

# Whangarei District Council Meeting

## Agenda

**Date:** Thursday, 28 March, 2019

**Time:** 10:30 am

**Location:** Council Chamber  
Forum North, Rust Avenue  
Whangarei

**Elected Members:** Her Worship the Mayor Sheryl Mai  
(Chairperson)  
Cr Stu Bell  
Cr Gavin Benney  
Cr Crichton Christie  
Cr Vince Cocurullo  
Cr Tricia Cutforth  
Cr Shelley Deeming  
Cr Sue Glen  
Cr Phil Halse  
Cr Cherry Hermon  
Cr Greg Innes  
Cr Greg Martin  
Cr Sharon Morgan  
Cr Anna Murphy

For any queries regarding this meeting please contact  
the Whangarei District Council on (09) 430-4200.

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### 8. Closure of Meeting





## 4. Public Forum

**Meeting:** Whangarei District Council  
**Date of meeting:** 28 March 2019  
**Reporting officer:** C Brindle (Senior Democracy Adviser)

### 1 Purpose

To afford members of the Community an opportunity to speak to Council and to report on matters raised at previous public forums where appropriate.

### 2 Summary

#### Public Forum

Standing Orders allow for a period of up to 30 minutes to be set aside for a public forum at the commencement of each monthly council meeting.

The time allowed for each speaker is 5 minutes.

Members of the public who wish to participate should send a written application setting out the subject matter and the names of the speakers to the Chief Executive at least 2 working days before the day of the meeting.

#### Speakers:

Time	Speaker	Topic
10.30am	Michael Arthur Benton	Puriri Park – overview
10.35am	Fiona Halliwell	Puriri Park – effects of losing green space
10.40am	Nicci Webb	Puriri Park – Town Planning

#### Report on actions taken or comment on matters raised

Where practicable actions taken on matters raised by previous speakers are reported back to public forum.

Speaker	Subject
Brian May	Various
<b>Report</b>	

- *Sewage spills and overflows*

Mr May expressed concerns about sewage spills and overflows. He referred to an event that recently took place near the Canopy Bridge and also referenced an article in the 21 June Bream Bay news about wastewater matters in the Bream Bay area.

*Response:*

Occasionally pipe blockages cause overflows (spills) into the surrounding areas. A spill near the Te Matau a Pohe bridge was caused by a hole in a pipe. As soon as the spill was reported, council's Sewage Spill Procedure was followed. Council's aim is to respond to all reports quickly to fix the problem and safeguard public health. Council have no record of a sewage spill near the Canopy bridge in January.

The Bream Bay news article referred to:

- the upgrade to the Ruakaka wastewater treatment disposal area – expanded to cope with the rapid population growth in the One Tree Point and Ruakaka area. Capacity for the next five years.

*The LTP 2018-28 notes that there is a risk that growth in the Ruakaka area will result in planned upgrades being brought forward to an earlier date.*

*The wastewater irrigation area near Rama Road was expanded in 2018 and upgrades to the treatment plant are planned for 2019/20.*

*Council will monitor growth and wastewater flows at the Ruakaka Wastewater Treatment Plant and undertake staged upgrades as required.*

- the expansion of the Waipu wastewater treatment area in the dunes

*Council have recently upgraded the wastewater system in Waipu, including new inlet screens, wetlands and pipelines. It was recently granted consent to increase the volume disposed to ground from 500 cubic metres per day to 1,000 cubic metres per day.*

- *Council accommodation and further development*

Council should be focussing on the real issues e.g. core infrastructure, rather than funding rugby and hockey or a new building for council staff.

*Response*

Through consultation on the 2018-28 Long Term Plan (LTP) the community told us they wanted us to prioritise investment in our core infrastructure while also getting ready for the future and making our District an even better place to live.

As a result the LTP provides for significant investment in core infrastructure (notably in stormwater where an additional \$34.1 million was included for renewals) while balancing funding against the community expectations to get ready for the future (new building) and provide for sports and recreation activities (such as hockey and rugby) that make the District an even better place to live.

- *Report*

Mr May's request under the Local Government Official Information and Meetings Act 1987 for a copy of a confidential report to Council was refused and he has asked that it be released to public record.

*Response*

The Local Government Official Information and Meetings Act 1987 provides specific grounds for refusing a request for information in a number of different circumstances. Mr May has been formally advised of the specific reasons for withholding the report requested and his right to seek a review by the Ombudsman.

- *Parking Charges at the Town Basin*

Why did Council feel it was necessary to introduce parking charges at the Town Basin. Mr May thinks Council should allow free parking at the town basin to enable people, especially families, to park and use the amenities without having to pay for parking.

*Response*

Council introduced the charges to free up spaces at the Town Basin as it found people were using the free carparks for hours on end and even for the whole day. Parking charges were introduced to manage the availability of parking.

- *Rates*

Rates are too high. Empty shops in the CBD tell a story. Council should show more fiscal responsibility.

*Response*

In June 2018, following consultation with the community Council adopted the 2018-28 Long Term Plan (LTP). The current Plan continues the path set in the LTP 2015-25 with rates increases at LGCI plus 2%. Whangarei is thriving and growing (population is now at 91,400) and we need to keep building and investing in our services to meet the needs of our expanding and diverse population.

Council is working hard to contribute to the development of the city centre. The Whangarei City Centre Plan is a shared strategic vision for the city centre. The Plan is structured around key outcomes stating what we want our city centre to be. The key outcomes and transformational moves are supported through a design led process which has used the knowledge of our business community and building owners, as well as expertise from Council.

The Whangarei 20/20 Momentum Plan also outlines Council's vision for the development of inner city over the next 10 years through a range of projects.



**Item 5.1**
**Whangarei District Council Meeting Minutes**

**Date:** Thursday, 28 February, 2019  
**Time:** 10:30 a.m.  
**Location:** Council Chamber  
 Forum North, Rust Avenue  
 Whangarei

**In Attendance**
  
 Her Worship the Mayor Sheryl Mai  
 (Chairperson)  
 Cr Stu Bell  
 Cr Gavin Benney  
 Cr Crichton Christie  
 Cr Vince Cocurullo  
 Cr Tricia Cutforth  
 Cr Shelley Deeming  
 Cr Sue Glen  
 Cr Phil Halse  
 Cr Cherry Hermon  
 Cr Greg Innes  
 Cr Greg Martin  
 Cr Sharon Morgan  
 Cr Anna Murphy

**Scribe**
  
 C Brindle (Senior Democracy Adviser)

**1. Karakia/Prayer**

*Cr Morgan opened the meeting with a prayer.*

**2. Declarations of Interest**

Declarations of interest were made in the closed section of the meeting only.

**3. Apologies**

There were no apologies.

**4. Public Forum**

Brian May – various

**5. Confirmation of Minutes of Previous Meetings of the Whangarei District Council**

**5.1 Minutes Whangarei District Council meeting held 13 December 2018**

**Moved By** Cr Tricia Cutforth

**Seconded By** Cr Anna Murphy

That the minutes of the Whangarei District Council meeting held on Thursday 13 December 2018, including the confidential section, having been circulated, be taken as read and now confirmed and adopted as a true and correct record of proceedings of that meeting, subject to, refer Item 6.4 - Community Loan - Kiwi North sewer connection project, the recording of the declarations of interest of Councillors Halse and Morgan, being deleted.

**Carried**

**5.2 Minutes Whangarei District Council meeting held 12 December 2018**

**Moved By** Cr Vince Cocurullo

**Seconded By** Cr Cherry Hermon

That the minutes of the Whangarei District Council meeting held on Wednesday 12 December 2018, having been circulated, be taken as read and now confirmed and adopted as a true and correct record of proceedings of that meeting.

**Carried**

**5.3 Minutes Whangarei District Council meeting 21 December 2018**

**Moved By** Cr Sue Glen

**Seconded By** Cr Tricia Cutforth

That the minutes of the Whangarei District Council meeting held on Friday 21 December 2018, including the confidential section, having been circulated, be taken as read and now confirmed and adopted as a true and correct record of proceedings of that meeting.

**Carried**

**5.4 Minutes Whangarei District Council Meeting 7 February 2019**

**Moved By** Cr Greg Martin

**Seconded By** Cr Vince Cocurullo

That the minutes of the Whangarei District Council meeting held on Thursday 7 February 2019 having been circulated, be taken as read and now confirmed and adopted as a true and correct record of proceedings of that meeting, subject to Cr Cutforth being recorded as the apology for late arrival instead of Her Worship the Mayor.

**Carried**

*Item 6.2 was taken before Item 6.1.*

## **6. Decision Reports**

### **6.1 Adoption of the Consultation Document and Supporting Information for the Annual Plan 2019 - 2020**

**Moved By** Her Worship the Mayor

**Seconded By** Cr Shelley Deeming

That Council;

1. Adopts the Supporting Information to the Consultation Document to the 2019-20 Annual Plan.
2. Adopts the Consultation Document for the 2019-20 Annual Plan.
3. Authorises the Chief Executive to make any necessary drafting, administrative, typographical or presentation corrections prior to printing and distribution.

**Carried**

### **6.2 Fees and Charges 2019 to 2020**

**Moved By** Cr Shelley Deeming

**Seconded By** Cr Greg Innes

That Whangarei District Council:

- a) Adopt the Statement of Proposal for 2019-20 fees and charges listed in Table A below which are subject to consultation under either s82 or s83 (Special Consultative Procedure) under the Local Government Act 2002.
- b) Resolve to seek public submissions on these fees and charges.

**Table A: 2019-20 fees and charges subject to consultation**

	<b>Refer Attachment 1 : Proposed Fees and Charges</b>
Bylaw Enforcement	Page 9

Drainage (Waste Water and Trade Waste)	Page 14
Food Act	Pages 15
Health Act Registered Premises	Page 16
Gambling Act and Racing Act	Page 17
Resource Management	Page 24
Rubbish Disposal	Pages 25 & 26
Water	Pages 27 & 28

- c) adopt the 2019-20 fees and charges which are not subject to consultation listed in Table B below.

**Table B: 2019-20 fees and charges not subject to consultation**

	<b>Refer Attachment 1: Proposed Fees and Charges</b>
Dog, Stock Control and Impounding fees and charges	Page 4
Building Control	Page 5
Laboratory	Page 17
Library	Page 18
Official Information	Page 21
Parks and Reserves	Page 22
Photocopying	Page 23
Searches	Page 26
Swimming Pool Inspections	Page 27
Transport	Page 27

- d) Authorise the Chief Executive to make minor amendments, drafting, typographical or presentation corrections necessary to



the Proposed Fees and Charges and the Statement of Proposal prior to consultation.

Amendment:

**Moved By** Cr Stu Bell

**Seconded By** Cr Vince Cocurullo

That the Dog and Stock Control and Impounding fees and charges are included in the fees and charges that are subject to consultation.

*On the amendment being put Cr Martin called for a division:*

<b>Recorded</b>	<b>For</b>	<b>Against</b>	<b>Abstain</b>
Her Worship the Mayor		X	
Cr Stu Bell	X		
Cr Gavin Benney		X	
Cr Crichton Christie	X		
Cr Vince Cocurullo	X		
Cr Tricia Cutforth		X	
Cr Shelley Deeming		X	
Cr Sue Glen	X		
Cr Phil Halse	X		
Cr Cherry Hermon	X		
Cr Greg Innes		X	
Cr Greg Martin		X	
Cr Sharon Morgan		X	
Cr Anna Murphy	X		
<b>Results</b>	<b>7</b>	<b>7</b>	

**The amendment was lost (8 to 6)  
on the casting vote of Her Worship the Mayor  
The motion was Carried**

*Item 6.3 was taken after Item 6.1.*

**6.3 Transport and Roading Development Contribution Catchment  
Charges Development Agreement Proposal**

**Moved By** Cr Shelley Deeming

**Seconded By** Cr Greg Innes

That Whangarei District Council

1. Grants approval to enter into development agreements to allow Whangarei City Transport and Roading Catchment development contribution charges to be applied to any future development proposals in mapped areas adjacent to the existing Whangarei City Transport and Roading Catchment (see Attachment 1).
2. Delegate authority to the Chief Executive to enter into, and sign development agreements as and when required, until a formal Policy review is undertaken.

**Carried**

#### **6.4 CON19007 - Electricity Supply - Procurement Plan**

**Moved By** Cr Greg Martin

**Seconded By** Cr Sharon Morgan

That Council endorses the procurement process for Council's electricity supplier.

**Carried**

*Cr Bell requested his vote against be recorded.*

#### **6.5 Speed Limits Bylaw Review**

**Moved By** Cr Tricia Cutforth

**Seconded By** Cr Anna Murphy

That the Whangarei District Council,

1. Adopt the Report "Amending the Speed Limits Bylaw 2005 – Introductory Sections" in Attachment 1 for consultation.
2. Authorises the Chief Executive to make any necessary minor drafting or presentation amendments to the attached Report "Amending the Speed Limits Bylaw 2005 – Introductory Sections" and to approve the final design and layout of the documents prior to final printing and publication.

**Carried**

### **7. Public Excluded Business**

That the public be excluded from the following parts of proceedings of this meeting. The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under Section 48(1) of the Local Government Official Information and Meetings Act

1987 for the passing of this resolution are as follows:

General subject of each matter to be considered		Reason for passing this resolution in relation to each matter	Ground(s) under Section 48(1) for passing this resolution
1.1	Closed Minutes Whangarei District Council 13 December 2018	Good reason to withhold information exists under Section 7 Local Government Official Information and Meetings Act 1987	Section 48(1)(a)
1.2	Closed Minutes Whangarei District Council 21 December 2018		
1.3	Appointment of Hearings Commission – RMA Consents		
1.4	Request for funding for event		
1.5	Strategic Property Purchases		

This resolution is made in reliance on Section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by Section 6 or Section 7 of that Act which would be prejudiced by the holding of the whole or the relevant part of the proceedings of the meeting in public, are as follows:

Item	Grounds	Section
1.1	For the reasons as stated in the previous minutes	
1.2	For the reasons as stated in the previous minutes	
1.3	To protect the privacy of natural persons including that of a deceased person.	Section 7(2)(a)
1.4	To protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or is the subject of the information	Section 7(2)(b)(ii)
1.5	To enable Council to carry on without prejudice or disadvantage negotiations (including commercial and industrial negotiations)	Section 7(2)(i)

**Carried**

## **8. Closure of Meeting**

The meeting concluded at 1.18pm

Confirmed this 28<sup>th</sup> day of March 2019

Her Worship the Mayor Sheryl Mai (Chairperson)

**Item 5.2****Whangarei District Council Meeting Minutes**

**Date:** Thursday, 21 February, 2019  
**Time:** 1:00 p.m.  
**Location:** Council Chamber  
 Forum North, Rust Avenue  
 Whangarei

<b>In Attendance</b>	<b>Her Worship the Mayor Sheryl Mai</b> <b>(Chairperson)</b> <b>Cr Stu Bell</b> <b>Cr Gavin Benney</b> <b>Cr Crichton Christie</b> <b>Cr Vince Cocurullo</b> <b>Cr Tricia Cutforth</b> <b>Cr Shelley Deeming</b> <b>Cr Sue Glen</b> <b>Cr Phil Halse</b> <b>Cr Cherry Hermon</b> <b>Cr Greg Innes</b> <b>Cr Greg Martin</b> <b>Cr Sharon Morgan</b> <b>Cr Anna Murphy</b>
<b>Scribe</b>	<b>C Brindle (Senior Democracy Adviser)</b>

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**1. Karakia/Prayer****2. Declarations of Interest**

There were no declarations of interest made at this meeting.

**3. Apologies**

There were no apologies.

#### 4. Decision Reports

##### 4.1 Local Easter Sunday shop trading policy

**Moved By** Cr Sue Glen

**Seconded By** Cr Vince Cocurullo

That Council deliberates on the matters raised in submissions.

**Carried**

**Moved By** Cr Greg Martin

**Seconded By** Cr Cherry Hermon

That Council:

1. Adopts the Local Easter Sunday Shop Trading Policy as proposed and provided in Attachment 1, with immediate effect.
2. Authorises the Chief Executive and Mayor to make any minor amendments, such as typographical/formatting changes, to the final policy if required.

**Carried**

*Crs Bell, Christie, Cocurullo, Cutforth, Murphy and Glen requested their votes against be recorded.*

#### 5. Public Excluded Business

**Moved By** Cr Hermon

**Seconded By** Cr Innes

That the public be excluded from the whole of the proceedings of this meeting during discussion of this agenda.

This resolution is made in reliance on Section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by Section 6 or Section 7 of that Act or Section 6 or Section 7 of the Official Information Act 1982 as the case may require, which would be prejudiced by the holding of the whole or the relevant part of the proceedings of the meeting in public as follows:

General subject of each matter to be considered		Reason for passing this resolution in relation to each matter	Ground(s) under Section 48(1) for passing this resolution
1.1	Civic Centre Procurement	Good reason to withhold information exists under Section 7 of the Local Government Official Information Act	Section 48(1)(a)

This resolution is made in reliance on Section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by Section 6 or Section 7 of that Act which would be prejudiced by the holding of the whole or the relevant part of the proceedings of the meeting in public, are as follows:		
Item	Grounds	Section
1.1	To enable Council to carry on without prejudice or disadvantage negotiations (including commercial and industrial negotiations)	Section 7(2)(i)

**Carried**

## **6. Closure of Meeting**

The meeting concluded at 3.07pm.

Confirmed this 28<sup>th</sup> day of March 2018

Her Worship the Mayor Sheryl Mai (Chairperson)





### Item 5.3

## Extraordinary Whangarei District Council Meeting Minutes

**Date:** Wednesday, 6 March, 2019  
**Time:** 8:30 a.m.  
**Location:** Council Chamber  
 Forum North, Rust Avenue  
 Whangarei

**In Attendance**

Her Worship the Mayor Sheryl Mai  
 (Chairperson)  
 Cr Stu Bell  
 Cr Gavin Benney  
 Cr Crichton Christie  
 Cr Vince Cocurullo  
 Cr Tricia Cutforth  
 Cr Shelley Deeming  
 Cr Sue Glen  
 Cr Phil Halse  
 Cr Cherry Hermon  
 Cr Greg Innes  
 Cr Greg Martin  
 Cr Sharon Morgan  
 Cr Anna Murphy

**Scribe** C Brindle (Senior Democracy Adviser)

### 1. Karakia

### 2. Declarations of Interest

There were no declarations of interest made at this meeting.

### 3. Apology

Cr Murphy (late arrival)

**Moved By** Cr Tricia Cutforth

**Seconded By** Cr Shelley Deeming

That the apology be sustained.

**Carried**

*The Mayor advised the meeting that members of the public would be recording the meeting.*

*The motion to consider Item 4.2 Civic Centre Project under urgency was taken prior to discussion on Item 4.1.*

#### **4. Decision Reports**

##### **4.1 Notice of Motion**

**Moved By** Cr Stu Bell

**Seconded By** Cr Vince Cocurullo

1. That in accordance with clause 30 of Schedule 7 of the Local Government Act 2002 the Chief Executive Review Committee be discharged.
2. That Council oversee the Chief Executive's performance and conditions of the Chief Executive's employment and annual remuneration.

**Lost**

*Cr Murphy joined the meeting at 8.34am during discussions on Item 4.1.*

##### **4.2 Civic Centre Project**

Item 4.2 was circulated separate to the agenda but not within the timeframe specified in LGOIMA. At the 21 February Council meeting, council resolved to lie discussions on the Civic Centre for two weeks to allow council to select the site based on the sites that had already been identified. Discussions on site options took place on 4 March, after the agenda had been distributed. Council should consider Item 4.2 at this meeting in order to progress the Civic Centre Project without undue further delay.

**Moved By** Cr Sharon Morgan

**Seconded By** Cr Cherry Hermon

That Council discuss the Civic Centre Site at today's meeting.

**Carried**

**Moved By** Cr Phil Halse

**Seconded By** Cr Sue Glen

That Council agree that the preferred site for the development of a new Civic Centre is the Forum North/RSA site.

Amendment

**Moved By** Cr Greg Innes

**Seconded By** Cr Tricia Cutforth

That council agree that the preferred site for the development of a new Civic Centre is the Vine/Rose Street precinct.

*On the amendment being put Cr Martin called for a division:*

<b>Recorded</b>	<b>For</b>	<b>Against</b>	<b>Abstain</b>
Her Worship the Mayor		X	
Cr Stu Bell	X		
Cr Gavin Benney	X		
Cr Crichton Christie		X	
Cr Vince Cocurullo		X	
Cr Tricia Cutforth	X		
Cr Shelley Deeming		X	
Cr Sue Glen		X	
Cr Phil Halse		X	
Cr Cherry Hermon		X	
Cr Greg Innes	X		
Cr Greg Martin		X	
Cr Sharon Morgan	X		
Cr Anna Murphy		X	
<b>Results</b>	<b>5</b>	<b>9</b>	<b>0</b>

**The amendment was Lost (5 to 9)**

*On the motion being put Cr Martin called for a division:*

<b>Recorded</b>	<b>For</b>	<b>Against</b>	<b>Abstain</b>
Her Worship the Mayor	X		
Cr Stu Bell		X	
Cr Gavin Benney	X		
Cr Crichton Christie	X		
Cr Vince Cocurullo	X		
Cr Tricia Cutforth		X	
Cr Shelley Deeming	X		
Cr Sue Glen	X		

Cr Phil Halse	X		
Cr Cherry Hermon	X		
Cr Greg Innes			X
Cr Greg Martin	X		
Cr Sharon Morgan		X	
Cr Anna Murphy	X		
<b>Results</b>	<b>10</b>	<b>3</b>	<b>1</b>

**The motion was Carried (10 to 3)**

*Cr Hermon was absent from the meeting from 9.24am to 9.26 am during discussions on Item 4.2.*

## 5. Public Excluded Business

**Moved By** Cr Shelley Deeming

**Seconded By** Cr Greg Martin

That the public be excluded from the following parts of proceedings of this meeting. The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under Section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

General subject of each matter to be considered		Reason for passing this resolution in relation to each matter	Ground(s) under Section 48(1) for passing this resolution
1.1	Civic Centre	Good reason to withhold information exists under Section 7 Local Government Official Information and Meetings Act 1987	Section 48(1)(a)

This resolution is made in reliance on Section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by Section 6 or Section 7 of that Act which would be prejudiced by the holding of the whole or the relevant part of the proceedings of the meeting in public, are as follows:

Item	Grounds	Section
1.1	To enable Council to carry on without prejudice or disadvantage negotiations (including commercial and industrial negotiations)	Section 7(2)(i)

**Carried**

**6. Closure of Meeting**

The meeting concluded at 11.59am

Confirmed this 28<sup>th</sup> day of March 2019

Her Worship the Mayor Sheryl Mai (Chairperson)



## 6.1 Board Venue Policy review

**Meeting:** Whangarei District Council  
**Date of meeting:** 28 March 2019  
**Reporting officer:** Shireen Munday – Strategic Planner

### 1 Purpose

To complete the statutory review of Council's Board Venue Policy and to seek a decision on whether to retain or amend the Policy.

### 2 Recommendations

That Council

1. Determines the 2019 statutory review of Council's Board Venue Policy is complete.
2. Retains the existing Board Venue Policy with no changes.

### 3 Introduction

Council's Board Venue Policy (the Policy) is required to be reviewed every three years. Council staff have now reviewed the Policy and their findings are presented in this report, together with the relevant attachments. This report is intended to meet the statutory requirement that a review of this Policy has been completed and that Council has had regard to the social impact of gambling within the District in undertaking the review.

An item introducing this review was presented to the November 2018 Planning and Development Scoping meeting and a subsequent Briefing was held on 26 February 2019 outlining the initial outcomes of the review for further direction from Council. The information provided at the Briefing has been further refined based on the feedback received.

The decision of Council required for this report will determine whether the Policy remains fit-for-purpose and can be retained in its current format, or whether Council wishes to amend the Policy and consult on proposed amendments with the community.

### 4 Background

#### 4.1 Gambling regulation in New Zealand and local authorities

Gambling in New Zealand is regulated under two Acts.

The Racing Act 2003 regulates all gambling on horse racing and sports, through the activities the New Zealand Racing Board (NZRB), more commonly known as the TAB.

All other gambling is regulated under the Gambling Act 2003, which covers:

- Casino gambling, including electronic gaming machines (or “pokies”) situated in casinos,
- Class 4 gambling (‘pokies’ in pubs, bars and clubs),
- Lotto, and all other products provided by the Lotteries Commission,
- Class 1, 2 and 3 gambling, covering other games of chance such as Housie, Bingo, raffles, and card games.

The regulations and associated responsibilities for gambling sit primarily at the national level, through the Department of Internal Affairs (DIA) and the NZRB.

Local authorities have no responsibilities for regulating any type of gambling, other than having policies on board venues under the Racing Act, and Class 4 venues under the Gambling Act.

## 4.2 Board Venue Policies

Every territorial authority is required by the Racing Act 2003 (the Act) to adopt a Board Venue Policy (the Policy), and to review it every three years.

Board venues are defined in the Racing Act as:

*“...premises that are owned or leased by the NZ Racing Board and where the main business carried on at the premises is providing racing betting or sports betting services under this Act.”*

Council’s Policy therefore only affects ‘stand-alone’ TAB outlets operated by the New Zealand Racing Board (NZRB).

Section 65D(3) of the Racing Act 2003 states a Board Venue Policy must specify whether or not new TAB venues may be established in the territorial authority’s district and, if so, where they may be located, having regard to the social impact of gambling within the District. The Act also allows territorial authorities to consider relevant matters, including:

- the characteristics of the district and parts of the district
- the location of kindergartens, early childhood centres, schools, places of worship and other community facilities
- the cumulative effects of additional opportunities for gambling in the district.

## 4.3 Other TAB gambling opportunities

The TAB offers several other types of gambling opportunities, in addition to board venues:

- Pub TAB: These outlets are always located within another business, and form part of the services operated by the host. They have all the facilities of a TAB, while offering customers the benefits of being in licensed establishment
- TAB outlet: These offer TAB facilities similar to those found in a pub, but in another business, i.e. working men’s clubs or video stores
- Pub with TAB self-service terminal: The terminals offer most of the TAB products, and the business (i.e. the pub) usually does not have any other TAB facilities available
- TAB online: The TAB also offers patrons with the option to have an online gambling account to place bets. The website is also available as a mobile (smart phone) site and an app for iOS (Apple) and Android phones.

These TAB gambling products fall outside the scope of the Policy, and thus Council’s control.



#### 4.4 Council's current Policy

Council's Policy was last reviewed in 2013. The current policy approach has been in place since 2007. In 2006 the Policy was for one venue and prior to this, the 2003 Policy was unclear regarding the approach for Board venues. Table 1 below summarises the current Policy, which is provided in Attachment 1.

**Table 1**

<b>Matter</b>	<b>Approach</b>	<b>Description</b>
Whether new venues may be established	Cap	<ul style="list-style-type: none"> <li>The maximum number of venues is two (2).</li> </ul>
Where new venues may be established	District Plan provisions	<ul style="list-style-type: none"> <li>Venues can be located anywhere where permitted under the District Plan or through a resource consent process.</li> <li>No venues may be established in a Business 3 Environment.</li> </ul>
Relocations	Restricted	<ul style="list-style-type: none"> <li>Only permitted under circumstances beyond the control of the owner or lessee of the Board Venue.</li> <li>Includes an application process.</li> </ul>

## 5 Discussion

### 5.1 Purpose

The purpose of the review is to evaluate the effectiveness of the Policy in achieving its objectives.

The objectives of the Policy are:

- 1.1. To provide for board venues as required by the Racing Act 2003 including where they may be located.
- 1.2. To have regard to the social impact of gambling taking into consideration the cumulative effects of additional opportunities for gambling in the district.
- 1.3. To facilitate community involvement in decisions about the provision of board venues in the Whangarei District.

### 5.2 Review process

Staff have conducted a review of Council's current Policy. This has included analysing both quantitative and qualitative data, including literature reviews and information available from the Department of Internal Affairs. Research on the types of TAB gambling available and the profits from TAB gambling and how these are distributed has also been completed. Informal discussions with representatives from the NZRB and Nga Manga Puriri – Northland Gambling Support Services were also held.

The informal feedback received to date indicates that the NZRB is in favour of retaining the current Policy. While the Board has currently chosen not to operate any stand-alone venues in the District, this does not mean that the Board may not wish to consider opening a new venue in the future depending on the availability of suitable premises and other factors. Nga Manga Puriri has expressed support for the most restrictive approach available to Council.

The Social Impacts Report provided in Attachment 2 details the analysis undertaken and discusses both the benefits and harms of gambling, this is summarised in section 5.5 of this

report. While there is no requirement for Council to consider the benefits of gambling when making or reviewing a Board Venue Policy specifically, the requirement to consider the social impact of gambling is interpreted to mean both negative and positive impacts of gambling.

### 5.3 Types of TAB gambling in the Whangarei District

As at the date of this report, there are no stand-alone TAB venues and 11 of the other types of physical venues operating in the Whangarei District as provided in Table 2.

**Table 2: TAB outlets in Whangarei District**

Name	Outlet Type	Address
Judge House of Ale*	PubTAB Self Service Only	57 Walton Street, Whangarei
Tote & Poke Sports Bar*	PubTAB Full Service	79 Cameron Street, Whangarei
Grand Hotel Whangarei*	PubTAB Self Service Only	2 Bank Street, Whangarei
Northland Club*	ClubTAB Self Service Only	8 Porowini Ave, Whangarei
Kensington Tavern*	PubTAB Full Service	Cnr Davies Street & Kensington Ave, Whangarei
Onerahi Tavern*	PubTAB Full Service	Cnr Waverley Street & Onerahi Rd, Whangarei
Kamo Club*	PubTAB Full Service	11 Meldrum Street, Kamo
Parua Bay Tavern	PubTAB Self Service Only	1034 Whangarei Heads Road, RD4, Whangarei
Ruakaka Tavern*	PubTAB Full Service	Marsden Point Road, Ruakaka
Waipu Hotel*	PubTAB Self Service Only	4 South Road, Waipu
Triple Crown* (prev. Wildside)	PubTAB Full Service	Unit C, 47 Vine Street, Whangarei

\* Outlets that are also Class 4 gambling venues

Source: <https://static.tab.co.nz/content/store-locator/index.html>.

Previous reviews of the Policy have not commented on the other types of venues operating in the Whangarei District, so a historic comparison is not easily accessed. Further, the availability of online TAB gambling options has only become more readily available in recent years.

Auckland Council commented in 2017 that it is likely that any reduction in TAB gambling at board venues or 'full service' venues, has been matched or exceeded by other products, such as self-service and online gambling, where growth has been experienced. It is anticipated that such changes in access may well be occurring in the Whangarei District.

### 5.4 Distribution of profits

The NZRB makes profits from three different sources; sports betting (for codes approved by Sports NZ), racing betting and through its operation of Class 4 gaming machines (Class 4 Gambling is discussed in a separate report).

How the profits from sports and racing betting are distributed is regulated through the Act. The profits from sports betting are distributed to the National Sporting Bodies for which betting is available through the TAB. The Act requires the distribution of profits from racing betting to three racing codes; New Zealand Thoroughbred Racing Incorporated, Harness Racing New Zealand Incorporated, and the New Zealand Greyhound Racing Association (Incorporated).

Department of Internal Affairs figures show that gambling expenditure nationally on NZ Racing Board (TAB) gambling has increased from \$273 million in 2010/11 to \$338 million in 2016/17. It is considered that a significant proportion of this growth has been through on-line or self-service products as previously outlined.

## 5.5 Social Impacts Report - summary

The report discusses the harm and benefits of gambling, both generally as well as specifically in relation to Class 4 and Board Venue gambling activities.

The key findings of the report in relation to board venues are as follows:

- of all clients seeking assistance for problem gambling in 2017/2018, 9% relate to TAB related gambling products
- the above data cannot distinguish between the different methods available for TAB gambling (e.g. Stand-alone venues, Pub TAB venues or online gambling)
- the Northland Racing Club has been the main beneficiary of NZRB funding, through Thoroughbred Racing New Zealand Inc. There are no greyhound racing clubs in Northland, and the Northland Harness Racing Club appears not to receive any funding from NZRB distributions
- while some funding is distributed to National Sports Codes, data on how much of these types of funds are then further distributed at a territorial authority level through those codes are not available.

## 5.6 Policy effectiveness

Section 5.1 of this report outlines the objectives of the Policy. Objectives 1.1 and 1.2 repeat the requirements under the Act. Objective 1.3 is included in the purpose of the Act in section 3.

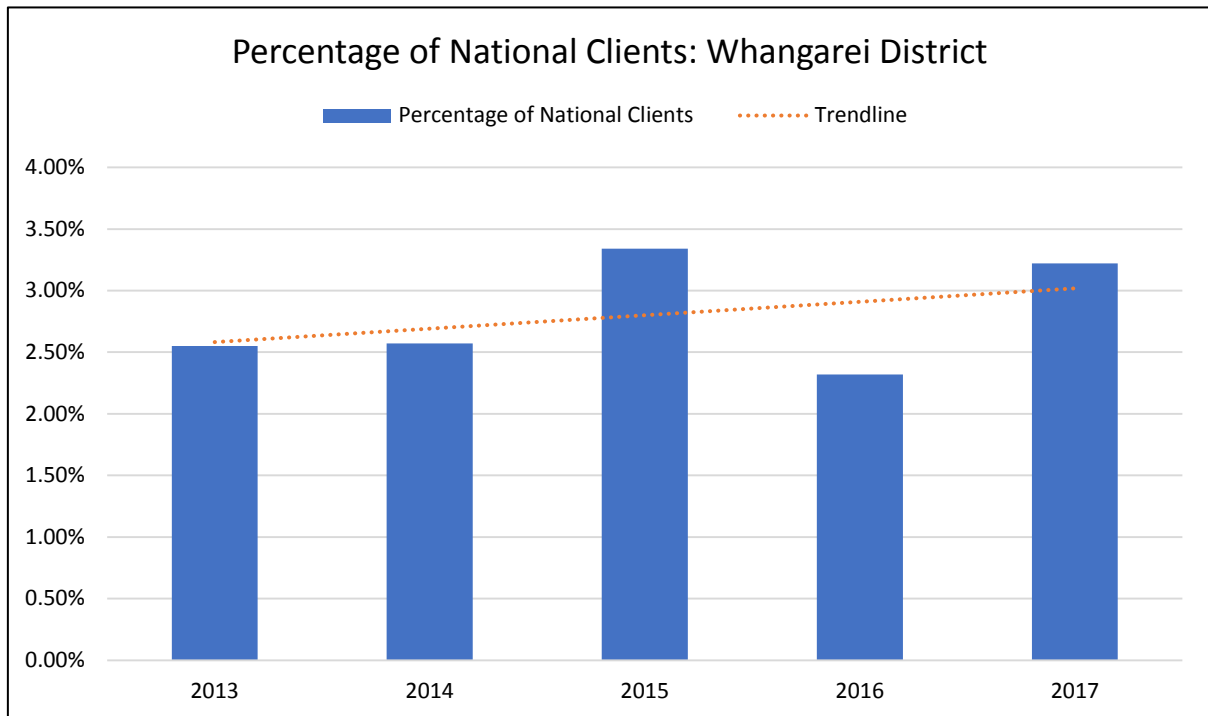
These objectives provide limited guidance to develop parameters against which the effectiveness of the Policy can be assessed, however the following indicators have been developed:

- the number of stand-alone venues in the District
- number of gamblers seeking intervention.

