

Extracts of minutes of meetings of the Victorian Commission for Gambling and Liquor Regulation regarding recommendations of the Sixth Casino Review.

2018.13 25/10/2018

4.6 Sixth Casino Review – Monitoring Recommendations

Members considered a paper and heard from the Director, Licensing in regards to the process to be applied for monitoring the implementation of the Sixth Casino Review recommendations.

The Director, Licensing advised that she had met with Crown Casino representatives and they are on track to complete the recommendations that are due 1 January 2019.

Members stated that updates to the Minister should be provided for each milestone rather than one update after the implementation of the final recommendation.

Members noted the report.

2019.2 28/02/2019

4.2 Sixth Casino Review Recommendations – Completion Approvals and Progress Update

Members considered a paper and heard from the Acting Director, Licensing regarding the progress of the implementation of the recommendations from the Sixth Casino Review by Crown Melbourne Limited (Crown).

Members:

- approved completion of recommendation 1, including Crown's change program to fully engage its independent directors in proactive strategic oversight of the operations of the Melbourne Casino
- approved completion of recommendation 2, conditional on completion of a review of Crown Resorts Limited (Crown Resorts) committee chairs
- approved completion of recommendation 8(b)
- noted the progress update provided by Crown on all other recommendations as at 18 January 2019.

2019.5 23/05/2019

4.3 Sixth Casino Review recommendations- progress update

Members considered a paper and heard from the Director, Licensing regarding the progress of the implementation of the recommendations from the Sixth Casino Review by Crown Melbourne Limited (Crown).

The Director, Licensing advised that the implementation of the nine Sixth Casino Review recommendations due for completion on 1 July 2019 were mainly on-track. In relation to third-party exclusions (Recommendation 11), progress by Crown has been slow, however the redrafted documentation has now been received for review. In relation to a review of internal controls statements (ICS) relevant to anti-laundering

(Recommendation 17), Crown appears to have taken an approach to address the recommendation which may not align with the Commission's expectations.

Members agreed that Crown should be informed that the Commission expects the review of ICS be completed including input from AUSTRAC in relation to suitability in respect of anti-money laundering. Further consideration is to be given to reporting the progress of the Sixth Casino Review recommendations in the VCGLR Annual report.

Members noted the:

- progress in relation to the nine Sixth Casino Review recommendations due for completion on 1 July 2019, in particular the risk that Crown may not meet the expectations and/or the deadline in relation to recommendations 11 and 17
- update in relation to the remaining recommendations.

2019.8 25/07/2019

4.10 Sixth Casino Review – Completion of recommendations 2, 12 and 19

Members considered a paper and heard from the Director, Licensing, regarding progress of the Casino licensee in completion of recommendations 2, 12 and 19 of the Sixth Casino Review.

Members discussed the paper and regulatory issues related to casino operations including the implementation of facial recognition technology at the entrances to all current Melbourne casino gaming areas and managing future changes to gaming areas. Members also discussed the positive impact of facial recognition technology on ensuring excluded persons did not enter at the Melbourne casino, and the different kinds of casino exclusion orders and their commercial and regulatory objectives.

Members agreed to the Casino licensees' implementation of recommendation 2, agreed to recommendation 19 (subject to amendments to Crown Melbourne Limited's Corporate Policy Statement), and agreed to the partial and ongoing completion of recommendation 12, of the Sixth Casino Review.

2019.9 15/08/2019

3.1 Sixth Casino Review – Completion of Recommendation 17

Members considered a paper and heard from the Director Licensing regarding Crown's implementation of recommendation 17 of the Sixth Casino Review, and in particular Crown's review of relevant Internal Control Statements (ICS) to ensure that anti-money laundering risks are appropriately addressed,

The Director Licensing informed members that notwithstanding Crown has conducted a review of its ICS, it is also appropriate that the VCGLR conduct its own review and make amendments to relevant ICSs where necessary.

