STRATEGIC PLANNING AND POLICY COMMITTEE

AGENDA

Meeting to be held

THURSDAY 3 AUGUST 2017
8.30am

In the Manawatu District Council Chambers,
135 Manchester Street, Feilding

Dr Richard Templer
Chief Executive
MEMBERSHIP

Chairperson

Councillor Phil Marsh

Deputy Chairperson

Councillor Shane Casey

Members

Her Worship the Mayor, Helen Worboys
Councillor Steve Bielski
Councillor Barbara Cameron
Councillor Stuart Campbell
Councillor Shane Casey
Councillor Michael Ford
Councillor Hilary Humphrey
Councillor Andrew Quarrie
Councillor Alison Short
Councillor Howard Voss
ORDER OF BUSINESS

1. MEETING OPENING

2. APOLOGIES

3. DECLARATIONS OF INTEREST

   Notification from elected members of:

   3.1 Any interests that may create a conflict with their role as an elected member relating to the items of business for this meeting; and

   3.2 Any interests in items in which they have a direct or indirect pecuniary interest as provided for in the Local Authorities (Members’ Interests) Act 1968

4. CONFIRMATION OF MINUTES

   Draft resolution

   That the minutes of the Strategic Planning and Policy Committee meeting held 6 July 2017 be adopted as a true and correct record.

5. NOTIFICATION OF LATE ITEMS:

   Where an item is not on the agenda for a meeting, that item may be dealt with at that meeting if:

   5.1 The committee by resolution so decides; and

   5.2 The Chairperson explains at the meeting at a time when it is open to the public the reason why the item is not on the agenda, and the reason why the discussion of the item cannot be delayed until a subsequent meeting.

6. PRESENTATIONS

   6.1 LONG TERM PLAN – 2018

      Timeline, Introduction to Financial Strategy, Introduction to Infrastructure Strategy, Confirmation of Vision and Outcomes

   6.2 SPEED LIMIT REVIEWS

      Himatangi Beach, Awahuri-Feilding Road and Kawakawa Road

7. OFFICER REPORTS

   7.1 POLICY REVIEW – GAMBLING MACHINE MANAGEMENT APPROACHES

      Report of the General Manager – Community and Strategy dated 6 July 2017
<table>
<thead>
<tr>
<th>7.2</th>
<th>APPROVAL TO NOTIFY THE DANGEROUS, AFFECTED AND INSANITARY BUILDINGS POLICY</th>
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<td>Report of the General Manager – Community and Strategy dated 20 July 2017</td>
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<th>AMENDMENT TO FEES AND CHARGES</th>
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<td>Report of the Acting General Manager – Corporate and Regulatory dated 19 July 2017</td>
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<th>ELECTORAL SYSTEM FROM 2019</th>
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<th>7.5</th>
<th>LOCAL GOVERNMENT OFFICIAL INFORMATION AND MEETINGS ACT 1987 – REQUESTS FOR INFORMATION JULY 2017</th>
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<td>Report of the Acting General Manager – Corporate and Regulatory dated 27 July 2017</td>
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8. CONSIDERATION OF LATE ITEMS

9. MEETING CLOSURE
Minutes of a meeting of the Strategic Planning and Policy Committee held on Thursday 6 July 2017, commencing at 8.31am in the Manawatu District Council Chambers, 135 Manchester Street, Feilding.

PRESENT: Cr Phil Marsh (Chairperson) Cr Steve Bielski Cr Barbara Cameron Cr Stuart Campbell Cr Shane Casey Cr Hilary Humphrey Cr Andrew Quarrie Cr Alison Short Cr Howard Voss

LEAVE OF ABSENCE: Mayor Helen Worboys

APOLOGY: Cr Michael Ford

IN ATTENDANCE: Richard Templer (Chief Executive) Karel Boakes (Acting General Manager – Corporate and Regulatory) Frances Smorti (General Manager – People and Culture) Brent Limmer (General Manager - Community and Strategy) Tracey Hunt (Strategy Manager) Stacey Bell (Economic Development Adviser) Colleen Morris (Chief Financial Officer) Doug Tate (Community Facilities Manager) Lisa Thomas (Policy Adviser) Cynthia Ward (Senior Policy Planner) Paul Stein (Communications Manager) Allie Dunn (Governance Team Leader)

SPP 17/052 MEETING OPENING

Councillor Marsh declared the meeting open.

SPP 17/053 APOLOGIES

RESOLVED

That the apology from Councillor Michael Ford be accepted.

Moved by: Councillor Shane Casey

Seconded by: Councillor Howard Voss

CARRIED

SPP 17/054 DECLARATIONS OF INTEREST

There were no declarations of interest.
SPP 17/055 CONFIRMATION OF MINUTES

RESOLVED

That the minutes of the Strategic Planning and Policy Committee meeting held 4 May 2017 be adopted as a true and correct record.

Moved by: Councillor Alison Short
Seconded by: Councillor Andrew Quarrie

CARRIED

SPP 17/056 NOTIFICATION OF LATE ITEMS:

There were no late items notified for consideration.

SPP 17/057 PRESENTATION – VISITOR STATISTICS UPDATE 2017

Central Economic Development Agency Representatives Linda Stewart and Janet Reynolds gave a summary of visitor spending and visitor data to March 2017. Their presentation covered:

- visitor spend for the Manawatu region;
- visitor spend by origin;
- visitor nights;
- visitor nights by origin;
- day trips vs overnight;
- day trips vs overnight by origin;
- visitor nights 10 year trend;
- perception of Palmerston North; and
- perception of Manawatu.

SPP 17/058 PRESENTATION – LONG TERM PLAN – PROJECT PLAN AND SCOPING DISCUSSION

Tracey Hunt, Strategy Manager, gave a project update on the Long Term Plan 2018-28. The presentation covered the background to the Long Term Plan, the current stage the project was at and talked about what to expect from the LTP Project Team. The committee discussed the scope of the project, and gave feedback on their expectations for the Long Term Plan.

The following key issues were raised by members for consideration:

- Concerns around youth health, mental health, emergency housing, aging population demographic and whether it was within Council’s sphere of influence to assist in partnership with others;
- Government departments such as Ministry for the Environment, Ministry of Social Development and their future plans for the Manawatu District;
- Government spending – for example Police numbers, cuts in funding to Non-Governmental Organisations;
- Possible impact of development on classification of roading from state highway to local road, and responsibility for funding;
- Potential risk of claims relating to failed cladding on buildings;
- Future structure and design of what Feilding could look like in the future;
- Potential for village stormwater schemes; and
• Public transport – Council’s role in what we want to see for the community and those conversations with Horizons Regional Council.

Communications about the project: it was asked that information be provided in advance to the meeting to allow members time for consideration.

Community Engagement Planning: suggestions provided for democratic engagement:

• Speaking at High School and Intermediate School assemblies, engaging with young people, visiting other sectors of community to have workshop style presentation and feedback sessions;
• Discussion of important issues to generate response.

It was noted that the timelines for the project would be similar to those followed for the Annual Plan.

SPP 17/059 PRESENTATION – LONG TERM PLAN – FORECAST ASSUMPTIONS

Tracey Hunt, Strategy Manager, and Lisa Thomas, Policy Adviser, tabled a copy of the forecast assumptions for the Long Term Plan. They took the committee through the mitigation factors that can be put in place around Council’s assumptions and risk. They asked that committee members respond with feedback on the forecast assumptions to Lisa Thomas, Policy Adviser, by Thursday 13 July 2017. The next step would be to seek approval from the Strategic Planning and Policy Committee to include the forecast assumptions in the draft Long Term Plan.

SPP 17/060 PRESENTATION – LONG TERM PLAN – VISION AND OUTCOMES

Tracey Hunt, Strategy Manager and Lisa Thomas, Policy Adviser, presented on the Vision and Outcomes that are required for the Long Term Plan. Their presentation discussed the background and rationale for the Vision and Outcomes, and general principles about what the Vision and Outcomes should look like. The committee discussed the current Vision of “Connected, Vibrant and Thriving Manawatu – the best rural lifestyle in New Zealand” with feedback being that the current vision was still relevant and there was no appetite for change at this stage.

The meeting adjourned at 10.00am and reconvened at 10.19am

Feilding Vision – the committee discussed the current Feilding Vision, with the following wording being agreed for inclusion in the draft Long Term Plan: “An attractive, inclusive and progressive country town that offers lifestyle choices, business opportunities and services the regional rural sector”.

The committee felt the current Village Vision and Rural Vision were still relevant and there was no appetite to change those at this stage.

Council Outcomes: the committee discussed the current Council Outcomes and agreed that they be reworded as follows for inclusion in the draft Long Term Plan:

1. Manawatu District protects the natural environment through stewardship of the district’s natural and physical resources.
2. Manawatu District attracts and retains residents.
3. Manawatu District develops a broad, innovative and sustainable economic base from its solid foundation in the primary sector.

Councillor Howard Voss left the meeting at 11.04am and returned at 11.07am.
4. Manawatu is connected via quality infrastructure, services and technology.

5. Manawatu’s built environment is safe, resilient and attractive.

6. Manawatu District Council is a customer-focused and efficient organisation.

SPP 17/061 MANAWATU DISTRICT QUARTERLY ECONOMIC UPDATE

Report of the General Manager – Community and Strategy dated 22 June 2017 providing an overview of the current state and structure of the Manawatu District economy. Stacey Bell, Economic Development Adviser gave a presentation on the Domestic Economic Outlook that included the growth of the local economy, the drivers of that growth, the population growth over the past ten years, the forecast significant public investment in the district and the status of business confidence.

Councillor Shane Casey left the meeting at 11.35am and returned at 11.37am

RESOLVED

That the Strategic Planning and Policy Committee receives the Manawatu District Quarterly Economic Monitor dated 6 July 2017.

Moved by: Councillor Howard Voss
Seconded by: Councillor Shane Casey

CARRIED

SPP 17/062 CONSIDERATION OF LATE ITEMS

There were no late items for consideration.

SPP 17/063 MEETING CLOSURE

The meeting closed at 11.44am.

Approved and adopted as a true and correct record:

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CHAIRPERSON                               DATE
Review of the Gambling Venues Policy and Approval to Notify

Purpose

The purpose of this report is to present the proposed Gambling Venues Policy to the Strategic Planning and Policy Committee. Two decisions are sought with respect to this Policy Review. The first is the preferred option for managing gaming machine numbers. The second is the consideration and adoption of the Statement of Proposal and the proposed Gambling Venues Policy prior to public consultation.

Significance of Decision

The Council’s Significance and Engagement policy is triggered by matters discussed in this report.

Council is required to consult on these proposed policies using the Special Consultative Procedure outlined in section 83 of the Local Government Act 2002.

Recommendations

1. That the Strategic Planning and Policy Committee confirms their preferred management approach for managing gaming machine numbers in the Manawatu District through the “Gambling Venues Policy,” from the following options:

   Option 1: A machine cap at 99 machines
   Option 2: A machine cap of 81 machines
   Option 3: Sinking lid to a target level
   Option 4: Continuous sinking lid

2. That, subject to confirmation of the management option above, the Strategic Planning and Policy Committee approves the Statement of Proposal in Annex A and the tracked changes version of the Gambling Venues Policy in Annex B prior to public consultation.

Report prepared by:
Lisa Thomas
Policy Adviser

Approved for submission by:
Brent Limmer
General Manager - Community and Strategy
1 Executive Summary

1.1 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 was adopted in September 2014. Council is required to consult on the proposed Gambling Venues Policy using the Special Consultative Procedure set out in the Local Government Act 2002.

1.2 Four management approaches for the management of gaming machines were presented to Council workshop on the 20th of July 2017. We now seek a decision from the Strategic Planning and Policy Committee on the preferred management approach. A draft Statement of Proposal and tracked changes version of the proposed Gambling Venues Policy has been prepared for both a machine cap and sinking lid management approach. Following the decision on the preferred management approach, a decision is sought from the Strategic Planning and Policy Committee to adopt the corresponding Statement of Proposal and tracked changes version of the policy. These documents will then be publicly notified in August 2017.

2 Contribution to the Council Vision and Council Outcomes

2.1 Relationship to the Council Outcomes that underpin the Council’s Vision:

*Connected, vibrant and thriving Manawatu – the best rural lifestyle in New Zealand*

<table>
<thead>
<tr>
<th>Manawatu District will improve the natural environment, stewarding the district in a practice aligned to the concept of kaitiakitanga.</th>
<th>The Manawatu will attract and retain residents.</th>
<th>Manawatu district develops a broad economic base from its solid foundation in the primary sector.</th>
<th>Manawatu and its people are connected via quality infrastructure and technology.</th>
<th>Manawatu’s built environment is safe, reliable and attractive.</th>
<th>Manawatu District Council is an agile and efficient organisation.</th>
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3 Background

3.1 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. 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.

3.2 The draft policy was introduced to Councillors at a workshop on 6 July 2017. Councillors requested further analysis of options for the management approaches with respect to gaming machines under the Gambling Venues Policy. These management options included a lowered machine cap of either 99 or 81 gaming machines, a sinking lid to a target level, and a continuous sinking lid policy.

3.3 At the 20 July Workshop, Councillors were presented with an options evaluation for the management of gaming machines under the Gambling Venues Policy. A decision is now required on the preferred option for managing gaming machine numbers. Following this
decision, the corresponding Statement of Proposal and proposed Gambling Venues Policy can be approved by the Strategic Planning and Policy Committee.

3.4 A Social Impact Assessment has also been prepared as a supporting document. This report evaluates the costs and benefits of Class 4 and New Zealand Racing Board gambling. It is intended to assist in making decisions on appropriate management of gambling. Two versions of this Social Impact Assessment are attached as Annex 4A and 4B. The first version is based on a machine cap of 81 and the second is to support a continuous sinking cap management approach.

3.5 The relocation and merger provisions contained in the operative Gambling Venues Policy were also reviewed and the findings presented to Councillors at the 20 July Workshop. The relocation and merger provisions are considered to be consistent with any of the four gaming machine management options. As such, no changes are proposed to these provisions.

3.6 With the approval of the Strategic Planning and Policy Committee, the Statement of Proposal, proposed Gambling Venues Policy will be publicly notified in August. A copy of the Social Impact Assessment will also be made available as a supporting document. The public will be given a period of one calendar month in which to provide Council with their views on the proposed policy, as required by section 83 of the Local Government Act.

3.7 Section 102(1) of the Gambling Act requires Council to give notice of the proposed policy, in a manner that Council considers appropriate, to:

   a) Each corporate society that holds a class 4 venue licence for a venue in the territorial authority district; and

   b) Organisations representing Māori in the territorial authority district.

3.8 Similarly, Section 65E(1) of the Racing Act 2003 requires that Council give notice of the proposed policy, in a manner that Council considers appropriate, to:

   a) the Board; and

   b) organisations representing Māori in the territorial authority district.

3.9 To fulfil these statutory requirements, a copy of the Statement of Proposal, and the proposed Gambling Venues Policy will be sent to the New Zealand Community Trust, Pub Charity, Trillian Trust, the New Zealand Racing Board and to mandated iwi. A presentation will also be made to Nga Manu Taiko at the 8 August 2017 meeting, just prior to the policy being publicly notified.

3.10 Following the close of submissions, Council will hold a Hearing to enable interested parties to present their views to Council. The draft policies will then be finalised and presented to Council for adoption.

4 Discussion and Options considered

4.1 Four different management approach options are being considered for the management of gaming machines as part of the review of the Manawatu District Council’s Gambling Venues Policy. The pro’s and con’s of each management approach are outlined in Table 1 below, along with suggested policy wording for each option.
### Table 1

<table>
<thead>
<tr>
<th>Management Approach</th>
<th>Pro’s</th>
<th>Con’s</th>
<th>Suggested Policy Wording</th>
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<tr>
<td><strong>Option 1</strong></td>
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<td>No new consents will be granted where granting of the consent would result in the total number of machines with consent to operate in the district exceeding 99.</td>
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<td><strong>Machine Cap at currently consented machine numbers of 99</strong></td>
<td>1. Provides for the ongoing operation of gaming machines in existing venues up to consented limits.</td>
<td>1. If the existing class 4 venue consent for the Rangitikei Club lapses, there will be a buffer of 18 machines between the current consented limit and the machine cap. Two or more new class 4 venues could establish (with up to 9 machines at each venue to a total of 18 across all new venues), which may result in adverse social impact and higher incidences of problem gambling.</td>
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<td>2. There will be no increase in gaming machine numbers as no new venues can establish unless an existing consent lapses or existing operators reduce their existing consent limits.</td>
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<td>3. Consistent with Council’s existing relocation policy as existing venues are able to relocate premises under the same conditions as their existing consent.</td>
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<td>4. Should new venues establish in the District, their location and the conditions of their operation would be controlled through the criteria set out in the Policy.</td>
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<td><strong>Option 2</strong></td>
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<td>No new consents will be granted where granting of the consent would result in the total number of machines with consent to operate in the district exceeding 81.</td>
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<tr>
<td><strong>Machine Cap at 81 assuming that the existing consent at the Rangitikei Club will lapse on 28 August 2017</strong></td>
<td>1. Provides for the ongoing operation of gaming machines in existing venues up to consented limits.</td>
<td>1. In accordance with section 100(5) of the Gambling Act 2003, societies can apply for a new venue licence without territorial authority consent within 6 months of the surrender of a licence. If a new society establishes within this lapse period the number of consented machines will be 99, 18 more machines than the cap.</td>
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<td>2. The lowering of the machine cap is consistent with current trends of decreasing gaming machines operating in the District over time.</td>
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<td>3. Given the timing of the review Council should know the outcome with this venue prior to the new policy being adopted.</td>
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*Note: The content reflects the management approach options for machine caps, their pros and cons, and suggested policy wording for the Manawatu District Council.*
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<td><strong>Option 3</strong></td>
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| Sinking lid to a target level | 1. Has the effect of reducing the number of gaming machines over time.  
2. Once machine numbers fall below target levels new venues will be able to establish, or existing venues can apply to increase the number of machines they operate. This option is therefore less restrictive than a continuous sinking lid approach. | 1. Any target would be arbitrary as evidence suggests that there is not a direct relationship between gaming machine numbers and the incidence of problem gambling.  
2. Decreasing gaming machine numbers may mean a reduction in the amount of money available to community groups and charities through grants.  
3. No need to review machine caps with each review unless the social impacts of gambling are such that a further reduction in machine numbers is warranted. | Council will not approve the establishment of any more venues or gaming machines in the district until the number of gaming machines falls below xx (number to be confirmed by Council). |
| **Option 4**        |       |       |                          |
| Continuous sinking lid | 1. Has the effect of reducing the number of gaming machines over time.  
2. Consistent with the current trend of declining gaming machine numbers and venues operating in the District. | 1. Decreasing gaming machine numbers may mean a reduction in the amount of money available to community groups and charities through grants.  
2. May be considered to be inconsistent with our existing relocation policy and the merger provisions for clubs that are included in the Gambling Act 2003.  
3. New class 4 venues cannot establish in the District. This may mean that the District forfeits potential economic, employment, entertainment and community grant benefits associated with new venues establishing.  
4. More restrictive for new venue operators than existing ones. | No new class 4 venues will receive consent from Council. Council will also not give consent for a current class 4 venue to operate more gaming machines. |
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<td>5. This approach is not popular with gaming machine operators as it is very restrictive, especially for gaming machine societies that may wish to expand or establish within the District.</td>
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Review of Council’s current relocation policy

4.2 The relocation provisions were designed by central government as a tool to help address the concentration of gaming machine venues in high deprivation areas. It can also be used as a way of helping businesses move from unusable venues to a more suitable location.

4.3 The Council’s current relocation policy is worded as follows:

“Where an existing Class 4 gambling venue is ceasing to operate, the Council may, at its own discretion, allow the transfer of existing venue conditions to another location(s) that meets the criteria of existing policy.”

4.4 The existing criteria in the policy that influence where Class 4 venues can establish or relocate to and the number of machines they can operate include:

- Restrictions on the number of machines
- New venues are allowed a maximum of 9 gaming machines
- Existing venues with licences issued prior to 17 October 2001 are allowed to increase the number of machines they operate to a maximum of 18 machines.
- Existing venues with licences issued after 17 October 2001 and operating fewer than 9 gaming machines can increase the number of machines operated at the venue to 9
- Clubs that obtained a venue licence after 17 October 2001 may apply under section 96 of the Act to operate up to 18 machines
- Clubs that merge are allowed to increase the number of machines operated at a venue in accordance with s95 of the Gambling Act 2003.
- Gaming machine cap of 105
- A requirement that all class 4 gambling venues be located no closer than 100 metres to the entrance of any school, early childhood centre, after school care facility, kindergarten, place of worship or other community facility.
- Zoning controls. Class 4 venues are only permitted within the Inner and Outer Business Zones within the Feilding CBD, the Manfeild Park Zone and as ancillary activities within places of assembly, taverns and restaurants on sites zoned Village with identified frontage under the Manawatu District Plan.
- Visibility from the street or footpath outside the premises.
- The primary activity of the Class 4 gambling venue must be for
  - The sale of liquor or the sale of liquor and food
  - For a Chartered Club or Returned Services Association
  - Sporting activities; or
For the Operation of a TAB.

- The primary activity shall not be one which is associated with family or children’s activities.

4.5 A relocation clause enables existing societies operating gaming machines to relocate their activities to an alternative premises. As there are different limits on gaming machine numbers depending on when a venue licence was issued, there is potential for societies to relocate more machines to a new venue through a relocation clause than they would be allowed to operate under a new licence. The retention of a relocation clause is supported as the potential benefits of allowing societies to move their gaming machines to more suitable and modern premises is considered to outweigh the risk that new venues establish in more deprived areas. This is particularly true in that new venues will still be subject to the zone and separation distance requirements set out in the Policy.

4.6 A sinking lid management approach discourages new venues from establishing. The two provisions can therefore appear to be contradictory. However, as a relocation clause does not allow for an overall increase in the number of gaming machines consented to operate within the District, it is not contrary to the overall intent of this management approach.

4.7 As noted in the draft Statement of Proposal, two minor changes are proposed to the relocation clause. The first is the inclusion of a “Relocation Clause” heading 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). 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.

4.8 Subject to the minor amendments outlined above, we recommend that the relocation clause be retained as written in the current Policy.

**Club mergers**

4.9 Decisions on mergers are at the discretion of the Minister with the maximum number of gaming machines that may operate being the lesser of 30 or the sum of the number of gaming machines specified in all of the corporate societies’ class 4 venue licences at the time of application.

Note: The merger provisions only apply to clubs operating for club purposes, which are defined as “a voluntary association of persons combined for a purpose other than personal gain.”

4.10 The societies operating gaming machines within the District are:

- NZCT, Pub Charity and Trillian Trust.

4.11 With the exception of the Rongotea Tavern that has a consented limit of 9 machines, all existing Class 4 venues have consent to operate up to 18 gaming machines. If Pub Charity Limited operating in the Rongotea Tavern merged with another society they would be entitled
to operate up to 27 machines \((18 + 9)\). If any of the other clubs merged the maximum number of machines permitted to operate at the merged venue would be 30 \((18 + 18 = 36)\). Therefore, should any existing clubs merge, the total number of machines that may operate in the District would be less than or equal to current machine numbers. The inclusion of a club merger clause is therefore not inconsistent with either a machine cap or a continuous sinking lid management approach.

5 Operational Implications

5.1 There are no capital/operating expenditure implications or maintenance costs associated with this paper.

6 Financial implications

6.1 Council is required by statute to review the Gambling Venues Policy three-yearly. There are no financial implications from matters raised in this report.

7 Statutory Requirements

7.1 The following sections of the Racing Act 2003 and Gambling Act 2003 are relevant to the review of the Gambling Venues Policy. These Acts require the Manawatu District Council to adopt a Gambling Venues Policy and to review that Policy using the Special Consultative Procedure at three yearly intervals.

7.2 Racing Act 2003

- Section 65D (Territorial authority must adopt Board venue policy)
- Section 65E (Adoption and review of Board venue policy)

7.3 Gambling Act 2003

- Section 99 (Application for territorial authority consent)
- Section 100 (Considering and determining application for territorial authority consent)
- Section 101 (Territorial authority must adopt class 4 venue policy)
- Section 102 (102 Adoption and review of class 4 venue policy)

8 Delegations

8.1 Council has delegated responsibility to the Strategic Planning and Policy Committee to oversee, co-ordinate and direct the development and review of statutory policies.

9 Consultation

9.1 Section 65E of the Racing Act 2002 and Section 102 of the Gambling Act 2003 require that the Gambling Venues Policy be reviewed in accordance with the Special Consultative Procedure under section 83 of the Local Government Act 2003 (LGA 2002). Section 83 of the LGA 2002 requires Council to prepare and adopt a “statement of proposal” and a description of how the
local authority will provide persons interested in the proposal with an opportunity to present their views to the local authority.

9.2 Two Statements of Proposal have been prepared. One version is based on a machine cap and the other on a sinking lid management approach. These Statements of proposal are attached as Annex 1A and 1B to this report. Two tracked changes versions of the Gambling Venues Policy have also been prepared for the different management approaches. These are attached as Annex 2A and 2B to this report. A clean copy of the proposed policies has also been attached as Annex 3A and 3B for ease of reading. As outlined in paragraph 3.4, two versions of a Social Impact Assessment have also been attached to support this review. One of the recommendations of this report is to adopt the statement of proposal and proposed Gambling Venues Policy that corresponds with the preferred option for managing gaming machine numbers.

9.3 As outlined in Section 3.5 of this report, it is our intention to publicly notify this draft Policy, with the approval of the Strategic Planning and Policy Committee, in August. Notice of the draft policy will be included on our consultation website and in the Feilding Herald newspaper. Copies of statement of proposal and the tracked changes version of the policy will be available for download from our consultation website and hard copies will be made available for the public to view at the Manawatu District Council Office and the public library. Members of the public will be given a period of one calendar month in which to make a written submission.

9.4 Section 65E(1)(b) of the Racing Act 2003 and Section 102(1)(b) of the Gambling Act 2003 require Council to give notice of the proposed policy, in a manner that the territorial authority considers appropriate, to organisations representing Maori in the territorial authority district. Council will have fulfilled these statutory responsibilities by providing a copy of the Statement of Proposal and tracked changes version of the proposed Gambling Venues Policy to all mandated iwi authorities. In addition, an oral presentation will be made to Nga Manu Taiko at a meeting on 8 August. This presentation will include details of the proposed policy and information on how members may share their views through the policy review process.

9.5 Section 65E(1)(a) of the Racing Act 2003 requires that notice of the proposed policy be provided to the New Zealand Racing Board. A copy of the public notice, statement of proposal and tracked changes version of the policy will be provided to the New Zealand Racing Board as required by the Racing Act 2003.

9.6 Section 102(1)(a) of the Gambling Act 2003 requires that notice of the proposed policy be provided to each corporate society that holds a class 4 venue licence for a venue in the territorial authority district. Currently licences are held by Pub Charity, NZCT and Trillian Trust. Copies of the public notice, statement of proposal and tracked changes version of the policy will be provided to each of these societies as required by the Gambling Act 2003.

9.7 Once the submissions period has closed a summary of submissions will be prepared and made available on our website. A copy will also be sent to all those parties that made a written submission. Parties will then be invited to speak to their submission at a Hearing on 19 October 2017. It is intended that the final decision on the draft policy be made by Council at the Strategic Planning and Policy Committee meeting on 7 December 2017.

10 Cultural Considerations

10.1 The Policy review does not include a significant decision in relation to land or a body of water. However, the policy is likely to be of interest to Maori given the potential adverse social
impacts of gambling on the community. As outlined in paragraph 9.4 above, copies of the consultation documents will be sent to all mandated iwi and an oral presentation will be made to Nga Manu Taiko on 8 August 2017.

11 Conclusion

11.1 This report considers the review of the Manawatu District Council’s Gambling Venues Policy. The review of this policy is required by both the Gambling Act 2003 and the Racing Act 2003. Both of these Acts require that the review follow the special consultative procedure outlined in section 83 of the Local Government Act 2002.

11.2 A statement of proposal and tracked changes version of the policy have been prepared as required by the LGA 2002. We now seek a decision from the Strategic Planning and Policy Committee on the preferred management approach for managing gaming machine numbers, from the following options:

Option 1: A machine cap at 99 machines

Option 2: A machine cap of 81 machines

Option 3: Sinking lid to a target level

Option 4: Continuous sinking lid

11.3 Subject to a decision being made on the preferred management approach, we also seek approval from the Strategic Planning and Policy Committee to approve the corresponding Statement of Proposal and tracked changes version of the proposed Gambling Venues Policy. These documents can then be publicly notified in August. Copies of the Statement of Proposal and proposed Policy will be provided to all mandated iwi, gaming machine societies and the New Zealand Racing Board, as required by the Racing Act 2003 and the Gambling Act 2003. An oral presentation will also be made at Nga Manu Taiko. The public will be given one month in which to make a written submission. Parties will then be invited to speak to their submission at a Hearing on 19 October 2017. It is intended that the revised Gambling Venues Policy be adopted by Council at the Strategic Planning and Policy Committee meeting on 7 December 2017.

12 Attachments

- Annex 1A – Statement of Proposal (based on a machine cap of 81).
- Annex 1B – Statement of Proposal (based on a continuous sinking lid)
- Annex 2A – Tracked Changes version of the Gambling Venues Policy (based on a machine cap of 81)
- Annex 3A – Clean copy of the proposed Gambling Venues Policy (based on a machine cap of 81)
• Annex 3B – Clean copy of the proposed Gambling Venues Policy (based on a continuous sinking lid)
• Annex 4A – Social Impact Assessment – 81 machine cap
• Annex 4B – Social Impact Assessment – continuous sinking lid
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 4 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

<table>
<thead>
<tr>
<th>Section</th>
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<td>Replacement of references to “Totalisator Agency” or “TAB” with “New Zealand Racing Board” or the “Board.”</td>
<td>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.</td>
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<td>Deletion of the following: “Any person wishing to establish a new venue or operate additional gaming machines is obliged to obtain Council consent...” 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.</td>
<td>Provides greater certainty for venue operators by removing the word “obliged.” Better alignment with Section 98 of the Gambling Act 2003.</td>
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<td>Insertion of a new paragraph that adviser users that a consent is required from the Manawatu District Council to establish a Board venue in the District.</td>
<td>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). The proposed changes make it clear that consent is required under the Racing Act 2003 for new Board venues.</td>
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<td>Heading for Section 2</td>
<td>Deletion of the Section 2 Heading - “Objectives of These Policies” and replacement with “Purpose of these Acts”</td>
<td>More accurate reflection of the content of this section of the Policy.</td>
</tr>
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<td>Section 2 - Purpose of the Acts</td>
<td>Additions and deletions to the second bullet point relating to the purposes of the Gambling Act, as follows: Preventing and minimising the harm caused from gambling, including problem gambling.</td>
<td>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).</td>
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<tr>
<td>New Section 3 - “Objectives of this Policy”</td>
<td>Insertion of a new section that sets out the objectives for the Gambling Venue Policy.</td>
<td>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). The proposed objectives are consistent with the objectives of the corresponding policies of the Rangitikei District Council and the Palmerston North City Council.</td>
</tr>
<tr>
<td>4.2 Permitted Locations</td>
<td>Insertion of notes above Policy 4.2.1 that detail how Class 4 gambling venues are provided for within the Village Zones.</td>
<td>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.</td>
</tr>
<tr>
<td>Clause 4.2.2</td>
<td>Minor amendments to refer to both the “Inner and Outer” Business Zones within the Feilding CBD</td>
<td>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. 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.”</td>
</tr>
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<td>Inclusion of reference to the “Manfeild Park Zone”</td>
<td>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.”</td>
<td></td>
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<tr>
<td>Clause 4.2.3</td>
<td>Replacement of “Class 4 gambling venues” with “Places of Assembly, taverns and restaurants...”</td>
<td>The Village zones do not specifically provide for Class 4 gambling venues, making the current policy misleading. The 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.</td>
</tr>
<tr>
<td>Clause 4.2.4</td>
<td>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”</td>
<td>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.</td>
</tr>
<tr>
<td>Clause 4.2.7 - Relocation Clause</td>
<td>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).</td>
<td>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.</td>
</tr>
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</table>
| Section 4.3 - Applications | Clause a) has been amended to replace the reference to a “trust” with the words “corporate Society” | 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. The Gambling Act 2003 definition of a “corporate society” is as follows: 

- corporate society means 1 society that is—
  a) incorporated under the Incorporated Societies Act 1908; or… |

24
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<td>b)</td>
<td>incorporated as a board under the Charitable Trusts Act 1957; or</td>
</tr>
<tr>
<td>c)</td>
<td>a company incorporated under the Companies Act 1993 that—</td>
</tr>
<tr>
<td>i.</td>
<td>does not have the capacity or power to make a profit; and</td>
</tr>
<tr>
<td>ii.</td>
<td>is incorporated and conducted solely for authorised purposes; or</td>
</tr>
<tr>
<td>d)</td>
<td>a working men’s club registered under the Friendly Societies and Credit Unions Act 1982</td>
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<tr>
<td>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.</td>
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<tr>
<td>Insertion of a new clause requiring the “proposed trading name (if any) and ownership details for the premises”</td>
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</table>

| Insertion of a new clause that asks for the number of gambling machines to be installed at the premises. |
| This question 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. |

| Insertion of a clause requiring details on the frequency of distribution of gaming funds to the community |
| 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. |

| 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. |
| 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: |
  - 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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<td>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.</td>
</tr>
<tr>
<td>Section 4.4.2 – Gaming Machine Cap</td>
<td>Insertion of a clause requiring information on the proximity of the class 4 venue to other licenced class 4 venues</td>
<td>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.</td>
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<td></td>
<td>Relocation of clause g) of Section 3.3 to clause h) and deletion of reference to “or be a NZ Racing Board (TAB) venue.”</td>
<td>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.</td>
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<td></td>
<td>Relocation of clause f) to clause i)</td>
<td>This change is proposed for consistency with the order that information is requested on the consent application form.</td>
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<td></td>
<td>Deletion of clause c) that requests the names of management staff</td>
<td>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.</td>
</tr>
<tr>
<td>Section 4.4.2 – Gaming Machine Cap</td>
<td>The total number of gaming machines that may operate in the District is proposed to be reduced from 105 to 81.</td>
<td>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. 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</td>
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</table>
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.

