



# EXTRAORDINARY MEETING of Council AGENDA

**Time:** 1:00 pm  
**Date:** Wednesday, 18 October 2023  
**Venue:** Waiata House, 27 Lincoln Road,  
Masterton

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## MEMBERSHIP

Mayor Gary Caffell (Chairperson)

Councillor Bex Johnson  
Councillor Craig Bowyer  
Councillor Brent Goodwin  
Councillor David Holmes

Councillor Tom Hullena  
Councillor Stella Lennox  
Councillor Tim Nelson  
Councillor Marama Tuuta

## Values

1. **Public interest:** members will serve the best interests of the people within the Masterton district and discharge their duties conscientiously, to the best of their ability.
2. **Public trust:** members, in order to foster community confidence and trust in their Council, will work together constructively and uphold the values of honesty, integrity, accountability and transparency.
3. **Ethical behaviour:** members will not place themselves in situations where their honesty and integrity may be questioned, will not behave improperly and will avoid the appearance of any such behaviour.
4. **Objectivity:** members will make decisions on merit; including appointments, awarding contracts, and recommending individuals for rewards or benefits.
5. **Respect for others:** will treat people, including other members, with respect and courtesy, regardless of their ethnicity, age, religion, gender, sexual orientation, or disability. Members will respect the impartiality and integrity of Council staff.
6. **Duty to uphold the law:** members will comply with all legislative requirements applying to their role, abide by this Code, and act in accordance with the trust placed in them by the public.
7. **Equitable contribution:** members will take all reasonable steps to ensure they fulfil the duties and responsibilities of office, including attending meetings and workshops, preparing for meetings, attending civic events, and participating in relevant training seminars.
8. **Leadership:** members will actively promote and support these principles and ensure they are reflected in the way in which MDC operates, including a regular review and assessment of MDC's collective performance.

These values complement, and work in conjunction with, the principles of section 14 of the LGA 2002; the governance principles of section 39 of the LGA 2002; and our MDC governance principles:

<b>Whakamana Tangata</b>	Respecting the mandate of each member, and ensuring the integrity of the committee as a whole by acknowledging the principle of collective responsibility and decision-making.
<b>Manaakitanga</b>	Recognising and embracing the mana of others.
<b>Rangatiratanga</b>	Demonstrating effective leadership with integrity, humility, honesty and transparency.
<b>Whanaungatanga</b>	Building and sustaining effective and efficient relationships.
<b>Kotahitanga</b>	Working collectively.

## Order Of Business

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The Chairperson will open the meeting with the karakia

### **Karakia timatanga**

Kia tau ngā manaakitanga a te mea ngaro	Let the strength and life force of our ancestors
ki runga ki tēnā, ki tēnā o tātou	
Kia mahea te hua mākihikihi	Be with each and everyone of us
kia toi te kupu, toi te mana, toi te aroha, toi te Reo Māori	Freeing our path from obstruction
kia tūturu, ka whakamaua kia tīna! Tīna!	So that our words spiritual, power, love and language are upheld
Hui e, Tāiki e!	Permanently fixed established and understood
	Forward together

At the appropriate time, the following karakia will be read to close the meeting

### **Karakia whakamutunga**

Kua mutu ā mātou mahi	Our work has finished
Mō tēnei wā	For the time being
Manaakitia mai mātou katoa	Protect us all
Ō mātou hoa	Our friends
Ō mātou whānau	Our family
Āio ki te Aorangi	Peace to the universe



## **1 CONFLICTS OF INTEREST**

Members are reminded of the need to be vigilant to stand aside from decision making when a conflict arises between their role as a member and any private or other external interest they might have.

## **2 APOLOGIES**

The Chair invites notice from members of:

- leave of absence for future meetings of Masterton District Council
- apologies, including apologies for lateness and early departure from the meeting where leave of absence has not previously been granted.

## **3 ITEMS NOT ON THE AGENDA**

The Chairperson will give notice of items not on the agenda as follows:

*Matters requiring urgent attention as determined by resolution of the Council*

- The reason why the item is not on the agenda; and
- The reason why discussion of the item cannot be delayed until a subsequent meeting.

*Minor matters relating to the general business of Council*

No resolution, decision or recommendation may be made in respect of the item except to refer it to a subsequent meeting of Masterton District Council for further discussion.

## **4 REPORTS FOR DECISION**

### **4.1 ADOPTION OF REVENUE AND FINANCING POLICY CONSULTATION DOCUMENT AND SUPPORTING INFORMATION**

**File Number:**

**Authors:** David Paris, Manager Finance  
Karen Yates, Manager Strategy and Governance

**Authoriser:** Kym Fell, Chief Executive

#### **PURPOSE**

The purpose of this report is to seek Council adoption of the Revenue and Financing Policy Consultation Document, which outlines proposed changes to Council's Revenue and Financing Policy for the 2024-34 Long-Term Plan (LTP) and supporting information.

#### **EXECUTIVE SUMMARY**

The Revenue and Financing Policy provides a formal and public statement of how Council will fund the various activities and services it provides for our community, including rates and user pays fees and charges.

