

Notice is given of a hearing to be held on:

| Date:     | Tuesday, 14 September 2021 |
|-----------|----------------------------|
| Time:     | 9.30am                     |
| Location: | Council Chambers, Fairlie  |

# AGENDA

# Hearing of Submissions on Bylaws and Policies

14 September 2021

Note: This meeting may be digitally recorded by the minute-taker.

# **Council Membership:**

Graham Smith (Chair) James Leslie Anne Munro Stuart Barwood Murray Cox Emily Bradbury Matt Murphy

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#### The purpose of local government:

- (1) The purpose of local government is—
  - (a) to enable democratic local decision-making and action by, and on behalf of, communities; and
  - (b) to meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses.

(2) In this Act, good-quality, in relation to local infrastructure, local public services, and performance of regulatory functions, means infrastructure, services, and performance that are—

- (a) efficient; and
- (b) effective; and
- (c) appropriate to present and anticipated future circumstances.

(Local Government Act 2002)

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# **1 OPENING AND APOLOGIES**

# 2 DECLARATIONS OF INTEREST

# 3 REPORTS

# 3.1 RECEIVE AND CONSIDER SUBMISSIONS TO BYLAWS AND POLICIES

| Author:<br>Authoriser:<br>Attachments: | Rachael Willox, Planning<br>Aaron Hakkaart, Manager - Planning<br>1. Summary of Submissions 🖞 🛣  |  |
|--|--|--|
| Council Role:                          |  |  |
| 🗆 Advocacy                             | When Council or Committee advocates on its own behalf or on behalf of its community to another level of government/body/agency.  |  |
| ⊠ Executive                            | The substantial direction setting and oversight role of the Council or Committee<br>e.g. adopting plans and reports, accepting tenders, directing operations, setting<br>and amending budgets.   |  |
| ⊠ Legislative                          | Includes adopting District Plans and plan changes, bylaws and policies.  |  |
| □ Review                               | When Council or Committee reviews decisions made by officers.  |  |
| □ Quasi-judicial                       | When Council determines an application/matter that directly affects a person's rights and interests. The judicial character arises from the obligation to abide by the principles of natural justice, e.g. resource consent or planning applications or objections, consents or other permits/licences (e.g. under Health Act, Dog Control Act) and other decisions that may be appealable to the Court including the Environment Court. |  |
| □ Not applicable                       | (Not applicable to Community Boards).  |  |

# **PURPOSE OF REPORT**

The purpose of this report is for Council to formally receive and hear the submissions to the Proposed Policies and Bylaws 2021.

# STAFF RECOMMENDATIONS

- 1. That the report be received.
- 2. That the Council formally receive the 15 submissions to the Proposed Policies and Bylaws 2021.
- 3. The Council hear submissions from six submitters who wish to be heard in support of their submission.

# BACKGROUND

The Council at its meeting on 29 June 2021 formally adopted the Policies and Bylaws Review – Statement of Proposal and the Proposed New Policies and Bylaws – Statement of Proposal for formal consultation pursuant to section 83 of the Local Government Act 2002 (LGA).

The Council also resolved in regard to class 4 gambling to adopt a modified sinking lid where there is an ability to transfer class 4 gaming machines where a business sells but should a business close for any other reason the machines will be non-transferable.

The Policies and Bylaws Review – Statement of Proposal addresses seven active policies and bylaws which are required to be reviewed pursuant to section 158 of the LGA:

- The Solid Waste Bylaw 2013;
- The Wastewater Network Bylaw 2014;
- The Water Supply Bylaw 2014;
- The Dog Control Policy and Dog Control Bylaw 2014;
- The Market Place Liquor Ban Bylaw 2014;
- The Class 4 Gambling Venue Policy and TAB Venue Policy 2016; and
- The Dangerous and Insanitary Buildings Policy 2005.

The Proposed New Policies and Bylaws – Statement of Proposal addresses current gaps in Council's regulatory toolbox and proposes to introduce two new bylaws and one new policy related to the keeping of animals, poultry and bees, trading over the Easter holiday period and a General Bylaw to provide guidance for all other bylaws and how Council implement these.

The Statements of Proposal and associated Policies and Bylaws were released for formal consultation, in accordance with the Special Consultative Procedure set out in the LGA, on Tuesday 6 July 2021. The submission period closed on Friday 6 August 2021.

# SUBMISSIONS

In total 15 submissions were received on the Proposed Policies and Bylaws 2021. The submissions were received either by email or the Let's Talk Platform. A breakdown of the submissions received in relation to the Proposed Policies and Bylaws is provided in Table 1. It is noted that one submitter commented on three different policies and bylaws, within their individual submission, which accounts for the discrepancy between the total number of submissions received (15) and the number of submissions received in Table 1 (18).

| Policy/Bylaw   | Submissions Received |
|--|----------------------|
| The Solid Waste Bylaw 2021                           | 0                    |
| The Water, Wastewater and Stormwater Bylaw 2021      | 2                    |
| The Dog Control Policy and Dog Control Bylaw 2021    | 3                    |
| The Alcohol Restrictions in Public Places Bylaw 2021 | 3                    |
| The Class 4 Gambling and TAB Venue Policy 2021       | 5                    |
| The Dangerous and Insanitary Buildings Policy 2021   | 1                    |

Table 1: Submissions Received

| The General Bylaw 2021                              | 0 |
|---|---|
| The Keeping of Animals, Poultry and Bees Bylaw 2021 | 3 |
| The Easter Sunday Trading Bylaw 2021                | 1 |

A summary of the submissions is provided in Appendix 1.

# **HEARING OF SUBMISSIONS**

Of the submissions received six submitters requested to be heard in support of their submission. The purpose of this meeting is for the Council to formally receive the 15 submissions outlined in Appendix 1 and 2 and to hear from those parties who wish to be heard in support of their submission. A draft timeline for the hearing of submissions is provided in Table 2.

Please note this is a draft timetable and is likely to change before the hearing.

Table 2: Timeline for Hearing of Submissions

| 09.30 - 09.45 | Opening and Overview of Hearing   |
|---------------|---|
| 09.45 - 09.55 | Mr. Jason Williamson on behalf of Trust Aoraki Limited  |
|               | Proposed Class 4 Gambling and TAB Venue Policy 2021   |
| 09.55 - 10.00 | Questions from panel (if any)   |
| 10.00 - 10.10 | Ms. Sarah Campagnolo on behalf of The Problem Gambling Foundation   |
|               | Proposed Class 4 Gambling and TAB Venue Policy 2021   |
| 10.10 - 10.15 | Questions from panel (if any)   |
| 10.15 - 10.25 | Mr. Jarrod True on behalf of The Gaming Foundation of New Zealand   |
|               | Proposed Class 4 Gambling and TAB Venue Policy 2021   |
| 10.25 - 10.30 | Questions from panel (if any)   |
| 10.30 - 10.40 | Mr. Rob Young   |
|               | Proposed Keeping of Animals, Poultry and Bees Bylaw 2021  |
| 10.40 - 10.45 | Questions from panel (if any)   |
| 10.45 - 10.55 | Ms. Nicky Snoyink on behalf of Forrest and Bird   |
|               | Proposed Keeping of Animals Poultry and Bees Bylaw 2021   |
| 10.55 - 11.00 | Questions from panel (if any)   |
| 11.00-11.10   | Mr. Chris Bruin   |
|               | Proposed Alcohol Restrictions in Public Places Bylaw 2021 and the Proposed Class 4 Gambling and TAB Venue Policy 2021 |
| 11.10-11.15   | Questions from panel (if any)   |
| 11.15 - 11.20 | Close of Hearing  |

Following the completion of the hearing, Council will need to consider and deliberate on the submissions received and make any necessary decisions on the Proposed Policies and Bylaws. These decisions will be published in a decision document which Council will be asked to adopt at its next

meeting. Any required changes will also be made to the Proposed Policies and Bylaws with the final Policies and Bylaws 2021 to be formally adopted by Council at its meeting on 12 October 2021.

# POLICY STATUS

Section 83 of the LGA provides direction for consultation, requiring certain principles to be achieved, including:

- That the persons who are interested in or affected by the proposal be provided with access to relevant information on the proposal.
- That those persons are encouraged to present their views to the Council.
- That the Council receives those views with an open mind and all submissions be given due consideration.
- That persons who present their views are given access to a clear record of the decision making.

# SIGNIFICANE OF DECISION

All of the Policies and Bylaws 2021 are subject to the Special Consultative Procedure as directed by the LGA and trigger Mackenzie District Councils Significance and Engagement Policy.

## **OPTIONS**

- 1) That the Council formally receive the 15 submissions to the Proposed Policies and Bylaws and hears submissions from six submitters who wish to be heard in support of their submission.
- 2) That the Council receive those views with an open mind and give them due consideration.
- 3) That the Council consider and deliberate on the submissions received and make any necessary decisions on the Proposed Policies and Bylaws.

# CONSIDERATIONS

#### Legal

Consultation on the Proposed Policies and Bylaws 2021 has been undertaken in accordance with the Special Consultative Procedure as set out in the LGA.

# Financial

There are no financial implications. The Policies and Bylaws 2021 have been resourced internally.

#### Other

Serval of Councils current policies and bylaws will be revoked if they are not reviewed. Failure to review the current policies and bylaws will mean Council has limited ability to carry out important regulatory functions.

# CONCLUSION

The Council is to formally receive and hear the submissions to the Proposed Policies and Bylaws 2021 in accordance with the procedure set out in the LGA.

## Appendix 1 – Summary of Submissions

\* The Submitter wishes to be heard in support of their submission

| Number | Name   | Policy/Bylaw                                  | Submission  |
|--------|--|---|---|
| 1*     | Trust Aoraki Limited   | Class 4 Gambling and TAB<br>Venue Policy 2021 | Trust Aoraki has 20 gaming machines in two hotel venues in the Mackenzie<br>District (the Fairlie Hotel and Top Hut in Twizel). Trust Aoraki also had eight<br>machines at the Tekapo Tavern prior to the fire in 2019. Trust Aoraki supports<br>Option 2 which provides a cap of 45 machines with a suitable relocation provision<br>and opposes the introduction of a sinking lid. Trust Aoraki considers it important<br>that the Council consider credible and verifiable evidence to weigh up what harm<br>is being caused in the Mackenzie District and what is being done by the<br>Department of Internal Affairs and Class 4 Gambling Operators to prevent and<br>minimise harm caused by Class 4 Gambling. Trust Aoraki also highlight the<br>benefits the district community receive from grant funding. |
| 2*     | The Problem Gambling<br>Foundation of New<br>Zealand (PGF Group) | Class 4 Gambling and TAB<br>Venue Policy 2021 | <ul> <li>PGF Group advocate that Council introduce a strong sinking lid policy with no venue relocations or mergers and commends the Council on their consultation document and preferred draft policy. PGF Group submit that an adopted sinking lid policy should include three provisions: <ul> <li>A ban on any new venues with no new permits given to operate Class 4 Gambling Venues</li> <li>No relocations. If a venue closes the Council will not permit the gaming machines to be relocated to any new venue.</li> <li>No mergers. There shall be no merging of Class 4 Venues under any circumstances.</li> </ul> </li> </ul>  |
| 3*     | The Gaming Association<br>of New Zealand                         | Class 4 Gambling and TAB<br>Venue Policy 2021 | The Gaming Association supports Option 2 which provides a cap of 45 machines<br>and a new relocation policy and wishes to provide Council with pertinent<br>information regarding gaming machine gambling. They argue that there is no<br>direct correlation between gaming machines numbers and problem gambling<br>rates and that introducing a sinking lid is unlikely to reduce problem gambling<br>but will overtime, reduce the amount of funding available to community groups<br>based in the district. The proposed relocation policy is supported as it is good for<br>harm minimisation. Venue relocation allows venues to move out of undesirable   |

|    |                                    |  | areas to more suitable areas and allows venues to re-establish after a natural disaster or fire.  |
|----|------------------------------------|--|---|
| 4  | Community and Public<br>Health     | Class 4 Gambling and TAB<br>Venue Policy 2021      | Community and Public Health support reducing the cap on the number of gaming machines through a strong sinking lid policy and recommends that Council implement a strong sinking lid to better protect the community from harm caused by gambling.  |
| 5* | Rob Young                          | Keeping of Animals, Poultry<br>and Bees Bylaw 2021 | Mr. Young believes the Council needs to reconsider its rationale for not allowing<br>beehives in urban areas. Not allowing bees in urban areas in the Mackenzie<br>District is counter intuitive to their importance given the continuing demise of<br>honey bees due to human activity and disease. Many urban areas in New Zealand<br>(including Nelson, Blenheim, Christchurch, Wellington and Auckland) allow<br>beehives to be kept in residential zones. Bees can be kept in urban areas without<br>affecting neighbours. Within urban properties, limitations on siting and a<br>maximum number of hives would a good way to ensure any effects are<br>minimised.  |
| 6* | Forest and Bird Limited            | Keeping of Animals, Poultry<br>and Bees Bylaw 2021 | Forest and Bird congratulate the Council for its Proposed Keeping of Animals,<br>Poultry and Bees Bylaw 2021 and encourages Councils to adopt meaningful cat<br>management policies and regulations. They support responsible cat ownership<br>to minimise risk to human health, to minimise the risk of nuisance caused my<br>cats and to minimise the effects on indigenous biodiversity. They recommend<br>that the cat management provisions be extended to apply district wide (not just<br>urban areas). They support the Councils proposal to require a license to own<br>more than two cats but believe the provision could be strengthened by adding a<br>clause that sets out a limit of two cats per household. They also recommend a<br>requirement to microchip and desex domestic cats over six months of age as<br>preferred wording over the proposed strongly encourage. |
| 7  | Mackenzie Country Honey<br>Limited | Keeping of Animals, Poultry<br>and Bees Bylaw 2021 | Mackenzie Country Honey Limited would like urban properties larger than 800m <sup>2</sup> to be able to have a maximum of two beehives and urban properties larger than 2000m <sup>2</sup> to have five beehives provided all legal requirements under Biosecurity Act 1993 be strictly adhered to. Having bees in urban areas poses a low risk to residents. Bees are not aggressive unless the hive itself is disturbed. Having hives in town would help to pollenate gardens and fruit trees.  |

| 8   | Fire and Emergency New   | Water Supply, Wastewater and   | Fire and Emergency New Zealand request minor amendments to the bylaw to   |
|-----|--|--|---|
|     | Zealand  | Stormwater Bylaw 2021  | provide for their ongoing operations and to reference current legislation. Minor<br>changes to Section 5.2, 5.4, and 5.6 are sought.  |
| 9   | Z Energy Limited, BP Oil<br>New Zealand Limited, and<br>Mobil Oil New Zealand<br>Limited | Water, Supply, Wastewater<br>and Stormwater Bylaw 2021   | The oil companies seek clarity regarding how stormwater discharges from petroleum industry sites are managed. They propose minor changes to the wording of the bylaw as they consider that reference also needs to be made to discharges provided for by a resource consent or permitted activity rule in the District Plan. Amendments to Section 4.16, Section 8.1 and Section 8.2(a) are sought. |
| 10  | Federated Farmers  | Dog Control Policy and Dog<br>Control Bylaw 2021   | Federated Farmers seeks clarity regarding the requirement for dogs to be micro<br>chipped and whether it applies to working farm dogs. They seek a clea<br>exemption to be included in the bylaw for working dogs.  |
| 11  | Morelea  | Alcohol Restrictions in Public<br>Places Bylaw 2021  | Morelea would like to see the alcohol restriction in Tekapo applied to the bund<br>and foreshore area of Lake Tekapo near the Church of the Good Shepherd.  |
| 12  | Reverend Andrew  | Alcohol Restrictions in Public<br>Places Bylaw 2021  | Reverend Andrew is overall delighted with the proposed areas to be included in<br>the Alcohol Restrictions in Public Places Bylaw 2021. The minister however<br>believes that it would be worthwhile to include the new viewing bund next to the<br>carpark outside the Church of the Good Shepherd.  |
| 13* | Chris Bruin  | Alcohol Restrictions in Public<br>Places Bylaw 2021, Class 4<br>Gambling and TAB Venue<br>Policy 2021 and Dangerous,<br>Affected and Insanitary<br>Buildings Policy 2021 | Mr. Bruin does not believe in restrictions on the consumption of alcohol or or<br>gambling and believes they are a waste of time and money given the<br>administration of implementing them. In terms of dangerous and insanitar<br>buildings the submitter states that these sorts of buildings should not exist.  |
| 14  | Richard Smith  | Easter Sunday Trading Policy 2021  | Mr. Smith believes that all shops should be able to choose when they operate<br>and it should not be reliant on decisions by others due to their beliefs.   |
| 15  | Bruce Cowan  | Dog Control Policy and Dog<br>Control Bylaw 2021   | Mr. Cowan notes that without a fence, dogs need to be either chained or on a<br>wire run in urban areas. The submitter however states that there are electroni<br>boundaries that can also be used and could this be included within the bylaw a<br>an option.  |

# 3.2 SUBMISSIONS ON THE WATER, WASTEWATER AND STORMWATER BYLAW

Author: Arlene Goss, Governance Advisor

Authoriser:

Attachments:

- Submission from 4Sight Consulting on behalf of Oil Companies Water, Wastewater and Stormwater Bylaw <u>U</u>
  - 2. Submission from Fire and Emergency New Zealand Water, Wastewater and Stormwater Bylaw J.

## STAFF RECOMMENDATIONS

That Council receives and considers the submissions.

# BACKGROUND

Two submissions were received on the Water, Wastewater and Stormwater Bylaw.



# SUBMISSION BY THE OIL COMPANIES TO THE MACKENZIE DISTRICT COUNCIL PROPOSED WATER SUPPLY, WASTEWATER AND STORMWATER BYLAW 2021

To: Mackenzie District Council Planning Department Po Box 52, Main Street Fairlie 7949 E-Mail: <u>planning@mackenzie.govt.nz</u>

 Submitters:
 Z Energy Limited<sup>1</sup>
 BP Oil New Zealand Limited

 PO Box 2091
 PO Box 99 873

 WELLINGTON 6140
 AUCKLAND 1149

Mobil Oil New Zealand Limited PO Box 1709 AUCKLAND 1140

Date: 6 August 2021

Address for 4Sight Consulting Limited Service: Unit 10, 21 Bealey Avenue Merivale Christchurch 8014

> Attention: Laura Aitken Phone: 027 722 1654 Email: laura.aitken@4sight.co.nz



LAND. PEOPLE. WATER

 $<sup>^1</sup>$  On behalf of the wider Z Group, including the Z and Caltex operations in New Zealand.



