

IN THE MATTER of the Gambling Act 2003


AND on an application by **SKYCITY AUCKLAND LIMITED** to vary conditions 9 and 9A of its venue licence for the Auckland casino

BEFORE THE GAMBLING COMMISSION

Members: G L Reeves (Chief Gambling Commissioner)
P J Stanley
L M Hansen
R D Bell
A K Foote

Date of Application: 9 July 2012

Date of Decision: 17 August 2012

Date of Notification
of Decision:  August 2012

**DECISION ON AN APPLICATION BY SKYCITY AUCKLAND LIMITED
TO VARY CONDITIONS 9 AND 9A OF ITS VENUE LICENCE
FOR THE AUCKLAND CASINO**

Introduction

1. SKYCITY Auckland Limited ("**SCAL**") applied, pursuant to section 139(1)(d) of the Gambling Act 2003 (the "**Act**"), to vary licence conditions 9 and 9A of its venue licence. The variation, if approved, would allow SCAL to remove unneeded alternative Gambling Areas, with the remaining Gambling Areas being redefined.
2. Licence conditions 9 and 9A, with the proposed variations in mark-up, are as follows:

SCAL's venue licence

9. The current Gambling Area for the casino venue is delineated in the plan attached as Schedule 1 to these conditions. A first alternative Gambling Area is delineated in the plan attached as Schedule 2. ~~A and a second alternative Gambling Area is delineated in the plan attached as Schedule 3. A third alternative Gambling Area is delineated in the plan attached as Schedule 3A. A fourth alternative Gambling Area is delineated in the plan attached as Schedule 3B. A fifth alternative Gambling Area is delineated in the plan attached as Schedule 4. A sixth alternative Gambling Area is delineated in the plan attached as Schedule 4A. A seventh alternative Gambling Area is delineated in the plan attached as Schedule 4B.~~
- 9A. A change of Gambling Area will take effect subject to the Licence Holder providing the Commission and the Inspectorate a minimum of 10 working days prior notice in writing of its intention to adopt one of the approved Gambling Areas referred to in Condition 9 and shown in Schedules 1, 2, and 3, 3A, 3B, 4A or 4B.

Gambling Act

3. The relevant sections of the Act are as follows:

139. Conditions of casino licence

- (1) The Gambling Commission may specify the conditions of the casino licence or vary or revoke the conditions of a casino licence in the following circumstances:
- (a) ...
 - (b) ...
 - (c) ...
 - (d) on application by the holder of the casino licence;
 - (e) ...
- (2) A condition of a casino licence specified under subsection (1) –
- (a) must be consistent with this Act; and
 - (b) must contribute to achieving the purposes of this Act; and
 - (c) must contribute to the efficient and effective administration of this Act; and
 - (d) must not permit an increase in the opportunities for casino gambling; and
 - (e) may relate to any matter, including the matters specified in Schedule 1, within the confines of paragraphs (a) to (d).

140 Procedure for specifying, varying, or revoking casino licence conditions

- (1) The Gambling Commission must notify the holder of the relevant casino licence, the Secretary, and any other person who it considers is affected by a proposal to specify, vary, or revoke the conditions of a casino licence.
- (2) Notification under subsection (1) must include—
- (a) the reason for the proposal; and
 - (b) the procedure to be followed before the Gambling Commission makes a decision relating to the proposal.
- (3) The holder of the casino licence, the Secretary, and any other person affected may make written submissions to the Gambling Commission concerning the proposal within 20 working days after the date of the notice under subsection (1) or within any longer period that the Gambling Commission allows.
- (4) The Gambling Commission must consider any submissions made under subsection (3) and may, if it considers it appropriate, seek comment from the casino licence holder on the submissions received from the Secretary or other persons affected.
- (5) The Gambling Commission must notify the holder of the casino licence, the Secretary, and other persons affected of—
- (a) its decision concerning the proposal and the reasons for the decision; and
 - (b) the right to appeal the decision and the process for an appeal.

Submissions by SCAL

4. SCAL submitted, in summary, as follows:

- (a) Conditions 9 and 9A currently recognise eight alternative gambling areas, reflected in Schedules 1, 2, 3, 3A, 3B, 4, 4A and 4B. The need for multiple schedules was, in part, based on transitioning arrangements associated with construction and design changes made in 2011. Many of these Schedules are now redundant.



- (b) It is currently reliant on Schedule 4B and two of the other approved Schedules, 4 and 4A, could be adopted at some point in future. It wants to retain these Schedules, renumbering them as Schedules 1, 2 and 3, with a small variation to that part of the Schedules which encompass the main gaming floor; namely at present, the designated Gambling Area commences at the top of the entry ramp to the main gaming floor area, and encompasses the newly opened Action Kiosk area alongside the main entrances. The Action Kiosk area does not contain gambling equipment and therefore need not be designated as Gambling Area.
- (c) Similarly, the entry ramp does not house gambling equipment and it would prefer to police age restrictions at the bottom of the ramp, rather than the top. This would allow security staff to more effectively monitor visitors approaching the main gaming floor, which in practical terms, starts at the carpeted area at the bottom of the ramp.
- (d) Positioning security officers at the bottom of the ramp would mean that entry into the Action Kiosk area could not actively be policed, as access to this area is from the top of the ramp; thus the proposal to exclude the Kiosk from the designated Gambling Area. If the Action Kiosk retains its designation as Gambling Area, it will need to police entry to this area, which it considers unnecessary. There is no access to the Gambling Area from the Action Kiosk area.
- (e) The proposed changes to the designated Gambling Area will not have any adverse impact.