While there are obvious limitations with these indicators, it is considered that they provide a general indication on Board Venue gambling in relation to overall gambling harm in the Whangarei District.

Currently there are no board venues in the Whangarei District. This would determine that the Policy has been effective in terms of controlling the growth of board venues.

Graph 1 details the percentage of national clients located in the Whangarei District that have sought assistance between 2013 and 2017. This indicates that there is still an upward trend of gambling assistance sought in the Whangarei District.

**Graph 1**

## 5.7 Options

### *Option 1*

Retain the current Board Venue Policy with a continued restrictive cap of two venues.

### *Option 2*

Direct the Chief Executive to investigate and draft amendments to the Policy, to be reported back to Council for consideration.

### **Assessment of options**

#### *Option 1:*

Under this option, Council would retain the current Policy for another three years. Council may choose to bring this review forward at any time.

Advantages	<ul style="list-style-type: none"> <li>Regardless of the current Policy, the existence and location of Board venues is more likely a result of market drivers and decisions by the NZRB to invest in gambling technology such as online gambling and self-service facilities.</li> </ul>
Disadvantages	<ul style="list-style-type: none"> <li>Lost opportunity to reduce the numbers further i.e. to one, or to create a 'sinking lid' Policy.</li> <li>Potential lack of alignment of relocation policy with Class 4 Gambling Venue Policy.</li> </ul>

#### *Option 2:*

Under this Option, staff would investigate how the TAB Venue Policy could be improved to manage the social impacts of gambling.

Advantages	<ul style="list-style-type: none"> <li>Improvements may be identified in relation to under what conditions new venues may be established in the District (i.e. could focus on growth areas in the District Plan, or apply the criteria of the Act to locations).</li> </ul>
Disadvantages	<ul style="list-style-type: none"> <li>The benefits of amending the Policy do not justify intervention</li> <li>The costs of research, drafting and the submission and deliberation process are disproportionate to the potential advantages.</li> </ul>

### **Recommended Option**

The recommended option is Option 1, to retain the existing Board Venue Policy, with no changes. This is the most cost-effective option, and maintains a moderately restrictive approach, despite its ability to significantly influence the social impacts of gambling. A key reason for this is the increasing trend for online and self-service TAB gambling, which Council does not have any regulatory control over, and the lack of stand-alone TAB venues in the district, meaning the Policy has no current application in the District.

## **5.8 Financial/budget considerations**

If the recommended option is chosen, there will be no costs associated. If the Council chooses to amend the Policy, there will be:

- process costs i.e. legal review, public notification
- staff costs i.e. drafting Policy amendments and Statement of Proposal, consultation with key stakeholders, running submission process, reports for Deliberations and Council agenda
- elected member time i.e. Hearing and Deliberation time.

## **5.9 Policy and planning implications**

If Council chooses to amend the Policy, the special consultative procedure of the Local Government Act 2002 is required to be used.

# **6 Conclusion**

## **6.1 Conclusion**

The findings of this report indicate that the Whangarei District has current and potential levels of gambling harm, that sufficiently warrant a Board Venue Policy that is restrictive in nature, rather than having a Policy with no limits on the number of venues.

Whangarei's population profile increases the likelihood for communities to experience or be subject to gambling harm. Profile factors, such as percentage of population that identify as Maori, and high levels of deprivation across the District can increase the potential risk of gambling harm.

Due to the nature of the framework that governs the distribution of funds from TAB gambling, the only identifiable beneficiary of TAB gambling proceeds in the Whangarei District is the Northland Racing Club. There may be some benefits to local sports clubs through further distributions from National Sports Codes, but this information is not available.

Overall, the ability for Council to clearly assess the impact and effectiveness of the Policy is restricted by the availability of data that specifically relates to stand-alone board venues.

The current Policy contains a relocation policy which in most aspects mirrors the Class 4 Gambling Venue Policy relocation policy. As part of the Class 4 Gambling Venue Policy review, Council may consider reviewing the relocations clauses of that Policy. Best practice would be to consider the same approach for relocations, given both are required to address the social impacts of gambling.

However, it is not anticipated that Council will receive an application for a relocation of a Board Venue within the next three years. As such this issue could be addressed if necessary in the next review of the Policy, scheduled for 2022.

## **7 Significance and engagement**

The decisions or matters of this Agenda do not trigger the significance criteria outlined in Council's Significance and Engagement Policy, and the public will be informed via the agenda publication on the website.

## **8 Attachments**

1. Board Venue Policy
2. Social Impacts Report

# **Whangarei District Board Venue Policy**

**April 2013**

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## Introduction

In terms of section 65D of the Racing Act 2003 territorial authorities must adopt a TAB Board Venue policy for standalone “TABs” operated by the New Zealand Racing Board. The policy must specify whether or not new TAB Board Venues may be established in the district, and where they may be located.

The policy covers standalone TAB Board Venues, which are owned or leased by the New Zealand Racing Board. Council consent is not required under the Racing Act 2003 to establish a TAB facility in a bar, hotel or club. The purposes of the Racing Act 2003 is to provide effective governance arrangements for the racing industry, to facilitate betting on galloping, harness, and greyhound races, and other sporting events; and to promote the long-term viability of New Zealand racing.

Race and sports betting is not class 4 gambling. For class 4 gambling matters please see Council’s Class 4 gambling policy which is made under the gambling Act 2003. If a TAB Board Venue wishes to also host gaming machines a separate application must be made under Council’s Class 4 gambling policy and the TAB Board Venue must also meet the additional criteria set out in that policy.

Currently there is a single TAB Board Venue in the District located at Vine Street, Whangarei. The policy provides for the establishment of an additional TAB Board Venue in the District with the number of TAB Board Venues capped at two (2). Any application for consent under the policy to establish a new TAB Board Venue, including an application resulting from the need to relocate a venue must be publicly notified and determined at a Council hearing.

## 1 Objectives of the policy

- 1.1 To provide for Board Venues as required by the Racing Act 2003 including where they may be located.
- 1.2 To have regard to the social impact of gambling taking into consideration the cumulative effects of additional opportunities for gambling in the district.
- 1.3 To facilitate community involvement in decisions about the provision of Board Venues in the Whangarei District.

## 2 Establishment of Board venues permitted

- 2.1 Council will permit the establishment of Board venues with the total number of venues not to exceed two (2) venues in the District at any time.

## 3 Relocation of Board venues permitted

- 3.1 Council may permit a Board venue to re-establish at a new site where:
  - a Due to circumstances beyond the control of the owner or lessee of the Board Venue, the venue cannot continue to operate at the existing site. Examples of such circumstances include but are not limited to the following:
    - i expiration of lease
    - ii acquisition of property under the Public Works Act; or
    - iii site redevelopment.

## 4 Where Board venues may be established or relocated

- 4.1 Any Board venue may be established in the District where it is a permitted activity under the Whangarei Operative District Plan or where resource consent to undertake the activity has been granted by Council but no case shall not be established in a Business 3 Environment.

## 5 The territorial authority consent process

- 5.1 Any application for consent under this policy to establish a new Board Venue, including an application resulting from the need to relocate a venue will be subject to public notification and determined at a Council hearing.

- 5.2 Council has delegated the power to consider and determine applications for Territorial Authority consent under the Racing Act 2003 to the Licensing Exemptions and Objections Committee and during the term of this policy may delegate such powers to such other committees as appropriate
- 5.3 Submissions in writing shall be invited over a period of not less than 20 working days, with submitters invited to indicate if they wish to be heard on the hearing date. Working days shall have the same meaning as defined in terms of the Resource Management Act 1991.
- 5.4 The Committee shall consider all submissions, written and oral, and shall make a decision including reasons on the application. The Committee's decision shall be final.
- 5.5 The applicant and all submitters shall be advised of the decision, and the reasons for the decision, as soon as practicable.
- 5.6 In considering any application and submissions, the Committee shall have regard to provisions of the Racing Act 2003, objectives of this policy, and the criteria outlined in matters to be considered at hearing.
- 5.7 Notification of application
- Public notification shall be undertaken by Council as follows:
- a By publication in a local newspaper circulating within the District.
  - b By way of a public notice displayed prominently in the window of the proposed venue or by signage on the venue site for the period during which submissions are open.
  - c By the notification in writing of owners and occupiers of any adjacent properties.
  - d By notification in writing to any other person or party that Council considers necessary.
- 5.8 Matters to be considered in determining application
- In considering an application under this policy the Committee shall have regard to the following matters:
- a The potential cumulative effects of additional gambling opportunities in that location and the social impact within the District generally.
  - b The extent of the potential impact of the venue on the character of the area including the potential for negative effects on the operation, amenity or reasonable enjoyment of residential or other sensitive land uses in the area.
  - c The extent to which the application meets the objectives of the Whangarei District Board Venue Policy, and the purpose and intent of the Racing Act 2003.
  - d Any other matter that Council considers relevant and reasonably necessary to determine the application.
- 5.9 How an application is to be made
- Applications for consent must be made on the approved form and must provide:
- a Name and contact details of the applicant
  - b Venue name and street address
  - c A scale plan drawn showing areas set aside for gambling and other activities
  - d A location plan showing the location of the venue within the wider community
  - e Names and date of birth of venue management staff
  - f Where the application relates to the establishment of a new Board venue the applicant must provide an assessment of the following matters:
    - i The potential cumulative effects of additional gambling opportunities in that location and the social impact within the District generally
    - ii The extent of the potential impact of the venue on the character of the area including the potential for negative effects on the operation, amenity or reasonable enjoyment of residential or other sensitive land uses in the area

- g Any other information that may reasonably be required to allow proper consideration of the application
- h Fees
- i Certificate of compliance under the Resource Management Act 1991 or a copy of the resource consent authorising the proposed activity under the Act.

## **6 Application fees**

Council shall set fees from time to time, under authority of the Local Government Act 2002, and shall include consideration of:

- a The cost of processing any application, including any consultation, public notification and hearings involved.
- b The cost of triennially reviewing the Board Venue Policy including the cost of assessment of the effectiveness of the policy and the social impact of gambling in the District.
- c The cost of any inspection of premises should this be required of Council by the Department of Internal Affairs.

## **7 Promotion of gambling information to the community**

7.1 Council will within budget constraints, facilitate the provision of information promoting host responsibility, gambling harm minimisation, problem gambling services and other relevant information to the District community and the industry in an endeavour to contribute towards the achievement of the objectives of this Policy.

**This policy was adopted by the Whangarei District Council on 24 April 2013**

### **Policy review history**

03 March 2004	First adoption – No new venues
04 October 2006	Amendment to allow Board venue to establish in Vine Street, Whangarei
03 October 2007	Reviewed Policy. Existing venues permitted to relocate under specific circumstances. Board venues permitted to establish with cap of two (2) venues
24 April 2013	Reviewed Policy. Separate Board Venue Policy adopted in terms of the Racing Act 2003 which retained provisions of 2007 policy relating to Board venues.



# Social impacts of gambling in the Whangarei District

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## Introduction

The Gambling Act 2003 and the Racing Act 2003 require every territorial authority to adopt a Class 4 Gambling Venue Policy (s101 Gambling Act 2003) and a Board Venues Policy (s65D Racing Act 2003).

These policies must be reviewed every three years (s102 Gambling Act 2003; s65E Racing Act 2003), and if the decision is made to amend them, a special consultative procedure in accordance with s83 of the Local Government Act 2002 must be applied.

The purposes of the Gambling Act include:

- preventing and minimising harm from gambling, including problem gambling
- ensuring that money from gambling benefits the community.

The purposes of the Racing Act are:

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

When reviewing these policies, Council must consider the social impacts of gambling in its District. Neither Act clearly specifies what is meant by 'social impact', but they share a common definition of 'harm':

*"harm or distress of any kind arising from, or caused or exacerbated by, a person's gambling; and includes personal, social, or economic harm suffered: by the person; or by the person's spouse, civil union partner, de facto partner, family, whanau, or wider community; or in the workplace; or by society at large."*

This report addresses social impacts in terms of benefits and harms. The positive social impacts of Class 4 gambling are derived from money that benefits the community, while the positive social impacts of sports and TAB betting are primarily monetary benefits for the racing industry. The negative social impacts fall under the definition of 'harm'.

This report discusses the social impact of gambling in New Zealand and more specifically for the residents of Whangarei District. Its purpose is to inform the review of both policies.

## Types of Gambling in New Zealand

The Gambling Act classifies gambling based on the amount of money spent and the risk of problem gambling associated with an activity. Classes of gambling range from Class 1, representing low-stake, low-risk gambling, to Class 4, which represents high-risk, high-turnover gambling. Casino operations and lotteries run by the New Zealand Lotteries Commission are treated as separate classes within the Act.

The Racing Act 2003 facilitates betting on galloping, harness and greyhound racing, and other sporting events, which are provided by the NZ Racing Board, commonly known as TAB gambling.

Council can regulate some aspects of both class 4 gambling and racing and sports event gambling promoted by the NZ Racing Board.

**Class 4 Gambling**

Gaming machines in pubs and clubs (i.e. outside a casino) represent class 4 gambling.

There are two types of class 4 venue: club venues and non-club (or commercial) venues.

Club venues are incorporated societies, and are typically sports clubs, returned services associations, and chartered clubs. Club venues own and operate their own class 4 gaming machines.

Non-club venues are bars, pubs and hotels which are open to the public. Non-club venues are prohibited from owning gaming machines. The machines must be owned by a not-for-profit 'corporate society', which typically provides gaming in several different venues.

There are differences in how clubs and non-club venues operate and what they are required to do with the proceeds generated from gaming machines.

- For non-club venues, the corporate societies (e.g. Oxford Sports Trust Inc; Pub Charity Limited) pay the venues a fee to host the machines. The corporate societies are issued licences by the Department of Internal Affairs. They societies must be non-profit and explicitly established to raise funds for community purposes.
- Clubs provide pokies for their members and guests only and generally use the profits to provide services for the club and its membership.

Council can provide some regulations about the number of machines and the number and location of class 4 gambling venues that can be established in the District. There are currently 15 non-club and five club venues in the Whangarei District.

**Table 1: Class 4 Gambling Venues in Whangarei District**

Society Name	Venue Name	Venue Physical Address
<b>Club Venues</b>		
Kamo Club Incorporated	Kamo Club	7-11 Meldrum Street, Kamo, Northland 0141
Kensington Club Incorporated	Kensington Club	4-6 Huapai Street, Whangarei Central, Northland 0112
Ngunguru Sports & Recreation Society Incorporated	Ngunguru Sports Complex	Kopipi Crescent, Whangarei Central, Northland 0110
Northland Club Inc	Northland Club Inc	8 Porowini Avenue, Whangarei Central, Northland 0110
The Whangarei Returned Services Association Incorporated	The Whangarei Returned Services Association Incorporated	9 Rust Avenue, Whangarei Central, Northland 0110

Society Name	Venue Name	Venue Physical Address
<b>Non-Club venues</b>		
Four Winds Foundation Limited	Ruakaka Tavern	Corner Marsden Point Road and Sime Road, Marsden Point-Ruakaka Northland 0171
Grassroots Trust Limited	Kamo Hotel	567 Kamo Road, Whangarei Central, Northland 0110
Oxford Sports Trust Inc	Hikurangi Hotel	18 King Street, Hikurangi, Northland 0114
	Judge – House of Ale	57 Walton Street, Whangarei Central, Northland 0110
	Kensington Tavern	3 Kensington Avenue, Whangarei Central, Northland 0110
	Pure Bar & Grill	79A Cameron Street, Whangarei Central, Northland 0110
	The Rose and Thistle Inn	4 South Road, Waipu, Northland 0510
	Tote & Poke	79 Cameron Street, Whangarei Central, Northland 0110
	Jimmy Jacks Rib Shack & Craft Bar	117-119 Bank Street, Whangarei Central, Northland 0110
Pelorus Trust	Triple Crown	Shop 14, 47 Vine Street, Whangarei Central, Northland 0110
Pub Charity Limited	Onerahi Tavern	Corner Waverly and Onerahi Road, Onerahi, Northland
	Poroti Tavern	Mangakahia Road, Whangarei Central, Northland 0110
	The Grand Hotel (Whangarei)	Corner Rose and Bank Streets, Whangarei Central, Northland 0110
The Lion Foundation (2008)	Coalies Sports Bar And Grill	2 Station Road, Kamo, Northland 0141
The Southern Trust	Tikipunga Tavern	3 Wanaka Street, Whangarei Central, Northland 0110

Source: Department of Internal Affairs

### **TAB Venues**

The Totalisator Agency Board (TAB) was established as the only betting operator in New Zealand in 1951. In 2003, the NZRB was established under the Racing Act 2003 to administer all racing and sports wagering in New Zealand. The NZRB provides sports betting for domestic and international sports events and is only permitted to allow bets on sports approved by Sports NZ. The NZRB uses the proceeds to support its business operations and the remainder is distributed to sports codes.

The NZRB offers a number of different types of venues:

- Stand-alone TAB store: This is an official TAB location.
- Pub TAB: These outlets are always located within another business, and form part of the services offered by the host. They have all the facilities of a TAB while offering customers the benefits of being in a licensed establishment;
- TAB outlet: These offer TAB facilities similar to those found in a pub, but in another business, i.e. working men's clubs or video stores;
- Pub with TAB self-service terminal: The terminals offer most of the TAB products. The businesses (i.e. the pub) usually don't have any other TAB facilities available;
- TAB online: The TAB also offers patrons with the option to have an online gambling account to place bets.

The Racing Act 2003 requires Council to have a Board Venue Policy, however this only applies to stand-alone TAB venues. Self-service TAB machines (i.e. in pubs or bars) and franchised outlets (pub TABs, TAB outlets) therefore fall outside the scope of the Policy and



Council's control. There are 11 types of physical TAB venues operating in the Whangarei District.

### TAB outlets in Whangarei District

Name	Outlet Type	Address
Judge House of Ale*	PubTAB Self Service Only	57 Walton Street, Whangarei
Tote & Poke Sports Bar*	PubTAB Full Service	79 Cameron Street, Whangarei
Grand Hotel Whangarei*	PubTAB Self Service Only	2 Bank Street, Whangarei
Northland Club*	ClubTAB Self Service Only	8 Porowini Ave, Whangarei
Kensington Tavern*	PubTAB Full Service	Cnr Davies Street & Kensington Ave, Whangarei
Onerahi Tavern*	PubTAB Full Service	Cnr Waverley Street & Onerahi Rd, Whangarei
Kamo Club*	PubTAB Full Service	11 Meldrum Street, Kamo
Parua Bay Tavern	PubTAB Self Service Only	1034 Whangarei Heads Road, RD4, Whangarei
Ruakaka Tavern*	PubTAB Full Service	Marsden Point Road, Ruakaka
Waipu Hotel*	PubTAB Self Service Only	4 South Road, Waipu
Triple Crown* (prev. Wildside)	PubTAB Full Service	Unit C, 47 Vine Street, Whangarei
* Outlets that are also Class 4 gambling venues		

Source: <https://static.tab.co.nz/content/store-locator/index.html>.

As at March 2019, Whangarei District has no stand-alone TAB venues, however the current policy provides for a maximum of two to establish in the District.

### Gambling Participation

The New Zealand 2012 National Gambling Study found that eighty percent of the adult population had participated in some form of gambling during the previous year (when the study was undertaken). The study found that approximately one in five adults (22%) gambled weekly or more often. Other than Lotto (17%), Instant Kiwi and raffle tickets (both 3%), no other gambling activity was participated in weekly or more often by more than two percent of adults.

The table below, reproduced from that study, and sorted by rate or participation (instead of alphabetically) shows that Lotteries Commission products (Lotto, Keno, Instant Kiwi) represented the largest share of gambling, by mode.

In the year of the study, 12% of adult New Zealanders played a non-club pokie machine, compared to 61% who bought a Lotto ticket. Only 1.2% played non-club pokies weekly or more often, compared to 16% who bought Lotto weekly or more often.

Participation in club venue pokies was lower: only 5.7% played a club venue pokie machine and only 0.5% played club venue machines weekly or more often.

**Table 2: New Zealanders' participation in different modes of gambling, ranked in descending order**

Gambling Activity	Total participation: % (95% C.I.)			
	Past Year		Weekly or more often	
Lotto from a store	60.8	(59.3 - 62.3)	16.2	(15.1 - 17.3)
New Zealand raffle/lottery	47.1	(45.5 - 48.7)	3.0	(2.6 - 3.6)
Instant Kiwi tickets or other scratch tickets	33.2	(31.7 - 34.7)	3.1	(2.6 - 3.6)
Bets with friends/workmates for money/prizes	15.3	(14.1 - 16.5)	0.6	(0.4 - 0.9)
<b>Pub EGMs</b>	<b>12.2</b>	<b>(11.2 - 13.3)</b>	<b>1.2</b>	<b>(0.9 - 1.5)</b>
Casino table games or EGMs (NZ)	9.7	(8.7 - 10.7)	0.2	(0.1 - 0.3)
Casino EGMs (NZ)	8.4	(7.5 - 9.4)	0.1	(0.0 - 0.2)
Horse/dog race betting (at the track)	8.3	(7.5 - 9.3)	0.2	(0.1 - 0.4)
<b>Horse/dog race betting (TAB in person)</b>	<b>7.8</b>	<b>(7.0 - 8.7)</b>	<b>0.9</b>	<b>(0.7 - 1.2)</b>
<b>Club EGMs</b>	<b>5.7</b>	<b>(4.9 - 6.4)</b>	<b>0.5</b>	<b>(0.3 - 0.7)</b>
Lotto online	5.0	(4.3 - 5.8)	1.6	(1.2 - 2.0)
Cards for money (not in casino)	4.5	(3.9 - 5.2)	0.3	(0.2 - 0.5)
Casino table games (NZ)	3.9	(3.2 - 4.7)	0.0	(0.0 - 0.0)
Casino table games or EGMs (overseas)	3.8	(3.2 - 4.4)	0.0	(0.0 - 0.1)
Poker for money/prizes (friends/family private residence)	3.2	(2.7 - 3.9)	0.1	(0.1 - 0.3)
<b>Sports betting (TAB in person)</b>	<b>3.1</b>	<b>(2.5 - 3.7)</b>	<b>0.2</b>	<b>(0.1 - 0.4)</b>
Horse/dog race betting (TAB phone, online, interactive TV)	3.0	(2.5 - 3.7)	0.6	(0.4 - 0.9)
Sports betting (TAB at event)	3.0	(2.4 - 3.6)	0.3	(0.2 - 0.6)
Text game or competition	2.9	(2.3 - 3.5)	0.3	(0.1 - 0.5)
Keno from a store	2.2	(1.9 - 2.7)	0.4	(0.3 - 0.6)
Sports betting (TAB telephone, online or interactive TV)	2.0	(1.5 - 2.6)	0.2	(0.1 - 0.5)
Poker for money/prizes (commercial venue in NZ)	1.8	(1.4 - 2.3)	0.1	(0.1 - 0.2)
Housie or bingo	1.7	(1.3 - 2.0)	0.2	(0.2 - 0.4)
Short-term speculative investments	0.9	(0.7 - 1.2)	0.2	(0.1 - 0.3)
Keno online	0.7	(0.5 - 1.0)	0.1	(0.0 - 0.2)
Overseas internet gambling for money/prizes	0.7	(0.4 - 1.0)	0.1	(0.0 - 0.2)
Poker for money/prizes online	0.5	(0.3 - 0.8)	0.1	(0.1 - 0.3)
Horse/dog race betting (overseas betting organisation or TAB)	0.4	(0.2 - 0.7)	0.1	(0.0 - 0.2)
Sports betting (overseas TAB, organisation/website)	0.4	(0.2 - 0.6)	0.1	(0.0 - 0.2)

Source: New Zealand 2012 National Gambling Study

The study did not discriminate between TAB betting at Racing Board venues, as defined in the Act for the purposes of making a Board Venue policy, and other TAB outlets where betting can take place "in person". Taking all physical TAB outlets together, 7.8% used them for race betting and 3.1% for sports betting, with 0.9% and 0.2% using them weekly or more often, respectively.

Among other findings, the study said that:

- Māori (85%) and European/Other (82%) adults had the highest levels of past year gambling participation, followed by Pacific Islanders (75%) and Asians (61%), but Māori and Pacific Islanders had higher average monthly gambling expenditure than Europeans/Other and Asians.
- Adults with no qualifications were more likely to be regular gamblers on continuous activities (e.g. EGMs, horse and dog race betting and casino table games) than other adults.
- Relatively more unemployed adults than employed adults were regular gamblers on continuous activities. Unemployed adults had the highest average expenditure followed by the employed and student, homemaker and retired groups.
- Continuous gambling activities are more likely to be associated with problem (or “compulsive”) gambling than other modes.

### Benefits of TAB gambling

The New Zealand Racing Board's key objective is to conduct racing and sports betting maximise profits for the long-term benefit of New Zealand racing. It is required by the Racing Act to distribute profits to three racing codes: New Zealand Thoroughbred Racing Incorporated, Harness Racing New Zealand Incorporated, and the New Zealand Greyhound Racing Association (Incorporated).

**Table 3: Distributions to racing codes and other racing services by New Zealand Racing Board 2012 – 2017 (\$000)**

	2012	2013	2014	2015	2016	2017
<b>Distributions to Codes</b>						
• Thoroughbred Racing*	70,093	72,494	73,014	73,504	73,680	78,123
• Harness Racing*	37,756	39,288	39,915	39,667	39,860	42,770
• Greyhound Racing*	19,389	20,308	21,153	21,074	21,746	16,670
<i>Subtotal: code funding</i>	<i>127,238</i>	<i>132,090</i>	<i>134,082</i>	<i>134,245</i>	<i>135,286</i>	<i>137,563</i>
<b>Other distributions</b>						
• Racing Integrity Unit	4,049	5,529	5,712	5,844	5,805	6,034
• Racing Lab Services	1,082	1,110	1,193	1,495	1,781	1,821
• Other Services	3,169	3,260	1,292	3,244	4,102	4,419
<i>Subtotal: other distributions</i>	<i>8,300</i>	<i>9,899</i>	<i>8,197</i>	<i>10,583</i>	<i>11,688</i>	<i>12,274</i>
<b>Total Distributions</b>	<b>135,538</b>	<b>141,989</b>	<b>142,279</b>	<b>144,828</b>	<b>146,974</b>	<b>149,837</b>

*Data source: NZRB and racing codes' annual reports*

The New Zealand Racing Board has a Class 4 Gambling Operator's licence and at 30 June 2018 operated 494 gaming machines at 44 venues, but none in the Whangarei District. Its distributions to sporting and racing clubs from Class 4 gambling are included in the following section. Its past three full-year financial reports show that (2015 to 2017) that the “Other distributions” category has been funded entirely by its Class4 gambling operations.

The Northland Racing Club has been the main beneficiary of NZRB funding, through Thoroughbred Racing New Zealand Inc., which subsidises race-day meeting costs by more than \$1.5 million per year. There are no greyhound racing clubs in Northland, and the Northland Harness Racing Club appears not to receive any funding from NZRB distributions.

## Benefits of Class 4 gambling

In this section, the benefits of Class 4 gambling are considered, in terms of the grants made to community organisations within the district by Class 4 corporate societies, and grants as a percentage of Gaming Machine Profits (GMP) Gaming Machine Profits, for the purposes of this report are defined in the *Gambling (Class 4 Net Proceeds) Regulations 2004* as Gross Proceeds. They are “*the turnover of the gambling, less prizes, plus interest or other investment return on that turnover, plus any gain above the book value from the sale or disposal of gambling assets*”.

The distinction between club and non-club venues is important because of what they may legally do with their Gaming Machine Profits (GMP).

A club venue may apply the GMP from its machines to the club’s purposes. They may also make grants to other clubs or groups but are not obliged to do so. Club venue GMP therefore tends to remain within the district where the club is situated and is largely applied to the club’s purpose.

The following section focuses on the GMPs of the 15 non-club venues in the District as the club venues are not required to report on their GMPs in the same way as the corporate societies that operate non-club venues are.

## Grants to Community Groups

The amount of GMP returned to the Whangarei District area is derived from data provided by the Problem Gambling Foundation (PGF), which is collected under contract from the Ministry of Health from grants publications issued by corporate societies. From 2013 to 2017 grants totalling \$16 million were made to community organisations within the Whangarei District, by corporate societies with non-club venues in the district.

**Table 4: Grants from all corporate societies to Whangarei District 2013 - 2017**

Category	2013	2014	2015	2016	2017	Totals
Community	\$ 832,775	\$ 770,935	\$ 748,438	\$ 1,028,144	\$ 737,863	<b>\$ 4,118,156</b>
Social Services	\$ 875,960	\$ 1,013,601	\$ 952,124	\$ 939,667	\$ 1,576,645	<b>\$ 5,357,996</b>
Sport	\$ 1,313,634	\$ 1,361,392	\$ 1,232,148	\$ 1,348,958	\$ 1,205,308	<b>\$ 6,461,440</b>
<b>Totals</b>	<b>\$ 3,022,368</b>	<b>\$ 3,145,928</b>	<b>\$ 2,932,710</b>	<b>\$ 3,316,769</b>	<b>\$ 3,519,816</b>	<b>\$ 15,937,592</b>

Source: Problem Gambling Foundation grants database

For grants made only to the Whangarei District; 559 organisations received a total of 4,998 grants, with an average value of \$ 5,334 over the five-year period.

The grants are allocated into three high-level categories: Sport includes all sporting groups and grants made for sporting facilities. Social Services includes all grants to education, health-related organisations, emergency services and some welfare services. Community covers all other grantees.

The PGF database includes a category for grants made to regional organisations that serve the Whangarei, Kaipara and Far North districts (or Northland Region). Those grants totalled \$10.6 million over the five years. The majority (88%) of them went to five organisations.

**Table 5: Grants to regional organisations 2013 - 2017 (total)**

Regional grantee organisations	Total 2013 – 2017
Northland Emergency Services Trust	\$ 1,262,800
Northland Cricket Assn	\$ 1,246,488
Northland Hockey Assn	\$ 1,066,794
Northland Rugby Union	\$ 4,611,470
Sport Northland	\$ 1,195,624
<b>Total</b>	<b>\$ 9,383,177</b>

Source: Problem Gambling Foundation grants database

The contribution to, and benefit from, those regional grantee organisations could potentially be apportioned across the districts, but a full regional analysis is beyond the scope of this report. These regional grants are excluded from the following analysis.

### **Grants to Community Groups**

In the Communities category, the largest total amount went to the provision of community facilities. These are summarised together with sporting facilities below.

Arts groups received a substantial share, as did local associations (Lions and Rotary Clubs, Residents Associations). Several youth services, including Whangarei Blue Light Ventures, Life Education Trust and the YWCA, received grants of over \$300,000 between them.

**Table 6: Grants to Community and Social groups - total, number and average amount of grant - 2013 to 2017**

Community Category		Total	Number	Average
Arts	Group	\$ 404,578	130	\$ 3,112
Community Group	Environment	\$ 132,181	24	\$ 5,508
	Faith	\$ 73,422	10	\$ 7,342
	Family/Parent	\$ 83,136	41	\$ 2,028
	Other	\$ 434,527	113	\$ 3,845
	Seniors	\$ 69,521	39	\$ 1,783
Local	Association	\$ 411,335	82	\$ 5,016
	Facilities	\$ 1,764,704	126	\$ 14,006
	Services	\$ 106,233	55	\$ 1,932
Maori	Services/Facilities	\$ 170,775	41	\$ 4,165
Youth	Scouts, Guides, Cadets	\$ 96,268	58	\$ 1,660
	Services	\$ 371,477	127	\$ 2,925
<b>Community Total</b>		<b>\$ 4,118,156</b>	<b>846</b>	<b>\$ 4,868</b>

### **Grants to Social Services Groups**

In the Social Services category (below) the largest amounts of funding went to primary and secondary schools, and to hospices.

In the social services category playcentres have been categorised as Childcare (under Welfare), while kindergartens are included in Early Childhood education.

The Emergency Services category does not include grants to the Northland Emergency Services Trust, which operates a rescue helicopter service for the whole of Northland from its Whangarei base.

**Table 7: Grants to social service organisations - total, number and average amount of grant - 2013 to 2017**

Social Services Category		Total	Number	Average
Education	Association	\$ 171,527	26	\$ 6,597
	Early Childhood	\$ 24,140	11	\$ 2,195
	Intermediate	\$ 205,457	64	\$ 3,210
	Other	\$ 18,266	7	\$ 2,609
	Primary	\$ 1,814,684	625	\$ 2,903
	Secondary	\$ 1,259,482	465	\$ 2,709
Emergency Services	Ambulance	\$ 5,000	1	\$ 5,000
	Fire Services	\$ 8,670	3	\$ 2,890
	Search and Rescue	\$ 21,146	6	\$ 3,524
Health	Disability	\$ 94,212	35	\$ 2,692
	Hospice	\$ 1,170,324	48	\$ 24,382
	Services	\$ 274,179	74	\$ 3,705
Welfare	Childcare	\$ 247,537	89	\$ 2,781
	Other	\$ 43,371	12	\$ 3,614
<b>Social Services Total</b>		<b>\$ 5,357,996</b>	<b>1466</b>	<b>\$ 3,655</b>

***Grants to Sports Groups***

Sports received more than either Community groups or Social Services. Within the Sports category, Horse Racing and Soccer both received grants of over \$1 million in total.

Rugby received \$851,000, but presumably more would have been channelled through the Northland Rugby Union. Cricket and Hockey are also supported by regional organisations.

The category for Horse Racing does not include funding for racing codes from the New Zealand Racing Board. The majority of that amount ( \$945,099 out of \$1,045,099) was made up of grants from the Oxford Sports Trust to the Whangarei Racing Club Inc.

**Table 8: Grants to sports groups - total, number and average amount of grant 2013 to 2017**

Sport Category		Total	Number	Average
Indoor Sports	Facilities	\$ 51,534	23	\$ 2,241
	Gym Sports	\$ 126,606	70	\$ 1,809
	Other Indoor	\$ 97,894	87	\$ 1,125
	Racquets	\$ 222,118	99	\$ 2,244
Other Sports	Other	\$ 132,085	46	\$ 2,871
Outdoor Sports	Athletics/Marathons	\$ 22,043	7	\$ 3,149
	Cycling/BMX	\$ 133,421	57	\$ 2,341
	Equestrian	\$ 63,089	29	\$ 2,175
	Facilities	\$ 120,169	15	\$ 8,011
	Golf	\$ 462,039	158	\$ 2,924
	Hunting, Fishing, Shooting	\$ 56,277	10	\$ 5,628
	Lawn Sports	\$ 289,293	131	\$ 2,208
	Motor Sports	\$ 86,553	8	\$ 10,819
	Tennis	\$ 175,509	95	\$ 1,847
Racing	Harness	\$ 18,500	4	\$ 4,625
	Horse Racing	\$ 1,045,099	83	\$ 12,592
	Pigeons	\$ 5,777	6	\$ 963
Special	Olympics	\$ 61,092	14	\$ 4,364
	Riding	\$ 44,455	17	\$ 2,615
Team Sports	Basketball	\$ 123,377	64	\$ 1,928
	Cricket	\$ 310,769	64	\$ 4,856
	Hockey	\$ 96,532	52	\$ 1,856
	League	\$ 36,142	11	\$ 3,286
	Netball	\$ 128,395	43	\$ 2,986
	Rugby	\$ 851,990	247	\$ 3,449
	Soccer	\$ 1,081,273	313	\$ 3,455
Water Sports	Power Craft	\$ 13,667	4	\$ 3,417
	Rowing/Paddlecraft	\$ 69,817	28	\$ 2,493
	Sailing	\$ 48,106	27	\$ 1,782
	Surfing, Life Saving	\$ 210,622	68	\$ 3,097
	Swimming	\$ 277,199	114	\$ 2,432
<b>Total</b>		<b>\$ 6,461,440</b>	<b>1994</b>	<b>\$ 3,240</b>

***Grants for Community and Sports facilities***

The Community and Sports categories both include a sub-category of 'Facilities'. These have been separately identified because grant funding provided for some community infrastructure can often supplement, or even substitute for, funding that the Council might otherwise have been asked or expected to provide.

