

IN THE MATTER of the Gambling Act 2003


AND on an application by **SKYCITY AUCKLAND LIMITED** for approval of construction and design changes and to redesignate the Gambling Area at 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: 6 November 2012

Date of Decision: 7 December 2012

Date of Notification
of Decision:  December 2012

**DECISION ON AN APPLICATION BY SKYCITY AUCKLAND LIMITED
FOR APPROVAL OF CONSTRUCTION AND DESIGN CHANGES
AND TO REDESIGNATE THE GAMBLING AREA AT THE AUCKLAND CASINO**

Introduction

1. SKYCITY Auckland Limited ("**SCAL**") applied to the Commission:
 - (a) for approval of construction and design changes to the Nations Clubrooms, under conditions 6 and 7 of SCAL's venue licence;
 - (b) for approval of construction and design changes to the Platinum Room, under conditions 6 and 7 of SCAL's venue licence;
 - (c) to redesignate Gambling Area at the Auckland casino, under condition 9 of SCAL's venue licence; and
 - (d) to vary conditions 9 and 9A of SCAL's venue licence, pursuant to section 139 of the Gambling Act 2003 (the "**Act**"), to incorporate two additional, alternative gambling areas.

Act and licence conditions

2. The relevant section of the Act is 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 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).
3. The relevant licence conditions, with proposed variations to conditions 9 and 9A shown in mark-up, are as follows:

SCAL's venue licence (Auckland)

6. The Licence Holder must obtain the approval of the Commission prior to:
- (a) construction or design changes to Levels 2, 3, 5 and 6 of the casino venue, including the Gambling Area but excluding the SKYCITY Theatre and foyer area, restaurant and bar areas outside the Gambling Area, hotel rooms and the back of house areas used by staff (unless construction or design changes to any of these excluded areas may impact on matters set out in condition 7 in which case prior approval must be sought);
 - (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 any building, road or structure within the block of land bounded by Hobson Street, Wellesley Street West, Federal Street and Victoria Street West, including the Casino Venue, Sky Tower, car park, bus terminal and walkways between the casino and the Sky Tower and the convention centre.

The process by which the Licence Holder may obtain approval for construction or design changes to Levels 2, 3, 5 and 6 of the casino venue, including the Gambling Area (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 any building, road or structure within the casino block (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 2, 3, 5 and 6 of the casino venue, including the Gambling Area but excluding SKYCITY Theatre and foyer area, restaurant and bar areas outside the Gambling Area, hotel rooms and the back of house areas used by staff. 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)-(e) above. If the Executive Director is not satisfied, he or she will refer the proposal to the Commission for determination.

- 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~~ 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 4. A fourth alternative Gambling Area is delineated in the plan attached as Schedule 5.
- 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, 4 and 5.~~

SCAL's submissions

- 4. SCAL submitted, in summary, as follows:
 - (a) It is proposing construction and design changes to level 3 of the Auckland casino. The first change involves extending the "Nations Clubrooms" by 39 square metres. The southern wall will be extended with the existing southern entry being closed (entry will be via the eastern escalators from the main gaming floor below).
 - (b) It wants to relocate the Poker Zone to the Nations Clubrooms, and will submit an application for a new floor plan at a future date.
 - (c) The proposed construction and design changes have no adverse impacts on the matters set out in condition 7 of its venue licence.
 - (d) It is also proposing construction and design changes to extend the "Platinum Room" on level 3. The extension will encompass the area in which the Platinum Room's reception desk is currently located, and existing vacant space between the Platinum Room and the Fortuna Restaurant. This will expand the Platinum Room by 150 square metres.

- (e) An outer wall will be erected around the western side of this area, and the reception desk will be relocated to ensure that access is restricted to members only.
- (f) The proposed construction and design changes have no adverse impacts on the matters set out in condition 7 of its venue licence.
- (g) The proposed construction and design changes will necessitate the redesignation of the Gambling Area. It currently has three alternate gambling areas specified in Schedules 1, 2 and 3 attached to its venue licence. It has sought some minor modifications to these Gambling Areas in a separate application, which the Commission is currently considering.
- (h) In addition to those minor changes, it seeks approval for an additional two alternative gambling areas on level 3.
- (i) The need for additional alternative gambling areas relates to timing as each of the areas will not become operational at once, and designating an area as "gambling area" before it is used as such, requires it to police access to the area before it is necessary.
- (j) The first additional alternative gambling area is to accommodate the abovementioned expansion of the Nations Clubrooms.
- (k) The second additional alternative gambling area is to accommodate the abovementioned expansion of the Platinum Room.
- (l) The redesignation of the gambling area is relatively small because much of the additional space associated with the Platinum Room expansion is already designated as part of an alternative gambling area, but as it is joined to other areas that SKYCITY does not wish to designate as gambling area at this stage, the alternative schedules are necessary.

The Secretary's submissions

5. The Secretary submitted that he has no regulatory concerns with the proposal.

Analysis

6. SCAL has sought Commission approval for a number of construction and design changes to the Nations Clubrooms and the Platinum Room on level 3 of the Auckland casino. SCAL has also sought approval to redesignate the Gambling Area and for additional, alternative gambling areas.



7. The Commission considered SCAL's proposed construction and design changes against condition 7 of SCAL's venue licence. The Commission was satisfied that they would have no adverse impact of any of these matters and approved the construction and design changes accordingly.
8. SCAL also applied to redesignate the Gambling Areas for the Auckland casino – to include additional area at the Nations Clubrooms, and the area outside the Platinum Room.
9. These extensions raised no issues of regulatory concern for the Commission. As it has just noted in decision GC33/12, the Commission has jurisdiction to reconfigure a casino's gambling area, provided that any extended area remains within the casino venue and that the licence condition defining the new area is consistent with section 139(2) of the Act.
10. The Commission was satisfied that the proposed redesignation would not extend the casino venue. The Commission was also satisfied that licence conditions 9 and 9A are consistent with section 139(2) of the Act.
11. The proposed additional, alternative Gambling Areas do not raise any issues of regulatory concern for the Commission.

Decision

12. The Commission approved:
 - (a) the proposed construction and design changes to the Nations Clubrooms, under conditions 6 and 7 of SCAL's venue licence;
 - (b) the proposed construction and design changes to the Platinum Room, under conditions 6 and 7 of SCAL's venue licence;
 - (c) the redesignation of Gambling Area in the manner proposed, under condition 9 of SCAL's venue licence; and
 - (d) to vary conditions 9 and 9A of SCAL's venue licence, under section 139 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. 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 4. A fourth alternative Gambling Area is delineated in the plan attached as Schedule 5.



- 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, 3, 4 and 5.

13. Schedules 1, 2, 3, 4 and 5 are **attached**.

Right of appeal

14. 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.

