

# SkyCity Auckland Casino Cashiering Audit 2022

## Risk Analysis Paper

### Focus Area or Topic

*Summary or description of item or content under review*

#### 1.1 Security of Funds

- Targeted assessment of how funds are stored and transported at the casino, including the transport of money from gaming tables and EGMs to places where funds are counted.
- Assess the procedures the casino has for the storing and transportation of funds. These need to limit opportunities for theft, fraud or other dishonesty.

#### 2.1 Surveillance and Monitoring

- Ensure surveillance monitors, and reviews Counts, Drops, Fills and Credits activities and transactions in the cage, chip banks, cage booth and count room.
- Targeted assessment of reported suspicious activity in relation to money handling.

#### 3.1 Harm Minimisation

- Targeted review of staff training records and interviews with staff on their current Harm Minimisation practices and application of this training at the Cashiering desk.

### Legislation / Criteria

*Provide relevant legislation or examination criteria*

	<i>Satisfied</i>	<i>Not Satisfied</i>
<u>1.2 Gambling Act – Schedule 2.7</u> The transfer of money from the gaming tables and other places where games are conducted to other areas for counting.	Yes	
<u>1.2 Minimum Operating Standards (MOS) 60</u> Casino Operators must ensure that: (a) All funds are securely transported and held (b) Procedures are in place to limit opportunities for theft, fraud, or other dishonesty (c) The procedures are made available to a Gambling inspector on request	Yes	
<u>2.2 MOS 55</u> Casino Operators must have procedures in place to ensure that activities and transactions in the cage, chip banks and cage booths, and activities in the count rooms are carried out in such a way that surveillance footage can be used to- (a) Identify each employee's actions (b) Identify all records and funds	Yes	

<p>(c) Identify the results from any automated counting or weighing device associated with the count, including mobile counting devices; and (d) Accurately review transactions.</p>		
<p><u>2.2 MOS 54</u> If casino operators become aware of any other suspected criminal activity on the casino premises, that is not already referred to in this minimum operating standard, they must— (a) Record that activity, including details of any notification to the Police and any other action taken in response to the activity; and (b) Provide a copy of the record to a Gambling Inspector as soon as practicable.</p>	Yes	
<p><u>3.2 MOS 29:</u> All certificate of approval holders must complete a course of training as soon as practicable following their employment. The training must cover all requirements of legislation, licence conditions, operating standards and procedures applicable to the person’s role.</p>	Yes	

