

CLASS IV GAMING VENUE POLICY 2021-24 BRIEFING



18 AUGUST 2021 – 6.00PM

ATTENDEES

Elected Members: Mayor Barry, Deputy Mayor Lewis, Cr Briggs, Cr Brown, Cr Dyer, Cr Edwards, Cr Hislop, Cr Mitchell, Cr Shaw and Cr Sutton, Cr Rasheed.

Staff: Ms J Miller, Chief Executive, Ms A Blackshaw, Director Neighbourhoods and Communities, Mr M Boggs, Director Strategy and Engagement, Ms H Oram, Director Environment and Sustainability, Ms W Moore, Head of Strategy and Planning, Mr J Pritchard, Principal Advisor Policy, Mr D Koenders, Manager Financial Strategy and Planning, Mr M Jennings, Kaitatari Tumuaki Māori, Ms K Stannard, Head of Democratic Services, Ms A Doornebosch, Democracy Advisor, Ms Toi Lealofi, Democracy Advisor, Ms J Randall, Democracy Advisor and Ms K Glanville, Senior Democracy Advisor.

External presenter: Ms S Hogan, NZIER.

APOLOGIES / ABSENCES

Elected Member Apologies: None.

Elected Members Absent: Cr Milne.

KEY OBJECTIVES OF THE BRIEFING

The purpose of the briefing is for officers to discuss the proposed Class IV Gaming Venue Policy with elected members.

CLASS IV GAMING VENUE POLICY 2021-24 – PRESENTATION BY COUNCIL'S HEAD OF STRATEGY AND PLANNING

Slide 1 – Background to Council's policy and its review.

Slide 2 – Evidence and social impact assessment – outline of the problem and Council's objectives.

Slide 3 – Evidence and social impact assessment – an analysis of the problem and a suggested approach.

Slide 4 – NZIER presentation inserted at this point (see presentation and discussion notes below).

Slide 5 – Council's vision and a change to its approach based on the four wellbeings.

Slide 6 – Recommended policy objectives – The Department of Internal Affairs (DIA) has suggested a change to the current Act so that the spend on vending machines is publicly available.

Slide 7 – Options – recommendations using an approach based on the four wellbeings.

Slide 8 - The impacts of a change in Council's policy on Council and its communities

Slide 9 – Risks and opportunities resulting from the recommended changes to Council's policy.

Slide 10 – Future work if the recommended approach is agreed.

Discussion

- All funds taken from gaming machines in New Zealand are pooled in gaming trusts for distribution. The distribution of funds is not linked to areas where the money has been spent.
- A regional gaming policy is problematic since councils in the region have adopted different approaches. Upper Hutt City Council has recently reviewed its policy and decided against a sinking lid policy.
- Gaming machine venues need to renew their licences every three years. Council's role is to issue the licences while DIA monitors to check compliance.
- Problem gambling is part of DIA monitoring. Venues could lose their licence if it can be demonstrated that problem gambling is taking place.
- The Gambling Act would need to be reviewed in order for money spent on gaming machines in Lower Hutt to be distributed locally.

HARMLESS FUN FOR ALL? – PRESENTATION BY MS S HOGAN, A REPRESENTATIVE OF NZIER

Opening preamble

This presentation has a focus firstly on available data and secondly on risk and whether the risk is acceptable from a policy perspective. It looks at community impacts due to spending and participation where there is no local data. It suggests a wider view needs to be taken to problem gambling than just cost-benefit.

Slide 1 Data analysis: How does Lower Hutt compare - Lower Hutt's average expenditure is high at \$334. This is only the average if all adults in Lower Hutt participate equally.

Slide 2 Data analysis: Exposure to Class 4 gambling – The number of venues and machines in Lower Hutt provide much higher exposure in comparison with the national average. Fewer venues and machines are recommended, particularly in high deprivation areas.

Slide 3 'What if?' analysis: Why we did it – A cost benefit analysis assumes all unknown harms are non-existent so the analysis is skewed towards the benefits.

Slide 4 'What if?' analysis: Participation matters – Lower Hutt's participation in gaming is uncertain. The only available data is from a New Zealand Health and Lifestyles survey.

Slide 5 'What if?' analysis: Suburb view – data on gaming extrapolated from national research on deprivation areas.

Slide 6 'What if?' analysis: Household view - Spend per household extrapolated from national data suggests either a high spend or high participation is likely in Lower Hutt's high deprivation areas.

Slide 7 NZIER recommendations – reduce the number of gaming venues to 4-5 with a total of 100 machines to align with the national average.

Discussion

- National data shown in the presentation by household assumed Lower Hutt's high deprivation areas had an average gaming spend consistent with the national average.
- Information on the amount of spend from gaming is kept by the DIA but is confidential.
- It is not possible to reduce the number of gaming machines in venues but a cap or sinking lid policy would be options to consider.
- Gaming machine venues are allowed to relocate but it is not possible to close them down. The DIA could force closures if there were found to be non-compliances, for example poor management.

NEXT STEPS

- A report on the Gaming Venue Policy review will be reported to the Policy, Finance and Strategy Committee meeting on 14 September 2021.
- The Head of Strategy and Planning agreed to investigate whether a cap or sinking lid policy could be made proportional across the city. She will make enquiries on discussions had with the Naenae Bowling Club and whether these will form part of the report.
- The Head of Strategy and Planning will report back to members on whether venues are legally allowed to replace gaming machines that break down.
- If members have further questions before the Policy, Finance and Strategy Committee meeting on 14 September 2021, the Head of Strategy and Planning will respond.

The briefing closed at 6.45pm

ATTACHMENTS

Powerpoint Presentations:

DOC/21/94290 - Class IV Gaming Venue Policy presentation 2021-24

DOC/21/94291 – NZIER presentation: Harmless fun for all

Report:

DOC/21/94293 - Harmless fun for all? NZIER report: Class 4 gambling in Lower Hutt