



Council Information Session/Workshop

AGENDA

Notice of Information Session/Workshop:

A Council Information Session/Workshop will be held on:

Date: Tuesday 30 July 2024

Time: 9.30 am – 10.45 am

Venue: Council Chambers Civic Offices,
53 Hereford Street, Christchurch

Zoom Link:

<https://us02web.zoom.us/j/6439418430?omn=86418455067>

Meeting ID: 643 941 8430

Membership

Chairperson	Mayor Phil Mauer
Deputy Chairperson	Deputy Mayor Pauline Cotter
Members	Councillor Kelly Barber
	Councillor Melanie Coker
	Councillor Celeste Donovan
	Councillor Tyrone Fields
	Councillor James Gough
	Councillor Tyla Harrison-Hunt
	Councillor Victoria Henstock
	Councillor Yani Johanson
	Councillor Aaron Keown
	Councillor Sam MacDonald
	Councillor Jake McLellan
	Councillor Andrei Moore
	Councillor Mark Peters
	Councillor Tim Scandrett
	Councillor Sara Templeton

26 July 2024

Principal Advisor

Mary Richardson

Interim Chief Executive

Tel: 941 8999

Note: This forum has no decision-making powers and is purely for information sharing.

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<https://www.ccc.govt.nz/the-council/meetings-agendas-and-minutes/>



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2. Implementation of Greater Christchurch Partnership - Joint Housing Action Plan
Action 7 5

9.30am-10.00am

Presenter: Bruce Rendall, Head of City Growth and Property

3. Gambling and TAB Venues Policy Review 2024 - Policy Options 7

10.00am-10.45am

Presenters: Ellen Cavanagh, Senior Policy Analyst and Sharna O’Neil, Policy Analyst

1. Apologies Ngā Whakapāha

At the close of the agenda no apologies had been received.

2. Implementation of Greater Christchurch Partnership - Joint Housing Action Plan Action 7

Reference Te Tohutoro: 24/1087904

Presenter(s) Te Kaipāhō: Bruce Rendall, Head of City Growth and Property

1. Detail Te Whakamahuki

Purpose and Origin of the Workshop	<ul style="list-style-type: none">The Greater Christchurch Partnership's Joint Housing Action Plan (JHAP) includes an action to "investigate expanding the Ōtautahi Community Housing Trust model".In this workshop officers will present the preferred option for delivering this action and seek guidance from Councillors on the Council's response to the consequences of expanding the model.This workshop is staff originated in response to the ongoing implementation of the JHAP.
Timing	This workshop is expected to last for 30 minutes.
Confidentiality	The workshop and any shared information are not confidential.
Outcome Sought	<p>Officers are looking to inform Councillors about progress and the preferred option to implement the JHAP action. If successful there are consequential impacts that will require guidance from Councillors.</p> <p>Following the workshop, staff prepare a formal report on this matter for Council's consideration.</p>
ELT Consideration	<p>The CE has approved this matter proceeding to a workshop.</p> <p>No ELT consideration of the matter is planned</p>
Next Steps	A report to Council on the 21 August 2024.
Key points / Background	<ul style="list-style-type: none">There is interest from the Selwyn and Waimakariri District Council's in having the Ōtautahi Community Housing Trust (OCHT) developing and operating community housing in the areas.

	<ul style="list-style-type: none"> • OCHT is interested in doing this, but its Trust agreement restricts it to only operating within Christchurch and Banks Peninsula. • Changing the relevant section of the Trust Deed is not straight forward. There are five options, three of which are not feasible. The not feasible options are: <ul style="list-style-type: none"> • Take the matter to the High Court – this is an expensive and time-consuming option and not guaranteed of success; • Ask a Member of Parliament to submit a Private Members Bill – this process is subject to luck, as bills are selected by ballot; or • Set up a sister trust that operates in the other areas – this is expensive due to the need to have duplicate rules, governors and reporting arrangements. • There are two feasible options, which are variations of a similar approach. The feasible options are: <ul style="list-style-type: none"> • A Local Bill, which is submitted by the Council’s supporting the legislation; or • A Private Bill, which can be submitted by an individual or organisation supporting the legislation • The initial view is that the Private Bill is preferred. • Any change will not impact on tenants, Council’s portfolio or OCHT’s financial viability because of other, non-affected, protections.
Useful Links	<ul style="list-style-type: none"> • Joint Housing Action Plan : Greater Christchurch • Introducing Private and Local Bills - New Zealand Parliament (www.parliament.nz).

Attachments Ngā Tāpirihanga

There are no attachments to this coversheet.

Signatories Ngā Kaiwaitohu

Author	Bruce Rendall - Head of City Growth & Property
Approved By	Brent Smith - Acting General Manager City Infrastructure

3. Gambling and TAB Venues Policy Review 2024 - Policy Options

Reference Te Tohutoro: 24/991672







Presenter(s) Te Kaipāhō : Ellen Cavanagh, Senior Policy Analyst
Sharna O'Neil Policy Analyst

1. Detail Te Whakamahuki

Purpose and Origin of the Workshop	<ul style="list-style-type: none"> The Council's Gambling and TAB Venues Policy is required to be reviewed every three years and is due for review this year. Staff will workshop various aspects of the Gambling and TAB Venues Policy with the Council. The Council was provided an overview of the policy review at an Information Session on 19 March 2024 and requested staff return with a policy options workshop upon completion of the review.
Timing	<ul style="list-style-type: none"> This workshop is expected to last for 45 minutes.
Confidentiality	<ul style="list-style-type: none"> The workshop and any shared information are not confidential.
Outcome Sought	<ul style="list-style-type: none"> Councillors will have the opportunity to discuss policy options and provide direction on the preferred options. Staff will bring a report to Council in September either seeking endorsement to commence a special consultative procedure on a draft policy or seeking Council approval to roll the policy over without changes.
ELT Consideration	ELT considered this briefing on Monday 22 July 2024.
Next Steps	A report will be presented to Council in September either seeking endorsement to commence a special consultative procedure on a draft policy or seeking Council approval to roll the policy over without changes.
Key points / Background	<ul style="list-style-type: none"> The Gambling Act 2003 and Racing Industry Act 2020 require territorial authorities to have a policy on class 4 gambling venues and standalone TAB venues. The policy must be reviewed at least every three years. The policy must specify whether new class 4 gambling and TAB venues can establish in the district, and if so, where they may be located. In addition, a class 4 venues policy may also include limits on the maximum number of gaming machines that can be operated at a new venue (within default limits set in the Gambling Act 2003) and may include a relocation policy. The policy cannot force venues to close or relocate. The Council's policy was last reviewed in 2021 and is due for review in 2024.
Useful Links	<ul style="list-style-type: none"> Christchurch City Council Gambling and TAB Venues Policy

Attachments Ngā Tāpirihanga



No.	Title	Reference	Page
A  	2024 Gambling Venue Policy Review - Background Paper & Social Assessment Paper	24/1265749	9
B  	2024 Gambling Venue Policy Review – Discussion of Policy Options	24/1265750	37
C  	2024 Gambling and TAB Venues Policy Review - A3 Summary	24/1264374	42

Signatories Ngā Kaiwaitohu

Authors	Sharna O'Neil - Policy Analyst Ellen Cavanagh - Senior Policy Analyst
Approved By	Elizabeth Wilson - Team Leader Policy David Griffiths - Head of Strategic Policy & Resilience John Higgins - General Manager Strategy, Planning & Regulatory Services

Background Information and Report on the Social Impacts of Gambling in Christchurch

Report prepared by Strategic Policy to inform
the 2024 review of the Gambling and TAB
Venues Policy

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1. Executive Summary

This report has been prepared to provide information and advice on the social impacts of class 4 and TAB gambling on the Christchurch community. This has been prepared to inform the Christchurch City Council's (Council) 2024 review of its Gambling and TAB Venues Policy.

Class 4 gaming machines provide some social benefits including entertainment to the individuals using them. Community organisations also benefit from the return of profits as grants through the various trusts that own the machines. However, these benefits are offset by the harm problem gambling causes to the individual, the people around them, and the wider community.

In summary, this report highlights:

- Class 4 gaming (pokie) machine and venue numbers in Christchurch are continuing to decline, but at a slow rate.
- Christchurch has more class 4 gaming machines per venue and more machines per head of population than the national average.
- Class 4 expenditure, or money lost by gamblers, has been relatively steady in Christchurch despite a slow reduction in machine numbers.
- There does not appear to be a link between the density of machines and expenditure per machine. However, research does show an association between density of machines and rates of problem gambling. While fewer machines have not resulted in a decrease in expenditure, it may result in less harm.
- Christchurch continues to have higher per capita rates of people seeking assistance for problem gambling, compared to national averages.

On the balance of current evidence, a continuation of the sinking lid policy with no relocation provision is the best approach to contribute to reducing gambling harm by limiting class 4 gambling opportunities in Christchurch.

While Council could opt to change the TAB venues policy to a sinking lid or cap, doing so would require a special consultative procedure. As Council have no regulatory role in the other forms of TAB gambling, the effect of a policy change on this form of gambling may be minimal. Even with a permissive policy, the number of TAB venues has been declining over time.

2. Purpose of the Report

This report has been prepared as part of the 2024 review of the Council's Gambling and TAB Venues Policy. The Gambling Act 2003 and Racing Industry Act 2020 require all councils to review their class 4 gambling and TAB venues policies at least every three years. This paper provides key information to inform the review with respect to any change in the local gambling industry, or any changes to the social impacts or risk of harm from gambling in Christchurch that would warrant a change to the current policy approach.

The Council's policy was first adopted in 2004 and has subsequently been reviewed and rolled over without amendment every three years.

This report provides the following information to inform the 2024 policy review and to provide the community and stakeholders with background information relevant to class 4 and TAB gambling in a local context.

- An overview of the Gambling Act 2003, the Racing Industry Act 2020, and the legislative requirements placed on the Council.
- An overview of the national gambling industry including rates of participation.
- An overview of the trends of class 4 gambling accessibility, participation, and the prevalence of problem gambling in Christchurch.

3. Legislative Requirements

3.1 Regulatory Roles Under the Gambling Act 2003

The Gambling Act 2003 sets out regulatory agency roles with respect to gambling enforcement. The Department of Internal Affairs (DIA) is the primary regulator of gambling in New Zealand. It undertakes gambling licensing, compliance, and enforcement functions. The Ministry of Health co-ordinates and funds problem gambling services, provides information on gambling harm and develops strategic plans focused on preventing and minimising gambling harm in New Zealand.