**Findings**  
*Detailed analysis of work done for each criterion*

<p><b><u>1.3 Security of Funds</u></b></p> 
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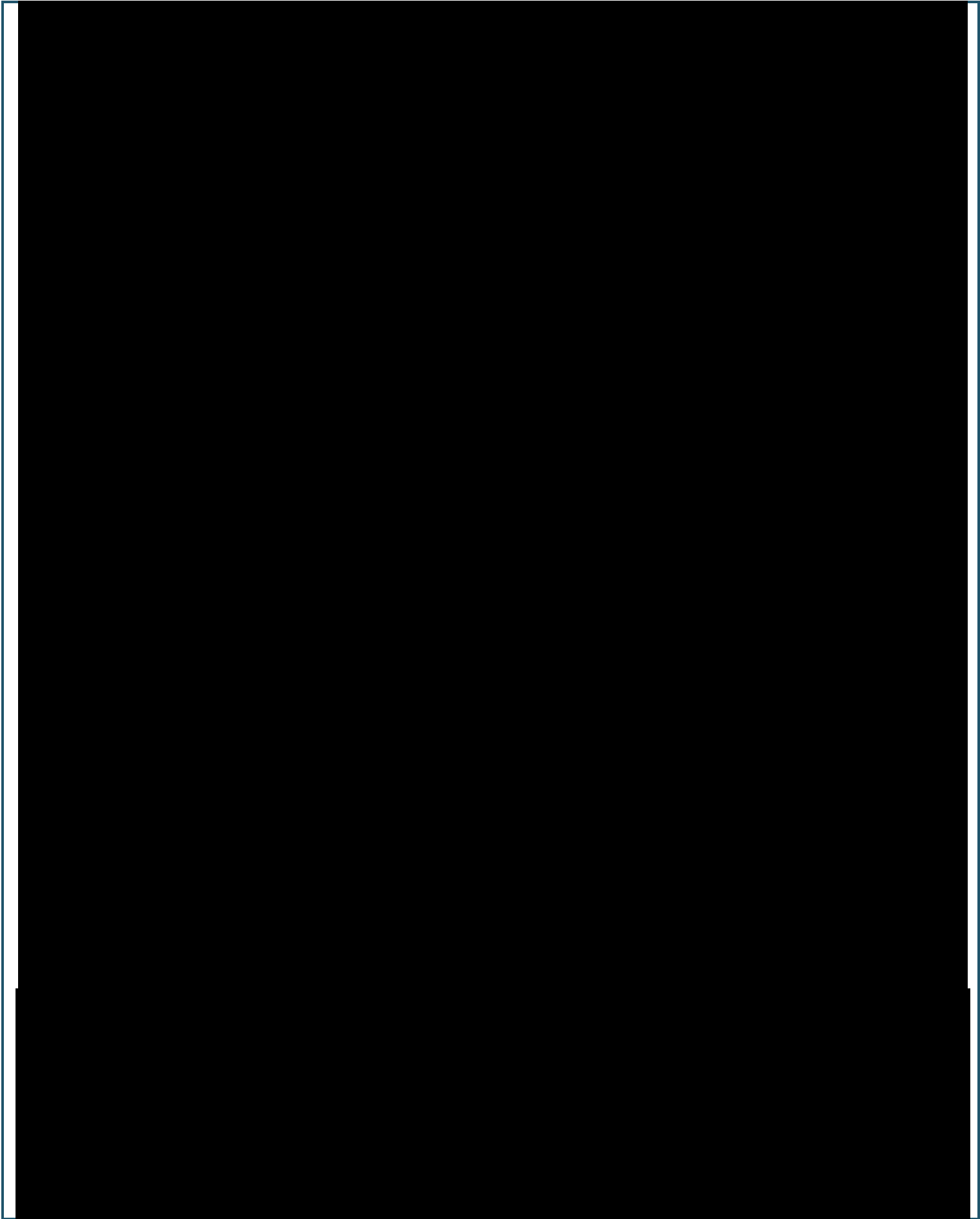
