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| Sector report:  Gaming machine mystery shopper exercise results  June 2017 |
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# Key Results

**Casinos**

SKYCITY casinos performed well. They either met expectations or partial expectations in all but one instance.

The results for Christchurch and Dunedin casinos were slightly lower, but both casinos have displayed a good standard of host responsibility and culture in response to the mystery shopper exercise.

**Class 4 sector**

In the class 4 sector a low number of venues met expectations (eight per cent), but many more met the partial expectations (33 per cent). Fifty nine per cent of venues did not meet expectations.

There were pockets of good practice which largely came when strong signs of gambling harm were presented to staff.

The exercise has shown some positive efforts by gambling operators but the results show there is a need for improvement.

**Follow up action**

The Department will use the results of this mystery shopper exercise as a key piece of information to target high risk venues.

Inspections of high risk venues will lead to sanction action if outstanding issues are not rectified within a certain timeframe.

We expect the sector to use the results to continue to improve gamble host responsibility. The Department will continue to work with the sector to improve performance and will use the results to identify where more education and extra regulatory focus is needed.

The results will be used by us as a baseline to assess future improvements.

# Summary

In late 2016, the Department of Internal Affairs (the Department) conducted a mystery shopper exercise to assess current host responsibility practice in class 4 venues (clubs and non-clubs[[1]](#footnote-1)) and casinos in relation to electronic gaming machines, or “pokies”.[[2]](#footnote-2) The exercise is part of a range of activities being undertaken by the Department in conjunction with the gambling sector, aimed at improving harm prevention and minimisation practice and promoting a ‘culture of care’ in venues.   
  
The purpose of the exercise was to provide a snapshot of how well venue staff identified and responded to signs of harmful gambling. It also highlights opportunities where further support can be provided by industry operators and the Department to better protect gamblers and build stronger communities.

Scenarios were developed to assess how frontline staff responded to a variety of gambling harm behaviours. They were developed using a range of information that included input from gambling operators about how they expected their staff to perform.[[3]](#footnote-3) The scenarios varied in duration and exhibited a range of strong and general signs of gambling harm. Each selected establishment was visited by a mystery shopper who acted out a specific scenario.

The Department assessed the country’s six casinos and a random selection of 120 of the 1221 class 4 venues.

**What we found in 2016/17**

Since 2014, gaming machine societies and casinos have put considerable effort into harm minimisation practice. The Department has noted a significant change in attitude towards the issue of gamble host responsibility in this time.

**Casinos**

The four SKYCITY casinos have made significant improvements. They have made positive changes, not only to systems and processes but also to culture and staff attitude towards helping those who display signs of harmful gambling.

Christchurch and Dunedin casinos have also made progress, but the results indicate more can be done to lift their performance.

**Class 4 sector**

For the class 4 sector the scenarios in this exercise were based on our clear expectations and best practice guidelines outlined in the Gamble Host Pack.[[4]](#footnote-4) These resources were distributed in December 2015 and presented our expectations in a new way, designed specifically for use by venues.

The standards we assessed against were high, and to meet the expectations venues had to achieve *all* criteria. Given this, the number of venues meeting all the expectations was low. Many more venues partially met the expectations. This suggests progress can be made by the sector to further improve harm prevention and minimisation in venues.

The results from class 4 reveal some areas where a high percentage of venues did not meet our expectations. As an example, we note the low response to EFTPOS declines. We will work with the sector to understand the reason for this. For example, it could be a training gap, the busy environments of venues, or limitations on how the scenarios were played out.

In general, class 4 venues were better at identifying and responding to strong signs of gambling harm than they were at recognising a combination of general signs. For example, when a family member raised concerns that a relative was a problem gambler.

The results indicate more work is required in venues to lift their performance and understand what obstructions there may be to achieving this.

Looking forward, we expect the joint approach by the Department and the sector to improve harm prevention and minimisation practice will result in more venues meeting expectations.

## **Feedback**

The Department has shared the results with each of the operators involved in the mystery shopper exercise. We have met face-to-face with each of the three casino businesses involved and all but one of the non-club gaming machine societies.

The overwhelming response has been that the mystery shopper results will be used to improve harm prevention and minimisation practice.[[5]](#footnote-5)

## **Findings**

### *Class 4 venues: non-club results*

* A total of 97 non-club venues were included in the exercise.[[6]](#footnote-6) Of these, 42 venues received a pre-visit *and* a mystery shopper visit,[[7]](#footnote-7) providing the Department a total of 139 venue responses to assess.[[8]](#footnote-8)
* Nineteen venue responses could not be assessed. This created usable data for a total of 120 responses.[[9]](#footnote-9)
* 12 out of 120 venue responses, (10 per cent) met the expectations.
* 39 out of 120 venue responses (33 per cent) partially met expectations.
* 69 out of 120 venue responses (57 per cent) did not meet expectations.

**Areas of good practice**

* Those venues which met expectations displayed a high standard of gambling host responsibility with staff showing considerable care for their gambling patrons.
* At venues which partially met expectations, there was also evidence of good practice, which we commend.
* The use of log books to record observations, share information with colleagues and note further monitoring or action required has shown considerable improvement.
* Ninety two (92) per cent of venues met our full or partial expectations regarding responding to the concern of a family member to a potential problem gambler.
* Thirty-six (36) per cent of venues met our full or partial expectations regarding responding to a gambler playing for an extended time.
* Most venues engaged well with customers.
* The mystery shoppers noted a good level of staff presence in most of the gaming rooms visited.

**Next steps identified by societies**

Themes have emerged from the responses received from gaming machine societies about how they will use the mystery shopper results to improve harm minimisation practice at venues. These include:

* policies and procedures will be reviewed;
* results will be used to provide more help and guidance to venues;
* results will be incorporated into training;
* refresher training is being provided where necessary;
* there will be more emphasis on making sure patrons are provided with help-seeking information, when appropriate; and
* processes will be reviewed about the response staff should make following an individual receiving two EFTPOS declines.

**Areas for improvement**

The results have provided the Department with important information about how harm minimisation can be improved.

We recommend:

* gaming machine societies review their harm minimisation policies to ensure they align with the Department’s expectations;
* societies review and keep current their harm minimisation training to ensure best practice guidelines are taught. We also suggest societies review how their training is conducted. The new Gamble Host training package is designed to support societies in this;
* societies review harm minimisation training for staff to ensure it meets the needs of diverse ethnic groups;
* societies ensure staff know how they’re expected to respond to declined EFTPOS transactions;
* venue staff provide more help-seeking information to people showing a variety of signs of gambling harm;
* societies ensure that log books are used effectively in venues to capture, monitor and follow up any identified signs of gambling harm. Log books will help staff transfer information, follow up, and intervene appropriately with patrons;
* societies consider a new log book format that makes it easier for staff to capture their observations and action. This will help confirm expectations about what should be recorded and standardise entries. Some societies are developing this already;
* the sector understands fully the Department’s expectations about harm minimisation practice. This can be done most easily by using the Gamble Host Pack, the Gamble Host Harm Minimisation Policy template and the Gamble Host training package; and
* societies consider introducing their own assessments to provide information about the effectiveness of venue harm minimisation practice.

