

IN THE MATTER of the Gambling Act 2003

AND on a review of the Surveillance
Standard by the Gambling
Commission

BEFORE THE GAMBLING COMMISSION

Members: G L Reeves (Chief Gambling Commissioner)
L M Hansen
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Date of Decision: 2 October 2015, 11 December 2015

Date of Notification of Decision: 21st December 2015

**DECISION ON A REVIEW OF THE SURVEILLANCE STANDARD
BY THE GAMBLING COMMISSION**

Introduction

1. The Gambling Commission proposed, at the request of the Secretary for Internal Affairs (the "**Secretary**"), to amend the Surveillance Standard ("**Standard**") under condition 18 of SKYCITY Casino Management Limited's ("**SCML**") operator's licence for the Auckland casino, condition 18 of SCML's operator's licence for the Hamilton casino, condition 19 of SCML's operator's licence for the Queenstown casino, condition 18 of SCML's operator's licence for the Wharf casino, condition 19 of Christchurch Casino Limited's ("**CCL**") operator's licence and condition 19 of Dunedin Casino Management Limited's ("**DCML**") operator's licence.

Licence conditions

2. The relevant licence condition, which is identical for each casino, is as follows:

The Surveillance Standard may be substituted or amended by the Commission at the request of the Secretary, on an application by the Licence Holder, or at its own initiative. The Commission will seek submissions from the Licence Holder, the Secretary and any other affected person before deciding on a proposed substitution or amendment.

Procedure

3. The review of the Standard commenced following the Secretary submitting a Standard for the Commission to consider, with possible amendments shown in mark-up.

4. By letter dated 5 August 2015, the Commission sought submissions on the Secretary's suggested amendments from SCML (on behalf of all four SKYCITY casinos), CCL and DCML (collectively "**the casino operators**"). The Commission also invited the casino operators to propose amendments additional to those suggested by the Secretary, if they considered additional amendments to be appropriate.
5. The Commission received submissions from the casino operators. The Commission circulated these submissions amongst the casino operators, and the Secretary, and invited them to file submissions in reply. The Commission received reply submissions from the Secretary.
6. At its October 2015 meeting, the Commission considered the Secretary's proposed amendments together with the submissions filed. The Commission reached a preliminary view on a number of amendments that should be made to the Standard. These amendments were based upon suggestions proposed by the Secretary and the casino operators, and included amendments identified by the Commission itself.
7. The Commission incorporated the prospective amendments into a newly marked-up version of the Standard and forwarded it to the casino operators and the Secretary with an invitation to file additional submissions. The Commission received submissions in response from the Secretary, SCML and CCL.
8. The Commission considered this matter at its December 2015 meeting where it approved a new Surveillance Standard.

Amendments proposed by the Secretary

9. The Secretary submitted, in summary, as follows:
 - (a) The current Standard was developed in 1994 and has not been substantively reviewed since 2003. The casino industry has matured significantly since then, as has the general approach to casino regulation.
 - (b) The Commission could move from the current prescriptive Standard to one that focuses on outcomes, with an overarching framework to achieve those outcomes. The framework would be underpinned by Minimum Operating Standards ("**MOS**") and the casinos' own Internal Control Procedures.
 - (c) In addition to grammatical and stylistic amendments, a number of substantive amendments could be made to the Standard, which are set out below:

- (i) The "Outcomes" should be aligned with the purpose of the Gambling Act 2003 (the "**Act**"), which is about ensuring gambling is conducted in a manner that ensures integrity and fairness, that opportunities for crime and dishonesty are limited, that responsible gambling is promoted and harm from gambling is prevented or minimised.
- (ii) The current Standard focuses on ensuring the integrity and fairness of gambling, and the prevention and detection of dishonesty and illegal activities. The Commission could extend this focus to make it clear that surveillance footage should be directed towards detecting harmful gambling behaviours, and identifying potential problem gamblers.
- (iii) The "Principles" section could be deleted, except for the last two bullet points (which could be retained elsewhere under "Surveillance Staff").
- (iv) The "Objectives" section should be linked to the desired outcomes. Accordingly, the Objectives should refer to the prevention of crime and dishonesty, ensuring gambling is conducted in accordance with the relevant rules and standards, the detection of potentially harmful gambling, and resolving disputes about the outcome of games.
- (v) There should be an explicit requirement that surveillance equipment operates at all times that the casino is open to the public, as well as any other time when activities are taking place that must be monitored.
- (vi) The current Standard specifies where fixed and pan-tilt-zoom ("**PTZ**") cameras must be used. He proposes a less prescriptive approach that sets out what activities and areas of the casino must be covered, with some requirements for fixed cameras with continuous recording. He proposes that, within this framework, casino operators be given latitude to determine the appropriate mix of fixed and PTZ cameras that will achieve the desired coverage and recording capability.
- (vii) The current Standard refers to video recording, which is now largely obsolete. He therefore suggests removing references to "video".
- (viii) He asks that the current period of retention for recordings be extended from seven days to 10 days. His Inspectors no longer routinely work on weekends, public holidays or holiday periods such as Easter or Christmas. This reduces the number of working days available in which to review the recordings.



- (ix) Casinos are presently required to maintain two permanent and secure monitoring rooms; one for the casino's surveillance department and one for his Inspectors. His Department has been moving to off-site monitoring and no longer requires a separate monitoring room in each casino. However, his Inspectors occasionally use the casino facilities to review particular footage. Accordingly he proposes amending this section to require casinos to provide the Inspectors with access to the CCTV system, either within the casino or off-site so that they are able to view any camera connected to the system and can review all recorded footage.
- (x) Last year SCML applied to the Commission to amend the Standard to allow SCML to surveil the Wharf casino from the Queenstown casino. SCML also noted that it would surveil both Queenstown casinos from SCML's facility in Auckland. At that time, the Secretary had concerns about this fundamental change in approach and was concerned about the impact that it may have on his ability to conduct his own surveillance. Since then, the surveillance MOS for all SCML casinos have been amended to allow SCML to surveil all of its properties from Auckland, in conjunction with the local facilities. The Secretary has also had an opportunity to consider remote surveillance in more depth and has no objection to it taking place, provided that there are adequate contingency plans and procedures in place to deal with outages and emergencies.

SCML's submissions

10. SCML submitted, in summary, as follows:
- (a) It welcomes the review of the Standard and is generally supportive of the proposal to move from a prescriptive policy to one that focuses on key outcomes.
 - (b) As a preliminary point, it notes that the words "surveillance policy" are used throughout the document. This is inconsistent with the wording in licence conditions, which refers to the "Surveillance Standard".
 - (c) In the "Outcomes" section, the introductory sentence should be amended as the Secretary's proposal places responsibility for the outcomes on the casino's surveillance department. While the surveillance department makes an important contribution to the specified outcomes, other departments also play a key role. The sentence should be amended from:

The principal outcomes sought by the Commission from the surveillance function within casinos are:



to

The surveillance function within casinos should contribute to the following broad outcomes:

- (d) The Secretary has amended the fourth bullet point in this section to provide as follows:

Opportunities for crime and dishonesty in casinos are limited and any illegal activity in casinos is detected and appropriately dealt with.

To the extent that this outcome is linked to one of the purposes of the Act, it should more accurately refer to “opportunities for crime and dishonesty associated with gambling ...” Further, an outcome whereby “any” illegal activity is detected and dealt with is unrealistic. The word “any” should be deleted.

- (e) Under the “Objectives” subheading, it notes that while the surveillance function contributes to the specified objectives, it does not necessarily play the primary role. In particular, to “detect harmful gambling behaviour in potential problem gamblers” is a responsibility that applies to all casino departments, with the surveillance function largely providing a support role.

Similarly, while the surveillance department has a role to play in promoting compliance with the casino’s regulatory obligations, so too does internal audit and the managers of each department.

With this in mind, it proposes to amend this section as follows:

The objective of this policy is to ensure that casino operators have in place surveillance equipment, staff and procedures to which contribute to the following casino objectives:

- Promoteing compliance with ~~all their~~ the casino’s regulatory obligations;
- Ensureing that gambling activity is conducted in accordance with relevant rules and standards;
- Limiting opportunities for crime, cheating and other dishonest behaviour, and detecting illegal, dishonest or suspicious behaviour;
- Detecting harmful gambling behaviour and potential problem gamblers;
- Provideing a mechanism for impartial review of disputes over wagering transactions and gambling outcomes to determine their validity.

