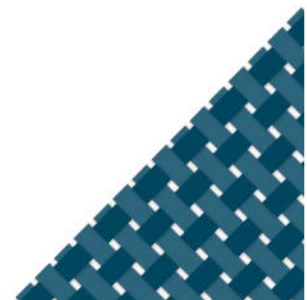


SkyCity Hamilton

Audit Report

Exclusion process Audit 2025



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1. Purpose of the audit

The purpose of this audit is to ensure that SkyCity Hamilton is meeting its Host Responsibility Programme (HRP) and Gambling Act 2003 (Act) requirements for:

- Dealing with player self-exclusion and casino-initiated exclusion orders, by following Standard Operating Procedures (SOP) which align with the Act.
- Removing players in a sufficient timeframe who commit a breach of exclusion (BOE).
- Implementing robust post-exclusion re-entry conditions, and ensuring they are adhered to in-line with their Problem Gambler Identification Policy and the purposes of the Act.
- Ensuring training provided to staff involved in the exclusion process is in line with the requirements of the HRP.

These audits will also help determine whether SkyCity Hamilton is meeting their exclusion record keeping and reporting obligations required under the Minimum Operating Standards for Casinos (MOS).

2. Executive summary

SkyCity Hamilton has policies and procedures in place to ensure that exclusion orders are issued promptly and appropriately to customers who self-exclude or who staff reasonably identify as problem gamblers refusing self-exclusion. Evidence from interviews with key SkyCity personnel and analysis of a representative sample of exclusion records during the audit period indicates these practices are largely implemented consistently. However, certain customer-facing documents and internal guidance contain wording that could potentially cause confusion regarding the legal status of exclusions under the Gambling Act 2003, especially relating to re-entry conditions. Additionally, opportunities exist to remind staff of best practices for accurate and consistent record-keeping.

SkyCity Hamilton primarily relies on facial recognition technology to identify individuals breaching or attempting to breach exclusion orders. Staff have been instructed to approach and remove excluded gamblers from the gaming floor as quickly as possible, and audit sample analysis confirms this is effectively carried out in practice. Minor inconsistencies were found in documentation completeness and communication, particularly in cases involving language barriers.

SkyCity Hamilton has a structured process for re-entry applications and ongoing monitoring, with appropriate consideration given to third-party concerns and the implementation of mandatory safe gambling plans. While cases comply with established procedures, improvements are required in the clarity and consistency of risk and harm assessment language, follow-up of patrons with no recorded visits, and in verifying patrons' financial circumstances. Addressing these areas will further strengthen harm minimisation outcomes.

Training for SkyCity Hamilton staff involved in exclusions aligns with the requirements outlined in the Host Responsibility Program (HRP).

The Department places a high importance on the integrity of the exclusion, breach of exclusions, and re-entry processes, and encourages casino operators to go beyond baseline compliance. The recommendations in this report are intended to support SkyCity Hamilton in refining its processes, improving transparency, and further strengthening its harm minimisation efforts. Proactive improvements in these areas will not only enhance regulatory compliance but also contribute meaningfully to the overall effectiveness and integrity of the exclusion framework.

The audit findings are summarised below:

Area	DIA finding/conclusion
Exclusions	Satisfied
Breaches of Exclusion	Satisfied
Re-Entry	Satisfied
Training	Satisfied

3. Background

SkyCity Hamilton Casino was licensed under section 37 of the Casino Control Act 1990 on 7 May 1998 and began operating in 2002. SkyCity Casino Management Limited (SCML) holds the operator’s licence (Now SkyCity Casino Management Limited).

The casino venue (premise) licence is held by SkyCity Hamilton Limited and previously operated under the name Riverside Casino Limited.

The most recent Audit conducted at SkyCity Hamilton was a cashiering audit in 2022 and the casino was found compliant in all three areas assessed

4. Scope

An audit period of one year, 1 January 2024 to 31 December 2024, was selected for consideration.

Matters considered in scope for the audit were:

- Standard Operating procedures and policies that SkyCity Hamilton has in place in relation to exclusion orders, breaches of exclusions and re-entry requirements.
- Targeted training and training records for staff involved in relation to exclusion orders, breaches of exclusions and re-entry requirements.