A copy of the Revenue and Financing Policy consultation document is included as Attachment 1 (provided under separate cover), noting final proofing is to be completed.

A copy of supporting information for the consultation document is included as Attachment 2.

#### **RECOMMENDATIONS**

That Council

1. **adopts** the supporting information for the Revenue and Financing Policy Consultation Document. This includes:
  - a. A copy of the draft proposed Revenue and Financing Policy, noting this will be updated to the current policy template as it is finalised.
  - b. Section 101 (3) analysis.
2. **adopts** the Revenue and Financing Policy Consultation Document;
3. **delegates** authority to the Chief Executive to approve minor edits prior to publication of the Revenue and Financing Policy Consultation Document; and
4. **notes** that consultation will take place from Friday 20 October through until close of business on Monday 20 November 2023.

#### **CONTEXT**

The Local Government Act 2002 (LGA) requires councils to adopt a Revenue and Financing Policy that provides details on how Council will fund operational and capital expenditure. This policy contributes to providing predictability and certainty about sources and levels of funding (section

102). Sources of funding include rates, fees and charges, borrowing and external funding sources such as Waka Kotahi subsidies.

The Revenue and Financing Policy sets out the:

- Funding tools available to us e.g. rates or user fees and charges
- Factors we consider when deciding which tool to use
- Decisions we have made on how to fund each of our activities.

This includes outlining which sectors of our community contribute to paying for the various activities and services that Council provides, with a view to achieving the fairest funding mix for the community as a whole.

The 2023 Revenue and Financing Policy review has been undertaken in alignment with the requirements of the LGA as discussed in more detail below.

Adoption of the Consultation Document will enable community consultation on the proposed changes to commence on Friday 20 October 2023, which will enable sufficient time for any changes to the policy that are confirmed to be incorporated into the 2024-34 Long-Term Plan (LTP). Further detail on the consultation approach is included below.

## **ANALYSIS AND ADVICE**

The Revenue and Financing Consultation Document (Attachment 1) outlines Council's proposed changes to the policy. Further information is included as supporting information (Attachment 2).

### **The Review Process:**

The Revenue and Financing Policy is reviewed as part of the development of Council's Long-Term Plan (LTP) every three years. Council may also amend sections of the policy in subsequent Annual Plans.

Under the LGA a Revenue and Financing Policy review is a two-step process:

The first step, in accordance with LGA section 101(3)(a), is to consider each of the following in relation to each of the Council's activities:

1. the community outcomes to which the activity primarily contributes
2. the distribution of benefits between the community as a whole, any identifiable part of the community, and individuals
3. the period in or over which those benefits are expected to occur
4. the extent to which the actions or inaction of particular individuals, or a group contribute to the need to undertake the activity
5. the costs and benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities.

The second step, in accordance with LGA section 101(3)(b), requires the Council to consider the overall impact of any allocation of liability for revenue needs on the current and future social, economic, environmental, and cultural wellbeing of the community.

Copies of the analysis for these sections of the LGA are included as part of the supporting information in Attachment 2.

**Key Changes Proposed:**

Key changes to the Revenue and Financing Policy that are being proposed include (noting further detail is included in the consultation document):

- **Maximising user fees and charges where this is fair and achievable** – this proposal places emphasis on recovering the cost of services from the users of those services wherever possible. For some services and activities there are wider community benefits, and therefore a rates contribution is appropriate to recognise the wider community wellbeing aspect of the service. However, it is not always feasible to recover the full cost of the service from fees and charges as this may make these services unaffordable or result in unintended consequences (e.g., raising transfer station fees beyond a tolerable amount may result in increased fly tipping). For these types of services, a rates contribution enables Council to continue to offer the service and/or recognises the wider community benefit provided by that service. The provision of regulatory services, libraries and swimming pools are examples of these types of services.
- **Recognising the wider community benefit of providing animal control services and balancing the cost of this service** – this proposal would decrease the proportion of animal control services funded by dog owners (user pays) from 85 to 70 per cent with a subsequent increase in rates contribution from 15 to 30 per cent. Animal services is an activity area where increasing user pays is not assessed as fair or achievable given the increasing costs associated with the new Animal Shelter that is needed to support the dog control aspect of this service. Increasing the proportion of this activity funded from rates recognises the wider community benefit of the animal services activity e.g., fewer wandering dogs and dog attacks.
- **Changing funding for community development from a Capital Value rate to a Targeted Uniform Charge** – this proposal reflects Council's view that community development benefits everyone and therefore every property should contribute the same amount towards the delivery of community development services. This is consistent with Council's approach to funding community facilities such as the library and Trust House Recreation Centre.
- **Changing the allocation for roading rates** – this proposal sees a slight change in allocations for urban and rural ratepayers to better reflect where we spend the roading budget. Urban roading contributions would reduce from 31 to 30 per cent and rural roading contributions would increase from 69 to 70 per cent.
- **Increasing the rural ratepayer contribution toward paying for storm damaged rural roads** – this proposal changes the allocations for urban and rural ratepayer contributions, reflecting the fact that rural ratepayers are the primary users of the roads that require



repair. Urban contributions would reduce from 35 to 10 per cent and rural contributions would increase from 65 to 90 per cent.