3.2 The Council's Role Under the Gambling Act

The Council's policy on class 4 gambling is required under the Gambling Act. Class 4 gambling means electronic gaming machines (EGMs) outside of a casino – more colloquially known as pokies. The policy must specify whether new class 4 gambling venues may be established in the district and if so, where they may be located. It may also specify restrictions on the maximum number of EGMs that may be operated at a new venue and can include a relocation provision. Council consent is required before a new or amended class 4 venue license is issued by the DIA.

While a council's policy can place limits on the number of machines under a new licence, the Gambling Act also sets statutory limits. Venues licensed after 17 October 2001 can have a maximum of nine machines, while venues licenced before this date can have a maximum of 18 machines.

Councils cannot close an existing venue or apply any policy provisions retrospectively to existing venue licences (including imposing a maximum number of gaming machines that is fewer than the current permitted number).

3.3 The Council's Role Under the Racing Industry Act 2020

The Council's policy on TAB venues is required under the Racing Industry Act 2020. TAB venues are premises that are owned or leased by TAB New Zealand and where the main business carried out on the premises is providing racing or sports betting. The policy must specify whether new TAB venues can be established in the district and if so, where they may be located. Council consent is required before DIA can issue a new TAB venue licence.

3.4 A Note on Online Gambling

Except for TAB New Zealand and the Lotteries Commission, online gambling is not legal in New Zealand. Therefore, any other online gambling is through an overseas-based provider and not regulated in New Zealand.

Councils do not have a regulatory role with respect to online gambling, although stakeholders have expressed concern at the rise of online gambling and potential for increased harm from problem gambling (section 4.3).

The Ministry of Health's *Strategy to Prevent and Minimise Gambling Harm 2022/23 to 2024/25* reflects concerns regarding the growing opportunities to gamble online, including those offered by overseas-based gambling operators.

According to the 2020 Health and Lifestyle Survey (HLS), 26.7 percent of New Zealand adults took part in online gambling in 2020, although staff note the 2020 HLS includes a caution on relying on this data due to the impact of the COVID-19 pandemic and related lockdowns. The most common form of online was purchasing tickets via the MyLotto app (23.5 percent), followed by betting online with TAB NZ (4.4 percent), and then online gambling on overseas websites (2.6 percent).

The DIA is currently undertaking a review into online gambling in New Zealand. The outcome of this review is still to be released.

4. Christchurch City Council's Gambling and TAB Venues Policy

4.1 2021 Policy

The Council has a combined Gambling and TAB Venues Policy, which has been in place since 2004. The policy contains the following provisions:

- Consent will not be given for an increase in gaming machine numbers, or new gaming venues (referred to as a "sinking lid" policy approach); except where two or more corporate societies (clubs¹) are merging.
- Where two clubs are merging, the maximum number of machines permitted is 18.
- New TAB venues are able to establish, subject to meeting all other statutory and District Plan requirements.

Following the introduction of the policy in 2004, there has been a slow decline in both the number of gaming venues and machines in Christchurch City.

The TAB venues policy imposes no restrictions on the ability of TAB New Zealand to establish a TAB venue, as long as all other statutory requirements are met. This policy approach has not had any effect on the establishment of TAB venues - in 2004 there were ten venues and there are now only three.

4.2 Relocation Provision

In 2013, the Gambling Act was amended to allow councils to adopt a relocation provision with respect to venues and machines in the district. The Council's policy does not include a provision for class 4 gaming venues to relocate. In previous reviews of the policy, it was considered that a broad relocation provision would conflict with the intent of the sinking lid approach.

Between 2013 and February 2024, there had been limited scope for venues to relocate under the Waikiwi precedent². The criteria for a Waikiwi shift had four elements:

- the new building will be in a site that is very close to the existing site;

¹ Clubs are the only type of corporate societies that are permitted to merge.

² *ILT Foundation v The Secretary for Internal Affairs* [2013] NZHC 1330 [6 June 2013]

- the class 4 venue's name will be the same;
- the ownership and management of the venue will be the same; and
- for all intents and purposes, the patrons and the public will regard the venue as being the same.

If a proposed venue move met the criteria under Waikiwi, it was not considered a new venue and the licence was simply amended, without the need for council consent. Furthermore, as Waikiwi shifts were not considered to be class 4 venue relocations, councils could not prevent them, even when their relocation policies prohibited class 4 venues from relocating.

On 19 February 2024, a High Court decision³ was released which found that a Waikiwi relocation application is not available under the Gambling Act, as it undermines the 2013 amendments to the Act which provided councils with the power to adopt relocation policies for class 4 venues and to make relocation decisions.

4.3 Stakeholder Feedback on Current Policy

As part of the 2024 policy review process, feedback on the Council's current Gambling and TAB Venues Policy was sought from key stakeholders in the gambling sector, including corporate societies that operate class 4 venues in the district, TAB New Zealand, and problem gambling and health service providers operating in the district. Stakeholder consultation was undertaken between March and May 2024.

Corporate societies did not support the current sinking lid policy and instead encouraged consideration of a cap policy with a relocation provision. The type of relocation provision suggested varied, some stakeholders recommended it should be a harm minimisation tool through deprivation-based relocation, while others encouraged a Waikiwi style provision, or no restrictions to relocate. Corporate societies argued the current policy has reduced their ability to provide funding to community organisations and prevented venues relocating to more modern premises.

Problem gambling providers were generally supportive of the current sinking lid policy but encouraged strengthening it by removing the ability for clubs to merge and placing a sinking lid on TAB venues. Providers noted that while pokie grants may support local community groups, sports, and services, the money is often coming from vulnerable populations.

The rise of online gambling was raised by most stakeholders. Corporate societies were concerned that the decreasing availability of class 4 venues and machines is pushing the public to use unregulated online gambling outlets. There are no controls for this kind of gambling (24/7 access). Problem gambling providers noted the limited data for online gambling, the full extent of the problem remains unclear.

Staff note that some corporate societies shared the stakeholder questionnaire with recipients of grant funding and that feedback was received from some recipients.

5. Gambling Harm

5.1 Definition of Problem Gambling

³ Feed Families Not Pokies Aotearoa Incorporated v Secretary for Internal Affairs [2024] NZHC 217

While most people who gamble do not experience problems resulting from their gambling, for some, it can have wide-ranging negative impacts. Section 4 of the Gambling Act 2003 defines a problem gambler as “a person whose gambling causes harm or may cause harm”. In this context, gambling-related harm:

- a) *means harm or distress of any kind arising from, or caused or exacerbated by, a person’s gambling; and*
- b) *includes personal, social, or economic harm suffered by –*
 - i. *the person; or*
 - ii. *the person’s spouse, partner, family, whanau, or wider community; or*
 - iii. *in the workplace; or*
 - iv. *by society at large.*

5.2 Prevalence of Problem Gambling

The New Zealand National Gambling Study: Wave 4 (Abbot et al., 2018) uses the Problem Gambling Severity Index (PGSI) to categorise gamblers into four levels of risks based on points scored on their responses to questions. The four categories of gambler are:

- *Non-problem/Recreational gambler:* gambling with no associated problems or negative impacts
- *Low-risk gambler:* low level of problems with few or no identified negative consequences
- *Moderate-risk gambler:* moderate level of gambling-related problems leading to some negative consequences
- *Problem gambler:* gambling at levels that are leading to negative consequences and a loss of control.

The study found that although most adults who had gambled in the previous 12 months were at no risk of their gambling causing harm, 0.2 per cent of the adult population were problem gamblers. A further 1.8 per cent were categorised as moderate-risk gamblers (Abbott et. al., 2018). There have been no significant changes in the prevalence of moderate-risk or problem gambling in recent years (HLS 2020).

5.3 Class 4 Gambling Harm

Research has indicated that continuous forms of gambling (where winnings can quickly be ‘reinvested’, such as EGMs) are more addictive and more likely to be associated with gambling harm, compared to other forms of gambling (Abbott & Volberg, 2000) (Ministry of Health, 2009 and 2019) (Myles et al. 2023).

EGMs have structured characteristics that are believed to contribute to gambling-related harm (Myles et al. 2023) (Palmer du Prezz et al. 2014) (Russell et al. 2023). Researchers note that EGMs are designed to keep gamblers playing with features such as high frequency rewards, free spins and ‘losses disguised as wins’, where losing on gambling machines is celebrated in a way similar to winning through music or animation (Myles et al. 2023) (Palmer du Prezz et al. 2014). Also common among problem gamblers is being “in the zone”, where the continuous nature and high event frequency facilitate a trance-like state for the player, and they lose track of the time and money spent (Russell et al. 2023).

5.4 Venue Location and Gambling Availability

5.4.1 Location

Research has demonstrated that living in an area that has a high socio-economic deprivation score is a major risk factor for problem gambling. People who live in lower socio-economic neighbourhoods are more likely to be exposed to gambling and experience gambling-related harm. Furthermore, research also suggests that people in lower income groups contribute a disproportionately greater amount of their income to gambling than people in higher income brackets.

There are significant associations between distance to the nearest gambling venue and gambling behaviour. Ministry of Health research found that the more gambling venues there were within 5km of a person's neighbourhood, the more likely that the person would have gambled at a gambling venue in the year prior. Furthermore, people living in neighbourhoods closer to gambling venues were significantly more likely to be problem gamblers, compared with the quartile of people living furthest from gambling venues. Pearce et al (2008) found that residents living in areas with the closest access to gambling venues were more likely to gamble or to experience gambling problems compared to those living in areas furthest away from a gambling venue. Rimal et al. (2023) reported the most common factor in gambling harm by EMGs was easy accessibility and high availability particularly in areas with high levels of deprivation, which is often where machines are more densely located.

5.5 Availability or Adaptation

One academic theory in gambling literature is that of availability, where problem gambling is positively linked to exposure. As the opportunity to gamble increases, so do rates of problem gambling. Availability theory indicates that as the number of class 4 gaming venues and machines decreases, so too does the opportunity to gamble and rates of gambling-related harm.

Availability is however not the only problem gambling theory prevalent in literature. Adaptation theory proposes that individuals and populations adapt to exposure over time and that prevalence rates plateau or decline, even in the face of increasing accessibility (Abbott, 2006). Availability theory indicates that there are many factors at play that influence rates of gambling-related harm beyond just opportunities of gamble. Abbott (2017) argues that while gambling participation has continued to decline in New Zealand, rates of problem gambling have not. The implication is that reducing EGMs is only one component of gambling harm reduction and that other policy interventions are required to address problem gambling and gambling-rated harm.

A 2018 German study compared the effect of increasing the number of gambling venues in a location with existing machines and introducing a gambling venue to a location with no existing machines. It found that introducing a gambling venue into a location with no machines resulted in more gambling harm than an increase of one venue in a location with existing machines (Strohäker and Becker, 2018).

