



Agenda Council Meeting

**Tuesday 12 August 2014
9.00am**

**Council Chambers
Queen Street
TE KUITI**

**This meeting will be Public Excluded
until 10.30am**



NOTICE OF MEETING

A MEETING OF THE WAITOMO DISTRICT COUNCIL IS TO BE HELD IN THE COUNCIL CHAMBERS, QUEEN STREET, TE KUITI ON TUESDAY 12 AUGUST 2014 COMMENCING AT 9.00AM

COUNCIL MEMBERS

Mayor Brian Hanna
Cr Terry Davey
Cr Lorrene Te Kanawa

Deputy Mayor Guy Whitaker
Cr Allan Goddard

Cr Phil Brodie
Cr Sue Smith

CHRIS RYAN
CHIEF EXECUTIVE

ORDER PAPER

Note

This meeting will be Public Excluded until 10.30am

Items of Business	Page No.
1. Council Prayer	
<i>God Grant us the serenity to accept the things we cannot change The courage to change the things we can And the wisdom to know the difference These things we ask in the name of Our Lord Jesus Christ Amen</i>	
2. Apologies	
3. Motion to Exclude the Public for the consideration of:	4
1. Contractual Issues: Setting of Key Performance Indicators for 2014/2015	5 – 7
4. Resolution to Re-open Meeting to the Public	8

Adjourn for Morning Tea and Reconvene at 10.30am

Items of Business	Page No.
5. Declarations of Member Conflicts of Interest	
6. Deliberations on Submissions - Policy on Gambling Venues	9 – 21

PLEASE NOTE

1. The business papers attached to this Order Paper set out recommendations and suggested resolutions only. Those recommendations and suggested resolutions do not represent Council policy until such time as they might be adopted by Council resolution.
2. This Order Paper may be subject to amendment either by the addition or withdrawal of items contained therein.

Document No: 341251

File No: 037/043

Report To: Council**Meeting Date:** 12 August 2014**Subject: Motion to Exclude the Public for the Consideration of Council Business****Purpose of Report**

- 1.1 The purpose of this business paper is to enable the Council to consider whether or not the public should be excluded from the consideration of Council business.

Commentary

- 2.1 Section 48 of the Local Government Official Information and Meetings Act 1987 gives Council the right by resolution to exclude the public from the whole or any part of the proceedings of any meeting only on one or more of the grounds contained within that Section.

Suggested Resolutions

- 1 The public be excluded from the following part of the proceedings of this meeting.
- 2 Council agree the following staff, having relevant knowledge, remain in attendance to assist Council with its decision making: ...
- 3 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	Section 48(1) grounds for this resolution
1. Contractual Issues: Setting of KPIs for 2014/2015	7(2)(i) Enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)	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 or Section 6, Section 7 or Section 9 of the Official Information Act 1982 as the case may require are listed above.

A handwritten signature in blue ink, appearing to read "Michelle Higgie".

MICHELLE HIGGIE
EXECUTIVE ASSISTANT

Confidential

Confidential

Confidential

Document No: 341253**File No:** 037/043**Report To: Council****Meeting Date:** 12 August 2014**Subject: Resolution to Re-Open Meeting to the Public**

Purpose of Report

- 1.1 The purpose of this business paper is for Council to pass a formal resolution to re-open the meeting to the Public following the consideration of public excluded business.

Commentary

- 2.1 Section 48 of the Local Government Official Information and Meetings Act 1987 gives Council the right by resolution to exclude the public from the whole or any part of the proceedings of any meeting only on one or more of the grounds contained within that Section.
- 2.2 In circumstances where, following the consideration of public excluded business, there is further business on the Agenda to be dealt with in the public forum, Council must pass a formal resolution re-opening the meeting to the public.

Suggested Resolution

The meeting be re-opened to the public for the consideration of that part of the Agenda which is not public excluded business.

A handwritten signature in blue ink, appearing to read "Michelle Higgie".