### *Class 4 venues: club results*

* A total of 23 clubs were included in the exercise. Of these, nine clubs received a pre-visit and a mystery shopper visit, providing a total of 32 club responses.[[10]](#footnote-10)
* Ten club responses could not be assessed, creating usable data for a total of 22 club responses.[[11]](#footnote-11)
* 0 out of 22 club responses, (0 per cent) met expectations.
* 8 out of 22 club responses, (36 per cent) partially met expectations.
* 14 out of 22 club responses, (64 per cent) did not meet expectations.

The best practice guidance and the clear expectations provided in the Gamble Host resources are relatively new. We are keen for these resources to be used more consistently and become familiar to venue staff so that, in future mystery shopper exercises, more clubs meet our expectations.   
  
This is the first time we have included a sample of clubs in a mystery shopper exercise and we will be reviewing the way some scenarios were able to be played out in practice. At some visits the mystery shopper was either prevented from entering because they did not have membership, or could not enact the scenario as intended. This reduced the sample size and makes it difficult to draw any robust conclusions about harm minimisation practice in clubs.   
  
We acknowledge that, in theory, club membership rules make it more likely that club staff know their patrons, and this provides them with a better opportunity to recognise when a patron is exhibiting signs of gambling harm when compared to non-club venues. However, the results of this mystery shopper exercise indicates this assumption may not be accurate and needs to be further examined.  
  
We therefore encourage clubs to review their harm minimisation policy and training to ensure staff are meeting the Department’s expectations regarding gamble host responsibility.

**Areas of good practice**

* 100 per cent of clubs met partial expectations when responding to concerns about a family member’s gambling.
* Two clubs refused the mystery shopper entry due to them having no club membership.

**Next steps identified by clubs**

Whilst the feedback from clubs has been minimal to date, feedback indicates a willingness to adopt the Department’s recommendations. The Department will meet with Clubs New Zealand to assist them with any training and development initiatives to support harm minimisation practices in clubs.

**Areas for improvement**

The small sample size may affect the validity of recommendations made below, but the results suggest that:

* clubs need to ensure staff can identify and respond appropriately to the strong and general signs of harmful gambling;
* clubs need to ensure staff engage and talk with gamblers about their gambling and provide help-seeking advice or information when signs of gambling harm are displayed;
* log books are used more actively to record observations, share information with colleagues and note further monitoring or action required regarding signs of potential gambling harm. This will help staff identify and monitor patrons for whose behaviour may indicate that gambling is becoming harmful;
* clubs consider a new log book format that makes it easier for staff to capture their observations and action. This will help confirm expectations about what should be recorded and standardise entries. Some clubs are doing this already;
* clubs ensure they have adequate systems in place to identify or monitor a gambler who is the subject of a family member’s concerns;
* all clubs review how they manage access to the gaming area by non-club members; and,
* clubs understand fully the Department’s expectations about harm minimisation practice. This can be done most easily by using the Gamble Host Packs, the Gamble Host Harm Minimisation Policy template and the Gamble Host training package.

### *Casinos*

Each of New Zealand’s six casinos were included in the exercise. There were three visits each to SKYCITY Auckland, SKYCITY Hamilton, Christchurch Casino and Dunedin Casino, and two visits each for the two smaller SKYCITY casinos in Queenstown.   
  
We undertook a total of 16 scenarios across all casinos. One of the 16 scenarios could not be assessed. This was because the mystery shopper could not carry it out due to Queenstown Wharf casino successfully encouraging them to self-exclude.

* 8 out of 15 assessed responses (53 per cent) met expectations.
* 4 out of 15 assessed responses (27 per cent) partially met expectations.
* 3 out of 15 assessed responses (20 per cent) did not meet expectations.

The three casino businesses in New Zealand (SKYCITY, Christchurch and Dunedin) have put considerable focus on harm minimisation practice since 2014, and we have noted a significant change in culture with a stronger focus on preventing and minimising harmful gambling. Similarities in gambling harm behaviours played out in the scenarios used in 2014 and 2016 mean comparisons can be made. The results show an overall improvement across the casino sector. SKYCITY’s results stand out as showing a high standard of gamble host responsibility.[[12]](#footnote-12)

In casinos:

* fifty seven per cent (57) of the mystery shoppers were provided with help-seeking information by casino staff about problem gambling services compared to seven per cent receiving any intervention in 2014;
* in three of the five casino visits assessed, mystery shoppers received a response to verbal and non-verbal behavioural cues in 2016 compared to no behavioural cues being responded to in 2014;
* one of the planned visits to SKYCITY Queenstown was unable to be carried out due to the mystery shopper being identified as a potential problem gambler at a previous visit to Queenstown Wharf. The shopper was encouraged to self-exclude as their observed gambling behaviours over a period of time indicated a pattern of gambling that displayed signs of harmful gambling;
* SKYCITY’s response to six of the mystery shopper visits met expectations, and two visits met partial expectations;
* of the three mystery shopper visits to Christchurch Casino, the response to one visit met the Department’s expectations;
* the Christchurch Casino response to two of the scenarios did not meet expectations. In one of these we acknowledge that the mystery shopper performed a gambling harm cue at a lower level of intensity than intended. Despite this she was at a machine for six hours and there was no staff interaction recorded. Therefore the assessment of not met expectations remains; and
* Dunedin Casino’s response to one of the scenarios met expectations. The two other responses met partial expectations.

**Areas of good practice**

**SKYCITY casinos**

* Overall SKYCITY casinos have shown a considerable improvement in identifying verbal and non-verbal cues of gambling harm and long hours of play.
* Log books and monitoring were used effectively by SKYCITY casinos to capture and share information about the shopper’s gambling harm. This allowed staff on the gambling floor to take appropriate and timely action with the shopper. SKYCITY Queenstown and Queenstown Wharf are commended for their effective use of log books and monitoring between both casinos.
* At both SKYCITY Auckland and Hamilton, staff interrupted and stopped the mystery shopper from playing for an extended period.
* SKYCITY casino systems for the identification and logging of data captured the scenarios in all but one instance.
* In May 2014, SKYCITY Auckland introduced customer service ambassadors with the sole function of floor monitoring (with a focus on un-carded patron play) and interacting with gambling patrons.[[13]](#footnote-13)
* In January 2016, SKYCITY implemented harm minimisation messages on ATMs at the Auckland casino.
* SKYCITY Auckland also undertakes independent mystery shops which are used by management to focus training and support improvements in harm prevention and minimisation practices.
* Other SKYCITY casinos have also been strengthening their focus around harm minimisation, for example, giving staff additional access to iTrak to record patron observations and behaviours.[[14]](#footnote-14)

**Christchurch casino**

* Christchurch Casino met the Department’s expectations relating to EFTPOS declines at the cashier desk, and displayed sound practices and procedures.
* Christchurch Casino has invested in new technology, Servizio, to manage un-carded play.[[15]](#footnote-15)
* Christchurch casino has seen an increase in the number of harm minimisation observations reported by casino staff.[[16]](#footnote-16)

**Dunedin casino**

* Dunedin Casino has provided extra resource to its host responsibility team by establishing responsible gambling host roles, increased staff training and greater supervision by staff of patrons on the gaming floor.
* Staff have been given additional access to host responsibility logs to record their observations of patron behaviour. This has resulted in the number of harm minimisation observations increasing significantly.[[17]](#footnote-17)
* Casino staff formally check-in annually with regular carded players to discuss their gambling patterns.

