NSW Independent Liquor & Gaming Authority

Our ref: DF25/009957

Ms Sian McGavock RMB Lawyers

7 March 2025

Dear Ms McGavock

Application No.	APP-0013462878
Applicant	Ivica JURJEVIC
Application for	New packaged liquor licence
Application date	12 July 2024
Decision date	22 January 2025
Proposed licence name	Wollongong Cellars
Proposed trading hours	Monday to Sunday 10:00 AM – 10:00 PM
Proposed premises	Unit 4 453 Crown Street Wollongong NSW 2500
Legislation	Sections 3, 11A, 12, 29, 40, 44, 45, 48, 114 and 123 of the <i>Liquor Act</i> 2007

Decision of the Independent Liquor & Gaming Authority Application for a new packaged liquor licence – Wollongong Cellars

We refuse the application above under section 45 of the Liquor Act 2007 (the Act).

Statement of reasons

We cannot be satisfied that the overall impact of approving the application will not be detrimental to the well-being of the local or broader community.

Our main findings

Procedural and trading hour requirements

We are satisfied that:

• the application meets the Act's requirements for procedural fairness and trading period

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- the sale of liquor would comply with the licence's authorisation
- sections 30 and 31 of the Act don't apply to this application.

'Fit and proper person'

The applicant is a 'fit and proper person' to operate the business to which the proposed licence relates, as law enforcement agencies raised no concerns about their integrity.

Responsible service of alcohol

If approved, procedures for the responsible service of alcohol would have been in place at the premises from the start of licensed trading, under the plan of management and the conditions on the licence.

Development consent requirements

The necessary development consent is in force. Wollongong City Council approved the development application DA-2024/433 for the premises on 3 October 2024.

Community impact

Local and broader communities

The local community for the purposes of this decision is Wollongong. The broader community is the Local Government Area (LGA) of Wollongong.

Diversity and density of licensed outlets

Liquor & Gaming NSW (**L&GNSW**) Harm Minimisation and Community Impact Data Report for the suburb of Wollongong shows:

- there are 136 authorised liquor licenses, of which 31 are authorised to sell packaged liquor. This includes 6 packaged liquor licences, 6 club licences, 6 hotel (full) licences, 9 small bar licences and 4 producer/wholesaler licences
- saturation of packaged liquor licences in the suburb is lower compared to the LGA and lower than in NSW generally.

Crime data (annual rate per 100,000 residents)

BOCSAR data shows that, in the year to September 2024:

- the premises are located in hotspots for alcohol-related assault, domestic and nondomestic assault, and malicious damage to property
- alcohol-related domestic assault, alcohol related non-domestic assault, malicious damage to property and alcohol related offensive conduct in the suburb is higher compared to the LGA and higher than in NSW generally.

Alcohol-related health data (per 100,000 residents)

HealthStats NSW data showed that:

- alcohol attributed deaths in LGA are higher than the NSW average
- alcohol attributed hospitalisations in LGA are higher than the NSW average.

ABS Socio-Economic Index for Areas (SEIFA)

The suburb and LGA are ranked as relatively advantaged in terms of household income and residents in skilled occupations compared to other suburbs and LGAs in NSW.

Business model

We note that the proposed business model involves the sale of packaged liquor for consumption away from the premises, with online order and delivery within 10km.

Benefits proposed by applicant

The applicant proposed that there would be benefits, including:

- the proposed liquor licence will have a positive economic impact on the local community by generating economic activity in an area where many commercial premises are currently unoccupied and small businesses are attempting to bring in customers
- the applicant also proposed to engage in fundraising for unspecified local causes.