MICHELLE HIGGIE
EXECUTIVE ASSISTANT

Report To: Council**Meeting Date:** 12 August 2014**Subject:** **Deliberations on Submissions - Policy on Gambling Venues****Purpose of Report**

- 1.1 The purpose of this business paper is to provide advice on the suggested treatment of submissions received in relation to the review of WDC's Policy on Gambling Venues.

Local Government Act S.11A Considerations

- 2.1 There are no Section 11A of the Local Government Act considerations relating to this business paper.

Background

- 3.1 Council is required to review its Policy on Gambling Venues every three years as per the Gambling Act 2003 (the Act).
- 3.2 The last review was carried out in 2011 and Council resolved in that review that no change was required to it.
- 3.3 Since the last review the Act has been amended with local authorities required to consider whether to include a relocation policy in their gambling venue policy.
- 3.4 The other key change at a local level has been the closure of the Te Kuiti Hotel with the subsequent loss of 18 gaming machines.
- 3.5 A Council workshop was held on 13 May 2014 to commence the review of Councils policy. At the workshop it was agreed that a number of amendments to the policy were necessary to reflect changes in the local gaming environment and amendments to the Act.
- 3.6 A further workshop was held on 22 May where policy provisions were again reviewed to ensure that Council had carefully considered the social impact of gambling and the harm that can be caused by gambling in high deprivation communities.
- 3.7 The key changes agreed to at the workshop which were incorporated into the preliminary draft policy are:
- A cap on the total number of gaming machines allowed in the District. Council agreed to set the cap at 77. The basis for this number was 82 (total machines in the District as at 31 March 2014) less 18 (machines removed from Te Kuiti Hotel) plus 4 (number of machines increased at the Riverside)

plus 9 (possible number of machines at an alternate venue to Te Kuiti Hotel).

In deciding on the District cap, Council has drawn a balance between reducing the social harm of gambling and benefits arising from the generation of community funding. The introduction of a cap has also been done in consideration of controlling the growth of gambling in the District.

- The number of gaming venues in the Te Kuiti urban area be limited to the total number as at 31 March 2014 so as to avoid any further concentration of venues. Te Kuiti had 5 venues as at 31 March 2014 and currently has 4 operative venues.

As at 1 April 2014, the number of people per gambling machine in Te Kuiti was 61 which is substantially more than the district average of 109 people per gaming machine. The cap on the number of gaming venues in Te Kuiti has been introduced to discourage any further concentration of venue within the Te Kuiti urban area in consideration of the potential harm from gambling.

- New class 4 gaming venues to be allowed a maximum of 9 gaming machines instead of 5 under the current policy, subject to the total number of gaming machines in the District not exceeding the District cap of 77.

In deciding on the increase Council noted that the Gambling Act 2003 allows up to 9 machines for a new venue and it is believed that a minimum of 9 machines is required for a site to be viable.

- Council carefully considered the incorporation of a Relocation Policy. Council felt that inclusion of a relocation policy could detract from the policy objective of reducing gambling harm in the community and controlling the growth of gambling. It was agreed that a relocation policy not be included in the draft policy.
- The Racing Act 2003 requires Council to adopt a Board Venues Policy. This has been included in the Preliminary Draft Policy for Gambling Venues.

3.8 Attached to and forming part of this business paper is the amended Preliminary Draft Policy on Gambling Venues.

3.9 The amended Policy was publicly notified on 10 June 2014 with four submissions received from interested parties.

3.10 Submissions on the Policy were received from the following organisation:

- The NZ Racing Board
- NZ Community Trust
- The Lion Foundation
- Royal NZ Coastguard incorporated

3.11 It was interesting to note that there were no submissions received from local groups which would appear to indicate that the community is generally comfortable with WDC's position on gambling venues.

3.12 Of the four submissions received only 1 submitter, the NZ Racing Board, wished to be heard. A hearing was held on 31 July 2014.

