

Statement of Proposal

Gambling Venue Policy

1 Introduction

All Councils are required by the Gambling Act 2003 and the Racing Act 2003 to adopt a class 4 venue policy and a board venue policy, and to review those policies at least every 3 years. The current Manawatu District Council's Gambling Venue Policy adopted in September 2014 is now requiring review. Council is required to consult on the proposed Policy using the special consultative procedure set out in the Local Government Act 2002.

2 Background

Corporate societies are licensed by the Department of Internal Affairs to operate gaming machines (also known as 'pokie machines') in clubs or in commercial venues (pubs and bars). Gambling on gaming machines hosted in pubs, hotels and clubs is referred to as Class 4¹ gambling (Department of Internal Affairs, 2016). Class 4 gambling is operated on a not-for-profit basis, with the objective of generating revenue to return to communities via contestable grant processes (Department of Internal Affairs, 2016).

The Gambling Act 2003 and Racing Act 2003 give Councils the ability to limit the number of gaming machines and New Zealand Racing Board venues, having regard to the social impact of gambling in the District.

This Policy identifies those instances when a consent is required from the Manawatu District Council and outlines the information that must be submitted with an application. The policy sets out the restrictions that apply to gaming machines and board venues in the Manawatu District. These restrictions include proximity of gambling venues to sensitive activities and limits to the number of gaming machines that are permitted in each venue.

The purpose of this review is to update the Gambling Venue Policy to ensure that it gives effect to any recent changes to the legislation and is reflective of the current views of the Manawatu Community.

3 Proposal

The following tables outlines the proposed changes to the Gambling Venue Policy and the reasons for the proposed changes. A tracked changes version of the Policy is attached as Annex A.

¹ There are four classes of gambling along with casino gambling, sport and race betting, private gambling and Lotto which are authorised types of gambling under the Gambling Act 2003. Classes 1 and 2 cover gambling involving smaller amounts of money, such as office sweepstakes. Class 3 gambling includes activities such as bingo and larger raffles and requires a licence from the Department. Class 4 gambling involves non-casino electronic gaming machines hosted in pubs and clubs.

Table 1: Proposed Changes to the Policy

Section	Proposed Change	Reason for Change
All	Replacement of references to “Totalisator Agency” or “TAB” with “New Zealand Racing Board” or the “Board.”	Section 73 of the Racing Act 2003 abolished the New Zealand Racing Industry Board (NZRIB) and Totalisator Agency Board and replaced them with the New Zealand Racing Board (the “Board”). The changes are therefore proposed for consistency with the Racing Act 2003.
	Renumbering and general formatting	As required for ease of reading.
Introduction	<p>Deletion of the following:</p> <p>“Any person wishing to establish a new venue or operate additional gaming machines is obliged to obtain Council consent...”</p> <p>And insertion of a more detailed list of those instances in which a consent is required that mirrors section 98 of the Gambling Act 2003.</p>	<p>Provides greater certainty for venue operators by removing the word “obliged.”</p> <p>Better alignment with Section 98 of the Gambling Act 2003.</p>
	Insertion of a new paragraph that advisers users that a consent is required from the Manawatu District Council to establish a Board venue in the District.	<p>Provides greater certainty to users as it was not clear if board venues were included with Class 4 gambling venues in the reference to “Any person wishing to establish a new venue...” (emphasis added).</p> <p>The proposed changes make it clear that consent is required under the Racing Act 2003 for new Board venues.</p>
Heading for Section 2	Deletion of the Section 2 Heading - “Objectives of These Policies” and replacement with “Purpose of these Acts”	More accurate reflection of the content of this section of the Policy.
Section 2 – Purpose of the Acts	<p>Additions and deletions to the second bullet point relating to the purposes of the Gambling Act, as follows:</p> <ul style="list-style-type: none"> • Preventing and minimising the harm caused from gambling, including by problem gambling. 	Changes are to ensure consistency with Section 3(b) that was amended on 3 March 2015 by section 4(1) of the Gambling Amendment Act 2015 (2015 No 3).
	Insertion of a new section that outlines the purpose of the Racing Act 2003.	The operative policy focusses on the purpose of the Gambling Act and does not currently contain specific reference to the purpose of the Racing Act 2003.

