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# **Gambling Venue Policy**

## **Auckland City Council**

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Approved by the Auckland City Council on  
25 March 2010.

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## Introduction

Responsible gambling is one of the many entertainment choices that contribute to Auckland city being a place that is attractive to visit and live. Money collected by corporate societies from gaming machines in clubs and bars provide community groups and organisations with access to funds that would not otherwise be available. Auckland City Council recognises that it must play a leading role in mitigating the harm caused by gambling and gambling-related activities to ensure the enjoyment of responsible gambling by all individuals with minimal risk to the community at large.

The Gambling Act 2003 and Racing Act 2003 require Auckland City Council to regulate and manage certain types of gambling within the city through the development of a Gambling venue policy. The aim of the Gambling venue policy is to promote and support the safe and responsible enjoyment of gambling activities by providing a framework to manage the number of gaming machines and the relocation of existing gambling venues and TAB agencies within the city. In particular, the policy outlines:

- the legislative context and the role Auckland City Council plays in the regulation of gambling
- the consultation process undertaken by Auckland City Council to ensure that the policy reflects the views of the community
- how the policy relates to Auckland City Council's strategic goals and policies
- the purpose and objectives of the policy
- the scope of the policy and types of establishments it applies to
- the conditions under which Auckland City Council will consider providing consent for the establishment of new gambling venues.

# Background

## The Gambling Act 2003

The purpose of the Gambling Act 2003 (the Act) is to:

- (a) control the growth of gambling; and*
- (b) prevent and minimise the harm caused by gambling, including problem gambling; and*
- (c) authorise some gambling and prohibit the rest; and*
- (d) facilitate responsible gambling; and*
- (e) ensure the integrity and fairness of games; and*
- (f) limit opportunities for crime or dishonesty associated with gambling; and*
- (g) ensure that money from gambling benefits the community; and*
- (h) facilitate community involvement in decisions about the provision of gambling.*

The Act gives the council powers to regulate gambling in Auckland city.

## Class 4 gambling

Under the Act, Territorial Local Authorities (TLAs) are required to adopt a policy on class 4 venues for their district.

Class 4 gambling is defined as any activity that involves the use of an electronic gaming machine outside of a casino. Class 4 gambling activities may only be conducted by a corporate society to raise money for authorised purposes.

Section 101(3) of the Act states that a TLA's class 4 venue policy:

- must specify whether or not class 4 venues may be established in the TLA district and, if so, where they may be located
- may specify any restrictions on the maximum number of gaming machines that may be operated at a class 4 venue.

## New Zealand Racing Board venues

The Act also amended the Racing Act 2003 to require TLAs to adopt a New Zealand Racing Board<sup>1</sup> (NZRB) venue policy for their district. The policy must specify whether new NZRB venues may be established in the city, and if so, where they may be located. The council's policy only applies to standalone NZRB venues and does not extend to other venues such as clubs and bars where TAB betting services are provided.

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<sup>1</sup> Formally the Totalisator Agency Board (TAB)

## **Consultation process**

Auckland City Council has consulted with a number of key stakeholders in developing the Gambling venue policy, including:

- Problem Gambling Foundation
- Charity Gaming Association
- Hapai Te Hauora Tapui Ltd
- The Lion Foundation
- New Zealand Community Trust
- The Salvation Army
- The Perry Foundation
- The Southern Trust
- Hospitality Association of New Zealand
- New Zealand Racing Board
- business associations involved in the Auckland City Council's Mainstreet programme
- community boards.

In finalising this policy, Auckland City Council has also undertaken formal public consultation to ensure that it reflects the needs and views of the community. This has involved the use of the special consultative procedure under the Local Government Act 2002.

## Strategy links

The Gambling venue policy aligns with Auckland City Council's Strong and Healthy Communities and Lifestyle Choices strategies. The following table summarises the ways in which the Gambling venue policy supports the council's strategic objectives:

Strategy	Objective	How the Gambling venue policy supports the objectives
<b>Strong and Healthy Communities Strategy</b>	Support healthy communities	Provides policy guidelines to minimise harm associated with gambling, including problem gambling
	Make places for people	Enhances safety by reducing gambling-related harm associated with class 4 gambling
<b>Lifestyle Choices Strategy</b>	Foster a vibrant and sophisticated city that attracts people to live, work and invest	Allows for the potential relocation or refurbishment of class 4 and NZRB venues

# Purpose, objectives and scope

## Purpose

This policy outlines Auckland City Council's approach to managing the establishment and location of class 4 and NZRB venues in Auckland city, and the restrictions on the number of gaming machines in class 4 venues.

