

## OPTIONS ANALYSIS – CLASS 4 GAMBLING AND TAB POLICY

### Analysis of Options – Gaming Machines Numbers

Option 1. Keep the current cap of gaming machines at 191

Advantages	Disadvantages
<ul style="list-style-type: none"> <li>• Allows the opportunity for new venues to open with gaming machines.</li> <li>• May increase grant funding.</li> </ul>	<ul style="list-style-type: none"> <li>• Potentially increases the number of gaming machines and therefore opportunities for harm from gambling.</li> </ul>

Option 2. Reduce the cap of gaming machines to 160 which would allow one more venue to open above what's currently operating.

Advantages	Disadvantages
<ul style="list-style-type: none"> <li>• Means limited new gaming machines operating in the District and therefore opportunities for gambling harm.</li> </ul>	<ul style="list-style-type: none"> <li>• Potentially increases the number of gaming machines and therefore potentially increased opportunities for harm from gambling.</li> </ul>

Option 3. Implement a sinking lid cap (cap would fall to 151 and continue to sink as venues closed)

Advantages	Disadvantages
<ul style="list-style-type: none"> <li>• Potentially reduces the opportunities for gambling related harm through preventing any new gaming machines in the District.</li> <li>• This is in keeping</li> </ul>	<ul style="list-style-type: none"> <li>• May reduce grant funding available to community groups</li> </ul>

### Analysis Conclusion:

In the period between 2017 and 2019, there has been an 8% reduction in number of venues and a 14% reduction in machine numbers in the district. Despite these reductions, proceeds from each machine have increased by 17% suggesting that players are either spending longer hours playing or there are more players. In order to balance the social costs and benefits of gaming machines in the Taupō District it is considered that Option Three be implemented and the limit of gaming machines in Taupō be dropped to 151. This is consistent with the approach Council has taken as part of previous reviews in 2014 and 2017.

### Analysis of Options – Relocations

Option 1. Keep the current relocation policy (venues can relocate into the town centres only)

Advantages	Disadvantages
<ul style="list-style-type: none"> <li>• Allows business to move and maintain their machine numbers.</li> <li>• Maintains grant funding levels.</li> </ul>	<ul style="list-style-type: none"> <li>• Permits gambling to stay at current levels and therefore opportunities for harm from gambling to grow as has been the trend.</li> </ul>

Option 2. Adopt a no relocation policy

Advantages	Disadvantages
<ul style="list-style-type: none"> <li>• Means that if venues move those gaming</li> </ul>	<ul style="list-style-type: none"> <li>• May limit grant funding.</li> </ul>

machines cannot be replaced. Helps to reduce the number of venues and gaming machines across the district; as well as the opportunities for harm from problem gambling.	
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Option 3. Adopt a sensitive use relocation policy

Advantages	Disadvantages
<ul style="list-style-type: none"> <li>• May provide greater protection from gambling harm for vulnerable people (children, mentally ill etc).</li> </ul>	<ul style="list-style-type: none"> <li>• Difficult to define sensitive land uses.</li> <li>• Controlling sensitive land uses moving next to existing gambling venues would require a plan change and would still be very difficult to control.</li> </ul>

Analysis Conclusion:

In order to balance the social costs and benefits of gaming machines in the Taupō District it is considered that Option Two be implemented. The current policy allows for relocation of venues from outside town centres into the town centre; however, of the 11 venues currently in operation, only one operates outside town centre. Restricting relocation of venues is consistent with the sinking lid approach Council proposes on the number of machines across the district and has taken as part of previous reviews in 2014 and 2017.

In summary, should Council agree to amend the current Policy by introducing a 'sinking lid' and a 'no relocations' approach, this would involve:

- limiting TAB venues to the existing venues;
- limiting Class 4 gambling venues to the existing venues;
- limiting gambling machines to the current number of gambling machines;
- not allowing relocations of gambling machines (in other words, if a venue closes, the machines at that venue cannot be relocated or replaced elsewhere).

As a consequence, should venues close over time, the 'sinking lid' and 'no relocations' approach will reduce the number of venues and the gambling machines in them as those venues close.

Extraordinary circumstances could still be managed through the Council making decisions inconsistent with the Policy (for example, if a natural event made a business unviable in its existing location).