5.6 Density

Research has demonstrated a strong positive association between per capita gaming machine density and the prevalence of problem gambling: the higher the density, the higher the prevalence (Abbott, Storer, and Stubbs, 2009). This study provides high quality evidence, comprehensively combining data from 34 surveys of problem gambling in Australia and New Zealand. Importantly Abbott, Storer and Stubbs found, contrary to previous studies, there was no evidence for a plateau of gambling prevalence with increased density of machines. The study concludes by noting that

public policies which restrict or reduce the density of machines are “likely to play a significant role in containing or reducing gambling related harms.”

5.7 Vulnerability

Problem gamblers are more likely to experience high levels of deprivation and be of Māori or Pacific ethnicity (Bellringer et al. 2020) (Thimasam-Anwar et al. 2017). Internationally, much like New Zealand, problem gambling disproportionately affects minority ethnic groups.

Māori account for approximately 11.4 percent of the total New Zealand adult population but make up 35.2 percent of individuals seeking help for their gambling, and Pacific people account for 5.3 percent of the total adult population while making up 19.1 percent of individuals seeking help for their gambling (Ministry of Health 2019). HLS 2020 reported that 18.4 percent of Māori surveyed had participated in class 4 gambling in the 12 months prior, as had 16.5 percent of Pacific peoples. The total percentage of New Zealanders who had participated in class 4 gambling over the prior 12 months was 10.9 percent.

Asian Family Services (2020) reported that New Zealand’s Asian communities face disproportionate risk of problem gambling and gambling harm, where the chance of developing moderate gambling harm is 9.5 percent greater than the broader population, and the likelihood of experiencing severe gambling harm is twice as likely (Ministry of Health, 2019). This is reflective of the lack of experience in New Zealand commercial gambling environments, new-found freedoms, difficulty finding employment, and disconnection from family (Sapere Research Group, 2018, Auckland University of Technology, 2017). Problem gambling services are substantively underused by Asian groups as there are language, cultural and financial barriers (Ministry of Health, 2019).

Report 9 of the New Zealand National Gambling Study (Bellringer et al. 2020) states that there are other risk factors such as low socio-economic status, unemployment, and low income. People who live in socio-economically deprived areas are disproportionately impacted by gambling harm (Thimasam-Anwar et al. 2017).

Vandenberg et al. (2022) noted that gambling among adults experiencing homelessness was particularly prevalent due to how easily accessible and available EGMs are. Other driving factors include the hope of financial gain and the psychological effects of poverty.

5.8 Social Impacts of Problem Gambling

Gambling venues can offer entertainment and enjoyment, many venues also have restaurants and bars which offer a place for people in the local community to socialise (Badji, Black, and Johnston 2023). However, gambling can also create poor mental and physical health, and financial hardship when it is not done in moderation.

Those experiencing harm from problem gambling also tend to struggle with mental health and addiction problem, including substance abuse, anxiety and depression, and overall poorer self-rated outcomes (Te Pou 2022). As a result, adults experiencing gambling harm are more likely than others to use health services and to report unmet health needs. The National Gambling Survey (Bellringer 2020) found “in terms of self-reported health status, an increased risk of problem gambling was associated with a decrease in ‘good’ or ‘excellent’ reported levels of health.”

Research also notes that harm from problem gambling can often extend to the family members and friends of gamblers. Goodwin et al (2007) estimates that a person’s problem gambling may cause

harm to around six other people in their life. Between July 2022 and June 2023 37.3 percent of those seeking problem gambling services were a family member or affected other of a gambler (Ministry of Health, 2004c).

6. National Gambling Trends

6.1 Participation

Gambling remains to be a common form of entertainment in New Zealand, as the National Gambling Study Wave 4⁴ reports that 75 percent of adult New Zealanders had participated in some form of gambling in the previous 12 months (Abbott, Bellringer, Garrett, and Mundy McPherson, 2018).

The study found the most popular form of gambling was Lotto, with 56 percent playing at least once in the past year, followed by raffles or other lotteries at 45 percent and Instant Kiwi or other scratch tickets at 30 percent. About 10 percent had gambled on an electronic gaming machine (class 4 and casino). Although gamblers more commonly used gaming machines in pubs, people typically spent longer using a casino gaming machine than a pub or club machine. The study also noted that participation in New Zealand in online gambling (Lotto and TAB) was 9 percent, while 0.7 percent had gambled on an overseas online site.

The 2020 Health and Lifestyle Survey (HLS 2020)⁵ noted similar trends. New Zealand adults surveyed were asked about their involvement in at least one gambling activity in the past 12 months. Of those surveys, 69 percent reported they had participated in at least one gambling activity in the 12 months prior, with the most common activity being Lotto (59 per cent), while 10.9 percent reported they had gambled on pokies in the last 12 months.

There is no reliable data available to show longitudinal trends of gambling participation. While there have been several studies assessing the rates of gambling prevalence, none have been continuous since the introduction of the Gambling Act 2003. Different research methodologies mean that the various studies are not directly comparable. What the overall data shows however, is that class 4 gambling is decreasing nationally.

6.2 Class 4 Gaming Venues and Gaming Machine Numbers

In June 1994 there were 7,770 class 4 gaming machines in New Zealand. This increased to a peak of 25,225 machines by 2003.

The Gambling Act 2003 reduced the maximum number of class 4 machines at a new venue from 18 to nine and introduced the need for applicants for a new venue license or an increase in machine numbers to first get venue consent from the relevant council. These changes have had a significant effect on the number of class 4 venues and machines in New Zealand.

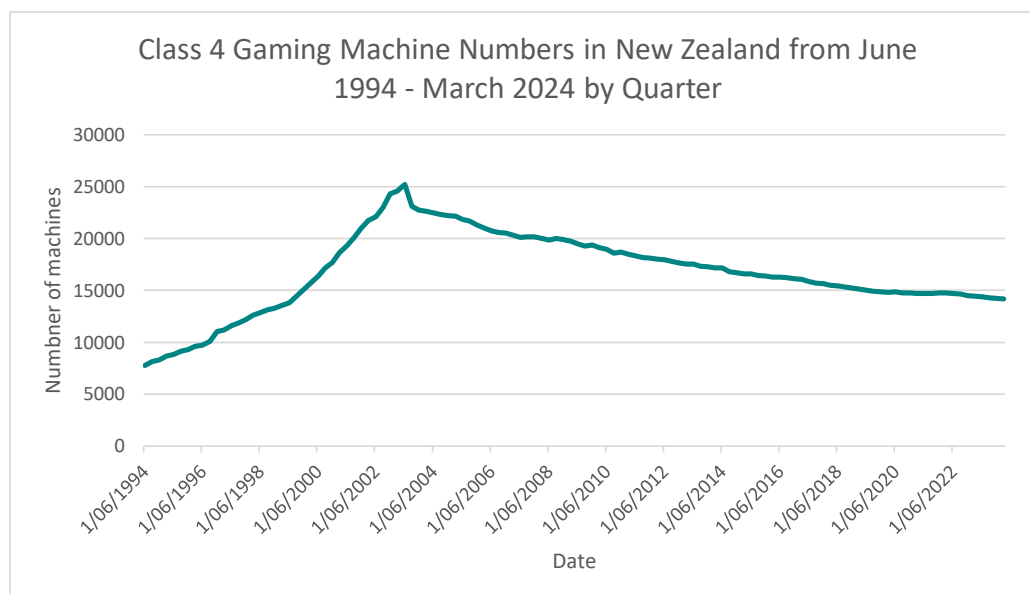
As at 31 March 2024 there were 14,160 class 4 gaming machines located across 999 venues throughout New Zealand.

⁴ The National Gambling Study was a study to assess the incidence of problem and risky gambling in the New Zealand adult population, and other changes in gambling participation and gambling-related harm. The latest report (released in August 2018) interviewed a sample of the New Zealand population annually over four years from 2012 to 2015. The study was commissioned by the Ministry of Health.

⁵ The Health and Lifestyles Survey (HLS) is a biennial monitor of the health behaviour and attitudes of New Zealand adults aged 15 years and over. It is conducted by the Health Promotion Agency/Te Hīringa Hauora.

The graph below shows how class 4 machine numbers in New Zealand have changed between 1994 and 2024.

Figure 1: Class 4 Gaming Machine Numbers from June 1994 - March 2024 by Quarter



Source: Department of Internal Affairs 2020 and Department of Internal Affairs 2024a

6.3 National expenditure

Total gambling expenditure⁶ has increased significantly in New Zealand in the past 30 years, during which time Lotto, TAB sports betting, class 4 gaming machines and casinos have all been introduced.

‘Expenditure’ means the gross amount wagered by gamblers, less the amount paid out⁷. Total gambling expenditure in New Zealand was \$204 million in 1985, rising to \$2,039 million in 2004, before declining around the time of the global recession in 2011. In the 2022/23 financial year, gambling expenditure was \$2,761 million (Department of Internal Affairs 2020).

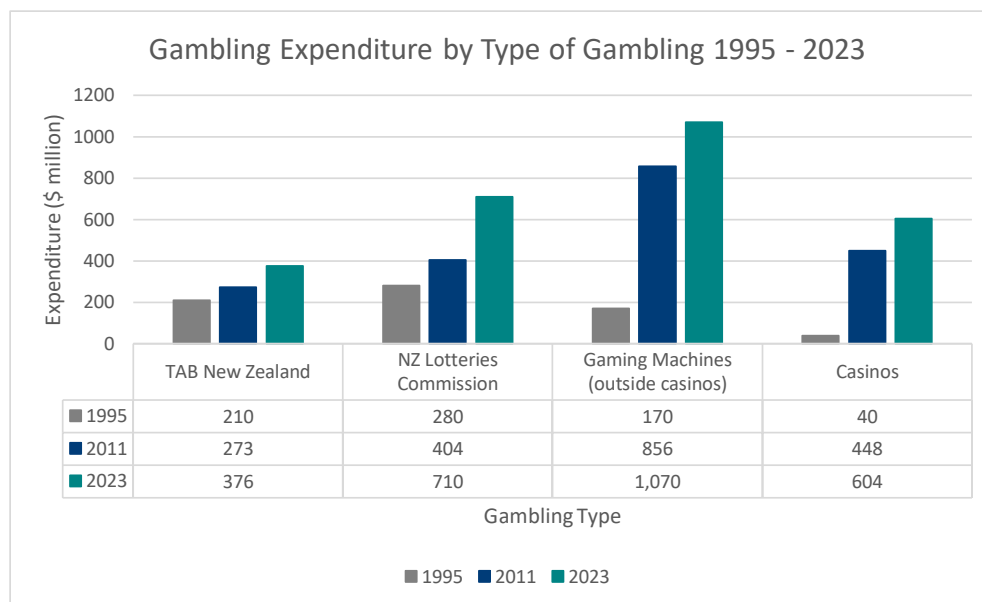
National expenditure on class 4 machines in the 2022/23 financial year was \$1,070 million, the first time class 4 expenditure crossed the billion-dollar mark.