The table below is an extract of the facilities funded within the Community and Sport categories over the period 2013 - 2017.

**Table 9: Grants for Local Community and Sporting Facilities - total, number, and average amount - 2013 to 2017**

<b>Community Facilities</b>	<b>Total</b>	<b>Number</b>	<b>Average</b>
Anawhata Museum Trust	\$ 40,115	9	\$ 4,457
Jack Morgan Museum Inc	\$ 3,690	5	\$ 738
Northland Vintage Machinery Club	\$ 31,000	4	\$ 7,750
Old Library Ltd	\$ 7,610	4	\$ 1,903
One double five Whare Awhina Community House	\$ 10,000	1	\$ 10,000
Onerahi Resource Centre	\$ 36,626	6	\$ 6,104
Parakao Hall Society	\$ 3,572	1	\$ 3,572
Parua Bay And Districts Community Centre	\$ 7,500	2	\$ 3,750
Parua Bay Cemetery Trust	\$ 1,500	1	\$ 1,500
Ruakaka Reserve Board	\$ 18,111	2	\$ 9,055
Ruatangata Hall and Community Assn	\$ 1,696	2	\$ 848
Ruatangata Public Hall Society	\$ 3,165	3	\$ 1,055
Springfield Domain	\$ 1,500	1	\$ 1,500
Waipu Joint Venture	\$ 165,000	9	\$ 18,333
Waipu Public Coronation Hall & Library	\$ 5,000	1	\$ 5,000
Whangarei Art Museum Trust	\$ 1,158,130	39	\$ 29,696
Whangarei Heads Community Library Society	\$ 3,000	2	\$ 1,500
Whangarei Museum and Heritage Trust	\$ 258,488	31	\$ 8,338
Whareora Hall Society	\$ 3,000	1	\$ 3,000
<b>Subtotal Community Facilities</b>	<b>\$ 1,758,704</b>	<b>124</b>	<b>\$ 14,183</b>
<b>Sports Facilities</b>			
Friends of the Pool Inc	\$ 5,000	1	\$ 5,000
Kamo Sports Charitable Trust	\$ 27,010	6	\$ 4,502
Kensington Club	\$ 1,000	1	\$ 1,000
Mangakahia Sports Ground Society	\$ 93,159	9	\$ 10,351
Northland Athletics and Gymnastics Stadium Trust	\$ 21,763	12	\$ 1,814
Portland Recreation Centre	\$ 9,905	3	\$ 3,302
Ruakaka Recreation Centre	\$ 19,866	8	\$ 2,483
<b>Subtotal Sports Facilities</b>	<b>\$ 177,702</b>	<b>40</b>	<b>\$ 4,443</b>
<b>Total Community and Sports Facilities</b>	<b>\$ 1,936,406</b>	<b>164</b>	<b>\$ 11,807</b>

**Grants share of Gaming Machine Profits (GMP)**

As stated, every corporate society must distribute no less than 40% of its GMP to its authorised purposes, somewhere in New Zealand.

The Department of Internal Affairs has supplied data on the amount of GMP by type of venue (club and non-club) for the five years 2013 to 2017. The GMP for club venues is applied to the purposes of the club, and therefore remains within the district.

The GMP for non-club venues must be distributed as grants to authorised purposes within New Zealand, but not necessarily within the district from which it was gathered. The degree of positive social impact from Class 4 gambling therefore depends on the percentage (above or below 40%) was returned to Whangarei District.

The table below shows that total GMP for the years 2013-2017 was \$74.2 million. The club venue GMP was \$7.8 million, while non-club venue GMP was \$66.3 million dollars in total over the period, or \$13.3 million per year on average. These totals include GST.



**Table 10: Gaming Machine Profits (GMP) by venue type 2013 – 2017**

Venue Type	2013	2014	2015	2016	2017	Totals
Club	\$ 1,573,814	\$ 1,463,906	\$ 1,510,880	\$ 1,640,357	\$ 1,637,717	\$ 7,826,673
Non-Club	\$ 12,402,809	\$ 12,744,627	\$ 13,221,150	\$ 13,532,691	\$ 14,436,114	\$ 66,337,391
<b>Total</b>	<b>\$ 13,976,624</b>	<b>\$ 14,208,534</b>	<b>\$ 14,732,030</b>	<b>\$ 15,173,048</b>	<b>\$ 16,073,831</b>	<b>\$ 74,164,064</b>

Source: Department of Internal Affairs (Official Information Act request)

Despite a reduction in the number of non-club venue EGMs between 2013 and 2017, GMP increased steadily for both club and non-club venues combined: from \$14.0 million to \$16.1 million. Most of that increase came from non-club venues.

The table below shows the amount returned to Whangarei District by societies operating Class 4 venues in the district; by category, in total and as a percentage of GMP.

**Table 11: Grants returned to Whangarei District by Corporate Societies operating Class 4 Venues in the district - amount by category and percentage**

Grants	2013	2014	2015	2016	2017	Total
Community	\$ 832,775	\$ 770,935	\$ 748,438	\$ 1,028,144	\$ 737,863	\$ 4,118,156
Social Services	\$ 875,960	\$ 1,013,601	\$ 952,124	\$ 939,667	\$ 1,576,645	\$ 5,357,996
Sport	\$ 1,313,634	\$ 1,361,392	\$ 1,232,148	\$ 1,348,958	\$ 1,205,308	\$ 6,461,440
<b>Total Grants</b>	<b>\$ 3,022,368</b>	<b>\$ 3,145,928</b>	<b>\$ 2,932,710</b>	<b>\$ 3,316,769</b>	<b>\$ 3,519,816</b>	<b>\$ 15,937,592</b>
Non-Club GMP	\$ 10,785,051	\$ 11,082,284	\$ 11,496,652	\$ 11,767,557	\$ 12,553,143	\$ 57,684,688
<b>% Returned</b>	<b>24.4%</b>	<b>24.7%</b>	<b>22.2%</b>	<b>24.5%</b>	<b>24.4%</b>	<b>24.0%</b>

Data sources: Problem Gambling Foundation and Department of Internal Affairs.

The average share of grants returned over 5 years, was 24.0%. The grants shown in this table include grants from corporate societies that do not operate Non-club venues in Whangarei District, so the share returned represents some transfers into the District from elsewhere.

Allowance should be made for grants returned to regional and national grantee organisations, from which Whangarei District would also obtain some benefit. There is no accurate data about the allocation of benefits from those regional and national grants to different local authorities, so an analysis of those benefits is beyond the scope of this report.

Whangarei does not appear to be getting the full benefit of grants to community and sporting organisations in the district, that it might reasonably hope for, because the returns consistently fall well short of 40%.

### **Grants share of GMP per Society**

The non-club gaming venues in Whangarei District are operated by six corporate societies. If the overall return is less than 40%, it may be useful to know whether the societies which operate Class 4 venues in the district are all returning roughly the same percentage, or whether there is significant variation among them.

The Department of Internal Affairs does not release data on GMP for each society by territorial authority district, although it does hold that data. However, it is possible to make a reasonably robust estimate, simply by counting the number of consented machines operated

by each society and calculating each society's share of machines in the district, as shown in the table below.

**Table 12: Societies - share of EGMs in district (15 non-club venues)**

Non-Club Societies	Non-Club Venues	EGM per Venue	EGM per Society	Society % EGMs
Oxford Sports Trust Inc	HIKURANGI HOTEL	13		
	JIMMY JACKS RIB SHACK	9		
	JUDGE - HOUSE OF ALE	18		
	KENSINGTON TAVERN	18		
	PURE BAR & GRILL	18		
	TOTE & POKE	18		
	WAIPU HOTEL	12	<b>106</b>	48%
Pub Charity Ltd	ONERAHI TAVERN	18		
	POROTI TAVERN	3		
	THE GRAND HOTEL	18	<b>39</b>	18%
The Southern Trust	TIKIPUNGA TAVERN	18		
	WILDSIDE BAR & GRILL	9	<b>27</b>	12%
Pelorus Trust	RUAKAKA TAVERN	18	<b>18</b>	8%
The Lion Foundation (2008)	COALIES SPORTS BAR AND GRILL	11	<b>11</b>	5%
Pegasus Sports Foundation	KAMO HOTEL	18	<b>18</b>	8%
<b>Totals</b>		<b>219</b>	<b>219</b>	<b>100%</b>

Data source: Department of Internal Affairs website.

Each society's share of machines can then be multiplied by the average non-club venue GMP for the five years 2013 - 2018, to generate an estimate of average GMP per society per year. Because the GMP per society is only an estimate, the results are rounded to the nearest \$1,000 to reflect a lack of precision.

The annual average grants per year for each society include only grants made to Whangarei District, excluding regional organisations.

**Table 13: Estimated share of GMP returned to Whangarei for each society operating machines in Whangarei District (average per annum, 2013 - 2017)**

Machines per society		GMP per Society (est)	Amount of Grants	% returned
Oxford Sports Trust	106	\$ 6,421,000	\$ 1,800,000	28%
Pub Charity	39	\$ 2,363,000	\$ 987,000	42%
Southern Trust	27	\$ 1,636,000	\$ 75,000	5%
Pegasus Sports	18	\$ 1,090,000	\$ 33,000	3%
Pelorus Trust	18	\$ 1,090,000	\$ 64,000	6%
Lion Foundation	11	\$ 666,000	\$ 33,000	5%
<b>Totals / Average of all</b>		<b>\$ 13,267,000</b>	<b>\$ 2,966,000</b>	<b>22.4%</b>

Data sources: Problem Gambling Foundation and Dept. of Internal Affairs

Although this is only an estimation, it is reasonable to say that Pub Charity has probably returned about 40% to 45% of the GMP it acquired in Whangarei District back to the district. The Oxford Sports Trust, based in Whangarei, has probably returned about 25% to 30%, and the other four societies have probably returned between 2% and 7%.

Corporate societies that do not operate venues within Whangarei contributed a further \$1,154,425 in grants over the 5-year period, or \$ 230,885 per annum on average, which increases total returns from the Class 4 gambling sector to 24% as shown in Table 10.

The distribution of GMP is regulated under the Gambling Act 2003 and subsidiary regulations, as shown in the table below.

**Table 14: Allocation of Class 4 GMP required by Gambling Act and regulations, applied to Whangarei total GMP 2013 – 2017 (GST excl)**

Allocated to:	Percentage	Amount	Required by:
Gaming Machine Duty	20.0%	\$ 14,832,813	Gaming Duties Act 1971
Problem gambling levy	1.3%	\$ 964,133	Gambling (Problem Gambling Levy) Regs 2016
Grants (minimum)	40.0%	\$ 29,665,627	Gambling (Class 4 Net Proceeds) Regs 2004
Venues (maximum)	16.0%	\$ 11,866,251	Gambling (Venue Payments) Regs 2016
Society operations	22.7%	\$ 16,835,243	Gambling Act 2003 – Section 52(1)
<b>Total GMP 2013 -2017</b>		<b>\$ 74,164,067</b>	

A substantial share goes to taxes:

- A duty of 20% goes to the Crown consolidated revenue.
- A problem gambling levy is calculated for the share of problem gambling associated with the Lotteries Commission (0.40%), New Zealand Racing Board (0.52%), Casinos (0.87%) and, Class 4 gambling (1.3%). These shares of the levy are regularly reviewed and may change over time.
- Class 4 operators must pay GST on the Problem Gambling Levy and other costs of operations, including licensing fees paid to the Department of Internal Affairs, as part of their operating costs.

A minimum amount of 40% of GMP must be distributed to the authorised purposes of non-club corporate societies. The amount applied to authorised purposes by clubs is set in the club's licence conditions, and the usual minimum is 37.12%.

The venue operator may receive no more than 16% of GMP for hosting the society's gaming machines.

Finally, the corporate society retains the residual after all other proportions are allocated. From this it pays for the purchase and maintenance costs of the EGMs, regulatory and compliance costs for operating venues, and the costs associated with processing grants applications, as well as allocating and monitoring grants expenditures. Section 52(1) of the Gambling Act requires that a Class 4 operator should *"...will maximise the net proceeds from the class 4 gambling and minimise the operating costs of that gambling"*.

The same shares can be applied to the GMP from all Class 4 gambling venues in New Zealand, which totalled more than \$4 billion dollars for the years 2013 to 2017.

**Table 15: Total Class 4 club and non-club GMP, all local authorities 2013 – 2018 (\$ million)**

All NZ	2013	2014	2015	2016	2017	Total
Club	\$ 107,657,267	\$ 105,335,170	\$ 106,196,969	\$ 103,773,836	\$ 99,126,176	<b>\$ 522,089,419</b>
Non-Club	\$ 703,926,590	\$706,079,019	\$ 721,829,669	\$ 754,463,114	\$ 784,258,689	<b>\$ 3,670,557,081</b>
<b>Total</b>	<b>\$811,583,857</b>	<b>\$811,414,189</b>	<b>\$ 828,026,639</b>	<b>\$ 858,236,950</b>	<b>\$ 883,384,865</b>	<b>\$ 4,192,646,499</b>

To put those amounts in context, Class 4 gambling has accounted for 39% of the total gamblers' losses, from the four major modes of legal gambling, over the years 2012/13 to 2016/17 for the whole of New Zealand.

**Table 16: Total gambling expenditure (gamblers losses) by mode and share (average over 5 years) (\$million)**

	2013	2014	2015	2016	2017	Share (5 yrs)
<b>Class 4 Gambling</b>	\$ 827	\$ 806	\$ 818	\$ 843	\$ 870	<b>39%</b>
<b>Casinos</b>	\$ 490	\$ 486	\$ 527	\$ 586	\$ 572	<b>25%</b>
<b>Lotteries Commission</b>	\$ 432	\$ 463	\$ 420	\$ 437	\$ 555	<b>21%</b>
<b>NZ Racing Board (TAB)</b>	\$ 294	\$ 310	\$ 325	\$ 342	\$ 338	<b>15%</b>
<b>Total</b>	<b>\$ 2,042</b>	<b>\$ 2,065</b>	<b>\$ 2,091</b>	<b>\$ 2,209</b>	<b>\$ 2,334</b>	<b>100%</b>

*Data source: Dept. of Internal Affairs: Gambling Expenditure Statistics*

The table above should be considered in context of the participation rates for different gambling modes (Table 1). The majority of New Zealanders purchase Lotteries Commission products during a year, and only 12% use Class 4 gaming machines, but far more money is lost by Class 4 gamblers each year than from any other mode of gambling.

### ***Player rewards: benefits and harms***

Corporate societies assert that players obtain generous returns from playing the pokies. They claim that 92 cents of every dollar spent is returned to the gambler, and the millions of dollars of gamblers' losses described above account for only 8 cents in the dollar gambled.

Gambling on a Class 4 gaming machine can provide genuine benefits to some players: they obtain the entertainment value of "having a flutter" and may win some money. If they only play occasionally, and moderately, then they can expect to only lose a small percentage of their "bankroll", on average, over time.

But for others; particularly those who play more frequently, continuously, and for longer periods of time, the financial rewards are likely to be extremely low.

Attachment 1 to this report provides an explanation of why these two cohorts of players differ significantly in their contribution to GMP from Class 4 gambling, and why some gamblers continue to play even when experience will have taught them they are bound to lose.

## Harms

The harm caused by all forms of gambling, is primarily economic: people spend money on gambling that might be put to other uses.

Problem gambling, or harmful gambling, occurs when people spend more than they can afford, denying themselves or their families some of the necessities of life; spending their savings rather than disposable income; and going into debt or committing crimes to support their gambling habit. Other harms then flow from those behaviours.

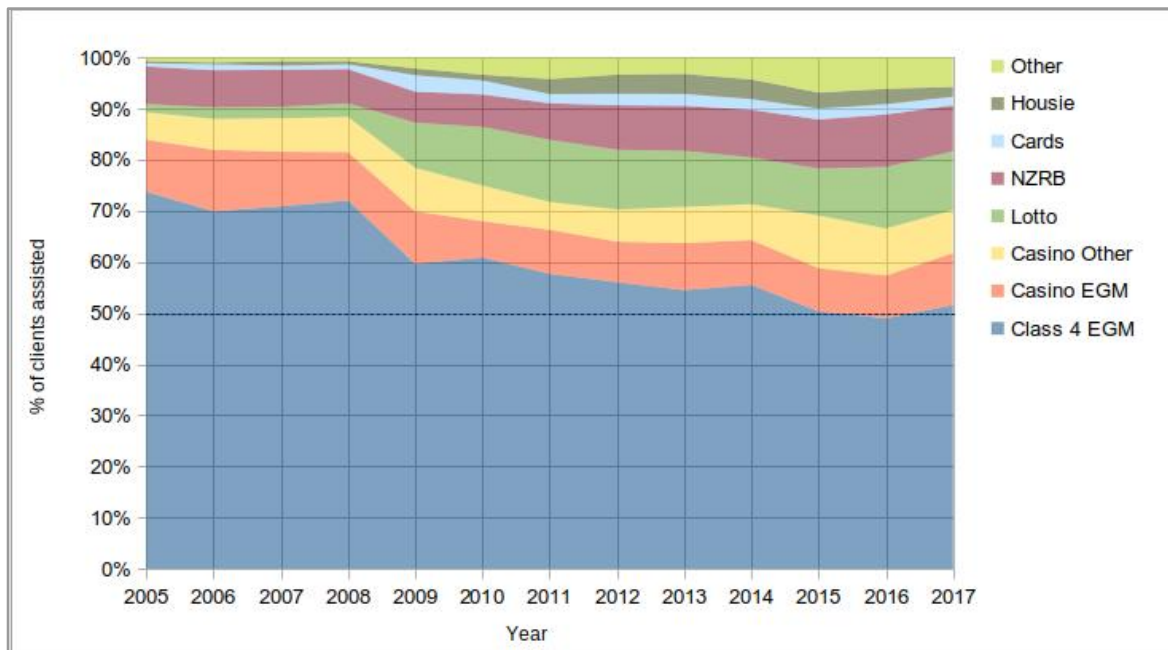
A 2012 study funded by the New Zealand Ministry of Health found that the burden of gambling harm is primarily due to damage to relationships, emotional/psychological distress, disruptions to work/study and financial impacts.

The study estimated that an equivalent of 161,928 years of life were lost to disability because of harms from gambling in one year. Within this number 67,928 life-years were attributed to gamblers themselves and 94,729 to people who were affected by someone else's gambling.

The report found that:

“At a national level, and taking into account both prevalence and severity, our analysis suggests that gambling causes over twice the amount of harm than chronic conditions such as osteoarthritis (2.1x) and diabetes (2.5x). However, gambling causes less harm than other disorders such as anxiety and depressive disorders (.63x) and hazardous drinking (.77x).”

Figure 1 (below) shows the number of problem gambling clients assisted by publicly funded services, for various modes of gambling. The number of clients includes both gamblers and their friends, family and spouses, in keeping with the Gambling Act's definition of harm and the findings outlined above.

**Figure 1: Percentage of clients assisted by primary gambling mode (NZ) 2005 -2017**

Source: <https://www.health.govt.nz/our-work/mental-health-and-addictions/gambling/service-user-data/intervention-client-data#ppgm>

Table 17 shows the data for assistance sought for different types of gambling for the 2017/2018 year, which highlights that non-casino GMs remain the largest primary problem gambling mode. Assistance sought for TAB related gambling was 9% in this year and this appears to be a relative consistent proportion since 2005 as illustrated in Figure 2 above.

**Table 17 – Percentage of clients assisted by primary gambling mode 2017/2018**

Primary Problem Gambling Mode 2017/2018	Total #	% of Total
Non-Casino Gaming Machines	5429	51.43%
Casino EGM	1008	9.55%
Casino Table	1019	9.65%
Lotteries Commission Products	1249	11.83%
NZ Racing Board	1002	9.49%
Cards	194	1.84%
Housie	183	1.73%
Other	472	4.47%
<b>Total</b>	<b>10555</b>	<b>100.00%</b>

Source: <https://www.health.govt.nz/system/files/documents/pages/intervention-client-datatable-11-feb19.xls>

There are other methods of measuring gambling harm, but this is the most robust method, based on readily available data which is updated annually.

The graph shows that Class 4 gambling is presently responsible for most problem gambling. When combined with electronic gaming machines in casinos, this type of gambling is, and has been for some time, clearly responsible for more gambling harm than all other modes combined.

There is no publicly available data on how many of these clients sought help for problems associated with Class 4 gambling, specifically, within the Whangarei District, but the total number of problem gambling clients assisted is shown in Table 18.

**Table 18: All Problem Gambling Clients Assisted: Whangarei District**

Year	Number	% of national clients
2013	317	2.55%
2014	324	2.57%
2015	425	3.34%
2016	288	2.32%
2017	374	3.22%

Source: <https://www.health.govt.nz/our-work/mental-health-and-addictions/gambling/service-user-data/intervention-client-data#territorial>

These numbers represent only people who have sought help for a gambling problem through publicly-funded gambling and addiction support services.

According to the National Gambling Survey, of the 77% to 80% who gambled during the previous year, only 0.1% sought formal help for a gambling problem over the period of the survey. But the same survey found that between 0.3% to 0.6% of the adult population have been assessed as problem gamblers. This suggests that the number of problem gamblers in the Whangarei District might be up to six times more than the number who sought and received treatment.

The percentages of problem gamblers vary by ethnicity and gender (males being more likely to be problem gamblers than females):

- Pacific: 1.9% problem gamblers, 5.7% moderate-risk gamblers, 10.2% low-risk gamblers, 53.8% non-problem gamblers
- Māori: 1.6% problem gamblers, 4.7% moderate-risk gamblers, 9.5% low-risk gamblers, 63.0% non-problem gamblers
- Asian: 0.1% problem gamblers, 1.4% moderate-risk gamblers, 5.2% low-risk gamblers, 51.5% non-problem gamblers
- European/Other: 0.1% problem gamblers, 0.7% moderate-risk gamblers; 4.0% low-risk gamblers; 74.7% non-problem gamblers.

In areas with a high Māori and Pacific Island populations, it can be expected that the negative consequences of gambling are likely to affect such areas more profoundly than others.

### ***Harm to others***

The harms caused by Class 4 gambling affect not just the gamblers themselves, but also their friends, families, employers, and the victims of crime.

Recent research in Australia found that problem gamblers affected from 4 to 6 other people; the researchers proposing that six was more likely, because four was an estimate provided by problem gamblers themselves. Moderate-risk gamblers affected three others while low-risk gamblers affected one other.

No similar research has been undertaken in New Zealand. But if that proportion holds roughly true, then a similar multiplier could be applied to the number of problem gamblers in New Zealand, and the percentage of the whole population affected by problem gambling

could be around 5% to 6%.

The criminal acts of problem gamblers are significant. A study by AUT University in the early 2000's, of recently incarcerated prisoners, found that:

*“Just over a quarter of women and 15 percent of men said that they had committed at least one criminal offence to obtain money for gambling or to pay gambling debts. People with serious gambling problems committed most of these offences, which mainly involved burglary, fraud, theft and robbery.”*

A 2012 study by AUT University said that”

*“In New Zealand, higher exposure to gambling opportunities has been statistically linked to higher crime rates for all categories of crime (Wall et al., 2010). EGM density measures (especially number of machines within a 5,000 metre buffer) were also associated with the local crime rate (Wall et al., 2010). A formative qualitative investigation of the link between gambling and crime focused particularly on unreported crime and the nature of the resulting harms experienced by individuals, families, whānau, and communities (Bellringer et al., 2009). Problem gambling treatment providers, gambling industry staff, and community groups identified financial harm to the community resulting from theft to support gambling as most prevalent, as well as social security/services and benefit-related crimes. Strain on the community caused by gamblers who expect to be ‘bailed-out’ by their community, or who abuse positions of power or trust within their communities, was also highlighted by participants in this study as direct harms to the community.”*

The broader costs to society have never been systematically measured in New Zealand but would presumably include costs to the justice system (policing, courts, incarceration, rehabilitation); costs to the social welfare system (providing support to families of some problem gamblers, including those incarcerated), treatment and counselling costs for problem gamblers, and the administrative overhead of regulating the sector.

#### **Class 4 venues and Deprivation**

Recent amendments to the Gambling Act require that the first time a territorial authority commences a review of a policy after the amendment came into force. it must consider whether to include a relocation policy, and furthermore that:

*“Whenever a territorial authority is considering whether to include a relocation policy in its class 4 venue policy, it must consider the social impact of gambling in high-deprivation communities within its district.”*

Unfortunately, there is not a great deal of readily available information on the social impact of gambling specifically on high-deprivation communities at local authority level.

Auckland Council produced a study in 2013 showing that the proceeds of Class 4 gambling were not evenly distributed among its Local Board areas, and that GMP tended to be drawn from higher deprivation areas and the grant funding tended to flow to lower deprivation areas.

A Ministry of Health report published in 2015, titled “Informing the 2015 Gambling Harm Needs Assessment” noted that:

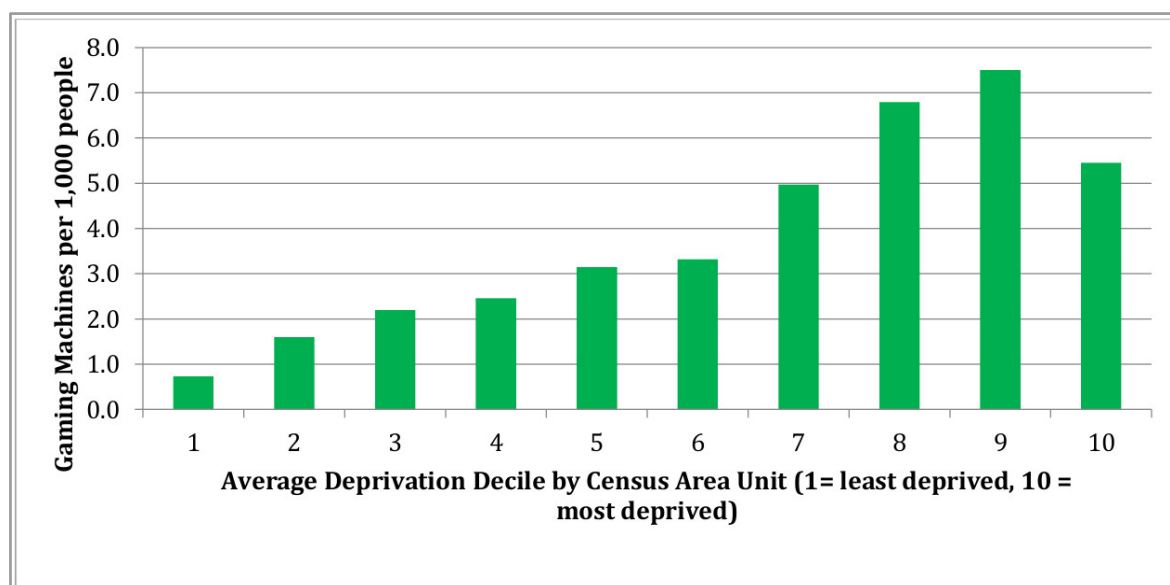
*“The (2011/12 New Zealand Health Survey) highlighted that the likelihood of problematic gambling increased as the level of deprivation increased. People living in*



neighbourhoods with the highest levels of deprivation (i.e. the most deprived) were five times more likely to report moderate-risk/problem gambling than those living in neighbourhoods with the lowest levels of deprivation (i.e. the least deprived). Neighbourhoods with higher levels of deprivation also appear to be more likely to offer opportunities for gambling. In 2014, 54.2 percent of *[non-casino gaming machines]* were located in *[census area units]* with average deprivation deciles of 8 and higher – a slightly higher proportion than in 2011 (52.4 percent), and notably higher than 2009 (48 percent).” (pg 9)

The report included the histogram reproduced below, showing a positive correlation between the number of non-casino EGMs and the number of people in high deprivation areas. (pg 94)

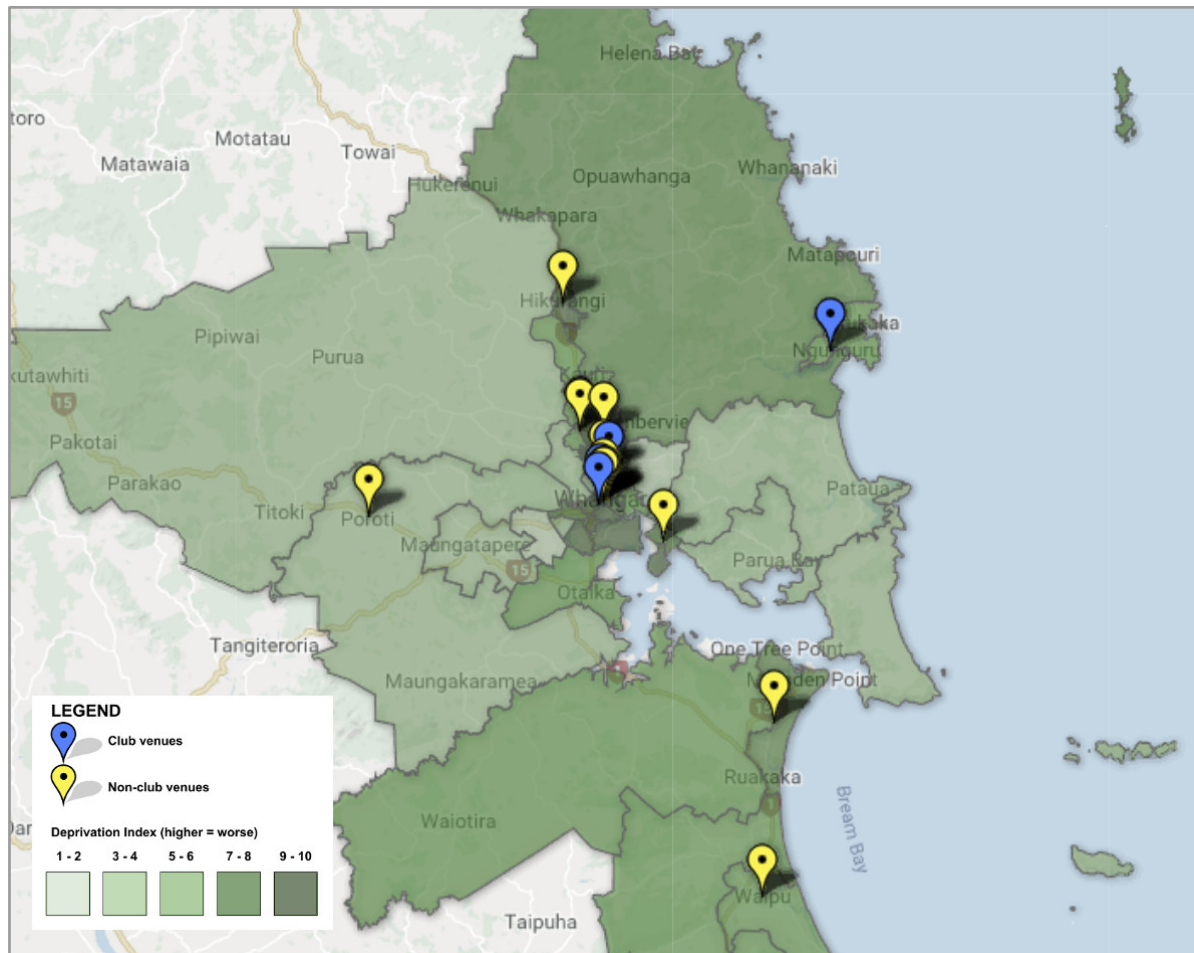
**Figure 2: Non-Casino EGMs per 1000 people by deprivation decile (all NZ)**



In that report, Whangarei Central was included among the 10 census area units in New Zealand with the highest number of NCGMs, by deprivation decile, population and ethnicity, as measured in December 2014.

However, that result was distorted by the fact that only 174 people were resident in that area unit at the time, and the report also noted that “CAUs which contain central business and retail districts also tend to have higher (that is, more deprived) population-weighted deprivation deciles than those which do not”. In short, the correlation was likely be skewed in Whangarei Central’s case.

On the other hand, a visual map of deprivation in the Whangarei District with the locations of club and non-club venues overlaid (below), indicates that Class 4 venues do appear to be located more frequently in higher deprivation areas, throughout the whole district.

**Figure 3: Whangarei District - Class 4 venues and deprivation by Census Area Unit**

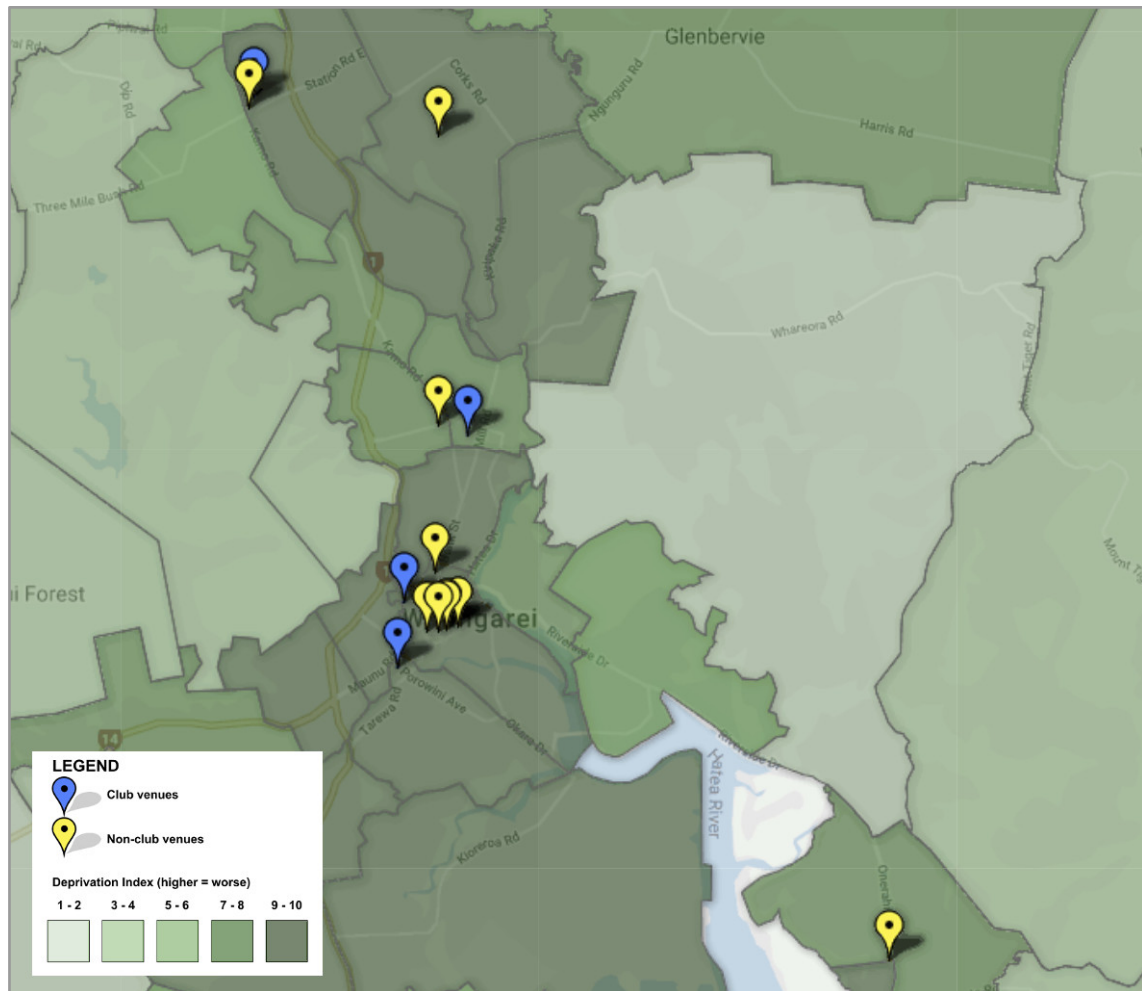
Data source: <https://www.otago.ac.nz/wellington/departments/publichealth/research/hirp/otago020194.html>

And although the higher deprivation CAUs tend to be in commercial and business areas, a closer look at the inner suburbs of Whangarei (below) shows that areas where Class 4 venues are clustered, are more generally within, or surrounded by, areas of higher deprivation.

