

# NORTHERN TERRITORY RACING COMMISSION

## DECISION NOTICE AND REASONS FOR DECISION

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**MATTER:** Gambling Dispute for determination by the Northern Territory Racing Commission (pursuant to section 85(2) of the *Racing and Betting Act 1983*)

**COMPLAINANT:** Mr G

**LICENSEE:** Entain Group Pty Ltd (Ladbrokes)

**HEARD BEFORE:** Ms Cindy Bravos (Presiding Member)  
**(on papers)** Ms Amy Corcoran  
Mr James Pratt

**DATE OF DECISION:** 3 April 2024

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### DECISION

1. For the reasons set out below, the Northern Territory Racing Commission (**the Commission**) is satisfied that Entain Group Pty Ltd (**the Licensee**) has:
  - i. contravened condition 15 of its licence by not complying with clause 3.2 of the Northern Territory Code of Practice for Responsible Service of Online Gambling 2019 (**the 2019 Code**) through not initiating an appropriate responsible gambling customer interaction when the Complainant stated to one of its customer service representatives that he was a 'gambling addict'.
2. The Commission has determined that it is appropriate to take disciplinary action against the Licensee pursuant to section 80(1)(d) of the *Racing and Betting Act 1983* (**the Act**) as follows:
  - ii. for its contravention of condition 15 of its licence, a fine of 136 penalty units being 80% of the maximum penalty available, equating to \$22,032 (for the 2022/2023 financial year a penalty unit's value was \$162).

### REASONS

#### Background

##### The Licensee

3. The Commission has granted a licence to the Licensee to conduct the business of a sports bookmaker pursuant to section 90 of the Act. The Licensee's current sports bookmaker licence is due to expire on 30 August 2026.
4. Under that licence, the Licensee is currently authorised to operate two wagering platforms under the online branding of Ladbrokes and Neds. For ease of reference and given that the events complained of occurred while the Complainant interacted with the Licensee while using the Ladbrokes branded wagering platform, the Commission has determined to refer to the Licensee as **Ladbrokes** throughout this Decision Notice.

## The Complaint

5. On 10 September 2022, the Complainant lodged a complaint with the Commission via the Northern Territory Government's Licensing NT online portal in relation to his dealings with Ladbrokes.
6. In that complaint, the Complainant has alleged that after deciding to stop wagering with Ladbrokes after sustaining losses of around \$3,000, he received several telephone calls from Ladbrokes requesting that he return their call. When he did so, the Complainant advised Ladbrokes that he was a "gambling addict" however, instead of informing him of what options were available to him to seek assistance with any gambling related problems, Ladbrokes provided him with \$50 in bonus bets and a deposit match offer.

## Commission Hearing

7. Pursuant to section 85(4) of the Act, the Commission determined to hear the dispute and make its determinations in the absence of the parties, based on the evidence before it.
8. That evidence includes written submissions to the Commission by both the Complainant and the Licensee, as well as additional evidence obtained on behalf of the Commission by Licensing NT officers appointed as betting inspectors by the Commission.

## **Consideration of the Issues**

9. Ladbrokes has provided the Commission with a recording of a telephone call that occurred on 5 January 2022 between the Complainant and a Ladbrokes' customer service team member in which the Complainant states:

*...well, pretty I sure spent about ah \$3,000 umm first few days that I opened up the account. Ahh I think I'm a gambling addict umm and I think that my experience with Ladbrokes is a little short lived seeing that ah I did spend ah \$3,000 in the first couple days. Umm, I don't know, I have a Sportsbet account, I use that. Ahh you know, I, I don't, I don't really, I don't really get a good umm vibe out of it seeing what happened. Ahh I don't know, maybe there's something that ah you can probably do to get me more entertained using, you know, Ladbrokes.*

10. Ladbrokes has admitted that its customer service team member did not acknowledge the Complainant's comment that he thinks that he is a gambling addict. Rather, the Ladbrokes' customer service team member focused instead on the Complainant's query as to whether there was anything Ladbrokes could do to "...get [him] more entertained" using the Ladbrokes platform.
11. The Complainant was advised by the Ladbrokes' customer service team member that he would be placed on hold while he checked whether there were any bonus cash offers available on the Complainant's account. The call was disconnected while the Complainant was on hold.
12. A short time later, the Complainant called Ladbrokes back and spoke to a different Ladbrokes' customer service team member who was unaware of the previous comments made by the Complainant to Ladbrokes. During that call, the Complainant again asked what Ladbrokes could do to retain him as a customer but did not repeat any comments pertaining to 'problem gambling'. Ladbrokes has advised that this customer service team member reviewed the Complainant's betting account and offered a 75% deposit match up to \$500 and added a \$50

bonus bet into the Complainant's account. Later that same day, the Complainant deposited \$500 into the betting account and as a result, received \$425 in bonus bets.

