



Potts Point Partnership

Submission regarding the effectiveness of the 1.30am lockouts, 3am last drinks, 10pm take-away liquor laws and the periodic licence fee system

ORGANISATIONAL BACKGROUND AND HISTORY OF ADVOCACY

Established in 2002, the Potts Point Partnership is the local Chamber of Commerce, representing 120 diverse businesses across the 2011 postcode, including retailers, real estate agents, cafes and restaurants and service businesses.

Over the years we have lobbied for the Kings Cross precinct's late night economy to be more effectively managed, including advocating for:

- Increased high visibility policing
- Increased and more effective public transport
- Secure taxi ranks in key areas
- Turning Darlinghurst Road into a pedestrian mall
- Increased CCTV presence
- Development of a Precinct Management Committee to coordinate the area's management.

The last key proposal to the NSW State Government addressing the above was made in conjunction with the Kings Cross Liquor Accord in July 2013.

In addition, in July 2013 we advocated for a Master Plan for Kings Cross to be established, titled "Kings Cross Master Plan: the Next Chapter - The Kings Cross 2023 Project"¹.

We recognised that Kings Cross was a dynamic and diverse urban centre, with many positive characteristics yet with its own set of issues. Issues (perceived or real) of safety, alcohol, rubbish, and excessive noise caused friction within the community, were preventing diverse visitation and possibly deterring investment. Many buildings needed refurbishment, and parts of Darlinghurst Road and surrounds needed economic development. There appeared to be competing interests and conflicting opinions: for example between residents and businesses and there was broad recognition that Kings Cross needed to be reinvigorated.

Our objectives of this Master Plan (as extracted from the Master Plan brief sent to consultants) were to:

¹ Under Chair during that time, Adrian Bartels

- *plan an urban centre where day-time and night-time businesses prosper and residents enjoy a high quality of life and both exist in harmony*
- *engage with all key stakeholders to achieve an agreed Kings Cross Vision*
- *ensure that the precinct's environment enriches the lives of its users*
- *understand the essential characteristics that add to the quality of life in Kings Cross, and maintain its positive elements, such as tolerance and diversity*
- *attract diverse visitors to the area, supporting both day-time and night-time activities.*
- *encourage private investment needed to reinvigorate the area*
- *have the data we need to make credible recommendations, and avoid reactive public policy*
- *understand and use - or perhaps create global best-practice – to solve issues and achieve our objectives*
- *think strategically and be ambitious.*
- *think critically and apply practical solutions intelligently.*

The intention was for the process to include:

- A comprehensive review and summary of key planning documents having a strategic impact upon the precinct. Examples include but are not limited to: NSW State Plan, Sydney 2030, Draft Metropolitan Strategy for Sydney, City of Sydney Strategic Plans and Controls, Strategic Plans and Delivery Plans by other relevant State and Commonwealth Agencies.
- An economic analysis examining the precinct's strengths, weaknesses, opportunities and threats (SWOT analysis) for both day-time and night-time activities.
- Comprehensive community engagement with key stakeholders including: property owners and lessees; business owners and operators; residents; City of Sydney Council; NSW Department of Premier and Cabinet, NSW Roads and Maritime Services, NSW Police, NSW Health, Transport for NSW, NSW Tourism; Federal and State Members of Parliament; Department of Defence; Wayside Chapel; St Johns Anglican; St Canice's Catholic; St Vincent's Hospital; Medically Supervised Injecting Centre and potentially directly with visitors and homeless people.
- Development of a clear, responsible and accepted vision for the precinct's economy.
- Place Making Initiatives and Implementation Plan
- Marketing Initiatives and Implementation Plan

A costing and proposal from a qualified consultancy (URBIS) was taken to NSW State Government, and we were unable to achieve any support from them on this, despite multiple attempts.

Similarly, in June 2014 we wrote to Premier Mike Baird to request a meeting to discuss a range of alcohol –related policy issues (outside the lockouts) which were impacting local businesses – and we received no response.

IMPACTS OF THE LOCKOUTS

It has been difficult to accurately measure the impacts of the lockouts on businesses in the Kings Cross precinct. Businesses had been affected since the two acts of violence in our neighbourhood and the negative perception of Kings Cross portrayed in the media was affecting business of all types.

Businesses definitely closed citing lockouts as the reason for closure: including restaurants (e.g. Jimmy Liks), fast food operators (e.g. Ogallo) and licensed premises (e.g. the Village, Hugo's Lounge). The large drop in foot traffic² continues to affect businesses of many types: retailers, cafes, restaurants, fast food outlets, newsagencies: both during the day and the evening.

² http://www.cityofsydney.nsw.gov.au/data/assets/pdf_file/0011/250202/2015-541941-Report-Late-Night-Management-Areas-Research-Final.pdf

Following the lockouts, many businesses in the area had to struggle, re-adjust their business models, explore more creative ways of marketing, and determine if the drop in foot traffic could be replaced over the medium to longer term. Some have succeeded; for others it remains a work in progress.

