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# Gambling Resource for Local Government

8 November 2013

Version 1.0

## Disclaimer for Gambling Resource for Local Government

### **Purpose of document**

*KPMG has been contracted by the Ministry of Health to update the “Preventing and Minimising Gambling Harm” resource for local government (“the Resource”). This “Resource for Local Government” document (hereafter referred to as the “Resource”) is a draft output of our contract with the Ministry of Health.*

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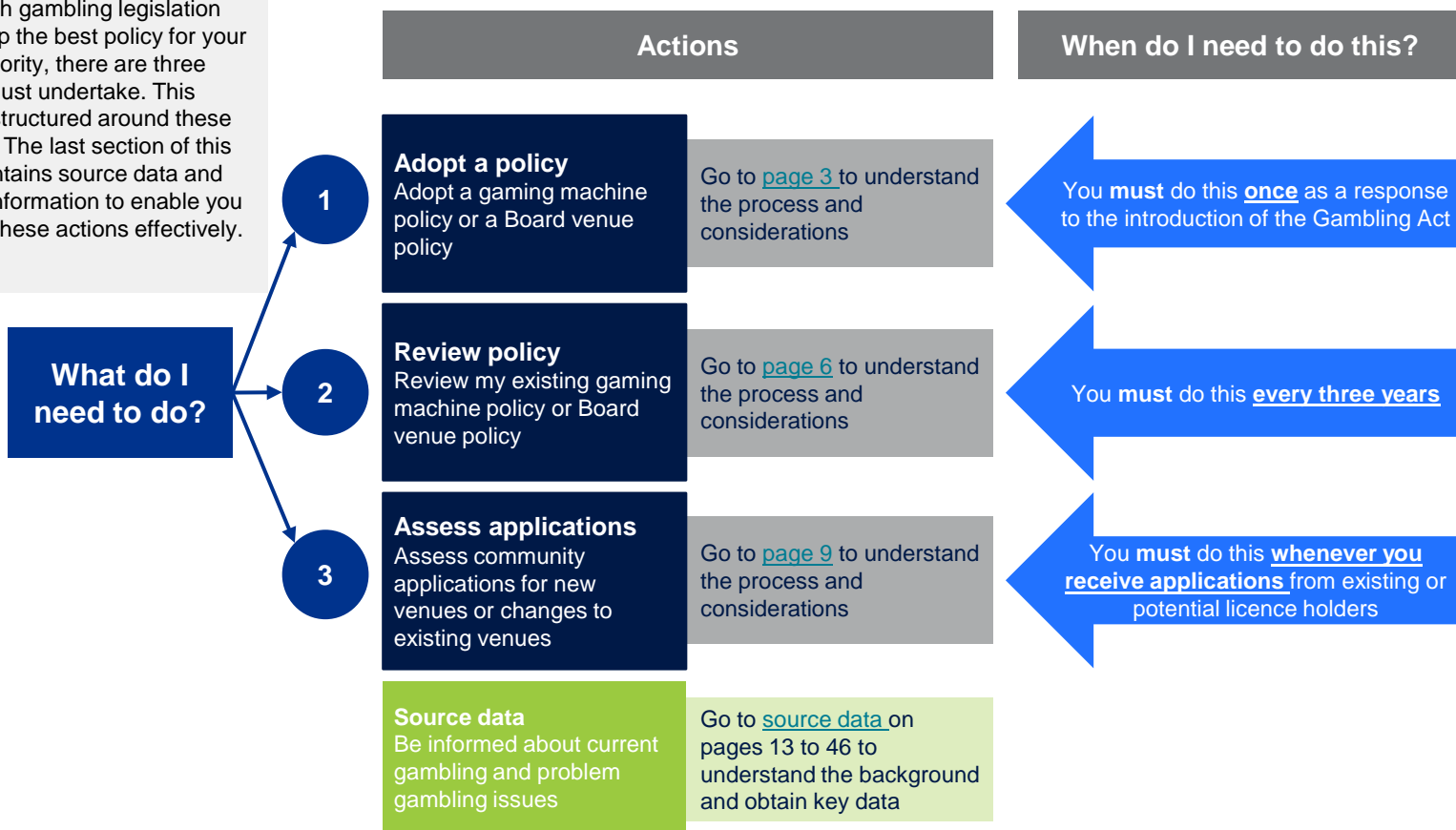
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## What is this document for?

**This document aims to help you design the right policy for your territorial authority by complying with gambling legislation.** The content has been developed by Ministry of Health, in collaboration with the Department of Internal Affairs and Local Government New Zealand, and with the support of KPMG. This document contributes to the Ministry of Health's objectives to promote healthy public policies in relation to gambling harm, and enhance the capacity of communities to define and address gambling harm. It also serves to facilitate community involvement in decisions about the provision of gambling, which is one of the purposes of the Gambling Act 2003.

## How this document is structured

To comply with gambling legislation and to develop the best policy for your territorial authority, there are three actions you must undertake. This document is structured around these three actions. The last section of this document contains source data and background information to enable you to undertake these actions effectively.



**NOTE:**  
 All councils should have already adopted a policy. The information is included for completeness and to cover scenarios where new councils are created.



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# Action 1: Adopt a policy

What do I need to do?

1

## Adopt a policy

Adopt a gaming machine policy or a Board venue policy

2

## Review policy

Review my existing gaming machine policy or Board venue policy

3

## Assess applications

Assess community applications for new venues or changes to existing venues

The boxes below highlight your progress in reading this section:



1. The highlighted box outlines what is being discussed on the current page

2. Any blank boxes show topics that are discussed on the following pages

**Adopt a policy process steps**



**Introduction**

As a territorial authority, you have a role to play in the regulation of both ‘pokie’ machine and racing and sport (Board venue) betting in your district. Your role as a territorial authority under the:

- Gambling Act 2003 (“GA”) relates to Class 4 gambling. Class 4 gambling is gambling that involves the use of a gaming machine outside a casino (i.e. Pokies) and satisfies other criteria, such as that net proceeds (profits) are applied to, or distributed for authorised purposes (e.g. the profits are distributed back to the community) [GAs30].
- Racing Act 2003 (“RA”) relates to venues where race and sports betting are conducted. A **Board venue** is any premises that are owned or leased by the New Zealand Racing Board and where the main business carried out is providing racing-betting or sports-betting services (as defined by the RA) [RAs5]. Board venues should not be confused with TAB outlets or agencies that are ancillary to the main activities of a bar or hotel (such as a self-service TAB terminal in the corner of a pub). These outlets are not owned or leased by the New Zealand Racing Board, and as such do not require territorial authority consent.

Every territorial authority **must** adopt a Class 4 venue policy and a Board venue policy [GAs101 and RAs65D].

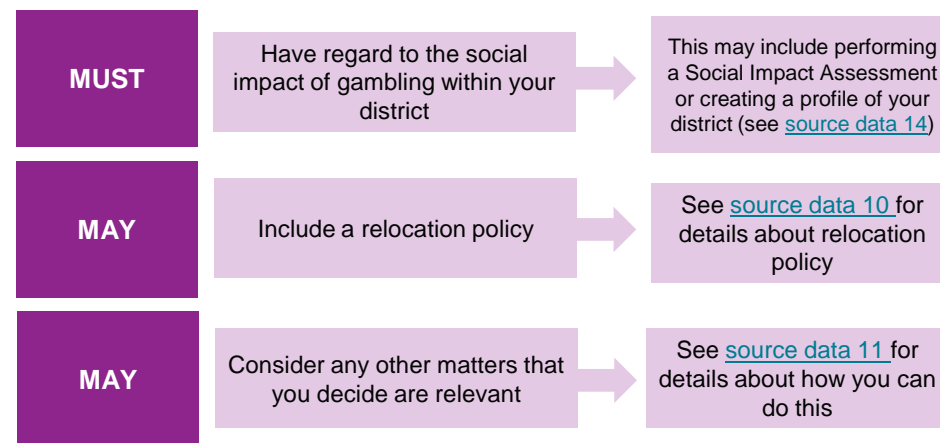
The Class 4 venue policy **must** specify whether or not Class 4 venues may be established in the territorial authority district and, if so, where they may be located. A Class 4 venue policy **may** specify restrictions on the number of gaming machines that may be operated at a Class 4 venue and may include a relocation policy [GAs101(3)].

The Board venue policy **must** specify whether or not new Board venues may be established in the territorial authority district and, if so, where they may be located [RAs65D(3)].

A Class 4 venue policy and a Board venue policy must be adopted in accordance with the special consultative procedure in section 83 of the Local Government Act 2002 (“LGA”) [GAs102 and RAs65E].

**1. Draft the content of the Class 4 venue policy and Board venue policy**

When developing the content of the Class 4 venue policy and Board venue policy you:



Once you have considered what you **must** and **may** do, you should consider your policy options. This may include generating a profile for your district. See [source data 12 – 14](#) for details on how you can do this.

Adopt a policy process steps



Determining what policy components are the best fit for your territorial authority can be challenging. Refer to the source data listed on page 4 for more information and examples of how you can apply the legislation.

**TIP 1:** The social impacts of gambling include both positive and negative factors. One negative social aspect of gambling is the harm caused by problem gamblers. Understanding gambling statistics and risk factors present in your district that may contribute to increases in problem gamblers should help to inform your policy.

**TIP 2:** Use [source data 6](#) to understand current problem gambling statistics and what these may mean for your policy.

**TIP 3:** Use [source data 14](#) to develop your district profile and identify policy “must haves” and “may haves” that align with the risks faced by your community.

**TIP 4:** When reviewing your Class 4 gambling policy it is important to carefully and correctly calculate the number of gaming machines that ‘may operate’ in your area. The best way to do this accurately is to request a report from the Department of Internal Affairs of the Class 4 societies, venues and gaming machines that ‘may operate’ in your district (under section 103 of the Act).

## 2. Consult on the policies

A policy on Class 4 venues **must** be adopted in accordance with the special consultative procedure in section 83 of the Local Government Act (LGA) 2002. Guidance on how to conduct this process is not included in this document as this is a normal territorial authority process.

The Gambling Act states that, for the purpose of section 83(1)(e) of the LGA, a territorial authority **must** give notice of the proposed policy, in a manner that the territorial authority considers appropriate, to:

- Each society that holds a Class 4 venue licence for a venue in the territorial authority district; and
- Organisations representing Māori in the territorial authority district [GAs102(1)]. (Note – similar action may also be taken in respect to any other population group).

The Racing Act states that, for the purpose of section 83(1)(e) of the LGA, the territorial authority **must** give notice of the proposed policy, in a manner the territorial authority considers appropriate, to:

- The New Zealand Racing Board; and
- Organisations representing Māori in the territorial authority district [RAs65E]. (Note – similar action may also be taken in respect to any other population group).

Consulting is important to ensure the policy reflects the needs of the community rather than only the views of local decision makers. Read more about differences in views in the statistics in [source data 15](#).

## 3. Finalise policies

Guidance on how to finalise a policy is not included in this document as this is a normal territorial authority process. No specific guidance is included in the Gambling Act or the Racing Act.

## 4. Communicate policies

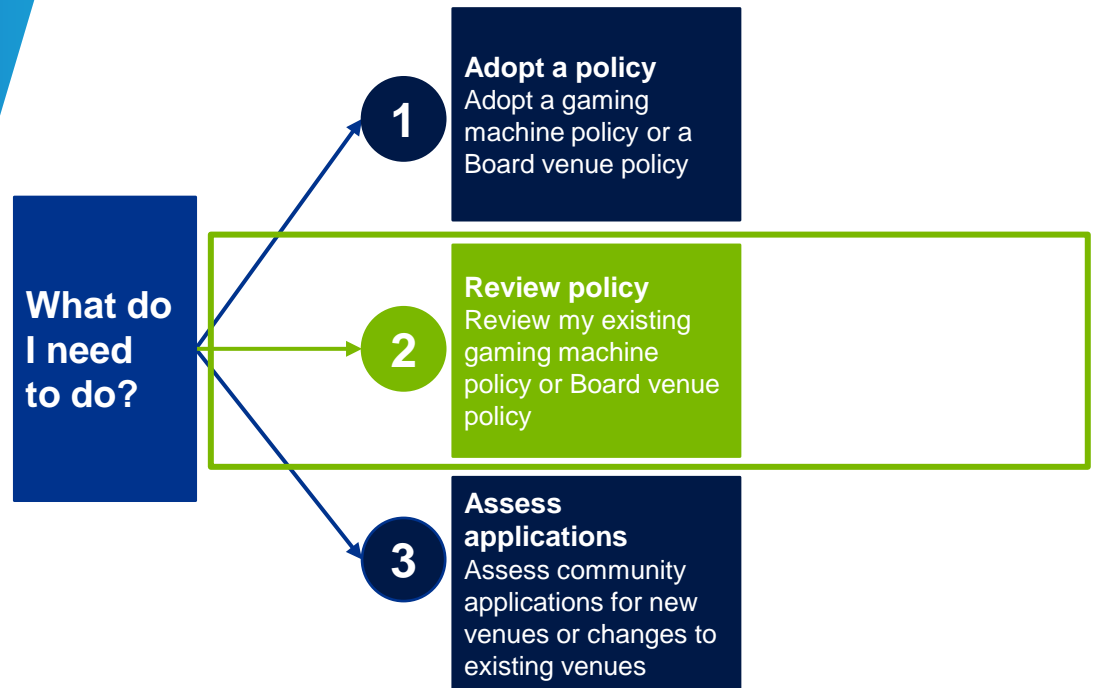
A territorial authority **must**, as soon as practicable after adopting a Class 4 venue policy or a Board venue policy:

- Provide a copy of the Class 4 venue policy and Board venue policy to the Secretary for Internal Affairs [GAs102(4) and RAs65E(4)]. The Secretary can be contacted at the following address:  
  
Gambling Compliance  
Department of Internal Affairs  
46 Waring Taylor Street  
Wellington 6011  
PO Box 10-095  
Wellington 6143
- Also provide a copy of the Board venue policy to the New Zealand Racing Board [RAs65E(4)].



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# Action 2: Review policy



How to use this section:



1. The highlighted box outlines what is being discussed on the page

2. Any blank boxes show topics that are discussed on the following pages



The Gambling Act 2003 and the Racing Act 2003 state that every territorial authority **must** complete a review of its policy within three years after the policy is adopted, and then within three years after each subsequent review is completed [GAs102(5) and RAs65E(5)].