- **Increasing the targeted uniform charge for urban properties with access to water supply and wastewater services** – this proposal would spread the cost of these services more evenly across urban ratepayers by changing the allocation for urban water supply and wastewater services from 25 to 30 percent targeted uniform charge, reducing the Capital Value (CV) contribution from 75 to 70 per cent. Using the CV of properties as the rating tool is a proxy for use of the services - i.e., there is an assumption that a higher value home or commercial property is likely to be a larger user of the services. It also reflects greater ability to pay. The increase in the percentage based on a uniform charge spreads these costs more evenly across all connected properties.

Other changes include updating the population split between urban and rural rating areas to reflect current population. The change reflects that since 2018 there has been more growth in the urban area than in rural. Under the policy, the allocation between urban and rural properties is applied ‘up front’ to all activities that are funded by the whole community. The allocation will increase from 77.5 to 79 per cent for urban and reduce from 22.5 to 21 per cent for rural to better reflect the proportion of our population living in the urban and rural areas.

#### *Financial Implications*

Each of the proposals will impact individual properties differently depending on the type of property and the value of that property.

The Capital Value (CV) and Land Value (LV) proportion of rates is based on the value of a property as assessed by Quotable Value (QV) New Zealand. Valuations for all properties are re-assessed every three years. Masterton District Council’s last assessment was in 2020, and values are being reviewed again now. The outcome of the valuation assessment, which will not be known until late 2023/early 2024, may see some properties increase or decrease in value. This will affect how Council’s policy, and proposals for change, that are based on CV and/or LV impact actual rates.

In summary, if all of Council’s proposals were applied, based on current values and the current year’s budget, the financial impact for the community would see decreases in rural and urban commercial rates; decreases in higher value urban residential properties and lifestyle block rates; and increases in lower and medium value residential property rates.

Rates examples	Urban Residential			Urban Commercial (shop)	Lifestyle	Rural (farm)
Land Value	\$170,000	\$370,000	\$390,000	\$370,000	\$395,000	\$4.7m
Capital Value	\$330,000	\$455,000	\$830,000	\$455,000	\$835,000	\$5.32m
Annual \$ change	+\$75	+\$35	-\$72	-\$116	-\$18	-\$261
% change	+3.0%	+1.1%	-1.4%	-2.0%	-0.8%	-2.2%

**Consultation Approach:**

If the consultation document is adopted by Council, consultation will launch on Friday 20 October and close on Monday 20 November 2023.

The consultation approach will be primarily online, supported through traditional media, and will include:

- Targeted social media, with some traditional media to support this.
- Direct email to Iwi and key stakeholders (including ratepayers who have provided their email address) to raise awareness of the review and the opportunity to have a say.
- An online webinar style forum with the Manager Finance.
- Elected member attendance at ‘face to face’ meetings by invitation.

Depending on demand, a hearing will be held on Wednesday 29 November 2023.

Deliberations are scheduled to take place at an Extraordinary Council meeting on Wednesday 13 December 2023.

**OPTIONS CONSIDERED**

A summary of the options considered is included in the table below.

Options		Advantages	Disadvantages
1	Adopt the Revenue and Financing Consultation Document and supporting information (recommended)	<p>This would enable consultation with our community to commence.</p> <p>This would enable Council to finalise the Revenue and Financing Policy in time to incorporate any changes in the 2024-34 Long-Term Plan (LTP).</p>	No disadvantages identified.
2	Do not adopt or defer adoption of the Revenue and Financing Consultation Document and supporting information.	No advantages have been identified.	<p>Consultation would be delayed.</p> <p>Council may not be able to finalise the policy in time to incorporate any changes in the 2024-34 Long-Term Plan (LTP).</p>

## **RECOMMENDED OPTION**

Officers recommend Option 1. This will enable Council to commence consultation on the proposed changes to the Revenue and Financing Policy; and allow sufficient time to finalise the policy and incorporate any changes in the 2024-34 Long-Term Plan.

## **SUMMARY OF CONSIDERATIONS**

### **Strategic, Policy and Legislative Implications**

Section 82 of the LGA applies to the Revenue and Financing Policy consultation process. The consultation process outlined in this report aligns with the Special Consultative Procedure as prescribed in Section 83 of the LGA. This meets the requirements of Section 82 and includes preparing and adopting a consultation document, making information available and providing an opportunity for people to present their views.

### **Significance, Engagement and Consultation**

As noted, the proposed consultation approach complies with Section 82 of the LGA and aligns with the Special Consultative Procedure as prescribed in Section 83 of the LGA.