The previous policy provided for new venues but did not include restrictions on where they may establish.

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.

The social impact of gambling is reduced by restricting the District Plan Zones in which
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<td>board venues can be located, and by 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.</td>
<td></td>
</tr>
<tr>
<td><strong>5.1 Application Requirements</strong></td>
<td>New Clause 5.1 – consent application requirements</td>
<td>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.” 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.</td>
</tr>
<tr>
<td><strong>5.2 Decisions by the Manawatu District Council</strong></td>
<td>New clause 5.2.1 that sets out the timeframes for a decision on the consent application.</td>
<td>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).</td>
</tr>
<tr>
<td><strong>5.3 Application Fees</strong></td>
<td>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.</td>
<td>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.</td>
</tr>
</tbody>
</table>
4 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 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 subject heading ‘Gambling Venue Policy Review’.

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 Venue Policy Review 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.
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 4 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.

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<td>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.</td>
<td>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). The proposed changes make it clear that consent is required under the Racing Act 2003 for new Board venues.</td>
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<td>• Preventing and minimising the harm caused from gambling, including by problem gambling.</td>
<td>The operative policy focuses on the purpose of the Gambling Act and does not currently contain specific reference to the purpose of the Racing Act 2003.</td>
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<tr>
<td><strong>New Section 3 - “Objectives of this Policy”</strong></td>
<td>Insertion of a new section that sets out the objectives for the Gambling Venue Policy.</td>
<td>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). The proposed objectives are consistent with the objectives of the corresponding policies of the Rangitikei District Council and the Palmerston North City Council.</td>
</tr>
<tr>
<td><strong>General</strong></td>
<td>Deletion of the General provisions for Class 4 Gambling.</td>
<td>The policy does not need to include reference to application requirements and fee requirements as no new consents for Class 4 venues will be permitted under this policy.</td>
</tr>
<tr>
<td><strong>4.1 Gaming Machines and Class 4 venues (previously “Permitted Locations”)</strong></td>
<td>Insertion of a new clause that outlines the sinking lid policy, as follows: “No new class 4 venues will receive consent from Council. Council will also not give consent for a current class 4 venue to operate more gaming machines.” Deletion of clauses relating to the location of new Class 4 venues relative to sensitive activities and zoning requirements.</td>
<td>The insertion of the sinking lid clause means that no new class 4 venues are permitted to locate. The inclusion of controls around the proximity of new venues to sensitive activities and zoning controls are therefore redundant.</td>
</tr>
<tr>
<td><strong>Clause 4.1.2 - Relocation Clause</strong></td>
<td>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 following criteria: of existing policy” (emphasis added).</td>
<td>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.</td>
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<tr>
<td>Section</td>
<td>Proposed Change</td>
<td>Reason for Change</td>
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<tr>
<td>Insertion of criteria beneath the relocation clause to control where venues relocate to. These criteria relate to the proximity of class 4 venues to sensitive activities and zone controls.</td>
<td>The inclusion of criteria beneath the relocation clause is necessary due to these criteria being deleted from the general controls for new Class 4 venues above. As the relocation clause is the only mechanism by which the location of Class 4 venues may change, the controls over venue location must be included as part of this clause.</td>
<td></td>
</tr>
<tr>
<td>Deletion of the “Applications” Heading and relocation of these application requirements to sit under the criteria for relocation of Class 4 venues.</td>
<td>This information is required to be provided by the consent holder if they wish to relocate to a new venue. However, as the policy does not provide for new consents the term “application” is misleading. Changes are therefore proposed to this clause to make it clear that these are information requirements for relocation and not part of a consent application.</td>
<td></td>
</tr>
<tr>
<td>Replacement of the word “trust” with the words “corporate Society” in new sub-clause i) of clause 4.1.2(c).</td>
<td>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.</td>
<td></td>
</tr>
<tr>
<td>Insertion of a sub-clause requiring the “proposed trading name (if any) and ownership details for the premises”</td>
<td>This information is asked for on our application form but is absent from our current policy. It has therefore been added to the policy for consistency.</td>
<td></td>
</tr>
<tr>
<td>Insertion of a sub-clause that asks for the number of gambling machines consented to operate at the premises.</td>
<td>This question is included on our consent application form. Our relocation policy provides for venues to relocate with the same conditions as their existing consent. Having this information confirmed in the application for relocation helps to keep all of the relevant information together, making it easier for Council to make a decision on the application.</td>
<td></td>
</tr>
<tr>
<td>Insertion of a sub-clause requiring details on the frequency of distribution of gaming funds to the community</td>
<td>This information is requested via our application form but is not included in the current policy. It has therefore been suggested for inclusion in the policy for consistency.</td>
<td></td>
</tr>
<tr>
<td>Insertion of a sub-clause requiring confirmation of whether the new 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.</td>
<td>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:</td>
<td></td>
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<tr>
<td>Section</td>
<td>Proposed Change</td>
<td>Reason for Change</td>
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<td></td>
<td>- whether class 4 venues may be established in the territorial authority district;</td>
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<tr>
<td></td>
<td></td>
<td>- where any venue may be located; and</td>
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<td></td>
<td></td>
<td>- any restrictions on the maximum number of gaming machines that may be operated at venues.</td>
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<td></td>
<td>Criteria a) of the relocation clause (4.1.2) specifies separation distance requirements for new venues. The confirmation of compliance with these requirements as part of the application simplifies the decision-making process for Council.</td>
</tr>
<tr>
<td></td>
<td>New sub-clause vii) that requires information on the proximity of the class 4 venue to other licenced class 4 venues</td>
<td>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.</td>
</tr>
<tr>
<td></td>
<td>Deletion of reference to “or be a NZ Racing Board (TAB) venue” from sub-clause viii).</td>
<td>This sub-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.</td>
</tr>
<tr>
<td></td>
<td>Deletion of old sub-clause c) that requests the names of management staff</td>
<td>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.</td>
</tr>
<tr>
<td>Section 3.4 - Number of Gaming Machines Allowed</td>
<td>This section is proposed to be deleted</td>
<td>This clause is redundant as it relates to the maximum number of machines that may operate at new and existing venues. The policy does not allow for any new venues to establish or for any existing venues to apply to increase the number of gaming machines they operate.</td>
</tr>
<tr>
<td>Section 4.4.2 – Gaming Machine Cap</td>
<td>Deletion of the machine cap</td>
<td>A machine cap is redundant under a sinking lid management approach.</td>
</tr>
<tr>
<td>Section 4.3</td>
<td>Insertion of a new clause (4.3.1) that requires the consent holder to notify the Council of any changes in</td>
<td>If a society or trust operating a gaming machine at a Class 4 venue changes they are required by the legislation to notify the</td>
</tr>
<tr>
<td>Section</td>
<td>Proposed Change</td>
<td>Reason for Change</td>
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<tr>
<td>the society or trust operating the gaming machines at a Class 4 venue.</td>
<td>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.</td>
<td></td>
</tr>
<tr>
<td>Deletion of this section</td>
<td>As no new consents applications will be granted, this clause is redundant.</td>
<td></td>
</tr>
<tr>
<td>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.</td>
<td>The previous policy provided for new venues but did not include restrictions on where they may establish. 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. The social impact of gambling is reduced by restricting the District Plan Zones in which board venues can be located, and by 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.</td>
<td></td>
</tr>
<tr>
<td>Reference to the restrictions on gaming machine numbers in Clauses 4.1.1 and 4.1.2.</td>
<td>These references make gaming machines associated with Board venues subject to the same restrictions that apply to gaming machines in Class 4 venues. These references are needed for consistency with the sinking lid management approach for gaming machines in the District.</td>
<td></td>
</tr>
<tr>
<td>New Clause 5.2 – consent application requirements</td>
<td>Section 65B(2) of the Racing Act 2003 states that &quot;The application must be accompanied by the information required by the territorial...&quot;</td>
<td></td>
</tr>
<tr>
<td>Section</td>
<td>Proposed Change</td>
<td>Reason for Change</td>
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</tbody>
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| | authority to enable it to consider the application properly."
The application requirements are consistent with those of an application for the relocation of a Class 4 venue under Clause 4.1.2(c). This is because 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. | |
| 5.3 Decisions by the Manawatu District Council | New clause 5.3.1 that sets out the timeframes for a decision on the consent application. | 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). |
| 5.4 Application Fees | A minor change is proposed to make this section specific to Board venues and not to Class 4 gambling venues. | The change is needed to provide policy users with greater certainty as to the application fees that will apply. |
4 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 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 subject heading ‘Gambling Venue Policy Review’.

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 Venue Policy Review 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.
1. Introduction

This Policy is prepared under Section 101 of the Gambling Act 2003 and Section 65D of the Racing Act 2003. This legislation requires all Territorial Authorities to adopt policies on Class 4 gambling venues (ie gaming machine sites) and Totalisator Agency New Zealand Racing Board venues, and to review those policies at least every three years. The Manawatu District Council’s Gambling Policy was originally adopted by Council on 1 April 2004.

This policy has been reviewed and will take effect from 18 September 2014. This Policy replaces the Gambling Venue Policy that was made operative on 18 September 2014 and will take effect from (insert date).

The Gambling Act and Racing Act give Councils the ability to limit the number of venues and gaming machines, having regard to the social impact of gambling in the District. In relation to a Class 4 gambling venue, a corporate society is required to apply to the Manawatu District Council for consent in the following circumstances:

- To increase the number of gaming machines that may be operated at a Class 4 venue
- To establish a new Class 4 venue where a licence has not been held by any corporate society for the venue within the last 6 months; or
- To change the venue to which a class 4 venue licence currently applies.

Council consent is Any person wishing to establish a new venue or operate additional gaming machines is obliged to obtain Council consent, as part of the licensing requirements of the Department of Internal Affairs.

In accordance with s65A of the Racing Act 2003, a consent is required from the Manawatu District Council (Council) if the New Zealand Racing Board (the ‘Board’) proposes to establish a Board venue within the Manawatu District.

2. Objectives of These Policies

The Gambling Act has eight purposes, with Councils being given the ability by Parliament to assist in achieving four of these, namely:

- Controlling the growth of gambling
- Preventing and minimising the harm caused from gambling, including by problem gambling;
- Facilitating responsible gambling
- Facilitating community involvement in decisions about the provision of gambling.

The purpose of the Racing Act 2003 is:

- to provide effective governance arrangements for the racing industry; and
- to facilitate betting on galloping, harness, and greyhound races, and other sporting events; and

1 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).
• to promote the long-term viability of New Zealand racing.

3. Objectives of This Policy

This Gambling Venue Policy has the following objectives:
1. To provide the Manawatu District Council and the community with influence over the location and operation of Class 4 gambling venues and Board venues within the Manawatu District.
2. To provide opportunities for people to participate in machine gambling and betting on galloping, harness and greyhound races and other sporting events within the Manawatu District.
3. To ensure that the local community may continue to access funding from the proceeds of Class 4 gaming in the District.
4. To have regard to the social impact of gambling within the Manawatu District, including the cumulative effects of additional opportunities for gambling.
5. To minimise harm from gambling, including problem gambling.

Class 4 Gambling Venues

4.1 General

An applicant for Council consent under this policy must:
1. Meet the application requirements specified in this policy;
2. Meet the fee requirements specified in this policy; and
3. Meet the requirements in Clause 3.5.5 below.

4.2 Permitted Locations

Note: It is acknowledged that the Manawatu District Plan is being reviewed sectionally (by Zone Chapter). It is noted that the Village Zones and the Recreation Zone will be subject to a future Schedule 1 process under the Resource Management Act 1991. Consequently, the existing Zone provisions referred to in clauses 4.2.3 and 4.2.4 below may be updated, modified or deleted.

Prior to Plan Change 46 (PC46) the District Plan did not specifically provide for Class 4 gambling venues in the Village Zones but such facilities were generally provided as part of a “tavern,” “place of assembly” or “restaurant.” The definition of “place of assembly” included “land and/or buildings which are used by people to assemble for …entertainment…and includes any such premises which are licensed under the Sale of Liquor Act.”

Section 65D(4)(c) of the Racing Act 2003 and Section 101(4)(d) of the Gambling Act 2003 require Territorial Authorities to have regard to the cumulative effects of additional opportunities for gambling in the District.

The District Plan definitions of “Place of Assembly” included “land and/or buildings which are used by people to assemble for …entertainment…and includes any such premises which are licensed under the Sale of Liquor Act.”
replaced by “Community Facilities” and the definition of “Restaurant” was been replaced by “Entertainment Facilities” through PC46.

The new District Plan definition of “Entertainment Facilities” includes “casino and electronic gaming facilities.” However, the operative rules in the Village Zone have not yet been amended to reference these new definitions that were introduced through PC46. The Village Zone Rules will be reviewed through Plan Change 57 (PC57), providing greater clarity on how Class 4 gambling venues are provided for in the Village Zones. Consultation on draft PC57 is scheduled to commence in 2018.

a) 4.2.1 No Class 4 gambling venue may be established closer than 100 metres to the entrance to any school, early childhood centre, after school care facility, kindergarten, place of worship or other community facility.

4.2.2 Class 4 gambling venues may be established within the Inner and Outer Business Zones, applying to within the Feilding CBD, and in the Manfield Park Zone, as defined in the Manawatu District Plan, subject to meeting the general conditions of this policy, and the requirements of Clause 3.4 below.

4.2.3 Class 4 gambling venues are permitted to establish as ancillary activities within venues that primarily function as Places of Assembly, taverns and restaurants. Class 4 gambling venues may be established on sites zoned Village with identified frontage under the Manawatu District Plan, subject to:

a) Compliance with standards for permitted and controlled activities in Section 2.3 of the District Plan; and
b) Meeting the general conditions of this policy; and

c) the requirements of Clause 3.4 below.

a) and
b) Being no closer than 100 metres to the entrance to any school, early childhood centre, after school care facility, kindergarten, place of worship or other community facility.

4.2.4 Class 4 gambling venues may be established in sports clubrooms on sites zoned Recreation under the Manawatu District Plan, subject to:

a) Obtaining a Discretionary Resource Consent under Rule B6.4.1; and
b) Meeting the general conditions of this policy; and the requirements of Clause 3.4 below.

4.2.5 Class 4 gambling venues may not be established in any zone other than as specified above.

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4 The definition of “restaurant” included “restaurant premises with an on licence under the Sale of Liquor Act.”
5 The 100 metre distance is measured from the edge of the building that houses the Class 4 venue in a straight line in all directions.
6 Refer to the list of Permitted Activities in operative Rule B2.1.1 B) as at the time this policy was drafted.
4.2.6 No gaming machines shall be sited so that they are wholly or partly visible from the street or footpath outside the premises.

4.2.7 Relocation Clause

Where an existing Class 4 gambling venue is ceasing to operate, the Council may, at its own discretion, allow the transfer of existing venue conditions to another location(s) that meets the criteria of existing policy.

4.3 Applications

Applications for Manawatu District Council consent must be made on the approved form and must provide:

a) Name and contact details of the applicant and trust corporate society applying for the new or amended Class 4 venue licences;
b) Street address of premises proposed for the licence;
c) Proposed trading name (if any) and ownership details for the premises;
d) Number of gambling machines to be installed;
e) Details on the frequency of distribution of gaming funds to the community;
f) Whether the premises is 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;
g) Proximity of the premises to other licenced Class 4 venues;
h) Evidence that the premises are authorised under the Sale and Supply of Alcohol Act 2012 for the sale of alcohol for consumption on the premises, or be a NZ Racing Board (TAB) venue;
i) A site plan covering both gambling and other activities proposed for the venue, including details of each floor of the venue, and
j) The names of management staff;
k) Evidence of police approval for owners and managers of the venue; and
l) Evidence of the primary purpose of the venue.

4.4 Numbers of Gaming Machines Allowed

4.4.1 Subject to the restriction on number of machines in 4.3.4.2 below:

- New venues shall be allowed a maximum of 9 gaming machines;
- Existing venues with licences issued prior to 17 October 2001 shall be allowed to increase the number of machines operated at the venue to a maximum of 18.
• Existing venues, with licences issued after 17 October 2001 and operating fewer than 9 gaming machines, shall be allowed to increase the number of machines operated at the venue to 9.
• Clubs that obtained a venue licence after 17 October 2001 may apply under section 96 of the Act to operate up to 18 machines.
• Clubs that merge shall be allowed to increase the number of machines operated at a venue in accordance with section 95 of the Gambling Act 2003.

4.4.2 No new consents will be granted where granting of the consent would result in the total number of machines with consent to operate in the district exceeding 105.81.

4.5 Primary Activity of Class 4 gambling venues

3.5.1 The primary activity of any Class 4 gambling venue shall be:
   a) For the sale of liquor or the sale of liquor and food;
   b) For a Chartered Club or Returned Services Association,
   c) For sporting activities, or
   d) For the operation of the TAB.

3.5.2 The primary activity of any Class 4 gambling venue shall not be one which is associated with family or children’s activities.

4.6 Notification of Changes

4.6.1 The consent holder shall notify the Manawatu District Council of any changes in the Society or Trust who operate the machines at the Class 4 venue.

4.7 Decisions By The Manawatu District Council

4.7.1 Decisions must be issued within 30 working days of receipt of the application and shall specify the number of machines permitted and their location.

4.8 Application Fees

4.8.1 Application fees will be set by the Manawatu District Council from time to time, pursuant to Section 150 of the Local Government Act 2002, and shall include consideration of:
   a) The cost of processing the application, including any consultation involved;
   b) The cost of monitoring provision of information;
   c) The cost of an initial review after one year of any new class 4 gambling venue and thereafter triennially.

1.1.15 New Zealand Racing Board Venues

Totalisator Agency Board venues may be established in the Manawatu District within the Inner or Outer Business Zones (Feilding CBD) or the Mafeild Park Zone subject to
being no closer than 100 metres to the entrance to any school, early childhood centre, after school care facility, kindergarten, place of worship or other community facility.\footnote{7}

The number of gaming machines at any such venue is subject to Clause 3.4.2.4.1 and 4.4.2 above.

\section*{5.1 Application Requirements}

Applications for Manawatu District Council consent must be made on the approved form and must provide:

\begin{enumerate}
  \item Name and contact details of the applicant
  \item Street address of premises proposed for the Board venue;
  \item Proposed trading name and ownership details for the premises;
  \item Evidence that the premises are authorised under the Sale and Supply of Alcohol Act 2012 for the sale of alcohol for consumption on the premises, or be a NZ Racing Board venue;
  \item A site plan covering both gambling and other activities proposed for the venue, including details of each floor of the venue;
  \item Evidence of police approval for owners and managers of the venue;
  \item Evidence of the primary purpose of the venue; and
  \item A declaration that the purpose of the premises is not to provide family or children’s activities.
\end{enumerate}

\section*{5.2 Decisions By The Manawatu District Council}

Must be issued within 30 working days of receipt of the application to both the Board and the Secretary of Internal Affairs. Applications will be dealt with, and decisions made, by the Authorised Council Officer\footnote{8}.

The applicant may appeal a decision made under this policy. Appeals will be considered by the Chief Executive in consultation with the General Manager – Corporate and Regulatory.

\section*{5.3 Application Fees}

Application fees will be set by the Manawatu District Council from time to time, pursuant to Section 150 of the Local Government Act 2002, and shall include consideration of:

\begin{enumerate}
  \item The cost of processing the application, including any consultation involved;
  \item The cost of monitoring provision of information;
  \item The cost of an initial review after one year of any new class 4 gambling venue Board venue and thereafter triennially.
\end{enumerate}

\footnote{7}{The 100 metre distance is measured from the edge of the building that houses the Board venue in a straight line in all directions.}

\footnote{8}{The Authorised Council Officer shall be the Liquor Licensing Inspector or other authorised officer.}
1. Introduction

This Policy is prepared under Section 101 of the Gambling Act 2003 and Section 65D of the Racing Act 2003. This legislation requires all Territorial Authorities to adopt policies on Class 4 gambling venues (non-casino gaming machine sites) and Totalisator Agency Board venues, and to review those policies at least every three years. The Manawatu District Council’s Gambling Policy was originally adopted by Council on 1 April 2004.

This policy has been reviewed and will take effect from 18 September 2014. This Policy replaces the Gambling Venue Policy that was made operative on 18 September 2014 and will take effect from (insert date).

The Gambling Act and Racing Act give Councils the ability to limit the number of venues and gaming machines, having regard to the social impact of gambling in the District. In relation to a Class 4 gambling venue, a corporate society is required to apply to the Manawatu District Council for consent in the following circumstances:

- To increase the number of gaming machines that may be operated at a Class 4 venue
- To establish a new Class 4 venue where a licence has not been held by any corporate society for the venue within the last 6 months; or
- To change the venue to which a class 4 venue licence currently applies.

Council consent is Any person wishing to establish a new venue or operate additional gaming machines is obliged to obtain Council consent, as part of the licensing requirements of the Department of Internal Affairs.

In accordance with s65A of the Racing Act 2003, a consent is required from the Manawatu District Council (Council) if the New Zealand Racing Board (the ‘Board’) proposes to establish a Board venue within the Manawatu District.

2. Objectives of These Policies

The purpose of the Racing Act 2003 is:

- to provide effective governance arrangements for the racing industry; and
- to facilitate betting on galloping, harness, and greyhound races, and other sporting events; and

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1 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).
• to promote the long-term viability of New Zealand racing.

3. Objectives of This Policy

This Gambling Venue Policy has the following objectives:
1. To provide the Manawatu District Council and the community with influence over the location and operation of Class 4 gambling venues and Board venues within the Manawatu District.
2. To provide opportunities for people to participate in machine gambling and betting on galloping, harness and greyhound races and other sporting events within the Manawatu District.
3. To ensure that the local community may continue to access funding from the proceeds of Class 4 gaming in the District.
4. To have regard to the social impact of gambling within the Manawatu District, including the cumulative effects\(^2\) of additional opportunities for gambling.
5. To minimise harm from gambling, including problem gambling.

4. Class 4 Gambling Venues

General

An applicant for Council consent under this policy must:
1. Meet the application requirements specified in this policy;
2. Meet the fee requirements specified in this policy; and
3. Meet the requirements in Clause 3.5 below.

4.1 Gaming Machines and Class 4 Venues Permitted Locations

4.1.1 No new class 4 venues will receive consent from Council. Council will also not give consent for a current class 4 venue to operate more gaming machines.

a) Being no closer than 100 metres to the entrance to any school, early childhood centre, after school care facility, kindergarten, place of worship or other community facility.

Class 4 gambling venues may be established within the Business Zone applying to the Feilding CBD, as defined in the Manawatu District Plan, subject to meeting the general conditions of this policy, and the requirements of Clause 3.4 below.

3.2.2 Class 4 gambling venues may be established on sites zoned Village with identified frontage under the Manawatu District Plan, subject to:

\(^{2}\) Section 65D(4)(c) of the Racing Act 2003 and Section 101(4)(d) of the Gambling Act 2003 require Territorial Authorities to have regard to the cumulative effects of additional opportunities for gambling in the District.
Meeting the general conditions of this policy; and the requirements of Clause 3.4 below, and
b) Being no closer than 100 metres to the entrance to any school, early childhood centre, after school care facility, kindergarten, place of worship or other community facility.

3.2.3 Class 4 gambling venues may be established in sports clubrooms on sites zoned Recreation under the Manawatu District Plan, subject to:
b) Meeting the general conditions of this policy; and the requirements of Clause 3.4 below, and
3.2.4 Class 4 gambling venues may not be established in any zone other than as specified above.

No gaming machines shall be sited so that they are wholly or partly visible from the street or footpath outside the premises.

Relocation Clause

4.1.2 Where an existing Class 4 gambling venue is ceasing to operate, the Council may, at its own discretion, allow the transfer of existing venue conditions to another location(s) that meets the following criteria:

a) Being no closer than 100 metres to the entrance to any school, early childhood centre, after school care facility, kindergarten, place of worship or other community facility.

b) Being on sites zoned Inner or Outer Business Zones within the Feilding CBD or the Manfield Park Zone, or as ancillary activities within venues that primarily function as Places of Assembly, Taverns or Restaurants on sites zoned Village with identified frontage under the Manawatu District plan.

c) The following information must be provided as part of a relocation application to Council:

Applications

Applications for Manawatu District Council consent must be made on the approved form and must provide:

a) Name and contact details of the applicant corporate society applying to relocate to a new venue and trust details;

b) Street address of new premises proposed for the licence;

c) Proposed trading name (if any) and ownership details for the premises;

d) Number of gambling machines consented to operate;

e) Details on the frequency of distribution of gaming funds to the community;
vi. Whether the premises is within 100 metres of the entranceway to any school, early childhood centre, kindergarten, after school care facility, place of worship or other community facility;

vii. Proximity of the premises to other licenced Class 4 venues;

viii. g) Evidence that the premises are authorised under the Sale and Supply of Alcohol Act 2012 for the sale of alcohol for consumption on the premises, or be a NZ Racing Board (TAB) venue.

ix. A site plan covering both gambling and other activities proposed for the venue, including details of each floor of the venue; and

b) — The names of management staff;

c) Evidence of police approval for owners and managers of the venue; and

d) Evidence that the premises are authorised under the Sale and Supply of Alcohol Act 2012 for the sale of alcohol for consumption on the premises, or be a NZ Racing Board (TAB) venue.

—— 3.4 Numbers of Gaming Machines Allowed

3.4.1 Subject to the restriction on number of machines in 3.4.2 below:

• New venues shall be allowed a maximum of 9 gaming machines;

• Existing venues with licences issued prior to 17 October 2001 shall be allowed to increase the number of machines operated at the venue to a maximum of 18.

• Existing venues, with licences issued after 17 October 2001 and operating fewer than 9 gaming machines, shall be allowed to increase the number of machines operated at the venue to 9.

• Clubs that obtained a venue licence after 17 October 2001 may apply under section 96 of the Act to operate up to 18 machines.

• Clubs that merge shall be allowed to increase the number of machines operated at a venue in accordance with section 95 of the Gambling Act 2003.

3.4.2 No new consents will be granted where granting of the consent would result in the total number of machines with consent to operate in the district exceeding 105.

4.2 Primary Activity of Class 4 gambling venues:

3.5.2.1 The primary activity of any Class 4 gambling venue shall be:

a) For the sale of liquor or the sale of liquor and food;

b) For a Chartered Club or Returned Services Association,

c) For sporting activities, or

d) For the operation of the TAB.

3.5.2.2 The primary activity of any Class 4 gambling venue shall not be one which is associated with family or children’s activities.
4.3.6 Notification of Changes

4.3.1 The consent holder shall notify the Manawatu District Council of any changes in the Society or Trust who operate the machines at the Class 4 venue.

--- Decisions By The Manawatu District Council

Must be issued within 30 working days of receipt of the application and shall specify the number of machines permitted and their location.

5. 4. Totalisator Agency New Zealand Racing Board Venues

5.1 Venue Locations

5.1.1 Totalisator Agency New Board venues may be established in the Manawatu District within the Inner or Outer Business Zones (Feilding CBD) or the Manfield Park Zone subject to being no closer than 100 metres to the entrance to any school, early childhood centre, after school care facility, kindergarten, place of worship or other community facility.

5.1.2. The number of gaming machines at any such venue is subject to Clause 3.4.2.4.1.1 and 4.1.2 above.

5.2 Application Requirements

5.2.1 Applications for Manawatu District Council consent must be made on the approved form and must provide:
   a) Name and contact details of the applicant
   b) Street address of premises proposed for the Board venue;
   c) Proposed trading name and ownership details for the premises;
   d) Evidence that the premises are authorised under the Sale and Supply of Alcohol Act 2012 for the sale of alcohol for consumption on the premises, or be a NZ Racing Board venue;
   e) A site plan covering both gambling and other activities proposed for the venue, including details of each floor of the venue;
   f) Evidence of police approval for owners and managers of the venue;
   g) Evidence of the primary purpose of the venue; and
   h) A declaration that the purpose of the premises is not to provide family or children’s activities.

5.3 Decisions By The Manawatu District Council

5.3.1 Must be issued within 30 working days of receipt of the application to both the Board and the Secretary of Internal Affairs. Applications will be dealt with, and decisions made, by the Authorised Council Officer.

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3 The 100 metre distance is measured from the edge of the building that houses the Board venue in a straight line in all directions.

4 The Authorised Council Officer shall be the Liquor Licensing Inspector or other authorised officer.
5.3.2 The applicant may appeal a decision made under this policy. Appeals will be considered by the Chief Executive in consultation with the General Manager – Corporate and Regulatory.

5.4 Application Fees

5.4.1 Application fees will be set by the Manawatu District Council from time to time, pursuant to Section 150 of the Local Government Act 2002, and shall include consideration of:

a) The cost of processing the application, including any consultation involved;

b) The cost of monitoring provision of information;

c) The cost of an initial review after one year of any new class 4 gambling venue and thereafter triennially.
1. **Introduction**

This Policy is prepared under Section 101 of the Gambling Act 2003 and Section 65D of the Racing Act 2003. This legislation requires all Territorial Authorities to adopt policies on Class 4 gambling venues (i.e., gaming machine sites) and New Zealand Racing Board venues, and to review those policies at least every three years. The Manawatu District Council’s Gambling Policy was originally adopted by Council on 1 April 2004. This Policy replaces the Gambling Venue Policy that was made operative on 18 September 2014 and will take effect from (insert date).

The Gambling Act and Racing Act give Councils the ability to limit the number of venues and gaming machines, having regard to the social impact of gambling in the District. In relation to a Class 4 gambling venue, a corporate society is required to apply to the Manawatu District Council for consent in the following circumstances:

- To increase the number of gaming machines that may be operated at a Class 4 venue
- To establish a new Class 4 venue where a licence has not been held by any corporate society for the venue within the last 6 months; or
- To change the venue to which a class 4 venue licence currently applies.

Council consent is part of the licensing requirements of the Department of Internal Affairs.

In accordance with s65A of the Racing Act 2003, a consent is required from the Manawatu District Council (Council) if the New Zealand Racing Board (the ‘Board’) proposes to establish a Board venue within the Manawatu District.

2. **Purpose of these Acts**

The Gambling Act has eight purposes, with Councils being given the ability by Parliament to assist in achieving four of these, namely:

- Controlling the growth of gambling
- Preventing and minimising harm from gambling, including problem gambling\(^1\)
- Facilitating responsible gambling
- Facilitating community involvement in decisions about the provision of gambling.

The purpose of the Racing Act 2003 is:

- to provide effective governance arrangements for the racing industry; and
- to facilitate betting on galloping, harness, and greyhound races, and other sporting events; and
- to promote the long-term viability of New Zealand racing.

3. **Objectives of This Policy**

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\(^1\) 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).
This Gambling Venue Policy has the following objectives:

1. To provide the Manawatu District Council and the community with influence over the location and operation of Class 4 gambling venues and Board venues within the Manawatu District.
2. To provide opportunities for people to participate in machine gambling and betting on galloping, harness and greyhound races and other sporting events within the Manawatu District.
3. To ensure that the local community may continue to access funding from the proceeds of Class 4 gaming in the District.
4. To have regard to the social impact of gambling within the Manawatu District, including the cumulative effects of additional opportunities for gambling.
5. To minimise harm from gambling, including problem gambling.