Stakeholder submissions

We considered the submissions from:

- NSW Police Force, dated 9 August 2024 and 16 December 2024, raising issues in relation to traffic and security, however, no objection was raised as the issues were adequately addressed in an updated Liquor Plan of Management
- L&GNSW Compliance, dated 27 November 2024, noting nil adverse holdings in the last five years
- Wollongong City Council, dated 18 January 2024, 17 July 2024 and 29 November 2024, noting potential adverse effects on crime rates and significant negative social and economic impacts on neighbouring residents, businesses, and health facilities if the application were to be approved
- NSW Health, dated 26 July 2024, objecting to the application due to:
 - the potential to increase alcohol-related harm and negatively impact the well-being of both the local and broader community, noting that Wollongong-West is an area already with significant social and economic disadvantage
 - situated adjacent to the Wollongong Health Precinct, an area dedicated to healthcare and wellbeing, and near several medical and emergency facilities
 - increased exposure of children and young people to alcohol due to the proximity of the proposed outlet to schools and youth services, noting that research suggests the presence of a liquor shop near schools is a predictor of alcohol consumption in later teenage years (Seid, A. K., Berg-Beckhoff, G., Stock, C., & Bloomfield 'Is proximity to alcohol outlets associated with alcohol consumption and alcohol-related harm in Denmark' 2018, and Trapp GSA, Knuiman M, Hooper P, Foster S. 'Proximity to liquor stores and adolescent alcohol intake: a prospective study' AM J Prev Med. 2018)
 - concerns about "pre-loading" and consuming packaged alcohol before using public transport (Sorbello J, Devilly G & Allen C. 'Hope for the best, prepare for the worst: examining the preloading motivations associated with alcohol use and past harms during a night-out, Drugs: Education, Prevention and Policy, 2022')
 - alcohol attributable hospitalisations and deaths in the ISLHD being higher than the NSW average and the Wollongong Hospital has consistently had higher rates of late-night injury ED visits compared to the NSW rate
 - higher rates of alcohol-related assaults in Wollongong compared to the NSW average, including general, sexual, and domestic assaults
 - strong evidence linking the density of packaged liquor outlets with increased domestic violence, with the proposed outlet located in a domestic assault hotspot (*Livingston, M., 'A Longitudinal analysis of alcohol outlet density and domestic violence' 2011*)
 - the liquor outlet density as there are already 16 packaged liquor licenses in the 2500 postcode, with evidence indicating that higher liquor outlet density is linked to poorer health outcomes (*'Evidence Check, Community impact of liquor licences', a*

review brokered by the Sax Institute (an independent, not-for-profit organisation) for the NSW Ministry of Health. October 2015).

- Transport for NSW, dated 24 January 2024, noting no concerns, and suggested the installation of an alcohol breath testing device, having access to public information on transport options and participating in the local liquor accord.
- 11 submissions from members of the public, dated between 30 January 2024 and 26 November 2024, objecting to the application due to:
 - the proposed location being in the 'Medical Precinct' with a high concentration of health services and social housing, including facilities for disadvantaged teenagers and young people which poses health risks. Also the licensee's statements about supporting responsible alcohol practices and community education lack detail and actionable plans and fail to address key mitigation strategies to protect staff, customers, and the community, including those in surrounding residential and medical areas
 - the premises being adjacent to the Wollongong Ambulance Station, which requires unimpeded 24/7 access, and vehicles accessing the liquor store could impede ambulance access
 - the potential for increased traffic congestion and dangerous manoeuvres; the limited parking layout, requiring vehicles to reverse or execute multiple point turns in tight spaces, risks creating dangerous traffic situations on Crown Street/Princes Highway, particularly at the blind entry point
 - the lack of safe pedestrian access, where the proposed premises would allow customers to drive onto pedestrian pathways and across a neighbouring emergency service property, which is both dangerous and potentially illegal
 - the area already being well served by existing liquor outlets; adding another bottle shop could worsen local social issues, such as crime and substance abuse
- Southern Youth and Family Services (SYFS), a non-profit community organisation that provides housing and services to vulnerable and disadvantaged young people (aged 12-24), dated 5 August 2024, objecting to the application due to claims that:
 - the proposed outlet would be within a hotspot for domestic assaults and could be expected to increase alcohol-related harm, putting extra strain on support services and negatively affecting community health and safety
 - research links alcohol availability to economic loss, crime, physical and mental health issues, and increased risk of homelessness; the proposed outlet would exacerbate these issues
 - increased alcohol advertising and availability in the area could hinder SYFS's efforts to support young people.
- ISLHD Allied Health Sub-Branch Health Services Union, dated 6 August 2024, objecting to the application due to:
 - concerns over increased alcohol-related harm and the impact on already pressured health staff, particularly as alcohol attributable hospitalizations and deaths in the ISLHD are higher than the NSW average, with 514.1 hospitalizations and 20.3 deaths per 100,000 population (2020/21), as well as Wollongong Hospital already experiencing a 10% higher rate of late-night injury ED visits than the NSW average, a trend consistent since 2017 (2020/21)
 - there being 16 packaged liquor licences currently in the 2500 postcode, and the proposed outlet's proximity to health services, such as Wollongong Ambulance Station and Wollongong Hospital