- (f) In the “Surveillance” section, the second paragraph provides that surveillance equipment must operate when the casino is open to the public and at other times when an activity is taking place that must be monitored. While that is generally consistent with the position at casinos, it does not address the possibility of a failure of any of the core CCTV system components or of the UPS system. MOS provide for the continuation of activity in the event of such an outage subject to

the implementation of other compensating arrangements. It recommends revising the second paragraph in this section as follows:

~~The surveillance equipment must will operate whenever the casino is open to the public and or at any other times when an activity is taking place that is subject to mandatory monitoring requirements. In the event of a system failure or outage during these times, the continuation of any specific casino processes shall be subject to any requirements specified by way of must be monitored under this policy or minimum operating standards.~~

(g) This section also contains a bullet point that requires the CCTV system to have a:

- Scanning function to enable specific cameras to be displayed sequentially on monitors.

It is not sure what this means but if it relates to the sequential display of specified cameras in rotating order, then such functionality is now regarded as outdated, with monitor walls and split screens being used in their place. This bullet point could be removed.

(h) Under the "Recording and replay facilities" subheading, the last bullet point requires sufficient storage space to enable recordings to be retained for a minimum of 10 days, rather than seven days as is presently the case. The cost to upgrade the systems on its sites would be significant, and it questions the merits of imposing the requirement on all casino operators for the reasons advanced by the Secretary. It recommends a continuation of the existing minimum requirement for retention of footage.

(i) The "Monitoring facilities" section provides that neither the surveillance department nor the Secretary is to have any override or lockout control over any camera in the system. While this is consistent with the current wording, there have been occasions where the lack of operational primacy afforded to the casino operator has created difficulties and it believes that the operators should have the right to override the system and lock off a PTZ whenever there is a genuine need to do so. It would expect such a power to be used sparingly and may be used, for example, where a fixed camera goes offline and a PTZ camera needs to be used in its place. It recommends the following amendment to this section:

~~Where access is provided by the use of a separate control room (either at the casino or off-site) both control rooms must have a mechanism identifying who has immediate control of a PTZ camera to avoid either party interrupting specific monitoring activity being carried out by the other. Neither party is to have override or lockout control over any camera in the system. During an emergency or operationally critical events, Surveillance will have the right to camera override or lockout control. In the event casino Inspectors from the Department of Internal Affairs are using the camera(s) in question, they shall be immediately notified of the action taken by Surveillance.~~

CCL's submissions

11. CCL submitted, in summary, as follows:
- (a) It is generally supportive of the proposed changes. It suggests a number of amendments to the Standard (which are broadly similar to those suggested by SCML).
 - (b) It supports minor amendments to the following sections: "Outcomes", "Objectives", "Surveillance Equipment", "Location and mix of cameras", "Recording and replay facilities" and "Monitoring Facilities" (with its specific amendments shown in the marked-up version of the Standard attached to its submissions).

DCML's submissions

12. DCML submitted, in summary, as follows:
- (a) It is generally supportive of the proposed changes and suggests a number of amendments to the Standard (which are broadly similar to those suggested by SCML and CCL).
 - (b) It supports minor amendments to the following sections: "Outcomes", "Surveillance Equipment", "Location and mix of cameras" and "Recording and replay facilities".

The Secretary's submissions in reply

13. The Secretary submitted, in reply to the submissions filed by the casino operators, as follows:

Outcomes

- (a) SCML suggests drafting amendments to reflect the fact that the surveillance function does not have sole responsibility for achieving outcomes and objectives of the Standard. He has no objection to the amendments suggested.
- (b) The casino operators have suggested that the fourth bullet point of this section could be amended, with two operators suggesting that the bullet point should refer to crime and dishonesty *associated with gambling*, and all three operators suggesting that the second part of the bullet point be amended to require that *illegal activity that is detected is dealt with appropriately*.



He agrees that the second part of the bullet point can be amended as suggested by the casino operators; his initial drafting suggests that casinos can detect all illegal activity through the use of surveillance technology, but this is clearly not realistic.

