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VRGF views on the Crown response to Recommendations 7 and 8 of the Sixth Casino Review

16 June 2020

Inasmuch as the Recommendations 7 and 8 both concern the use of data analytic tools the Foundations comments will, in the first instance, address them as a single entity, inasmuch as they are part of a harm minimisation package.

We think that the response fails on a number of matters:

   a) The processes by which the PDA is implemented in practice is unclear

   b) The PDA model does not appear to function in a near real time manner that will be effective in "proactively" addressing risk of harm or harm

   c) Neither the PDA model nor the play periods are being used in meaningful conjunction with the use of observable signs by the staff.

The process and the model, items (a) and (b)

The description of the process of the implementation of the PDA claims it operates in near real time. However, it is not clear what is meant by "near real time". The description of the process is very unclear and would be better presented with an outline of steps and some examples of how the system is to work.

In terms of near real time the response appears to say that the monitoring is in near real time. If it is data collection, presumably that would be near instantaneous, if it is analysis of the data via algorithm it would be close to real time.

If on the other hand it near real time relates to taking action on the monitoring, which is the point of the monitoring, the process appears to take many weeks. Reading the text of para 5 indicates a person could gamble for a period of more than 12 weeks before the report would create any effect. On the face of it this process offers little prospect of effective curtailment of gambling harm in a "proactive" way. It is certainly not near real time in any worthwhile way or within the meaning of the term.

Yet the point of the recommendations is stated as to "proactively identify for intervention patrons at risk of harm from gambling" and to implement practices "with real-time (or near-real time) operational effectiveness."

We note that in all the examples of data analytics given in the Review as means to prevent or reduce harm they were used to have effects in real time, including prompting staff to take action (Review p.103).

The PDA as it is being developed has nothing to offer in this regard.

With regard to play periods there appears to be capacity to act in near real time but there is not enough detail about what triggers action or what happens to assess the adequacy of the response.

Furthermore, the response uses an example that indicates 12 hours might pass before any action might be triggered. Given the validated signs of problem gambling include 3+ hours continuous gambling on EGMs and >$300 spend, it should not be the case that data analytics could ignore detection of this behaviour and not prompt staff investigation and intervention at these lower thresholds.

In conjunction with observable signs, item (c)

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Crown has apparently chosen to interpret this phrase as meaning alongside or parallel to. Thus staff look for observable signs as a matter of usual practice, staff get reports from data monitoring or analytics, staff then look for observable signs in patrons identified by data analytics. As written the response implies creation of a time consuming three step process where there need only be one or at most two.

We would take in conjunction to mean in accord and co-operation with. Thus, where the data analytics, PDA model and Player periods, can improve the use of observable signs, by themselves making observations of player behaviour, they should. And where observable signs can provide confirmation or indicators to support profiles created by data analytics they should.

Thus:

1. A staff member who observes problematic signs should be able to refer to data analytics for further confirmation of problematic behaviour.

2. Data analytics should be able to send staff information in close to real time when observable signs it can detect have occurred, triggering investigation and intervention

There is no reason why, given that it is established validated research, the data analytics employed by Crown should not be able to establish, in the case of EGMs ,how long a person has been playing and how continuously. This is one of the observable signs Crown uses.

There is no explanation from Crown as to why this metric is not used. Indeed, there is little information of what metrics are used. The response needs to be more forthcoming about what is being used and why.

The Foundation notes that Crown continues to insist on its own shortened list of observable signs. It gives no reason and produces no research supporting this short version of signs. We understand it makes claims casinos are a different environment from EGM venues but this does not actually make a credible case for its signs over those produced by Gambling Research Australia. Moreover, it has been confirmed with the lead author of the Validation Study of the GRA signs, that the findings and recommendations of the validated signs were appropriate for EGMs in the casino environment.

Validated signs of problematic gaming on EGMs that could be captured by data analytics for carded players include:

- Spends $300 or more

- Gambles right through normal meal times

- Puts large wins back into the machine and keeps playing

- Gambles most days

- Rushes from one machine to another

- Significant increase in spending pattern

- Bets $3 or more a spin most of the time

- Plays very fast

By contrast Crown's observable signs include none of these, its closest sign is "often gambles for long periods". On its own, this wording is vague and of little use as a prompt to action or as a rule that can policed or evaluated in relation to the delivery of responsible gambling. Both "often" and

"long" are subjective and in a subjective situation the key question is who is making that judgement. In a regulated environment with an aim to improve the effectiveness of harm minimisation something this vague undermines incentives to deliver on the aim more than it assists them.

However, if some definition were put around these words they could be incorporated as triggers into data analytics. Triggers to alert staff in real time and indicators to use as information for building historical profiles relating to risk and harm.

A meaningful response from Crown would look to incorporate data analytics with observable signs as much as possible and in as close to real time as possible. Moreover, it would build the triggers into the data analytics based on what is known from the observable signs.

Specifically on response to recommendation 8

In relation to recommendation 8 the Foundation agrees that Crown has carried out the process instructions in the recommendation.

However, as noted above the response is not adequate within the intention of the recommendation since

   (a) There is little detail that can be assessed as to effectiveness, and

   (b) What detail there is indicates that there is unlikely to be effective in harm minimisation because the time lags before anything happens are far too long.

Moreover, the Foundation notes that the recommendations are to address *harm* from gambling. However, inasmuch as the data analytics of the PDA are described, it is targeting problem gambling, which accounts for only some of the total harm caused from gambling.

Crown states it has based the model on patterns observed in gamblers who went on to self-exclude from the casino. Those who self-exclude are typically heavy problem gamblers who are reaching the end of their mental and financial tether. Using SEPs as the main cohort for a proxy for gambling harm is a weak approach for the purposes of minimising harm. Most of those experiencing harm do not go on to self-exclude.

It is not illogical to suggest that examining patterns that lead to this point may provide indicators for intervention before it arrives. However, what observations we know of suggest there is wide variation in patterns to this point, so the search may take a long time, and capture such a wide variety of behaviours as to make the tool impractical.

The Foundation notes the claim that Prof. Alex Blazcynski has "endorsed" the model (para 25). Without an actual report from the Professor, including what was requested from him and what he did in response to it, this claim cannot be taken as giving any weight to the Crown response. Likewise, as per para 26, while ongoing reviews by independent experts are welcome, if the experts are not identified and their reports, including the terms of reference for the reports, are not provided this does not contribute in any meaningful way to satisfying the case that Crown is meeting the recommendations. In both cases, reports being open to peer review or providing the basis for articles that were peer reviewed would have substantial weight.

The actual approach, the notion of a predictive model for the path to becoming a problem gambler, is wrong headed. This is the model Crown has set for itself but it is apparently functioning to hold up action on a model that should be focussed on detecting and acting on patterns of harm. This is what the recommendations and the text in the report leading to them required. The bones of such a model are suggested in the Foundations comments above on observable signs.

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Response to patterns of harm is the crux of what provision of responsible gambling is about. It is not relevant that a person be identified as a problem gambler or as soon to be one. What is relevant is using data analytics as an additional part of the process of being alert to and acting on signs that someone is having issues of harm, either at the time or over time.

The use of data analytics this way, as a form of near real time automated risk monitoring, does not preclude the use of the PDA model to also discern patterns of harm over time/visits that would warrant serious intervention by the casino, including effectively imposing limits on gambling up to actual exclusion. This use, provided the bar to action is not set too high, would be welcomed as addressing the recommendations. However, there needs to be more transparency in how the model is built and operates before it can be assessed as adequate. Information is needed about which indicators are compiled and how they are weighted, along with the steps to action (including their timing) and the results.