliant on Gaming Trust funding to support programmes, competitors and infrastructure. In past 5 years have received \$500,000. Concerned would lead to decline in participation. Social impacts of the proposed policy would outweigh negative impacts of problem gambling. Pokie machines are closely monitored and regulated. Should focus on internet gambling if want to reduce harm.</p>	
35	Debbie Christie	<p>Supports a sinking lid. Does not support proposal to limit merged clubs to 18 machines.</p>	

SUMMARY OF SUBMISSIONS ON THE GAMBLING POLICY STATEMENT OF PROPOSAL

		<p>Does not support the proposed separation of class 4 venue and TAB venue policies.</p> <p>For same reasons as set out in submissions 17,25 and 32.</p>	
36	Nelson Tasman Region Hospice Trust	<p>Oppose a sinking lid.</p> <p>Organisation benefits from Gaming Trust funding. Gaming machines have been in NZ a long time. Most people play machines without problems and money generated for community is important. Sinking lids don't work. Will have negative impact on community groups and the local economy – reduced social and cultural benefits.</p> <p>Prefer status quo – meets needs of the community.</p>	
37	Nelson Basketball Association	<p>Oppose a sinking lid.</p> <p>Ramifications wide reaching. Community funding hard to access. Without Gaming Trust funding many people will not have the opportunities to participate in the sport. Most people play the pokies without problems.</p>	
38	Lion Foundation	<p>Oppose a sinking lid.</p> <p>Prefer to maintain existing cap of 285 gaming machines. Would like to ensure gaming machine operators can relocate where a venue can no longer operate at a site due to circumstances beyond their control.</p> <p>Blunt instrument to deal with problem gambling with arbitrary consequences for the community.</p> <p>Lack of evidence that reduction in gambling machines results in a reduction in problem gambling.</p> <p>Limited understanding of impact on community funding levels.</p> <p>Will discourage hospitality operators establishing new businesses/job losses.</p> <p>Fully support harm minimisation measures and have robust systems in place.</p> <p>Over 2012/13 total grants to Nelson area was over \$14.2M.</p>	
39	Nelson Marlborough District Health	<p>Supports a sinking lid.</p> <p>Does not support separation of Class 4 venue and TAB venue policies – no advantage.</p>	NZ Health Survey 2011/12 (preliminary results) found that approximately one in

SUMMARY OF SUBMISSIONS ON THE GAMBLING POLICY STATEMENT OF PROPOSAL

	Board	Research – increased availability and accessibility to gaming products, especially pokie machines leads to increased prevalence of problem gambling. Harm caused by problem gambling extends well beyond problem gamblers. Can have a negative impact on local business and economic health and welfare of communities.	forty people were negatively affected by other people's gambling.
40	Canteen	Opposes a sinking lid. Proposal does not address problem gambling nor identifies a solution to the drop in funding for essential community services that would result from a sinking lid. Canteen would be significantly impacted by a drop in Gaming Trust funding - helps fund a number of Nelson's key operational costs plus service delivery. Say can't meet all budget demands through their own fundraising.	
41	Jackie Gurden	Oppose a sinking lid. Negative impact on community organisations. Funding is becoming increasingly difficult to obtain. Expect the negative impact would be far greater than is currently realised. Not clear that it will result in a reduction in problem gambling.	
42	Stephen Fitchett	Oppose a sinking lid. Notes that the statement of proposal says it will have the "potential" to minimise problem gambling over time. Insufficient justification to move from the current cap to a sinking lid because of the significant negative impact on local communities and community organisations – rely on trust funding to enable activities to take place and facilities to be built. Disproportionate response to the small number of problem gamblers. People will move to other forms of gambling.	
43	Health Action Trust	Supports proposal to retain existing gambling policy with addition of a sinking lid – robust consultative process undertaken in forming this policy. Supports reduction in number of pokies that merging clubs can have to a maximum of 18 (although would like to go further by reducing to number at the original venue). Does not support separation of Class 4 venue and TAB venue policies.	