# INTRODUCTION

- 1. Mackenzie District Council (*Council*) is seeking feedback on the review of the Mackenzie District Council proposed Water Supply, Wastewater and Stormwater Bylaw 2021 (*the Bylaw*).
- The Oil Companies receive, store and distribute refined petroleum products around New Zealand. In the Mackenzie District, the Oil Companies' core business relates to the operation of retail fuel outlets, including service stations and truck stops.
- 3. The Oil Companies' interests in the Bylaw relate primarily to how it addresses stormwater discharges from petroleum industry sites. The Oil Companies seek clarity regarding these matters to provide certainty to all parties while ensuring protection of the environment and Council's infrastructure.
- The Oil Companies would be pleased to discuss these matters further with Council if that would assist.

# STORMWATER

#### Background

- 5. Discharges from petroleum industry sites are addressed in the Environmental Guidelines for Water Discharges from Petroleum Industry Sites in New Zealand (Ministry for the Environment, 1998). The Guidelines provide specific measures to ensure water discharges from petroleum industry sites do not cause significant adverse effects on the environment. They were prepared by a working group comprising industry, central and regional government and continue to be widely recognised as good practice. The Guidelines have been widely recognised in regional plans around the country as achieving permitted stormwater quality.
- 6. Discharges from service station forecourts are a Category 2 discharge under the Guidelines. This reflects that there is potential for stormwater to contain oil contaminants and that these require appropriate treatment prior to discharge. The Guidelines require that these areas are directed by appropriate surface grading into grated sumps/gutters/rain gardens leading to drainage systems or treatment devices prior to discharge. If not within the forecourt, tank fill points must be similarly treated. This layout is reflected in Figure 3.1 of the Guidelines.
- 7. The Guidelines set out detailed criteria for sizing of treatment devices based on rainfall and require that separators have the capacity to contain a 2,500 litre spill of hydrocarbons the maximum credible spill. Devices which use gravity separation are recognised as the most practicable option to remove oil from water and achieve the desired discharge quality. Appendix 2 of the Guidelines explains the methodology and results of the trial of an American Petroleum Institute (*API*) separator. That exercise confirmed that the API could retain a 2,500 litre spill with the outlet valve in the open position while also achieving a discharge quality of less than 15 milligrams per litre of total petroleum hydrocarbons. A SPEL separator has been similarly tested and subsequently certified by the former Auckland Regional Council as being compliant with the Guidelines. Both SPEL and API are now widely used around the country.
- 8. The Guidelines recognise that the maximum levels of contaminants allowable in discharges are 15 and 100 milligrams per litre for total petroleum hydrocarbons and total suspended solids respectively (when averaged over the design storm event) and that operating within these limits will ensure minimal adverse toxic effects. The Guidelines draw parallels to roads and highlight that monitoring has demonstrated that discharges from such sites are no worse (and often better) than discharges from roads and high turnover car parks.





9. In terms of effects, the Guidelines refer to modelling work demonstrating that typical oil discharges will have no significant adverse effects on receiving water, except for at the most sensitive sites. Full detail of the study is provided at Appendix A1.3 of the Guidelines.

#### Compliance with other Acts and Codes

10. The Oil Companies support the requirement to comply with other Acts, Regulation or other Bylaws, but oppose section 4.16 in so much as it doesn't allow for both permitted activities and consented discharges. Such an approach will potentially impose unnecessary requirements on discharges which are appropriately sanctioned in terms of water quality. This concern would be addressed by amending section 4.16 as follows (additions in underline, deletions in strike through):

No person shall allow or cause to be allowed inadvertently or otherwise the discharge of hazardous substances to a Network Infrastructure Service unless <u>provided for</u> by a <u>Bylaw</u> <u>approval</u>, <u>resource</u> consent <u>or a permitted activity rule</u>.

#### Acceptance of Discharge

11. The Oil Companies seek that section 8.1 of Bylaw is amended to acknowledge the role of good practice in informing the provision and maintenance of treatment devices. For instance, discharges from petroleum industry sites in accordance with the MfE Guidelines are widely considered to be acceptable in terms of stormwater quality. Referencing good practice will help to promote compliance with the same and contribute to improved outcomes. This could be achieved by addition of the following clause to section 8.1 of the Bylaw:

e) Council may require the provision and maintenance of any pre-treatment works as necessary to regulate the quality, quantity and rate of stormwater discharge, or other constituents or characteristics of the stormwater discharges, prior to the point of discharge. <u>This will be quided</u> by industry good practice documents where applicable, for instance the Environmental Guidelines for Water Discharges from Petroleum Industry Sites in New Zealand (Ministry for the <u>Environment, 1998)</u>. The provision and maintenance of such pre-treatment works shall be at the customer's expense.

#### Prohibited Stormwater Characteristics

12. Clause 8.2(a) of the Bylaw prohibits the discharge of contaminants in contravention of 'an approval to discharge stormwater'. The Oil Companies support the principle of prohibiting discharges that are in breach of a Bylaw approval but consider that reference is also needed to discharges provided for by a a resource consent or permitted activity rule. This could be achieved by amending the clause as follows:

a) contaminants, sewage or trade wastes in breach or contravention of an <u>Bylaw</u> approval, <u>resource consent, or permitted activity rule</u> to discharge stormwater; or

Signed on and behalf of Z Energy Limited, BP Oil New Zealand Limited and Mobil Oil New Zealand Limited

Laura Aitken Planning and Policy Consultant

3

# Submission on Mackenzie District Council – Water Supply, Wastewater and Stormwater Bylaw 2021

| To:                | Mackenzie District Council                                       |
|--------------------|--|
| Submission on:     | Proposed Water Supply, Wastewater and Stormwater Bylaw 2021      |
| Name of submitter: | Fire and Emergency New Zealand (Fire and Emergency)              |
| Address:           | c/o Beca Ltd<br>PO Box 13960, Armagh Street<br>Christchurch 8141 |
| Attention:         | Nicolle Vincent  |
| Phone:             | 03 550 0073  |
| Email:             | Nicolle.Vincent@beca.com   |

This is a submission on behalf of Fire and Emergency New Zealand (Fire and Emergency) on Mackenzie District Council Water Supply, Wastewater and Stormwater Bylaw 2021 ("Bylaw").

#### Background:

Fire and Emergency is a unified fire organisation that brings together New Zealand's urban and rural fire services for the first time. The Fire and Emergency New Zealand Act 2017 (FENZ Act) established Fire and Emergency New Zealand, from 1 July 2017. The FENZ Act, among other matters, replaced the two previous governing Acts being the Fire Service Act 1975 and Forest and Rural Fires Act 1977.

As outlined in section 10 of the FENZ Act, the principal objectives of Fire and Emergency are to:

- Reduce the incidence of unwanted fire and associated risk to life and property;
- Protect and preserve life, and prevent or limit injury, damage to property, land, and the environment.

The main functions of Fire and Emergency, as identified in section 11 of the FENZ Act, are to:

- Promote fire safety, including providing guidance on the safe use of fire as a land management tool;
- · Provide fire prevention, response, and suppression services;
- · Stabilise or render safe incidents involving hazardous substances;
- · Rescue persons who are trapped as a result of transport accidents or other incidents;
- · Provide urban search and rescue services; and
- To efficiently administer the FENZ Act.

Fire and Emergency is also to assist in the below additional functions, as identified in section 12 of the FENZ Act, to the extent it has capability and capacity to do so:

- Responding to medical emergencies;
- Responding to maritime incidents;

- Performing rescues, including high angle line rescues, rescues form collapsed buildings, rescues from confined spaces, rescues from respirable and explosive atmospheres, swift water rescues, and animal rescues;
- Providing assistance at transport accidents (for example, crash scene cordoning and traffic control);
- · Responding to severe weather-related events, natural hazard events, and disasters;
- Responding to incidents in which a substance other than a hazardous substance presents a risk to
  people, property, or the environment;
- Promoting safe handling, labelling, signage, storage and transportation of hazardous substances; and
- · Responding to any other situation is Fire and Emergency has the capability to assist.

Fire and Emergency must perform and exercise the functions, duties, and powers conferred or imposed on Fire and Emergency as a main function by or under the FENZ Act and any other enactment; and perform any other functions conferred on Fire and Emergency as a main function by the Minister in accordance with section 112 of the Crown Entities Act 2004.

As such, Fire and Emergency has an interest in local authority bylaws to ensure that, where necessary, appropriate consideration is given to fire safety and operational firefighting requirements. This submission seeks to ensure that Fire and Emergency is able to carry out its requirements under the FENZ Act more effectively in the protection of lives, property and the surrounding environment.

#### Proposed Water Supply, Wastewater and Stormwater Bylaw 2021

The Proposed Water Supply, Wastewater and Stormwater Bylaw 2021 seeks to replace and combine the existing waters bylaws (Water Supply Bylaw 2014 and Wastewater Network Bylaw 2014), as well as providing for a Bylaw that manages stormwater, to have an integrated approach to the management of stormwater, wastewater, water supply and trade waste in the Mackenzie District.

The proposed bylaw places the same or similar general controls over the water supply and wastewater networks. The key change is the inclusion of stormwater as a matter of control.

#### Fire and Emergency's submission is:

Fire and Emergency has reviewed the Bylaw as it has an interest in matters that may affect its ability to meet its purpose and ongoing operations under the FENZ Act, and requests minor amendments. The following minor amendments are requested for the reasons discussed below:

Deletions are in strikethrough; additions are in bold.

#### Draft Bylaw

"Section 5.2 - Categories of Supply

#### Ordinary Supply

The supply of water to a customer which is used solely for domestic purposes in a dwelling unit. Such purposes shall include the use of a hose (subject to the provisions of this chapter of the Bylaw) for:

- washing down;
- · garden watering by hand;

· garden watering by a portable sprinkler; or

· garden watering by a micro-jet system; or

#### fire protection systems - including sprinkler systems, fire hose reels and hydrants;

#### Extraordinary Supply

All other purposes for which water is supplied other than Ordinary Supply shall be deemed to be an

Extraordinary Supply and may be subject to conditions and limitations. Such purposes shall include:

. . .

• fire protection systems - including sprinkler systems, fire hose reels and hydrants;

. . .

Section 5.4 - Fire Protection

Any proposed connection for fire protection shall be the subject to a separate application for supply on the approved form. Where a connection has been provided to supply water to a fire protection system (including hydrants), it shall be used for no other purpose other than firefighting and testing the fire protection system.

# Connections shall be designed in accordance with the New Zealand Fire Service Firefighting Water Supplies Code of Practice SNZ PAS 4509:2008.

Section 5.6 – Fire Hydrants:

The right to gain access to, and draw water from, fire hydrants shall be restricted to:

- Council or its authorised agents; and
- The New Zealand Fire Service Fire and Emergency New Zealand personnel.

Without prejudice to other remedies available, Council may remove and hold any equipment used to gain unauthorised access to, or draw water from, a fire hydrant".

The term *Fire and Emergency New Zealand personnel* is a more accurate and consistent way of describing those employees, volunteers and contractors who are working under the FENZ Act. The wording of "Fire and Emergency New Zealand personnel" also better aligns with the current unified structure of Fire and Emergency. This is consistent with both the FENZ Act and the Resource Management Act 1991 (RMA), which authorise the taking and use of water by Fire and Emergency.

The RMA section 14(3)(e) states that a person is not prohibited from taking water if it is used for the purposes in accordance with section 48 of the FENZ Act.

Section 48 of the FENZ Act identifies that:

- (1) All FENZ Personnel may, free of charge
  - a. Use all hydrants and control valves installed in any watermains and any water in the water mains for
    - The purposes of performing or exercising FENZ's functions, duties, or powers; or
    - *ii.* Training for the purposes of performing or exercising FENZ's functions, duties, or powers; and

- b. Use water from any water supply or any source of water for
  - i. The purposes of performing or exercising FENZ's functions, duties, or powers; or
  - *ii.* Training for the purposes of performing or exercising FENZ's functions, duties, or powers.
- (2) The provisions of this section apply in relation to defence fire brigades and industry brigades with all necessary modifications.
- (3) The exercise of powers under this section is subject to the overall requirements of the National Controller under the Civil Deference Emergency Management Act 2002 if a state of emergency exists under the Act.

The Bylaw's references to legislation should be consistent with the current active legislation. Fire and Emergency's suggested amendments to clause 5.6 are intended to achieve this.

As discussed, Fire and Emergency New Zealand was established by the FENZ Act on 1 July 2017. The proposed amendments better reflect the legislation and align with the structure of Fire and Emergency.

Fire and Emergency New Zealand does not wish to be heard at the hearing, however, welcomes the opportunity to discuss, or provide further clarification, in relation to its submission.

(Signature of person authorised to sign on behalf of Fire and Emergency New Zealand)

Date: 06/07/2021

Title and address for service of person making submission:

Fire and Emergency New Zealand c/o Beca Ltd

Attention: Nicolle Vincent

Address: Beca Ltd PO Box 13960, Armagh Street Christchurch 8141

# 3.3 SUBMISSIONS ON THE DOG CONTROL BYLAW

Author: Arlene Goss, Governance Advisor

Authoriser:

Attachments:

1. Submission from Fed Farmers - Dog Control Bylaw 🕹 🛣

- 2. Late Email Submission from Bruce Cowan Dog Control Bylaw 🗓 🖾
- 3. Submission Received via Let's Talk 🗓 🛣

## STAFF RECOMMENDATIONS

That Council receives and considers the submissions, including the late submission from Bruce Cowan.

# BACKGROUND

Three submissions were received on the Dog Control Bylaw. One was received after the deadline and Council can choose to either receive or reject this submission.

------ Original message ------From: Angela Johnston <<u>ajohnston@fedfarm.org.nz</u>> Date: 9/07/21 3:34 pm (GMT+12:00) To: Aaron Hakkaart <<u>Aaron.Hakkaart@mackenzie.govt.nz</u>> Subject: Proposed Dog Control Bylaw 2021

#### Hi Aaron

Hope all is well with you.

Under the Proposed Dog Control Bylaw 2021, section 4 Obligations of Dog Owners, it states that all dogs must be microchipped. Does this include working farm dogs?

From the DIA website: Which dogs have to be microchipped? Microchipping is required for all dogs registered in New Zealand for the first time, with the exception of working farm dogs.

This exemption is referred to in the Policy document but not the Bylaw.

So it's unclear whether MDC is proposing to include farm dogs or not? If so, could you provide me with an explanation as to why? Otherwise, a clear exemption for farm dogs should perhaps be included in the Bylaw.

Cheers Angela

#### ANGELA JOHNSTON SENIOR POLICY ADVISOR

Federated Farmers of New Zealand

M 021 518 271

-----Original Message-----From: Bruce Cowan <<u>brc19480606@icloud.com</u>> Sent: Tuesday, 10 August 2021 2:48 pm To: Aaron Hakkaart <<u>Aaron.Hakkaart@mackenzie.govt.nz</u>> Subject: Proposed Dog control bylaw

Hi Aaron,

I tried to make a comment on the above proposed bylaw, but it appears closed. I note that without a fence, dogs need to be either chained of on a wire run in urban areas. There are electronic boundaries that can be used, but this seems to be excluded as an option. Is there a reason for this? I live in a rural residential area and would prefer to use this as a preferable option. Regards Bruce Cowan

Respondent No: 5 Login: Registered 
 Responded At:
 Aug 06, 2021 10:20:28 am

 Last Seen:
 Aug 05, 2021 22:21:07 pm

Q1. Please indicate which policy or bylaw you wish to comment on? (note: you will have the opportunity to comment on more than one later in the form). The proposed Dog Control Policy 2021 and Dog Control Bylaw

Q2. Please leave your feedback on the proposed Solid Waste below.

not answered

Q3. Please leave your feedback on the proposed Water, Supply, Wastewater and Stormwater Bylaw below.

not answered

#### Q4. Please leave your feedback on the proposed Dog Control Policy 2021 and Dog Control bylaw below.

Federated Farmers welcomes the opportunity to submit on the Policies and Bylaws Review. Our following points relate to Appendix C Proposed Dog Control Bylaw 2021 and the accompanying policy document. Overall, we support both the Bylaw and Policy and seek minor amendments. Working Dog Definition In both the Bylaw and the Policy, the first bullet point contains a typo and refers to "relating to farming, such as hearing stock". We assume this should be "heading". This typo is also in the policy document at section 6.5. Proposed Bylaw In section 4 Obligations of Dog Owners, it is stated that "All dogs must be implanted with a microchip". Federated Farmers sought clarification from MDC staff regarding this and were informed that the intention of the Bylaw is to be in accordance with the Dog Control Act 1996. Under the Dog Control Act 1996, working dogs are exempt and are not required to be microchipped. Whilst this exemption is mentioned in the accompanying policy document (section 7), for clarity it needs to be included in the Bylaw. The Bylaw is the regulatory instrument not the policy.

Q5. Please leave your feedback on the proposed Alcohol Restrictions in Public Places Bylaw below.

not answered

Q6. Please leave your feedback on the proposed Proposed Class 4 Gambling and TAB Venue Policy (preferred option) and Proposed Class 4 Gambling and TAB Venue Policy 2021 (Option 2) policies below.

not answered

Q7. Please leave your feedback on the proposed Dangerous, Affected and Insanitary Buildings Policy below.

No

not answered

Q8. Would you like to leave feedback on another policy or bylaw?

Q9. Do you wish to address councillors at a No hearing?

No, I do not wish to address councillors.