However he does not agree that the first part of the bullet point should refer only to gambling-related crime and dishonesty. While the Act and his Department are primarily focused on gambling-related crime, he is of the view that casinos have a general responsibility to provide safe environments for their patrons and this includes limiting opportunities for crime generally. Casinos already do this by having security staff patrol carparks and escorting patrons to their cars when requested. The fourth bullet point could be amended to read as follows:

- Opportunities for crime and dishonesty are limited and illegal activity detected in casinos is dealt with appropriately.

Surveillance equipment

- (c) The casino operators note that the proposed Standard states that surveillance equipment must operate whenever the casino is open to the public, but that MOS allow some casino activity to continue in the event of a failure of the surveillance equipment, subject to certain conditions. He agrees that the second paragraph of this section could be amended in the manner proposed by SCML.
- (d) The casino operators have queried the (third to last) bullet point in this section; "scanning function to enable specific cameras to be displayed sequentially on monitors". This bullet point is in the current Standard, but as there is uncertainty about its meaning and relevance, he agrees that it can be deleted.

Location and mix of cameras

- (e) The proposed Standard requires that cameras be located in such a way that there are no blind spots and that there must be sufficient fixed cameras to ensure the continuous recording of each bank of gaming machines. Both Christchurch and Dunedin casinos submit that the first paragraph of this section should be amended to provide that cameras must be located so as to minimise blind spots, but not to remove them altogether. Christchurch casino also suggests that the requirement for "fixed cameras to ensure continuous recording of each bank of machines" be amended to provide that there must be "sufficient coverage to enable continuous recording of each bank of machines."

Dunedin casino appears to have interpreted the draft to mean that he requires a fixed camera to be trained on every machine. This is not his intention; he requires every bank of machines to be covered, but not every individual machine.

He has no objection to the amendment proposed by Christchurch casino. However he opposes the submission that the Standard should require only that blind spots be minimised. Casinos should have comprehensive coverage of casino activities so that there is no activity for staff or patron to take advantage of blind spots. Blind spots can create opportunities for dishonesty and make monitoring of long hours of play difficult. They can also hamper the resolution of patron complaints.

Recording and replay facilities

- (f) The casino operators have queried his request that the retention period for recordings be extended from seven days to 10 days, as some operators would have to upgrade their recording capacity at some cost. He will not pursue this extension and is comfortable with keeping the current retention period at seven days.

Monitoring activities

- (g) SCML suggests an addition to this section to allow for a situation where the casino operator has a genuine need for operational primacy and needs to override the system and lock off a PTZ camera that an Inspector is using. He agrees that SCML's submission has merit, and has no issue with SCML's proposed drafting (with minor amendments).

14. Following the Commission's consideration of the amendments proposed by the Secretary, and the submissions subsequently filed, the Commission sought submissions from the casino operators and the Secretary on an amended Standard. The Commission also asked the parties to define the term "emergency or operationally critical event".

The Secretary's submissions on the amended Standard

15. The Secretary submitted, in summary, as follows:
- (a) He has no objection to the Commission's proposed amendments.
- (b) In terms of defining the term "emergency or operationally critical event", the ordinary meaning of the words is sufficient to convey the intended application of the term and it does not require further definition. It is very rare that an operator needs to over-ride an Inspector's control of a particular camera, and Inspectors

have always accepted the operator's need to do so. He has not had any disputes about the operational need to over-ride an Inspector's camera control to date and does not anticipate any in the future.

SCML's submissions on the amended Standard

16. SCML submitted, in summary, as follows:
- (a) It is comfortable with the proposed changes.
 - (b) In terms of defining the term "emergency or operationally critical event" it proposes the following:

Any event or incident that threatens the health and safety of the casino's customers and staff (eg fire, earthquake, bomb threat, etc) and any other event or incident that may seriously affect the casino's operations (eg cheating incident, scam, advantage play activity, staff walkout/strike action etc)