The purpose of this policy is to outline:

- whether or not class 4 and NZRB venues may be established in Auckland city, and if so, where they may be located
- the restrictions that will apply to the number of gaming machines in class 4 venues.

## Objectives

The objectives of the policy are:

- to minimise the harm caused by gambling in Auckland city, including problem gambling
- to allow individuals to safely participate in class 4 and NZRB gambling in Auckland city
- to address the clustering of class 4 and NZRB venues in Auckland city.

## Scope

This policy only applies to class 4 and NZRB venues in Auckland city that require council consent to operate.<sup>2</sup>

For class 4 venues, council consent is required:

- if a corporate society wants to increase the number of gaming machines that it operates at a class 4 venue from the number currently licensed
- if a corporate society wants to apply for a class 4 venue licence for a new venue that has not previously been licensed
- if a corporate society wants to apply for a class 4 venue licence for a venue that has previously been licensed, but not within the last 6 months.

Council consent is not required where a class 4 gambling venue:

- was licensed prior to 17 October 2001, and
- has not ceased operations for any period longer than 6 months, and
- does not increase the number of machines on the premises.

For NZRB venues, council consent is required if a new NZRB venue is proposed.

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<sup>2</sup> Skycity casino, TAB outlets (i.e. TAB betting services located within clubs and bars) and other forms of gambling (e.g. internet gambling and Lotto) fall outside of the scope of this policy.

## Council advocacy

In the development of this policy council has identified several related issues that it would like to see improved, but which exist outside the scope of council's current powers and the policy. These issues relate to the current Gambling Act 2003 and central government regulation of the gambling industry, in particular the distribution and reporting of funding allocated for authorised purposes.

To address these issues Auckland City Council will advocate to central government on the following issues:

- amending the definition of "authorised purposes" in the Gambling Act 2003 to remove racing, and emphasise the importance of community activities and groups
- requiring that corporate societies distribute funding to the communities where gambling proceeds are generated, and that this be measured and reported at a TLA level
- improving and standardising reporting requirements for all corporate societies on funding distributed for authorised purposes. This is to ensure consistency across the industry and to enable the Department of Internal Affairs to collect information on funding at a TLA level
- urging the Department of Internal Affairs to investigate more vigorously, and where appropriate, terminate the licence of gaming venues that appear to operate principally for the purpose of class 4 gambling which is contrary to the Gambling Act 2003.

## **Class 4 venue policy**

This policy is adopted by Auckland City Council in accordance with sections 101 and 102 of the Gambling Act 2003.

### **Description**

Auckland City Council adopts a 'sinking lid' approach to class 4 gambling venues and gaming machines. The council will not approve the establishment of any additional venues or machines in the city. However, the council will consider applications for the relocation of existing venues and/or machines where the consent conditions set out below are met.

### **No additional venues**

The council will consider granting a consent to the establishment of a new class 4 venue only where there is a corresponding disestablishment of an existing class 4 gambling venue in the city (a relocation). The following conditions must be met for a consent to be considered:

- the corporate society is undertaking the disestablishment of an existing class 4 gambling venue
- the new class 4 gambling venue is not located in a census area unit or meshblock with a 2006 New Zealand Deprivation Index score of eight, nine or ten
- the new class 4 gambling venue is not located on land owned by Auckland City Council
- the new class 4 gambling venue is located on one of the following:
  - on a premises licensed under the Sale of Liquor Act 1989 (either under an on-licence or club licence)
  - a premises owned or leased by the New Zealand Racing Board and used mainly for race betting or sports betting
- the new class 4 gambling venue is not located within a 100m radius of any of the following:
  - any existing class 4 gambling venue
  - a school
  - an early childhood centre or kindergarten
  - a place of worship
  - a community facility (e.g. a library, community centre or community hall).

## **No additional gaming machines**

The council will not consent to an increase in the number of gaming machines in an existing class 4 venue. The only exception to this rule involves the merger of clubs with existing class 4 machines, which is outlined below.