# 3.4 SUBMISSIONS ON THE PROPOSED ALCOHOL RESTRICTIONS IN PUBLIC PLACES BYLAW

Author: Arlene Goss, Governance Advisor

Authoriser:

Attachments:

- 1. Submission received via Let's Talk 1 🗓 🛣
  - 2. Submission received via Let's Talk 2 🗓 🛣
  - 3. Submission received via Let's Talk 3 🗓 🛣

# STAFF RECOMMENDATIONS

That Council receives and considers the submissions.

## BACKGROUND

Three submissions were received on the Proposed Alcohol Restrictions in Public Places Bylaw.

Respon Login:

Respondent No: 2 Login: Registered 
 Responded At:
 Jul 27, 2021 15:14:51 pm

 Last Seen:
 Jul 27, 2021 03:06:49 am

Q1. Please indicate which policy or bylaw you wish to comment on? (note: you will have the opportunity to comment on more than one later in the form).

Q2. Please leave your feedback on the proposed Solid Waste below.

not answered

Q3. Please leave your feedback on the proposed Water, Supply, Wastewater and Stormwater Bylaw below.

not answered

Q4. Please leave your feedback on the proposed Dog Control Policy 2021 and Dog Control bylaw below.

not answered

Q5. Please leave your feedback on the proposed Alcohol Restrictions in Public Places Bylaw below.

I don't believe in restrictions on the consumption of alcohol

Q6. Please leave your feedback on the proposed Proposed Class 4 Gambling and TAB Venue Policy (preferred option) and Proposed Class 4 Gambling and TAB Venue Policy 2021 (Option 2) policies below.

I don't believe in restrictions on gambling (or alcohol) and the waste of time and hence money that goes with administrating and implementing these restrictions. Surely there are better things this money could be directed towards, like footpaths!

Q7. Please leave your feedback on the proposed Dangerous, Affected and Insanitary Buildings Policy below.

These sort of buildings should not exist.

| Q8. | Would you like to leave feedback on another policy or bylaw? | No  |
|-----|--|---|
| Q9. | Do you wish to address councillors at a hearing?             | Yes, I wish to address councillors at the hearings (to be held on 14th & 15th September 2021. |

Respon Login:

Respondent No: 3 Login: Registered 
 Responded At:
 Aug 05, 2021 15:26:51 pm

 Last Seen:
 Aug 05, 2021 03:23:38 am

Q1. Please indicate which policy or bylaw you wish to comment on? (note: you will have the opportunity to comment on more than one later in the form).

Q2. Please leave your feedback on the proposed Solid Waste below.

not answered

Q3. Please leave your feedback on the proposed Water, Supply, Wastewater and Stormwater Bylaw below.

not answered

Q4. Please leave your feedback on the proposed Dog Control Policy 2021 and Dog Control bylaw below.

not answered

Q5. Please leave your feedback on the proposed Alcohol Restrictions in Public Places Bylaw below.

I would like to see alcohol restricted on the bund & foreshore area of Lake Tekapo near the Church of the Good Shepherd.

Q6. Please leave your feedback on the proposed Proposed Class 4 Gambling and TAB Venue Policy (preferred option) and Proposed Class 4 Gambling and TAB Venue Policy 2021 (Option 2) policies below.

not answered

Q7. Please leave your feedback on the proposed Dangerous, Affected and Insanitary Buildings Policy below.

No

not answered

- Q8. Would you like to leave feedback on another policy or bylaw?
- Q9. Do you wish to address councillors at a No, I do not wish to address councillors. hearing?

Respon Login:

Respondent No: 4 Login: Registered 
 Responded At:
 Aug 05, 2021 17:23:53 pm

 Last Seen:
 Aug 05, 2021 05:20:55 am

Q1. Please indicate which policy or bylaw you wish to comment on? (note: you will have the opportunity to comment on more than one later in the form).

Q2. Please leave your feedback on the proposed Solid Waste below.

not answered

Q3. Please leave your feedback on the proposed Water, Supply, Wastewater and Stormwater Bylaw below.

not answered

Q4. Please leave your feedback on the proposed Dog Control Policy 2021 and Dog Control bylaw below.

not answered

Q5. Please leave your feedback on the proposed Alcohol Restrictions in Public Places Bylaw below.

Overall delighted these areas are being included in the restricted area. As minister of the Church of The Good Shepherd I think it could be worthwhile including the new viewing bund next to the carpark outside the church.

Q6. Please leave your feedback on the proposed Proposed Class 4 Gambling and TAB Venue Policy (preferred option) and Proposed Class 4 Gambling and TAB Venue Policy 2021 (Option 2) policies below.

not answered

Q7. Please leave your feedback on the proposed Dangerous, Affected and Insanitary Buildings Policy below.

not answered

hearing?

 Q8. Would you like to leave feedback on another policy or bylaw?
 No

 Q9. Do you wish to address councillors at a
 No, I do not wish to address councillors.

# 3.5 SUBMISSIONS ON THE CLASS 4 GAMBLING POLICY

Author: Arlene Goss, Governance Advisor

Authoriser:

Attachments:

- 1. Submission from Community and Public Health Class 4 Gambling Policy
  - 2. Submission from PGF Group Class 4 Gambling Policy 🗓 🛣
  - 3. Submission from Gaming Machine Association of New Zealand Class 4 Gambling J 🖫
  - 4. Submission from Turst Aoraki Ltd Class 4 Gambling Policy 🗓 🛣

# STAFF RECOMMENDATIONS

That Council receives and considers the submissions.

## BACKGROUND

Four submissions were received on the Class 4 Gambling Policy.



a division of Canterbury District Health Board

# Submission on Mackenzie District Council Draft Gambling Venue Policy

| То:        | Mackenzie District Council   |
|------------|--|
| Submitter: | Community and Public Health  |
| Proposal:  | Mackenzie District Council Proposed Class 4 Gambling and TAB Venue Policy 2021 |

# SUBMISSION ON DRAFT GAMBLING VENUE POLICY

# Details of submitter

- 1. Community and Public Health.
- This submission has been developed by Community and Public Health (CPH), a division of the Canterbury District Health Board, which provides public health services to Canterbury, South Canterbury and the West Coast.
- 3. CPH is responsible for promoting the reduction of adverse environmental effects on the health of people and communities and for improving, promoting and protecting their health pursuant to the New Zealand Public Health and Disability Act 2000 and the Health Act 1956. These statutory obligations are the responsibility of the Ministry of Health and in the South Canterbury region, are carried out under contract by CPH under Crown funding agreements.

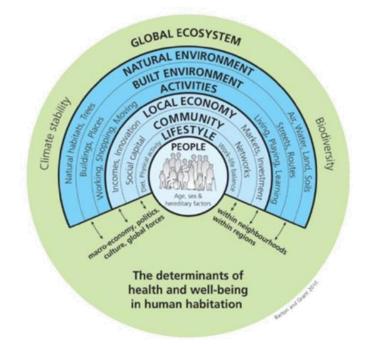
# **Details of submission**

- 4. We welcome the opportunity to comment on the Proposed Class 4 Gambling and TAB Venue Policy 2021. The future health of our population is not just reliant on health services, but on a responsive environment where all sectors work collaboratively.
- 5. While health care services are an important determinant of health, health is also influenced by a wide range of factors beyond the health sector. These influences can be described as the conditions in which people are born, grow, live, play, work and age, and are impacted by environmental, social and behavioural factors. They are often referred to as the 'social determinants of health<sup>1</sup>. The diagram<sup>2</sup> below shows how the various influences on health are complex and interlinked.
- 6. The most effective way to maximise people's wellbeing is to take these factors into account as early as possible during decision making and strategy development. Initiatives to improve health outcomes and overall quality of life must involve organisations and groups beyond the health sector, such as local government if they are to have a reasonable impact<sup>3</sup>.

<sup>&</sup>lt;sup>1</sup> Public Health Advisory Committee. 2004. The Health of People and Communities. A Way Forward: Public Policy and the Economic Determinants of Health. Public Health Advisory Committee: Wellington.

<sup>&</sup>lt;sup>2</sup> Barton, H and Grant, M. (2006) A health map for the local human habitat. The Journal of the Royal Society for the Promotion of Health 126 (6), pp 252-253. http://www.bne.uwe.ac.uk/who/healthmap/default.asp

<sup>3</sup> McGinnis JM, Williams-Russo P, Knickman JR. 2002. The case for more active policy attention to health promotion. Health Affairs, 21(2): 78 - 93. Page 2 of 8



# **General Comments**

7. CPH supports reducing the cap on gaming machines through a sinking lid policy.

CPH recommends that the Mackenzie District Council implement a strong sinking lid policy, which will better protect the community. Our submission outlines the rationale for this position. A sinking lid means that no new licenses for gaming machines can be issued, and machines cannot be transferred to a new pub or owner if the venue closes. The strongest sinking lid policy does not allow any relocations or club mergers under any circumstances. This is the best policy available to gradually reduce the number of pokie machines in pubs and clubs and the harm that accompanies them. Twenty-seven of New Zealand's 67 territorial authorities have similar policies. For an example, Christchurch City Council's policy is available in *Appendix 1* if this is useful.

# **Specific Comments**

8. CPH notes in Section 4.2 that the total number of gaming machines allowed in the Mackenzie District shall not exceed 45. However, later in the same section (with regard to existing venues) it refers to the number of machines in the district not exceeding 65. CPH recommends reducing the number of gaming machines allowed in the district. For example, in 2018 Waimate District Council reduced its cap on the total number of gaming machines operated within the Waimate District to twenty.
Page 3 of 8

- Increasing gambling opportunities compromises health, safety, and prosperity as gambling machines are engineered to be addictive, much like tobacco products<sup>4</sup>, with damaging consequences.
- 10. A significant minority of people gamble in a way that puts them at risk of harm.<sup>5</sup> Risk is concentrated among users of class 4 machines, especially those who use the machines regularly. Almost half of people (49%) who gamble on class 4 machines at least monthly are at risk.<sup>6</sup> Though gambling harm is concentrated with the person who gambles harmfully, research suggests the majority of harm is experienced by those who are not necessarily problem gamblers<sup>7</sup>, and gamblers underestimate the negative effects of their gambling on family/whānau members, children and home life.<sup>8</sup>
- 11. Research about the burden of gambling harm in New Zealand identified six main areas of gambling harm: decreased health, emotional/psychological distress, financial harm, reduced performance at work or education, relationship disruption/conflict/breakdown, and criminal activity.<sup>9</sup> At a national level, the research found that gambling causes 2.5 times the amount of harm as a chronic condition like diabetes, and three times the amount of harm from drug use disorders.<sup>10</sup> Family violence is also associated with problem gambling<sup>11</sup>.
- 12. For Māori families, gambling has harmful effects on cohesion, cultural identity, and financial stability.<sup>12</sup> Research has identified that gambling machines in particular were identified as having an isolating effect on Māori from families and the community.<sup>13</sup>
- 13. Nationally, there are other aspects of gambling which are not regarded favourably that Mackenzie District Council may wish to consider. In the nationally representative Health and Lifestyles Survey, nearly half of people (46%) thought

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<sup>&</sup>lt;sup>4</sup> Schüll, N.D. (2014). Addiction by Design. Princeton, NJ: Princeton University Press.

<sup>&</sup>lt;sup>5</sup> Thimasarn-Anwar, T., Squire, H., Trowland, H. & Martin, G. (2017). Gambling report: Results from the 2016 Health and Lifestyles Survey. Wellington: Health Promotion Agency Research and Evaluation Unit.

<sup>&</sup>lt;sup>6</sup> Thimasarn-Anwar, T., Squire, H., Trowland, H. & Martin, G. (2017), *Ibid*.

<sup>&</sup>lt;sup>7</sup> Central Queensland University & Auckland University of Technology (2017), *Ibid*.

<sup>&</sup>lt;sup>8</sup> Levy, M. (2015). The impacts of gambling for Māori families and communities: A strengths-based approach to achieving whānau ora. Hamilton, NZ: Te Rūnanga o Kirikiriroa Trust Inc, Pou Tuia Rangahau (Research &Development).

<sup>&</sup>lt;sup>e</sup> Central Queensland University & Auckland University of Technology (2017). *Measuring the burden of gambling harm in New Zealand*. Wellington, NZ: Ministry of Health.

<sup>&</sup>lt;sup>10</sup> Central Queensland University & Auckland University of Technology (2017), *Ibid*.

<sup>&</sup>lt;sup>11</sup> Auckland University of Technology (2016). Problem gambling and family violence in help-seeking populations: Co-occurrence, impact and coping. Wellington, NZ: Ministry of Health.

<sup>12</sup> Central Queensland University & Auckland University of Technology (2017), Ibid.

<sup>13</sup> Central Queensland University & Auckland University of Technology (2017), Ibid.

that raising money through gambling did more harm than good in the community, and about a quarter (24%) thought it did more good than harm.<sup>14</sup> The same survey found that the majority of adults do not believe gambling machines make a pub or bar more enjoyable to spend time at, and only 14% preferred to drink in pubs or bars that have gambling machines.<sup>15</sup>

- 14. There are a range of policy levers available that seek to mitigate the harm caused by gambling machines, though we note none of these address the machines' addictive design.
- 15. Gambling venues are required to have host responsibility policies, but the Council should be aware that Department of Internal Affairs 'secret shopper' research found that only 10% of class 4 non-club venues met their host responsibility expectations, and no class 4 club venues met host responsibility expectations<sup>16</sup>.
- 16. Territorial Local Authorities are able to influence the number of machines and their location. The preferred policy is a sinking lid policy, where the number of venues in an area reduces over time through attrition and the policy explicitly states that no new venues will be approved. This is a policy option that has been implemented in other parts of the country.
- 17. Ultimately, given the range and extent of harm caused by gambling, and the policy levers available to the Mackenzie District Council, CPH recommends that the Council reduce the cap of venues and machines, and adopt a sinking lid policy.

# Conclusion

- 1. CPH does not wish to be heard in support of this submission.
- Thank you for the opportunity to submit on the Mackenzie District Council Class 4 Gambling and TAB Venue Policy 2021 – Proposed.

<sup>&</sup>lt;sup>14</sup> Thimasarn-Anwar, T., Squire, H., Trowland, H. & Martin, G. (2017), *Ibid.* 

<sup>&</sup>lt;sup>15</sup> Thimasarn-Anwar, T., Squire, H., Trowland, H. & Martin, G. (2017), *Ibid.* 

<sup>&</sup>lt;sup>16</sup> Department of Internal Affairs (2017). Sector report: Casino and class 4 gambling mystery shopper exercise results June 2017. Page **5** of **8** 

# Person making the submission

Rose Orr

Date: 6/08/2021

Team Leader Community and Public Health

# **Contact details**

Rose Orr Community and Public Health PO Box 510 TIMARU 7940

P +64 3 687 2600

Email: rose.orr@cdhb.health.nz

# Appendix 1 – Christchurch City Council Class 4 Gambling and TAB venues policy

# **Gambling and TAB venues policy**

Council, 27 September 2018

# A note on relocations

The 2012 Gambling Venue Policy (Policy) was reviewed by the Council in 2014/15. As required by the Gambling (Gambling Harm Reduction) Amendment Act 2013, the Council considered whether or not to include a relocation policy within the Policy, after having considered the social impact of gambling in high-deprivation communities within its district.

On 16 April 2015 the Council resolved not to include a relocation policy within the Policy, or to amend the Policy. The Policy does not allow for relocations. However, where the new location for a venue is a site that is very close to the existing site, the venue name will be the same and the ownership and management of the venue will be the same as in the original site, then the Department of Internal Affairs may not consider that to be a change in venue (or a relocation) under the Gambling Act 2003 (see the High Court decision relating to the Waikiwi Tavern [2013] NZHC 1330). In such cases all the machines allowed under the existing venue licence at the original site may be taken to the new site.

Any enquires about the Department of Internal Affairs (DIA) consideration of a transfer of an existing venue licence to a new site (relocation) under a Waikiwi exception should be made directly to **DIA's Gambling Venue licensing team(external link)**.

# Policy

# **Class 4 Gaming**

1. The Christchurch City Council will not grant consent under section 98 of the Gambling Act 2003 to allow any increase in class 4 gaming venues or class 4 machine numbers except in the circumstance set out below.

2. The Christchurch City Council will grant a consent where two or more corporate societies are merging and require Ministerial approval to operate up to the statutory limit in accordance with section 95 (4) of the Gambling Act 2003. The total number of machines that may operate at the venue must not exceed 18 machines.

# **Totalisator Agency Board (TAB)**

3. The Christchurch City Council will grant a Totalisator Agency Board (TAB) venue consent to the New Zealand Racing Board to establish a Board venue (the Board must meet all other Page 7 of 8

statutory requirements, including the City Plan requirements, in respect of such proposed venue).

# General

4. The consent fee is \$161 (inclusive of GST) and will be reviewed annually through the Annual Plan process.

5. All applications for consents must be made on the approved form.

6. The Chief Executive of the Council is delegated the power to process consent applications in accordance with this policy and may further delegate this power to other officers.

7. If the Council amends or replaces this policy, it is required to do so in accordance with the special consultative procedure outlined in the Local Government Act 2002.

8. In accordance with the Gambling Act 2003 and the Racing Act 2003, the Council will complete a review of the Gambling Venue Policy and the Totalisator Agency Board (TAB) Policy within three years of their adoption and every three years thereafter.

# History

The Gambling Venue and Totalisator Agency Board (TAB) Venue Policy was adopted by the Christchurch City Council at its meeting of 27 August 2009.

The policy was reviewed by the Council in 2012, 2015 and 2018. At each review the Council resolved that the 2009 Gambling and Totalisator Agency Board (TAB) Venue Policy would be retained without amendment.



# PGF Group Submission Mackenzie District Council Class 4 Gambling and TAB Venue Policy Review 2021

| Submitted to         | Mackenzie District Council<br>Class 4 Gambling and TAB Venue Policy Review<br>via email to <u>aaron.hakkaart@mackenzie.govt.nz</u> |
|----------------------|--|
| Details of Submitter | Kristy Kang<br>Policy and Public Health Manager, PGF Group<br><u>kristy.kang@pgf.nz</u><br>09 553 6896                             |
| Physical Address     | Level 1, 128 Khyber Pass Road<br>Grafton, Auckland 1023  |
| Date of Submission   | 6 August 2021  |

1



# **EXECUTIVE SUMMARY**

PGF Group advocates that Mackenzie District Council introduce a strong sinking lid policy with no venue relocations or mergers permitted. PGF Group commends the Council on their consultation document and the preferred draft policy.