The Secretary's submissions

5. The Secretary submitted, in summary, as follows:

- (a) He has no regulatory concerns with the Action Kiosk and entry ramp being removed from the designated Gambling Area, *per se*. However, he has identified one potential concern; he understands that Action Kiosks allow patrons to enter casino competitions and promotions through the redemption of loyalty points gained through the conduct of gambling. If this is the case, it raises questions regarding to the definition of "casino gambling" through the Casino Promotion rules and by extension, the definition of "gambling area".
- (b) As a possible solution, SCAL could disable the competition functionality on individual Kiosks outside of the Gambling Area, if it has not done so already.



SCAL's submissions in reply

6. In reply, SCAL submitted as follows:
- (a) Action Kiosks cannot be used to enter casino promotions. Entries associated with earn-based casino promotions are generated automatically by the casino system at the time of play. There is no provision to transfer points from the Kiosk as a mechanism to purchase entries.
 - (b) Kiosks are used to review point balances and to print vouchers which may be redeemed for rewards. This functionality has no relevance to the definition of "casino gambling", which is the basis for specifying the gambling area in a casino.
 - (c) Kiosks are already stationed and operating outside the Gambling Area.
 - (d) The functionality of the Kiosks does not dictate that they may only operate in the Gambling Area.
7. The Secretary accepted that SCAL's submission has negated his concern.

Analysis

8. SCAL has applied to remove redundant alternative Gambling Areas, and rename the remaining areas. This raises no issues of regulatory concern.
9. SCAL has also applied to redefine the remaining Gambling Areas, by removing from the designated Gambling Area the Action Kiosk and the entry ramp to the main gaming floor. SCAL wanted to remove the entry ramp so that its security staff could better police patron entry into the Gambling Area as it would allow staff more time to view patrons as they approach. The Commission viewed the move positively.
10. Removing the Action Kiosk from the Gambling Area raised no issues of regulatory concern – the Kiosk does not house gambling equipment and there is no direct access from the Kiosk to the Gambling Area.

Decision

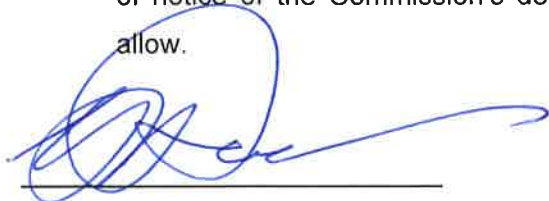
11. The Commission amended licence conditions 9 and 9A of SCAL's venue licence, pursuant to section 139(1)(d) of the Act. Conditions 9 and 9A now read as follows:
- 9. The current Gambling Area for the casino venue is delineated in the plan attached as Schedule 1 to these conditions. A first alternative Gambling Area is delineated in the plan attached as Schedule 2 and a second alternative Gambling Area is delineated in the plan attached as Schedule 3.

- 9A. A change of Gambling Area will take effect subject to the Licence Holder providing the Commission and the Inspectorate a minimum of 10 working days prior notice in writing of its intention to adopt one of the approved Gambling Areas referred to in Condition 9 and shown in Schedules 1, 2, and 3.

12. Sections 1, 2 and 3 are **attached**.

Right of appeal

13. 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.