**Note:** A policy does not cease to have effect because it is due for review or is being reviewed.

### 1. Review the content of your Class 4 venue policy and Board venue policy

When reviewing the content of the Class 4 venue policy and Board venue policy you:

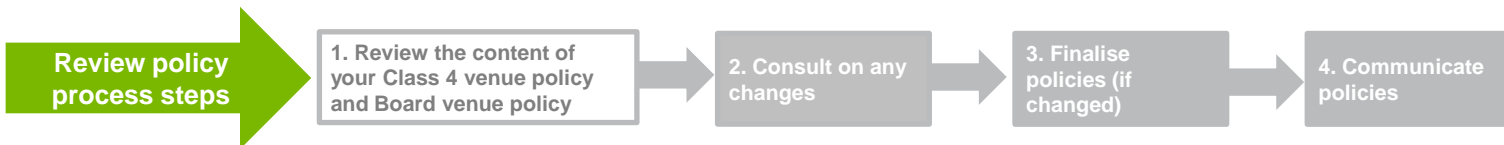
<b>MUST</b>	Consider whether to adopt a relocation policy the first time you review your venue policy after the Gambling (Gambling Harm Reduction) Amendment Act 2013 came into force	See <a href="#">source data 10</a> for details about how you can do this
<b>MAY</b>	Consider whether to adopt a relocation policy during any reviews subsequent to the Gambling (Gambling Harm Reduction) Amendment Act 2013 coming into force	See <a href="#">source data 10</a> for details about how you can do this
<b>MAY</b>	Have regard to the social impact of gambling within your district	This may include performing a Social Impact Assessment or creating a profile of your district (see <a href="#">source data 14</a> )
<b>MAY</b>	Consider any other matters that you decide are relevant	See <a href="#">source data 11</a> for details about how you can do this

Once you have considered what you **must** and **may** do, you should consider your policy options. This may include generating a profile for your district. See [source data 12 – 14](#) for details on how you can do this.

Reviewing whether your current policy components are the best fit for your territorial authority can be challenging. Refer to the source data listed in the diagram opposite for more information and examples of how you can apply the legislation.

- TIP 1:** The social impacts of gambling include both positive and negative factors. One negative social aspect of gambling is the harm caused by problem gamblers. Understanding gambling statistics and risk factors present in your district that may contribute to increases in problem gamblers should help to inform your policy.
- TIP 2:** Use [source data 6](#) to understand current problem gambling statistics and what these may mean for your policy.
- TIP 3:** Use [source data 14](#) to develop your district profile and identify policy “must haves” and “may haves” that align with the risks faced by your community.
- TIP 4:** When reviewing your Class 4 gambling policy it is important to carefully and correctly calculate the number of gaming machines that ‘may operate’ in your area. The best way to do this accurately is to request a report from the Department of Internal Affairs of the Class 4 societies, venues and gaming machines that ‘may operate’ in your district (under section 103 of the Act).





## 2. Consult on any changes

A policy on Class 4 venues may only be amended or replaced in accordance with the special consultative procedures in s83 of the Local Government Act (LGA) 2002.

The Gambling Act states that, for the purpose of section 83(1)(e) of the LGA, a territorial authority **must** give notice of the proposed policy, in a manner that the territorial authority considers appropriate, to:

- Each society that holds a Class 4 venue licence for a venue in the territorial authority district; and
- Organisations representing Māori in the territorial authority district [GAs102(1)]. (Note – similar action may also be taken in respect to any other population group).

The Racing Act states that, for the purpose of section 83(1)(e) of the LGA the territorial authority **must** give notice of the proposed policy, in a manner the territorial authority considers appropriate, to:

- The New Zealand Racing Board; and
- Organisations representing Māori in the territorial authority district [RAs65E]. (Note – similar action may also be taken in respect to any other population group).

Consulting is important to ensure the policy reflects the needs of the community rather than only the views of local decision makers. Whilst reviewing your policy it may be appropriate to engage with:

- Community groups and grant recipients
- Problem gambling treatment providers
- Relevant industry groups (including corporate societies and venues)
- Organisations representative of Māori interests
- Relevant ethnic groups (e.g. Pacific people).

Read more about differences in views in the statistics in [source data 15](#).

## 3. Finalise policies (if changed)

Guidance on how to finalise a policy is not included in this document as this is a normal territorial authority process. No specific guidance is included in the Gambling Act or the Racing Act.

## 4. Communicate policies

A territorial authority **must**, as soon as practicable after amending or replacing its Class 4 venue policy or Board venue policy:

- Provide a copy of the Class 4 venue policy and Board venue policy to the Secretary for Internal Affairs [GAs102(4) and RAs65E(4)].

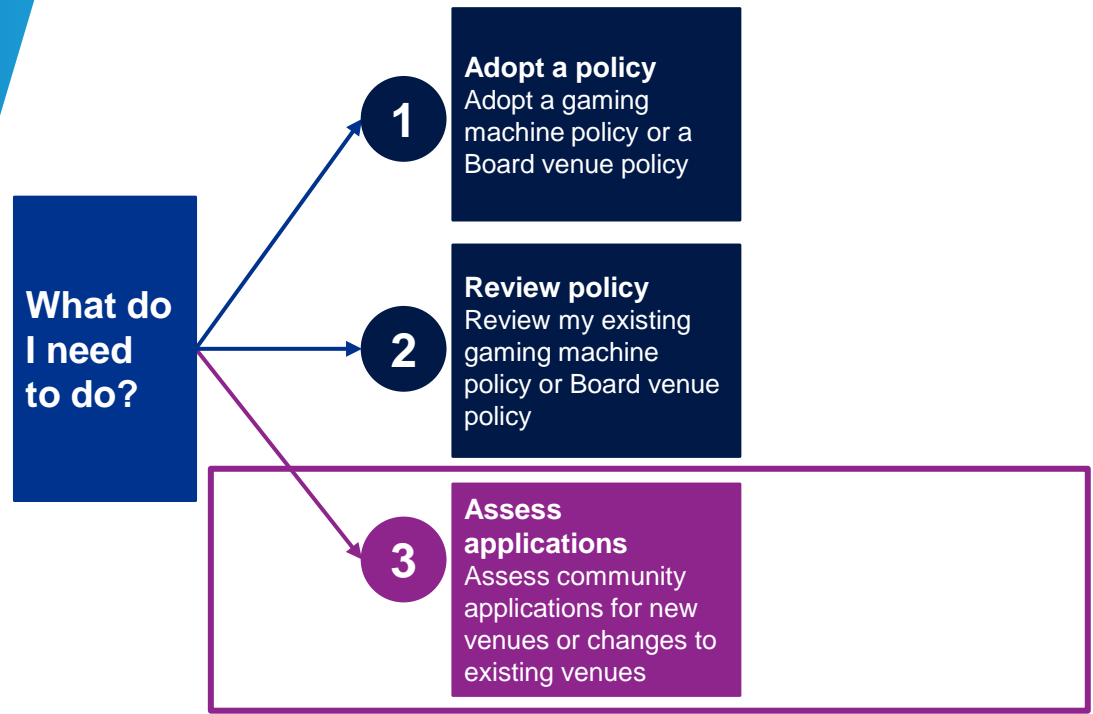
Gambling Compliance  
 Department of Internal Affairs  
 46 Waring Taylor Street  
 Wellington 6011  
 PO Box 10-095  
 Wellington 6143

- Also provide a copy of the Board venue policy to the New Zealand Racing Board [RAs65E(4)].



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# Action 3: Assess applications



How to use this section:



1. The highlighted box outlines what is being discussed on the page

2. Any blank boxes show topics that are discussed on the following pages



You **must** follow the process illustrated above every time your territorial authority receives an application for a:

- New Class 4 venue licence
- Change to existing Class 4 venue licence (this may include relocation)
- New Board venue.

There are three distinct steps that should be taken when deciding on applications for venue licences.

### 1. Check territorial authority consent is required

#### *The Gambling Act*

The Secretary for Internal Affairs is responsible for granting Class 4 venue licences. The Gambling Act states that the Secretary **must** refuse to grant a Class 4 venue licence unless the Secretary is satisfied that a number of criteria have been met [GAs67].

One of these criteria is that the territorial authority has provided a consent (if required). Once a territorial authority has granted a consent it cannot be revoked, and the territorial authority has no retrospective powers over the venues it has given consent to.

To determine whether territorial authority consent is required, please refer to section 98 Gambling Act 2003. For convenience, this section has been summarised below.

#### **When a territorial authority consent is required**

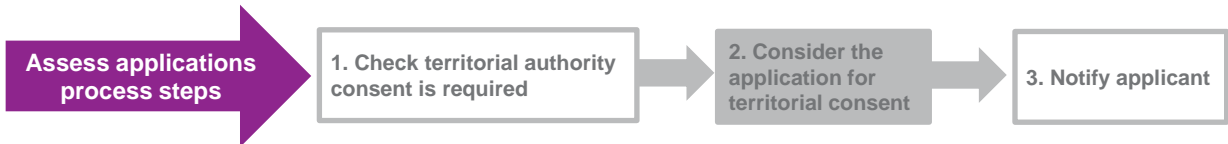
A territorial authority consent is required in the following circumstances:

- a) If a society proposes to increase the number of machines that may be operated at a Class 4 venue, whether by way of an application for, or an amendment to, an existing Class 4 venue licence;
- b) If a club society applies for ministerial discretion to permit an increase in the number of gaming machines at a club (see source data 12, page 32);
- c) The first time there is an application for a Class 4 venue licence for a venue which did not hold a Class 4 venue licence on 17 October 2001;
- d) If a corporate society applies for a Class 4 venue licence and a Class 4 venue licence has not been held by any society for the venue within the last 6 months; and
- e) If a society proposes, in accordance with a relocation policy of the territorial authority, to change the venue to which a Class 4 venue licence currently applies.

**Note:** An application for consent in accordance with a relocation policy may be only with the agreement of the venue operator of the existing venue [GAs99(3)].

#### *The Racing Act*

Territorial authority consent is required any time the New Zealand Racing Board proposes to establish a Board venue [RAs65A].



## 2. Consider the application for territorial authority consent

### The Gambling Act

Every territorial authority **must** consider an application for a territorial authority consent in accordance with its Class 4 venue policy, and then either:

- Grant a consent with or without a condition specifying the maximum number of gaming machines that may be operated at the venue; or
- Refuse a consent [GAs100(1)].

**Note:** Where territorial authority consent is required, a territorial authority may only place conditions on gaming machine numbers (and not on other areas of the licence application).

**Note:** If a corporate society applies for territorial authority consent for an amendment to a Class 4 venue licence to allow an increase in the number of gaming machines that may be operated at the venue, a territorial authority cannot specify a maximum number of machines that is less than the number that may be currently operated at the venue [GAs100(2)].

#### Do you need to know more...?

Refer to [source data 12](#) for more information on restricting the maximum number of gaming machines that may be operated at a venue (including clubs that are merging).

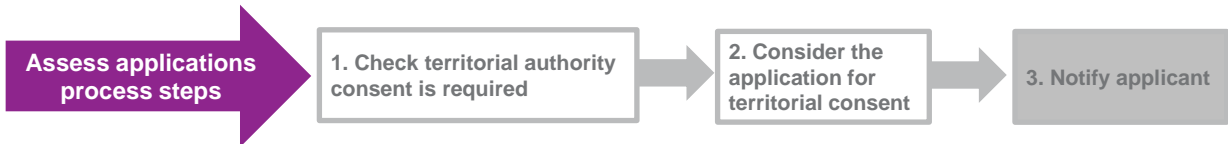
**Note:** If a territorial authority grants a consent under an adopted relocation policy in respect of a venue (the new venue) to replace an existing venue (the old venue):

- The Secretary must cancel the licence that relates to the old venue (the cancellation takes effect on the date on which the new licence takes effect);
- The maximum number of gaming machines permitted to operate at the new venue is the same as the number permitted to operate at the old venue (up a maximum of 18 gaming machines). The new provision of the Gambling Act overrides any existing territorial authority relocation policies that provide otherwise (for example if an existing relocation policy requires that new venues have a maximum of nine machines); and
- The old venue must be treated as if no Class 4 licence had ever been held for that venue (which means that territorial authority consent will be required for that venue if a Class 4 venue licence is subsequently applied for it) [GAs97A].

### The Racing Act

Every territorial authority **must** consider an application for a territorial authority consent in accordance with its Board venue policy, and then either:

- Grant a consent; or
- Refuse a consent [RAs65C(1)].



### 3. Notify applicant

#### The Gambling Act

A territorial authority **must** notify the applicant of its determination within 30 working days after the later of:

- The date the application is received; or
- The date that it adopts a Class 4 venue policy [GAs100(3)].

#### The Racing Act

A territorial authority **must** notify the New Zealand Racing Board and the Secretary of its determination within 30 working days after the later of:

- The date the application is received; or
- The date that it adopts a Board venue policy [RAs65C(2)].

#### Inconsistent decisions

The Secretary for Internal Affairs cannot issue a Class 4 venue licence unless he or she is satisfied that the territorial authority has provided consent (if required) [GAs67]. Generally, a consent that is inconsistent with the territorial authority's policy will not be accepted as a valid consent.

However, if a territorial authority decides it wants to issue a consent that is inconsistent with its policy, it can use section 80 of the Local Government Act (LGA) (discussed below) to do so. The consent issued should include a statement under section 80 of the LGA identifying it as an inconsistent decision. The statement would also need to reflect that the territorial authority understands that the consent is inconsistent with the policy but wishes to issue it anyway. Only if an inconsistent territorial authority consent includes this statement will the Secretary for Internal Affairs be able to license the relevant Class 4 venue.

Under section 80 of the LGA, if a decision of a local authority is

- significantly inconsistent with; or
- is anticipated to have consequences that will be significantly inconsistent with any policy adopted by the local authority or any plan required by the LGA or any other enactment, the local authority **must**, when making its decision, clearly identify:
  - The inconsistency
  - The reasons for the inconsistency
  - Any intention of the local authority to amend the policy or plan to accommodate the decision.



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# Source data

*The information set out in the 18 data sources is provided as good practice to assist you to complete the three actions. This will ensure that the policy for your territorial authority is the right policy to prevent and minimise gambling harm.*

	Source Data	Purpose	Pg
1	What is gambling?	Defines what gambling is	14
2	What is problem gambling?	Defines problem gambling	15
3	Overview of gambling in New Zealand	Provides an overview of gambling in New Zealand	16
4	Benefits of gambling	Outlines the benefits of gambling in New Zealand for consideration when adopting or reviewing policy	18
5	Costs of gambling to individuals, families, whānau and the community	Outlines the costs of gambling in New Zealand for consideration when adopting or reviewing policy	20
6	Overview of problem gambling in New Zealand	Provides relevant and up-to-date information and statistics about problem gambling in New Zealand	21
7	Gambling legislation	Provides an overview of the key legislation	26
8	Public sector gambling stakeholders	Provides an overview of the public sector gambling stakeholders	27
9	Regional services available to help prevent and minimise gambling harm	Provides access to the contact details of all preventing and minimising gambling harm services available in each territorial authority	28
10	Relocation policy overview and example	Provides information and an example about relocation policy that may be of use to you in developing gambling venue policy	29
11	Consideration of matters you decide are relevant	Provides guidance about some of the "relevant matters" you may consider when adopting or reviewing venue policy	30
12	Policy options for Class 4 venues	Provides example policy options for Class 4 venues	31
13	Policy options for Board venues	Provides example policy options for Board venues	33
14	Generating a profile for your district	Helps you to construct a gambling profile for your territorial authority by considering five known categories of gambling risk	34
15	Why consult on your policy?	Provides statistics to support why consulting on your venue policy is important	43
16	New Zealand Racing Board's submissions for the creation of a stand-alone Board venue policy	Provides an overview of the New Zealand Racing Board's submissions to territorial authorities for the creation of a stand-alone Board venue policy	44
17	Revisions since this resource was last published	Provides an update on the significant revisions made since the last Resource was published in 2010	45
18	Research used in this document	Provides further details of publications	46

The purpose of source data 1 is to define what gambling is.