Any records relating to instances of exclusion, breaches of exclusions and re-entry considered during the audit period.

Matters considered out of scope were:

- Host Responsibility requirements not related to the audit topic.
- Data outside of the prescribed audit timeframe outlined above.

5. Methodology

On 7 March 2025 an engagement letter was sent to SkyCity Hamilton advising the purpose and scope of the audit. A request for the number of exclusions, breaches of exclusions and patrons assessed for re-entry during the audit period broken down by month was also included in this letter. Once received the audit lead decided on a representative sample of this information for analysis.

Documentation was then requested from SkyCity Hamilton for analysis for the audit period. The initial document request was issued on 21 March 2025 to SkyCity Hamilton for the following:

The issuing of exclusions:

- Any policies, procedures or guides SkyCity Hamilton has for issuing self-exclusion orders, casino-initiated exclusions or multi venue exclusions.
- All documents relating to the exclusion orders issued by SkyCity Hamilton staff during the months of March to the end of June 2024 (please include any iTrak records and associated paperwork).

Breaches of Exclusion orders:

- Any policies, procedures or guides SkyCity Hamilton has for breaches of exclusion orders.
- All documents relating to breaches of exclusion at SkyCity Hamilton during the months March to the end of June 2024.

The re-entry process for previously excluded patrons.

- Any policies, procedures or guides SkyCity Hamilton has for the re-entry process.
- All documents relating to approved and declined re-entries in May 2024. Please provide all documentation related to the approved re-entry patrons' Gambler of Interest files for the full review period (minimum of 6 months).

Training materials related to the exclusion process.

- Copies of training material for staff specifically relating to issuing exclusions, handling breach of exclusions and the re-entry of previously excluded patrons.
- A list of staff trained in issuing exclusion orders, managing breaches of exclusions and the re-entry of previously excluded patrons.
- The dates these staff last received training or refresher training in issuing exclusions, managing breaches of exclusions and the re-entry of previously excluded patrons.

The documentation was analysed, and interview questions were drafted from this information.

An onsite visit was conducted at the SkyCity Hamilton premises at 346 Victoria Street, Hamilton and online via Microsoft Teams from 22-23 May 2025 to conduct interviews with the following SkyCity staff members:

- Andre Row, Host Responsibility Manager.
- ██████████ Host Responsibility Executive.
- ██████████ Security Shift Manager.
- ██████████ Security Officer.

Mike Underwood, Head of Customer Care & Security and Andre Row, Host Responsibility Manager, were present for part of the interviews.

These interviews were recorded on audio and video (Microsoft Teams) and were later transcribed.

Additional questions in relation to specific records were sent to SkyCity Hamilton on 4 June 2025 and a response was received on 4 June 2025.

6. Strong areas

- Safe gambling plans are mandatory for all re-entry customers and are monitored through regular monthly reviews. These plans are tailored to individual circumstances and aim to reduce harm through spending and visitation limits.
- SkyCity Hamilton staff involved in managing exclusions, breaches, and re-entry processes are well-trained and demonstrate solid knowledge of policies and regulatory expectations. Interviews demonstrated that staff were able to clearly explain their responsibilities and showed understanding of the procedures they are expected to follow.
- Breach incidents are generally managed promptly, with quick identification and removal of excluded patrons from the gambling floor, supported by technology such as facial recognition. Notifications to regulators are timely and appropriate enforcement actions are taken.
- SkyCity Hamilton leverages facial recognition and other tools effectively to detect breaches of exclusion orders and enable swift intervention, supporting the integrity of its exclusion processes.
- Throughout exclusion and re-entry processes, third-party inputs, such as those from family or treatment providers, are taken seriously, providing a fuller picture of the patron's risk and support needs.

7. Weak areas

- SkyCity staff are not consistently completing all applicable checklist items in iTrak entry for exclusions issued as required by the exclusion SOP.
- Some exclusion and breach records lack fully completed application forms, checklist records, and essential documents such as mentor letters or counselling confirmations.
- Some of the wording in the exclusion orders and explanation of exclusion orders issued by SkyCity Hamilton is misleading; advising customers that they will commit an offence under Section 312 of the Gambling Act if they enter the gaming areas of SkyCity after the exclusion has expired but before the patron has completed the SkyCity imposed re-entry process.