Assuming people do not use gambling machines located only in the census area unit where they live but may travel between the short distances between areas to gamble at a Class 4 venue, the availability of Class 4 gambling does appear to be associated with higher deprivation areas.

This association is important to the extent that some local authorities have adopted Class 4 Venue relocation policies designed to encourage the relocation of venues from high deprivation areas to lower deprivation areas, presumably on the basis that they might cause less harm in such areas.

However, the direction of causality is not known. There has been no study done to test whether venues tend to be clustered in areas where deprivation is higher; perhaps because they make more GMP by being in those areas, or whether the clustering of venues in an area has caused and/or exacerbated higher deprivation in those areas over time.

**Figure 4: Whangarei Inner Area Class 4 venues and deprivation by Census Area Unit**

Data source: <https://www.otago.ac.nz/wellington/departments/publichealth/research/hirp/otago020194.html>

In the absence of a robust study on direction of causality, it would be unsafe to assume that the negative social impacts of Class 4 gambling would be mitigated by relocating venues from high deprivation areas to lower deprivation areas. The 2012 Ministry of Health funded study on gambling harm noted that:

“One of the most pervasive harms to the community is how gambling continues to perpetuate cycles of disadvantage by affecting factors that contribute to poverty, poor health, and lower levels of human and social capital, thus compounding and concentrating harms. Given the disproportionate number of EGMs located within poorer communities (Wynd, 2005) and the vulnerability of these groups, this is of particular concern; as evidenced by some populations (such as lower socio-economic and ethnic groups) experiencing greater losses than other populations (SHORE, 2008).”

In other words, it is possible that a concentration of gaming machines in any area perpetuates, exacerbates, or even creates, higher levels of deprivation.

### **Combined TAB and Class 4 venues**

Over the past decade there has been a noticeable trend toward the development of combined TAB and Class 4 venues, often dubbed “sports bars”.

There is nothing in the law to restrict the New Zealand Racing Board from installing PubTAB self-service kiosks, or full-service outlets (with staffed betting counters), in a Class 4 venue. These may be accompanied by televisions tuned to sports channels and the TAB's own Trackside channel. This can transform a pub or bar into a place where the principal activity is gambling.

There has not yet been any systematic study of the gambling harm caused by these types of venue, and whether they create more (or less) harm than either type of gambling provided independently.

## Summary

The benefits of funding for community and sporting groups from Class 4 are substantial, in absolute monetary terms; over \$3 million per year. But societies that operate venues in the Whangarei District have returned a far smaller percentage of GMP to the district than they might have.

It is generally considered that as a means of funding community infrastructure and services, grants from Class 4 gambling may be useful, however:

- Less than 25% of the direct cost to the community of raising this revenue is returned to community and public good purposes.
- There are significant indirect costs to the community, including the costs of criminal activity, which are neither borne nor compensated for by the Class 4 gambling sector.
- The revenue is raised from a small proportion of the community (between 15% and 0.5% of adults who use EGMs), and disproportionately from the unemployed and less well-educated.
- The public good benefits from Class 4 gambling are allocated by private organisations, according to their own purposes and objectives, without community input or democratic oversight.

The nature and extent of gambling harm is not well researched in New Zealand, certainly not to a level of detail that would helpfully inform local authority policy making. However, some conclusions may be safely drawn from the available nationwide statistics:

- Problem gamblers are a small proportion of the overall adult population, but their gambling affects five or six times as many people.
- Gambling venues tend to be clustered in high deprivation areas, and the prevalence of gambling is higher among people who are unemployed, less well educated.
- Class 4 gambling is almost certainly the single most significant cause of gambling harm in the Whangarei District, as it is elsewhere in New Zealand.

## Key information and data sources:

Central Queensland University and Auckland University of Technology (2017). ***Measuring the Burden of Gambling Harm in New Zealand***. Wellington: Ministry of Health.

Bellringer, M. et. al. (2014) ***New Zealand 2012 National Gambling Study: Overview and gambling participation***. Ministry of Health, Wellington. Online publication, retrieved August 2018.

Goodwin, B. et. Al. (2017) “A typical problem gambler affects six others”, **International Gambling Studies**, 17:2, pp 276-289.

Max W. Abbott, et. al. (2005) “Gambling and Problem Gambling among Recently Sentenced Male Prisoners in Four New Zealand Prisons”. **Journal of Gambling Studies**, Vol.21, Issue 4, pp 537–558.

Max W. Abbott, et. al. (2005) “Gambling and Problem Gambling among Recently Sentenced Women in New Zealand Prisons”. **Journal of Gambling Studies**, Vol.21, Issue 4, pp 559–581.

Ministry of Health (2015). ***Informing the 2015 Gambling Harm Needs Assessment***. New Zealand Government, Wellington.

Ross, D, et. al. (2008). ***Midbrain Mutiny - the Picoeconomics and Neuroeconomics of Disordered Gambling: Economic Theory and Cognitive Science***. MIT Press, Cambridge, Massachusetts.

Schüll, Natasha Dow (2014). ***Addiction by Design: Machine Gambling in Las Vegas***. Princeton University Press.

## Data Sources:

Department of Internal Affairs: *Gaming Machine Proceeds by territorial authority, per quarter, 2007 – 2018, for club and Non-club venues*. Spreadsheet, provided August 2018 in response to Official Information Act request.

Ministry of Health. *Clients Assisted by Primary Problem Gambling Mode*. NZ Govt, Wellington. Online resource, retrieved August 2018.

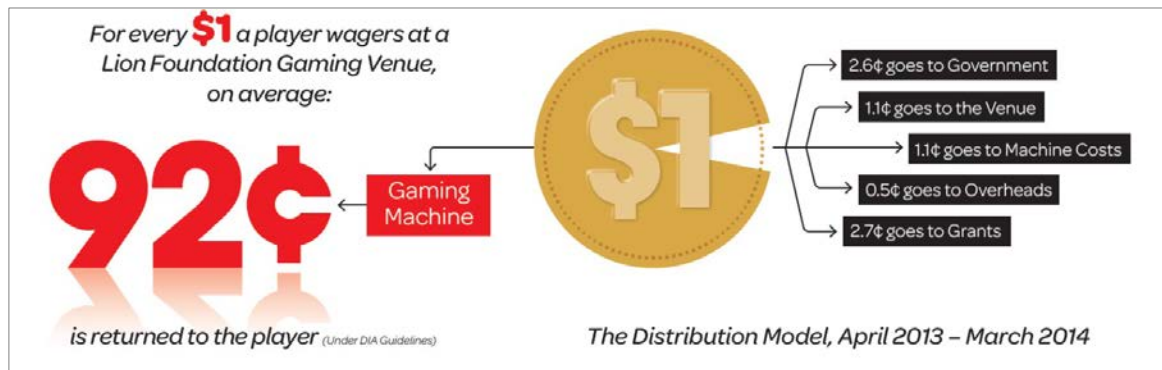
Problem Gambling Foundation: *Database of Class 4 grants 2011 to 2018*. Spreadsheet, provided May 2018 on request.

University of Otago. *Socioeconomic Deprivation Indexes: NZDep and NZIDep*. Department of Public Health, Wellington. Online resource, retrieved August 2018.

## Attachment 1: Returns to players

The figure below, describing the allocation of GMP in those terms, was copied from the Lion Foundation's website in August this year.

**Figure 1: Lion Foundation claim of 92% returns to players**



Source: <https://www.lionfoundation.org.nz/community-gaming/> (3 August 2018)

### Who has the other 92 cents?

If 92 cents in the dollar is returned to gamblers, then there should be some very wealthy people in Whangarei, holding \$185.4 million dollars in disposable income, who would prefer to spend it on Class 4 gambling rather than other goods and services.

The statement that 92% of gaming revenue is returned to the player is technically correct, assuming each gambler were to make independent non-sequential bets, without re-playing their winnings. In that case the “expected value” of each bet (or “spin”) on average, over many spins, would be 0.92 multiplied by the amount spent.

However, if a gambler makes a series of non-independent bets, replaying their winnings in each gambling session, the “expected value” of those bets is:  $0.92 \times 0.92 \times 0.92$  (etc), up to the total number of bets. In other words, the expected value is the amount spent multiplied by  $0.92^n$ , where  $n$  is the number of sequential bets.

That means if a player were to play one “spin” on a machine every 6 seconds, for 10 minutes, making 100 bets in total, the expected value of each that gambling session would be  $0.92^{100}$ , which is 0.00024 (i.e. 0.024%, or 2.4 cents cent in the dollar).

Many users of Class 4 gaming machines probably do make independent non-sequential bets. They will be the majority of the 12% or so of the adult population, who occasionally play the machines during a year, and may occasionally walk away having won some money.

But the machines are designed to encourage play of the latter type (described in the New Zealand Gambling Study as “continuous play”), and the very small percentage of adults (about 1.2%) who play the machines more than once a week are likely to make serial non-independent bets and receive very little or no financial reward.

***If they keep losing, why keep playing?***

For the small proportion of adults who play pokies regularly, the odds are not in their favour. They lose a lot of money, but continue playing regardless.

In the past few years neuroscience studies using functional magnetic resonance imaging have shown that gambling with EGMs “lights up” the same areas of the brain as drugs such as cocaine, heroin, or methamphetamine.

The predominant difference between drugs and gaming machines is that the latter do not introduce foreign substances into the human body. Instead, they use external stimuli - in the form of sounds, lights and images - to directly influence the brain’s internal “reward system”, which controls the production of feel-good chemicals within the brain (e.g. dopamine and serotonin).

People who use gaming machines frequently, continuously, for longer periods of time, begin to seek these neurochemical “rewards” rather than other benefits. They persist in playing the machines to obtain neurochemical rewards, not with any expectation of winning money.

They may be called (variously) compulsive or habituated gamblers, gambling addicts or problem gamblers. There are no clear differences among those terms, which are often used interchangeably.

Several authoritative studies show that electronic gaming machines are designed not just to encourage continuous play, but to be addictive, and that their purpose is to get the player to “play to extinction”, or lose their entire bankroll, in each gambling session.

These claims have been strenuously denied by machine manufacturers and the pokie gambling industry. But the industry has been unable to advance a convincing explanation for why some people will play a pokie machine for hours at a time, and why they will keep coming back to a venue to do that time after time, without any hope or realistic expectation of winning money.





## 6.2 Class 4 Gambling Venue Policy review

**Meeting:** Whangarei District Council  
**Date of meeting:** 28 March 2019  
**Reporting officer:** Shireen Munday – Strategic Planner

### 1 Purpose

To seek a decision on which amendments to the Policy will be proposed for community consultation.

### 2 Recommendation

That Council, after having reviewed Council's Class 4 Gambling Venue Policy:

1. Requests the Acting Chief Executive to draft a Statement of Proposal for consultation to give effect to Option 2 as provided in section 6.2 of this report.

### 3 Introduction

Council's Class 4 Gambling Venue Policy (the Policy) is required to be reviewed every three years. Council staff have now reviewed the Policy and their findings are presented in this report, together with the relevant attachments. This report is intended to meet the statutory requirement that a review of this Policy has been completed and that Council has had regard to the social impact of gambling within the District in undertaking the review.

An item introducing this review was presented to the November 2018 Planning and Development Scoping meeting and a subsequent Briefing was held on 26 February 2019 outlining the initial outcomes of the review for further direction from Council. The information provided at the Briefing has been further refined based on the feedback received.

Due to legislative changes in 2014, Council's current Policy must be amended to remove its inconsistency with the Gambling Act 2003 (the Act). The decision of Council required for this report will determine whether Council wishes to only amend the relevant part of the Policy to align with the Act, or whether it wishes to propose further amendments. Any proposed amendments require formal consultation before they can be adopted by Council.

### 4 Background

#### 4.1 Gambling regulation in New Zealand and local authorities

Gambling in New Zealand is regulated under two Acts.

The Racing Act 2003 regulates all gambling on horse racing and sports, through the activities the New Zealand Racing Board (NZRB), more commonly known as the TAB.

All other gambling is regulated under the Gambling Act 2003, which covers:

- Casino gambling, including electronic gaming machines (or “pokies”) situated in casinos,
- Class 4 gambling (‘pokies’ in pubs, bars and clubs),
- Lotto, and all other products provided by the Lotteries Commission,
- Class 1, 2 and 3 gambling, covering other games of chance such as Housie, Bingo, raffles, and card games.

The regulations and associated responsibilities for gambling sit primarily at the national level, through the Department of Internal Affairs (DIA) and the NZRB.

Local authorities have no responsibilities for regulating any type of gambling, other than having policies on Board venues under the Racing Act, and Class 4 venues under the Gambling Act.

### **Class 4 gambling**

Class 4 gambling means only the use of electronic gaming machines, colloquially known as ‘pokies’, in pubs, bars and clubs (but not in casinos). Class 4 gambling is described by the Department of Internal Affairs (DIA) as high-risk, high-turnover gambling, and it has the most stringent licensing requirements of the four classes.

## **4.2 Class 4 Gambling Venue Policies**

Every territorial authority is required by the Act to adopt a Class 4 Gambling Venue Policy (the Policy), and to review it every three years.

Class 4 gambling is defined and regulated through the Act.

Section 101 of the Act states a Policy must specify whether new Class 4 venues may be established in the territorial authority’s district and, if so, where they may be located, having regard to the social impact of gambling within the District.

The Act also allows territorial authorities to consider relevant matters, including:

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

Council can also, through the Policy, choose to restrict any increases in the number of gaming machines operated at class 4 venues (under s98 of the Act), as follows:

- Any venues that have held a licence since prior to 17 October 2001 that can apply under s92 of the Act to increase their machines to a maximum of 18 (applies to three venues in the District)
- Any venues that have held a licence after 17 October 2001 but before 18 September 2003 that can apply under s93 of the Act to increase their machines to a maximum of nine (NA)
- Clubs that wish to merge with Ministerial discretion under s95 (NA)
- Club venues that wish to increase their machines with Ministerial discretion to 18 under s96 (applies to three venues in the District)

### **Relocation policy**

Since 2013, the Act also provides for Council to include a relocation policy within the overall Policy and provides a definition of and parameters for such a policy (s101(5) and s97A).

S102(5A) requires councils to consider the inclusion of a relocation policy as part of its first review after the 2013 amendments. As part of that consideration, Council is required to consider the social impact of gambling in high deprivation communities within its District.

Council has included a relocation policy in its current Policy since 2007. However, the existing policy must still be reviewed as part of this process in light of the new legislative requirements.

### 4.3 Council's current Policy

Council's Policy was last reviewed in 2013. The current approach has been in place since 2007, with the current 'sinking lid' approach in place since the adoption of the first Policy in 2004. Table 1 below summarises the current Policy, which is provided in Attachment 1.

**Table 1**

<b>Matter</b>	<b>Approach</b>	<b>Description</b>
Whether new venues may be established	Sinking lid	<ul style="list-style-type: none"> <li>No new venues may be established.</li> </ul>
Relocations	Restricted	<ul style="list-style-type: none"> <li>Only permitted due to circumstances beyond the control of the owner or lessee of the owner or lessee.</li> <li>Includes an application process.</li> <li>States a maximum of 9 gaming machines can operate in 'new' premises</li> </ul>
Where relocated venues may be established	District Plan provisions	<ul style="list-style-type: none"> <li>Venues can be located anywhere where permitted under the District Plan or through a resource consent process.</li> <li>No venues may be established in a Business 3 Environment.</li> </ul>
Territorial Authority for consent to increases in number of gaming machines (s98)	S92/93/96 – no consent s95 – no restrictions	<ul style="list-style-type: none"> <li>Machine limits for merging clubs (s95)</li> <li>Club application for up to 18 machines (s96)</li> <li>Non-club application for additional machines (s92, s93)</li> </ul>

## 5 Discussion

### 5.1 Purpose

The purpose of the review is to evaluate the effectiveness of the Policy in achieving its objectives.

The objectives of the Policy are:

- 1.1. To control the growth of class 4 gambling in the Whangarei District
- 1.2. To minimise the harm caused by class 4 gambling in the Whangarei District
- 1.3. To facilitate community involvement in decisions about the provision of class 4 gambling in the Whangarei District.
- 1.4. To allow those who choose to use class 4 gaming machines may do so in a safe and well managed environment.

## **5.2 Review process**

Staff have conducted a review of Council's current Policy. This has included analysing both quantitative and qualitative data, including literature reviews and information available from the Department of Internal Affairs and other agencies. The review has also drawn on information and analysis provided for the 2012 and 2007 reviews of the Policy.

No stakeholder engagement has been undertaken for this review to date, however the feedback from key stakeholders to the Policy reviews of Kaipara District Council in 2018 and Auckland Council in 2017 has been taken into consideration. Feedback from key stakeholders, as well as the wider community will be able to be obtained through the formal consultation process.

The Social Impacts Report provided in Attachment 2 details the analysis undertaken and discusses both the benefits and harms of gambling. This is summarised in section 5.6 of this report.

## **5.3 Class 4 Venues in the Whangarei District**

In 2004, there were 33 class 4 gambling venues operating a total of 391 electronic gaming machines (EGMs) in the Whangarei District. This dropped to 26 venues with 337 machines in 2007. In 2013 this further decreased to 24 venues, with 325 machines.

As at the date of this report, there are 20 class 4 gambling venues, operating a total of 274 machines (noting that these venues could operate an additional 22 machines without requiring any further Council consent). These venues are located as follows:

Central CBD vicinity – 7

Wider urban city area – 6

Rural 'village' locations – 7

Over the 15 years since the Act (and the Policy) was introduced, the total number of permitted EGMs in Whangarei District has reduced from 391 to 296 (a reduction of 95, or about 24%).

## **5.4 Club venues and non-club venues**

There are two types of class 4 venue: club venues and non-club (or commercial) venues. The distinction is important because of what they may legally do with their Gaming Machine Profits (GMP), but also because the Act provides for club venues to merge or apply to have additional machines.

Club venues are incorporated societies, and are typically sports clubs, returned services associations, and chartered clubs. Club venues own and operate their own class 4 gaming machines.

Non-club venues are bars, pubs and hotels which are open to the public. Non-club venues are prohibited from owning gaming machines. The machines must be owned by a not-for-profit 'corporate society', which typically provides gaming in several different venues.

Five of the current venues in the District are club venues, operating 64 machines, with the remaining 15 venues and machines (210) owned by six corporate societies.

## 5.5 Distribution of profits

### Club Venues

A club venue may apply the GMP from its machines to the club's purposes. They may also make grants to other clubs or groups but are not obliged to do so. Club venue GMP therefore tends to remain within the district where the club is situated and is largely applied to the club's purpose. As such, no further analysis on the distribution of GMPs from the five clubs in the District has been undertaken.

### Non-club venues

Each corporate society must distribute a proportion of their GMP as grants, in accordance with its authorised purposes. Authorised purposes are defined in the Act as: *'a charitable purpose; or a non-commercial purpose that is beneficial to the whole or a section of the community; or promoting, controlling and conducting race meetings'*.

The minimum proportion of GMP to be distributed is currently set at 40%, by regulations made under the Act. Every corporate society is supposed to minimise its costs and maximise its returns to authorised purposes, so some may distribute a greater proportion.

Nothing in the Act requires a corporate society to make grants to the districts where its class 4 venues are situated. Some of the larger societies have self-imposed policies that they will, others do not. Consequently, some districts may receive less in grants than 40% of the GMP lost by gamblers in that district, while others may receive more.

The degree of positive social impact from Class 4 gambling therefore can be considered to depend on the percentage (above or below 40%) that was returned to Whangarei District.

The Social Impacts Report in Attachment 2 provides further details on the corporate societies and to what extent their GMPs can be seen to be distributed within the Whangarei District.

## 5.6 Social Impacts Report – summary

The report discusses the harm and benefits of gambling.

The key findings of the report in relation to Class 4 gambling are as follows:

- the distribution of all profits from non-club GMPs because of class 4 gambling activities occurring in the District is not fully retained within the District
- there are significant differences between the six corporate societies in terms of the percentage of GMP returned within the District
- between 2013 and 2017, grants returned to the District by corporate societies average \$3.2 million per annum, the highest proportion of which is grants to sports groups
- class 4 gambling represents the highest risk of all types of gambling in terms of gambling harm
- Whangarei's class 4 venues are more generally within, or surrounded by areas of higher deprivation, noting that the District in general has higher levels of areas of high deprivation.

## 5.7 Policy effectiveness

Section 5.1 of this report outlines the objectives of the Policy. Objective 1.1 is considered the key objective of the overall Policy approach and is seen to be the key way of giving effect to Objective 1.2.

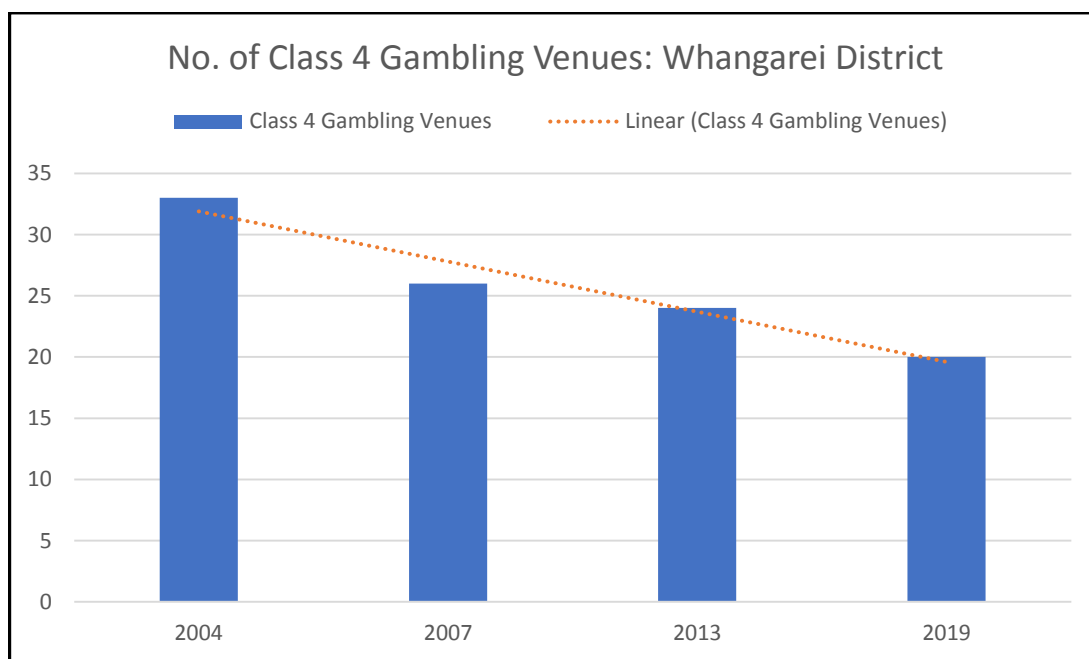
Based on these objective, the following key indicators have been developed:

- the number of class 4 venues in the District
- the number of gamblers seeking intervention.

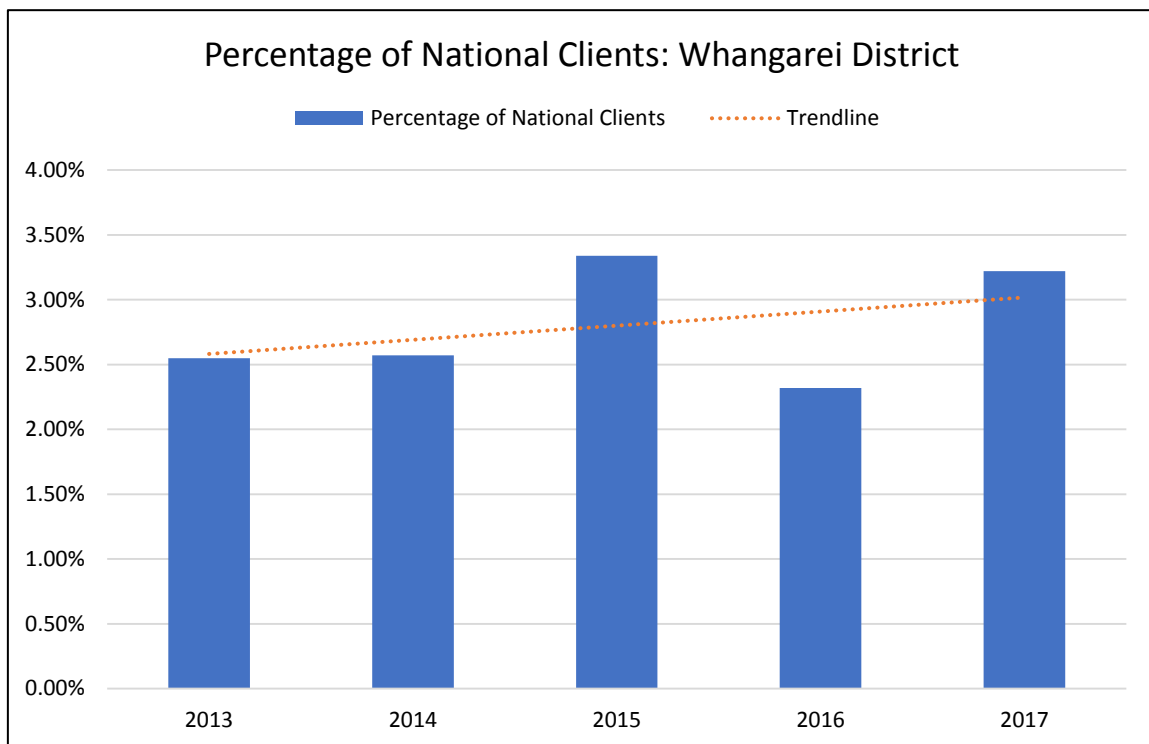
While there are obvious limitations with these indicators, it is considered that they provide an overview of class 4 gambling in relation to overall gambling harm in the Whangarei District.

Graph 1 shows the reduction of Class 4 venues in the District since 2004. This shows that the Policy has been effective in controlling the growth of class 4 gambling in the Whangarei District.

**Graph 1**



Graph 2 details the percentage of national clients located in the Whangarei District that have sought assistance between 2013 and 2017. This indicates that there is still an upward trend of gambling assistance sought in the Whangarei District.

**Graph 2**

## 5.8 Relocations Policy

As Council's current Policy already includes a relocations policy, there are two aspects that require consideration in this review:

1. Whether the existing relocations policy is now consistent with the legislative framework, specifically s97A of the Act.
2. The consideration of a relocation policy in accordance with the requirements of s102(5A) and s101(5) of the Act, combined with the requirement to consider the impact of gambling in high deprivation communities within the District.

### Legislative framework

The current relocations policy is inconsistent with the amended legislation. S97A of the Act now specifies that if a council allows relocations, the number of machines relocated must be the same as at the original venue. As such, a relocated venue may have more than nine machines and the council's policy cannot specify a lower number.

Clause 3.2b of the current Policy states that a maximum of nine machines are permitted through a relocation application. This clause requires amending to remove the inconsistency with s97A.

### Consideration of a relocation policy

Council's current policy already has a relocation policy which has been in place for over 10 years. The relocations policy was provided to allows for circumstances outside of any lessee's or owners control, and only one relocation has occurred in this time.

## High deprivation communities and relocations

The Social Impacts Report outlines in detail the matters to be considered regarding high deprivation communities, identifies where the District's class 4 venues are located relative to higher deprivation areas, and discusses whether a relocation policy may have any impact on gambling harms relating to high deprivation communities.

### 5.9 Other matters

In the previous reports to Council on this review, staff have highlighted that the Policy wording, particularly the relocation policy, should be reviewed for clarity. Much of the wording of the relocations policy repeats legislative provisions or is potentially unclear in its intent.

## 6 Conclusions and options

### 6.1 Conclusions

The findings of this review indicate that:

- the Whangarei District has current and potential levels of gambling harm, that sufficiently warrant a Class 4 Gambling Venue Policy that is restrictive in nature, rather than having a Policy with no limits on the number of venues
- Whangarei's population profile increases the likelihood for communities to experience or be subject to gambling harm.

The ability for Council to clearly assess the impact and effectiveness of the Policy is limited by the availability of data that specifically relates to class 4 gambling venues.

Council's 'sinking lid' approach is considered to remain an appropriate approach to meet the objectives of the Policy.

To support transparency and clarity, some changes to the wording and structure of the Policy may be appropriate.

A review of the intent and process requirements of the relocations policy may be required.

Other elective matters contained within the Policy (see Table 1) are not frequently used and therefore any changes to these will not have a significant impact on the objectives of the Policy. The review concludes that these provisions are appropriate and do not require any amendments.

### 6.2 Options

#### *Option 1*

Remove the first sentence in clause 3.2b to remove the inconsistency with the Act, otherwise retain the Policy in its current format.

#### *Option 2*

Remove the inconsistency with the Act in clause 3.2b, retain the substantive aspects of the Policy, but update the Policy wording to remove unnecessary administrative aspects and provide a more easily understood and clearly articulated Policy.



*Option 3*

Direct the Chief Executive to investigate and draft substantive amendments to the Policy, to be reported back to Council for consideration.

**Assessment of options***Option 1:*

Under this option, Council would propose and consult on an amendment to remove the legislative inconsistency.

Advantages	<ul style="list-style-type: none"> <li>Aligns with new legislative provisions.</li> </ul>
Disadvantages	<ul style="list-style-type: none"> <li>Does not allow for a more clearly articulated Policy wording, retains some room for ambiguity or misunderstanding.</li> </ul>

*Option 2:*

Under this option, Council would propose and consult on an amended Policy that retains the current substantive approach of the Policy but which is reworded for clarity and understanding.

Advantages	<ul style="list-style-type: none"> <li>Aligns with legislative provisions.</li> <li>Easier to read and understand Policy.</li> </ul>
Disadvantages	<ul style="list-style-type: none"> <li>Community confusion on what the purpose of consultation is.</li> <li>Staff time and resources in undertaking the necessary work to amend the Policy</li> </ul>

*Option 3:*

Under this option, staff would investigate how the Class 4 Gambling Venue Policy could be changed in accordance with direction received from Council, to better manage the social impacts of gambling.

Advantages	<ul style="list-style-type: none"> <li>Improvements may be identified in relation to the key aspects of the Policy and/or amendments to the relocations policy for simplification and clarity.</li> </ul>
Disadvantages	<ul style="list-style-type: none"> <li>The benefits of amending the substantive aspects of the Policy do not justify intervention.</li> <li>The costs of research, drafting possible amendments are disproportionate to the potential advantages.</li> </ul>

### **Recommended Option**

The recommended option is option 2; to retain the existing Policy approach, make the necessary changes for legislative alignment, but also to reword the Policy to make it easier to read and understand. Given that Council must amend the Policy anyway, this is a convenient time to make the Policy more accessible while retaining the overall Policy approach.

### **6.3 Financial/budget considerations**

If the recommended option is chosen, there will be:

- process costs i.e. legal review, public notification
- staff costs i.e. drafting Policy amendments and Statement of Proposal, consultation with key stakeholders, running submission process, reports for hearings, deliberations and Council decision agendas.
- elected member time i.e. hearing and deliberation time.

These costs will only be slightly reduced if option 1 is chosen. If option 3 is chosen this will incur additional research and reports back to Council, and will likely delay the proposed consultation period, currently scheduled for April/May 2019.

### **6.4 Policy and planning implications**

The special consultative procedure of the Local Government Act 2002 is required to be used to amend the Policy.

## **7 Significance and engagement**

The decisions or matters of this Agenda do not trigger the significance criteria outlined in Council's Significance and Engagement Policy, and the public will be informed via the agenda publication on the website.

## **8 Attachments**

1. Class 4 Gambling Venue Policy
2. Social Impacts Report

# **Whangarei District Council Class 4 Gambling Venue Policy**

**April 2013**

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## Introduction

The Gambling Act 2003 overhauled legislation relating to gambling. A key change for local authorities was a requirement that they must establish a Class 4 Gambling venue Policy adopted by special consultative procedure. Council is required to review this policy every three years. Class 4 gambling relates to pokie machines and an application to the Department of Internal Affairs for a new venue licence under the Gambling Act 2003 must be accompanied by consent from Council. Consideration of such an application by Council must be in terms of the Class 4 Gambling Venue Policy. This policy has been developed, amended and reviewed in accordance with 101 of the Gambling Act 2003.

This policy provides that Council will not consent to the establishment of new class 4 gambling venues with the exception of specific situations where venues need to relocate or in the case of clubs, combine and relocate. There will be no increase in the number of machines at a venue as the result of any relocation and the policy also prevents venues operating prior to the commencement of the Gambling Act 2003, from increasing machine numbers. Any application for consent under the policy to establish a new class 4 venue, resulting from the need to relocate a venue must be publicly notified and determined at a Council hearing.

## 1 Objectives of the policy in so far as promoted by the Gambling Act 2003

- 1.1 To control the growth of class 4 gambling in the Whangarei District.
- 1.2 To minimise the harm caused by class 4 gambling in the Whangarei District.
- 1.3 To facilitate community involvement in decisions about the provision of class 4 gambling in the Whangarei District.
- 1.4 To allow those who choose to use class 4 gaming machines may do so in a safe and well managed environment.

## 2 Establishment of class 4 venues be not permitted

- 2.1 Save for as provided in clause 3 of this policy Council will not permit the establishment of new class 4 gambling venues in the Whangarei District.