This source data will be most useful to people who are new to gambling policy.

### What is gambling?

The Gambling Act defines gambling as:

- Means paying or staking consideration, directly or indirectly, on the outcome of something seeking to win money when the outcome depends wholly or partly on chance
- Includes a sales promotion scheme
- Includes bookmaking
- Includes betting, paying, or staking consideration on the outcome of a sporting event
- Does not include an act, behaviour, or transaction that is declared not to be gambling by regulations [GAs4].

### Types of gambling in New Zealand

A wide range of gambling activities are available in New Zealand, including casino gambling, electronic gaming machines (EGMs), Lotto, Instant Kiwi (scratch tickets), track (horse and dog) betting, sports betting, Keno, housie/bingo, internet gambling and telephone gambling.

### What gambling am I setting policy for?

All electronic gaming machines located outside of casinos (Class 4 gambling venues) and race and sport betting that occurs in Board venues.

### Do you need more information?

See [source data 7](#) for a summary of relevant gambling legislation.

See [source data 8](#) for a summary of public sector stakeholders and their roles.

A Board venue is any premises that are owned or leased by the New Zealand Racing Board and where the main business carried out is providing racing-betting or sports-betting services (as defined by the RA) [RAs5]. Board venues should not be confused with TAB outlets or agencies that are ancillary to the main activities of a bar or hotel (such as a self-service TAB terminal in the corner of a pub). These outlets are not owned or leased by the New Zealand Racing Board, and as such do not require territorial authority consent.

**The purpose of source data 2 is to define problem gambling.**  
 This source data also highlights the social cost of problem gambling to your community.

### What is problem gambling?

While most people do not experience problems resulting from their gambling, it can cause harm for some people. Section 4 of the Gambling Act 2003 defines gambling-related harm. In this context, harm:

- Means harm or distress of any kind arising from, or caused or exacerbated by, a person's gambling
- Includes personal, social, or economic harm suffered:
  - By the person
  - The person's spouse, civil union partner, de facto partner, family, whānau, or wider community
  - In the workplace
  - By society at large.

### How is problem gambling measured?

Problem gambling in New Zealand is measured through a nine-question problem gambling severity index (PGSI). The PGSI places gamblers into four categories based on negative consequences from gambling (see figure opposite). Three of the four categories cover gamblers that are at some risk of becoming a problem gambler. Statistics for 2011/12 from the New Zealand Health Survey show that:

- 47.9% of people do not gamble at all
- 49% of people are recreational gamblers and do not experience negative impacts from gambling
- 3.1% of people are at risk of being problem gamblers and may experience negative consequences.

### Types of gambler and associated risk



### What are the impacts of problem gambling?

A significant minority of people experience one or a few problems that are often transient, a smaller number experience more serious problems that vary in duration, and a smaller number still have very serious problems that are often chronic or chronically relapsing. For people at the severe end of the continuum, the consequences of their problems are devastating for themselves and often for others in their lives. They not infrequently lead to serious psychological disturbance, relationship breakups, financial ruin, criminal offending, imprisonment and suicide. (Abbott 2001).



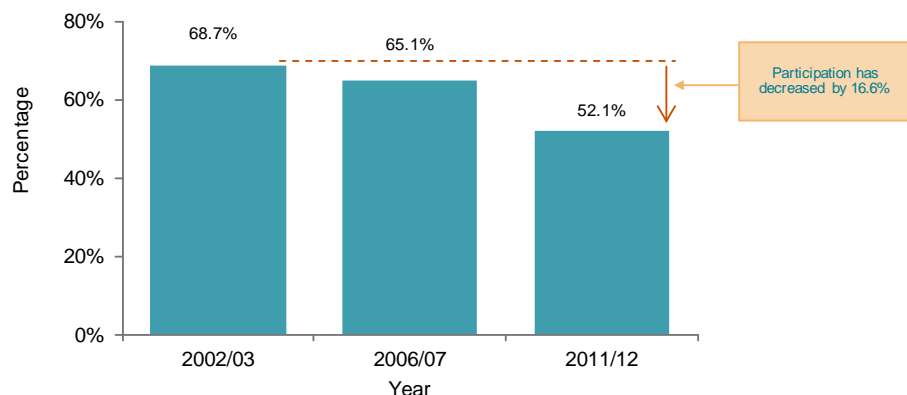
The purpose of source data 3 is to provide an overview of gambling in New Zealand.

Key national gambling statistics and gambling trends are provided in this section. Statistics are sourced from the most up-to-date New Zealand based research available.

### Key statistics

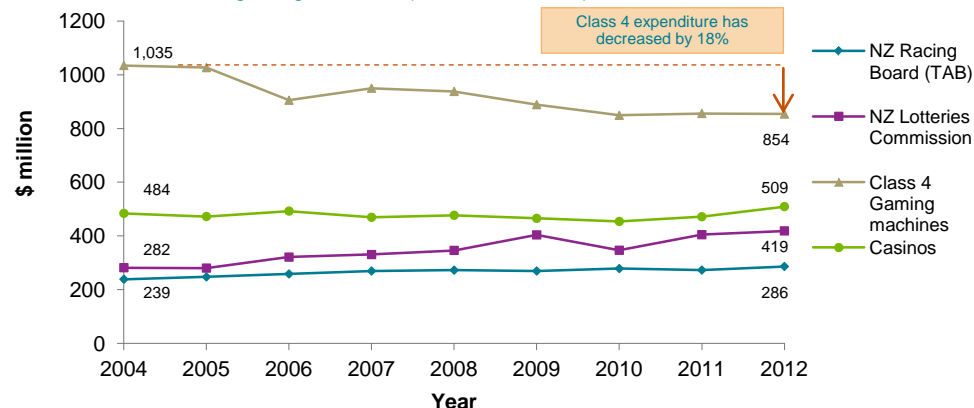
- 1.8 million adults gambled in New Zealand in 2011/12 (Lotto is the most popular)
  - New Zealanders spent a total of \$2,068 million in the same period on all forms of gambling
    - Participation in gambling declined by 16.6% between 2002/03 and 2011/12
      - Class 4 gaming machine expenditure has decreased by 18%, gaming machine numbers have decreased by 24%, and Class 4 venues have decreased by 34%

Are we gambling more or less? New Zealanders are gambling less (Source: NZHS 2011/12)



NZHS is the New Zealand Health Survey, refer to [source data 6](#) for more information.

What do we gamble the most on, and how much do we gamble? We gamble most on Class 4 gaming machines (Source: DIA 2013)



Whilst overall fewer New Zealanders are gambling compared to 2004, those that do gamble are spending more money on NZ Lotteries products, casinos and racing and less money on Class 4 gambling.

However, whilst decreasing, New Zealanders continue to spend the most on Class 4 gambling.

In 2012, New Zealanders spent a total of \$2,068 million on all forms of gambling (DIA, 2012). When adjusted for inflation this figure represents a decline of 19% from the peak recorded in 2004 (see graph above) (Department of Internal Affairs, 2013).

However, whilst total expenditure has decreased, expenditure in some forms of gambling has actually increased over the same period, these include:

- Casino gambling
- New Zealand Racing Board (TAB) betting
- NZ Lotteries Commission products (i.e. Lotto) gambling.

**Decreasing** expenditure in Class 4 gambling is clearly the driver behind **decreasing** total expenditure since 2004.

### How many Class 4 gambling venues and machines (pokies) are there?

Class 4 gaming machines (all gaming machines located outside of casinos) are found throughout New Zealand in premises licensed for Class 4 gambling, such as pubs and clubs.

As of December 2012, there were 1,381 pubs and clubs with gaming machines, and 17,670 gaming machines in New Zealand.

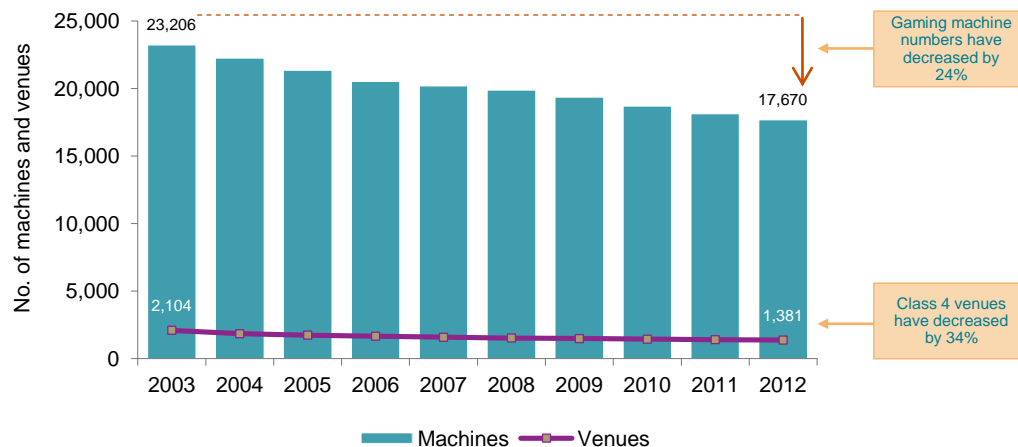
### The number of venues and gaming machines continues to decline

As the graph on the right shows, both venue and gaming machine numbers have continued to decline since the introduction of the Gambling Act in 2003 as follows:

- Venue numbers have declined from 2,104 in 2003 to 1,381 in 2012, a decline of approximately 34%
- Gaming machine numbers have also declined. There were 23,206 machines in 2003 and 17,670 machines in 2012, a decline of approximately 24%.

**TIP:** Further information regarding the number of venues and gaming machines for your district can be found on the Department of Internal Affairs website at: <http://www.dia.govt.nz/Resource-material-Information-We-Provide-Gaming-Statistics>

Venues and machines have declined since 2003 (Source: DIA)



The purpose of source data 4 is to outline the benefits of gambling in New Zealand for consideration when adopting or reviewing a policy.

### Obligations under the Gambling Act 2003

The Gambling Act 2003 provides for Class 4 gambling to be permitted only where it is used to raise funds for authorised purposes, which can be:

- 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 under the Racing Act 2003, including the payment of stakes.

Corporate societies that conduct Class 4 gambling mainly to distribute net proceeds to the community are required under the Gambling Act 2003 and the Gambling (Class 4 Net Proceeds) Regulations 2004 to distribute a minimum of 37.12% of their GST exclusive gross proceeds from Class 4 gambling for authorised purposes (e.g. community grants).

Corporate societies that operate gaming machines tend to fall into two broad categories: non-club societies and clubs.

- **Non-club societies** are societies that operate gaming machines in commercial venues, typically bars. They typically, but not always, distribute their profits to the wider community by way of grants (Department of Internal Affairs 2007).
- **Clubs** are societies that operate gaming machines in their own premises. There are four types of clubs: Working Men's Clubs, Chartered Clubs, Returned Services' Associations (RSAs), and sports clubs (e.g. bowling clubs, squash clubs).

Most clubs that operate gaming machines do so in only one venue – their clubrooms. They also tend to apply the profits of their gaming machines to their own purposes, typically their club operating costs (Department of Internal Affairs 2007).

The Gambling Act 2003 requires corporate societies that conduct Class 4 gambling mainly to distribute net proceeds to the community, to publish the persons or groups who have received the grants, and the net amounts of such grants. These societies are also required, under the Gambling (Class 4 Net Proceeds) Regulations 2004, to maintain a website that includes this information.

### The key benefits of gambling

Gambling can benefit communities by way of community funding, providing employment opportunities and simply as a form of entertainment. These benefits are described below.

#### Community funding

In 2011, the amount distributed back to communities was approximately \$228 million (Thorne et al, 2012). Similarly, a 2012 DIA report analysing 12 month data (Apr 2011-Apr 2012), found that \$252 million in net proceeds was distributed. This funding has become an important source of income for community organisations such as:

- Sports organisations. Received \$121 million in 2011, or 48% of all publically available funding
- Social and community services organisations. Received \$104 million in 2011, or 41% of all publically available funding

The flow-on benefits of funding community organisations includes increased sustainability of community institutions and increased economic activity through expenditure.

*For more information on the DIA's distribution of non-casino gaming machine profits in New Zealand" (2012) report, see:*  
[http://www.dia.govt.nz/pubforms.nsf/URL/Research-GamingMachineProfitsSurvey2012.pdf/\\$file/Research-GamingMachineProfitsSurvey2012.pdf](http://www.dia.govt.nz/pubforms.nsf/URL/Research-GamingMachineProfitsSurvey2012.pdf/$file/Research-GamingMachineProfitsSurvey2012.pdf)

### Employment

The Community Gaming Association, an association of non-club corporate societies who run Class 4 gaming machines, completed a survey in 2009 that estimated there were 300 full-time equivalents (FTEs) directly employed by Class 4 non-club corporate societies. It estimated that there were 215 employees of external service providers and contractors providing either full-time or part-time services direct to the societies.

A 2010 report by the New Zealand Racing Board found that racing contributes more than \$1,635 million in value added to the New Zealand economy. The activities of the racing industry sustain the employment of more than 16,930 FTE positions.

However, a 2009 report by the Australian Productivity Commission concluded that employment in the gambling industry, and economic activity as a result of gambling, is not likely to result in significant benefits, because there are alternatives available for consumer spending (e.g. spending on retail products or other forms of entertainment) that – if gambling did not exist – would ‘contribute’ to the economy in terms of the labour and capital and the benefits people derive from consumption (Productivity Commission 2009).

### Entertainment

Gambling is usually a harmless entertainment activity from which people derive personal enjoyment and positive social effects. Research has found that socialising, enjoyment, and fun are directly related to more communal activities such as housie and community raffles (Ministry of Health, 2007). Based on these findings, there is a clear view that people genuinely enjoy participating in gambling activities, and there are benefits of being able to socialise with others, particularly whānau members.