4. **Class 4 Gambling Venues**

4.1 **General**

An applicant for Council consent under this policy must:

1. Meet the application requirements specified in this policy;
2. Meet the fee requirements specified in this policy; and
3. Meet the requirements in Clause 4.5 below.

4.2 **Permitted Locations**

Note: It is acknowledged that the Manawatu District Plan is being reviewed sectionally (by Zone Chapter). It is noted that the Village Zones and the Recreation Zone will be subject to a future Schedule 1 process under the Resource Management Act 1991. Consequently, the existing Zone provisions referred to in clauses 4.2.3 and 4.2.4 below may be updated, modified or deleted.

Prior to Plan Change 46 (PC46) the District Plan did not specifically provide for Class 4 gambling venues in the Village Zones but such facilities were generally provided as part of a “tavern,” “place of assembly” or “restaurant.” The definition of “place of assembly” was replaced by “Community Facilities” and the definition of “Restaurant” was replaced by “Entertainment Facilities” through PC46.

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2 Section 65D(4)(c) of the Racing Act 2003 and Section 101(4)(d) of the Gambling Act 2003 require Territorial Authorities to have regard to the cumulative effects of additional opportunities for gambling in the District.

3 The District Plan definitions of “Place of Assembly” included “land and/or buildings which are used by people to assemble for...entertainment...and includes any such premises which are licensed under the Sale of Liquor Act.”

4 The definition of “restaurant” included “restaurant premises with an on licence under the Sale of Liquor Act.”
The new District Plan definition of “Entertainment Facilities” includes “casino and electronic gaming facilities.” However, the operative rules in the Village Zone have not yet been amended to reference these new definitions that were introduced through PC46. The Village Zone Rules will be reviewed through Plan Change 57 (PC57), providing greater clarity on how Class 4 gambling venues are provided for in the Village Zones. Consultation on draft PC57 is scheduled to commence in 2018.

4.2.1 No Class 4 gambling venue may be established closer than 100 metres to the entrance to any school, early childhood centre, after school care facility, kindergarten, place of worship or other community facility.5

4.2.2 Class 4 gambling venues may be established within the Inner and Outer Business Zones within the Feilding CBD and in the Manfield Park Zone, as defined in the Manawatu District Plan, subject to meeting the general conditions of this policy, and the requirements of Clause 3.4 below.

4.2.3 Class 4 gambling venues are permitted to establish as ancillary activities within venues that primarily function as Places of Assembly, taverns and restaurants on sites zoned Village with identified frontage under the Manawatu District Plan, subject to:

a) Compliance with standards for permitted and controlled activities in Section 2.3 of the District Plan; and
b) Meeting the general conditions of this policy; and
c) the requirements of Clause 3.4 below.

4.2.4 Class 4 gambling venues may be established in sports clubrooms on sites zoned Recreation under the Manawatu District Plan, subject to:

a) Obtaining a Discretionary Resource Consent under Rule B6 6.4.1; and
b) Meeting the general conditions of this policy; and the requirements of Clause 3.4 below.

4.2.5 Class 4 gambling venues may not be established in any zone other than as specified above.

4.2.6 No gaming machines shall be sited so that they are wholly or partly visible from the street or footpath outside the premises.

4.2.7 Relocation Clause

Where an existing Class 4 gambling venue is ceasing to operate, the Council may, at its own discretion, allow the transfer of existing venue conditions to another location that meets the criteria of existing policy.

5 The 100 metre distance is measured from the edge of the building that houses the Class 4 venue in a straight line in all directions.

6 Refer to the list of Permitted Activities in operative Rule B2 2.1.1 B) as at the time this policy was drafted.
4.3 Applications

Applications for Council consent must be made on the approved form and must provide:

a) Name and contact details of the applicant corporate society applying for the new or amended Class 4 venue licences;
b) Street address of premises proposed for the licence;
c) Proposed trading name (if any) and ownership details for the premises;
d) Number of gambling machines to be installed;
e) Details on the frequency of distribution of gaming funds to the community;
f) Whether the premises is 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;
g) Proximity of the premises to other licenced Class 4 venues;
h) Evidence that the premises are authorised under the Sale and Supply of Alcohol Act 2012 for the sale of alcohol for consumption on the premises;
i) A site plan covering both gambling and other activities proposed for the venue, including details of each floor of the venue;
j) Evidence of police approval for owners and managers of the venue; and
k) Evidence of the primary purpose of the venue.

4.4 Numbers of Gaming Machines Allowed

4.4.1 Subject to the restriction on number of machines in 4.4.2 below:

- New venues shall be allowed a maximum of 9 gaming machines;
- Existing venues with licences issued prior to 17 October 2001 shall be allowed to increase the number of machines operated at the venue to a maximum of 18.
- Existing venues, with licences issued after 17 October 2001 and operating fewer than 9 gaming machines, shall be allowed to increase the number of machines operated at the venue to 9.
- Clubs that obtained a venue licence after 17 October 2001 may apply under section 96 of the Act to operate up to 18 machines.
- Clubs that merge shall be allowed to increase the number of machines operated at a venue in accordance with section 95 of the Gambling Act 2003.

4.4.2 No new consents will be granted where granting of the consent would result in the total number of machines with consent to operate in the district exceeding 81.

4.5 Primary Activity of Class 4 gambling venues

4.5.1 The primary activity of any Class 4 gambling venue shall be:

a) For the sale of liquor or the sale of liquor and food;
b) For a Chartered Club or Returned Services Association,
c) For sporting activities, or
d) For the operation of the TAB.
4.5.2 The primary activity of any Class 4 gambling venue shall not be one which is associated with family or children’s activities.

4.6 Notification of Changes

4.6.1 The consent holder shall notify the Manawatu District Council of any changes in the Society or Trust who operate the machines at the Class 4 venue.

4.7 Decisions By The Manawatu District Council

4.7.1 Decisions must be issued within 30 working days of receipt of the application and shall specify the number of machines permitted and their location.

4.8 Application Fees

4.8.1 Application fees will be set by the Manawatu District Council from time to time, pursuant to Section 150 of the Local Government Act 2002, and shall include consideration of:
   a) The cost of processing the application, including any consultation involved;
   b) The cost of monitoring provision of information;
   c) The cost of an initial review after one year of any new class 4 gambling venue and thereafter triennially.

5. New Zealand Racing Board Venues

New Board venues may be established in the Manawatu District within the Inner or Outer Business Zones (Feilding CBD) or the Manfeild Park Zone subject to being no closer than 100 metres to the entrance to any school, early childhood centre, after school care facility, kindergarten, place of worship or other community facility.7

The number of gaming machines at any such venue is subject to Clause 4.4.1 and 4.4.2 above.

5.1 Application Requirements

Applications for Manawatu District Council consent must be made on the approved form and must provide:
   a) Name and contact details of the applicant
   b) Street address of premises proposed for the Board venue;
   c) Proposed trading name and ownership details for the premises;
   d) Evidence that the premises are authorised under the Sale and Supply of Alcohol Act 2012 for the sale of alcohol for consumption on the premises, or be a NZ Racing Board venue;
   e) A site plan covering both gambling and other activities proposed for the venue, including details of each floor of the venue;

7 The 100 metre distance is measured from the edge of the building that houses the Board venue in a straight line in all directions.
f) Evidence of police approval for owners and managers of the venue;
g) Evidence of the primary purpose of the venue; and
h) A declaration that the purpose of the premises is not to provide family or children’s activities.

5.2 **Decisions By The Manawatu District Council**

Must be issued within 30 working days of receipt of the application to both the Board and the Secretary of Internal Affairs. Applications will be dealt with, and decisions made, by the Authorised Council Officer.

The applicant may appeal a decision made under this policy. Appeals will be considered by the Chief Executive in consultation with the General Manager – Corporate and Regulatory.

5.3 **Application Fees**

Application fees will be set by the Manawatu District Council from time to time, pursuant to Section 150 of the Local Government Act 2002, and shall include consideration of:
a) The cost of processing the application, including any consultation involved;
b) The cost of monitoring provision of information;
c) The cost of an initial review after one year of any new Board venue and thereafter triennially.

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8 The Authorised Council Officer shall be the Liquor Licensing Inspector or other authorised officer.
Gambling Venues Policy

1. Introduction

This Policy is prepared under Section 101 of the Gambling Act 2003 and Section 65D of the Racing Act 2003. This legislation requires all Territorial Authorities to adopt policies on Class 4 gambling venues (non-casino gaming machine sites) and New Zealand Racing Board venues, and to review those policies at least every three years. The Manawatu District Council’s Gambling Policy was originally adopted by Council on 1 April 2004. This Policy replaces the Gambling Venue Policy that was made operative on 18 September 2014 and will take effect from (insert date).

The Gambling Act and Racing Act give Councils the ability to limit the number of venues and gaming machines, having regard to the social impact of gambling in the District. In relation to a Class 4 gambling venue, a corporate society is required to apply to the Manawatu District Council for consent in the following circumstances:

- To increase the number of gaming machines that may be operated at a Class 4 venue
- To establish a new Class 4 venue where a licence has not been held by any corporate society for the venue within the last 6 months; or
- To change the venue to which a class 4 venue licence currently applies.

Council consent is part of the licensing requirements of the Department of Internal Affairs.

In accordance with s65A of the Racing Act 2003, a consent is required from the Manawatu District Council (Council) if the New Zealand Racing Board (the ‘Board’) proposes to establish a Board venue within the Manawatu District.

2. Purpose of these Acts

The Gambling Act has eight purposes, with Councils being given the ability by Parliament to assist in achieving four of these, namely:

- Controlling the growth of gambling
- Preventing and minimising harm from gambling, including problem gambling
- Facilitating responsible gambling
- Facilitating community involvement in decisions about the provision of gambling.

The purpose of the Racing Act 2003 is:

- to provide effective governance arrangements for the racing industry; and
- to facilitate betting on galloping, harness, and greyhound races, and other sporting events; and

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).
3. Objectives of this Policy

This Gambling Venue Policy has the following objectives:

1. To provide the Manawatu District Council and the community with influence over the location and operation of Class 4 gambling venues and Board venues within the Manawatu District.
2. To provide opportunities for people to participate in machine gambling and betting on galloping, harness and greyhound races and other sporting events within the Manawatu District.
3. To ensure that the local community may continue to access funding from the proceeds of Class 4 gaming in the District.
4. To have regard to the social impact of gambling within the Manawatu District, including the cumulative effects\(^2\) of additional opportunities for gambling.
5. To minimise harm from gambling, including problem gambling.

4. Class 4 Gambling Venues

4.1 Gaming Machines and Class 4 Venues

4.1.1 No new class 4 venues will receive consent from council. Council will also not give consent for a current class 4 venue to operate more gaming machines.

Relocation Clause

4.1.2 Where an existing Class 4 gambling venue is ceasing to operate, the Council may, at its own discretion, allow the transfer of existing venue conditions to another location that meets the following criteria:

a) Being no closer than 100 metres to the entrance to any school, early childhood centre, after school care facility, kindergarten, place of worship or other community facility.

b) Being on sites zoned Inner or Outer Business Zones within the Feilding CBD or the Manfield Park Zone, or as ancillary activities within venues that primarily function as Places of Assembly, Taverns or Restaurants on sites zoned Village with identified frontage under the Manawatu District plan.

c) The following information must be provided as part of a relocation application to Council:

i. Name and contact details of the corporate society applying to relocate to a new venue;

ii. Street address of new premises proposed for the licence;

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\(^2\) Section 65D(4)(c) of the Racing Act 2003 and Section 101(4)(d) of the Gambling Act 2003 require Territorial Authorities to have regard to the cumulative effects of additional opportunities for gambling in the District.
iii. Proposed trading name (if any) and ownership details for the premises;
iv. Number of gambling machines consented to operate;
v. Details on the frequency of distribution of gaming funds to the community;
vi. Whether the premises is within 100 metres of the entranceway to any school, early childhood centre, kindergarten, after school care facility, place of worship or other community facility;
vii. Proximity of the premises to other licenced Class 4 venues;
viii. Evidence that the premises are authorised under the Sale and Supply of Alcohol Act 2012 for the sale of alcohol for consumption on the premises
ix. A site plan covering both gambling and other activities proposed for the venue, including details of each floor of the venue;
x. Evidence of police approval for owners and managers of the venue; and
xi. Evidence of the primary purpose of the venue.

4.2 Primary Activity of a Class 4 Venue

4.2.1 The primary activity of any Class 4 gambling venue shall be:

a) For the sale of liquor or the sale of liquor and food;
b) For a Chartered Club or Returned Services Association,
c) For sporting activities, or
d) For the operation of the TAB.

4.2.2 The primary activity of any Class 4 gambling venue shall not be one which is associated with family or children’s activities.

4.3 Notification of Changes

4.3.1 The consent holder shall notify the Manawatu District Council of any changes in the Society or Trust who operate the machines at the Class 4 venue.

5. New Zealand Racing Board Venues

5.1 Venue Locations

5.1.1 New Board venues may be established in the Manawatu District within the Inner or Outer Business Zones (Feilding CBD) or the Manfeild Park Zone subject to being no closer than 100 metres to the entrance to any school, early childhood centre, after school care facility, kindergarten, place of worship or other community facility.\(^3\)

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\(^3\) The 100 metre distance is measured from the edge of the building that houses the Board venue in a straight line in all directions.
5.1.2 The number of gaming machines at any such venue is subject to Clause 4.1.1 and 4.1.2 above.

5.2 Application Requirements

5.2.1 Applications for Manawatu District Council consent must be made on the approved form and must provide:

a) Name and contact details of the applicant

b) Street address of premises proposed for the Board venue;

c) Proposed trading name and ownership details for the premises;

d) Evidence that the premises are authorised under the Sale and Supply of Alcohol Act 2012 for the sale of alcohol for consumption on the premises, or be a NZ Racing Board venue;

e) A site plan covering both gambling and other activities proposed for the venue, including details of each floor of the venue;

f) Evidence of police approval for owners and managers of the venue;

g) Evidence of the primary purpose of the venue; and

h) A declaration that the purpose of the premises is not to provide family or children’s activities.

5.3 Decisions by the Manawatu District Council

5.3.1 Must be issued within 30 working days of receipt of the application to both the Board and the Secretary of Internal Affairs. Applications will be dealt with, and decisions made, by the Authorised Council Officer. The Authorised Council Officer shall be the Liquor Licensing Inspector or other authorised officer.

5.3.2 The applicant may appeal a decision made under this policy. Appeals will be considered by the Chief Executive in consultation with the General Manager – Corporate and Regulatory.

5.4 Application Fees

5.4.1 Application fees will be set by the Manawatu District Council from time to time, pursuant to Section 150 of the Local Government Act 2002, and shall include consideration of:

a) The cost of processing the application, including any consultation involved;

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4 The Authorised Council Officer shall be the Liquor Licensing Inspector or other authorised officer.
b) The cost of monitoring provision of information;

c) The cost of an initial review after one year of any new Board venue and thereafter triennially.
ASSESSMENT OF THE SOCIAL IMPACT OF GAMBLING

Report to support the review of the Gambling Venues Policy

July 2017
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1 Introduction

All Councils are required by section 102 of the Gambling Act 2003 to adopt a class 4 venue policy and to review that policy at least every three years. Councils are required by Section 65D of the Racing Act 2003 to adopt a policy on New Zealand Racing Board (Board) Venues. Board venue policies must also be reviewed at least every three years (section 65E of the Racing Act 2003). Council’s Gambling Venue Policy was adopted in September 2014 and includes both the policy on Class 4 Gambling Venues and the policy on Board venues.

Both section 101 (2) of the Gambling Act 2003 and section 65D(2) of the Racing Act 2003 state that:

In adopting a policy, the territorial authority must have regard to the social impact of gambling within the territorial authority district.

This social impact assessment is therefore to fulfil these statutory requirements and to inform the review of Council’s operative Gambling Venue Policy.

Section 101(4) of the Gambling Act 2003 and Section 65D(4) of the Racing Act 2003 provide some guidance on the types of matters that Council should have regard to when determining its policies on Class 4 gambling venues and Board venues, including:

a) the characteristics of the district and parts of the district;

b) the location of kindergartens, early childhood centres, schools, places of worship, and other community facilities; and

c) the cumulative effects of additional opportunities for gambling in the district.

In assessing the social impact of gambling in the Manawatu District, the following sources of information have been considered:

- National reports on gambling behaviour
- Information on the characteristics of the Manawatu District, including deprivation statistics
- Information about existing Class 4 venues and board venues from the Department of Internal Affairs and Statistics New Zealand
- Spatial analysis of the proximity of existing venues to kindergartens, early childhood centres, schools, places of worship and other community facilities
- Information about the distribution of funding throughout the District from class 4 venues
- Problem gambling statistics and trends from the Ministry of Health and Problem Gambling Foundation.

1.1 Policy Limitations

Consent is required from the Manawatu District Council under the Gambling Act 2003 to establish or re-establish a Class 4 venue, or to increase the number of gaming machines operated at a Class 4 Venue. The Policy is able to influence where Class 4 venues may establish, and the number of gaming machines that may operate. Once issued, a consent does not lapse or expire. There are no retrospective powers under the Gambling Act 2003 over consented venues.
Consent is required from the Manawatu District Council under the Racing Act 2003 to establish a standalone TAB venue in the District. However, the Policy is not able to influence TAB outlets that establish in conjunction with other activities within pubs, bars and taverns. The powers of the Policy are therefore limited to those venues that require territorial authority consent.

1.2 Definitions of Class 4 Gambling and Board Venues

The Gambling Act 2003 divides gambling into six classes. Territorial Authorities have responsibilities in relation to class 4 gambling. Section 30 of the Gambling Act 2003 defines Class 4 gambling as follows:

In this Act, class 4 gambling is gambling that satisfies the following criteria:

a. the net proceeds from the gambling are applied to, or distributed for, authorised purposes; and

b. either—
   i. no commission is paid to or received by a person for conducting the gambling; or
   ii. the only commission that is paid to or received by a person for conducting the gambling is a commission payment to a venue operator that complies with regulations made under section 371(1)(dd); and

c. there are game rules for the gambling; and

d. the gambling, and the conduct of the gambling, satisfies relevant game rules; and

e. either—
   i. the Secretary has categorised the gambling as class 4 gambling and not as another class of gambling; or
   ii. the gambling utilises or involves a gaming machine.

The Gambling Act also authorises private gambling, authorised sales promotion schemes and gambling authorised by or under the Racing Act 2003.

Section 65A of the Racing Act 2003 requires that a territorial authority consent be obtained if the New Zealand Racing Board proposes to establish a Board Venue within the District. The Racing Act 2003 defines a Board Venue as “premises that are owned or leased by the Board and where the main business carried on at the premises is providing racing betting or sports betting services under this Act.”

The Board Venues Policy therefore only controls stand-alone TAB venues that require territorial authority consent under the Racing Act 2003. The Policy does not control TAB outlets that are located in pubs, taverns and hotels.

1.3 Purpose of the relevant Acts in relation to gambling venue policies

The purpose of the Gambling Act 2003 is to:
a) control the growth of gambling; and  
b) prevent and minimise harm from gambling, including problem gambling; and  
c) authorise some gambling and prohibit the rest; and  
d) facilitate responsible gambling; and  
e) ensure the integrity and fairness of games; and  
f) limit opportunities for crime or dishonesty associated with gambling and the conduct of gambling; and  
g) ensure that money from gambling benefits the community; and  
h) facilitate community involvement in decisions about the provision of gambling.

The purpose of the Racing Act 2003 is:

a) to provide effective governance arrangements for the racing industry; and  
b) to facilitate betting on galloping, harness, and greyhound races, and other sporting events; and  
c) to promote the long-term viability of New Zealand racing.

It should be noted that one of the functions of the New Zealand Racing Board, under section 9 of the Racing Act 2003 is:

“to develop or implement, or arrange for the development or implementation of, programmes for the purposes of reducing problem gambling and minimising the effects of that gambling...”

In carrying out its functions under the Racing Act, the Board must:

a) comply with the principles of natural justice; and  
b) exhibit a sense of social responsibility by having regard to the interests of the community in which it operates.
3 Gambling within the Manawatu District

3.1 Manawatu District Profile

The Manawatu District had a usually resident population of 29,800 in 2016. This was equivalent to 0.6% of the national population in 2016. The current growth rate for the District is 1.7% per annum.

3.2 Existing Class 4 Gambling Venues

Table 1: Class 4 Gambling Venues

<table>
<thead>
<tr>
<th>Site Name</th>
<th>Society</th>
<th>Site Town</th>
<th>Number applied for</th>
<th>Total no. of machines</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stockyard Bar and Restaurant</td>
<td>Trillian Trust</td>
<td>Feilding</td>
<td>18</td>
<td>18</td>
<td></td>
</tr>
<tr>
<td>Drovers Return Bar and Cafe</td>
<td>NZ Community Trust (NZCT)</td>
<td>Feilding</td>
<td>12</td>
<td>9</td>
<td></td>
</tr>
<tr>
<td>Empire Tavern</td>
<td>NZCT</td>
<td>Feilding</td>
<td>18</td>
<td>18</td>
<td></td>
</tr>
<tr>
<td>Feilding Hotel</td>
<td>NZCT</td>
<td>Feilding</td>
<td>18</td>
<td>18</td>
<td></td>
</tr>
<tr>
<td>Rangitikei Club</td>
<td>Rangitikei Club Inc</td>
<td>Feilding</td>
<td>18</td>
<td>12</td>
<td>Went into voluntary liquidation March 2017</td>
</tr>
<tr>
<td>Rongotea Tavern</td>
<td>Pub Charity Ltd</td>
<td>Rongotea</td>
<td>3</td>
<td>6</td>
<td>Previously there were two Societies operating at this venue – Scottwood Group with 6 machines and NZCT with 3 machines</td>
</tr>
<tr>
<td>The Kiwi Tavern</td>
<td>The Southern Trust</td>
<td>Feilding</td>
<td>9</td>
<td>0</td>
<td>Closed July 2014</td>
</tr>
<tr>
<td><strong>Totals</strong></td>
<td></td>
<td></td>
<td><strong>102</strong></td>
<td><strong>81</strong></td>
<td></td>
</tr>
</tbody>
</table>

As at 31 March 2017, the Manawatu District had 0.5% of Class 4 venues and 0.49% of the total gaming machines in New Zealand. Based on the Statistics New Zealand sub-national population estimates, 0.64% of New Zealand’s population live within the Manawatu District (0.64% each year from 2013 to 2016) (Statistics New Zealand, 2017).

The total number of gaming machines has generally declined over time. There were 133 machines spread over 16 venues in 2003, 137 machines in 2007, and 99 machines consented to operate over five venues (but only 67 actually operating) after the closure of the Rangitikei Club in March 2017. Part
of the reduction in machine numbers is attributable to twenty six gaming machines that were transferred to the Palmerston North City Council through the boundary adjustment in 2012.

3.2.1 Deprivation Information

Figure 1 below shows that all of the existing class 4 gambling venues are within moderately low deprivation areas (7.0 on the index of Deprivation 2013), in the Statistics New Zealand Area Units of “Feilding West” and “Rongotea.”
Figure 1
NZRB Venues

There are no stand-alone TABs in the Manawatu District, only outlets that are associated with existing hotels and taverns, as shown in Table 2 below.

Table 2: TAB venues (New Zealand Racing Board, 2017)

<table>
<thead>
<tr>
<th>Site Name</th>
<th>Site Town</th>
<th>Outlet Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Empire Tavern</td>
<td>Feilding</td>
<td>Pub TAB</td>
</tr>
<tr>
<td>Feilding Hotel</td>
<td>Feilding</td>
<td>Pub TAB</td>
</tr>
<tr>
<td>Rongotea Tavern</td>
<td>Rongotea</td>
<td>Self-service terminal</td>
</tr>
</tbody>
</table>

The TAB website defines “Pub TAB” and “Self-service terminal” as follows:

**Pub TAB:** These TAB outlets are always located within another business, usually a hotel and form part of the services offered by the host business. They are run by fully trained staff and have all the facilities of a TAB while offering customers the social benefits of being in a licensed establishment.

**Self-service Terminal:** These are self-service terminals usually located within another business such as a hotel. The terminals offer most of the TAB products. The business usually does not have any other TAB facilities available.

These existing venues are not subject to the Board Venues Policy. However, all of the existing TAB venues also contain gaming machines and are therefore subject to the zone and setback distance requirements of the Gambling Venues policy.

The proposed Board venues policy allows new Board venues to establish in the Manawatu District where the primary activity of the proposed venue is:

- For racing betting and horse betting; and
- Is not associated with family or children’s activities; and
- Is located within the Inner or Outer Business Zones (Feilding CBD) or the Manfeild Park Zone subject to being no closer than 100 metres to the entrance to any school, early childhood centre, after school care facility, kindergarten, place of worship or other community facility.

3.2.2 Deprivation Information

Figure 2 below shows that all of the existing TAB sites are within moderately low deprivation areas (7.0 on the index of Deprivation 2013), in the Statistics New Zealand Area Units of “Feilding West” and “Rongotea.”
### 3.3 Proximity of Existing Venues to Sensitive Activities

#### 3.3.1 Class 4 Gambling Venues

Section 4.2 of the draft Gambling Venue’s Policy (refer to Annex 1) outlines permitted activities for Class 4 venues. Venue location is controlled in two ways – by District Plan Zone and through a separation distance rule. In addition, the Policy requires that the primary purpose of a Class 4 venue be for:

- the sale of liquor or the sale of liquor and food;
- a Chartered Club or Returned Services Association,
- sporting activities, or
- the operation of the TAB.

And not activities associated with family or children’s activities.

Class 4 venues are permitted to locate within the Inner and Outer Business Zones within the Feilding CBD and in the Manfield Park Zone or within places of Assembly, taverns and restaurants on sites zoned Village with identified frontage under the Manawatu District Plan. These Zones are considered to be best-suited to Class 4 gambling activities, particularly as these zones also have the greatest concentration of licenced premises, clubs and TABs, which class 4 venues are required to be ancillary to. The Policy and the District Plan do not permit Class 4 venues from establishing within Residential Zones as research suggests that residential proximity to class 4 gambling venues is associated with problem gambling (Ministry of Health, 2008).

Changes are proposed to the Policy to clarify that a Class 4 venue may only establish within a sports clubroom in the Recreation Zone if a Discretionary Resource Consent is obtained. This is because this type of land use activity is not permitted within the Recreation Zone rules in the District Plan.

Proposed clause 4.2.1 of the Gambling Venues Policy states that:

“No Class 4 gambling venue may be established closer than 100 metres to the entrance to any school, early childhood centre, after school care facility, kindergarten, place of worship or other community facility.”

Figures 3 and 4 below illustrate the location of existing class 4 venues in Feilding and Rongotea and their proximity to the abovementioned activities. The darker yellow shading represents a 50m buffer and the lighter yellow shading a 100m buffer around the existing class 4 venues. These buffer distances are designed to reduce the likelihood of conflict between incompatible activities and the risk of social harm.

The only education facility within the 100m buffer around existing class 4 venues is a Kip McGrath afterschool education centre on Bowen Street. Figure 4 shows that a corner of the Rongotea School is within the 100m buffer of the Rongotea Tavern. This corner of the school is sports fields and is not a primary entrance to the school. Also within the 100m buffer around the Rongotea Tavern is a place of worship (Sacred Heart Catholic Church) and an RSA Hall.
Figure 3: Class 4 Gambling Venues in Feilding with Setback Buffers
Figure 4: Class 4 Venue in Rongotea with setback buffers
3.3.2 NZRB venues

As outlined in section 5.3 above, there are currently no stand-alone TAB venues. Existing TAB outlets and are all within venues that also house gaming machines. Any new stand-alone Board venue would be subject to the location controls in the policy, which include restrictions around the primary activity of the proposed venue (being for racing betting and horse betting and not associated with family or children’s activities) and same separation distance requirements as Class 4 venues.

3.4 Distribution of Funds within the Manawatu District

The Department of Internal Affairs collects data on total gaming machine proceeds within each District for each quarter. They also have statistics that compare the total gaming machine proceeds within each District as a percentage of the National Total. Figure 5 below shows that gaming machine proceeds are lowest in the January to March quarter each year. Total machine proceeds within the Manawatu District declined to under $700,000 per quarter from Jan-March 2013 until July-September 2016 (with the exception of Oct-Dec 2015). Future monitoring of gaming machine proceeds is needed to determine if recent increases in gaming machine proceeds represent a new trend.

![Figure 5](Department of Internal Affairs, 2017)

Figure 5 below illustrates gaming machine proceeds for the Manawatu District as a percentage of the national total. Expenditure was highest in July-September 2010 (0.44%) but has been fairly constant between 0.3% and 0.35% since Jan-March 2013.
3.4.1 Comparison with National Statistics

The usually resident population of the Manawatu District in 2016 was 29,800 people, or 0.6% of the national population (Infometrics, 2017). As the Manawatu District makes up 0.6% of the national population but only between 0.3% and 0.4% of the national gaming proceeds, we can conclude that gaming machine proceeds per person in the Manawatu District are lower than the national average.

4 Benefits of Gambling

The key benefits to the Community from Gambling are as follows:

1. Community Grants
2. Economic activity including employment opportunities and contribution to the tax base
3. CBD revitalisation
4. Entertainment

This social impact assessment focusses on community grants and gambling as entertainment.

4.1 Community Grants

Around $260 million of gaming funds annually goes to a range of community causes, much of it to the region where it was collected. Some Community groups, for various reasons, prefer not to access grants from gaming machine societies. However, many community groups that benefit would find it difficult to operate without grants from gaming machine societies (Department of Internal Affairs, 2016).

Grants are made by the incorporated societies that operate gaming machines within the District. Table 3 summarises the societies that operate gaming machines within the Manawatu District, and the total donations given back to the Community. The financial year for these societies runs from 1 October to 30 September, so differs from the Council’s financial year that runs from 1 July to 30 June.

Table 3

<table>
<thead>
<tr>
<th>Society</th>
<th>Venue(s)</th>
<th>Period</th>
<th>Number of Recipients</th>
<th>Total Donations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trillian Trust</td>
<td></td>
<td>2015/16</td>
<td>10</td>
<td>$40,724</td>
</tr>
</tbody>
</table>
Based on Table 3 above, the Societies that operate gaming machines within venues in the Manawatu District awarded a total of $379,449 to 68 community groups and charities within the Manawatu District between 1 October 2015 and 30 September 2016. In the current year to date there have been 37 grants awarded to community groups and charities in the Manawatu District with a total value of $218,510.

The New Zealand Racing Board differs from other gaming societies in New Zealand in that it distributes at least 80% of its net proceeds from gaming operations back into the three New Zealand Racing Codes (Thoroughbred Racing, Harness Racing New Zealand and Greyhound Racing New Zealand) (New Zealand Racing Board, 2017). These Racing Industry proceeds are for costs associate with the promotion, control and conduct of a race meeting and for integrity measures such as the Racing Integrity Unit, NZ Racing Laboratory Services and Judicial Control Authority (New Zealand Racing Board, 2016). The NZRB also pays commissions to national sporting bodies for sports on which they take bets and will distribute up to 20% of net proceeds to amateur sport across New Zealand (New Zealand Racing Board, 2016).

The NZRB is limited to operating gaming machines in TAB Board Venues, that is, venues that they either own or lease to sell race or sports bets. The nearest Gaming TABs would be two in Palmerston North and one in Wanganui. In New Zealand, 42 out of 86 TAB Board Venues host gaming machines (New Zealand Racing Board, 2016).

In the 2015/16 financial year, the NZRB distributed $135.3 million to the three racing codes in New Zealand, and a further $11.7 million to the racing industry from gaming proceeds. NZRB also paid commissions totalling $8.0 million to national sport organisations and $3.0 million in gaming grants to 337 individual grassroots sporting organisations (New Zealand Racing Board, 2016).

In the 2015/16 financial year three amateur sports groups from the Manawatu District were awarded grants with a total value of $23,134.79. In the current financial year the NZRB has awarded five grants to sports groups in the Manawatu District totalling $29,346.89. There is one more round of grants to be awarded this financial year (N. Miller, NZRB, pers comm. 2017).

### 4.2 Entertainment

Gaming machines can form part of a Class 4 venue’s entertainment package. A National Gambling Study in 2012 found that most adults in New Zealand gamble at least occasionally. However, the vast majority of this gambling relates to buying lotto or raffle tickets.
5 Social Costs of Gambling

The majority of gamblers are recreational gamblers. However, a small proportion of the population are classified as “problem gamblers.”