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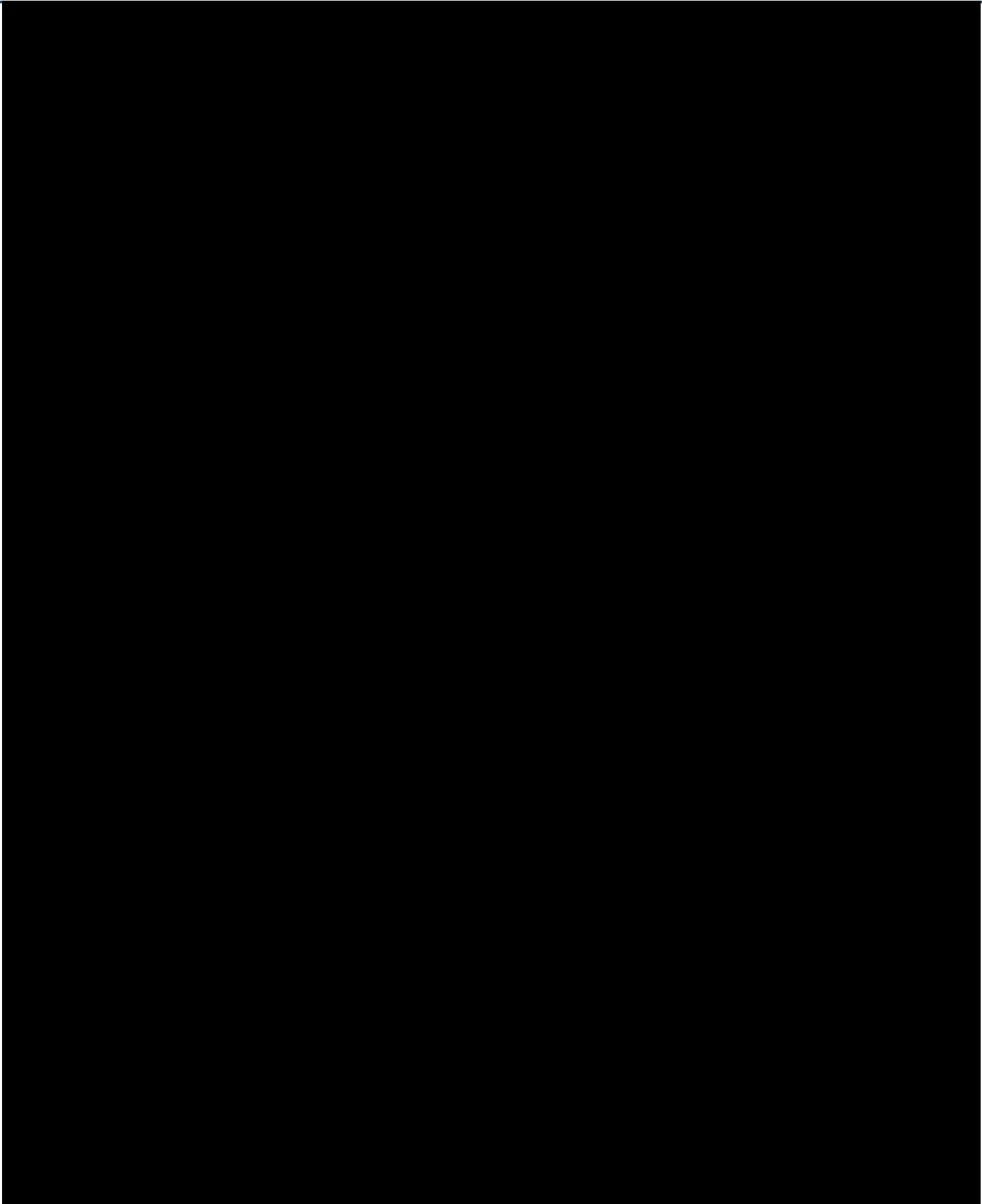
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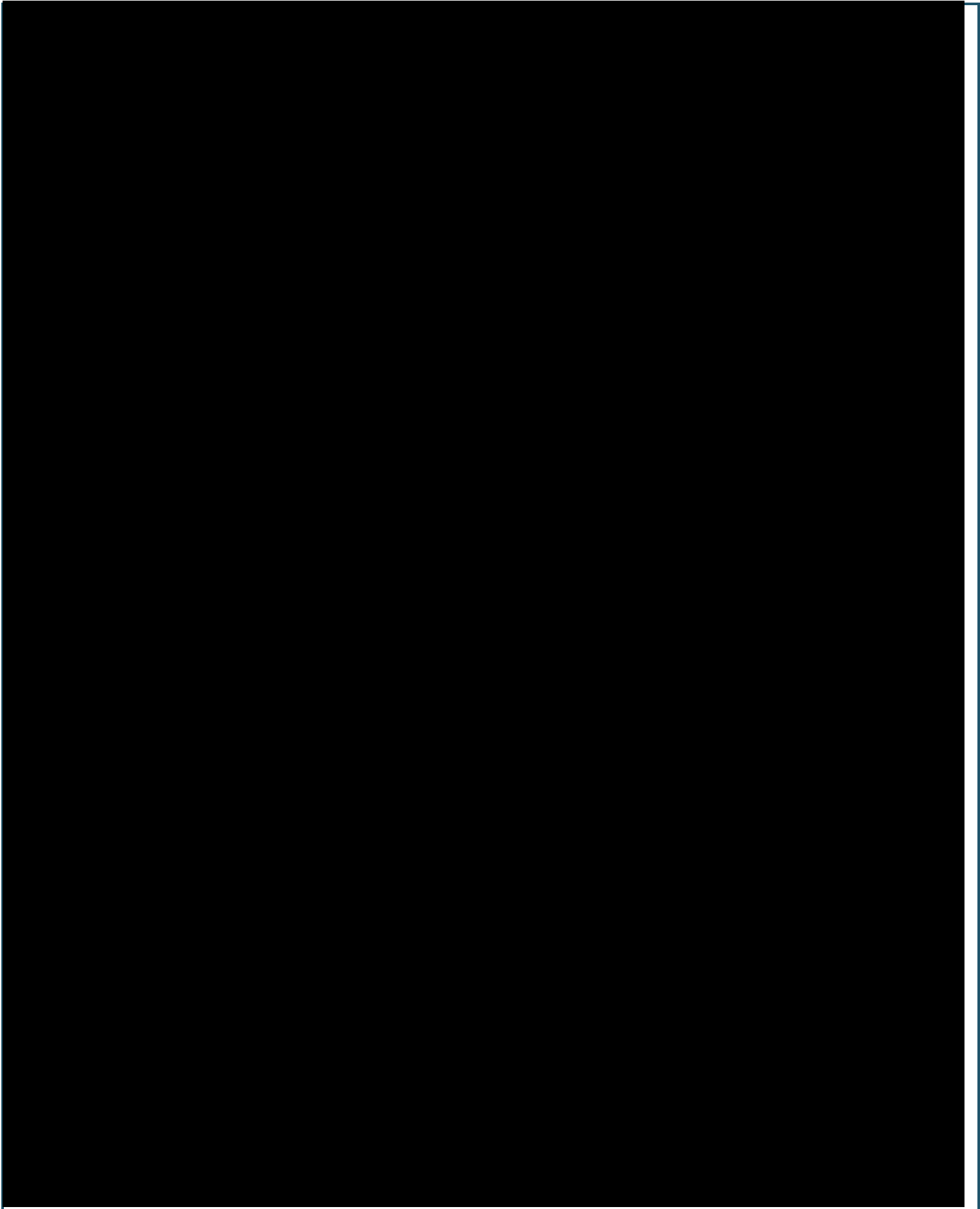
