

27 August 2019

The Secretary
Alcohol Regulatory and Licensing Authority
Tribunals Unit
Wellington

Note: From 2018 ARLA has requested all Territorial Authorities DLC Secretaries to complete and submit their Annual Reports to ARLA through an online survey form by 30 August each year. This report document is a collation of the information provided in the on-line return completed for the Christchurch DLC. (Questions asked by ARLA may vary each year.)

Christchurch City Council District Licensing Committee Annual Report to the Alcohol Licensing and Regulatory Authority (ARLA) for Period Ending 30 June 2018

A. Christchurch City Council District Licensing Committee Overview

1. District Licensing Committee Chairs, Commissioners, and members

At its meeting of 14 February 2019 the Council was informed of the resignation of Al Lawn as Chair and Member of the Christchurch City Council's DLC. The Council approved a recruitment process which commenced on 1 March and concluded 15 March 2019. Eight applications were received and four were shortlisted for interviews. The interview panel consisted of Hearings and Council Support Manager, Principal Advisor Regulatory Compliance and Recruitment Advisor. The panel reported to Council on 23 May 2019 and the Council made the following appointments:

That the Council:

- Withhold this report from release from public excluded to protect the privacy of natural persons but that the successful applicant's names be published on the Council's District Licensing Committee webpage as per section 192 of the Sale and Supply of Alcohol Act 2012.
- 2. Approve the appointment of David Blackwell as a Chair of the District Licensing Committee, and;
 - a. Recommend to the Chief Executive that David Blackwell be appointed as Commissioner of the District Licensing Committee for a period up to the end of November 2020 to align with the next recruitment period.
- Approves the addition of Helen White to the list of District Licensing Committee members for a period up to the end of November 2020 to align with the next recruitment period.

The DLC Chairs received Westlaw training on 29 May 2019.

2. The Secretariat of the District Licensing Committee

On 9 December 2013 the Council's Acting Chief Executive, in their capacity as Secretary of the licensing committees, determined sub-delegations of various functions, powers and duties under section 198 of the Sale and Supply of Alcohol Act 2012 ('the Act). These

sub-delegations continue to be in place with identified delegations being made (severally) to named persons that sit in the Regulatory Compliance Unit (formerly known as the Investigations and Enforcement Unit) and also the Council's Governance Unit. The Team Leader for Alcohol Licensing, and Technical Officers of the Alcohol Licensing team, undertake most of the operational administration activities in accordance with these subdelegations.

Secretariat hearings delegations and governance administration support for DLC Commissioners and Members is undertaken by the Hearings and Council Support Team, which sits in the Council's Community Support, Governance and Partnerships Unit.

3. Christchurch City Council Alcohol Licensing Team Structure

The Alcohol Licensing Team sits in the Regulatory Compliance Unit. The team consists of a Team Leader (who is also appointed by warrant as the Chief Licensing Inspector), a Senior Inspector, four Inspectors and three Technical Officers. All Inspectors are appointed by warrant under the Act. An additional fourth inspector position was approved under the Annual Plan and appointed in August 2018. The Technical Officers undertake the secretariat administration.

B. Trends in workload.

Licences and Certificates

The following questions relate to the number of licences and managers' certificates your Committee issued and refused in the 2018-19 financial years.

Note: the financial year runs from 1 July to 30 June.

4. New Licences 2018-2019

- In the 2018-19 year, how many new 'on licences' did your Committee issue? (146)
- In the 2018-19 year, how many new applications for 'on licences' did your Committee refuse? (0)
- In the 2018-19 year, how many new 'off licences' did your Committee issue? (33)
- In the 2018-19 year, how many new applications for 'off licences' did your Committee refuse? (0)
- In the 2018-19 year, how many new club licences did your Committee issue? (1)
- In the 2018-19 year, how many new applications for club licences did your Committee refuse? (0)

5. New Manager's certificates 2018-2019

- In the 2018-19 year, how many new managers' certificates did your Committee issue? (703 + 1101 renewals)
- In the 2018-19 year, how many new applications for managers' certificates did your Committee refuse? (7 + 1 renewal)
- In the 2018-19 year, how many new applications for managers' certificates were withdrawn? (34 + 1 renewal)

6. Licence renewals 2018-19

- In the 2018-19 year, how many licence renewals did your Committee issue? (379 + 11 variations)
- In the 2018-19 year, how many licence renewals did your Committee refuse? (1)

Changes, trends and initiatives

7. Please comment on any changes or trends in the Committee's workload in 2018-19.

Changes or trends in the Committee's workload in 2018-19

DLC hearings:

In the reporting year commencing 1 July 2018 and ending on 30 June 2019 the District Licensing Committee Secretariat was referred 3587 application files for determination (556 new/renewal premises licences, 1815 Managers Certificates, 1142 Special Licensees, 74 Temporary Authorities). 3553 of these were determined on the papers.