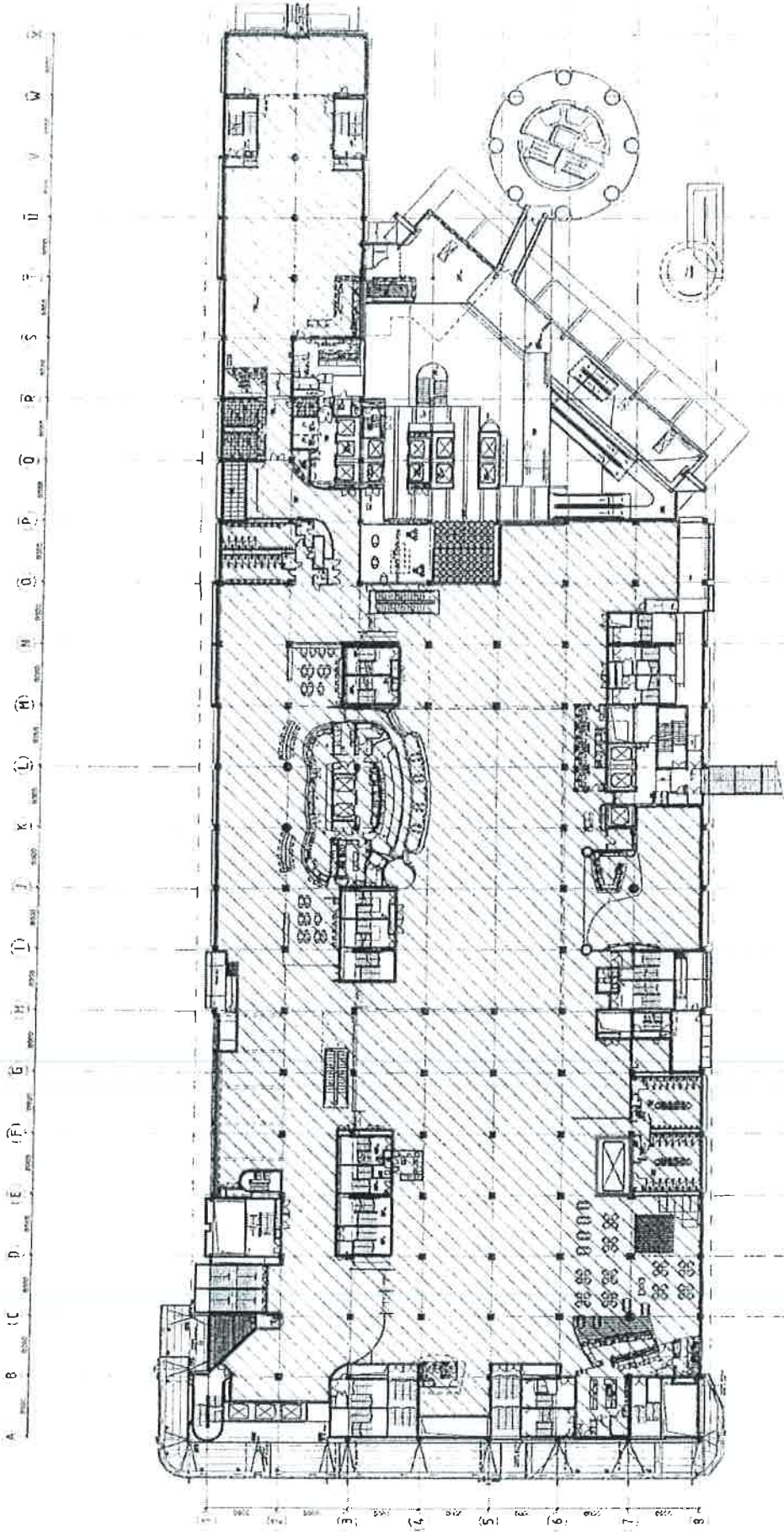


Graeme Reeves
Chief Gambling Commissioner

for and on behalf of the
Gambling Commission

1st December 2012



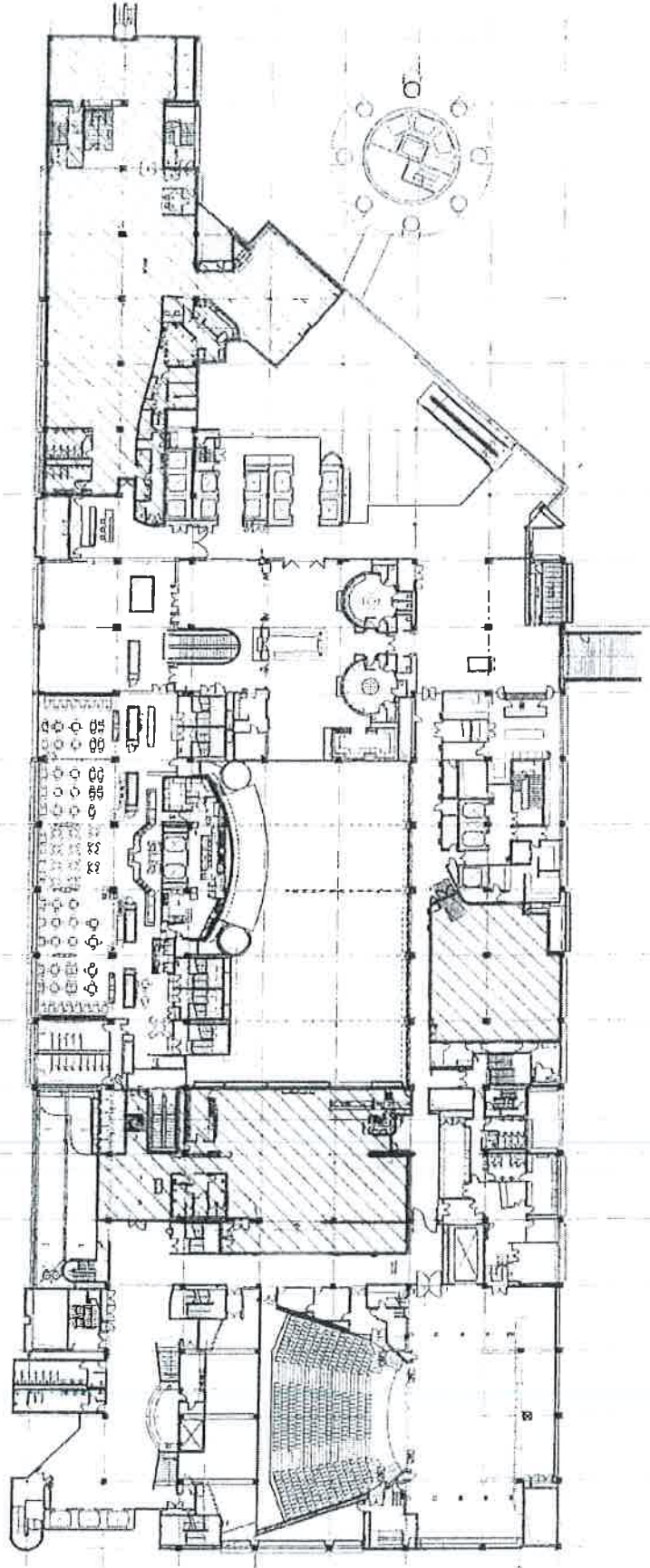


GAMING AREA: 6,837m²



<p>SKY CITY ENTERTAINMENT GROUP SKY CITY - PODIUM LEVEL 2 GAMING AREAS 15/10/2012</p>	
<p>Client: SkyCity Entertainment Group Project: Sky City - Podium Level 2 Gaming Areas Date: 15/10/2012</p>	<p>Scale: 1:500 Drawing No: SKY-2012-001 Revision: 01</p>
<p>SKY CITY ENTERTAINMENT GROUP Sky City Entertainment Group Gaming Layouts</p>	
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— GAMING AREA: 2,000m²