3.13 It would appear that the only contentious issues raised in submissions related to the development of a separate TAB Board Venue Policy. These matters have already been addressed in an earlier reader and the inclusion of a relocation provision in the Policy on Gambling Venues.

Commentary

4.1 **TAB Board Venues Policy**

4.2 The TAB Board Venue Policy is adopted under section 65D of the Racing Act 2003.

4.3 The Racing Acts purpose is:

'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.'

4.4 The NZ Racing Board argues that problem gambling is generally not associated with race or sports betting and by combining the two policies issues associated with gaming machines overshadow the issues associated with race and sports betting.

4.5 The NZ Racing Board also expressed the view that separating the policies was legally and technically correct and ensures that issues only relevant to racing are considered in the policy.

4.6 **Staff Comment**

4.7 Gambling venue policies from a number of Councils across the Waikato Region have been reviewed. Hamilton City, Matamata-Piako and Otorohanga District Council's have separated out their TAB Board Venue Policy and adopted similar wording suggested by the NZ Racing Board, however Ruapehu, Hauraki and Waipa District Councils have incorporated both policies into one.

4.8 Staff believe that WDC's draft policy adequately deals with the location of Board venues within the District, is technically and legally correct, and requires no further amendment at this time.

4.9 However, for clarification purposes, Section 2.0 of the draft Policy has been expanded upon to clearly set out the individual purpose of the Gambling Act 2003 and the Racing Act 2003.

4.9 **The inclusion of a relocation provision in Policy on Gambling Venues**

4.10 As mentioned earlier in this reader section 102(5A) of the Act now specifically requires a local authority to consider whether to include a relocation policy in its gambling venue policy.

4.11 The Act also requires that a local authority in considering a relocation policy must have regard to the social impact of gambling in high deprivation communities within its district.

4.12 All of the submitters in their submissions advocated for the inclusion of a relocation provision in WDC's Gaming Machines Policy on the basis that:

- Allowing relocation enables venues to move to new modern refurbished premises
- Allows venues to move out of earthquake prone buildings
- Allowing relocation creates fairness in cases of fire, earthquake, lease termination, public works acquisition and site redevelopment
- Allowing relocation prevents landlords demanding unreasonable rentals

- 4.13 If Councils policy is adopted an existing venue intending to relocate would be given approval to relocate 9 gaming machines subject to the District cap of 77 machines not being exceeded.
- 4.14 One of the key objectives of Councils policy is to reduce gambling harm and for that reason when the policy was drafted a relocation policy was not included.
- 4.15 In terms of the current draft policy if one of the districts existing venues with 18 machines relocated a maximum of 9 gaming machines could be installed at the new site.
- 4.16 Implementation of the policy could impact on the amount of funding available to community groups however this must be weighted up against the harm that gambling can cause in high deprivation communities.
- 4.17 It is also worth noting that the Waitomo District currently has a relatively high gaming machines density. Waitomo District has 8 gaming machines per 1000 people while the national average is 5 machines per 1000 population.
- 4.18 As mentioned earlier policies on gambling venues of a number of territorial authorities across the region have been reviewed and no clear picture has developed. Hamilton City Council, Matamata-Piako and Otorohanga District Councils allow relocation while Waipa, Hauraki and Ruapehu District Councils do not have a relocation policy.
- 4.19 Staff suggest that given the relatively high deprivation levels in parts of our District, the harm that can be caused by gambling and the high density of gaming machines locally, that a relocation provision should not be included in the Gambling Venue Policy.
- 4.20 Attached to and forming part of this business paper is a table which provides a summary of the issues raised in each submission and a suggested staff response.
- 4.21 Following deliberation on submissions any amendments required will be made to the policy with the policy then presented to Council for adoption on 26 August 2014.

Suggested Resolutions

1. The business paper on Deliberations on Submissions – Policy on Gambling Venues be received.
2. If required changes to the Policy on Gambling Venues be made following deliberations on submissions.



