

2 September 2016

Alcohol Regulatory and Licensing Authority
Tribunals Unit
Private Bag 32 001
Featherston Street
Wellington 6146

Attention: The Secretary (Mr James Mitchell)

Dear Sir

Christchurch City Council District Licensing Committee Annual Report to the Alcohol Licensing and Regulatory Authority (ARLA) for Period Ending 30 June 2016

1. Christchurch City Council District Licensing Committee Overview

District Licensing Committee Structure

The Council has 4 District Licensing Committees (DLC), each chaired by an appointed Commissioner. The appointed Commissioners are:

Paul Rogers	Robin Wilson
Al Lawn	Grant Buchanan

Council approved list of members is as follows:

Paul Rogers	Robin Wilson	David Blackwell	John Verry
Al Lawn	Grant Buchanan	Paul Buttell	Tanya Surrey

The Secretary of the District Licensing Committee

The Acting Chief Executive on 9 December 2013 determined sub-delegations under section 198 of the Act of various functions, powers and duties of The Secretary under 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 Secretariat Unit. The Team Leader for Alcohol Licensing, and that teams Technical Officers, undertake the operational Secretariat administration for the DLC.

Hearings and governance administration support for the DLC Commissioners and Members is provided by the Hearings and Council Support Team, who sit in the Council Governance and Partnerships Unit.

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 the Chief Licensing Inspector), a senior inspector, three inspectors, and three Technical Officers. There have been no personnel changes in this reporting year. The inspectors are warranted under the Sale and Supply of Alcohol Act 2012.

Sale and Supply of Alcohol Act 2012 Staff Training

Four of the Inspectors attended the New Zealand Institute of Liquor Licensing Inspectors Conference in September 2015. Paul Spang is a standing member of the NZILLI Executive Committee and Jennifer Davison was newly appointed to the committee. Three of the Christchurch inspectors made presentations at the conference.

In February 2016 the Inspectors attended a regional launch in Christchurch held by the Health Promotion Agency, in conjunction with Hospitality New Zealand and ACC, for "ServeWise", a new free on-line host responsibility training for all sellers and servers of alcohol.

District Licensing Committee Meetings or Hearings

The District Licensing Commissioners (DLC) usually meet every Wednesday to allocate work, for both on the papers determinations and the setting of public hearings schedules, to determine Temporary Authority applications, and to discuss Christchurch DLC procedural matters. The chairing of public hearings has been systematically rotated amongst the Commissioners as has the inclusion of DLC members on the DLC panels for public hearings.

In the reporting year commencing 1 July 2015 the District Licensing Committee determined 27 applications by way of public hearing because of either agency oppositions or public objections. This is an increase in public hearings on the previous reporting year. These comprised of seven On-licence applications (two new licences and five renewals), four off licence applications (three new licences and one renewal), 16 manager's certificate applications (all new applications). There were no Special Licence or Temporary Authorities determined by public hearing held in this reporting year.

Of those heard by public hearing The Committee granted one new and four renewal on licence applications and declined two new on-licence applications; granted four off licence applications (three new and one renewal). It also granted five and declined 11 new managers' applications.

A total of 3180 unopposed decisions were also determined on-the-papers by the DLC (relating to new/renewed premises licences and managers certificates; special licences; and temporary authorities). There were also six special licence applications relating to School Fairs opposed by the Medical Officer of Health that were determined on the papers and granted.

A further eight new premises applications were made but withdrawn before determination by the DLC. This included an application for an on-licence for Wendy's Hornby which was opposed by all three reporting agencies and attracted public objections, and 7 bottle store off-licence applications that either received an agency opposition or public objections.

A further three premises and three managers renewal applications were referred to be heard by ARLA in conjunction with suspension applications following failed Controlled Purchase Operations.

Of the applications that have been determined by the DLC three appeals were heard by ARLA during 2015-2016. The result of those appeal hearings were: One new off-licence application remained declined (DLC decision upheld); one new off-licence (over the bar sales) granted by the DLC had conditions amended by ARLA; and one new on-licence granted by the DLC was upheld but with amended conditions.