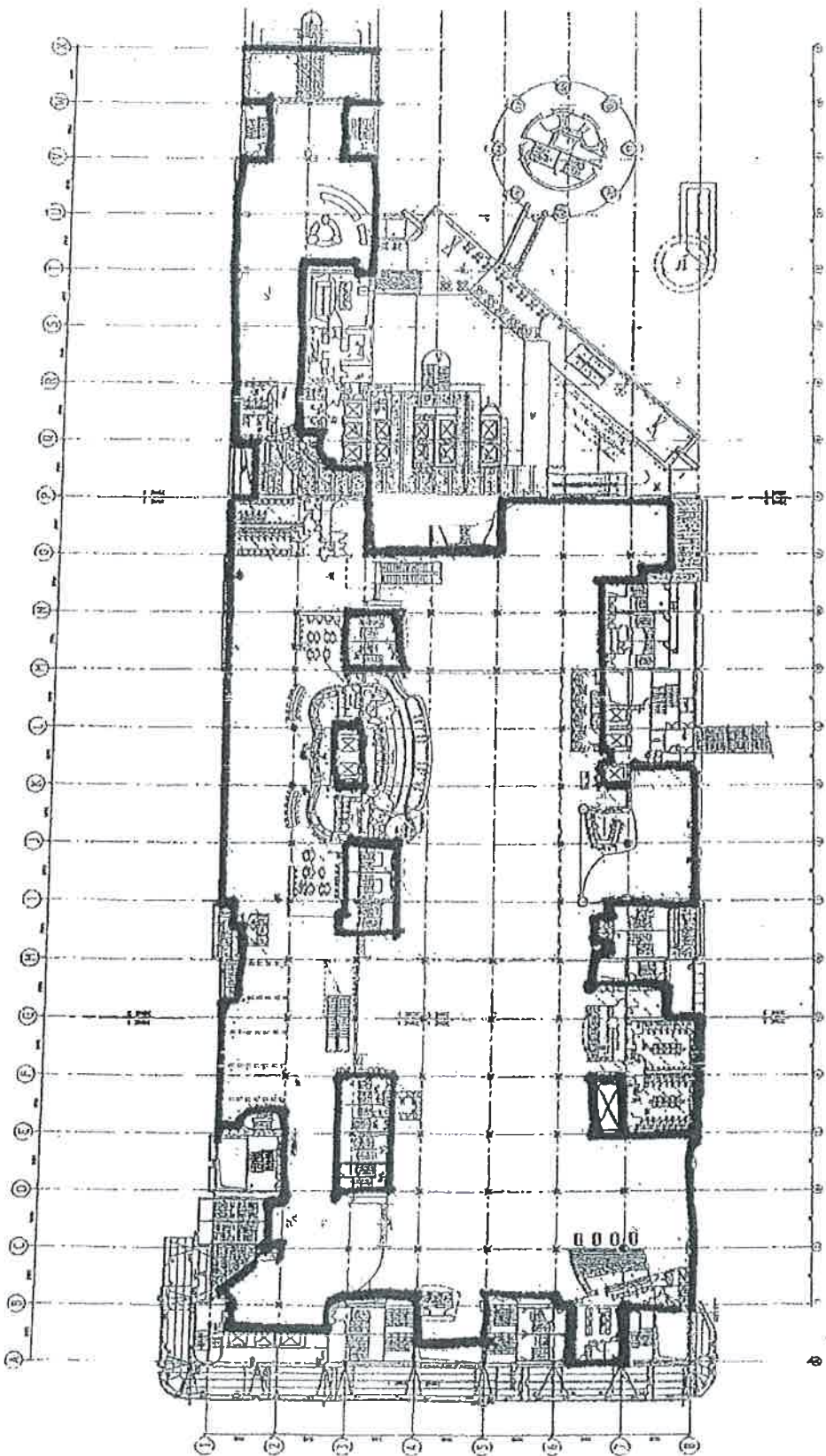
Graeme Reeves
Chief Gambling Commissioner

for and on behalf of the
Gambling Commission

20 August 2012



Schedule 1



GAMING AREA: 6,843sqft



PROJECT NO.	AS258
DATE	10/11/11
SCALE	AS SHOWN
DESIGNER	MOELLER ARCHITECTS
CLIENT	SKY CITY ENTERTAINMENT GROUP
PROJECT NAME	SKY CITY PODIUM LEVEL 2 GAMING AREAS
PROJECT ADDRESS	350 WEST 14TH AVENUE, DENVER, CO 80202
PROJECT NO.	PD1121