The Revenue and Financing Policy sets Council's framework for funding the activities and services it provides and identifies which sectors of our community contribute funding and how (i.e., via rates or fees and charges). Given that, the policy has implications for all ratepayers and residents and is considered significant. The individual changes being proposed are not considered a significant shift from the current policy but will impact every ratepayer and resident differently depending on what services they use (for user pays) and the type and value of the property they own and pay rates on.

### **Financial Considerations**

As noted, the Revenue and Financing Policy outlines how Council will fund its activities and services and which sectors of our community will contribute and how. Overall, the combined effect of the proposed changes is a shift towards more user pays (where it is feasible to increase fees and charges); a reduction in rates contributed by rural, commercial and higher value properties; and an increase in rates contributed by lower to medium value properties.

### **Implications for Māori**

Council's Revenue and Financing Policy must support the principles set in the preamble to the Te Ture Whenua Māori Act. Council supports these principles through considering how the status of Māori freehold land affects the LGA s 101(3) funding principles. In particular, the distribution of benefits can be substantially different for Māori Freehold land compared to land in general ownership e.g. increased land values can be realised through the sale of general land but not Māori Freehold Land. As every block of Māori Freehold Land is different and requires specific consideration, Council's approach is to support the principles of the Te Ture Whenua Māori Act through its policies on Rates Remission and Postponement on Māori Freehold Land to provide for the most appropriate support for the particular circumstances of the block of land, its ownership structure and the aspirations of the owners. The Rates Remission and Postponement on Māori Freehold Land Policy is being reviewed and will be consulted on as part of the 2024-34 Long-Term Plan process.



## **Communications/Engagement Plan**

The consultation approach for the Revenue and Financing Policy is outlined in the body of this report.

## **Environmental/Climate Change Impact and Considerations**

There are no specific environmental/climate change implications associated with adopting the Revenue and Financing Policy consultation document. The consultation approach is primarily online, which better aligns with environmental objectives.

## **ATTACHMENTS**

1. **Attachment 1 Revenue and Financing Policy Consultation Document and submission form** [↓](#) 
2. **Attachment 2 - Supporting Information - Draft Revenue and Financing Policy and Section 101(3) Analysis** [↓](#) 





































































































































## **4.2 CROWN FUNDING FOR WAIRARAPA MOANA NATURAL RESOURCES COMMITTEE**

**File Number:**

**Author:** Karen Yates, Manager Strategy and Governance

**Authoriser:** Kym Fell, Chief Executive

### **PURPOSE**

The purpose of this report is to seek Council's agreement to transfer Crown funding for the Wairarapa Moana committee for natural resources to Greater Wellington Regional Council.

### **RECOMMENDATIONS**

That Council

1. **agrees** to transfer to Greater Wellington Regional Council the \$179,350 Crown funding received for the financial support of the Council's participation in the committee for natural resources on the condition that:
  - (a) the funds be held as a separate and identifiable ledger item by the Wairarapa Moana Statutory Board; and
  - (b) the funds be utilised principally to provide financial support for MDC participation in the committee for natural resources.

### **CONTEXT**

Te Rohe o Rongokako Joint Redress Act 2022 (the Act) provides for joint redress as stated in the deeds of settlement to settle the historic claims of Ngāti Kahungunu ki Wairarapa Tāmaki nui-a-Rua and Rangitāne o Wairarapa and Rangitāne o Tamaki nui-ā-Rua.

The Act includes setting up the Wairarapa Moana framework, including establishing the Wairarapa Moana Statutory Board with members appointed by the iwi settlement trusts, Ministry of Conservation, Greater Wellington Regional Council (GWRC) and South Wairarapa District Council.

The Act also establishes a committee for natural resources as a committee of the Statutory Board with members appointed by the iwi settlement trusts, GWRC and the three Wairarapa district councils. The committee is not a committee of Masterton District Council.

The Statutory Board must develop the Wairarapa Moana document which has three parts:

- a) an overarching vision, and statement of desired outcomes, for Wairarapa Moana
- b) a reserves management plan for the Wairarapa Moana reserves
- c) a natural resources document for the Ruamāhanga River catchment

The committee for natural resources will develop the natural resources document. The committee is still in the process of being formed.

The Crown is able to contribute to natural resources arrangements arising from Treaty settlements. These costs may contribute to things like secretariat support, iwi liaison/capacity, financial and legal costs, communications, technical specialists and cultural advice.



Officers have liaised with Te Arawhiti the Office for Māori Crown Relations and submitted an estimate of costs for participation in the committee, such as attendance and mileage payments. Council was advised in December 2022 that we would receive a one-off contribution of \$179,350.

On 6 September 2023, the Mayor received a letter from the Chair of GWRC suggesting that the Wairarapa Councils pool the Crown funding each has received (see Attachment 1). As a condition of transfer, Wellington Regional Council requires the funds to be held as a separate and identifiable ledger item by the Statutory Board and for the funds to be utilised for developing the natural resources document through the Committee. They suggest that Councils consider applying similar conditions.

