

IN THE MATTER of the Gambling Act 2003
AND of an application by
DUNEDIN CASINOS LIMITED for approval of
floor layout plan

BEFORE THE GAMBLING COMMISSION

Members: P Chin (Chief Gambling Commissioner)
K M Ford
M M Lythe
P J Stanley
G L Reeves

Date of Application: 21 May 2006

Date of Decision: 21 July 2006

Date of Notification of Decision: **2** August 2006

DECISION

**ON AN APPLICATION BY DUNEDIN CASINOS LIMITED
FOR APPROVAL OF FLOOR LAYOUT PLAN**

Application

1. Dunedin Casinos Limited ("**DCL**") applied to the Gambling Commission (the "**Commission**") under condition 2.1 of its venue licence for approval of a new floor plan - "Dunedin Casino Gaming Machine Layout 180 gaming machines". This plan would allow DCL to operate 180 gaming machines, an increase on the 175 gaming machines presently provided for in floor plans approved by the Commission in decision GC24/05.

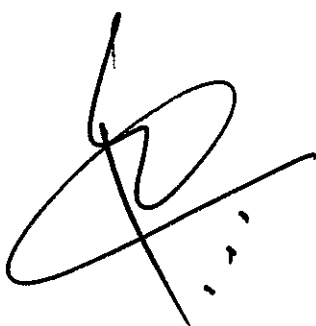
Licence conditions

2. Licence condition 2.1 of DCL's venue licence provides as follows:

2.1 Approval of specifications for security and surveillance installations

Subject to paragraph 2.2, the licence holder shall submit to the Commission for approval all drawings and specifications relating to:

- (a) gaming area floor layouts showing gaming tables, gaming machines and closed circuit television cameras;
- (b) lighting and any viewing panels;
- (c) cashier cages, count rooms, security areas and access thereto;
- (d) areas for government inspectors and security staff;
- (e) electrical installations, telephone installations, auxiliary power; and



(f) the master key system or access control system.

3. Licence condition 8.2 of Dunedin casino's operator's licence provides as follows:

8.2 The licence holder shall ensure that the number of gaming machines in the casino does not exceed the number of gaming tables by a ratio of greater than 15 to 1, except with the approval of the Authority.

Submissions by DCL

4. DCL submitted that approval of the new floor plan would not increase opportunities for casino gambling as:

- (a) it has operated 180 gaming machines in the past;
- (b) licence conditions permit it to operate 180 gaming machines, as it operates 12 table games and condition 8.2 of the casino operator's licence permits a 15:1 ratio of machines to tables.

Submissions by the Secretary

5. The Secretary submitted that there were reasons which would support a finding by the Commission that floor plans approved by the Commission in Decision GC24/05 (providing for 175 machines) did not constitute a true regulatory benchmark. Reasons identified by the Secretary included the wording of the Commission's Decision GC24/05; the belief of the Inspectorate, Casino Control Authority ("CCA") and the casino that the permitted maximum number of machines was 180; and the number of machines (180) present in the casino on 19 September 2003, when the prohibition on increases in opportunities for casino gambling in the Act took effect. The Secretary noted that there have been fewer than 180 gaming machines on the floor from time to time since 19 September 2003, due to the construction of a smoker's balcony, and other changes to the building and gambling floor.

DCL's submissions in reply

6. In its reply, DCL submitted that decision GC24/05 confirmed that the reduction in machine numbers from 180 was temporary and that it had been aiming to restore the maximum number of gaming machines over time.

Analysis

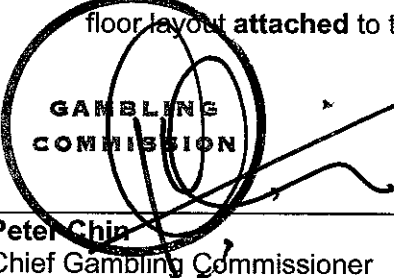
7. In decision GC23/05, the Commission expressed the view that generally whether or not a proposal gives rise to an increase in opportunities for casino gambling is measured against present circumstances, unless those do not constitute the appropriate benchmark. The reasons for such a conclusion would include a failure in earlier plans to provide for or achieve the express licence condition or statutory maximum or the fact that

an approved plan was a temporary measure to reduce tables or machines during renovations or similar.

8. The Applicant's licence conditions do not express maximum numbers for tables and machines, although condition 8.2 of the operator's licence provides that the ratio of gaming machines must not exceed the number of gaming tables by a ratio of greater than 15:1. The Commission interprets this as a limit on the number of machines which may be installed rather than an entitlement to a maximum number of machines.
9. In the present circumstances, the Commission is of the view that the gaming machine floor layout it approved in decision GC24/05 (providing for 175 gaming machines) does not constitute the true regulatory benchmark because:
 - (a) the reduction of gaming machines from the 180 machines permitted as at 19 September 2003 was a temporary measure;
 - (b) the gaming machine plan approved in decision GC24/05 does not achieve the maximum permitted number of machines and was not intended to effect a reduction in the maximum permitted number of machines.

Decision of Commission

10. The Commission decided unanimously that the application was consistent with the Act and, pursuant to condition 2.1 of DCL's premises licence, approved the gaming machine floor layout **attached** to this decision.