CCL's submissions on the amended Standard

17. CCL submitted, in summary, as follows:
- (a) It remains supportive of the proposed changes but wishes to comment further in relation to the section "Location and mix of cameras". It has previously suggested that the drafting of this section should be amended to be less prescriptive in relation to whether the cameras need to be fixed or PTZ. Its rationale is that it currently has only PTZ cameras in EGM areas and it was on this basis that it suggested the following drafting: "activity at each gaming machine with sufficient coverage to enable continuous recording of each bank of machines". By their nature, PTZ cameras can be trained to focus on other high priority events and this then leads to the occasional "blind spot".
 - (b) Having said that, it accepts that there could be additional benefits from having fixed cameras throughout the EGM areas to "ensure continuous recording of each bank of machines", particularly when trying to identify long periods of play or to help resolve patron concerns and issues. However it already has pre-defined scan sequences programmed into its PTZs and other technologies in development, such as Bally alerts, for long periods of continuous play.
 - (c) Therefore should the Commission be minded to approve the new requirement for sufficient fixed camera coverage to record each bank of machines, it asks for a transitioning provision to allow for the purchase and installation of the likely 30-35 additional fixed cameras that would be required (at an anticipated cost of

\$100,000). A period of up to 12 months would be sufficient time, with other technologies continuing to help mitigate any potential risk in the interim.

Analysis

18. The Standard was developed by the Casino Control Authority (the “CCA”) in 1994 in order to outline the minimum surveillance standards and requirements for the first two casinos in New Zealand. It was amended by the CCA in 2003, following the introduction of additional casinos into New Zealand.
19. The Standard has been overseen by the Commission since its establishment in 2004. The Commission has amended the Standard on one occasion, in 2009, to allow for the introduction of fun-play tables into the Auckland casino.
20. Other than these two amendments, the Standard has not been reviewed substantively since it was first developed 21 years ago.
21. In November 2014, SCML sought two approvals from the Commission, as follows:
 - (a) to introduce new surveillance technology to the Wharf casino, under condition 20 of SCML’s operator’s licence for the Wharf casino; and
 - (b) to amend the Standard, under condition 18 of SCML’s operator’s licence for the Auckland casino.
22. The Commission approved the application to introduce new surveillance technology, but declined to amend the Standard in the manner proposed. The Commission noted SCML’s rationale for the amendments, but decided that it is preferable to undertake a single, comprehensive review of the Standard, rather than amend it on an *ad hoc* basis.
23. In reaching this decision, the Commission was influenced by a submission made by the Secretary that no amendments should be made to the Standard until a thorough review had been conducted. The Secretary undertook a review of his own and in June of this year, he wrote to the Commission suggesting a number of proposed amendments to the Standard. The Commission sought submissions from the casino operators on the Secretary’s suggestions, and invited them to propose additional amendments if they considered that additional amendments would be appropriate.
24. The casino operators filed submissions on the Secretary’s suggested amendments, and the Secretary filed submissions in reply.
25. As the Commission considered the submissions, it was apparent that the casino operators were supportive of the Secretary’s initial proposal and were mostly in

agreement over the amendments that should be made to the Standard. The Commission too agreed with almost all of the amendments that were proposed.

26. There were only two matters of substance where the Secretary and the casino operators did not agree; in the "Outcomes" and "Location and mix of cameras" sections.
27. In the "Outcomes" section, the casino operators submitted that the fourth bullet point should be amended to limit opportunities for crime and dishonesty to "opportunities for crime and dishonesty associated with casino gambling ...". The Secretary disagreed, submitting that casinos have a responsibility to limit opportunities for crime in general, rather than limiting the matter to casino gambling crime and dishonesty.
28. The Commission agreed with the Secretary on this point and was of the view that casino operators should endeavour to limit the opportunities for any crime taking place within their premises. The Commission understands that casino operators do this already in their own interests as no reputable operator of a business wants any criminal activity to be conducted on its premise.
29. The Commission amended the proposed bullet point in question to provide as follows:
 - Opportunities for crime and dishonesty in casinos are limited ~~and with any illegal activity in casinos is dealt with detected and appropriately dealt with once detected;~~ and with any illegal activity in casinos is dealt with detected and appropriately dealt with once detected;
30. In the "Location and mix of cameras" section, CCL and DCML submitted that "blind spots" in the casino should be minimised, whereas the Secretary was of the view that blind spots should be eliminated altogether.
31. Again, the Commission agreed with the Secretary on this issue. Blind spots, if known, can lead to inappropriate and/or unlawful activities taking place out of view of either the operator or gambling Inspectors. As with the point above, the Commission did not consider that it would be in anyone's interests for this to occur.
32. The Commission amended the opening paragraph of this section to provide as follows:

Casinos must install a mix of fixed and PTZ cameras in sufficient numbers and combinations to ensure that the requirements of this ~~Standard policy~~ and the ~~MOS minimum operating standards~~ are met. Cameras must be located in such a way that there are no blind spots ~~and no~~ or opportunities for patrons or staff to avoid camera coverage when they are undertaking activities that must be monitored under this ~~Standard policy~~ or the ~~MOS minimum operating standards~~.
33. Having determined these two outstanding issues, the Commission made a number of additional minor amendments to the Standard and circulated an amended draft to the casino operators and the Secretary for further submissions. The Commission also invited the parties to suggest a definition of the term "emergency or operationally critical event"

for consideration. SCML and the Secretary had suggested the inclusion of a paragraph which included this term, and the Commission thought it prudent to ascertain the parties' understanding of it.

34. In his response, the Secretary accepted the Commission's proposed edits and submitted that he saw no need to define the term "emergency or operationally critical event" as its ordinary meaning was sufficient to convey the intended application. SCML also accepted the Commission's proposed edits and proposed a definition of "emergency or operationally critical event" involving disaster or cheating activities.
35. Having considered the submissions filed by SCML and the Secretary, the Commission decided to leave the term undefined. Neither SCML nor the Secretary saw a need to define the term when they proposed the paragraph in question (most probably because, as the Secretary submitted, the definition is self-evident) and SCML only did so following a request to do so by the Commission.
36. Only one issue remained outstanding following submissions on the Commission's amended Standard. In relation to the third bullet point in the "Location and mix of cameras" section, CCL submitted that any type of camera should be permitted to monitor gaming machine banks, rather requiring them to be monitored by fixed cameras. This was consistent with CCL's earlier submission in support of the Standard imposing less prescriptive obligations.
37. As it considered this submission, it appeared to the Commission that CCL had misunderstood the proposed position. The Commission's amended Standard had deleted the word "fixed" from the bullet point, thereby allowing operators to monitor gaming machine banks by either fixed or PTZ cameras.
38. The Commission contacted CCL regarding this; CCL acknowledged that it had overlooked the deletion of the word "fixed", but went on to note that an important distinction remained between this section of the amended Standard and the drafting proposed by CCL. CCL stated that the Commission wants to ensure that there is continuous recording of each bank of gaming machines, whereas CCL wants to enable this possibility.
39. However, despite the difference, CCL went on to state that it recognised that there are benefits to operators ensuring the continuous recording of banks of gaming machines. It noted that, as the other two casino operators meet this requirement, it should too. It stated that it intends to work towards doing so, but requested a period of time to achieve the desired outcome; it submitted that it required 12 months to install and pay for the necessary cameras to do this.



40. The Commission noted that the current Standard does not require operators to record continuously each bank of machines. Accordingly the Commission took the view that it was reasonable to allow CCL 12 months to comply with what is a new requirement.

Decision

41. The Commission decided to revoke the existing Surveillance Standard and approve in its place a new Surveillance Standard, under condition 18 of SCML's operator's licence for the Auckland casino, condition 18 of SCML's operator's licence for the Hamilton casino, condition 19 of SCML's operator's licence for the Queenstown casino, condition 18 of SCML's operator's licence for the Wharf casino, condition 19 of CCL's operator's licence and condition 19 of DCML's operator's licence. The new Surveillance Standard is **attached**.
42. The new Standard has immediate effect, with the exception of part of the third bullet point under the section "Location and mix of cameras" for CCL. This bullet point provides as follows:

The location and combination of cameras must ensure coverage of:

- ...
- ...
- Activity at each gaming machine with sufficient camera coverage to ensure the continuous recording of each bank of machines;
- ...

43. CCL must ensure that there is adequate camera coverage of activity at each gaming machine, but is permitted 12 months from the date of this decision to install sufficient cameras "to ensure the continuous recording of each bank of machines".

