



te kaunihera ā-rohe o  
**matamata-piako**  
district council



## **Statement of Proposal**

### **Draft Gambling Venue and TAB Venue Policies 2022**

**Adopted for Consultation 9 March 2022  
Consultation 14/03/2022 – 19/04/2022**

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**1. Executive Summary**

The Matamata-Piako District Council (Council) want to hear your thoughts on its proposed Gambling Venue and TAB Venue policies (Policies). Under the relevant legislation (Gambling Act 2003 and the Racing Industry Act 2020 (hereafter referred to as Acts)), Council are required to review both Policies every three years with the last review occurring in 2019.

When reviewing these Policies, we must consider the social impacts of gambling in our community. That is why your feedback is needed - it is crucial that our community have input to let us know what you think, and if we are on the right track.

A Social Impact Assessment has been prepared which provides an overall picture of the social impact of gambling and betting in the Matamata-Piako district (District). This is available for review to assist in providing our community with information, and for Council policy setting and direction.

In summary, the number of class 4 gambling venues in the District has decreased since 2015 from 14 to 12 with the number of gaming machines also decreasing from 167 to 154. There remain no standalone TAB venues in the District.

Despite a decrease in venues and machines, GMP<sup>1</sup> increased by 17.2% from March 2015 to September 2021. By comparison, nationally, GMP decreased by -3.5% over the same period.

The level of reported harm (problem gambling referrals) remains low, however anecdotal evidence received from the community via our pre-consultation survey<sup>2</sup> indicates that there may be unseen harm occurring as a result of class 4 gambling in the community.

<sup>1</sup> Class 4 GMP is calculated as expenditure minus any prizes/grants paid out, and represents player loss.

<sup>2</sup> Survey undertaken in November-December 2021.

This document has been prepared as per the Special Consultative Procedure of the Local Government Act 2002 (LGA). Consultation is being undertaken to assess public support for the proposed Policies and/or to incorporate other options as a result of community feedback. Consultation on the Policies is being undertaken in conjunction with a number of other Council documents.

Both the current and proposed Policies alongside information on how you can have your say will be available at any Council Office and Library or on Council's website at [www.mpdc.govt.nz](http://www.mpdc.govt.nz).

## **1.1 What is the Gambling Venue Policy and TAB Venue Policy?**

Under the relevant legislation, Council has a responsibility to develop policy to control the use, growth and any social impacts that gambling and betting may cause in our District. This includes the number and location of class 4 gaming venues, restrictions on the number of machines allowed to operate in the District ('pokie' machines only) and the number of TAB venues permitted.

## **1.2 Why are we reviewing our Policies?**

We are reviewing both Policies to ensure that we are continuing to meet our statutory requirements and it helps to evaluate the impact that our Policies have on gambling and gambling related harm in our District, and we want to hear what our community thinks.

## **1.3 Statutory Requirements**

Section 102(5) of the Gambling Act states that Councils must review their Gambling Venue Policy at least every three years and section 102(2) states that the review must be in accordance with the Special Consultative Procedure as outlined in section 83 of the LGA.

Similarly, under section 96 of the Racing Industry Act 2020, Council are required to adopt a TAB Venue Policy and review it every three years, in accordance with the Special Consultative Procedure as outlined in section 83 of the LGA.

When determining its Gambling Venue Policy, the Gambling Act 2003 states that Council may have regard to any relevant matters, including:

- the characteristics of the district and parts of the district;
- the location of kindergartens, early childhood centres, schools, places of worship, and other community facilities;
- the number of gaming machines that should be permitted to operate at any venue 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.

Council is also required to consider adopting a relocation policy within their Gambling Venue Policy and to consider the social impacts on high deprivation communities. Council implemented a relocation policy in 2016.

When determining its TAB Venue Policy, the Racing Industry Act 2020 states that Council may have regard to any relevant matters, including:

- the characteristics of the district and parts of the district;

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

## **1.4 Are we proposing any changes to the Policies?**

No fundamental changes to the Policies are proposed as there have been no significant changes to tell us that major updates are required. However, both Policies have been re-designed for readability and ease of understanding.