Two further DLC applications, granted by the DLC in 2014, remain subject to appeal processes; ARLA determined the appeals in January 2015, which were then appealed to the High Court and heard in June 2015. The High Court decision, which quashed the Authority's decision, is currently under appeal to the Court of Appeal (on points of law) and is due to be heard in October 2016. This matter is related to legal interpretation of new provisions in the Act around single alcohol area requirements for Supermarkets/Grocery Stores. Both the Authority and High Court have referred to these cases as "test cases" on how to apply this new provision under The Sale and Supply of Act 2012. The premises decisions which are subject to this appeal are Bond Markets Limited (Bishopdale New World) and J C Vaudrey Limited (South City New World).

A further 11 supermarket applications are currently adjourned for setting down for hearing by the DLC awaiting the outcome of the above supermarket appeals outcome. These adjournments are in accordance with a practice direction issued by ARLA issued in 2014.

The DLC Chair's, in 2016, issued a DLC hearings protocols and procedures document as guidance for the reporting agencies and parties to an application for public hearings.

Noticeable Trends or Issues

The Committee continues to see a number of brand new premises with new operators resulting from rebuilding within areas of the Central City and suburbs. A small number of premises closed since the

earthquakes have also reopened in 2015-16 following either repairs, rebuilding, or relocation to new permanent locations.

The city will continue to experience a prolonged period of rebuilding, in particular within the central business district area, with the DLC continuing to be in a unique situation with the fluid environment resulting from the rebuild. Rather than long-established areas of hospitality and substantive buildings, the nature of the environment has continued to be the establishment of new buildings and continuation of hospitality hubs, often changing the previous demographic. Addington is the area that has experienced the greatest change, however, this trend has slowed somewhat over 2015-16 as existing premises have become more established.

The implementation of the new alcohol licensing regime from December 2013 significantly changed the regulatory processes associated with licensing decision making. This has substantially changed the requirement for information from applicants and their knowledge and understanding, in particular for the number of previous licensees now with the rebuild re-entering the industry under the new legislation. By 18 December 2016 all renewals for existing licenced premises last renewed under the Sale of Liquor Act 1989 would have been filed for renewal under the Sale and Supply of Alcohol Act 2012.

There has also been an increased focus on amenity and good order considerations and increasing community input into licence applications through public objections. A further impact on all reporting agencies of the new legislation is the requirement to provide more in-depth reports into all applications. The need for support to applicants to guide them through the new regime has also increased, both through telephone/email, and in person. To assist with this continuing changing environment all new operators and applicants for new premises licences have the opportunity to engage in early pre-application meetings and mandatory lodgement meetings with inspectors. Inspectors held 172 lodgement meetings for new applications in this reporting year. 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 Special Licence applications continues to be high. This continues to reflect the loss of function venues across the City and is representative of a significant number of events being held on Club premises for non members. In 2015-16 there also continued to be a number of larger sized music festivals, corporate boxing events, and community events (including street festivals).

The central city (four avenues) area has continued to see growth of licensed premises with 132 on-licences now in this area as of 1 July 2016. However these numbers are yet to return to pre-earthquake numbers for on-licences of 282 in September 2010. New premise applications are trending towards permanent structures and premises locations, established where necessary through the Resource Consent processes in accordance with City Plan requirements. A number of premises who were on Temporary Accommodation Permits (TAP's) immediately following the earthquakes have now or are in the process of relocating to permanent sites within the central city area, the remaining small number of licenced premises that are on one of these TAPs have had their TAP expiry date extended out to 2021.