## 3 Relocation of class 4 venues

- 3.1 Council may permit a class 4 venue to re-establish at a new site where:
  - a Due to circumstances beyond the control of the owner or lessee of the class 4 venue or Board venue, the venue cannot continue to operate at the existing site. Examples of such circumstances include but are not limited to the following:
    - i expiration of lease
    - ii acquisition of property under the Public Works Act; or
    - iii site redevelopment.
  - b In the case of a club only, as defined in the Gambling Act 2003, Council will permit the relocation to a new site of a club, where two or more existing clubs legally and physically combine into one.
- 3.2 Any permission to establish any new class 4 venue under this clause will be subject to the following conditions:
  - a Except as provided for in 3.1 (b) above the venue operator of the business at the new site shall be the same as the venue operator at the site to be vacated.
  - b The number of gaming machines permitted to operate at the new venue will not exceed the number permitted to be operated at the existing site with a maximum of nine machines as provided by Section 94 of the Gambling Act 2003. In the case of clubs which combine in terms of Section 95 of the Gambling Act 2003 the number of gaming machines permitted will not exceed the sum of the number of gaming machines specified in all of the corporate societies class 4 venue licences at the time of application with a maximum limit of 30.

In the case of clubs which combine to form a new club and to which Section 96 of the Gambling Act 2003 applies the number of gaming machines permitted to operate at the new venue will not exceed the sum of the number of gaming machines specified in all of the corporate societies class 4 licences at the time of application but must not in any case exceed 18 machines.

## **4 Where class 4 gambling venues may be established on relocation**

- 4.1 Any class 4 venue may only be established in a Business 1, Business 2 or a Business 4 Environment as defined under the Whangarei Operative District Plan.

## **5 Restrictions on the maximum number of machines that may be operated at a class 4 venue**

- 5.1 Council will not consent to any increase in the number of class 4 gambling machines operated at each venue, specifically:
- a Where the holder of a class 4 venue licence existing on the 17 October 2001 wishes to increase the number of machines by application under section 92 of the Gambling Act 2003 then the maximum number of machines permitted is the number of machines currently held by the holder as a condition of licence.
  - b For premises licensed after 17 October 2001, to which section 93 of the Gambling Act 2003 applies, club applicants in terms of which section 96 of the Gambling Act 2003 applies, the maximum number of machines permitted is the number of machines currently held by the holder as a condition of licence.
  - c Where two or more clubs or societies legally and physically combine in terms of section 95 of the Gambling Act 2003, the maximum number of machines permitted will be the sum of the number of gaming machines specified in all of the corporate societies class 4 venue licences at the time of application with an maximum limit of 30 as provided in section 95 (4) of the Gambling Act 2003.

## **6 The territorial authority consent process**

- 6.1 Any application for consent under this policy to establish a new class 4 venue resulting from the need to relocate a venue will be subject to public notification and determined at a Council hearing.
- 6.2 Council has delegated the power to consider and determine applications for Territorial Authority consent under the Gambling Act 2003, to the Licensing Exemptions and Objections Committee and during the terms of this policy may delegate such powers to such other committees as appropriate.
- 6.4 Submissions in writing shall be invited over a period of not less than 20 working days, with submitters invited to indicate if they wish to be heard on the hearing date. Working days shall have the same meaning as defined in terms of the Resource Management Act 1991.
- 6.5 The Committee shall consider all submissions, written and oral, and shall make a decision including reasons on the application. The Committee's decision shall be final.
- 6.6 The applicant and all submitters shall be advised of the decision, and the reasons for the decision, as soon as practicable.
- 6.7 In considering any application and submissions, the Committee shall have regard to provisions of the Gambling Act 2003, objectives of this policy, and the criteria outlined in matters to be considered at hearing.
- 6.8 Notification of application
- Public notification shall be undertaken by Council as follows:
- a By publication in a local newspaper circulating within the District.
  - b By way of a public notice displayed prominently in the window of the proposed venue or by signage on the venue site for the period during which submissions are open.
  - c By the notification in writing of owners and occupiers of any adjacent properties.
  - d By notification in writing to any other person or party that Council considers necessary.

#### 6.9 Matters to be considered in determining application

In considering an application under this policy the Committee shall have regard to the following matters:

- a The potential cumulative effects of additional gambling opportunities in that location and the social impact within the District generally.
- b The extent of the potential impact of the venue on the character of the area including the potential for negative effects on the operation, amenity or reasonable enjoyment of residential or other sensitive land uses in the area.
- c The extent to which the application meets the objectives of the Whangarei District Council Class 4 Gambling Venue Policy and the purpose and intent of the Gambling Act 2003..
- d Any other matter that Council considers relevant and reasonably necessary to determine the application.

#### 6.10 How an application is to be made

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

- a Name and contact details of the applicant
- b Venue name and street address
- c A scale plan drawn showing areas set aside for gambling and other activities
- d A location plan showing the location of the venue within the wider community
- e Names and date of birth of venue management staff
- f In respect of a class 4 venue details of gambling equipment and the number of machines that the applicant intends to operate
- g In respect of a class 4 venue information demonstrating that the primary activity for the venue will not be the operation of gambling machines
- h In respect of a class 4 venue details of the liquor licence/licenses applying to the venue
- i Where the application relates to the establishment of a new class 4 venue the applicant must provide an assessment of the following matters:
  - i The potential cumulative effects of additional gambling opportunities in that location and the social impact within the District generally
  - ii The extent of the potential impact of the venue on the character of the area including the potential for negative effects on the operation, amenity or reasonable enjoyment of residential or other sensitive land uses in the area
- j Any other information that may reasonably be required to allow proper consideration of the application
- k Fees
- l Certificate of compliance under the Resource Management Act 1991 or a copy of the resource consent authorising the proposed activity under the Act.

#### 6.11 Application fees

Council shall set fees from time to time, under authority of the Local Government Act 2002, and shall include consideration of:

- a The cost of processing any application, including any consultation, public notification and hearings involved.
- b The cost of triennially reviewing the class 4 gambling policy including the cost of assessment of the effectiveness of the policy and the social impact of gambling in the District.
- c The cost of any inspection of premises should this be required of Council by the Department of Internal Affairs.

## 7 Promotion of gambling information to the community

7.1 Council will within budget constraints, facilitate the provision of information promoting host responsibility, gambling harm minimisation, problem gambling services and other relevant information to the District community and the industry in an endeavour to contribute towards the achievement of the objectives of this Policy

**This policy was adopted by the Whangarei District Council on the 24 April 2013**

### Policy review history

03 March 2004	First adoption – No new venues
04 October 2006	Amendment to allow Board venue to establish in Vine Street, Whangarei
03 October 2007	Reviewed Policy. Existing venues permitted to relocate under specific circumstances. Board venues permitted to establish with cap of two (2) venues
24 April 2013	Reviewed policy. Sinking lid policy from 2007 carried through into 2013 policy relating to Class 4 Gambling venues specifically in terms of the Gambling Act 2003. Board Venue Policy likewise adopted as separate policy in terms of the Racing Act 2003.



# Social impacts of gambling in the Whangarei District

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## Introduction

The Gambling Act 2003 and the Racing Act 2003 require every territorial authority to adopt a Class 4 Gambling Venue Policy (s101 Gambling Act 2003) and a Board Venues Policy (s65D Racing Act 2003).

These policies must be reviewed every three years (s102 Gambling Act 2003; s65E Racing Act 2003), and if the decision is made to amend them, a special consultative procedure in accordance with s83 of the Local Government Act 2002 must be applied.

The purposes of the Gambling Act include:

- preventing and minimising harm from gambling, including problem gambling
- ensuring that money from gambling benefits the community.

The purposes of the Racing Act are:

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

When reviewing these policies, Council must consider the social impacts of gambling in its District. Neither Act clearly specifies what is meant by 'social impact', but they share a common definition of 'harm':

*"harm or distress of any kind arising from, or caused or exacerbated by, a person's gambling; and includes personal, social, or economic harm suffered: by the person; or by the person's spouse, civil union partner, de facto partner, family, whanau, or wider community; or in the workplace; or by society at large."*

This report addresses social impacts in terms of benefits and harms. The positive social impacts of Class 4 gambling are derived from money that benefits the community, while the positive social impacts of sports and TAB betting are primarily monetary benefits for the racing industry. The negative social impacts fall under the definition of 'harm'.

This report discusses the social impact of gambling in New Zealand and more specifically for the residents of Whangarei District. Its purpose is to inform the review of both policies.

## Types of Gambling in New Zealand

The Gambling Act classifies gambling based on the amount of money spent and the risk of problem gambling associated with an activity. Classes of gambling range from Class 1, representing low-stake, low-risk gambling, to Class 4, which represents high-risk, high-turnover gambling. Casino operations and lotteries run by the New Zealand Lotteries Commission are treated as separate classes within the Act.

The Racing Act 2003 facilitates betting on galloping, harness and greyhound racing, and other sporting events, which are provided by the NZ Racing Board, commonly known as TAB gambling.

Council can regulate some aspects of both class 4 gambling and racing and sports event gambling promoted by the NZ Racing Board.

**Class 4 Gambling**

Gaming machines in pubs and clubs (i.e. outside a casino) represent class 4 gambling.

There are two types of class 4 venue: club venues and non-club (or commercial) venues.

Club venues are incorporated societies, and are typically sports clubs, returned services associations, and chartered clubs. Club venues own and operate their own class 4 gaming machines.

Non-club venues are bars, pubs and hotels which are open to the public. Non-club venues are prohibited from owning gaming machines. The machines must be owned by a not-for-profit 'corporate society', which typically provides gaming in several different venues.

There are differences in how clubs and non-club venues operate and what they are required to do with the proceeds generated from gaming machines.

- For non-club venues, the corporate societies (e.g. Oxford Sports Trust Inc; Pub Charity Limited) pay the venues a fee to host the machines. The corporate societies are issued licences by the Department of Internal Affairs. They societies must be non-profit and explicitly established to raise funds for community purposes.
- Clubs provide pokies for their members and guests only and generally use the profits to provide services for the club and its membership.

Council can provide some regulations about the number of machines and the number and location of class 4 gambling venues that can be established in the District. There are currently 15 non-club and five club venues in the Whangarei District.

**Table 1: Class 4 Gambling Venues in Whangarei District**

Society Name	Venue Name	Venue Physical Address
<b>Club Venues</b>		
Kamo Club Incorporated	Kamo Club	7-11 Meldrum Street, Kamo, Northland 0141
Kensington Club Incorporated	Kensington Club	4-6 Huapai Street, Whangarei Central, Northland 0112
Ngunguru Sports & Recreation Society Incorporated	Ngunguru Sports Complex	Kopipi Crescent, Whangarei Central, Northland 0110
Northland Club Inc	Northland Club Inc	8 Porowini Avenue, Whangarei Central, Northland 0110
The Whangarei Returned Services Association Incorporated	The Whangarei Returned Services Association Incorporated	9 Rust Avenue, Whangarei Central, Northland 0110

Society Name	Venue Name	Venue Physical Address
<b>Non-Club venues</b>		
Four Winds Foundation Limited	Ruakaka Tavern	Corner Marsden Point Road and Sime Road, Marsden Point-Ruakaka Northland 0171
Grassroots Trust Limited	Kamo Hotel	567 Kamo Road, Whangarei Central, Northland 0110
Oxford Sports Trust Inc	Hikurangi Hotel	18 King Street, Hikurangi, Northland 0114
	Judge – House of Ale	57 Walton Street, Whangarei Central, Northland 0110
	Kensington Tavern	3 Kensington Avenue, Whangarei Central, Northland 0110
	Pure Bar & Grill	79A Cameron Street, Whangarei Central, Northland 0110
	The Rose and Thistle Inn	4 South Road, Waipu, Northland 0510
	Tote & Poke	79 Cameron Street, Whangarei Central, Northland 0110
	Jimmy Jacks Rib Shack & Craft Bar	117-119 Bank Street, Whangarei Central, Northland 0110
Pelorus Trust	Triple Crown	Shop 14, 47 Vine Street, Whangarei Central, Northland 0110
Pub Charity Limited	Onerahi Tavern	Corner Waverly and Onerahi Road, Onerahi, Northland
	Poroti Tavern	Mangakahia Road, Whangarei Central, Northland 0110
	The Grand Hotel (Whangarei)	Corner Rose and Bank Streets, Whangarei Central, Northland 0110
The Lion Foundation (2008)	Coalies Sports Bar And Grill	2 Station Road, Kamo, Northland 0141
The Southern Trust	Tikipunga Tavern	3 Wanaka Street, Whangarei Central, Northland 0110

Source: Department of Internal Affairs

### **TAB Venues**

The Totalisator Agency Board (TAB) was established as the only betting operator in New Zealand in 1951. In 2003, the NZRB was established under the Racing Act 2003 to administer all racing and sports wagering in New Zealand. The NZRB provides sports betting for domestic and international sports events and is only permitted to allow bets on sports approved by Sports NZ. The NZRB uses the proceeds to support its business operations and the remainder is distributed to sports codes.

The NZRB offers a number of different types of venues:

- Stand-alone TAB store: This is an official TAB location.
- Pub TAB: These outlets are always located within another business, and form part of the services offered by the host. They have all the facilities of a TAB while offering customers the benefits of being in a licensed establishment;
- TAB outlet: These offer TAB facilities similar to those found in a pub, but in another business, i.e. working men's clubs or video stores;
- Pub with TAB self-service terminal: The terminals offer most of the TAB products. The businesses (i.e. the pub) usually don't have any other TAB facilities available;
- TAB online: The TAB also offers patrons with the option to have an online gambling account to place bets.

The Racing Act 2003 requires Council to have a Board Venue Policy, however this only applies to stand-alone TAB venues. Self-service TAB machines (i.e. in pubs or bars) and franchised outlets (pub TABs, TAB outlets) therefore fall outside the scope of the Policy and

Council's control. There are 11 types of physical TAB venues operating in the Whangarei District.

### TAB outlets in Whangarei District

Name	Outlet Type	Address
Judge House of Ale*	PubTAB Self Service Only	57 Walton Street, Whangarei
Tote & Poke Sports Bar*	PubTAB Full Service	79 Cameron Street, Whangarei
Grand Hotel Whangarei*	PubTAB Self Service Only	2 Bank Street, Whangarei
Northland Club*	ClubTAB Self Service Only	8 Porowini Ave, Whangarei
Kensington Tavern*	PubTAB Full Service	Cnr Davies Street & Kensington Ave, Whangarei
Onerahi Tavern*	PubTAB Full Service	Cnr Waverley Street & Onerahi Rd, Whangarei
Kamo Club*	PubTAB Full Service	11 Meldrum Street, Kamo
Parua Bay Tavern	PubTAB Self Service Only	1034 Whangarei Heads Road, RD4, Whangarei
Ruakaka Tavern*	PubTAB Full Service	Marsden Point Road, Ruakaka
Waipu Hotel*	PubTAB Self Service Only	4 South Road, Waipu
Triple Crown* (prev. Wildside)	PubTAB Full Service	Unit C, 47 Vine Street, Whangarei
* Outlets that are also Class 4 gambling venues		

Source: <https://static.tab.co.nz/content/store-locator/index.html>.

As at March 2019, Whangarei District has no stand-alone TAB venues, however the current policy provides for a maximum of two to establish in the District.

### Gambling Participation

The New Zealand 2012 National Gambling Study found that eighty percent of the adult population had participated in some form of gambling during the previous year (when the study was undertaken). The study found that approximately one in five adults (22%) gambled weekly or more often. Other than Lotto (17%), Instant Kiwi and raffle tickets (both 3%), no other gambling activity was participated in weekly or more often by more than two percent of adults.

The table below, reproduced from that study, and sorted by rate of participation (instead of alphabetically) shows that Lotteries Commission products (Lotto, Keno, Instant Kiwi) represented the largest share of gambling, by mode.

In the year of the study, 12% of adult New Zealanders played a non-club pokie machine, compared to 61% who bought a Lotto ticket. Only 1.2% played non-club pokies weekly or more often, compared to 16% who bought Lotto weekly or more often.

Participation in club venue pokies was lower: only 5.7% played a club venue pokie machine and only 0.5% played club venue machines weekly or more often.

**Table 2: New Zealanders' participation in different modes of gambling, ranked in descending order**

Gambling Activity	Total participation: % (95% C.I.)			
	Past Year		Weekly or more often	
Lotto from a store	60.8	(59.3 - 62.3)	16.2	(15.1 - 17.3)
New Zealand raffle/lottery	47.1	(45.5 - 48.7)	3.0	(2.6 - 3.6)
Instant Kiwi tickets or other scratch tickets	33.2	(31.7 - 34.7)	3.1	(2.6 - 3.6)
Bets with friends/workmates for money/prizes	15.3	(14.1 - 16.5)	0.6	(0.4 - 0.9)
<b>Pub EGMs</b>	<b>12.2</b>	<b>(11.2 - 13.3)</b>	<b>1.2</b>	<b>(0.9 - 1.5)</b>
Casino table games or EGMs (NZ)	9.7	(8.7 - 10.7)	0.2	(0.1 - 0.3)
Casino EGMs (NZ)	8.4	(7.5 - 9.4)	0.1	(0.0 - 0.2)
Horse/dog race betting (at the track)	8.3	(7.5 - 9.3)	0.2	(0.1 - 0.4)
<b>Horse/dog race betting (TAB in person)</b>	<b>7.8</b>	<b>(7.0 - 8.7)</b>	<b>0.9</b>	<b>(0.7 - 1.2)</b>
<b>Club EGMs</b>	<b>5.7</b>	<b>(4.9 - 6.4)</b>	<b>0.5</b>	<b>(0.3 - 0.7)</b>
Lotto online	5.0	(4.3 - 5.8)	1.6	(1.2 - 2.0)
Cards for money (not in casino)	4.5	(3.9 - 5.2)	0.3	(0.2 - 0.5)
Casino table games (NZ)	3.9	(3.2 - 4.7)	0.0	(0.0 - 0.0)
Casino table games or EGMs (overseas)	3.8	(3.2 - 4.4)	0.0	(0.0 - 0.1)
Poker for money/prizes (friends/family private residence)	3.2	(2.7 - 3.9)	0.1	(0.1 - 0.3)
<b>Sports betting (TAB in person)</b>	<b>3.1</b>	<b>(2.5 - 3.7)</b>	<b>0.2</b>	<b>(0.1 - 0.4)</b>
Horse/dog race betting (TAB phone, online, interactive TV)	3.0	(2.5 - 3.7)	0.6	(0.4 - 0.9)
Sports betting (TAB at event)	3.0	(2.4 - 3.6)	0.3	(0.2 - 0.6)
Text game or competition	2.9	(2.3 - 3.5)	0.3	(0.1 - 0.5)
Keno from a store	2.2	(1.9 - 2.7)	0.4	(0.3 - 0.6)
Sports betting (TAB telephone, online or interactive TV)	2.0	(1.5 - 2.6)	0.2	(0.1 - 0.5)
Poker for money/prizes (commercial venue in NZ)	1.8	(1.4 - 2.3)	0.1	(0.1 - 0.2)
Housie or bingo	1.7	(1.3 - 2.0)	0.2	(0.2 - 0.4)
Short-term speculative investments	0.9	(0.7 - 1.2)	0.2	(0.1 - 0.3)
Keno online	0.7	(0.5 - 1.0)	0.1	(0.0 - 0.2)
Overseas internet gambling for money/prizes	0.7	(0.4 - 1.0)	0.1	(0.0 - 0.2)
Poker for money/prizes online	0.5	(0.3 - 0.8)	0.1	(0.1 - 0.3)
Horse/dog race betting (overseas betting organisation or TAB)	0.4	(0.2 - 0.7)	0.1	(0.0 - 0.2)
Sports betting (overseas TAB, organisation/website)	0.4	(0.2 - 0.6)	0.1	(0.0 - 0.2)

Source: New Zealand 2012 National Gambling Study

The study did not discriminate between TAB betting at Racing Board venues, as defined in the Act for the purposes of making a Board Venue policy, and other TAB outlets where betting can take place “in person”. Taking all physical TAB outlets together, 7.8% used them for race betting and 3.1% for sports betting, with 0.9% and 0.2% using them weekly or more often, respectively.

Among other findings, the study said that:

- Māori (85%) and European/Other (82%) adults had the highest levels of past year gambling participation, followed by Pacific Islanders (75%) and Asians (61%), but Māori and Pacific Islanders had higher average monthly gambling expenditure than Europeans/Other and Asians.
- Adults with no qualifications were more likely to be regular gamblers on continuous activities (e.g. EGMs, horse and dog race betting and casino table games) than other adults.
- Relatively more unemployed adults than employed adults were regular gamblers on continuous activities. Unemployed adults had the highest average expenditure followed by the employed and student, homemaker and retired groups.
- Continuous gambling activities are more likely to be associated with problem (or “compulsive”) gambling than other modes.

### Benefits of TAB gambling

The New Zealand Racing Board's key objective is to conduct racing and sports betting maximise profits for the long-term benefit of New Zealand racing. It is required by the Racing Act to distribute profits to three racing codes: New Zealand Thoroughbred Racing Incorporated, Harness Racing New Zealand Incorporated, and the New Zealand Greyhound Racing Association (Incorporated).

**Table 3: Distributions to racing codes and other racing services by New Zealand Racing Board 2012 – 2017 (\$000)**

	2012	2013	2014	2015	2016	2017
<b>Distributions to Codes</b>						
• Thoroughbred Racing*	70,093	72,494	73,014	73,504	73,680	78,123
• Harness Racing*	37,756	39,288	39,915	39,667	39,860	42,770
• Greyhound Racing*	19,389	20,308	21,153	21,074	21,746	16,670
<i>Subtotal: code funding</i>	<i>127,238</i>	<i>132,090</i>	<i>134,082</i>	<i>134,245</i>	<i>135,286</i>	<i>137,563</i>
<b>Other distributions</b>						
• Racing Integrity Unit	4,049	5,529	5,712	5,844	5,805	6,034
• Racing Lab Services	1,082	1,110	1,193	1,495	1,781	1,821
• Other Services	3,169	3,260	1,292	3,244	4,102	4,419
<i>Subtotal: other distributions</i>	<i>8,300</i>	<i>9,899</i>	<i>8,197</i>	<i>10,583</i>	<i>11,688</i>	<i>12,274</i>
<b>Total Distributions</b>	<b>135,538</b>	<b>141,989</b>	<b>142,279</b>	<b>144,828</b>	<b>146,974</b>	<b>149,837</b>

*Data source: NZRB and racing codes' annual reports*

The New Zealand Racing Board has a Class 4 Gambling Operator's licence and at 30 June 2018 operated 494 gaming machines at 44 venues, but none in the Whangarei District. Its distributions to sporting and racing clubs from Class 4 gambling are included in the following section. Its past three full-year financial reports show that (2015 to 2017) that the “Other distributions” category has been funded entirely by its Class4 gambling operations.

The Northland Racing Club has been the main beneficiary of NZRB funding, through Thoroughbred Racing New Zealand Inc., which subsidises race-day meeting costs by more than \$1.5 million per year. There are no greyhound racing clubs in Northland, and the Northland Harness Racing Club appears not to receive any funding from NZRB distributions.

## Benefits of Class 4 gambling

In this section, the benefits of Class 4 gambling are considered, in terms of the grants made to community organisations within the district by Class 4 corporate societies, and grants as a percentage of Gaming Machine Profits (GMP) Gaming Machine Profits, for the purposes of this report are defined in the *Gambling (Class 4 Net Proceeds) Regulations 2004* as Gross Proceeds. They are “*the turnover of the gambling, less prizes, plus interest or other investment return on that turnover, plus any gain above the book value from the sale or disposal of gambling assets*”.

The distinction between club and non-club venues is important because of what they may legally do with their Gaming Machine Profits (GMP).

A club venue may apply the GMP from its machines to the club’s purposes. They may also make grants to other clubs or groups but are not obliged to do so. Club venue GMP therefore tends to remain within the district where the club is situated and is largely applied to the club’s purpose.

The following section focuses on the GMPs of the 15 non-club venues in the District as the club venues are not required to report on their GMPs in the same way as the corporate societies that operate non-club venues are.

## Grants to Community Groups

The amount of GMP returned to the Whangarei District area is derived from data provided by the Problem Gambling Foundation (PGF), which is collected under contract from the Ministry of Health from grants publications issued by corporate societies. From 2013 to 2017 grants totalling \$16 million were made to community organisations within the Whangarei District, by corporate societies with non-club venues in the district.

**Table 4: Grants from all corporate societies to Whangarei District 2013 - 2017**

Category	2013	2014	2015	2016	2017	Totals
Community	\$ 832,775	\$ 770,935	\$ 748,438	\$ 1,028,144	\$ 737,863	<b>\$ 4,118,156</b>
Social Services	\$ 875,960	\$ 1,013,601	\$ 952,124	\$ 939,667	\$ 1,576,645	<b>\$ 5,357,996</b>
Sport	\$ 1,313,634	\$ 1,361,392	\$ 1,232,148	\$ 1,348,958	\$ 1,205,308	<b>\$ 6,461,440</b>
<b>Totals</b>	<b>\$ 3,022,368</b>	<b>\$ 3,145,928</b>	<b>\$ 2,932,710</b>	<b>\$ 3,316,769</b>	<b>\$ 3,519,816</b>	<b>\$ 15,937,592</b>

Source: Problem Gambling Foundation grants database

For grants made only to the Whangarei District; 559 organisations received a total of 4,998 grants, with an average value of \$ 5,334 over the five-year period.

The grants are allocated into three high-level categories: Sport includes all sporting groups and grants made for sporting facilities. Social Services includes all grants to education, health-related organisations, emergency services and some welfare services. Community covers all other grantees.

The PGF database includes a category for grants made to regional organisations that serve the Whangarei, Kaipara and Far North districts (or Northland Region). Those grants totalled \$10.6 million over the five years. The majority (88%) of them went to five organisations.



**Table 5: Grants to regional organisations 2013 - 2017 (total)**

Regional grantee organisations	Total 2013 – 2017
Northland Emergency Services Trust	\$ 1,262,800
Northland Cricket Assn	\$ 1,246,488
Northland Hockey Assn	\$ 1,066,794
Northland Rugby Union	\$ 4,611,470
Sport Northland	\$ 1,195,624
<b>Total</b>	<b>\$ 9,383,177</b>

Source: Problem Gambling Foundation grants database

The contribution to, and benefit from, those regional grantee organisations could potentially be apportioned across the districts, but a full regional analysis is beyond the scope of this report. These regional grants are excluded from the following analysis.

### **Grants to Community Groups**

In the Communities category, the largest total amount went to the provision of community facilities. These are summarised together with sporting facilities below.

Arts groups received a substantial share, as did local associations (Lions and Rotary Clubs, Residents Associations). Several youth services, including Whangarei Blue Light Ventures, Life Education Trust and the YWCA, received grants of over \$300,000 between them.

**Table 6: Grants to Community and Social groups - total, number and average amount of grant - 2013 to 2017**

Community Category		Total	Number	Average
Arts	Group	\$ 404,578	130	\$ 3,112
Community Group	Environment	\$ 132,181	24	\$ 5,508
	Faith	\$ 73,422	10	\$ 7,342
	Family/Parent	\$ 83,136	41	\$ 2,028
	Other	\$ 434,527	113	\$ 3,845
	Seniors	\$ 69,521	39	\$ 1,783
Local	Association	\$ 411,335	82	\$ 5,016
	Facilities	\$ 1,764,704	126	\$ 14,006
	Services	\$ 106,233	55	\$ 1,932
Maori	Services/Facilities	\$ 170,775	41	\$ 4,165
Youth	Scouts, Guides, Cadets	\$ 96,268	58	\$ 1,660
	Services	\$ 371,477	127	\$ 2,925
<b>Community Total</b>		<b>\$ 4,118,156</b>	<b>846</b>	<b>\$ 4,868</b>

### **Grants to Social Services Groups**

In the Social Services category (below) the largest amounts of funding went to primary and secondary schools, and to hospices.

In the social services category playcentres have been categorised as Childcare (under Welfare), while kindergartens are included in Early Childhood education.

The Emergency Services category does not include grants to the Northland Emergency Services Trust, which operates a rescue helicopter service for the whole of Northland from its Whangarei base.

**Table 7: Grants to social service organisations - total, number and average amount of grant - 2013 to 2017**

Social Services Category		Total	Number	Average
Education	Association	\$ 171,527	26	\$ 6,597
	Early Childhood	\$ 24,140	11	\$ 2,195
	Intermediate	\$ 205,457	64	\$ 3,210
	Other	\$ 18,266	7	\$ 2,609
	Primary	\$ 1,814,684	625	\$ 2,903
	Secondary	\$ 1,259,482	465	\$ 2,709
Emergency Services	Ambulance	\$ 5,000	1	\$ 5,000
	Fire Services	\$ 8,670	3	\$ 2,890
	Search and Rescue	\$ 21,146	6	\$ 3,524
Health	Disability	\$ 94,212	35	\$ 2,692
	Hospice	\$ 1,170,324	48	\$ 24,382
	Services	\$ 274,179	74	\$ 3,705
Welfare	Childcare	\$ 247,537	89	\$ 2,781
	Other	\$ 43,371	12	\$ 3,614
<b>Social Services Total</b>		<b>\$ 5,357,996</b>	<b>1466</b>	<b>\$ 3,655</b>

***Grants to Sports Groups***

Sports received more than either Community groups or Social Services. Within the Sports category, Horse Racing and Soccer both received grants of over \$1 million in total.

Rugby received \$851,000, but presumably more would have been channelled through the Northland Rugby Union. Cricket and Hockey are also supported by regional organisations.

The category for Horse Racing does not include funding for racing codes from the New Zealand Racing Board. The majority of that amount ( \$945,099 out of \$1,045,099) was made up of grants from the Oxford Sports Trust to the Whangarei Racing Club Inc.

**Table 8: Grants to sports groups - total, number and average amount of grant 2013 to 2017**

Sport Category		Total	Number	Average
Indoor Sports	Facilities	\$ 51,534	23	\$ 2,241
	Gym Sports	\$ 126,606	70	\$ 1,809
	Other Indoor	\$ 97,894	87	\$ 1,125
	Racquets	\$ 222,118	99	\$ 2,244
Other Sports	Other	\$ 132,085	46	\$ 2,871
Outdoor Sports	Athletics/Marathons	\$ 22,043	7	\$ 3,149
	Cycling/BMX	\$ 133,421	57	\$ 2,341
	Equestrian	\$ 63,089	29	\$ 2,175
	Facilities	\$ 120,169	15	\$ 8,011
	Golf	\$ 462,039	158	\$ 2,924
	Hunting, Fishing, Shooting	\$ 56,277	10	\$ 5,628
	Lawn Sports	\$ 289,293	131	\$ 2,208
	Motor Sports	\$ 86,553	8	\$ 10,819
	Tennis	\$ 175,509	95	\$ 1,847
Racing	Harness	\$ 18,500	4	\$ 4,625
	Horse Racing	\$ 1,045,099	83	\$ 12,592
	Pigeons	\$ 5,777	6	\$ 963
Special	Olympics	\$ 61,092	14	\$ 4,364
	Riding	\$ 44,455	17	\$ 2,615
Team Sports	Basketball	\$ 123,377	64	\$ 1,928
	Cricket	\$ 310,769	64	\$ 4,856
	Hockey	\$ 96,532	52	\$ 1,856
	League	\$ 36,142	11	\$ 3,286
	Netball	\$ 128,395	43	\$ 2,986
	Rugby	\$ 851,990	247	\$ 3,449
	Soccer	\$ 1,081,273	313	\$ 3,455
Water Sports	Power Craft	\$ 13,667	4	\$ 3,417
	Rowing/Paddlecraft	\$ 69,817	28	\$ 2,493
	Sailing	\$ 48,106	27	\$ 1,782
	Surfing, Life Saving	\$ 210,622	68	\$ 3,097
	Swimming	\$ 277,199	114	\$ 2,432
<b>Total</b>		<b>\$ 6,461,440</b>	<b>1994</b>	<b>\$ 3,240</b>

***Grants for Community and Sports facilities***

The Community and Sports categories both include a sub-category of 'Facilities'. These have been separately identified because grant funding provided for some community infrastructure can often supplement, or even substitute for, funding that the Council might otherwise have been asked or expected to provide.

The table below is an extract of the facilities funded within the Community and Sport categories over the period 2013 - 2017.

**Table 9: Grants for Local Community and Sporting Facilities - total, number, and average amount - 2013 to 2017**

<b>Community Facilities</b>	<b>Total</b>	<b>Number</b>	<b>Average</b>
Anawhata Museum Trust	\$ 40,115	9	\$ 4,457
Jack Morgan Museum Inc	\$ 3,690	5	\$ 738
Northland Vintage Machinery Club	\$ 31,000	4	\$ 7,750
Old Library Ltd	\$ 7,610	4	\$ 1,903
One double five Whare Awhina Community House	\$ 10,000	1	\$ 10,000
Onerahi Resource Centre	\$ 36,626	6	\$ 6,104
Parakao Hall Society	\$ 3,572	1	\$ 3,572
Parua Bay And Districts Community Centre	\$ 7,500	2	\$ 3,750
Parua Bay Cemetery Trust	\$ 1,500	1	\$ 1,500
Ruakaka Reserve Board	\$ 18,111	2	\$ 9,055
Ruatangata Hall and Community Assn	\$ 1,696	2	\$ 848
Ruatangata Public Hall Society	\$ 3,165	3	\$ 1,055
Springfield Domain	\$ 1,500	1	\$ 1,500
Waipu Joint Venture	\$ 165,000	9	\$ 18,333
Waipu Public Coronation Hall & Library	\$ 5,000	1	\$ 5,000
Whangarei Art Museum Trust	\$ 1,158,130	39	\$ 29,696
Whangarei Heads Community Library Society	\$ 3,000	2	\$ 1,500
Whangarei Museum and Heritage Trust	\$ 258,488	31	\$ 8,338
Whareora Hall Society	\$ 3,000	1	\$ 3,000
<b>Subtotal Community Facilities</b>	<b>\$ 1,758,704</b>	<b>124</b>	<b>\$ 14,183</b>
<b>Sports Facilities</b>			
Friends of the Pool Inc	\$ 5,000	1	\$ 5,000
Kamo Sports Charitable Trust	\$ 27,010	6	\$ 4,502
Kensington Club	\$ 1,000	1	\$ 1,000
Mangakahia Sports Ground Society	\$ 93,159	9	\$ 10,351
Northland Athletics and Gymnastics Stadium Trust	\$ 21,763	12	\$ 1,814
Portland Recreation Centre	\$ 9,905	3	\$ 3,302
Ruakaka Recreation Centre	\$ 19,866	8	\$ 2,483
<b>Subtotal Sports Facilities</b>	<b>\$ 177,702</b>	<b>40</b>	<b>\$ 4,443</b>
<b>Total Community and Sports Facilities</b>	<b>\$ 1,936,406</b>	<b>164</b>	<b>\$ 11,807</b>

**Grants share of Gaming Machine Profits (GMP)**

As stated, every corporate society must distribute no less than 40% of its GMP to its authorised purposes, somewhere in New Zealand.

The Department of Internal Affairs has supplied data on the amount of GMP by type of venue (club and non-club) for the five years 2013 to 2017. The GMP for club venues is applied to the purposes of the club, and therefore remains within the district.

The GMP for non-club venues must be distributed as grants to authorised purposes within New Zealand, but not necessarily within the district from which it was gathered. The degree of positive social impact from Class 4 gambling therefore depends on the percentage (above or below 40%) was returned to Whangarei District.