Our submission is evidence-based and founded on what is known about gambling harm across Aotearoa. It is time for councils and the government to take a closer look at the relationship between harmful gambling, social disparity and a funding model that enables it.

Funding communities based on a model that relies on our lowest income households putting money they cannot afford to lose into EGMs is unethical and inequitable. This disproportionately impacts Māori and Pacific peoples who generally live in the areas where the majority of these machines are situated.

We urge you to read <u>Ending community sector dependence on pokie funding</u>, a white paper authored by PGF Group, The Salvation Army, and Hapai Te Hauora.

# **INTRODUCTION**

- 1. The Problem Gambling Foundation of New Zealand is now trading as PGF Group (PGF), the overarching brand for PGF Services, Mapu Maia Pasifika Services and Asian Family Services.
- PGF operate under contract to the Ministry of Health (MoH) and are funded from the gambling levy to provide clinical intervention and public health services.
- 3. As part of our public health work, we advocate for the development of public policy that contributes to the prevention and minimisation of gambling related harms.
- 4. This includes working with Territorial Local Authorities (TLAs) to encourage the adoption of policies that address community concerns regarding the density and locality of gambling venues; in this case, a sinking lid policy.



# PGF GROUP POSITION ON GAMBLING

- 5. It is important to note from the outset that we are not an 'anti-gambling' organisation as some have inferred. We are, however, opposed to the harm caused by gambling and advocate for better protections for those most at risk of experiencing gambling harm.
- 6. In advocating for better protections for those most at risk, we recognise that the majority of New Zealanders are non-problem gamblers.
- While most New Zealanders gamble without experiencing any apparent harm, a significant minority do experience harm from their gambling, including negative impacts on their own lives and the lives of others.
- In 2019/20, total expenditure (losses, or the amount remaining after deducting prizes and payouts from turnover) across the four main forms of gambling – Class 4 Electronic Gaming Machines (EGMs), Lotto, Casinos and TAB – was more than \$2.25 billion, or \$572 for every adult (1).
- Most money spent on gambling in New Zealand comes from the relatively limited number of people who play Class 4 EGMs, and most clients accessing problem gambling intervention services cite pub/club EGMs as a primary problem gambling mode (2).

# ADVICE FOR COUNCIL DECISION MAKING

#### GMP STATISTICS

- As at 31 December 2020, there were four Class 4 gambling venues in the Mackenzie District Council area, hosting between them 36 EGMs. The number of venues and EGMs decreased from five and 41, respectively, in 2015 (3).
- Since 2015, Mackenzie has followed the national trend of a general growth in annual GMP. The largest spike was in 2019 with approximately \$895,000 being lost to EGMs in Mackenzie. In 2020, losses dropped to approximately \$788,000 largely due to the national COVID-19 alert level 4 lockdown (3).



12. We cannot be sure why losses continue to grow while machine numbers are coming down, but what we do know is that EGM numbers are not being reduced fast enough in areas where they need to, particularly the high deprivation areas of Aotearoa.

# **CLASS 4 GAMBLING**

- 13. The harms caused by different forms of gambling are not equal, as evidenced by the different classifications of gambling within the Gambling Act 2003.
- 14. Class 4 gambling EGMs in pubs, clubs and TABs is characterised as high-risk, high-turnover gambling, and is the most harmful form of gambling in New Zealand (2).
- 15. EGMs are particularly harmful because they are a form of continuous gambling (4). The short turnaround time between placing a bet and finding out whether you've won or lost, coupled with the ability to play multiple games in quick succession makes continuous gambling one of the most addictive forms of gambling available.

# CLIENT INTERVENTION DATA

- 16. The Trusts and Societies who hold the licenses for the 14,781 Class 4 EGMs in New Zealand (as at 31 December 2020) often submit that the relatively low number of people who seek help for a gambling problem is a positive indicator about the prevalence of harmful gambling in New Zealand. This assertion is disingenuous and should be disregarded.
- 17. The Ministry of Health's Strategy to Prevent and Minimise Gambling Harm 2019/20 to 2021/22 states that "needs assessment and outcomes monitoring reports show that only 16% of potential clients for gambling support services (that is, people whose reported harm results in a moderate to high PGSI<sup>1</sup> score) actually access or present at these services", and that this low service use is also evident for other forms of addiction (2).
- Furthermore, the Ministry of Health's Continuum of Gambling Behaviour and Harm (Figure 1) estimates the number of people experiencing mild, moderate or severe gambling harm is more than 250,000 – that's more than the population of Wellington (2).

<sup>&</sup>lt;sup>1</sup> The Problem Gambling Severity Index (PGSI) is commonly used to screen and categorise three levels of harm: severe or high risk (problem gambling), moderate risk and low risk.



Figure 1: Continuum of Gambling Behaviour and Harm (Ministry of Health, 2018)

- Moreover, the Department of Internal Affairs (DIA) estimate that 30% of EGM losses is from problem and moderate risk gamblers (5). This means that for Mackenzie's GMP of \$788,000 in 2020, approximately \$236,000 was lost by problem and moderate risk gamblers in the community.
- 20. While Ministry of Health Intervention Client data is not an accurate measure of the prevalence of gambling harm in New Zealand, what it can tell us is the rate of harm from different classes of gambling amongst those who have sought help.
- 21. Data for 2019/20 shows that of the 4,439 individuals who received support for their own or someone else's gambling, 2,098 (47.26%) were for Class 4 EGMs (6).

| Primary Mode                         | Full Interventions | Percentage |
|--------------------------------------|--------------------|------------|
| Non Casino Gaming Machines (Pokies)  | 2,098              | 47.26%     |
| Lotteries Commission Products        | 508                | 11.44%     |
| Casino Table Games (inc. Electronic) | 485                | 10.92%     |
| Casino Gaming Machines (Pokies)      | 414                | 9.32%      |
| TAB (NZ Racing Board)                | 405                | 9.12%      |
| Housie                               | 85                 | 1.91%      |
| Cards                                | 55                 | 1.24%      |
| Other                                | 390                | 8.79%      |
| Total                                | 4,439              | 100%       |

Table 2: 2019/20 client intervention data by primary gambling mode.

22. Given that almost half of the clients in 2019/20 sought help due to Class 4 EGMs (6), this indicates the level of the harm EGMs are causing in our communities.



# **ONLINE GAMBLING**

- 23. Online gambling is not within the scope of this review and is the purview of the DIA who will soon be releasing a report on its review of online gambling
- 24. In their written and verbal submissions, the Gaming Machine Association of New Zealand (GMANZ) and other industry proponents suggest that an 'unintended consequence' of a reduction in physical gaming machines could be an increase in online gambling. There is no evidence that this occurs more rapidly due to a sinking lid policy.
- 25. During restrictions at COVID-19 alert levels 3 and 4, Class 4 gambling venues were closed. Many of our clients expressed relief that the venues were closed with some stating they were able to save money, spend more time with their family and they did not seek out alternative online gambling options.
- 26. The Health Promotion Agency's (HPA) Impact of COVID-19 Wave 1 survey found that of those who gambled online during lockdown, only 8% gambled online for the first time and 12% of those who already gambled online did so more than pre-COVID restrictions (7).
- 27. Further, HPA's Impact of COVID-19 Wave 2 survey shows that 65% of those who gambled online during lockdown reported this being through MyLotto (8) as physical outlets were closed. Lotto has also noted in the media that approximately 125,000 customers had registered with MyLotto online (9), resulting in more than twice their normal online sales.

# DENSITY OF CLASS 4 GAMBLING VENUES

- 28. What makes Class 4 EGMs more harmful than casino EGMs is their location within our communities, and the design of pokie rooms within Class 4 venues.
- 29. Data published by the DIA shows that almost 63% (670 out of 1,068 as at 31 December 2020) of Class 4 gambling venues in New Zealand are located in medium-high or very high deprivation areas (3).

| <b>Very Low</b> | <b>Medium Low</b> | <b>Medium</b> | <b>Medium High</b> | <b>Very High</b> |
|-----------------|-------------------|---------------|--------------------|------------------|
| Decile 1–2      | Decile 3–4        | Decile 5–6    | Decile 7–8         | Decile 9–10      |
| 78              | 128               | 192           | 321                | 349              |

Table 1: Class 4 gambling venues as at 31 December 2020 by deprivation score.



- A report commissioned by the Ministry of Health Informing the 2015 Gambling Harm Needs Assessment – notes that EGMs in the most deprived areas provide over half of the total Class 4 EGM expenditure (10).
- 31. The report goes further to discuss the likelihood of people living in areas of the highest deprivation experiencing gambling harm, and that the proportion of EGMs in these areas is growing (10).

# EFFICACY OF A SINKING LID

- 32. Much of the research quoted in an attempt to denounce the efficacy of a sinking lid is outdated and findings from more recent research has countered assertions made by the Class 4 gambling industry.
- 33. From a public health perspective, there's a generally held view that the easier it is to access an addictive product, the more people there are who will consume that product.
- 34. It follows then that stronger restrictions on the number and location of addictive products, such as EGMs, constitute a public health approach to the prevention and minimisation of gambling harm.
- 35. Sections 92 and 93 of the Gambling Act mandate the maximum number of pokie machines a Class 4 venue can host (18 if the venue licence was held on or before 17 October 2001, 9 if the licence was granted after that date). This is the minimum regulation a TLA must implement in their Class 4 gambling policy, however many TLAs have chosen to adopt stronger regulations.
- 36. The Auckland University of Technology's New Zealand Work Research Institute recently published a research paper, *Capping problem gambling in New Zealand: the effectiveness of local government policy intervention*, which aimed to understand the impact of public policy interventions on problem gambling in New Zealand (11).
- 37. This research focussed on Class 4 gambling to assess the impact of local government interventions (absolute and per capita caps on the number of machines and/or venues and sinking lid policies) on the number of machines/venues and the level of machine spending over the period 2010-2018.
- 38. Key findings from this research include:



- 38.1. All three forms of policy intervention are effective in reducing Class 4 venues and EGMs, relative to those TLAs with no restrictions beyond those mandated by the Gambling Act.
- Sinking lids and per capita caps are equally the most effective at reducing machine spending.
- 38.3. Those TLAs who adopted restrictions above and beyond those mandated by the Gambling Act experienced less gambling harm than those TLAs who have not.

# THE FUNDING SYSTEM

- 39. Following the removal of tobacco funding, EGMs were introduced with the primary purpose of funding communities.
- 40. Trusts and Societies are required to return 40% of GMP to the community by the way of grants or applied funding. This has inextricably linked gambling harm with the survival of community groups, sports and services.
- However, it cannot be guaranteed that the GMP lost in Mackenzie is returned to groups in Mackenzie. For example, of the \$788,000 lost in Mackenzie in 2020, only around \$121,000 was returned to Mackenzie-based organisations (3).
- 42. Moreover, the unethical nature of the funding model cannot be ignored. The Gambling Harm Reduction Needs Assessment (2018), prepared for the Ministry of Health, raises fundamental questions about the parity of this funding system (12).
- 43. PGF Group, Hapai Te Hauora and The Salvation Army Oasis released a white paper in June 2020 titled, *Ending community sector dependence on pokie funding* (13). We believe that there is a need for a transparent and sustainable funding system to support groups in our communities. We encourage the council to read this paper.

# PRIORITISING THE PREVENTION OF HARM

44. While a sinking lid is at present the best public health approach available to TLAs to prevent and minimise gambling harm in their communities, we contend that such a policy does not go far enough – or work fast enough – to do this.



- 45. Several councils have already expressed their frustration at the limited opportunities available to them in their attempts to reduce the harm from Class 4 gambling in their communities.
- 46. If this council feels similarly, we encourage the council to advocate to central government for the following:
  - 46.1. Adoption of a more sustainable, ethical and transparent community funding system.
  - 46.2. More powers to council to remove EGMs from their communities.
  - 46.3. The urgent removal of Class 4 EGMs from high deprivation areas 7-10 in New Zealand.

# SUBMISSION AND RECOMMENDATIONS

- 47. We strongly support Mackenzie District Council's preferred policy option to adopt a sinking lid. We believe that this decision is an important step towards preventing and minimising gambling harm for those in Mackenzie.
- 48. We submit that an adopted sinking lid policy should include the following three provisions:
  - 48.1. A ban on any new venues no permit will be given to operate any new Class 4 gambling venue in the council area if that venue proposes having EGMs, including TAB venues.
  - 48.2. No relocations if a venue with EGMs closes for any reason, the Council will not permit the EGMs to be relocated to any venue within the council area.
  - 48.3. No mergers there will be no merging of Class 4 venues under any circumstances.

# CONCLUSION

- 49. The Gambling Act 2003 was enacted to provide a public health approach to the regulation of gambling and to reduce gambling harm.
- 50. We believe that a sinking lid with no relocations or venue mergers permitted is the best public health approach available to councils who wish to prevent and minimise gambling harm in their communities.



- 51. If this council determines the health and wellbeing of their community to be of the utmost importance, the only logical choice would be to adopt a sinking lid policy.
- 52. We would be happy to keep this council updated with our ongoing work to address the issue of a more sustainable community funding model if this is of concern to elected members.
- PGF appreciates the opportunity to make a written submission on the council's proposed Class
   4 gambling venues policy.



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# The Gaming Machine Association of New Zealand's Submission on Mackenzie District Council's Gambling Venue Policy



# **Contact Person:**

Jarrod True Counsel Gaming Machine Association of New Zealand jarrod.true@truelegal.co.nz 027 452 7763

# The Gaming Machine Association of New Zealand's Submission on Mackenzie District Council's Gambling Venue Policy

# Introduction

1. The Gaming Machine Association of New Zealand ("the Association") represents the vast majority of the gaming machine societies that operate in New Zealand. The Association wishes to provide council with pertinent information regarding gaming machine gambling to help council to make a balanced, evidence-based decision.

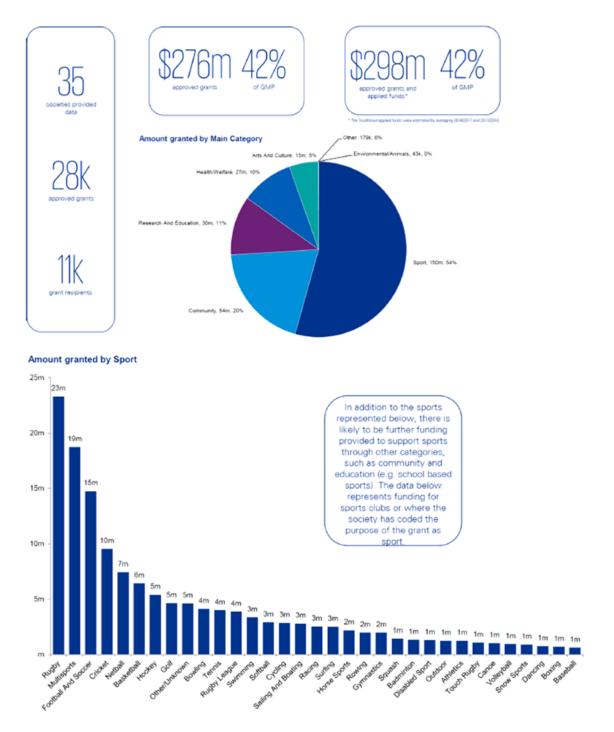
# <u>Summary</u>

2. The Association supports option 2 (a cap of 45 machines and a new relocation provision).

# Gaming Machine Funding

- 3. The Gambling Act 2003 seeks to balance the potential harm from gambling against the benefits of using gaming machines as a mechanism for community fundraising.
- 4. In 2019, approximately \$294m of grant funding was approved across 26,337 grants to 9,688 different organisations.<sup>1</sup> In addition, over \$75m was applied by TAB New Zealand (\$17m), Youthtown (\$8m) and various RSAs and Workingmen's Clubs (\$50m) to support their own activities. Of the grants distributed in 2019, 52% were sports-related. The second most popular category was community (19.7%). This funding is crucial.

<sup>&</sup>lt;sup>1</sup> http://www.gamblinglaw.co.nz/download/Gaming\_Machine\_Grant\_Data\_2019.pdf



 The total authorised purpose funding (including the non-published club authorised purpose payments) received from Mackenzie District-based venues is over \$358,000.00 annually. Examples of recent local grants include:



\$7,223.00 to Twizel Sport Development Board

\$2,134.00 to Twizel Kindergarten

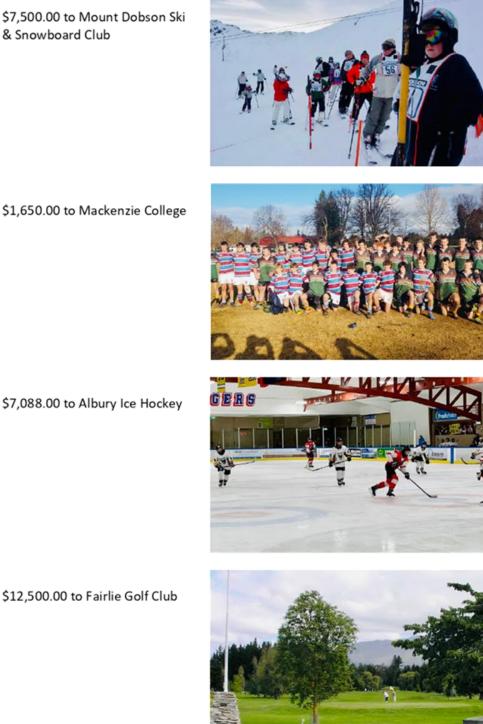


\$6,918.00 to Twizel Hard Labour



\$6,202.00 to Twizel Basketball Association





\$1,650.00 to Mackenzie College

& Snowboard Club

\$7,088.00 to Albury Ice Hockey

\$12,500.00 to Fairlie Golf Club

6. Care must be taken when reviewing any grant data presented by the Problem Gambling Foundation. The Problem Gambling Foundation is not funded to gather this data. In contrast, the Association's data is a joint project between the Department of Internal Affairs, Sport New Zealand, and the Association. The Problem

Gambling Foundation data is typically less than the Association's data, as the Problem Gambling Foundation's data is gathered from society websites, and not all societies publish their authorised purpose payments. The funds applied and distributed by club societies, for example, are not published. Further, if the grant recipient's name does not indicate that it is located within the territorial authority, the amount of that grant is not included in the Problem Gambling Foundation's figures.