SKY CITY PODIUM
LEVEL 2
GAMING AREAS

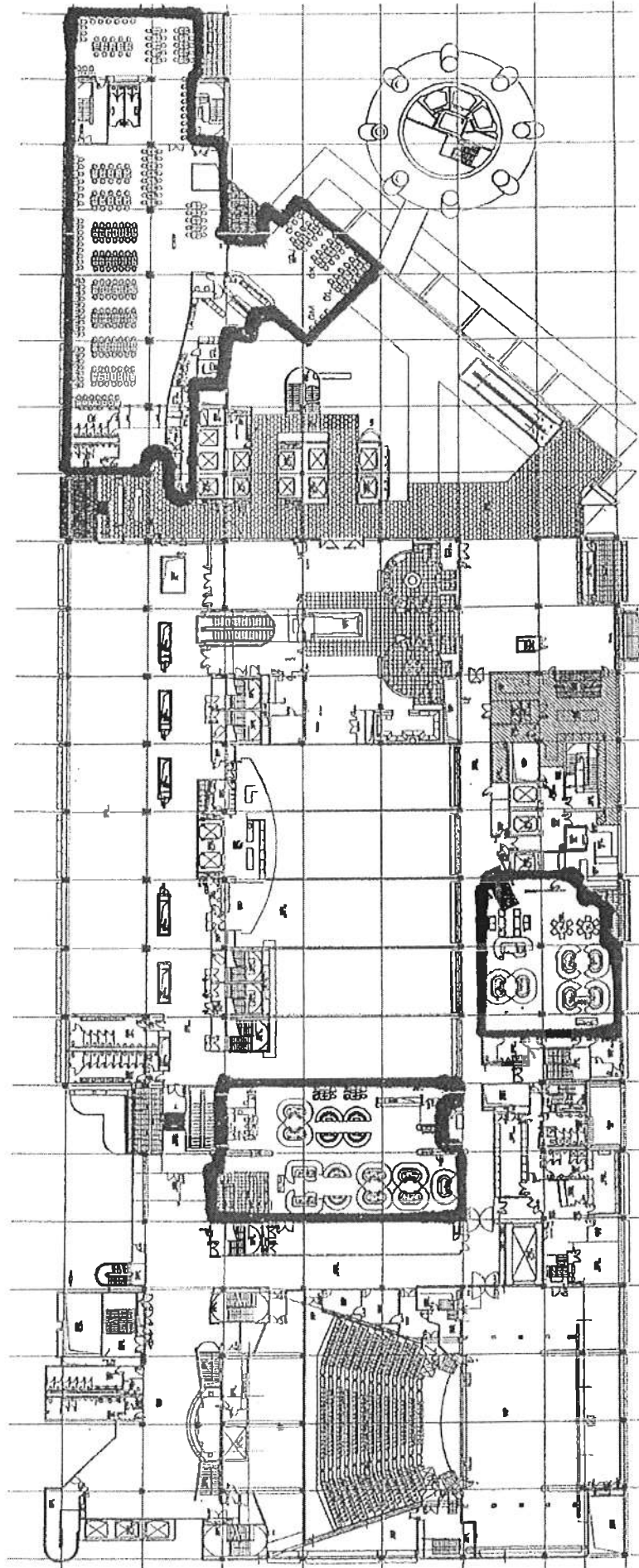
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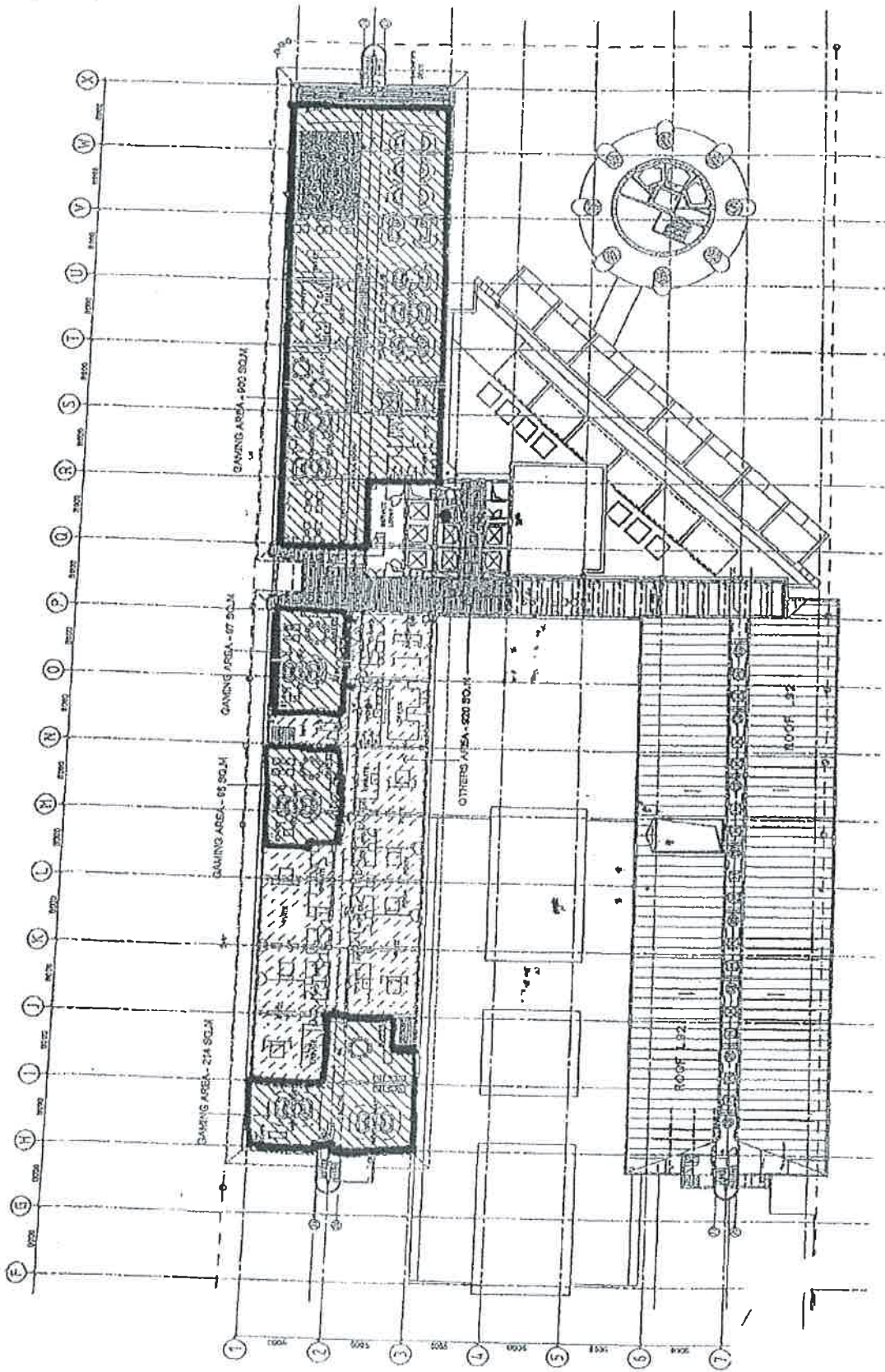
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Schedule 1



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SAN CITY ENTERTAINMENT GROUP
 VP GAMING