The Victoria Street precinct has continued to see growth of licensed premises in direct conflict to the wishes of the local residents. Residents' concerns centre around the late night, 3am, closure of many premises and the impact on good order and amenity to adjacent residential premises. There are currently 23 licences on Victoria Street (not including the Carlton Corner area). Applications for new licences and the renewal of existing licences continue to attract public objections. The DLC decision to grant a new on-licence for Calendar Girls in Victoria Street, following a public hearing, was appealed to ARLA and resulted in ARLA reviewing the licence conditions.

The central city hospitality precinct areas (with a number of premises with late-night, 3am, closing hours) continue to repopulate numbers in the areas of New Regent Street, High Street, Allen Street, Manchester Street and St Asaph Street.

In particular the population of more late night premises in the St Asaph Street precinct area are raising some of the typical concerns associated with late-night economy areas. In particular the concerns centre around people migration, amenity and good order, and also transportation and public safety concerns (including those raised by reporting agencies) around late night traffic behaviour, both vehicular and pedestrian on a busy one-way road, and the sufficiency of late night taxi-stands for this area.

Over for the whole Christchurch City area the number of current licences now shows a steady but slow increase to 890, up from 836 in the previous reporting year (but still a considerable reduction from the peak of 1149 in early February 2011). This year has seen the small remainder of licences, which had, in effect been in limbo since the earthquakes, either renew (having repaired or rebuilt) or expire at the end of their three yearly renewal period having not reopened. There is one remaining on-licence in this group yet to reopen under an existing licence and which is awaiting repairs. The number of current manager's certificates held for the Christchurch DLC area remains steady now at around 3455.

With the new fees regime now in its third year we see further movement towards Council's costs associated with alcohol licensing activities being fully recovered, with continuing impact remaining associated with the reduction in licence numbers whilst Christchurch transitions through the re-build process. The remainder of premises licences and managers certificates last issued under the old fees regime (2013) are now coming up for their three yearly renewal under this new fees regime by 18 December 2016. The Alcohol Licensing Team anticipate that the transition to a fully fee funded process is likely to be around 2016/17.

2. DLC Initiatives

Controlled Purchase Operations

There were two Controlled Purchase Operations (CPO's) carried out during the year, resulting in 46 premises being visited. Both CPO's were conducted utilising minors. Of the 46 premises visited three premises (two on-licences and one off-licence bottle store) sold to a minor in breach of the Act resulting in those premises being referred to the Authority. The typical guidelines recommended for suspension periods vary depending on the type of licence and whether this is a first offence. The current recommendations from ARLA for first offences for On-Licences such as Taverns is 3 days and for other types of on-licences 48 hours suspension of the licence respectively and a 30 day suspension of the Manager's Certificate; and for Off-Licences such as Bottle stores a 48 hour suspension of the licence and 30 day suspension of the Manager's Certificate.

Alcohol Accords for precinct areas

Work has been continuing with the hospitality industry and a number of other partners to strengthen the city-wide alcohol accord which was re-initiated in late 2013. This work continues to be driven within precinct cluster areas and led by the hospitality industry. The various precinct accords have developed to meet the particular needs of the licensees and characteristics of the hospitality areas in which they are situated. This has worked well as various parts of the city have unique issues in the current rebuild and re-establishment environment. The accords also support a series of minimum standards which licensees must sign up to in order to become an accord member. Victoria Street and Addington have been in place since early 2014 and further accord arrangements have followed in High Street, and St Asaph Street areas.

The Victoria Street Accord is self-governing and the members financially support their ongoing "Street Safe" initiative to patrol public spaces. Effectively these are ambassadors that patrol the street at peak times to inform the public of expectations relating to intoxication, liquor ban areas, and the effects of people, noise and litter.

Current efforts are being directed at supporting the St Asaph Street Accord which is an area that has turned into a main late night precinct hot spot. The current collaborative focus of the agencies' (Inspectors, Police and Community and Public Health) with the licensees and Hospitality Industry is on the issues arising from the impact of the large numbers of people lingering in the area when leaving or

who can't get access to the bars in the area, this includes: litter, liquor ban breaches, amenity and good order concerns, and traffic and pedestrian safety. The accord is looking to pilot its own street safe initiative. Another project in this area is a pilot initiative collaborating with the Taxi Federation and a premises and their security to foster improved communication between premises, security, taxis, and the public to discourage illegal parking in taxi stands, and improve better taxi movement and pedestrian and traffic safety outside licenced premises in the area as patrons come and go.