TAB racing and sports betting expenditure for the 2022/2023 financial year was \$376 million.

⁶ Includes the four main types of gambling activity – TAB racing and sports betting, NZ Lotteries products, gaming machines (outside casinos, and casino gambling. Gambling expenditure statistics are compiled by the Department of Internal Affairs using information from the Electronic Monitoring System and gambling operators.

⁷ The terms ‘profit’ and ‘expenditure’ are interchangeable in relation to gaming machines, depending on whether you are the operator or the gambler. Profit is the total gaming machine turnover less the winnings paid out.

Figure 2: Gambling Expenditure by Type of Gambling 1995 - 2023



Source: Department of Internal Affairs 2024b and Department of Internal Affairs 2013

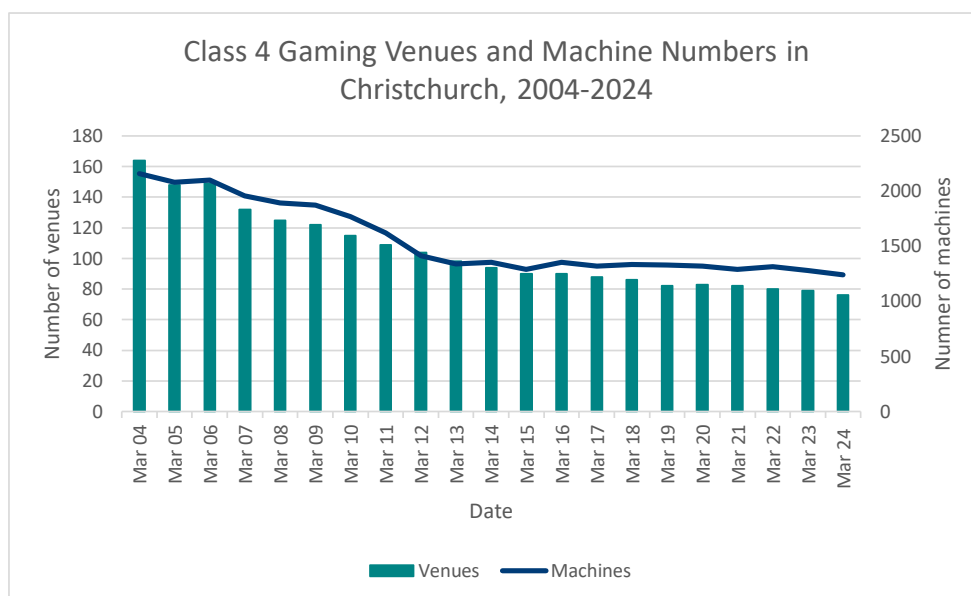
7. Gaming Machine Gambling in Christchurch

7.1 Machine and Venue Numbers in Operation

As at March 2024 there were 1240 class 4 gaming machines in operation in Christchurch. During the time the Council has had a sinking policy in place, the number of gaming machines in the city has fallen from 2,158 in March 2004, to 1240 – a decrease of 918 machines. While the number of machines has been decreasing, numbers have fluctuated slightly in recent years, because:

- Some venues do not always operate the maximum number of gaming machines their license permits all of the time. These venues are able to increase the number of machines they operate (up to their permitted maximum) without consent from the Council. As at 1 April 2024 a total of 1267 machines were permitted to operate at Christchurch venues, approximately 27 more than were actually operating.
- Venues can, in certain circumstances, be granted a continuation of a venue licence by the DIA. Decisions to allow a venue to remain inactive are made on a case-by-case basis and are at the sole discretion of the DIA.

Figure 3: Class 4 Gaming Venues and Machine Numbers in Christchurch, 2004-2024



Source: Department of Internal Affairs 2024a and Department of Internal Affairs 2021

The number of class 4 venues in Christchurch has also declined. As the graph above shows, from March 2004 to March 2024 the number of venues in Christchurch fell from 164 to 76.

Table 1 (below) shows when Christchurch's average number of operating machines per venue is considered in the national context, the city remains above the national average. The majority of class 4 gaming venues in Christchurch are consented for 18 machines, meaning they were consented before 17 October 2001. Venues licenced after this date would have a maximum of nine machines, which could reduce a council's machine per venue average. As no new class 4 venue licences have been issued in Christchurch since this policy was adopted in 2004, the number of machines per venue remains higher than the national average.

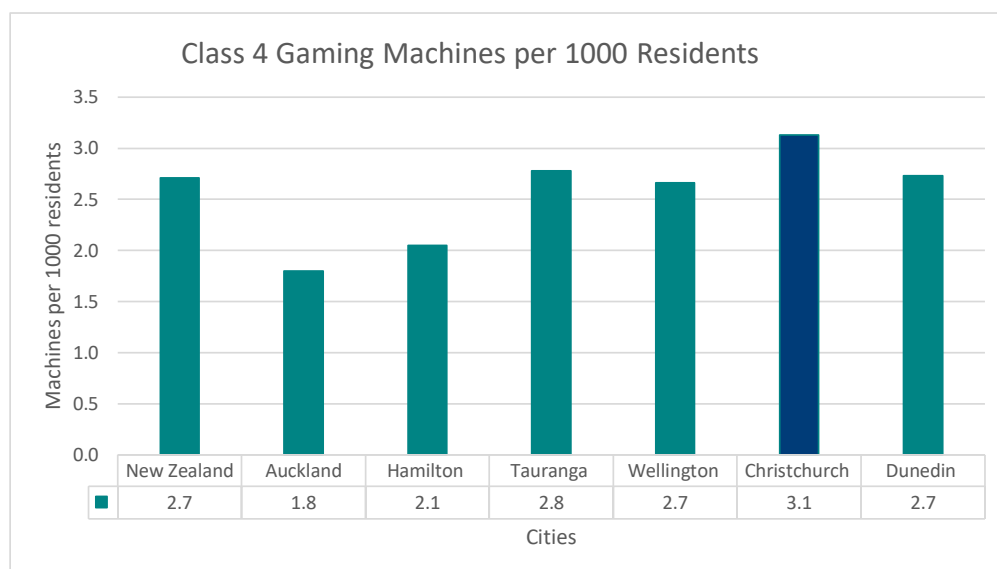
Table 1: Average Number of Gaming Machines in Operation per Venue 2015-2023

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Christchurch	14.3	15.0	14.9	15.5	16.2	15.9	15.7	16.4	16.1	16.3
New Zealand	13.0	13.3	13.4	13.5	13.7	13.7	13.8	14.1	14.1	14.1

Source: Department of Internal Affairs 2024a and Statistics New Zealand 2023

Using the June 2023 Statistics New Zealand population estimate for Christchurch of 396,200 this translates to 3.1 gaming machines per 1,000 residents. This is higher than the national average of 2.7 machines per 1,000 residents, and higher than any other major New Zealand city.

Figure 4: Class 4 gaming machines per capita across NZ cities



Source: Department of Internal Affairs 2024a and Statistics New Zealand 2023

7.2 Types of Class 4 Venues Operating in Christchurch

The tables below show the type of venues and societies operating in Christchurch as at 31 March 2024.

Table 2: Number and Type of Venues in Christchurch, March 2024

Type of venue premises	Number of venues	Number of machines	Average machines per venue
Clubs	7	120	17.1
Pubs / Restaurants	68	1102	16.2
TAB	1	18	18
Total	76	1240	16.3

Source: Department of Internal Affairs 2024c and Department of Internal Affairs 2024a

Table 3: Number of Venues and Machines by Society (Clubs and TAB Excluded), March 2024

Society	Number of		Average machines per venue
	Venues	Machines	
Air Rescue Services	11	189	17.1
New Zealand Community Trust (NZCT)	14	205	14.6
Pub Charity	17	282	16.5
Mainland Foundation	3	54	18
Aotearoa Gaming Trust	6	79	13.1
Kiwi Gaming Foundation Limited (formerly CERT)	8	144	18
Youthtown Inc.	1	9	9
Lion Foundation	3	54	18

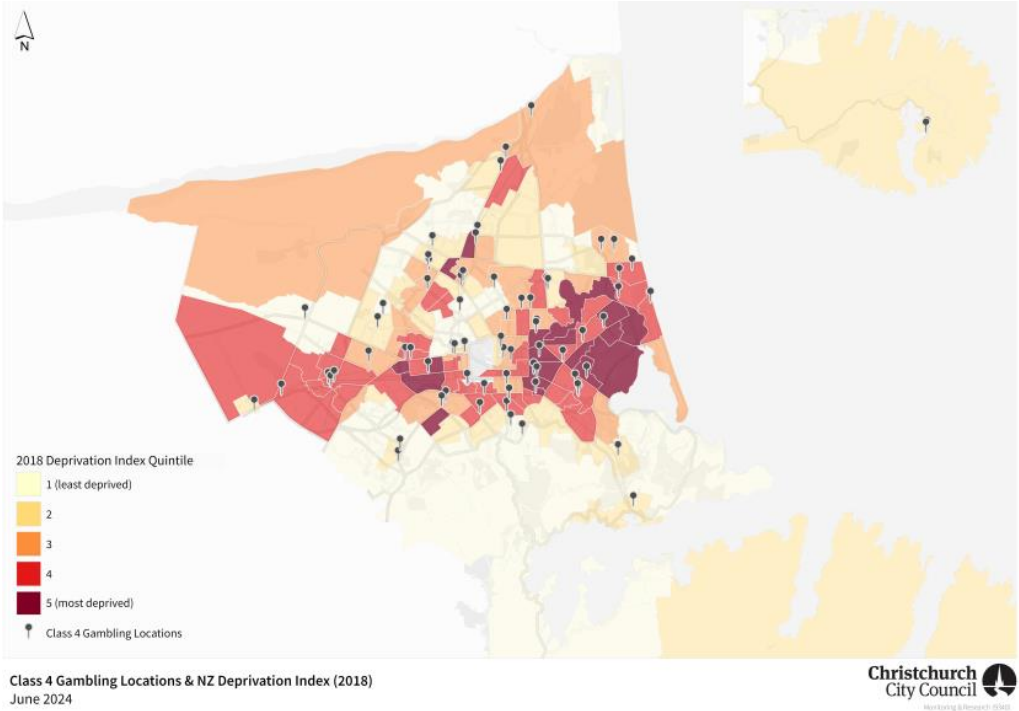
One Foundation Limited	1	18	18
Rano Community Trust Limited	1	18	18
Pelorous Trust	1	14	14
The Trusts Community Foundation Limited	1	18	18
Trillian Trust Limited	1	18	18

Source: Department of Internal Affairs 2024c and Department of Internal Affairs 2024a

Christchurch district has seven chartered clubs which operate as corporate societies and use the funds generated for club-related expenditure. The largest corporate societies currently licensed to operate in Christchurch are Pub Charity with 17 venues and 282 machines, and NZCT with 14 venues and 205 machines.