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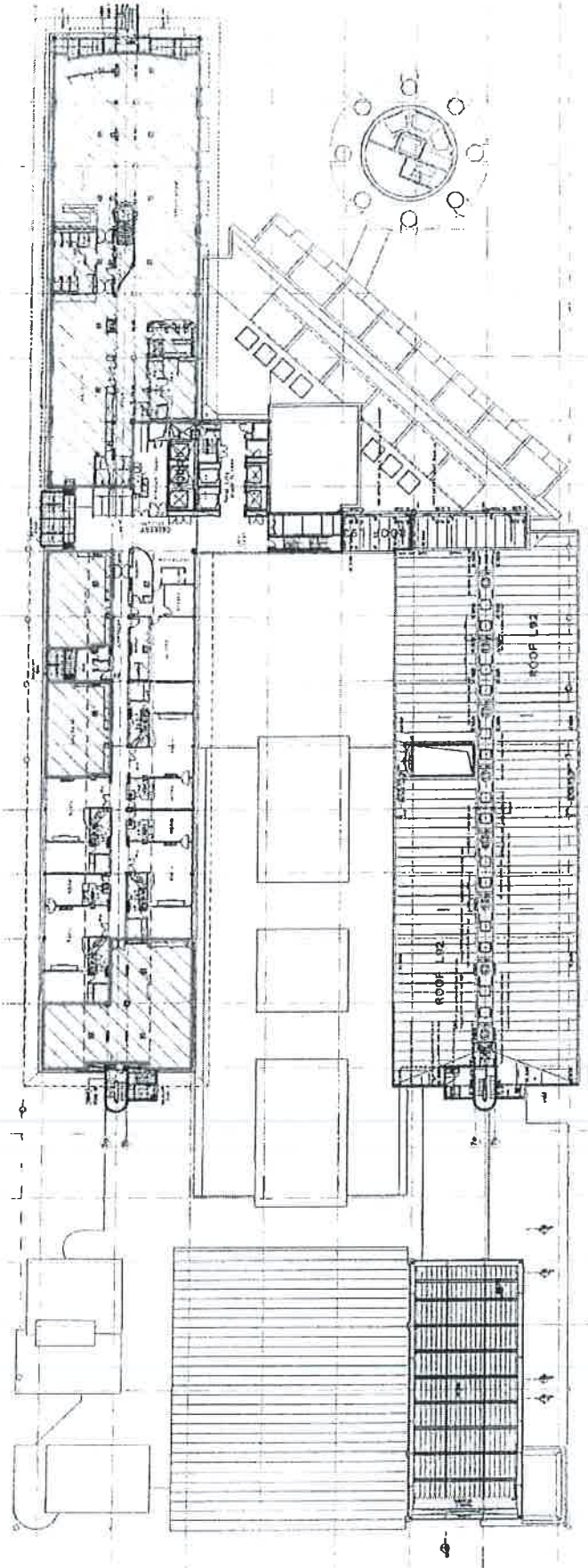
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SKY CITY - PODIUM
LEVEL 3
GAMING AREAS
15/10/2012

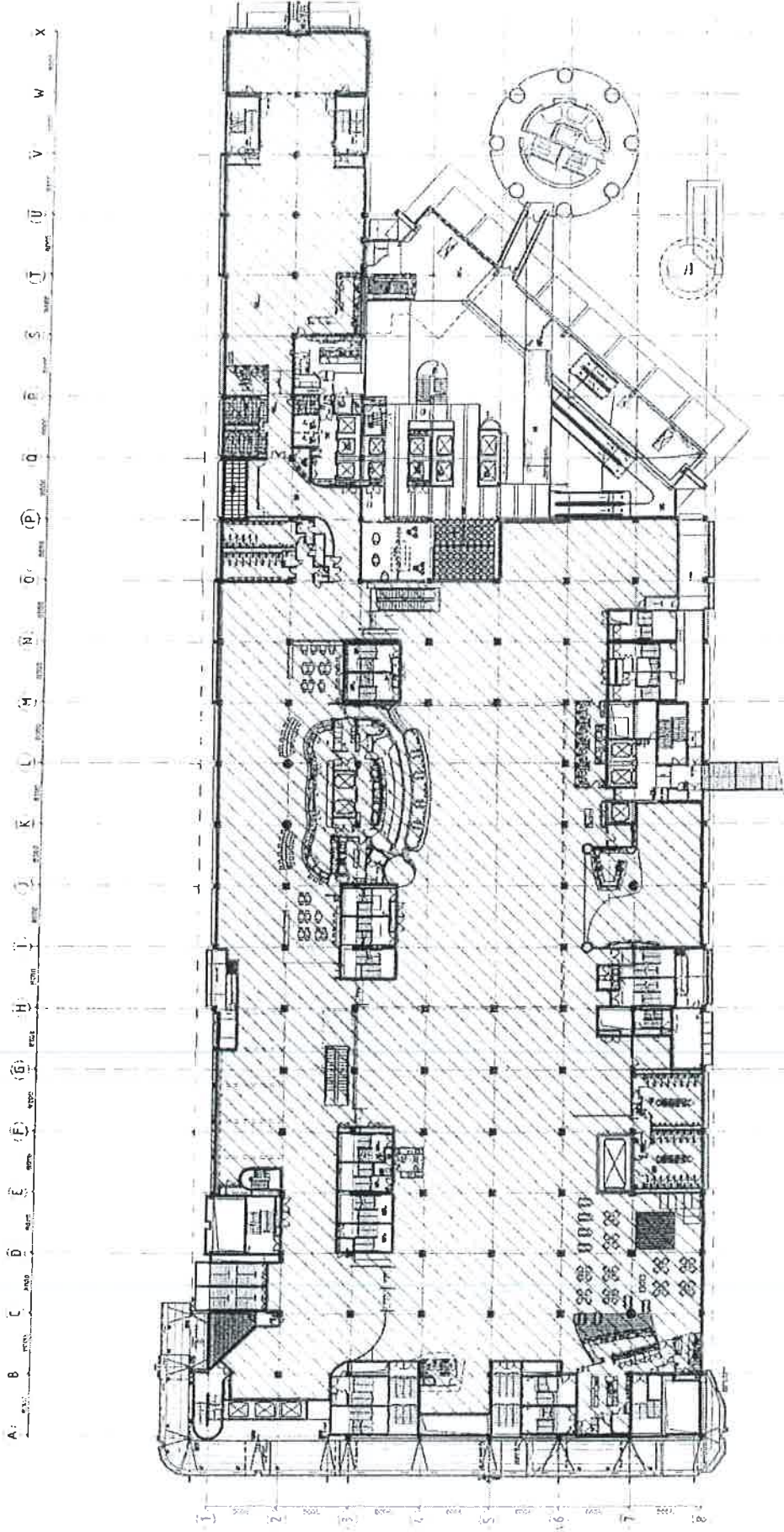
A B C D E F G H J K L M N O P Q R S T U V W X



GAMING AREA: 1,309m²



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<p>Project Name: SKY CITY Project No: 1000 Client: SKY CITY ENTERTAINMENT GROUP Date: 15/10/2012</p>		<p>Scale: 1:100 Author: [Name] Check: [Name]</p>		<p>1:1000 1:500 1:200 1:100 1:50 1:20 1:10 1:5 1:2 1:1</p>	



GAMING AREA: 6,837m²



NO.	DATE	BY	CHKD.