JOHN MORAN
MANAGER – REGULATORY SERVICES

August 2014

Attachments: 1. draft Policy on Gambling Venues (doc 184318v3)
2. Analysis of Submissions Table (doc 341049)

**2014 Review of Waitomo District Council Gambling Policy
Analysis of Submissions**

Sub No	Submitter	Topics	Comment
1	The NZ Racing Board	<p>Council should separate the TAB Board Venue Policy and the gaming machines.</p> <p>Support for the proposed cap of 77 gaming machines.</p> <p>Support for new venues being allowed 9 gaming machines.</p> <p>Invites Council to include a relocation provision in the Gambling Venues Policy.</p>	<p>This matter has been covered the business paper where it was agreed the WDCs policy adequately deals with the location of Board Venues, is technically and legally correct and requires no further amendment at this time.</p> <p>Council thanks the Board for its submission supporting the proposed cap of 77 machines.</p> <p>Council thanks the Board for its submission on supporting new venues being allowed a maximum of 9 gaming machines.</p> <p>This matter has been covered in the business paper with Council noting high deprivation levels in parts of the district, the harm that can be caused by gambling and the high density of machines locally and therefore does not agree to a relocation provision in the gaming machine policy.</p>
2	NZ Community Trust (NZCT0	<p>Council should not have a cap on venues or machines as gaming machines are a legal entertainment choice, can only be played in controlled environments and provide an important source of community funding.</p> <p>Support for new venues being allowed 9 machines.</p> <p>Invites Council to include a relocation provision in the Gambling Venue Policy.</p>	<p>The submission is noted however Council is aware of the importance of limiting the harm from gambling so a cap on both the number of venues and gaming machines will be included in the policy.</p> <p>Council thanks NZCT for its submission supporting new venues being allowed 9 machines.</p> <p>This matter has been covered in the business paper with Council noting high deprivation levels in parts of the district, the harm that can be caused by gambling and the high density of machines locally and therefore does not agree to a relocation provision in the gaming machine policy.</p>

Sub No	Submitter	Topics	Comment
3	The Lion Foundation	<p>Support for a cap on gaming machines (but should be set at 90 machines).</p> <p>Support for new venues being allowed 9 gaming machines.</p> <p>Invites Council to include a relocation provision in the Gambling Venue Policy.</p>	<p>Council thanks the Foundation for its submission however in the interest of limiting the harm from gambling the policy will contain a cap of 77 machines for the District.</p> <p>Council thanks the Foundation for its submission supporting new venues being allowed 9 machines.</p> <p>This matter has been covered in the business paper with Council noting high deprivation levels in parts of the district, the harm that can be caused by gambling and the high density of machines locally and therefore does not agree to a relocation provision in the gaming machine policy.</p>
4	Coastguard NZ (CNZ)	<p>CNZ does not support the cap on the number of gaming machines as problem gambling rates are low in NZ and gaming machine funds are a major source of funding for organisations such as CNZ.</p> <p>CNZ does not support the cap on gaming venues in Te Kuiti.</p> <p>CNZ invites Council to include a relocation provisions in the Gambling Venue Policy.</p>	<p>Council notes CNZ's submission however Council is aware of the importance of limiting the harm from gambling so a cap of gaming machines numbers will be included in the policy.</p> <p>Council thanks CNZ for its submission. It is noted gambling can be harmful particularly in high deprivation areas. It is therefore considered prudent to introduce a cap in the policy.</p> <p>This matter has been covered in the business paper with Council noting high deprivation levels in parts of the district, the harm that can be caused by gambling and the high density of machines locally and therefore does not agree to a relocation provision in the gaming machine policy.</p>



Draft Policy on Gambling

Venues

DRAFT

Contents

1.0	Introduction.....	1
2.0	Policy Objective.....	1
3.0	Definitions.....	2
4.0	Policy Statements.....	3
5.0	Procedures	4
6.0	Review.....	5