13. The Complainant then placed a series of wagers on a tennis match using both the monies that he had deposited into his betting account and the bonus bets. All of these bets were later refunded in accordance with Ladbrokes' terms and conditions due to one of the teams involved in the tennis match withdrawing from the match.
14. The Complainant then withdrew the \$500 that he had earlier deposited into the account and placed a number of bets with the returned bonus bets. These bets resulted in the Complainant winning \$70 which he then subsequently withdrew from the betting account.
15. On 6 January 2022, the Complainant contacted Ladbrokes and again stated that he had a gambling problem and that Ladbrokes had not acted on his previous admission of this. On this occasion, Ladbrokes took the action of closing the Complainant's account as a self-excluded account.
16. Upon reviewing the Complainant's account and telephone conversations with its customer service representatives, Ladbrokes formed the view that the first customer service representative had inadvertently overlooked the Complainant's admission to being a problem gambler. As this was not in accordance with the customer service representative's mandatory responsible gambling training, Ladbrokes issued a formal written warning to its employee.
17. Ladbrokes has acknowledged that the service provided to the Complainant was not appropriate and was contrary to the training its employees receive. In doing so, it noted that the Complainant suffered no financial loss following his first admission to having an addiction and in fact, his wagering activity after the admission resulted in the Complainant withdrawing \$70 more from the betting account than he had deposited.
18. The Commission provides practical guidance to the sports bookmakers it licences on matters relating to the Act, through the approval of Codes of Practice. The 2019 Code, which came into effect on 26 May 2019, was approved by the Commission to provide guidance on responsible gambling practices that must be implemented by sports bookmakers so as to minimise the impact of any harms that may be caused by online gambling. The Act and the licence conditions attached to all sports bookmakers' licences granted by the Commission require sports bookmakers to adhere to any Codes of Practice approved by the Commission.
19. Clause 3.2 of the 2019 Code provides:

#### Recognising potential problem gamblers

Where appropriate, a customer who displays some, or a number, or a repetition of red flag behaviours should be monitored by an online gambling provider and appropriate customer interaction should take place to assist or protect that customer which reasonably corresponds to the circumstances. Online gambling providers should ensure responsible gambling policies and procedures are in place to allow staff to detect and assist customers who may be experiencing problems with gambling.

20. It is clear to the Commission that Ladbrokes has breached clause 3.2 of the 2019 Code and thus condition 15 of its licence by not taking an appropriate responsible gambling customer interaction when the Complainant stated to one of its customer service representatives that he was a 'gambling addict'.

21. While it is noted that Ladbrokes did take appropriate action when the Complainant again informed it that he was a problem gambler the following day, the Commission is disappointed that Ladbrokes did not take immediate action to assist the Complainant and prevent further harm following the Complainant's admission to it on 5 January 2022. Ignoring such a serious admission and allowing the Complainant to persist in his wagering activity with Ladbrokes reflects a disregard by its employee for the well-being of the Complainant. By failing to implement even the most basic responsible gambling measures, the Ladbrokes' employee exhibited an indifference to the potential harm caused by problem gambling.
22. The Commission also notes that this serious breach, while identified by Ladbrokes shortly after it occurred following the Complainant again admitting that he was at risk of harm from his wagering activity, was not self-reported by Ladbrokes to the Commission, only having come to the attention of the Commission following the Complainant lodging a gambling dispute.

### **DISCIPLINARY ACTION**

23. On the weight of evidence before it, the Commission is satisfied that pursuant to section 80(1)(d) of the Act, Ladbrokes has failed to comply with condition 15 of its licence, specifically that it contravened condition 15 of its licence by not complying with clause 3.2 of the 2019 Code through not taking an appropriate responsible gambling customer interaction when the Complainant stated to one of its customer service representatives that he was a 'gambling addict'.
24. Disciplinary action available to be taken by the Commission in these circumstances range from the issuing of a reprimand, imposing a fine not exceeding 170 penalty units or suspending or cancelling the sports bookmaker's licence.
25. The Commission has determined that it is appropriate to take disciplinary action against the Licensee pursuant to section 80(1)(d) of the Act as follows:
  - i. for its contravention of condition 15 of its licence, a fine of 136 penalty units being 80% of the maximum penalty available, equating to \$22,032 (for the 2022/2023 financial year a penalty unit's value was \$162).
26. While the Commission considered imposing the full penalty fine available, it has taken into account the prompt internal investigation undertaken by Ladbrokes and the subsequent disciplinary action taken against the employee involved in the incident. This determination has not been made lightly and has been made so as to ensure a fair and proportionate response to the breach involved in this matter.

### **NOTICE OF RIGHTS**

27. 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

On behalf of Commissioners Bravos, Corcoran and Pratt