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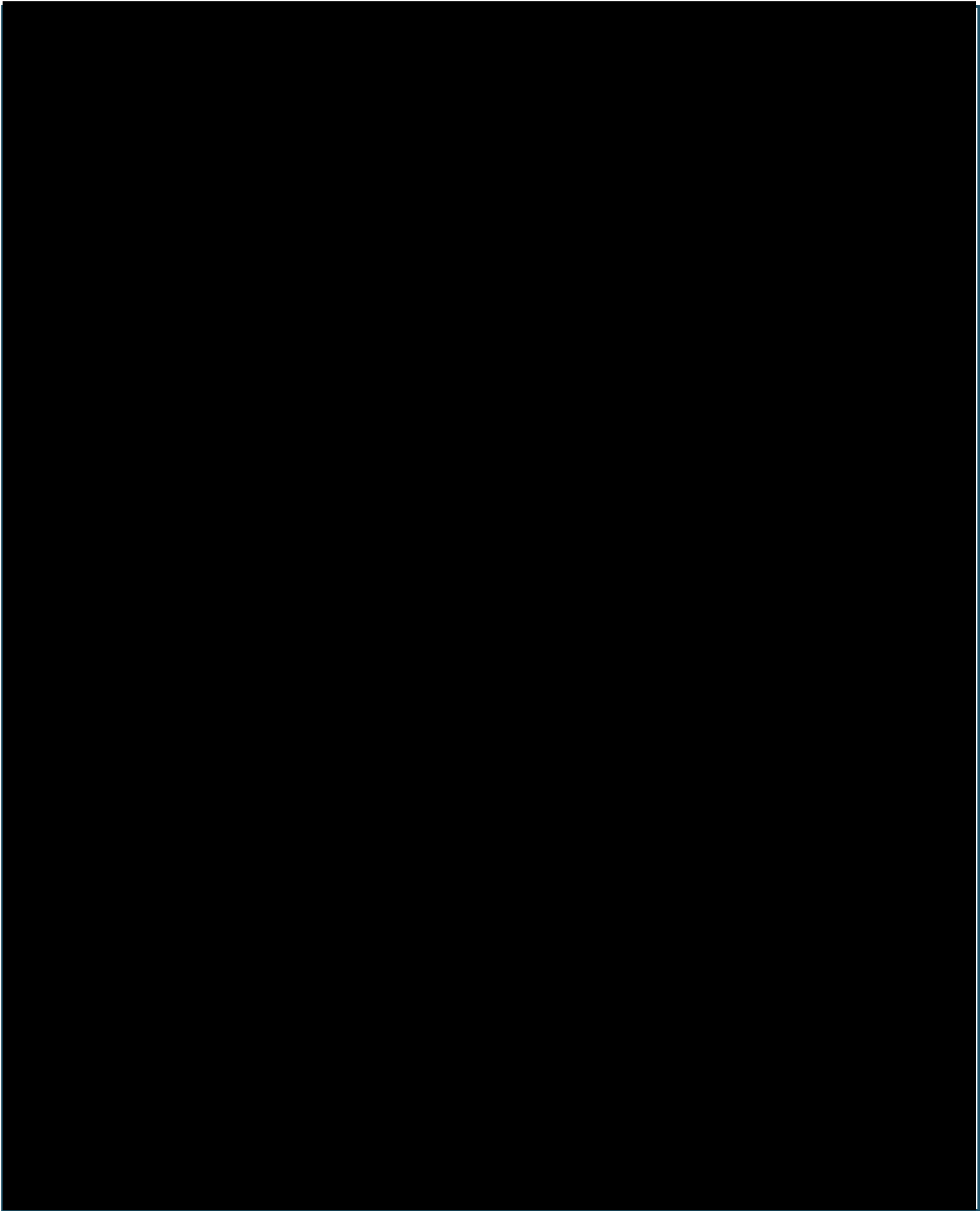
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### **3.3 Harm Minimisation Processes**