7.3 Location of Class 4 Venues Operating in Christchurch

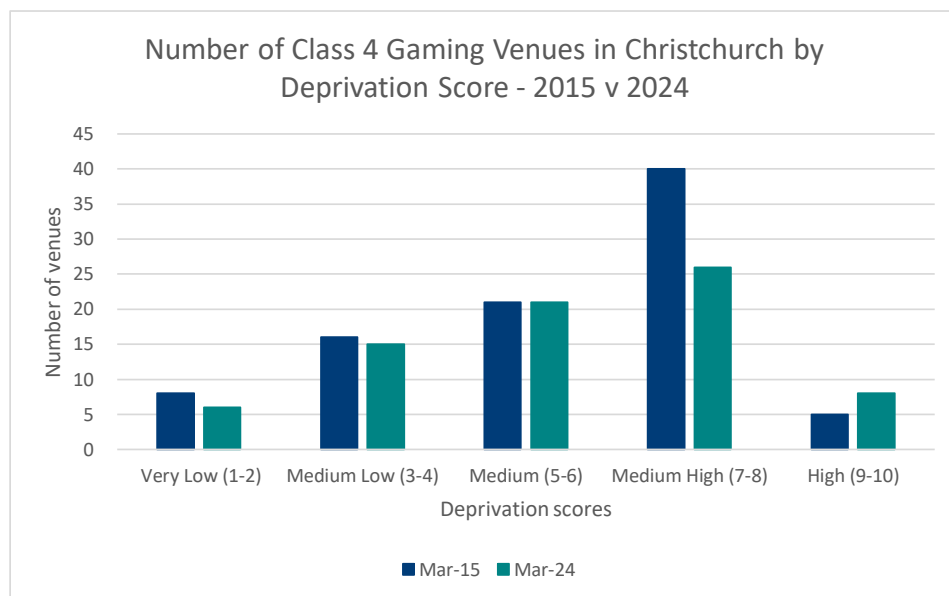
Below mapping shows the spatial distribution of gaming machine venues in Christchurch, with area unit deprivation. This mapping shows that venues are more heavily concentrated in areas of lower income and higher socioeconomic deprivation.



Source: University of Otago 2018 and Department of Internal Affairs 2024a

In March 2015, there were 90 class 4 gaming venues in the Christchurch district, with 45 of these located in areas with a deprivation score of 7 or higher (50%). As at March 2024, there were 76 venues class 4 gaming venues in the Christchurch district, with 44% of these located in areas with a deprivation score of 7 or higher (44%). Evidence confirms class 4 gaming venues and machines in Christchurch are disproportionately concentrated in areas of high deprivation, although this is trending downwards.

Figure 5: Number of class 4 gaming venues in Christchurch by deprivation score - 2015 v 2024



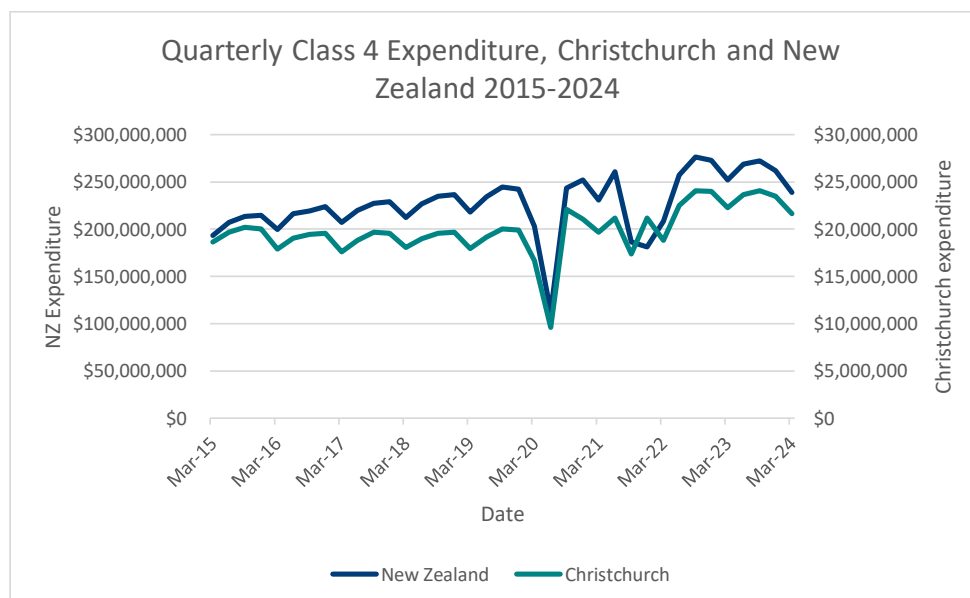
Source: Department of Internal Affairs 2024a

7.4 Expenditure (GMP)

‘Expenditure’, also referred to as ‘net proceeds’, ‘revenue’ or ‘gaming machine profit’ (GMP), refers to the money put into gaming machines, which is not returned to the gambler through prizes.

The total expenditure for Christchurch in the 2023 calendar year was \$93.4 million.

Figure 6: Quarterly Class 4 Gambling Expenditure, Christchurch and New Zealand 2015-2024

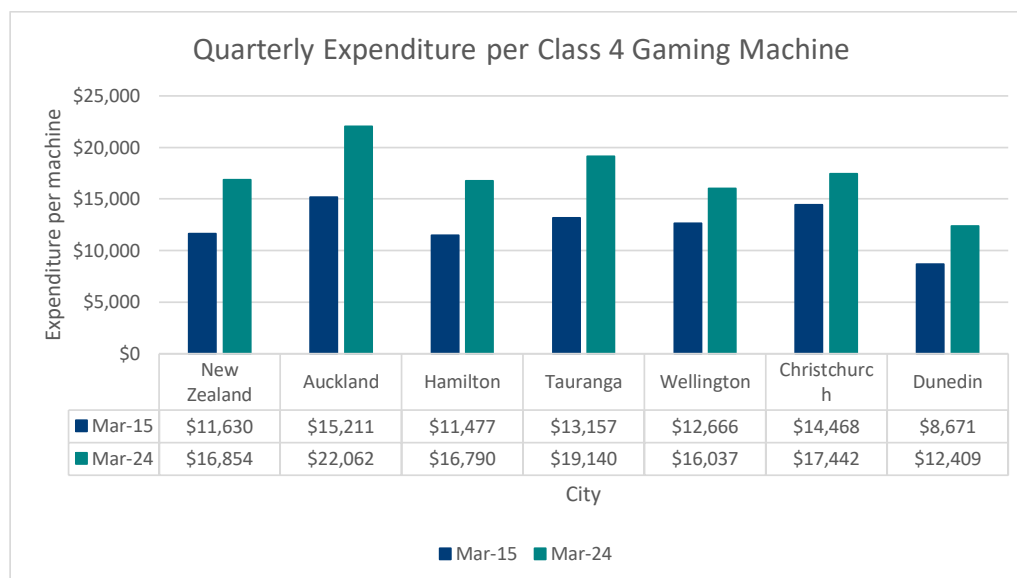


Source: Department of Internal Affairs 2024a

The above graph shows the gaming machine profit (GMP) for Christchurch and New Zealand is relatively stable and proportionally aligned.

The below graph shows the decline in the number of machines has not been matched by a reduction in expenditure in Christchurch, or nationally.

Figure 7: Christchurch Quarterly Expenditure per Electronic Gaming Machine (March 2015 and March 2024)

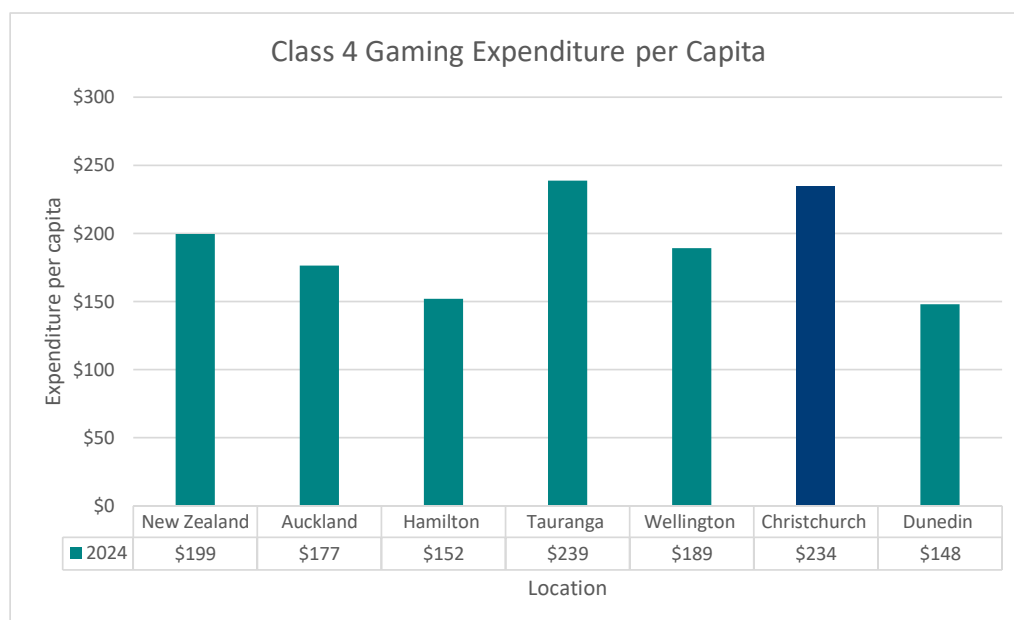


Source: Department of Internal Affairs 2024a

All the major cities in New Zealand have experienced an increase in expenditure per machine. Figure 7 compares the quarterly expenditure per machine between March 2015 and March 2024. This indicates that there is no real association between density of machines per capita and expenditure per machine, and that a higher rate of machines per capita will not necessarily mean increased expenditure. For example, while Auckland has the lowest machine density per capita, it has the highest levels of expenditure per machine of all the major cities.

It is worth noting that this lack of relationship does not necessarily imply a contradiction of the relationship between per-capita gaming machine density and problem gambling prevalence. Abbott, Storer and Stubbs (2009) noted that there appears to be a strong relationship between an increase in the per capita density of machines and rates of problem gambling.