Of those applications referred to the DLC for determination 23 were set down for hearing:

- 2 special licences (one of which was appealed to ARLA and the granting upheld by ARLA)
- 13 Mangers certificates (8 of which were withdrawn prior to hearing or after adjourned part heard)
- 1 Temporary Authority (withdrawn prior to hearing)
- 7 premises licences (of which 6 received public objections and 2 had agency objections)
 - o 2 new on-licences granted
 - o 1 renewal on-licence declined
 - 2 new off-licences granted (1 of which was appealed and later granting upheld by ARLA)
 - 2 renewal off-licences (1 of which was appealed and later granting upheld by ARLA)

Licensing number in the Christchurch TLA area:

Licence numbers continue to increase. At July 2019 there were 999 current (on, off, club) licences held. The total at the date of this report is 1005. This was up from 970 on the previous reporting year, but still below the pre-earthquake numbers of 1118 in 2010. We recently had around 19 new on/off applications granted by the DLC waiting building clearances (mainly central city premises) before issuing of their licences.

However, alongside this increase 23 premises licences (on/off/club) were surrendered during the reporting year, mainly due to business no longer wishing to hold an alcohol licence or due to changes in ownership. The number of changes in ownership of premises also continues to be relatively high with around 10-15 premises trading under current Temporary Authorities at any one time while new licensees are applied for. We are also seeing an increase in the number of premises closing sue to liquidation.

We continue to see community interest in off-licence (bottle store) applications. In the 2018-19 reporting year we saw two applications for new (entirely new sites) off licence bottle stores and 2 renewals receive public objections and determined by public hearing during the reporting year. Three (2 new and 1 renewal) bottle store application appeals were heard or waiting to be heard by ARLA during the reporting period.

The Christchurch licencing environment continues to be fluid and in a unique situation because of continuing ongoing rebuilding activities, in particular within the central business district area. The DLC has continued to see an increase in the number of brand new premises with new operators in connection with redevelopment in the central city and, to a more limited extent, in the suburbs. We expect this trend to continue with the pending Riverside Farmers Market pending opening in September 2019 and the down the track the

Convention Centre and Stadium when competed will no doubt attract more hospitably development in the surrounding areas of these large facilities.

We are also seeing an increase in licence applications for Retirement Villages. In Christchurch we are seeing new businesses operating similar to Uber Eats type operations (where the operation requires an online food order uplifted and dropped to the customer) now obtaining alcohol licences to do the same with alcohol orders from a bottlestore or supermarket. There is nothing in the legislation expressly prohibiting this type of off-licence operation.

Inspectors continue to hold lodgement meetings for new applications in this reporting year, with 168 held. This included new licensees and new premises operations, as well as changes in ownership of existing premises. This service aims to ensure sufficiency of applications and to increase applicant understanding of the Act's obligations on the licensee and DLC licencing decision-making processes. This is a prevention first tool, where improved education and establishment of expectations at the first point of contact raises compliance levels across all licenced premises.

The number of current manager's certificates held for the Christchurch DLC area remains steady now with around 3891, up from 3803 in the previous year. We currently maintain about 4900 active Duty Manager appointments for the Christchurch area.

8. Please comment on any new initiatives the Committee or Territorial Authority Council has developed/adopted in 2018-19.

New initiatives the Committee or Territorial Authority Council has developed/adopted in 2018-19

Initiatives referred to in last year's report that have continued in 2018-19 have included:

- Precinct area Alcohol Accords in St Asaph Street, The Terrace area, and the Addington Accord
- The Taxi collaboration and enforcement project (for late night work) has transitioned into BAU for the Parking Compliance Team.
- Sports Club Work:
 - O Alcohol Game Plans: Following on from the successful pilot work with the Canterbury Rugby League Association in the previous year, two more workshops were held for other sports code associations (Tennis and Cricket) and Rugby and Lawn Bowls are planned for later this year. Alcohol Management Plans and Alcohol Policies are requested at renewal for each club licence. Further reminder and training tools for club staff have been developed are now also available and on our website.
 - Clubs Controlled Purchase Operations: Club CPOs undertaken to test if licensed sports clubs were selling to unauthorised patrons resulted in three Rugby League Clubs tested 11 August 2018 all failed and received infringement notices. Retests and further education work is planned for those that failed.
- The Christchurch Alcohol Action Plan (CAAP) is a collaborative and non-regulatory approach to alcohol related harm that is led by the partner agencies -the Police, the Council and the CDHB (this was referred to in last year's annual report to ARLA). The CAAP focuses on alcohol related harm in unlicensed environments e.g. (homes, public open spaces) in the community and also on education of communities and sits

alongside the statutory licensing regime. For the reporting /monitoring of implementation activities in the CAAP the partner agencies are each responsible for their own management and reporting on actions. The points below summarise activities referred to in a progress report on implementing the CAAP to a Council committee.