For further information		
Resource	Agency	URL
Grant distribution research	DIA	<a href="http://www.dia.govt.nz/diawebsite.nsf/wpg_URL/Resource-material-Our-Research-and-Reports-Where-do-Gaming-Machine-Profits-Go">http://www.dia.govt.nz/diawebsite.nsf/wpg_URL/Resource-material-Our-Research-and-Reports-Where-do-Gaming-Machine-Profits-Go</a>
Racing industry employment	NZ Racing Board	<a href="http://static.tab.co.nz/control/data/nzrb-other-reports/NZRB_Size_and_Scope_Final.pdf">http://static.tab.co.nz/control/data/nzrb-other-reports/NZRB_Size_and_Scope_Final.pdf</a>
Community grants	Corporate societies	All corporate societies are required to publish details of all applications received from the community on their websites. Examples include the following: <a href="http://www.pubcharity.org.nz/index.php/">http://www.pubcharity.org.nz/index.php/</a> <a href="http://www.lionfoundation.org.nz/helped/grants/">http://www.lionfoundation.org.nz/helped/grants/</a>
List of societies	DIA	<a href="http://www.dia.govt.nz/diawebsite.nsf/wpg_URL/Services-Casino-and-Non-Casino-Gaming-List-of-Society-Websites">http://www.dia.govt.nz/diawebsite.nsf/wpg_URL/Services-Casino-and-Non-Casino-Gaming-List-of-Society-Websites</a>
Community funding information	DIA	<a href="http://www.dia.govt.nz/Services-Casino-and-Non-Casino-Gaming-Funding-For-Community-Groups">http://www.dia.govt.nz/Services-Casino-and-Non-Casino-Gaming-Funding-For-Community-Groups</a>

The purpose source data 5 is to outline the costs of gambling in New Zealand for consideration when adopting or reviewing a policy. Information in this section is sourced from the most up-to date New Zealand based research available.

Most people do not experience problems resulting from their gambling. However, for the minority that do develop a problem, the impacts can be far reaching and – at the extreme end of the spectrum – devastating. The most current New Zealand research suggests that the most prevalent impacts are:

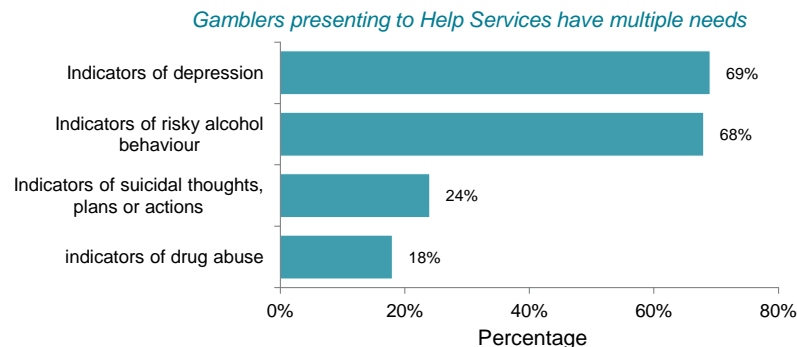
- **Personal impacts:** these include elevated physical and mental health problems relative to the general adult population and, in extreme cases, suicide attempts and suicide (Ministry of Health, 2013; SHORE 2008; Abbott 2001; Productivity Commission 1999).
- **Financial impacts:** on average, problem gamblers spend approximately 15 times more than non-problem gamblers per month on gambling (Abbott 2001).
- **Interpersonal impacts:** these include relationship breakups and family neglect. Close family members of heavy gamblers are most often affected. In extreme cases, children of problem gamblers may be left with reduced access to basic necessities, including adequate housing, warmth and food (Ministry of Health, 2013).
- **Parenting impacts:** people who report having a parent with gambling problems are also significantly more likely to experience gambling problems themselves, so problem gambling has the potential to have an impact on future generations (SHORE 2008; Abbott 2001; Productivity Commission 1999).
- **Work and study impacts:** these include lost time at work or study and in extreme cases, resignation or termination of a job or a course due to gambling-related absenteeism or crime (SHORE 2008, Abbott 2001).
- **Criminal and legal impacts:** problem gambling has been linked to criminal activity, and studies have suggested that much of the crime goes unreported (Bellringer et al 2008; SHORE 2008; Abbott 2001). Apart from the financial cost of gambling-related crime to organisations and individuals directly involved, there are often financial and other costs for problem gamblers who are convicted, as well as for their families (Abbott 2001).

Research has also shown that Māori and Pacific families and communities are consistently and acutely susceptible to negative impacts from gambling (Bellringer et al, 2010).

A recent study by the Ministry of Health (Outcomes Framework – baseline report, 2013) supports this research and found that the most common issues experienced by gamblers and affected others are:

- Family or relationship issues (37.3%), including relationship breakdown, separation, arguments or loneliness
- Mental or physical health and emotional issues (36.6%), including depression, stress, anxiety, or a loved one's health
- Financial issues (21.6%), including debt, poor budgeting or not having enough money to meet expenses
- Alcoholism (14.9%)
- Work issues or unemployment (14.9%).

Many problem gamblers suffer from multiple issues simultaneously. The Ministry of Health's CLIC data (Outcomes Framework – baseline report, 2013) shows that of those screened for other issues; 24% of females and 44% of males reported indicators of risky alcohol behaviour; 69% had indicators of depression; 18% felt the need to cut down on the use of prescription or other drugs; and 24% indicated they had had suicidal thoughts, plans or actions (see graph below).



Further information about the economic impacts of gambling for certain groups can be found within the outcomes framework (outcome indicators 1.3, 2.3) using the following link: <http://www.health.govt.nz/publication/outcomes-framework-preventing-and-minimising-gambling-harm-baseline-report>

**The purpose of source data 6 is to provide relevant and up to date information and statistics about problem gambling in New Zealand.**

Understanding factors associated with problem gambling can help you tailor your Class 4 and Board venue policy to the meet the needs of your territorial authority. Information is sourced from the most up-to date New Zealand based research available.

**The following statistics and information highlight factors found to be associated with problem gambling not necessarily causally linked with problem gambling.**

#### **Factors associated with problem gambling**

Research has found a number of factors that are associated with increased prevalence of at-risk and problem gambling. Three major factors are:

- Location and/or density of gambling venues and gaming machines
- Ethnicity
- Socioeconomic deprivation.

#### **Location and / or density of gambling venues and gaming machines**

Knowing the location and density of Class 4 gaming machines within the area units of a district may be relevant to a territorial authority because:

- Being a problem gambler is significantly associated with living closer to gambling venues (Ministry of Health 2008)
- Area units with high population per machine figures may warrant particular consideration when reviewing the Class 4 gambling venue policy, especially if these area units correlate with other demographic factors associated with a higher risk of gambling harm (such as high deprivation and/or a high percentage of Māori and Pacific people).

Research by the Ministry of Health (2008b), has found that people living in neighbourhoods closer to gambling venues were significantly more likely to be problem gamblers. Also, the more gambling venues there were within close driving distance (5 km) of a person's neighbourhood centre, the more likely it was that the person had gambled at a gambling venue in the past year. Overall, the study found that gambling behaviour was strongly associated with the distance to the nearest gambling venue.

The authors of the research concluded that establishing gambling venues in a neighbourhood could possibly have a negative impact on the people living in that neighbourhood, due to the relationship between the distance to the nearest gambling venue and gambling behaviour.

#### **Options for reducing density**

Recent research has shown that capping or reducing the number of electronic gaming machines is likely to lead to reduced harm. The study found that "there is an average increase of 0.8 problem gamblers for each new electronic gaming machine," and that "there is no evidence of plateauing of prevalence with increasing density of electronic gaming machines". The authors of the research conclude that "these findings indicate that policies related to restricting or reducing the density of electronic gaming machines are likely to play a significant role in containing or reducing gambling-related harms" (Storer et al 2009).

#### **Understanding where gambling venues are located**

It is important to note that territorial authorities can request a section 103 report from the Department of Internal Affairs outlining where venues and gaming machines are located in the district. With this information territorial authorities can identify what suburbs/clusters have large numbers of venues and gaming machines.

#### **Why is this important?**

Understanding where venues are located forms the basis of community deprivation analysis ([Source data 14](#)). For example, if there is an even spread of venues across the different suburbs then the district average can be used in generating a profile for your authority, but if venues are concentrated in a few suburbs, then a weighted average of the deprivation scores from those areas can be used to create a community deprivation score.

## Current gambling density in New Zealand

More gambling venues and more gaming machines operate in low socioeconomic (high deprivation) locations. There is also increased expenditure within these locations.

Recent research by the Ministry of Health (Outcomes framework – baseline report) compared the Department of Internal Affairs' Electronic Monitoring System (EMS) data for Class 4 gambling (for the period 1 July 2011 to 30 June 2012), against the New Zealand deprivation index (NZDep2006). This research showed that inequity exists in both gambling participation and gambling opportunities for low socioeconomic communities, in particular:

- The spend per person is over three times higher in low socioeconomic communities than high socioeconomic communities (see opposite)
- The number of venues per 10,000 adults is almost three times higher in low socioeconomic communities than high socioeconomic communities
- The number of gaming machines per 10,000 adults is slightly over three times higher in low socioeconomic communities than high socioeconomic communities.

These findings support earlier research by the Ministry of Health (2008):

<http://www.health.govt.nz/publication/raising-odds-gambling-behaviour-and-neighbourhood-access-gambling-venues-new-zealand>

### What is the gambling density of communities in your area?

The Department of Internal Affairs provides statistics on Gaming proceeds to suburb and cluster levels. This allows territorial authorities to view how much gambling is occurring by community <http://www.dia.govt.nz/Resource-material-Information-We-Provide-Gaming-Statistics#one7>

It is also important to note that measures of social deprivation often score central business districts as highly deprived. This indicator may therefore sometimes be misleading as many territorial authorities may wish to move venues into these kinds of areas.

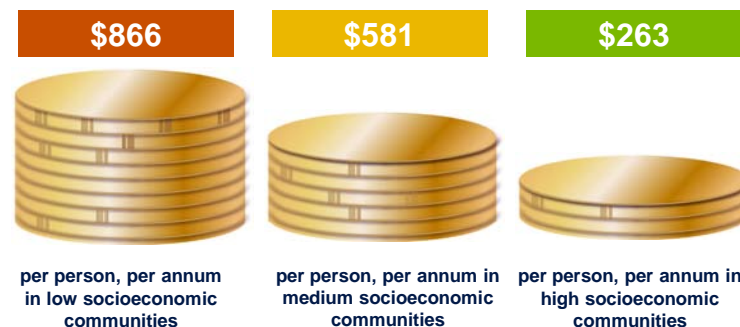
For further information about how the Ministry of Health calculates gambling density using GIS, please see outcome indicator 1.3 using the following link:

<http://www.health.govt.nz/publication/outcomes-framework-preventing-and-minimising-gambling-harm-baseline-report>

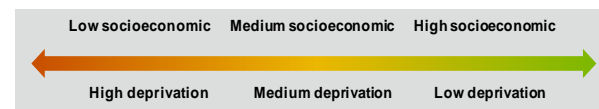
Gambling venue, and gaming machine numbers for low, medium and high socioeconomic communities.

	Low socioeconomic	Medium socioeconomic	High socioeconomic
Number of venues per 10,000 adults	13.1	9.5	4.8
Number of gaming machines per 10,000 adults	177	120	58

Gambling spend in low, medium and high socioeconomic communities



Deprivation continuum



## Inequity in gambling participation – ethnicity

Some ethnic groups participate in gambling more than others. The information below is useful to consider when adopting or reviewing policy. If your community has a high proportion of Māori or Pacific people you may want to consider how this impacts the type of venue policy you wish to adopt.

### What does the research show?

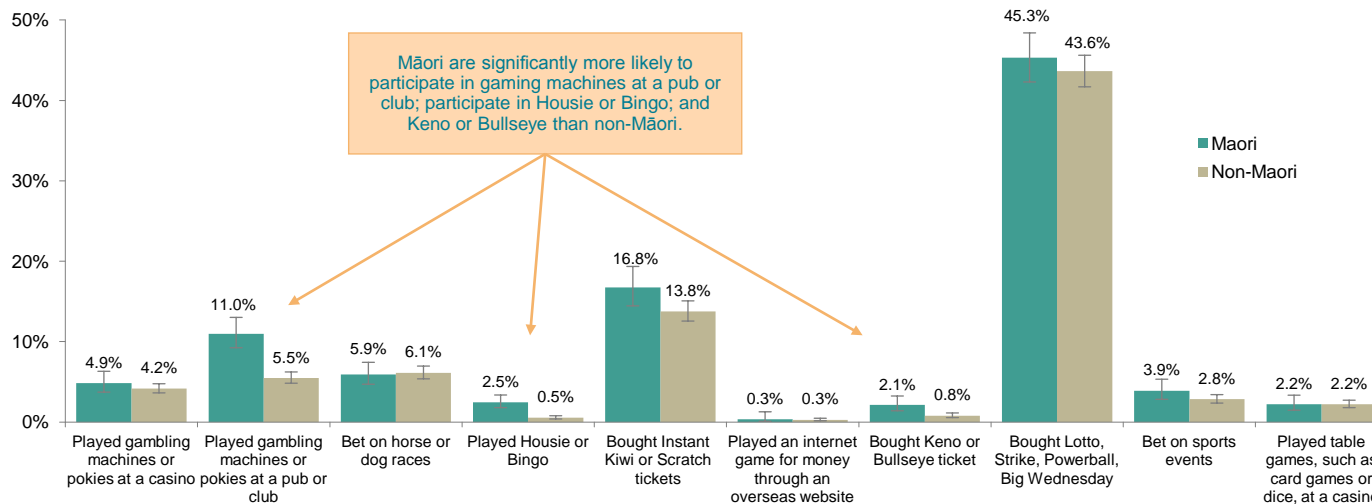
Findings from the NZHS 2011/12 show that Māori are significantly more likely to participate in certain types of gambling (including Class 4) than non-Māori (see graph top right). Māori and Pacific people are also more likely to be at-risk gamblers (see graphs, bottom right). At-risk gamblers are gamblers at any risk of being problem gamblers.

Pacific people participate in Class 4 gaming less than any other group, but they are more likely to be at-risk of being problem gamblers if they do.

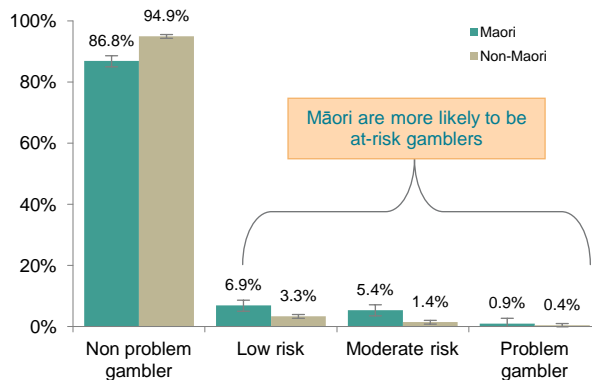
### Findings support earlier research

The NZHS 2011/12 findings support findings from the NZHS 2006/07 and research by Massey University (SHORE) which showed that people who had higher levels of participation in gambling activities were more likely to be males, aged between 18-35 years, single, either sick or unemployed, have secondary qualification as their highest educational qualification and largely comprised of Māori or Pacific people (SHORE, 2008, p. 9).