Members were also informed that:

- Crown was assisted in its review by Initialism Pty Ltd, a consulting firm that specialises in AML\CTF compliance and financial crime risk management

- Crown has made amendments to relevant ICSs to strengthen its junket operations and money laundering risks
- Crown is developing a new joint AML\CTF program
- junket participant (players) activity has been identified as a potential regulatory gap
- the proposed further review by the VCGLR would benefit from external assistance

Members discussed whether the VCGLR has sufficient regulatory powers to address these issues, and whether risks could be addressed by proposed amendments to Crown's ICSs.

Members requested an opportunity to review the report prepared by Initialism Pty Ltd, before making a decision as to whether Crown has completed/implemented Recommendation 17.

Members:

- (a) noted Crown had conducted a review of its ICSs to ensure junket operations at Crown and money laundering risks have been addressed. However, Members determined to defer their decision on whether Crown has implemented recommendation 17, pending Crown's provision to the Commission of a copy of the Initialism Pty Ltd report relating to Crown's review of its ICS; and
- (b) endorsed that the VCGLR will conduct a further independent review of relevant ICSs (with external assistance including input from Federal agencies), to ensure junket operations at Crown and money laundering risks have been addressed. The proposed review will also include an assessment of Crown's AML/CTF program.

2019.10 22/08/2019

6.4 Sixth Casino Review – recommendations 3,4 and 13

Members considered a paper and heard from the Director Licensing regarding Crown's actions to implement recommendations three, four and thirteen of the Sixth Casino Review.

Members agreed to Crown's implementation of recommendations four and thirteen.

Members agreed to defer consideration of Crown's implementation of recommendation three until Members have been able to review the report by Crown's external advisor.

Members also asked the CFO for confirmation that capacity has been developed on the VCGLR website for publication of Crown's progress regarding the recommendations of the Sixth Casino Review.

2019.11 26/09/2019

5.3 Sixth Casino Review – recommendations 5 and 17 and progress of recommendations 10, 11 and 14

Members heard from the Director Licensing, and considered a paper and attachments regarding the progress of the implementation of recommendations 5, 10,

11, 14 and 17 of the Sixth Casino Review (the Review) by the casino licensee, Crown Melbourne Limited (Crown).

The Director Licensing advised members that Crown had fulfilled recommendation 5 by convening the required staff briefing regarding the VCGLR's Regulatory Approach in relation to Crown Casino. Members and the Director Licensing discussed mechanisms to update subsequent Crown internal briefings to ongoing changes in the VCGLR regulatory approach, which members were advised is in place.

The Director Licensing also advised members that Crown had provided the VCGLR with the report by Initialism Pty Ltd into Crown Internal Control Statements (ICSs) and Crown anti-money laundering/counter terrorism financing programs, which has been considered by the Commission, and has been found to be consistent with the submissions made by Crown in relation to recommendation 17.

The CEO advised members that the Compliance division has continued to develop two-way relationships and information exchanges with Federal agencies, which will contribute to risk mitigation in relation to the Melbourne casino.

Members:

- (a) agreed to Crown's implementation of recommendation 5 of the Review as a result of a briefing of key internal staff on the VCGLR's risk-based approach to regulation at its quarterly Executive Risk and Compliance Committee meeting held on 21 May 2019
- (b) agreed to Crown's implementation of recommendation 17 of the Review as a result of providing the Commission with a copy of the Initialism Pty Ltd report in relation to Crown's review of its relevant ICSs to ensure money laundering risks are appropriately addressed, noting that the VCGLR will undertake its own review of Crown's ICSs, and
- (c) noted the progress of the Licensing division's assessment of recommendations 10, 11 and 14 of the Review, that were submitted by Crown on 1 July 2019.

2019.12 24/10/2019

5.2 Sixth Casino Review – recommendation 10

Members considered a paper and attachments regarding the progress of the implementation of recommendation 10 of the Sixth Casino Review (the Review) by Crown.

The Director Licensing informed members that recommendation 10 relates to implementation of responsible gambling programs in relation to voluntary exclusion orders and an evaluation trial of Time Out Program Agreements (TOPAs) at the Melbourne Casino. The Victorian Responsible Gambling Foundation (VRGF) contributed to the review, which has enhanced the process and increased confidence in the programs, with potential for TOPAs to be an ongoing alternate pathway to exclusions under the *Casino Control Act 1991* (CCA).