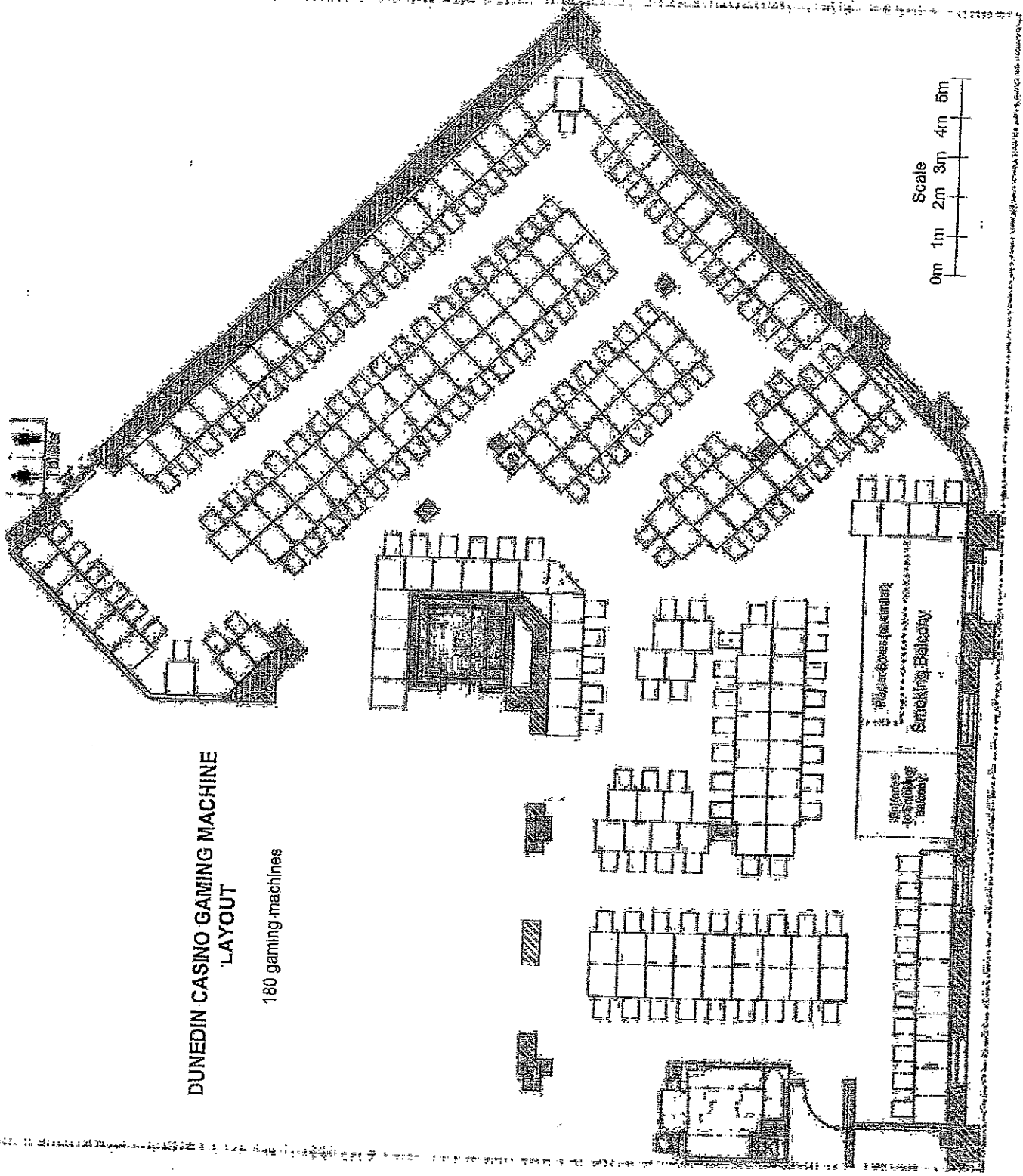


**GAMBLING
COMMISSION**

Peter Chin
Chief Gambling Commissioner

for and on behalf of the
Gambling Commission

2 August 2006



**DUNEDIN CASINO GAMING MACHINE
LAYOUT**

180 gaming machines



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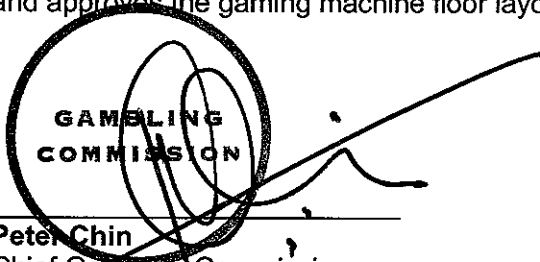
Members: P Chin (Chief Gambling Commissioner)
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Date of Order: 20 September 2006

ORDER CORRECTING GAMING MACHINE FLOOR LAYOUT PLAN

Dunedin Casinos Limited has informed the Commission that the gaming machine floor layout attached to decision GC19/06 depicts 179 gaming machines, rather than 180, as approved by the Commission in that decision. Dunedin Casinos Limited applied to rectify its error.

The Commission hereby revokes the gaming machine floor layout attached to decision GC19/06 and approves the gaming machine floor layout **attached** to this order.



Peter Chin
Chief Gambling Commissioner

for and on behalf of the
Gambling Commission

20 September 2006

GAMBLING
COMMISSION



**DUNEDIN CASINO GAMING MACHINE
LAYOUT**

180 gaming machines

