



Department  
of Industry

Liquor & Gaming

# Evaluation of the Community Impact Statement requirement for liquor licence applications

## Discussion Paper

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## About this paper

This discussion paper contains information about the evaluation of the Community Impact Statement (CIS) requirement for certain types of liquor licences and authorisations. It has been prepared by Liquor & Gaming NSW (L&GNSW) to raise awareness of the purpose and scope of the evaluation and outline how stakeholders can contribute to the evaluation process.

You are invited to give feedback on any of the 'Key issues for consideration' listed at the end of this paper.

## About our evaluation

Liquor licence applicants are required to complete a Community Impact Statement (CIS) when applying for certain types of liquor licences and authorisations under the *Liquor Act 2007*. The CIS is used by the Independent Liquor & Gaming Authority (ILGA) Board and delegated officers to consider stakeholder feedback on a proposed application. It helps decision-makers understand the outcomes of discussions between applicants and stakeholders regarding issues and concerns that are relevant to the application and allows them to be aware of relevant local issues. The CIS is considered in determining whether the overall social impact of a liquor licence or authorisation will be detrimental to the well-being of a local or broader community (as required by section 48 of the *Liquor Act 2007*).

The purpose of this evaluation of the CIS requirement is to:

- ▲ examine whether or not the current CIS process effectively captures local community concerns and feedback, and suggest improvements if required
- ▲ examine how effective the CIS process is in facilitating the provision of feedback and information from local residents and other community stakeholders to support decision-making by ILGA and delegated officers
- ▲ examine whether and how relevant stakeholders are being consulted by liquor licence applicants under the CIS process, and suggest improvements to increase transparency
- ▲ examine existing time and cost impacts on industry to comply with the CIS requirement, and suggest improvements to cut red tape and minimise the potential for delays in the licence approval process
- ▲ consider ways in which any duplication in CIS and consultation-related processes across local and state government authorities can be minimised, including information technology enhancements and business process changes
- ▲ consider the appropriateness of maintaining separate CIS categories (A and B) which relate to different levels of risk
- ▲ consider whether certain liquor application types should continue to be excluded from CIS-type requirements, and whether any types that are not currently excluded from the requirement should be.

### Next steps

L&GNSW will assess stakeholder feedback received during the evaluation and use it to develop recommendations on areas of potential improvement. The outcomes of the evaluation are expected to inform a broader review seeking to better align the planning and liquor approvals processes, which is proposed for later in 2017.

## More information

Information about this evaluation, including ways to have your say is available on the L&GNSW website.

## How to give feedback

You may be interested in sharing your views about this evaluation if you are:

- ▲ involved with the liquor industry and have an interest in applying for, or have previously applied for, a liquor licence or authorisation
- ▲ a community group or local resident with an interest in providing feedback on liquor licence applications in your local community
- ▲ a special interest group or stakeholder with an interest or opinion on the CIS requirement, and on broader liquor application and consultation issues.

### L&GNSW is seeking your feedback on the CIS requirement until 26 July 2017

#### Ways to submit feedback

##### Preparing a written submission

You can email a submission to [cis.evaluation@justice.nsw.gov.au](mailto:cis.evaluation@justice.nsw.gov.au).

Alternatively, you can send a written submission to:

Liquor & Gaming NSW

GPO Box 7060

Sydney NSW 2001

Submissions will be published on the L&GNSW website after the closing date unless you request otherwise. If you wish your submission or a part of it to be treated as confidential, that should be made clear at the time it is lodged, along with reasons why.

Targeted questions are included in this paper to help you prepare your response.

#### Other ways to have your say

##### Licensed venues

An [online survey](#) is available if you are a licensed venue and want to share your views about the CIS process.

##### Local community, special interest and other stakeholder groups

Tell us about how the CIS process affects you:

- ▲ share your views by completing an [online survey](#)
- ▲ submit your feedback on the Have Your Say website [www.haveyoursay.nsw.gov.au](http://www.haveyoursay.nsw.gov.au)

L&GNSW will also directly consult resident and community groups, peak industry bodies, policy advocates and government sector stakeholders to collect their feedback and views.

## Background

The requirement for applicants to lodge a CIS with an application for certain types of liquor licences and authorisations was introduced in July 2008 (under [section 48](#) of the *Liquor Act 2007*). The CIS assists decision-makers to consider community impacts by providing information on the potential harm and/or benefits that a new licence or authorisation could have on a community. It can also outline measures agreed between applicants and local stakeholders engaged via the consultation process prior to the lodgement of the application to manage risks.

