


IN THE MATTER of the Gambling Act 2003
AND on applications by **SKYCITY CASINO MANAGEMENT LIMITED** and **SKYCITY HAMILTON LIMITED** for approval of construction and design changes, and to exceed the 15:1 ratio of gaming machines to gaming tables at the Hamilton casino

BEFORE THE GAMBLING COMMISSION

Members: G L Reeves (Chief Gambling Commissioner)
L M Hansen
R D Bell
D C Matahaere-Atariki
W N Harvey

Date of Application: 7 July 2014

Date of Decision: 15 August 2014

Date of Notification
of Decision:  August 2014

DECISION ON APPLICATIONS BY SKYCITY CASINO MANAGEMENT LIMITED AND SKYCITY HAMILTON LIMITED FOR APPROVAL OF CONSTRUCTION AND DESIGN CHANGES, AND TO EXCEED THE 15:1 RATIO OF GAMING MACHINES TO GAMING TABLES AT THE HAMILTON CASINO

Introduction

1. SKYCITY Casino Management Limited ("SCML") and SKYCITY Hamilton Limited ("SHL") (together the "Applicants") applied to the Commission for approval:
 - (a) of construction and design changes to the Hamilton casino, under conditions 6 and 7 of SHL's venue licence; and
 - (b) to exceed the 15:1 ratio of gaming machines to gaming tables during these changes, under condition 7 of SCML's operator's licence for the Hamilton casino.

Licence conditions

2. The relevant licence conditions are as follows:



SHL's venue licence

6. The Licence Holder must obtain the approval of the Commission prior to:
- (a) construction or design changes to Levels B1 and 1 of the Casino Venue, including the Gambling Area;
 - (b) the construction or relocation outside the Gambling Area and within the Casino Venue of bank facilities available to the public excluding ATMs, EFTPOS and like devices;
 - (c) the addition or alteration of signage relating to the casino business on the exterior of the Casino Venue or on or around the building within which it is located.

The process by which the Licence Holder may obtain approval for construction or design changes to Levels B1 and 1 of the Casino Venue (6(a) above) is set out in condition 7. The Commission will determine any application for approval under 6(b). The Executive Director may approve the addition or alteration of signage relating to the casino business on the exterior of the Casino Venue or on or around the building within which it is located (paragraph (c) above) if he/she is satisfied the proposed changes will have no potentially adverse effects. If he/she is not so satisfied, the proposed changes must be referred to the Commission for a decision on approval.

7. The Licence Holder must notify the Executive Director of any proposed changes to the construction or design of Levels B1 and 1 of the Casino Venue. Notification must be accompanied by relevant drawings and an assessment of any impacts the alterations may have on:
- (a) the integrity and fairness of games;
 - (b) the effectiveness of security and surveillance;
 - (c) harm prevention, harm minimisation and responsible gambling;
 - (d) potential access to the Gambling Area by persons under 20 years of age; and
 - (e) compliance by any person with the Act, including section 11.

The Executive Director may approve the proposed changes to the construction or design if he or she is satisfied that there are no adverse impacts in relation to the matters specified in (a)-(e) above. If the Executive Director is not satisfied, he or she will refer the proposal to the Commission for determination.

SCML operator's licence (Hamilton)

7. The ratio of gaming machines to gaming tables in the Gambling Area shall not exceed 15 to 1, except with the approval of the Commission.

Submissions by the Applicants

3. The Applicants submitted that:
- (a) They want to carry out a soft-refurbishment of the VIP Room at the casino. This is currently called the Macau Room. The proposed changes include:
 - rebranding the room as "Salon 8";
 - replacing the carpet, wall coverings, blinds and curtains;

- installing ceiling tiles;
 - upgrading the furniture in line with the VIP rooms at other SKYCITY casinos.
- (b) The size of the room and the locations of the five gaming tables will remain unchanged.
- (c) The design changes will have no adverse impact on the matters set out in condition 7 of SHL's venue licence.
- (d) If approved, it wants to commence work on the changes in late August 2014.

Ratio of gaming machines to gaming tables

- (e) In order to complete the proposed refurbishment, it proposes closing the Macau Room for approximately one week. During this period, the five gaming tables will be removed from the gaming floor and stored in a secure room.
- (f) Pursuant to condition 7 of SCML's operator's licence, the ratio of gaming machines to gaming tables in the Gambling Area must not exceed 15 to 1, except with the approval of the Commission.
- (g) In order to enable the temporary closure and refurbishment of the Macau Room, they seek approval to exceed the ratio. The ratio of gaming machines to gaming tables will increase from 1:15 to 1:19.
- (h) They currently operate game mix 12 at the casino, which provides for the deployment of 23 tables, in the following formation:

Black Jack/Pontoon – up to 7 games
 Black Jack/Pontoon (restricted options) – up to 1 game
 Roulette – up to 4 games
 Midi Baccarat – up to 6 games
 Caribbean Stud Poker – up to 2 games
 3 Card Poker – up to 1 game
 Ultimate Texas Hold'em Poker – up to 1 game
 Rapid Roulette – up to 1 game

- (i) They intend to deploy a reduced version of this game mix during the refurbishment period, deploying 18 tables, as follows:

Black Jack/Pontoon – up to 6 games
 Roulette – up to 3 games
 Midi Baccarat – up to 4 games
 Caribbean Stud Poker – up to 2 games
 3 Card Poker – up to 1 game
 Ultimate Texas Hold'em Poker – up to 1 game
 Rapid Roulette – up to 1 game

- (j) They intend to complete the refurbishment within 5-7 days but seek approval for 14 days to allow for any unforeseen circumstances.

The Secretary's submissions

- 4. The Secretary had no regulatory concerns with the Applicants' proposal.

Analysis

- 5. The Applicants want to refurbish the VIP Room at the Hamilton casino. This requires them to remove five gaming tables for the duration of the refurbishment, which in turn requires them to obtain Commission approval to exceed the 15:1 ratio of gaming machines to gaming tables.
- 6. The application to refurbish the VIP Room raised no issues of regulatory concern; the structure of the room remains unchanged with the changes being cosmetic only.
- 7. The proposal to exceed the ratio of gaming machines to gaming tables is to allow the abovementioned soft refurbishment of the VIP room. This too raised no issues of regulatory concern.

Decision

- 8. The Commission decided to:
 - (a) approve the proposed construction and design changes, under conditions 6 and 7 of SHL's venue licence; and
 - (b) approve the Applicants exceeding the ratio of gaming machines to gaming tables during these changes, under condition 7 of SCML's operator's licence for the Hamilton casino. This approval is for two weeks from the date of commencement of the refurbishment, and the ratio of gaming machines to gaming tables may not exceed 19:1.



Graeme Reeves
Chief Gambling Commissioner

for and on behalf of the
Gambling Commission

25 August 2014



**GAMBLING
COMMISSION**