The Gambling Venue Policy aims for a balanced perspective – allowing gambling funds to be made available to community groups at the same level, however keeping the venue and machine caps the same which means there are increasingly less machines per person in the District. This may potentially mitigate the level of harm in our communities as a result.

The TAB Venue Policy has been updated to reflect the new legislation, and to align with the new format of the Gambling Venue Policy.

### **1.4.1 Gambling Venue Policy**

Council are not proposing to make any fundamental changes to the Policy, apart from re-designing the layout to improve readability and to remove information that is no longer required or relevant. The proposed Policy has been streamlined to combine the ‘what this means’ detail under every section as per the current Policy, to make it easier to read and understand.

Overall, the Policy has been organised into five sections to provide a summary of the purpose of the Policy and legislative requirements, detail the provision of class 4 gambling in the District, to outline the application process and requirements, including a relocation clause, how Council propose to monitor, measure and review the Policy and to include the relevant documents and legislation.

Council is proposing to maintain the current permitted number of venues and machines at 15 and 201 respectively, however, it is proposed to update the population figures to reflect the 2021 population estimates by Statistics New Zealand (being the latest publicly available data). The ratios (number of machines and venues per person) have been adjusted to reflect the updated population figures, with the number of machines and venues permitted remaining the same, as per the existing policy.

The following changes are proposed:

- Applicants are no longer required to publically advertise their application, however it is proposed to require all applicants to discuss the proposed application with affected parties and to obtain signed letters of agreement.
- The hearing process has been clarified whereby if written approvals are not obtained from all affected parties, and one or more of the affected parties requests the opportunity to speak to their views and perspectives of the granting of the consent at a hearing, this will be arranged. This will be publically notified.
- Research has shown that venues in areas of deprivation are more likely to cause harm. Nine out of 12 venues in our District are located within medium high to very high social deprivation areas. It is proposed to add a clause for Council to consider any applications in respect to the proximity to other gambling opportunities in the surrounding area, and have the right to refuse consent on that basis.
- It has been clarified that should two or more clubs merge and relocate to a new venue, which does not hold a venue consent, they would be required to apply for a new consent.

- The location requirements have been aligned with Council's Local Alcohol Policy 2017 and states Council's preference is for class 4 gambling to occur within premises located within the Business Zone under the Matamata-Piako District Plan.

#### **1.4.2 TAB Venue Policy**

A TAB venue is a venue which is owned or leased by TAB NZ and where the main business carried out at the premises is the provision of racing betting, or sports betting. Pubs and bars that have TAB gambling facilities available but it is not their primary function, are not considered to be a TAB venue and therefore are not affected by this Policy. There are currently no TAB venues located within the District.

The current TAB venue policy sets a cap of one TAB venue per township (Matamata, Morrinsville and Te Aroha). Council are proposing that this cap remains the same.

Council are proposing to make minor amendments to reflect a change in legislation. Under the Racing Act 2020, TAB Venues are no longer called TAB Board Venues and the New Zealand Racing Board has been disestablished with the TAB NZ established as the sole betting provider for racing and sports betting in New Zealand. In addition, the Policy has been streamlined to align with Council's proposed Gambling Venue Policy.

## 2. Options for Consideration

In reviewing the Policies, Council considered several options. The advantages and disadvantages of each option are set out below. Some considerations fall in to both categories, depending on whether gambling in general is considered in a positive or negative light.

We are keen to hear your thoughts on which option you prefer.

### 2.1 Gambling Venue Policy

#### Option 1 – Amend venue and machine ratios to reflect 2021 population estimates but retain the current cap

The Gambling Venue Policy would remain as is, with a cap of 15 venues and 201 gaming machines but with the population based on the 2021 Statistics NZ population estimates. **This is Council's preferred option.**

Advantages	Disadvantages
Allows the Policy to be updated to reflect a more up to date population for the District, as the current Policy does not reflect the changes in population that have occurred.	Does not lead to a practical change in the number of venues and machines permitted in the district.
Dependent on Council consent, allows 47 more gaming machines to operate and three more venues, as we are not at our current cap.	Dependent on Council consent, allows 47 more gaming machines to operate and three more venues, as we are not at our current cap.
Potentially more money available to give as grants to community organisations.	Increased likelihood that gambling and associated harms could become a significant problem in our District.