8. Audit Findings

Exclusions

Gambling Act (2003) – Section <u>309</u> , <u>309a</u> and <u>310</u>	Satisfied
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Criteria

- Examination of SkyCity Hamilton’s SOPs in relation to issuing exclusion orders.
- Review of a randomly selected sample of exclusion records (31 exclusions records between 1 March 2024 to 31 June 2024) issued by SkyCity Hamilton during the audit period.
- Analysis of data provided during the audit timeframe to identify trends and verify compliance with the Host Responsibility SOPs.
- Conduct interviews with relevant staff members to gather insights and verify their understanding and implementation of the SOPs.

Findings

The Department of Internal Affairs (Department) is satisfied that SkyCity Hamilton Casino has established detailed and specific SOPs for managing exclusions, which address both self-exclusions and third-party exclusions in line with sections 309, 309A, and 310 of the Gambling Act 2003. These SOPs include processes for identifying problem gamblers, issuing exclusion orders, and offering appropriate advice and support.

A total of 105 exclusion orders were issued during the audit period. A sample of 31 records was selected for detailed analysis. This review found that, in general, staff adhered to the SOP; however, several areas of improvement were identified in the practical implementation of exclusion procedures.

Key issues included incomplete exclusion documentation such as missing signatures, exclusion periods not being specified, and inconsistent recording of support services or interventions (e.g., counselling referrals, support person offers, or provision of Host Responsibility packs) on iTrak. During the interviews, the Host Responsibility staff confirmed these were likely oversights in recordkeeping rather than failures in practice. However, no evidence was identified during the audit to demonstrate that the relevant actions were applied.

Further, while the SOP states that exclusion details should be notified to non-SkyCity casinos in New Zealand, the Self-Exclusion Checklist advises staff to inform customers that their information *may* be shared. In interviews, staff also confirmed that they advise customers it *may* be shared. This inconsistency could reduce transparency and customer understanding.

The review also noted misleading or unclear language in exclusion-related documentation. For instance, references to SkyCity Adelaide in Self-Exclusion Checklists could imply exclusions apply across jurisdictions, which is not the case. Similarly, statements regarding re-entry conditions on the exclusion order suggest legal obligations under section 312 of the Act that do not currently exist in regulation, and no re-entry procedures have been prescribed under section 316(1)(e).

Finally, minor but important inconsistencies were found in documentation templates, including typographical errors and potentially misleading declarations about the legal duration of exclusion orders.

Conclusion

The Department is satisfied that SkyCity Hamilton has implemented SOPs for the issuance of exclusion orders that align with the requirements of the Gambling Act 2003. Evidence from staff interviews and a review of exclusion records indicates that staff generally adhere to these procedures when managing exclusions.

However, the audit identified several areas requiring improvement. Notably, there were documentation deficiencies, including incomplete application forms and checklist records, which affect the clarity and consistency of the exclusion process. Additionally, communication to patrons regarding data sharing and the conditions of exclusion, including legal re-entry requirements, could be more transparent and clearly conveyed.

The Department strongly recommends that SkyCity Hamilton prioritise improvements in documentation accuracy and the clarity of communication with patrons, to better align best practice standards in responsible gambling.

Breach of Exclusion

<p>Gambling Act (2003) – Section <u>311</u> and <u>312a</u> <u>Minimum Operating Standards - (MOS) 14</u></p>	<p>Satisfied</p>
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Criteria

- Examination of SkyCity Hamilton SOPs in relation to breaches of exclusion.
- Review of a randomly selected sample of breach of exclusion records (15 breach records from 1 March 2024 to 31 December 2024) issued by SkyCity Hamilton during the audit period.
- Analysis of data provided during the audit timeframe to identify trends and verify compliance with the Host Responsibility SOPs.
- Conduct interviews with relevant staff members to gather insights and verify their understanding and implementation of the SOPs.

Finding

The Department is satisfied that SkyCity Hamilton has established a detailed SOP for managing breaches of exclusion orders, which outlines clear steps for staff to follow when a breach occurs.

During the audit period from 1 January 2024 to 31 December 2024, 24 breaches of exclusion orders were recorded. A sample of 15 relevant breach cases was selected for detailed analysis. The review found that, generally, staff responded appropriately to breaches by issuing a Requirement To Leave the Premises (RTLTP) or Trespass Orders as per the SOP, with accompanying explanations and Host Responsibility packs.