Other accord work that is in development, is that of the regeneration of a City-wide Accord as the central city area in particular establishes with more late-night premises. Linking in with this planning will get underway to progress a security provider accord and reinstate a city transport accord that was in place before the earthquakes. A BYO accord is also currently being scoped to address issues identified with younger customers using BYO restaurants to preload prior to going out for their night's entertainment.

Document Exchange

The Commissioners workloads continue to be managed via a secure cloud-based document exchange system. Committee work streams are established on a monthly basis, with the Commissioner accessing the relevant stream via the cloud. The Territorial Authority has found this to be a cost-efficient way of transferring large quantities of data in a timely manner.

3. Local Alcohol Policy

Christchurch City Council began the development of a Local Alcohol Policy under the Sale and Supply of Alcohol Act 2012 in early 2013.

Public consultation of the draft Local Alcohol Policy document was completed at the end of June 2013. Public Hearings were held in July 2013. Notification of the provisional LAP was deferred awaiting the outcome of appeals against other territorial authority policies. On 28 May 2015 Council approved notification of the Provisional LAP. Nineteen appeals were received by ARLA, and an additional eight parties have been granted "interested party" status to be heard at the appeal hearings. Council is currently working through pre-hearing matters and processes and is awaiting confirmation of timetabling for a hearing to be set down by ARLA to hear the appeals.

The DLC look forward to the final outcome of the LAP appeals process which is anticipated to provide guidance and a measure of certainty around some aspects of alcohol licensing for all parties involved in the licencing application processes, including the local communities, and in DLC determinations of licence applications in the central city area.

4. Current legislation

We wish to raise the following matters, in addition to those noted in previous year's reports, as being of concern within the legislation and the supporting regulations:

s120 Variation of conditions applications

There was the gap identified in relation to s120 variation applications. There does not appear to be any requirement for a section 100(f) certificate (Certificate of Compliance Alcohol for a new licence application) where an application is later made for a s120 variation of conditions (or on a renewal of a licence s126, with variation). However, it is this Council's practice to require such a certificate where a proposed variation to an existing licence's conditions may change the way the proposed use of the premise meets requirements of the Resource Management Act 1991 and the of the building code.

s.136(1) Temporary Authorities

The legislation permits a temporary authority to be applied for by "a person who appears to the committee to have any right, title, estate, or interest in any premises, or any business conducted in any premises, for which an on-licence or off-licence is in force". This wording is confusing and clouds the purpose of this requirement, i.e. that an applicant must have legal tenure in the premises in order

to be able to make the application. Understanding would be assisted by redrafting this subsection into plain English to simplify and more easily convey the requirement that legal tenure must be established in order to make the application, and then to state how tenure is established.

s.14 and 15 as relating to BYO alcohol on licensed premises

The Council's external lawyer for the DLC Commissioners has identified that there is no equivalent to s15(a)(ii) in s14(b), meaning that a BYO endorsed licenced under s15 can permit any BYO alcohol brought onto the premises and not consumed to be removed by the person who brought it onto the premises, but under s14 a full on-licence premises, while permitting BYO on the premises, is not permitted to allow unconsumed BYO alcohol to be removed. Clarification is sought as to whether this is a drafting error omission for s14 or whether s15(a)(ii) is implied in s14.

s197 Licensing Inspectors and Chief Licensing Inspector appointments

There has been a possible drafting error identified by Council legal staff relating to an inconsistency in making appointments. Under s197(1) Licensing inspectors are appointed by the Chief Executive of the territorial authority. Under s197(5) a territorial authority must appoint one of the inspectors to be its chief licensing inspector. Under s198 the functions, duties, or powers of the chief executive may be delegated. These delegations therefore can include the appointment of licensing inspectors, and in larger territorial authorities such as Christchurch that delegation has been made to be consistent with general staff appointment delegations. But the wording of s197(5) does not refer to the Chief Executive, meaning that that power, to appoint the chief licensing inspector, cannot be delegated and must remain with the chief executive.