SKY CITY - PODIUM
LEVEL 2
GAMING AREAS
15/10/2012

Scale: 1:500
Drawing No. SKY-2012-001

SKY CITY
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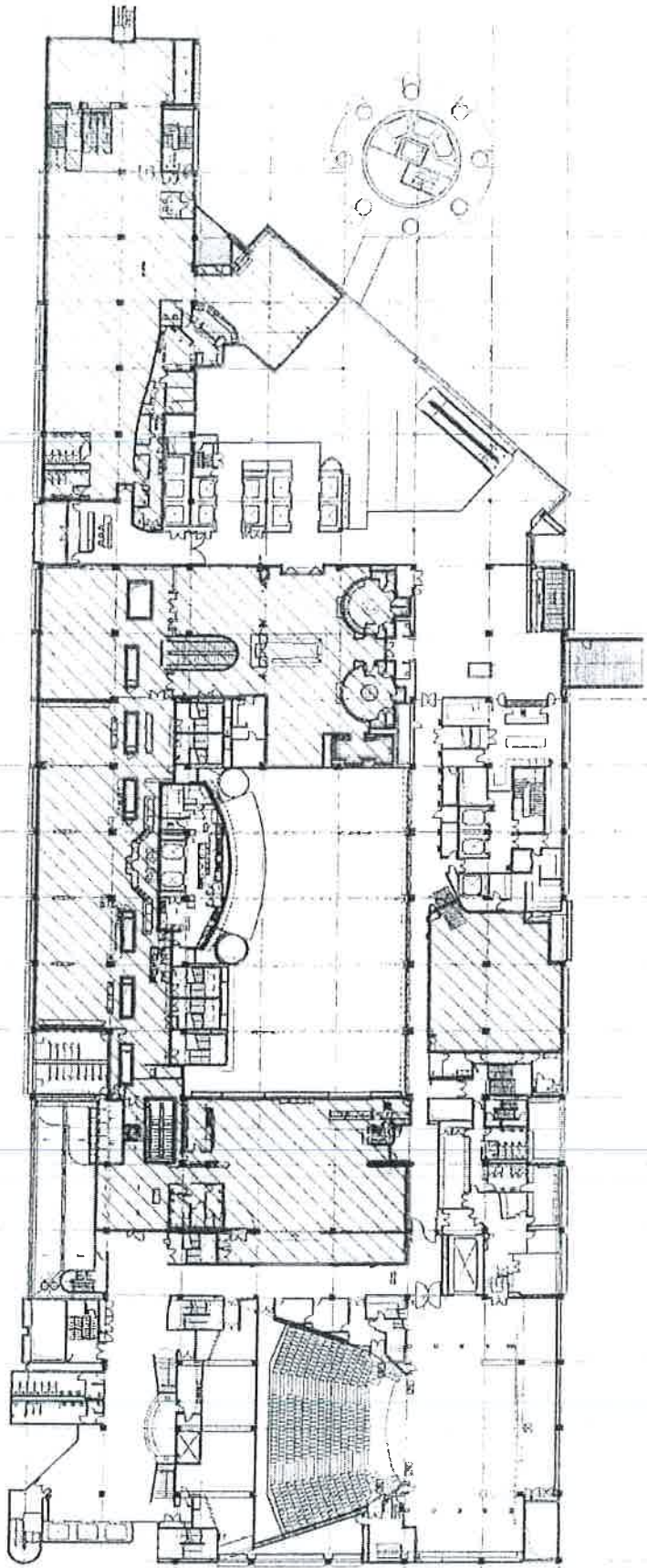
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GAMING AREA: 3,422m²

SKY CITY
SKY CITY - PODIUM
LEVEL 3
GAMING AREAS Version 2
15/10/2012

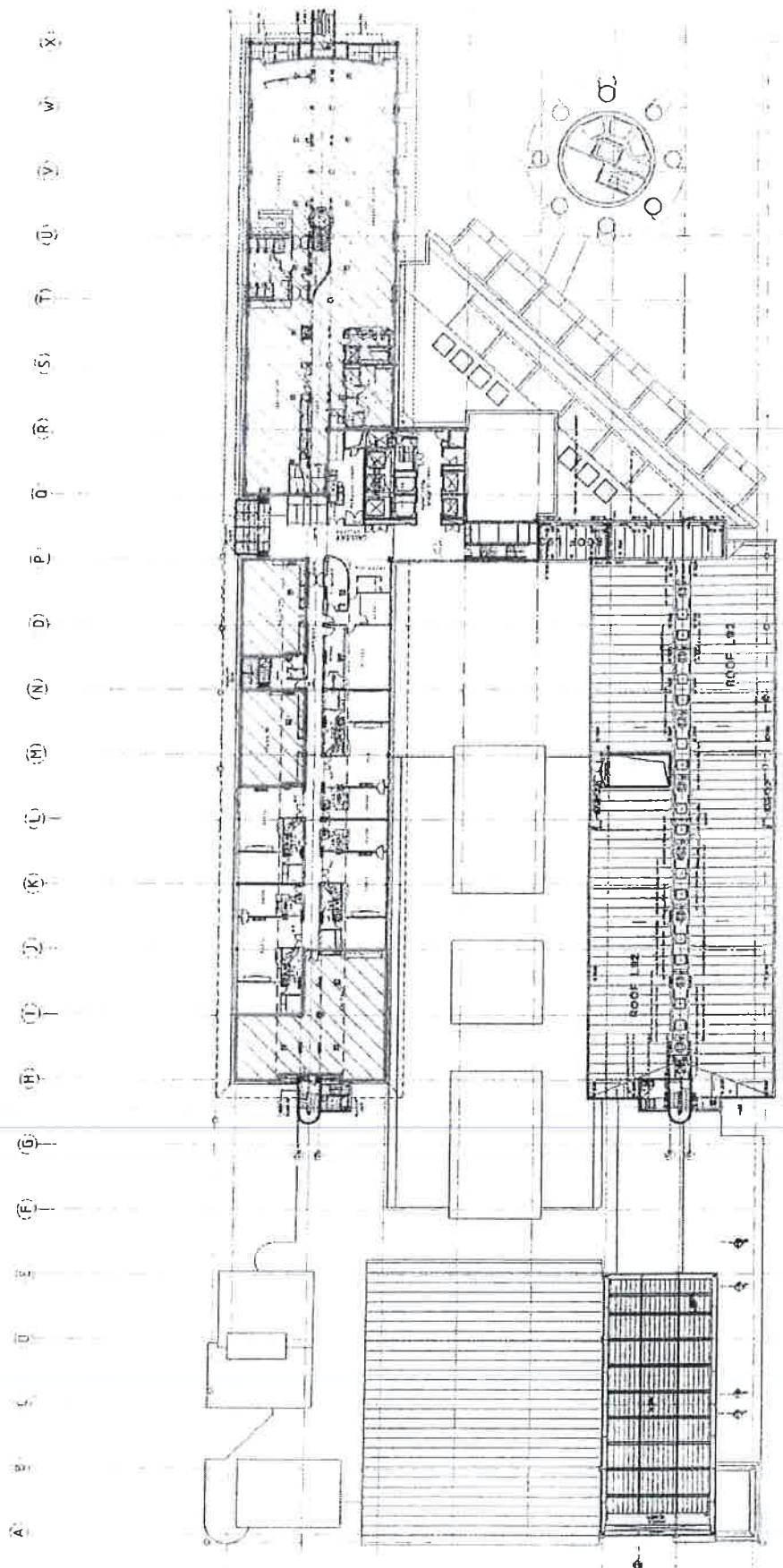
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BY	SKY CITY
CHECKED BY	SKY CITY
PROJECT NO.	SKY CITY
PROJECT NAME	SKY CITY
CLIENT	SKY CITY
LOCATION	SKY CITY
SCALE	SKY CITY
STATUS	SKY CITY