#### Option 2 – Reduce the cap on venues and machines

This would mean the cap would be aligned with the current number of gaming machines that can operate without needing Council's consent (165).<sup>3</sup> This option would mean that no new venues would be consented as there would be no availability in the cap.

Advantages	Disadvantages
Does not allow any more machines above the current allowed number or any more venues to operate.	Does not allow any more machines above the current allowed number or any more venues to operate.
Reduced likelihood that gambling and associated harms could become a significant problem in our District.	Potentially less money available to give as grants to community organisations in the future.

<sup>3</sup> This is the number of machines notified to DIA when the Gambling Act 2003 came into force.

### Option 3 – Update population estimates and ratios, allowing additional venues and machines

Each area in Matamata-Piako has a ratio of venues and gaming machines to people. Using the 2021 Statistics NZ population estimates, the cap could be increased slightly due to population growth.

<b>Advantages</b>	<b>Disadvantages</b>
2021 Statistics NZ estimated population figures would allow for 15 more gaming machines above the current cap (10 in Matamata, 6 in Morrinsville, and 4 in Te Aroha) and one more venue in Matamata.	2021 Statistics NZ estimated population figures would allow for 15 more gaming machines above the current cap (10 in Matamata, 6 in Morrinsville, and 4 in Te Aroha) and one more venue in Matamata.
Potentially more money available to give as grants to community organisations.	Increased likelihood that gambling and associated harms could become a significant problem in our District.
Dispersion of gaming machines would remain appropriate for the population size.	

### Option 4 – Increase the cap on venues and machines

We could increase the current cap of 15 venues and 201 gaming machines to another set number. This option allows for further future growth, noting that there is already space to grow given current numbers are less than the cap.

<b>Advantages</b>	<b>Disadvantages</b>
Allows more venues and gaming machines to operate.	Allows more venues and gaming machines to operate.
Potentially more money available to give as grants to community organisations.	Increased likelihood that gambling and associated harms could become a significant problem in our District.

### Option 5 – Adopt a sinking lid policy

This would mean that no new consents would be issued, and the number of venues and gaming machines may slowly decline. Under this option, no new class 4 venues would be permitted to establish. This is commonly referred to as a “sinking lid” policy, and is the most restrictive policy a local authority has the mandate to put in place.

<b>Advantages</b>	<b>Disadvantages</b>
Does not allow any more venues or machines to operate.	Does not allow any more venues or machines to operate.
Reduced likelihood that gambling and associated harms could become a significant problem in our District.	As the number of gaming machines and venues declines, there could potentially be less money granted back to community organisations in the future.

Option 6 – Maintain/amend/remove the relocation policy

A relocation policy sets out if and when the Council will grant consent where a venue intends to replace an existing venue within the District to which a class 4 venue consent applies.

The Gambling (Gambling Harm Reduction) Amendment Act 2013 required Councils that didn't have relocation policies in place, to consider whether or not to adopt a relocation policy at the time of the next review. Council decided to introduce a relocation policy in 2016 and is proposing to retain this clause within the updated Policy.

There is an option to strengthen a sinking lid policy by removing this clause, meaning venues would not be able to relocate under any circumstances.

<b>Advantages</b>	<b>Disadvantages</b>
Council must consider the social impact of gambling in high-deprivation communities within its District. Allows Council to influence the relocation of venues, where they may create a negative impact.	Does not provide flexibility for venues and corporate societies who may wish to relocate where this falls outside the scope of the Policy.
Possibility to restrict relocations such as placing requirements around venues relocating into a lower area of deprivation, which may help reduce problem gambling.	May create unintended consequences and unreasonably restrict the operation of gaming venues who wish to move premises.

**2.2 TAB Venue Policy**

Option 1 – Retain current cap

The TAB Venue Policy cap would remain as is, with one venue per town. **This is Council's preferred option.**

Advantages	Disadvantages
Allows one venue in each of our three main towns.	Allows one venue in each of our three main towns.
Provides for the opportunity for further entertainment and employment options.	Increased likelihood that gambling and associated harms could become a significant problem in our District.