The Gambling Act 2003 defines a problem gambler as a person whose gambling causes harm or may cause harm, and ‘harm’ is defined as:

(a) harm or distress of any kind arising from, or caused or exacerbated by, a person’s gambling; and

(b) including personal, social, or economic harm suffered –
   (i) by the person; or
   (ii) by the person’s spouse, civil union partner, de facto partner, family, whānau, or wider community; or
   (iii) in the workplace; or
   (iv) by society at large.

In general, the social impacts of problem gambling include (Ministry of Health, 2016):

- Relationship breakdown
- Depression
- Suicide
- Reduced work productivity
- Job loss
- Bankruptcy
- Gambling related crime including family violence and crime committed to finance gambling

Harm from problem gambling also extends beyond gamblers to their family, friends, employers, colleagues and the community as a whole (Ministry of Health, 2016).

Based on the findings of two surveys of clients of problem gambling treatment surveys and affected others (partners, other family members and friends), gamblers underestimate the negative effects of their gambling on family/whanau members, children and home life (Bellringer, 2016). Family/whanau violence and abuse is common in people seeking help for their own or someone else’s gambling (Bellringer, 2016).

The 2012 National Gambling Study estimated that:

- 0.7% of adults in New Zealand (approximately 24,000 people) were current problem gamblers
- 1.8% (60,000 people) were current moderate-risk gamblers
- 5.0% (168,000 people) were current low-risk gamblers
- 92.6% (3.109 million people) were current non-problem (‘recreational’) gamblers or non-gamblers.

5.1 Problem Gambling Statistics for the Manawatu District

The Ministry of Health records intervention statistics for problem gambling. Figure 7 illustrates the number of new problem gambling clients assisted in the Manawatu District by financial year. This data
includes gamblers who have contacted a problem gambling help service and family members or affected others that have sought intervention on a problem gamblers behalf. There was a peak in new problem gambling clients in the 2010/11 financial year. The number of new problem gambling clients per year has generally been declining since 2013/14 with 14 new clients in the 2015/16 financial year.

![Number of new problem gambling clients assisted in the Manawatu District by financial year](image)

**Figure 7: Trends in New Problem Gambling Clients (Ministry of Health, 2017)**

Trends in the total number of problem gambling clients (new clients and clients who first contacted a service in a previous year, including both gamblers and their family or affected others) for all intervention types generally follow the same pattern. There was a total of 37 clients assisted for problem gambling in the Manawatu District in the 2015/16 financial year.

![Total Number of Clients Assisted for Problem Gambling within the Manawatu District by Financial Year](image)

**Figure 8: Trends in Total Number of Clients Assisted for Problem Gambling (Ministry of Health, 2017)**
Figure 9 below compares the total number of clients seeking intervention services for problem gambling in the Manawatu District, as a percentage of the total population, with clients assisted in nearby Territorial Authorities from the 2012/13 to 2015/16 financial years. This figure shows that the Manawatu District Council has generally had a higher percentage of the population seeking assistance with problem gambling compared to neighbouring territorial authorities, except for the Horowhenua District Council in 2014/15 and 2015/16. However, the population percentages across all of the Territorial Authorities we looked at vary by less than 0.2%, so only relate to small numbers of residents.

![Percentage of Total District Population assisted for Problem Gambling by Financial Year](chart)

Figure 9: Number of Problem Gambling Clients over time by Territorial Authority (Ministry of Health, 2017)

Figure 10 illustrates the percentage of the total population of NZ that received support for their own, or someone else’s gambling, by financial year. This data is based on intervention figures from the Ministry of Health (Ministry of Health, 2017) and estimated resident population for New Zealand from Statistics New Zealand (Statistics New Zealand, 2017). This figure shows that the percentage of the total population seeking assistance for problem gambling has been fairly stable since 2010/11, at between 0.25% and 0.3% of the population. Figure 9 above suggests that the percentage of residents living in the Manawatu District that have sought assistance for problem gambling (between 0.17% and 0.12% of the District’s usually resident population) has been consistently lower than the national average.
A press release from the Department of Internal Affairs has reported that “Preliminary results from the 2016 Health and Lifestyle Survey indicate that there has been no increase in the overall prevalence of problem gambling from 2014 to 2016” (The Department of Internal Affairs, 2017).

5.2 Factors Influencing Problem Gambling

Findings from the 2012 National Gambling Study and follow-up surveys suggest that the key factors influencing problem gambling in New Zealand include:

- **Ethnicity**
  
  Maori and Pacific people being more likely to experience harm from gambling (Abbott, 2016).

- **Proximity to Gambling Venues and Community Deprivation**
  
  Electronic gaming machine venues and TABs are concentrated in lower deprivation areas in New Zealand (Clarke, 2015) and residential proximity to gaming machine venues in linked to problem gambling (Ministry of Health, 2008).

- **Economic Trends**
  
  While the number of non-casino gaming machines has been dropping since late 2003, spending on these machines tends to follow more general economic trends (Ministry of Health, 2016).

- **Gambling Mode**
  
  Nearly half of all new clients seeking intervention services for problem gambling in the 2015/16 financial year identified “non-casino gaming machine gambling” (47.8%) as their primary gambling mode. Just over 10% of new clients (10.3%) identified “NZ Racing Board” gambling as their primary gambling mode (Ministry of Health, 2017).
Research suggests that the reasons for an increase or decrease in problem gambling is complex and is not directly related to the number of gambling machines (Norman, 2016).

Of the factors listed above, the Manawatu District Council’s Gambling Venues Policy is able to control the proximity of gambling venues to residential areas and to deprived communities. The Gambling Venues Policy does this by only providing for Class 4 gambling Venues and Board Venues in certain District Plan Zones and by specifying separation distances between entrances to venues and certain activities where families and children may congregate (refer to Section 4.4.1).

While there is not a direct relationship between the number of electronic gaming machines and the incidence of problem gambling in the Manawatu District, the Manawatu District Council’s Gambling Venues Policy includes a gaming machine cap. A gaming machine cap is a useful tool for limiting the number of new Class 4 venues that are able to establish in the District.

Table 4 in Section 6 below evaluates the social costs and benefits of the key changes that are proposed through this review to the Gambling Venues Policy.
## 6 Social Impacts of Proposed Changes to the Policy

Table 4 evaluates proposed changes to the Gambling Venues Policy that may result in social effects. This policy is to give effect to section 101(2) of the Gambling Act 2003 and section 65D(2) of the Racing Act 2003.

<table>
<thead>
<tr>
<th>Proposed Change and Description</th>
<th>Positive Effects</th>
<th>Neutral Effects and Safeguards</th>
<th>Negative Effects</th>
<th>Overall Conclusion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lowering the Gaming Machine Cap</td>
<td>1. The number of gaming machines in the District has declined over time. A reduction in the cap is consistent with this trend. 2. If all of the existing potential was utilised an additional 38 machines could be installed over five or more venues. This could have adverse social impacts, particularly if new venues establish close to residential or low deprivation areas. 3. The suggested cap of 81 machines would enable the Rangitikei Club Inc to restart trading at a new premises with the same number of machines.</td>
<td>1. There will be no effect on the amount of money currently available to charities and community groups in the District as those Societies that own the gaming machines are able to continue to operate as they do currently.</td>
<td>1. The new cap will not provide for any new class 4 venues to establish in the District, unless the Rangitikei Club elects not to re-establish, or additional venues close or reduce machine numbers. This may have economic impacts for the District in terms of lost potential revenue if gaming machines are an important part of the entertainment package at a venue. 2. Lowering the cap may limit potential growth in the amount of revenue available to charities and community groups.</td>
<td>The current cap is considered to be too high given current gaming machine numbers. A reduction in the current gaming machine cap from 105 to 81 is considered reasonable as it provides for the continuation of existing class 4 gambling venues, and recognises that we are still within the 6 month lapse period for the recently closed Rangitikei Club. The cap will help minimise potential adverse effects, including cumulative effects, of new gambling venues establishing. As gaming machine numbers have been falling over time, a lowering of the cap would be consistent with this trend.</td>
</tr>
<tr>
<td>Proposed Change and Description</td>
<td>Positive Effects</td>
<td>Neutral Effects and Safeguards</td>
<td>Negative Effects</td>
<td>Overall Conclusion</td>
</tr>
<tr>
<td>---------------------------------</td>
<td>-----------------</td>
<td>------------------------------</td>
<td>-----------------</td>
<td>-------------------</td>
</tr>
<tr>
<td>4. By reducing the number of new venues that are able to establish in the District, the cumulative effects of multiple gambling venues in close proximity will be minimised.</td>
<td>number of machines that they were operating at the Rangitikei Club (12), as provided for by Clause 3.2.6 of the operative policy.</td>
<td>through grants that distribute the proceeds of class 4 gambling.</td>
<td>of the cap is consistent with this trend.</td>
<td></td>
</tr>
</tbody>
</table>

**Information Requirements**

Changes to the information requirements for applications to the Manawatu District Council for class 4 venues or board venues

1. The proposed changes are to ensure consistency between the policy and the information requirements set out in the current application form.
2. Changes to the information requirements will enable a more thorough analysis of the potential social impacts if the consent is issued. In particular,

1. The proposed changes add to the complexity of the Policy by being more explicit on what information is needed for venue applications.

Overall the proposed changes to the information requirements are considered beneficial in that they enable Council to thoroughly assess the potential social impacts of a new venue and benefit applicants by providing greater certainty on information requirements.
<table>
<thead>
<tr>
<th>Proposed Change and Description</th>
<th>Positive Effects</th>
<th>Neutral Effects and Safeguards</th>
<th>Negative Effects</th>
<th>Overall Conclusion</th>
</tr>
</thead>
<tbody>
<tr>
<td>applicants are required to provide information on proximity of the venue to education facilities, places of worship and other community facilities; proximity to other class 4 licenced venues; and details of the frequency of distribution of funds to the community. 3. Provides greater certainty for policy users on the information that they will need to provide through the application process.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
7 Conclusion

This report provides the Manawatu District Council Officers and Elected Members with information to assess the social impacts of gambling within the District. The purpose of this report is to inform the review of the Gambling Venues Policy, which considers both Class 4 venues and New Zealand Racing Board Venues ("Board Venues").

This Policy enables the Manawatu District Council to influence the number and location of new class 4 gambling venues and Board venues, and the number of gaming machines operating in both class 4 venues and the District as a whole. However, the Policy is not able to control all modes of gambling, including internet-based gambling, gambling in casinos and TAB outlets within restaurants, clubs and pubs.

There is currently very little information available on the prevalence of internet-based gambling. In the 2014/15 financial year, only 4.44% of first-time callers to the Problem Gambling Helpline (18 clients) identified an internet-based mode as their primary gambling mode. As noted in Section 5.1.6 of Annex 1 to this report, most studies suggest that the vast majority of current online gamblers in New Zealand restrict themselves to New Zealand Lotteries Commission and New Zealand Racing Board products (Ministry of Health, 2016). This gambling venues policy has no control over these gambling modes.

Key findings of this social impact assessment include:

- The number of electronic gaming machines in the Manawatu District has declined over time.
- There are currently 5 class 4 gambling venues in the Manawatu District, with a total of 67 electronic gaming machines currently operating and 99 consented to operate.
- There are no stand-alone TAB venues in the Manawatu District, but three TAB outlets within pubs and taverns in Feilding and Rongotea that also operate gaming machines.
- Existing class 4 venues and TABs are located within moderately low deprivation areas.
- The location of new gambling venues is managed through zoning and separation distance controls in the Gambling Venues Policy.
- Gaming machine proceeds in the Manawatu District are consistently lower than the National average.
- The proportion of total residents within the Manawatu District that have sought help for problem gambling in recent years is generally higher than residents in neighbouring districts, except for the Horowhenua District in recent years, but lower than the National average.

The proposed changes to the Gambling Venues Policy include:

1. Lowering the gaming machine numbers cap from 105 to 81.
2. Changes to the information requirements for applications for new Class 4 gambling venues and Board Venues.
The proposed reduction in the gaming machine cap will mean that the existing gaming venues could continue up to their consented numbers but no new class 4 venues could establish unless one of the existing venues surrenders its licence or the consent for the Rangitikei Club lapses. The current policy allows for 6 more gaming machines than is currently consented to operate in the District.

The lowered cap is based on the assumption that no new society establishes at the Rangitikei Club venue within the 6 month lapse period (prior to 28 August 2018). If this assumption proves false, then the cap will need to be increased to 99 machines to ensure that all existing venues are able to operate up to the machine limits set out in the legislation. If the existing consent lapses the Rangitikei Club will be treated as a “new” venue under the legislation and any future consent applications to operate gaming machines from this venue will need to comply with the machine cap set out in the policy and with the requirements of the Gambling Act 2003.

This proposed lowering of the gaming machine cap is considered neutral or beneficial in terms of social impacts as it provides for the continuation of existing class 4 gambling venues while minimising potential adverse effects, including cumulative effects, of new venues establishing. The change is considered to strike an appropriate balance between providing for class 4 gambling and the benefits it provides to the community in terms of grants and entertainment, and the social costs of problem gambling.

The changes to the information requirements specified in the policy for applications for new venues are considered beneficial in that they enable Council to thoroughly assess the potential social impacts of a new venue and benefit applicants by providing greater certainty on information requirements.
ANNEX 1 – SUPPORTING INFORMATION

1 Overview of Class 4 Gambling

An overview of class 4 gambling is provided in the Department of Internal Affairs publication “Guide: Pokies in New Zealand – A guide to how the system works” (October 2016). In summary:

- The New Zealand gambling model returns millions of dollars to our community
- Corporate societies own pokie (or electronic gaming) machines
- Venues such as pubs are paid by societies to host their machines
- Payments to venues for machines are controlled and limited
- Venues return pokie proceeds to corporate societies
- Community groups can apply to corporate societies for grant funding
- Corporate societies distribute proceeds to community groups

The Department of Internal Affairs is responsible for regulating the gambling sector in New Zealand. Corporate societies are licensed by Internal Affairs to operate gaming or ‘pokie’ machines in clubs or in commercial venues (pubs and bars). 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.

The Department of Internal Affairs sets minimum allocation requirements for the proceeds from Class 4 gaming machines. About a quarter of the total proceeds is spent on fixed costs including government duties (23%), levies and licencing fees. Societies use a portion of the proceeds to meet “actual, reasonable and necessary” operating costs which they incur in running their Class 4 operations.” The society also pays a commission to the venue owner of up to 1.28 per cent of their weekly turnover, capped at 16 per cent of their net annual gaming machine profits. The commission rate is set at a level that is intended to reimburse the actual cost of operating Class 4 gambling without allowing pubs and bars to make a profit from the operation of gaming machines.

The remaining proceeds are called “net proceeds” and must be allocated to authorised community purposes. Societies must allocate a minimum of 40 per cent of gaming machine proceeds, excluding GST, in each financial year. They are often able to distribute more than 40 per cent to the community. If societies are unable to meet the minimum rate, Internal Affairs can revoke or not renew their operating licence. Corporate societies have an obligation to minimise costs and maximise the amount distributed to the community.

The following pie chart (Figure 11) summarises the minimum allocation requirements for class 4 gaming machine gross proceeds (Department of Internal Affairs, 2016):
The total turnover from electronic gaming machines depends on how many people use them and how often. As the location of the machines can influence their use, societies may compete to locate their machines in popular bars and pubs where turnover may be higher. Figure 12 below summarises the actual gaming machine society cost allocations in 2015 (Department of Internal Affairs, 2017).
According to the Department of Internal Affairs, in 2015 grant funding was as follows:
- Funding to Sport: $122m (49% of total) up from $106m (47%) in 2014.
- There were 16,291 separate grant recipients who received 26,327 grants.
- $50.8m was applied to funding Clubs.

In 2015 58% of grants were returned to individual regions ($182.4m). As shown in Figure 13 below, approximately 27.5% of this $182.4m was allocated to grants in the Manawatu-Wanganui Region (Department of Internal Affairs, 2017).
Overview of New Zealand Racing Board Venues

The New Zealand Racing Board 2016 Annual Plan provides the following overview:

NZRB supports betting on more than 78,000 domestic and imported thoroughbred, harness and greyhound races each season, as well as on approximately 33,000 domestic and international sporting events. It has betting agreements with 34 New Zealand National Sporting organisations.

NZRB continues to develop its Gaming premises, having held a Class 4 Operator’s Licence since 2011. Currently, 42 of our 86 TAB Board Venues host NZRB gaming machines. It is estimated the NZRB operates around 3.5% of the total number of Class 4 Venues and around 2.9% of the total number of gaming machines in the New Zealand market. Net proceeds from the gaming operation are split with at least 80% funding Racing Authorised Purposes (integrity measures such as the Racing Integrity Unit, NZ Racing Laboratory Services and Judicial Control Authority as well as promotion of racing costs), and up to 20% distributed to community sporting organisations.
4 National Trends in Class 4 Gambling

4.1 Participation Trends

The findings of the 2012 National gambling Study were that 62% of adults had bought a lotto ticket at least once in the previous year but only 14% had played a non-casino gaming machine and 12% had bet on a horse or dog race at least once. (Ministry of Health, 2016).

There are also differences in the frequency in which people participate in different gambling activities. For example, the 2012 National Gambling Study estimated that 17% of adults bought a Lotto ticket at least once a week, but only 1.5% played a non-casino gaming machine that frequently (Ministry of Health, 2016).

Based on findings of the 1991 National Survey and the equivalent 2012 National Gambling Survey, gambling participation and frequent participation in riskier forms of gambling has fallen. The result of attitudes surveys from the Department of Internal Affairs also suggest declining participation in non-casino gaming machines, from 5% of adults participating at least once a week in 1991, to 3% in 2005 and 1.5% in 2012 (Ministry of Health, 2016). However, results from recent iterations of the New Zealand Health and Lifestyles Survey (HLS) suggest that these downward trends might have slowed or levelled off (Tu and Puthipiroj, in press).

4.2 Gambling Expenditure

Gamblers in New Zealand spent $2,209 million dollars on the four main forms of gambling in the 2015/16 financial year (Department of Internal Affairs, 2017). This represented a 5.6% increase on the 2014/15 financial year. Adjusting for the effects of both inflation and changes to the New Zealand’s adult population, gambling expenditure increased by 2.6% from an average of $601 per person in 2015 to $616 per person in 2016. However, the overall trend in gambling expenditure over the last seven years has been generally downward from a high of $645 per person in 2010 (Department of Internal Affairs, 2017).
Table 5 (Department of Internal Affairs, 2017)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>NZ RACING BOARD (TAB)</td>
<td>$278</td>
<td>$273</td>
<td>$283</td>
<td>$294</td>
<td>$310</td>
<td>$325</td>
<td>$342</td>
</tr>
<tr>
<td>NZ LOTTERIES COMMISSION</td>
<td>$347</td>
<td>$404</td>
<td>$419</td>
<td>$432</td>
<td>$463</td>
<td>$420</td>
<td>$437</td>
</tr>
<tr>
<td>GAMING MACHINES (outside Casinos)</td>
<td>$849</td>
<td>$856</td>
<td>$854</td>
<td>$827</td>
<td>$806</td>
<td>$818</td>
<td>$843</td>
</tr>
<tr>
<td>CASINOS</td>
<td>$440</td>
<td>$448</td>
<td>$483</td>
<td>$490</td>
<td>$486</td>
<td>$527</td>
<td>$586</td>
</tr>
<tr>
<td>TOTAL</td>
<td>$1,914</td>
<td>$1,982</td>
<td>$2,038</td>
<td>$2,042</td>
<td>$2,065</td>
<td>$2,091</td>
<td>$2,209</td>
</tr>
</tbody>
</table>

4.3 Numbers of Non-Casino Gaming Machines and Venues

Statistics on the Department of Internal Affairs website show that gaming machine numbers in New Zealand peaked in June 2003 at 25,221 machines. As shown in Figure 14 below, total gaming machine numbers in New Zealand have declined since 2013 to 16,053 gaming machines, as at March 2017.
The Department of Internal Affairs has reported the following trends for the period from June 2015 to June 2016:

- Class 4 venues have decreased by 46 (4%).
- Electronic Gaming Machines (EGMs) have decreased by 341 (2%).
- Societies have decreased by 2 (5%).
- Clubs have decreased by 20 (7%).

A press release from the Department of Internal Affairs on 20 April 2017 reported the following (Department of Internal Affairs, 2017):

- Proceeds from pub and club gaming machines for January to March 2017 were $7.8 million, an increase of 3.9% on the same period in 2016.
- Spending totalled $207.3 million for the quarter ending 31 March 2017, compared with $199.5 million for quarter ending 31 March 2016.
- Preliminary results from the 2016 Health and Lifestyle Survey indicate there has been no increase in the overall prevalence of problem gambling from 2014 to 2016. The planned national gambling survey for 2017 will indicate whether a downward trend in problem gambling has continued.
- Over the last 12 months (from March 2016) the number of licence holders fell 4.5% from 292 to 279, the number of venues declined 2% (from 1224 to 1196) and the number of gaming machines dropped 1.6% (from 16,274 to 16,013).


4.4 NZRB Betting Trends

According to the New Zealand Racing Board 2016 Annual Report, better turnover has increased in recent years. Total turnover hit a record $2.67 billion, an increase of 11.9% on 2014/15. More than 53,000 first time bettors took a punt in 2015/16, an 18% increase on the previous financial year. Total Account betting turnover grew 17% to $1.29 billion in 2015/16, with account gross revenue growing 18% to $173.0 million (New Zealand Racing Board, 2016).

Figure 15 below shows that NZRB customer numbers are increasing over time. Customers are also moving away from totaliser products towards fixed odds products, particularly sports betting which increase by 37.2% in 2015/16. In-play sports products grew 65% in 2015/16 (New Zealand Racing Board, 2016).

NZRB customers spent $19.8 million on the 2015 Rugby World Cup. 31% of account customers bet on the tournament, with 7,800 new customers joining for the event. The Rugby World Cup’s One Punt at a Million promotion had over 50,000 participants, resulting in 2,000 new accounts. (New Zealand Racing Board, 2016).

The NZRB Interim Financial Statement for the first half of 2016/17 reported the following trends (New Zealand Racing Board, 2017):

- Move from Tote to Fixed Odds (Racing tote – 7.8%, FOB +4.8%)
- Digital is the fastest growing channel, making up 57% of betting turnover, an increase of 1.5% on last year, with telephony down 33%, impacted by the closure of Phonebet.
- The Mobile App remains the fastest growing customer touch point, up 79.7% or $29.7 million on 2015/16. In the 2015/16 financial year, total downloads of the TAB mobile App reached over 175,000, with 22,000 new accounts generated.
- The retail network has grown turnover by 0.8%, led by TAB Branch venues up 12.8%.
- Gaming turnover increased by $25.4 million (13%), impacted by refurbishments of existing venues and new TAB venues opened over the previous 12 months.
Figure 16 below illustrates the changes in the way that customers access NZRB products (New Zealand Racing Board, 2016).

Figure 16: NZRB Customer Channel Preferences

Overall turnover for the first half of the 2016/17 financial year was $6.0 million (0.4%) down on the 2015/16 financial year, due to a decrease in betting turnover. However, distributable profit for the first half of 2016/17 has increased 6.9% on last year due to improved margins and good cost management (New Zealand Racing Board, 2017).

5 Problem Gambling

According to Ministry of Health Statistics 12420 people in New Zealand sought intervention for problem gambling in the 2015/16 financial year (July 2015 to June 2016). Of these clients, 53.7% were gamblers and 46.3% were family members or “affected others.” In the 2015/16 financial year, 53% of all clients assisted were female and 47% were male.

5.1 Factors Influencing Problem Gambling

5.1.1 Ethnicity

The 2014 New Zealand National Gambling Study reported Pacific and Asian people in New Zealand as having a ‘bi-modal’ pattern of gambling. That is, a relatively low proportion taking part in gambling activities and a relatively high proportion experiencing harm. Pacific adults had a lower rate of past year gambling participation (70.8%) than Maori (78.8%) and European/Other (79.5%). Asian adults had the lower participation rate (60.4%). The findings of the 2014 survey were that of the Pacific adults who participated in gambling during the past year (2013), 25% experienced at least some loss of control or adverse consequences (combined problem, moderate and low-risk gambling). This compares with 6% percent for European/Other, 20% of Maori participants and 10% of Asian participants.

The Ministry of Health reported that of the 12420 clients that sought some form of intervention for problem gambling from July 2015 to June 2016, 10.8% were East Asian, 34.2% were Maori, 18.9% were Pacific and 36.1% were “other” (including NZ European and other ethnic groups not specified) (Ministry of Health, 2017). Figure 17 below shows that the proportion of clients assisted in each ethnic group has been fairly stable since 2011/12.
The number of Maori usually resident in the Manawatu District in 2016 has been estimated as 4630 (Infometrics, 2017). This is equivalent to 15.54% of the total District population, which is similar to the percentage of people nationally that identify as Maori (15.41%).

One of the reasons for suggested factors contributing to ethnic differences in gambling-related harm is the elevated risk for harm when a population is first exposed to continuous forms of gambling such as electronic gaming machines. A substantial proportion of Pacific people are migrants from countries that have low exposure to gambling. In addition, many belong to churches that promote gambling for fundraising purposes and some Pacific people see gambling as a way to obtain money to pay church tithes and fulfill traditional gifting obligations (Bellringer et al., 2013; Urale, Bellringer, Landon & Abbott, 2015). Further research is required to understand more fully the cultural and other factors that contribute to the very high rates of gambling related harm among Pacific people.

It appears likely that disparities between ethnic and various other groups are largely a consequence of vulnerable groups being exposed to high densities of EGM and other gambling venues.

5.1.2 Proximity to Gambling Venues and Community Deprivation

In New Zealand, electronic gaming machine venues and TABs are heavily concentrated in high deprivation communities (Clarke, 2015). Research has shown that residential proximity to electronic gaming machine venues is associated with problem gambling (Ministry of Health, 2008). 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 5 k of their neighbourhood centre may have been more likely to have gambled at a gambling venue in the past year (Ministry of Health, 2008).

These findings suggest that policies aimed at preventing and minimising gambling-related harm could focus on measures that increase people’s distance to gambling venues. Modifications suggested in the study include limiting the number of gambling venues in areas, particularly in vulnerable communities, and reducing the geographical dispersal of gambling venues in the community. This study also lends support to policies that attempt to control the expansion of gambling (Ministry of Health, 2008).
A study of gaming machines in New Zealand in 2006 found that there were an average of one gaming machine for every 75 people in highly deprived areas of New Zealand compared to one machine for every 465 people in areas of low deprivation. This means that people living in highly deprived areas were exposed to six times more gaming machines than a person in a low deprivation area (B.W. Wheeler, 2006).

5.1.3 Number of Gaming Machines

In an article in the Wairarapa Times-Age on May 16, 2016 (Norman, 2016) Jarold True, solicitor for the New Zealand Racing Board, was quoted as saying that “Between 2006 and 2010 the problem rate increased, despite the number of gaming machines in New Zealand falling considerably in the same period. Between 2010 and 2012 the problem gambling rate stayed the same, despite a continual decline in gaming machine numbers. The reasons for an increase or decrease in problem gambling is complex and multifaceted, not simply the direct by-product of an increase or decrease in machine numbers.” This commentary suggests that there is not a direct relationship between the number of gambling machines and the prevalence of problem gambling in a location.

However, a study by Storer et al. in 2009 reported an increase of problem gambling by nearly one new person per each new gaming machine. They therefore concluded that restricting the per capita density of gaming machines leads to a decrease in gambling harm (J. Storer, 2009).

5.1.4 Economic Trends

The Ministry of Health three-year service plan and levy rates for 2013/14 to 2015/16 stated that “Uncertain economic times make it more difficult to predict how gamblers will behave. While the number of non-casino gaming machines has been dropping since late 2003, spending on these machines tends to follow more general economic trends” (Ministry of Health, 2016). This suggests that economic stability and trends may influence spending on gaming machines.

5.1.5 Gambling Mode

As shown in Figure 18 below, the number of problem gamblers differs across different gambling modes. Nearly half of all new clients of problem gambling intervention services in the 2015/16 financial year were gaming machine gamblers. Just over 10% of new clients were NZ Racing Board gamblers. This suggests that gamblers using gaming machines are statistically more likely to be problem gamblers.
Figure 18 (Ministry of Health, 2017)

Figure 18 shows that the proportion of intervention clients whose primary gambling mode is “non-casino gaming machines” has generally declined over time from 74.6% in 2004/05 to 47.83% in 2015/16, while the proportion of new problem gamblers that identify NZ Racing Board gambling as their primary gambling mode has increased over time from 6.35% in 2004/05 to 10.27% in 2015/16.

Figure 19

Percentage of Total New Problem Gambling Clients (gamblers and affected others) by financial year and gambling mode
5.1.6 Access to Online Gambling

As noted in section 6.4, digital is the fastest growing channel when it comes to NZ Racing Board gambling products. The TAB mobile App was the fastest growing customer touch point in 2015/16.

A study by the Gambling and Addictions Research Centre at the Auckland University of Technology in 2015 found that New Zealand has a lower prevalence of internet gambling than some other Western countries. Online gambling expenditure is substantially less than expenditure on land-based modes of gambling (Gambling and Addictions Research Centre, Auckland University of Technology, 2015). Most studies suggest that the vast majority of current online gamblers in New Zealand restrict themselves to New Zealand Lotteries Commission and New Zealand Racing Board products. The Ministry of Health will continue to research and analyse developments in online gambling (Ministry of Health, 2016).

In the 2014/15 financial year, there were 405 first time callers to the Gambling Helpline. Just over 74% of these callers (301 clients) identified “gaming machines” as the primary gambling mode. When this data is broken down further, only five of these 301 clients reported internet gaming machines as their primary gambling mode. When all gambling modes are considered, only 18 first time callers (4.44%) identified an internet-based gambling mode as their primary mode.

With increasing internet speed and capacity and increasing use of online payment methods, we may see large increases in online gambling in New Zealand over the next few years (Ministry of Health, 2016). Online Gambling is not something that is able to be controlled by the Manawatu District Council through the Gambling Venues and Board Venues Policy.

5.2 Findings of the 2014 New Zealand National Gambling Study

The 2014 New Zealand National Gambling Study (Abbott, 2016) identified the following sociodemographic risk factors for problem and moderate-risk gambling (in order of importance):

1. Ethnicity – with Pacific and Maori ethnicity particularly high risk
2. Unemployment
3. Neighbourhood deprivation

The study also identified the following independent risk factors:

- Age (with younger being higher risk)
- Lack of formal qualifications
- Membership of Christian religions other than Anglican, Catholic and Presbyterian
- Membership of non-Christian religions.

Other significant predictors of problem and moderate-risk gambling included:

- Preferences for non-casino gaming machines and casino gambling
- Monthly or more frequent participation in pub gaming machines, casino gaming machines, card games and housie or bingo
• Large gambling expenditure and
• Long periods of gaming machine participation in a typical day.

More than two-thirds of people who reported typical daily pub gaming machine participation of three hours or more were problem and moderate-risk gamblers (Abbott, 2016).

These findings underline the strong link between involvement in continuous forms of gambling, especially gaming machines, and problem gambling and gambling-related harm more generally. The proportion of clients reporting gaming machines as their most problematic gambling activity has reduced somewhat in recent years. However, it remains the most common form mentioned in this regard (Ministry of Health, 2015).

5.3 Intervention Services

There are problem gambling help services around the country. Nationwide services include a 24 hour per day helpline and a range of population specific helplines including:

- Maori Gambling Helpline
- Vai Lelei Pasifika Gambling Helpline
- Gambling Dept Helpline
- Youth Gambling Helpline, and
- Asian Hotline (Problem Gambling Foundation).

Other national public health and intervention services include the Salvation Army Oasis Centres, the Problem Gambling Foundation of New Zealand and Woodlands Trust.

In addition, there are two problem gambling help services within the Manawatu-Whanganui Region – Best Care Whakapai Hauora Palmerston North and Nga Tai O Te Awa Trust Whanganui.
6 Bibliography


Department of Internal Affairs. (2017, April 20). *Press Release.* Retrieved from Department of Internal Affairs:


Department of Internal Affairs. (2017). *Summary of Expenditure by Territorial Authority District.* Retrieved from Department of Internal Affairs:


ASSESSMENT OF THE SOCIAL IMPACT OF GAMBLING

Report to support the review of the Gambling Venues Policy

July 2017
1 Introduction

All Councils are required by section 102 of the Gambling Act 2003 to adopt a class 4 venue policy and to review that policy at least every three years. Councils are required by Section 65D of the Racing Act 2003 to adopt a policy on New Zealand Racing Board (Board) Venues. Board venue policies must also be reviewed at least every three years (section 65E of the Racing Act 2003). Council’s Gambling Venue Policy was adopted in September 2014 and includes both the policy on Class 4 Gambling Venues and the policy on Board venues.