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New Section 3 - "Objectives of this Policy"	Insertion of a new section that sets out the objectives for the Gambling Venue Policy.	<p>The operative policy lists excerpts of the Gambling Act 2003 as the objectives of this policy. The proposed objectives reflect the purpose of legislation (refer to section 3 of the Gambling Act 2003 and section 3 of the Racing Act 2003) and the requirements placed on Council by the legislation (refer to section 101 of the Gambling Act 2003 and section 65D of the Racing Act 2003).</p> <p>The proposed objectives are consistent with the objectives of the corresponding policies of the Rangitikei District Council and the Palmerston North City Council.</p>
4.2 Permitted Locations	Insertion of notes above Policy 4.2.1 that detail how Class 4 gambling venues are provided for within the Village Zones.	The proposed changes also recognise that these rules are likely to be amended through the Sectional District Plan Review to reference the new definition of "Entertainment Facilities" that was introduced to the Business Zones through Plan Change 46.
Clause 4.2.2	<p>Minor amendments to refer to both the "Inner and Outer" Business Zones within the Feilding CBD</p> <p>Inclusion of reference to the "Manfeild Park Zone"</p>	<p>The policy currently refers to the "Business Zone." Proposed Plan Change 46 (made operative 30 April 2015) replaced the "Business Zone" with the Inner and Outer Business Zones. The proposed changes will reduce confusion by clarifying that the policy refers to both the Inner and Outer Business Zones as defined in the District Plan.</p> <p>Clause e. of Rule 10.4.1 makes entertainment facilities a permitted activity in the Inner Business Zone. Clause h. of Rule 10.4.6 makes entertainment facilities a permitted activity in the Outer Business Zone. The definition of "entertainment facilities" includes "casinos and electronic gaming facilities."</p> <p>The Manfeild Park Zone was introduced to the District Plan through Plan Change 35 (operative 5 December 2014). The proposed change is necessary as Permitted Activity Rule 8.1.1A(i) provides for "Buildings, structures and land used for...entertainment..." as a permitted activity. The definition of "entertainment facilities" includes "casinos and electronic gaming facilities."</p>
Clause 4.2.3	Replacement of "Class 4 gambling venues" with "Places of Assembly, taverns and restaurants..."	The Village zones do not specifically provide for Class 4 gambling venues, making the current policy misleading. The

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		<p>proposed changes clarify how such venues are currently provided for in the Village Zones, based on a common sense understanding of these terms and the types of venues and activities that are often associated with gaming machines.</p>
<p>Clause 4.2.4</p>	<p>Introduction of clause a) that states that the establishment of a Class 4 gambling venue on sites zoned Recreation under the Manawatu District Plan is subject to “Obtaining a Discretionary Resource Consent under Rule 6.4.1”</p>	<p>The operative policy implies that the District Plan provides for the establishment of class 4 gambling venues may establish in sports clubrooms on sites Zoned Recreation as a Permitted Activity. This is misleading as these types of activities are not specifically listed in Rule B6 6.1.1. A resource consent is therefore required before these activities can establish in the Recreation Zone. The proposed amendments are to alert plan users to this requirement.</p>
<p>Clause 4.2.7 - Relocation Clause</p>	<p>Introduction of a header “Relocation Clause” and the deletion of “(s)” from the sentence that reads “...allow the transfer of existing venue conditions to another location(s) that meets the criteria of existing policy” (emphasis added).</p>	<p>A relocation clause was introduced to the policy through the 2014 review. However, the clause is not clearly identified as the relocation clause and so can easily be missed within the other location conditions. It is therefore recommended that a header of “Relocation Clause” be added above the clause. Secondly, the clause currently provides for an existing venue to locate to another location or locations. The relocation to more than one venue is not supported as this would mean an additional class 4 venue would be established above current numbers. This would increase the accessibility of gambling venues and so may result in adverse social impacts for the community. This would be inconsistent with the overall objectives of the policy.</p>
<p>Section 4.3 - Applications</p>	<p>Clause a) has been amended to replace the reference to a “trust” with the words “corporate Society”</p>	<p>This change is proposed for consistency with the terminology used in section 98 of the Gambling Act 2003 in relation to applications for territorial authority consent.</p> <p>The Gambling Act 2003 definition of a “corporate society” is as follows:</p> <p><i>corporate society means 1 society that is—</i></p> <p><i>a) incorporated under the Incorporated Societies Act 1908; or</i></p>

