



## Sixth Casino Review – monitoring of the recommendations

TRIM ID: CD/18/29459

### Recommendation

1. That the Commission notes the process to be applied by the Licensing Division for monitoring the implementation of the Sixth Casino Review (the review) recommendations.

### Background

2. At its meeting on 28 June 2018, the Commission adopted the findings and opinions set out in the final draft of the Sixth Casino Review report (review report). Upon acceptance of the findings of the review, the Commission formed the opinion that:
  - a) the casino operator, Crown Melbourne Limited (Crown), remains a suitable person to hold a casino licence
  - b) Crown is complying with the *Casino Control Act 1991* (the CCA), the *Casino (Management Agreement) Act 1993*, the *Gambling Regulation Act 2003* and the regulations made under any of those Acts
  - c) Crown is complying with the Transaction Documents and any other agreements, and
  - d) it is in the public interest that the casino licence should remain in force.
3. The review report also contained 20 recommendations (the recommendations) for Crown to implement. The recommendations relate to:
  - a) Corporate governance and risk (recommendations 1 to 3).
  - b) Regulatory compliance (recommendations 4 and 5).
  - c) Responsible gambling (recommendations 6 to 16).
  - d) Money laundering (recommendation 17).
  - e) Applications for approvals (recommendation 18).
  - f) Integrity exclusion orders (recommendation 19); and
  - g) Review of implementation of recommendations (recommendation 20).
4. Responsible gambling recommendations 10 and 11 require Crown to engage with the VCGLR, the Victorian Responsible Gambling Foundation (VRGF) and other key stakeholders. The 20 recommendations are provided in **Attachment 1**.
5. Each recommendation outlined in the review report also included an expected completion date. These dates range from the first tranche of recommendations being due on 1 January 2019 to the final recommendation being due for completion on 1 July 2022.
6. By way of letter dated 2 July 2018, Crown agreed to implement each of the recommendations, by the expected completion dates (**Attachment 2**).

7. Monitoring implementation of the recommendations is a Ministerial Statement of Expectation requirement for the Commission which has been allocated to the Licensing Division. The Licence Management and Audit (LMA) team of the Licensing Division has principal oversight of monitoring the recommendations.

### Comments

8. This paper provides visibility of the proposed process for monitoring the recommendations to ensure they are fully implemented, and within the required timeframes. In addition to listing the recommendations, **Attachment 1** is also a monitoring schedule to be utilised by LMA, which includes the particulars in relation to each recommendation, the expected due date for completion, Crown's update and VCGLR comment.
9. It is proposed that progress in relation to the recommendations will be monitored principally via the VCGLR/Crown Operations meetings which are held every six weeks, and the VCGLR/Crown Licence Management meetings which are held every six months. Both meetings are attended by senior LMA and Crown staff. It is proposed that both meetings will include 'Sixth Casino Review recommendations' as a standing agenda item for discussion.
10. In addition, senior LMA staff will meet with the Crown Group General Manager, Regulatory and Compliance and Group General Manager, Responsible Gaming on a regular basis to track progress in relation to the Responsible Gambling Recommendations (6 to 16). The first meeting is scheduled for early November 2018. These meetings will permit more detailed discussions than might be practical at the operations meetings.
11. Separate meetings will also be held between senior LMA staff and Crown as required.
12. Crown will be requested to provide regular written updates on implementation progress. The updates will be provided in the monitoring schedule provided in **Attachment 1**.
13. LMA will provide periodic updates to the Commission as significant milestones are reached and will seek approval once each recommendation has been assessed as being completed.
14. The first Commission update will be provided at the February 2019 meeting, where it is anticipated that LMA will report, and seek approval for the Commission to find recommendations 1 and 2 completed. Discussions with Crown suggest it is on track to fully implement these recommendations by the due date of 1 January 2019. It is also expected that Crown will have commenced a comprehensive study of all practical options for a real-time player data analytics tool for un-carded play (Recommendation 8(b)).
15. LMA will consult with Compliance, the Office of the CEO, Legal Services and other key stakeholders as necessary, on issues relating to particular recommendations.
16. A tripartite engagement process between Crown, the VCGLR and the VRGF in relation to recommendations 10 and 11 is yet to be established, and will be discussed at the first liaison meeting with Crown with a view to developing one that is acceptable to all three parties. Tripartite meetings will be minuted and LMA will report back on effectiveness of consultation in its updates to the Commission.
17. It is expected that Crown's engagement of the VRGF in the processes specifically relating to responsible gambling recommendations 10 and 11 would include:
- seeking subject matter expertise into the development of policy settings
  - seeking subject matter expertise concerning current responsible gambling practices and policy with a view to Crown introducing:

- short-term exclusion orders
  - revocation of long-standing exclusion orders more than ten years old
  - introducing third party exclusion orders and other initiatives, including on-line exclusion order applications, and
- consulting the VRGF on problem gambling research and case studies.

18. In line with previous reviews pursuant to section 25 of the CCA, LMA will provide a brief to the Minister after implementation of the final recommendation, with the possibility of interim updates at other times, in consultation with the Office of the CEO.

#### **Consultation**

19. LMA consulted with Compliance and the Office of the CEO in the preparation of this paper.

#### **Recommended:**



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