

IN THE MATTER of the Gambling Act 2003
AND on an application by
CHRISTCHURCH CASINOS LIMITED to vary the licence conditions attached to its venue and operator's licences, and for approval of construction and design changes

BEFORE THE GAMBLING COMMISSION

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

Date of Application: 27 June 2019

Date of Decision: 6 September 2019

Date of Notification
of Decision: 16 September 2019

**DECISION ON AN APPLICATION BY
CHRISTCHURCH CASINOS LIMITED TO VARY THE LICENCE CONDITIONS
ATTACHED TO ITS VENUE AND OPERATOR'S LICENCES, AND
FOR APPROVAL OF CONSTRUCTION AND DESIGN CHANGES**

Application

1. Christchurch Casinos Limited ("**CCL**") applied to the Commission to vary condition 22 of its operator's licence and condition 11 of its venue licence, pursuant to section 139(1)(d) of the Gambling Act 2003 (the "Act"). The variation would revoke condition 22(e) from its operator's licence and condition 11(e) from its venue licence, which require CCL to maintain a "man trap" door at the casino's cashier's cage.
2. If the Commission revoked conditions 22(e) and 11(e), then CCL applied, pursuant to conditions 6 and 7 of its venue licence, for approval of construction and design changes to remove the man traps from level 3 of the casino.
3. The Commission sought submissions on the application from the Secretary, SKYCITY Casinos Management Limited ("**SCML**") and Dunedin Casino Management Limited. It received submissions from the Secretary and SCML.

Licence conditions

4. The relevant licence conditions, with the proposed amendments shown in mark-up, are as follows:

CCL's operator's licence

22. 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 at a minimum include:
- (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; and
 - (d) manually triggered and automatic silent alarms connected directly to monitor rooms of the surveillance department; ~~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.~~

CCL's venue licence

6. Subject to the provisions of condition 7, the Licence Holder must obtain the approval of the Commission prior to:
- (a) Any construction or design changes whatsoever in the Gambling Area (Schedule 1) and Additional Gambling Areas (Schedules 2, 3 or 4) and for any construction or design changes elsewhere in the Casino Venue which may impact on the matters set out in condition 7;
 - (b) the construction or relocation outside the Gambling Area and Additional Gambling Areas and within the Casino Venue of bank facilities available to the public excluding ATMs, EFTPOS and like devices; and
 - (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 3 and 4 and the rooftop area of the Casino Venue, (paragraph (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 for which approval is required under condition 6. 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 of the Act.

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.

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 at a minimum include:
- (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; and
 - (d) manually triggered and automatic silent alarms connected directly to monitor rooms of the surveillance department; 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.~~

Relevant sections of the Act

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

139 Conditions of casino licence

- (1) The Gambling Commission may specify the conditions of a casino licence or vary or revoke the conditions of a casino licence in the following circumstances:
 - (a) on granting a casino operator's licence;
 - (b) on renewing a casino venue licence;
 - (c) on approving a casino venue agreement or an amendment to it;
 - (d) on application by the holder of the casino licence;
 - (e) on its own initiative or on the request of the Secretary.
- (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 purpose 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 CCL

6. CCL submitted, in summary, as follows:
- (a) It wants to remove the requirement to have a “man trap” system to enter and exit the cashier’s cage, and then it wants to remove the man traps themselves.
 - (b) A recent restructure within the casino has seen the functions of the cage and the Customer Services Departments co-located into one area, the cashier’s cage. This has resulted in more staff movement from the cage area to the MGF in response to customers’ requests and Host Responsibility interventions. The necessity to navigate the man trap takes extra time, meaning Customer Services response to customers is reduced.
 - (c) The security value of the man trap system appears to be redundant, given the other controls in place, including CCTV coverage, silent alarms in the main cashier’s cage, and the presence of security staff on the MGF. Swipe access would still be required to access the cashier’s cage area from the MGF and also to access any of the areas within the cashiering cage, such as the main chip bank.
 - (d) Even without the man trap system, there are enough controls in place to ensure the safety and integrity of the cashier’s cage area.

- (e) Should the Commission amend the licence conditions in the manner proposed, then it sought approval to give effect to the change by removing the man traps at each end of the cashier's cage. In the short term this would be achieved by simply removing the restriction on the second door; to allow it to open before the first door is closed.

Submissions by SCML

- 7. SCML submitted that it had no objection to CCL's proposal. SKYCITY Auckland is no longer subject to such a condition and for the reasons outlined by CCL, it seems sensible to remove the requirement at the other casinos. Those casinos which wish to retain the man trap can of course still do so, irrespective of the change to the condition.

Submissions by the Secretary

- 8. The Secretary submitted, in summary, as follows:
 - (a) Minimum Operating Standards require restricted access to cashier areas. This can be managed in a number of ways. A "cage" is one option, but not the only option.
 - (b) Provided that CCL can demonstrate that access to the cashier area is still appropriately restricted, he does not object to the proposal. In reply, CCL submitted that its application demonstrates that it will maintain effective controls to ensure that access to cashier areas is restricted and it appreciates that it is required to comply with the MOS.

Analysis

- 9. Licence conditions 11 and 22 both specify that CCL must maintain a cashiering facility adjacent to the gaming floor that is clearly visible to patrons. Conditions (a)-(e) set out the minimum requirements for the cashiering facility, with condition (e) requiring a man trap system to control ingress and egress.
- 10. CCL applied to vary licence conditions to remove the requirement to have a man trap system, and then for approval of construction and design changes, to remove the man trap itself. Neither application was opposed by any submitter.
- 11. CCL's applications raised no issues of regulatory concern for the Commission. As SCML noted, the requirement to maintain a man trap has already been removed from the Auckland casino.

Decision

12. The Commission:

- (a) varied licence condition 22 of CCL's operator's licence and condition 11 of its venue licence, pursuant to section 139(1)(d) of Act, to revoke conditions 22(e) and 11(e). The licence conditions now provide as follows:

CCL's operator's licence

22. 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 at a minimum include:
- (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; and
 - (d) manually triggered and automatic silent alarms connected directly to monitor rooms of the surveillance department.

CCL's venue licence

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 at a minimum include:
- (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; and
 - (d) manually triggered and automatic silent alarms connected directly to monitor rooms of the surveillance department.
- (b) approved, pursuant to condition 6 and 7 of CCL's venue licence, the removal of the man trap from the cashier's cage on level 3 of the Christchurch casino.

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

16 September 2019

