

# EXPLANATION OF THE GAMBLING ACT 2003 AND REVIEW OF THE CLASS 4 GAMBLING VENUE POLICY FOR OTOROHANGA DISTRICT

## THE GAMBLING ACT

The Gambling Act came into operation on the 22 September 2003. The Gambling Act 2003 (the Act) requires the District Council to have a Class 4 Gambling Venue Policy. This policy may reflect the particular district and any issues there may be surrounding gambling. The policy can control the location of non-casino class 4 gaming machine venues (pokies) and TABs. The Class 4 Gambling Venue Policy for Otorohanga District was adopted on 24 February 2004. The Act requires the policy to be reviewed every three years. Council must use the special consultative procedure, set out in the Local Government Act, in order to adopt the policy.

## THE REVIEW

The review of the Class 4 Gambling Venue Policy includes the following process:

- Review of data
- Consultation
- Public notification
- Hearing of submissions
- Adoption of policy.

We have reviewed feedback on the draft Class 4 Gambling Venue Policy and results show we have not received any adverse comments on the Policy since it was adopted in February 2004.

Concerning consultation, we have had early discussions with representatives from the Department of Internal Affairs, Class 4 venue operators and support services. Letters have been sent to existing venues, sports clubs, support services at the support house and Iwi groups.

Results from early discussions only have not indicated the need to recommend changes to the existing draft Policy.

It is anticipated that the Policy would be notified in early February and submissions heard in March 2007. The policy was adopted by Council on 14 March 2007.

## EXISTING VENUES

There are four licensed class 4 venues in the Otorohanga District, three in Otorohanga CBD with a total of 45 machines, and one in Kawhia CBD with a total of five machines. They are the:

- Otorohanga Hotel
- Otorohanga Club
- Kawhia Hotel
- Otorohanga Services and Citizens Club

There are no licensed class 4 venues in other parts of the District.

## THE POLICY

The Gambling Act requires Council to have a policy which must specify whether or not class 4 venues may be established in the District and if so where they may be located, and may specify any restriction on the maximum number of gaming machines that may be operated. In determining the policy, the Council may have regard to any relevant matters including:

- (a) the characteristics of the District:*
- (b) the location of early childhood centres, schools, places of worship, and other community facilities:*
- (c) the number of gaming machines that should be allowed to operate at any particular venue:*

*(d) the cumulative effects of additional opportunities for gambling in the district:*

*(e) how close any venue should be permitted to be to any other venue:*

*(f) what the primary activity at any venue should be:*

In reviewing the Class 4 Gambling Venue Policy Council has been mindful of the existing situation throughout the District, the provisions of the Act, and comments received to date, both verbally and in writing. The issues with gambling in the Otorohanga District would appear to be similar to those found in most areas, and consistent with national issues surrounding gambling. Just because Otorohanga is a small community does not mean it is immune from the effects of gambling. However, less densely populated communities have not attracted the growth in pokie machines that has been experienced in larger urban areas.

The reasons for focusing venues in the CBD and restricting their location in residential areas and around community facilities, is to limit people's exposure to venues and gambling advertising. It has been found in some urban areas, there has been a growth in the number of venues establishing in neighbouring shopping centres and where people congregate on a daily basis. This has meant an increased number of people are exposed to venues and advertisements for gambling as they go about their daily activity, rather than consciously going to the entertainment part of town. This proliferation of venues is considered to be the main contributing factor to the increase in problem gambling.

Since The Gambling Act 2003 has come into effect there has been a decrease in the number of class 4 venues and machines in Otorohanga District. In 2004 when the policy was adopted there were three venues in Otorohanga with a total of 40 machines, and two venues in Kawhia with a total of eight machines. The Gambling Act 2003 is restrictive and the process and costs of establishing a venue do not always make it commercially viable for clubs or smaller entertainment venues to invest in pokie machines. Also in the case of TABs, the relatively slow growth in permanent population means that new venues would not be commercially viable. Having said that, the purpose of the policy is to manage all potential circumstances for future venues, and application for additional machines in existing venues.