### **ANALYSIS AND ADVICE**

Officers consider that there is merit in centralising administration of the committee for natural resources through the Statutory Board. Officers also agree that conditions be placed on the transfer in line with GWRC's suggestion and the purposes for which we received the funding. We propose that these are:

- a) the funds be held as a separate and identifiable ledger item by the Statutory Board;
- b) the funds be utilised principally to provide financial support for MDC participation in the committee.

### **OPTIONS CONSIDERED**

A summary of the options considered is included in the table below.

<b>Option</b>	<b>Advantages</b>	<b>Disadvantages</b>
1 Transfer Crown funding on the recommended conditions	Enables efficiencies through central administration of the committee.  Ensures funds are allocated in line with the Crown's conditions and MDC's intention for the funds.	None identified.
2 Transfer Crown funding with no/different conditions	Depends on conditions imposed.	Depends on conditions imposed.  Funds may be allocated outside of Crown/MDC intentions.  Additional funds may be needed by MDC to support participation in the committee.
3 Do not transfer Crown funding	Administration of the funds is retained within MDC control.	Additional resources required for administration.  Potential inefficiency.

## **RECOMMENDED OPTION**

Option 1 is recommended. This ensures efficiencies in administration of the committee for natural resources and Council's contribution is used for the purposes for which it was received.

## **SUMMARY OF CONSIDERATIONS**

### **Strategic, Policy and Legislative Implications**

Te Rohe o Rongokako Joint Redress Act 2022 is an important piece of legislation in the settlement of historic claims of Ngāti Kahungunu ki Wairarapa Tāmaki nui-a-Rua and Rangitāne o Wairarapa and Rangitāne o Tamaki nui-ā-Rua. The Act sets up a framework and document with regard to the relationship of Wairarapa iwi with their ancestral lands, water, wāhi tapu and other taonga in Wairarapa and the Ruamāhanga River catchment. The Council will be represented on the committee for natural resources to develop a natural resources document for the Ruamāhanga River catchment.

### **Significance, Engagement and Consultation**

Te Rohe o Rongokako Joint Redress Act is legislatively and strategically significant for Council, iwi and their relationship. The transfer of Crown funding is not significant for the wider community in terms of Council's Significance and Engagement Policy. Consultation on that decision is therefore not required.

### **Financial Considerations**

Council has received the Crown's funding contribution for financial support of participation in the committee for natural resources. If the Council agree, officers will transfer the funding to GWRC on the conditions stated. Council will not then need to provide additional financial support for our participation in the committee.

### **Implications for Māori**

Te Rohe o Rongokako Joint Redress Act is an important piece of legislation in the settlement of historic claims for Wairarapa iwi. The Act gives effect to cultural and other redress shared between Ngāti Kahungunu ki Wairarapa Tāmaki nui-a-Rua (Ngāti Kahungunu) and Rangitāne o Wairarapa and Rangitāne o Tamaki nui-ā-Rua (Rangitāne). The redress is contained within the Deed of Settlement signed between Rangitāne and the Crown on 6 August 2016 and the Deed of Settlement signed between Ngāti Kahungunu and the Crown on 29 October 2021. The Act recognises that while Ngāti Kahungunu and Rangitāne are separate groups and trace descent from different ancestors, they are closely interconnected. They share whakapapa throughout the Wairarapa and Tāmaki nui-a-Rua regions.

The transfer of Crown funding to GWRC enables efficient administration of the committee for natural resources to progress the development of the natural resources document.

### **Communications/Engagement Plan**

None

### **Environmental/Climate Change Impact and Considerations**

The Wairarapa Moana framework and the natural resources document will enable to the promotion of the restoration, protection and enhancement of social, economic, cultural, environmental and

spiritual health and wellbeing of Wairarapa Moana and the Ruamāhanga River catchment relating to natural resources.

### **NEXT STEPS**

Officers will advise GWRC of Council's decision and progress the transfer of Crown funds.

### **ATTACHMENTS**

1. **Letter from Greater Wellington Regional Council** [↓](#) 





### **4.3 WAIRARAPA CLASS 4 GAMBLING AND STANDALONE TAB VENUES POLICY REVIEW**

**File Number:**

**Author:** Karen Yates, Manager Strategy and Governance

**Authoriser:** Kym Fell, Chief Executive

#### **PURPOSE**

The purpose of this report is to provide Council with an update on the Wairarapa Class 4 Gambling and Standalone TAB Venues Policy review and seek Council's direction as to its preferred next step.