The table below shows that total GMP for the years 2013-2017 was \$74.2 million. The club venue GMP was \$7.8 million, while non-club venue GMP was \$66.3 million dollars in total over the period, or \$13.3 million per year on average. These totals include GST.

**Table 10: Gaming Machine Profits (GMP) by venue type 2013 – 2017**

Venue Type	2013	2014	2015	2016	2017	Totals
Club	\$ 1,573,814	\$ 1,463,906	\$ 1,510,880	\$ 1,640,357	\$ 1,637,717	\$ 7,826,673
Non-Club	\$ 12,402,809	\$ 12,744,627	\$ 13,221,150	\$ 13,532,691	\$ 14,436,114	\$ 66,337,391
<b>Total</b>	<b>\$ 13,976,624</b>	<b>\$ 14,208,534</b>	<b>\$ 14,732,030</b>	<b>\$ 15,173,048</b>	<b>\$ 16,073,831</b>	<b>\$ 74,164,064</b>

Source: Department of Internal Affairs (Official Information Act request)

Despite a reduction in the number of non-club venue EGMs between 2013 and 2017, GMP increased steadily for both club and non-club venues combined: from \$14.0 million to \$16.1 million. Most of that increase came from non-club venues.

The table below shows the amount returned to Whangarei District by societies operating Class 4 venues in the district; by category, in total and as a percentage of GMP.

**Table 11: Grants returned to Whangarei District by Corporate Societies operating Class 4 Venues in the district - amount by category and percentage**

Grants	2013	2014	2015	2016	2017	Total
Community	\$ 832,775	\$ 770,935	\$ 748,438	\$ 1,028,144	\$ 737,863	\$ 4,118,156
Social Services	\$ 875,960	\$ 1,013,601	\$ 952,124	\$ 939,667	\$ 1,576,645	\$ 5,357,996
Sport	\$ 1,313,634	\$ 1,361,392	\$ 1,232,148	\$ 1,348,958	\$ 1,205,308	\$ 6,461,440
<b>Total Grants</b>	<b>\$ 3,022,368</b>	<b>\$ 3,145,928</b>	<b>\$ 2,932,710</b>	<b>\$ 3,316,769</b>	<b>\$ 3,519,816</b>	<b>\$ 15,937,592</b>
Non-Club GMP	\$ 10,785,051	\$ 11,082,284	\$ 11,496,652	\$ 11,767,557	\$ 12,553,143	\$ 57,684,688
<b>% Returned</b>	<b>24.4%</b>	<b>24.7%</b>	<b>22.2%</b>	<b>24.5%</b>	<b>24.4%</b>	<b>24.0%</b>

Data sources: Problem Gambling Foundation and Department of Internal Affairs.

The average share of grants returned over 5 years, was 24.0%. The grants shown in this table include grants from corporate societies that do not operate Non-club venues in Whangarei District, so the share returned represents some transfers into the District from elsewhere.

Allowance should be made for grants returned to regional and national grantee organisations, from which Whangarei District would also obtain some benefit. There is no accurate data about the allocation of benefits from those regional and national grants to different local authorities, so an analysis of those benefits is beyond the scope of this report.

Whangarei does not appear to be getting the full benefit of grants to community and sporting organisations in the district, that it might reasonably hope for, because the returns consistently fall well short of 40%.

### **Grants share of GMP per Society**

The non-club gaming venues in Whangarei District are operated by six corporate societies. If the overall return is less than 40%, it may be useful to know whether the societies which operate Class 4 venues in the district are all returning roughly the same percentage, or whether there is significant variation among them.

The Department of Internal Affairs does not release data on GMP for each society by territorial authority district, although it does hold that data. However, it is possible to make a reasonably robust estimate, simply by counting the number of consented machines operated

by each society and calculating each society's share of machines in the district, as shown in the table below.

**Table 12: Societies - share of EGMs in district (15 non-club venues)**

Non-Club Societies	Non-Club Venues	EGM per Venue	EGM per Society	Society % EGMs
Oxford Sports Trust Inc	HIKURANGI HOTEL	13		
	JIMMY JACKS RIB SHACK	9		
	JUDGE - HOUSE OF ALE	18		
	KENSINGTON TAVERN	18		
	PURE BAR & GRILL	18		
	TOTE & POKE	18		
	WAIPU HOTEL	12	<b>106</b>	48%
Pub Charity Ltd	ONERAHI TAVERN	18		
	POROTI TAVERN	3		
	THE GRAND HOTEL	18	<b>39</b>	18%
The Southern Trust	TIKIPUNGA TAVERN	18		
	WILDSIDE BAR & GRILL	9	<b>27</b>	12%
Pelorus Trust	RUAKAKA TAVERN	18	<b>18</b>	8%
The Lion Foundation (2008)	COALIES SPORTS BAR AND GRILL	11	<b>11</b>	5%
Pegasus Sports Foundation	KAMO HOTEL	18	<b>18</b>	8%
<b>Totals</b>		<b>219</b>	<b>219</b>	<b>100%</b>

Data source: Department of Internal Affairs website.

Each society's share of machines can then be multiplied by the average non-club venue GMP for the five years 2013 - 2018, to generate an estimate of average GMP per society per year. Because the GMP per society is only an estimate, the results are rounded to the nearest \$1,000 to reflect a lack of precision.

The annual average grants per year for each society include only grants made to Whangarei District, excluding regional organisations.

**Table 13: Estimated share of GMP returned to Whangarei for each society operating machines in Whangarei District (average per annum, 2013 - 2017)**

Machines per society		GMP per Society (est)	Amount of Grants	% returned
Oxford Sports Trust	106	\$ 6,421,000	\$ 1,800,000	28%
Pub Charity	39	\$ 2,363,000	\$ 987,000	42%
Southern Trust	27	\$ 1,636,000	\$ 75,000	5%
Pegasus Sports	18	\$ 1,090,000	\$ 33,000	3%
Pelorus Trust	18	\$ 1,090,000	\$ 64,000	6%
Lion Foundation	11	\$ 666,000	\$ 33,000	5%
<b>Totals / Average of all</b>		<b>\$ 13,267,000</b>	<b>\$ 2,966,000</b>	<b>22.4%</b>

Data sources: Problem Gambling Foundation and Dept. of Internal Affairs

Although this is only an estimation, it is reasonable to say that Pub Charity has probably returned about 40% to 45% of the GMP it acquired in Whangarei District back to the district. The Oxford Sports Trust, based in Whangarei, has probably returned about 25% to 30%, and the other four societies have probably returned between 2% and 7%.

Corporate societies that do not operate venues within Whangarei contributed a further \$1,154,425 in grants over the 5-year period, or \$ 230,885 per annum on average, which increases total returns from the Class 4 gambling sector to 24% as shown in Table 10.

The distribution of GMP is regulated under the Gambling Act 2003 and subsidiary regulations, as shown in the table below.

**Table 14: Allocation of Class 4 GMP required by Gambling Act and regulations, applied to Whangarei total GMP 2013 – 2017 (GST excl)**

Allocated to:	Percentage	Amount	Required by:
Gaming Machine Duty	20.0%	\$ 14,832,813	Gaming Duties Act 1971
Problem gambling levy	1.3%	\$ 964,133	Gambling (Problem Gambling Levy) Regs 2016
Grants (minimum)	40.0%	\$ 29,665,627	Gambling (Class 4 Net Proceeds) Regs 2004
Venues (maximum)	16.0%	\$ 11,866,251	Gambling (Venue Payments) Regs 2016
Society operations	22.7%	\$ 16,835,243	Gambling Act 2003 – Section 52(1)
<b>Total GMP 2013 -2017</b>		<b>\$ 74,164,067</b>	

A substantial share goes to taxes:

- A duty of 20% goes to the Crown consolidated revenue.
- A problem gambling levy is calculated for the share of problem gambling associated with the Lotteries Commission (0.40%), New Zealand Racing Board (0.52%), Casinos (0.87%) and, Class 4 gambling (1.3%). These shares of the levy are regularly reviewed and may change over time.
- Class 4 operators must pay GST on the Problem Gambling Levy and other costs of operations, including licensing fees paid to the Department of Internal Affairs, as part of their operating costs.

A minimum amount of 40% of GMP must be distributed to the authorised purposes of non-club corporate societies. The amount applied to authorised purposes by clubs is set in the club's licence conditions, and the usual minimum is 37.12%.

The venue operator may receive no more than 16% of GMP for hosting the society's gaming machines.

Finally, the corporate society retains the residual after all other proportions are allocated. From this it pays for the purchase and maintenance costs of the EGMs, regulatory and compliance costs for operating venues, and the costs associated with processing grants applications, as well as allocating and monitoring grants expenditures. Section 52(1) of the Gambling Act requires that a Class 4 operator should *"...will maximise the net proceeds from the class 4 gambling and minimise the operating costs of that gambling"*.

The same shares can be applied to the GMP from all Class 4 gambling venues in New Zealand, which totalled more than \$4 billion dollars for the years 2013 to 2017.

**Table 15: Total Class 4 club and non-club GMP, all local authorities 2013 – 2018 (\$ million)**

All NZ	2013	2014	2015	2016	2017	Total
Club	\$ 107,657,267	\$ 105,335,170	\$ 106,196,969	\$ 103,773,836	\$ 99,126,176	<b>\$ 522,089,419</b>
Non-Club	\$ 703,926,590	\$706,079,019	\$ 721,829,669	\$ 754,463,114	\$ 784,258,689	<b>\$ 3,670,557,081</b>
<b>Total</b>	<b>\$811,583,857</b>	<b>\$811,414,189</b>	<b>\$ 828,026,639</b>	<b>\$ 858,236,950</b>	<b>\$ 883,384,865</b>	<b>\$ 4,192,646,499</b>

To put those amounts in context, Class 4 gambling has accounted for 39% of the total gamblers' losses, from the four major modes of legal gambling, over the years 2012/13 to 2016/17 for the whole of New Zealand.

**Table 16: Total gambling expenditure (gamblers losses) by mode and share (average over 5 years) (\$million)**

	2013	2014	2015	2016	2017	Share (5 yrs)
<b>Class 4 Gambling</b>	\$ 827	\$ 806	\$ 818	\$ 843	\$ 870	<b>39%</b>
<b>Casinos</b>	\$ 490	\$ 486	\$ 527	\$ 586	\$ 572	<b>25%</b>
<b>Lotteries Commission</b>	\$ 432	\$ 463	\$ 420	\$ 437	\$ 555	<b>21%</b>
<b>NZ Racing Board (TAB)</b>	\$ 294	\$ 310	\$ 325	\$ 342	\$ 338	<b>15%</b>
<b>Total</b>	<b>\$ 2,042</b>	<b>\$ 2,065</b>	<b>\$ 2,091</b>	<b>\$ 2,209</b>	<b>\$ 2,334</b>	<b>100%</b>

*Data source: Dept. of Internal Affairs: Gambling Expenditure Statistics*

The table above should be considered in context of the participation rates for different gambling modes (Table 1). The majority of New Zealanders purchase Lotteries Commission products during a year, and only 12% use Class 4 gaming machines, but far more money is lost by Class 4 gamblers each year than from any other mode of gambling.

### ***Player rewards: benefits and harms***

Corporate societies assert that players obtain generous returns from playing the pokies. They claim that 92 cents of every dollar spent is returned to the gambler, and the millions of dollars of gamblers' losses described above account for only 8 cents in the dollar gambled.

Gambling on a Class 4 gaming machine can provide genuine benefits to some players: they obtain the entertainment value of "having a flutter" and may win some money. If they only play occasionally, and moderately, then they can expect to only lose a small percentage of their "bankroll", on average, over time.

But for others; particularly those who play more frequently, continuously, and for longer periods of time, the financial rewards are likely to be extremely low.

Attachment 1 to this report provides an explanation of why these two cohorts of players differ significantly in their contribution to GMP from Class 4 gambling, and why some gamblers continue to play even when experience will have taught them they are bound to lose.



## Harms

The harm caused by all forms of gambling, is primarily economic: people spend money on gambling that might be put to other uses.

Problem gambling, or harmful gambling, occurs when people spend more than they can afford, denying themselves or their families some of the necessities of life; spending their savings rather than disposable income; and going into debt or committing crimes to support their gambling habit. Other harms then flow from those behaviours.

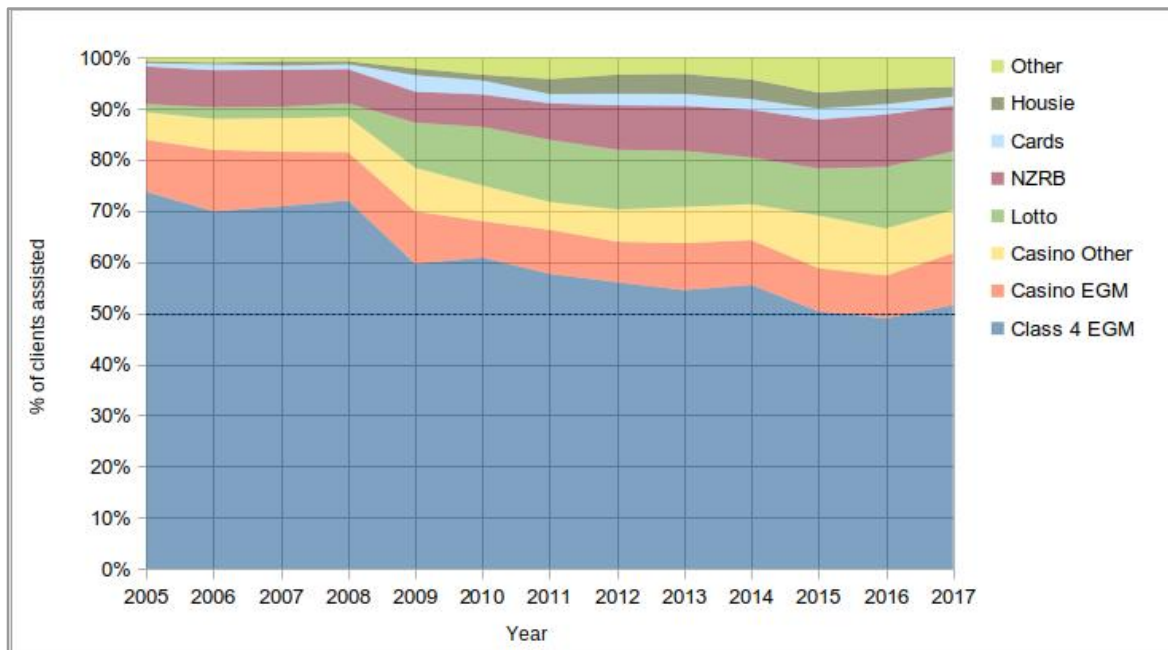
A 2012 study funded by the New Zealand Ministry of Health found that the burden of gambling harm is primarily due to damage to relationships, emotional/psychological distress, disruptions to work/study and financial impacts.

The study estimated that an equivalent of 161,928 years of life were lost to disability because of harms from gambling in one year. Within this number 67,928 life-years were attributed to gamblers themselves and 94,729 to people who were affected by someone else's gambling.

The report found that:

“At a national level, and taking into account both prevalence and severity, our analysis suggests that gambling causes over twice the amount of harm than chronic conditions such as osteoarthritis (2.1x) and diabetes (2.5x). However, gambling causes less harm than other disorders such as anxiety and depressive disorders (.63x) and hazardous drinking (.77x).”

Figure 1 (below) shows the number of problem gambling clients assisted by publicly funded services, for various modes of gambling. The number of clients includes both gamblers and their friends, family and spouses, in keeping with the Gambling Act's definition of harm and the findings outlined above.

**Figure 1: Percentage of clients assisted by primary gambling mode (NZ) 2005 -2017**

Source: <https://www.health.govt.nz/our-work/mental-health-and-addictions/gambling/service-user-data/intervention-client-data#ppgm>

Table 17 shows the data for assistance sought for different types of gambling for the 2017/2018 year, which highlights that non-casino GMs remain the largest primary problem gambling mode. Assistance sought for TAB related gambling was 9% in this year and this appears to be a relative consistent proportion since 2005 as illustrated in Figure 2 above.

**Table 17 – Percentage of clients assisted by primary gambling mode 2017/2018**

Primary Problem Gambling Mode 2017/2018	Total #	% of Total
Non-Casino Gaming Machines	5429	51.43%
Casino EGM	1008	9.55%
Casino Table	1019	9.65%
Lotteries Commission Products	1249	11.83%
NZ Racing Board	1002	9.49%
Cards	194	1.84%
Housie	183	1.73%
Other	472	4.47%
<b>Total</b>	<b>10555</b>	<b>100.00%</b>

Source: <https://www.health.govt.nz/system/files/documents/pages/intervention-client-datatable-11-feb19.xls>

There are other methods of measuring gambling harm, but this is the most robust method, based on readily available data which is updated annually.

The graph shows that Class 4 gambling is presently responsible for most problem gambling. When combined with electronic gaming machines in casinos, this type of gambling is, and has been for some time, clearly responsible for more gambling harm than all other modes combined.

There is no publicly available data on how many of these clients sought help for problems associated with Class 4 gambling, specifically, within the Whangarei District, but the total number of problem gambling clients assisted is shown in Table 18.

**Table 18: All Problem Gambling Clients Assisted: Whangarei District**

Year	Number	% of national clients
2013	317	2.55%
2014	324	2.57%
2015	425	3.34%
2016	288	2.32%
2017	374	3.22%

Source: <https://www.health.govt.nz/our-work/mental-health-and-addictions/gambling/service-user-data/intervention-client-data#territorial>

These numbers represent only people who have sought help for a gambling problem through publicly-funded gambling and addiction support services.

According to the National Gambling Survey, of the 77% to 80% who gambled during the previous year, only 0.1% sought formal help for a gambling problem over the period of the survey. But the same survey found that between 0.3% to 0.6% of the adult population have been assessed as problem gamblers. This suggests that the number of problem gamblers in the Whangarei District might be up to six times more than the number who sought and received treatment.

The percentages of problem gamblers vary by ethnicity and gender (males being more likely to be problem gamblers than females):

- Pacific: 1.9% problem gamblers, 5.7% moderate-risk gamblers, 10.2% low-risk gamblers, 53.8% non-problem gamblers
- Māori: 1.6% problem gamblers, 4.7% moderate-risk gamblers, 9.5% low-risk gamblers, 63.0% non-problem gamblers
- Asian: 0.1% problem gamblers, 1.4% moderate-risk gamblers, 5.2% low-risk gamblers, 51.5% non-problem gamblers
- European/Other: 0.1% problem gamblers, 0.7% moderate-risk gamblers; 4.0% low-risk gamblers; 74.7% non-problem gamblers.

In areas with a high Māori and Pacific Island populations, it can be expected that the negative consequences of gambling are likely to affect such areas more profoundly than others.

### ***Harm to others***

The harms caused by Class 4 gambling affect not just the gamblers themselves, but also their friends, families, employers, and the victims of crime.

Recent research in Australia found that problem gamblers affected from 4 to 6 other people; the researchers proposing that six was more likely, because four was an estimate provided by problem gamblers themselves. Moderate-risk gamblers affected three others while low-risk gamblers affected one other.

No similar research has been undertaken in New Zealand. But if that proportion holds roughly true, then a similar multiplier could be applied to the number of problem gamblers in New Zealand, and the percentage of the whole population affected by problem gambling

could be around 5% to 6%.

The criminal acts of problem gamblers are significant. A study by AUT University in the early 2000's, of recently incarcerated prisoners, found that:

*“Just over a quarter of women and 15 percent of men said that they had committed at least one criminal offence to obtain money for gambling or to pay gambling debts. People with serious gambling problems committed most of these offences, which mainly involved burglary, fraud, theft and robbery.”*

A 2012 study by AUT University said that”

*“In New Zealand, higher exposure to gambling opportunities has been statistically linked to higher crime rates for all categories of crime (Wall et al., 2010). EGM density measures (especially number of machines within a 5,000 metre buffer) were also associated with the local crime rate (Wall et al., 2010). A formative qualitative investigation of the link between gambling and crime focused particularly on unreported crime and the nature of the resulting harms experienced by individuals, families, whānau, and communities (Bellringer et al., 2009). Problem gambling treatment providers, gambling industry staff, and community groups identified financial harm to the community resulting from theft to support gambling as most prevalent, as well as social security/services and benefit-related crimes. Strain on the community caused by gamblers who expect to be ‘bailed-out’ by their community, or who abuse positions of power or trust within their communities, was also highlighted by participants in this study as direct harms to the community.”*

The broader costs to society have never been systematically measured in New Zealand but would presumably include costs to the justice system (policing, courts, incarceration, rehabilitation); costs to the social welfare system (providing support to families of some problem gamblers, including those incarcerated), treatment and counselling costs for problem gamblers, and the administrative overhead of regulating the sector.

#### **Class 4 venues and Deprivation**

Recent amendments to the Gambling Act require that the first time a territorial authority commences a review of a policy after the amendment came into force. it must consider whether to include a relocation policy, and furthermore that:

*“Whenever a territorial authority is considering whether to include a relocation policy in its class 4 venue policy, it must consider the social impact of gambling in high-deprivation communities within its district.”*

Unfortunately, there is not a great deal of readily available information on the social impact of gambling specifically on high-deprivation communities at local authority level.

Auckland Council produced a study in 2013 showing that the proceeds of Class 4 gambling were not evenly distributed among its Local Board areas, and that GMP tended to be drawn from higher deprivation areas and the grant funding tended to flow to lower deprivation areas.

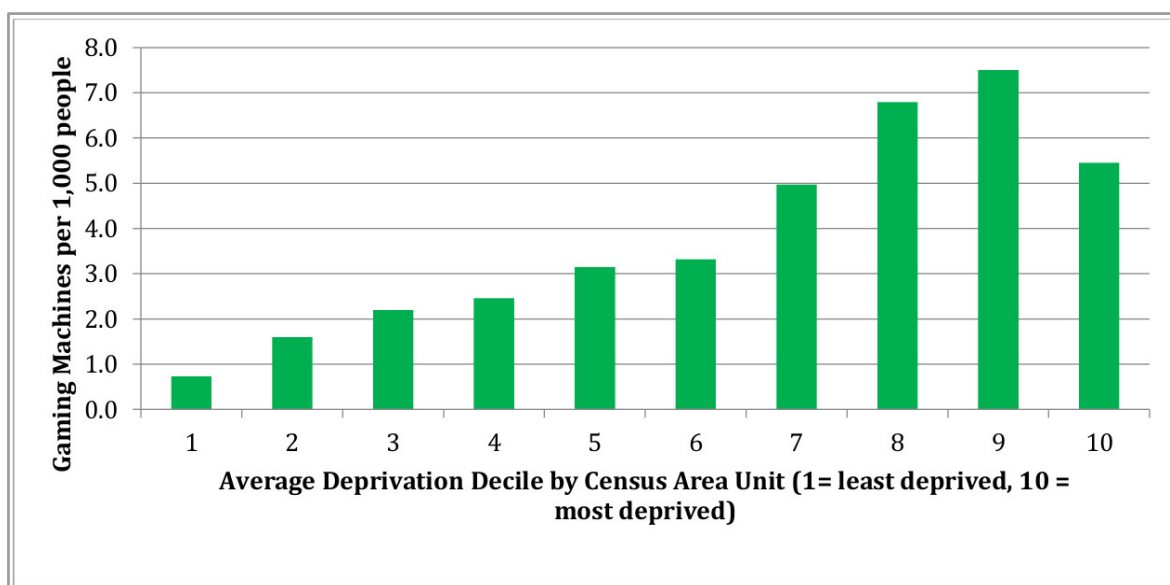
A Ministry of Health report published in 2015, titled “Informing the 2015 Gambling Harm Needs Assessment” noted that:

*“The (2011/12 New Zealand Health Survey) highlighted that the likelihood of problematic gambling increased as the level of deprivation increased. People living in*

neighbourhoods with the highest levels of deprivation (i.e. the most deprived) were five times more likely to report moderate-risk/problem gambling than those living in neighbourhoods with the lowest levels of deprivation (i.e. the least deprived). Neighbourhoods with higher levels of deprivation also appear to be more likely to offer opportunities for gambling. In 2014, 54.2 percent of *[non-casino gaming machines]* were located in *[census area units]* with average deprivation deciles of 8 and higher – a slightly higher proportion than in 2011 (52.4 percent), and notably higher than 2009 (48 percent).” (pg 9)

The report included the histogram reproduced below, showing a positive correlation between the number of non-casino EGMs and the number of people in high deprivation areas. (pg 94)

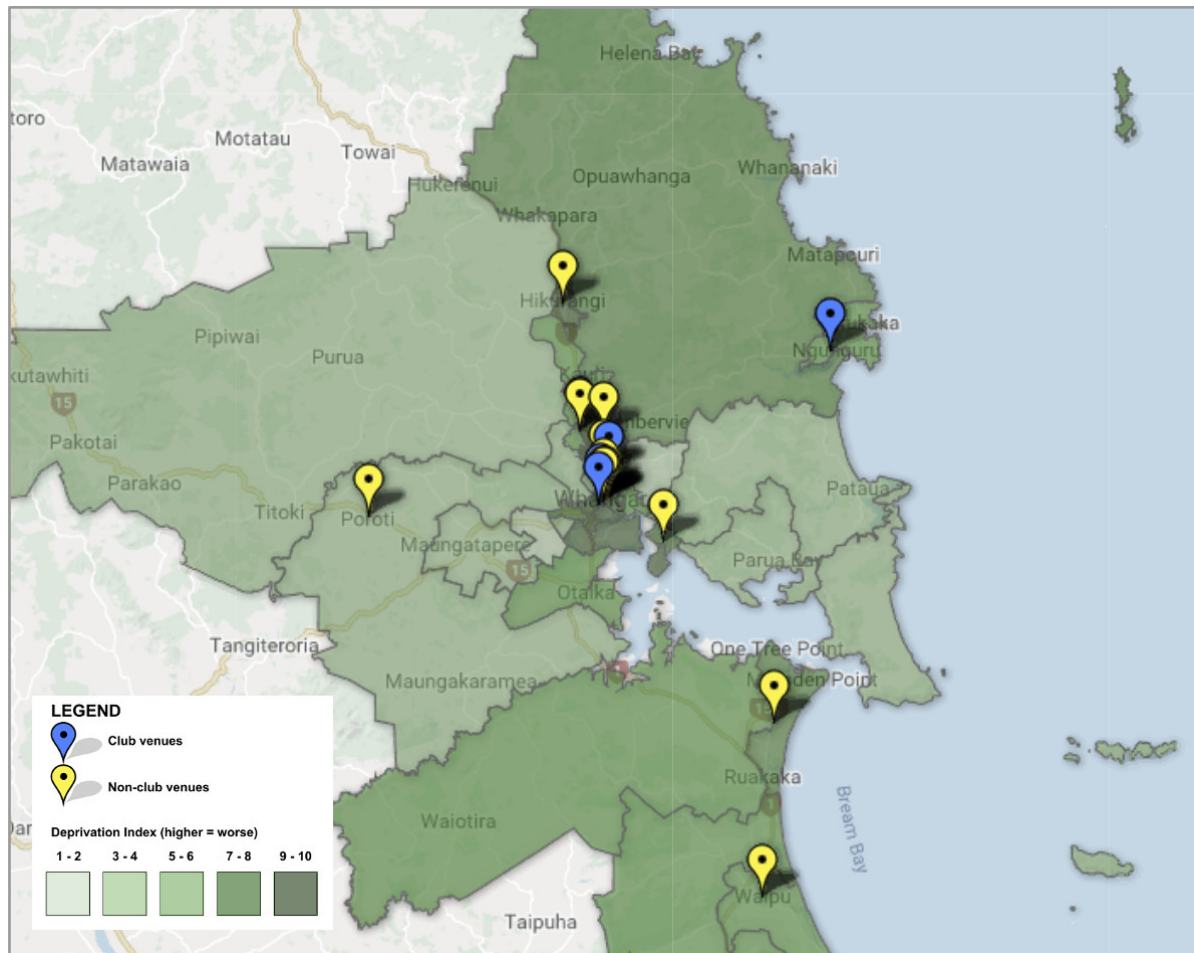
**Figure 2: Non-Casino EGMs per 1000 people by deprivation decile (all NZ)**



In that report, Whangarei Central was included among the 10 census area units in New Zealand with the highest number of NCGMs, by deprivation decile, population and ethnicity, as measured in December 2014.

However, that result was distorted by the fact that only 174 people were resident in that area unit at the time, and the report also noted that “CAUs which contain central business and retail districts also tend to have higher (that is, more deprived) population-weighted deprivation deciles than those which do not”. In short, the correlation was likely be skewed in Whangarei Central’s case.

On the other hand, a visual map of deprivation in the Whangarei District with the locations of club and non-club venues overlaid (below), indicates that Class 4 venues do appear to be located more frequently in higher deprivation areas, throughout the whole district.

**Figure 3: Whangarei District - Class 4 venues and deprivation by Census Area Unit**

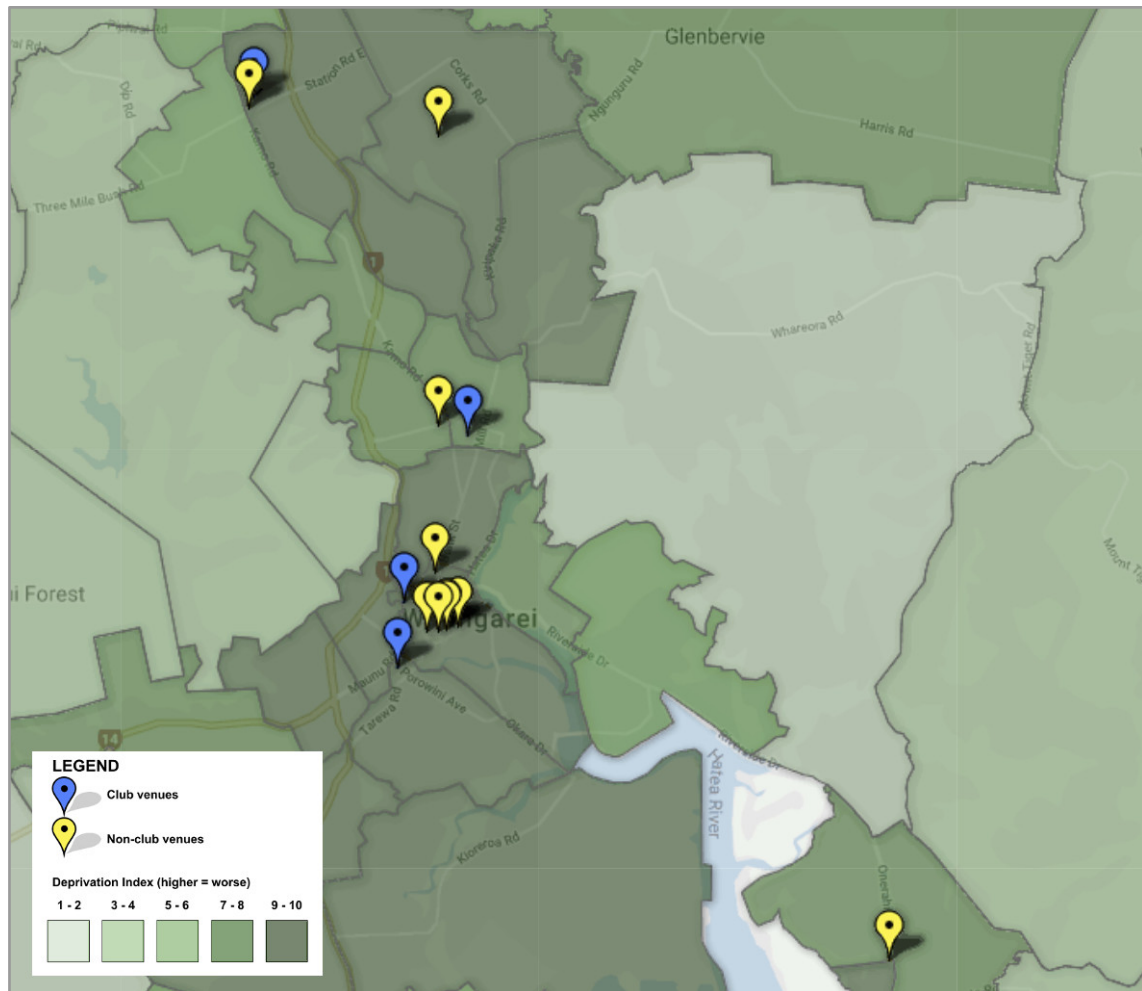
Data source: <https://www.otago.ac.nz/wellington/departments/publichealth/research/hirp/otago020194.html>

And although the higher deprivation CAUs tend to be in commercial and business areas, a closer look at the inner suburbs of Whangarei (below) shows that areas where Class 4 venues are clustered, are more generally within, or surrounded by, areas of higher deprivation.

Assuming people do not use gambling machines located only in the census area unit where they live but may travel between the short distances between areas to gamble at a Class 4 venue, the availability of Class 4 gambling does appear to be associated with higher deprivation areas.

This association is important to the extent that some local authorities have adopted Class 4 Venue relocation policies designed to encourage the relocation of venues from high deprivation areas to lower deprivation areas, presumably on the basis that they might cause less harm in such areas.

However, the direction of causality is not known. There has been no study done to test whether venues tend to be clustered in areas where deprivation is higher; perhaps because they make more GMP by being in those areas, or whether the clustering of venues in an area has caused and/or exacerbated higher deprivation in those areas over time.

**Figure 4: Whangarei Inner Area Class 4 venues and deprivation by Census Area Unit**

Data source: <https://www.otago.ac.nz/wellington/departments/publichealth/research/hirp/otago020194.html>

In the absence of a robust study on direction of causality, it would be unsafe to assume that the negative social impacts of Class 4 gambling would be mitigated by relocating venues from high deprivation areas to lower deprivation areas. The 2012 Ministry of Health funded study on gambling harm noted that:

“One of the most pervasive harms to the community is how gambling continues to perpetuate cycles of disadvantage by affecting factors that contribute to poverty, poor health, and lower levels of human and social capital, thus compounding and concentrating harms. Given the disproportionate number of EGMs located within poorer communities (Wynd, 2005) and the vulnerability of these groups, this is of particular concern; as evidenced by some populations (such as lower socio-economic and ethnic groups) experiencing greater losses than other populations (SHORE, 2008).”

In other words, it is possible that a concentration of gaming machines in any area perpetuates, exacerbates, or even creates, higher levels of deprivation.

### **Combined TAB and Class 4 venues**

Over the past decade there has been a noticeable trend toward the development of combined TAB and Class 4 venues, often dubbed “sports bars”.

There is nothing in the law to restrict the New Zealand Racing Board from installing PubTAB self-service kiosks, or full-service outlets (with staffed betting counters), in a Class 4 venue. These may be accompanied by televisions tuned to sports channels and the TAB's own Trackside channel. This can transform a pub or bar into a place where the principal activity is gambling.

There has not yet been any systematic study of the gambling harm caused by these types of venue, and whether they create more (or less) harm than either type of gambling provided independently.

## Summary

The benefits of funding for community and sporting groups from Class 4 are substantial, in absolute monetary terms; over \$3 million per year. But societies that operate venues in the Whangarei District have returned a far smaller percentage of GMP to the district than they might have.