5. Any other matters the TA wishes to draw to the attention of the Authority

Alcohol related Bylaws

Christchurch has the Christchurch City Council Alcohol Restrictions in Public Places Bylaw which came into force on 1 July 2009. There are currently 12 permanent Alcohol Ban areas, the most recent areas came into force on 9 September 2012 in Papanui and Merivale.

A one-day temporary ban for Cup Day at Addington Raceway was successfully implemented in November 2013 and repeated again in November 2014. A similar one-day temporary ban for an area around Riccarton Park Racecourse for the New Zealand Cup was implemented for November 2015. The Council has approved another temporary alcohol ban in the Riccarton Racecourse area on New Zealand Cup Day for 12 November 2016.

Safer Christchurch

The Safer Christchurch Strategy was recently reviewed and refreshed by Council, with reaccreditation being achieved in 2016. Safer Christchurch will continue to prioritise alcohol harm minimisation. A collation of data evidence via the Safer Christchurch streams (Injury Prevention, Crime Prevention and Road Safety) will identify at risk/high risk environments/situations and work to reduce the occurrence of these. Part of this work includes support of the Alcohol Accords work.

Alcohol Strategy

In 2013 Christchurch City Council undertook extensive consultation on a draft Local Alcohol Policy (LAP) which elicited more than 4000 submissions. A large number of submitters raised concerns and suggested initiatives outside the scope of a LAP to address alcohol related harm. Consequently the Council resolved (October 2013) to "Undertake an Alcohol Strategy and/or other collaborative initiatives, as a wider means of minimising alcohol related harm in the community". In 2014 the newly elected Council endorsed the development of an Alcohol Strategy.

Council has been in consultation with and seeking input from partner agencies, including a workshop late 2015 that Christchurch City Council supported. The output at this point in time is a discussion draft document (February 2016) titled the 'Christchurch Alcohol Action Plan'. Policy Work is continuing on the development of this inter-agency 'strategy' with the Safer Christchurch Interagency Group taking a governance role.

Summary of Inspections undertaken of Licensed Premises

Inspection notes are recorded by all members of the Tri Agency Group within the secure shared website. There are now over 5000 monitoring/inspection notes on the shared website.

The Christchurch Licensing Inspectors, NZ Police, and Community and Public Health have maintained a strong working relationship as the Tri-Agency Group. This includes weekly meetings, controlled purchase operations and inter-agency monitoring teams. The Christchurch inspectors have also provided mentoring and support for other inspectors from neighbouring Territorial Authority areas within the wider Tri-Agency region.

The Tri-Agency Group continues to use a Licensed Premises risk matrix. This is maintained by the Alcohol Licensing Team and is shared electronically with the other agency groups, via a shared workspace. It is regularly reviewed and kept up to date in a collaborative manner.

The Christchurch Licensing Inspectors, NZ Police, and Community and Public Health continue working together using environmental scan methodology as an observational tool to inform reporting agencies. This has assisted the regulatory agencies in gaining a more informed overview of the environment outside and surrounding licenced premises in relation to people activity, behaviour, and good order and amenity considerations in various localities.

The Christchurch Licensing Inspectors also continue to maintain a collaborative working relationship with other Christchurch City Council officers in relation to health licencing, environmental (noise), and other regulatory and compliance, building, planning and leasing areas that touch on alcohol licensing matters and considerations.