# Gambling is an Enjoyable Activity

- Gambling is a popular form of entertainment that most New Zealanders participate in. The 2018 Health and Lifestyles Survey<sup>2</sup> found that 67.2% of adult New Zealanders had participated in some form of gambling in the previous 12 months (estimated to be 2,650,000 adults).
- 8. The majority of people who gamble do so because they find it an enjoyable activity. This is observed by Suits (1979, p. 155)<sup>3</sup>, who states:

Gambling is a recreational activity or a kind of participation sport from which the principal satisfaction derives from the activity itself and from the ebb and flow of wins and losses rather than from ultimate outcome - the net amount won or lost. For most gamblers, the purpose of gambling is not to get rich, but to "have fun," to experience "excitement," or to have "something to look forward to," and they view payment for this recreation in the same light as others look on outlays for theatre tickets, vacation trips, or a night on the town.

9. Gambling for the non-addicted gambler may also be an avenue for socialising, stress relief and a way of having fun. Contrary to how it may appear from a non-gambler's perspective, gamblers do not necessarily anticipate they will make money from gambling. Parke (2015)<sup>4</sup> states:

Players mostly realise that they are paying for a leisure experience. They are not expecting to be paid, except for a small minority, who are going to earn an income as a professional gambler.

# Other Benefits from Gaming

- 10. In the 2019 calendar year, Mackenzie District-based non-casino gambling contributed \$322,200.00 to the government by way of taxes, duty and levies.
- 11. In the 2019 calendar year, the gaming machine industry paid approximately \$143,200.00 to Mackenzie District-based hospitality businesses, thus supporting local employment and business growth.

<sup>2</sup> https://www.hpa.org.nz/research-library/research-publications/2018-health-and-lifestyles-survey-methodologyreport

<sup>3</sup> Suits, D. (1979). The Elasticity of Demand for Gambling. The Quarterly Journal of Economics, 93(1), 155–162. https://doi.org/10.2307/1882605

<sup>4</sup> Parke, J. (2015). Gambling, leisure and pleasure: Exploring psychosocial need satisfaction in gambling. Presentation at the KPMG eGaming summit. https://home.kpmg.com/ content/dam/kpmg/pdf/2016/07/im-esummit-report-2015.pdf.

# Positive Wellbeing Impact From Gambling in New Zealand

12. The 2021 TDB Advisory report, Gambling in New Zealand: A National Wellbeing Analysis<sup>5</sup>, found that gambling in New Zealand had a net positive wellbeing benefit totalling around \$1.74b to \$2.16b per annum. The costs and benefits are summarised in the following two tables, which can be found on pages 87 and 88 of the report:

# Table 32: Quantifiable costs and benefits of gambling in New Zealand, p.a., \$ million,

|                  | Gross benefits | Costs | Net benefits   |
|------------------|----------------|-------|----------------|
| Consumption-side | 2,740 to 3,160 | 2,090 | 650 to 1,070   |
| Production-side  | 1,800          | 990   | 810            |
| Government       | 280            |       | 280            |
| Total            | 4,820 to 5,240 | 3,080 | 1,740 to 2,160 |

# Table 33: Non-quantifiable costs and benefits of gambling in New Zealand

| Benefits   | Costs                                   |
|--|---|
| Wellbeing benefits from increased sports funding | Gambling harm-related costs, including: |
| Wellbeing benefits from increased arts funding   | - Health costs                          |
| Wellbeing adjustment costs avoided               | - Relationship costs                    |
|  | - Work/study costs                      |
|  | - Culture-related costs                 |
|  | - Crime-related costs                   |

#### Revenue Breakdown

13. The return to players on a non-casino gaming machine is required to be set between 78% and 92%, with most being set at 91.5%. On average, for every \$1.00 gambled, 91.5 cents is returned to the player in winnings. The money retained is typically allocated as follows:

| <b>Typical Distribution of</b> | Gaming | Machine | Profits |
|--------------------------------|--------|---------|---------|
|--------------------------------|--------|---------|---------|

|                             | GST Inclusive | GST Exclusive |
|-----------------------------|---------------|---------------|
| Government Duty             | 20%           | 23%           |
| GST                         | 13.04%        | 0             |
| Problem Gambling Levy       | 0.78%         | 0.90%         |
| DIA Costs                   | 2.9%          | 3.33%         |
| Gaming Machine Depreciation | 6.95%         | 8%            |
| Repairs & Maintenance       | 2.84%         | 3.27%         |
| Venue Costs                 | 13.9%         | 16%           |
| Society Costs               | 1.74%         | 2%            |
| Donations                   | 37.83%        | 43.5%         |

<sup>5</sup> 

https://www.gamblinglaw.co.nz/download/Gambling\_in\_New\_Zealand.pdf

# Gaming Machines – Key Facts

- Gaming machines have been present in New Zealand communities since the early 1980s. Initially the machines were operated without a gaming licence. The first gaming licence was issued to Pub Charity on 25 March 1988, over 33 years ago.
- 15. Gaming machine numbers are in natural decline. In 2003, New Zealand had 25,221 gaming machines. In March 2021, New Zealand had 14,732 gaming machines.
- 16. The proceeds from non-casino gaming machines increased 3.1% from \$895 million in 2018 to \$924 million in 2019. However, after adjusting for both inflation and changes in the adult population, expenditure on non-casino gaming machines is declining (\$242 per person in both 2015/16 and 2016/17 years to \$238 in the 2017/18 year). This coincides with declining numbers of venues and machines.
- 17. New Zealand has a very low problem gambling rate by international standards. The New Zealand National Gambling Study: Wave 4 (2015)<sup>6</sup> found the problem gambling rate was 0.2% of people aged 18 years and over (approximately 8,000 people nationally). The problem gambling rate is for all forms of gambling, not just gaming machine gambling.
- 18. The Ministry of Health keeps a record of the number of people in each territorial authority who seek help via phone, text, email or the face-to-face counselling services that are available. Over the last 5 years, only two persons from the Mackenzie District sought help for problem gambling (from any form of gambling). The presentation data is as follows:

| 2019/20 | new clients 0 | total clients seen 0 |
|---------|---------------|----------------------|
| 2018/19 | new clients 0 | total clients seen 0 |
| 2017/18 | new clients 0 | total clients seen 0 |
| 2016/17 | new clients 2 | total clients seen 2 |
| 2015/16 | new clients 0 | total clients seen 0 |

- 19. All gaming machine societies contribute to a problem gambling fund. This fund provides approximately \$20 million per annum to the Ministry of Health to support and treat gambling addiction and to increase public awareness. The funding is ring-fenced and not able to be redirected to other health areas.
- 20. An excellent, well-funded problem gambling treatment service exists. The problem gambling helpline is available 24 hours a day, 365 days per year. Free, confidential help is available in 40 different languages. Free face-to-face counselling is also available and specialist counselling is available for Māori, Pasifika and Asian clients. An anonymous, free text service (8006) is available. Support via email is also available (help@pgfnz.org.nz).

<sup>&</sup>lt;sup>6</sup> https://www.health.govt.nz/system/files/documents/publications/national-gambling-study-report-6-aug18.pdf

# Existing Gaming Machine Safeguards

- 21. A sinking lid is not necessary given the significant measures that are already in place to minimise the harm from gaming machines.
- 22. Limits exist on the type of venues that can host gaming machines. The primary activity of all gaming venues must be focused on persons over 18 years of age. For example, it is prohibited to have gaming machines in venues such as sports stadiums, internet cafes, and cinemas.
- 23. There is a statutory age limit that prohibits persons under 18 years of age playing a gaming machine.
- 24. There are very restrictive limits on the amount of money that can be staked and the amount of prize money that can be won. The maximum stake is \$2.50. The maximum prize for a non-jackpot machine is \$500.00. The maximum prize for a jackpot-linked machine is \$1,000.00.
- 25. All gaming machines in New Zealand have a feature that interrupts play and displays a pop-up message. The pop-up message informs the player of the duration of the player's session, the amount spent and the amount won or lost. A message is then displayed asking the player whether they wish to continue with their session or collect their credits.
- 26. Gaming machines in New Zealand do not accept banknotes above \$20.00 in denomination.
- 27. ATMs are excluded from all gaming rooms.
- 28. All gaming venues have a harm minimisation policy.
- 29. All gaming venues have pamphlets that provide information about the characteristics of problem gambling and how to seek advice for problem gambling.
- 30. All gaming venues have signage that encourages players to gamble only at levels they can afford. The signage also details how to seek assistance for problem gambling.
- 31. All gaming venue staff are required to have undertaken comprehensive problem gambling awareness and intervention training.
- 32. Any person who advises that they have a problem with their gambling is required to be excluded from the venue.
- 33. It is not permissible for a player to play two gaming machines at once.
- 34. All gaming machines have a clock on the main screen. All gaming machines display the odds of winning.
- 35. The design of a gaming machine is highly regulated and controlled. For example, a gaming machine is not permitted to generate a result that indicates a near win (for example, if

five symbols are required for a win, the machine is not permitted to intentionally generate four symbols in a row).

36. It is not permissible to use the word "jackpot" or any similar word in advertising that is visible from outside a venue.

# Burden of Harm Report

- 37. In May 2017, a report titled *Measuring the Burden of Gambling Harm* was produced for the Ministry of Health. In the report, "low risk" gambling, such as buying a Lotto ticket, was claimed to be as bad for a gambler's health as the untreated amputation of a leg, while "problem gambling" was claimed to be as bad as suffering from a severe stroke or terminal cancer.
- 38. A review of the study's methodology produced by TDB Advisory<sup>7</sup> concludes that these outlandish comparisons were made possible by a long line of deliberate selection biases and errors. The errors revealed by the TDB Advisory review include either deliberately or by mistake: using a biased population sample (participants were not randomly selected); attributing all harms to gambling and none to associated behaviours (such as smoking); and treating all harm as stemming 100% from gambling rather than allowing for the use of gambling as a coping mechanism or as a symptom of harms rather than the cause.
- 39. The Association has called for the report to be officially withdrawn, or to be subject to an official warning against its use.

# A Concern with How Gamblers Spend their Disposable Income

- 40. The Salvation Army and Problem Gambling Foundation recently released a report commissioned from the New Zealand Institute of Economic Research suggesting that there would be significant economic benefit to the retail sector in both income and job creation if spending on gambling was halted. The report claims that this extra retail spending would generate an additional 1,127 full-time equivalent jobs for 1,724 workers, along with an additional \$58m of GST revenue and additional income tax of \$7m from the retail spend.
- 41. The report, however, fails to take into consideration the economic value currently generated by the gambling sector. The report specifically acknowledges that this was outside its scope. It is therefore a misrepresentation of the net value of such a move, given that it takes no account of the value that would be lost. What the Salvation Army and Problem Gambling Foundation appear to be saying is: let's take money and jobs away from the charity and not-for-profit sectors health and rescue, education, community and social support services, environment, and arts and heritage and give it to the commercial sector.
- 42. A suggestion is also made that the increased retail spending would then result in the retail sector channelling its increased profits into things like sports sponsorship. It is, however,

<sup>7</sup> http://www.gamblinglaw.co.nz/download/TDB\_Advisory\_Report.pdf

more likely that any increased profits from the retail spending would be retained by the business owners, many of whom are large corporates, based offshore.

43. The report fails to address the freedom of adult New Zealanders to do what they want with their discretionary spending. Ministry of Health data indicate that over 1.8 million adult New Zealanders enjoy spending their money on gaming machines, Lotto, Instant Kiwi, sports and track betting and other forms of gambling. That spending provides them with entertainment, relaxation and social interaction. Those benefits would be lost if people were not able to spend their money on gambling.

# The "Costs of the System"

44. The Problem Gambling Foundation has also recently suggested that 60% of the revenue from gaming machines goes towards the costs of running the system (with the remaining 40% being the returns to the community). In fact, the community benefit is much more like 80%, with the approximately 40% share that makes up the various taxes, duties and GST in effect also being a community contribution, going into the public purse to contribute to public good. The actual 'running of the system' is only about 20%. This 20% represents money to businesses – local hospitality businesses, trusts, equipment providers and technicians – and a significant number of jobs in our cities, towns and communities.

# A Cap of 45 Machines is Reasonable

- 45. A cap of 45 machines is reasonable, given the current environment of high regulation and naturally reducing machine numbers.
- 46. There is no direct correlation between gaming machine numbers and problem gambling rates. Over the last ten years, the problem gambling rate has remained the same, despite gaming machine numbers declining rapidly (4,618 gaming machines have been removed from the market).
- 47. The 2012 National Gambling Survey<sup>8</sup> concluded that the prevalence of problematic gambling reduced significantly during the 1990s and has since stayed about the same. The report stated on pages 17 and 18:

Problem gambling and related harms probably reduced significantly during the 1990s but have since remained at about the same level despite reductions in noncasino EGM numbers and the expansion of regulatory, public health and treatment measures. Given that gambling availability expanded markedly since 1987 and official expenditure continued to increase until 2004, these findings are consistent with the adaptation hypothesis. This hypothesis proposes that while gambling problems increase when high risk forms of gambling are first introduced and made widely available, over time individual and environmental adaptations occur that lead to problem reduction.

https://www.health.govt.nz/system/files/documents/publications/national-gambling-study-report-2.docxf

48. The New Zealand National Gambling Study: Wave 3 (2014)<sup>9</sup> noted that the problem gambling rate had remained the same over the last 10-15 years despite gaming machine numbers decreasing. The report stated on page 19:

In contrast to the 1990s, there is no evidence that problem gambling prevalence decreased with decreasing participation rates during the 2000s. When methodological differences between studies are taken into account, it appears that problem gambling prevalence has remained much the same during the past 10 to 15 years.

...gambling participation has decreased substantially in New Zealand during the past 20 years, and problem gambling and related harm has probably plateaued...

49. Professor Max Abbott is New Zealand's leading expert on problem gambling. In 2006, Professor Abbott published a paper titled *Do EGMs and Problem Gambling Go Together Like a Horse and Carriage?* The paper noted that gaming machine reductions and the introduction of caps generally appear to have little impact on problem gambling rates. Professor Abbott noted:

EGM reductions and the introduction of caps generally appear to have little impact (page 1).

Over time, years rather than decades, adaptation ('host' immunity and protective environmental changes) typically occurs and problem levels reduce, even in the face of increasing exposure (page 6).

Contrary to expectation, as indicated previously, although EGM numbers and expenditure increased substantially in New Zealand from 1991 to 1999, the percentage of adults who gambled weekly dropped from 48% to 40%. This is of particular interest because it suggests that greater availability and expenditure do not necessarily increase high-risk exposure (page 14).

50. Introducing a sinking lid is unlikely to reduce problem gambling, but will, over time, reduce the amount of funding available to community groups based in Mackenzie District. Reducing gaming machine venues reduces casual and recreational play, and therefore reduces machine turnover and the amount of money generated for grant distribution. However, problem gamblers are people who are addicted to gambling. If a new bar is established and the policy prevents that bar from hosting gaming machines, a person who is addicted to gambling will simply travel the short distance to the next bar that has gaming machines, or worse, may move to another form of gambling such as offshorebased internet and mobile phone gambling.

# Unintended Consequences - Increase in Internet and Mobile Phone Gambling

51. Any reduction in the local gaming machine offering may have unintended consequences, as this may simply lead to a migration of the gambling spend to offshore internet- and mobile-based offerings. While it is illegal to advertise overseas gambling in New Zealand, it is not illegal to participate in gambling on an overseas-based website or mobile phone application.

<sup>&</sup>lt;sup>9</sup> https://www.health.govt.nz/publication/new-zealand-national-gambling-study-wave-3-2014



- 52. It now takes only a simple search and a few minutes to download to your computer, tablet or mobile phone any type of casino game you desire, including an exact replica of the gaming machine programs currently available in New Zealand venues.
- 53. There is no question that New Zealanders love gambling online. The Lotteries Commission reported in its 2017/18 Annual Report that online sales accounted for 16 per cent of its total sales (\$201.1m), compared with 13 per cent the previous year.
- 54. TAB New Zealand noted in its latest six-monthly report that online channels made up 59.2 per cent of its betting turnover, up 2.2 percentage points on last year. It also said that its online platforms were the fastest-growing channels.
- 55. SkyCity has launched an offshore-based online casino with a large selection of gaming machine games.



- 56. A September 2018 Cabinet paper<sup>10</sup> on online gambling cites research suggesting that New Zealanders gambled approximately \$300 million with offshore providers in 2017, with the market growing annually at between 12 and 20 per cent.
- 57. The Cabinet paper notes that health professionals and gambling harm treatment providers have expressed concern that online gambling may be more harmful than some existing forms of gambling. The paper continues by stating "It [online gambling] has the potential to drive changes in behaviour to a greater, and more harmful, extent than some land-based gambling."
- 58. TAB New Zealand estimates that the total online spend with offshore gambling websites by New Zealanders for the 12 months to August 2020 was \$570-\$580m.
- 59. Offshore-based online gambling poses considerable risks because it:
  - Is highly accessible, being available 24 hours a day from the comfort and privacy of your home;
  - Has no restrictions on bet sizes;
  - Has no capacity for venue staff to observe and assist people in trouble;
  - Reaches new groups of people who may be vulnerable to the medium;
  - Provides no guaranteed return to players;
  - Is more easily abused by minors;
  - Has reduced protections to prevent fraud, money laundering or unfair gambling practices; and
  - Is unregulated, so on-line gamblers are often encouraged to gamble more by being offered inducements or by being offered the opportunity to gamble on credit. For example, many overseas sites offer sizable cash bonuses to a customer's account for each friend that they induce to also open an account and deposit funds.
- 60. Offshore-based online gambling does not generate any community funding for New Zealanders, does not generate any tax revenue for the New Zealand Government, and does not make any contribution to the New Zealand health and treatment services as no contribution is made to the problem gambling levy.