Option 2 – Introduce location restrictions for TAB Venues

It is possible to place restrictions on the location where new TAB venues can establish. Although there are currently no standalone TAB venues in the District, adding location restrictions would provide a framework for the consideration of any applications received in the future.

Advantages	Disadvantages
May assist in reducing the risk of harm and the impact of problem gambling as a result of racing and sports betting.	No specific concerns have been raised in relation to the location of TAB venues in previous policy consultations, therefore this measure could be deemed as not required.
Would align with the class 4 gambling venue policy location restrictions.	
Sets expectations in regards to location requirements in the event of an application being received.	

Option 3 – Increase the venue cap

Option 3 would mean the current cap of one venue per town would increase.

Advantages	Disadvantages
Allows more TAB venues to operate.	Allows more TAB venues to operate.
Potentially more money available to grant to community organisations.	Increased likelihood that gambling and associated harms could become a significant problem in our District.

Option 4 – Adopt a sinking lid policy

Option 4 would mean that no new TAB venue consents would be issued. As there are currently no TAB venues in the District, this would mean that no venues could be established under this Policy.

<b>Advantages</b>	<b>Disadvantages</b>
Does not allow TAB venues to be established within the District.	Does not allow new TAB venues to be established within the District.
Based on the rationale that reducing availability will reduce the risk of harm, this option has potential to reduce the local impact of problem gambling as a result of racing and sports betting. Therefore, a reduced likelihood that gambling and associated harms could become a significant problem in our District.	Potentially less money granted back to racing and sports organisations.
	Council's Policy can only exercise control over the establishment of standalone TAB venues. An unintended consequence of placing a moratorium on new TAB venues could lead to an increase in other types of TAB outlets, e.g. Pub TABs (of which Council has no control).
	As other methods to participate in racing and sports betting are readily available, it is unlikely that introducing a Policy which does not allow new TAB venues to establish would have any significant impact at all, especially given there are currently no such venues operating.  It is difficult to determine whether more harm is experienced when bets are placed via TAB venues versus the use of other TAB betting services.

### **3. Summary of Social Impact Assessment 2021**

When reviewing Council's proposed Policies, respondents may find it helpful to refer to the 2021 Social Impact Assessment, of which a summary of the facts is provided below. If you require any further information, please do not hesitate to get in touch.

#### Current Provision of Class 4 Gambling & TAB Venues

The current Gambling Venue Policy sets a cap on the number of venues at 15 and the number of gaming machines at 201.

There are currently 12 class 4 gambling venues operating within our District. Of these, four are in Morrinsville, three in Matamata, three in Te Aroha, and two within rural areas. This means Morrinsville and the rural area has reached its venue cap, while Matamata and Te Aroha could have two and one more venue respectively.

There are currently 154 gaming machines operating within our District, which could increase to 165 without needing Council consent, and to 201 (subject to Council consent). According to the legislation, a new venue could have up to nine gaming machines.

The current TAB Policy sets a cap of one TAB venue per township (Matamata, Morrinsville and Te Aroha). There are currently no standalone TAB venues in the District.

#### Figure 1 (Gaming Machine Proceeds (GMP))

Figure 1 shows GMP in our District has decreased slightly since 2019 (the time of the last policy review), and there was a dip in profits during lockdown (June 2020), as venues remained closed, however the overall trend for the District shows an increase of 17.2% since March 2015.

#### Figure 2 (Loss per Head Comparison)

Since 2010/11, loss per head on pokie machines in Matamata-Piako has been lower compared to most neighbouring Councils with only Waikato District Council being consistently lower than Matamata-Piako. More recently, Matamata-Piako has risen above Waipa District Council.

Matamata-Piako loss per head remains slightly lower than the National loss per head, continuing this historical trend occurring since 2010/11.

#### Figure 3 (Loss per Head Comparison September 2021)

In the September 2021 quarter, Matamata-Piako ranked slightly above the national average for loss per head and four out of six local Councils.

#### Figure 4 (Problem Gambling Referrals)

Problem gambling is not considered a significant issue in Matamata-Piako. As figure 4 shows, only one new referral for problem gambling was received in the 2020/21 year, and the number has remained low over several years.