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GAMING AREA: 1,309m²

DATE	BY	CHKD	APP'D

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PROJECT NO. 15/10/2012
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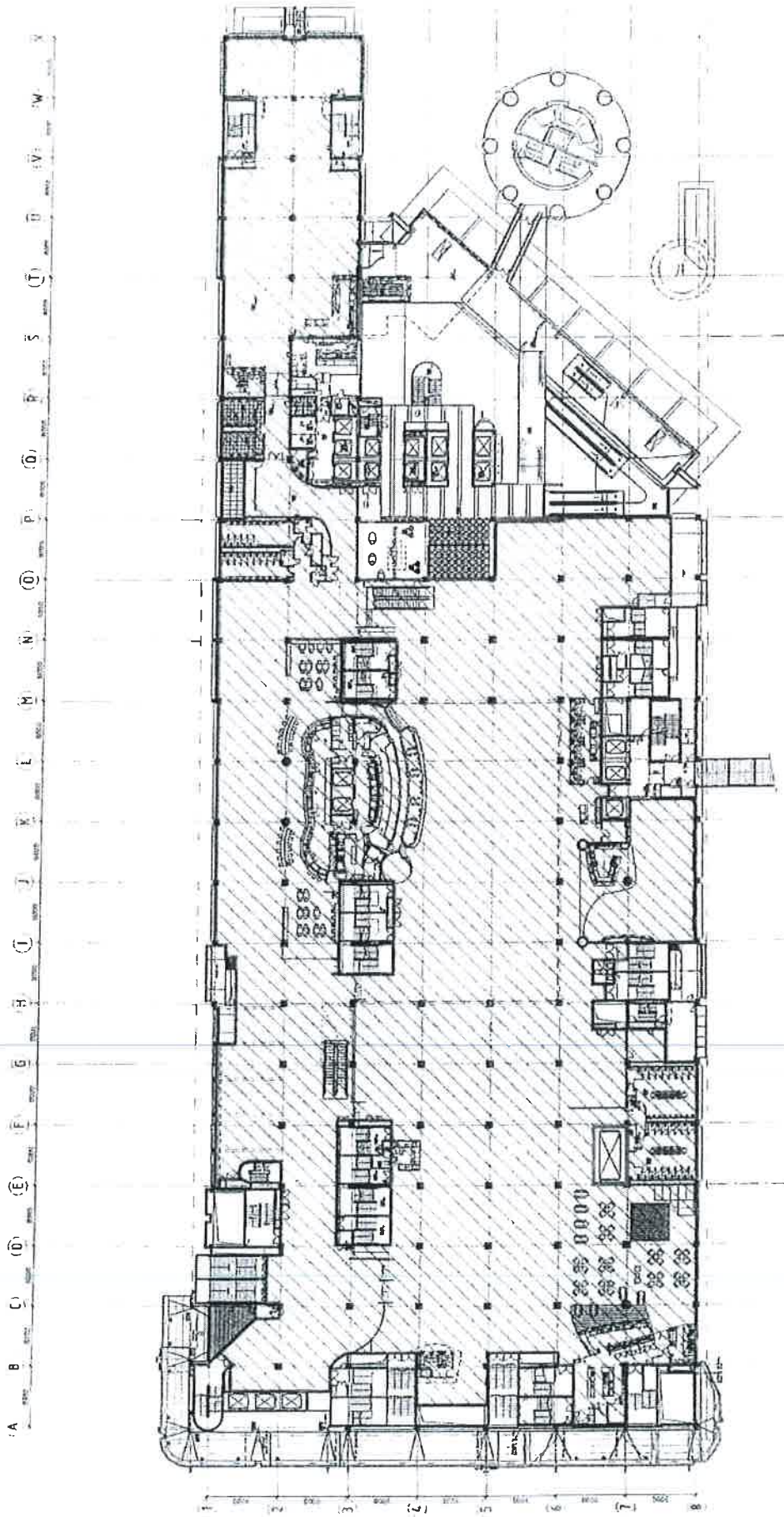
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GAMING AREA: 6,837m²



NO. OF SHEETS	15
SHEET NO.	15
DATE	15/10/2012
PROJECT	SKYCITY - PODIUM
FLOOR	LEVEL 2
DESCRIPTION	GAMING AREAS

Approved by: [Signature]
 Checked by: [Signature]
 Drawn by: [Signature]
 Date: 15/10/2012

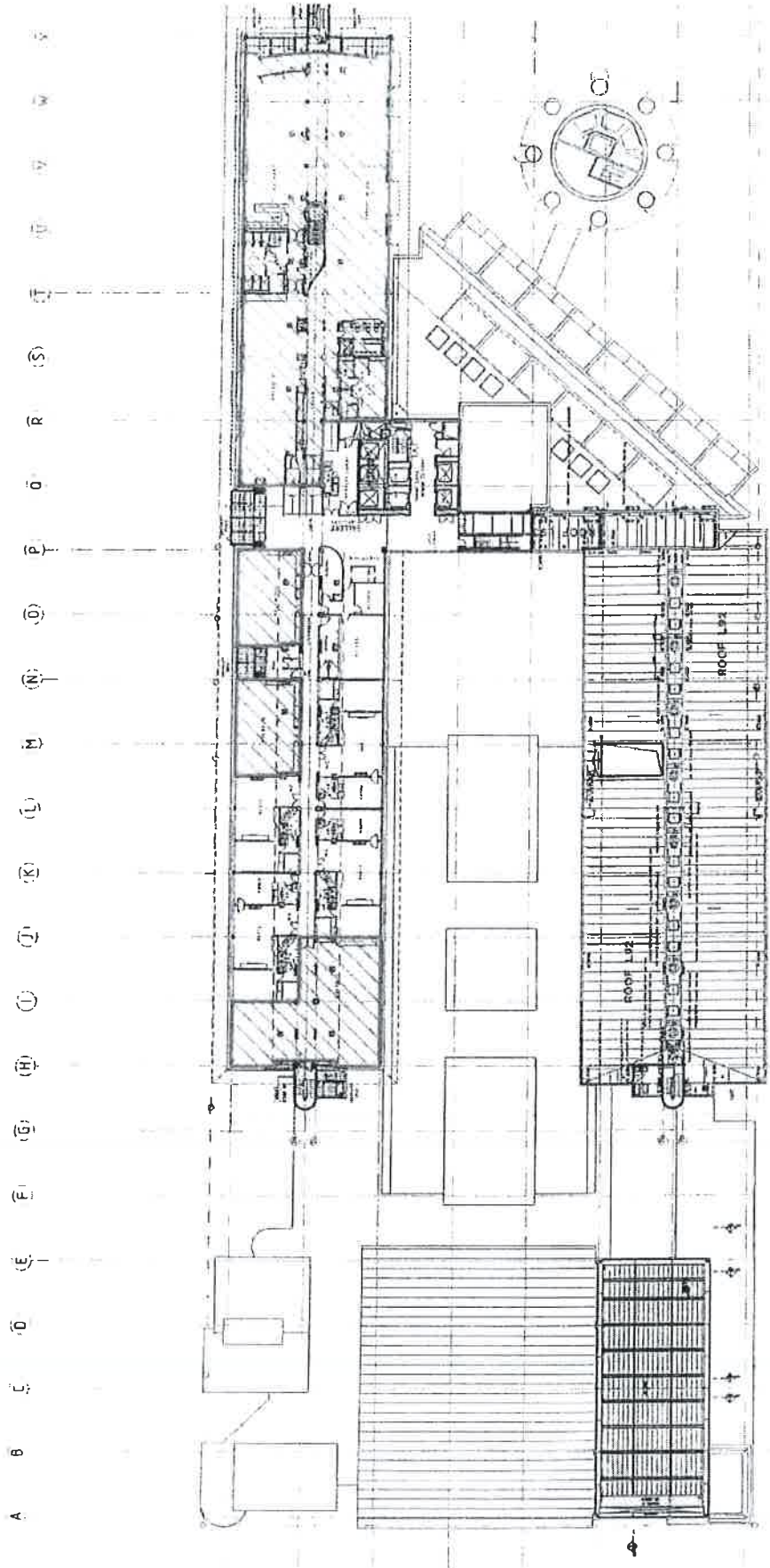
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Project No.	15/10/2012
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Location	Level H5
Date	15/10/2012
Scale	1:100
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Drawn	
Discipline	Architectural

SKY CITY - VIP GAMING
LEVEL H5
GAMING AREAS
15/10/2012

Project Name	Sky City Entertainment Group
Project No.	15/10/2012
Client	Sky City Entertainment Group
Location	Level H5
Date	15/10/2012
Scale	1:100
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Discipline	Architectural