DRAFT

Adoption Date	
Consultation Requirement	Special Consultative Procedure
Review Date	May 2014
Responsibility	Regulatory Services

1.0 Introduction

- 1.1 Waitomo District Council (WDC) is required to adopt a policy on Class 4 venues (Gambling Venue Policy) for its district under the Gambling Act 2003 (the Act).
- 1.2 Section 101(3) of the Act requires that the class 4 venues policy:
- i. must specify whether or not class 4 venues may be established in the territorial authority district and if so, where they may be located; and
 - ii. may specify any restrictions on the maximum number of gaming machines that may operate at class 4 venues.
- 1.3 WDC must also have a policy on Board Venues as required by the Racing Act 2003. A board venue policy must specify whether new board venues may be established in the District and if so where they may be located.
- 1.4 WDC recognises the harm that gambling can bring to the community and aims to help minimise this harm by having policy in place to control it. Gaming machine operators are regulated by the Department of Internal affairs and therefore this policy is not aimed at ensuring compliance by gaming machine operators.
- 1.5 WDC also recognises that one of the benefits of gaming machines within the District is increased availability of community funding or grants for the community.

2.0 Policy Objective

- 2.1 The objectives of this policy are:
- a) To support the intent of the Gambling Act 2003 as follows:
 - (i) control the growth of gambling; and
 - (ii) prevent and minimise the harm caused by gambling, including problem gambling; and
 - (iii) authorise some gambling and prohibit the rest; and
 - (iv) facilitate responsible gambling; and
 - (v) ensure the integrity and fairness of games; and
 - (vi) limit opportunities for crime or dishonesty associated with gambling; and
 - (vii) ensure that money from gambling benefits the community; and'
 - (viii) facilitate community involvement in decisions about the provision of gambling.
 - b) To support the intent of the Racing Act 2003 as follows:
 - (i) to provide effective governance arrangements for the racing industry; and
 - (ii) to facilitate betting on galloping, harness, and greyhound races, and other sporting events; and
 - (iii) to promote the long-term viability of New Zealand racing.

3.0 Definitions

"The Act" shall mean the Gambling Act 2003.

"Council" shall mean the elected members that form the governing body (Council) of the District Council.

"Waitomo District Council (WDC)" shall mean the organisation established to administer Council affairs, conduct operations and bring effect to Council policy and strategies.

"Plans" shall mean Council's Long Term Plan, Annual Plan, District Plan or other Strategic Plans.

"Primary Activity" means the activity primarily associated with and promoted by the venue.

"Class 4 Gambling" shall have the meaning contained in Section 30 of the Act.

"Club" means a private club licensed to serve alcohol to members.

"New venue" means a venue granted a Class 4 licence not held as at 31 March 2014.

"Class 4 Venue" shall mean a place used to conduct Class 4 gambling as outlined in the Gambling Act 2003.

"Gaming Machine" shall mean a device, whether totally or partly mechanically or electronically operated, that is adapted or designed and constructed for use in gambling.

"Harm" means harm or distress of any kind arising from, or caused or exacerbated by, a persons gambling.

"Venue Consent" shall mean approval from the WDC to establish a Class 4 gaming venue within the District.

"Venue Licence" means a Class 4 venue licence issued by the Department of Internal Affairs.

"District" shall mean the Waitomo District as constituted under Schedule 2 of the Local Government Act 2003.

"Board Venue" means premises that are owned or leased by the New Zealand Racing Board and where the main business carried out on the premises is providing racing betting or sports betting services.

"Te Kuiti Urban Area" shall be a 5km radius from the Te Kuiti Post Office (deemed to be the centre of town)

4.0 Policy Statements

4.1 Establishment of Class 4 or Board Venues

4.2 Class 4 venues and Board venues may be established within the Waitomo District subject to:

- i. the number of gaming machines proposed for the venue being able to be met within the overall district cap (maximum) on gaming machines as detailed in 4.7.
- ii. not being a venue at which any activity at the venue is associated primarily with family or children's activities, or a venue that promotes their premises predominately for family dining or family activities.
- iii. a venue which operates as a brothel will not be granted a Class 4 venue or Board venue consent.

