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Whakatāne District Council
Have Your Say
Draft Gambling Policy (Class 4 Venue and Board Venue)
Email Submission: submissions@Whakatāne.govt.nz

Submission to the Draft Gambling Policy (Class 4 Venue and Board Venue)

Health begins where we live, learn, work and play. Many of the crucial underlying factors that affect the health of people and communities are directly influenced by the decisions and activities of councils. The Bay of Plenty District Health Board (Bay of Plenty DHB) is required under legislation to improve, promote, and protect the health of people and communities; to promote the inclusion and participation in society and independence of people with disabilities; and to reduce health disparities by improving health outcomes for Māori and other population groups. For these reasons, Bay of Plenty DHB is committed to working collaboratively with councils and welcomes the opportunity to provide feedback to the draft Gambling Policy 2019. This submission has been prepared by Toi Te Ora Public Health (Toi Te Ora) which is the public health unit of the Bay of Plenty DHB.

Gambling is a public health issue as stated in the Gambling Act 2003. Gambling machines (pokies) cause more harm than any other form of gambling. The Bay of Plenty DHB supports strategies that minimise gambling-related harm and inequality across the spectrum of problem gambling behaviour. The Bay of Plenty DHB therefore recommends Whakatāne District Council (Council) amend its gambling policy in order to actively minimise gambling-related harm and inequalities.

The Bay of Plenty DHB recommends that Council adopts a sinking lid policy to reduce the number of class 4 gambling machines in its community. This means no new licences or additional gambling machines will be allowed and existing licences will not be transferred to other locations.

The Bay of Plenty DHB recently supported both Tauranga City Council and Western Bay of Plenty District Council to adopt sinking lid policies. Kawerau District Council and Opotiki District Council also have sinking lid policies.

District Gambling Profile

The Ministry of Health has developed a gambling risk assessment scale. As stated in the Whakatāne District Social Impact Assessment, the demographic profile of the Whakatāne district puts the area at high risk of harm from gambling, primarily due to its areas of high deprivation and significant Māori population.



Whakatāne currently has 179 class 4 gaming machines across 12 venues. This is unchanged since the 2016 review and equates to 54 machines per 10,000 people. This compares to the national average of 38 machines per 10,000 people.

In 2017/18 \$10,009,750 was spent on gaming machines in the district, an increase of 9% from the previous year and an increase of 15% since 2015/16 when it was at its lowestⁱ. Using 2013 Census data, this equates to a total spend per resident of \$310 per annum, 46% more than the national average of \$212 per person per annum.

When compared with New Zealand as a whole, the Whakatāne district has a low number of residents seeking help with problem gambling. During 2017/18, 36 people in the district received help for problem gambling, a decrease of 10% since 2016. However, using Ministry of Health assumptions and data, an estimated 677 people in the district are likely to experience problems due to someone's gambling. The discrepancy between the number of people receiving help and those likely to experience problems could in part be due to the limited availability of services in the district.

The purpose of gambling is not to raise money for the community. Gambling machine societies are required by law to allocate a minimum 40% of net proceeds (the total amount wagered, less the amount paid back as prizes) back to community groups and organisations, but not necessarily to the community where the money was lost. In 2017/18 only 25% of gambling machine spending across the Whakatāne district was redistributed to the Whakatāne community by way of grantsⁱⁱ. This is an extremely inefficient method of funding organisations which provide valuable services. The money lost through gambling also comes at a very high cost to individuals, families and whānau, and the community. The Bay of Plenty DHB recognises the need to support community organisations move to alternative, more equitable, and less harmful, sources of funding. Bay of Plenty DHB would like to discuss with Council how to achieve this.