Right of appeal

44. 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

21st December 2015



SURVEILLANCE STANDARD

Introduction

The Gambling Commission may determine¹ the standard, type, installation and operation of surveillance equipment, including closed circuit television (“**CCTV**”) systems within casinos.

The Commission’s predecessor organisation, the Casino Control Authority, developed a surveillance policy (the “**Policy**”) in 1994 to outline the minimum standards and requirements for the surveillance facilities that were to apply to the casino premises in New Zealand at that time.

The Policy was amended in 2003.

The Commission adopted the Policy on its establishment in 2004. The Policy has not been substantively reviewed since it was drafted.

The Commission considers that the surveillance function at each casino should also be used in a manner that is consistent with section 3 of the Gambling Act 2003 (the purpose of the Act), including:

- (b) prevent and minimise harm from gambling, including problem gambling; and
- (d) facilitate responsible gambling; and
- (e) ensure the integrity and fairness of games; and
- (f) limit opportunities for crime or dishonesty associated with gambling and the conduct of gambling; and

This new policy, to be called the “Surveillance Standard”, has immediate effect and supersedes the Policy, which is hereby revoked. The Standard applies to all casinos in New Zealand and will remain in force until amended or revoked by the Commission.

Outcomes

The surveillance function within the casinos should contribute to the following broad outcomes:

- gambling is conducted in a manner that ensures integrity and fairness, and in accordance with rules and standards;
- gambling disputes are resolved by the casino operator in a fair and impartial manner;
- the operation of a casino is consistent with the operator’s regulatory obligations;
- opportunities for crime and dishonesty in casinos are limited with illegal activity being detected so that it can be dealt with appropriately; and
- responsible gambling is facilitated and harm from gambling is prevented and/or minimised.

Casino operators may seek additional outcomes from their surveillance function.

Objectives

The objective of this Standard is to ensure that casino operators have in place surveillance equipment, staff and procedures which contribute to the following casino objectives:

- promoting compliance with the casino’s regulatory obligations;
- ensuring that gambling activity is conducted in accordance with relevant rules and standards;

¹ Various conditions attached to the licences applicable to each casino, pursuant to section 139 and Schedule 1 of the Gambling Act 2003.

- limiting opportunities for crime, cheating and other dishonest behaviour, and detecting illegal, dishonest or suspicious behaviour;
- detecting harmful gambling behaviour and potential problem gamblers; and
- providing a mechanism for impartial review of disputes over wagering transactions and gambling outcomes to determine their validity.

Surveillance staff

Casinos must ensure that surveillance activity is not subject to interference or override from any other casino department, nor intervention from casino management which might serve to compromise the outcomes and objectives contained in this Standard.

The reporting lines for surveillance staff must reflect and facilitate the independent operation of surveillance activity.

Surveillance equipment

Casinos must install, maintain and operate surveillance equipment that meets the requirements specified below.

The surveillance equipment will operate whenever the casino is open to the public or at any other time when an activity is taking place that is subject to mandatory monitoring requirements. In the event of a system failure or outage during these times, the continuation of any specific casino processes shall be subject to any requirements specified by way of minimum operating standards (“MOS”).

CCTV system

A casino’s CCTV system must be capable of monitoring the following areas:

- the gambling conducted at each gaming table and the activities in the gaming pits;
- activity in gaming machine areas;
- any Ball Drawing Device (BDD) or random number generator used in Keno, and general operations at and in the Keno booths;
- the cashier’s cage, the chip bank and change booths;
- the movement of cash, gaming chips, drop boxes, note stackers and drop buckets within the casino;
- the count process conducted in the count rooms; and
- public entrances and exits to the casinos, the count rooms, gambling equipment stores and computer room.

The CCTV system must include the following features:

- high quality colour, light sensitive cameras, with pan-tilt-zoom (PTZ) capabilities;
- recording capability on all cameras;
- domed housing for all PTZ cameras so that their movement is not readily obvious to casino patrons and staff;
- a switching system enabling simple selection of any camera for viewing on a number of monitors; and
- audio monitoring capability in the soft count room and chip bank.

Cameras

Cameras must be equipped with lenses of sufficient magnification quality to allow the operator to distinguish clearly the value of gaming chips and the point value of playing cards.

Each camera must have an identification description which can be seen whenever that camera is displayed on a monitor or recorded.