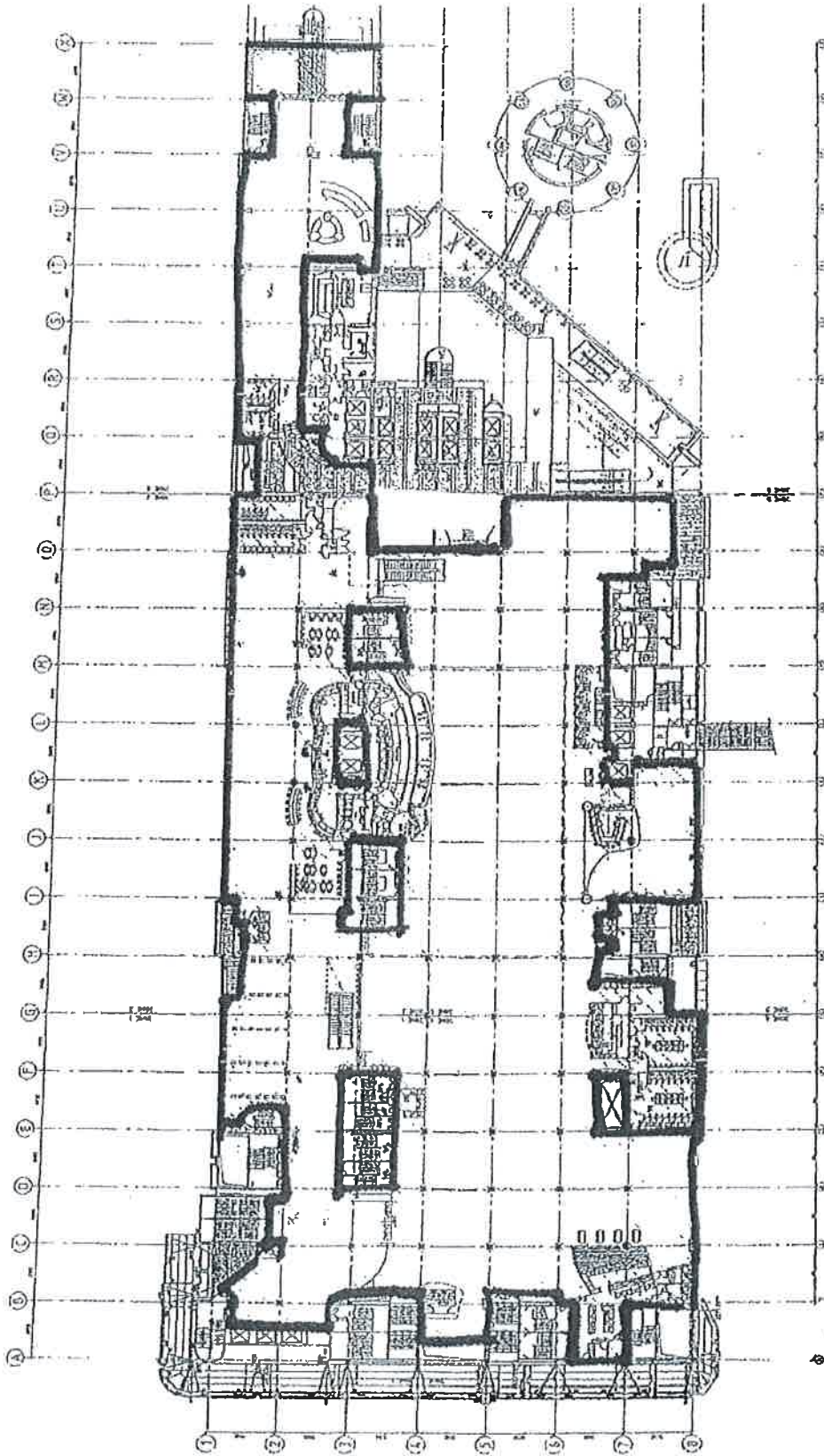
SAN CITY SAFETY
 ENTERTAINMENT GROUP

San City VP Gaming
 AREAS CALCULATION

DATE: 10/15/11
 DRAWN BY: [Name]
 CHECKED BY: [Name]
 PROJECT NO.: [Number]
 SHEET NO.: [Number]