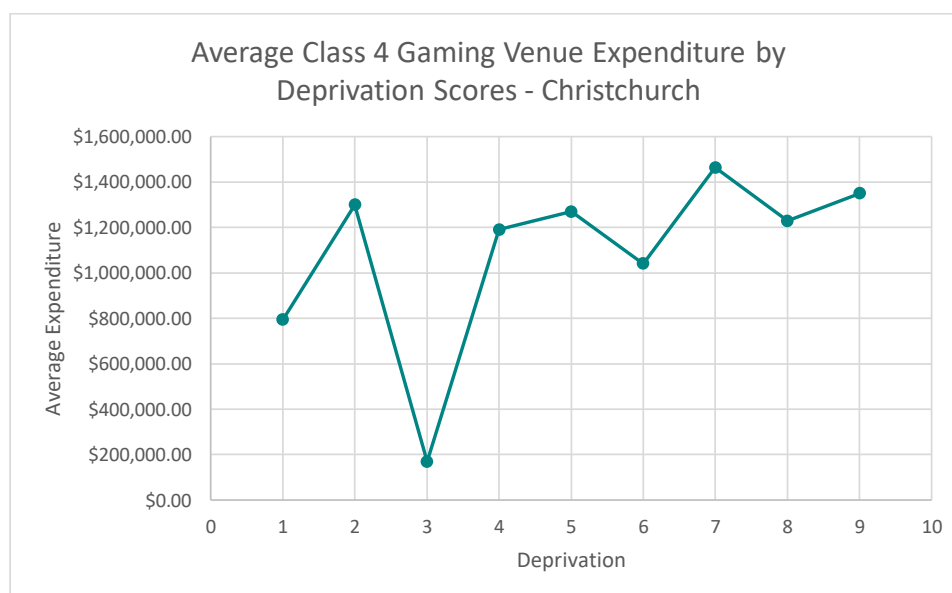
Figure 8: Class 4 Gaming Expenditure per Capita across NZ cities



Source: Department of Internal Affairs 2024c and Department of Internal Affairs 2024a

In the 2023 calendar year, class 4 gambling expenditure per capita in Christchurch was \$234, which was the second highest of all the major cities and higher than the national average.

Figure 9: Average class 4 gaming machine expenditure by deprivation in Christchurch in 2023



Source: Department of Internal Affairs 2024d

Figure 9 shows the average venue expenditure per deprivation score for class 4 venues in Christchurch. The data does not show a direct relationship between the level of socio-economic

deprivation a venue is located in and the amount of money lost by gamblers at that venue. This seems to contradict the theory that allowing venues to relocate to areas of low socioeconomic deprivation would result in lower levels of harm.

7.5 Funding return to community

Many charitable and community organisations receive funding from the proceeds of class 4 gambling. In the 2023 calendar year, approximately \$345.46 million in grants were distributed to 9,783 different organisations (Department of Internal Affairs, 2023).

Any reduction in class 4 gambling expenditure would likely reduce the level of funding provided to charities and community groups. However, despite a reduction in class 4 venues and machine numbers, there has been little reduction in overall expenditure, meaning funding to community groups has remained relatively unchanged. It is therefore unlikely that a reduction in class 4 venue or machine numbers will have a significant negative impact on funds distributed, as claimed by corporate societies.

Funds generated from gaming machines in chartered clubs are not generally provided as grants to the public. Instead, clubs use these for club purposes which are Authorised Purposes under the Act.

7.6 Class 4 Grants to Christchurch

A note on the limitations of grant data: It is important to note that it is difficult to identify an accurate figure for class 4 gambling grants being allocated to Christchurch community organisations. This is because Christchurch may benefit from grants made to national and regional groups based outside the district, but that level of benefit is impossible to tell from reporting.

The Department of Internal Affairs uses a National Organisations category to classify grants which affect a large number of regions. For grants that couldn't be classified into a region due to incomplete data, a weighted average was used to distribute the grants across the regions.

In the 2023 calendar year, \$29,182,388 in class 4 gaming grants was distributed to organisations in the Christchurch district.

A 2020 white paper *Ending Community Sector Dependence on Pokie Funding* (produced by Problem Gambling Foundation of New Zealand (PGF Group), Salvation Army Oasis, and Hāpai te Haoura) expressed concern over the level of reliance that many community groups have on class 4 gambling grants. A Philanthropy New Zealand report prepared by J B Were (2020) noted that gaming machine trusts make up 9% of charitable and community funding in New Zealand.

A criticism of the New Zealand class 4 gambling regulatory and funding framework is that there is no requirement for corporate societies to distribute proceeds from gaming machines back to the communities from which the funds were taken. While problem gambling affects a diverse range of people, studies have consistently found demographic and socioeconomic risk factors for problem gambling. In March 2024, 607 of the 999 venues (60.7%) currently operating in New Zealand were in locations with medium-high and very high deprivation ratings.

The BERL report *Assessment of the Effects of Class 4 Gambling on Wellbeing in New Zealand*, indicates that class 4 gambling tends to exacerbate socioeconomic disadvantage. "The evidence strongly suggests that it transfers wealth from more deprived communities to less deprived communities" (Cox et al, 2020).

8. TAB Venues in Christchurch

8.1 Number and location of TAB venues

Although the Council's policy allows for new TAB store venues in the city, the number of venues has reduced rather than increased. Currently there are three TAB store venues⁸, down from ten in 2004. These are located at:

- Bishopdale (333 Harewood Road)
- Bush Inn (364 Riccarton Road)
- Shirley (122 Marshland Road)⁹

TAB New Zealand appears to favour outlets in pubs and kiosks along with online gambling to reach their customers. The Council's Gambling and TAB Venues Policy doesn't apply to these outlets – only to stand-alone TAB stores.

9. Problem Gambling Treatment Services

9.1 Legislative Requirements

There are measures contained in the Gambling Act 2003 which aim to minimise or prevent the harm caused by gambling. The Act places obligations on the DIA, TAB New Zealand, casino operators, and operators of gaming machines, to minimise the risks of problem gambling. These measures include (among other things): age limits on gambling; identification of unsuitable venues; identification and exclusion of problem gamblers; information for players on the odds of winning and how to seek advice for problem gambling, and problem gambling awareness training for employees of gaming machine operators and TAB employees.

All gaming machines are required by the Gambling Harm Prevention and Minimisation Amendment Regulations 2023 to have game information and a feature that interrupts play at regular intervals to inform the player of how long they have been playing the machine, how much they have spent, and to ask whether they wish to continue playing. Venue managers are also required to ensure venue staff make regular sweeps of the gambling room and take reasonable steps to intervene if a player is showing signs of gambling harm.

9.2 Prevalence of Problem Gambling

A note on the limitation of problem gambling data: the extent of problem gambling is difficult to determine because it relies on self-reporting and seeking support from problem gambling service providers. Russell et al (2023) noted that self-report is challenging when those who have problems with addiction often do not understand or want to admit to the full extent of the harm being caused by their use. Bellringer, Pulford, Abbott, DeSouza, and Clarke (2008) found there are many barriers to seeking help, such a denial of problem gambling, wanting to resolve problem on own and feeling shame about problem gambling. Furthermore, self-reports of past expenditure are unreliable particularly on the type of gambling and the memory biases that come with disordered gambling (Muggleton 2024).

9.3 Intervention Services

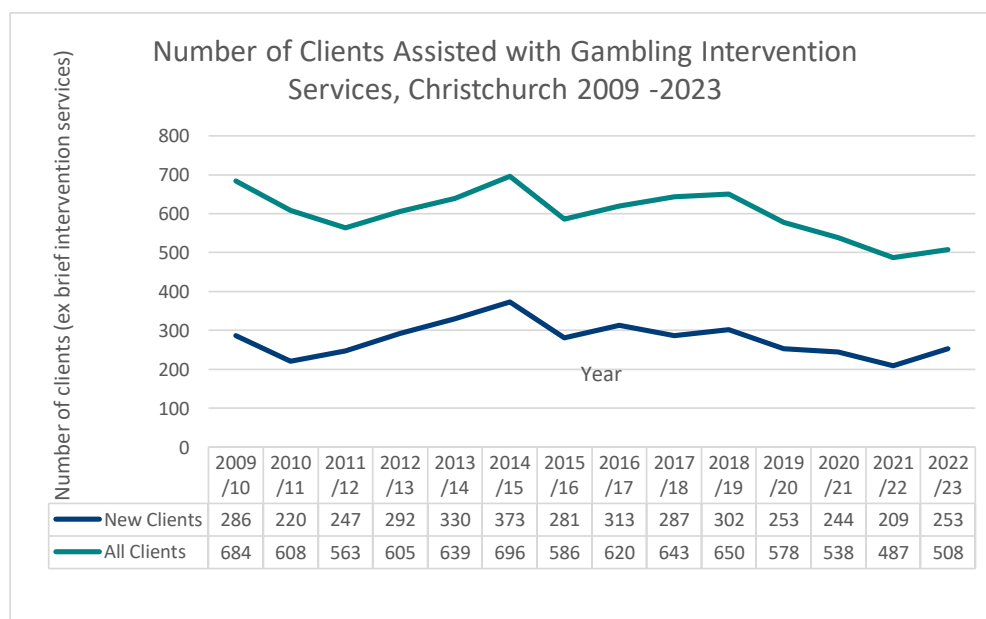
⁹ The Shirley TAB is also licenced as a class 4 gambling venue, with 18 machines.

The Ministry of Health collates gambling intervention service data, for all forms of gambling, throughout New Zealand. The chart below shows the number of new and repeat clients in Christchurch for the years 2008 to 2023. It is important to note that the total number of clients used in this report excludes brief intervention services. Brief intervention services are for clients who are at risk of gambling harm, but who do not yet associate their gambling with problems in their lives. For this reason, this report focuses on the figures excluding brief interventions as we believe this data set provides a more accurate depiction of the change in the number of clients experiencing problem gambling.

There were 508 clients assisted in Christchurch between July 2022 and June 2023, with 253 of these clients having not accessed intervention services before. This accounted for 11.52 per cent of all clients nationally. Generally, over the last ten years the client number fluctuations locally have reflected national fluctuations. Despite some annual variability, overall problem gambling intervention service client numbers in Christchurch are gradually declining, while they are gradually increasing for New Zealand as a whole.

This data includes both services provided to the gambler themselves and those affected by another person's gambling. Nationally, 21.9 percent of all clients assisted between July 2022 and June 2023 were 'affected others'. In Christchurch, a higher proportion of the clients were the problem gamblers themselves, with affected others accounting for 8.0 percent.