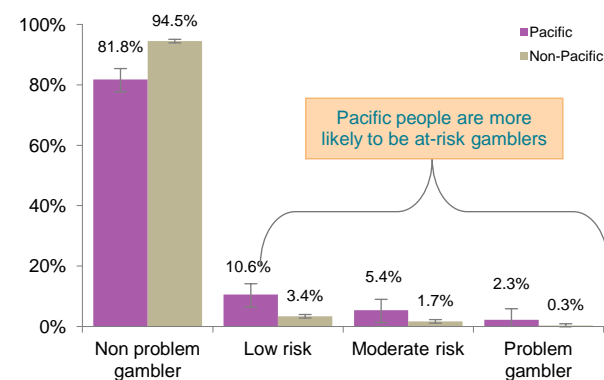
Are Māori inequitable in gambling participation? Yes (Source: NZHS, 2011/12)



Are Māori more likely to be at-risk gamblers? Yes (NZHS, 2011/12)



Are Pacific people more likely to be at-risk gamblers? Yes (NZHS 2011/12)





The information below is useful to consider when adopting or reviewing a policy. If your district contains communities rated 8-10 on the Deprivation Index you may consider how this impacts the type of venue policy you adopt.

**People from high deprivation communities are more likely to participate in gambling.**

People residing within high deprivation communities are more likely to participate in gambling and are more at-risk of being a problem gambler.

In particular, NZHS 2011/12 findings show that people residing in high deprivation communities are:

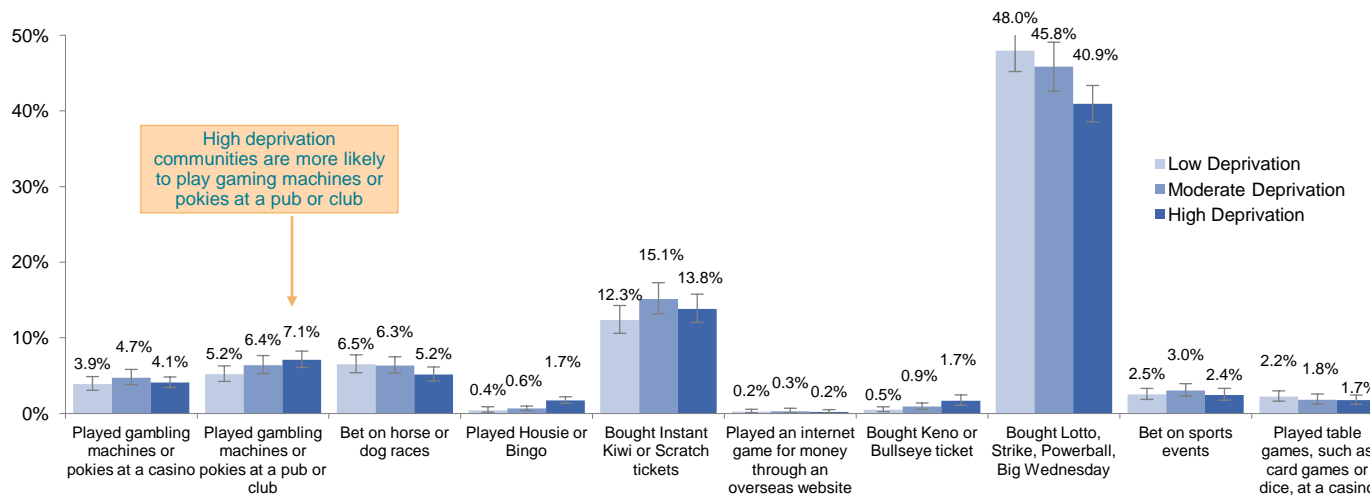
- More likely to play gaming machines in a pub or club (Class 4)
- Less likely to purchase Lotto products.

Whereas, people residing in moderate deprivation communities are:

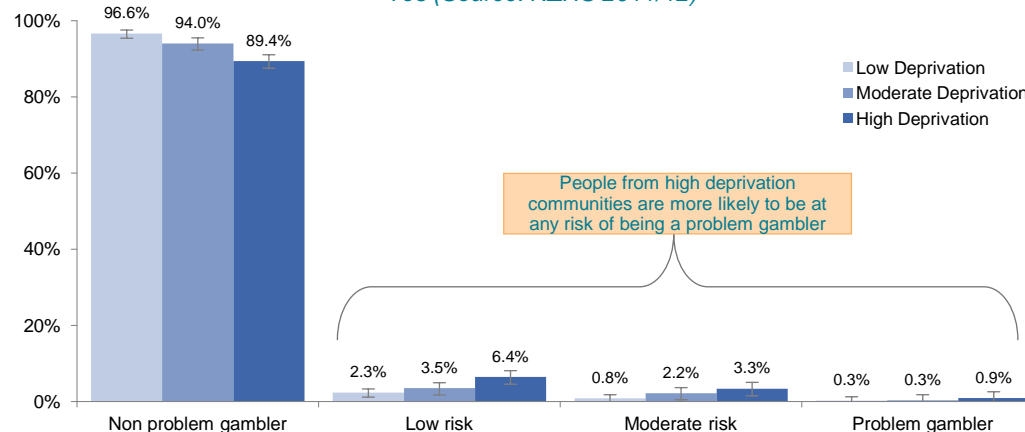
- More likely to play gaming machines at a casino and bet on sports events.

People residing within high deprivation communities are also more likely to be at any risk of being problem gamblers and experiencing gambling related harm compared to less deprived communities (see graph opposite bottom).

Are high deprivation communities inequitable in gambling participation? Yes (Source: NZHS, 2011/12)



Are high deprivation communities inequitable in terms of gambling prevalence? Yes (Source: NZHS 2011/12)



### Preventing and minimising gambling harm intervention services

Preventing and minimising gambling harm intervention services provide psychosocial support and clinical interventions (counselling) services for individuals experiencing gambling harm, including gamblers and those affected by someone else's gambling. The system of intervention adopted by the Ministry is based on a multi-modal approach and acknowledges the widespread impact of problem gambling on the individual and their family and affected others. The intervention services purchased by the Ministry comprise a combination of service types including:

- Helpline and information services
- Brief Interventions
- Full Interventions
- Facilitation services
- Follow-up services.

### Do you need more information?

See [source data 9](#) for access to a list of problem gambling service providers

See the table opposite for further information on problem gambling.

### For further information on problem gambling

Resource	Agency	URL
Gambling statistics	DIA	<a href="http://www.dia.govt.nz/Resource-material-Information-We-Provide-Gaming-Statistics">http://www.dia.govt.nz/Resource-material-Information-We-Provide-Gaming-Statistics</a>
New Zealand Health Survey 2011/12	Ministry of Health	<a href="http://www.health.govt.nz/nz-health-statistics/national-collections-and-surveys/surveys/current-recent-surveys/new-zealand-health-survey">http://www.health.govt.nz/nz-health-statistics/national-collections-and-surveys/surveys/current-recent-surveys/new-zealand-health-survey</a>
Outcomes framework for preventing and minimising gambling harm – baseline report	Ministry of Health	<a href="http://www.health.govt.nz/publication/outcomes-framework-preventing-and-minimising-gambling-harm-baseline-report">http://www.health.govt.nz/publication/outcomes-framework-preventing-and-minimising-gambling-harm-baseline-report</a>
Outcomes framework for preventing and minimising gambling harm – Annual reports	Ministry of Health	TBC. The first annual report is due for release at the end of 2013. Please see the Ministry of Health website for updates.
Health & Lifestyles Survey 2010	Health Promotion Agency	<a href="http://www.hpa.org.nz/research-library/research-publications/new-zealanders%E2%80%99-knowledge-views-and-experience-of-gambling-and-gambling-harm-results-from-the-2010">http://www.hpa.org.nz/research-library/research-publications/new-zealanders%E2%80%99-knowledge-views-and-experience-of-gambling-and-gambling-harm-results-from-the-2010</a>
Further guidance for territorial authorities	DIA	<a href="http://www.dia.govt.nz/Services-Casino-and-Non-Casino-gambling-Info-for-Territorial-Authorities">http://www.dia.govt.nz/Services-Casino-and-Non-Casino-gambling-Info-for-Territorial-Authorities</a>
Economic & social impacts of gambling in New Zealand	Massey University (SHORE)	<a href="http://www.health.govt.nz/our-work/mental-health-and-addictions/problem-gambling/research-and-evaluation/implementation-2004-2007/social-and-economic-impacts-gambling-nz">http://www.health.govt.nz/our-work/mental-health-and-addictions/problem-gambling/research-and-evaluation/implementation-2004-2007/social-and-economic-impacts-gambling-nz</a>

**The purpose of source data 7 is to provide an overview of the legislation.**

This section will be most useful to people who are new to gambling policy. Class 4 and Board venue policies should look to be consistent with the purposes of these Acts.

**The Gambling Act 2003**

This is the primary legislation that regulates gambling activities in New Zealand. It sets out:

- The various authorised classes of gambling in New Zealand
- The licensing and other regulatory requirements for each class of gambling
- The role of the responsible Minister, the Department of Internal Affairs, the Ministry of Health and territorial authorities in contributing to the purposes of the Gambling Act.

The purpose of the Gambling Act is to:

- Control the growth of gambling
- Prevent and minimise the harm caused by gambling, including problem gambling
- Authorise some gambling and prohibit the rest
- Facilitate responsible gambling
- Ensure the integrity and fairness of games
- Limit opportunities for crime or dishonesty associated with gambling
- Ensure that money from gambling benefits the community
- Facilitate community involvement in decisions about the provision of gambling.

**The Racing Act 2003**

This is the primary legislation that regulates New Zealand Racing Board (racing and sports) betting in New Zealand.

The purpose of the Racing Act is to:

- Provide effective governance arrangements for the racing industry
- Facilitate betting on galloping, harness, and greyhound races, and other sporting events
- Promote the long-term viability of New Zealand racing.

**The Local Government Act 2002**

This Act sets out the consultation process required to be undertaken by territorial authorities when adopting, amending or replacing Class 4 and Board venue policies.

***Do you want to know more...?***

*For more information on any of these Acts, please refer to the New Zealand's legislation website:*  
<http://www.legislation.govt.nz/>

The purpose source data 8 is to provide an overview of the public sector gambling stakeholders.

### The Department of Internal Affairs

The Secretary for Internal Affairs is responsible for licensing Class 4 gambling. There are strict licensing criteria for organisations wanting to run gaming machines and for the venues at which those gaming machines are operated. The Secretary for Internal Affairs cannot issue a Class 4 venue licence unless s/he is satisfied (among other things) that:

- The relevant territorial authority has provided consent (if required)
- The possibility of under 18-year-olds gaining access to Class 4 gambling at the Class 4 venue is minimal
- Venue personnel are suitable under the Gambling Act 2003
- The Class 4 venue is not used mainly for operating gaming machines
- The risk of problem gambling at the Class 4 venue is minimised
- The proposed venue is suitable in all other respects to be a Class 4 venue under the Gambling Act 2003.

The Department of Internal Affairs is also the primary regulator of gambling activity and administers the rules and regulations for gambling. It monitors the gambling industry to ensure the rules and regulations are followed and all gambling is in accordance with gambling legislation. As part of its regulatory role, the Department of Internal Affairs addresses problem gambling through the regulation and enforcement of the supply of gambling opportunities and the manner in which they are provided.

#### *Do you want to know more...?*

For more detailed information, please refer to the Department of Internal Affairs' gambling web page: [http://www.dia.govt.nz/diawebsite.nsf/wpg\\_URL/Resource-material-Information-We-Provide-Index?OpenDocument#one](http://www.dia.govt.nz/diawebsite.nsf/wpg_URL/Resource-material-Information-We-Provide-Index?OpenDocument#one)

### The Ministry of Health

The Ministry of Health is responsible for the funding and co-ordination of problem gambling services under the Gambling Act 2003. Specifically, the Gambling Act 2003 requires the development of an integrated problem gambling strategy focused on public health.

The Ministry of Health contracts services that are focused on preventing and minimising harm caused by gambling. It is responsible for funding and co-ordinating national and local problem gambling treatment services, promoting public health and raising public awareness of the risks of problem gambling, and conducting in-depth research about problem gambling in New Zealand to provide information on the harm it causes and identify approaches that will work best to address problem gambling.

The Ministry and the Department of Internal Affairs work collaboratively with a wide range of stakeholders to prevent and minimise problem gambling.

#### *Do you want to know more...?*

For more detailed information, please refer to the Ministry of Health's Problem Gambling website: <http://www.moh.govt.nz/problemgambling>.

### The Gambling Commission

The Gambling Commission is an independent statutory decision-making body established under the Gambling Act 2003. The Commission hears casino-licensing applications and appeals on licensing and enforcement decisions made by the Secretary for Internal Affairs in relation to gaming machines and other non-casino-gambling activities.

#### *Do you want to know more...?*

For more detailed information, please refer to the Gambling Commission's website: <http://www.gamblingcom.govt.nz/qcwebsite.nsf>

Source data 9 provides access to the contact details of all preventing and minimising gambling harm services available in each district that may be of use to you in developing gambling venue policy.

### Services available to help prevent and minimise gambling harm

There are a number of regional services available to help prevent and minimise gambling harm. A current list of providers can be found on the Ministry of Health's website:

<http://www.health.govt.nz/your-health/healthy-living/addictions/harmful-gambling/find-service-near-you>

Source data 10 provides information in relation to relocation policies that may be of use to you in developing a gambling venue policy.

### What is a relocation policy?

A relocation policy is a policy setting out if and when a territorial authority will grant consent in respect of a venue within its district, where, the venue is intended to replace an existing venue (within the district) to which a Class 4 venue licence applies (in which case section 97A Gambling Act applies) [GAs101(5)].

A relocation policy provides a tool for territorial authorities to help address the distribution of gaming machine venues in their district. A relocation policy could assist with moving venues out of high deprivation areas and into locations that would be considered more desirable (such as central business districts and industrial areas). This new provision of the Gambling Act overrides any existing territorial authority relocation policies that provide otherwise (for example if an existing relocation policy requires that new venues have a maximum of nine machines).

### Including a relocation policy in your Class 4 venue policy

#### *If you are adopting a Class 4 venue policy*

- When adopting a Class 4 venue policy, a venue policy may include a relocation policy [GAs101(3)(c)].