**Next steps identified by casinos**

**SKYCITY**

* SKYCITY management has said it will maintain its focus on harm minimisation to ensure that standards don’t slip.
* SKYCITY has noted that, in Hamilton, staff need to be reminded about identifying and responding to verbal and non-verbal cues of potential harmful gambling.

**Christchurch**

* Christchurch Casino has provided extra resource to its host responsibility team.
* Following the mystery shopper exercise and, in particular, the scenario involving long hours of play, Christchurch Casino, in partnership with Bally Casino Management Systems, identified an issue with the configuration of the Servizio software. A new patch has been installed to address it.[[18]](#footnote-18)
* Servizio has been updated to include a new “time on site rule”, which will help record how long a player has been in the casino.
* Additional investment in technology is being considered to develop a potential “live floor view” to display to staff additional player information to improve harm minimisation.
* The on-going review of technology to develop and implement an algorithm to help detect potential problems amongst carded players.[[19]](#footnote-19)

**Dunedin**

* Dunedin casino has increased its gambling harm team with the addition of a Responsible Gambling Host role. This role will be an additional resource on the gaming floor.
* The casino will review its policy regarding how cashiers respond to a declined EFTPOS transaction because of a lack of funds.
* The casino will review when staff should provide help seeking advice and information.
* The casino will consider restarting its own mystery shopper activity with refreshed scenarios.

**Areas for improvement**

**SKYCITY**

The results from this exercise show there are only a very small number of issues that SKYCITY needs to focus on. We recommend:

* SKYCITY refreshes staff understanding of when to interact *and* intervene with patrons showing signs of potential harmful gambling.

**Christchurch**

* Christchurch Casino management reviews how the Servizio logging and tracking tool is functioning, and how the information it provides is being used to identify areas of improvement.
* Christchurch Casino reviews the monitoring and capture of un-carded gamblers that spend excessive time at gaming machines and reviews how records of long hours of play are used by staff to interact with gamblers to determine if an intervention is appropriate.[[20]](#footnote-20)
* Christchurch Casino reviews how staff identify, respond to, record and monitor verbal and non-verbal cues of potential gambling harm.

**Dunedin**

* Review harm prevention and minimisation training to ensure staff know when and how to intervene with gambling patrons by way of providing help seeking material.
* Dunedin Casino reviews its policy around EFTPOS declines at the cashier’s desk and use this as an opportunity to check in with patrons and offer help seeking information or advice if appropriate.

## Our response to the results

The current mystery shopper exercise used different standards to the 2014 exercise. This was done deliberately by the Department to encourage the sector to aim for best practice. It’s planned that the results from the current exercise will be used as a new baseline for future mystery shopper activity.  
  
We will use the mystery shopper results:

* to work with the sector to continue to improve harm minimisation culture and practice;
* to inform and develop initiatives currently underway;
* to inform the decisions about the prioritisation of resources;
* to provide valuable information for the Department’s responsive risk-based regulatory activity and on-going mystery shopper exercises;
* to provide an opportunity for the sector to identify areas for improvement; and
* as a basis for future mystery shopper activity.

In line with good regulatory practice, the Department will provide assistance through education and working with the operators who show a genuine willingness to improve. More serious compliance action will be taken against operators who show no willingness to improve, and who do not meet minimum compliance requirements.

### **Limitations** Most research is subject to certain limitations, and this project is no exception. Some of the limitations specific to this exercise include:

* the ability of the mystery shoppers to perform the scenarios in full due to factors out of the control of the exercise; and
* the inability of the mystery shopper to capture every element of their experience at the venue i.e. some information was not captured in the raw data and was not available to the Department.[[21]](#footnote-21)

We acknowledge that the snapshot of harm minimisation practice provided by the mystery shopper exercise may not identify additional improvements that are taking place at venues.

# Background

Although participation in gambling has declined in New Zealand since the year 2000, problem gambling remains a concern.[[22]](#footnote-22) According to the most recent *New Zealand Health Survey* which measured the prevalence of problem gambling, on average approximately 1.2 per cent of the population met the criteria for moderate to high risk problem gambling. An additional 2.5 per cent had been negatively affected in the previous year by other people’s gambling.[[23]](#footnote-23)

Gaming machines (both non-casino and casino) are not the most popular form of gambling in New Zealand but people who play them are more likely to be at risk of problem gambling.[[24]](#footnote-24) One in five adults who play gaming machines on a regular basis are likely to meet the criteria of a problem gambler,[[25]](#footnote-25) with Māori and Pasifika people having substantially higher prevalence rates than other New Zealanders.[[26]](#footnote-26)

Studies show the following factors also increased the risk of problem gambling:[[27]](#footnote-27)

* males;
* young adults;
* people who lack formal qualifications;
* unemployed people;
* people living in high deprivation neighbourhoods; and
* people belonging to non-Christian religions or non-traditional Christian churches.

The Gambling Act 2003 signals government's expectations that the harm from gambling is minimised. Preventing and minimising harmful gambling is a key priority for the Department and forms a key component of the obligations of the gambling sector (both societies and venues) as part of their license to operate.

Casinos and class 4 societies are the owners and operators of gaming machines in non-club venues and have the responsibility to ensure that venue staff are carrying out their obligations towards harm minimisation. They are required to have a good standard of gamble host responsibility and should ensure they have an acute awareness around the impact problem gambling has on whanau and the wider community.

Challenges  
  
The Department recognises there are many challenges to preventing and minimising gambling harm in New Zealand. There is an inherent tension in the purposes of the Gambling Act 2003 between protecting gamblers from harm whilst maximising returns to the community.[[28]](#footnote-28) This requires constant balancing by both the regulator and the class 4 sector. It is also relevant for casinos, which are required to protect their patrons from harm while balancing their need to generate profits for their shareholders.

Societies are required by the Gambling Act 2003 to have a harm prevention and minimisation policy in place for their venues. This is reviewed by the Department at the time of licensing. However, in an environment where societies compete for venues there may be less incentive to hold venues accountable for poor harm minimisation practices, and less incentive for venues to stay with societies that attempt to do so. The Department will focus on applying appropriate tools to take this into account and lift overall sector performance.