The Act restricts the number of machines to nine for new venues, and 18 for those venues established before October 2001 if they had 18 machines at that time. One of the existing venues has less than nine machines so could apply for additional machines. To minimise the social effects of gambling on people and our communities, the policy does not further restrict the number of machines in the CBD areas, but does place location restrictions on venues outside the CBD areas and further restricts the number of machines in these locations to five.

## **CLASS 4 GAMBLING VENUE POLICY**

### **1. Objectives of the policy**

- To support the purpose and intent of the Gambling Act 2003
- To provide for the continued availability of class 4 gambling within the Otorohanga District in accordance with the purpose and intent of the Gambling Act 2003
- To control the growth of class 4 gambling machine numbers within the Otorohanga District
- To identify the CBD areas of Otorohanga and Kawhia as the preferred locality for class 4 gambling within the District
- To restrict the establishment of class 4 gambling activities in locations close to residential areas, community facilities, schools or other identified sensitive land uses.
- To encourage responsible gambling practices and attitudes in class 4 gambling venues.

### **2. Numbers of pokie machines to be allow - per venue**

- i. Subject to meeting the other requirements and restrictions of this policy, all new venues that wish to have gambling machines outside the CBD areas of Otorohanga and Kawhia, may operate a maximum of no more than 5 pokie machines per venue.
- ii. Subject to meeting the other requirements of this policy, new venues within the CBD areas of Otorohanga and Kawhia may operate a maximum of no more that 9 pokie machines per venue.
- iii. Club venues will be subject to the same rules and restrictions as all other venues under this policy.

### **3. Primary activity of class 4 gambling venues**

The primary activity of any class 4 gambling venue shall be:

- i. Clubs for sporting activities, or
- ii. Chartered clubs, or
- iii. For the sale of liquor, or for the sale of liquor and food, for consumption on the premise, or
- iv. For TAB agency outlets.

### **4. Conditions applying to all gambling venues under this policy**

Requirements applying to all locations:

- i. Gambling machines must not be a primary part of the venue's operation
- ii. Gambling machines and/or signage relating to or promoting gambling must not be visible from any public place outside the venue
- iii. The gambling area in a venue shall not have a separate entrance, separate name or otherwise seem to be separate from the primary activity of the venue
- iv. The venue must have an on licence or club licence for the sale of liquor for consumption on the premises, or be a TAB venue
- v. The principal entrance of any venue premises located outside the CBD areas of Otorohanga and Kawhia shall not be located closer than 100 metres to any residential property, community facility, school or early child care centre

- vi. The venue premises shall not adjoin within the CBD area, or be within 50 metres of the principal entrance outside the CBD area of, any other class 4 gambling venue
- vii. Meeting all application, declaration, and fee requirements.

## **5. Applications for a venue consent**

Applications for territorial authority venue may be lodged at any time and must include the following information:

- i. Name and contact details for the application, including the society name, the venue trading name(s), any other name(s) related to the venue, and the venue operator's name(s)
- ii. Street address of premises and legal description of the property proposed for the class 4 venue
- iii. A locality plan clearly identifying the venue property in relation to other neighbouring properties and surrounding land use
- iv. A site plan of the venue property showing existing and proposed buildings
- v. A plan of existing and proposed buildings showing floor layout, location of machines, and external doors
- vi. A declaration from the applicant that the proposed venue complies with Council's gambling venue policy.

## **6. Identification of CBD areas**

For the purposes of this policy, the CBD areas of Otorohanga and Kawhia are described below:

### **Otorohanga**

All land between the railway line to the east and Turongo Street to the west, and Ranfurly Street to the north and Te Kanawa Street/Pine Street to the south.

### **Kawhia**

All the properties fronting Jervois Street including the corner property occupied by the Kawhia Hotel, and the property occupied by the Kawhia Boating and Angling Club.

## **7. Application fee**

This fee will be set by the Council from time to time, and will be based on recovering the fair and reasonable costs of processing an application to determine compliance with the policy.