

# NORTHERN TERRITORY RACING COMMISSION

## Reasons for Decision

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| <b>Licensee:</b>                     | The Bet Deck Pty Ltd   |
| <b>Proceedings:</b>                  | Consideration of disciplinary action by the Northern Territory Racing Commission (pursuant to section 80(1)(d) of the <i>Racing and Betting Act 1983</i> ) |
| <b>Heard Before:<br/>(on papers)</b> | Mr Alastair Shields (Presiding Member)<br>Ms Cindy Bravos<br>Ms Amy Corcoran<br>Mr James Pratt<br>Mr Kristopher Evans<br>Ms Susan Kirkman                  |
| <b>Date of Decision:</b>             | 20 April 2022  |

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### Background

1. On 30 November 2021, the Northern Territory Racing Commission (the Commission) granted a license to Bet Deck Pty Ltd (Bet Deck) to conduct the business of a Sports Bookmaker, pursuant to section 90 of the *Racing and Betting Act 1983* (the Act).
2. Before commencing operations as a licensed sports bookmaker, Licensing NT provides each new licensee with an electronic file containing the names and relevant details of each person who has requested to be self excluded from all current and future licensed sports bookmakers in the NT, for the purpose of that sports bookmaker putting in place measures to comply with the NT Code of Practice for Responsible Service of Online Gambling 2019 (the 2019 Code). These measures include preventing self excluded persons from opening a betting account, and putting in place measures to ensure that such persons do not receive correspondence or promotional material.
3. On 9 December 2021, Bet Deck sent a welcome email and SMS message to 256 self excluded persons. Five of those persons made complaints to the Commission about the unsolicited contact they received from Bet Deck.

### Bet Deck's response to enquiries

4. In response to the complaints received by the Commission, Bet Deck submitted that:
  - a. Bet Deck was not aware that the welcome email and SMS had been sent to 256 self excluded persons until they were made aware of the complaints received by the Commission;
  - b. The emails and SMS had been sent in error (their system for recording self excluded persons requires a "dummy" account to be opened and then closed, and in the course of that process automatic emails and SMS messages were sent);
  - c. Bet Deck immediately ceased sending correspondence to all of their customers, to enable an investigation to occur;
  - d. Following the investigation, Bet Deck has implemented new procedures to prevent this type of error from occurring in the future;

- e. At no time could any of the self excluded customers log onto the accounts in their name and place a bet;
- f. Bet Deck acknowledged the breach of the Code, and the seriousness of the matter.

### Consideration of the Issues

- 5. In order to minimise the harm that may be caused by online gambling, the Commission introduced the 2019 Code which came into effect on 26 May 2019, having replaced the Northern Territory Code of Practice for Responsible Gambling 2016 (the 2016 Code).
- 6. Clause 4.6 of the 2019 Code requires sports bookmakers to “have in place suitable procedures to ensure correspondence or promotional material is not sent to persons who are either excluded from their services, or who request that this information not be sent to them”.
- 7. It is a requirement of the Act and Bet Deck’s licence (condition 15) that Bet Deck complies with the 2019 Code.
- 8. Correspondence from five of the affected self excluded persons indicate that they experienced varying degrees of distress and anger at receiving unsolicited communications from a sports bookmaker that they have never been a customer of. One complainant reported that their spouse saw the unsolicited SMS message, which added to the distress they experienced.

### Decision

- 9. The Commission is satisfied that the sending of emails and SMS messages to 256 self excluded persons on 9 December 2021 was in breach of clause 4.6 of the 2019 Code.
- 10. The Commission acknowledges that Bet Deck’s breach of the 2019 Code was brought about by error, rather than intentionally, and that Bet Deck has acknowledged its breach of the Code and accepts that the breach is serious. Bet Deck has put in place measures to prevent such an error occurring again in the future.
- 11. Nevertheless, the Commission considers this to be a serious breach, which occurred just ten days after it was granted a sports bookmakers licence. The Commission notes the unnecessary distress and anger experienced by persons who received the promotional material from Bet Deck, and the potential for harm to persons who have admitted that they have a gambling problem and have taken positive steps to prevent them receiving information that might tempt them to resume gambling.
- 12. The Commission has therefore determined that Bet Deck did not comply with clause 4.6 of the 2019 Code on 9 December 2021 and as a result, pursuant to section 80(1)(d) of the Act, has failed to comply with condition 15 of its licence.
- 13. Disciplinary action available to be taken by the Commission for non-compliance with a condition of licence ranges from the issuing of a reprimand, imposing a fine not exceeding 170 penalty units or suspending or cancelling the sports bookmakers licence.
- 14. The Commission considers that providing promotional material to self excluded persons is a serious breach of the 2019 Code.
- 15. In all of the circumstances, the Commission has determined to impose half of the maximum fine, that is 85 penalty units, which equates to \$13,345.

16. The Commission has also determined that given the serious nature of this breach, that this decision will be published on the Commission's website so as to place all Northern Territory sports bookmakers and betting exchange operators on notice that the Commission treats such breaches very seriously.

A handwritten signature in black ink that reads "Alastair Shields". The signature is written in a cursive, flowing style.

Alastair Shields

Chairperson  
Northern Territory Racing Commission

20 April 2022