

NORTHERN TERRITORY RACING COMMISSION

Reasons for Decision

Complainant:	Mr A
Licensees:	Neds.com.au
Proceedings:	Gambling Dispute for determination by Racing Commission Pursuant to section 85(2) of the <i>Racing and Betting Act</i>
Heard Before: (on papers)	Ms Cindy Bravos (Presiding Member) Ms Amy Corcoran Mr James Pratt
Date of Decision:	26 November 2019

Background

1. On 29 August 2018, pursuant to section 85(2) of the *Racing and Betting Act* (the Act), the complainant lodged a gambling dispute with the Northern Territory Racing Commission (the Commission) against the licensed sports bookmaker, Neds.com.au (Neds).
2. The complainant submitted that he was aggrieved due to Neds not paying out correctly on a number of multi bets that had been placed in August 2018.
3. Prior to lodging the gambling dispute with the Commission, the complainant had raised his concerns directly with Neds via email correspondence. In that correspondence, the complainant listed 10 multi bet transaction numbers that he believed had not been settled correctly. In relation to one of those multi bet transaction numbers, the complainant detailed the specifics of the multi bet and that it was a multi bet that the complainant considered should have resulted in a winning payout of \$51,860.
4. In response to the complainant's correspondence made directly to Neds, the sports bookmaker advised the complainant that of the 10 multi bets' transaction numbers listed, it was able to identify three of the multi bets. With respect to those three multi bets, Neds confirmed that each of these multi bets had been settled correctly and provided an explanation to the complainant as to the settling of the multi bets. With respect to the remaining seven multi bets, Neds advised the complainant that the multi bet transaction numbers were incorrect and as such, it was unable to identify the multi bets that the complainant was referring to. To assist the complainant to identify the multi bets that he had concerns about, Neds provided the complainant with a spreadsheet of his betting history with each bet's correct transaction number.
5. Over the course of the next two days, the complainant provided Neds with the details of three multi bets with correct transaction numbers that he was of the view that had not been settled correctly. As a result, Neds reviewed these multi bets and again advised the complainant that the multi bets had been settled correctly and provided an explanation to the complainant as to how each of these multi bets was settled.

6. Through this process, the correct transaction number for the multi bet that the complainant was of the view that should have resulted in a payout of \$51,860 was identified. Neds provided the complainant with a detailed explanation of how this multi bet had been settled and advised the complainant that the winning payout of \$26.41 was correct.
7. In response, the complainant raised concerns that the transaction summary for this particular multi bet did not correctly identify the details of the multi bet in that it did not show that the multi bet was a '5 to win 9 leg combo multi'. In response to the complainant's view that each transaction summary should detail all winners and losers, the Neds' representative advised the complainant that he had raised "...a really great point..." and that the issue had been raised with Neds management.
8. Remaining dissatisfied with the responses by Neds, the complainant then lodged the gambling dispute with the Commission on 29 August 2018.
9. As a result of the lodgement of the gambling dispute, a Licensing NT officer appointed as a betting inspector by the Commission referred the gambling dispute to Neds in order to afford the sports bookmaker an opportunity to respond to the gambling dispute.
10. Neds advised the betting inspector that Neds had taken "...some time to go through all [the complainant's] bets in detail..." and concluded that they had been settled correctly. Neds also provided the betting inspector with a detailed explanation as to how the 9 leg combo multi bet had been settled.
11. On 13 November 2018 the betting inspector, having reviewed the Neds response to the gambling dispute and the email correspondence referred to in paragraphs 3 to 7 above, advised the complainant that the multi bets subject of his gambling dispute had already been examined in detail by Neds. The betting inspector further advised the complainant that Neds had advised that it would examine any further bets of concern if the complainant could provide the specific dividends and amounts being paid incorrectly and suggested that the complainant avail himself of this offer directly with the sports bookmaker should he wish to do so.
12. No further correspondence from the complainant was received by the betting inspector in response to the above email correspondence and as a result, the betting inspector determined that the gambling dispute was finalised.
13. On 17 June 2019, the complainant sent email correspondence to the Commission in which he attached email correspondence that he had sent on 20 May 2019 to the Office of the Racing Commissioner in Victoria in which he had made a number of allegations against Neds including that Neds had not paid out on numerous bets that the complainant had placed with the sports bookmaker, Neds had made inappropriate remarks about him to stewards at the Caulfield Racecourse and that horse races were being fixed.
14. In response, a betting inspector appointed to the Commission advised the complainant that many of the issues being alleged by the complainant were not within the jurisdiction of the Commission to examine. However, the complainant was advised to lodge a further gambling dispute via the Licensing NT website detailing the specifics of the gambling dispute in relation to bets not being settled correctly. Following a number of further emails to the betting inspector in which the complainant again raised numerous issues that do not fall within the jurisdiction of

the Commission, the complainant lodged a further gambling dispute with the Commission on 19 June 2019. The complainant again attached the email correspondence that has already been referred to at paragraphs 3 to 7 of this decision notice.