Casinos can have a much larger customer base than class 4 venues, and are faced with the difficulty of monitoring patrons across multiple games at their establishment. Monitoring of un-carded play on gaming machines requires significant attention, as the sheer number and variety of patrons in the gaming machine area can affect staff ability to recognise and locate those who may be displaying signs of gambling harm.[[29]](#footnote-29)

### Using mystery shopper exercises

The Department requires the sector to meet its harm prevention and minimisation obligations. It takes a risk based approach to compliance and employs a range of strategies to achieve improved practice beyond minimum compliance. The mystery shopper programme is one of these strategies, and the results of the 2016 mystery shopper exercise provides the Department with a picture of the current state of harm minimisation practice by societies and venues. It will help inform the Department's approach to working with the sector to improve harm minimisation.

Mystery shopper exercise 2014

In 2014, the Department undertook a mystery shopper exercise in an attempt to better understand harm minimisation practices undertaken at class 4 venues and casinos. The results from the exercise highlighted that further focus was required on identifying and intervening with people who exhibited signs of potential harmful gambling whilst playing gaming machines.[[30]](#footnote-30) The exercise also enabled the Department to better determine where support was needed to assist the sector with improving practice.

In response to the results of the exercise, casinos committed extra resources to enhance harm minimisation and host responsibility activities, with an increased focus on un-carded play. Across all casinos, staff were provided additional access to host responsibility logs in order to record patron observations and behaviours. SKYCITY Auckland in particular introduced customer service ambassadors with the sole function of floor monitoring and interacting with gambling patrons.

In the class 4 sector, the Department worked in partnership with the Health Promotion Agency to develop a comprehensive Gamble Host Pack resource for venues, to provide them with support and guidance around gambling harm intervention.[[31]](#footnote-31) This material set out how venue staff were expected to respond to general and strong signs of gambling harm, confirming the standard to which the gambling sector could be assessed against.

Since the previous exercise, the Department has also worked with the gambling sector to help improve host responsibility by focussing on the promotion of a ‘culture of care’ in venues. The Department, in partnership with the Health Promotion Agency, has sought to foster a change in attitudes by normalising the actions required of venue staff responsible for identifying and approaching patrons displaying signs of potential harmful gambling[[32]](#footnote-32).

The Gamble Host Pack was the first step towards encouraging this fundamental shift in behaviour. Posters for display in gaming areas were designed to inform patrons of the venue’s legal responsibility to enquire about their gambling, and prepare patrons to be approached by staff.

Reference cards included in the packs aim to standardise the response expected from venue staff once behaviours are identified. Standardisation of the expectations aim to provide consistency across the class 4 sector, and consequently across venues from the gambler’s point of view.

The provision of sector guidelines and resources marked a significant outcome from the 2014 mystery shopper exercise.  
  
Mystery shopper exercise 2016  
  
The Department conducted another mystery shopper exercise in late 2016 to provide a snapshot of how well venue staff identified and responded to signs of harmful gambling. This report provides a summary of the identified trends and key observations from the results of this exercise.

### The purpose of the exercise was to assess host responsibility practice in clubs, non-clubs and casinos, and to identify how well venue staff put their harm prevention and minimisation training into practice. For this mystery shopper exercise, expectations were for venue staff to identify and respond appropriately to general and strong signs of gambling harm represented by:[[33]](#footnote-33)

* verbal or non-verbal cues;
* long hours of play;
* third party concerns around gambling behaviour (class 4 only);
* multiple cash withdrawals including declines; and
* observation of gambling harm indicators over multiple days.

Clubs, non-clubs and casinos were assessed on whether their staff would:

* interact and verbally check in with a gambler displaying potential gambling harm behaviour;
* provide help-seeking information or help cards (resource material); and
* use a log book (or similar) to record the gambling harm behaviour that they identified and record any action taken.

# Methodology

### Scenario development

***Class 4 venues: clubs and non-clubs***

Four scenarios were developed for class 4 venues to assess how venue staff responded to a variety of gambling harm behaviours.[[34]](#footnote-34) The Department used the Gamble Host Pack resources to develop the scenarios, specifically the information and guidance around best practice identification of and response to strong and general signs of harmful gambling. The scenarios varied in duration, and were designed to ensure the mystery shoppers exhibited a range of strong and general signs of gambling harm.

The Department also invited all class 4 societies and Clubs New Zealand to provide information on the gambling harm indicators they expected staff to identify, and the response expected when signs of gambling harm were presented. This information, as well as input and advice from the Department’s gambling inspectors, formed the basis for how the response of staff to the mystery shopper visits were assessed.   
  
At each establishment the mystery shopper was required to record how staff engaged with them as they entered and left the venue and while they were in the gaming area. The Department also looked at whether non-club members were able to access a club’s gaming area without signing in. These factors did not form part of the overall assessment or scoring, however we asked the mystery shoppers to note these details as they are useful indicators to us about the level of awareness of venue staff as to who was in the establishment.  
  
***Casinos***

The Gambling Commission requires casinos to develop and implement a host responsibility policy (HRP) and a problem gambler identification policy (PGIP) as a condition of a casino operators’ license.

These were used as the core documents to develop three scenarios to assess how casino staff responded to a variety of gambling harm behaviours.[[35]](#footnote-35) In addition, input from the casinos and the Department’s gambling inspectors formed the basis for how casinos were assessed on the response of their staff to the mystery shopper visits. The results aimed to help build a picture of whether casinos were fulfilling their gambling host responsibilities and meeting best practice.

The casino scenarios were planned to be carried out at each casino in quick succession, over three consecutive days using the same mystery shopper. This gave casinos the opportunity to log and act on a series of harm indicators to profile the mystery shoppers’ gambling patterns and respond accordingly.

### Fieldwork

A third party agency was commissioned to undertake the 2016 mystery shopper exercise on the Department’s behalf for class 4 venues and casinos. The exercise was conducted by 11 mystery shoppers in total, some of whom had participated in the 2014 mystery shopper activity.

The shoppers were asked to enter the chosen establishments, play the gaming machines, and exhibit signs of harmful gambling following a specific scenario. They received comprehensive training before carrying out the scenarios that focused on how to play machines, problem gambling awareness, and ensuring they had a robust understanding of what each scenario entailed.

The venues chosen to be part of the exercise were randomly selected and included a range of class 4 venues. The scenarios were matched with each club and non-club through a random selection formula.[[36]](#footnote-36)  
  
The fieldwork was conducted in club and non-club venues over six weeks between 25 October and 2 December 2016. The class 4 fieldwork took place in 97 (out of 961) randomly selected non-club venues and 23 (out of 260) clubs. This represented a 10 per cent sample of all class 4 venues, and was the first time clubs had been included in the mystery shopper exercise.

Casinos were visited over seven days between 27 November and 2 December 2016. All six casinos received visits from a mystery shopper, totalling 16 altogether. There were three visits each to SKYCITY Auckland, SKYCITY Hamilton, Christchurch and Dunedin; and two each to the smaller SKYCITY casinos - SKYCITY Queenstown and Queenstown Wharf.[[37]](#footnote-37)  
  
Mystery shoppers entered the establishments with a set of questions to answer about their experience. Their answers were entered electronically into an online portal and were presented to the Department as raw data.   
  
