



Ms Natalie Wright
A/Executive Director Policy & Programs
Liquor & Gaming NSW - Hospitality & Racing

RE: Vibrancy Reforms - Co-funding fee model proposal

Dear Ms Wright,

The Night Time Industries Association (NTIA) welcomes the opportunity to comment on the co-funding fee model proposal.

The NTIA is supportive of the Government's Vibrancy Reforms and appreciates the depth of the consultation and consistent opportunities to provide feedback on the suite of reforms. The NTIA believes these initial steps can support a vibrant, diverse and resilient night time economy.

In preparing the below commentary the NTIA has consulted with its membership to better understand the direct industry impression of the proposed fee changes. The NTIA's membership includes hospitality, arts & culture and supply-chain operators of varying size and scale. As such, the views and feedback expressed below are reflective of the NTIA's diverse membership.

Operator Feedback on the Proposed Co-funding Model

The NTIA consulted with its membership to understand the varying perspectives of the fee increase proposals. There is in-principle support for the proposed changes to the ALLF to support the co-funding model for the Vibrancy Reforms. Throughout the consultation NTIA members raised a number of comments about the proposed model.

Particular points raised by NTIA members include:

- The increases are greater than what many operators were anticipating. However, there is an acceptance that the increased fees are acceptable in light of the purported benefits.
- The chosen funding model is recognised as stronger and more viable than the alternative models proposed in the consultation paper.
- The stated benefits can provide a material benefit to operators. In particular, the removal of duplicative Community Impact Statement processes can save operators significant amounts of money.

While operators in the arts and hospitality sectors are supportive of the proposed fees there is concern among liquor and retail sector members and stakeholders that the proposed increases are disproportionate to the proposed benefits. In particular, this membership and stakeholder cohort raised concerns that many of the stated benefits are prima facie cost neutral. For example, reduction of duplicative processes and regulatory amendments to remove unaccompanied minors are perceived as not necessarily incurring greater operational costs.



Areas for Consideration

There are a number of points which NTIA and its members would seek further clarification from Liquor & Gaming NSW.

Risk and late night trading loading

A number of the benefits of the Vibrancy Reforms centre around the provision of entertainment and the subsequent ability to trade later. However, if trading hours risk loadings are still applied it negates the incentive for operators to put on late night performance. For example, although a live music venue operator with a Hotel (General Bar) Licence would be able to trade later they would subsequently face increased trading hours risk fees if they chose to do so after midnight. Although they would receive an 80 per cent fee reduction for both the base fee and the trading hours risk loading fee, the existence of the trading hours risk loading fee is perceived to serve as counter to the overall intent of encouraging late night performance and trading.

NTIA members raised concerns about the practicality of being able to implement the later trading. All later trading is contingent on development consents from local council, without approval to match trading hours across development consents and liquor licences NTIA members believe this benefit may not be realised.

As an NTIA member stated: "Many of the benefits around later trading for entertainment, Sunday late trading, noise management that this is trying to achieve are ineffective unless Council is aligned. So we will be paying more fees but there is no 'guarantee' that Councils will adjust DA's accordingly. So it could be all for nothing." - Large scale hospitality member

Standard trading hours

NTIA Members welcomed changes to the standard trading hours to include Sunday trading to midnight instead of 10pm. The NTIA and its members are seeking clarification on the following factors and would welcome insight from L&GNSW:

- Will this extended trading on Sunday's apply to all licence types? If not, how will L&GNSW ensure equitable distribution of benefits across the various licence types and foster diversity in night time offerings?
- In applying for this licence condition change to realise the extended trading, will operators face a holistic review of its conditions? I.e. a comprehensive review of the entire licence instead of the singular point for amendment to trade later.

Review and analysis of intended benefits vs. realised benefits

The NTIA and its members encourage L&GNSW to conduct an annual analysis of how the intended benefits of the Vibrancy Reforms are being realised by venues. This analysis should seek to determine if the proposed co-funding model is equitable and the intended benefits are in fact being



realised in proportion to the fee increases.

Minors on licensed premises

NTIA members noted the discrepancy between NSW and other jurisdictions regarding permits required for minors to be on the premises in the company of a responsible adult. The current approach in NSW requires form AM0190 to be completed for a venue to be approved to allow minors in the company of a responsible adult. In Victoria, Queensland and other states no such application is required. The NTIA and its members urge L&GNSW to consider how this unnecessary application could be removed to facilitate wider engagement with the night time economy by a more diverse customer base.

Thank you for considering the NTIA's input on the proposed co-funding model. We would welcome any subsequent questions or enquiries.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Mick Gibb'.

Mick Gibb
Chief Executive Officer | Night Time Industries Association