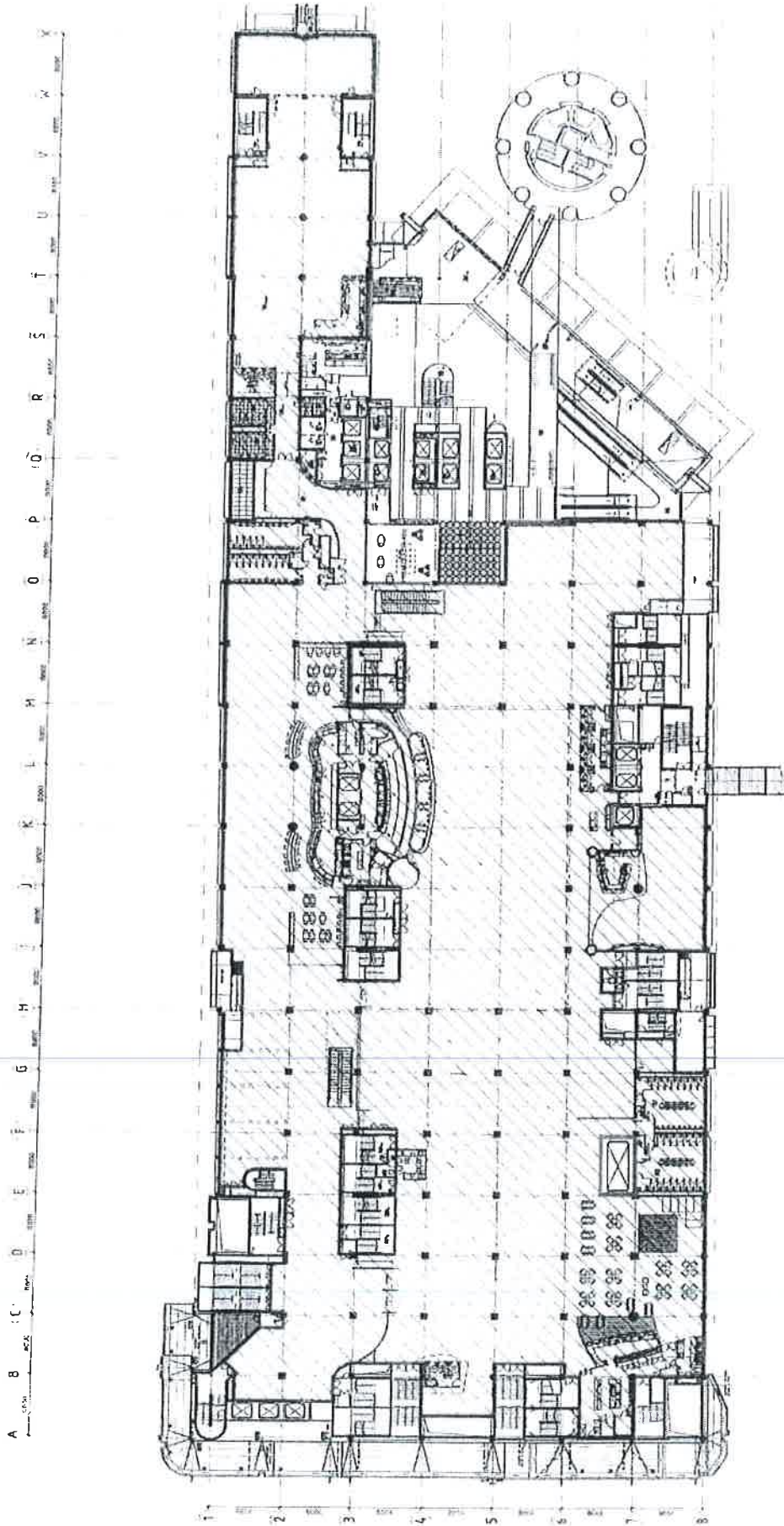
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Location	Level H5
Date	15/10/2012
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Discipline	Architectural

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GAMING AREA: 6,637m²



Project No.	SKY-01
Client	SKY CITY
Scale	1:100
Date	15/10/2012

SKY CITY - PODIUM
LEVEL 2
GAMING AREAS
15/10/2012

2. This is a plan for the proposed gaming area. It is subject to the approval of the Gambling Commission. The plan is for the proposed gaming area. It is subject to the approval of the Gambling Commission.

Author	SKY CITY
Checked	SKY CITY
Approved	SKY CITY
Date	15/10/2012

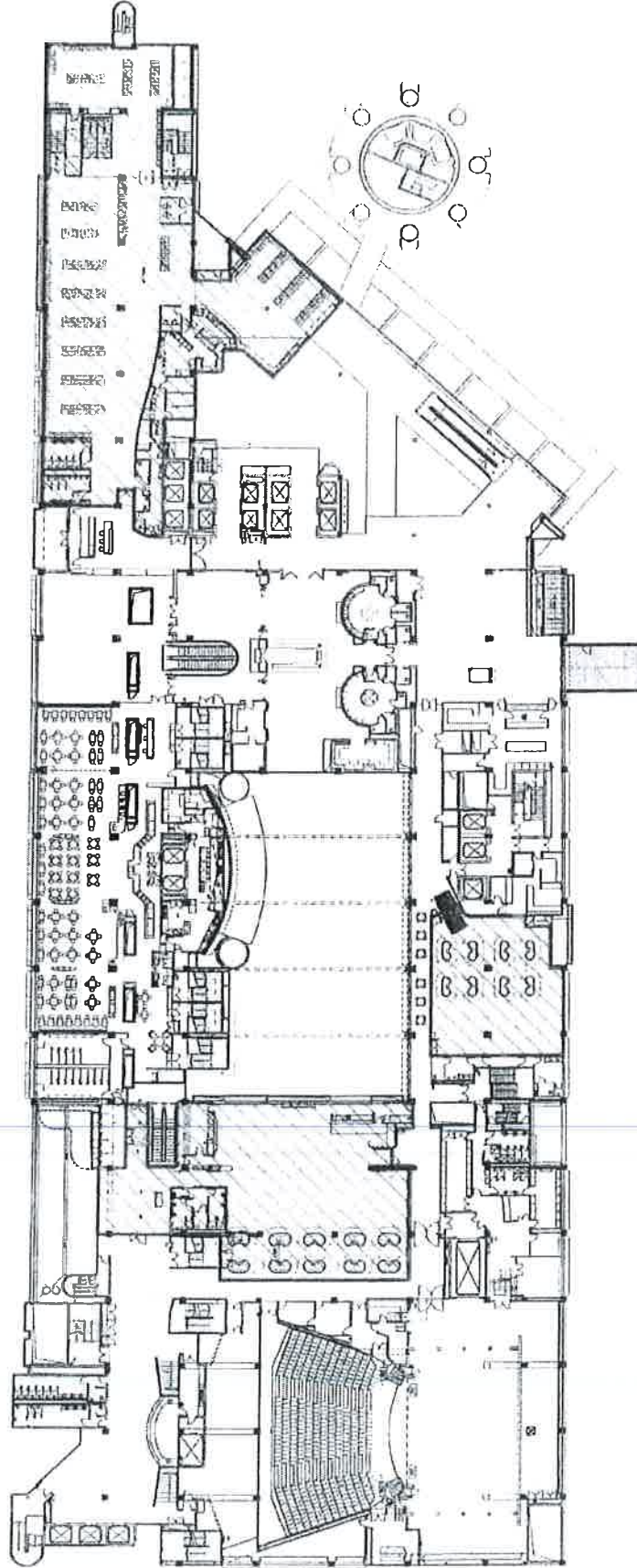
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GAMING AREA: 2,036m²