#### *If you are reviewing your Class 4 venue policy*

- The first time that a territorial authority commences a review of a policy after the Gambling (Gambling Harm Reduction) Amendment Act 2013 comes into force (14 September 2013), the territorial authority **must** consider whether to include a relocation policy [GAs102(5A)].
- The territorial authority **may** consider whether to include a relocation policy in any subsequent review of a policy [GAs102(5A)].
- 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 [GAs102(5B)].

### Example of an existing relocation policy

#### *Upper Hutt City Council, paragraph 7:*

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

Generally, the conditions to be met for a transfer of venue conditions to be considered, in addition to those contained elsewhere in this policy, are:

- The existing policy must be ceasing to operate as a Class 4 Gambling venue;
- The new venue must be operated by the same corporate society operating the existing venue;
- The new venue must be in a similar geographic location as the existing venue;
- The new venue will be permitted to have the same number of machines as the existing venue, subject to any restrictions applicable under the Gambling Act 2003; and
- The merging of existing venue conditions and transferred venue conditions is not permitted.”

The purpose of source data 11 is to provide guidance about some of the matters you decide are most relevant to consider when adopting or reviewing a venue policy.

This section is most useful when you are adopting or reviewing a policy. Refer to page 3 for the process to follow when adopting a policy. Refer to page 6 for the process to follow when reviewing a policy.

Both the Gambling Act and the Racing Act provide examples of what the territorial authority **may** consider when defining in the policy where gambling can occur.

*The Gambling Act [GAs101(4)]*

When adopting a policy you **may** consider where gambling can occur by considering the following relevant matters:

- The characteristics of the district and parts of the district
- The locations 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 or class of 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.

*The Racing Act [RAs65D(4)]*

When adopting a policy you **may** consider where gambling can occur by considering the following relevant matters:

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

The table opposite outlines common relevant matters that **may** be considered and provides examples where these matters have been considered in the development of policies around New Zealand. **The examples provided in the Acts are not exhaustive lists and a territorial authority may take into account any matter it deems relevant.**

Consideration from Act	Example of application in New Zealand policy (as at July 2013)
The characteristics of the district and parts of the district	Ashburton District Council, clause 4: "Class 4 gambling (pokie machine) venues may be established in Ashburton District subject to: 4.4 All necessary resource consent(s) having been granted and complied with".
The locations of kindergartens, early childhood centres, schools, places of worship, and other community facilities	Timaru District Council, clause 3: "Class 4 gambling venues (gaming machines) and Board Venues (TAB) may be established In Commercial 1, 2 and 3 Zones (e.g. CBD Zone, suburban centre zones, and industrial zones) subject to: 3.1.3 Being no closer than 100 metres, by public walkway or roadway to any school, early childhood centre, kindergarten, place of worship or other community facility."
The number of gaming machines that should be permitted to operate at any venue or class of venue	Masterton, Carterton and South Wairarapa District Councils, clause 4: "No increase in the number of gaming machines currently operating or consented in the Wairarapa Region as of 30 June 2011 will be permitted."  Ashburton District Council, clause 5.3: "Existing Class 4 gambling venues and operating 7 or less gaming machines on 22 September 2003, shall be permitted a maximum of 7 machines."
The cumulative effects of additional opportunities for gambling in the district	Tararua District Council, Objectives: "The objectives of the policy are: To have regard to the social impact of gambling within the district."
How close any venue should be permitted to be to any other venue	Hamilton City Council, clause 5.6: "(i) Venue premises located within the CBD Area shall not be adjacent to any other Class 4 gambling venue or casino."  (ii) Venue premises located outside the CBD Area shall not be within 50 metres (in a straight line) of the principal entrance of any other Class 4 gambling venue or casino."
What the primary activity at any venue should be	Palmerston North City Council, clause 2: "Class 4 gambling venues may be established where the primary activity of the proposed venue is: (i) For the sale of liquor or the sale of liquor and food; or (ii) Sporting activities and the club holds an on-licence for the sale of liquor for consumption on the premises; or (iii) For the operation of a New Zealand Racing Board TAB; and (iv) Not associated with family or children's activities."

**The purpose of source data 12 is to provide example policy options for Class 4 venues.** Refer to page 3 for the process to follow when adopting a policy. Refer to page 6 for the process to follow when reviewing a policy.

### Considering restricting the number of gaming machines

A territorial authority's Class 4 venue policy **may** specify any restrictions on the maximum number of gaming machines that may be operated at a Class 4 venue [GAs101(3)(b)].

**Note:** Restrictions apply only to those venues that apply for territorial authority consent.

The maximum number of gaming machines that may be operated at a Class 4 venue is specified under sections 92–96 of the Gambling Act 2003. In general:

- Class 4 venue licences held ON 17 October 2001 can have a maximum of 18 gaming machines
- Class 4 venue licences granted for the first time AFTER 17 October 2001 can have a maximum of nine gaming machines.

**Note:** The number of gaming machines that a Class 4 venue 'may operate' is either:

- The number that was notified to the Secretary for Internal Affairs on 22 September 2003, under section 89 of the Gambling Act (provided there has not been a period since 17 October 2001 of more than 6 months when no Class 4 venue licence was held); or
- The number that was specified in the venue's territorial authority consent (as long as a Class 4 venue licence has been held for the venue within the last 6 months).

**Note:** Not all Class 4 gambling venues are currently operating the number of gaming machines they 'may operate'. Any such venues can increase to the number they 'may operate' without territorial authority consent.

There are a number of policy options territorial authorities can consider when determining whether to restrict the number of gaming machines. Some options are included in the table on the following page.

**TIP 1:** To guide the number of gaming machines per venue, you may first calculate how many machines you want within the entire district, or within particular area units of the district, and impose a district-wide cap, or an area unit cap, on Class 4 gaming machine numbers. See [source data 14](#) (estimating gambling density) for information regarding determining the number of machines.

**TIP 2:** Determining your district profile and suggestions for policy options is documented in [source data 14](#).

### Considering restricting the number of gaming machines

#### *Merging clubs*

A 'club' is defined as a voluntary association of persons combined for a purpose other than personal gain [GAs4].

Two or more licensed Class 4 clubs, which have received territorial authority consent, can apply to the Minister of Internal Affairs seeking approval to increase the number of gaming machines at a venue [GAs95].

In such cases, the number of gaming machines at the venue **must** not exceed:

- The number of gaming machines specified in the territorial authority consent
- The lesser of 30 machines, or the sum of the number of gaming machines specified in all of the corporate societies' (the merging clubs) Class 4 venue licences at the time of the application [GAs95(4)].

Merging clubs wishing to receive approval under section 95 can only merge into a club operating at a Class 4 venue that was licensed on 17 October 2001 and that has not been without a licence for more than a period of six months since then [GAs92].

#### *Club's application for consent to operate more than 9 machines*

A licensed Class 4 venue that was granted a licence after 17 October 2001, and has received territorial authority consent, can apply to the Minister of Internal Affairs seeking approval to operate up to 18 machines [GAs96].

In such cases, the number of gaming machines at the venue **must** not exceed the number of gaming machines specified in the territorial authority consent, and **must** not in any case exceed 18 gaming machines.

#### *Do you want to know more...?*

The Department of Internal Affairs can help with information about the requirements for a club merger or application to operate more than 18 gaming machines. Please refer to the Department of Internal Affairs Information for Territorial Authorities web page to find out who to contact: [http://www.dia.govt.nz/diawebsite.nsf/wpg\\_URL/Services-Casino-and-Non-Casino-gambling-Info-for-Territorial-Authorities?OpenDocument](http://www.dia.govt.nz/diawebsite.nsf/wpg_URL/Services-Casino-and-Non-Casino-gambling-Info-for-Territorial-Authorities?OpenDocument).



	Policy Options for Class 4 venues	How does the option impact venues and machines?	Relocation policies
<b>No restrictions</b>	<ul style="list-style-type: none"> <li>Allow Class 4 venues to be established (or resume gaming machine operations) in the territorial authority district and specify that they may be located anywhere within the district.</li> <li>Do not specify any restrictions on the maximum number of gaming machines that may be operated at a Class 4 venue.</li> </ul>	<ul style="list-style-type: none"> <li>Number of venues can increase, stay the same or decrease</li> <li>Venue location can be anywhere</li> </ul>	<ul style="list-style-type: none"> <li>A relocation policy provides a tool for territorial authorities to help address the distribution of gaming machines venues in their district.</li> <li>A relocation policy could assist with moving venues out of high deprivation areas and into locations that would be considered more desirable (such as central business districts and industrial areas).</li> <li>If a territorial authority adopts a relocation policy, or already has one in place, and consents to a venue relocation, the maximum number of machines permitted at the new venue would be the same as the number permitted at the original venue (up to a maximum of 18 machines). This new provision of the Gambling Act overrides any existing territorial relocation policies that provide otherwise (for example if an existing relocation policy requires that new venues have a maximum of nine machines).</li> </ul>
<b>Restrict locations</b>	<ul style="list-style-type: none"> <li>Allow Class 4 venues to be established (or resume gaming machine operations) in the territorial authority district and specify where they may be located.</li> <li>Do not specify any restrictions on the maximum number of gaming machines that may be operated at a Class 4 venue.</li> </ul>	<ul style="list-style-type: none"> <li>Number of venues can increase, stay the same or decrease</li> <li>Venue location is restricted</li> </ul>	
<b>Restrict locations and numbers of machines</b>	<ul style="list-style-type: none"> <li>Allow Class 4 venues to be established (or resume gaming machine operations) in the territorial authority district and specify where they may be located.</li> <li>Specify restrictions on the maximum number of gaming machines that may be operated at a Class 4 venue.</li> </ul>	<ul style="list-style-type: none"> <li>Number of venues can increase, stay the same or decrease</li> <li>Venue location is restricted</li> </ul>	
<b>Venue sinking lid</b>	<ul style="list-style-type: none"> <li>Do not allow Class 4 venues to be established (or resume gaming machine operations) in the territorial authority district.</li> <li>Do not specify any restrictions on the maximum number of gaming machines that may be operated at a Class 4 venue (i.e., allow increases in gaming machines that 'may operate' at existing venues).</li> </ul>	<ul style="list-style-type: none"> <li>Number of venues can stay the same or decrease</li> <li>Venue location is restricted</li> </ul>	
<b>Venue and machine number sinking lid</b>	<ul style="list-style-type: none"> <li>Do not allow Class 4 venues to be established (or resume gaming machine operations) in the territorial authority district.</li> <li>Specify restrictions on the maximum number of gaming machines that may be operated at a Class 4 venue.</li> </ul>	<ul style="list-style-type: none"> <li>Number of venues can stay the same or decrease</li> <li>Venue location is restricted</li> </ul>	
		<ul style="list-style-type: none"> <li>Number of gaming machines can increase, stay the same, or decrease</li> </ul>	

The purpose of source data 13 is to provide example policy options for Board venues.

This section is most useful when you are adopting or reviewing a policy. Refer to page 3 for the process to follow when adopting a policy. Refer to page 6 for the process to follow when reviewing a policy.

### Considering restricting the number of Board venues

The policy options available for restricting the number of Board venues are described below.

Policy Options for Board venues	How does the option impact venues?
<ul style="list-style-type: none"> <li>Allow new Board venues to be established in the territorial authority district and specify where they may be located.</li> </ul>	<ul style="list-style-type: none"> <li>Number of venues can increase or decrease</li> <li>The policy must specify where the venues may be located (refer to <a href="#">source data 11</a>).</li> </ul>
<ul style="list-style-type: none"> <li>Do not allow new Board venues to be established in the territorial authority district.</li> </ul>	<ul style="list-style-type: none"> <li>Venues numbers can only decrease.</li> </ul>

**TIP 1:** refer to [source data 16](#) for information about the New Zealand Racing Board's submissions to territorial authorities for the creation of a stand alone New Zealand Racing Board gambling venue policy.

**TIP 2:** you should ensure that the wording of your policy clearly covers every possible situation (e.g. a proposal to relocate a Board venue from one place to another).

#### Do you want to know more...?

Further information about New Zealand Racing Board venue policy options is available on the Department of Internal Affairs' website:

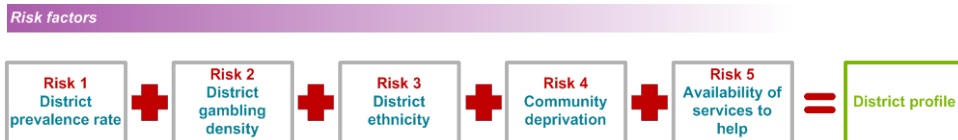
[http://www.dia.govt.nz/diawebsite.nsf/wpg\\_URL/Services-Casino-and-Non-Casino-gambling-Info-for-Territorial-Authorities?OpenDocument#four](http://www.dia.govt.nz/diawebsite.nsf/wpg_URL/Services-Casino-and-Non-Casino-gambling-Info-for-Territorial-Authorities?OpenDocument#four)

The purpose of source data 14 is to help you to construct a gambling profile for your territorial authority by considering five known categories of gambling risk.

This source data recognises that every territorial authority is unique, and therefore assessing the profile of gambling within your own territorial authority is of critical importance. Knowing how risk factors associated with gambling within your district compares with national averages will provide context for your gambling policy review.

### District profile

There are five broad risk categories to consider when constructing a profile for your territorial authority. These are; gambling prevalence rate, gambling density (opportunities to gamble), the ethnic make-up of your district and whether Māori and Pacific communities make up a significant portion of your district's population, community deprivation and finally, the availability of services to minimise gambling harm in your district. These risk factors are illustrated below:



### Approach

Generating a profile is straight forward. Each category attracts a score based on the level of risk. These are then added together to form a gambling risk profile for your district. To make it convenient, a summary box has been inserted in each category so that scores can be recorded and then summed to reach a total risk rating at the end.

#### Did you know...?

You can request the name and addresses of:

- Societies that hold Class 4 venue licences in your district
- Class 4 venues in your district and the number of gaming machines permitted to operate there [GAs103].

### Risk factors

Each risk factor is measured as:

- Low risk = 1 point
- Medium risk = 2 points
- High risk = 3 points

Your district's profile is the sum of risk for all risk factors. Therefore:

Total points	Risk rating
7 to 14	Low risk
15 to 22	Medium risk
23 to 30	High risk

### Policy options

The risk profile for your district helps to keep you informed of the type of policy that may best suit your district. In general, these policy options are:

Risk rating	Policy options (see <a href="#">source data 12</a> for more information)
Low risk	No restrictions
Medium risk	Restrict locations or Restrict locations and numbers of machines
High risk	Venue sinking lid or Venue and machine number sinking lid

The following pages provide guidance on how to measure each of the five risk factors.