Understanding the risk of gambling in the district

The Ministry of Health's (2018) gambling risk profile tool was applied to the Whakatāne district. As noted in the Social Impact Assessment the District as a whole has an average deprivation index score of 8, which suggests high levels of deprivation and therefore a high risk of problem gambling. Over half of the census area units in the Whakatāne district have a NZ Deprivation Index of 9 or 10. All but 16 of the 179 gambling machines in the District are located in these high deprivation areas. This makes Whakatāne district a high risk location on the basis of socio-economic deprivation.

As discussed in the Social Impact Assessment the Ministry of Health has developed a gambling risk assessment scaleⁱⁱⁱ. In order to determine the risk profile for the Whakatāne District, the level of risk for each factor outlined above is assigned points (1 for low risk, 2 for medium risk and 3 for high risk). Each score is added together to generate an overall risk level with the highest possible score being 24.55. The Whakatāne district is at a low risk for its gambling density, but at a high risk due to socio-economic deprivation, the availability of problem gambling services and ethnicity. Therefore the Whakatāne district scores 14 (out of 24) on the Ministry of Health gambling risk assessment scale, indicating that the overall level of gambling risk is medium.

However, if a tailored profile was calculated for sub-districts, a higher risk would have been evident in many of the smaller suburbs and towns of the Whakatāne district. If these sub-populations are considered 'high risk' then a sinking lid policy would have been implicitly recommended by the social impact assessment.

Decision sought: Council adopts a sinking lid policy, whereby no new licences or additional gambling machines are allowed and existing licences cannot be transferred to other

locations. Over time this will reduce the number of class 4 gambling machines in each community and protect those most at risk.

Sensitive land use areas

The Bay of Plenty DHB commends Council for considering typical family related spaces as sensitive land use zones.

Decision sought: Council extends the current list of sensitive land use areas to include the following land uses that are frequented by families and low income households:

- Supermarkets
- Sports clubs
- Residential areas with an NZ Dep rating of 9 or 10

Additional Points

Gambling venues should be required to take all practical steps to reduce the exposure of under 18s to gambling.

Decision sought: permitted gambling machines should be enclosed, creating a physical barrier limiting acoustic and visual exposure to children under 18 years of age.

Bay of Plenty DHB recognises the importance of the community being aware of the scale of problem gambling and being involved in the adoption of a plan to address it.

Decision Sought: Bay of Plenty DHB encourages Council to develop and implement a targeted social marketing strategy to build community awareness of gambling behaviour and the associated personal and community harm.

Licence cap policy

If Council chooses to keep a licence cap policy with the aim to reduce from the current 179 gaming machines to 141 gaming machines, the Bay of Plenty DHB recommends the following:

Council disallows any relocations of gaming machines, including those of clubs intending to merge in order to reach the 141 cap.

In summary the Bay of Plenty DHB recommends the following amendments be made to Council's approach to strengthen the goal of reducing harm from gambling:

- Adopt a district wide sinking lid policy.
- Do not allow the relocation of gambling machines. To achieve a true sinking lid approach licences or machines should not be allowed to transfer to other locations under any circumstance.

The Bay of Plenty DHB appreciates this opportunity to assist Council to promote a healthy and safe environment for the population of the Whakatāne district.

Yours sincerely



SALLY WEBB

Board Chair

ⁱ Department of Internal Affairs. https://www.dia.govt.nz/diawebsite.nsf/wpg_URL/Resource-material-Information-We-Provide-Gaming-Machine-Venues-Numbers-and-Expenditure-by-Territorial-AuthorityDistrict

ⁱⁱ Whakatāne District Council (2019) Gambling Policy review 2019 Draft Social Impact Assessment. <https://www.Whakatane.govt.nz/sites/www.Whakatane.govt.nz/files/documents/contact-us/have-your-say/Gambling%20Policy%20Review%202019%20-%20Draft%20Social%20Impact%20Assessment%202019.pdf>

ⁱⁱⁱ Ministry of Health (2018) Intervention Client Data for 2004/05 to 2017/18. https://www.health.govt.nz/our-work/mental-health-and-addictions/gambling/service-user-data/intervention-client-data#total_assisted