Both section 101(2) of the Gambling Act 2003 and section 65D(2) of the Racing Act 2003 state that:

In adopting a policy, the territorial authority must have regard to the social impact of gambling within the territorial authority district.

This social impact assessment is therefore to fulfil these statutory requirements and to inform the review of Council’s operative Gambling Venue Policy.

Section 101(4) of the Gambling Act 2003 and Section 65D(4) of the Racing Act 2003 provide some guidance on the types of matters that Council should have regard to when determining its policies on Class 4 gambling venues and Board venues, including:

a) the characteristics of the district and parts of the district;

b) the location of kindergartens, early childhood centres, schools, places of worship, and other community facilities; and

c) the cumulative effects of additional opportunities for gambling in the district.

In assessing the social impact of gambling in the Manawatu District, the following sources of information have been considered:

- National reports on gambling behaviour
- Information on the characteristics of the Manawatu District, including deprivation statistics
- Information about existing Class 4 venues and board venues from the Department of Internal Affairs and Statistics New Zealand
- Spatial analysis of the proximity of existing venues to kindergartens, early childhood centres, schools, places of worship and other community facilities
- Information about the distribution of funding throughout the District from class 4 venues
- Problem gambling statistics and trends from the Ministry of Health and Problem Gambling Foundation.

1.1 Policy Limitations

Consent is required from the Manawatu District Council under the Gambling Act 2003 to establish or re-establish a Class 4 venue, or to increase the number of gaming machines operated at a Class 4 Venue. The Policy is able to influence where Class 4 venues may establish, and the number of gaming machines that may operate. Once issued, a consent does not lapse or expire. There are no retrospective powers under the Gambling Act 2003 over consented venues.
Consent is required from the Manawatu District Council under the Racing Act 2003 to establish a standalone TAB venue in the District. However, the Policy is not able to influence TAB outlets that establish in conjunction with other activities within pubs, bars and taverns. The powers of the Policy are therefore limited to those venues that require territorial authority consent.

1.2 Definitions of Class 4 Gambling and Board Venues

The Gambling Act 2003 divides gambling into six classes. Territorial Authorities have responsibilities in relation to class 4 gambling. Section 30 of the Gambling Act 2003 defines Class 4 gambling as follows:

In this Act, **class 4 gambling** is gambling that satisfies the following criteria:

a. the net proceeds from the gambling are applied to, or distributed for, authorised purposes; and

b. either—
   i. no commission is paid to or received by a person for conducting the gambling; or
   ii. the only commission that is paid to or received by a person for conducting the gambling is a commission payment to a venue operator that complies with regulations made under section 371(1)(dd); and

c. there are game rules for the gambling; and

d. the gambling, and the conduct of the gambling, satisfies relevant game rules; and

e. either—
   i. the Secretary has categorised the gambling as class 4 gambling and not as another class of gambling; or
   ii. the gambling utilises or involves a gaming machine.

The Gambling Act also authorises private gambling, authorised sales promotion schemes and gambling authorised by or under the Racing Act 2003.

Section 65A of the Racing Act 2003 requires that a territorial authority consent be obtained if the New Zealand Racing Board proposes to establish a Board Venue within the District. The Racing Act 2003 defines a Board Venue as “premises that are owned or leased by the Board and where the main business carried on at the premises is providing racing betting or sports betting services under this Act.”

The Board Venues Policy therefore only controls stand-alone TAB venues that require territorial authority consent under the Racing Act 2003. The Policy does not control TAB outlets that are located in pubs, taverns and hotels.

1.3 Purpose of the relevant Acts in relation to gambling venue policies

The purpose of the Gambling Act 2003 is to:
a) control the growth of gambling; and  
b) prevent and minimise harm from gambling, including problem gambling; and  
c) authorise some gambling and prohibit the rest; and  
d) facilitate responsible gambling; and  
e) ensure the integrity and fairness of games; and  
f) limit opportunities for crime or dishonesty associated with gambling and the conduct of gambling; and  
g) ensure that money from gambling benefits the community; and  
h) facilitate community involvement in decisions about the provision of gambling.

The purpose of the Racing Act 2003 is:

a) to provide effective governance arrangements for the racing industry; and  
b) to facilitate betting on galloping, harness, and greyhound races, and other sporting events; and  
c) to promote the long-term viability of New Zealand racing.

It should be noted that one of the functions of the New Zealand Racing Board, under section 9 of the Racing Act 2003 is:

“to develop or implement, or arrange for the development or implementation of, programmes for the purposes of reducing problem gambling and minimising the effects of that gambling...”

In carrying out its functions under the Racing Act, the Board must:

a) comply with the principles of natural justice; and  
b) exhibit a sense of social responsibility by having regard to the interests of the community in which it operates.
3  Gambling within the Manawatu District

3.1  Manawatu District Profile

The Manawatu District had a usually resident population of 29,800 in 2016. This was equivalent to 0.6% of the national population in 2016. The current growth rate for the District is 1.7% per annum.

3.2  Existing Class 4 Gambling Venues

Table 1: Class 4 Gambling Venues

<table>
<thead>
<tr>
<th>Site Name</th>
<th>Society</th>
<th>Site Town</th>
<th>Number applied for</th>
<th>Total no. of machines</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stockyard Bar and Restaurant</td>
<td>Trillian Trust</td>
<td>Feilding</td>
<td>18</td>
<td>18</td>
<td></td>
</tr>
<tr>
<td>Drovers Return Bar and Cafe</td>
<td>NZ Community Trust (NZCT)</td>
<td>Feilding</td>
<td>12</td>
<td>9</td>
<td></td>
</tr>
<tr>
<td>Empire Tavern</td>
<td>NZCT</td>
<td>Feilding</td>
<td>18</td>
<td>18</td>
<td></td>
</tr>
<tr>
<td>Feilding Hotel</td>
<td>NZCT</td>
<td>Feilding</td>
<td>18</td>
<td>18</td>
<td></td>
</tr>
<tr>
<td>Rangitikei Club</td>
<td>Rangitikei Club Inc</td>
<td>Feilding</td>
<td>18</td>
<td>12</td>
<td>0 Went into voluntary liquidation March 2017</td>
</tr>
<tr>
<td>Rongotea Tavern</td>
<td>Pub Charity Ltd</td>
<td>Rongotea</td>
<td>3</td>
<td>6</td>
<td>4 Previously there were two Societies operating at this venue – Scottswood Group with 6 machines and NZCT with 3 machines</td>
</tr>
<tr>
<td>The Kiwi Tavern</td>
<td>The Southern Trust</td>
<td>Feilding</td>
<td>9</td>
<td>0</td>
<td>0 Closed July 2014</td>
</tr>
<tr>
<td><strong>Totals</strong></td>
<td></td>
<td></td>
<td><strong>102</strong></td>
<td><strong>81</strong></td>
<td><strong>67</strong></td>
</tr>
</tbody>
</table>

As at 31 March 2017, the Manawatu District had 0.5% of Class 4 venues and 0.49% of the total gaming machines in New Zealand. Based on the Statistics New Zealand sub-national population estimates, 0.64% of New Zealand’s population live within the Manawatu District (0.64% each year from 2013 to 2016) (Statistics New Zealand, 2017).

The total number of gaming machines has generally declined over time. There were 133 machines spread over 16 venues in 2003, 137 machines in 2007, and 99 machines consented to operate over five venues (but only 67 actually operating) after the closure of the Rangitikei Club in March 2017. Part
of the reduction in machine numbers is attributable to twenty six gaming machines that were transferred to the Palmerston North City Council through the boundary adjustment in 2012.

3.2.1 Deprivation Information

Figure 1 below shows that all of the existing class 4 gambling venues are within moderately low deprivation areas (7.0 on the index of Deprivation 2013), in the Statistics New Zealand Area Units of “Feilding West” and “Rongotea.”
Figure 1
NZRB Venues

There are no stand-alone TABs in the Manawatu District, only outlets that are associated with existing hotels and taverns, as shown in Table 2 below.

Table 2: TAB venues (New Zealand Racing Board, 2017)

<table>
<thead>
<tr>
<th>Site Name</th>
<th>Site Town</th>
<th>Outlet Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Empire Tavern</td>
<td>Feilding</td>
<td>Pub TAB</td>
</tr>
<tr>
<td>Feilding Hotel</td>
<td>Feilding</td>
<td>Pub TAB</td>
</tr>
<tr>
<td>Rongotea Tavern</td>
<td>Rongotea</td>
<td>Self-service terminal</td>
</tr>
</tbody>
</table>

The TAB website defines “Pub TAB” and “Self-service terminal” as follows:

*Pub TAB*: These TAB outlets are always located within another business, usually a hotel and form part of the services offered by the host business. They are run by fully trained staff and have all the facilities of a TAB while offering customers the social benefits of being in a licensed establishment.

*Self-service Terminal*: These are self-service terminals usually located within another business such as a hotel. The terminals offer most of the TAB products. The business usually does not have any other TAB facilities available.

These existing venues are not subject to the Board Venues Policy. However, all of the existing TAB venues also contain gaming machines and are therefore subject to the zone and setback distance requirements of the Gambling Venues policy.

The proposed Board venues policy allows new Board venues to establish in the Manawatu District where the primary activity of the proposed venue is:

- For racing betting and horse betting; and
- Is not associated with family or children’s activities; and
- Is located within the Inner or Outer Business Zones (Feilding CBD) or the Manfeild Park Zone subject to being no closer than 100 metres to the entrance to any school, early childhood centre, after school care facility, kindergarten, place of worship or other community facility.

### 3.2.2 Deprivation Information

Figure 2 below shows that all of the existing TAB sites are within moderately low deprivation areas (7.0 on the index of Deprivation 2013), in the Statistics New Zealand Area Units of “Feilding West” and “Rongotea.”
Figure 2
3.3 Proximity of Existing Venues to Sensitive Activities

3.3.1 Class 4 Gambling Venues

Section 4.2 of the draft Gambling Venue’s Policy (refer to Annex 1) outlines permitted activities for Class 4 venues. Venue location is controlled in two ways – by District Plan Zone and through a separation distance rule. In addition, the Policy requires that the primary purpose of a Class 4 venue be for:

- the sale of liquor or the sale of liquor and food;
- a Chartered Club or Returned Services Association,
- sporting activities, or
- the operation of the TAB.

And not activities associated with family or children’s activities.

Class 4 venues are permitted to locate within the Inner and Outer Business Zones within the Feilding CBD and in the Manfield Park Zone or within places of Assembly, taverns and restaurants on sites zoned Village with identified frontage under the Manawatu District Plan. These Zones are considered to be best-suited to Class 4 gambling activities, particularly as these zones also have the greatest concentration of licenced premises, clubs and TABs, which class 4 venues are required to be ancillary to. The Policy and the District Plan do not permit Class 4 venues from establishing within Residential Zones as research suggests that residential proximity to class 4 gambling venues is associated with problem gambling (Ministry of Health, 2008).

Changes are proposed to the Policy to clarify that a Class 4 venue may only establish within a sports clubroom in the Recreation Zone if a Discretionary Resource Consent is obtained. This is because this type of land use activity is not permitted within the Recreation Zone rules in the District Plan.

Proposed clause 4.2.1 of the Gambling Venues Policy states that:

“No Class 4 gambling venue may be established closer than 100 metres to the entrance to any school, early childhood centre, after school care facility, kindergarten, place of worship or other community facility.”

Figures 3 and 4 below illustrate the location of existing class 4 venues in Feilding and Rongotea and their proximity to the abovementioned activities. The darker yellow shading represents a 50m buffer and the lighter yellow shading a 100m buffer around the existing class 4 venues. These buffer distances are designed to reduce the likelihood of conflict between incompatible activities and the risk of social harm.

The only education facility within the 100m buffer around existing class 4 venues is a Kip McGrath afterschool education centre on Bowen Street. Figure 4 shows that a corner of the Rongotea School is within the 100m buffer of the Rongotea Tavern. This corner of the school is sports fields and is not a primary entrance to the school. Also within the 100m buffer around the Rongotea Tavern is a place of worship (Sacred Heart Catholic Church) and an RSA Hall.
Figure 3: Class 4 Gambling Venues in Feilding with Setback Buffers
Figure 4: Class 4 Venue in Rongotea with setback buffers
3.3.2 NZRB venues

As outlined in section 5.3 above, there are currently no stand-alone TAB venues. Existing TAB outlets and are all within venues that also house gaming machines. Any new stand-alone Board venue would be subject to the location controls in the policy, which include restrictions around the primary activity of the proposed venue (being for racing betting and horse betting and not associated with family or children’s activities) and same separation distance requirements as Class 4 venues.

3.4 Distribution of Funds within the Manawatu District

The Department of Internal Affairs collects data on total gaming machine proceeds within each District for each quarter. They also have statistics that compare the total gaming machine proceeds within each District as a percentage of the National Total. Figure 5 below shows that gaming machine proceeds are lowest in the January to March quarter each year. Total machine proceeds within the Manawatu District declined to under $700,000 per quarter from Jan-March 2013 until July-September 2016 (with the exception of Oct-Dec 2015). Future monitoring of gaming machine proceeds is needed to determine if recent increases in gaming machine proceeds represent a new trend.

![Total Gaming Machine Proceeds for the Manawatu District by quarter (April 2007 to March 2017)](image)

Figure 5 (Department of Internal Affairs, 2017)

Figure 6 below illustrates gaming machine proceeds for the Manawatu District as a percentage of the national total. Expenditure was highest in July-September 2010 (0.44%) but has been fairly constant between 0.3% and 0.35% since Jan-March 2013.
3.4.1 Comparison with National Statistics

The usually resident population of the Manawatu District in 2016 was 29,800 people, or 0.6% of the national population (Infometrics, 2017). As the Manawatu District makes up 0.6% of the national population but only between 0.3% and 0.4% of the national gaming proceeds, we can conclude that gaming machine proceeds per person in the Manawatu District are lower than the national average.

4 Benefits of Gambling

The key benefits to the Community from Gambling are as follows:

1. Community Grants
2. Economic activity including employment opportunities and contribution to the tax base
3. CBD revitalisation
4. Entertainment

This social impact assessment focusses on community grants and gambling as entertainment.

4.1 Community Grants

Around $260 million of gaming funds annually goes to a range of community causes, much of it to the region where it was collected. Some Community groups, for various reasons, prefer not to access grants from gaming machine societies. However, many community groups that benefit would find it difficult to operate without grants from gaming machine societies (Department of Internal Affairs, 2016).

Grants are made by the incorporated societies that operate gaming machines within the District. Table 3 summarises the societies that operate gaming machines within the Manawatu District, and the total donations given back to the Community. The financial year for these societies runs from 1 October to 30 September, so differs from the Council’s financial year that runs from 1 July to 30 June.

Table 3

<table>
<thead>
<tr>
<th>Society</th>
<th>Venue(s)</th>
<th>Period</th>
<th>Number of Recipients</th>
<th>Total Donations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trillian Trust</td>
<td></td>
<td>2015/16</td>
<td>10</td>
<td>$40,724</td>
</tr>
<tr>
<td>Society</td>
<td>Venue(s)</td>
<td>Period</td>
<td>Number of Recipients</td>
<td>Total Donations</td>
</tr>
<tr>
<td>--------------------</td>
<td>----------------------------------------------------</td>
<td>-------------------------</td>
<td>----------------------</td>
<td>-----------------</td>
</tr>
<tr>
<td></td>
<td>Stockyard Bar and Restaurant</td>
<td>2016/17 YTD (June 2017)</td>
<td>19</td>
<td>$137,103</td>
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<tr>
<td>Pub Charity Inc.</td>
<td>Rongotea Tavern</td>
<td>2015/16</td>
<td>43</td>
<td>$234,935</td>
</tr>
<tr>
<td></td>
<td></td>
<td>2016/17 YTD (May 2017)</td>
<td>3</td>
<td>$17,807</td>
</tr>
<tr>
<td>NZ Community Trust</td>
<td>Empire Hotel, the Drovers Return Bar and Café &amp; the Feilding Hotel</td>
<td>2015/16</td>
<td>15</td>
<td>$103,790</td>
</tr>
<tr>
<td></td>
<td></td>
<td>2016/17 YTD (May 2017)</td>
<td>15</td>
<td>$63,600</td>
</tr>
</tbody>
</table>

Based on Table 3 above, the Societies that operate gaming machines within venues in the Manawatu District awarded a total of $379,449 to 68 community groups and charities within the Manawatu District between 1 October 2015 and 30 September 2016. In the current year to date there have been 37 grants awarded to community groups and charities in the Manawatu District with a total value of $218,510.

The New Zealand Racing Board differs from other gaming societies in New Zealand in that it distributes at least 80% of its net proceeds from gaming operations back into the three New Zealand Racing Codes (Thoroughbred Racing, Harness Racing New Zealand and Greyhound Racing New Zealand) (New Zealand Racing Board, 2017). These Racing Industry proceeds are for costs associated with the promotion, control and conduct of a race meeting and for integrity measures such as the Racing Integrity Unit, NZ Racing Laboratory Services and Judicial Control Authority (New Zealand Racing Board, 2016). The NZRB also pays commissions to national sporting bodies for sports on which they take bets and will distribute up to 20% of net proceeds to amateur sport across New Zealand (New Zealand Racing Board, 2016).

The NZRB is limited to operating gaming machines in TAB Board Venues, that is, venues that they either own or lease to sell race or sports bets. The nearest Gaming TABs would be two in Palmerston North and one in Wanganui. In New Zealand, 42 out of 86 TAB Board Venues host gaming machines (New Zealand Racing Board, 2016).

In the 2015/16 financial year, the NZRB distributed $135.3 million to the three racing codes in New Zealand, and a further $11.7 million to the racing industry from gaming proceeds. NZRB also paid commissions totalling $8.0 million to national sport organisations and $3.0 million in gaming grants to 337 individual grassroots sporting organisations (New Zealand Racing Board, 2016).

In the 2015/16 financial year three amateur sports groups from the Manawatu District were awarded grants with a total value of $23,134.79. In the current financial year the NZRB has awarded five grants to sports groups in the Manawatu District totalling $29,346.89. There is one more round of grants to be awarded this financial year (N. Miller, NZRB, pers comm. 2017).

### 4.2 Entertainment

Gaming machines can form part of a Class 4 venue’s entertainment package. A National Gambling Study in 2012 found that most adults in New Zealand gamble at least occasionally. However, the vast majority of this gambling relates to buying lotto or raffle tickets.
5 Social Costs of Gambling

The majority of gamblers are recreational gamblers. However, a small proportion of the population are classified as “problem gamblers.”

The Gambling Act 2003 defines a problem gambler as a person whose gambling causes harm or may cause harm, and ‘harm’ is defined as:

(a) harm or distress of any kind arising from, or caused or exacerbated by, a person’s gambling; and

(b) including personal, social, or economic harm suffered –
   (i) by the person; or
   (ii) by the person’s spouse, civil union partner, de facto partner, family, whānau, or wider community; or
   (iii) in the workplace; or
   (iv) by society at large.

In general, the social impacts of problem gambling include (Ministry of Health, 2016):

- Relationship breakdown
- Depression
- Suicide
- Reduced work productivity
- Job loss
- Bankruptcy
- Gambling related crime including family violence and crime committed to finance gambling

Harm from problem gambling also extends beyond gamblers to their family, friends, employers, colleagues and the community as a whole (Ministry of Health, 2016).

Based on the findings of two surveys of clients of problem gambling treatment surveys and affected others (partners, other family members and friends), gamblers underestimate the negative effects of their gambling on family/whanau members, children and home life (Bellringer, 2016). Family/whanau violence and abuse is common in people seeking help for their own or someone else’s gambling (Bellringer, 2016).

The 2012 National Gambling Study estimated that:

- 0.7% of adults in New Zealand (approximately 24,000 people) were current problem gamblers
- 1.8% (60,000 people) were current moderate-risk gamblers
- 5.0% (168,000 people) were current low-risk gamblers
- 92.6% (3.109 million people) were current non-problem (‘recreational’) gamblers or non-gamblers.

5.1 Problem Gambling Statistics for the Manawatu District

The Ministry of Health records intervention statistics for problem gambling. Figure 7 illustrates the number of new problem gambling clients assisted in the Manawatu District by financial year. This data
includes gamblers who have contacted a problem gambling help service and family members or affected others that have sought intervention on a problem gamblers behalf. There was a peak in new problem gambling clients in the 2010/11 financial year. The number of new problem gambling clients per year has generally been declining since 2013/14 with 14 new clients in the 2015/16 financial year.

Figure 7: Trends in New Problem Gambling Clients (Ministry of Health, 2017)

Trends in the total number of problem gambling clients (new clients and clients who first contacted a service in a previous year, including both gamblers and their family or affected others) for all intervention types generally follow the same pattern. There was a total of 37 clients assisted for problem gambling in the Manawatu District in the 2015/16 financial year.

Figure 8: Trends in Total Number of Clients Assisted for Problem Gambling (Ministry of Health, 2017)
Figure 9 below compares the total number of clients seeking intervention services for problem gambling in the Manawatu District, as a percentage of the total population, with clients assisted in nearby Territorial Authorities from the 2012/13 to 2015/16 financial years. This figure shows that the Manawatu District Council has generally had a higher percentage of the population seeking assistance with problem gambling compared to neighbouring territorial authorities, except for the Horowhenua District Council in 2014/15 and 2015/16. However, the population percentages across all of the Territorial Authorities we looked at vary by less than 0.2%, so only relate to small numbers of residents.

Figure 10 illustrates the percentage of the total population of NZ that received support for their own, or someone else’s gambling, by financial year. This data is based on intervention figures from the Ministry of Health (Ministry of Health, 2017) and estimated resident population for New Zealand from Statistics New Zealand (Statistics New Zealand, 2017). This figure shows that the percentage of the total population seeking assistance for problem gambling has been fairly stable since 2010/11, at between 0.25% and 0.3% of the population. Figure 9 above suggests that the percentage of residents living in the Manawatu District that have sought assistance for problem gambling (between 0.17% and 0.12% of the District’s usually resident population) has been consistently lower than the national average.
A press release from the Department of Internal Affairs has reported that “Preliminary results from the 2016 Health and Lifestyle Survey indicate that there has been no increase in the overall prevalence of problem gambling from 2014 to 2016” (The Department of Internal Affairs, 2017).

5.2 Factors Influencing Problem Gambling

Findings from the 2012 National Gambling Study and follow-up surveys suggest that the key factors influencing problem gambling in New Zealand include:

- **Ethnicity**
  
  Maori and Pacific people being more likely to experience harm from gambling (Abbott, 2016).

- **Proximity to Gambling Venues and Community Deprivation**
  
  Electronic gaming machine venues and TABs are concentrated in lower deprivation areas in New Zealand (Clarke, 2015) and residential proximity to gaming machine venues in linked to problem gambling (Ministry of Health, 2008).

- **Economic Trends**
  
  While the number of non-casino gaming machines has been dropping since late 2003, spending on these machines tends to follow more general economic trends (Ministry of Health, 2016).

- **Gambling Mode**
  
  Nearly half of all new clients seeking intervention services for problem gambling in the 2015/16 financial year identified “non-casino gaming machine gambling” (47.8%) as their primary gambling mode. Just over 10% of new clients (10.3%) identified “NZ Racing Board” gambling as their primary gambling mode (Ministry of Health, 2017).
Research suggests that the reasons for an increase or decrease in problem gambling is complex and is not directly related to the number of gambling machines (Norman, 2016).

Of the factors listed above, the Manawatu District Council’s Gambling Venues Policy is able to control the proximity of gambling venues to residential areas and to deprived communities. The Gambling Venues Policy does this by only providing for Class 4 gambling Venues and Board Venues in certain District Plan Zones and by specifying separation distances between entrances to venues and certain activities where families and children may congregate (refer to Section 4.4.1).

While there is not a direct relationship between the number of electronic gaming machines and the incidence of problem gambling in the Manawatu District, the Manawatu District Council’s Gambling Venues Policy has previously included a machine cap. The revised policy is shifting to a sinking lid management approach whereby no new Class 4 venues may establish and no existing venues are able to apply to increase the number of gaming machines they operate.

Table 4 in Section 6 below evaluates the social costs and benefits of the key changes that are proposed through this review to the Gambling Venues Policy.
### 6 Social Impacts of Proposed Changes to the Policy

Table 4 evaluates proposed changes to the Gambling Venues Policy that may result in social effects. This policy is to give effect to section 101(2) of the Gambling Act 2003 and section 65D(2) of the Racing Act 2003.

<table>
<thead>
<tr>
<th>Proposed Change and Description</th>
<th>Positive Effects</th>
<th>Neutral Effects and Safeguards</th>
<th>Negative Effects</th>
<th>Overall Conclusion</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Change from a Machine Cap to a Sinking Lid Management Approach</strong></td>
<td>1. The number of gaming machines operating in the District will decline over time as venues close. 2. More effective at reducing machine numbers than a machine cap as new venues are unable to open. 3. The number of class 4 venues will decline over time, reducing gambling accessibility, and therefore potential for social harm. 4. By reducing the number of new venues that are able to establish in the District, the cumulative...</td>
<td>1. Existing venues are able to continue to operate under the conditions of their existing consent. 2. There is a six month lapse period whereby a society may establish at an existing class 4 venue if another society vacates, without having to apply for a new consent. 3. The change in management approach will not affect the ability of a society to relocate to another venue. 4.</td>
<td>1. The amount of grant money available to community groups and charities may decline over time if existing venues close. 2. This management approach is unpopular with societies that own and operate gaming machines due to the lack of flexibility. 3. Can be considered inconsistent with relocation and merger provisions.</td>
<td>Council has decided to change the gaming machine management approach from a machine cap to a sinking lid. A sinking lid is considered to be more effective at reducing gaming machine numbers than a machine cap as new class 4 venues will not be granted consent to operate. As existing venues close the number of class 4 venues and the number of gaming machines operating will decline. This will make gaming machines less accessible, thereby reducing the potential for social harm.</td>
</tr>
</tbody>
</table>
Proposed Change and Description | Positive Effects | Neutral Effects and Safeguards | Negative Effects | Overall Conclusion
---|---|---|---|---
effects of multiple gambling venues in close proximity will be minimised.  
5. Will eliminate the need to review machine numbers with each policy review.

Information Requirements
Changes to the information requirements for applications to the Manawatu District Council for class 4 venues or board venues

1. The proposed changes are to ensure consistency between the policy and the information requirements set out in the current application form.
2. Changes to the information requirements will enable a more thorough analysis of the potential social impacts if the consent is issued. In particular, applicants are required to provide information on proximity of the venue to education facilities, places of worship and other community facilities; proximity to

1. The proposed changes add to the complexity of the Policy by being more explicit on what information is needed for venue applications.

Overall the proposed changes to the information requirements are considered beneficial in that they enable Council to thoroughly assess the potential social impacts of a new venue and benefit applicants by providing greater certainty on information requirements.
<table>
<thead>
<tr>
<th>Proposed Change and Description</th>
<th>Positive Effects</th>
<th>Neutral Safeguards</th>
<th>Negative Effects</th>
<th>Overall Conclusion</th>
</tr>
</thead>
<tbody>
<tr>
<td>other class 4 licenced venues; and details of the frequency of distribution of funds to the community.</td>
<td>3. Provides greater certainty for policy users on the information that they will need to provide through the application process.</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

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7 Conclusion

This report provides the Manawatu District Council Officers and Elected Members with information to assess the social impacts of gambling within the District. The purpose of this report is to inform the review of the Gambling Venues Policy, which considers both Class 4 venues and New Zealand Racing Board Venues ("Board Venues").

This Policy enables the Manawatu District Council to influence the number and location of new class 4 gambling venues and Board venues, and the number of gaming machines operating in both class 4 venues and the District as a whole. However, the Policy is not able to control all modes of gambling, including internet-based gambling, gambling in casinos and TAB outlets within restaurants, clubs and pubs.

There is currently very little information available on the prevalence of internet-based gambling. In the 2014/15 financial year, only 4.44% of first-time callers to the Problem Gambling Helpline (18 clients) identified an internet-based mode as their primary gambling mode. As noted in Section 5.1.6 of Annex 1 to this report, most studies suggest that the vast majority of current online gamblers in New Zealand restrict themselves to New Zealand Lotteries Commission and New Zealand Racing Board products (Ministry of Health, 2016). This gambling venues policy has no control over these gambling modes.

Key findings of this social impact assessment include:

- The number of electronic gaming machines in the Manawatu District has declined over time.
- There are currently 5 class 4 gambling venues in the Manawatu District, with a total of 67 electronic gaming machines currently operating and 99 consented to operate.
- There are no stand-alone TAB venues in the Manawatu District, but three TAB outlets within pubs and taverns in Feilding and Rongotea that also operate gaming machines.
- Existing class 4 venues and TABs are located within moderately low deprivation areas.
- The location of new gambling venues is managed through zoning and separation distance controls in the Gambling Venues Policy.
- Gaming machine proceeds in the Manawatu District are consistently lower than the National average.
- The proportion of total residents within the Manawatu District that have sought help for problem gambling in recent years is generally higher than residents in neighbouring districts, except for the Horowhenua District in recent years, but lower than the National average.

The proposed changes to the Gambling Venues Policy include:

1. Changing the gaming machine management approach from a machine cap to a continuous sinking lid.
2. Changes to the information requirements for applications for new Class 4 gambling venues and Board Venues.
The proposed change in management approach from a gaming machine cap of 105 machines to a continuous sinking lid will mean that no new class 4 venues will be allowed to establish in the Manawatu District and existing venues will not be allowed to increase the number of machines they operate. The effect of this policy will be that the number of Class 4 venues and gaming machines operating in the District will decline over time as existing venues close.

The benefits of a continuous sinking lid in reducing the potential for social harm caused by problem gambling are considered to outweigh the costs, being reducing availability of grants money for community groups and charities from the proceeds of Class 4 gambling and loss of gaming machines as part of the entertainment package of host venues.

The changes to the information requirements specified in the policy for applications for new venues are considered beneficial in that they enable Council to thoroughly assess the potential social impacts of a new venue and benefit applicants by providing greater certainty on information requirements.
ANNEX 1 – SUPPORTING INFORMATION

1 Overview of Class 4 Gambling

An overview of class 4 gambling is provided in the Department of Internal Affairs publication “Guide: Pokies in New Zealand – A guide to how the system works” (October 2016). In summary:

- The New Zealand gambling model returns millions of dollars to our community
- Corporate societies own pokie (or electronic gaming) machines
- Venues such as pubs are paid by societies to host their machines
- Payments to venues for machines are controlled and limited
- Venues return pokie proceeds to corporate societies
- Community groups can apply to corporate societies for grant funding
- Corporate societies distribute proceeds to community groups

The Department of Internal Affairs is responsible for regulating the gambling sector in New Zealand. Corporate societies are licensed by Internal Affairs to operate gaming or ‘pokie’ machines in clubs or in commercial venues (pubs and bars). 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.

The Department of Internal Affairs sets minimum allocation requirements for the proceeds from Class 4 gaming machines. About a quarter of the total proceeds is spent on fixed costs including government duties (23%), levies and licensing fees. Societies use a portion of the proceeds to meet “actual, reasonable and necessary” operating costs which they incur in running their Class 4 operations.” The society also pays a commission to the venue owner of up to 1.28 per cent of their weekly turnover, capped at 16 per cent of their net annual gaming machine profits. The commission rate is set at a level that is intended to reimburse the actual cost of operating Class 4 gambling without allowing pubs and bars to make a profit from the operation of gaming machines.

The remaining proceeds are called “net proceeds” and must be allocated to authorised community purposes. Societies must allocate a minimum of 40 per cent of gaming machine proceeds, excluding GST, in each financial year. They are often able to distribute more than 40 per cent to the community. If societies are unable to meet the minimum rate, Internal Affairs can revoke or not renew their operating licence. Corporate societies have an obligation to minimise costs and maximise the amount distributed to the community.

The following pie chart (Figure 11) summarises the minimum allocation requirements for class 4 gaming machine gross proceeds (Department of Internal Affairs, 2016):
The total turnover from electronic gaming machines depends on how many people use them and how often. As the location of the machines can influence their use, societies may compete to locate their machines in popular bars and pubs where turnover may be higher.