Members agreed that:

- (a) Crown has implemented recommendation 10 of the Review by undertaking a comprehensive review of its policy for the making and revocation of voluntary exclusion orders under section 72(2A) of the CCA in conjunction with the VCGLR, the VRGF and external advice.

- (b) Crown be directed to provide the data from its 12-month evaluation trial of three and six-month TOPAs to determine whether it is necessary for TOPAs to transition to a formalised exclusion order under section 72(2A) of the CCA.

5.3 Sixth Casino Review – recommendation 11

Members considered a paper and attachments regarding the progress of the implementation of recommendation 11 of the Review by Crown.

The Director Licensing informed members that Crown initiated and have been decisive in implementing involuntary exclusion orders at the request of family members and friends at the Melbourne Casino under recommendation 11, and that the VRGF have contributed to the process which has satisfied the requirements of the Review.

Members agreed that Crown has implemented recommendation 11 of the Review as a result of developing and implementing a policy and procedure in conjunction with the VCGLR, the VRGF and external advice to facilitate issuing involuntary exclusion orders under section 72(1) of the CCA at the request of family members and friends in appropriate cases.

5.4 Sixth Casino Review – recommendation 14

Members considered a paper and attachments regarding the progress of the implementation of recommendation 14 of the Review by Crown.

The Director Licensing informed members that recommendation 14 required Crown to develop and implement an overall responsible gambling approach for the Melbourne Casino, which has included research into approaches in other jurisdictions as requested by the VCGLR.

Members agreed that Crown has implemented recommendation 14 of the Review as a result of developing and implementing a responsible gambling strategy focusing on the minimisation of gambling related harm to persons attending the casino.

2019.13 28/11/2019

5.2 Sixth Casino Review – recommendations 16 and 18, and progress report on other recommendations

Members considered a paper and attachments regarding the implementation of recommendations 16 and 18 of the Sixth Casino Review (the Review) by the casino licensee, Crown Melbourne Limited (Crown), and the progress of Crown towards completing other recommendations of the review.

The Director Licensing informed members that Crown has fulfilled the requirements of some of the simplest recommendations of the Review.

Members:

- (a) Agreed that Crown has implemented recommendation 16 of the Review by developing a charter for the Crown Melbourne Responsible Gaming Management Committee
- (b) Agreed that Crown has implemented recommendation 18 of the Review by providing submissions for the approvals under the *Casino Control Act 1991* and the *Gambling Regulation Act 2003* to the VCGLR that encompass information required by the recommendation

- (c) Agreed that Recommendation 20 could be addressed by a meeting with a selected list of Crown Melbourne Limited and Crown Resorts Limited directors, and
- (d) Noted the update on progress of the remaining Review recommendations.

2019.14 19/12/2019

5.2 Sixth Casino Review – recommendations 3 and 15, and progress report on other recommendations

Members considered a paper and attachments regarding the implementation of recommendations 3 and 15 of the Sixth Casino Review (the Review) by Crown, and the progress of Crown towards completing other recommendations of the Review.

The Acting Director Licensing stated that the paper was taken as read and aspects of the Review could be discussed in detail outside of the Commission meeting if required.

Members discussed the criteria for sharing information in Crown responsible gambling reports with the Victorian Responsible Gambling Foundation and requested the Licensing division review the criteria, consult with the CEO, and advise the Commission.

Members also discussed Crown's response to the recommendations of the Deloitte report and the need to continue monitoring Crown implementation of the outstanding recommendations.

Members:

- (c) Agreed to Crown's implementation of recommendation 3 of the Review, after considering the Deloitte report provided by Crown.
- (d) Noted that the Licensing division will monitor implementation of the three outstanding recommendations in the Deloitte report.
- (e) Agreed to Crown's implementation of recommendation 15 of the Review by providing the first Responsible Gambling report (RG report) to the Crown Resorts Responsible Gaming Committee (CRRGC) on 9 October 2019, subject to:
 - Crown continuing to provide the RG reports to the VCGLR after each CRRGC meeting, and
 - RG reports including 'results from player data analytics' post completion of recommendation 8.
- (f) Noted Crown has provided its first written quarterly report on the effectiveness of facial recognition technology, in line with recommendation 12, and:
- (g) Noted the update on the progress of recommendation 19 and the other the remaining Review recommendations.