SUMMARY OF SUBMISSIONS ON THE GAMBLING POLICY STATEMENT OF PROPOSAL

		<p>NZ evidence overall is that since 2006, although there has been a reduction in the number of Pokies and venues, the amount of money returned to community has not dropped significantly.</p> <p>Similar rationale used to that in submissions 17, 25, 32.</p>	
44	Pub Charity	<p>Opposes the sinking lid. Thinks cap provides satisfactory regulation. Playing on pokies is legal, legitimate and heavily regulated. Legally designed to provide social dividend (Pub Charities: \$637,925.11 to Nelson region , Sept 2009 – May 2013). Evidence since 2004 shows sinking lid would have no bearing on prevalence rate of problem gambling. Internet gambling of concern, not monitored and makes no contribution to NZ society.</p>	
45	United Fire Brigades' Association	<p>Oppose a sinking lid. Supports the status quo. Trusts provide valued financial support to this organisation.</p>	
46	Nelson Cricket Association	<p>Not commented on gambling and current policy but highlighted the likely impact of the reduction and eventual withdrawal of gaming funding to their sport.</p> <p>Cricket flourished in past 18 months (40% growth, 6000 members). More first class games, accreditation of Saxton Oval as international stadium, employment of 2 staff members – made possible from Gaming Trust funding.</p> <p>Within cricket are multiple stakeholders who rely on gaming funding – schools, clubs, representative.</p>	
47	Sport Tasman/Kiwi Sport	<p>Oppose a sinking lid.</p> <p>Reduces funds available to sport and recreation in the community. Evidence a sinking lid will have no impact. Gamblers move gambling to other forms. Conflict of interest with Council controlling number of machines and utilising funding from Gaming Trusts for Council facilities. Number of machines has been steadily declining in Nelson – below the cap.</p>	
49	Hockey NZ	<p>Oppose sinking lid. Gaming machines been in pubs for a long time. Most people play without</p>	

SUMMARY OF SUBMISSIONS ON THE GAMBLING POLICY STATEMENT OF PROPOSAL

		problems. Money generated for the organisation is important. Hard to access funding generally. Hockey relies on Gaming Trust funding to survive – funds coaching and development initiatives.	
50	Nelson Bays Football	Opposes sinking lid. Reduces funds available to sport and recreation in the community. Evidence a sinking lid will have no impact. Gamblers move gambling to other forms. Conflict of interest with Council controlling number of machines and utilising funding from Gaming Trusts for Council facilities. Number of machines has been steadily declining in Nelson – below the cap.	
51	Soccer Nelson/Nelson Suburbs Football Club	Oppose sinking lid, supports existing cap. Over last 3 years to Sept 2012, \$473,000 Gaming Trust funding to the 2 organisations, for facilities, coaching, playing, travel etc. Funding would not have been available from any other source. Additional cost to 350 parents and players. Likely to result in parents and players not being able to afford to play football – social consequences. Thinks that the reduced number of gaming machines is already having an impact. Policy focuses inappropriately on the perceived harm (small numbers of problem gamblers) and not on the much bigger negative impact it will have on the wider community.	
52	Jock Sutherland	Opposes a sinking lid.	
62	Nelson Greypower	Oppose a sinking lid. Separating Class 4 and TAB venue policies seems reasonable. Implore Council to think deeply about negative impact on funding for local community organisations. Suggest retaining current cap but maximum number of machines in sites reduces when ownership changes hands – allow new premises to gain licences while maintaining the cap.	
63	Wakatu Cricket Club	Oppose a sinking lid. Gaming machines have been in a range of pubs and bars for years. Most	