Figure 12 below summarises the actual gaming machine society cost allocations in 2015 (Department of Internal Affairs, 2017).
According to the Department of Internal Affairs, in 2015 grant funding was as follows:

- Funding to Sport: $122m (49% of total) up from $106m (47%) in 2014.
- There were 16,291 separate grant recipients who received 26,327 grants.
- $50.8m was applied to funding Clubs.

In 2015 58% of grants were returned to individual regions ($182.4m). As shown in Figure 13 below, approximately 27.5% of this $182.4m was allocated to grants in the Manawatu-Wanganui Region (Department of Internal Affairs, 2017).
Figure 13: Gaming Machine Proceeds and Funding by Region in 2015

2 Overview of New Zealand Racing Board Venues

The New Zealand Racing Board 2016 Annual Plan provides the following overview:

NZRB supports betting on more than 78,000 domestic and imported thoroughbred, harness and greyhound races each season, as well as on approximately 33,000 domestic and international sporting events. It has betting agreements with 34 New Zealand National Sporting organisations.

NZRB continues to develop its Gaming premises, having held a Class 4 Operator’s Licence since 2011. Currently, 42 of our 86 TAB Board Venues host NZRB gaming machines. It is estimated the NZRB operates around 3.5% of the total number of Class 4 Venues and around 2.9% of the total number of gaming machines in the New Zealand market. Net proceeds from the gaming operation are split with at least 80% funding Racing Authorised Purposes (integrity measures such as the Racing Integrity Unit, NZ Racing Laboratory Services and Judicial Control Authority as well as promotion of racing costs), and up to 20% distributed to community sporting organisations.
4 National Trends in Class 4 Gambling

4.1 Participation Trends

The findings of the 2012 National gambling Study were that 62% of adults had bought a lotto ticket at least once in the previous year but only 14% had played a non-casino gaming machine and 12% had bet on a horse or dog race at least once. (Ministry of Health, 2016).

There are also differences in the frequency in which people participate in different gambling activities. For example, the 2012 National Gambling Study estimated that 17% of adults bought a Lotto ticket at least once a week, but only 1.5% played a non-casino gaming machine that frequently (Ministry of Health, 2016).

Based on findings of the 1991 National Survey and the equivalent 2012 National Gambling Survey, gambling participation and frequent participation in riskier forms of gambling has fallen. The result of attitudes surveys from the Department of Internal Affairs also suggest declining participation in non-casino gaming machines, from 5% of adults participating at least once a week in 1991, to 3% in 2005 and 1.5% in 2012 (Ministry of Health, 2016). However, results from recent iterations of the New Zealand Health and Lifestyles Survey (HLS) suggest that these downward trends might have slowed or levelled off (Tu and Puthipiroj, in press).

4.2 Gambling Expenditure

Gamblers in New Zealand spent $2,209 million dollars on the four main forms of gambling in the 2015/16 financial year (Department of Internal Affairs, 2017). This represented a 5.6% increase on the 2014/15 financial year. Adjusting for the effects of both inflation and changes to the New Zealand’s adult population, gambling expenditure increased by 2.6% from an average of $601 per person in 2015 to $616 per person in 2016. However, the overall trend in gambling expenditure over the last seven years has been generally downward from a high of $645 per person in 2010 (Department of Internal Affairs, 2017).
Table 5 (Department of Internal Affairs, 2017)

<table>
<thead>
<tr>
<th></th>
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<td>$483</td>
<td>$490</td>
<td>$486</td>
<td>$527</td>
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<td>$1,982</td>
<td>$2,038</td>
<td>$2,042</td>
<td>$2,065</td>
<td>$2,091</td>
<td>$2,209</td>
</tr>
</tbody>
</table>

4.3 Numbers of Non-Casino Gaming Machines and Venues

Statistics on the Department of Internal Affairs website show that gaming machine numbers in New Zealand peaked in June 2003 at 25,221 machines. As shown in Figure 14 below, total gaming machine numbers in New Zealand have declined since 2013 to 16,053 gaming machines, as at March 2017.
The Department of Internal Affairs has reported the following trends for the period from June 2015 to June 2016:

- Class 4 venues have decreased by 46 (4%).
- Electronic Gaming Machines (EGMs) have decreased by 341 (2%).
- Societies have decreased by 2 (5%).
- Clubs have decreased by 20 (7%).

A press release from the Department of Internal Affairs on 20 April 2017 reported the following (Department of Internal Affairs, 2017):

- Proceeds from pub and club gaming machines for January to March 2017 were $7.8 million, an increase of 3.9% on the same period in 2016.

- Spending totalled $207.3 million for the quarter ending 31 March 2017, compared with $199.5 million for quarter ending 31 March 2016.

- Preliminary results from the 2016 Health and Lifestyle Survey indicate there has been no increase in the overall prevalence of problem gambling from 2014 to 2016. The planned national gambling survey for 2017 will indicate whether a downward trend in problem gambling has continued.

- Over the last 12 months (from March 2016) the number of licence holders fell 4.5% from 292 to 279, the number of venues declined 2% (from 1224 to 1196) and the number of gaming machines dropped 1.6% (from 16,274 to 16,013).
4.4 NZRB Betting Trends

According to the New Zealand Racing Board 2016 Annual Report, better turnover has increased in recent years. Total turnover hit a record $2.67 billion, an increase of 11.9% on 2014/15. More than 53,000 first time bettors took a punt in 2015/16, an 18% increase on the previous financial year. Total Account betting turnover grew 17% to $1.29 billion in 2015/16, with account gross revenue growing 18% to $173.0 million (New Zealand Racing Board, 2016).

Figure 15 below shows that NZRB customer numbers are increasing over time. Customers are also moving away from totaliser products towards fixed odds products, particularly sports betting which increase by 37.2% in 2015/16. In-play sports products grew 65% in 2015/16 (New Zealand Racing Board, 2016).

NZRB customers spent $19.8 million on the 2015 Rugby World Cup. 31% of account customers bet on the tournament, with 7,800 new customers joining for the event. The Rugby World Cup’s One Punt at a Million promotion had over 50,000 participants, resulting in 2,000 new accounts. (New Zealand Racing Board, 2016).

The NZRB Interim Financial Statement for the first half of 2016/17 reported the following trends (New Zealand Racing Board, 2017):

- Move from Tote to Fixed Odds (Racing tote – 7.8%, FOB +4.8%)
- Digital is the fastest growing channel, making up 57% of betting turnover, an increase of 1.5% on last year, with telephony down 33%, impacted by the closure of Phonebet.
- The Mobile App remains the fastest growing customer touch point, up 79.7% or $29.7 million on 2015/16. In the 2015/16 financial year, total downloads of the TAB mobile App reached over 175,000, with 22,000 new accounts generated.
- The retail network has grown turnover by 0.8%, led by TAB Branch venues up 12.8%.
- Gaming turnover increased by $25.4 million (13%), impacted by refurbishments of existing venues and new TAB venues opened over the previous 12 months.
Figure 16 below illustrates the changes in the way that customers access NZRB products (New Zealand Racing Board, 2016).

![Betcount by Sales Channel](image)

Figure 16: NZRB Customer Channel Preferences

Overall turnover for the first half of the 2016/17 financial year was $6.0 million (0.4%) down on the 2015/16 financial year, due to a decrease in betting turnover. However, distributable profit for the first half of 2016/17 has increase 6.9% on last year due to improved margins and good cost management (New Zealand Racing Board, 2017).

5 Problem Gambling

According to Ministry of Health Statistics 12420 people in New Zealand sought intervention for problem gambling in the 2015/16 financial year (July 2015 to June 2016). Of these clients, 53.7% were gamblers and 46.3% were family members or “affected others.” In the 2015/16 financial year, 53% of all clients assisted were female and 47% were male.

5.1 Factors Influencing Problem Gambling

5.1.1 Ethnicity

The 2014 New Zealand National Gambling Study reported Pacific and Asian people in New Zealand as having a ‘bi-modal’ pattern of gambling. That is, a relatively low proportion taking part in gambling activities and a relatively high proportion experiencing harm. Pacific adults had a lower rate of past year gambling participation (70.8%) than Maori (78.8%) and European/Other (79.5%). Asian adults had the lower participation rate (60.4%). The findings of the 2014 survey were that of the Pacific adults who participated in gambling during the past year (2013), 25% experienced at least some loss of control or adverse consequences (combined problem, moderate and low-risk gambling). This compares with 6% percent for European/Other, 20% of Maori participants and 10% of Asian participants.

The Ministry of Health reported that of the 12420 clients that sought some form of intervention for problem gambling from July 2015 to June 2016, 10.8% were East Asian, 34.2% were Maori, 18.9% were Pacific and 36.1% were “other” (including NZ European and other ethnic groups not specified) (Ministry of Health, 2017). Figure 17 below shows that the proportion of clients assisted in each ethnic group has been fairly stable since 2011/12.
The number of Maori usually resident in the Manawatu District in 2016 has been estimated as 4630 (Infometrics, 2017). This is equivalent to 15.54% of the total District population, which is similar to the percentage of people nationally that identify as Maori (15.41%).

One of the reasons for suggested factors contributing to ethnic differences in gambling-related harm is the elevated risk for harm when a population is first exposed to continuous forms of gambling such as electronic gaming machines. A substantial proportion of Pacific people are migrants from countries that have low exposure to gambling. In addition, many belong to churches that promote gambling for fundraising purposes and some Pacific people see gambling as a way to obtain money to pay church tithes and fulfil traditional gifting obligations (Bellringer et al., 2013; Urale, Bellringer, Landon & Abbott, 2015). Further research is required to understand more fully the cultural and other factors that contribute to the very high rates of gambling related harm among Pacific people.

It appears likely that disparities between ethnic and various other groups are largely a consequence of vulnerable groups being exposed to high densities of EGM and other gambling venues.

5.1.2 Proximity to Gambling Venues and Community Deprivation

In New Zealand, electronic gaming machine venues and TABs are heavily concentrated in high deprivation communities (Clarke, 2015). Research has shown that residential proximity to electronic gaming machine venues is associated with problem gambling (Ministry of Health, 2008). 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 5 k of their neighbourhood centre may have been more likely to have gambled at a gambling venue in the past year (Ministry of Health, 2008).

These findings suggest that policies aimed at preventing and minimising gambling-related harm could focus on measures that increase people’s distance to gambling venues. Modifications suggested in the study include limiting the number of gambling venues in areas, particularly in vulnerable communities, and reducing the geographical dispersal of gambling venues in the community. This study also lends support to policies that attempt to control the expansion of gambling (Ministry of Health, 2008).
A study of gaming machines in New Zealand in 2006 found that there were an average of one gaming machine for every 75 people in highly deprived areas of New Zealand compared to one machine for every 465 people in areas of low deprivation. This means that people living in highly deprived areas were exposed to six times more gaming machines than a person in a low deprivation area (B.W. Wheeler, 2006).

5.1.3 Number of Gaming Machines

In an article in the Wairarapa Times-Age on May 16, 2016 (Norman, 2016) Jarold True, solicitor for the New Zealand Racing Board, was quoted as saying that “Between 2006 and 2010 the problem rate increased, despite the number of gaming machines in New Zealand falling considerably in the same period. Between 2010 and 2012 the problem gambling rate stayed the same, despite a continual decline in gaming machine numbers. The reasons for an increase or decrease in problem gambling is complex and multifaceted, not simply the direct by-product of an increase or decrease in machine numbers.” This commentary suggests that there is not a direct relationship between the number of gambling machines and the prevalence of problem gambling in a location.

However, a study by Storer et al. in 2009 reported an increase of problem gambling by nearly one new person per each new gaming machine. They therefore concluded that restricting the per capita density of gaming machines leads to a decrease in gambling harm (J. Storer, 2009).

5.1.4 Economic Trends

The Ministry of Health three-year service plan and levy rates for 2013/14 to 2015/16 stated that “Uncertain economic times make it more difficult to predict how gamblers will behave. While the number of non-casino gaming machines has been dropping since late 2003, spending on these machines tends to follow more general economic trends” (Ministry of Health, 2016). This suggests that economic stability and trends may influence spending on gaming machines.

5.1.5 Gambling Mode

As shown in Figure 18 below, the number of problem gamblers differs across different gambling modes. Nearly half of all new clients of problem gambling intervention services in the 2015/16 financial year were gaming machine gamblers. Just over 10% of new clients were NZ Racing Board gamblers. This suggests that gamblers using gaming machines are statistically more likely to be problem gamblers.
Figure 18 (Ministry of Health, 2017)

Figure 19 shows that the proportion of intervention clients whose primary gambling mode is “non-casino gaming machines” has generally declined over time from 74.6% in 2004/05 to 47.83% in 2015/16, while the proportion of new problem gamblers that identify NZ Racing Board gambling as their primary gambling mode has increased over time from 6.35% in 2004/05 to 10.27% in 2015/16.
5.1.6 Access to Online Gambling

As noted in section 6.4, digital is the fastest growing channel when it comes to NZ Racing Board gambling products. The TAB mobile App was the fastest growing customer touch point in 2015/16.

A study by the Gambling and Addictions Research Centre at the Auckland University of Technology in 2015 found that New Zealand has a lower prevalence of internet gambling than some other Western countries. Online gambling expenditure is substantially less than expenditure on land-based modes of gambling (Gambling and Addictions Research Centre, Auckland University of Technology, 2015). Most studies suggest that the vast majority of current online gamblers in New Zealand restrict themselves to New Zealand Lotteries Commission and New Zealand Racing Board products. The Ministry of Health will continue to research and analyse developments in online gambling (Ministry of Health, 2016).

In the 2014/15 financial year, there were 405 first time callers to the Gambling Helpline. Just over 74% of these callers (301 clients) identified “gaming machines” as the primary gambling mode. When this data is broken down further, only five of these 301 clients reported internet gaming machines as their primary gambling mode. When all gambling modes are considered, only 18 first time callers (4.44%) identified an internet-based gambling mode as their primary mode.

With increasing internet speed and capacity and increasing use of online payment methods, we may see large increases in online gambling in New Zealand over the next few years (Ministry of Health, 2016). Online Gambling is not something that is able to be controlled by the Manawatu District Council through the Gambling Venues and Board Venues Policy.

5.2 Findings of the 2014 New Zealand National Gambling Study

The 2014 New Zealand National Gambling Study (Abbott, 2016) identified the following sociodemographic risk factors for problem and moderate-risk gambling (in order of importance):

1. Ethnicity – with Pacific and Maori ethnicity particularly high risk
2. Unemployment
3. Neighbourhood deprivation

The study also identified the following independent risk factors:

- Age (with younger being higher risk)
- Lack of formal qualifications
- Membership of Christian religions other than Anglican, Catholic and Presbyterian
- Membership of non-Christian religions.

Other significant predictors of problem and moderate-risk gambling included:

- Preferences for non-casino gaming machines and casino gambling
- Monthly or more frequent participation in pub gaming machines, casino gaming machines, card games and housie or bingo
• Large gambling expenditure and
• Long periods of gaming machine participation in a typical day.

More than two-thirds of people who reported typical daily pub gaming machine participation of three hours or more were problem and moderate-risk gamblers (Abbott, 2016).

These findings underline the strong link between involvement in continuous forms of gambling, especially gaming machines, and problem gambling and gambling-related harm more generally. The proportion of clients reporting gaming machines as their most problematic gambling activity has reduced somewhat in recent years. However, it remains the most common form mentioned in this regard (Ministry of Health, 2015).

5.3 Intervention Services

There are problem gambling help services around the country. Nationwide services include a 24 hour per day helpline and a range of population specific helplines including:

- Maori Gambling Helpline
- Vai Lelei Pasifika Gambling Helpline
- Gambling Dept Helpline
- Youth Gambling Helpline, and
- Asian Hotline (Problem Gambling Foundation).

Other national public health and intervention services include the Salvation Army Oasis Centres, the Problem Gambling Foundation of New Zealand and Woodlands Trust.

In addition, there are two problem gambling help services within the Manawatu-Whanganui Region – Best Care Whakapai Hauora Palmerston North and Nga Tai O Te Awa Trust Whanganui.
6 Bibliography


Approval to Notify the Dangerous, Affected and Insanitary Buildings Policy

Purpose

The purpose of this report is to present the proposed Dangerous, Affected and Insanitary Buildings Policy to the Strategic Planning and Policy Committee for consideration and adoption for public consultation.

Significance of Decision

The Council’s Significance and Engagement policy is triggered by matters discussed in this report.

Council is required to consult on these proposed policies using the Special Consultative Procedure outlined in section 83 of the Local Government Act 2002.

Recommendations

That the Strategic Planning and Policy Committee approves the draft Statement of Proposal and Tracked Changes Version of the Dangerous, Affected and Insanitary Buildings Policy as set out in Annexes 1 and 2 of this report for public consultation.

Report prepared by:
Lisa Thomas
Policy Adviser

Approved for submission by:
Brent Limmer
General Manager - Community and Strategy

Executive Summary

1.1 The Manawatu District Council is required by Section 131(1) and 132A of the Building Act 2004 to adopt a policy on dangerous, affected and insanitary buildings. In accordance with Section 124(2) of the Building Act 2004, this policy must be reviewed at intervals of no more than 5
years. The current policy was adopted in June 2011. We now seek Council approval to publicly notify a draft version of the reviewed policy.

2 Contribution to the Council Vision and Council Outcomes

2.1 Relationship to the Council Outcomes that underpin the Council’s Vision:

Connected, vibrant and thriving Manawatu – the best rural lifestyle in New Zealand

<table>
<thead>
<tr>
<th>Manawatu District will improve the natural environment, stewarding the district in a practice aligned to the concept of kaitiakitanga.</th>
<th>The Manawatu will attract and retain residents.</th>
<th>Manawatu district develops a broad economic base from its solid foundation in the primary sector.</th>
<th>Manawatu and its people are connected via quality infrastructure and technology.</th>
<th>Manawatu’s built environment is safe, reliable and attractive.</th>
<th>Manawatu District Council is an agile and efficient organisation.</th>
</tr>
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</table>

3 Background

3.1 Manawatu District Council has a responsibility under the Building Act 2004 to manage dangerous, affected and insanitary buildings. Management of these buildings includes identification and enforcement action. The purpose for the policy is to ensure the safety of the public.

3.2 Section 131(2) of the Building Act 2004 states that the Policy must state:

a) The approach that the territorial authority will take in performing its functions under this Part; and

b) The territorial authority’s priorities in performing those functions; and

c) How the policy will apply to heritage buildings.

3.3 Section 132A of the Building Act 2004 was inserted on 28 November 2013, by Section 36 of the Building Amendment Act 2013. This section requires that the Policy also take into account affected buildings.

3.4 Council’s Dangerous and Insanitary Buildings Policy was first adopted in June 2006. The current version of the policy was adopted in June 2016. The policy is proposed to be updated to take into account changes in legislation, to correct referencing errors and to reflect the name change of the New Zealand Historic Places Trust to Heritage New Zealand Pouhere Taonga. This policy review will allow Council to meet their legislative requirements more effectively and will provide clear information to the public and Council staff.

4 Discussion and Options considered

4.1 Council has a statutory obligation under the Building Act 2004 to adopt a policy on Dangerous, Affected and Insanitary Buildings. The Building Act requires that the policy be reviewed, using the Special Consultative Procedure outlined in Section 83 of the Local Government Act 2002, at three-yearly intervals. This review is therefore required by statute. The requirements for what the policy must include are specified in Sections 131(2) and 132A of the Building Act 2004.
4.2 The powers and tools available to Council for the management of dangerous, affected and insanitary buildings are also prescribed in the Building Act 2004. There is therefore limited flexibility in what the policy may contain. The proposed changes are largely to reflect recent changes in the legislation to ensure alignment. No significant changes are proposed to Council’s priorities for managing dangerous, affected or insanitary buildings, and to the way that heritage buildings are managed.

5 Operational Implications

5.1 There are no capital/operating expenditure implications or maintenance costs associated with this paper.

6 Financial implications

6.1 Council is required by the Building Act 2004 to review the Dangerous, Affected and Insanitary Buildings Policy every five years. There are no financial implications from matters raised in this report.

7 Statutory Requirements

7.1 The following sections of the Building Act 2004 apply to the Dangerous, Affected and Insanitary Building Policy:

- Section 121 (Meaning of dangerous building)
- Section 121A (Meaning of affected building)
- Section 123 (Meaning of insanitary building)
- Section 124 (Dangerous, affected or insanitary buildings: powers of territorial authority)
- Section 125 (Requirements for notice requiring building work or restricting entry)
- Section 126 (Territorial authority may carry out work)
- Section 127 (Building work includes demolition of building)
- Section 128 (Prohibition on using dangerous, affected or insanitary building)
- Section 128A (Offences in relation to dangerous, affected or insanitary buildings)
- Section 129 (Measures to avoid immediate danger or to fix insanitary conditions)
- Section 130 (Territorial authority must apply to District Court for confirmation of warrant)
- Section 131 (Territorial authority must adopt policy on dangerous and insanitary buildings)
- Section 132 (Adoption and review of policy)
- Section 132A (Policy must take into account affected buildings)
7.2 As Section 132(1) of the Building Act 2003 requires the policy to be reviewed in accordance with the special consultative procedure, Section 83 of the Local Government Act 2002 also applies.

8 Delegations

8.1 The Strategic Planning and Policy Committee has delegated authority under the Building Act 2004 to approve the Dangerous and Insanitary Buildings Policy (responsibility 11 on the Strategic Planning and Policy Committee’s Terms of Reference).

9 Consultation

9.1 A Statement of Proposal has been prepared that outlines the key changes to the policy, as required by Section 83(1)(b) of the Local Government Act 2002. A tracked changes version of the policy has also been prepared.

9.2 These draft documents were introduced to Councillors at a workshop on 6 July 2017. Councillors requested minor amendments to the heritage provisions in the Dangerous, Affected and Insanitary Buildings Policy. Minor changes were also made to the layout of the policy as a result of Councillor feedback.

9.3 With the approval of the Strategic Planning and Policy Committee, the Statement of Proposal and tracked changes version of the Dangerous, Affected and Insanitary Buildings Policy will be publicly notified. The public will be given a period of one calendar month in which to provide Council with their views on these proposed policies, as required by section 83 of the Local Government Act. Following the close of submissions, Council will hold a Hearing (19 October 2017) to enable interested parties to present their views to Council. The draft policies will then be finalised and presented to the Strategic Planning and Policy Committee on 7 December 2017 for adoption.

10 Cultural Considerations

10.1 This report does not involve a significant decision in relation to land or a body of water or those matters of cultural importance to Maori specified in Section 77 of the Local Government Act 2002.

11 Conclusion

11.1 Council Officers seek the approval of the Strategic Planning and Policy Committee to publicly notify the proposed Dangerous, Affected and Insanitary Buildings Policy. Those matters that the policy must contain are largely dictated by the requirements of the Building Act 2004. The Building Act 2004 requires that this policy be reviewed at five-yearly intervals in accordance with the Special Consultative Procedure outlined in Section 83 of the Local Government Act 2002. The public notification of this policy is therefore required to fulfil these statutory obligations.

11.2 The key amendments to the policy and the reasons for these changes are described in the attached Statement of Proposal. The changes are to take into account recent changes in legislation, to correct referencing errors and to reflect the name change of the New Zealand Historic Places Trust to Heritage New Zealand Pouhere Taonga. This policy review will allow
Council to meet their legislative requirements more effectively and will provide clear information to the public and Council staff.

12 Attachments

- Annex A - Statement of Proposal
- Annex B - Tracked Changes version of the Dangerous, Affected and Insanitary Buildings Policy
- Annex C – Clean Copy of the Proposed Dangerous, Affected and Insanitary Buildings Policy
Annex A

Statement of Proposal

Dangerous, Affected and Insanitary Buildings Policy

1 Introduction

Manawatu District Council has a responsibility under the Building Act 2004 to manage dangerous, affected and insanitary buildings. Management of these buildings includes identification and enforcement action. The purpose for this is to ensure the safety of the public.

Section 131(1) states that “A territorial authority must, within 18 months after the commencement of this section, adopt a policy on dangerous, earthquake-prone, and insanitary buildings within its district.”

Clause (2) of section 131 says that the policy must state:

(a) The approach that the territorial authority will take in performing its functions under this Part; and

(b) The territorial authority’s priorities in performing those functions; and

(c) How the policy will apply to heritage buildings.

New section 132A (inserted on 28 November 2013, by section 36 of the Building Amendment Act 2013 (2013 No 100) requires the amendment of the existing policy to take into account “affected buildings.”


This proposal is to review Council’s “Dangerous and Insanitary Buildings Policy 2006.” Section 124(2) of the Building Act requires that the policy be reviewed at intervals of no more than 5 years. The current Manawatu District Council dangerous and insanitary buildings policy was adopted in June 2011. This policy was therefore due for review by June 2016. However, section 132(5) states that “A policy does not cease to have effect because it is due for review of being reviewed.” The current policy will therefore continue to be in effect until the new policy is adopted by Council.

Section 132(2) states that “a policy may be amended or replaced only in accordance with the special consultative procedure...” (section 83 of the Local Government Act 2002). This statement of proposal has been prepared to fulfil the requirements of section 83 of the Local Government Act 2002, and section 131 of the Building Act 2004.
2 Background

The dangerous and insanitary building policy is proposed to be updated to take into account changes in legislation, to correct referencing errors and to reflect the name change of the New Zealand Historic Places Trust to Heritage New Zealand Pouhere Taonga.

This policy review will allow Council to meet their legislative requirements more effectively and will provide clear information to the public and Council staff.

3 Proposal

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

Table 1: Proposed Changes to the Policy

<table>
<thead>
<tr>
<th>Section</th>
<th>Proposed Change</th>
<th>Reason for Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Introduction and Background</td>
<td>Relocation of paragraphs relating to the statutory requirements for the policy and the legislative review of the policy to site above the definitions.</td>
<td>The relocation of these paragraphs is to improve the flow of the policy to make it easier for readers to understand.</td>
</tr>
<tr>
<td>Definitions</td>
<td>Insertion of a “Definitions” Heading and the grouping of the definitions together.</td>
<td>A new heading is proposed for ease of reading. The definition of “affected building” was imbedded within the policy requirements. The relocation of these policy paragraphs to the introduction now means that all of the definitions are grouped together in the policy, improving the layout of the policy.</td>
</tr>
<tr>
<td></td>
<td>Amendment to clause (b) in the definition of “dangerous building” as follows: (b) In the event of fire, injury or death to any person in the building or to persons on other property is likely because of fire hazard or the occupancy of the building.</td>
<td>The definition of a “dangerous building” was amended by s51 of the Building Amendment Act 2012. This change is to ensure consistency with the current definition as set out in Section 121(1) of the Building Act 2004.</td>
</tr>
<tr>
<td></td>
<td>Insertion of reference to section 132A of the Building Act 2004 that requires the policy to take into account affected buildings.</td>
<td>Section 132A was added to the Building Act 2004 by section 36 of the Building Amendment Act 2013. Council is required by this section to amend the policy to take into account affected buildings.</td>
</tr>
<tr>
<td></td>
<td>Insertion of the definition of an “affected building” as set out in s121A of the Building Act 2004.</td>
<td>The insertion of the definition of an “affected building” from the Building Act 2004 is necessary to ensure consistent</td>
</tr>
<tr>
<td>Section</td>
<td>Proposed Change</td>
<td>Reason for Change</td>
</tr>
<tr>
<td>---------</td>
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</tr>
<tr>
<td><strong>Policy Approach</strong></td>
<td><strong>Replacement of “people are able to go about their business and leisure any time of the day or night without fear for their safety. This is set as a community outcome in the LTCCP.”</strong>&lt;br&gt; with:&lt;br&gt; “the Manawatu’s built environment is safe, reliable and attractive. This is one of the community outcomes in the Long Term Plan 2015-25.”</td>
<td>Council priorities change over time. The community outcomes were reviewed in 2012 as part of the Long Term Plan and carried forward into the 2015 Long Term Plan. The proposed changes are to replace an outdated community outcome with a relevant outcome from the most recent Long Term Plan.</td>
</tr>
<tr>
<td><strong>Causes of Dangerous, Affected or Insanitary Buildings</strong></td>
<td>The heading of this section is proposed to be amended to also reference affected buildings. In addition, a new paragraph is proposed that advises policy users of what makes a building an affected building and what powers are available to Council to respond.</td>
<td>As the Policy is now required to also consider affected buildings, it is appropriate that the policy include information on what causes a building to become affected. Information on the legislative powers available to Council in respect to affected buildings is proposed with consistency with the information provided for dangerous and insanitary buildings.</td>
</tr>
<tr>
<td><strong>Identifying Dangerous, Affected or Insanitary Buildings</strong></td>
<td><strong>Amendments are proposed to the heading to include reference to affected buildings.</strong>&lt;br&gt; Amendments are proposed to bullet point 2 to clarify that Council is responsible for investigating building complaints to identify buildings that may be dangerous, insanitary or affected.&lt;br&gt; Existing bullet point 3 is to be deleted.&lt;br&gt; A new bullet point 5 is proposed to be inserted that outlines how Council will act in instances where buildings are at risk due to a dangerous dam.</td>
<td>These changes are to ensure that the policy also considers affected buildings as required by section 132A.&lt;br&gt; Existing bullet point 3 is to be deleted as this relates to the actions that will be taken by Council, rather than how Council identifies dangerous, affected or insanitary buildings. &lt;br&gt; The policy does not currently include any information on how Council will determine if a building is affected by a dangerous dam. Proposed bullet point 5 is to address this deficiency. As the responsibility for managing dangerous dams within our District lies with the Manawatu-Wanganui Regional Council, we are reliant on them for alerting MDC to the location of dangerous dams.</td>
</tr>
<tr>
<td><strong>Assessment Criteria</strong></td>
<td><strong>Deletion of the second bullet point from the assessment criteria for dangerous buildings, in accordance with s121(1) of the Act.</strong></td>
<td>This bullet point is proposed to be deleted as it is essentially an unnecessary repeat of the third bullet point.</td>
</tr>
<tr>
<td>Section</td>
<td>Proposed Change</td>
<td>Reason for Change</td>
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<tr>
<td>Deletion of “because of fire hazard or occupancy of the building” from the third bullet point under the assessment criteria for dangerous buildings.</td>
<td>The deletion is to ensure consistency with Section 121(1)(b) as amended by s51 of the Building Amendment Act 2012.</td>
<td></td>
</tr>
</tbody>
</table>

**Immediate Action**

| Amendments as follows: Where a building is assessed by Council, and verified by a suitably qualified structural engineer as posing an immediate danger to the safety of people or where immediate action is necessary to fix insanitary conditions, Council may, by warrant under s192(2), take any action necessary to remove that danger or to fix those insanitary conditions, the danger or hazard is assessed and requires immediate action, the Council will remove that danger or hazard. | This section is proposed to be amended to clarify that it is the building that is assessed as requiring immediate intervention by Council, rather than an assessment of danger or hazard. |