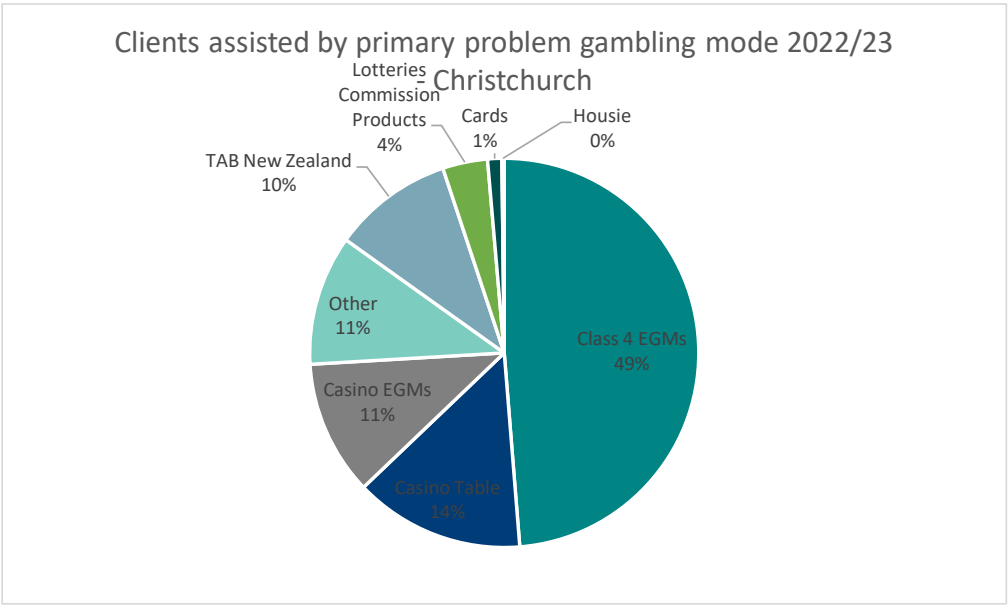
Figure 10: Problem gambling intervention in Christchurch 2009 -2023



Source: Ministry of Health 2024a

In Christchurch, 49 percent of all clients seeking problem gambling services in 2022/23 reported that class 4 gaming was their primary mode of gambling. By comparison, TAB New Zealand gambling was reported as the primary mode of gambling for 10 percent of clients.

Figure 11: Clients assisted by primary problem gambling mode 2022/23 - Christchurch



Source: Ministry of Health 2024b

The table below shows the number of new problem gambling intervention clients in Christchurch, compared to the national figures in 2022/2023.

Table 4: Problem gambling intervention services in Christchurch and New Zealand 2022/23

	Christchurch	New Zealand
New clients accessing intervention services	253 6.4 clients per 10,000 population	2171 4.2 clients per 10,000 population

Source: Ministry of Health 2024a and Statistics New Zealand 2023.

Comparatively, the number of people seeking assistance for gambling problems in Christchurch is significantly higher per head of population than nationally.

The population of Christchurch accounts for 7.6 percent of the population of New Zealand. With 11.6 percent of the total number who accessed gambling intervention services in 2024, and a higher rate of clients per head of population, Christchurch is over-represented in the problem gambling treatment service statistics.

10. Conclusions

10.1 Class 4 Gambling Venues

The Council's current policy continues to result in a reduction of class 4 gambling availability over time. Given that Christchurch has a higher number of gambling machines per head of population and higher rates of problem gambling prevalence per capital, it is considered appropriate to continue to focus on reducing gambling opportunities (that is, the number of venues and machines) throughout the city. While there is limited research into the success of council's class 4 gambling

policy interventions, the research available indicates that class 4 gambling restrictions like caps or sinking lids will reduce accessibility over time, resulting in a decrease the rates of problem gambling and associated harm (Erwin, Pacheco, and Turcu 2021).

Allowing relocations would be a “softening” of the Council’s current policy approach and could considerably slow down the reduction in the number of venues under a sinking lid policy approach. While a relocation policy could theoretically result in less venues in areas of high deprivation, the Council has no way to make specific venues relocate. Expenditure data by deprivation also does not reflect a linear pattern between deprivation and expenditure. Feedback from problem gambling service providers has been that relocation provisions simply shift the problem into another community.

The policy options of location and machine number restrictions for new class 4 gaming venues could only be considered if the Council decided to move away from a sinking lid approach and allow new class 4 gambling venues to establish in Christchurch. If the Council were to allow new venues to establish, location restrictions based on deprivation scores would be recommended to address the risk of increased gambling-related harm in these communities.

On the balance of current evidence, it is considered a continuation of the sinking lid policy with no relocation provision is the best approach to contribute to reducing gambling harm by limiting class 4 gambling opportunities in Christchurch.

10.2 TAB Venues

There has not been a proliferation of TAB venues under the permissive policy in place over the last 20 years, and nor is it expected there would be in the next three years should the current policy be rolled over. When the current policy was first introduced, Christchurch had 10 TAB venues; there are currently only three in the district.

Comparatively, TAB products (race and sports betting) have a low prevalence of being the preferred method of gambling for problem gamblers. Limitations in the data mean it is impossible to tell the level of harm caused by TAB stores, compared to Pub TABs, self-service kiosks or online TAB gambling (for which Council has no regulatory role). While Council could opt to change the TAB venues policy to a sinking lid or cap, doing so would require a SCP. As Council have no regulatory role in the other forms of TAB gambling, the effect of a policy change on this form of gambling may be minimal.

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Attachment A: Stakeholder Responses Received

Air Rescue Services Limited
Aotearoa Gaming Trust
Asian Family Services
Community and Public Health
Christchurch Methodist Mission
Gambling Machine Association
Health Promotion Agency
Hospitality New Zealand
Kiwi Gaming Foundation
One Foundation
Problem Gambling Foundation
Pub Charity Limited
Mainland Foundation Limited
Mapu Maia
New Brighton Working Mens Club
New Zealand Community Trust
TAB
The Lion Foundation
Trillian Trusts
Woolston Club Incorporated

Gambling and TAB Venues Policy Review 2024 – Policy Options

Background

The Council's class 4 Gambling and TAB venues policies are required under the Gambling Act 2003 and Racing Industry Act 2020. Councils have a very limited role in gambling regulation, and the associated policy only pertains to new class 4 and TAB gambling venues.

The policy must specify whether new class 4 gambling and TAB store venues can establish in the city, and if so, where they may be located. In addition, a class 4 venues policy may also include limits on the maximum number of gaming machines that can be operated at a new venue (within default limits set in the Gambling Act 2003) and may include a relocation policy. A policy cannot force venues to close or relocate.

The Council's Class 4 Gambling and TAB Venues Policy is a combined policy document. It takes a "sinking lid" approach to new class 4 venues and machines, meaning the Council will not allow an increase in class 4 gaming venues or machine numbers. The policy allows new TAB venues (TAB stores or standalone TABs) to establish, subject to statutory requirements. The policy has been in place since 2004.

The primary intent of the policy is to reduce gambling accessibility in order to prevent and minimise harm. It should be noted that the Council has not given consent for any new venues or additional machines. All venues and machines in place in Christchurch District now were in place prior to the Council's first policy.

If the Council decides to amend the policy through this review, a special consultative procedure (SCP), as detailed in section 83 of the Local Government Act 2002, is required to be undertaken. If the Council decides no changes to the policy are required, the current policy can be rolled over for a further three years without a formal consultation process.

Policy options: Class 4 Gambling (pokie) Venues

1. Sinking Lid (Christchurch City Council's current approach)

A sinking lid policy is the most restrictive policy a council has the mandate to put in place. A sinking lid policy seeks to reduce the number of venues through attrition. No new venue consents are granted and if an existing venue ceases to operate, no new venue can apply for consent to replace it.

The rationale behind a sinking lid policy is that reducing the number of venues and gaming machines over time will increasingly restrict accessibility to gambling venues which will help reduce problem gambling and the harm caused by problem gambling.

2. Cap on total machine numbers and/or venue numbers

This policy option would place an upper limit on the number of gaming venues and/or number of machines in Christchurch. The Council could only issue a new venue consent if there is space within the cap.

Depending on where the cap is set, this option could:

- allow some growth in venues and/ or machines if the cap was higher than existing numbers of venues/machines;
- set current levels as the maximum and prohibit any further growth, which would enable new venues to open only when an existing venue closes, or;
- set a cap lower than current numbers and no consents would be granted until the numbers fall below the cap set.

A cap on total machine and/or venue numbers could also, in effect, enable a transfer provision. Depending on how the policy provisions were structured, corporate societies could move from one venue to another if the cap limit had not been reached.

3. Relocation

A venue or machine relocation policy enables corporate society to either move to a new location and retain the conditions of its existing venue consent, and/ move its machines from one venue to another, within the parameters of the Gambling Act and council policy¹. A relocation provision can also include restrictions on the circumstances under which a relocation would be consented.

It is possible to use a relocation policy to potentially address the concentration of class 4 venues in areas of high deprivation by allowing relocations only if they move to areas with lower deprivation scores. However, councils cannot force a venue to relocate out of a high deprivation community- the provision would just give licence holders the mechanism to do so. Additionally, class 4 gambling expenditure data by deprivation score does not reflect a clear relationship between deprivation and expenditure; it is possible that allowing deprivation-based relocations will not decrease gambling-related harm.

4. Restrict where venues may establish

This policy option would allow class 4 venues to be established only in specified locations. This could be only within certain areas of the city, or a certain distance away from specified places such as schools, churches, or other community facilities. This could also apply as part of a cap, relocation provision or permissive policy with no restriction on venue or machine numbers.

Restrictions can apply to the entire territorial authority area or only to specific suburbs or areas. Location restrictions can only apply to new venues and cannot apply retrospectively to existing venues.

5. Prohibit clubs from merging

This policy option would remove the current provision that allows two or more clubs to merge with up to 18 machines. Clubs with class 4 gambling machines would no longer be permitted to merge.

6. No specific policy restrictions

A permissive policy with no restrictions beyond the provisions of the Gambling Act 2003 would allow class 4 gambling venues to be established anywhere within the city, and to operate the maximum number of machines permitted under the Act.

Discussion on class 4 gambling policy options:

The Council's current policy continues to result in a reduction of class 4 gambling availability over time. Given that Christchurch has a higher number of gambling machines per head of population and higher rates of problem gambling prevalence per capita compared to the national average, it is considered appropriate to continue to focus on reducing gambling opportunities (that is, the number of venues and machines) throughout the city.

Allowing relocations would be a "softening" of the Council's current policy approach and could considerably slow down the reduction in the number of venues under a sinking lid policy approach. While a relocation policy could theoretically result in less venues in areas of high deprivation, the Council has no way to make specific venues relocate. Feedback from problem gambling service providers has been that relocation provisions simply shift the problem into another community. There is limited research on the impact of relocation policies, but a study found that adding a single venue into an area which did not have any pokie machines increased problem gambling more than increasing venues in an area with existing machines².

