

NORTHERN TERRITORY RACING COMMISSION

Reasons for Decision

Licensee:	PlayUp Interactive Pty Ltd
Proceedings:	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>)
Heard Before: (on papers)	Mr Alastair Shields (Presiding Member) Ms Cindy Bravos Ms Amy Corcoran Mr James Pratt Mr Kristopher Evans Ms Susan Kirkman
Date of Decision:	20 May 2022

Background

1. On 25 September 2021, Mr S (the complainant) lodged a dispute against PlayUp Interactive Pty Ltd (PlayUp), alleging that PlayUp had allowed him to deposit and bet around \$800 with Draftstars, one of its betting platforms, notwithstanding that he was a self-excluded customer with PlayUp.
2. Prior to the Northern Territory Racing Commission (the Commission) concluding its investigation, the complainant on 21 October 2021 withdrew his dispute.
3. The Commission has nevertheless elected to complete an investigation, to determine whether PlayUp acted in breach of its obligations under the NT Code of Practice for Responsible Service of Online Gambling 2019 (the 2019 Code).
4. A review of the complainant's betting record indicates that he opened an account with Draftstars on 5 January 2020, and made deposits totaling \$45 (\$10 on 13 January 2020 and \$35 on 14 January 2020). Various betting transactions took place until, on 15 January 2020, the account balance was \$15.92. There was then an account adjustment of \$29.08 with the resulting amount of \$45 being subsequently withdrawn and the account closed.

PlayUp's response to enquiries

5. In response to the complaint received by Licensing NT, PlayUp submitted that:
 - a. PlayUp strives to continually improve its operations relating to Customer Care and Responsible Gambling;
 - b. PlayUp has, over time, acquired a number of betting businesses and has had in place a manual system of matching self-excluded customers across the new and existing businesses;
 - c. When PlayUp acquired Draftstars, the manual system failed to identify the self-exclusion by the complainant, and he was subsequently able to open and operate an account with Draftstars;
 - d. When this matter was brought to PlayUp's attention, PlayUp closed the complainant's account, returned funds to the complainant, and undertook a further manual review of the PlayUp historical self-exclusion list; and

- e. PlayUp has since put in place new procedures to prevent a recurrence of this type of situation in future.

Consideration of the Issues

6. 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).
7. Clause 4.2 of the 2019 Code requires sports bookmakers to enable and facilitate self-exclusion requests.
8. It is a requirement of the *Racing and Betting Act 1983* (the Act) and PlayUp's licence (condition 15) that PlayUp complies with the 2019 Code.

Decision

9. The Commission is satisfied that allowing the complainant to open and operate an account while he was a self-excluded customer was in breach of clause 4.2 of the 2019 Code.
10. The Commission acknowledges that PlayUp's breach of the 2019 Code was brought about by error, rather than intentionally, and that PlayUp 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, noting the potential harm that could be experienced by a self-excluded customer who is able to open and operate a betting account.
12. The Commission has therefore determined that PlayUp did not comply with clause 4.2 of the 2019 Code, 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 allowing a self-excluded person to open and operate a betting account is a serious breach of the 2019 Code.
15. In all of the circumstances, the Commission has determined to impose 30% of the maximum fine, that is 51 penalty units, which equates to \$8,007.
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 bookmakers on notice that the Commission treats such breaches seriously.



Alastair Shields

Chairperson
Northern Territory Racing Commission

20 May 2022