Key issues identified included minor documentation gaps, such as a case where no mentor letter was recorded or issued after a breach occurred. Additionally, repeated breaches by a patron with limited English proficiency highlighted communication shortcomings, with translators not being engaged promptly during the initial incidents and important correspondence sent by post, potentially delaying the timely delivery of critical information.

The SOP currently references notifying the Department by telephone, but the Department no longer accepts such calls. Staff demonstrated awareness of the updated email notification process, though the SOP requires revision to reflect this.

Overall, SkyCity Hamilton's breach management processes show good alignment with policy and legislative requirements; however, improvements in documentation, communication with patrons, and procedural updates are recommended to enhance operational effectiveness and regulatory compliance.

Conclusion

While SkyCity Hamilton has established clear procedures for managing breaches of exclusion orders, the practical implementation demonstrates several areas needing attention. Inconsistencies in documentation and communication, particularly with patrons who experience language or comprehension barriers, highlight a need for more targeted staff training and improved support measures. These issues, while not constituting a breach, reflect gaps that must be addressed to meet the standards expected for casino operators. Strengthening these areas will enhance compliance with exclusion obligations and better support harm minimisation objectives.

Re-Entry

Satisfied

Criteria

- Examination of SkyCity Hamilton SOP's and staff guidelines in relation assessing re-entry applications and monitoring customers who have been approved.
- Review of a randomly selected sample of re-entry applications (6 approved records and 1 declined record from 1 May 2024 – 31 May 2024) and Gambler of Interest (GOI) files after a customer has been approved.
- Analysis of data provided during the audit timeframe to identify trends and verify compliance with the Host Responsibility SOPs.
- Conduct interviews with relevant staff members to gather insights and verify their understanding and implementation of the SOPs.

Finding

SkyCity Hamilton has established comprehensive SOPs and a Best Practice Guide for managing re-entry applications following periods of exclusion. These procedures outline eligibility criteria, the application and assessment process, mandatory safe gambling plans, and ongoing monitoring requirements as a Gambler of Interest (GOI) for approved re-entries.

During the audit period (1 January to 31 December 2024), 99 re-entry applications were assessed, with 48 approvals and 51 declines. A detailed review of a sample of 7 cases (6 approved, 1 declined) showed that, overall, staff generally adhered to documented policies and processes.

The audit found that re-entry meetings were conducted in the majority of cases, enabling effective risk assessments and thorough discussions around safe gambling plans. However, the current assessment process relies heavily on verbal confirmation of a customer's financial situation. Safe gambling plans were consistently established and monitored for all approved applicants, with relevant third-party consultations carried out when necessary to address ongoing concerns.

Regarding GOI monitoring, some harm and risk assessments contained unclear wording, which may have impacted the appropriateness and timing of interventions.

Overall, the audit reflects compliance with the re-entry processes but identifies opportunities to improve escalation procedures, monitoring rigor, and clarity in assessing gambling-related harm.

Conclusion

SkyCity Hamilton has implemented SOPs and a Best Practice Guide to effectively manage re-entry applications following exclusion periods. The audit of 7 applications in 2024 demonstrates that staff generally comply with these procedures, conducting re-entry meetings and establishing safe gambling plans for all approved applicants. Third-party consultations are also appropriately used to address ongoing concerns. Reinforcing the assessment process by incorporating documented evidence of a customer's financial situation rather than relying solely on verbal confirmation would further support responsible gambling management. Additionally, some risk and harm assessments contained unclear language, which may impact the timeliness and appropriateness of subsequent interventions.

While SkyCity Hamilton demonstrates general compliance with harm minimisation obligations, the findings highlight opportunities to enhance verification process, strengthen ongoing monitoring, and improve clarity and consistency of harm assessments. Addressing these areas will support more effective decision-making and further reinforce SkyCity Hamilton's commitment to responsible gambling.

Training

HRP section 3.9

Satisfied

Criteria

- Examination of SkyCity Hamilton's training records for staff involved in the exclusion process.
- Conduct interviews with relevant staff members to understand the training provided to them in relation to exclusion process.