Assessment of the response to the scenarios  
  
The Department evaluated the raw data alongside log book records that were provided after the mystery shopper fieldwork was completed. This information was used to assess how well staff responded to the mystery shopper’s behaviour.[[38]](#footnote-38)   
  
Clubs, non-clubs and casinos were scored on the following actions:

* **Interaction**: Targeted conversation directed at the mystery shopper’s gambling behaviour to check to see if they are okay.
* **Intervention**: The offer of help-seeking resources such as a leaflet on problem gambling, or contact numbers for gambling support, or verbal guidance to interrupt/stop the gambling session.
* **Log book entry**: Recording of the incident(s) in a venue record book detailing the situation and the response taken, or ongoing monitoring needed.

The responses were evaluated using the following ratings:

* expected response (i.e. staff met the full expected standard in their response);
* partially expected (i.e. staff only partially met the expected standard); and
* not expected (i.e. staff did not meet the expected standards).[[39]](#footnote-39)

It is worth noting that the partial response category reflects quite a range of practice. Those venues performing well and which met two out of three of the actions sit at the top of this category, while lower down there are venues who partially met one of the actions expected. We will reassess this for future mystery shopper exercises.

# Results

The following tables summarise the high level outcomes for class 4 and casino venues showing how they performed in each of the four scenarios.

## Class 4 results

**Table 1: Class 4 venues’ outcomes against gambling harm indicators:**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| Gambling harm indicator | Clubs | Non-Clubs | Clubs | Non-Clubs | Clubs | Non-Clubs |
| ***Scenario 1*:** Verbal & non-verbal cues |  | 0% (0/7) |  | 14% (1/7) |  | 86% (6/7) |
| ***Scenario 2*:** Cash withdrawals (including declines) | 0% (0/6) | 8% (2/25) | 0% (0/6) | 16% (4/25) | 100% (6/6) | 76% (19/25) |
| ***Scenario 3*:** Long hours of play | 0% (0/1) | 18% (2/11)  0% (0/1) | 18% (2/11) |  | 100% (1/1) | 64%  (7/11) |
| ***Scenario 4(1)***: Third party concerns (pre-visit) | 0%  (0/8)  13% (5/39) |  | 100%  (8/8) | 79% (31/39) | 0%  (0/8) | 8%  (3/39) |
| ***Scenario 4(2)*:\*** Third party concerns (gambler) | 0% (0/7) | 0% (0/7)  8% (3/38) |  | 3% (1/38) | 100%  (7/7) | 89%  (34/38) |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| expected | partially expected | not expected | not assessed |  |
| \* One club were assessed as N/A for scenario 4(2) where the mystery shopper was denied entry to due to not having club membership. | | | | |

### Key class 4 venues results

* A total of 120 clubs and non-clubs were included in the exercise. Of these, 51 venues received a pre-visit and a mystery shopper visit, providing the Department 171 total venue responses to assess. However, 29 of these venue responses could not be assessed,[[40]](#footnote-40) creating 142 useable venue responses that could be assessed.
* 12 out of 142 total venue responses (8 per cent) met the expectations.
* 47 out of 142 total venue responses (33 per cent) met partial expectations.
* 83 out of 142 total venue responses (59 per cent) did not meet expectations.

We also wanted to know if there was any pattern in the results in relation to the size of a venue’s gaming machine operation or its location. Table 2 below shows:

* Venues with lower levels of gambling expenditure (GMP) were more likely to meet expectations (25 per cent) compared to those with high levels of GMP (7 per cent);
* Venues with fewer than eight electronic gaming machines (EGMs) were more likely to meet expectations (21 per cent) compared to venues with a high number of machines (6 per cent); and
* Venues in areas of high deprivation were slightly more likely to meet or partially meet expectations (41 per cent) compared to venues in areas of low deprivation (31 per cent).

**Table 2: Derived statistics from class 4 venues show how venues responded, broken down by the level of gambling expenditure (GMP), the number of pokies (EGMs), the deprivation index and rural / urban location.**).

|  |  |  |  |
| --- | --- | --- | --- |
|  | Expected response  *(standard met)* | Partially expected response *(standard partially met)* | Not expected response  *(standard not met)* |
| **Gaming Machine Proceeds (GMP)[[41]](#footnote-41)** |  |  |  |
| * Low GMP (<$200k/year) | 25% (4/16) | 25%(4/16) | 50%(8/16) |
| * Medium GMP ($200k-$1m/year) | 5% (4/79) | 35%(28/79) | 60%(47/79) |
| * High GMP (>$1m/year) | 9% (4/47) | 32%(15/47) | 59%(28/47) |
| **Electronic Gaming Machines (EGMs)[[42]](#footnote-42)** |  |  |  |
| * Low EGMs (8 or fewer) | 21% (3/14) | 29%(4/14) | 50%(7/14) |
| * Medium EGMs (9-17) | 9% (4/43) | 28%(12/43) | 63%(27/43) |
| * High EGMs (18 or more) | 6% (5/85) | 36%(31/85) | 58%(49/85) |
| **Deprivation index** |  |  |  |
| * Low deprivation | 6%(1/16) | 25%(4/16) | 69%(11/16) |
| * Medium deprivation | 11%(4/35) | 37%(13/35) | 52%(18/35) |
| * High deprivation | 8%(7/91) | 33%(30/91) | 59%(54/91) |
| **Rural/urban split (territorial area)** |  |  |  |
| * Rural | 8%(5/61) | 30%(18/61) | 62%(38/61) |
| * Urban | 9%(7/81) | 36%(29/81) | 55%(45/81) |

## Casino results

**Table 3: Casino outcomes against gambling harm indicators**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| Gambling harm indicator | SKYCITY Auckland | SKYCITY Hamilton | SKYCITY Queenstown | Queenstown Wharf | Christchurch | Dunedin |
| ***Scenario 1*:** Long hours of play (up to 12 hours) |  |  |  |  |  |  |
| ***Scenario 2*:** Verbal and non-verbal cues |  |  |  |  |  |  |
| ***Scenario 3*:** Cash withdrawals (incl. declines) |  |  |  |  |  |  |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| expected response  (standard met) | partially expected response  (standard partially met) | not expected response  (standard not met) | not assessed | not visited |

### Key casino results

**SKYCITY Casinos**

* A total of 10 scenarios were enacted at SKYCITY casinos. One scenario was not assessed as the mystery shopper was unable to carry it out because staff encouraged her to self-exclude. This provided the Department responses from nine scenarios to assess.
* Six out of the nine responses met expectations.
* Two out of the nine responses partially met expectations.
* One out of the nine responses did not meet expectations.

**Christchurch Casino**

* A total of three scenarios were enacted at Christchurch Casino.
* One out of the three responses met expectations.
* Two out of the three responses did not meet expectations.[[43]](#footnote-43)

**Dunedin Casino**

* A total of three scenarios were enacted at Dunedin Casino.
* One out of the three responses met the expectations.
* Two out of the three responses partially met expectations.

