

**IN THE MATTER** of the Gambling Act 2003

**AND** on an application by **SKYCITY CASINO MANAGEMENT LIMITED** for approval of new surveillance equipment at the Auckland and Hamilton casinos

**BEFORE THE GAMBLING COMMISSION**

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

Date of Application: 27 July 2013

Date of Decision: 13 September 2013

Date of Notification  
of Decision: *19th* September 2013

**DECISION ON AN APPLICATION BY SKYCITY CASINO MANAGEMENT LIMITED  
FOR APPROVAL OF NEW SURVEILLANCE EQUIPMENT AT THE  
AUCKLAND AND HAMILTON CASINOS**

**Introduction**

1. SKYCITY Casino Management Limited ("**SCML**") applied to the Commission, under condition 20 of SCML's operator's licence for the Auckland casino and condition 21 of SCML's operator's licence for the Hamilton casino, for approval to introduce new surveillance equipment to its Auckland and Hamilton casinos.
2. The relevant licence conditions (which are identical) are as follows:

**SCML operator's licence (Auckland)**

20. The Licence Holder shall obtain the approval of the Commission prior to the introduction into the Casino of new surveillance technology of a type not currently in operation in the casino. Camera upgrades that comply with the requirements of the Surveillance Standard do not require prior approval. When applying for approval, the Licence Holder shall supply sufficient information to enable the Commission properly to assess the application under the Surveillance Standard. Information will include details relating to equipment type and operation, and the proposed location of equipment. The Licence Holder shall allow the Commission or staff of the Commission Secretariat, or any other person authorised by the Commission, to test any technology or equipment.

**SCML operator's licence (Hamilton)**

21. The Licence Holder shall obtain the approval of the Commission prior to the introduction into the Casino of new surveillance technology of a type not currently in operation in the casino. Camera upgrades that comply with the requirements of the Surveillance Standard do not require prior approval. When applying for approval, the Licence Holder shall supply sufficient information to enable the Commission properly to assess the application under the Surveillance Standard. Information will include details relating to equipment type and operation, and the proposed location of equipment. The Licence Holder shall allow the Commission or staff of the Commission Secretariat, or any other person authorised by the Commission, to test any technology or equipment.

**Submissions by SCML**

3. SCML submitted, in summary, that:
- (a) It wants to introduce new surveillance technology of a type not currently in operation at the Hamilton casino.
  - (b) The reasons for introducing the new technology are twofold. First, it wants to enhance its surveillance capability at the Hamilton casino as it seeks to grow its domestic VIP business at that location. To do so, it wants to establish a link between the Auckland and Hamilton casinos which would allow Auckland Surveillance staff to access the Hamilton cameras and assist the Hamilton Surveillance staff to monitor gaming activity (and in particular, VIP activity) at that site from time to time. Secondly, the introduction of a new type of digital video recorder will support the use of high definition CCTV cameras which will position the business for future migration from analogue to a full digital solution.
  - (c) More generally it wants to provide centralised support functions to mitigate business risk at its properties. This extends to support from the newly established Risk and Analysis team in Auckland providing the Hamilton surveillance team with assistance in areas such as player profiling, risk auditing and game analysis.
  - (d) The link between Auckland and Hamilton casinos will be achieved through the secure wide area network that SCML has already established between the two sites. The network will be managed by SCML's IT Department, and is already used to carry other sensitive data associated with the Bally Gaming System.
  - (e) In terms of the proposal, all current digital video recorders (DVRs) at both sites would be replaced with Dallmeier DVRs. The Dallmeier DVRs will record in 4 CIF resolution as is the case at present, and in real time 25 frames per second. Images will continue to be stored for a minimum of seven days. All video recordings would continue to be stored at the on-site location in the Surveillance Suite.

- (f) The Dallmeier DVRs will be managed by Dallmeier's SeMSyIII (Security Management System) video management software and a Virtual Digital Matrix will replace the current obsolete analogue CCTV matrix system. The SemSyll software is also required to manage the security of the user login access rights both locally and from remote connections.
- (g) Remote access from SKYCITY Auckland will be managed by Dallmeier's SeMSyIII workstations located in the Surveillance Suite which will allow viewing of both live and recorded streams and PTZ (pan, tilt and zoom) control of the Hamilton cameras.
- (h) The same arrangement was approved by the Commission in decision GC07/13 to enable Auckland Surveillance staff to access the Queenstown surveillance cameras and provide support to that location.
- (i) There would not appear to be any implications for the Surveillance Minimum Operating Standards at either casino property, but it will liaise with the DIA to ensure that it is a comfortable with any changes to the operating practices.
- (j) It wants to effect these changes as soon as possible.

#### **The Secretary's submissions**

- 4. The Secretary supported the move to digital technology and the consequential improved data communications infrastructure.

#### **Analysis**

- 5. SCML applied to introduce new surveillance equipment to allow its Auckland staff to oversee international gaming activity at the Hamilton casino. Licence conditions for the Auckland and Hamilton casinos provide that SCML must obtain the approval of the Commission prior to the introduction of new surveillance technology of a type not currently in operation. SCML must also provide sufficient information to enable the Commission to assess the application under the Surveillance Standard.
- 6. The Commission was satisfied that the proposal met the requirements of the Standard. The Commission noted that:
  - (a) the technology to be deployed represents an improvement on the technology which is currently in place; and
  - (b) SCML's rationale for introducing the equipment was to improve oversight and mitigate risk at its Hamilton casino; and

(c) the Secretary was comfortable with the proposal.

7. For the above reasons, the Commission grants the application. It is a condition of the approval that SCML must apprise the Commission and the Secretary on the implementation of the equipment.

**Decision of the Commission**

8. The Commission approved the introduction of the proposed surveillance equipment, under condition 20 of SCML's operator's licence for the Auckland casino and condition 21 of SCML's operator's licence for the Hamilton casino on condition that SCML reports to the Commission and the Secretary on the implementation of the approved changes.



Graeme Reeves  
Chief Gambling Commissioner

for and on behalf of the  
Gambling Commission

19<sup>th</sup> September 2013  
GAMBLING  
COMMISSION