<sup>&</sup>lt;sup>10</sup> http://www.gamblinglaw.co.nz/download/Online\_gambling\_Cabinet\_paper.pdf

# Adopting a Relocation Provision

- 61. The proposed relocation policy is supported. Enabling venue relocation is good for harm minimisation and good for the district as a whole.
- 62. In September 2013, Parliament recognised the merit in enabling venues to relocate, and expressly amended the Gambling Act 2003 to enable venues to relocate and retain the same number of machines when a relocation consent was obtained.
- 63. Venue relocation is a harm minimisation tool. Venue relocation allows venues to move out of undesirable areas (such as residential areas and high deprivation areas) to more suitable areas, such as town centres.
- 64. Over the last seven years, almost all the councils that have reviewed their gambling venue policy have adopted some form of relocation provision. Currently, approximately 55 councils have a relocation policy in place.
- 65. A relocation policy also has other benefits. A relocation policy allows gaming venues to move to new, modern, refurbished premises. Allowing local businesses to upgrade their premises and provide a more modern, attractive offering to the public helps to revitalise business districts, improves the local economy, and encourages tourism.
- 66. The first venue to relocate under the amendments made to the Gambling Act 2003 was the Te Rapa Tavern in Hamilton. The photos below show the old rundown premises and the new modern premises. The redevelopment cost \$3,000,000.



The old Te Rapa Tavern



The new Te Rapa Tavern

- 67. A venue is sometimes required to relocate to adjacent premises due to its fixed lease coming to an end or public works acquisition. When it is clear that the same business exists but has simply relocated a short distance, it is fair and reasonable for the policy to permit the venue to continue its current gaming machine operation.
- 68. Currently, once a venue has obtained a licence to host gaming machines its value is artificially increased. This often leads to landlords demanding higher than normal rentals.

Allowing relocation prevents landlords demanding unreasonable rentals as it gives the venue operator the ability to relocate to an alternative venue.

- 69. Enabling relocation permits venues to re-establish after a natural disaster or fire.
- 70. Enabling relocation enables venues to move out of earthquake-prone buildings.
- 71. Enabling relocation allows venues to move away from large premises, with large car parking areas, where such land may be better used for affordable high-density housing.

# Council Conflicts of Interest

- 72. It is important that the committee of councillors that determines the gambling venue policy reflects the full views of the community. It has however, become common for councillors who are involved in community and sporting groups to withdraw from the gambling venue policy deliberation as they consider the receipt of funding by a group that they are associated with constitutes a conflict. It has also been common for councillors with very strong, pre-determined anti-gambling views to refuse to withdraw from the policy deliberation, despite their strongly held views.
- 73. The Association has sought independent legal advice (copy attached) from Brookfields Lawyers regarding gambling venue policy conflicts. In summary, the key advice is:
  - Being a member of a club or organisation that receives funding from a gaming grant will not usually give rise to conflict of interest when it comes to deciding or discussing Council's gambling venue policy, unless that member holds a paid role (e.g., a coach who is paid for that service); and
  - Where an elected member, outside of a debate on the issue, has expressed a view on the gambling venue policy that suggests that they do not and cannot have an open mind on the matter, this could give rise to a conflict of interest on the grounds of predetermination.

# **Oral Hearing**

74. Jarrod True, on behalf of the Gaming Machine Association of New Zealand, would like to make a presentation at the upcoming oral hearing (via video conference).

# 27 July 2021

Jarrod True Counsel Gaming Machine Association of New Zealand jarrod.true@truelegal.co.nz 027 452 7763

gmanz.org.nz

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# BROOKFIELDS LAWYERS

15 March 2021

By Email: chair@gmanz.nz

Gaming Machine Association of New Zealand c/o Peter Dengate-Thrush Independent Chair

ATTENTION: Peter-Dengate Thrush

# GAMBLING VENUE POLICY - CONFLICT OF INTEREST

We refer to your email instructions of 26 February 2021, seeking our advice regarding councillor conflicts of interest with respect to decision-making on Council's gambling venue policy.

#### YOUR QUESTIONS

- 1. You have asked us to advise whether:
  - Membership of a club or organisation that receives gaming machine grant funding would constitute a conflict of interest that would require the councillor to withdraw from decision-making or discussion regarding a proposed gambling venue policy; and
  - b. If Council has itself received gambling grant funding, does this impact on its ability to decide on a gambling venue policy, such that the decision should be made by an independent commissioner?

# EXECUTIVE SUMMARY

- 1. In summary:
  - a. If an elected member has a financial interest in a club or organisation that may be impacted by the gambling venue policy, the member must not participate in any discussion or decision-making on the policy. It would be rare for a financial interest to arise in this context, but examples may be where the elected member is in a paid role at a club or organisation, and the role is funded from a gaming grant. A more remote interest may arise where the quantum of membership fees paid to a club or organisation may be impacted by a gaming grant. In those circumstances,

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Tower One, 205 Queen Street, Auckland, New Zealand, PO Box 240, Shortland Street, Auckland 1140 Tel: +64 9 379 9350 Fax: +64 9 379 3224 DX CP24134 www.brookfields.nz

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it may be prudent to seek a decision from the Auditor-General as to whether the potential interest is deemed too remote to influence decision-making.

- b. Being a member of a club or organisation that receives funding from a gaming grant will not usually give rise to a conflict of interest when it comes to deciding or discussing Council's gambling venue policy, unless that member holds a paid role (e.g. a coach who is paid for that service).
- c. Being a member or a club or organisation that operates a gaming licence will give rise to a conflict of interest, particularly where the elected member serves in an executive role at the club or organisation.
- d. Where an elected member, outside of a debate on the issue, had expressed a view on the gambling venue policy that suggests that they do not and cannot have an open mind on the matter, this could give rise to a conflict of interest on the grounds of predetermination.
- 2. The fact that Council may have previously been the recipient of gaming grant money would not create a conflict of interest when deciding its gambling venue policy. Such democratic decision-making is fundamental to its role and is distinguishable from regulatory or quasi-judicial decision-making where appointment of an independent commissioner may be appropriate to avoid any appearance of bias. The decision-making processes in the Local Government Act 2002 (LGA) already impose important requirements to ensure that such decision-making involves consideration of broader community views and not just the interests of Council as an organisation. It would therefore be unnecessary and inappropriate to appoint an independent commissioner because Council initiatives may have previously benefited from gaming grants.

# ANALYSIS

3. Under section 101 of the Gambling Act 2003 (GA), territorial authorities must, using the special consultative procedure in section 83 of the LGA, adopt a policy that specifies whether class 4 venues may be established in the district, and if so, where they may be located (the policy). The policy may also specify any restrictions on the maximum number of gaming machines that may be operated at a class 4 venue and may include a relocation policy.

Does membership of an organisation or club create a conflict of interest for participation in discussion or decision-making on gambling venue policies?

- 4. It is not uncommon for councillors to be members of organisations and clubs, some of which may receive grant funding from gaming machines. This raises the question of whether membership of such a club or organisation would constitute a conflict of interest that would prevent the councillor from participating in discussion or decision-making regarding the policy.
- Broadly speaking, a conflict of interest occurs when an elected member is affected by some other interest that he or she has in their private life. There are different types of conflict of interest:

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- a. Financial conflicts of interest where the member (or their spouse or partner) has a direct or indirect financial interest in a particular decision, they cannot discuss or vote on the matter.<sup>1</sup>
- b. Non-financial conflicts of interest.

# Financial conflicts of interest

- 6. The applicable legislation is the Local Authorities (Members' Interests) Act 1968 (LAMIA). While the LAMIA does not define what a financial interest is, section 6(2) outlines a number of examples where a member will be deemed to have a financial interest:
  - The member, or his or her spouse, owns 10% or more of the issued capital of an incorporated company or any company controlling that company, that has a pecuniary interest (direct or indirect) in a matter before the local authority or committee; or
  - The member, or his or her spouse, is a member of the company and either of them is the managing director or the general manager of the company; or
  - The member, or his or her spouse, is a member of a company controlling the company having a pecuniary interest in the matter before the local authority or committee, and either the member, or his or her spouse, is the managing director or the general manager; or
  - The member, or his or her spouse, is the managing director or general manager of the company, and either of them is a member of a company controlling that company.
- 7. Other than these examples, the LAMIA does not define what a "financial interest" is. However, the Auditor-General has described a "financial interest" as "a reasonable expectation of financial loss or gain from the particular decision".<sup>2</sup>
- 8. It is unlikely that membership alone of a community organisation that receives gaming grant funding would give rise to a financial interest. This is because such organisations and clubs are usually run on a not-for-profit basis. One example where a financial interest could potentially arise would be if the member were in a paid position at the club or organisation, and the funding for that position comes from gaming grants. Another example may be where there is a prospect that membership fees or subscriptions to a club could be affected by the amount of gaming grant funding. However, given that gambling venue policies are relatively high-level in nature and do not directly address matters such as the licensing of particular venues (which involve a separate decision-

<sup>&</sup>lt;sup>1</sup> Section 6(1) of the Local Authorities (Members' Interests) Act 1968.

<sup>&</sup>lt;sup>2</sup> Controller and Auditor-General, Local Authorities (Members' Interests) Act 1968: A Guide for members of local authorities on managing financial conflicts of interest, June 2020, at 4.15, referring to the definition of a financial interest in Downward v Babington [1975] VR 872.

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making process, often by Council officers acting under delegated authority), or allocation of gaming grants (which are decided by the organisations that operate gaming licences subject to statutory requirements), any such potential impact is likely to be too speculative or remote to constitute a financial interest in the decision-making on a gambling venue policy.

9. Notwithstanding this view, where an elected member may receive a financial benefit of the kind described above from a club or organisation receiving gaming grant funding, they may as a matter of prudence wish to first obtain an exemption from the Auditor-General under section 6(3)(f) of the LAMIA (on the grounds that the financial interest is too remote or insignificant to be regarded as likely to influence him or her in voting or taking part in the discussion of the policy) before participating in discussion or decision-making on the policy. It is a relatively simple process to apply for such an exemption.

#### Non-financial conflicts of interest

10. A non-financial conflict of interest is any situation where a member is not affected financially by a decision but is affected in some other way that may constitute bias or the appearance of bias. Non-financial conflicts of interest are relevant to the avoidance of bias in decision-making. As opposed to financial interests, which can create personal liability for an elected member, bias is a matter of Council's accountability to the public. The avoidance of bias is part of the administrative law principles of natural justice, which require the Council to act fairly in reaching its decisions. The fairness principle has been described in these terms:<sup>3</sup>

In exercising that discretion, as in exercising any other administrative function, they [members] owe a constitutional duty to perform it fairly and honestly ... What is a fair procedure to be adopted at a particular enquiry will depend upon the nature of its subject matter.

11. The test for whether an interest may give rise to an apparent bias has been stated by the Court of Appeal as being where circumstances:<sup>4</sup>

...might lead a fair-minded lay observer to reasonably apprehend that the judge might not bring an impartial mind to the resolution of the instant case.

- 12. Unlike a financial conflict of interest, a potential non-financial conflict does not automatically exclude a member from participating in a decision. It will depend on how serious the conflict is. The Auditor-General has suggested a number of factors that may be relevant to an assessment of whether a potential conflict is serious enough to exclude a member from participation in decision-making. They include:<sup>5</sup>
  - The type or size of the person's other interest;
  - The nature or significance of the particular decision or activity being carried out by the public organisation;
  - The extent to which the person's other interest could specifically affect, or be affected by, the public organisation's decision or activity; and

<sup>&</sup>lt;sup>3</sup> Bushell v Secretary of State for the Environment [1981] AC 75, 95.

<sup>&</sup>lt;sup>4</sup> Muir v Commissioner of Inland Revenue [2007] 3 NZLR 495.

<sup>&</sup>lt;sup>5</sup> Controller and Auditor-General, Managing conflicts of interest: A guide for the public sector, June 2020, at 4.31.

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- The nature or extent of the person's current or intended involvement in the public organisation's decision or activity.
- 13. In our view, in the context of decision-making on a gambling venue policy, the mere fact that an elected member is also a lay member of an organisation or club that receives gaming grant funding is unlikely to give rise to a conflict of interest. This is because of the level of remoteness from any possible benefit or loss associated with the decisionmaking. In most cases, the contents of a gambling venue policy will not directly impact on funding that has or may be received by a club or organisation from gaming machine grants. The purpose of the policy is to specify whether class 4 venues may be established. and if so their location. It can also specify restrictions on the number of gaming machines that may operate at a class 4 venue. Such matters do not necessarily impact directly on whether a club or organisation may receive gaming grant funding, and if so, the amount of any such grant. Funding decisions are made by the organisations who operate the gaming machines, not the Council. The fact that a member, by virtue of membership of a club or organisation that has received gaming grants, has knowledge or experience of the beneficial impacts that gaming grants can have on the community does not give rise to a conflict of interest. To the contrary, it may contribute to a fair and balanced consideration of the issues arising when making decisions on a gambling venue policy. This would be consistent with the purpose of the of the GA, which is inter alia to ensure that money from gambling benefits the community and to facilitate community involvement in decisions about the provision of gambling.6
- 14. It is important to distinguish between membership of a <u>club or organisation that receives</u> <u>gaming grants</u>, and membership of a <u>club or organisation that holds a gaming licence</u>. In our view, while the former would not give rise to a conflict of interest in decision-making on a gambling venue policy, there is a much greater likelihood that the latter could give rise to a conflict of interest. This is particularly the case if the elected member holds an executive role in the club or organisation that operates a gaming licence. This is because, while a gambling venue policy does not specify whether or not a particular club or organisation is able to obtain a gaming licence. As such, participation in the discussion or decision-making by a member of any such club or organisation could create an appearance of bias and therefore a conflict of interest.
- 15. Elected members should also always be mindful of avoiding predetermination, i.e., approaching decision-making with a closed mind. Elected members are entitled (and expected) to bring their previous knowledge and experiences to decision-making, but to approach any decision with an open mind. This means that elected members should be cautious about being vocal, other than in the course of Council debates, about particular views in a manner that may suggest that they do not and cannot have an open mind on a particular matter. This is because a conflict of interest may arise as a result of possible predetermination (i.e. actual or perceived bias).
- 16. In summary:

<sup>6</sup> Section 3 of the GA.

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- a. If an elected member has a financial interest in a club or organisation that may be impacted by the gambling venue policy, the member must not participate in any discussion or decision-making on the policy. It would be rare for a financial interest to arise in this context, but examples may be where the elected member is in a paid role at a club or organisation, and the role is funded from a gaming grant. A more remote interest may arise where the quantum of fees paid to a club or organisation may be impacted by a gaming grant. In those circumstances, it may be prudent to seek a decision from the Auditor-General as to whether the potential interest is deemed to remote to influence decision-making.
- b. Being a member of a club or organisation that receives funding from a gaming grant will not usually give rise to a conflict of interest when it comes to deciding or discussing Council's gaming venue policy.
- c. Being a member or a club or organisation that operates a gaming licence will give rise to a conflict of interest, particularly where the elected member serves in an executive role at the club or organisation.
- d. Where an elected member, outside of a debate on the issue, has expressed a view on the gambling venue policy that suggests that they do not and cannot have an open mind on the matter, this could give rise to a conflict of interest on the grounds of predetermination.

Would Council be conflicted in deciding a gambling venue policy because it has previously received gaming grants?

- 17. Council initiatives will frequently fall within the second category of the definition of an "authorised purpose" for which gaming proceeds may be used, as set out in section 4 of the GA i.e., "a non-commercial purpose that is beneficial to the whole or a section of the community". Notwithstanding the eligibility for Council initiatives to receive gaming grants, Parliament conferred territorial authorities with the responsibility of formulating a gaming venue policy for their districts. We do not consider that any conflict of interest would arise in relation to decision-making on a gambling venue policy because the Council may have previously been awarded gaming grants. This is because:
  - a. While individual elected members are subject to the LAMIA which prevents them from participating in decision-making where they have a financial interest, Council as an entity is not subject to the LAMIA.
  - b. Caselaw recognises the inevitability of a degree of conflict within councils when exercising certain statutory functions. It is established, for example, that a council may object to its own district plan, prosecute itself, and apply to itself for a resource consent.
  - c. The standard of impartiality for a Council is that it must approach its duty of inquiring into submissions with an open mind.<sup>7</sup> Given the requirement to undertake a special consultative process and the diverse views of individual members, it is unlikely that the fact that certain projects

<sup>7</sup> Lower Hutt City Council v Bank [1974] 1 NZLR 545 at 550.

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undertaken by Council have benefited from gaming grants would unduly influence Council decision-making on its gambling venue policy. For the same reasons outlined above in relation to individual members, the connection between gaming grant money and decision-making on gambling venues is too remote to constitute a conflict of interest. In any event, compliance with the statutory rules in the LGA regarding decisionmaking by local authorities<sup>8</sup> and the general principles relating to local authorities<sup>9</sup> are intended to ensure that Council decision-making is open, transparent, and has regard to the diversity of community interests, notwithstanding the many facets and activities undertaken by Council.

18. We note that Council is not undertaking a quasi-judicial role when formulating a gambling venue policy. There is greater need to avoid the appearance of bias when it comes to regulatory or quasi-judicial decision making (such as considering a resource consent application). In those circumstances, where there is an apparent conflict in Council's interests, it is common for Council to delegate its decision-making to an independent commissioner. To that end, the Resource Management Act 1991 (RMA) specifically allows for the appointment of independent commissioners to decide consent applications. However, while Council may delegate its decision-making on a gambling venue policy to a particular committee or sub-committee of Council, it would be unnecessary (and in our view, inappropriate) to delegate such decision-making to an independent commissioner.

Yours faithfully BROOKFIELDS

Linda O'Reilly

Partner

Direct dial: +64 9 979 2167 email: oreilly@brookfields.co.nz

<sup>8</sup> Section 76 of the LGA.

<sup>9</sup> Section 14 of the LGA.