**Risk 1. District prevalence rate**

**What is a prevalence rate?**

The prevalence rate is a way of measuring at-risk gambling within your territorial authority. It does so by combining national gambling statistics and local intervention statistics to understand the prevalence of problem gambling in your district.

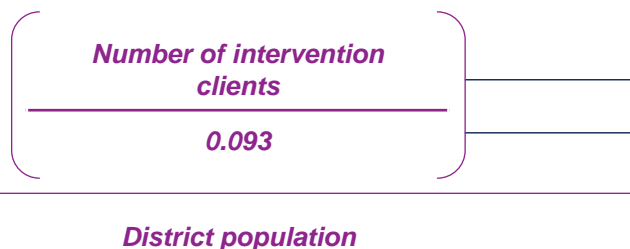
**National prevalence statistics: the NZHS**

The NZHS is a national survey that includes an estimate of problem gambling prevalence. The survey does not include problem gambling prevalence rates by territorial authority. However, the Ministry of Health believes it is useful to approximate the prevalence rate within a territorial authority.

**The prevalence formula**

The national rate of help seeking in New Zealand is 9.3%. This rate includes people who have sought help for their own gambling problems, as well as people who have sought help due to someone else's gambling. It is calculated by comparing the number of adults (15 years and over) (approximately 126,734 from NZHS 2011/12) who had experienced harm from gambling in the previous 12 months with, the number adults who presented as intervention clients to services between 1 July 2011 and 30 June 2012 (11,847 adults from Ministry of Health's problem gambling service-user data).

To develop a prevalence rate for your territorial authority, divide the number of problem gambling clients seeking interventions (includes brief interventions) in your territorial authority by the national rate of help-seeking (0.093).



Comparing the estimated percentage of a district's adult population needing help from gambling harm with the national figure and other comparable districts provides a context with which to assess the likely impact of gambling in your district, compared with other districts.

**Low, medium and high risk prevalence figures**

Prevalence risk level is defined as follows:

Risk rating	Prevalence
Low = 1	0 – 0.5%
Medium = 2	0.6 – 1.0%
High = 3	1.1% +

To find the number of intervention clients (includes brief interventions) visit: [http://www.health.govt.nz/our-work/mental-health-and-addictions/problem-gambling/service-user-data/intervention-client-data#total\\_assisted](http://www.health.govt.nz/our-work/mental-health-and-addictions/problem-gambling/service-user-data/intervention-client-data#total_assisted)

NZHS data can be obtained from: <http://www.health.govt.nz/nz-health-statistics/health-statistics-and-data-sets/problem-gambling-data-and-stats>

**Risk 1:**  
Your risk rating for district gambling prevalence is

Prevalence risk rating  x Weighting **2** = Total



### What is gambling density?

Gambling density is a measure of the opportunities available for people to gamble. As a general rule, the more opportunities there are to gamble, when combined with other risk factors, such as deprivation, the more at-risk the community is at experiencing gambling related harm.

### Estimating gambling density

Gambling density comprises of two components:

- Number of Class 4 machines per person
- Expenditure per person.

### Low, medium and high gambling density

Low, medium and high risk gambling density is measured as:

#### Number of machines per 10,000 people

Risk rating	Number of electronic gaming machines per 10,000 people
Low = 1	0-75
Medium = 2	76-150
High = 3	151+

Gaming machine numbers can be obtained from:  
<http://www.dia.govt.nz/Resource-material-Information-We-Provide-Gaming-Statistics>

#### Expenditure per person, per annum

Risk rating	Expenditure per person
Low = 1	\$0 - \$300
Medium = 2	\$301 - \$600
High = 3	\$601 +

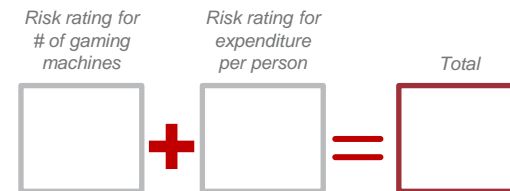
Gaming machine expenditure data can be obtained from:  
<http://www.dia.govt.nz/Resource-material-Information-We-Provide-Gaming-Statistics>

Population estimates for 2012 can be obtained from:  
[http://www.stats.govt.nz/browse\\_for\\_stats/population/estimates\\_and\\_projections/SubnationalPopulationEstimates\\_HOTPYe30Jun12.aspx](http://www.stats.govt.nz/browse_for_stats/population/estimates_and_projections/SubnationalPopulationEstimates_HOTPYe30Jun12.aspx)

### Gambling density and deprivation

The Outcomes Framework – baseline report has found that communities with a higher deprivation score (low socio-economic) tend to have more venues per person, more expenditure per machine and more expenditure per person than communities that are less deprived (high socio-economic). Hence highly deprived communities may be more at-risk from experiencing gambling harm. Refer to [source data 6](#) for more information about problem gambling indicators.

**Risk 2:**  
**Your risk rating for district gambling density is**





### What ethnicities are more at-risk of gambling harm?

Māori and Pacific populations are more likely to experience harm from at-risk gambling. For this reason it may be important for territorial authorities to consider whether the proportion of Māori and Pacific people in their community is greater than the national average.

The national average for Māori and Pacific people are:

- Māori: 14.9%
- Pacific: 7.2%

As an indicative guide, territorial authorities with populations of Māori and Pacific peoples that are greater than the Census average, have higher than average Māori and Pacific populations.

As such, risk for Māori may be considered as:

Risk rating	Māori
Low = 1	<14.9%
Medium = 2	15% - 19.9%
High = 3	20% +

Risk for Pacific people may be considered as:

Risk rating	Pacific
Low = 1	<7.2%
Medium = 2	7.3 – 7.9%
High = 3	8% +

### Ethnicity data can be obtained from:

See [page 41](#) for detailed information about ethnicity by territorial authority.

**Risk 3:**  
Your risk rating for ethnicity is





### What is community socioeconomic deprivation?

Community deprivation in New Zealand is measured through the deprivation index (NZDep2006). The NZDep2006 scale of deprivation is prepared by the University of Otago and divides New Zealand into tenths based on nine variables from the 2006 census. These variables include:

- Car and telephone access
- Receipt of means-tested benefits
- Unemployment
- Household income
- Sole parenting
- Educational qualifications
- Home ownership
- Home living space.

A score of 10 indicates that the community is in the most deprived 10 per cent of areas in New Zealand and a score of 1 indicates that the community is in the least deprived 10 per cent of areas.

The index itself is a 10 point scale where communities that score:

- 1-3 on the scale are considered the least deprived
- 4-7 are moderately deprived
- 8-10 are highly deprived.

Research shows that communities with a higher deprivation score are more likely to experience harm associated with at-risk gambling.

Further information on Otago University's planned NZDep2013 study can be obtained from:

<http://www.otago.ac.nz/wellington/research/hirp/otago020194.html>

Social deprivation by territorial authority and community can be obtained from the 'Social deprivation by territorial authority and community' spreadsheet attached as an Excel document to this resource:

Further information on socio-economic deprivation data can be obtained from:

<http://www.health.govt.nz/publication/nzdep2006-index-deprivation>

### Low medium and high risk community deprivation

Highly deprived communities are more likely to experience gambling harm, as a result they are ranked highest in terms of a risk rating:

Risk rating	Deprivation Index score
Low = 1	1 - 3
Medium = 2	4 - 7
High = 3	8 - 10

### Deprivation within the communities of your district

The spreadsheet attached to this document called 'Social deprivation by territorial authority and community' (see link to the spreadsheet below left) can be used to understand deprivation by community within your district. Deprivation is listed by community, rather than by district because district deprivation is usually an average of multiple communities – this can disguise communities in greatest need. It is also important for districts to understand the number of gaming machines and gaming machine expenditure by community. When calculating deprivation, please note that areas like central business districts (and other areas where venues would ideally be located) often score highly on the deprivation index, territorial authorities may want to take this into account when calculating a district deprivation score.

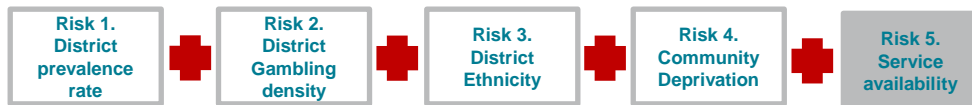
### Understanding where gambling venues are located

It is important to note that territorial authorities can request a section 103 report from the Department of Internal Affairs outlining where venues and gaming machines are located in the district. With this information territorial authorities can identify what suburbs/clusters have large numbers of venues and gaming machines.

### Why is this important?

Understanding where venues are located forms the basis of community deprivation analysis (Source data 14). For example, if there is an even spread of venues across the different suburbs then use a district average to generate a profile for your authority. But if venues are concentrated in a few suburbs, then a weighted average of the deprivation scores from those areas may be more appropriate to use to generate a profile.

**Risk 4:**  
Your risk rating for community deprivation risk is



### What is service availability?

Service availability is the availability within your district of intervention services that specialise in preventing and minimising gambling harm.

### Services available to help prevent and minimise gambling harm

The Ministry of Health contracts for intervention services throughout New Zealand to provide psychosocial support and clinical interventions for individuals affected by their own or someone else's gambling. The Ministry also contracts for public health services to perform a variety of activities in the community to prevent and minimise gambling-related harm.

The most up to date and detailed information about problem gambling services is available on the Ministry's Problem Gambling Website. Refer to [Source data 9](#) for the webpage link.

### Low, medium and high availability of minimising gambling harm services

The risk that a community will experience harm from gambling, may be increased if your district lacks access to intervention and public health services specialising in preventing and minimising gambling harm. This is because lower density of services available to help can be associated with decreased awareness, particularly of services dedicated to certain communities, such as Māori or Pacific. Levels of risk are set out below.

<i>Risk rating</i>	Number of services per 10,000 people
Low = 1	5+
Medium = 2	3-4
High = 3	0-2

For a list of problem gambling services in your district see:  
<http://www.health.govt.nz/your-health/healthy-living/addictions/harmful-gambling/find-service-near-you>

Would you like more information on service availability? Contact:

Gambling Harm Minimisation Team  
 Ministry of Health  
 Wellington  
 Phone 04 816 3934  
[gamblingharm@moh.govt.nz](mailto:gamblingharm@moh.govt.nz)

**Risk 5:**  
 Your risk rating for availability of help services is





## District profile: total scores

### District profile: your total scores

*Risk 1. District prevalence risk score*

*Risk 2. District gambling density risk score*

*Risk 3. District ethnicity risk score*

*Risk 4. Community deprivation risk score*

*Risk 5. Availability of services to help risk score*

**Total**

### Risk factors

Each risk factor is measured as:

- Low risk = 1 point
- Medium risk = 2 points
- High risk = 3 points

Your district's profile is the sum of the risk for all risk factors. Therefore:

Total points	Risk rating
8 – 13	Low risk
14 – 19	Medium risk
20 - 24	High risk

### Policy options

The risk profile for your district helps to keep you informed of the type of policy that may best suit your district. In general, these policy options are:

Risk rating	Policy options (see <a href="#">source data 12</a> for more information)
Low risk	No restrictions
Medium risk	Restrict locations or Restrict locations and numbers of machines
High risk	Venue sinking lid or Venue and machine number sinking lid

Please refer to [source data 12](#) for further guidance on policy options.

Territorial Authority (A – L)							
Area	TA Ref	Total	European	Māori	Pacific	Asian	Other
Ashburton District	063	28,000	95.0%	6.3%	1.4%	1.4%	0.4%
Auckland City	007	428,300	59.8%	8.1%	13.2%	25.5%	1.8%
Buller District	055	9,940	95.2%	8.6%	0.7%	0.9%	0.3%
Carterton District	049	7,260	93.8%	10.2%	1.7%	1.2%	0.3%
Central Hawke's Bay District	032	13,250	85.7%	21.7%	2.1%	0.8%	0.2%
Central Otago District	069	17,050	95.9%	7.4%	0.6%	1.1%	0.3%
Chatham Islands Territory	067	650	70.8%	63.1%	1.5%	1.5%	0.0%
Christchurch City	060	361,800	86.6%	7.8%	2.9%	8.3%	0.9%
Clutha District	072	17,200	94.8%	9.2%	0.8%	0.8%	0.2%
Dunedin City	071	122,300	90.8%	6.6%	2.3%	5.7%	0.8%
Far North District	001	57,500	68.5%	42.6%	3.3%	1.8%	0.3%
Franklin District	010	60,900	84.6%	15.8%	3.7%	5.3%	0.2%
Gisborne District	028	45,900	62.5%	46.8%	3.3%	1.9%	0.2%
Gore District	074	12,400	93.1%	9.8%	0.6%	1.0%	0.1%
Grey District	056	13,550	95.6%	8.8%	1.3%	1.2%	0.2%
Hamilton City	016	134,400	74.3%	20.2%	4.3%	10.9%	1.5%
Hastings District	030	73,200	77.0%	24.3%	5.5%	2.9%	0.5%
Hauraki District	012	17,600	87.5%	19.4%	2.3%	2.0%	0.2%
Horowhenua District	042	30,600	84.3%	21.3%	3.6%	2.7%	0.3%
Hurunui District	058	10,750	97.2%	6.1%	0.5%	0.7%	0.3%
Invercargill City	075	51,600	91.5%	13.9%	2.6%	1.6%	0.2%
Kaikoura District	054	3,730	89.0%	17.2%	1.1%	1.6%	0.5%
Kaipara District	003	18,550	85.7%	22.4%	2.7%	1.1%	0.2%
Kapiti Coast District	043	47,500	91.2%	12.7%	2.2%	2.5%	0.2%
Kawerau District	026	7,150	52.9%	60.3%	3.9%	1.8%	0.0%
Lower Hutt City	046	101,300	73.4%	17.3%	10.8%	9.0%	1.1%

Territorial Authority (M – S)							
Area	TA Ref	Total	European	Māori	Pacific	Asian	Other
Mackenzie District	065	3,900	93.8%	4.6%	0.8%	4.1%	0.3%
Manawatu District	039	29,000	92.1%	14.3%	1.5%	1.3%	0.2%
Manukau City	008	347,100	44.2%	15.5%	28.8%	21.8%	1.5%
Marlborough District	053	43,600	92.9%	10.6%	1.6%	1.7%	0.5%
Masterton District	048	23,200	88.4%	17.3%	2.8%	1.8%	0.3%
Matamata-Piako District	015	31,200	88.8%	13.6%	1.0%	2.9%	0.4%
Napier City	031	56,800	84.9%	18.6%	2.7%	2.7%	0.4%
Nelson City	052	44,300	92.8%	8.9%	1.8%	2.7%	0.4%
New Plymouth District	033	71,100	89.7%	14.4%	1.6%	2.8%	0.3%
North Shore City	005	216,900	75.4%	6.5%	3.3%	19.3%	1.8%
Opotiki District	027	9,200	55.8%	57.4%	2.8%	1.2%	0.2%
Otorohanga District	018	9,310	80.5%	27.1%	1.7%	1.9%	0.2%
Palmerston North City	040	78,500	82.2%	15.8%	3.9%	7.8%	1.1%
Papakura District	009	46,900	68.4%	26.8%	10.5%	8.5%	1.1%
Porirua City	044	50,600	63.6%	21.1%	27.9%	4.7%	0.5%
Queenstown-Lakes District	070	24,100	91.3%	6.1%	0.8%	5.3%	1.7%
Rangitikei District	038	15,150	83.2%	24.6%	1.7%	0.9%	0.2%
Rodney District	004	92,400	93.0%	9.1%	2.2%	3.2%	0.4%
Rotorua District	024	68,100	70.2%	36.3%	4.7%	4.6%	0.4%
Ruapehu District	036	14,050	72.6%	38.9%	2.3%	2.2%	0.2%
Selwyn District	062	35,000	94.6%	6.4%	0.9%	2.6%	0.5%
South Taranaki District	035	27,200	85.7%	22.0%	1.4%	1.4%	0.2%
South Waikato District	019	23,200	71.3%	31.5%	12.6%	2.2%	0.2%
South Wairarapa District	050	9,120	92.1%	13.2%	1.8%	1.6%	0.2%
Southland District	073	29,200	94.9%	9.6%	0.6%	1.2%	0.2%
Stratford District	034	9,120	94.1%	11.4%	0.4%	1.0%	0.1%

Source: Statistics New Zealand - Notes: (1) Includes all of the people who stated each ethnic group, whether as their only ethnic group or as one of several ethnic groups. Where a person reported more than one ethnic group, they have been counted once in each applicable group. (2) Other includes the category "New Zealander".

