

# Guidance for Creating a Community Poker Risk Plan

## Background

The Gaming and Wagering Commission (**the Commission**) is committed to minimising harm to the community, or any part of the community, arising from gambling activities. In support of this objective, the Commission seeks to ensure that gambling activities are conducted in a manner that reflects effective regulation, including appropriate management of gambling harm, and money laundering and terrorism financing (**ML/TF**) risks.

To support these objectives, the Comprehensive Assessment of Regulated Entities (CARE) program was established. This program assesses whether gaming activities permitted by the Commission are conducted in a manner that meets regulatory expectations for minimising gambling harm and managing ML/TF risks.

As part of this approach, a Community Poker Risk Plan is required to be submitted with all gaming function permit applications that involve cash poker, including applications that seek approval for both cash poker and tournament poker as part of the same gaming function.

## Purpose of the Community Poker Risk Plan

A Community Poker Risk Plan must document the processes and controls a permit holder will implement during the running of a permitted cash poker event as part of a gaming function to manage risks associated with:

- player identification;
- transaction recording;
- chip accounting;
- provision of services; and
- funds management.

It is a condition of the approved gaming permit that the submitted Community Poker Risk Plan is implemented and adhered to during the gaming function. While staff, volunteers, or Service Providers\* may be engaged to assist with or support implementation, the permit holder remains responsible for the Community Poker Risk Plan.

*\*Service Providers are persons or parties engaged under a service agreement for the rendering of services for hire or reward, including but not limited to assisting with the conduct or operation of a gaming function, the supply of any gaming equipment or instruments of gaming, and venue hire.*

## **Content of the Community Poker Risk Plan**

This document provides guidance on developing procedures to meet Community Poker Risk Plan requirements, and outlines processes and controls that may be implemented to manage risks associated with permitted gaming functions involving cash poker.

### **Customer Risk Controls**

#### **Player Identification**

Permitted gaming functions conducted by community organisations may not have the capability to undertake formal identity verification processes. Recording player identification information enables the visibility of individual participants, the attribution of transactions to individual players, and the reconciliation of event proceeds.

As a control to support player activity monitoring and financial transparency, permit holders must implement procedures to ensure:

- player identification details are recorded prior to participation;
- a form of identification is sighted for each player; and
- player participation at the gaming function can be attributed to an identified individual.

#### **Transaction Recording**

Permitted gaming functions may involve multiple financial transactions occurring over a short period of time.

As a control to measure potential gambling harm concerns, reconcile electronic banking records with the event transactions, and to manage money laundering risks, permit holders must implement appropriate procedures to ensure:

- all player buy-ins are recorded;
- all player cash-outs are recorded;
- transaction amounts are recorded;
- transaction payment methods are recorded (cash, EFTPOS, PayID, etc); and
- transactions can be attributed to an identified player.

### **Gambling Harm Monitoring**

To support the monitoring of potential gambling harm risks, visibility of player transactions and patterns of gaming behaviour must be recorded.

As a foundational measure to support gambling harm minimisation, permit holders must implement procedures to ensure:

- player identification details are recorded prior to participation;
- individual player transactions (buy-ins and cash-outs) are recorded;
- player participation times are recorded; and
- a player's win and loss amount during an event can be determined from recorded transaction data.

### **Credit Betting**

Issuing gaming chips prior to receiving payment (or electronic transactions awaiting finalisation) may result in players participating on credit and incurring gambling losses beyond the funds immediately available to them. As a control to support the integrity of financial transactions, permit holders must implement procedures to ensure:

- chips are not issued to players until payment (physical or electronic) has been received and confirmed;
- a confirmation time is recorded for each electronic transaction completed; and
- participation does not occur on the basis of pending or delayed payments.

### **Storage of Player Funds**

The retention of gaming chips by players between gaming events may result in funds being held outside regulated financial systems.

To maintain financial transparency and limit exposure to money laundering risks, permit holders must implement procedures to ensure:

- gaming chips are not retained by or on behalf of players following the conclusion of the permitted gaming function; and
- player funds are not held for use at a future gaming function.

### **Authenticity of Records and Management of Gaming Proceeds**

Service Providers, engaged by community organisations under a service agreement, may assist with the conduct or operation of permitted gaming functions. The relationship between the Service Provider and permit holder is a commercial relationship that requires regulatory transparency to ensure funds collected as part of the event are managed appropriately and used for their intended purpose.

To support the accuracy, authenticity and transparency of this relationship, permit holders must implement procedures to ensure:

- an itemised quote is obtained from any prospective Service Providers prior to the permitted gaming function;
- an itemised invoice is obtained from all Service Providers engaged following the permitted gaming function;
- any variance between the quote and invoice is documented;
- the appropriate management of funds raised during the permitted gaming function; and
- food, beverages or other complimentary items provided to players are not purchased using funds raised from the permitted gaming function.

### **Inspections, Audits and Remediation**

Authorised Officers under the *Gaming and Wagering Commission Act 1987* may conduct inspection and audit activities in relation to permitted gaming functions.

To support appropriate review, all records created under the Community Poker Risk Plan must be retained in accordance with permit conditions.

Inspection and audit activities may assess:

- whether the Community Poker Risk Plan sufficiently addresses the risk outcomes outlined in this document;
- whether the procedures documented in the Community Poker Risk Plan were implemented during the permitted gaming function; and
- whether the records described in the Community Poker Risk Plan were created and maintained as documented.

Where deficiencies are identified, Authorised Officers may provide guidance to assist permit holders in improving processes and procedures to achieve the outcomes identified in this document.

Failure to implement the procedures documented in the Community Poker Risk Plan may affect a permit holder's suitability to conduct future gaming functions and may result in enforcement action.