However, it is important to understand that this may not provide an accurate representation of the harm occurring in the community and there could be different reasons for the low level of referrals. This may include denial and shame about gambling behaviour, a lack of specialist in-person support available in the Matamata-Piako District, and a lack of internet access.

### Figure 5&6 (Grants Returned to the Community)

Under the legislation, corporate societies are required to return at least 40 percent of net profits back to the community. In 2020, \$871,154.54 was granted back to organisations within the Matamata-Piako community – the majority of funds going to sport, arts and culture, community groups and research and education. The amount each society has granted back to the community is shown in figure 5.

Between January and June 2001, as shown in figure 6, a total of \$543,108.54 was distributed back to the Matamata-Piako community.

Grants given to organisations that cover multiple districts or are national bodies, such as the National Heart Foundation or Search and Rescue, are not included. It is unclear how much benefit the Matamata-Piako community derives from the grants made to these national organisations.

Please note that proceeds from Royal New Zealand Returned and Services' Association venues (RSAs) in the district have not been included as they provide support to veterans and are not required to give grants from the proceeds of their gaming machines to the wider community.

Registered clubs also operate gaming machines in our District and the funding is used to directly benefit their members.

### Density of Gaming Machines

One way of considering the risks of gambling in our community is to consider the prevalence/density of gaming machines based on the number of machines per person.

Having a higher number of people per machine may help reduce gambling harm as the prevalence of machines is less. Conversely, having a lower number of people per machine indicates a higher concentration of machines in a district, which may lead to more gambling related harm as there is an increased opportunity for gambling. It is important to note however, that there are mixed views on the effectiveness of restricting access to gaming machines.

Using the 2021 Statistics NZ population estimates, in Matamata-Piako we have approximately 183 people over 18 for every machine in the District. This means the density of machines is the fourth highest when compared with surrounding Councils, and is higher than the national average of 270.

<b>Territorial Local Authority</b>	<b>Approximate Number of 18+ people per machine</b>
Thames-Coromandel	110
South Waikato	118
Hauraki	144
<b>Matamata-Piako</b>	<b>183</b>
Waipa	199
National	270
Waikato	271

#### **4. Summary of Pre-Consultation Feedback**

A survey was undertaken in November/December 2021 to ask what the community thought about the provision of gambling in the Matamata-Piako area and its effects. We also wanted to hear from the community about their views on the current policies and if any changes are needed. As expected, the feedback received was mixed due to the variety of groups that were surveyed and differing viewpoints on the impacts of gambling in our communities.

Responses received made it clear that grants given by gaming societies/trusts provide a vital and reliable source of funding to many local and national community groups, and this funding is important to the continued operation of these groups.

Most people were either neutral, negative or very negative in their opinion of the effects of gambling on the Matamata-Piako community (68%), with 21% responding the effect was positive or very positive.

Concern was raised about the number of gaming machines in high deprivation areas and harmful gambling disproportionately affecting Māori and Pacific peoples who live in these areas.

The community have told us that Council need to strike a balance between allowing for gambling, whilst minimising harms that can have devastating impacts for individuals, whānau and friends and the community as a whole. The link between alcohol and gambling was seen as particularly dangerous.

Views on the gambling venue policy were also mixed with responses ranging from supporting no changes, to others asking Council to take a firmer stance by the introduction of a sinking lid policy.

Te Manawhenua Forum mō Matamata-Piako members told us they are concerned that there is harm occurring which may be hidden, and they are keen for Council to support local solutions to help people at risk of problem gambling. They also recommended to Council to adopt a sinking lid for both Policies.

TAB NZ responded that they are supportive of no changes to the Council's current TAB venue policy.

## 5. The Submission Process

Timeline	Date
Statement of proposal and draft Gambling Venue Policy and TAB Venue Policies 2022 for public consultation approved.	Council Meeting 9 March 2022
Community consultation	14 March - 19 April 2022
Council hearing (volume of submitters will determine if the meeting is required to run for both days)	11/12 May 2022
Submitters to be advised of outcome of hearing	13 - 18 May 2022
Policies adopted by Council	8 June 2022
New policies apply	1 July 2022

### Where can I find more information?

You can download both the proposed Gambling Venue and TAB Venue Policies and other relevant documents at [www.mpdc.govt.nz](http://www.mpdc.govt.nz) and a copy of these documents is available to view at our offices and libraries.

