

IN THE MATTER of the Gambling Act 2003

AND on an application by **SKYCITY HAMILTON LIMITED** for approval of construction and design changes, and for approval of a temporary cashiering facility at the Hamilton casino

BEFORE THE GAMBLING COMMISSION

Members: L M Hansen (Chief Gambling Commissioner)
D C Matahaere-Atariki
W N Harvey
S C L Pearson

Date of Application: 1 September 2021

Date of Decision: 3 September 2021

Date of Notification
of Decision: 6 September 2021

DECISION ON AN APPLICATION BY SKYCITY HAMILTON LIMITED FOR APPROVAL OF CONSTRUCTION AND DESIGN CHANGES, AND FOR APPROVAL OF A TEMPORARY CASHIERING FACILITY AT THE HAMILTON CASINO

Introduction

1. SKYCITY Hamilton Limited (“**SHL**”) applied to the Commission for approval of construction and design changes at the Hamilton casino, pursuant to conditions 6 and 7 of its venue licence, and for approval of a temporary cashiering facility, pursuant to conditions 11 and 12.

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)-(c) above. If the Executive Director is not satisfied, he or she will refer the proposal to the Commission for determination.

11. The Licence Holder shall ensure that the cashier's cage is located immediately adjacent to the gaming floor and is clearly visible to patrons. Unless otherwise approved by the Commission, the cage area shall, as a minimum requirement, include the following:

- (a) accommodation for chip bank cashiers and general cashiers (which shall be physically separate unless the Commission approves otherwise);
- (b) storage facilities for cage inventory;
- (c) a separate locked compartment for storage of chips and plaques held in reserve and not used for active gaming;
- (d) manually triggered and automatic silent alarm systems connected directly to monitor rooms of the security and surveillance departments; and
- (e) an interconnect door entry and exit system (man trap) which will not permit a person to pass through the second door until the first door is securely locked.

12. The approval of the Commission is required for the construction and relocation of cashiering facilities in other parts of the Gambling Area to service dedicated areas or rooms. Any such additional facilities must comply with the surveillance equipment requirements set out in the Surveillance Standard and be fitted with manually triggered and automatic silent alarm systems connected to the surveillance department.

SHL's submissions

3. SHL submitted, in summary, as follows:

Construction and design changes

- (a) The Hamilton casino is currently closed during COVID Alert Level 4 and preparing for re-opening once able to do so, presumably under Alert Level 2.
- (b) The Ministry of Health has issued revised guidelines for operating an entertainment complex during Alert Level 2 and it is currently assessing the operational implications of those guidelines. As has been the case previously, it will need to deploy hoardings to limit the number of visitors at one time.
- (c) On 14 August 2020, under delegated approval 1100, the Commission approved the deployment of interconnected hoardings at the Hamilton casino, but it is currently unclear whether it can rely on that approval in the context of possibly revised guidelines.
- (d) While that issue remains under consideration, it seeks approval for an alternative design change which can be utilised in the event that delegated approval 1100 is deemed not to satisfy the guidelines. Under this alternative plan, it wants to create two distinct zones in the Gambling Area, each with its own entry and exit points.
- (e) It seeks the Commission's approval to divide the Gambling Area into two distinct zones. Zone 1 would comprise gaming machines only while Zone 2 would comprise tables and machines. The position of tables and gaming machines does not change in terms of these proposed arrangements.
- (f) The proposed changes will have no impact on the existing footprint of the gaming areas and to the extent that any CCTV cameras need to be adjusted to ensure coverage is not adversely impacted by the hoardings, those adjustments will be undertaken.
- (g) The Host Responsibility Manager has reviewed the proposed two-zone design change and is satisfied that it will not have any adverse impacts on customers.
- (h) To maintain separation between the two zones, it is proposed that each zone will have its own entry/exist points. Zone 2 will utilise a temporary entry/exit point off Victoria Street which is currently utilised as an emergency exit in case of fire. The use of these doors will not compromise patron safety in any way.

- (i) Zone 1 will utilise the existing entry/exit point. Both entry points will have security officers deployed to police age restrictions and the temporary entry/exit point will have facial recognition cameras operating.
- (j) Subject to the Commission's approval of this temporary design change (which will only be used if it is unable to rely on delegated approval 1100), it will revert to the standard layout as soon as practicable having regard to COVID Alert Levels.