It has been expressed that many businesses have also opened in the neighbourhood since the lockouts³. We credit this as likely independent of the lockouts and influenced by:

- the already thriving restaurant scene on Macleay Street and Challis Ave in Potts Point
- the existing demographics of Potts Point, Elizabeth Bay and Wollloomooloo – a highly educated, professional residential community and the second most densely populated suburb in Australia
- the general momentum of the Sydney housing market, and planned residential development in the neighbourhood.

For the Potts Point Partnership, we have focused on trying to address the negative perception of the area and work on marketing strategies to increase foot traffic: for example we run the Kings Cross Festival each year, run media tours to showcase a broad array of businesses, promote our area on social media, and have a longer term strategy in place to attract tourists. We have had the support of the City of Sydney in these activities, but not the State Government.

A BROADER REVIEW IS REQUIRED TO ENCOURAGE A VIBRANT & DIVERSE NIGHT TIME ECONOMY

As we have argued for many years, there were multiple policy approaches the Government could have taken to achieve positive outcomes for all the stakeholders within the Kings Cross precinct, yet in a more structured and planned way, allowing businesses time to adjust. As outlined above, the Master Plan we advocated for was our preferred approach.

As can be seen in other global cities like London, who recently announced a 6 month review into their night time economy⁴, and Amsterdam, which has a dedicated ‘Night Time Mayor’ to manage and improve relations between night businesses, residents, and council⁵, the night time economy is complex and involves multiple legislative and planning instruments to influence outcomes, to ensure cities can build a night time economy for all.

In context of alcohol regulation, it is not just lockouts which need to be reviewed. The entire regulatory framework around licensed premises needs to be assessed concurrently to determine what is effective and how to get the best outcomes across the State for business, patrons and the community. A more nuanced approach needs to emerge, in order to encourage venues that contribute to a dynamic, diverse night time economy for Sydney, alongside a system which proportionately punishes irresponsible venues.

The regulatory framework, if designed appropriately, should apply Sydney-wide.

Some of the below recommendations are in context of Kings Cross specifically – as it no longer seems warranted that Kings Cross is singled out for certain restrictions considering the loss of foot traffic and the closure of multiple venues. For example, we are the only location in Sydney to have ID scanners, have to report alcohol sales data, have certain strikable offences, and along with the Sydney CBD precinct a ‘location risk loading’⁶.

A review should assess:

³ <http://www.news.com.au/finance/business/retail/brothels-are-out-creperies-are-in-winners-and-losers-of-the-king-cross-lockout-laws/news-story/16a1645ad351505bd9b3be6b072e7ddc>

⁴ <http://www.factmag.com/2016/03/15/boris-johnson-night-time-commission-plans-london/>

⁵ <http://www.citylab.com/cityfixer/2016/01/night-mayor-amsterdam-mirik-milan/433893/>

⁶ <https://www.liquorandgaming.justice.nsw.gov.au/Documents/liquor/liquor-licences/AnnualLicenceFeeSchemeFactSheet.pdf>

- a) Specific conditions and strikable offences under the Kings Cross Plan of Management. For example licensed premises, including restaurants have to report 'alcohol sales' data which is time consuming and onerous on small business – yet the OLGR are unable to explain the reasons for collecting this data. Specific strikable offences include not sweeping the pavement every hour, or failing to include specific information on marketing material. Strikes have severe legal and financial implications and should thus be used effectively and weighted appropriately.
- b) Review of the size of a “high-risk venue”, which has impacts on risk based licensing fees and other requirements. The definition of a high-risk venue should be on a case by case basis. Considering every venue with a patron size of above 120 and trading after midnight is inadequate and lacks understanding of the many different types of venues in Kings Cross and Sydney as a whole.
- c) Review the size of a “small bar”: similarly under the legislation, defining a small bar with a patron size of 60 or less is not adequate, and should be raised to 100. This would foster more small bars to open and create a more diverse nightlife.
- d) The exemption process: notably to make the exemption process quicker and more proactive to create a more nuanced system. For example, venues which trade after 1am but which implement activities such as live music, live performance, art based initiatives, serving food until close, and have had no violent assaults should be exempt from risk based loadings and 1:30am lockouts. Use the lockouts to punish irresponsible venues
- e) Implement ID Scanners across Sydney for venues with capacity of 300 or more, for Friday/Saturday nights from 10pm – close. ID Scanners in Kings Cross have provided the Police and venues with greater control over removing people from the area who are troublemakers. This should be extended across Sydney, for venues of a certain size.

CONCLUSION

The Potts Point Partnership would like to see a broad based review of all alcohol regulation in order to determine the most effective legislative framework: a framework which encourages diversity and is nuanced in its application. Concurrently, we would like to see the NSW State Government acknowledge that Sydney needs a functioning, diverse 24 hour economy: where businesses of varying types can thrive and which residents can support, and develop the associated long term plan required.

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