#### **RECOMMENDATIONS**

That Council:

1. **notes** that a joint review of the Wairarapa Class 4 Gambling and Standalone TAB Venues Policy is underway.
2. **notes** that the Wairarapa Policy Working Group (WPWG) has delegated authority to progress the review and make recommendations back to the Wairarapa District Councils.
3. **notes** that the Wairarapa District Councils considered adopting a draft policy and Statement of Proposal for consultation with the community at their September 2023 Council meetings.
4. **notes** that Carterton and South Wairarapa District Councils resolved to consult on a draft policy consistent with the recommendations from the WPWG, which allows Class 4 gambling venues to relocate under exceptional circumstances, while Masterton District Council resolved to consult on a draft policy that would take a more restrictive stance on relocations, preventing Class 4 gambling venues from being able to relocate under any circumstances.
5. **notes** that the recommended process when WPWG recommendations are not agreed to in full by all councils is to refer back to the WPWG to consider next steps.
6. **agrees**, in light of the new information received from the Carterton and South Wairarapa District Councils

#### **EITHER**

to consult on a Wairarapa Class 4 Gambling and Standalone TAB Venues Policy that has provisions common to the three District Councils by altering points 2 (a) and 4 of Resolution 2023/80 in accordance with Standing Order 24.6 to read:

- 2 (a) to state that Class 4 Gambling Venues cannot relocate to Wairarapa region's most deprived areas (those on the New Zealand Deprivation Index of decile 9 or 10) if the proposed location is outside of a main town centre.
- 4 **adopts** the Statement of Proposal and draft Policy for consultation with the community, using the Special Consultative Procedure (Attachments One and Two).

#### **OR**

to reconfirm Resolution 2023/80 and directs officers to reconvene the WPWG to consider next steps and make recommendations back to the Wairarapa District Councils.

## CONTEXT

The Masterton, Carterton and South Wairarapa District Councils (the Wairarapa District Councils) share a joint Wairarapa Class 4 Gambling and Standalone TAB Venues Policy made under Section 101 of the Gambling Act 2003 and Section 96(1) of the Racing Industry Act 2020 (the Acts).

The Policy has a three-year review period which is a legislative requirement under the Acts. A review is currently underway.

As a joint policy, the review was delegated to the Wairarapa Policy Working Group (WPWG) to progress the review and make recommendations back to the Wairarapa District Councils.

In September 2023, the Wairarapa District Councils considered the WPWG recommendation to adopt an amended draft policy and Statement of Proposal for consultation with the community. The report to Masterton District Council is available from [here](#) (see pages 54-141).

On 13 September 2023, the Masterton District Council (MDC) agreed to the majority of the WPWG recommendations but resolved to adopt a more restrictive relocation policy position for consultation so that Class 4 gambling venues would not be able to relocate under any circumstances. A copy of the resolution is below with the key variations highlighted in red.

Resolution 2023/80:

Moved by Councillor Brent Goodwin

Seconded by Councillor Marama Tuuta

That Council:

1. **notes** that a joint review of the Wairarapa Class 4 Gambling and Standalone TAB Venues Policy (the Policy) is underway;
2. **agrees** to amendments to the draft Policy:
  - (a) to state that Class 4 gambling venues will not be able to relocate under any circumstances (Option 2).
  - (b) to state that no new standalone TAB venues may be established
  - (c) to clearly state that no additional gaming machines will be granted consent, in any Class 4 venue (amendment for clarification purposes); and
  - (d) to reflect legislative or other changes since the last review, and to improve the flow and readability.
3. **notes** that consultation with the community is proposed to take place between 2 October and 3 November 2023, subject to adoption by the three Wairarapa District Councils.
4. **adopts** the Statement of Proposal and a more restrictive draft Policy (Option 2) for consultation with the community, using the Special Consultative Procedure (Attachments One and Two).
5. **delegates** authority to the Chief Executive to approve minor edits that don't change the intent of the content, prior to publication of the Statement of Proposal and draft Policy for consultation.

6. **notes** that the Wairarapa Policy Working Group will hear submissions and undertake deliberations ahead of making final recommendations to Council in December 2023.

**CARRIED**

Carterton District Council (CDC) and South Wairarapa District Council (SWDC) agreed to the WPWG recommendations in full. The resolutions made on 13 and 27 September 2023 respectively were as follows:

1. **notes** that a joint review of the Wairarapa Class 4 Gambling and Standalone TAB Venues Policy (the Policy) is underway;
2. **agrees** to amendments to the draft Policy:
  - (a) to state that Class 4 Gambling Venues cannot relocate to Wairarapa region's most deprived areas (those on the New Zealand Deprivation Index of decile 9 or 10), if the proposed location is outside of a main town centre.
  - (b) to state that no new standalone TAB venues may be established
  - (c) to clearly state that no new gaming machines will be granted consent, in any Class 4 venue (amendment for clarification purposes); and
  - (d) to reflect legislative or other changes since the last review, and to improve the flow and readability.
3. **notes** that consultation with the community is proposed to take place between 2 October and 3 November 2023, subject to adoption by the three Wairarapa District Councils.
4. **adopts** the Statement of Proposal and draft Policy for consultation with the community, using the Special Consultative Procedure (Attachments One and Two).
5. **delegates** authority to the Chief Executive to approve minor edits that don't change the intent of the content, prior to publication of the Statement of Proposal and draft Policy for consultation.
6. **notes** that the Wairarapa Policy Working Group will hear submissions and undertake deliberations ahead of making final recommendations to Council in December 2023.

Given the Council was not aware of the resolutions of CDC or SWDC at the time of its meeting, it is important that officers provide an update and an opportunity for the Council to reconfirm or reconsider its decision taking this additional information into consideration.