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		<p><i>b) incorporated as a board under the Charitable Trusts Act 1957; or</i></p> <p><i>c) a company incorporated under the Companies Act 1993 that—</i></p> <ul style="list-style-type: none"> <i>i. does not have the capacity or power to make a profit; and</i> <i>ii. is incorporated and conducted solely for authorised purposes; or</i> <p><i>d) a working men’s club registered under the Friendly Societies and Credit Unions Act 1982</i></p>
	<p>Insertion of a new clause requiring the “proposed trading name (if any) and ownership details for the premises”</p>	<p>This information is asked for on our consent application form but is absent from our current policy. It has therefore been added to the policy for consistency.</p>
	<p>Insertion of a new clause that asks for the number of gambling machines to be installed at the premises.</p>	<p>This questions is included on our consent application form. Section 101(4)(c) allows territorial authorities to restrict the maximum number of gaming machines that may be operated at a class 4 venue when determining its class 4 venue policy.</p> <p>Clause 4.4.1 of our policy sets out the maximum number of gaming machines allowed at new and existing venues. This information is needed to determine whether the application complies with these limits.</p>
	<p>Insertion of a clause requiring details on the frequency of distribution of gaming funds to the community</p>	<p>This information is requested via our resource consent application form but is not included in the current policy. It has therefore been suggested for inclusion in the policy for consistency.</p>
	<p>Insertion of a clause requiring confirmation of whether the premises is located within 100 metres of the entrance way to any school, early childhood centre, kindergarten, after school care facility, place of worship or other community facility.</p>	<p>Section 101(4)(b) of the Gambling Act 2003 lists the location of kindergartens, early childhood centres, schools, places of worship, and other community facilities as one of the matters that territorial authorities may have regard to when determining its policy on the following:</p> <ul style="list-style-type: none"> - whether class 4 venues may be established in the territorial authority district; - where any venue may be located; and - any restrictions on the maximum number of gaming machines that may be operated at venues.

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		<p>Clause 4.2.1 of our policy requires new class 4 venues to be located at least 100m from the entrance of any school, early childhood centre, after school care facility, kindergarten, place of worship or other community facility. Separation distance information is therefore required so that Council can assess compliance with this requirement.</p>
	<p>Insertion of a clause requiring information on the proximity of the class 4 venue to other licenced class 4 venues</p>	<p>This information is listed as one of the matters that Council may have regard to when determining its class 4 venues policy (s101(4)(e)). This information will help Council in its assessment of the social impact of gambling, including the cumulative effects of additional opportunities for gambling in the district.</p>
	<p>Relocation of clause g) of Section 3.3 to clause h) and deletion of reference to “or be a NZ Racing Board (TAB) venue.”</p>	<p>This clause is proposed to be relocated within the Policy for consistency with the order that information is requested on the consent application form. The deletion of reference to a “NZ Racing Board (TAB) venue” is proposed as Board venues are to be considered separately under section 5 of the Policy.</p>
	<p>Relocation of clause f) to clause i)</p>	<p>This change is proposed for consistency with the order that information is requested on the consent application form.</p>
	<p>Deletion of clause c) that requests the names of management staff</p>	<p>The policy already requires evidence of police approval for owners and managers of the venue. A separate request for names of management staff is therefore surplus to requirements.</p>
<p>Section 4.4.2 – Gaming Machine Cap</p>	<p>The total number of gaming machines that may operate in the District is proposed to be reduced from 105 to 81.</p>	<p>The register held by the Department of Internal Affairs confirms that the total number of consented gaming machines that may operate in the Manawatu District is 99. This is 32 more machines than are currently operating in the District as two venues are current operating fewer machines than they are consented to operate and the Rangitikei Club has recently closed.</p> <p>Assuming no new societies establish at the Rangitikei Club prior to 28 August 2017, the number of consented gaming machines in the District will be 81. The proposed cap will therefore not allow for any new Class 4 venues to establish, or for any existing venues to apply to increase the number of gaming machines they</p>