15. The complainant's gambling dispute was again referred by a betting inspector to the sports bookmaker for response. On 2 July 2019, Ned's advised that it considered that the gambling dispute was the same or similar to the earlier gambling dispute lodged with the Commission and requested that the Commission not accept the gambling dispute given that it had been lodged out of time. Neds, however, again provided the betting inspector with a detailed explanation as to how the larger of the multi bets referred to by the complainant was settled and again advised that it considered that the multi bet had been settled correctly.
16. Information from each of the parties to this gambling dispute has been provided to the Commission to consider the dispute on the papers.

Consideration of the Issues

Settlement of betting disputes and claims in relation to sports bookmakers

17. The objects of the Act are the promotion of probity and integrity in racing and betting in the Northern Territory; maintaining the probity and integrity of persons engaged in betting in the Northern Territory; promoting the fairness, integrity and efficiency in the operations of persons engaged in racing and betting in the Northern Territory; and reducing any adverse social impact of betting.
18. In furtherance of those objects, section 85 of the Act provides the Commission with the jurisdiction to determine all disputes between a sports bookmaker and its customer regarding lawful betting. In this respect, section 85 sets out the decision making regime for the making of a determination by the Commission as to whether the disputed bet is lawful and provides that a person may take legal proceedings to recover monies payable on a winning lawful bet or for the recovery of monies owed by a bettor on account of a lawful bet made and accepted.
19. The clear purpose of section 85 is to authorise the Commission following an investigation, to determine whether or not the impugned bet or bets were lawful.
20. Sub regulation 17(1) of the *Racing and Betting Regulations 1984* (the Regulations) also provides that in relation to the settlement of betting disputes, that a person making a claim to the Commission in respect of a winning bet must do so within 14 days after the completion of the sporting event in respect of which the bet was accepted. However sub regulation 17(2) of the Regulations also empowers the Commission to accept the gambling dispute notwithstanding the expiration of the 14 day period where in the opinion of the Commission the circumstances so warrant.
21. In this regard, the Commission notes that the first gambling dispute lodged with the Commission on 29 August 2018 was lodged within the 14 day period proscribed by the Regulations. The second gambling dispute lodged by the complainant however, falls well outside the proscribed period. In this respect, the Commission notes that whilst the first gambling dispute was investigated by a betting inspector and correspondence was sent to the complainant advising of the result of the betting inspector's inquiries with the sports bookmaker, no specific determination was made

by the betting inspector or more appropriately a delegate of the Commission in relation to whether the multi bets subject of the gambling dispute were settled correctly. The Commission also notes that following the complainant's contact with the Commission on 17 June 2019, the complainant was invited by a betting inspector to submit a further gambling dispute.

22. Given this, the Commission has determined to accept the submission of the gambling dispute lodged by the complainant on 19 June 2019 and as such, is treating the gambling dispute as though it had been submitted before the expiration of the proscribed period.

Disputed multi bets

23. The complainant is disputing the settlement of at least ten multi bets placed with Neds in August 2018. Three of the multi bets identified by the complainant were able to be identified by Neds who conducted a review of the settlement of the bets and advised the complainant that the bets were settled correctly.
24. After being provided with a spreadsheet of all the bets made by the complainant with Neds, the complainant queried three further multi bets. Ned's in response, reviewed each of these multi bets and again advised the complainant the multi bets had been resulted correctly.
25. One of the multi bets that the complainant has submitted was not settled correctly by Neds is the multi bet identified as 5e48c which was struck at 14:58 pm on 16 August 2018. The complainant has provided the Commission with a screenshot of the summary for the multi bet which is headed with 'Multi - Any 4 Win, 5 Combinations (5 Legs)'. The transaction summary shows that the selection of the winner of each of the 5 legs was successful and that an amount of \$100 was staked (amounting to \$20.00 per combination) and that a return of \$437.39 was paid to the complainant. The transaction summary is replicated below:

Multi - Any 4 Win, 5 Combinations (5 Legs)			
2. Crystal Fountain - Fixed Place @ 2.15		Caulfield Race 2	
18. Spirit Of Aquada - Fixed Place @ 3.00		Caulfield Race 3	
4. Thine Is The Power - Fixed Win @ 2.25		Morphettville Race 2	
17. Streets Of Avalon - Fixed Win @ 3.70		Caulfield Race 4	
1. Long Leaf - Fixed Place @ 2.25		Caulfield Race 5	
Stake:	P/Combo:	Return:	\$1,117.71
\$100.00	\$20.00	\$437.39	

26. In response to the complainant's queries in relation to this multi bet, Neds advised the complainant on 20 August 2018 that the multi bet was paid out correctly and that the complainant had selected "...Any 4 win from 35 combos 7 legs for a stake of \$100 which would mean you have a \$2.86 bet per combination." The complainant disputed this given that the screenshot showed that the multi bet was a 5 leg multi bet with any 4 to win.
27. Ned's has advised the Commission that this multi bet relates to "...a 7 leg combination multi bet - being 7 legs any 4 win, 35 combinations..."
28. Ned's further advised the Commission that:

For a combination multi bet, while it is displayed in our system and on the betting transaction as a single bet, in reality, it is a group of bets equal to the number to possible winning combinations. As such, the stake is equally divided to apply to each of the individual bets. For example, when placing the above combination multi bet, [the complainant] was in fact placing 35 individual bets, as there were 35 possible combinations where four of the above selections were successful. His \$100 stake was therefore divided by 35, applying a portion of this stake to each potential successful combination.