The Tri-Agency Group continues to collaboratively deliver education sessions for licensees, managers, and staff to assist and increase their understanding of the Act's obligations their responsibilities under their premises licence conditions. These sessions are delivered regularly at the invitation of institution providers for the Licence Controller Qualification (LCQ) in the Christchurch area (for which there are three main provider institutions). Onsite sessions are also provided for licenced premises at their invitation as a proactive and risk based compliance strategy approach followed by the inspectors. Eight of these were conducted over the last year.

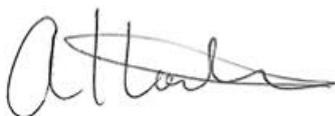
Liaison with other agencies and groups

The Christchurch Alcohol Licensing Team has also had regular contact with the Department of Internal Affairs, the Ministry for Business, Innovation and Enterprise (MBIE), ACC, Health Promotion Agency (HPA), Hospitality Standard Institute, Hotel Association of NZ, Hospitality New Zealand (HANZ), and Workingmen's Clubs NZ.

6. Statistical information

Please see attached.

Due to the change in reporting requirements and the fees regime with the new legislation some statistics have been marked with an asterix to identify where a number of applications were received under the previous fees regime but were still awaiting determination during the course of the current financial reporting year. In September 2015 the Alcohol Licensing register also moved into a new records management system. This necessitated a reconciliation between the old legacy and new reporting systems for the reporting month of September 2015. This new records management system has facilitated enhanced financial and statistical reporting abilities for Alcohol Licensing.



Allison Houston

Team Leader Alcohol Licensing

Regulatory Compliance

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

Appendix 1

TERRITORIAL AUTHORITY: Christchurch ANNUAL RETURN FOR YEAR ENDING: 30 June 2016

On-licence, off-licence and club licence applications received:

Application Type	Number received in fee category: Very Low	Number received in fee category: Low	Number received in fee category: Medium	Number received in fee category: High	Number received in fee category: Very High
On-licence new	8	69 (*2)	46	14	0
On-licence variation	0	3	2	1	0
On-licence renewal	7	91	102	23	3
Off-licence new	3	3	25	9	0
Off-licence variation	0	0	2	1	0
Off-licence renewal	3	13	34	26	0
Club licence new	2	2	1	0	0
Club licence variation	1	0	1	0	0
Club licence renewal	53 (*1)	22	6	0	0
Total number	77 (*1)	203 (*2)	219	74	3
Total Fee paid to ARLA (GST incl)	\$1,437.76	\$7,188.02	\$11,315.25	\$6,382.50	\$517.501

(* indicates Application Fees for applications lodged under Sale of Liquor Act 1989, prior to the new fees regime but with a decision being granted in the current reporting year and fees now being reported to ARLA)

Annual fees for existing licences received:

(Includes Annual fees for all new licences with decisions granted in the reporting year)

Licence Type	Number received in fee category: Very Low	Number received in fee category: Low	Number received in fee category: Medium	Number received in fee category: High	Number received in fee category: Very High
On-licence	24	267	293	63	5
Off-licence	8	39	97	90	1
Club licence	90	37	16	0	0
Total number	122	343	406	153	6
Total Fee paid to ARLA (GST incl)	\$2,104.50	\$11,833.50	\$21,010.50	\$13,282.50	\$1,035.00

Managers' certificate applications received and decisions issued:

	Number received
Manager's certificate new	856 (*1)
Manager's certificate renewal	1003
Total number	1859 (*1)
Total Fee paid to ARLA (GST incl) (* indicates Application Fees for applications lodged under Sale of Liquor Act 1989, prior to the new fees regime but with a decision being granted in the current reporting year and fees now being reported to ARLA)	\$53,441.97

Special licence applications received and decisions issued:

	Number received in category: Class 1	Number received in category: Class 2	Number received in category: Class 3	TOTAL
Special licence	70	258	718	1046

Temporary authority applications received and decisions issued:

	Number received
Temporary authority	113

Permanent club charter payments received and decisions issued:

	Number received
Permanent club charter payments	3

Total paid to ARLA (GST incl) 1 July 2015 – 30 June 2016	Total
	\$129,549.00