- a perception that the proximity to schools could normalise alcohol for children, making the proposed licence detrimental to health workers and the broader community.
- Healthy Cities Illawarra (non-profit organisation), dated 6 August 2024, objecting to the application due to claims that:
 - high visibility and accessibility of alcohol, along with advertising, influence children's perception and consideration of alcohol consumption
 - the proposed liquor licence would negatively affect community health and wellbeing, especially in an area with a high concentration of health services and social housing
 - Wollongong has higher than state average rates of alcohol-related assault incidents, including sexual and domestic assaults.
- Illawarra Public Health Society, Student Club University of Wollongong, dated 9 August 2024, objecting to the application due to claims that:
 - granting the application would increase the burden of alcohol-related harm in the community and negatively impact well-being, noting Wollongong has higher than state average rates of alcohol-related assaults, hospitalisations, and deaths
 - Wollongong already has a high density of alcohol-licensed venues
 - students in Australia consume alcohol at higher levels than their peers, and increased accessibility is a driving factor for alcohol consumption, leading to negative health and well-being impacts
 - the proposed location is in an area with a high concentration of health services and social housing, within a community which needs protection from increased alcohol availability.
- One submission also alleged the application was invalid as
 - ILGA may not approve an application accompanied by a Community Impact Statement (CIS) after 1 July 2024;instead of a Statement of Risks and Potential Effects (SoRPE)
 - the applicant's initial failure to provide advice in the CIS about proposed controls or mitigation strategies to address any risk of harm cannot be considered a 'minor or technical nature' failure under clause 26(2) of the *Liquor Regulation 2018* and
 - the CIS provided no evidence of a DA for approved use as a bottle shop, as required by section 45(3)(c) of the Act, therefore the Authority cannot grant the application

We were not persuaded by this submission that the application was invalid.

- 3 submissions from members of the public in support of the application, dated 19 July 2024, 18 November 2024 and 26 November 2024, noting that:
 - there is a need to revitalize the vacant premises and improve the amenity of the area, and provide increased activity for the local food related businesses
 - there is adequate parking for customers and deliveries, with no observed alcoholrelated anti-social behaviour
 - the proposed premises would provide residents in Mangerton with more options for purchasing alcohol, thereby fostering competition and reducing the monopoly held by the current Bottle-O store

We also considered the applicant's submission in response to these submissions, noting that:

• the updated Liquor Plan of Management addresses concerns regarding parking, peak period flow and management of traffic. Measures include monitoring the car park,

reserving parking for customers and deliveries, and ensuring no blockages, with staff encouraged to call local police if necessary