...[I]n the 7 legs chosen by [the complainant], 5 were successful. This is why the screenshotted return states the multi as 'any 4 win, 5 combinations'. It has only listed the winning selections as having generated a return, which in turn, resulted in five winning combinations.

...As a side note, I can see that in [the complainant's] return, it states 'P/Combo \$20.00'. It appears that this is an error in the display on the return, likely relating to the return identifying the bet as having 5 *winning* combinations (rather than 35 *potential* combinations) and dividing the stake by 5 instead of 35. We acknowledge that this would be confusing for the customer, and we are currently endeavouring to improve how combination multi bets are displayed to customers to avoid any further confusion.

...However, we note that this display error does not affect the legality of the bet, nor was it displayed to the customer prior to the bet being placed. At the time the bet was placed, [the complainant] would have specifically been shown a stake per combo of \$2.68.

29. It is a requirement of all sports bookmaker licensed in the Northern Territory to maintain a secure, independent audit log that can be accessed by the Commission to review betting transactions. Upon a bet being struck with a sports bookmaker, the bet is also recorded in the audit logs of the Commission. Should the sports bookmaker attempt to change the bet recorded in their own audit logs there would be a clear discrepancy when compared to the Commission's audit log.
30. With respect to this gambling dispute, an officer from Licensing NT reviewed the Commission's audit log for Neds and confirmed that the multi bet 5e48c as discussed in paragraphs 25 to 28 above was struck on a 7 leg, any 4 wins which resulted in 35 combinations as claimed by Neds and not a 5 leg, any 4 wins, 5

combinations multi bet as claimed by the complainant and as displayed on the complainant's screenshot of the bet's transaction summary.

Multi Bet Transaction Summary

31. It is clear to the Commission that the multi bet transaction summaries for the multi bets placed by the complainant do not accurately reflect the multi bets placed. A Ned's representative admitted this to the complainant during the email conversation in August 2018 and as detailed in paragraph 7.
32. Neds has made further admissions to the Commission about the inadequacies of the transaction summary in that by omitting the losing selections/combinations from the transaction summary, the number of combinations in the original bet and the number of legs in the original bet were not displayed. Additionally, the correct stake per combination was not displayed.
33. Ned's has advised the Commission that it has now made a number of adjustments to improve the information displayed to their customers so that they may more easily identify and track their bets. Specifically, Neds has advised the Commission that the display:
 - Will be the only return ticket that is shown on the client's end. It will update automatically as more combinations win and return funds (rather than having separate return transaction for each group of successful combinations at different points in time).
 - Lists the odds value as "TBD". This has been changed to avoid any confusion about the odds of the bet and no longer shows the odds calculated by adding all selections' odds together.
 - Contains the grand total of the amount that the client has won in the amount column.
 - Notes the full details of the 'any X win' bet...
 - Ensures that the number of combinations and number of legs displayed in the bet details column reflects the number of combinations/legs in the original bet. Losing combinations or legs are no longer omitted in the return and are consistent with the original wager.
 - The 'stake/combo' field now always displays the same amount of money, being the total stake that has been spread evenly across all possible combinations in the bet. This amount is calculated by taking the stake amount...and dividing by the possible combinations for the bet...
34. The Commission has reviewed examples of the updated transaction statement and is of the view that the information now provided to the sports bookmaker's customers is significantly improved.

Decision

35. The Commission is authorised, following an investigation, to declare that disputed bets are lawful or not lawful. On the weight of evidence provided, the Commission is satisfied that each of the complainant's bets are lawful bets pursuant to section 85(1A) of the Act.
36. The Commission is also satisfied that each of the complainant's bets that were able to be identified were settled correctly and that the complainant has received the appropriate amount of moneys payable on each winning lawful bet.
37. The Commission notes that it is more than likely that the transaction summaries available to the complainant on the multi bets caused a level of confusion as to the details of the bets made and resulted in the complainant becoming concerned that the bets had not been settled correctly.
38. Whilst the bets were settled correctly, the Commission notes that Neds has now improved the transaction summary available to its customers and that each of these transaction summaries better articulates the bet made, the prices on offer and how the bet was resulted. Given this improvement to the transaction summary, the Commission does not propose to take any further action.

Review of Decision

39. Section 85(6) of the Act provides that a determination by the Commission of a dispute referred to it pursuant to section 85 of the Act shall be final and conclusive as to the matter in dispute.



Cindy Bravos
Presiding Member
Northern Territory Racing Commission

26 November 2019