Temporary cashiering facility

- (k) Conditions 11 and 12 of its venue licence set out the requirements for cage and chip bank facilities. The licence conditions were clearly not designed in anticipation of the deployment of hoardings and it is not evident from the conditions that a cashiering facility needs to be available in both zones.
- (l) In terms of the two-zone arrangement, only Zone 2 would have direct access to a cashiering facility. Nonetheless Zone 1, which is limited to gaming machine product, will have a Cash Redemption Terminal which may be used to redeem gaming machine tickets (TITO). In addition, gaming machine attendants could, if necessary, be used to redeem cancelled credits from gaming machines. Appropriate signage will be deployed to give effect to these arrangements.
- (m) Nevertheless, it seeks the Commission's approval to deploy a temporary cashiering facility in Zone 1 pursuant to condition 12 of its operator's licence. The temporary facility will sit in the existing footprint of the Premier Rewards Desk and utilise the existing facilities and furniture, as well as some equipment from the existing cashiering facility. To assist with surveillance, a felt will be installed on the counter and for security measures, lockable secure cash draws will also be installed behind the desk area. It would be subject to surveillance coverage and have an alarm connected to Surveillance.

The Secretary's submissions

- 6. The Secretary had no regulatory concerns with SHL's proposal.

Analysis

- 7. SHL applied to the Commission for two approvals following the re-emergence of the COVID-19 virus in the community, and New Zealand's subsequent Level 4 lockdown. The purpose of the approvals is to allow SHL to re-open and operate the Hamilton casino in compliance with the Government's applicable COVID Health Orders.
- 8. SHL's first application was to install hoardings in and around the Gambling Area in order to create two distinct gambling zones at the Hamilton casino. SHL provided a plan of the

proposed location of the hoardings with its letter of application. The installation of the hoardings raised no issues of regulatory concern and the Commission was satisfied that their erection would not adversely impact upon any of the matters set out in condition 7.

9. SHL next sought Commission approval to deploy a temporary cashiering facility to ensure that patrons in both casino Zones would have access to such a facility. Initially SHL submitted that the Commission should approve the temporary cashiering facility if it deemed it to be necessary pursuant to licence conditions, but it subsequently amended its application by definitively asking the Commission to approve the additional facility. In his submissions on this matter, the Secretary submitted that SHL should provide the additional facility.
10. Approving the additional cashiering facility raised no issues of regulatory concern for the Commission. As it has noted in previous approvals, facilitating cash access at casinos is a matter that requires careful consideration but in the circumstances that currently exist with the Delta variant of COVID-19 in New Zealand, the Commission was comfortable approving the facility on a temporary basis, particularly as SHL's proposal was partly aimed at preventing the spread of the COVID-19 virus, a matter the Commission considered to be highly relevant in the circumstances.
11. The Secretary had no regulatory concerns with SHL's proposals and noted that he cannot comment on the appropriateness of the temporary entrance/exit without visiting the venue. The Commission goes further than this and notes that it is incumbent upon SHL to ensure that it meets all of its regulatory approvals in relation to the operation of the Hamilton casino at Alert Level 2; neither the Commission nor the DIA can address matters such as compliance with ingress/egress requirements, fire safety requirements or compliance with Health Orders issued by the Ministry of Health. The Commission can only approve the discrete matters within its jurisdiction.
12. SHL may operate the temporary cashiering facility while Hamilton is under Alert Level 2. If SHL wants to extend the approval beyond this time, it must seek approval to do so with sufficient time to allow the Commission to re-consult with the Secretary and reach a view on any extension before the initial approval expires.

Decision

13. The Commission approved the proposed construction and design changes, pursuant to conditions 6 and 7 of SHL's venue licence. The construction and design changes are to be generally in accordance with the application.
14. The Commission approved SHL's application for approval of a temporary cashiering facility at the Hamilton casino, under conditions 11 and 12 of SHL's venue licence. The approval

is valid while Hamilton is under COVID Alert Level 2. If SHL wants to extend the approval beyond this time, it must seek approval to do in the manner outlined above in paragraph 13.

Right of appeal

15. Pursuant to section 235 of the Act, a person affected by this decision may appeal that decision to the High Court. An appeal must be made within 15 working days of the date of notice of the Commission's decision, or any longer period that the High Court may allow.



Lisa Hansen
Chief Gambling Commissioner

for and on behalf of the
Gambling Commission

6 September 2021