### *Relocation of non-club venues*

Where a new non-club venue is being established as part of a relocation, the council will impose a condition on its consent specifying the maximum number of gaming machines that may be operated is the lesser of:

- nine machines or
- one less machine than the number in operation at the existing venue being disestablished.

### *Relocation of club venues<sup>3</sup>*

Where a new club venue is being established as part of a relocation, the council will impose a condition on its consent specifying that the maximum number of gaming machines that may be operated is the lesser of:

- 17 machines or
- one less machine than the number in operation at the existing venue being disestablished.

The decision on whether a club venue may operate more than nine machines at a new venue is ultimately made by the Minister of Internal Affairs under the Gambling Act 2003.

### *Relocation of machines through the merger of club venues<sup>4</sup>*

The council will consider applications for the merger of club venues only where the merged venue meets all of the relocation conditions listed on page seven.

Where two or more clubs want to merge, the council will impose a condition on its consent specifying that the maximum number of gaming machines that may be operated is the lesser of:

- 18 machines or
- one less machine than the combined number in operation at the clubs being merged.

The decision on whether club venues may merge their operations and class 4 machines into one of the existing sites is ultimately made by the Minister of Internal Affairs under the Gambling Act 2003.

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<sup>3</sup> Section 96 of the Gambling Act 2003 allows a club venue to apply to the Minister of Internal Affairs for discretionary approval to operate more than nine machines at a new venue.

<sup>4</sup> Section 95 of the Gambling Act 2003 allows clubs venues to apply to the Minister of Internal Affairs for discretionary approval to merge their operations and class 4 machines onto one of the existing sites.

## **New Zealand Racing Board venue policy**

This policy is adopted by Auckland City Council in accordance with section 65D of the Racing Act 2003. This section applies to NZRB venues (including those venues previously operated by the New Zealand Racing Industry Board or the Totaliser Agency Board (TAB)).

### **Description**

Auckland City Council adopts a 'sinking lid' approach to NZRB venues. The council will not approve the establishment of any additional venues in the city. However, the council will consider applications to relocate existing venues where the consent conditions set out below are met.

### **No additional venues**

Council will consider granting consent to the establishment of a NZRB venue only where there is a corresponding disestablishment of an existing NZRB venue in the city (a relocation). The following conditions must be met for consent to be considered:

- NZRB has provided Auckland City Council with an undertaking to disestablish an existing NZRB venue
- the new NZRB venue is not located on land owned by Auckland City Council
- the new NZRB venue is not located within a 500m radius of any physical TAB betting services (which includes existing NZRB venues and TAB betting services located within clubs and bars)
- the new NZRB venue is not located within a 100m radius of any of the following:
  - a school
  - an early childhood centre or kindergarten
  - a place of worship
  - a community facility (e.g. a library, community centre or community hall).

# **Administration**

## **Application for consent**

Council will set application fees from time to time, in accordance with section 150 of the Local Government Act 2002. This information will be made publicly available through the council website. This application fee will pay for any administration and processing costs that may be incurred by council.

An application for consent under this section must include:

- name and contact details for the application
- street address of the proposed new venue
- evidence to support distance-based measures as required under this policy (e.g. evidence of a relocated venue's distance from nearby schools and places of worship)
- evidence of the deprivation index value for the census area unit and meshblock of the proposed new venue
- evidence that the existing class 4 venue is being disestablished, where appropriate
- evidence from the NZRB that the existing venue is being disestablished, where appropriate
- evidence of the number of gaming machines that have been licensed at the existing venue.

## **Decision-making**

Council will issue a decision within 30 working days of receipt of an application for consent. Council shall specify whether or not it will grant consent and whether it will impose a condition specifying the maximum number of gaming machines that may be operated at a class 4 venue.

Applications will be reviewed by an authorised council officer who will notify applicants of the final decision.

## **Advertisement of grant distribution**

Auckland City Council requires that corporate societies operating class 4 gaming machines provide the following information annually, directly to the council:

- the distribution and amount of all grants made by that society in Auckland city
- the name of the community groups in Auckland city receiving grants
- the purpose of the grant.

## **Review of Gambling venue policy**

This policy will be reviewed every three years, or when Council views a review of the policy is necessary.