Territorial Authority (T – W)							
Area	TA Ref	Total	European	Māori	Pacific	Asian	Other
Tararua District	041	18,050	86.4%	20.8%	1.4%	1.4%	0.2%
Tasman District	051	45,800	95.9%	7.2%	0.8%	1.4%	0.3%
Taupo District	021	33,400	79.0%	28.3%	2.8%	1.9%	0.2%
Tauranga City	023	106,700	86.6%	16.8%	1.9%	3.6%	0.4%
Thames-Coromandel District	011	26,700	90.3%	16.3%	1.3%	1.6%	0.3%
Timaru District	064	43,800	95.9%	6.5%	1.0%	1.5%	0.2%
Upper Hutt City	045	39,700	86.4%	14.2%	4.6%	4.3%	0.7%
Waikato District	013	45,400	79.1%	26.1%	2.4%	2.9%	0.3%
Waimakariri District	059	44,100	95.9%	7.0%	0.7%	1.1%	0.1%
Waimate District	066	7,380	97.4%	5.6%	0.7%	0.7%	0.1%
Waipa District	017	43,700	91.1%	13.5%	1.2%	1.8%	0.2%
Wairoa District	029	8,720	52.6%	58.8%	2.4%	1.5%	0.1%
Waitakere City	006	195,300	65.5%	13.4%	15.6%	16.6%	1.6%
Waitaki District	068	20,700	95.4%	5.6%	1.2%	1.9%	0.1%
Waitomo District	020	9,680	68.6%	40.4%	2.6%	1.5%	0.2%
Wanganui District	037	187,700	79.0%	8.0%	5.3%	13.7%	2.1%
Wellington City	047	43,300	85.9%	17.6%	1.9%	2.6%	0.2%
Western Bay of Plenty District	022	8,620	92.6%	12.8%	1.0%	1.7%	0.2%
Westland District	057	34,500	67.5%	41.7%	2.3%	1.8%	0.3%
Whakatane District	025	43,800	83.1%	22.4%	2.5%	2.5%	0.2%
Whangarei District	002	76,500	82.2%	25.4%	2.5%	2.5%	0.3%
<b>New Zealand</b>		<b>4,184,600</b>	<b>76.8%</b>	<b>14.9%</b>	<b>7.2%</b>	<b>9.7%</b>	<b>0.9%</b>

Source: Statistics New Zealand (as at 30 June 2006)

Notes:

- Includes all of the people who stated each ethnic group, whether as their only ethnic group or as one of several ethnic groups. Where a person reported more than one ethnic group, they have been counted once in each applicable group.
- Other includes the category "New Zealander".

It is up to Territorial Authorities to consider what constitutes high Māori or Pacific populations within their District.

As an indicative guide, territorial authorities with populations of Māori and Pacific peoples that are greater than the Census average (14.9%) and (7.2%) respectively, have higher than average Māori and Pacific populations.

The purpose of source data 15 is to provide statistics to support why consulting on your venue policy is important.

This source data will be useful to those involved with the consultation process.

### Local decision-maker and community attitudes to gambling

The baseline report of the Outcomes framework for preventing and minimising gambling harm (Ministry of Health, 2013), compared community views to those held by national and local decision-makers (comprised mainly local government Councillors). The comparison highlighted that decision-makers and communities have different views on gambling issues. The diversity of views highlights the importance of the public submissions process when reviewing gambling venue policy.

Both decision-makers and community members feel that gambling leads to consequences for the community. However:

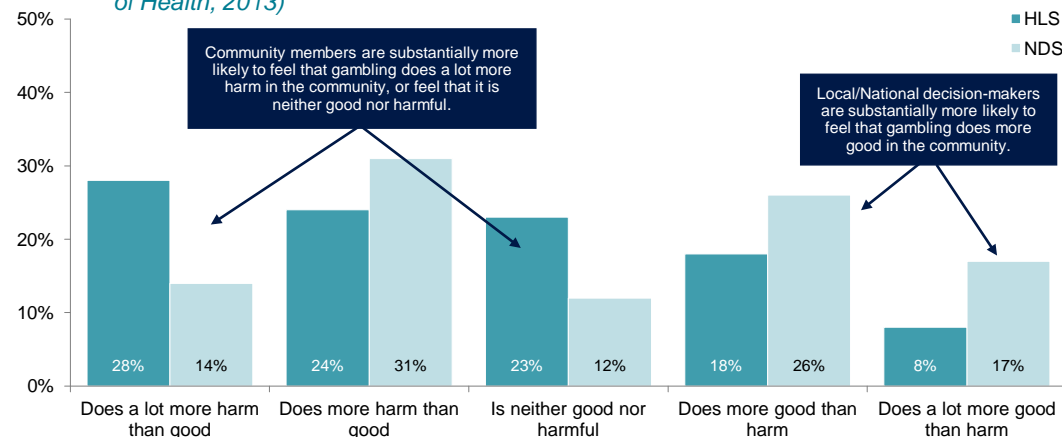
Decision-makers are more likely to:

- Take the view that gambling does more good for the community than harm (see graph opposite top, and [source data 4](#), Benefits of gambling)
- Identify internet gambling and gambling on mobile phones as the most undesirable forms of gambling
- Be aware of harmful behaviours, harmful actions and criminal activity associated with gambling.

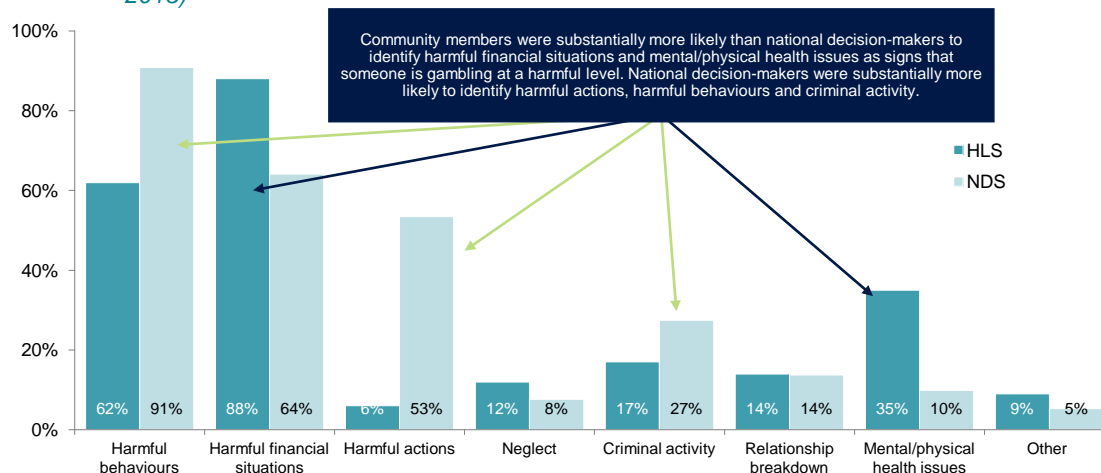
Community members are more likely to:

- Take the view that gambling does more harm than good in the community (also see [source data 5](#) - Costs of gambling)
- Identify gaming machines or pokies in a pub or club or gaming machines or pokies in a casino as the most undesirable forms of gambling
- Be aware of financial, mental and physical health impacts of gambling (see bottom graph).

Does gambling do more harm or more good for the community? (Source: Ministry of Health, 2013)



Are people aware of the signs of harmful gambling? (Source: Ministry of Health, 2013)



**The purpose of source data 16 is to provide an overview submissions from the New Zealand Racing Board to territorial authorities regarding the creation of a stand-alone Board venue policy**

## Board venue gambling policy background

Territorial authorities have jurisdiction over Board venues. This means that territorial authority consent is required to establish a Board facility. Territorial authority consent is not required to establish a TAB outlet or agency in a bar, hotel or club. Board venues are permitted under section 33(2) of the Gambling Act 2003, to host gaming machines.

Some territorial authorities permit Board venues to host gaming machines, whilst others do not. The New Zealand Racing Board ("NZRB") has been providing submissions to territorial authorities that are reviewing their gambling policies of their view that Board venues should be permitted to host gaming machines.

**These submissions are summarised in the four sections below.**

### Submission theme 1: Legislation

NZRB submissions highlight current legislation:

Board venues are expressly allowed to host gaming machines under section 33(2) of the Gambling Act 2003. A Class 4 venue licence may be issued to the NZRB or a racing club to conduct Class 4 gambling only at:

- (a) A venue owned or leased by the NZRB and used mainly for racing betting or sports betting; or
- (b) A racecourse [GAs33(2)].

### Submission theme 2: Harm minimisation

Racing Board submissions also highlight through examples that the NZRB is committed to preventing and minimising gambling harm. Examples include:

- Participation in the Problem Gambling Expert Advisory Group established by the Ministry of Health and Department of Internal Affairs

- All Board venues are connected via closed circuit television to a central monitoring office
- Board venues are subject to regular internal audits
- All Board venues have a harm minimisation policy developed in conjunction with the Problem Gambling Foundation, and all staff receive harm minimisation training.

### Submission theme 3: Requirement for a liquor licence

NZRB submissions seek exemption from the current requirement for Board venues to have a club licence for the sale of liquor for consumption on the premises.

The following examples submitted by the NZRB provide a rationale for seeking exemption:

- The liquor licence requirement was an attempt to impose an age restriction on people playing gaming machines at a time when no restrictions were imposed by legislation. However the Gambling Act 2003 now expressly forbids persons under the age of 18 years from participating in Class 4 gambling [GAs302]
- It is counterproductive on harm minimisation grounds to force all gaming machine to be located where alcohol is sold
- If an existing bar venue converted to a Board venue this would positive in respect of harm minimisation as the venue's trading hours would reduce, alcohol would be removed, and the venue would have trained staff supervising the patrons who are gambling.

### Submission theme 4: Replace sinking lid policies

NZRB submissions also suggest that territorial authorities with sinking lid policies in relation to gaming machine numbers, consider replacing them with a cap based on present machine numbers. The NZRB's rationale for this is that:

- There is no conclusive evidence that caps or sinking lids reduce problem gambling and that such a policy is unlikely to reduce problem gambling. Instead it will reduce the amount of funding available to community groups within the territory.

The purpose of source data 17 is to provide an update on significant revisions since the last Resource was published in 2010.

### Territorial Authority feedback

As part of the update of this Resource for local government, territorial authorities were given the opportunity to provide feedback on the existing resource.

The key feedback themes identified were:

- Of those that had used the resource, 70% found it useful or very useful
- Some information provided was too basic, or did not add to existing knowledge
- More data relevant to smaller rural districts could be included
- Material (both commentary and statistics) needs to be more up to date
- More emphasis could be placed on the positive as well as the negative impacts of gambling
- Examples of approaches that are taken by territorial authorities in New Zealand should be provided
- The document could be more 'user friendly'.

This feedback has been used to update the guidance document where possible.

### Significant new research

Three major studies have taken place since 2010 that have enabled a greater understanding of gambling in New Zealand and are relevant to the updated Resource document, these are:

- The Outcomes Framework for Preventing and Minimising Gambling Harm 2013
- The New Zealand Health Survey 2011/12
- The Health and Lifestyles Survey 2010.

Refer to [source data 18](#) for links to other research.

### Gambling (Gambling Harm Reduction) Amendment Bill

#### Background

The Gambling (Gambling Harm Reduction) Amendment Bill ("Flavell Bill") was introduced by MP Te Ururoa Flavell in September 2010. The aim of the Bill was to enable local authorities, in consultation with their communities, to reduce the number of, or even eliminate, gaming machines from those suburbs and towns where they are particularly concentrated or doing particular harm.

The Bill also suggested changing the responsibility for distributing Class 4 venue funds and proposed to give gamblers more ability to limit and control their own gambling behaviour through player tracking and pre-commit (or prepay) cards. The Bill was considered by the Commerce Committee, and their report was released on 17 June 2013. The Commerce Committee suggested a number of amendments that were incorporated into the Flavell Bill before its second reading. The Bill passed its third reading on 4 September 2013, and received Royal assent on 13 September 2013.

#### Impact on this resource

The impact of the Gambling (Gambling Harm Reduction) Amendment Act 2013 (previously the Flavell Bill) on the Gambling Act 2003 has been incorporated into this resource. The Gambling (Gambling Harm Reduction) Amendment Act 2013:

- Introduced the concept of a 'relocation policy' (defined in [source data 10](#) of this resource)
- Sets out when a relocation policy must and may be considered by a territorial authority (discussed on page 3 – 8 of this resource)
- Establishes rules around a territorial authority granting an application under a relocation policy (discussed on page 10 of this resource).

### Suggestions for further updates to this document

We welcome all suggestions for ways to improve this document, please contact the Ministry of Health at:

Problem Gambling  
Ministry of Health  
PO Box 5013  
Wellington

Ph: (04) 496 2000  
Fax: (04) 496 2340  
[gamblingharm@moh.govt.nz](mailto:gamblingharm@moh.govt.nz)

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*Note that the Ministry of Health funds ongoing research activities. The results of this research are periodically published on the Ministry's website:*

<http://www.health.govt.nz/our-work/mental-health-and-addictions/problem-gambling/research-and-evaluation>



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