4.3 Location of Class 4 or Board Venues

4.4 Class 4 gambling venues or Board venues cannot be established adjacent to or directly opposite any kindergarten, early childhood centre, school or place of public worship.

4.5 Primary Activity of Class 4 or Board Venues

4.6 The primary activity of any Class 4 gambling venue or Board venue shall be:

- i. For the sale of alcohol or, the sale of alcohol and food where the venue is subject to a alcohol licence (not being an off licence or a bring-your-own licence) for a hotel, tavern, bar, chartered club or club licence; or
- ii. Where the alcohol licence for the venue is an on-licence or club licence for the sale of alcohol; or
- iii. The conducting of race and sports betting in stand alone New Zealand Racing Board Venues under the Racing Act 2003.

4.7 Maximum number of allowable gaming machines and Class 4 venues

4.8 The maximum number of gaming machines allowed within the Waitomo District (District cap) shall not exceed 77.

In deciding on the District cap, Council has drawn a balance between reducing the social harm of gambling and benefits arising from generation of community funding. Consideration was also given to the policy objective of controlling the growth of gambling in the District. The status quo, being one of the options was in a flux - the total number of machines in the District as at 1 April 2014 were 82 but during the review the number reduced to 68. The District cap arrived at is a balance between these two.

4.9 New Class 4 gaming venues will be allowed a maximum of 9 gaming machines subject to the total number of gaming machines in the District cap not being breached.

- 4.10 The number of Class 4 gaming venues in the Te Kuiti urban area will be limited to 5.

As at 1 April 2014, the number of people per gaming machine in Te Kuiti was 61 which is substantially more than the District average of 109 people per gaming machine. The cap on the number of Class 4 gaming venues in Te Kuiti has been introduced to discourage any further concentration of venues within Te Kuiti urban area in consideration of the potential harm of gambling. In deciding upon this number Council considered the status quo as at 1 April 2014 to be a prudent cap.

4.11 Increase in number of Gaming machines

- 4.12 Consent will not be granted to any Class 4 gaming venue for increasing the number of gaming machines it is currently operating.

4.13 Signage for Class 4 Gaming venues

- 4.14 Gaming machines and or signage relating to or promoting gambling must not be visible from any public place outside the venue.

4.15 Clubs with existing Class 4 venue licenses merging

- 4.16 In the event of two or more clubs with existing Class 4 gambling venue licenses merging, new venue consent shall be required. Notwithstanding other Council requirements for venue consent, Council will give consideration to the maximum number of machines at the merged venue being up to the lesser of:

- i. the total of the machine numbers in the merging venues prior to the merger; or
- ii. 18 machines.

5.0 Procedures

- 5.1 Applications for a venue consent must be made on the approved form and must be accompanied by the information required by WDC to enable it to consider the application in detail including:

- i. name and contact details for the application
- ii. street address of premises proposed for the Class 4 licence
- iii. the names of management staff
- iv. evidence of police approval for owners and managers of the venue
- v. a copy of the approved gambling harm and minimisation policy, the staff training programme and the applicants host responsibility programme
- vi. evidence of the distance to the nearest residential zone, educational or religious establishment and other Class 4 gambling venues

- 5.2 In order to monitor the benefits versus harm of gaming venues WDC will request operators identify local recipients of charitable funding.

- 5.3 The application and processing fees will be as listed in Council's Fees and Charges.

6.0 Review

- 6.1 This policy will be reviewed at least every three years.
- 6.2 The maximum number of machines allowed within the District as well as the cap on venues in Te Kuiti urban area may be reassessed in future reviews in consideration of the benefits versus harm of gambling.

DRAFT