### How can I have my say?

We actively encourage the community to contribute to the formation of these important documents and it is easy to have your say. Simply make a submission on any/all draft documents (Gambling Venue Policy, TAB Venue Policy, Local Easter Sunday Shop Trading Policy, Fees and Charges 2022/23, or any of the other documents) and return it to us by **19 April 2022**.

You can make a submission in any of the following ways:

Online: through our website at [www.mpdc.govt.nz](http://www.mpdc.govt.nz)

Email: [submissions@mpdc.govt.nz](mailto:submissions@mpdc.govt.nz)

Written: forms are available at any of our offices or libraries, or you can simply write your submission as a letter and either drop it off at one of our offices or post it to:

Submissions  
PO Box 266  
Te Aroha 3342

Please be aware that submissions made to Council will be available as public information. Your submission will be used and reproduced for purposes such as reports to Councillors, which are made available to the public and media.

If you advise in your submission that you wish to speak to your submission at the hearing, Council staff will contact you to arrange a time for you to attend.

If you require assistance with any special requirements such as New Zealand Sign Language or audio visual mechanisms, please advise on your submission and we will be happy to assist.

### **Office and library locations**

- Te Aroha Council Office: Kenrick Street Te Aroha
- Te Aroha Library: Rewi Street, Te Aroha
- Morrinsville Area Office and Library: Canada Street, Morrinsville
- Matamata Area Office and Library: Tainui Street, Matamata

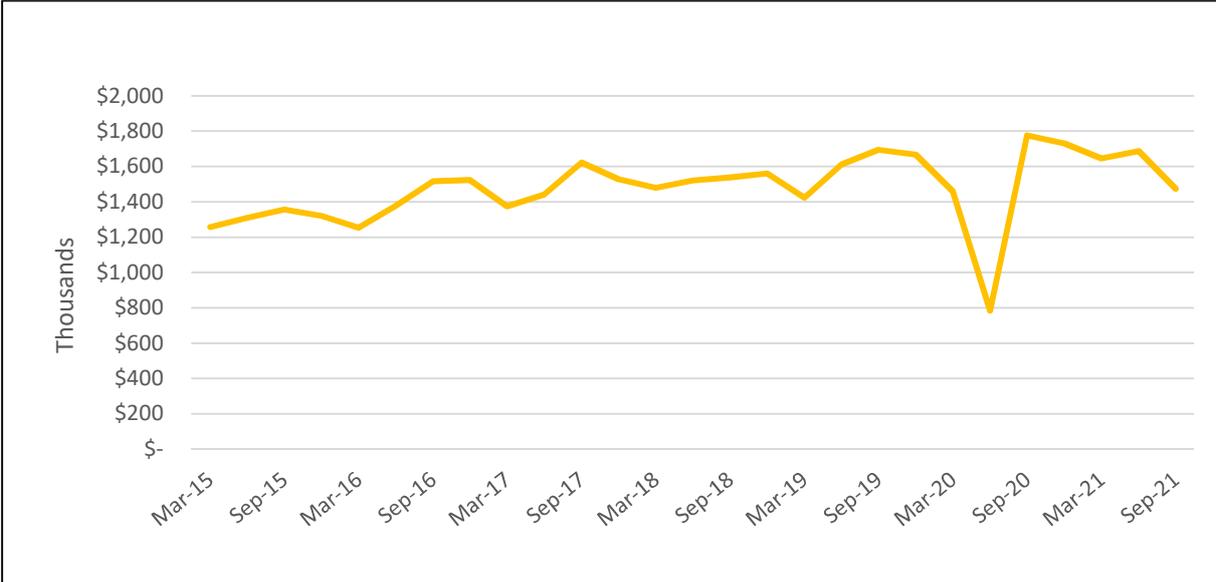
### **Do you have any questions?**

We are here to help - so if you have any questions about the Policies or the submission process, please get in touch. Call us on (07) 884 0060 and let our friendly Customer Services staff know you have a question about the Gambling Venue and/or TAB Venue Policies.