Finding

SkyCity's HRP requires that all staff whose work involves the gaming side of SkyCity's operation to have completed the e-learning module Host Responsibility Level 1 (HR1). This module requires an annual refresher. Additionally, staff that work within gaming areas and whose roles requires interaction with customers are required to complete Advanced Host Responsibility Training. This training includes both theoretical and practical components. Staff who complete Advanced Host Responsibility are required to undergo an online recall test annually and those who fail are required to re-take Advanced Host Responsibility training.

A list of staff involved in the exclusion process and their training records was requested.

A review of training records provided for staff who issue exclusion orders, manage breaches of exclusion orders and manage the re-entry of previously excluded patrons found that all had undertaken HR1 training and the knowledge recall test in the last 12 months. Additionally, they had all completed the Advanced Host Responsibility training.

Interviews with Host Responsibility staff confirmed that while this training gives an overview of the exclusion process most of the practical training is done on the job. A new Host Responsibility Executive is paired with the Host Responsibility Manager for the first few months into their role.

Conclusion

Training provided to SkyCity Hamilton staff involved in the exclusion process is consistent with the requirements outlined in the HRP.

9. Recommendations

Area	Recommendation
Issuing Exclusions	Standardise communications to inform all patrons that their exclusion information will be shared with the Grand Casino in Dunedin and Christchurch Casino, replacing current language which states this may occur. This clarification will strengthen transparency and reduce the risk of excluded patrons attempting entry at other venues.
Issuing Exclusions	Amend the wording in the 'Exclusion Order (Self-Identified)', the self and third party 'Explanation of Exclusion Order' and 'Exclusion Order (Third Party)' documents to remove the implication that the patron will commit an offence under section 312 of the Gambling Act 2003 if they enter the gambling premises of a SkyCity operated premises after the exclusion order has expired but before the SkyCity imposed re-entry conditions are met.
Issuing Exclusions	Amend the wording in the 'Self-Identified Exclusion Application' which implies that the exclusion order remains in force after it has expired and until re-entry has been approved by SkyCity.
Issuing Exclusions	Correct the spelling error of exclusion being spelt 'exclusion' on the 'Exclusion Order (Self-Identified)' document.
Issuing Exclusions	Amend the wording in the 'Self-Exclusion Checklist' document so it does not advise that an exclusion order issued in New Zealand applies to SkyCity Adelaide.
Issuing Exclusions	Remind staff to complete all applicable checklist items on iTrak when entering self-exclusion details into iTrak (Exclusion SOP).
Issuing Exclusions	Ensure that all sections of the self-exclusion application form and exclusion orders are comprehensively completed, including mandatory fields such as signatures, dates, specified exclusion durations, and counselling service preferences, to maintain accurate and complete records.
Breaches of Exclusion	Ensure that all notifications to the Department regarding breaches of active exclusion orders include copies of the relevant exclusion orders, thereby providing complete and auditable evidence of the breach incidents.
Breaches of Exclusion	Update the Exclusion SOP to remove any outdated references to telephone notifications to the Department and explicitly establish email as the mandatory and sole method of notification, ensuring clarity and consistency in reporting protocols.
Breaches of Exclusion	Encourage staff to promptly engage translators or bilingual personnel whenever language barriers arise during breach incidents. Additionally, ensure that breach-related documents are not sent via post to avoid unnecessary delays and the risk of subsequent breaches occurring before the documents are received.

Re-entry	Strengthen the assessment process by requiring documented evidence of the customer's financial situation (such as income statements or bank statements) instead of relying solely on verbal confirmation. This will enable a more accurate evaluation of the sustainability of safe gambling plans.
Re-entry	Enhance follow-up procedures when no carded play is recorded for extended periods by implementing timely reminders or verification requests directed to operational teams.
Re-entry	Improve staff training on assessing and documenting risk and harm during monthly GOI reviews, with a focus on ensuring clarity of language and decision-making aligned with the Analysis and Interventions SOP.
Re-entry	Consider establishing a requirement to monitor a full six-month period against the safe gambling plan before closing a GOI file. This addresses the current issue where the initial monthly review may only cover a few days if customer approval occurs near month-end, yet assessments are still conducted against full monthly limits for spend and visitation.