Schedule 2



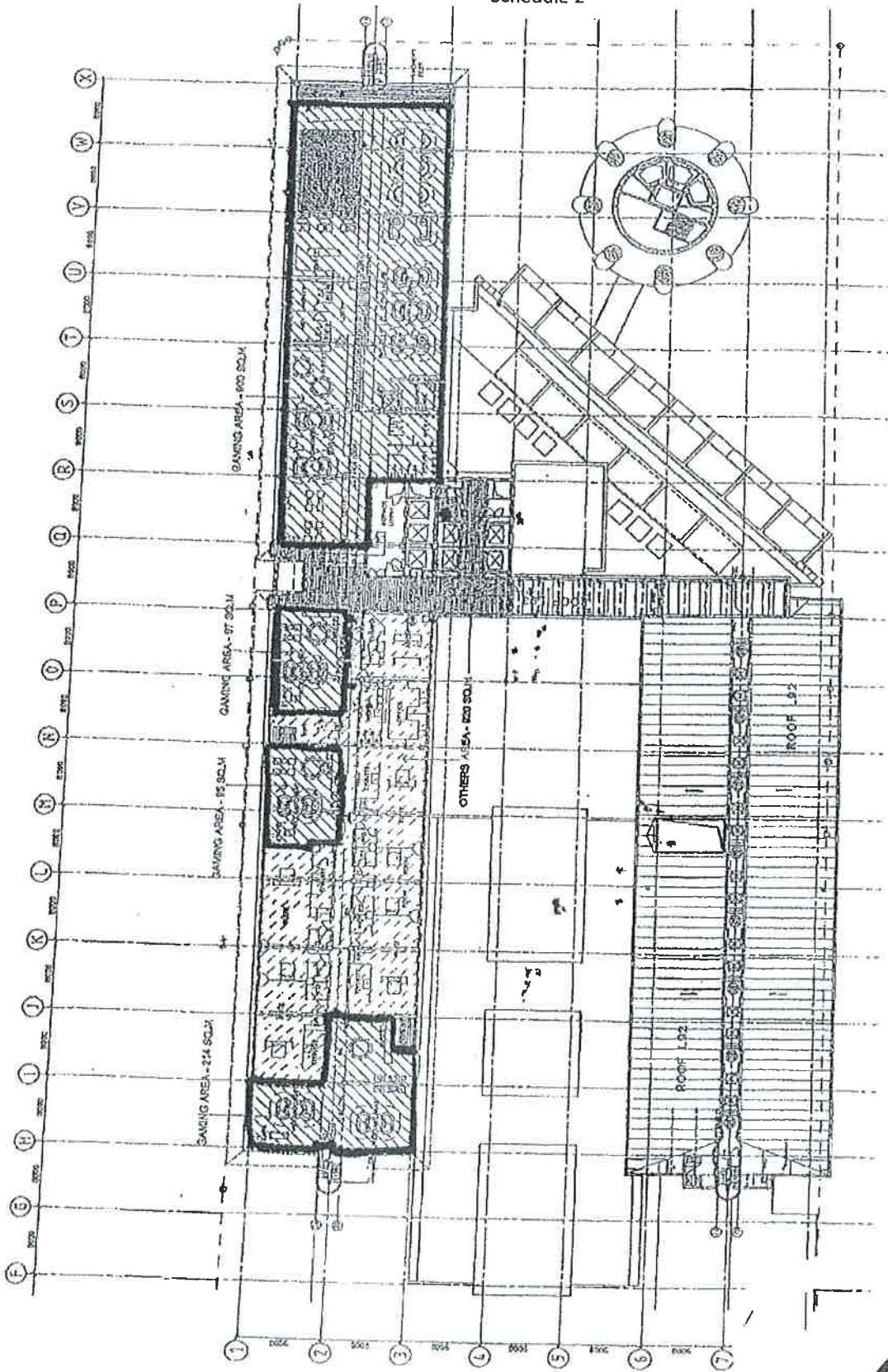
GAMING AREA: 6,849m²



<p>SKY CITY - POOKAN LEVEL 2 GAMING AREAS</p>	
<p>Project Name: SKY CITY - POOKAN Level: LEVEL 2 Drawing No: PD1121</p>	<p>Client: Sky City Entertainment Group Architect: Moller Architects</p>
<p>Scale: 1:100 Date: 10/20/2011 Drawing No: PD1121</p>	