The policy options of location and machine number restrictions for new class 4 gaming venues could only be considered if the Council decided to move away from a sinking lid approach and allow new class 4 gambling venues to establish in Christchurch. If the Council were to allow new venues to establish, location restrictions would likely be recommended to ensure venues are not located in close proximity to sensitive sites, including

¹ Under the Gambling Act, corporate societies who are granted a licences after 17 October 2001 are limited to 9 machines.

² Strohäker, T., Becker, T. (2018). The Relationship Between Exclusions from Gambling Arcades and Accessibility: Evidence from a Newly Introduced Exclusion Program in Hesse, Germany. *J Gambl Stud* 34, 1033–1047

schools, early childhood education centres, marae and community facilities. Restrictions based on deprivation score would also be recommended to ensure new venues do not establish in medium-high and high deprivation areas. However, it is noted that expenditure data sorted by deprivation score does not reflect that moving a venue to an area with lower levels of deprivation would result in a reduction of expenditure, so this may have limited impact on overall gambling harm.

With respect to club mergers, staff cannot find any record of clubs having merged in the past, so this is not a provision with significant (or any) uptake. Amending this clause would likely have little impact on the number of machines and venues in Christchurch. Furthermore, there are only seven clubs in Christchurch, six of which are licensed to have 18 machines (one with 12), so allowing two clubs to merge could actually reduce the number of class 4 gaming machines in the district by up to 18 machines, which is aligned with the intent of the current policy.

On the balance of current evidence, it is considered a continuation of the sinking lid policy with no relocation provision is the best approach to contribute to reducing gambling harm by limiting class 4 gambling opportunities in Christchurch.

Policy options considered: TAB Venues

A Council TAB venues policy applies to official TAB Venues or “TAB stores” only, and not those that are categorised as “pub TABs” or self-service kiosks located within other businesses. TAB stores are typically stand-alone businesses or are in a completely separate area of the host business and have their own dedicated staff.

This type of TAB venue has become increasingly rare as the TAB has moved its operations increasingly to being part of a bar operation and online. There are only three stand-alone TAB venues in Christchurch, down from ten in 2004.

The two general policy approaches councils can take with TAB venues are:

1. New TAB Venues may be established (current approach)

This policy option allows new TAB venues to establish in Christchurch. Under this option, Council could choose to place restrictions on the location of where new venues may establish.

2. No new TAB Venues

This policy option would not allow new TAB venues to be established in Christchurch.



Discussion on TAB policy options

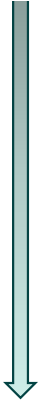
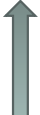
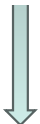
There has not been a proliferation of TAB venues under the permissive policy in place over the last 20 years, and nor is it expected there would be in the next three years should the current policy be rolled over. When the current policy was first introduced, Christchurch had 10 TAB venues; there are currently only three in the district.

Comparatively, TAB products (race and sports betting) have a low prevalence of being the preferred method of gambling for problem gamblers. Limitations in the data mean it is impossible to tell the level of harm caused by TAB stores, compared to Pub TABs, self-service kiosks or online TAB gambling (for which Council has no regulatory role).

While Council could opt to change the TAB venues policy to a sinking lid or cap, doing so would require a SCP. As Council have no regulatory role in the other forms of TAB gambling, the effect of a policy change on this form of gambling would likely be minimal.

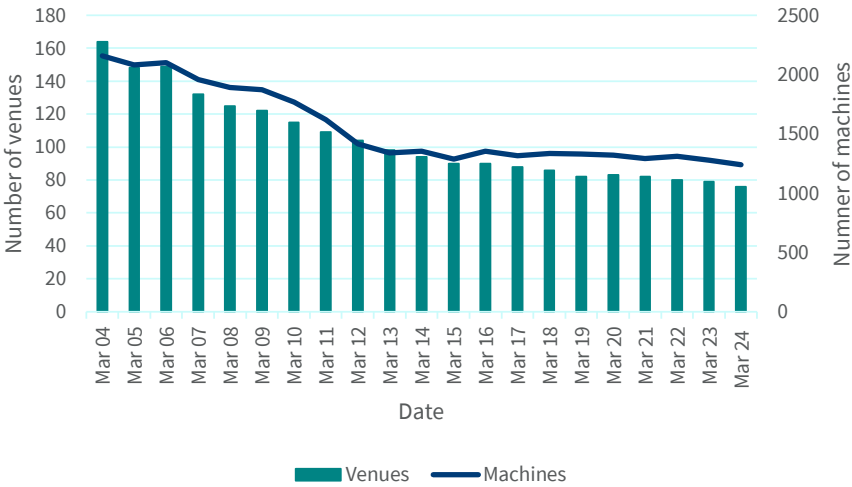
Policy Options for Gambling and TAB Venues Policy

Option		Impact on growth of gambling	Impact on gambling harm
Policy options for new class 4 machine and venues			
	Retain sinking lid for class 4 venues and machines (status quo)	No new class 4 venues or machines would be allowed in the district. Impact would be continued decline of machine and venue numbers therefore reducing growth of gambling.	Sinking lid is the strictest policy setting available to the Council to reduce the availability of class 4 gambling and minimise risk of gambling harm from this form of gambling. Problem gambling sector supports a sinking lid as the best harm minimisation setting available to councils.
	Cap on class 4 venue and/or machine numbers	Depending on where the cap was set, could see growth in class 4 venue and/or machine numbers. Could set cap under current level, in which case would see reduction venue numbers under cap. At that point, there could be some growth in gambling, but only to the level of the cap.	Could potentially risk the increase of gambling harm, depending on where cap was set. If venues were to be allowed to establish under a cap, would recommend restrictions on location of venues as new venues could increase the risk of gambling harm.
	Permissive policy on new venues	Would likely see growth in class 4 gambling availability.	It is expected this option would increase gambling harm as it would result in an increase in availability of class 4 gambling opportunities. If option were to proceed, staff would strongly recommend restrictions on location of venues to try to mitigate likely risk of gambling harm.
Options for relocation of class 4 venues			
	No relocations	In combination with a sinking lid, this would be a strongest policy setting available to decrease the growth of gambling. No option for venues to establish elsewhere.	Would mean that if a venue closes it could not relocate elsewhere in the district and therefore reduces availability of gambling opportunities and could reduce gambling harm.

<p>Degree of restriction</p> 	Silent on relocations (status quo)	Impact of this policy setting is the same as having an explicit prohibition on relocations. Venues cannot relocate without a policy allowing them to do so.	As above.
	Allow relocations	Could potentially slow the decrease in gambling growth by providing an opportunity for a venue that would have closed to move to another location.	<p>In theory could allow venues in high deprivation, at risk communities to move into lower risk areas.</p> <p>Class 4 expenditure data indicates that gambling harm is experienced at venues across the city and there does not appear to be a clear relationship between deprivation score and expenditure. Relocation provision could potentially move harm into another community.</p> <p>If option were to proceed, would recommend restrictions on location of relocated venues to try to mitigate potential risk of gambling harm.</p>
Policy Options TAB Venues			
<p>Degree of restriction</p>  	Sinking lid on TAB Venues	No new TAB venues would be allowed in the district. This would slow growth of a specific type of TAB – but this is happening anyway.	Likely to have limited impact on gambling harm. Other forms of TAB gambling appear to be far more popular than standalone TAB.
	Cap on TAB Venues	Depending on where the cap was set, could see growth in TAB venue numbers. This seems unlikely as venue numbers are declining despite a permissive policy	As above
	Permissive policy (status quo)	Could see growth in gambling. However, despite a permissive policy since 2004, standalone TAB numbers in Christchurch have been declining so while growth is possible, it seems unlikely.	As above

Gambling and TAB Venues Policy Review 2024 – An Overview

Class 4 Gaming Venues and Machine Numbers in Christchurch, 2004-2024



Average Number of Gaming Machines in Operation per Venue

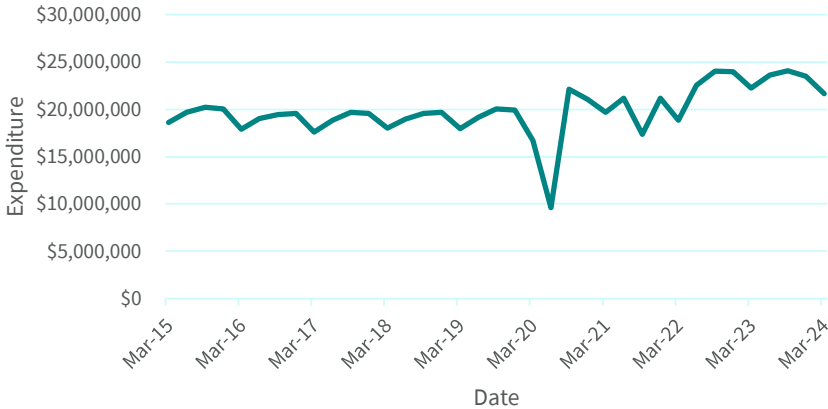
	2020	2021	2022	2023	2024
Christchurch	15.9	15.7	16.4	16.1	16.3
New Zealand	13.7	13.8	14.1	14.1	14.1

Gambling in Christchurch

What the Stats Tell Us

- Class 4 gaming (pokie) machine and venue numbers are declining but at a slow rate.
- We have more pokie machines per venue and more machines per head of population than the national average.
- Pokie expenditure, or money lost by gamblers, has been relatively steady in Christchurch - despite a slow reduction in venue and machine numbers.
- There is not a clear link between deprivation score of venue location and pokie expenditure.
- There is not a clear link between the density of machines and expenditure per machine.
- However, research does show a link between density of machines and rates of problem gambling. While less machines has not resulted in a decrease in expenditure, it may result in less harm.
- We continue to have higher per capita rates of people seeking assistance for problem gambling, compared to the national average. Pokies are the most common mode of gambling for those seeking intervention services.
- Despite a permissive policy, TAB Venue numbers are declining.

Quarterly Class 4 Expenditure, Christchurch 2015 - 2024



New clients accessing intervention services 2022/2023

Christchurch	253 6.4 clients per 10,000 population
New Zealand	2171 4.2 clients per 10,000 population

Class 4 Gaming Machines per 1000 Residents



Our Current Policy Settings

Christchurch has a combined Gambling and TAB Venues Policy, which has been in place since 2004.

Policy provisions:

- No consent will be given for increases in machine numbers, or new pokie venues; except where two or more corporate societies (clubs) are merging.
- Where two clubs are merging, the maximum number of gaming machines permitted is 18.
- New TAB store venues can establish, subject to meeting all statutory and District Plan requirements.
- Silent on class 4 venue relocations.

Clients assisted by primary problem gambling mode 2022/23 - Christchurch