Depending on the Council's preferred position, the review will either progress to community consultation or the WPWG will be reconvened to consider next steps.



## **ANALYSIS AND ADVICE**

### **Adopting a consistent policy for consultation**

#### *Rationale for adopting a common policy for consultation*

Now knowing CDC and SWDC decisions, the Council may wish to consider amending its position to adopt a consistent policy for consultation. The key reasons for this are:

- It supports a joint and common approach to Class 4 Gambling and Standalone TAB Venues across the Wairarapa region, which is beneficial to both users and venue operators.
- The proposed policy was recommended by the WPWG in consideration of the social impact of gambling in Wairarapa, including maintaining an appropriate balance between harm reduction and the social and economic benefits.
- There are genuine and legitimate reasons why gambling venue operators may need to relocate in extraordinary circumstances and the proposed policy provides the Council with discretion to consider applications on a case-by-case basis.
- Feedback would be sought from the community on whether there is support for a more restrictive policy in Masterton and across the Wairarapa and this could be considered as part of the WPWG deliberations before a final policy is adopted. This would enable Council to understand the views of the community prior to making a final decision on the policy.

#### *Process for adopting a common policy for consultation*

If the Council preferred to adopt a common policy for consultation it would need to alter its resolution made on 13 September 2023.

The Masterton District Council Standing Orders apply when revoking or altering a previous decision. Standing Order 24 covers the revocation or alteration of resolutions which states that a resolution passed by a previous meeting may be amended on a recommendation in a report by the Chief Executive.

### **24.6 Revocation or alteration by recommendation in report**

The local authority, on a recommendation in a report by the chairperson, chief executive, or any committee or subcommittee, local or community board, may revoke or alter all or part of a resolution passed by a previous meeting. The chief executive must give at least two clear working days' notice of any meeting that will consider a revocation or alteration recommendation.

If the resolution was altered via a recommendation of this report, the Special Consultative Procedure (SCP) would be used to consult on a joint draft policy as previously reported. The consultation material would seek community feedback on support for a more restrictive policy so that councillors could understand the community views prior to adopting a final policy.

Following consultation, the WPWG would hold a hearing and deliberations before making recommendations back to the Wairarapa District Councils on a final policy for adoption.

## **Adopting a more restrictive policy for consultation**

### *Rationale for a strengthened policy for Masterton*

The Council may prefer to maintain its position of adopting a more restrictive policy for consultation. There are reasons that could support consulting on a strengthened policy for Masterton compared to the other Wairarapa districts as highlighted in the Social Impact Assessment (SIA):

- Gaming machine expenditure is higher in Masterton than the other Wairarapa districts:
  - In 2022, expenditure per gaming machine was \$79,741 in Masterton, \$66,744 in Carterton and \$32,348 in South Wairarapa. Masterton expenditure
  - In 2022, gaming machine expenditure on a population basis was \$215.33 per person in Masterton, \$213.77 per person in Carterton and \$159.70 per person in South Wairarapa. This compares nationally to \$196.95 per person.
- A key finding from the SIA was that gambling harm is disproportionately experienced by those living in high socioeconomic deprivation communities. Masterton district has higher than average overall New Zealand Index of Multiple Deprivation (IMD), with 62.5% of its neighbourhood level zones (20 out of 32) in quintiles 4-5 (most deprived quintiles). Carterton and South Wairarapa Districts have lower than average overall IMD deprivation with 25% of Carterton's zones (3 out of 12) and 21.4% of South Wairarapa's zones (3 out of 14) in quintiles 4-5<sup>1</sup>.
- As part of the SIA, survey participants<sup>2</sup> were asked where in the Wairarapa problem gambling is perceived as most concerning. Although most skipped this question and noted that the issue was not specific to one particular area, the second most common response indicated that Masterton was a place where problem gambling was most concerning.

### *Process for adopting a more restrictive policy for consultation*

The recommended process when not all of the WPWG recommendations are accepted by one or more of the Wairarapa District Councils is to refer back to the WPWG for consideration. The WPWG would consider next steps in light of the discussions had at each Council meeting and make recommendations back to the Wairarapa District Councils on a way forward. This could include, but is not limited to:

- **A recommendation to consult on a joint policy with a regional variation** – the WPWG may recommend a policy with a regional variation whereby Class 4 gambling venues are unable to relocate in the Masterton district. This would include giving consideration to the rationale which might justify a regional variation such as that noted above. There are other examples of policies/plans with regional differences such as the Wairarapa Combined District Plan.
- **A recommendation that Masterton District Council adopts a separate policy for consultation** – the WPWG may recommend that the Masterton District Council adopts a

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<sup>1</sup> IMD Deprivation Reports for Masterton, Carterton and South Wairarapa Districts accessed 6 October 2023 from: <https://imdmapp.auckland.ac.nz/>

<sup>2</sup> Problem gambling service providers, local rūnanga, health, wellbeing and social service and community development organisation stakeholders were invited to participate in survey as part of the Social Impact Assessment.

separate policy from Carterton and South Wairarapa District Councils. There are other examples where one or more councils have retained a separate policy in the past after consideration of regional differences such as the Local Approved Products (Psychoactive Substances) Policy. Currently Masterton and Carterton District Councils have a joint policy and South Wairarapa District Council has its own separate policy.