- o Projects which have been implemented during the year include work with led by Community Law (in association with Community and Public Health, CAYAD, and HPA) to strengthen the community voice on licensing
- o Support for and involvement in the AVIVA "Train the trainer" programme to address the links between alcohol and family violence
- The initiative to make side-lines at Rugby League games 'alcohol-free'. This collaboration has recently resulted in the successful introduction on Council owned playing fields of a temporary alcohol ban to apply during rugby league games for the 2019 Rugby League season.
- o CAAP projects led by partner agencies include a Police' initiative to address alcohol related harm in the central city night-time economy and the Canterbury District Health Board "Alcohol-related Harm Reduction Strategy" which has been recently launched.

New initiatives in the 2018-19 year have included:

- Alcohol related bylaws Liquor Ban areas review. The Council replaced its Alcohol Restrictions in Public Places Bylaw in December 2018. The new Bylaw was in largely the same terms as the 2009 Bylaw. There are now 15 permanent alcohol ban areas as outlined in the Bylaw. There are a variety of controls in the permanent alcohol ban areas, for example some only apply on certain days of the week or New Year's Eve etc. New additions of the Alcohol Ban requirements in Christchurch included:
 - o A new clause relating to "large scale event alcohol ban areas". This clause enables the Council to impose one-off alcohol ban restrictions for large scale events when required.
 - o A new alcohol ban area was added in Linwood Village after the Council conducted a trial using a temporary alcohol ban area in 2018.
 - A Temporary Alcohol Ban introduced on Council owned playing fields to apply during rugby league games for the 2019 Rugby League season.
- Minors Controlled Purchase Operations: The Christchurch Tri-Agencies conducted two minors controlled purchase operation (CPO) this reporting year. Of the 38 premises tested three (one club and two grocery stores) sold to a minor in breach of the Act resulting in failed inspection and applications being referred to the Authority for enforcement suspensions.
- Licenced Premises Tool Kits: The Christchurch inspectors have supported the roll out of the Health Promotion Agency (HPA) tool kits for on and off licences, with most taverns and restaurants and bottle stores now having been delivered these resources trough site visits from inspectors and on all licence applications (new and renewal) made.

9. Has your Council developed a Local Alcohol Policy?

10. If the answer is yes, at what stage is your Local Alcohol Policy at? n/a Draft

Provisional

Under Appeal to ARLA Adopted In force Abandoned

- 11. Under your Local Alcohol Policy what are the maximum hours that apply for an onlicense in the district? n/a
- 12. Under your Local Alcohol Policy what are the maximum hours that apply for an off-license in the district? n/a
- 13. What effect do you consider your Local Alcohol Policy is having? n/a

THE OBJECT OF THE ACT

The object of the Sale and Supply of Alcohol Act 2012 is that:

- a. the sale, supply, and consumption of alcohol should be undertaken safely and responsibly; and
- b. the harm caused by the excessive or inappropriate consumption of alcohol should be minimised.
- 14. Please comment on the ways in which you believe the Sale and Supply of Alcohol Act 2012 is achieving its object.

Please also refer observations listed in the 2018 report, which we will not reiterate here. Any comments relating to legislative drafting will be provided directly to the Ministry of Justice.

The Christchurch DLC and its officers have found that the Act is assisting in achieving its object in licensing and enforcement under the Act through:

- Ongoing development of more tools (locally and with the Health Promotion Agency-HPA) for licensees, which have been well received and support staff training and education about best practice in managing premises. This year new tools that support clubs were released locally. We have also supported the roll out of the on and off licenced premises HPA Tool Kits and the approach in the delivery of these by inspectors by undertaking face to face site visits. This has created further opportunities for conversations with licensees about good systems and processes and staff training and have been well received.
- This year we also produced an information sheet for the community and public objectors explaining the inspector's role and responsibilities to assist understanding of the inspector's role in application reporting and at hearings.
- There are still a number of areas where the legislation could provide improved clarification for certain types of licences. This includes the ability to ensure licencing requirements, restrictions and conditions imposed on licences are appropriate to the type of premises, the associated risks and controls for the management of alcohol harm reduction approaches by licenced premises: such as for remote sellers; rest homes, off-delivery sales (of the uber style) and duty manager requirements.
- More retirement villages are now applying for alcohol licences. This has enabled us to have discussions with managers of these facilities about host responsibility and