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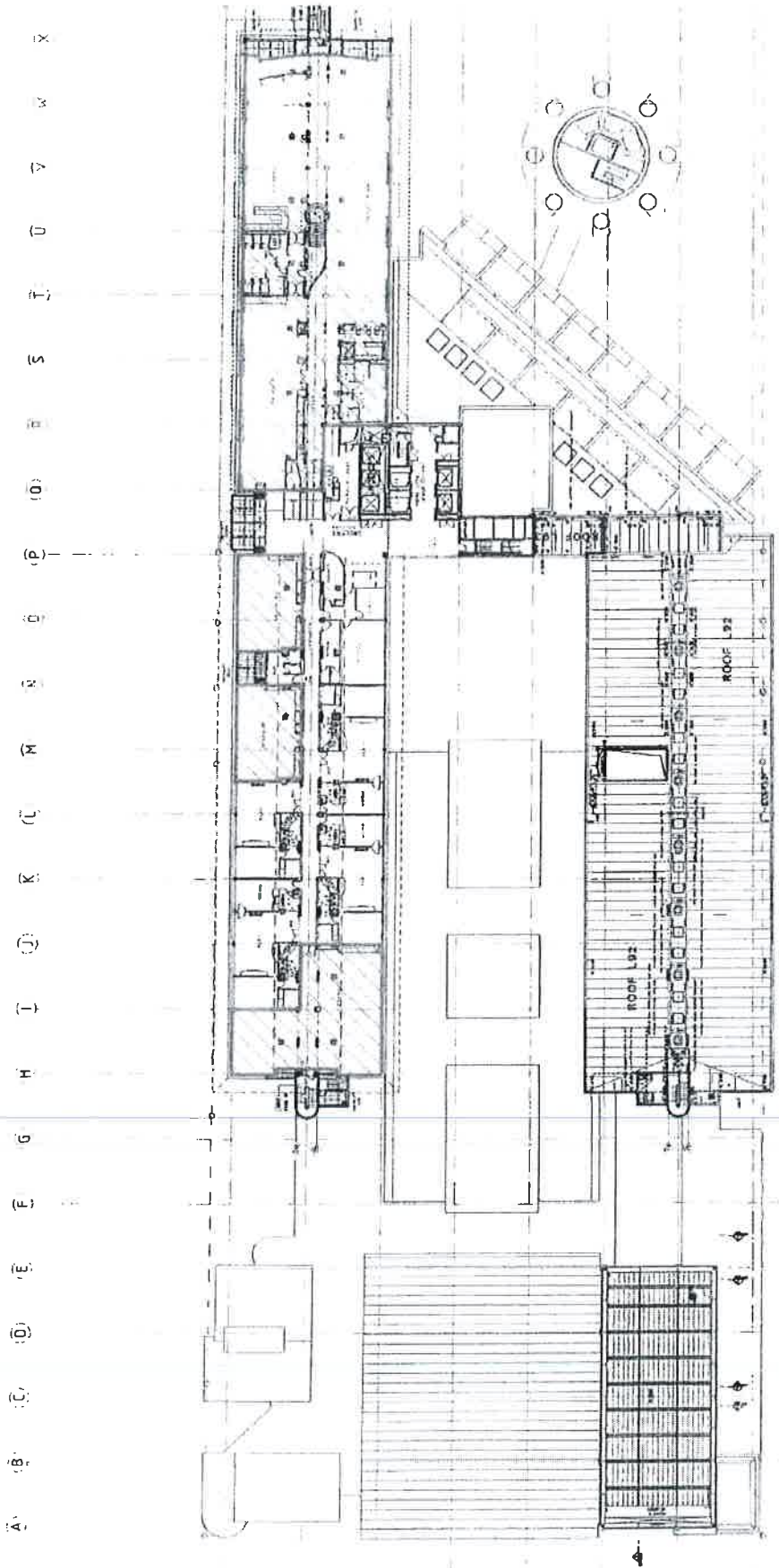


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Project Name	SKY CITY - PODIUM
Project No.	131
Revision	1
Scale	1:100
Author	SKY CITY
Check	SKY CITY
Date	06/11/2012

SKY CITY - PODIUM
 LEVEL 3 GAMING AREAS incl.
 Nations Club Room Extension
 06/11/2012

Project Name	SKY CITY - PODIUM
Project No.	131
Revision	1
Scale	1:100
Author	SKY CITY
Check	SKY CITY
Date	06/11/2012




GAMING AREA: 1,309m²



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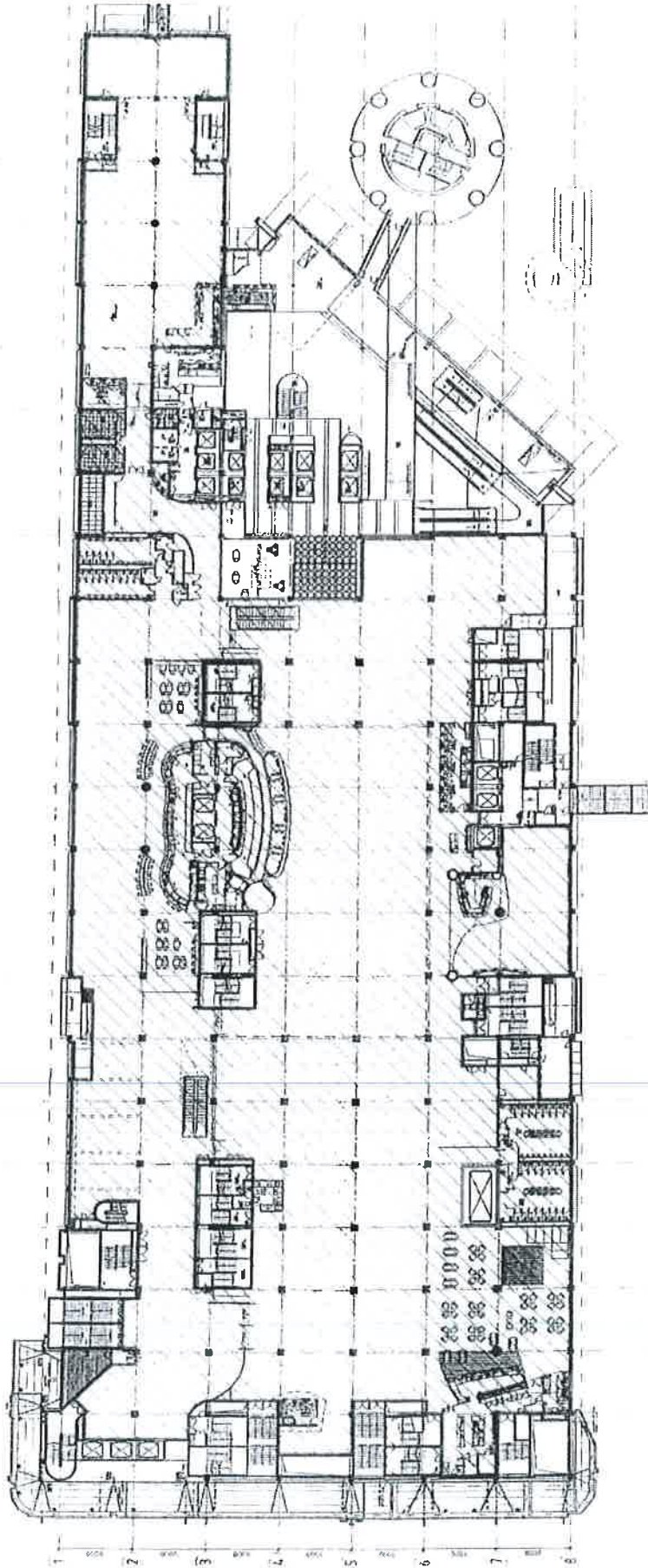
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GAMING AREA: 6,837m²