# Evaluation of the results

The results from the mystery shopper exercise have provided the Department an opportunity to see how class 4 venues and casinos actually respond at an operational level to scenarios involving signs of potential harmful gambling. The results also provide an opportunity for the gambling operators to test their perception of improved performance against actual practice.   
  
***Club results***

The 2016 exercise was the first time clubs were included in the Department’s mystery shopper assessment. Overall, only the results from 14 out of the 23 clubs selected to be visited could be fairly assessed, making it difficult to attribute the results broadly across the whole club sector.[[44]](#footnote-44)   
  
Nevertheless, the overall results suggest a need for clubs to improve how staff engage and talk with gamblers about their gambling, and provide help-seeking advice or information more freely when signs of gambling harm are displayed. This, coupled with log book recording and actively using information on patron’s gambling behaviour, will help staff monitor and identify patrons for whom gambling is becoming harmful.   
  
The results also suggest clubs are not strong with formal processes, and they rely heavily on informal methods of managing gambling harm. The majority of clubs did not record the mystery shopper’s visit in their log book, and most had not made any log book entries at all during the period of the mystery shopper exercise.   
  
The Department will put a greater priority on enhancing harm minimisation practice at clubs, and will work with the sector to improve performance and to identify where extra regulatory focus is needed.  
  
***Non-club results***The results for non-club venues indicate there are significant areas of improvement required in venues. However, the mystery shopper results and the engagement with those involved have demonstrated positive shifts in practice and attitudes in the sector towards harm prevention and minimisation.

The venues that met expectations illustrate what is possible and are role models for the rest of the sector. We are confident that continued improvements will be made over the next two to five years.   
  
Results from the exercise indicate staff at non-club venues are better at identifying and responding to strong signs of possible gambling harm behaviour than general signs. Based on information provided by venue operators, this is possibly due to the challenging environment for bar staff, many of whom are part-time and transient.  
  
Information included in the raw data indicated there were some instances of good practice that were not scored in the overall non-club venue results in Table 1. In addition we found that many non-club venues (77 per cent) used a log book (or similar) on a regular basis to record signs of gambling harm, even though only 19 per cent of non-club venues recorded the mystery shopper’s visit as expected.   
  
As with club staff, the Department would like to see non-club venue staff engage with patrons about their gambling more often, and to offer help-seeking advice more freely. Increasing this behaviour will normalise the interaction and make it more socially acceptable for staff to approach their gambling patrons in this way.  
  
The Department recognises the nature of the working environment in venues means there are challenges to managing rosters and staff that are constantly changing. This is an identified risk that societies and venue operators must overcome to ensure that their staff are able to identify and respond to signs of harmful gambling in a transient employment environment.

***Casino results***

SKYCITY casinos have displayed a considerable improvement in the identification and appropriate response to behavioural indicators of gambling harm since 2014. The results reflect the increased focus and resource SKYCITY management has put on minimising harmful gambling and that there has been a significant culture shift.   
  
Christchurch Casino’s results were lower than expected given their adoption of the Servizio tool which was intended to improve harm minimisation practices.[[45]](#footnote-45) Christchurch Casino’s investment and development of this innovative solution was implemented after the 2014 mystery shopper exercise and reflects the commitment to harm minimisation made by the casino. The mystery shopper visits have shown that Servizio’s parametres may need tweaking, and identification, logging player behaviour and follow-up systems need improvement.   
  
Dunedin Casino showed a good level of monitoring with entries in their casino logs, but in two out of the three scenarios this didn’t flow through to staff approaching the mystery shopper to provide help seeking information.

## **Recommendations for improvement in the gambling sector**

***Class 4 venues: clubs and non-clubs***

There are a number of lessons from the exercise that the class 4 sector could consider when looking to improve harm minimisation practices. The Department considers it a shared objective that the sector put community interests at the forefront of any decisions.

* Societies should consider reviewing and refreshing their Harm Prevention and Minimisation Policy.[[46]](#footnote-46) Clear best practice outcomes for venues will help them know what’s expected by the society and the regulator regarding harm minimisation.
* Societies should ensure operational practice reflects these best practice standards.
* Societies should ensure training material and practices meet the Department’s expected approach, and challenges that venues have putting training in to practice are addressed.
* Operators and societies should work with staff to build capability around the identification and response to general and strong signs of potential gambling harm indicators using the Gamble Host Pack resources as a guide. Better understanding of these potential indicators will give staff more confidence to approach gamblers and encourage them to offer help-seeking advice more freely.
* Raw data provided by the mystery shoppers suggested staff at some venues were not aware they were able to issue non-voluntary exclusions. Societies should ensure all venue staff trained in harm minimisation are aware they are not required to wait for a problem gambler to self-exclude themselves, and that the option is available for staff to exclude the gambler from the venue if they feel there are appropriate grounds to.
* Venues should regularly review how they use log books (or similar written records) to capture, monitor and follow up any identified signs of gambling harm. Log books can be effective when used to:
  + capture and monitor patrons displaying harmful gambling indicators;
  + identify a change in a patron’s pattern of play;
  + transfer knowledge and information about patrons between bar staff;
  + record details of a patron’s behaviour if they display harm. The entry should include actual or planned responses;
  + display awareness by staff of activities happening in the gaming area.
* Clubs should review their policies to manage the access of patrons to the gaming area if they do not have club membership and/or are not signed in. This would allow the club to have better awareness and control of who is in their establishment.
* Venues with ATMs should ensure the ATM’s location is in direct sight of staff and is actively monitored. Requiring gaming patrons to use the ATM reduces the opportunity for staff to interact with them, and can make it more difficult to identify potential gambling harm. The Department would expect venues to have a policy in place regarding the monitoring of ATM usage.

***Casinos***

* Casinos refresh staff understanding of when to interact and intervene with patrons showing signs of potential harmful gambling.
* Casinos ensure they have effective processes in place to identify patrons making frequent cash withdrawals.
* For those casinos which don’t already assess the effectiveness of staff training and practice, we suggest they consider introducing such assessments.

# Our response to the results

Upcoming class 4 venue-based initiatives

The Department’s vision for the class 4 gambling sector is to have a safe, trusted and transparent gambling sector that benefits communities. To achieve this, the Department has been moving towards responsive risk-based regulation and promoting a culture of care in venues with a focus on improving practice beyond minimum compliance.