alcohol harm reduction. We made comment last year but since then HPA have released their information sheet on rest homes, with the result that the licensing of rest homes is topical and actively being looked at. Medical Officers of Health are also raising concerns in relation to providing alcohol to people on medication and contra-indications and host responsibility and strategies for a safe drinking environment. The status of retirement Villages/Rest homes is not explicit in the Act (include hotels and boarding houses). We note these are a place of residence for the occupants and practices vary widely from a glass of wine with a meal, to happy hours, and a formal bar arrangement that friends and family can also attend (effectively open to the public ie non-residents). Consideration should be given as to whether it should not be viewed as a sale in the strict interpretation of "a sale".

 We have focused more efforts on education and monitoring of new business owners while operating under Temporary Authorities (i.e. who have taken over an existing business). This is a prevention first alcohol harm reduction approach, as new business owners are managing the inherited practices and risks of the previous owners business and are under existing licence conditions until their own new licence is granted.

We are continuing to receive some useful case law jurisprudence from the various ARLA appeals decisions which service to assist the reporting agencies when assessing and reporting on applications. In Christchurch these include:

<u>Riccarton Liquor Limited [2019] NZARLA 93</u>, a new off-licence application in which ARLA confirmed deprivation and existing issues in the area warranted the declining of an application despite no issues being raised in regard to the suitability of the applicant or the manner in which they currently operate.

Cathedral Grammar Friends Group [2019] NZARLA 91, for a back to School BBQ Special licence application, in which ARLA confirmed para 61 to 74: "the plain reading" of the object "is that the harm about which the Act is concerned is "harm caused by the excessive or inappropriate consumption of alcohol" and "it is the only this kind of harm that the administration of the Act seeks to minimise". Other harms not directly linked but supported by research should not be given undue weight as the "the potential for indirect harm ... does not of itself establish that the consumption of alcohol ... is inherently inappropriate". ARLA reiterated that the role pf the DLC is to enquire into the facts of each application before it.

C. Statistical Return Appendix

Please see attached the Territorial Authority Summary Annual Return Statistical and Fees Return for applications received during the reporting year ending 30 June 2019.

Allison Houston

Team Leader Alcohol Licensing

Regulatory Compliance Unit

On Behalf of the Secretary, Christchurch City Council District Licensing Committee

Appendix 1

End of Year Statistical and Fees Financial return for ARLA:

TERRITORIAL AUTHORITY - Christchurch City Council

Return for year ending - 30 Jun 2019

Application fees

On, off and club licence applic	ations accept	ted			
	Number accepted in fee category				
Туре	Very Low	Low	Medium	High	Very High
Club licence new	0	0	0	0	0
Club licence renewal	40	19	3	0	0
Club licence variation	0	0	1	0	0
Off-licence new	1	13	17	2	0
Off-licence renewal	4	11	34	18	0
Off-licence variation	0	0	1	0	0
On-licence new	10	70	45	10	0
On-licence renewal	13	99	82	26	0
On-licence variation	0	2	2	4	0
Total number	68	214	185	60	0
Total fee payable to ARLA (GST incl)	\$1173.00	\$7383.00	\$9573.75	\$5175.00	\$0.00
Total fee paid to ARLA (GST incl)	\$1173.00	\$7383.00	\$9573.75	\$5175.00	\$0.00
Balance Payable	0.00	0.00	0.00	0.00	0.00

Annual fees

	Number paid in fee category				
Туре	Very Low	Low	Medium	High	Very High
Club licence	66	37	12	0	0
Off licence	8	44	117	68	0
On licence	37	318	256	61	0
Total number	111	399	385	129	0
Total fee payable to ARLA (GST Incl)	\$1914.75	\$13765.5	\$19923.75	\$11126.25	\$0.00
Total fee paid to ARLA (GST incl)	\$1914.75	\$13765.5	\$19923.75	\$11126.25	\$0.00
Balance Payable	0.00	0.00	0.00	0.00	0.00

Managers' certificate applications accepted	Number
New	759
Renewal	1112
Total number	1871
Total fee payable to ARLA (GST Incl)	\$53,791.25
Total fee paid to ARLA (GST incl)	\$53,791.25
Balance Payable	0.00

Special licence applications accepted				
	Number accepted in fee category			
Туре	Class 1	Class 2	Class 3	
Special licence	70	294	775	
Total number			1139	

Temporary authority applications accepted	
	72

Permanent club charter payments	Number
	2

Total paid to ARLA (GST incl)	Total
01 Jul 2018 and 30 Jun 2019	
	\$123,826.25