Minor wording changes are proposed to the sentence about the recovery of costs from building owners as follows: The Act allows Council to recover the costs of those actions costs from the owner(s) for any such remedial works. This sentence is proposed to be relocated to follow the sentence about immediate actions undertaken by warrant under section 129. | The proposed changes are to ensure alignment with section 129 of the Building Act. Clause (2) of section 129 gives the chief executive the power to issue a warrant that allows the territorial authority to take any action necessary in his or judgement to remove that danger or fix those insanitary conditions. Clause (3) of section 129 places the liability for the costs of the action on the owner and allows the territorial authority to recover those costs from the owner. The amount recoverable by the territorial authority becomes a charge on the land on which the building is situated. The actions taken by the territorial authority may include an assessment by a structural engineer. The sentence about cost recovery is to be relocated to provide greater certainty that these costs relate to those actions undertaken by the territorial authority to remove the danger or fix insanitary conditions. |
<table>
<thead>
<tr>
<th>Section</th>
<th>Proposed Change</th>
<th>Reason for Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deletion</td>
<td>Deletion of reference to requesting the demolition of all or part of the building under section 129.</td>
<td>The proposed insertion of the words “any action necessary” to the immediate danger part of the policy will encompass demolition of a building. As section 129 does not specifically mention the demolition of buildings, specifying this as one potential course of action is unnecessary. Section 127 of the Building Act is specific to demolition of a building. This section does not apply to buildings that pose an immediate danger (s129), but to those that are subject to a notice to fix under section 124(2)(c). Section 126 only gives Council the power to undertake works on behalf of the building owner, which may include demolition, if they fail to complete the works required by a notice issued under s124(2)(c), or if the works are not proceeding with reasonable speed. Specific reference to demolition in the Immediate Actions section of the policy may create confusion if policy users interpret this as referencing section 127 of the Building Act.</td>
</tr>
<tr>
<td>Serving</td>
<td>Insertion of an introductory sentence as follows:</td>
<td>This sentence is proposed to be added for clarity. It makes it clear in what instances a notice to fix will be issued and who is responsible for undertaken actions to reduce or remove the dangerous or insanitary conditions.</td>
</tr>
<tr>
<td>Notices</td>
<td>“Owners of buildings that are determined to be dangerous or insanitary, but not requiring immediate action to remedy their condition, will be issued a notice requiring actions to be taken to reduce or remove the danger or insanitary conditions.”</td>
<td></td>
</tr>
<tr>
<td>Amendments</td>
<td>Amendments to the second bullet point to include “any statutory authority if the land or building has been classified...”</td>
<td>This section of the policy lists those parties that a notice issued under section 124(2)(c) or 124(2)(d) must be served on. The second bullet point gives effect to section 125(2) except that it is currently missing statutory authorities (clause (e) of section 125(2)). The proposed changes are therefore to correct this emission and ensure that the policy is aligned with section 125(2) of the Building Act 2004.</td>
</tr>
<tr>
<td>Deletion</td>
<td>Deletion of “the New Zealand Historic Places Trust” and replacement with “Heritage New Zealand Pouhere Taonga.”</td>
<td>This change is to reflect the name change of the New Zealand Historic Places Trust to “Heritage New Zealand Pouhere Taonga.”</td>
</tr>
<tr>
<td>Section</td>
<td>Proposed Change</td>
<td>Reason for Change</td>
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<tr>
<td>Zealand Pouhere Taonga” in the second bullet point under “serving notices.”</td>
<td>Section 125(2)(f) was amended on 20 May 2014 by section 107 of the Heritage New Zealand Pouhere Taonga Act 2014 (2014 No 26).</td>
<td></td>
</tr>
<tr>
<td>Amendments to bullet point four to reference a notice issued under section 124(2)(c) instead of section 125 and to delete reference to “infringement fines of up to $2,000.”</td>
<td>The changes are to correct a referencing error. Section 125 of the building act sets out the requirements for notices requiring building work or restricting entry to dangerous, affected, earthquake-prone or insanitary buildings. However, the notices themselves are issued under section 124(2)(c) or section 124(2)(d) of the Building Act. The enforcement action for offences under the Act differs depending on which clause ((c) or (d)) of s124(2) the notice is issued under. Proposed amendments to bullet point 4 make it specific to notices issued under s124(2)(c) as set out in clause (1) of section 128A. The deletion of the reference to “infringement fines of up to $2,000” is to ensure consistency with s128A(1) that was inserted to the Building Act on 28 November 2013, by section 35 of the Building Amendment Act 2013. A new bullet point is proposed for inclusion that sets out the enforcement action that will be taken for persons failing to comply with notices issued under s124(2)(d).</td>
<td></td>
</tr>
<tr>
<td>Insertion of new bullet point five that sets out the enforcement action that relates to offences against section 128(2).</td>
<td>This bullet point is proposed to be added for completeness as it relates to offences under clause (2) of s128A. The policy does not currently include information on the enforcement action for offences against notices issued under section 124(2)(d) that restrict entry to dangerous, affected, earthquake-prone and insanitary buildings to particular persons or groups of persons. Clause (2) of Section 128A sets out the offences that apply when a person fails to comply with section 128(2). Section 128(2) prohibits use or occupation of the building, or permitting any other person to use or occupy</td>
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<tr>
<td>Section</td>
<td>Proposed Change</td>
<td>Reason for Change</td>
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<tr>
<td>Affected Buildings</td>
<td>A new section is proposed that outlines how Council will respond in instances where a building is assessed as being an affected building.</td>
<td>The proposed actions included in the section are consistent with bullet point 3 in the section titled “Identifying Dangerous, Affected or Insanitary Buildings” and the powers given to Council under section 124(2) of the Building Act. The proposed addition of this section is to achieve compliance with section 132A of the Building Act 2004.</td>
</tr>
<tr>
<td>Natural Disasters</td>
<td>The section on “Natural Disasters” is to be relocated to sit under the “affected” section of the Policy.</td>
<td>This paragraph is to be relocated as it also relates to Council processes around the serving of notices to building owners in the event of buildings being identified as dangerous or insanitary.</td>
</tr>
<tr>
<td>Heritage Buildings</td>
<td>Relocation of this section to sit beneath “Alterations to Existing Buildings.”</td>
<td>It is proposed that this section be relocated to sit within the “Taking Action” section of the policy as it relates to actions that will be taken with respect to heritage buildings that are identified as being dangerous or insanitary.</td>
</tr>
<tr>
<td></td>
<td>Expansion of the reference to section 124 to include notices issued under section 124(2)(c) or section 124(2)(d) of the Act.</td>
<td>Section 125(2)(f) requires a copy of a notice requiring building work or restricting entry to be given to Heritage New Zealand Pouhere Taonga, if the building is a heritage building and is assessed as being dangerous or insanitary. This requirement relates to both notices issued under s124(2)(c) and s124(2)(d). Section 125(1) was repealed and replaced on 28 November 2013, by section 31 of the Building Amendment Act 2013 (2013 No 100). Section 125(1) sets out the requirements for notices issued under s124(1)(c). New section 125(1A) was added at the same time and sets out the requirements for notices issued under s124(2)(d). Prior to being repealed, section 125 only referred to notices issued under section 124(1)(c) as clause 124(1)(d) did not exist.</td>
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<tr>
<td>Section</td>
<td>Proposed Change</td>
<td>Reason for Change</td>
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<td>The current reference in the policy is just to “section 124” which may create confusion for plan users. The proposed changes are to add certainty for plan users that a copy of the notice must be served on Heritage New Zealand Pouhere Taonga irrespective of which clause of section 124 the notice is issued under.</td>
<td></td>
</tr>
<tr>
<td>Deletion of “the New Zealand Historic Places Trust” and replacement with “Heritage New Zealand Pouhere Taonga” from the final paragraph in the Heritage Buildings section of the policy.</td>
<td>This change is to reflect the name change of the New Zealand Historic Places Trust to “Heritage New Zealand Pouhere Taonga.” Section 125(2)(f) was amended on 20 May 2014 by section 107 of the Heritage New Zealand Pouhere Taonga Act 2014 (2014 No 26).</td>
<td></td>
</tr>
<tr>
<td>Insertion of a clause that states that “Funding may be available for owners of Heritage Buildings through a Council Heritage Funding Policy.”</td>
<td>The establishment of a Heritage Funding Policy is one of the recommendations coming out of the Earthquake Prone Buildings Working Party that Council is currently considering. Including this clause now will reduce the need for future updates to the policy, should a funding policy be developed in the future.</td>
<td></td>
</tr>
<tr>
<td>Priorities</td>
<td>Relocation of the “Priorities” section of the policy to follow “Heritage Buildings.”</td>
<td>The priorities relate to actions being taken by Council in relation to all buildings identified as being dangerous, affected or insanitary. It is therefore logical for this section to be located at the end of those clauses that outline the actions that Council and building owners will take with respect to dangerous, affected and insanitary buildings.</td>
</tr>
<tr>
<td>Addition of reference to a “suitably qualified structural engineer” in relation to assessments of buildings that are immediately dangerous or insanitary.</td>
<td>The determination that building poses an immediate threat is to be verified by a structural engineer to ensure that the assessment is defensible in court, should this be required. The costs of such assessments are recoverable under section 129(3) of the Building Act 2004.</td>
<td></td>
</tr>
<tr>
<td>Inclusion of “affected buildings that are downstream of dams that pose an immediate risk” to the matters requiring urgent action.</td>
<td>The definition of an affected building in section 121A of the Building Act includes buildings that are adjacent to, adjoining or nearby to a dangerous dam. Section 132A of the Building Act (inserted on 28 November</td>
<td></td>
</tr>
<tr>
<td>Section</td>
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<td></td>
<td>Addition of a sentence that refers to the powers that Council has to prevent people approaching or entering affected buildings.</td>
<td>2013 by section 36 of the Building Amendment Act 2013 (2013 No 100) requires that the Policy take into account affected buildings. Both of these proposed changes are to ensure that the Policy adequately considers affected buildings, as required by Section 132A of the Building Act.</td>
</tr>
<tr>
<td></td>
<td>Change the reference in the second paragraph from s124(1)(c) to s124(2)(c).</td>
<td>Section 124 was repealed and a new section 124 substituted on 28 November 2013 by section 30 of the Building Amendment Act 2013 (2013 No 100). The policy needs to be updated so that it references the correct clause within new section 124.</td>
</tr>
<tr>
<td>Record Keeping and access to information</td>
<td>Merging of the “Record Keeping” and “Access to Information” Sections of the policy together.</td>
<td>This change is to simplify the policy and reduce repetition.</td>
</tr>
<tr>
<td></td>
<td>Addition of “affected” in the list of buildings that need to be considered when providing information in LIM reports.</td>
<td>The proposed addition of this section is to achieve compliance with section 132A of the Building Act 2004.</td>
</tr>
</tbody>
</table>

4 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 to Monday 25 September 2017 at 4.00pm.

Copies of the documents may 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 subject heading ‘Dangerous, Affected and Insanitary Buildings Policy’.

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 Dangerous, Affected and Insanitary Buildings 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.
DANGEROUS, AFFECTED AND INSANITARY BUILDINGS POLICY

Introduction and Background
Section 131 of the Building Act 2004 requires territorial authorities to adopt a policy on dangerous, earthquake-prone and insanitary buildings. It must be reviewed at least every five years. For convenience, Council has produced two separate policies, this one on dangerous and insanitary buildings, and another one on earthquake prone buildings.

Policies on dangerous and insanitary buildings are required to state:
- The approach that the Council will take in performing its functions under the Act;
- Council’s priorities in performing those functions;
- How the policy will apply to heritage buildings;

Section 132A\(^1\) requires the policy to take into account affected buildings.

In developing and adopting its policy on dangerous and insanitary buildings, Council has followed the special consultative procedure set out in section 83 of the Local Government Act 2002.

Definitions

The definition of a dangerous building is set out in Section 121 (1) of the Act:

“A building is dangerous for the purposes of this Act if,-
(a) in the ordinary course of events (excluding the occurrence of an earthquake), the building is likely to cause-
   (i) injury or death (whether by collapse or otherwise) to any persons in it or to persons on other property; or
   (ii) damage to other property; or
(b) in the event of fire, injury or death to any person in the building or to persons on other property is likely because of fire hazard or the occupancy of the building.”

The definition of an insanitary building is set out in s123 of the Act:

“A building is insanitary for the purposes of this Act if the building-
(a) is offensive or likely to be injurious to health because-
   (i) of how it is situated or constructed; or
   (ii) it is in a state of disrepair; or
(b) has insufficient or defective provisions against moisture penetration so as to cause dampness in the building or in any adjoining building; or
(c) does not have a supply of potable water that is adequate for its intended use; or
(d) does not have sanitary facilities that are adequate for its intended use.”

\(^1\) Inserted on 28 November 2013 by section 36 of the Building Amendment Act 2013 (2013 No 100).
Policies on dangerous and insanitary buildings are required to state:

- The approach that the Council will take in performing its functions under the Act;
- Council’s priorities in performing those functions;
- How the policy will apply to heritage buildings;

The definition of an affected building is set out in s121A:

“A building is an affected building for the purposes of this Act if it is adjacent to, adjoining, or nearby—

(a) a dangerous building as defined in section 121; or
(b) a dangerous dam within the meaning of section 153.

In developing and adopting its policy on dangerous and insanitary buildings, Council has followed the special consultative procedure set out in section 83 of the Local Government Act 2002.

**Policy approach**

The provisions of the Act relating to dangerous and insanitary buildings reflect the government’s broader concern with the lives and health and safety of the public in buildings. This is expressed in the purpose of the Act set out in Section 3, and the principles contained in Section 4. Council is committed to ensuring that the Manawatu’s built environment is safe, reliable and attractive. This is one of the community outcomes in the Long Term Plan 2015-25. People are able to go about their business and leisure any time of the day or night without fear for their safety. This is set as a community outcome in the LTCCP.

**Causes of Dangerous, Affected, or Insanitary Buildings**

Buildings may become dangerous or insanitary due to a number of reasons. These include poor maintenance, misuse by the occupant, natural disasters such as floods, landslides or erosion and inappropriate construction methods or materials.

Buildings that are dangerous or insanitary may come to the attention of the Council via complaints from building tenants, during building consent inspections, or in follow-ups after a flood event. Once Council is aware of a problem, it is obliged to act in order to ensure the health and wellbeing of the building’s occupants. Council will follow the process laid down in the Building Act 2004 in dealing with dangerous conditions. In respect of insanitary conditions, it will decide whether to use its powers under the Health Act 1956 and/or the Building Act 2004 in each particular case.

Where the risk associated with a dangerous building or a dangerous dam extends to other buildings located adjacent to, adjoining or nearby, these buildings may be considered “affected buildings” in accordance with s121A. In such instances Council will use its powers under section 124(2) of the Building Act to ensure public safety.
Identifying Dangerous, Affected or Insanitary Buildings

It is impractical to inspect every building in the District on a regular basis. Instead the Council will:

1. Respond to and investigate all building complaints received;
2. Identify from these investigations any buildings that Council considers may be dangerous or insanitary and any buildings adjacent to, adjoining or nearby that may be affected buildings;
3. Issue a notice to the owner and occupier of the building to take action to remedy or remove the problem, as required by s124 and s125 of the Act;
4. Liaise with the New Zealand Fire Service in respect of dangerous buildings when Council deems it is appropriate, in accordance with s121 (2) of the Act;
5. Liaise with the Regional Public Health Service (Medical Officer of Health) when required, to assess whether the occupants may be neglected or infirm.
6. Respond to any notification from Horizons Regional Council of a dangerous dam located within the Manawatu District that may trigger affected buildings under the Building Act 2004.

Assessment Criteria

The Council will assess dangerous buildings in accordance with s121 (1) of the Act, in terms of the extent to which:

- the building is likely to cause injury or death to any persons in it or on other property, or to cause damage to other property; or:
- injury or death to any persons in the building or to persons on other property is likely because of fire hazard or the occupancy of the building.
- in the event of fire, injury or death to any person in the building or to persons on other property is likely because of fire hazard or the occupancy of the building."

Council may request a written report on the building from the New Zealand Fire Service or other agencies.

Insanitary buildings will be assessed in accordance with s123 of the Building Act. The Council will consider the use to which the building is put and whether the insanitary conditions pose a reasonable probability of danger to the health of any occupants.

Acceptable Solutions E2 (External Moisture), G1 (Water Supplies), G1 (Personal Hygiene) and G13 (Foul Water) of the New Zealand Building Code may be consulted.

Taking Action

Immediate action

Where a building is assessed by Council, and verified by a suitably qualified structural engineer as posing an immediate danger to the safety of people, or where immediate action is necessary to fix insanitary conditions, Council may, by warrant under s129(2), take any action necessary to
remove that danger or to fix those insanitary conditions. The danger or hazard is assessed and requires immediate action, the Council will remove that danger or hazard. **The Act allows Council to recover the costs of those actions from the owner(s).** Council can prohibit persons from using or occupying the building under section 128. and can request demolition of all or part of the building under section 129. The Act allows Council to recover costs from the owner(s) for any such remedial works.

**Serving notices**

Owners of buildings that are determined to be dangerous or insanitary, but not requiring immediate action to remedy their condition, will be issued a notice requiring actions to be taken to reduce or remove the danger or insanitary Council conditions. Council will use the provisions of Sections 124 and 125 of the Building Act, **as follows:**—This will be done after advising the owners concerned, and involves:

- Attaching a written notice to the building requiring work to be carried out, within a time stated in the notice (being not less than 10 days), to reduce or remove the danger or the insanitary conditions;
- Giving copies of the notice to the building owner, occupier, and every person who has an interest in the land, or is claiming an interest in the land, **any statutory authority if the land or building has been classified**, as well as the New Zealand Historic Places Trust Heritage New Zealand Pouhere Taonga if the building is a heritage building;
- Contacting the owner at the expiry of the time period set down in the notice in order to gain access to the building to ascertain whether the notice has been complied with;
- Pursuing enforcement action under the Act if the requirements of the notice are not met within a reasonable period of time as well as any other non-compliance matters. Any person who fails to comply with a notice **issued** under Section 124(2)(c) 125 is committing an offence and is liable to infringement fines of up to $2,000 or a fine not exceeding $200,000.

- Any person who fails to comply with section 128(2) by using or occupying the building, or permitting another person to use or occupy the building commits an offence. In accordance with section 128A(2) they are liable on conviction to a fine not exceeding $200,000 and in the case of a continuing offence, to a further fine not exceeding $20,000 for every part or part of a day during which the offence has continued.

**Affected Buildings**

Where a building is assessed by Council as being an affected building, Council will do any or all of the following to ensure the safety of the public (in accordance with clauses (a), (b) and (d) of section 124(2) of the Building Act):

- **put up a hoarding or fence to prevent people from approaching the building nearer than is safe**
- **attach in a prominent place on, or adjacent to, the building a notice that warns people not to approach the building:**
- **issue a notice that complies with section 125(1A) restricting entry to the building for particular purposes or restricting entry to particular persons or groups of persons.**
These restrictions will remain in place until Council, or the owner of the building or dam, undertakes all actions necessary to remove the danger or hazard so that the building is no longer affected.

**Natural disasters**

- If the dangerous or insanitary conditions are due to a widespread natural hazard event, it may not be reasonable or practical for formal notice under the Act to be served at the outset. During the recovery process buildings deemed dangerous or insanitary will be identified in accordance with recovery procedure. During this process Council will advise and work with owners with a view to obtaining a mutually acceptable approach to removing the danger or insanitary conditions.

- Information relating to the affected properties will be held on Council records.

**Section 112: Alterations to existing buildings**

Whenever a building consent application is received for significant upgrading or alteration of a building that is or could be dangerous or insanitary then, irrespective of the general priorities set in this policy, Council will not issue a building consent unless it is satisfied that the building will no longer be dangerous of insanitary after the alteration.

**Heritage Buildings**

A number of principles relevant to historic heritage are outlined in Section 4 of the Act, including:

- d) the importance of recognising any special traditional and cultural aspects of the intended use of a building, and
- l) the need to facilitate the preservation of buildings of significant cultural, historical, or heritage value.

Local authorities are required to take these principles into account, including when they are preparing, adopting and reviewing policies on dangerous and insanitary buildings.

No special dispensation will be afforded to heritage buildings in terms of compliance under this policy. It is just as important for these buildings to be made safe and sanitary as it is for any other structure. Where the required remedial works might adversely affect the historic fabric or heritage value of the building, however, it will be important for Council or the landowner to obtain advice from an appropriate heritage professional on how the work may be done with minimum impact. The landowner is responsible for any costs associated with the engagement of a heritage professional.

Under section 125 (2) (f) of the Building Act, a copy of any notice issued under section 124(2)(c) or section 124(2)(d) of the Act will be sent to Heritage New Zealand Pouhere Taonga where a heritage building has been identified as dangerous or insanitary.
Funding may be available for owners of Heritage Buildings through a Council Heritage Funding Policy.

**Priorities**

Priority will be given to buildings that have been determined by a suitably qualified structural engineer to be immediately dangerous or insanitary and affected buildings that are downstream of dams that pose an immediate risk. Urgent action will be required in these situations to remedy the situation, such as prohibiting occupation of the property, and putting up a hoarding or fence. In such instances, actions will also be taken by Council to prevent people from approaching or entering affected buildings.

Buildings that are determined to be dangerous or insanitary, but not requiring immediate action to remedy their condition, will be subject to a reasonable timeframe, but not less than 10 days for reduction or removal of the danger as set out in section 124(2)(c) of the Building Act.

**Record keeping and access to information**

Any buildings identified as being dangerous, affected or insanitary will be recorded on the property file for the land on which the building is situated. The following information will also be included with any LIM issued in respect of the property:

- Advice that the building is dangerous or insanitary.
- A copy of any correspondence about the state of the building, if applicable.
- A copy of any dangerous and/or insanitary notices issued under the Act.
- Any report as to the completed works and how the situation was rectified, if applicable.

In granting access to information concerning such buildings, the Council will conform to the requirements of the Local Government Official Information and Meetings Act 1987, the Privacy Act and the Local Government Act 2002.

**Economic impact of policy**

Due to the very low number of dangerous or insanitary buildings encountered annually by the Council, the economic impact of this policy is considered to be negligible.
DANGEROUS, AFFECTED AND INSANITARY BUILDINGS POLICY

Introduction and Background

Section 131 of the Building Act 2004 requires territorial authorities to adopt a policy on dangerous, earthquake-prone and insanitary buildings. It must be reviewed at least every five years. For convenience, Council has produced two separate policies, this one on dangerous and insanitary buildings, and another one on earthquake prone buildings.

Policies on dangerous and insanitary buildings are required to state:
- The approach that the Council will take in performing its functions under the Act;
- Council’s priorities in performing those functions;
- How the policy will apply to heritage buildings;

Section 132A\(^1\) requires the policy to take into account affected buildings.

In developing and adopting its policy on dangerous and insanitary buildings, Council has followed the special consultative procedure set out in section 83 of the Local Government Act 2002.

Definitions

The definition of a dangerous building is set out in Section 121 (1) of the Act:

“A building is dangerous for the purposes of this Act if,--
(a) in the ordinary course of events (excluding the occurrence of an earthquake), the building is likely to cause-
(i) injury or death (whether by collapse or otherwise) to any persons in it or to persons on other property; or
(ii) damage to other property; or
(b) in the event of fire, injury or death to any person in the building or to persons on other property is likely.”

The definition of an insanitary building is set out in s123 of the Act:

“A building is insanitary for the purposes of this Act if the building-
(a) is offensive or likely to be injurious to health because-
(i) of how it is situated or constructed; or
(ii) it is in a state of disrepair; or
(b) has insufficient or defective provisions against moisture penetration so as to cause dampness in the building or in any adjoining building; or

\(^1\) Inserted on 28 November 2013 by section 36 of the Building Amendment Act 2013 (2013 No 100).
(c) does not have a supply of potable water that is adequate for its intended use; or
(d) does not have sanitary facilities that are adequate for its intended use.”

The definition of an affected building is set out in s121A:
“A building is an affected building for the purposes of this Act if it is adjacent to, adjoining, or nearby—
(a) a dangerous building as defined in section 121; or
(b) a dangerous dam within the meaning of section 153.

Policy approach

The provisions of the Act relating to dangerous and insanitary buildings reflect the government’s broader concern with the lives and health and safety of the public in buildings. This is expressed in the purpose of the Act set out in Section 3, and the principles contained in Section 4. Council is committed to ensuring that the Manawatu’s built environment is safe, reliable and attractive. This is one of the community outcomes in the Long Term Plan 2015-25.

Causes of Dangerous, Affected or Insanitary Buildings

Buildings may become dangerous or insanitary due to a number of reasons. These include poor maintenance, misuse by the occupant, natural disasters such as floods, landslides or erosion and inappropriate construction methods or materials.

Buildings that are dangerous or insanitary may come to the attention of the Council via complaints from building tenants, during building consent inspections, or in follow-ups after a flood event. Once Council is aware of a problem, it is obliged to act in order to ensure the health and wellbeing of the building’s occupants. Council will follow the process laid down in the Building Act 2004 in dealing with dangerous conditions. In respect of insanitary conditions, it will decide whether to use its powers under the Health Act 1956 and/or the Building Act 2004 in each particular case.

Where the risk associated with a dangerous building or a dangerous dam extends to other buildings located adjacent to, adjoining or nearby, these buildings may be considered “affected buildings” in accordance with s121A. In such instances Council will use its powers under section 124(2) of the Building Act to ensure public safety.

Identifying Dangerous, Affected or Insanitary Buildings

It is impractical to inspect every building in the District on a regular basis. Instead the Council will:

1. Respond to and investigate all building complaints received;
2. Identify from these investigations any buildings that Council considers may be dangerous or insanitary and any buildings adjacent to, adjoining or nearby that may be affected buildings;
3. Liaise with the New Zealand Fire Service in respect of dangerous buildings when Council deems it is appropriate, in accordance with s121 (2) of the Act:
4. Liaise with the Regional Public Health Service (Medical Officer of Health) when required, to assess whether the occupants may be neglected or infirm.

5. Respond to any notification from Horizons Regional Council of a dangerous dam located within the Manawatu District that may trigger affected buildings under the Building Act 2004.

**Assessment Criteria**

The Council will assess dangerous buildings in accordance with s121 (1) of the Act, in terms of the extent to which:

- the building is likely to cause injury or death to any persons in it or on other property, or to cause damage to other property; or:
- in the event of fire, injury or death to any person in the building or to persons on other property is likely.”

Council may request a written report on the building from the New Zealand Fire Service or other agencies.

Insanitary buildings will be assessed in accordance with s123 of the Building Act. The Council will consider the use to which the building is put and whether the insanitary conditions pose a reasonable probability of danger to the health of any occupants.

Acceptable Solutions E2 (External Moisture), G1 (Water Supplies), G1 (Personal Hygiene) and G13 (Foul Water) of the New Zealand Building Code may be consulted.

**Taking Action**

*Immediate action*

Where a building is assessed by Council, and verified by a suitably qualified structural engineer as posing an immediate danger to the safety of people, or where immediate action is necessary to fix insanitary conditions, Council may, by warrant under s129(2), take any action necessary to remove that danger or to fix those insanitary conditions. The Act allows Council to recover the costs of those actions from the owner(s). Council can prohibit persons from using or occupying the building under section 128.

*Serving notices*

Owners of buildings that are determined to be dangerous or insanitary, but not requiring immediate action to remedy their condition, will be issued a notice requiring actions to be taken to reduce or remove the danger or insanitary conditions. Council will use the provisions of Sections 124 and 125 of the Building Act, as follows:

- Attaching a written notice to the building requiring work to be carried out, within a time stated in the notice (being not less than 10 days), to reduce or remove the danger or the insanitary conditions;
• Giving copies of the notice to the building owner, occupier, and every person who has an interest in the land, or is claiming an interest in the land, any statutory authority if the land or building has been classified, as well Heritage New Zealand Pouhere Taonga if the building is a heritage building;
• Contacting the owner at the expiry of the time period set down in the notice in order to gain access to the building to ascertain whether the notice has been complied with;
• Pursuing enforcement action under the Act if the requirements of the notice are not met within a reasonable period of time as well as any other non-compliance matters. Any person who fails to comply with a notice issued under Section 124(2)(c) is committing an offence and is liable to a fine not exceeding $200,000.
• Any person who fails to comply with section 128(2) by using or occupying the building, or permitting another person to use or occupy the building commits an offence. In accordance with section 128A(2) they are liable on conviction to a fine not exceeding $200,000 and in the case of a continuing offence, to a further fine not exceeding $20,000 for every part or part of a day during which the offence has continued.

Affected Buildings
Where a building is assessed by Council as being an affected building, Council will do any or all of the following to ensure the safety of the public (in accordance with clauses (a), (b) and (d) of section 124(2) of the Building Act):

• put up a hoarding or fence to prevent people from approaching the building nearer than is safe
• attach in a prominent place on, or adjacent to, the building a notice that warns people not to approach the building:
• issue a notice that complies with section 125(1A) restricting entry to the building for particular purposes or restricting entry to particular persons or groups of persons.

These restrictions will remain in place until Council, or the owner of the building or dam, undertakes all actions necessary to remove the danger or hazard so that the building is no longer affected.

Natural disasters
• If the dangerous or insanitary conditions are due to a widespread natural hazard event, it may not be reasonable or practical for formal notice under the Act to be served at the outset. During the recovery process buildings deemed dangerous or insanitary will be identified in accordance with recovery procedure. During this process Council will advise and work with owners with a view to obtaining a mutually acceptable approach to removing the danger or insanitary conditions.

• Information relating to the affected properties will be held on Council records.
Section 112: Alterations to existing buildings

Whenever a building consent application is received for significant upgrading or alteration of a building that is or could be dangerous or insanitary then, irrespective of the general priorities set in this policy, Council will not issue a building consent unless it is satisfied that the building will no longer be dangerous or insanitary after the alteration.

Heritage Buildings

A number of principles relevant to historic heritage are outlined in Section 4 of the Act, including:

d) the importance of recognising any special traditional and cultural aspects of the intended use of a building, and

l) the need to facilitate the preservation of buildings of significant cultural, historical, or heritage value.

Local authorities are required to take these principles into account, including when they are preparing, adopting and reviewing policies on dangerous and insanitary buildings.

No special dispensation will be afforded to heritage buildings in terms of compliance under this policy. It is just as important for these buildings to be made safe and sanitary as it is for any other structure. Where the required remedial works might adversely affect the historic fabric or heritage value of the building, however, it will be important for Council or the landowner to obtain advice from an appropriate heritage professional on how the work may be done with minimum impact. The landowner is responsible for any costs associated with the engagement of a heritage professional.

Under section 125 (2) (f) of the Building Act, a copy of any notice issued under section 124(2)(c) or section 124(2)(d) of the Act will be sent to Heritage New Zealand Pouhere Taonga where a heritage building has been identified as dangerous or insanitary.

Funding may be available for owners of Heritage Buildings through a Council Heritage Funding Policy.

Priorities

Priority will be given to buildings that have been determined by a suitably qualified structural engineer to be immediately dangerous or insanitary and buildings that are downstream of dams that pose an immediate risk. Urgent action will be required in these situations to remedy the situation, such as prohibiting occupation of the property, and putting up a hoarding or fence. In such instances, actions will also be taken by Council to prevent people from approaching or entering affected buildings.

Buildings that are determined to be dangerous or insanitary, but not requiring immediate action to remedy their condition, will be subject to a reasonable timeframe, but not less than 10 days for reduction or removal of the danger as set out in section 124(2) (c) of the Building Act.
Record keeping and access to information

Any buildings identified as being dangerous, affected or insanitary will be recorded on the property file for the land on which the building is situated. The following information will also be included with any LIM issued in respect of the property:

- Advice that the building is dangerous or insanitary.
- A copy of any correspondence about the state of the building, if applicable.
- A copy of any dangerous and/or insanitary notices issued under the Act.
- Any report as to the completed works and how the situation was rectified, if applicable.

In granting access to information concerning such buildings, the Council will conform to the requirements of the Local Government Official Information and Meetings Act 1987, the Privacy Act and the Local Government Act 2002.

Economic impact of policy

Due to the very low number of dangerous or insanitary buildings encountered annually by the Council, the economic impact of this policy is considered to be negligible.
Amendment to Fees and Charges

Purpose

To report to the Strategic Planning and Policy Committee amendments made to the fees and charges for the period 1 July 2017 to 30 June 2018 since adoption by Council on 22 June 2017.

Significance of Decision

The Council’s Significance and Engagement policy is not triggered by matters discussed in this report.

Recommendations

That the Strategic Planning and Policy Committee notes the following amendments made to Fees and Charges for the period 1 July 2017 to 30 June 2018:

1. Reinstatement of fee of $25 for Garden Memorial Permit (Feilding only)
2. Correction of water connection fee for Sanson Rural Water Supply and Rongotea to $1,285
3. Addition of the following digital Building Consent processing fees:
   - Scanning and digital application fee:
     Fast Track - $102
     Residential - $167
     Commercial - $204

Report prepared by:
Allie Dunn
Governance Team Leader

Approved for submission by:
Karel Boakes
Acting General Manager - Corporate and Regulatory
1 Contribution to the Council Vision and Council Outcomes

1.1 Relationship to the Council Outcomes that underpin the Council’s Vision:

*Connected, vibrant and thriving Manawatu – the best rural lifestyle in New Zealand*

<table>
<thead>
<tr>
<th>Manawatu District will improve the natural environment, stewarding the district in a practice aligned to the concept of kaitiakitanga.</th>
<th>The Manawatu will attract and retain residents.</th>
<th>Manawatu district develops a broad economic base from its solid foundation in the primary sector.</th>
<th>Manawatu and its people are connected via quality infrastructure and technology.</th>
<th>Manawatu’s built environment is safe, reliable and attractive.</th>
<th>Manawatu District Council is an agile and efficient organisation.</th>
</tr>
</thead>
</table>

2 Background

2.1 The Council has the ability to set fees and charges for all of its activities, except those that are set by regulation.

2.2 Fees and charges are calculated to recover the costs of providing those services in accordance with the funding split agreed to in the Council’s Revenue and Financing Policy.

2.3 The Council adopted the Animal Control Fees for the 2017/18 year at its extraordinary meeting on 22 March 2017 and the remainder of its fees were adopted by Council at its meeting held 22 June 2017.