It is generally considered that as a means of funding community infrastructure and services, grants from Class 4 gambling may be useful, however:

- Less than 25% of the direct cost to the community of raising this revenue is returned to community and public good purposes.
- There are significant indirect costs to the community, including the costs of criminal activity, which are neither borne nor compensated for by the Class 4 gambling sector.
- The revenue is raised from a small proportion of the community (between 15% and 0.5% of adults who use EGMs), and disproportionately from the unemployed and less well-educated.
- The public good benefits from Class 4 gambling are allocated by private organisations, according to their own purposes and objectives, without community input or democratic oversight.

The nature and extent of gambling harm is not well researched in New Zealand, certainly not to a level of detail that would helpfully inform local authority policy making. However, some conclusions may be safely drawn from the available nationwide statistics:

- Problem gamblers are a small proportion of the overall adult population, but their gambling affects five or six times as many people.
- Gambling venues tend to be clustered in high deprivation areas, and the prevalence of gambling is higher among people who are unemployed, less well educated.
- Class 4 gambling is almost certainly the single most significant cause of gambling harm in the Whangarei District, as it is elsewhere in New Zealand.



## Key information and data sources:

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## Data Sources:

Department of Internal Affairs: *Gaming Machine Proceeds by territorial authority, per quarter, 2007 – 2018, for club and Non-club venues*. Spreadsheet, provided August 2018 in response to Official Information Act request.

Ministry of Health. *Clients Assisted by Primary Problem Gambling Mode*. NZ Govt, Wellington. Online resource, retrieved August 2018.

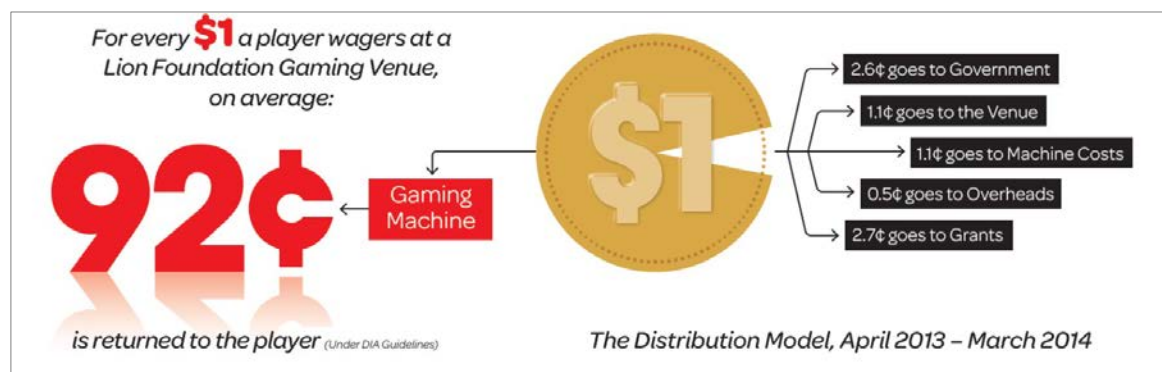
Problem Gambling Foundation: *Database of Class 4 grants 2011 to 2018*. Spreadsheet, provided May 2018 on request.

University of Otago. *Socioeconomic Deprivation Indexes: NZDep and NZIDep*. Department of Public Health, Wellington. Online resource, retrieved August 2018.

## Attachment 1: Returns to players

The figure below, describing the allocation of GMP in those terms, was copied from the Lion Foundation's website in August this year.

**Figure 1: Lion Foundation claim of 92% returns to players**



Source: <https://www.lionfoundation.org.nz/community-gaming/> (3 August 2018)

### Who has the other 92 cents?

If 92 cents in the dollar is returned to gamblers, then there should be some very wealthy people in Whangarei, holding \$185.4 million dollars in disposable income, who would prefer to spend it on Class 4 gambling rather than other goods and services.

The statement that 92% of gaming revenue is returned to the player is technically correct, assuming each gambler were to make independent non-sequential bets, without re-playing their winnings. In that case the “expected value” of each bet (or “spin”) on average, over many spins, would be 0.92 multiplied by the amount spent.

However, if a gambler makes a series of non-independent bets, replaying their winnings in each gambling session, the “expected value” of those bets is:  $0.92 \times 0.92 \times 0.92$  (etc), up to the total number of bets. In other words, the expected value is the amount spent multiplied by  $0.92^n$ , where  $n$  is the number of sequential bets.

That means if a player were to play one “spin” on a machine every 6 seconds, for 10 minutes, making 100 bets in total, the expected value of each that gambling session would be  $0.92^{100}$ , which is 0.00024 (i.e. 0.024%, or 2.4 cents cent in the dollar).

Many users of Class 4 gaming machines probably do make independent non-sequential bets. They will be the majority of the 12% or so of the adult population, who occasionally play the machines during a year, and may occasionally walk away having won some money.

But the machines are designed to encourage play of the latter type (described in the New Zealand Gambling Study as “continuous play”), and the very small percentage of adults (about 1.2%) who play the machines more than once a week are likely to make serial non-independent bets and receive very little or no financial reward.

***If they keep losing, why keep playing?***

For the small proportion of adults who play pokies regularly, the odds are not in their favour. They lose a lot of money, but continue playing regardless.

In the past few years neuroscience studies using functional magnetic resonance imaging have shown that gambling with EGMs “lights up” the same areas of the brain as drugs such as cocaine, heroin, or methamphetamine.

The predominant difference between drugs and gaming machines is that the latter do not introduce foreign substances into the human body. Instead, they use external stimuli - in the form of sounds, lights and images - to directly influence the brain’s internal “reward system”, which controls the production of feel-good chemicals within the brain (e.g. dopamine and serotonin).

People who use gaming machines frequently, continuously, for longer periods of time, begin to seek these neurochemical “rewards” rather than other benefits. They persist in playing the machines to obtain neurochemical rewards, not with any expectation of winning money.

They may be called (variously) compulsive or habituated gamblers, gambling addicts or problem gamblers. There are no clear differences among those terms, which are often used interchangeably.

Several authoritative studies show that electronic gaming machines are designed not just to encourage continuous play, but to be addictive, and that their purpose is to get the player to “play to extinction”, or lose their entire bankroll, in each gambling session.

These claims have been strenuously denied by machine manufacturers and the pokie gambling industry. But the industry has been unable to advance a convincing explanation for why some people will play a pokie machine for hours at a time, and why they will keep coming back to a venue to do that time after time, without any hope or realistic expectation of winning money.



## 6.3 LGNZ Local Government Leaders' Climate Change Declaration

**Meeting:** Whangarei District Council  
**Date of meeting:** 28 March 2019  
**Reporting officer:** Dominic Kula (General Manager – Strategy and Democracy)

### 1 Purpose

To consider the Local Government New Zealand (LGNZ) Local Government Leader's Climate Change Declaration.

### 2 Recommendation

That the Council:

1. Becomes a signatory to the LGNZ Local Government Leaders' Climate Change Declaration.

**Or**

2. Does not become a signatory to the LGNZ Local Government Leaders' Climate Change Declaration.

### 3 Discussion

The LGNZ Local Government Leaders' Climate Change Declaration is provided as Attachment 1 to this report.

Broadly speaking the Declaration highlights the urgent need for responsive leadership (both at Central and Local Government levels) and a holistic approach to climate change, before setting out commitments and principles for signatory Councils. However, as highlighted by LGNZ President Dave Cull, the Declaration is aspirational rather than a binding contract.

The Declaration was first signed by Local Government Mayors and Chairs in 2017, with the latest update in March 2019. There currently 60 Local Government Mayors and Chairs that have signed the document.

While ultimately signed by Mayors and Chairs of each respective council it has been tabled for consideration, and a position, of full Council.

### **3.1 Policy and planning implications**

The purpose, commitments and principles of the LGNZ Local Government Leaders' Climate Change Declaration align with the direction set in Council's Sustainability Strategy, and the ongoing climate change adaption work through the Te Tai Tokerau Climate Change Adaptation Working Group.

## **4 Significance and engagement**

The decisions or matters of this Agenda do not trigger the significance criteria outlined in Council's Significance and Engagement Policy, and the public will be informed via the Agenda publication on the website.

## **5 Attachment**

Local Government New Zealand (LGNZ) Local Government Leader's Climate Change Declaration

Who's  
putting local  
issues on  
the national  
agenda?

**We are.  
LGNZ.**

## Local Government Leaders' Climate Change Declaration

In 2015, Mayors and Chairs of New Zealand declared an urgent need for responsive leadership and a holistic approach to climate change. We, the Mayors and Chairs of 2017, wholeheartedly support that call for action.

Climate change presents significant opportunities, challenges and risks to communities throughout the world and in New Zealand. Local and regional government undertakes a wide range of activities that will be impacted by climate change and provides infrastructure and services useful in reducing greenhouse gas emissions and enhancing resilience.

We have come together, as a group of Mayors and Chairs representing local government from across New Zealand to:

1. acknowledge the importance and urgent need to address climate change for the benefit of current and future generations;
2. give our support to the New Zealand Government for developing and implementing, in collaboration with councils, communities and businesses, an ambitious transition plan toward a low carbon and resilient New Zealand;
3. encourage Government to be more ambitious with climate change mitigation measures;
4. outline key commitments our councils will take in responding to the opportunities and risks posed by climate change; and
5. recommend important guiding principles for responding to climate change.

We ask that the New Zealand Government make it a priority to develop and implement an ambitious transition plan for a low carbon and resilient New Zealand. We stress the benefits of early action to moderate the costs of adaptation to our communities. We are all too aware of challenges we face shoring up infrastructure and managing insurance costs. These are serious financial considerations for councils and their communities.

To underpin this plan, we ask that a holistic economic assessment is undertaken of New Zealand's vulnerability to the impacts of climate change and of the opportunities and benefits for responding. We believe that New Zealand has much at stake and much to gain by adopting strong leadership on climate change emission reduction targets.

We know that New Zealanders are highly inventive, capable and passionate about the environment. New Zealanders are proud of our green landscapes, healthy environment and our unique kiwi identity and way of life. Central and local government, working together with communities and business, can develop and implement ambitious strategies based on sound science, to protect our national inheritance and security.

## Council Commitments

For our part we commit to:

1. Develop and implement ambitious action plans that reduce greenhouse gas emissions and support resilience within our own councils and for our local communities. These plans will:
  - a. promote walking, cycling, public transport and other low carbon transport options;
  - b. work to improve the resource efficiency and health of homes, businesses and infrastructure in our district; and
  - c. support the use of renewable energy and uptake of electric vehicles.
2. Work with our communities to understand, prepare for and respond to the physical impacts of climate change.
3. Work with central government to deliver on national emission reduction targets and support resilience in our communities.

We believe these actions will result in widespread and substantial benefits for our communities such as; creating new jobs and business opportunities, creating a more competitive and future-proof economy, more efficient delivery of council services, improved public health, creating stronger more connected communities, supporting life-long learning, reducing air pollution and supporting local biodiversity. In short, it will help to make our communities great places to live, work, learn and visit for generations to come.

## Guiding Principles

The following principles provide guidance for decision making on climate change. These principles are based on established legal<sup>1</sup> and moral obligations placed on Government when considering the current and future social, economic and environmental well-being of the communities they represent.

### 1. Precaution

There is clear and compelling evidence for the need to act now on climate change and to adopt a precautionary approach because of the irreversible nature and scale of risks involved. Together with the global community, we must eliminate the possibility of planetary warming beyond two degrees from pre-industrial levels. This could potentially threaten life on Earth (Article 2 of the UNFCCC). Actions need to be based on sound scientific evidence and resourced to deliver the necessary advances. Acting now will reduce future risks and costs associated with climate change.

### 2. Stewardship/Kaitiakitanga

Each person and organisation has a duty of care to safeguard the life-supporting capacity of our environment on which we all depend and to care for each other. Broad-based climate policies should enable all organisations and individuals to do all they feasibly can to reduce emissions and enhance resilience. Policies should be flexible to allow for locally and culturally appropriate responses.

---

<sup>1</sup> These Guiding Principles are established within the: Treaty of Waitangi, Resource Management Act 1991, Local Government Act 2002, Civil Defence and Emergency Management Act 2002, Oslo Principles 2014, Principles of Fundamental Justice and Human Rights.



### **3. Equity/Justice**

It is a fundamental human right to inherit a habitable planet and live in a just society. The most vulnerable in our community are often disproportionately affected by change and natural hazards. Approaches need to consider those most affected and without a voice, including vulnerable members in our community, our Pacific neighbours and future generations.

### **4. Anticipation (thinking and acting long-term)**

Long-term thinking, policies and actions are needed to ensure the reasonably foreseeable needs of current and future generations are met. A clear and consistent pathway toward a low carbon and resilient future needs to provide certainty for successive governments, businesses and communities to enable transformative decisions and investments to be made over time.

### **5. Understanding**

Sound knowledge is the basis of informed decision making and participatory democracy. Using the best available information in education, community consultation, planning and decision making is vital. Growing understanding about the potential impacts of climate change, and the need for, and ways to respond, along with understanding the costs and benefits for acting, will be crucial to gain community support for the transformational approaches needed.

### **6. Co-operation**

The nature and scale of climate change requires a global response and human solidarity. We have a shared responsibility and can not effectively respond alone. Building strong relationships between countries and across communities, organisations and scientific disciplines will be vital to share knowledge, drive innovation, and support social and economic progress in addressing climate change.

### **7. Resilience**

Some of the impacts of climate change are now unavoidable. Enhancing the resilience and readiness of communities and businesses is needed so they can thrive in the face of changes. Protecting the safety of people and property is supported by sound planning and a good understanding of the risks and potential responses to avoid and mitigate risk.

**THE FOLLOWING MAYORS AND CHAIRS SUPPORT THIS DECLARATION**



**Mayor Dave Cull**  
Dunedin City Council



**Mayor Lianne Dalziel**  
Christchurch City Council



**Mayor Grant Smith**  
Palmerston North City Council



**Mayor Ray Wallace**  
Hutt City Council



**Mayor Rachel Reese**  
Nelson City Council



**Mayor Steve Chadwick**  
Rotorua Lakes Council



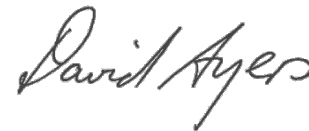
**Mayor Wayne Guppy**  
Upper Hutt City Council



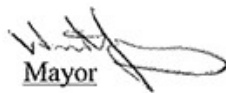
**Mayor Don Cameron**  
Ruapehu District Council



**Chris Laidlaw, Chair**  
Greater Wellington Regional Council



**Mayor David Ayers**  
Waimakariri District Council



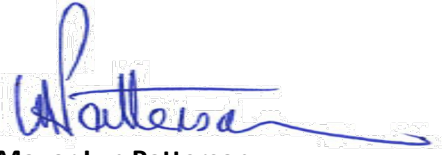
**Mayor Winston Gray**  
Kaikoura District Council



**Mayor Bill Dalton**  
Napier City Council



**Mayor Gary Tong, JP**  
Southland District Council



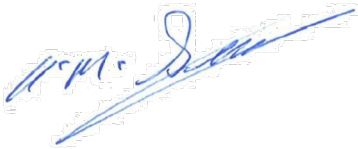
**Mayor Lyn Patterson**  
Masterton District Council



**Mayor Andy Watson**  
Rangitikei District Council



**Stephen Woodhead, Chair**  
Otago Regional Council



**Mayor Allan Sanson**  
Waikato District Council



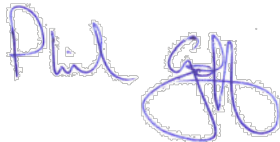
**Mayor Tony Bonne**  
Whakatane District Council



**Mayor Justin Lester**  
Wellington City Council



**Mayor K (Guru) Gurunathan**  
Kāpiti Coast District Council



**Mayor Phil Goff**  
Auckland Council



**Mayor Bryan Cadogan**  
Clutha District Council



**Mayor Sam Broughton**  
Selwyn District Council



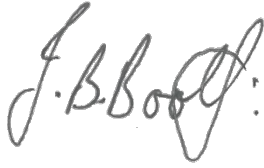
**Mayor John Tregidga**  
Hauraki District Council



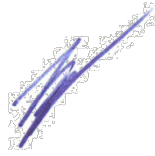
**Rex Graham, Chair**  
Hawke's Bay Regional Council



**Mayor Neil Holdom**  
New Plymouth District Council



**Mayor John Booth**  
 Carterton District Council



**Mayor Viv Napier**  
 South Wairarapa District Council



**Mayor Alex Walker**  
 Central Hawke's Bay District Council



**David MacLeod, Chair**  
 Taranaki Regional Council



**Bill Shepherd, Chair**  
 Northland Regional Council



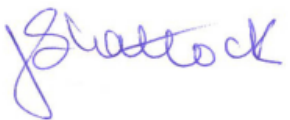
**Mayor Tim Cadogan**  
 Central Otago District Council



**Mayor Tracy Hicks**  
 Gore District Council



**Mayor John Leggett**  
 Marlborough District Council



**Mayor Jenny Shattock**  
 South Waikato District Council



**Mayor Hamish McDouall**  
 Whanganui District Council



**Mayor Tim Shadbolt**  
 Invercargill City Council



**Mayor Sandra Hazlehurst**  
 Hastings District Council



**Mayor Brian Hanna**  
 Waitomo District Council



**Steve Lowndes, Acting Chair**  
 Environment Canterbury



**Doug Leeder, Chair**  
Bay of Plenty Regional Council



**Mayor Jan Barnes**  
Matamata-Piako District Council



**Alan Livingston, Chair**  
Waikato Regional Council



**Mayor Garry Webber**  
Western Bay of Plenty District Council



**Mayor Greg Brownless**  
Tauranga City Council



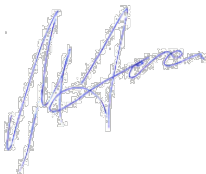
**Bruce Gordon, Chair**  
Horizons Regional Council



**Mayor Meng Foon**  
Gisborne District Council



**Nicol Horrell, Chair**  
Environment Southland



**Mayor Mike Tana**  
Porirua City Council




**Mayor Richard Kempthorne**  
Tasman District Council



**Mayor Alfred Preece**  
Chatham Islands Council



**Mayor Malcolm Campbell**  
Kawerau District Council



**Mayor Jim Mylchreest**  
Waipa District Council



**Mayor Tony Kokshoorn**  
Grey District Council



**Mayor Donna Favel**  
Ashburton District Council



**Mayor Jim Boulton**  
Queenstown-Lakes District Council



**Mayor John Carter**  
Far North District Council



**Mayor Michael Feyen**  
Horowhenua District Council



**Mayor Max Baxter**  
Otorohanga District Council



**Mayor Ross Dunlop**  
South Taranaki District Council

## 6.4 2019 Triennial Election

**Meeting:** Whangarei District Council  
**Date of meeting:** 28 March 2019  
**Reporting officer:** Kathryn Candy, Senior Legal Adviser  
 Tracey Schiebli, Manager Democracy and Assurance

### 1 Purpose

To provide information on the upcoming triennial local government election and for Council to decide on the order of the candidate names for the voting documents for the election.

### 2 Recommendations

That the Council

1. Notes the report on the 2019 Triennial Election provided by the Electoral Officer
2. Adopts the alphabetical order of candidate names on voting documents for the 2019 triennial election in accordance with Regulation 31 of the Local Electoral Regulations 2001.

### 3 Background

The 2019 triennial local government elections are due to be held on Saturday 12 October 2019. Council's Electoral Officer for the election is Dale Ofoske from Election Services.

### 4 Discussion

The attached report from the Electoral Officer provides information on the election process and includes a timetable and fact sheet, both of which are on Council's website.

Under Regulation 31 of the Local Electoral Regulations 2001, Council can choose the order of the candidate names on the voting documents for the election. There are three options available to Council – alphabetical, pseudo-random or random order. If no resolution is made by Council, the default position is alphabetical order.

Council resolved to adopt the alphabetical order for the 2016 triennial election. The Northland District Health Board (NDHB) has recently resolved to adopt the alphabetical position and the Northland Regional Council (NRC) is yet to consider the matter however historically they have used alphabetical order. The voting documents for Whangarei District Council also include the NDHB and NRC.

Pages 4 and 5 of the Electoral Officers report contains information on each option. To summarise:

- Alphabetical order lists the candidate surnames alphabetically.
- Pseudo-random order is where the order of candidate names is determined randomly and the same order is used on all the voting documents.
- Random order is where all the candidate surnames are randomly selected and are listed in a different order on every voting document.

There is no cost difference between any of these options.

The alphabetical order for the voting documents is recommended for the following reasons:

- a) Candidate names can be easily found
- b) The names on the voting documents match the order of names in the candidate directory that accompanies the voting documents
- c) It is the order traditionally used in local and Parliamentary elections
- d) The NDHB will have their candidates in alphabetical order.

## **5 Significance and engagement**

The decisions or matters of this Agenda do not trigger the significance criteria outlined in Council's Significance and Engagement Policy, and the public will be informed via agenda publication on the website.

## **6 Attachment**

1. Report to the Whangarei District Council regarding the 2019 Triennial Election from the Electoral Officer – dated 28 February 2019



**Election Services**

Level 2, 198 Federal Street, Auckland

PO Box 5135, Wellesley Street

Auckland 1141

Phone: 64 9 973 5212

Email: [info@electionservices.co.nz](mailto:info@electionservices.co.nz)

Report to the  
Whangarei District Council  
regarding the

## 2019 Triennial Election

From the  
Electoral Officer

28 February 2019



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## Outline

The 2019 triennial local government elections will occur on Saturday 12 October 2019. An update on preliminary matters relating to the election is provided to Council, including consideration of the order of candidate names to appear on the voting documents.

## Background

The 2019 triennial elections for local authorities are due to occur on Saturday 12 October 2019 and are required to be undertaken according to the Local Electoral Act 2001, the Local Electoral Regulations 2001, the New Zealand Public Health and Disability Act 2000 and, to a limited extent, the Local Government Act 2002.

Certain pre-election information and tasks are outlined in this report for Council's information and attention.

The Local Electoral Regulations 2001 provides for Council to resolve the order of candidate names to appear on the voting documents (alphabetical, pseudo-random or random order). If no decision is made, the order of names defaults to alphabetical.

## Narrative

### 2019 Elections

In 2018 Council undertook a representation arrangements review (review of wards, boundaries, number of elected members etc). The final proposal retains the current number of councillors and wards but alters several ward boundaries.

The final proposal is subject to the Local Government Commission determination (expected by 10 April 2019), and if the final proposal is adopted, elections will be required for the following positions:

- mayor (elected 'at large')
- councillors (13)
  - Bream Bay Ward (2)
  - Denby Ward (3)
  - Hikurangi-Coastal Ward (2)
  - Mangakahia-Maungatapere Ward (1)
  - Okara Ward (4)
  - Whangarei Heads Ward (1)
- Northland Regional Council members (either 2 members from the Whangārei Urban Constituency, or 2 members from the Coastal North Constituency, or 1 member from the Coastal South Constituency)
- Northland District Health Board members (7 members elected 'at large')

<b>2019 Election Timetable</b>	<p>With an election date of <b>Saturday 12 October 2019</b>, the following key functions and dates will apply:</p> <p><b>Nominations open/roll open</b> Friday 19 July 2019</p> <p><b>Nominations close/roll closes (noon)</b> Friday 16 August 2019</p> <p><b>Delivery of voting mailers</b> From Friday 20 September 2019</p> <p><b>Close of voting</b> Noon Saturday 12 October 2019</p> <p>A more detailed timetable is attached <b><u>Appendix 1</u></b>.</p>
<b>2019 Election Fact Sheet</b>	<p>A 2019 Election Fact Sheet summarising the key functions of the election (<b><u>Appendix 2</u></b>) is also attached.</p>
<b>Compilation of non-resident Ratepayer Roll</b>	<p>The compilation of the 2019 non-resident Ratepayer Roll is required to commence in early-mid 2019. This will include:</p> <ul style="list-style-type: none"> <li>• an insert detailing the qualifications and procedures for enrolment as a ratepayer elector to be included with a 2019 rates instalment notice (<b><u>Appendix 3</u></b>);</li> <li>• a national Ratepayer Roll inquiry hotline operating between 15 April and 30 August 2019;</li> <li>• a confirmation letter issued to all current ratepayer electors in April 2019;</li> <li>• a national advertising campaign on the qualifications and procedures for enrolment as a ratepayer elector during May 2019.</li> </ul> <p>Council can undertake additional promotion of the ratepayer roll if it wishes - such as contacting (letter/email etc) all current or potential ratepayer electors encouraging their enrolment and participation in the electoral process.</p>
<b>Local Government Regulatory Systems Amendment Bill</b>	<p>One of the clauses of the Local Government Regulatory Systems Amendment Bill, if enacted, would be that the duty to facilitate and foster representative and substantial elector participation is placed on the chief executive of a local authority.</p> <p>This new requirement would basically necessitate Council to promote the election process and particularly to encourage greater public participation.</p>

## **Order of Candidate Names**

Regulation 31 of the Local Electoral Regulations 2001 provides the opportunity for Council to choose the order of candidate names appearing on the voting documents from three options – alphabetical, pseudo-random (names drawn out of a hat in random with all voting documents printed in this order) or random order (names randomly drawn by computer with each voting document different).

Council may determine which order the names of candidates are to appear on the voting documents, but if no decision is made, the order of names defaults to alphabetical.

Council resolved to adopt the alphabetical order for the 2016 triennial election.

For Council's information, following a recent analysis undertaken by Auckland Council, research showed there was no compelling evidence that candidates being listed first were more likely to be elected.

### **Alphabetical Order**

Alphabetical order is simply listing candidate surnames alphabetically and is the order traditionally used in local and Parliamentary elections.

Comments regarding alphabetical order are:

- voters are easily able to find names of candidates for whom they wish to vote. Some candidates and voters over the years have argued that alphabetical order may tend to favour candidates with names in the first part of the alphabet, but in practice this is generally not the case – most voters tend to look for name recognition, regardless of where in the alphabet the surname lies;
- the order of candidate names on the voting document matches the order listed in the candidate directory (candidate profile statements).

### **Pseudo-Random Order**

Pseudo-random order is where candidate surnames are randomly selected, and the same order is used on all voting documents for that position. The names are randomly selected by a method such as drawing names out of a hat.

Comments regarding pseudo-random order are:

- the candidate names appear in mixed order (not alphabetical) on the voting document;
- possible voter criticism/confusion as specific candidate names are not easily found, particularly where there are many candidates;
- the order of candidate names on the voting document does not match the order in the candidate directory (candidate

profile statements).

### **Random Order**

Random order is where all candidate surnames are randomly selected and are listed in a different order on every voting document. The names are randomly selected by computer so that the order is different.

Random order enables names to be listed in a completely unique order on each voting document.

Comments regarding random order are:

- the candidate names appear in mixed order (not alphabetical) on the voting document;
- possible voter criticism/confusion as specific candidate names are not easily found, particularly where there are many candidates;
- the order of candidate names on the voting document does not match the order listed in the candidate directory (candidate profile statements).

There is no price differential in printing costs between the three orders of candidate names.

Number of Electors	The number of electors for the 2019 triennial elections is expected to be in the order of 63,000 (as at 31 January 2019 this was 62,773). This compares to 57,859 electors for the 2016 triennial election or + 8.9% growth.
Pre-Election Report	Section 99A of the Local Government Act 2002 requires each local authority to prepare a pre-election report, whose purpose is to provide information to promote public discussion about the issues facing the local authority. The pre-election report is prepared by the Chief Executive, must contain financial and major project information, and must be completed by 2 August 2019 (two weeks before the close of nominations).
Online Voting Trials	<p>Following a strong push by a number of local authorities (led by Auckland Council) in 2018 to trial online voting alongside postal voting for the 2019 local elections, the proposed trial was unfortunately halted due to costs. All security and delivery requirements for the online voting provider were met, but the cost involved forced the decision.</p> <p>Work on a collaborative approach with relevant government sectors is continuing so as to deliver online voting for the 2022 local elections.</p>

## Recommendation

It is recommended that:

Council resolves for the 2019 triennial election, to adopt *either*:

- (i) the alphabetical order of candidate names; *or*
- (ii) the pseudo-random order of candidate names; *or*
- (iii) the random order of candidate names

as permitted under regulation 31 of the Local Electoral Regulations 2001.

Author:



Dale Ofsoske  
Electoral Officer // Whangarei District Council  
Election Services

## APPENDIX 1



## SATURDAY 12 OCTOBER 2019

Saturday 2 March - Tuesday 30 April 2019	Ratepayer roll enrolment confirmation forms sent [Reg 16, LER]
Saturday 2 March - Saturday 6 July 2019	Preparation of ratepayer roll [Reg 10, LER]
May 2019	National ratepayer roll qualifications and procedures campaign [Sec 39, LEA]
Monday 1 July 2019	Electoral Commission's enrolment update campaign commences
Wednesday 17 July 2019	Public notice of election, calling for nominations, rolls open for inspection [Sec 42, 52, 53, LEA]
<b>Friday 19 July 2019</b>	<b>Nominations open / roll open for inspection</b> [Sec 42, LEA]
<b>Friday 16 August 2019</b>	<b>Nominations close (12 noon) / roll closes</b> [Sec 5, 42, 55 LEA, Reg 21, LER]
Wednesday 21 August 2019	Public notice of day of election, candidates' names [Sec 65, LEA]
by Monday 16 September 2019	Electoral officer certifies final electoral roll [Sec 51, LEA, Reg 22, LER]
<b>Friday 20 September - Wednesday 25 September 2019</b>	<b>Delivery of voting documents</b> [Reg 51, LER]
Friday 20 September - Saturday 12 October 2019	Progressive roll scrutiny [Sec 83, LEA] Special voting period [Sec 5 LEA, Reg 35, LER] Early processing period [Sec 80, LEA]
by Friday 11 October 2019	Appointment of scrutineers (12 noon) [Sec 68, LEA]
<b>Saturday 12 October 2019</b>	<b>Election day</b> [Sec 10, LEA] Close of voting (12 noon) [Sec 84, LEA] Progress and preliminary results available as soon as practicable after close of voting [Sec 85, LEA]
Saturday 12 October (pm) - Thursday 17 October 2019	Official count [Sec 84, LEA]
Thursday 17 October - Wednesday 23 October 2019	Declaration of result/public notice of declaration [Sec 86, LEA]
mid-December 2019	Return of electoral donations & expenses form [Sec 112A, LEA]

LEA = Local Electoral Act 2001

LER = Local Electoral Regulations 2001



## APPENDIX 2



## FACT SHEET

### Triennial election

Whangarei District Council

12 OCTOBER 2019

#### GENERAL

Triennial elections for elected members of all local authorities throughout New Zealand are to be conducted, by postal vote, on Saturday 12 October 2019.

The elections will be conducted under the provisions of the Local Electoral Act 2001 and the Local Electoral Regulations 2001 and will be undertaken by Election Services, under contract to Whangarei District Council.

#### POSITIONS

During 2018, Whangarei District Council undertook a representation arrangements review (review of wards, boundaries, number of elected members etc). The final proposal retained the existing number of councillors and wards, but made some minor ward boundary alterations to better reflect communities of interest. The final proposal, subject to a Local Government Commission determination, will require elections for the following positions:

- Mayor (elected 'at large')
- Councillors (13)
  - Bream Bay Ward (2)
  - Denby Ward (3)
  - Hikurangi-Coastal Ward (2)
  - Mangakahia-Maungatāpere Ward (1)
  - Okara Ward (4)
  - Whangarei Heads Ward (1)

Elections will also be held for:

- Northland Regional Council Members (either 2 members from the Whangārei Urban Constituency, or 2 members from the Coastal North Constituency, or 1 member from the Coastal South Constituency)
- Northland District Health Board Members (7 members elected 'at large').

#### NOMINATIONS

Nominations for the above positions will open on **Friday 19 July 2019** and close at **noon on Friday 16 August 2019**.

Nomination papers will be available during this period from:

- Whangarei District Council Customer Service Centre, Forum North, Rust Avenue, Whangarei
- Ruakaka Service Centre, 9 Takutai Place, Ruakaka
- by accessing [www.wdc.govt.nz](http://www.wdc.govt.nz);

- by telephoning the electoral office on 0800 922 822.

To be eligible to stand for election, a candidate **must** be:

- a New Zealand citizen (by birth or naturalisation ceremony); **and**
- enrolled as a Parliamentary elector (anywhere in New Zealand); **and**
- nominated by two electors whose names appear on the electoral roll within the respective area that a candidate is standing for.

Detailed candidate information handbooks will be available from May 2019 from:

- Whangarei District Council Customer Service Centre, Forum North, Rust Avenue, Whangarei
- Ruakaka Service Centre, 9 Takutai Place, Ruakaka
- by accessing [www.wdc.govt.nz](http://www.wdc.govt.nz)
- by telephoning the electoral office on 0800 922 822
- at candidate evenings to be held in July 2019

#### ELECTORAL ROLL

Those eligible to vote in the election are all resident electors and non-resident ratepayer electors whose names appear on the electoral roll when it closes on Friday 16 August 2019. The Preliminary Electoral Roll will be available for public inspection from **Friday 19 July 2019** to **Friday 16 August 2019** at the above locations.

**Resident Roll:** All parliamentary electors, including those on the Māori Electoral Roll, are automatically enrolled on the Resident Roll, at the address where they live.

Any alterations to the Resident Roll (eg change of address details, including new postal addresses) should be made by:

- completing the appropriate form at any post shop;
- phoning 0800 ENROLNOW (0800 367 656)
- accessing the Electoral Commission website on [www.elections.org.nz](http://www.elections.org.nz)

**Ratepayer Roll:** If a person is on the parliamentary roll in one area and pays rates on a property in another area, this person may be eligible to be enrolled on the non-resident ratepayer roll. A firm, company, corporation or society paying rates on a property may nominate one of its members or officers as a ratepayer elector (provided the nominated person resides outside the area). Ratepayer Roll enrolment forms are available at all Council offices, or by phoning the electoral office on 0800 922 822 or on Council's website [www.wdc.govt.nz](http://www.wdc.govt.nz).

## ELECTORAL SYSTEM

The first past the post (FPP) electoral system will be used for all elections except for the Northland District Health Board which will use the single transferable voting (STV) electoral system.

## VOTING PERIOD

Voting documents will be sent to all eligible electors, by post, from **Friday 20 September 2019**.

The voting period is three weeks (**Friday 20 September 2019 to noon Saturday 12 October 2019**). Electors may post their completed voting documents back to the electoral officer using the orange pre-paid envelope sent with their voting document.

Polling places for the issuing of special voting documents and for the receiving of completed voting documents will be available from Friday 20 September 2019 to noon on Saturday 12 October 2019 at:

- Whangarei District Council Customer Service Centre, Forum North, Rust Avenue, Whangarei

- Ruakaka Service Centre, 9 Takutai Place, Ruakaka

In order for voting documents to be received by the electoral officer or an electoral official by the close of voting (noon) these should be posted by Tuesday 8 October 2019.