Schedule 2



PROJECT NO.	AS265
DATE	
BY	
CHECKED	
APPROVED	
SCALE	
REVISIONS	

SKY CITY VP GAMING
LEVEL H6
AREAS CALCULATION

DATE	10/10/2011
BY	SKY CITY VP GAMING
CHECKED	
APPROVED	
SCALE	
REVISIONS	

Sky City Entertainment Group
VP Gaming

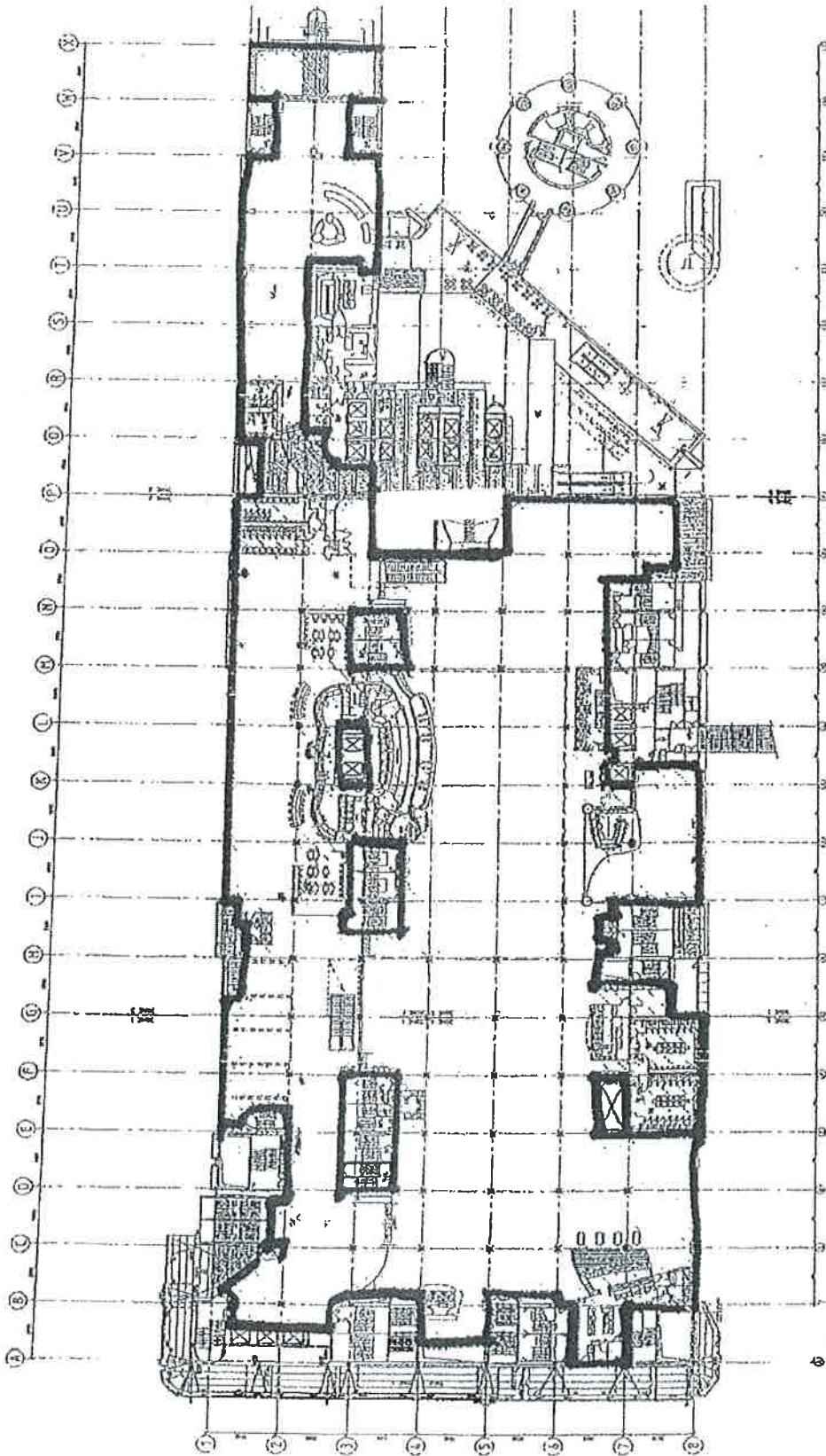


QUALITY ASSURANCE
PROJECT MANAGER
PROJECT COORDINATOR
PROJECT SUPERVISOR

Moller Architects



Schedule 3



GAMING AREA: 6,843m²



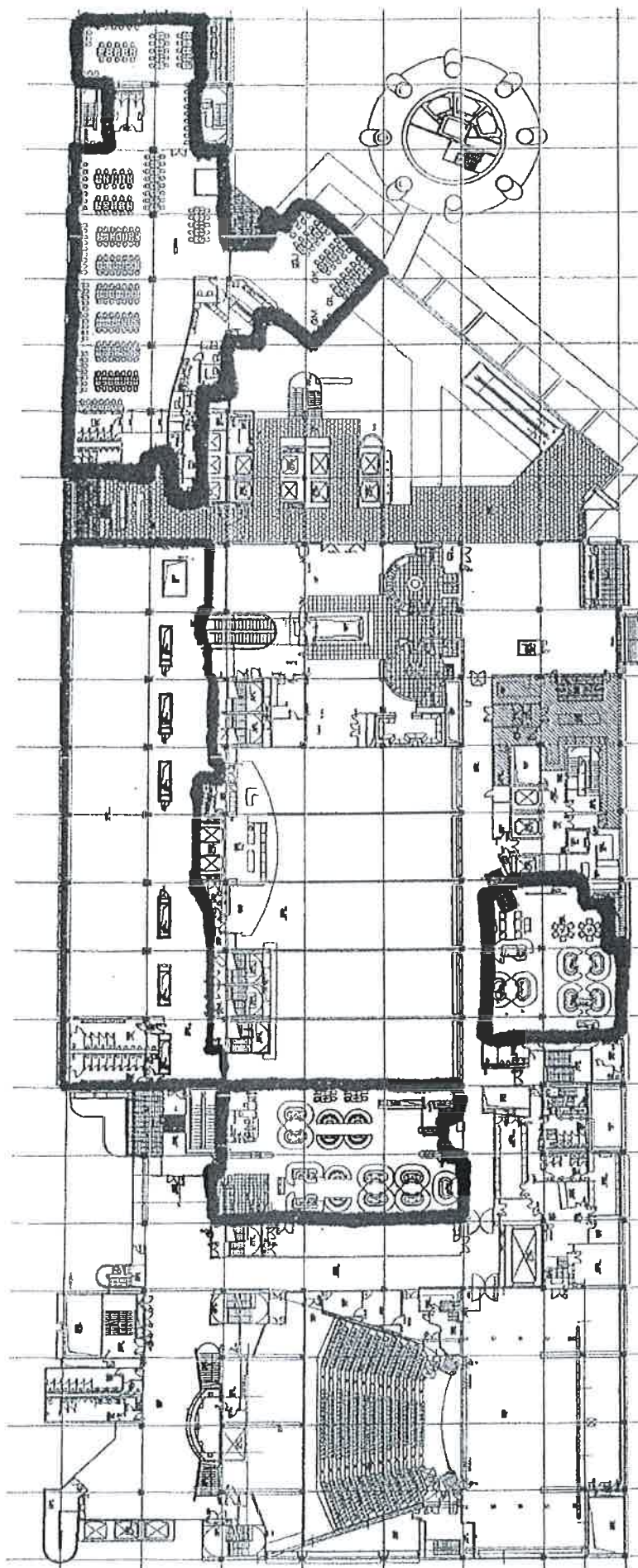
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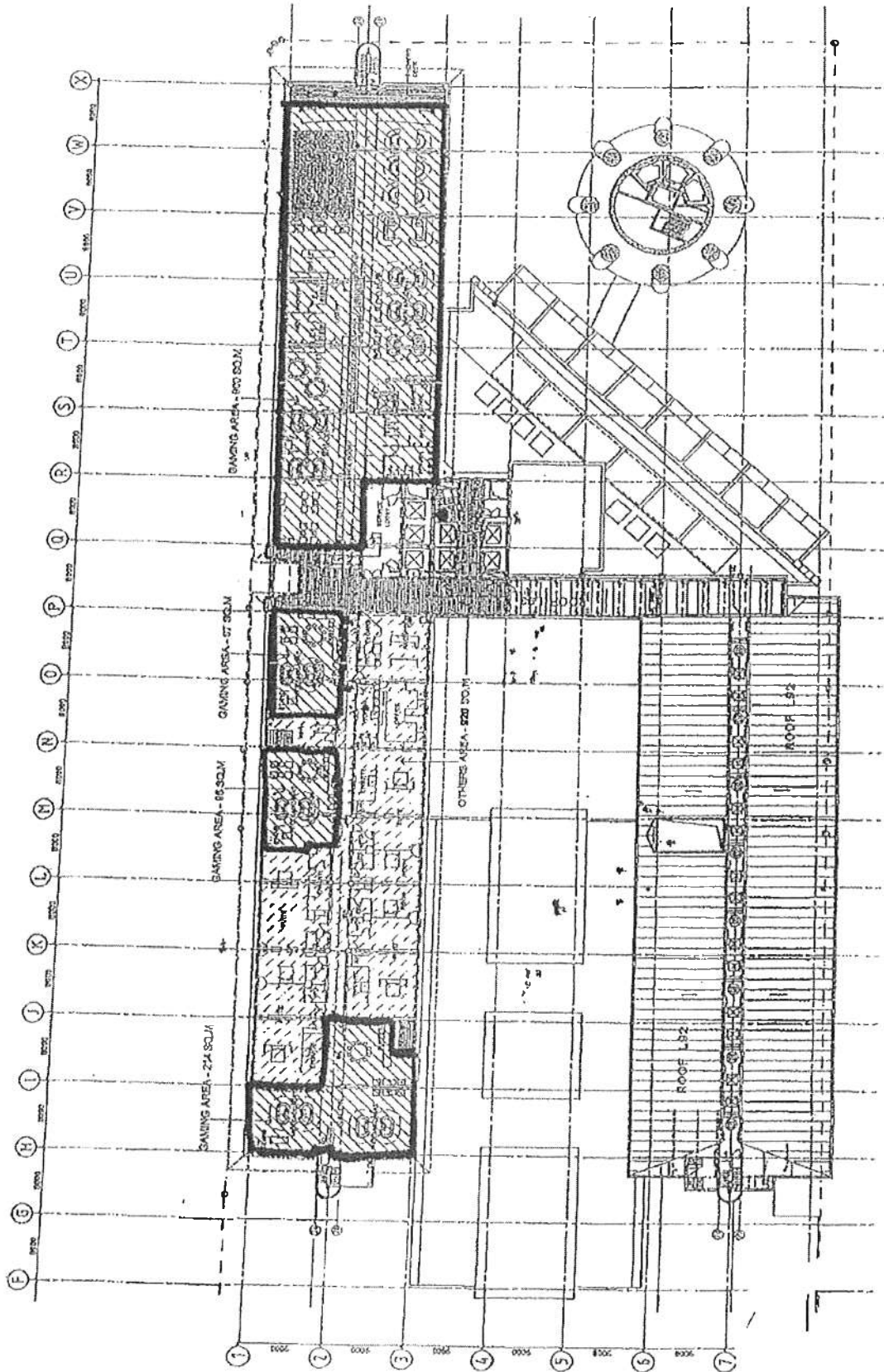
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SKY CITY - POOMUN LEVEL 2 GAMING AREAS

Project No. A-5255
 PD121



Schedule 3



PROJECT INFORMATION	
Project Name	SKY CITY VIP GAMING LEVEL H5 AREAS CALCULATION
Client	SKY CITY ENTERTAINMENT GROUP
Architect	MOLLER ARCHITECTS
Scale	AS SHOWN
Date	2024.08.28

REVISIONS	
No.	Description
1	ISSUED FOR PERMIT

APPROVALS	
Author	[Signature]
Checker	[Signature]
Approver	[Signature]

PROJECT DATA	
Project No.	SKY-CITY-2024-001
Sheet No.	01 OF 02
Scale	AS SHOWN
Date	2024.08.28

SKY CITY ENTERTAINMENT GROUP
 SKY CITY
 VIP GAMING

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MOLLER ARCHITECTS
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