An applicant may be required to complete a Category [A](#) or a Category [B](#) CIS, depending on the type of liquor licence or authorisation they are seeking. The Category B CIS is for higher-risk applications and involves consultation with a greater number of stakeholders and local community organisations. The CIS category which applies to each type of licence and authorisation is shown in Table 1 below.

**Table 1:** CIS categories for different types of liquor licences and authorisations

Category A	Category B
A packaged liquor licence limited to the sale or supply of alcohol via phone, fax, mail order or website	Packaged liquor licence (e.g. bottle shop, retail liquor store)
Removal of the above licence to other premise	Hotel licence
Extended trading for an on-premises licence – if the authorisation allows liquor sales on a Sunday between 5am and 10am or between 10pm and midnight	Club licence
A primary service authorisation under the <i>Liquor Act 2007</i> (e.g. where a restaurant wants to sell liquor without meals)	Small bar licence <sup>1</sup>
Other applications where ILGA identifies a need, including where there is a potential for community harm	On-premises licence for a public entertainment venue other than a cinema or theatre
	Extended trading for each of the above licences
	Removal of the above licences to other premises
	Extended trading authorisation for an on-premises licence (if authorisation allows sales between 12-5am)
	Extended trading for a producer/wholesaler licence (if authorisation allows retail sales between 12am-5am to persons other than residents and their guests)
	Other applications where ILGA identifies a need, including where there is a potential for community harm

The applicant must use the CIS to capture feedback received from community stakeholder during the consultative process, including concerns and expressions of support. They must use the CIS to describe the local community and list the details of any relevant community buildings, facilities or places located near the proposed licensed premises. Applicants must also attach a site notice to the premises and are responsible for informing the local

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<sup>1</sup> Small bars are exempt from the CIS requirements when development consent is obtained to use a premises as a small bar or sell liquor during times specified in the application, and police and the Secretary of the NSW Department of Industry are notified of the DA, and any amendments to it, within two working days of it being lodged with the council.

community about their proposed application. This occurs prior to the making of an application.

The types of stakeholders that must be consulted by an applicant depends on the category of CIS, as shown in Table 2.

**Table 2:** Stakeholders that must be notified under CIS category A and B

Category A	Category B
Local council or other local consent authority	Local council or other local consent authority
Neighbouring LGA (if within 500 metres of boundary)	Neighbouring LGA (if within 500 metres of boundary)
The local police	The local police
	NSW Health
	Department of Family and Community Services
	NSW Road and Maritime Services
	Recognised leaders of the local Aboriginal community in the area
	Occupiers of buildings within 100 metres of the premises
	Gambling help counselling services in the LGA (hotels only)
	Special interest groups or individuals (e.g. Aboriginal communities, local schools, people from culturally and linguistically diverse background, and older Australians)

The applicant should include information in the CIS to describe how they intend to deal with concerns that have been raised by stakeholders. In this way, the CIS allows applicants to modify or tailor their application to reduce potential risks and address community concerns prior to the application being lodged.

In some instances, the CIS consultation process may share some similarities with the stakeholder consultative process that is required when applying to a local council (or other consent authority) for development approval (DA) under planning laws. Consultation requirements for a DA vary between councils, but typically involve a range of community stakeholders, including those in proximity to the proposed development.

L&GNSW publishes each CIS that it receives on an online [liquor application noticeboard](#) prior to an application being determined. Each application remains on the noticeboard for a period of 30 days. The noticeboard provides community stakeholders with an additional opportunity to consider the application and provide public comment. Parties consulted during the CIS process, and also others who may have an interest in the CIS, can use the

noticeboard to ensure the CIS accurately reflects issues they may have raised with the applicant. Interested parties can also use the noticeboard to make a submission on the application directly to ILGA or a delegated officer.

Where a CIS is required, a liquor licence or authorisation cannot be granted unless the decision-maker is satisfied that the overall social impact will not be detrimental to the well-being of the local or broader community (section 48(5), *Liquor Act 2007*). Table 2 shows the CIS categories for different applications.

Table 3 shows the number and types of liquor licences and authorisations approved by L&GNSW in the 12 months between 1 April 2016 and 31 March 2017, and the number and percentage that were accompanied by a CIS.<sup>2</sup>

**Table 3:** Number/type of approved liquor licences and authorisations (April 2016–March 2017)

	1 April 2016 – 31 March 2017							
	Total apps.	Total CIS	CIS A	CIS A (%)	CIS B	CIS B (%)	No CIS	No CIS(%)
Club	3	3	0	0%	3	100%	0	0%
Hotel	20	16	0	0%	16	80%	4	20%
Limited licence	1,672	0	0	0%	0	0%	1,672	100%
On-premises (e.g. restaurant, nightclub)	755	80	76	10.07%	4	0.53%	675	89.40%
Packaged Liquor (e.g. bottle shop)	124	121	81	65.32%	40	32.26%	3	2.42%
Producer/wholesaler	145	0	0	0%	0	0%	145	100%
Small Bar (designated venues with capacity of 100 people or less)	27	4	0	0%	4	14.81%	23	85.19%

<sup>2</sup> ‘On-premises’ includes on-premises licences with ‘primary service authorisation’. ‘Extended trading authorisations’ are included under the licence category of the premises type.