Cameras must be installed in a manner that will prevent them from being readily obstructed, tampered with or disabled by casino patrons or staff.

Location and mix of cameras

Casinos must install a mix of fixed and PTZ cameras in sufficient numbers and combinations to ensure that the requirements of this Standard and the MOS are met. Cameras must be located in such a way that there are no blind spots or opportunities for patrons or staff to avoid camera coverage when they are undertaking activities that must be monitored under this Standard or the MOS.

The location and combination of cameras must ensure coverage of:

- the conduct of gambling at each gaming table, including coverage of the layout(s) of the table and, where practical, any equipment used to conduct the game with sufficient fixed cameras to ensure that there is continuous recording of each gaming table;
- general activities in and around the tables in which casino type games are played, whether or not they are used for gambling purposes;
- activity at each gaming machine with sufficient camera coverage to ensure the continuous recording of each bank of machines;
- the BDD used in any Keno game, and detailed monitoring of the transactions of each operator in any Keno booth and/or Racing Game booth, with at least one fixed camera continuously recording the BDD and transactions in the booths;
- all activities and transactions of cashiers in the cage, chip banks and cage booths, with at least one fixed camera recording continuously and sufficient PTZ cameras to monitor transactions in detail;
- activities in the hard and soft count rooms and the entrances and exits to those rooms, with at least one fixed camera recording continuously and sufficient PTZ cameras to allow detailed monitoring of the emptying and processing of the contents of drop boxes, note stackers and drop buckets;
- drop routes;
- the movement of chips and/or money from one destination to another;
- entrances and exits to sensitive gambling equipment stores and the computer room with at least one fixed camera recording continuously; and
- public entrances and exits to the casino with at least one fixed camera continuously recording these areas.

For the avoidance of doubt, where a licence holder has approval through licence conditions to install tables on which casino type games may be played in the Gambling Area but which are not used for gambling purposes (fun-play tables), the casino is not required to monitor play on those tables but must monitor general activities in and around the tables.

Recording and replay facilities

Recording and replay facilities must satisfy the following requirements:

- all fixed gaming cameras are to be permanently recorded;

- any activity which must be monitored under the MOS must be recorded;
- recording technology must be capable of jitter- free freeze framing for the reproduction of colour photographs;
- picture quality in conjunction with procedural evidence must be of sufficient standard to satisfy any requirements in relation to the admissibility of evidence in a New Zealand Court of Law;
- time and date insertion must be superimposed on all images being recorded and centrally synchronised with a systems clock to avoid discrepancies; and
- there must be sufficient storage space to enable recordings to be retained for a minimum of seven days.

Monitoring facilities

Casinos must monitor the CCTV system from a secure control room.

Casino Inspectors from the Department of Internal Affairs must be provided with access to the casino's CCTV system (either from a facility within the casino or at an off-site facility) so that they may independently control and view any camera connected to the system and can review all recorded footage.

However access is provided, the system must have a mechanism identifying who has immediate control of a PTZ camera to avoid either party unintentionally interrupting specific monitoring activity being carried out by the other. During an emergency or operationally critical event, casino surveillance staff may exercise exclusive control over the PTZ cameras. In the event that the casino surveillance staff exercise exclusive control of any PTZ camera, they must immediately advise the gambling inspectors of the emergency or operationally critical event, the exercise of the right and the affected cameras. The right to exercise control does not extend to interrupting the video feed of, or recording from, any camera.

Approval of facilities

The suitability of any casino's surveillance equipment and its associated facilities will be determined by the Commission based on the requirements established by this Standard. Notwithstanding anything contained in this Standard, the Commission reserves the right to exercise its discretion in exceptional or unusual circumstances to approve equipment and facilities complying substantially with the applicable standards set out in this Standard, provided it is satisfied that adequate compensating controls are in place. Similarly the Commission reserves the right to require the placement of additional cameras in locations not specified in this Standard where it is of the view that additional cameras are required to satisfy the outcomes highlighted earlier in this document.

The Commission recognises that developments in technology may provide operators with opportunities to enhance their surveillance capability. Where such technological developments are not specifically accommodated by this Standard the Commission will consider submissions for change on a case by case basis.