**Please ensure you have your submission back to Council by 5pm on 19 April 2022**

**6. Appendices**

*Figure 1 – GMP per quarter (Matamata-Piako District)*



*Figure 2 – Comparison of GMP loss per head by Territorial Local Authority*

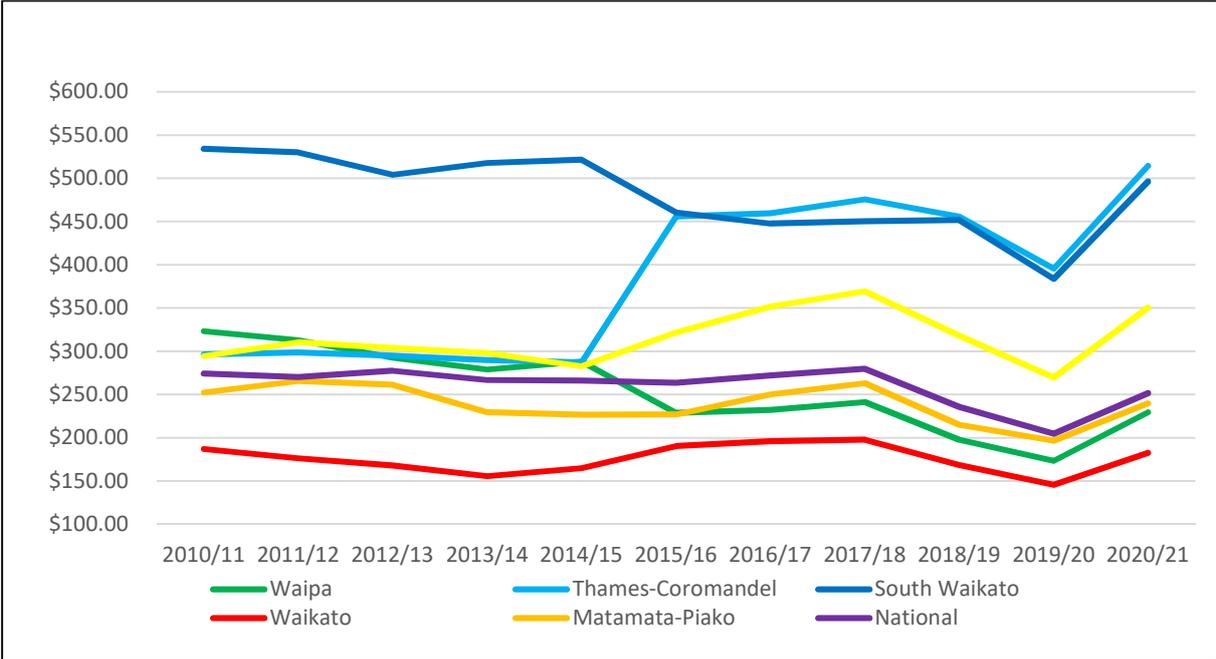


Figure 3 – Loss per head September 2021 quarter by Territorial Local Authority



Note: Gambling loss per head is calculated by taking the population 18 years and over and dividing it by the latest proceed figures published by the DIA (refer Figure 1).

Figure 4 – New referrals received (Matamata-Piako District)