DATE	15/10/2012
BY	SKY CITY - PODIUM LEVEL 2 GAMING AREAS
PROJECT	SKY CITY - PODIUM LEVEL 2 GAMING AREAS
SCALE	1:100

SKY CITY - PODIUM
LEVEL 2
GAMING AREAS
15/10/2012

Approved for Construction
15/10/2012

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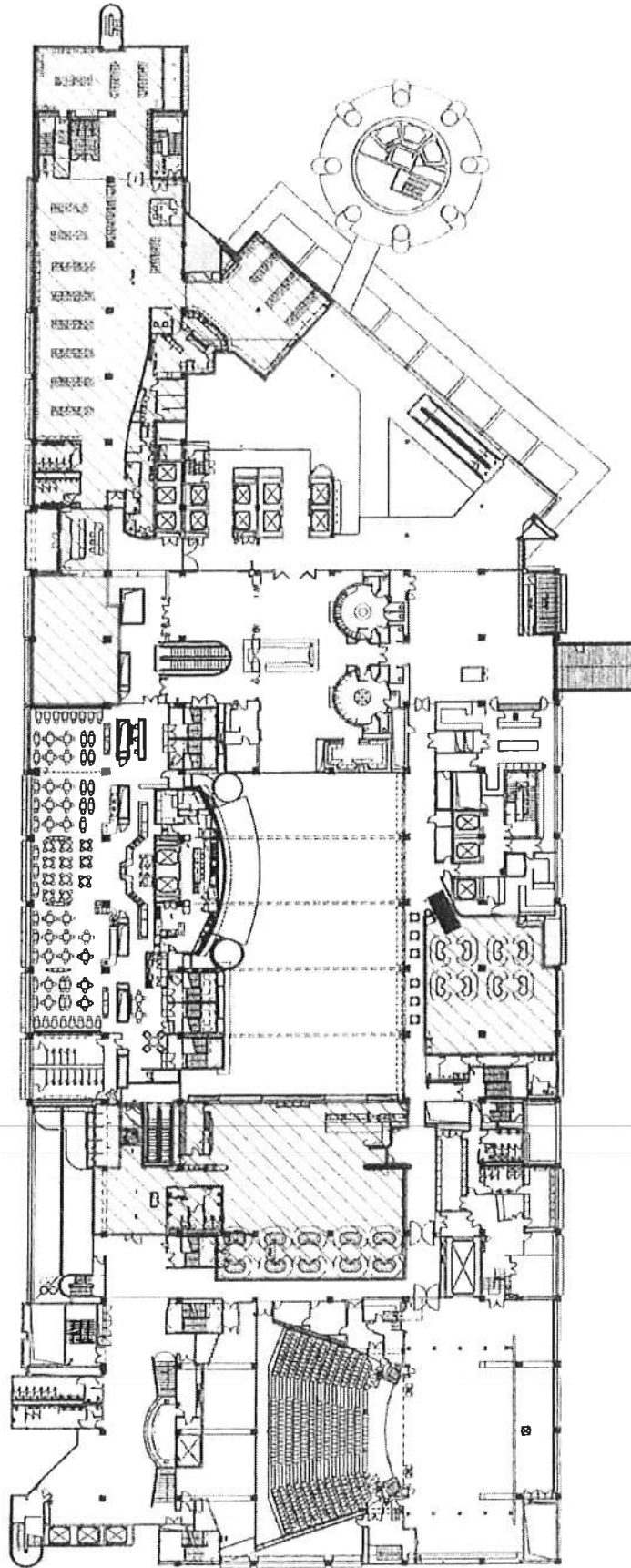
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GAMING AREA: 2,246m²



SKY CITY - PODIUM	
Level	3
Area	Gaming Areas
Date	06/11/2012

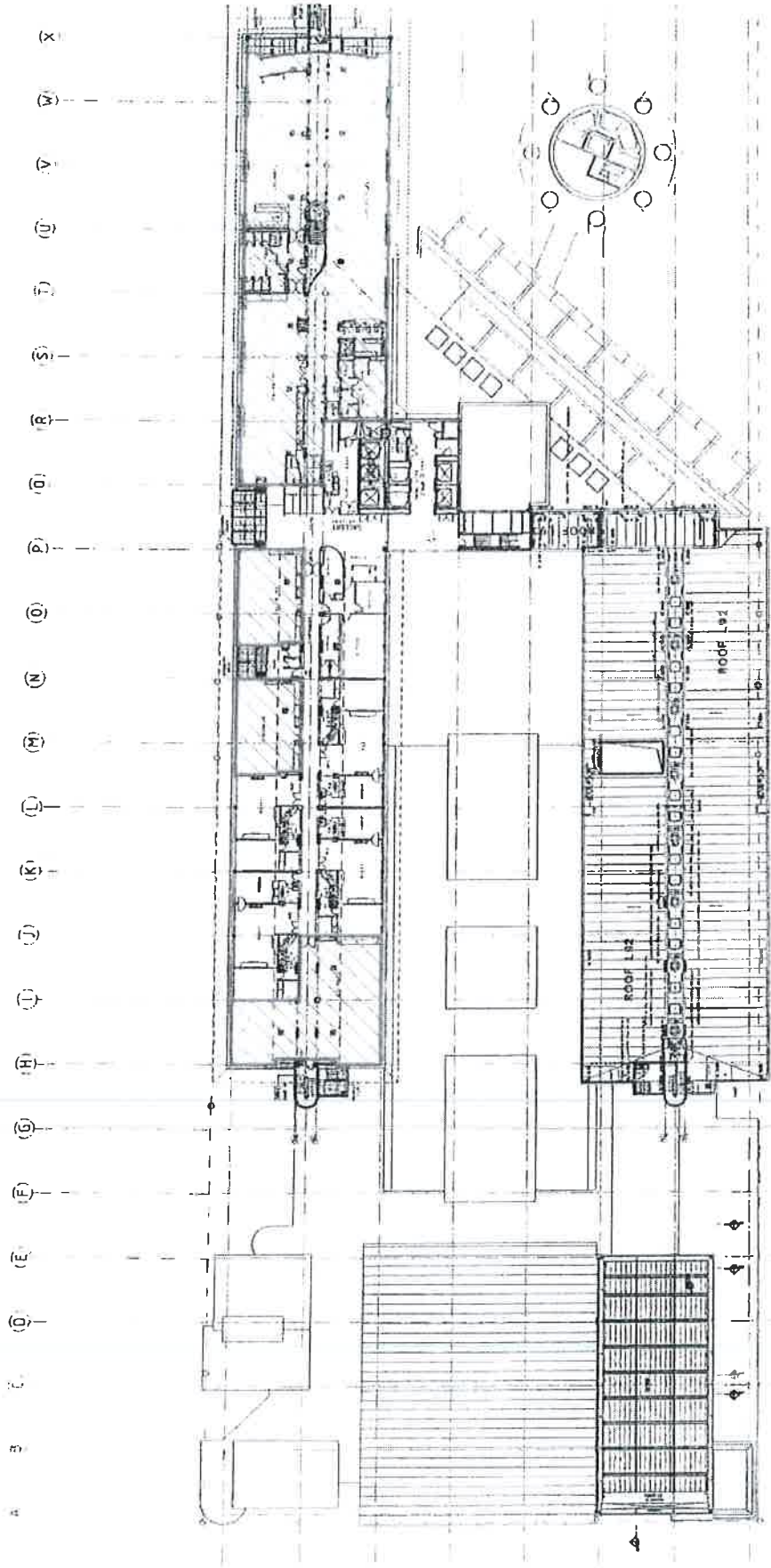
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GAMING AREA: 1,309m²



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Project No.	15/10/2012
Client	Sky City Entertainment Group
Architect	Moller Architects
Scale	As Shown
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