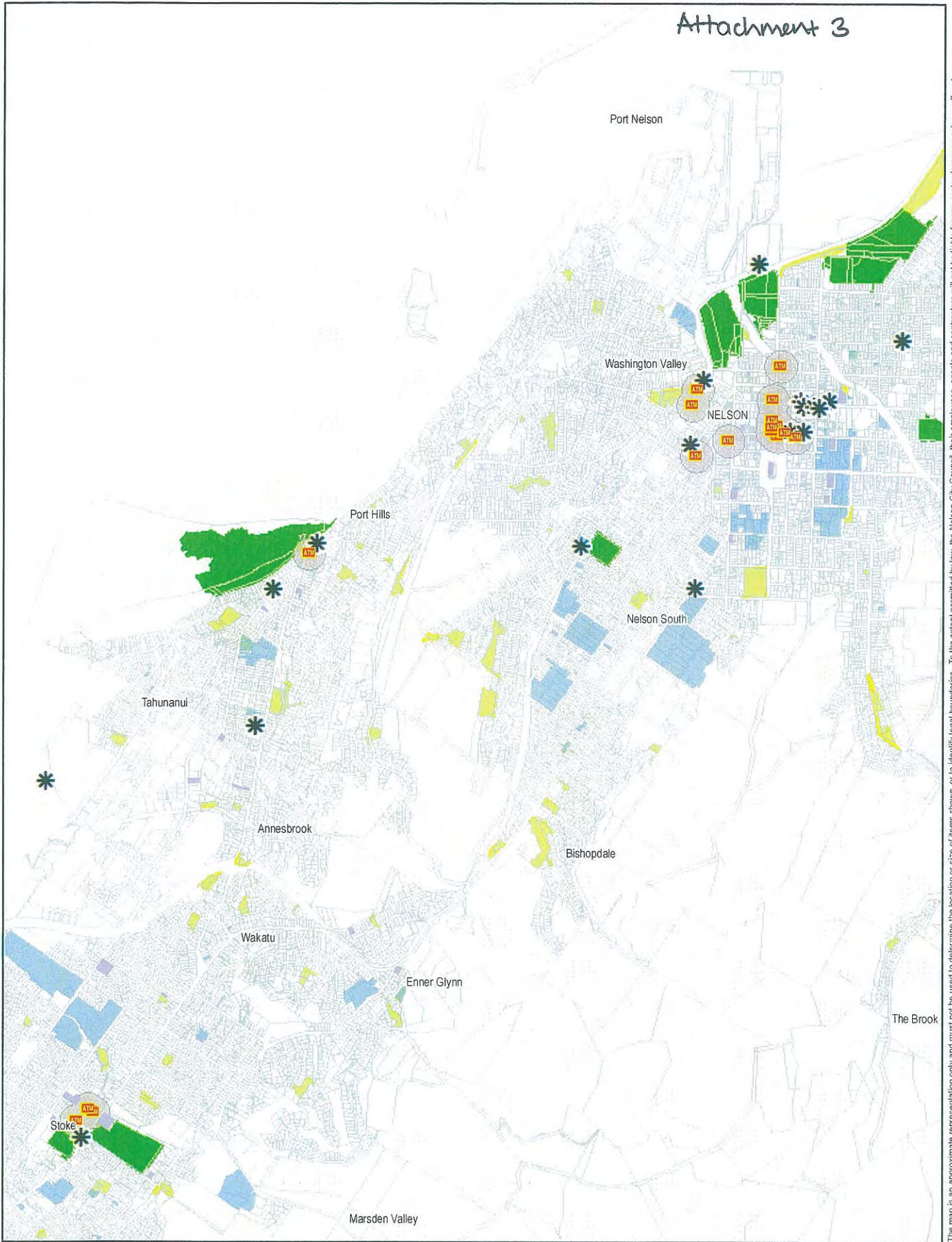
SUMMARY OF SUBMISSIONS ON THE GAMBLING POLICY STATEMENT OF PROPOSAL

		people play without any detrimental effect and funding the machines generate for the Club is critical. Access to funding increasingly difficult. Sinking lid will have direct impact on sport at a grass-roots level.	
64	Rachael Higgs	Supports the proposal in total. Pokies harmful and not acceptable for a business to rely on that source of income.	

Multiple Submissions with same content

8	Nelson A & P Association	<p>Opposes sinking lid.</p> <p>Organisation benefits from Gaming Trust funding. Gaming machines have been around for a long time. Most gamblers don't have gambling problems. Funding is important to local community groups and organisations. Struggle to find other funding support.</p>	
11	Dianne Hancock		
12	Bob Hancock		
22	Paul Kellett		
31	Gary Agnew		
48	Graham Seatter		
53 -60	Individuals from the Stoke Rugby Club		
61	M Lowrie		
65	Debbie Jordan, Nelson Basketball Assn		

Attachment 3



The map is an approximate representation only and must not be used to determine the location or size of items shown, or to identify legal boundaries. To the extent permitted by law, the Nelson City Council, their employees, agents and contractors will not be liable for any costs, damages or loss suffered as a result of the data or plan, and no warranty of any kind is given as to the accuracy or completeness of the information represented by the GIS data. While reasonable use is permitted and encouraged, all data is copyright reserved by Nelson City Council. Cadastral information derived from the Land Information New Zealand. CROWN COPYRIGHT RESERVED. M.O. Original map size A4. File Ref. 1563917

Gambling Policy

Facilities showing 100m Buffer from ATM Machines



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-  ATM Locations
-  Recreation/Sportsground
-  Neighbourhood Park
-  Places of Worship
-  Schools
-  Gaming Machine Location
-  ATM 100m Buffer



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July 2103

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