- SkyCity Auckland’s Host Responsibility Programme (HRP) training requires that all permanent staff, whether or not in direct contact with customers, will complete three compliance e-learning modules (Induction training) within one month of commencement of their employment. All staff in direct contact with gaming customers are required to have completed an “Advanced Host Responsibility Level 1” e-learning module after three months of employment and a refresher of this training is required to be completed annually. The HRP notes that staff in direct contact with customers will be further supplemented with on the job coaching and support (Appendix BB).
- Advanced training (Level 3) is provided to senior employees who may be expected to deliver interventions to customers and the HRP notes that this includes some supervisors and all managers.
- ██████████ noted that the cashiers were placed in a cashier training school which includes Host Responsibility training, AML training and the online inductions. The cashiers need to complete this before they start work on the counters. After the training school the new cashiers are paired with senior cashiers for one-on-one on the job training (Appendix G).
- ██████████ noted that Host Responsibility 1 was an online module which is mandatory and has a mandatory annual refresher. Cashiers also did Host Responsibility 2 which is a workshop and managers attended Host Responsibility 3 which is also a workshop (Appendix K).
- Hard copies of the online modules for Responsible Gaming Module (Induction) and Advanced Host Responsibility (HR1) were provided by SkyCity Auckland (Appendix CC). A review of this training material found that it contained information that would allow staff to meet the requirements outlined in Section 12(2) of the Gambling (Harm Prevention and minimisation) Regulations 2004.
- A list of the Auckland Cage employees (Appendix DD) and their training records for induction and Host Responsibility Levels 1-3 was provided (Appendix EE). A review of this material was conducted (Appendix FF) and found the following:
  - All cashier staff had received induction training.
  - The Cage administrator, Cage Count Supervisor, Cage Count Team member and Cage replenishment roles had not received any Host Responsibility training higher than Induction training. ██████████ confirmed that these roles did not have a customer-facing aspect and so did not require a higher level of Host Responsibility training under the HRP (Appendix G).
  - All cashiers and senior cashiers had received at least Host Responsibility 1 with most having received Host Responsibility 2.
  - All managers except for ██████████ have received Host Responsibility level 3. ██████████ started working at SkyCity in September 2022, has completed HR1 and HR2 and is due to complete HR3 by 06/03/2023.
  - The majority of cashier staff with front-facing roles have completed either HR1 or a refresher of this in the last 12 months. There are two exceptions, first is ██████████ who is casual, has no shifts scheduled and is due to be removed from employment in the next month. The second is ██████████ who attended