Progress results will be known early afternoon, and preliminary results will be known early on Sunday morning, 13 October 2019. These will be accessible on Council's website [www.wdc.govt.nz](http://www.wdc.govt.nz)

## CONTACT US

For further information regarding this election, please contact the electoral office:



Dale Ofsoske, Electoral Officer  
Whangarei District Council  
C/o PO Box 5135, Wellesley Street, Auckland 1141  
Email: [info@electionservices.co.nz](mailto:info@electionservices.co.nz)  
**Phone: 0800 922 822**



subject to Local Government Commission decision on representation review

## APPENDIX 3


**WHEREVER YOU  
PAY RATES IT PAYS  
TO VOTE**
**DO YOU LIVE IN ONE AREA AND PAY RATES ON A PROPERTY  
IN ANOTHER?**

Then you may qualify to vote more than once at the local authority elections on 12 October 2019

- If you live and vote in one council district, but also pay rates on a property in another district, you may be eligible to enrol as a non-resident ratepayer elector in that other council district.
- If your council district has community or local boards established, and you are a residential elector in one community or local board area and pay rates on a property in another community or local board area, you may be eligible to enrol as a ratepayer elector in that other community or local board area.
- A firm, company, trust, corporation or society which pays rates on a property may nominate one of its members or officers as a non-resident ratepayer elector, provided that the nominator and the person nominated are both registered as Parliamentary electors at addresses which are outside the council district within which the property is situated.
- In the case of partners, joint tenants and tenants in common, who collectively pay rates on a property, one of the group may be nominated to be entered on the ratepayer electoral roll. Again, the nominated person and the nominator must be registered as Parliamentary electors at addresses which are outside the council district within which the property is situated.

Note: The term 'council district' includes a city, district and regional council area.

**Eligibility to enrol or be nominated will depend on individual circumstances**

In each case only one ratepayer elector can be nominated, irrespective of the number of properties owned by the firm, company, society, trust, partnership or ratepayer in a council district.

**New Ratepayer Electors**

If you think you may be eligible to enrol or to nominate a person for the ratepayer electoral roll, you will need to obtain an Enrolment Form for Ratepayer Electors from the city or district council to which you pay your rates.

If you are on the Parliamentary electoral roll you will automatically be on the local authority residential electoral roll

If you want further information please phone toll free

**0800 54 8683**

**0800 LG VOTE**

(from 15 April 2019 to 30 August 2019)



**ENROL NOW –  
THE RATEPAYER  
ELECTORAL ROLL  
CLOSES ON  
16 AUGUST 2019**





## 6.5 Disposal of land at Ruakaka Town Centre

**Meeting:** Whangarei District Council

**Date of meeting:** 28 March 2019

**Reporting officer:** Sue Hodge

### 1 Purpose

To consider the submissions received regarding the proposed sale of land at Ruakaka.

### 2 Recommendation

That the Council

1. Approve proceeding with the sale of Lot 2 DP65791 and part Lot 1 DP 39687 for \$141,500 plus GST and to enter into a sale and purchase agreement with associated Private Developers Agreement (PDA) with Town Centre Properties Ltd.

### 3 Background

In June 2007, Whangarei District Council signed a Sale and Purchase Agreement with Town Centre Properties Limited (TCP) that included several conditions;

- An agreement that Council would allow a right of way (ROW) off the northern end of Takutai Place, to a width of 20m;
- That there be no liability for Council to form the ROW;
- Any formation of the ROW would be at the cost of TCP;
- Should TCP develop or form this ROW, consideration would be given to reduce or waive development contributions, once development of the TCP properties occurs;
- Granting to TCP a right of first refusal for a 10-year period, should Council wish to sell land bounded to the west by Marsden Point Road, to the south by Peter Snell Road, to the north by Sime Road and to the east by Takutai Place/ROW (Clause 21).

A private developer agreement (PDA) is being developed that will deal with the offset of the development contributions liability against the formation costs of the ROW.

In 2017 TCP contacted Council stating they wished to purchase 2 small parcels of land (Area A and B shown on Attachment 1). The sale proceeds of this land would also be committed towards developing the ROW.

Lot 2 DP65791 (Area A) is a roadside grass verge. This land is no longer required by WDC Rooding. Historically, it acquired to provide additional corridor width to support heavy vehicle movements associated with port and refinery activities. Upon construction of State Highway 15, it was no longer necessary to protect the further widening of Marsden Point Road, and other similar slivers of land have since been disposed of.

Lot 1 DP 39687 (Area B) is part of Ruakaka sports grounds and leased to Ruakaka Recreation Centre. Area B is essentially an open drain with no current recreational value or use. Once the ROW is formed it will be physically separated from the sports ground.

At the August 2018 Council meeting Council resolved:

*“That Council approves initiating a public consultation process pursuant to Section 138 of the Local Government Act 2002 to consider the disposal of the land in the schedule below to Mr K Orr (or nominees thereof);*

**Schedule**

*2300m2 being part Lot 1 DP 396871*

*840m2 being All of Lot 2 DP 65791.”*

The land to be sold is outlined in Attachment 1.

The total cost of developing the ROW is approximately \$850,000 so both the sale proceeds and development contributions will be needed to fund the full length of the ROW over time. An outline of the proposed plan of works is contained in Attachment 2.

## **4 Discussion**

Council publicly notified its intent to sell the subject land by private treaty as required under s138 of the Local Government Act in January 2019. Two submissions were received both opposing the sale. These are summarised in Attachment 3.

The opposition to the sale is primarily in relation to the loss of open space and potential future drainage issues.

No usable open space is being sold. Area B is currently a swale drain that will be developed once sold as a piped stormwater drain. The plans developed for the ROW have dealt with future stormwater drainage requirements. Other points of objection were in relation to the leased area of the Ruakaka Recreations Centre. Although Area B is currently leased to Ruakaka Recreation Centre, the committee endorsed the development of the car park and sale of land at their June 2018 AGM. Discussions are underway to amend the leased agreement.

### **4.1 Financial/budget considerations**

Mr Orr has proposed that in lieu of a cash payment for this land he will form the first stage of the ROW.

The cost of this work has been estimated to be \$230,000 plus GST.

The land has a market value of \$141,500 plus GST.

The difference in value of \$89,500 is proposed to act as a credit against TCP's future development contribution liabilities.

The cost of subdividing off the section of part Lot 1 DP 396871 (Area B) will be offset against the sale of the land.

There are no other financial or budget considerations.

### **4.2 Policy and planning implications**

There are no policy or planning implications.

### **4.3 Options**

The following options have been identified:

### **Option 1: Ceasing the sale process**

The objectors have raised concerns around loss of open space and drainage issues. Drainage issues are being managed through a PDA and through the subdivision process that will require a drainage easement and future piping of this area. Any open space loss is being offset by the improved car parking around the recreation centre and access to the sports fields. For these reasons this is not the preferred option.

### **Option 2: Entering into the Sale of the Subject Land by Private Treaty**

This is the preferred option whereby Council after consideration of the submissions made on the sale of land, sells the land at market value to TCP, as outlined in the July 2018 Report. A private developer agreement (PDA) is being developed that will deal with both the offset of the development contributions liability and land sale proceeds against the formation costs of the ROW. The land offered for sale is not considered to be strategic and the future development of the Ruakaka Town Centre through having the ROW is seen as a positive development for the community.

#### **4.4 Risks**

No risks have been identified.

## **5 Significance and engagement**

### **5.1 Significance**

The decisions and matters of this agenda do not trigger the significance criteria of Council's Significance and Engagement Policy.

### **5.2 Engagement**

Consultation has been undertaken with the current users of the land including the Ruakaka Recreation Centre Committee, and through public notification under s138 of the Local Government Act between 9 January - 22 February 2019. Two submissions were received (Summary shown in Attachment 3).

## **6 Attachments**

Attachment 1 – Land to be sold

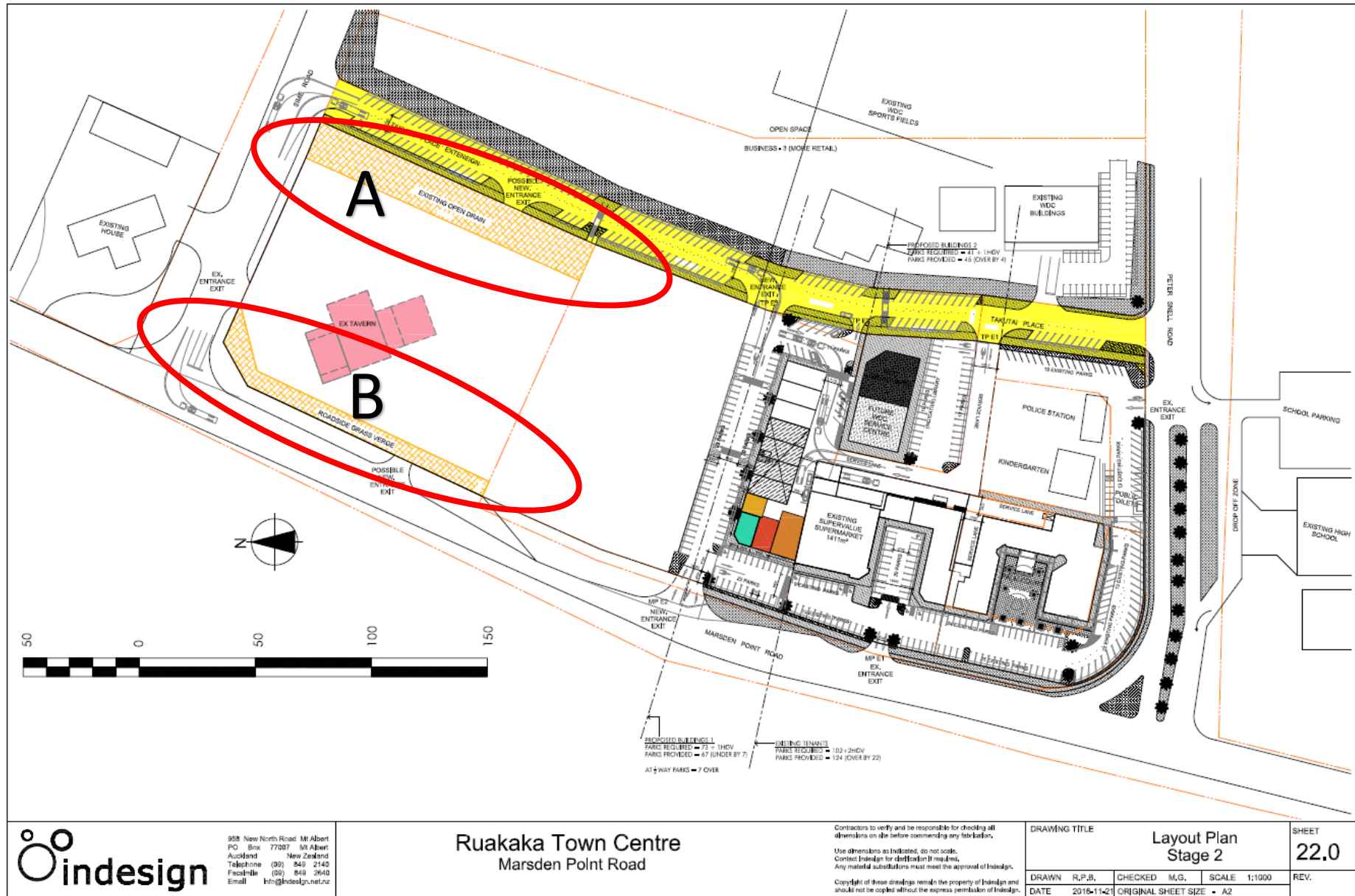
Attachment 2 – Base Group Consulting Plan dated 5 December 2017

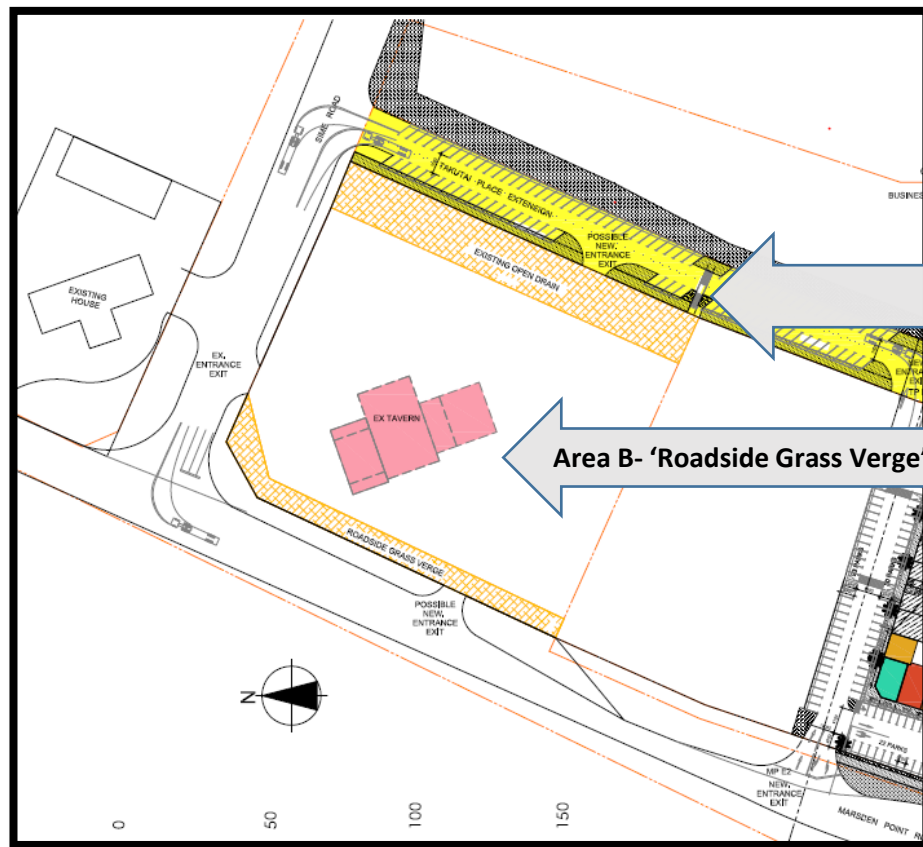
Attachment 3 - Summary of Submissions





## Attachment 1





## Area A- “Existing Open Drain”

<b>Parent Title</b>	Approximately 2300m <sup>2</sup> of Lot 1 DP 396871 (parent title is 8.9ha)
<b>Owner</b>	Whangarei District Council - Parks & Recreation. Within area of lease to Ruakaka Recreation Centre
<b>Environment (Zoning)</b>	Business 3 Environment
<b>Existing Use</b>	Land adjoining sportsfield. Described as a drain. Conveys water under road from dune lake on Sime Road, water drains to cesspit to south ( Orr land). Land needs to be able to convey water Right to drain land over Lot 3 DP 396871 required (see image below). Overland flow path. If land to be used for access a culvert or piped solution would be required.
<b>Proposed Use</b>	Town Centre Properties seek to purchase to provide additional area for commercial development/parking/ access.
<b>Comment</b>	Land not reserve, but considered a “Park” under the Local Government Act 2002.
<b>Strategic Context</b>	As this land is separated from the main sports fields by the ROW it is not considered strategic



Area B Details “Roadside Grass Verge”		
Land Description	All of Lot 2 DP 65791 being 840m <sup>2</sup> more or less	
	Whangarei County Council managed by WDC Roading	
	Business 3 Environment	
	Verge adjoining road reserve. Title is a former spite strip which provided additional road corridor width to support activities at Marsden Point. The need for additional width became redundant upon construction of SH15.	
	Town Centre Properties seek to purchase to provide additional area for commercial development/parking/ access.	
	Not subject to section 138 of the Local Government Act (recommended that disposal process be applied.	
Strategic Context	Due to SH15 development this land is not considered strategic	

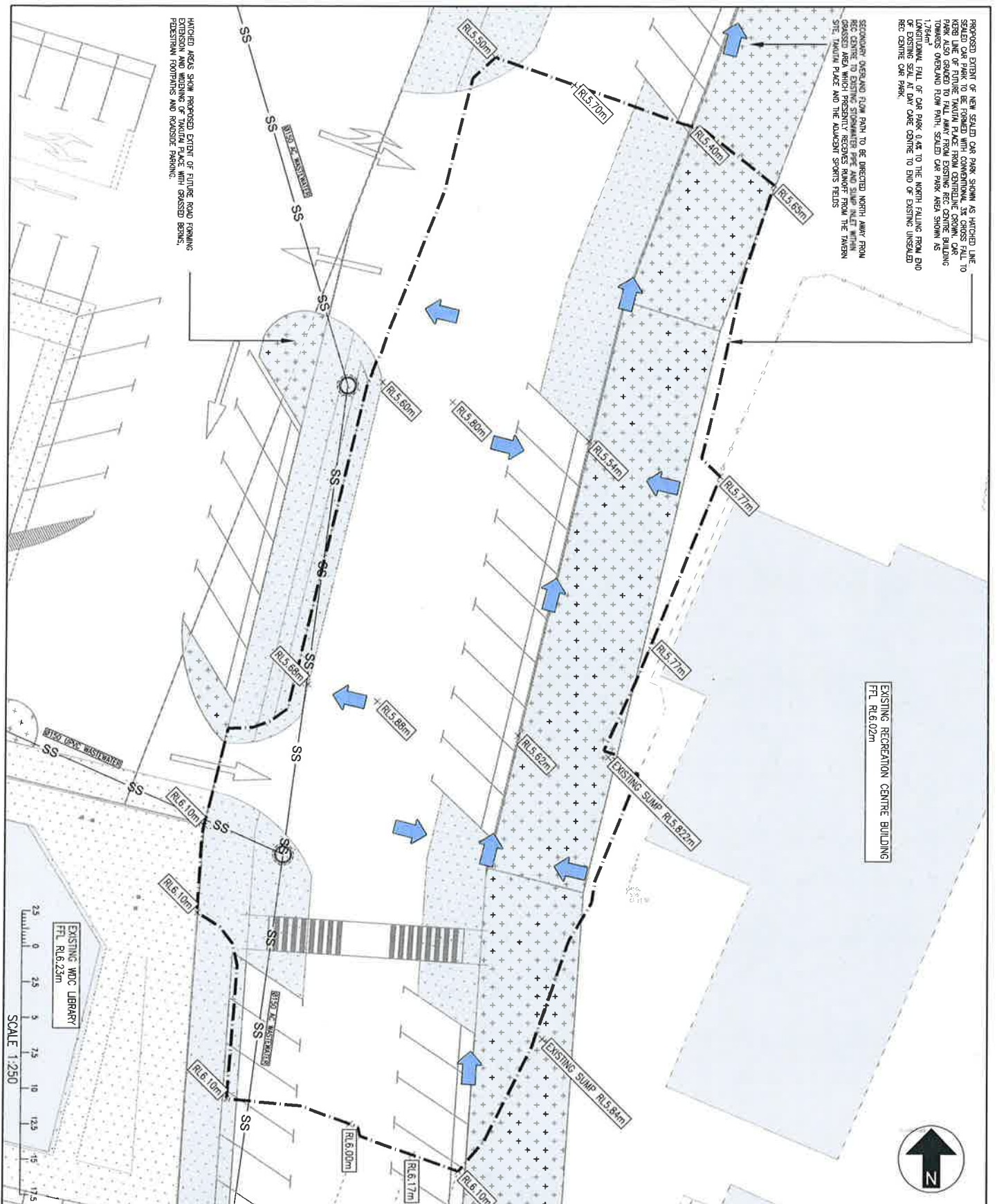


## Area B Details “Roadside Grass Verge”


<b>Land Description</b>	All of Lot 2 DP 65791 being 840m <sup>2</sup> more or less
<b>Title Owner</b>	Whangarei County Council managed by WDC Roading
<b>Environment (Zoning)</b>	Business 3 Environment
<b>Existing Use</b>	Verge adjoining road reserve. Title is a former spite strip which provided additional road corridor width to support activities at Marsden Point. The need for additional width became redundant upon construction of SH15.
<b>Proposed Use</b>	Town Centre Properties seek to purchase to provide additional area for commercial development/parking/ access.
<b>Comment</b>	Not subject to section 138 of the Local Government Act (recommended that disposal process be applied).







1. THIS DRAWING IS NOT TO BE SCALED
2. THIS DRAWING IS TO BE READ IN CONJUNCTION WITH ALL SPECIFICATIONS, TECHNICAL DRAWINGS, SCHEDULES AND MAKE DRAWINGS
3. ALL WORKS TO COMPLY WITH THE WHANGAREI DISTRICT COUNCIL ENVIRONMENTAL MANAGEMENT STANDARDS 2010
4. ALL DESIGN, CONSTRUCTION, SAFETY AND TESTING SERVICES BASED ON INFORMATION PROVIDED BY BOUNDARY HUNTER SURVEYING. BOUNDARY CONSULTING HAVE NOT INDEPENDENTLY VERIFIED THIS INFORMATION AND MAKE NO REPRESENTATION AS TO ITS ACCURACY
5. BOUNDARY CONSULTING WILL NOT BE IN CONTACT WITH BOUNDARY CONSULTING INFRASTRUCTURE SPECIFICATION 1613.
6. FOR CLARITY NOT ALL OF THE EXTERNAL SERVICES AT THE SITE HAVE BEEN SHOWN ON THIS DRAWING. SERVICE PROVIDER TO CONSTRUCTION
7. FOR EXISTING LEVELS PLAN REFER TO DRAWING NO. 1613/12/01
8. BOUNDARY OF THE SITE AREA FOR EXTENT OF OUR PRIVATE WORKS IS INDICATED ONCE FOR A CORROSE ACCESS REQUEST FROM THE ROAD PRIOR TO UNDERTAKING ANY WORKS WITHIN THE LEAK ROAD. THE ROAD BOUND IS TO BE REINSTATED TO THE SATISFACTION OF WCC ZEO.
9. CONTRACTOR IS TO ENSURE ALL REQUESTS ARE 1.05M AND THE WCC DOCUMENTATION IS USED TO DETERMINE THE CONTRACTOR MUST PROVIDE AS-BUILT INFORMATION IN ACCORDANCE WITH WCC EES REQUIREMENTS

File	Description	Date	Appr
	 <p>BOUNDARY OF SLOPED CAR PARK OVERLAND FLOW PATH FUTURE GRESSED BERM FOR TAJUVA PLACE EXTENSION FUTURE CONCRETE FOOTPATH FOR TAJUVA PLACE EXTENSION</p>		

**TOWN CENTRE PROPERTIES  
MARSDEN POINT ROAD  
RUAKAKA**

**BASE GROUP**  
**CONSULTING**  
Structural & Civil Engineering

P.O. Box 1032, Whangarei D142, New Zealand  
P 09 437 3432 E [office@basegroup.co.nz](mailto:office@basegroup.co.nz) [www.basegroup.co.nz](http://www.basegroup.co.nz)

## TAKUTAI PLACE FUTURE ALIGNMENT

Scale:	Date:	Drawn:	Checked:
1:250 @ A3	5 DEC 2017	AM	
Drawing No.:		Rev:	
16113/C103			





**Attachment 3: Summary of Submissions - Ruakaka Town Centre s138 Local Government Act consultation**

<b>Submission</b>	<b>Submitter</b>	<b>Position</b>	<b>Summary of Submission</b>
1	Dr M Kepa	Opposes sale	Ruakaka does not need to grow Personal gain from land not community Consultation does not engage on maori community values and aspirations
2	M Hicks	Support sale of Area A Oppose sale of Area B	Area is leased to Ruakaka Recreation Centre Area part of the dune system - need to retain open drain Increases carbon footprint with additional carparking No need for additional carparking



## 6.6 Temporary Road Closure – Fire Engine Pull

**Meeting:** Whangarei District Council  
**Date of meeting:** 28 March 2019  
**Reporting officer:** Petra Gray (Community Events Coordinator)

### 1 Purpose

To seek approval of the proposal to temporarily close a road to allow the Fire Engine Pull event organised by Whangarei Rotary and Cancer Society Northland to be held on Saturday 6 April 2019.

### 2 Recommendations

That Whangarei District Council,

1. Revokes the resolution made on 7 February 2019 for a temporary road closure for the purpose of the Fire Engine Pull event organised by Whangarei Rotary and Cancer Society Northland in accordance with the Transport (Vehicular Traffic Road Closure) Regulations 1965
2. Approves the temporary closure of the following road to ordinary traffic for the Fire Engine Pull event organised by Whangarei Rotary and Cancer Society Northland event in accordance with section 342 (1)(b) and Schedule 10 Clause 11 of the Local Government Act 1974.

**Saturday 6 April 2019 (Rain date Saturday 13 April 2019)**

**James Street** from Cameron Street to Robert Street

**Period of Closure:** 10.00am – 2.00pm

3. Approves the temporary closure of the side roads off the road to be closed for up to 100 meters from the intersection for safety purposes.

### 3 Background

During the 7 February 2019 Infrastructure Committee Meeting Council approved the proposal to temporarily close James Street from Cameron Street to Robert Street on Saturday 6 April 2019 from 10am until 2pm, for the purpose of a Fire Engine Pull event in accordance with the Transport (Vehicular Traffic Road Closure) Regulations 1965 (“the Transport Regulations”).

Due to an administrative error, it was brought to staff attention that the public notice for this proposed road closure did not include the following words, which are required if closing the road under the Transport Regulations:

*'Any person objecting to the proposals is called upon to lodge notice of their objection and grounds thereof in writing, before Saturday 9 March 2019 at the office of Whangarei District Council, Private Bag 9023 Whangarei 0148'.*

Due to the time restraints in the Transport Regulations there is now insufficient time to resubmit a correct public notice under the Transport Regulations.

There is an alternative way to temporarily close a road, and that is using the provisions of the Local Government Act 1974 (LGA). Section 342(1)(b) and Schedule 10 of the LGA allows Council to close any road or part of a road for any exhibition, fair, show, market, concert, film-making, race or other sporting event, or public function. Such closure is conditional upon Council consulting with the Police and the New Zealand Transport Agency. Council must also be satisfied that the closure of the road will not impede traffic unreasonably.

To ensure that correct process is followed for the closure of this road, staff request that the previous resolution of Council be revoked and replaced with one that meets the requirements of the LGA.

## **4 Discussion**

This is a community event to celebrate 40 years of the Domain Lodge service. It is being organised by Whangarei Rotary and the Cancer Society Northland and will raise money for the Cancer Society Northland and Domain Lodge. The event will include a fire engine pull along James Street.

As required by the LGA, the proposed closures have been discussed with Police and NZTA. They are both in support of the temporary road closure. Council roading staff have also assessed the proposed road closure and have advised that the closure will not impede traffic unreasonably.

This proposal to temporarily close this road under the provisions of the LGA was publicly notified in the Whangarei Leader on Wednesday 20 March 2019. Staff will update Council at the time of the meeting as to whether there have been any objections received from the public to this proposed road closure. In accordance with the LGA, this decision of Council will be notified to the public.

## **5 Significance and engagement**

The decisions or matters of this Agenda do not trigger the significance criteria outlined in Council's Significance and Engagement Policy, and the public will be informed via Agenda publication on the website, Council News, Facebook marketing by the event organizers.

## **6 Attachments**

1. Temporary Road Closure Application Letter – Fire Engine Pull (includes insurance letter)
2. Temporary Road Closure Fire Engine Pull Agenda Item (7 February 2019 Infrastructure Committee Meeting)



**6 April 2019 –Request for temporary road closure of part of James St - Cameron to Robert St.**

**10 am – 2.00 pm Celebrating 40 years of Domain Lodge service to Northlanders**

**For Fire Engine Pull Event organised by Whangarei Rotary/Cancer Society Northland**

The Whangarei South Rotary Club requests a temporary road closure to enable an event to celebrate and raise funds marking 40 years of Domain Lodge service to Northlanders on 6 April 2019. The event will take place between 10.30 am – 1.30 pm.

To enable the event to be held safely, the following temporary road closure for James St from Cameron St to Robert St is requested on 6 April 2019 between the hours of 10am to 2 pm from Cameron St through to Robert St.

This event is being organised by Whangarei South Rotary Club and in co-ordination with the Cancer Society Northland (Jenni Moore – Manager – contact details overleaf).

The event: 6- 8 teams will pull a 1985 fire engine along James St. The event will raise money for the Cancer Society Northland for Domain Lodge. Domain lodge celebrates 40 years of service to Northlanders in 2019.

Other rotary/lions clubs will be involved as volunteers. Each team will fund raise and bring supporters. Cancer Society and Rotary will advertise the event including radio and newspaper advertising. Police/emergency services expected to provide a team and assist with crowd control. Mayor/Local MPs invited. There will be no entry cost to the public. Raffles and auction will be conducted during the event.

This event will bring families into the town centre on a Saturday morning. This will benefit local shops and eateries in particular.

A traffic Management Plan will be submitted by Colin Twyman. 09 435 0717

Temporary fencing has been arranged, delivered, erected and taken down on the day.

Attached –

- Contact details
- Confirmation of Rotary Clubs Public Liability insurance \$5m
- Health and Safety Plan tbc

## Rotary Contacts

Club President Gerard Skerten [gerard@skerten.com](mailto:gerard@skerten.com) 021 898 060

Tony Savage [tonysavage@gmail.com](mailto:tonysavage@gmail.com) 021 393 230 – event organiser

Edna Johnston 027 453 6272- event organiser

Tracey Risetto – treasurer

Jenni Moore Rotary and Cancer Society



**Cancer  
Society**

### Jenni Moore

Manager | Cancer Society Northland  
Te Kahui Matepukupuku o Aotearoa

p. 09 437 5593 f. 09 437 5602 m. 021 438 810 toll free: 0800 366 066  
Daffodil House | 73 Kamo Rd | PO Box 8100, Kensington, Whangarei 0145

[www.cancernz.org.nz](http://www.cancernz.org.nz)

Improving community well-being by reducing the incidence and impact of cancer  
Cancer Information Helpline: 0800 CANCER (226 237)

## About Domain Lodge

Domain Lodge is located at 1 Boyle Crescent, Grafton, just across the road from Auckland City Hospital, the Regional Cancer and Blood service and the Auckland Domain.

Domain Lodge is owned and operated by the Cancer Society Auckland, a non-government organisation funded by donations and bequests.

**Fire Engine – (has current COF, registration, goods license)**





Crombie Lockwood (NZ) Ltd  
Level 4, 100 Beaumont St, Westhaven, Auckland  
Private Bag 65 910 Newton, Auckland 1145  
P +64 9 623 9934 F +64 9 623 9901  
[www.crombielockwood.co.nz](http://www.crombielockwood.co.nz)

25<sup>th</sup> June 2018

## To Whom It May Concern

### Confirmation on Cover

This confirms that a Policy No. P000037498PUR has been issued in the name of:  
Rotary International District 9910 Incorporated, and Rotary Clubs, Rotaract Clubs and Interact  
Clubs in the District in New Zealand including Charitable Trusts formed within those clubs

<b>INSURER:</b>	QBE Insurance (International) Ltd		
<b>POLICY TYPE and SUM INSURED:</b>	(1)	Public Liability	\$5,000,000
	(2)	Forest & Rural Fires Act	\$1,000,000
	(3)	Statutory Liability	\$1,000,000
	(4)	Officers Liability	\$1,000,000

**PERIOD OF INSURANCE:** 01<sup>st</sup> July 2018 to 01<sup>st</sup> July 2019

**Territorial & Jurisdictional Limit:**

- (1) Worldwide excluding USA & Canada
- (2) New Zealand
- (3) New Zealand

Subject to: Policy Wording PURPL Combined Liability Solutions for Associations PUR 0116

Yours sincerely,

Philippa Berry  
Broker  
Crombie Lockwood  
DDI: 09 362 4119





## 4.1 Temporary Road Closure – Fire Engine Pull

**Meeting:** Infrastructure Committee  
**Date of meeting:** 7 February 2019  
**Reporting officer:** Petra Gray (Community Events Coordinator)

### 1 Purpose

To seek approval of the proposal to temporarily close a road to allow the Fire Engine Pull event organised by Whangarei Rotary and Cancer Society Northland to be held on Saturday 6 April 2019.

### 2 Recommendations

That the Infrastructure Committee

1. Approves the proposal to temporarily close the following road to ordinary traffic for the Fire Engine Pull event organised by Whangarei Rotary and Cancer Society Northland in accordance with the Transport (Vehicular Traffic Road Closure) Regulations 1965
 

**Saturday 6 April 2019**  
  
**James Street** from Cameron Street to Robert Street  
  
**Period of Closure:** 10.00am – 2.00pm
2. Approves the proposal to temporarily close the side roads off the roads to be closed for up to 100 meters from the intersection for safety purposes.
3. Delegates to the Chair of the Infrastructure Committee and General Manager Infrastructure, the power to give public notice of these proposed temporary road closures, to consider any objections and to either approve, cancel or amend any or all of the temporary road closures if applicable.

### 3 Background

The Whangarei Rotary and Cancer Society Northland are organizing a Fire Engine Pull to celebrate the 40 years of the Domain Lodge service.

The event will consist of 6 – 8 teams pulling a 1985 fire engine along James Street.

Each team will fund raise and bring supporters into the CBD.

The event will raise money for Cancer Society Northland for Domain Lodge.

## **4 Discussion**

Whangarei Rotary, Lions Club and other volunteers will be involved to ensure the event runs smoothly.

The Police and other emergency services are expected to provide a team and assist with crowd control on the day.

Temporary fencing will be erected and packed down on the day to ensure safety and crowd control at the event.

A traffic management plan will be submitted by Colin Twyman to Council for approval.

### **4.1 Risks**

The event organisers are working to eliminate or minimise risks where possible. A temporary road closure will ensure safety of participants and spectators during the event.

## **5 Significance and engagement**

The decisions or matters of this Agenda do not trigger the significance criteria outlined in Council's Significance and Engagement Policy, and the public will be informed via Agenda publication on the website, Council News, Facebook and marketing by the event organiser

## **6 Attachment**

Temporary Road Closure Application Letter – Fire Engine Pull (includes insurance letter)

**RESOLUTION TO EXCLUDE THE PUBLIC****Move/Second**

That the public be excluded from the following parts of proceedings of this meeting.

The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under Section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

General subject of each matter to be considered		Reason for passing this resolution in relation to each matter	Ground(s) under Section 48(1) for passing this resolution
1.1	Closed Minutes Whangarei District Council 28 February 2019	Good reason to withhold information exists under Section 7 Local Government Official Information and Meetings Act 1987	Section 48(1)(a)
1.2	Closed Minutes Whangarei District Council 21 February 2019		
1.3	Closed Minutes Extra ordinary Whangarei District Council 6 March 2019		
1.4	Bade debts to write off for 2018-2019		
1.5	Airport Location Options Study		

This resolution is made in reliance on Section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by Section 6 or Section 7 of that Act which would be prejudiced by the holding of the whole or the relevant part of the proceedings of the meeting in public, are as follows:

Item	Grounds	Section
1.1	For the reasons as stated in the previous minutes	
1.2	For the reasons as stated in the previous minutes	
1.3	For the reasons as stated in the previous minutes	
1.4	To protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or is the subject of the information	Section 7(2)(b)(ii)
1.5	To maintain legal professional privilege To enable Council to carry on without prejudice or disadvantage commercial activities	Section 7(2)(g) Section 7(2)(h)

**Resolution to allow members of the public to remain**

If the council/committee wishes members of the public to remain during discussion of confidential items the following additional recommendation will need to be passed:

**Move/Second**

"That \_\_\_\_\_ be permitted to remain at this meeting, after the public has been excluded, because of his/her/their knowledge of Item \_\_\_\_\_.

This knowledge, which will be of assistance in relation to the matter to be discussed, is relevant to that matter because \_\_\_\_\_.

*Note: Every resolution to exclude the public shall be put at a time when the meeting is open to the public.*