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		<p>operate, unless a current venue surrenders their licence.</p> <p>The reduced cap is considered to achieve a good balance between providing for the continuation of existing class 4 gambling venues, while minimising potential adverse effects, including cumulative effects, of new gambling venues establishing (refer to the Social Impact Assessment in Annex A). The reduced cap is also consistent with the current trend of reducing gaming machine numbers over time.</p>
Section 4.6	Insertion of a new clause (4.6.1) that requires the consent holder to notify the Council of any changes in the society or trust operating the gaming machines at a Class 4 venue.	If a society or trust operating a gaming machine at a Class 4 venue changes they are required by the legislation to notify the Department of Internal Affairs. However, there is no requirement that the Trust or Society notify the Territorial Authority of these changes. The Department of Internal Affairs updates records publically on a quarterly basis, outlining which society or trust is operating each venue in each Territorial Authority. However, without regular checks of these records Council's information can quickly become out-of-date. Having an up-to-date register of societies is important if Council is going to recognise the contribution that these societies make in terms of grants awarded to recipients within the District.
Section 4.8 – Application Fees	This section has been copied from the end of the existing policy to make it clear that the same fees apply to Class 4 Venues as for new Board venues	As the policy has been split between Class 4 gambling venues and Board venues it is necessary for the fees information to be repeated in both sections to avoid confusion.
Section 5. – New Zealand Racing Board Venues	New clause that specifies which District Plan zones Board venues may establish within and separation distance requirements from the entrances to school, early childhood centre, after school care facility, kindergarten, place of worship or other community facility.	<p>The previous policy provided for new venues but did not include restrictions on where they may establish.</p> <p>The proposed changes are to give effect to clause (3) and (4) of section 65D of the Racing Act 2003. The proposed wording makes it clear that new board venues are able to be established within the District, subject to some restrictions around their location.</p> <p>The social impact of gambling is reduced by restricting the District Plan Zones in which board venues can be located, and by</p>

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		<p>requiring such venues to be separated from incompatible activities such as community facilities and places where children will be such as childcare centres and schools.</p>
<p>5.1 Application Requirements</p>	<p>New Clause 5.1 – consent application requirements</p>	<p>Section 65B(2) of the Racing Act 2003 states that “The application must be accompanied by the information required by the territorial authority to enable it to consider the application properly.”</p> <p>The application requirements are consistent with those of an application for a Class 4 venue licence (refer to Section 4.3 of the draft policy) as the matters that the territorial authority must have regard to when establishing a Board venues policy (namely the social impact of gambling and cumulative effects of additional opportunities for gambling) are the same under both Section 101 of the Gambling Act 2003 and Section 65D of the Racing Act 2003. It therefore makes sense that the same type of information would be required for the Manawatu District Council to properly assess applications for both types of gambling venue.</p>
<p>5.2 Decisions by the Manawatu District Council</p>	<p>New clause 5.2.1 that sets out the timeframes for a decision on the consent application.</p>	<p>There was previously no section that outlined the timeframes for decisions on consent applications for new Board venues. The proposed changes are to give effect to Section 65D(2) of the Racing Act which states that the Territorial Authority must notify the Board and the Secretary of the decision to grant or refuse consent within 30 days of receipt of the application or date that it adopts a Board venue policy (whichever is the later).</p>
<p>5.3 Application Fees</p>	<p>A minor change is proposed to make this section specific to Board venues and not to Class 4 gambling venues. As noted above, this section is to be copied to Section 4.8 in relation to Class 4 gambling venues.</p>	<p>The change is needed to provide policy users with greater certainty that the application fees apply to both Class 4 Gambling venues and to new Board venues.</p>

3.1 Making a Submission

Anyone can make a submission about the proposal described in this document. We encourage anyone with an interest in the issues raised in this proposal to make a submission.

This Statement of Proposal and the Summary of Information will be available from:

- Manawatu District Council Administration Office 135 Manchester Street, Feilding
- Feilding Public Library, corner Stafford & Bowen Streets
- Council's "Have Your Say" website www.haveyoursay.kiwi.nz

The submission period runs from Thursday 24 August until Monday 25 September 2017 at 4.00pm.

Copies of the documents may also be obtained by contacting the Council on (06) 323 0000.

A submission form is available from Council, however any written form of submission will be received and considered. Submissions can be via letter, email or via the "Have Your Say" website. Written submissions should be posted to the following address:

Manawatu District Council
Private Bag 10 001
Feilding 4743

or hand delivered to the Council's Front of House reception at 135 Manchester Street, Feilding. Submissions can also be emailed to submissions@mdc.govt.nz.

Submitters should note that their submission will be copied and made available to the public after the submission period closes.

5 Hearing of Submissions

A hearing will be scheduled after the submission period to hear any submissions made. Please state in your submission whether or not you wish to be heard.

The Council will contact all submitters in writing to advise the confirmed time, date and venue of the meeting to hear submissions. Hearings on the Gambling Venues Policy will be open to the public.

An analysis of all submissions and a final report will be presented to the Council for consideration and adoption.