2020.1 23/01/2020

5.2 Sixth Casino Review – recommendation 19

Members considered a paper and attachments regarding the implementation of recommendation 19 of the Sixth Casino Review (the Review) by Crown Melbourne

Limited (Crown), in relation to amendments to its “Unacceptable Behaviour Policy” and “Withdrawal of Licence – Exclusion/Self Exclusion Policy” (Exclusion Policy).

The Director, Licensing informed members that the paragraph nine of the paper explains how the clauses of the Exclusion Policy will be applied to the different types of casino exclusion.

Members:

- (a) Noted Crown’s submissions dated 3 December 2019 and 9 January 2020, in response to the Commission’s request that Crown makes further amendments to its “Unacceptable Behaviour Policy” to ensure the policy provides greater clarity to Crown staff about when to issue an exclusion order, withdrawal of licence, or both;
- (b) Agreed that the amendments proposed by Crown to its “Unacceptable Behaviour Policy” and its Exclusion Policy satisfy the Commission’s recommendation 19; and
- (c) Noted that the Licensing division will monitor the implementation by Crown of its proposed amendments to both policies.

2020.4 30/04/2020

5.2 Sixth Casino Review – recommendation 6

Members considered a paper and attachments regarding the implementation by Crown Casino of recommendation 6 of the Sixth Casino Review report.

The Director, Licensing explained to members that Crown have reviewed staffing resourcing to increase the work hours dedicated to responsible gambling and improved identification of observable signs of harm from gambling.

Members discussed the impact of facial recognition technology on responsible gambling and observed that as Crown have done more than was required by the recommendation that there may be an opportunity improve the current target.

The Director, Licensing informed members that there are further responsible gambling initiatives being developed with the Victorian Responsible Gambling Foundation, that the VCGLR response will encourage next steps by Crown and that these findings can inform the next casino review process.

Members agreed that Crown Melbourne Limited has implemented recommendation 6 of the Sixth Casino Review report as the result of Crown reviewing its allocation of staffing resources and staff training to increase the number of work hours actually available to responsible gambling and intervention with patrons, noting that there is further work in progress to improve responsible gambling processes.

2020.7 30/07/2021

5.1 Sixth Casino Review – Recommendation 7, 8 and 9

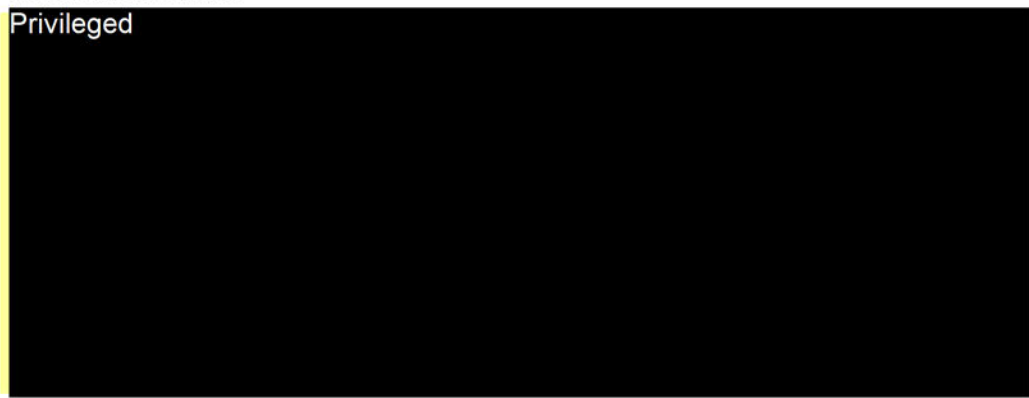
Members considered a paper and attachments regarding the progress of Crown Melbourne Limited (Crown) in implementing recommendation 7, 8 and 9 of the Sixth Casino Review (the Review).