# Submission to MacKenzie District Council 'Gambling Venue Policy' – 2021

# Contact persons

Anne-Marie McRae Board Chairperson anne-marie@gressons.co.nz Jason Williamson Chief Operations Officer coo@trustaoraki.co.nz

# Introduction

- 1. Trust Aoraki Limited is a Class 4 Gambling Operator licenced to conduct Class 4 gambling by way of gaming machines at eight hotel venues throughout the Timaru, Waitaki and MacKenzie districts.
- 2. Trust Aoraki distributes net proceeds from Class 4 gambling (grant funding) to authorised purposes as prescribed by its Licence and Constitution into the local communities where the funds were realised.
- 3. The primary community focus outlined in our Constitution is 'to promote, foster and encourage amateur games or sports' and the secondary focus is for 'any purpose recognised as being charitable'.
- 4. Trust Aoraki prides itself on its strategic vision and success of providing support to enable community wellbeing. Community wellbeing is fostered through promoting good health for all age groups by participation in sport, with a particular focus on ensuring young people are involved in sport and supporting community groups which encourage positive social and cultural interactions.
- 5. Trust Aoraki currently has 20 machines in two hotel venues in the MacKenzie district: the Fairlie Hotel, Fairlie and Top Hut, Twizel. Until the Tekapo Tavern fire in 2019, Trust Aoraki had eight machines in that venue.
- 6. Since Trust Aoraki established its first venue in the Mackenzie District, Trust Aoraki has distributed grant funding of \$1,056,318 into the MacKenzie District.
- 7. Trust Aoraki supports 'excellence' (achieving at a high level) and 'participation' (where community benefit is maximised). For example, Trust Aoraki has provided funding for Twizel Rowing Club, Twizel Early Learning Centre, Twizel Kindergarten, Twizel Sport Development Board Twizel Volunteer Fire Brigade, Twizel Rugby Club, Twizel Area School, High Country Medical Trust, Lake Tekapo Footbridge Society, Lake Tekapo School, Lake Tekapo Volunteer Fire Brigade, Tekapo Trails Society

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MacKenzie Ice Hockey, Albury Ice Hockey, Mount Dobson Ski & Snowboard Club and Fairlie Community Enhancement Board and Fairlie Golf Club.

- 8. Class 4 Gambling often receives negative publicity because gambling causes harm to some individuals in the community.
- 9. Trust Aoraki ensures it complies with the Department of Internal Affairs (DIA) requirements for addressing harm prevention and harm minimisation.

#### Response to MacKenzie District Council (MDC) Proposed Options

The MDC's current policy has a cap of 65 machines. There are currently 36 machines operating at four venues. The current policy does not include a relocation provision. Council has proposed two options:

- Option 1 A sinking lid with no relocation.
- Option 2 A cap of 45 machines with a suitable relocation provision.

# Support Option 2 – 45 machine Cap and Relocation Provision

- Trust Aoraki supports Option 2 a cap of 45 machines with a suitable relocation provision.
- 11. In the MacKenzie District there are currently 36 machines operating at four venues.
- 12. In 2019 there were 42 machines operating at five venues. The fifth venue, Tekapo Tavern, was destroyed by fire but the property owner now has consent to be rebuild a new tavern. A cap of 45 machines will allow a licence for nine machines in the newly built tavern to provide a benefit in grant funding to the Tekapo community.

#### Opposed to Option 1 - Sinking Lid

- 13. Trust Aoraki opposes the introduction of a 'Sinking Lid Policy' as proposed in Option 1.
- 14. It is noted the primary concern about gaming machine gambling is the harm caused. One purpose of the Gambling Act 2003 is 'to prevent and minimise harm from gambling, including problem gambling'.
- 15. It is submitted it is important the MDC carefully considers credible and verifiable evidence in order to weigh up:
  - 15.1. what harm is being caused in the MacKenzie District;
  - 15.2. what is being done by DIA and Class 4 Gambling Operators to prevent and minimise harm caused by Class 4 gambling; and

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15.3. what benefits the community receive from grant funding.

# What harm is being caused to the MacKenzie District?

- 16. Trust Aoraki acknowledges any form of gambling to excess can result in harm to individuals, and as a consequence their families.
- 17. New Zealand has a very low problem gambling rate by international standards. The New Zealand National Gambling Study: Wave 4 (2015) found the problem gambling rate was 0.2% of people aged 18 years and over. The problem gambling rate is for all forms of gambling, not just gaming machine gambling.
- 18. The problem gambling rate in New Zealand has remained the same, despite the decline of gaming machines.<sup>1</sup>
- 19. The Ministry of Health keeps a record of the number of people in each territorial authority that seek help via phone, text, email or the face-to-face counselling services that are available. The most recently available data (the year from July 2019 to June 2020) shows no-one from the Mackenzie District sought help for problem gambling during the year. The presentation data for the last five years is as follows:

| 2019/20 | new clients 0 | total clients seen 0 |
|---------|---------------|----------------------|
| 2018/19 | new clients 0 | total clients seen 0 |
| 2017/18 | new clients 0 | total clients seen 0 |
| 2016/17 | new clients 2 | total clients seen 2 |
| 2015/16 | new clients 0 | total clients seen 0 |
|         |               |                      |

What is being done by DIA and Class 4 Gambling Operator to address the Act's purpose of minimising harm?

- 20. Trust Aoraki endorses the 'spirit of the Act' to minimise harm in our communities, while maximising returns by:
  - 20.1. Having a comprehensive Harm Prevention, Harm Minimisation and Responsible Gambling Policy; and
  - 20.2. Facilitating responsible gambling by providing training and support to venue operators/management and their staff to prevent harm and encourage responsible gambling. This includes providing training and resources on 'Gambling Host Responsibility' and how to identify and deal with potential problem gamblers, including exclusion.
- 21. Class 4 gaming is highly regulated and has safeguards in place, for example:

<sup>&</sup>lt;sup>1</sup> New Zealand National Gambling Study: Wave 3 (2014)

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- 18 year old age limit;
- Restrictive limits: maximum stake: \$2.50 and machines only accept bank notes \$20 and below; and
- Machine feature that interrupts play and displays a pop-up message about duration of player's sessions, the amount spent and amount won or lost.
- 22. From each dollar paid into a gaming machine, the Gaming Machine Proceeds (GMP) (once prizes are paid out) is paid back to Trust Aoraki and applied as follows:
  - Minimum of 40% distributed to community groups in the form of authorised purpose grants.
  - Gaming Duty 20%
  - Problem Gambling Levy 0.9%
  - Venue payments maximum 16%
  - Operating expenses 23%:
    - o GST
    - o DIA fees
    - o Repairs and maintenance
    - Administration costs
- 23. The Problem Gambling Levy provides approximately \$20,000,000 per annum to the Ministry of Health to support and treat gambling addiction and to increase public awareness. The funding is ringfenced and not able to be directed to other health areas.

# What benefits does the Mackenzie District Community receive from grant funding?

- 24. In 2019/2020 \$895,000 was spent in gaming machines in the MacKenzie District and almost \$360,000 was distributed back into the community.
- 25. Since Trust Aoraki established its first venue in the Mackenzie District, Trust Aoraki has distributed grant funding of \$1,056,318 into the MacKenzie District.
- 26. Many organisations in Twizel, Tekapo and Fairlie have benefited from grant funding. Without this funding, most of these organisations would not be able to assist reduce costs for their members or provide equipment and facilities.

# Conclusion

27. Trust Aoraki supports Option 2.

25 Royal Arcade, P.O. Box 384, Timaru 7940 ph. 03 688 9930 www.trustaoraki.co.nz



- 28. Trust Aoraki submits the MDC must cautiously consider all credible and verifiable evidence in order to weigh up harm to the community (taking into account harm minimisation procedures already in place) against benefits to the community, before making a decision to implement a 'sinking lid' Policy.
- 29. The reduction of gaming machines nationally has not resulted in a reduction of GMP. Therefore, it follows a sinking lid policy is not going to achieve the desired results of minimising gambling harm and will result in less grant funding for local communities.
- 30. Reduced levels of grant funding will mean the MacKenzie community will not be able to enjoy the sporting and cultural experiences and facilities which are supported by Class 4 gaming. As a result, community wellbeing will suffer.

#### Oral Hearing:

On behalf of Trust Aoraki, Jason Williamson (Chief Operations Officer) would like to make a presentation at the upcoming oral hearing on 14 and 15 September 2021.

# 3.6 SUBMISSIONS ON THE DANGEROUS, AFFECTED AND INSANITARY BUILDINGS POLICY.

Author: Arlene Goss, Governance Advisor

Authoriser:

Attachments: 1. Submission from Let's Talk. 🗓 🛣

# STAFF RECOMMENDATIONS

That Council receives and considers the submissions.

# BACKGROUND

One submission was received on the Dangerous, Affected and Insanitary Buildings Policy.

Respo Login

Respondent No: 2 Login: Registered 
 Responded At:
 Jul 27, 2021 15:14:51 pm

 Last Seen:
 Jul 27, 2021 03:06:49 am

Q1. Please indicate which policy or bylaw you wish to comment on? (note: you will have the opportunity to comment on more than one later in the form).

Q2. Please leave your feedback on the proposed Solid Waste below.

not answered

Q3. Please leave your feedback on the proposed Water, Supply, Wastewater and Stormwater Bylaw below.

not answered

Q4. Please leave your feedback on the proposed Dog Control Policy 2021 and Dog Control bylaw below.

not answered

Q5. Please leave your feedback on the proposed Alcohol Restrictions in Public Places Bylaw below.

I don't believe in restrictions on the consumption of alcohol

Q6. Please leave your feedback on the proposed Proposed Class 4 Gambling and TAB Venue Policy (preferred option) and Proposed Class 4 Gambling and TAB Venue Policy 2021 (Option 2) policies below.

I don't believe in restrictions on gambling (or alcohol) and the waste of time and hence money that goes with administrating and implementing these restrictions. Surely there are better things this money could be directed towards, like footpaths!

Q7. Please leave your feedback on the proposed Dangerous, Affected and Insanitary Buildings Policy below.

These sort of buildings should not exist.  $\bigcirc$ 

| Q8. Would you like to leave feedback on another policy or bylaw? | No  |
|--|---|
| Q9. Do you wish to address councillors at a hearing?             | Yes, I wish to address councillors at the hearings (to be held on 14th & 15th September 2021. |

# 3.7 SUBMISSIONS ON THE KEEPING OF ANIMALS, POULTRY AND BEES BYLAW

Author: Arlene Goss, Governance Advisor

Authoriser:

Attachments:

- Submission from Forest&Bird Keeping of Animals,Pountry and Bees 
   T
- 2. Submission from Te Manahuna Consulting Rob Young Keeping of Animals, Poultry and Bees J.
- 3. Submission Received via Let's Talk 🗓 🛣

# STAFF RECOMMENDATIONS

That Council receives and considers the submissions.

# BACKGROUND

Three submissions were received on the Keeping of Animals, Poultry and Bees Bylaw.



6 August 2021

#### Submission on Mackenzie District Council Keeping of Animals, Bees and Poultry Bylaw 2021

- To: Mackenzie District Council Planning Team Leader Submitted via email to <u>aaron.hakkaart@mackenzie.govt.nz</u>
- From: Royal Forest & Bird Protection Society Inc (Forest & Bird) Nicky Snoyink – Regional Conservation Manager Canterbury <u>n.snoyink@forestandbird.org.nz</u> or 021 165 9658

#### Introduction

- 1. Forest & Bird is New Zealand's largest independent conservation organisation. Our mission is to protect New Zealand's unique flora and fauna and its habitat.
- 2. We congratulate Mackenzie District Council for its review of the Keeping of Animals, Bees and Poultry Bylaw 2021. Forest & Bird encourages councils, through their bylaws, to adopt meaningful cat management policies and regulations to support responsible cat ownership, to minimise risk to human health and to minimise the risk of nuisance cats to indigenous biodiversity.
- 3. We acknowledge the purpose of the Bylaw is to manage the keeping of animals within the District to ensure these activities do not create a nuisance or become a threat to public health and safety. We commend the Council for including cat management provisions in the proposed Bylaw and congratulate the Council for joining a number of other district and city councils around New Zealand on taking a proactive stance on cat management.
- 4. Considerable leadership has been demonstrated in district and city councils in recent years to address the stray and nuisance cat issues that are increasingly commonplace across New Zealand. Dissemination of non-statutory guidance encouraging responsible cat ownership, instead of regulation through this Bylaw, is completely inappropriate.

- 5. Our submission specifically relates to the management of cats in the Mackenzie District. We note the cat management provisions appear to apply to urban areas only. We recommend that the cat management provisions be extended to apply district wide.
- 6. Considerable effort is poured into protecting and restoring native wildlife in the Mackenzie Basin through a range of programs by agencies and non-government organisations. A recent news article reported that "a major predator control programme charged with making the Mackenzie Basin predator free by 2040 has eliminated more than 10,680 pests in the past two and a half years. Top of the 10,680 cull list released by Te Manahuna Aoraki, the multi-agency initiative charged with the eradications, are hedgehogs, with 5738 eliminated, followed by 3222 mustelids (stoats, ferrets, and weasels), 950 rats and 770 feral cats."<sup>1</sup> 770 feral cats!
- 7. Furthermore, District Plan changes to strengthen protection of significant natural areas that are also significant habitats of indigenous fauna, are on-going in the Mackenzie District. Such plan changes combined with the conservation effort of agencies and NGOs, as well as strong cat management provisions in bylaws, are vital contributions to ensuring New Zealand's unique wildlife survive and thrive.
- 8. Particularly in the Mackenzie Basin, cat management is an essential part of predator control to protect and preserve the rare and vulnerable native wildlife including birds, lizards and invertebrates that call the basin home. The Mackenzie Basin provides vital habitat for the nationally critical Kakī Black Stilt<sup>2</sup>, black-fronted tern (nationally endangered), banded dotterel (nationally vulnerable), the Mackenzie Basin's own spotted skink (nationally vulnerable) and the robust grasshopper<sup>3</sup>. Reared in captivity and released into the wild Kakī Black Stilt are now found only in the Mackenzie Basin. This species and many that face a similar fate require all the help they can get to survive and thrive in the wild. Cat management is critical to that occurring.<sup>4</sup>
- 9. Forest & Bird supports the Council's proposal to require a license to own more than two cats. This provision could be strengthened by adding a clause that sets out a limit of two cats per household. We also recommend a requirement to microchip and desex domestic cats over six months of age, as preferred wording over the proposed "strongly encourage".
- 10. We would like to speak in support of our submission.

<sup>&</sup>lt;sup>1</sup> https://www.stuff.co.nz/timaru-herald/news/125936431/hedgehogs-top-major-mackenzie-basin-predatorcull-list

<sup>&</sup>lt;sup>2</sup> https://www.doc.govt.nz/nature/native-animals/birds/birds-a-z/black-stilt-kaki/

<sup>&</sup>lt;sup>3</sup> https://www.doc.govt.nz/news/media-releases/2018/land-transferred-to-protect-native-grasshopper/

<sup>&</sup>lt;sup>4</sup> https://www.doc.govt.nz/news/media-releases/2020-media-releases/wild-kaki-population-boosted-by-over-100-birds/

#### Submission

- 12. Cats are predators. Domestic cats pose a significant risk to native and endemic birds, lizards, and insects throughout New Zealand. The detrimental direct effect of cats on populations of native species has been widely recognised and documented<sup>5,6</sup> and include devastating examples such as a recent case where a single domestic cat decimated the breeding attempts of native banded dotterels breeding on a beach in Wellington harbour, for the second season in a row.<sup>7</sup> A similar event has been known to occur in Kaikoura.<sup>8</sup>
- 13. Domestic cats are also carriers of zoonotic diseases. This includes toxoplasmosis said to now be present in a high percentage of New Zealanders<sup>9</sup> and a contributing factor in the death of a number of native species<sup>10,11,12</sup>. Recent research from Australia has shown that the costs associated with diseases transmitted by cats cost the Australian economy more than A\$6 billion annually through their impact on human health and the agricultural sector<sup>13</sup>.
- 14. Domestic cats do not respect property boundaries. They are the cause of many cases of nuisance such as defecating in peoples' gardens as well as having the potential to kill the beloved pets (birds, guinea pigs etc) of those who have no control over the unwanted movements of others' free-ranging cats. Furthermore, cats (particularly un-neutered toms) pose a significant threat to other cats and can cause innocent families large vet bills after a fight.
- 15. When poorly managed, irresponsible owners of domestic cats contribute to the growth of stray and feral cats, which have even more devastating impacts.<sup>14</sup>
- 16. Forest & Bird acknowledges the position that cats hold as a valued companion animal to loving owners. As a loved animal, these owners also need to take responsibility for their cat's behaviour. Limiting the number of cats on a property and ensuring all cats are de-sexed and microchipped is the bare minimum of this responsibility.

#### Forest & Bird supports a limit of two cats per household

17. Forest & Bird is supportive of policies in Animal Bylaws that reflect the need to better manage the negative impacts of cats. However, we would like to see specific provision in the proposed bylaw to limit the number of cats per household across the Mackenzie District and not just in urban areas. This is particularly important in the Mackenzie Basin for reasons described above.