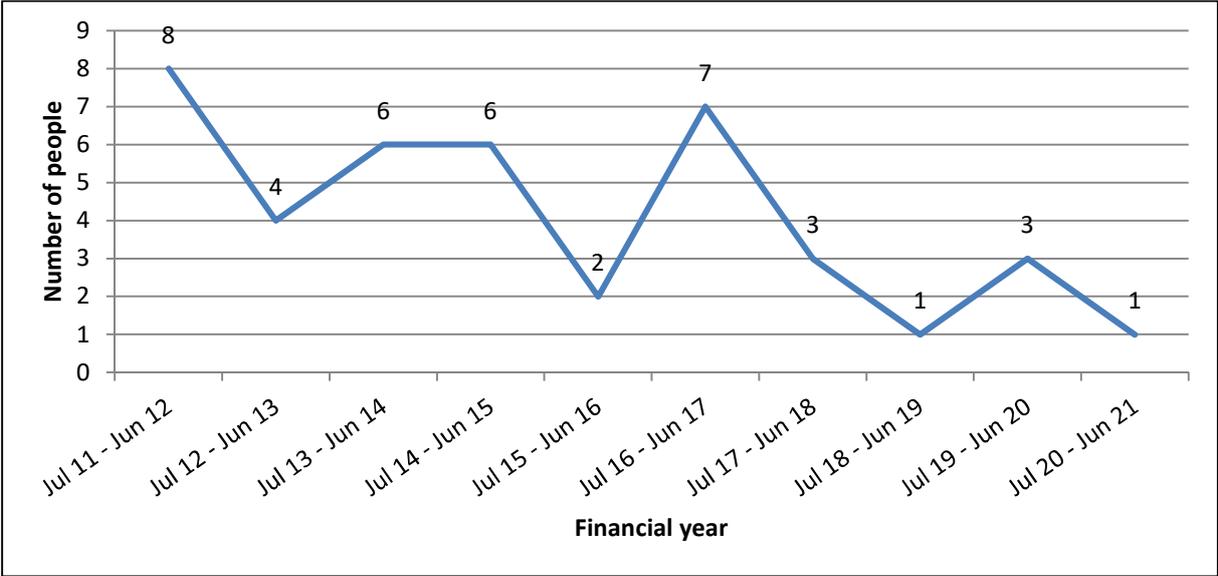


Figure 5 – Grants Returned to the Matamata-Piako Community by Corporate Society (2020)

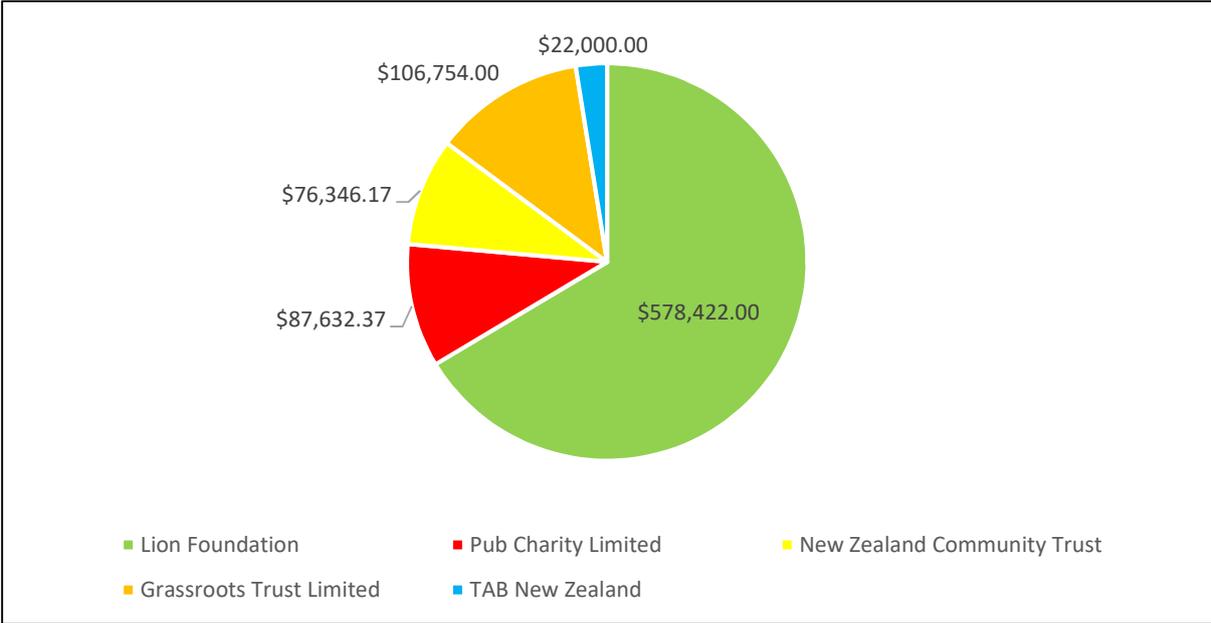


Figure 6 – Grants Returned to the Matamata-Piako Community by Corporate Society (January-June 2021)