- the applicant intends to work with the ambulance station on an ongoing basis and build a strong relationship, with a view to potentially holding fundraisers to assist the station
- the Development Application was approved after considering environmental impacts, protection of local amenity and character, compliance with planning instruments and council policies, and community submissions
- the applicant will collaborate with local police, the local liquor accord, health services and the local council to minimise potential negative impacts on the health precinct, ensuring ongoing compliance with the Liquor Plan of Management, adhering to crime prevention measures and mitigating alcohol's impact on young people
- the population of Wollongong has increased over the past 25 years, driving demand for the proposed store's products. The Applicant believes the store will meet this demand, support the local economy, and increase retail-focused traffic, benefiting surrounding businesses
- no advertising will be directed at children, and policies will prevent minors entering the premises. A 'secondary supply' policy will be implemented to avoid alcohol purchases for underage individuals
- recent reforms will be adhered to, prohibiting unaccompanied minors in areas dedicated to liquor sales
- competition will benefit the community by offering unique local, Australian, and boutique products
- another bottle shop is located on the opposite side of Crown Street, characterized by double, unbroken street lines, making it difficult for drivers to turn across the street. The new store will primarily serve traffic heading in the opposite direction to alleviate congestion
- the proposed store will not target the social housing area with advertising, products, or pricing, and will adopt suggestions from authorities and the public
- thorough staff training will be ensured, with all staff trained according to the Liquor Plan of Management and having full RSA (Responsible Service of Alcohol) training.

Findings of concern

The application sought to operate a standalone packaged liquor licence west of Wollongong CBD, in a medical precinct. NSW Health, NGOs and members of the public objected to the application for various reasons, particularly due to its close proximity to the Wollongong Health Precinct, an area dedicated to healthcare and wellbeing, and near several medical and emergency facilities, youth and drug and alcohol support services.

Submissions in opposition to the grant emphasised the public health risks associated with the proposed location.

We also accept that the proposal could contribute to an increase in alcohol-related harm in the local and broader communities because of the:

- high density crime hotspots in the suburb for all offences we considered
- higher crime rates in the suburb compared to NSW for all crime categories we considered
- higher crime rates in the LGA compared to NSW for alcohol-related non-domestic assault, malicious damage and alcohol-related disorderly conduct
- higher alcohol-attributable deaths and hospitalisation in the LGA compared to NSW
- the exacerbation of relevant risk factors as a result of the proposal to offer same-day delivery of liquor.

We also considered the following factors:

- lower saturation rate of packaged licences in the suburb and LGA compared to NSW
- whilst the socio-economic advantage and disadvantage in the LGA are above average compared to other communities in NSW, the socio-economic advantage and disadvantage in the suburb is average compared to other communities in NSW
- the Liquor Plan of Management promises to address concerns raised by various stakeholders, including police and the council, and the applicant proposes to implement various measures to mitigate potential risks of harm
- the benefits to the community as contended by the applicant.

On balance, we are concerned that the likelihood of adverse social impact from approving the application outweighs any benefit to the local or broader community and accordingly, approval of the application is not in the public interest particularly having regard to the sensitive location and the number and strength of community objections on health grounds

The material we considered

We considered the following material when making our decision:

- the application material including evidence that stakeholders and the community were notified about the application
- a community impact statement (CIS)
- the plan of the licensed premises and any authorisations
- a plan of management for the licensed business
- a development consent for the premises
- statistics from Liquor & Gaming NSW, Bureau of Crime Statistics and Research, NSW Health and Australian Bureau of Statistics on the socio-economic status, liquor licence density, alcohol-related crimes rates and health issues in the local and broader communities
- stakeholder submissions and the applicant's response to them.
- research on the impact of liquor outlet density and the availability of alcohol as a contributor to liquor related harm

We also considered <u>Guideline 6</u> to assess the likely social impact to the local and broader community.

This decision will be published in accordance with section 36C of the *Gaming and Liquor Administration Act* 2007.

Opportunity for review

The applicant and anyone who was notified of the application and made a submission, may apply to \underline{NCAT} for a review of the decision.

An application for review must be made no later 28 days after the decision is published on the website. There is a fee to lodge the application.

For more information, please contact the NCAT Registry at Level 10 John Maddison Tower, 86-90 Goulburn Street Sydney or visit the NCAT website.

If you have any questions

Please contact L&GNSW at: <u>new.applications@liquorandgaming.nsw.gov.au</u> if you have any questions.

Yours sincerely

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Caroline Lamb Chairperson Independent Liquor & Gaming Authority