# Key issues for comment

You are invited to give feedback to L&GNSW on any of the questions listed below. You can also provide feedback on additional matters about the CIS requirement that you consider relevant.

## 1: Are community stakeholders being appropriately consulted?

- ▲ Are the right community stakeholders being invited to provide feedback on proposed liquor applications via the CIS process?
- ▲ Do community stakeholders have the information, time and knowledge they need to provide informed feedback about a proposed application?
- ▲ Is the CIS, once submitted by an applicant to L&GNSW, being promoted by L&GNSW in an effective and appropriate way to provide background on community consultation conducted by the applicant and reflect feedback from community stakeholders?
- ▲ How can consultation and notification processes be improved?

## 2: Does the CIS capture local community concerns and feedback?

- ▲ Does the process give sufficient opportunity for community stakeholders to express any concerns or provide positive feedback on a proposed application?
- ▲ Are the feedback and concerns of stakeholders being reported by applicants via the CIS in a reliable and accurate manner?
- ▲ Does the CIS process meet the needs of people from culturally diverse backgrounds or people with a disability, including applicants and community stakeholders?
- ▲ Does the CIS ensure applicants consult and respond to feedback received from community stakeholders prior to submitting an application?
- ▲ Do community stakeholders have confidence that ILGA and delegated officers will take their feedback into account when making a decision on an application?

## 3: Is the information collected during the CIS process useful?

- ▲ Does the CIS help to identify the risks to the community of a proposed liquor licence or authorisation, including with respect to alcohol-related violence and anti-social behaviour?
- ▲ Does the CIS help to identify the benefits to the community of a proposed liquor licence or authorisation?
- ▲ Are there any categories of information currently missing from a CIS that would help to identify the aforementioned risks and /or benefits?
- ▲ Does the CIS generate new and additional information beyond what is provided by community stakeholders via the DA consultation process?
- ▲ Is the feedback and information collected via the CIS of the nature that is useful to inform decision-making with respect to the consideration of applications?
- ▲ Do the benefits of the CIS justify the costs or time impositions placed on businesses, local residents and other stakeholders to participate in this requirement?



#### **4: Are there opportunities to cut red-tape and minimise delays from the CIS process?**

- ▲ How much time and resources do applicants spend on complying with the CIS requirement, from start to finish?
- ▲ Have ILGA and L&GNSW done a satisfactory job providing guidance and instruction to applicants on how to complete the CIS?
- ▲ What aspects of the CIS process involve the greatest time commitment, and are subject to the longest delays?
- ▲ Are there any aspects of the CIS process that are unnecessary and not useful?
- ▲ What enhancements could be made to the CIS process to reduce costs and regulatory burden for applicants and other stakeholders, and shorten completion timeframes?

#### **5: Are there opportunities to minimise overlaps in community consultation processes across local and state government?**

- ▲ What types of stakeholders, if any, are consulted via the CIS that are not also consulted via DA consultation processes?
- ▲ What types of issues, if any, are subject to stakeholder feedback via the CIS process that are not also the subject of feedback during DA consultations?
- ▲ Can the DA process, in isolation, give sufficient opportunity for stakeholders to give feedback on the potential community impacts of a new liquor licence or authorisation?
- ▲ Does the CIS consultation process, in circumstances where a DA is not required, encompass a sufficient and appropriate range of community stakeholders?
- ▲ In what ways can the CIS and council DA processes be coordinated to minimise unnecessary duplication?

#### **6: Are the separate CIS categories (A & B) necessary and appropriate?**

- ▲ Do application types listed under the A and B categories have sufficiently different risks and risk consequences to warrant different CIS processes?
- ▲ What changes, if any, should be made to Categories A or B to improve the effectiveness of the CIS process (including combining, removing or changing each or both of the current categories) to ensure different risk profiles are appropriately recognised in the local stakeholder engagement undertaken by applicants?

#### **7: What types of liquor licences and authorisations should be required to complete a CIS?**

- ▲ Are there any applications or venue types that are currently excluded from the CIS requirement that should not be excluded?
- ▲ Are there application or venue types that are not excluded from the requirement that should be?