The results from the current exercise will assist the Department in our class 4 venue-based work and build on resources already available. New resources are also being developed in partnership with the Health Promotion Agency, in conjunction with the Ministry of Health and the wider gambling sector. This work includes:

|  |  |
| --- | --- |
| Product | Timeframe |
| Gamble Host Pack resource | Rolled out December 2015 |
| Harm minimisation policy template | Rolling out June 2017 |
| Class 4 staff harm minimisation training package | Rolling out June 2017 |
| Overhaul of venue inspections[[47]](#footnote-47) | Engagement & pilot, mid to late 2017 |
| Venue inspections in high risk venues | Late 2017 – 2018 |
| Best practice licences[[48]](#footnote-48) | In development |

The roll out of a standardised harm minimisation policy template for societies and venues, and the new venue training package builds on the resources available in the Gamble Host Pack. They provide venue staff clearer expectations and guidance based on best practice gamble host responsibility. These initiatives will support better harm prevention and minimisation practice with all operators who are keen to make improvements in their venues. The long term aim is that all staff understand the expectations and have the same level of training no matter which society the venue is with.  
The Department is also changing its approach to how clubs and non-clubs are inspected, with a more robust assessment of harm minimisation practice at venue level. This will further embed expectations around harm minimisation practice and seek to improve performance and cultural change.  
  
Recent changes to the Gambling Act 2003 provided the Department an opportunity to issue operator licences to class 4 societies for up to three years. This initiative will enable the Department to reward the societies that demonstrate best practice - defined by the Department as going above and beyond the legislation, focusing on customers and communities, regular reviewing and learning, and working with the Department to achieve its class 4 vision and objectives.[[49]](#footnote-49)  
  
These activities fit within the Department’s operating model and help to embed a risk-based approach, with a focus on improving practice beyond minimum legal requirements. The work also supports the Department to collaborate further with the gambling sector and assist them with minimising gambling harm. The sector has responded positively to these initiatives, and has been actively building on the culture of care in venues by promoting a good standard of gamble host responsibility.  
  
The Department is also committed to continue working with the casino sector to address issues identified during the mystery shopper exercise and will continue encouraging higher standards of harm minimisation practice.

### Regulatory action

The overall results and derived statistics from the current mystery shopper exercise will be used to target the Department’s future risk-based regulatory activity. In particular, operators who show little willingness in working with the Department to improve their performance will be the focus of increased regulatory attention. The range of tools include:

* education, collaboration and sanction activity;
* prioritising regulatory attention on societies and venues that are identified as being the highest risk;
* Health Promotion Agency/Departmental training material and harm minimisation policies; and
* increased stakeholder engagement between venues and industry groups (e.g. Clubs New Zealand, Hospitality New Zealand) and the regulator.

The Department will provide assistance through education and collaboration with operators who show genuine willingness to improve. Sanction action will be considered against operators who show no willingness or ability to improve and who do not meet legal requirements.

# Sector feedback on the results

The Department has discussed individual results with each casino operator and all of the non-club gaming machine societies which were involved in the mystery shopper exercise. Clubs have received their results and complete feedback is pending.

In addition we received written feedback from each of the casino operators and the majority of the 20 societies involved.

**Gaming machine society written feedback**

We reviewed the 17 responses we received by the beginning of June 2017 from the 20 societies which were mystery shopped. The review focused on identifying common themes, as well as specific suggestions for improvements to the mystery shopper exercise.

Of the 17 responses, 10 accepted the methodology and welcomed the information the exercise provided to them. Seven were critical of the methodology and/or the implementation of the scenarios.

All were surprised by the poor showing. Many discussed the efforts they had taken to grow a culture of care through improved training of staff on harm minimisation. Whether the society was critical of the exercise or not, they all agreed that they would use the information and recommendations to improve their staff training on harm minimisation.

One respondent summed up how many felt by saying, “As the results show, clearly there is a disconnect between what is being delivered (which is very detailed and concise) and what is being retained and acted on at venue level.”

Another respondent said: “…the Mystery Shopper (MS) exercise, no matter how well planned, is doomed to fail in execution. The current MS exercise was a step up from its predecessor, but was nonetheless compromised on many fronts. Consequently, the results are misleading and a poor indicator of how well venue staff are monitoring for signs of harmful gambling behaviour.”

We will be considering the responses and may incorporate lessons learnt from this activity into possible future mystery shopper exercises.

The full review can be found in Appendix F.

Conclusion

Our second mystery shopper exercise has provided important information about where good gamble host responsibility is taking place and where further improvements can be made.

The results from SKYCITY casinos show what can be done when more dedicated resource is directed at minimising harmful gambling within a culture that puts a clear focus on a high standard of harm minimisation practice.

The results in the class 4 sector were lower than we had hoped but we are pleased to see the pockets of good practice and acknowledge the improved focus many societies and venues are putting on improving harm prevention and minimisation practice.

The class 4 sector is a more complex and challenging environment because of the nature of venue work and the relationship between gaming machine societies and venue operators. The venues which met our partial and full expectations show that, despite these challenges, good practice is possible and provide examples for those venues that did not meet our expectations.

The results show where more can be done to help protect gambling patrons.

The Department has seen a desire from societies and venue operators to build gambling host responsibility. This has resulted in more effort going in to training and venue resources, supported by working with the Department and collaborating on clear expectations and guidelines for venue staff.

We are focused on continuing this working relationship with the sector and believe it is this approach that will see further progress.

* We expect improvements to be gradual, rather than overnight. We will use this mystery shopper exercise as a baseline to assess future practice.
* The Department plans to develop an on-going mystery shopper programme, conducted over a year, rather than a short six week period. This will mitigate some of the issues in this exercise and provide timely feedback to venues about where improvements can be made.
* It is expected that the effort made by the Department and the rest of the sector will result in improved harm prevention and minimisation practices.

The measures assessed in the current mystery shopper exercise for class 4 non-clubs were very different and more comprehensive than the 2014 exercise. This was done deliberately by the Department to encourage the sector to aim for best practice rather than just meeting minimum legal compliance. We are keen for the Gamble Host resources to be used more consistently and become familiar to venue staff so that, in future mystery shopper exercises, more class 4 venues meet our expectations.

We are seeking that interactions and interventions by venue staff become a normal standard of behaviour accepted by gambling patrons. This will help to achieve the objective of safer gambling at venues.

