

Fact sheet FS3149

# Trial of a special licensing option for micro-breweries & small distilleries

This fact sheet provides information about the NSW Government's 12-month trial of a special licensing option for micro-breweries and small distilleries in the Inner West Local Government Area (LGA).

## What is happening?

From 1 September 2018, a new licensing option for small-scale producers of beer, cider and spirits is being trialled in Sydney's Inner West LGA.

Existing producers, as well as new businesses, in the Inner West are welcome to apply for the special authorisation and take part in the trial. There is no application fee for the authorisation during the trial.

## What is the special authorisation?

The authorisation is primarily to allow beer, cider and spirits producers with a producer/wholesaler licence to sell their own products to the public for on-premises consumption, subject to special conditions. Producers with the special authorisation will no longer be confined to serving *tastings only*.

## Why is a trial being run?

The aim of the trial is to establish a state-wide licensing option suited to the micro-brewery and small distillery model, which makes it easier for these businesses to start up and trade in lower-risk settings. This, in turn, supports the craft brewery and small distillery sector and greater diversity in licensed venues in NSW.

The trial will also help to:

- build a shared understanding of the licensed micro-brewery and small distillery model in NSW;
- establish standard licensing conditions for these businesses that are commonly understood between key stakeholders - including industry, community, local council and police.

Initially, limiting the trial to the Inner West LGA allows for the special authorisation to be examined in a controlled manner with Inner West Council and other key stakeholders. Trial outcomes will inform whether there should be a state-wide rollout and what (if any) improvements may be needed.

## How do I take part? What is involved?

Firstly, you will need to be a beer, cider and/or spirits producer with a producer/wholesaler licence, or a new producer who has successfully obtained this licence. Once your licence is endorsed with the special authorisation, you will need to comply with the below conditions any time you sell or supply liquor for consumption on your premises.

### "Licensee's product" sold for consumption

#### *Microbreweries*

If you run a micro-brewery, you can only sell your own beer and cider for consumption on the licensed premises and must produce it yourself on those premises.

You may also sell wine to complement your product offering, whether or not you have produced it yourself, if permitted under your development consent. The only time spirits can be sold is when you produce them yourself on the premises.

#### *Small distilleries*

If you run a small distillery, you can use the authorisation to sell your own spirit products for consumption on the premises.

Non-spirit products such as wine and beer may also be sold to complement your own offering. However, you must still be carrying on the business as a spirit producer (i.e. not as a wine bar), and should also check this would be consistent with your development consent.

### Patron limit

The number of patrons at your premises must not exceed whichever is the lesser of the following;

- 100 people, similar to a Small Bar Licence, or
- the maximum number of the people permitted at the premises under the conditions of development consent.

### Standard trading hours

Liquor can only be sold for consumption on premises during standard times, including:

- 5am to midnight on Monday to Saturday, and
- 10am to 10pm on Sunday.

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However, on New Year's Eve, liquor may be sold until as late as 2am. On Good Friday and Christmas Day, liquor may only be sold from noon to 10pm.

These hours may also be more limited depending on your individual licence conditions and development consent.

## **Food requirement**

You will need to ensure food of a nature and quantity consistent with the responsible sale, supply and service of alcohol is made available when you sell or supply alcohol for consumption on the premises.

While you may opt to run your own food preparation facilities on-site, sometimes this may not be possible (for example, due to council zoning restrictions).

Where there are no such facilities, you will need to implement other practices to ensure you meet the food requirement. Acceptable examples include, but are not limited to:

- Ensuring customers have ready access to menus with local food delivery options that can be ordered by venue staff on behalf of the customer (e.g. pizza, burgers, etc.). In this case, L&GNSW requires the venue to order food on behalf of their patrons to meet compliance requirements.
- Inviting food trucks on-site (you should first confirm with local council this is consistent with any site-specific planning restrictions that may apply).

Providing snacks alone, such as peanuts or popcorn, is not considered adequate in nature and quantity to be consistent with the responsible service of alcohol. A more substantial food offering is needed.

## **How to apply**

You may apply for the special authorisation by downloading application form AM0016 supplied on L&GNSW's website at [liquorandgaming@nsw.gov.au](mailto:liquorandgaming@nsw.gov.au). There is no application fee for the authorisation for the trial's duration.

If you're looking to start a new business, you can apply for the special authorisation at the same time as applying for a new producer/wholesaler licence. A standard application fee will apply for the licence itself. The fee for this application is set out in the [Liquor Fee Schedule](#).

## **FAQs**

### **Will I need to change my development consent?**

Venues participating in the trial must have the appropriate development consent and still operate in line with the conditions of consent. If you want to change your conditions, you will need to lodge a development application with Inner West Council.

### **Why is the trial limited to Inner West LGA?**

The Inner West LGA has the highest density of micro-breweries and small distilleries in NSW providing a suitable initial location for the trial. The trial gives the Government an opportunity to ensure it has the right framework in place to support small producers of beer, cider and spirits before a broader rollout is considered.

### **I am not in the Inner West LGA but am located near the boundary; can I still apply?**

No, the trial is limited to licensees located in the Inner West LGA.

### **Does an annual liquor licence fee apply?**

Not for the authorisation itself. An annual liquor licence fee applies for the producer/wholesaler licence. The fee for this licence is set out in the [Liquor Fee Schedule](#).

### **How is the special authorisation different to the drink-on-premises authorisation already available?**

The special authorisation is designed to be more tailored to the operating model of micro-breweries and small distilleries. As it comes with special conditions aimed at reducing risk of alcohol-related harm and other impacts from alcohol, it is also more consistent with licensed premises L&GNSW considers to have a lower risk profile.

By comparison, a full drink on premises authorisation allows the sale of any liquor product for consumption on premises, whether or not produced on the premises. Extended trading may also be granted in relation to this type of authorisation. It therefore has a higher risk profile for licensing purposes.

In many cases, a full drink on premises authorisation may not suit micro-breweries and small distilleries - for example, where planning requirements (e.g. zoning) do not allow liquor products produced off-site to be sold for consumption on the premises.

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## Can I still apply for the full drink on-premises authorisation?

Yes, producer/wholesaler licensees in the Inner West LGA can still apply for the full drink on-premises authorisation if it better suits their business needs - for example, where a venue wishes to sell a range of other liquor products produced off-site or have a patron capacity higher than 100. The standard application fee applies.

## Am I impacted if I already have a drink on-premises authorisation in the Inner West LGA?

No, there have been no changes made to the existing producer/wholesaler drink on-premises authorisation.

## When will the special authorisation be available to producer/wholesalers in other LGAs?

The NSW Government will be closely monitoring the trial and will evaluate whether it can be rolled out across NSW after 12 months of operation.

### How to apply



Download the form AM0016 'Special authorisation for micro-breweries and small distilleries' at [liquorandgaming.nsw.gov.au](http://liquorandgaming.nsw.gov.au)  
Lodgement details are on the form.  
Fee: \$0 (waived for the duration of the trial).

### Need more information?

To find out more about the liquor laws, contact L&GNSW:



[liquorandgaming.nsw.gov.au](http://liquorandgaming.nsw.gov.au)



[contact.us@liquorandgaming.nsw.gov.au](mailto:contact.us@liquorandgaming.nsw.gov.au)



1300 024 720

You can also access the *Liquor Act 2007* and the Liquor Regulation 2018 at [legislation.nsw.gov.au](http://legislation.nsw.gov.au).