A meeting of the WPWG would be convened as soon as possible. The recommendations would be presented back to the Wairarapa District Councils (SWDC on 22 November and CDC/MDC on 6 December). This would defer consultation on the policy to early 2024.

**OPTIONS CONSIDERED**

Option	Advantages	Disadvantages
<p>1 Recommended Option – Agree to consult on a common policy for Wairarapa</p>	<ul style="list-style-type: none"> <li>- A common approach in the Wairarapa contributes to improved understanding by the community.</li> <li>- Consistent with the WPWG recommendations which were developed after consideration of the social impact of gambling, including gambling harm and social/economic benefits.</li> <li>- Supports a positive relationship with WPWG and neighbouring councils.</li> <li>- The review could proceed more quickly as it does not need to go back to the WPWG for consideration.</li> <li>- Less officer resource and time commitment from WPWG.</li> </ul>	<ul style="list-style-type: none"> <li>- Council would need to alter a decision already made to consult on a more restrictive policy. It is however noted that the community would be asked for their views on a more restrictive policy as part of the consultation which could be considered ahead of adopting a final policy.</li> </ul>
<p>2 Alternative Option – Reconfirm the decision to consult on a more restrictive policy</p>	<ul style="list-style-type: none"> <li>- There would be no need to amend a Council decision.</li> <li>- There are reasons that may justify a strengthened policy for Masterton and it could support gambling harm reduction.</li> </ul>	<ul style="list-style-type: none"> <li>- There would be no ability for Council to apply its discretion on a case-by-case basis for a gambling venue to relocate in exceptional circumstances when genuine and legitimate reasons for relocation may apply.</li> <li>- If WPWG recommends a policy with regional variation it may be harder to understand by the</li> </ul>

Option	Advantages	Disadvantages
		<p>community.</p> <ul style="list-style-type: none"> <li>- It may result in a WPWG recommendation for MDC to adopt its own policy separate from CDC and SWDC.</li> <li>- The review would likely extend further into 2024.</li> <li>- Additional officer time and WPWG commitment.</li> </ul>

### **RECOMMENDED OPTION**

Option 1 is recommended. This option would allow for consultation on a joint and common policy for Wairarapa. Community feedback on a more restrictive policy would be sought as part of the consultation and considered as part of the WPWG deliberations ahead of any decisions on a final policy.

### **SUMMARY OF CONSIDERATIONS**

#### **Strategic, Policy and Legislative Implications**

The policy is due for review as per the Gambling Act 2003 and the Racing Industry Act 2020. The Acts require councils to consult using the SCP if changes to the policy are proposed.

The Masterton District Council Standing Orders apply to amend or revoke a decision. The relevant Standing Order is outlined in the body of this report.

#### **Significance, Engagement and Consultation**

A Communications Plan was developed for all stages of the review as outlined in the report to Council on 13 September 2023.

If Council agrees to consult on a joint and common policy, consultation with the community will take place in line with the Communications Plan. Subject to agreement from CDC and SWDC, consultation could take place between 24 October and 24 November 2023.

#### **Financial Considerations**

There are no additional costs to the review resulting from the decision in this report outside of officer time.

#### **Implications for Māori**

Minimising harm to our community caused by gambling is a key objective of the policy, including our Māori communities. During consultation we will promote the consultation opportunity to ensure that Mana Whenua, Te Hauora Rūnanga o Wairarapa, and Māori health and social services providers have an opportunity to submit on the policy.

#### **Environmental/Climate Change Impact and Considerations**

There are no environmental/climate change impacts or considerations resulting from the decision

in this report.

**NEXT STEPS**

Below are the indicative timeframes for the two options.

Option 1 – Agree to consult on a common policy for consultation	Option 2 – Reconfirm the decision to consult on a more restrictive policy
<ul style="list-style-type: none"> <li>- 24 October – 24 November: Consultation period (subject to confirmation with CDC and SWDC)</li> <li>- Mid December: WPWG hearing/deliberations</li> <li>- February 2024: Adoption of final policy</li> </ul>	<ul style="list-style-type: none"> <li>- Mid-late October: Material prepared for WPWG meeting</li> <li>- Early November: WPWG meeting</li> <li>- Mid November – draft amended policy and Statement of Proposal (dependent on outcome of WPWG)</li> <li>- 22 November (SWDC) and 6 December (CDC/MDC): WPWG recommendations considered by Wairarapa District Councils</li> </ul> <p><i>Dependent on decisions made:</i></p> <ul style="list-style-type: none"> <li>- Mid January – Mid February 2024: Consultation Period</li> <li>- Hearings/deliberations: Late February 2024: Hearings/deliberations</li> <li>- March/April 2024: Adoption of final policy</li> </ul>

**ATTACHMENTS**

Nil