training in 2020 on a different date to the one he was assigned, and this was not correctly recorded in the system. He is registered for his next refresher on 24 November 2022.

- All staff who started in the Cashiering Department from 2019-2022 had received induction training within a month of starting. There were two current cashier staff who started in other Departments who completed their induction training after one month and explanations for these was provided.
- SkyCity Auckland's Cashiering Department has a practise that any patron who has three declined eftpos transactions should be given a helping hand card. ██████ noted that they did a three-monthly audit in which they checked the eftpos declines for that period for three instances in quick succession. They then checked this information against I-track to see if there is a corresponding entry. If they can't locate an I-track entry, they will give feedback to the cashier on duty at that window at that time (Appendix K)
- Both cashiers interviewed were able to name the five red flag indicators as well as several other general signs which indicate a patron had a gambling problem. Both cashiers advised they would contact Host Responsibility if they observed a red flag indicator. Both were also aware of the different types of exclusions and could explain these. They were able to describe the process implemented at the casino to pass out a helping hand card to a customer who had three declined transactions (Appendix J & GG).
- SkyCity Auckland provided the I-track entries for problem gambling indicators identified by cashier staff during the audit period. A review (Appendix HH) of these found the following:
  - There were 824 entries from 1 July 2021 to 30 June 2022.
  - The majority of these (818) were for multiple declined transactions.
  - The remaining entries were for verbal cues that a cashier had picked up on.
  - These included: 'mentioning that she didn't want transactions from SkyCity to show up on her bank statement' (DL20210114138), 'this is my last chance' (DL20210123861) and 'he could not control himself' (DL20220018887).
  - One entry (DL20220065973) was a clear red-flag indicator as the patron stated, 'I have a bit of a gambling problem'. The cashier followed the correct process by immediately calling Host Responsibility.
- A deeper review was conducted for the entries from June 2022 which found the following:
  - There were 91 PGI's identified by cashiers all of which related to multiple declined transactions.
  - On 50 occasions a helping hand card was offered and accepted by the patron, on 25 occasions a helping hand card was offered but not accepted by the patron/left behind by the patron, On six occasions a helping hand card was offered but it is unclear whether this was accepted or not and in 10 instances a helping hand card was not offered by the cashier (the reasons for this were 1x cashier forgot, 1x not offered as the declines were a mistake and the 4th attempt was successful, 6 occasions a VIP Host was instead notified of the declines and 2x the patron left too quickly for the cashier to give the card.)
  - In all instances either the patron's name and Sky City account number were provided, or a thorough description was given of the patron.
  - Nine instances were identified which specifically mentioned the cashier asking the patron if they were ok. (DL20220088661, DL20220093467, DL20220095796, DL20220096674, DL20220096792, DL20220097194, DL20220097532, DL20220098863, DL20220098874).
- When asked what else management in the Cashiering department does to support cashiering staff in their Host Responsibility obligations, ██████ noted that reminders were given on Host Responsibility in the briefings provided before each shift. A couple of examples were given for this (Appendix II), and this was also mentioned by the cashiers. Pre-shift questionnaires are also given to staff as examples of things patrons might say that cashiers should be listening for. Examples of these were provided (Appendix JJ).

## Conclusion

### *Summarised conclusion from findings*

#### **1.4**

SkyCity Auckland has policies in place for the transport and holding of funds which limit opportunities for theft, fraud, and other dishonesty. [REDACTED]

Information obtained by staff in interviews was consistent with both the documented processes and the observations of the audit team when viewing selected processes.

#### **2.4**

#### **3.4**

Training records for cashier staff demonstrate that they have received the level of Host Responsibility training required under the HRP. Interviews with two cashiers at SkyCity Auckland indicate that they have sufficient knowledge to be effective in this area. I-track entries for the audit period confirm that not only are cashiering staff responding accordingly when a patron has multiple eftpos declines, the most common problem gambling sign encountered by cashiering staff, but they are also picking up on verbal cues and responding appropriately.

## Recommendations

### *Corrective Action Notices/Recommendations for the auditee*

#### **1.5**

Nil

#### **2.5**

The SOP 11.05 for Cashier Variances be updated to include information that all variances over \$500 will be investigated by Surveillance. The criteria that a variance of less than \$500 would be assessed against in deciding whether or not it requires an investigation should also be included in this SOP.

#### **3.5**

Nil

## References

*Link appendices to support the findings*

Appendix	Title/Document number
A	[REDACTED] interview 26/10/22
B	<a href="#">Count 1.0 – NAD Drop</a>
C	<a href="#">Count 1.1 – Table Drop</a>
D	<a href="#">Count 1.2 – Soft Count Opening Stackers</a>
E	<a href="#">Count 1.3 – Counting on BPS Machines</a>
F	<a href="#">MB 6.2 – Count Buy</a>
G	[REDACTED] interview 25/10/22
H	<a href="#">Count observation jobsheet 26/10/22</a>
I	<a href="#">MB 1.1 – Cash to Bank</a>
J	[REDACTED] interview 26/10/22
K	[REDACTED] interview 26/10/22
L	<a href="#">MB 1.2 – Cash From Bank</a>
M	<a href="#">ACM pickup observation jobsheet 26/10/22</a>
N	<a href="#">MB 2.0 – Transfers to FW</a>
O	<a href="#">FOH 1.2 – Receive Transfer from FW</a>
P	<a href="#">FOH 4.5 – Cash Transfers from VIP</a>
Q	<a href="#">FOH 1.5 – ESD at Front Window and MB</a>
R	<a href="#">REPLENISH 1.0 – ATM Refill</a>
S	<a href="#">REPLENISH 2.0 – CRT Full Drop</a>
T	<a href="#">261022 Daily Logs - AKL</a>
U	<a href="#">AKL – FY22</a>
V	<a href="#">11.07 – Cashier Activity Monitoring</a>
W	<a href="#">Breakdown of Surveillance Daily Logs by location and topic</a>