# List of appendices

**Appendix A:** Methodology for class 4 venue selection

**Appendix B:** Class 4 scenarios for mystery shopper exercise 2016

**Appendix C:** Casino scenarios for mystery shopper exercise 2016

**Appendix D:** Methodology for evaluating class 4 data

**Appendix E:** Methodology for evaluating casino data

**Appendix F:** Sector feedback on the results

**Appendix G:** Societies involved in the Mystery Shopper exercise 2016

1. Non-clubs are venues such as taverns, hotels and restaurants. [↑](#footnote-ref-1)
2. Mystery shopping is the use of trained researchers to act as a ‘customer’. In this case in order to monitor the quality of service delivery of harm prevention & minimisation in venues. [↑](#footnote-ref-2)
3. See ’Methodology’ section on page 18 of this report for more details. [↑](#footnote-ref-3)
4. A package of material to support staff and gamblers: <http://gamblehostpack.choicenotchance.org.nz/> [↑](#footnote-ref-4)
5. A summary of written feedback from class 4 gaming machine societies can be found in Appendix F. [↑](#footnote-ref-5)
6. The gaming machines are owned by gaming machine societies. Twenty non-club societies were involved in this mystery shopper exercise. A full list of them can be found in Appendix G. [↑](#footnote-ref-6)
7. The pre-visit was by a family member concerned about a relative’s gambling. At the follow-up visit, a second mystery shopper enacted being the gambler. [↑](#footnote-ref-7)
8. Venue responses are the responses provided by venue staff to the signs of gambling harm displayed in the four scenarios that were used. The fourth scenario had two parts to it, each assessed separately. The scenarios were: 1) displays of verbal and non-verbal signs of gambling harm; 2) multiple cash withdrawals including declines; 3) long hours of play; 4a) concern from a family member about a relative’s gambling; and, 4b) the relative visiting the venue to gamble. [↑](#footnote-ref-8)
9. Some scenarios could not be enacted as intended due to factors outside the control of this exercise. For example, the mystery shopper could not act out the scenario in full. In such cases the scenario was not assessed. [↑](#footnote-ref-9)
10. Refer to footnote 8. [↑](#footnote-ref-10)
11. Refer to footnote 9. [↑](#footnote-ref-11)
12. SKYCITY Ltd operates SKYCITY Auckland, SKYCITY Hamilton, SKYCITY Queenstown and Queenstown Wharf. [↑](#footnote-ref-12)
13. Un-carded play is casino gambling without the use of a casino loyalty card, whereas carded play requires the use of a loyalty card. [↑](#footnote-ref-13)
14. iTrak Incident Reporting & Risk Management System used by SKYCITY Casino. [↑](#footnote-ref-14)
15. Servizio is a new incident management logging and tracking system used at Christchurch Casino [↑](#footnote-ref-15)
16. Christchurch Casino provided data shows there has been a significant increase (569 per cent) in the number of staff recordings made about customers who are showing signs of potential gambling harm. The number has increased from 481 in 2014 to 3217 in 2017. [↑](#footnote-ref-16)
17. Dunedin casino provided data shows the number of observed gambling harm indicators reported to the host responsibility team has increased from 14 in 2014 to 352 in 2016. [↑](#footnote-ref-17)
18. Christchurch Casino says the Servizio tool was not picking up gamblers playing at a low rate, even if they had been gambling for a long time. This has been addressed with the patch. [↑](#footnote-ref-18)
19. Carded players are those who use a casino loyalty card. Their play can be monitored more easily compared to uncarded players. [↑](#footnote-ref-19)
20. Refer to footnote 13. [↑](#footnote-ref-20)
21. Further limitations are outlined in Appendix D on pages 5 and 6. [↑](#footnote-ref-21)
22. Abbott, M. (2017). Gambling and Gambling Harm in New Zealand: a 28-Year Case Study. *International Journal of Mental Health and Addiction,* 15, pp. 1-21. New York, USA: Springer. [↑](#footnote-ref-22)
23. Rossen, F. (2015). *Gambling and Problem Gambling: Results of the 2011/12 New Zealand Health Survey.* Retrieved from <http://www.health.govt.nz/system/files/documents/pages/final-report-gambling-results-of-the-201112-nzhs.docx> [↑](#footnote-ref-23)
24. Ibid. [↑](#footnote-ref-24)
25. For a summary on problem gambling statistics in New Zealand, please read [Problem Gambling in New Zealand - A Brief Summary](https://www.dia.govt.nz/pubforms.nsf/URL/ProblemGamblingFactsFinal.pdf/$file/ProblemGamblingFactsFinal.pdf) [↑](#footnote-ref-25)
26. Abbott, Gambling and Gambling Harm in New Zealand: a 28-Year Case Study. [↑](#footnote-ref-26)
27. Ibid. [↑](#footnote-ref-27)
28. Every year approximately $300 million is returned to a range community groups from the proceeds of class 4 gambling. In 2015 the total returned was $316.3m. [↑](#footnote-ref-28)
29. Refer to footnote 13. [↑](#footnote-ref-29)
30. Mystery shopper exercise 2014 results: <https://www.dia.govt.nz/diawebsite.nsf/wpg_URL/Services-Casino-and-Non-Casino-Gaming-Mystery-Shopper-campaign> [↑](#footnote-ref-30)
31. A package of material to support staff and gamblers: <http://gamblehostpack.choicenotchance.org.nz/> [↑](#footnote-ref-31)
32. This is similar to the campaign that has taken place in pubs where it is now accepted that bar staff do not serve intoxicated customers. [↑](#footnote-ref-32)
33. See link for detailed information about general and strong signs, and how venue staff should respond: <http://gamblehostpack.choicenotchance.org.nz/sites/default/files/field/file_attachment/CNC062%20Gambling%20Harm%20Postcard.pdf> [↑](#footnote-ref-33)
34. See Appendix B for details of the four class 4 scenarios. [↑](#footnote-ref-34)
35. See Appendix C for details of the three casino scenarios. [↑](#footnote-ref-35)
36. See Appendix A for methodology of venue selection for class 4. [↑](#footnote-ref-36)
37. The Queenstown casinos were not assessed on long hours of play (scenario 1) as the casinos’ small size was considered an advantage. [↑](#footnote-ref-37)
38. See Appendix D for the full methodology for evaluating the class 4 raw data, and Appendix E for the full methodology for evaluating the casino raw data. [↑](#footnote-ref-38)
39. See Appendix B for information on the class 4 scenarios including expected response, and Appendix C for information on the casino scenarios including expected response. [↑](#footnote-ref-39)
40. Some scenarios could not be enacted as intended due to factors outside the control of this exercise. For example, the mystery shopper could not act out the scenario in full. In such cases the scenario was not assessed. [↑](#footnote-ref-40)
41. Gaming Machine Proceeds (GMP) = Turnover minus prizes, minus jackpots plus adjustments. This is the overall amount spent by players on electronic gaming machines (EGMs), also called pokies. [↑](#footnote-ref-41)
42. The number of electronic gaming machines or pokies. [↑](#footnote-ref-42)
43. In one of the scenarios, the potential response was compromised as the mystery shopper performed a gambling harm cue at a lower level of intensity than intended. Despite this she was at a machine for six hours and there was no staff interaction recorded. Therefore the assessment of not met expectations remains. [↑](#footnote-ref-43)
44. Two clubs refused the mystery shopper entry due to them having no club membership. This was seen as a positive result by the Department. One club was closed; at three clubs the mystery shopper failed to perform the full scenario; and three clubs could not be assessed on cash withdrawals as the mystery shopper had to use an ATM, rather than take cash out at the bar. [↑](#footnote-ref-44)
45. Servizio is a new incident management logging and tracking system used at Christchurch Casino. [↑](#footnote-ref-45)
46. With reference to the new Gamble Host Harm Minimisation Policy template rolled out in June 2017. [↑](#footnote-ref-46)
47. Venue inspections by the Department are being overhauled to introduce a more robust, risk-based approach to assessing harm minimisation practice. [↑](#footnote-ref-47)
48. The intent of this work is to reward best practice operators with a three year licence, rather than a standard one year licence. [↑](#footnote-ref-48)
49. Public consultation for this initiative ended 19 May 2017. [↑](#footnote-ref-49)