The Director, Licensing explained to members that the paper is focused on responsible gambling and player data analytics and contains evidence regarding the work undertaken by Crown. Recommendations 7 and 8 are the implementation of models required by the Review. Recommendation 9 is the evaluation of those models which will follow implementation and should provide the VCGLR with more insight regarding responsible gambling at Crown.

Members noted the input of the Victorian Responsible Gambling Foundation (VRGF) and criticism of the observable signs, which should be addressed by recommendation 9, and queried VCGLR's access to the Crown evaluation report, as Crown has claimed legal professional privilege in the past.

The Director, Licensing informed members that the VCGLR is engaged with Crown and will state in the correspondence arising from this Commission meeting to be sent to Crown that the VCGLR requests access to the evaluation report under Recommendation 9.

Privileged



Members noted that wording of the recommendation of the Commission paper is consistent with other Commission papers regarding the Review.

Members agreed that Crown has implemented:

- 1) Recommendation 7 of the Review, as the result of using observable signs in conjunction with data analytics to identify patrons at risk of harm from gambling;
- 2) Part (a) of recommendation 8 of the Review, as the result of having a comprehensive real-time player data analytics tool in operation by 1 January 2020; and
- 3) The second limb of part (b) of recommendation 8, by reporting in detail its comprehensive study of all the practical options for a real-time player data analytics tool for un-carded play by 1 January 2020.

Members, having agreed that recommendation 7 and part of recommendation 8 have been implemented, noted that Crown will be advised that, in relation to recommendation 9:

- 1) Only persons who have the appropriate expertise to perform an independent assessment of Crown's real-time data analytics tools are to be shortlisted for approval by the Commission; and
- 2) The scope of the independent assessment must cover both the data analytics tools developed by Crown, and address all potential issues raised by the VRGF and the Licensing division in respect of the effectiveness and timeliness of the data analytics tools that were raised during the assessment of recommendations 7 and 8.

Members agreed that the Director, Licensing or a single Commissioner approve the expert to be engaged by Crown for recommendation 9, noting that this is not an approval required under legislation.

2020.10 29/10/2021

5.5 Sixth Casino Review – extension of deadline in relation to recommendation 9

Members considered a paper and attachment regarding a request by Crown Melbourne Limited to extend the completion date for recommendation 9 of the Sixth Casino Review, being the conduct of an independent assessment of data player analytics tools.

The Director, Licensing, explained to members that requiring Crown to make a submission now would not make sense as they are closed, and that they have requested to submit to the VCGLR 15 months after re-opening.

Members approved Crown Melbourne Limited's request to extend the completion date for recommendation 9 of the Sixth Casino Review until 15 months after recommencement of gaming post COVID-19 shut down.

2021.1 28/01/2021

5.1 Sixth Casino Review – Time Out Program Agreements trial evaluation

Members considered a paper and attachments regarding the evaluation conducted by Licensing of the 'Time Out Program Agreement' (TOPA) trial data provided by Crown Melbourne Limited (Crown).

The Director, Licensing explained to members that the Crown time out program is not required by legislation but is an additional measure which will help Crown to monitor problem gambling. The Victorian Responsible Gambling Foundation have been consulted and have agreed that the VCGLR should continue to monitor TOPA data, which Crown are willing to share, which has not revealed any problems to date.

Members:

- 1) Noted Licensing's evaluation of the TOPA trial data provided by Crown;
- 2) Agreed that TOPAs can continue to be offered and do not need to transition to a formalised exclusion order under section 72(2A) of the *Casino Control Act 1991*; and
- 3) Directed Crown to provide the Victorian Commission for Gambling and Liquor Regulation with ongoing visibility of TOPAs via reporting arrangements to be determined by the Director, Licensing.

5.2 Sixth Casino Review – Recommendation 20

Members considered a paper regarding options for acquittal of Recommendation 20 of the Sixth Casino Review.

The Director, Licensing advised members that Crown are aware of the Seventh Casino Review being brought forward and are agreeable to the proposed options.

Members agreed that:

- 1) It is no longer necessary for Commissioners to meet with directors of the Crown Resorts Limited board as required under Recommendation 20 of the Sixth Casino Review; and

2) Recommendation 20 has been effectively acquitted.

Members requested correspondence to Crown be drafted for the Chair to settle to this effect.