2.4 Since adopting the fees and charges, officers have noted that a required fee had not been included in the information provided to Council, and another fee had not been set at the correct level to meeting the funding split set out in Council’s Revenue and Financing Policy. Also, with the implementation of digital building consent applications and processing fees related to providing that service need to be included.

2.5 These fees have since been corrected under the delegated authority of the Chief Executive and General Managers, and these changes are now reported to Strategic Planning and Policy Committee as required by the Council’s Delegations Manual.

3 Discussion and Options considered

3.1 The first set of fees that required correction was in the Cemeteries fees schedule. The fee related to the fee charged for a Garden Memorial permit (Feilding only). This fee of $25 had been omitted from the schedule of fees and charges presented to Council.

3.2 The second set of fees that required correction was in the Water Supply fees schedule. The water connection fee for Sanson Rural Water supply and Rongotea had been set in error at $275 instead of $1,285.

3.3 The third set of fees that require addition are due to the implementation of digital building consent applications and processing and relate to building consent applications received in hardcopy format only. Fees for the work involved in vetting, scanning and loading these applications have been assessed at the following levels to enable recovery of costs in line with the Council’s Revenue and Financing Policy:
### Building Control: Scanning and Digital Application Fees (for applications received in hard copy format)

<table>
<thead>
<tr>
<th>Digital Fee</th>
<th>Vetting</th>
<th>Scanning</th>
<th>Loading</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fast Track</td>
<td>$37.00</td>
<td>$28.00</td>
<td>$37.00</td>
<td>$102.00</td>
</tr>
<tr>
<td>Residential</td>
<td>$74.00</td>
<td>$56.00</td>
<td>$37.00</td>
<td>$167.00</td>
</tr>
<tr>
<td>Commercial</td>
<td>$111.00</td>
<td>$56.00</td>
<td>$37.00</td>
<td>$204.00</td>
</tr>
</tbody>
</table>

3.4 This set of fees will replace the existing fee for scanning and digital storage of $46.00.

## 4 Operational Implications

4.1 There are no capital or operating expenditure implications or maintenance costs associated with this report. Updating the fees and charges as set out in this report will ensure that the revenue split as set by the Council’s Revenue and Financing Policy can be met.

## 5 Financial Implications

5.1 There are no direct financial implications associated with this report.

## 6 Statutory Requirements

6.1 The power for local authorities to prescribe fees and charges is set by a number of statutes, including:

- Local Government Act 2002 – section 12 “status and powers”
- Local Government Act 2002 – section 150 “fees may be prescribed by bylaw”
- Building Act 2004 – section 219 “territorial authority may impose fee or charge and must collect levy”
- Resource Management Act 1991 – section 36 “administrative charges”
- Dog Control Act 1996 – section 37 “territorial authority to set fees”
- Impounding Act 1955 – section 14 “poundage fees and sustenance charges”
- Food Act 2014 – section 205 “territorial authority to set fees”

## 7 Delegations

7.1 Section 51 of the Council’s Delegations Manual (updated 1 June 2017) sets out the requirements for setting of fees and charges. Under this section the Chief Executive and General Managers may set, vary or waive any fee or charge for a Council service or goods, provided:

- That any class of fees and charges so fixed are reported to the Strategic Planning & Policy Committee; and
• The fee or charge is permitted by law and is not inconsistent with Council policy.

8 Consultation

8.1 There are no community consultation requirements associated with this report.

9 Cultural Considerations

9.1 There are no cultural considerations associated with this report.

10 Conclusion

10.1 In general, the fees and charges adopted for 2017/18 were adjusted for inflation and set at a level to ensure Council was able to recover costs of providing the services in accordance with the funding split agreed to in the Council’s Revenue and Financing Policy. Since adoption on 22 June 2017, corrections to two of the sets of fees came to light and have been made. The implementation of digital building consent applications has also necessitated the inclusion of fees to recover costs of processing these applications. The amendments to Council’s Fees and Charges are reported to the committee in accordance with the requirements of Council’s Delegations Manual.

11 Attachments

• No attachments.
Electoral System from 2019

Purpose

To raise with Council the options for choosing the electoral system to be used for elections and polls from October 2019 onwards.

Significance of Decision

The Council’s Significance and Engagement policy is not triggered by matters discussed in this report.

Recommendations

That the Strategic Planning and Policy Committee recommend:

EITHER:

That the Council adopts the Single Transferable Vote system of voting for the Manawatu District Council elections from 2019 onwards.

OR:

That the Council resolves that a poll be held on the proposal to use First Past the Post / Single Transfer Vote as the system for the elections of the Manawatu District Council from 2019 onwards.

OR:

That the Council reaffirms the use of the First Past the Post system of voting for the Manawatu District Council elections from 2019 onwards.

OR:

That the Council receives the report of the General Manager Corporate and Regulatory dated 19 July 2017 “Electoral System from 2019” and notes that public notice would be given of the right of the public to demand a poll on the system of voting to be used for the Manawatu District Council elections from 2019 onwards.

Report prepared by:
Allie Dunn
Governance Team Leader
1 Executive Summary

1.1 The Council has the following options to consider:

- Decide to change its electoral system from First Past the Post to Single Transferable Vote; or
- Resolve to hold a poll on the matter; or
- Reaffirm its commitment to First Past the Post by passing another resolution to that effect.

1.2 The Council can also not make a decision on the Electoral System, in which case the current system would remain as Council’s system unless the result of a poll required Council to change.

1.3 Regardless of which choice the Council makes from the above list, the Council must give public notice by 19 September 2017 of the right of 5% of electors to demand a poll on the electoral system to be used at elections and polls from October 2019 onwards.

2 Contribution to the Council Vision and Council Outcomes

2.1 Relationship to the Council Outcomes that underpin the Council’s Vision:

*Connected, vibrant and thriving Manawatu – the best rural lifestyle in New Zealand*

| Manawatu District will improve the natural environment, stewarding the district in a practice aligned to the concept of kaitiakitanga. | The Manawatu will attract and retain residents. | Manawatu district develops a broad economic base from its solid foundation in the primary sector. | Manawatu and its people are connected via quality infrastructure and technology. | Manawatu’s built environment is safe, reliable and attractive. | Manawatu District Council is an agile and efficient organisation. | ✓ |

3 Background

3.1 The Local Electoral Act 2001 offers the choice between two electoral systems for local government elections: First Past The Post (FPP) and Single Transferable Vote (STV).

3.2 The Council is required to follow a timeline set out in the Local Electoral Act which gives Council options on which of the two electoral systems it wishes to use for the next election (October 2019) and sets requirements for giving public notice of the public’s right to demand a poll on the choice of electoral system.

3.3 The Council currently uses the First Past the Post electoral system for its elections and polls.
**4 Discussion and Options considered**

**4.1** The electoral system decision is part of a set of three related processes under the Local Electoral Act 2001. The legislation sets timelines for each of these processes, which are designed to fit with each other. These processes are the system of voting, the decision on Maori Wards, and the Review of Representation. The deadline dates for polls for both the System of Voting, and Maori Wards are aligned so that the outcomes of any such poll can be taken into account in time for the Council’s decision making on its initial proposal for its review of representation.

**4.2** The first part that Council must consider is the system of voting, and the options open to Council are outlined below, including an explanation of each of the electoral systems available to Council.

**Option 1: Council can decide to change its electoral system**

**4.3** Council currently uses the First Past the Post electoral system. The alternative system that Council could use is the Single Transferable Vote system. Should Council wish to change its electoral system, then it must make that decision no later than 12 September 2017 for it to take effect for the 2019 election.

**4.4** Advantages and disadvantages of the Single Transferable Vote system are:

<table>
<thead>
<tr>
<th>Advantages</th>
<th>Disadvantages</th>
</tr>
</thead>
<tbody>
<tr>
<td>Achieves broad proportionality in multi-member wards;</td>
<td>Perceptions of complexity;</td>
</tr>
<tr>
<td>Provides majority outcomes in single-member elections;</td>
<td>Different voting systems on same voting paper (if Regional Council chooses FPP system)</td>
</tr>
<tr>
<td>Enables more equitable minority representation;</td>
<td>Information conveyed in election results</td>
</tr>
<tr>
<td>Reduces the number of wasted votes; and Tactical or block voting is virtually impossible.</td>
<td></td>
</tr>
</tbody>
</table>

Advantages and disadvantages of the First Past the Post system are:

<table>
<thead>
<tr>
<th>Advantages</th>
<th>Disadvantages</th>
</tr>
</thead>
<tbody>
<tr>
<td>Simplicity of process, including casting, counting and announcing votes.</td>
<td>Less representative results;</td>
</tr>
<tr>
<td></td>
<td>Obstacles to minority candidate election;</td>
</tr>
<tr>
<td></td>
<td>Higher number of wasted votes;</td>
</tr>
<tr>
<td></td>
<td>Different systems on same voting paper (all DHB elections are STV)</td>
</tr>
<tr>
<td></td>
<td>Tactical voting is possible</td>
</tr>
</tbody>
</table>

**Option 2: Council can decide to hold a poll**

**4.5** The Council can decide to hold a poll on a proposal to use a specified electoral system for the Council’s elections and polls. The legislation states that any resolution to hold a poll must be made by 21 February 2018 and the poll must be held by 21 May 2018 (if it was to take effect for the 2019 elections).

**4.6** The resolution to hold a poll may specify a date on which the poll would be held, and if it was to specify a date then this date must be prior to 21 May 2018.
4.7 If no date is specified in the resolution to hold a poll then the poll must be held as soon as practicable, and within 89 days of the date that the Council’s Electoral Officer receives notice of the Council’s decision to hold a poll.

4.8 If this resolution is not made prior to 12 September 2017 however, then the public notice advising the public of their right to demand a poll must still be made prior to 19 September 2017.

**Option 3: Council can do nothing**

4.9 If the Council makes no decision regarding its choice of electoral system, then the Council must give public notice of the public’s right to demand a poll on the electoral system, and this notice must be published no later than 19 September 2017. First Past the Post would continue to be the electoral system from October 2019 onwards, unless 5% of the electors demand before 21 February 2018 that a poll be held. To be able to take effect for the 2019 election any such poll would need to be held prior to 21 May 2018 and the results of the poll would be binding on the Council.

**Option 4: Council can decide to keep its current electoral system**

4.10 Finally the Council could choose to reaffirm its current choice of electoral system. The difference between this option and Option 3 to do nothing, is that the public notice would specify the Council’s decision to maintain its current system of election.

4.11 A copy of a Guide to the Local Government Electoral Option, written by Dr Janine Hayward, Associate Professor, Department of Politics at the University of Otago is appended to this report. This guide was developed to help Councils reach their decision on choice of electoral system. It includes a brief description of the electoral system options, some commonly identified advantages and disadvantages of each system and provides answers to some concerns and questions raised by Councils and the public about each system.

5 **Operational Implications**

5.1 There are no capital / operating expenditure implications or maintenance costs associated with this paper.

6 **Financial implications**

6.1 The only potential financial implications associated with this matter would arise if the Council either decided to hold a poll, or if a valid demand for a poll was received. No budget provision has been made for the costs of a poll.

7 **Statutory Requirements**

7.1 The adoption of the electoral system to be used for local Council elections is governed by Sections 27 to 34 of the Local Electoral Act 2001.

8 **Delegations**

8.1 The Council has the authority to decide this matter.
9 Consultation

9.1 There are no community consultation requirements associated with this report. Public notice would be given of Council’s decision and the right for 5% of electors to demand a poll on the electoral system to be used for the next election.

10 Cultural Considerations

10.1 There are no cultural considerations associated with this matter.

11 Conclusion

11.1 The Council has the option to change its electoral system, reaffirm the use of the current electoral system, or hold a poll on the matter. Regardless of which choice Council decides to make, a public notice must be published by 19 September 2017 giving notice of electors’ right to demand a poll on the electoral system to be used for the next election.

12 Attachments

- The Local Government Electoral Option – Dr Janine Hayward, University of Otago
PART 4: APPENDIX

The local government Electoral system option

Code of Good Practice for the management of local authority elections and polls 2016
This guide was prepared for the Department of Internal Affairs, the Society of Local Government Managers Electoral Working Party and *Local Government New Zealand* by Dr Janine Hayward, Associate Professor/Ahorangi Tuarua, Department of Politics/Te Tari Torangapu, University of Otago/Te Whare Wananga o Otago.

Acknowledgements

In preparing this guide, Dr Hayward acknowledges the input received from Gavin Beattie, Department of Internal Affairs.

Contact details for Dr Hayward are:
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Dunedin/Otepoti
Tel/Waea 64 3 479 8666
janine.hayward@otago.ac.nz
INTRODUCTION

The Local Electoral Act 2001 offers the choice between two electoral systems for local government elections: first past the post (FPP) and the single transferable vote (STV).

The option was first offered for the 2004 local government elections. As a result of that option, 10 city/district councils used STV at the 2004 elections (Kaipara, Papakura, Matamata-Piako, Thames-Coromandel, Kapiti Coast, Porirua, Wellington, Marlborough, Dunedin and the Chatham Islands). After the 2004 elections, two councils (Papakura and Matamata-Piako) resolved to change back to FPP. The remaining eight councils used STV at the 2007 elections. After the 2007 elections, a further two councils (Thames-Coromandel and Chatham Islands) resolved to change back to FPP.

Councils now have the option to decide, by 12 September 2011, whether to stay with their current electoral system (either FPP or STV), or whether to change to the alternative system for the 2013 elections.\(^1\)

Whether or not a council passes a resolution by 12 September 2011, it must give public notice by 19 September of the right for 5% of electors to demand a poll on the electoral system to be used at the 2013 local elections.\(^2\)

This guide has been developed to help councils reach their decision. It is also intended to provide a basis for information to help local communities understand the issues. Communities have an important role to play in the decision. They must be consulted by way of public notice and may be polled on their preferred electoral system or demand a poll themselves.

The guide includes:
1. a brief description of the two electoral systems including important differences
2. some commonly identified advantages and disadvantages of each electoral system
3. responses to common concerns and questions councils and the public have raised about each electoral system and the electoral option.

This guide does not intend to influence councils either way in their decision-making. It presents arguments for and against both systems and encourages councils to make an informed choice about the electoral system best suited for their community.

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\(^1\) The Choice: First Past the Post (FPP) or the Single Transferable Vote (STV)

\(^2\) This subject to the outcome of any poll that may have been held before or at the time of the 2010 elections resulting in a requirement for the next two elections to be held using a particular electoral system.
(a) How do the two electoral systems work?

<table>
<thead>
<tr>
<th>FPP</th>
<th>STV</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>FPP: casting a vote</strong></td>
<td><strong>STV: casting a vote</strong></td>
</tr>
<tr>
<td>You place ticks equal to the number of vacancies next to the candidate(s) you wish to vote for.</td>
<td>You cast one single vote regardless of the number of vacancies. You cast this single vote by consecutively “ranking” your preferred candidates beginning with your most preferred candidate (‘1’) your next preferred candidate (‘2’) and so on.</td>
</tr>
<tr>
<td>In multi-member wards/constituencies you cast one vote for each vacancy to be filled, as above.</td>
<td>In multi-member wards/constituencies you cast a single vote by ranking as few or as many candidates as you wish, as above.</td>
</tr>
<tr>
<td>In single-member wards/constituencies you cast one vote.</td>
<td>In single-member wards/constituencies you cast a single vote by ranking as few or as many candidates as you wish.</td>
</tr>
<tr>
<td><strong>FPP: counting votes</strong></td>
<td><strong>STV: counting votes</strong></td>
</tr>
<tr>
<td>The candidate(s) with the most votes win(s). Each winning candidate is unlikely to have a majority of votes, just the largest number of votes cast.</td>
<td>The candidate(s) are elected by reaching the “quota” (the number of votes required to be elected).(^3) Vote counting is carried out by computer.(^4) First preference votes (‘1’s’) are counted. Candidates who reach the quota are “elected”. The “surplus” votes for elected candidates are transferred according to voters’ second preferences. Candidates who reach the quota by including second preferences are “elected”. This process repeats until the required number of candidates is elected.(^5)</td>
</tr>
</tbody>
</table>

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3 The quota is calculated using the total number of valid votes cast and the number of vacancies.

4 The New Zealand method of STV uses the ‘Meek method’ of counting votes. Because this method transfers proportions of votes between candidates, it requires a computer program (the STV calculator).

5 If at any point there are no surpluses left to transfer, the candidate with the lowest number of votes is excluded and the votes redistributed according to voters’ next preferences. For further information on the details of vote counting, see, for example, STV Taskforce, ‘Choosing Electoral Systems in Local Government in New Zealand: A Resource Document’, (May 2002).
PART 4: Appendix

<table>
<thead>
<tr>
<th>FPP</th>
<th>STV</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>FPP: announcing results</strong></td>
<td><strong>STV: announcing results</strong></td>
</tr>
<tr>
<td>FPP preliminary results can usually be</td>
<td>In multi-member constituencies, despite</td>
</tr>
<tr>
<td>announced soon after voting ends.</td>
<td>voters casting only a single vote, a</td>
</tr>
<tr>
<td></td>
<td>voter may influence the election of</td>
</tr>
<tr>
<td></td>
<td>more than one representative (if their</td>
</tr>
<tr>
<td></td>
<td>vote can be transferred to other</td>
</tr>
<tr>
<td></td>
<td>candidates according to voters’</td>
</tr>
<tr>
<td></td>
<td>preferences)</td>
</tr>
<tr>
<td>Official results are announced and</td>
<td>Official results are announced and</td>
</tr>
<tr>
<td>published showing the total votes</td>
<td>published showing elected candidates in</td>
</tr>
<tr>
<td>received by each candidate.</td>
<td>the order they reached the quota and</td>
</tr>
<tr>
<td></td>
<td>unsuccessful candidates in the reverse</td>
</tr>
<tr>
<td></td>
<td>order they were excluded. All elected</td>
</tr>
<tr>
<td></td>
<td>candidates will have the same share of</td>
</tr>
<tr>
<td></td>
<td>the vote.</td>
</tr>
</tbody>
</table>

(b) What are the most important differences between the two electoral systems?

To understand the important differences between the two electoral systems it is helpful to think about what happens to ‘wasted votes’ in both cases. A ‘wasted vote’ is a vote that does not help to elect a candidate. This might be because the candidate was very popular (so did not need all the votes received), or was very unpopular (and had no chance of being elected).

Let’s imagine that you vote in a local government FPP election to fill two vacancies, with four candidates standing for election. You vote for Candidates A and B. Imagine Candidate A wins by a landslide and Candidate B is the least popular of all the candidates. The vote for the other candidate to be elected is very close between Candidates C and D; in the end Candidate D wins the second vacancy by a very small margin. Candidate D is your least preferred candidate.

You might think to yourself, once you see the results, ‘I wish I had known that Candidate A didn’t need my vote to win, and that Candidate B didn’t have a chance of being elected as I would have voted differently. I may have still voted for Candidate A, but would have voted for Candidate C instead of Candidate B.’

Now imagine you vote in the same election using STV. You have a single transferable vote even though there are two positions to fill. Again Candidate A wins by a landslide and Candidate B is the least popular candidate. Candidates C and D are very close on first preference votes and so second and subsequent preferences become important.

You cast your vote by ranking the candidates according to your preferences; you rank Candidate A as ‘1’, Candidate B as ‘2’ and Candidate C as ‘3’. You don’t rank candidate D at all because you don’t want that candidate to be elected. Under STV:

- Candidate A is very popular and is elected on first preferences
- Candidate A has votes surplus to the number required to reach the quota and these are transferred according to voters’ second preferences
• the surplus portion of your vote for Candidate A is transferred to your second preference, Candidate B
• both Candidates C and D are very close to the quota at this point and Candidate B is least popular
• Candidate B is excluded and the proportion of your vote for this candidate is transferred to your third preference, Candidate C
• when preferences are counted again Candidate C reaches the quota and is elected.

Under STV, unlike the FPP election, your ranking of the candidates made your vote more effective and avoided it being ‘wasted’ on Candidates A (who had a surplus of first preference votes) and B (who was excluded once surplus votes from Candidate A were transferred). In other words, despite Candidates A and B being your most preferred candidates, under STV you were also able to influence the race between Candidates C and D because you showed a preference between them on your voting document.6

These election results reveal an important difference between FPP and STV electoral systems. Think again about your FPP vote. You voted for two candidates to fill two vacancies. If you are part of the largest group of like-minded voters, even if that group is not the majority, you could determine the election of both candidates. Other voters (from perhaps only slightly smaller groups) won’t have gained any representation at all.

In the STV election, however, you cast only one single transferable vote, even in multi-member wards/constituencies. That vote is used to greater effect as long as you rank all the candidates you like in order of preference. Because your vote is a single vote that can be transferred in whole or in part according to your wishes, you and other voters will not be over-represented or under-represented. This is why STV, unlike FPP, in multi-member wards or constituencies, is called a proportional representation system. The outcomes potentially better reflect community views.

2. WHAT ARE THE ADVANTAGES AND DISADVANTAGES OF EACH SYSTEM?

No electoral system is perfect. Both FPP and STV have advantages and disadvantages.

Overall, the advantages of STV relate to the people who get elected using STV.7 The system potentially achieves:
• broad proportionality (in multi-member wards/constituencies)
• majority outcomes in single-member elections
• more equitable minority representation
• a reduction in the number of wasted votes.

The disadvantages of STV relate to:
• the public being less familiar with the system and possibly finding it harder to understand
• matters of process such as the way votes are cast and counted (for example perceived complexity may discourage some voters)
• the information conveyed in election results.

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6 These scenarios oversimplify how the vote count actually works under NZSTV, in order to explain the principle of vote transfers. The STV calculator uses a complex mathematical set of rules to ensure that the appropriate proportions of votes are transferred between candidates.

The advantages of FPP, on the other hand, relate to the simplicity of the process including the ways votes are cast, counted and announced.

The disadvantages of FPP relate to:
• the results of the election, including the generally ‘less representative’ nature of FPP councils
• the obstacles to minority candidate election
• the number of wasted votes.

Deciding which electoral system is best for your community may come down to deciding which is more important: process, or outcome. Unfortunately, neither electoral system can claim to achieve well in both.
More detailed advantages and disadvantages

<table>
<thead>
<tr>
<th>FPP</th>
<th>STV</th>
</tr>
</thead>
</table>
| **FPP: casting votes**  
FPP is a straightforward system of voting.  
FPP is familiar to most people.  
“Tactical” voting is possible; votes can be used with a view to preventing a candidate from winning in certain circumstances. | **STV: casting votes**  
STV is a less straightforward system of voting.  
There is a need for more information for people to understand the STV ranking system of candidates.  
It is virtually impossible to cast a “tactical” vote under STV. As a result, voters are encouraged to express their true preferences. |
| **FPP: counting votes**  
FPP is a straightforward system for counting votes.  
Votes can be counted in different locations and then aggregated.  
Election results are usually announced soon after voting ends. | **STV: counting votes**  
STV vote counting requires a computer program (the STV calculator).  
Votes must be aggregated first and then counted in one location.  
Election results will usually take a little longer to produce. |
| **FPP: election results**  
Official results show exactly how many people voted for which candidates.  
Results are easy to understand.  
A ‘block’ of like-minded voters can determine the election of multiple candidates in multi-member wards/constituencies, without having a majority of the votes, thereby ‘over-representing’ themselves.  
The overall election results will not be proportional to voters’ wishes, and will not reflect the electoral wishes of the majority of voters, only the largest group of voters who may not be the majority.  
In single-member elections, the winner is unlikely to have the majority of votes, just the largest group of votes.  
There will be more “wasted” votes (votes that do not contribute to the election of a candidate). | **STV: election results**  
Official results will identify which candidates have been elected and which have not and in which order.  
They do not show how many votes candidates got overall, as all successful candidates will have the same proportion of the vote (the quota). This information, at stages of the count, can still be requested.  
Results can be easy to understand if presented appropriately.  
STV moderates ‘block’ voting as each voter casts only one single vote, even in multi-member wards/constituencies.  
The overall election results reflect the wishes of the majority of voters in proportion to their support for a variety of candidates.  
In single-member wards/constituencies, the winner will have the majority of votes (preferences).  
Every vote is as effective as possible (depending on the number of preferences indicated) meaning there are fewer “wasted” votes and more votes will contribute to the election of a candidate than under FPP. |
3. COMMON QUESTIONS AND CONCERNS

FPP ain’t broke: so why fix it?

For those voters supporting candidates who tend to get elected under FPP, it can appear that there is nothing wrong with this system. But FPP councils do not truly ‘represent’ their community in terms of their composition. STV is a proportional representation voting system that means (if a diversity of candidates stand for election and a diversity of electors vote) the candidates elected will better represent the wishes of a greater number, and a wider diversity of voters.

FPP is easy to understand. I can’t trust a complicated system like STV.

It is true that FPP is a very easy way to vote, and to count votes. Voting under STV is less straightforward, but as long as a voter knows how to rank their preferred candidates, they will find it easy to vote. A post-election survey has found that most people found it easy to fill in the STV voting document and rank their preferred candidates. The way votes are counted is complicated. That is why it requires a computer program (STV calculator). The STV calculator has been independently certified and voters can trust that it only transfers a vote according to voters’ preferences ranked on their voting documents. Nothing (and no person) can influence the transfer of votes set out on voting documents.

Won’t voters be put off if the voting system is too complicated?

Voter turnout (the number of people voting) in 2004, 2007 and 2010 in the STV local body elections was mixed. Some councils’ turnout was higher than the national average, and some lower. Turnout for DHB elections (which must use STV) can be seen to be influenced by a range of factors including elections being at large for seven vacancies, the number of candidates (and often less well-known than council candidates) and the fact this issue is usually at the end of the voting document).

Overall, voter turnout has been on the decline for many years. It is possible that more voters would turn out to local elections in the future if they feel with STV they have a better chance of electing a representative who better represents them than FPP has in the past.

Won’t there be more blank and informal votes under STV, which is not good for democracy?

Despite voters saying in the Local Government Commission survey that they generally found STV an easy way to vote, some voters did cast an invalid vote in STV elections (including DHB elections). A small proportion of these voters seemed confused by the voting system. But most blank and informal votes are thought to be due to two different voting systems (FPP and STV) appearing on the same voting document and to other factors, rather than being due to the way STV votes are cast.

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STV will not work for our council because of our ward/at large system.

Eight of the 10 councils using STV in 2004 had wards, one used the at large system, and one had a combination of wards and at large. There is no “rule” about the need or otherwise for wards or constituencies, but STV can be seen to provide the greatest benefit in wards or constituencies with between three and nine positions. If there are fewer than three positions, the benefits of the transferable vote in terms of proportionality are not likely to be evident. If there are a very large number of candidates to choose from, voters are likely to find it a more difficult task to rank preferred candidates (though there is no need to rank all candidates).

STV hasn’t made any difference to the diversity of representation in STV councils

Until a greater variety of people stand for local body election and a wide diversity of electors vote, no representation system will be able to improve the diversity of representatives elected. There has been some change in the gender, ethnicity and age of some members elected by STV in 2004 and 2007 which may be due to STV. But it will take some time for a diversity of candidates to see the opportunities of standing in an STV election and more electors to see the potential benefits of voting under a proportional representation system. Three elections in a small number of councils is not enough time to judge the difference STV could make over time.

USEFUL RESOURCES


Local Government Commission, “Report to the Minister of Local Government on the review of the Local Government Act 2002 and the Local Electoral Act 2001: Special topic paper: Representation” (February 2008) (Note: this paper has now been withdrawn from the Commission’s website but its contents may be found in the Commission’s main report on its review of the above legislation which is available on its website at www.lgc.govt.nz)


Local Government Official Information and Meetings Act 1987 - Requests for Information July 2017

Purpose

To present requests for information received by Council under the Local Government Official Information and Meetings Act 1987.

Significance of Decision

The Council’s Significance and Engagement policy is not triggered by matters discussed in this report.

Recommendations

That the report detailing the requests for information received under the Local Government Official Information and Meetings Act 1987 for the month of July 2017 be received.

Report prepared by:
Lorraine Thompson
Executive Assistant- Corporate and Regulatory

Approved for submission by:
Shayne Harris
General Manager - Corporate and Regulatory
1 Contribution to the Council Vision and Council Outcomes

1.1 Relationship to the Council Outcomes that underpin the Council’s Vision:

Connected, vibrant and thriving Manawatu – the best rural lifestyle in New Zealand

<table>
<thead>
<tr>
<th>Manawatu District will improve the natural environment, stewarding the district in a practice aligned to the concept of kaitiakitanga.</th>
<th>The Manawatu will attract and retain residents.</th>
<th>Manawatu district develops a broad economic base from its solid foundation in the primary sector.</th>
<th>Manawatu and its people are connected via quality infrastructure and technology.</th>
<th>Manawatu’s built environment is safe, reliable and attractive.</th>
<th>Manawatu District Council is an agile and efficient organisation.</th>
</tr>
</thead>
</table>

2 Background

2.1 The Local Government Official Information and Meetings Act 1987 makes provision for public access to Council information.

2.2 The Act also provides requirements for how Council must deal with any requests for access to information that it holds.

2.3 Each month the Council makes available to elected members a list of requests received, including the name of the requestor, a description of the information being sought, and the timelines for that request.

3 Discussion and Options considered

3.1 The following table sets out the requests for information that have been received by Council in the past month:
<table>
<thead>
<tr>
<th>File Reference</th>
<th>Date Received</th>
<th>Due Date</th>
<th>Requester Name</th>
<th>Organisation</th>
<th>Request Information</th>
<th>Status</th>
<th>Date Sent</th>
</tr>
</thead>
<tbody>
<tr>
<td>LG1700</td>
<td>4/07/2017</td>
<td>1/08/2017</td>
<td>Jez Partridge</td>
<td></td>
<td>Trees listed in District Plan under RMA Section 876(4A)-76(4D). Requester is researching tree evaluation methodologies used to assess trees (notifiable or significant) for potential protection in District Plans.</td>
<td>completed</td>
<td>25/07/2017</td>
</tr>
<tr>
<td>LG1701</td>
<td>4/07/2017</td>
<td>1/08/2017</td>
<td>Heather Cannan</td>
<td></td>
<td>Staff/councillors use of Makino Pool. 22 June Feilding Herald report that Council voted to retain entitlements. Question was why this scheme was introduced in 1992, and what other areas does it extend to.</td>
<td>completed</td>
<td>6/07/2017</td>
</tr>
<tr>
<td>LG1702</td>
<td>6/07/2017</td>
<td>3/08/2017</td>
<td>Ann Fullerton</td>
<td></td>
<td>MDC employees, contractors, consultants - numbers and costs</td>
<td>in progress</td>
<td></td>
</tr>
<tr>
<td>LG1703</td>
<td>11/07/2017</td>
<td>8/08/2017</td>
<td>Ann Fullerton</td>
<td></td>
<td>Sanson Liquormart Ltd Licence application. Questions about District Licensing Committee decisions .</td>
<td>completed</td>
<td>25/07/2017</td>
</tr>
<tr>
<td>File Reference</td>
<td>Date Received</td>
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</tr>
<tr>
<td>LG1704</td>
<td>17/07/2017</td>
<td>24/08/2017</td>
<td>Ann Fullerton</td>
<td>Sanson Liquormart Ltd</td>
<td>Licence application. Were MoH and Police opposed to application.</td>
<td>completed</td>
<td>25/07/2017</td>
</tr>
<tr>
<td>LG1705</td>
<td>24/07/2017</td>
<td>21/08/2017</td>
<td>Steven Fryer</td>
<td></td>
<td>How many of the dogs impounded are entire or desexed</td>
<td>in progress</td>
<td></td>
</tr>
<tr>
<td>LG1706</td>
<td>17/7/17</td>
<td>24/8/17</td>
<td>Bridgette Murphy</td>
<td></td>
<td>Subsequent question following our reply to LG1659 December 2016. How does installation of a car park classify as maintenance.</td>
<td>in progress</td>
<td></td>
</tr>
</tbody>
</table>
4 Operational Implications

4.1 There are no capital / operating expenditure implications nor maintenance costs associated with this paper.

5 Financial implications

5.1 There are no financial implications associated with this paper.

6 Statutory Requirements

6.1 The statutory requirements for access to local authority information, and procedures for dealing with requests received for information held by local authorities is set out in Parts 1, 2, 3, 4, 5 and 6 of the Local Government Official Information and Meetings Act 1987.

7 Delegations

7.1 The committee has authority to consider this matter.

8 Consultation

8.1 There are no community consultation requirements associated with this paper.

9 Cultural Considerations

9.1 There are no cultural considerations associated with this paper.

10 Conclusion

10.1 The requests for information that have been received in the past month are reported to the Strategic Planning and Policy Committee for receipt.

11 Attachments

- There are no attachments.