<sup>&</sup>lt;sup>5</sup> https://zslpublications.onlinelibrary.wiley.com/doi/abs/10.1017/S095283690200328X

<sup>&</sup>lt;sup>6</sup> https://www.sciencedirect.com/science/article/abs/pii/S0006320709004133

<sup>&</sup>lt;sup>7</sup> https://www.stuff.co.nz/national/117263362/lone-tabby-on-its-way-to-wiping-out-second-generation-of-dotterels

<sup>&</sup>lt;sup>8</sup> https://www.stuff.co.nz/environment/123112899/banded-dotterel-slaying-a-devastating-loss-for-kaikurastudy

<sup>&</sup>lt;sup>9</sup> http://www.stuff.co.nz/national/10056562/Cats-will-damage-your-mind-Morgan

<sup>&</sup>lt;sup>10</sup> https://www.doc.govt.nz/nature/pests-and-threats/diseases/toxoplasmosis-and-hectors-and-maui-dolphin/ <sup>11</sup> https://www.researchgate.net/publication/261836844\_Four\_Cases\_of\_Fatal\_Toxoplasmosis\_in\_Three\_Spec ies\_of\_Endemic\_New\_Zealand\_Birds

<sup>12</sup> https://www.tandfonline.com/doi/abs/10.1080/00480169.2016.1230526

<sup>&</sup>lt;sup>13</sup> https://www.rnz.co.nz/national/programmes/sunday/audio/2018770798/cats-costing-billions-each-year-byspreading-diseases

<sup>&</sup>lt;sup>14</sup> https://www.doc.govt.nz/nature/pests-and-threats/animal-pests/feral-cats/

- 18. New Zealanders show a high level (>65%) of support for limits to be placed on the number of cats owned per household<sup>15</sup>. In Whanganui last year, as part of its Animal Bylaw review, Council staff undertook an online survey of residents. When asked to consider the most appropriate number of cats per premises, 48% of respondents considered two cats or fewer were the most appropriate while 34% considered that four cats was the most appropriate number<sup>16</sup>.
- 19. Forest & Bird supports a limit on the number of cats per household across the District to two and commends the Council on its proposal to require a license for more than two cats per household. This is an innovative approach to cat management. Over 50% of councils that regulate cat numbers have set the limit to three (Table 1.). Whanganui District Council amended its draft Bylaw from a limit of four to three cats per household. Similarly, during its Animal Bylaw review last year, New Plymouth District Council reduced its cat limit from five to three, in line with the direction other councils are taking around New Zealand and in response to the service requests and complaints received relating to nuisance from cats.

| Cat limits per household | Council  |  |
|--------------------------|--|--|
| Three cats               | Buller District Council <sup>17</sup><br>Carterton District Council <sup>18</sup>  | Palmerston North City Council <sup>22</sup><br>Rangitīkei District Council <sup>23</sup>   |
|                          | Invercargill City Council <sup>19</sup><br>Masterton District Council <sup>20</sup><br>New Plymouth District Council <sup>21</sup> | South Wairarapa District Council <sup>24</sup><br>Tararua District Council <sup>25</sup><br>Whanganui District Council <sup>26</sup> |
| Four cats                | Hastings District Council <sup>27</sup><br>Marlborough District Council <sup>28</sup>  | Manawatū District Council <sup>29</sup><br>Ruapehu District Council <sup>30</sup>  |

#### Table 1. Territorial Authorities that currently limit cat numbers in their bylaws.

<sup>&</sup>lt;sup>15</sup> Walker, J.K., Bruce, S.J., Dale, A.R. 2017. A Survey of Public Opinion on Cat (Felis catus) Predation and the Future Direction of Cat Management in New Zealand. Animals (Basel). 7(7): 49. Accessed: https://www.psbi.plm.pib.gov/pmc/articles/DMC5523564/

https://www.ncbi.nlm.nih.gov/pmc/articles/PMC5532564/

 $<sup>^{16}\,</sup>https://www.whanganui.govt.nz/files/assets/public/consultations/keeping-of-animals-poultry-and-bees-interval of the set of t$ 

bylaw/keeping-of-animals-poultry-and-bees-bylaw-2020-statement-of-proposal-and-bylaw.pdf

<sup>&</sup>lt;sup>17</sup> https://bullerdc.govt.nz/wp-content/uploads/2013/09/Keeping-of-Cats.pdf

<sup>&</sup>lt;sup>18</sup>https://www.swdc.govt.nz/sites/default/files/Part%206%20Keeping%20of%20Animals%20Poultry%20and%2 0Bees%20Bylaw\_Current\_0.pdf

 <sup>&</sup>lt;sup>19</sup> https://icc.govt.nz/wp-content/uploads/2020/05/Keeping-of-Animals-Poultry-and-Bees-Bylaw-2013.pdf
 <sup>20</sup> See Footnote 17.

<sup>&</sup>lt;sup>21</sup> https://www.newplymouthnz.com/-

<sup>/</sup>media/NPDC/Documents/Council/Council%20Documents/Bylaws/Animals%20Bylaw%202020.ashx?la=en&ha sh=A677A7CBBBA6FDC4E908A526DFC6A5DE7C136DFC

<sup>&</sup>lt;sup>22</sup> https://www.pncc.govt.nz/media/3130963/animals-and-bees-bylaw-2018.pdf

<sup>&</sup>lt;sup>23</sup> https://www.rangitikei.govt.nz/files/forms/Animal-Control-Bylaw-2019.pdf

<sup>&</sup>lt;sup>24</sup> See Footnote 17.

<sup>&</sup>lt;sup>25</sup> https://www.tararuadc.govt.nz/Publications/Policies-Bylaws

<sup>&</sup>lt;sup>26</sup> https://www.whanganui.govt.nz/files/assets/public/bylaws/keeping-of-animals-poultry-and-bees-bylaw-2020.pdf

<sup>&</sup>lt;sup>27</sup> https://www.hastingsdc.govt.nz/assets/Document-Library/Bylaws/Hastings-District-Council-Consolidated-Bylaw/hastings-district-council-consolidated-bylaws-october-2016.pdf

<sup>&</sup>lt;sup>28</sup> https://www.marlborough.govt.nz/repository/libraries/id:1w1mps0ir17q9sgxanf9/hierarchy/Documents/ Your%20Council/AnimalsBylaw2017.pdf

<sup>&</sup>lt;sup>29</sup> https://www.mdc.govt.nz/Documents/Bylaws

<sup>&</sup>lt;sup>30</sup>https://www.ruapehudc.govt.nz/SiteCollectionDocuments/Policies%20and%20Bylaws/Bylaws/The%20Ruapehu%20Bylaw/The%20Ruapehu%20Bylaw%202018.pdf

| Five cats | Far North District Council <sup>31</sup> | South Waikato District Council <sup>33</sup> |
|-----------|--|--|
|           | Southland District Council <sup>32</sup> |  |

20. We would be delighted to add Mackenzie District to our table as a leader that has taken the initiative to limit the number of domestic cats per household to two and require a license to hold more than two. This provides strong direction for Council Officers to impose a limit on cat numbers as a means of dealing with a nuisance when a complaint is received as well as greater certainty for cat owners. It is consistent with best practice to impose a firm cat limit and as discussed above is critical to protecting rare and vulnerable wildlife.

#### Forest & Bird proposes that microchipping and registering is compulsory

- 21. We note the Council is proposing to "strongly encourage" microchipping and desexing cats over six months of age. We urge the Council to strengthen this provision and require microchipping, registering and desexing of cats over six months in age.
- 22. A requirement to microchip and register cats allows for a clear delineation between stray, feral and free-roaming owned cats. Identification of cats is paramount to ensuring that effective strategies for control of un-owned cats, that Council or other agencies or organisations may wish to undertake, can progress.
- 23. In this context, catching microchipped cats allows not only the return of someone's beloved pet, like the cat trapped in Inglewood and returned to its family six years after it went missing,<sup>34</sup> but also presents an opportunity to educate that cat owner who may have previously been oblivious to the negative impact their cat was having in the local community. Furthermore, compulsory microchipping would bring Mackenzie District Council in line with recent bylaws enacted by Whanganui, Palmerston North, Wellington City<sup>35</sup> and more recently, the Selwyn District Council<sup>36</sup>.
- 24. Microchipping is a well-supported management tool for cats in New Zealand, with almost 80% of the general public in favour of a national requirement for mandatory microchipping (in addition to restriction of cat numbers and mandatory desexing)<sup>37</sup>. The Ministry for Primary Industry's Code of Welfare: Companion Cats 2018's Recommended Best Practice is that cats should be identified with a microchip<sup>38</sup>. Given microchipping is compulsory for dog owners, few truly loving

<sup>&</sup>lt;sup>31</sup> https://www.fndc.govt.nz/files/assets/public/objectivedocuments/governance-and-executive-management-gem/bylaws/keeping-animals-poultry-and-bees/keeping-of-animals-poultry-and-bees-2007.pdf

<sup>&</sup>lt;sup>32</sup> https://www.southlanddc.govt.nz/assets/bylawspolicies/Keeping-of-Animals-Poultry-and-Bees-Bylaw-comeinto-effect-12-October-2020.pdf

<sup>&</sup>lt;sup>33</sup> https://www.southwaikato.govt.nz/repository/libraries/id:24rtvarkd17q9s3wxfnn/hierarchy/ourcouncil/strategies-plans-policies-

bylaws/bylaws/documents/Keeping%20of%20Animals%2C%20Poultry%20and%20Bees%20Bylaw%202017.pdf <sup>34</sup> https://www.nzherald.co.nz/stratford-press/news/hundreds-of-kittens-and-cats-rescued-this-year-alone-by-taranaki-animal-protection-trust/SGLHEBF4GHSTZNGIDWCIXCNMGU/

<sup>&</sup>lt;sup>35</sup> https://wellington.govt.nz/your-council/plans-policies-and-bylaws/bylaws/wellington-consolidated-bylaw-2008/part-2\_-animals#four4

<sup>&</sup>lt;sup>36</sup> https://www.selwyn.govt.nz/news-And-events/news/new-rules-agreed-for-keeping-animals-in-selwyn-towns

<sup>&</sup>lt;sup>37</sup> Walker, J.K., Bruce, S.J., Dale, A.R. 2017. A Survey of Public Opinion on Cat (Felis catus) Predation and the Future Direction of Cat Management in New Zealand. Animals (Basel). 7(7): 49. Accessed: https://www.ncbi.nlm.nih.gov/pmc/articles/PMC5532564/

<sup>&</sup>lt;sup>38</sup> https://www.agriculture.govt.nz/dmsdocument/1413-Companion-Cats-Animal-Welfare-Code-of-Welfare

cat owners will be put off by the imposition of the cost of microchipping to ensure the protection of their companion animal.

25. Furthermore, compulsory microchipping and registration of cats would support Council to enforce provisions regarding nuisance cats. If nuisance cats are identified and not compliant with proposed identification measures, then it will be easier for Council to take precautions to reduce the nuisance effect.

#### Forest & Bird proposes the compulsory requirement to de-sex cats

- 26. Forest & Bird suggests Mackenzie District Council would be lagging behind other councils if it didn't include the requirement to de-sex cats in this bylaw review. Tararua, Palmerston North and Whanganui District Councils all included de-sexing in their recent Keeping of Animals Bylaw reviews.
- 27. The reproductive potential of a single female cat is estimated at 300 kittens in her reproductive lifetime. The potential for a male cat is far beyond that. MPI's Code of Welfare states puberty can occur from four months of age. Responsible cat ownership includes having cats desexed at or before puberty. Forest & Bird would support the provision of targeted funding towards voluntary de-sexing and the establishment of an education programme teaching responsible cat ownership.

#### Suggested wording

28. We have suggested wording to strengthen the proposed regulation, presented below with strike through and <u>underline</u>.

#### 5.4 Keeping of Cats

A person may keep cats in urban areas in the Mackenzie District provided they comply with the following conditions:

- there is a limit of two cats per household.
- owners of more than two cats over the age of three months must obtain a license. A license to own more than two cats may be granted, have conditions imposed or be refused at the discretion of an authorised officer.

Terms and conditions on the granting of permission, may include (but are not limited) to:

- specifying the number of cats that may be kept at any one time;
- specifying the duration of the permission;
- restrictions as to the purpose for which such cats may be kept;
- provision for hygiene, control and regular inspection; or
- provision for the protection of other persons or property.

The Council also strongly encourage that Cats over the age of six months must be:

- cats over six months of age are microchipped and registered with the New Zealand Companion Animals Register, or other Council approved microchip registry; and
- cats over six months are desexed (unless kept for breeding purposes and are registered with a nationally recognised cat breeders' body including New Zealand Cat Fancy Ltd. and Catz Inc.

The above recommendations will be taken into account when an authorised officer is assessing an application for a license to obtain more than two cats.

Thank you for the opportunity to submit.

Submission ends.

# Proposed Keeping of Bees Bylaw

This is a submission on the proposed bylaw regarding the keeping of bees in urban areas in the Mackenzie District.

While this bylaw is the mechanism for implementing the provision for bees in the District Plan of "not permitted" this is in my view out of step with modern day views about the importance of bees to the natural world, humans and very importantly our food supply.

Bees are in decline around the world. Scientists know that bees are dying from a variety of factors including pesticides, drought, habitat destruction, nutrition deficit, air pollution, global warming and more. Many of these causes are interrelated.

Without bees, the availability and diversity of fresh produce would decline substantially, and human nutrition would likely suffer. Crops that would not be cost-effective to hand- or robot-pollinate would likely be lost or persist only with the dedication of human hobbyists.

The decline of bees is happening worldwide, for instance during the winter of 2019 about 40 per cent of honey bee colonies in the USA perished. But the honey bee is just one of many insects in decline – 40 per cent of the world's insect species are in decline. The rapid shrinking of insect populations is a sign that the planet is in the midst of a sixth mass extinction. So, for me personally keeping bees is a significant part of trying to save the planet.

I have kept bees since 1987 as a hobby and have lived in small urban areas during that time. In fact, I have lived in Twizel since 1990 and had an apiary site on my double section during the last 31 years. In that time I have not had any complaints made to me personally made about my bees. One person complained to Council about my bees four years ago. I do not know the basis of this complaint or the identity of the complainant. Following a letter from Council that demanded I remove my hives from my property I pointed out that my apiary site had existed under a previous District Plan and was therefore an existing activity.

My beekeeping is of interest to many friends and neighbours in Twizel and they enjoy receiving the occasional gift of honey and they all support the notion of urban bees. I have also liaised closely with the Bell family who are commercial beekeepers in Twizel to ensure that my practices as a hobby beekeeper do not affect their livelihood. They have supported me with my beekeeping both with advice and bee supplies. Hobby beekeepers are sometimes regarded as problematic by commercial beekeepers because they are not as assiduous about management of their hives as they should be. However, I have always been focused on managing them in the same way a professional beekeeper does to ensure they are disease free and complying with best bee keeping practice and all the New Zealand bee keeping regulations.

Beekeeping has become even more important since the advent of the varroa mite in NZ as that has wiped out all the wild bee colonies leaving only the managed hives as the source of pollinators.

The bylaw which proposes that bees are not allowed in any urban area in the Mackenzie is counter intuitive to their importance in the world and the need for restoring the planet in a sustainable way so that humans can continue to survive with nature and continue to feed the world's 9 billion human population.

It is difficult to understand the rationale for this bylaw given the continuing demise of honey bees due to human activity and disease and the progressive approaches to keeping bees elsewhere in New Zealand. Many urban areas in New Zealand (including Nelson, Blenheim, Christchurch, Wellington and Auckland) allow beehives to be kept within residential zones. In fact, businesses exist which hire out hives to urban beekeepers in some of these towns.

Bees can be kept in urban areas without affecting neighbours at all. In fact as a result of their activity as pollinators they are beneficial to any property they visit. I would suggest that cats and dogs are far more problematic to many urban dwellers and yet they are not banned from urban areas. For me these fascinating and complex insects which produce much of the worlds food are my "pets". They are one of my hobbies and a key interest which bring me joy and satisfaction. Because I can keep them close at hand, I can watch them go about their business and see them leaving the hive in winter when the temperature rises past 16C degrees or when they are fanning the entrance of the hive to cool it down on a hot summers night at 11pm.

My bees, like most bees will be collecting honey and nectar within a radius of 4km of their hive. This undoubtedly, includes both urban and rural areas. On my double section I have tried to live with some degree of self sufficiency by having a vegetable and fruit garden which my bees clearly favour given its closeness to

the hive. The bees are positioned on the section so their flight path is not over a neighbouring property. Most complaints regarding bees are a result of bees defecating on washing lines or cars as they leave the hive. When they depart my section they are at least 3 metres above the ground as they depart over the front boundary. Other Councils have appropriate siting provisions as guidelines for keeping bees. As well as providing benefit to my garden there are many gardens in Twizel which will benefit from having bees in the urban area. At a community scale Twizel is supposedly the "town of trees" which are largely pollinated by bees. The hives, produce around 50kg of honey in a good year. My honey branded "Forbidden Bees", is not sold but mostly given away to friends and family, as a community good.

I currently have two hives. I would suggest that within an urban property, limitations on siting and a maximum number of number hives would be a good way to ensure the effects are minimised.

Council needs to reconsider its rationale for not allowing beehives in the urban area of Twizel. I wish to be heard in support of my submission.

Rob Young

Contact details: 211 Mackenzie Drive Twizel Mob: 0272234546 Email: ryoung@temanahuna.co.nz

Respondent No: 3 Login: Registered 
 Responded At:
 Aug 06, 2021 14:05:36 pm

 Last Seen:
 Aug 06, 2021 01:08:45 am

Q1. Please indicate which policy or bylaw you wish to comment on? (note: you will have the opportunity to comment on more than one later in the form). The proposed Keeping of Animals, Poultry and Bees Bylaw 2021

Q2. Please leave your feedback on the proposed General Bylaw below.

not answered

#### Q3. Please leave your feedback on the proposed Keeping of Animals, Poultry and Bees Bylaw below.

We wish to make a submission on the keeping of bees in urban area's. We would like Mackenzie urban properties larger than 800 sqm to be able to have a maximin two beehives. Urban properties larger than 2000 sqm should be allowed 5 beehives. That all legal requirements under Biosecurity Act 1993 be strictly adhered to. That they be placed in a manner to avoid fouling neighbours washing and cars. Having bees in urban areas poses a low risk to resistants. Bees are not aggressive unless the hive its self is disturbed, having hives in town would help to pollenate gardens and fruit trees.

#### Q4. Please leave your feedback on the proposed Easter Sunday Trading Policy below.

not answered

| Would you like to leave feedback on another policy or bylaw? | No  |
|--|---|
| Do you wish to address councillors at a<br>hearing?          | No, I do not wish to address councillors. |

# 3.8 SUBMISSIONS ON THE PROPOSED EASTER SUNDAY TRADING POLICY

Author: Arlene Goss, Governance Advisor

Authoriser:

Attachments: 1. Submission received via Let's Talk 🗓 🛣

# STAFF RECOMMENDATIONS

That Council receives and considers the submissions.

# BACKGROUND

One submission was received on the Proposed Easter Sunday Trading Policy.

