

TOWN PLANNING

1 GROUP OF COUNCILS (GC) AMENDMENT FOR PACKAGE LIQUOR POLICY

FILE REFERENCE INT181422

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RECOMMENDATION

That:

- 1. Authorisation be sought from the Minister for Planning under Section 9 of the Planning and Environment Act 1987 to prepare a Group of Councils Planning Scheme Amendment to introduce a Local Planning Policy into the Planning Schemes for Casey, Cardinia, Greater Dandenong, Mornington Peninsula, Bass Coast, Kingston, Knox, Frankston, and Maroondah.
- 2. Council officers be authorised to make minor changes to the amendment that do not change the overall intent and purpose of the amendment.

Attachments

Draft Licensed Premises (Packaged Liquor Outlets) Policy
 Addressing the Cumulative Impact of Outlet Density and Alcohol-Related Harm Report Addendum 2017 - Ethos Urban
 Pages

EXECUTIVE SUMMARY

The South-East Melbourne Council Group (SEMCG) have recently completed a research project which aims to better understand the relationships between packaged liquor outlet density and increases in alcohol related harms taking place, particularly focusing on family violence.

The research has aided the group in developing a suite of responses to address the increasing potential impacts of packaged liquor outlets. The responses range from advocacy strategies and reference toolkits to amendments to the planning scheme through the implementation of planning policies.

The purpose of this report is to seek authorisation to undertake a Group of Councils (GC) Planning Scheme Amendment to introduce a local policy in to each Council's Planning Scheme to address Package Liquor Outlets.

BACKGROUND

The South-East Melbourne (SEM) region of Melbourne has a population of 750,000 adults and represents some of the city's most socially and environmentally diverse, economically significant, and rapidly growing areas. While these are positive attributes, the region's municipalities also experience significant levels of alcohol-related harm.

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The South-East Melbourne Council Group consists of the seven Chief Executive Officers and Mayors from the Shires of Bass Coast, Cardinia and Mornington Peninsula, and the Cities of Casey, Greater Dandenong, Kingston and Frankston.

Victoria Police data has highlighted that these municipalities experience some of the highest levels of alcohol-related harm in Victoria, particularly in respects of domestic violence with statistics increasing rapidly.

The SEM Councils have noted that off-premises outlets now significantly out-number on-premises venues. It is believed that packaged liquor outlet density is contributing to higher levels of alcohol consumption

In 2013 a SEM Consortia Working Group was established to investigate links between licensed venue outlet density, particularly packaged liquor outlets and alcohol-related harms, with the aim of reducing violence in the home (domestic violence), in and around licensed venues, and associated public places.

The Consortia Group is comprised of representatives from each Council and included officers from Strategic, Statutory and Social Planning, Community Development, Community Safety, and Health Promotion across these Councils. Each Council made an equal financial contribution and agreed to provide Council Officer time to work on the project.

The project involved the appointment of a number of expert consultants from a range of fields including land use and social planning, economic analysis, and spatial mapping and demography and a number of reports were produced.

Key stakeholders from Victoria Police, Ambulance Victoria, Turning Point Drug and Alcohol Research and the Department of Justice also partnered in support of the work. The SEMCG were granted access to unique and highly sensitive crime data sets through an MOU with Victoria Police. This agreement has afforded Councils with unprecedented access to data that reveals crime hot spots at a very localised level.

Upon completion of phase one it was identified that, there would be benefits in including an additional two Councils to ensure the proof of concept in applying a planning policy had broader application. As a result, the Cities of Knox and Maroondah partnered with the South-East Melbourne Council Group and have made a financial contribution to the project, which includes updating relevant data sets and having them spatially mapped alongside a range of harm indicators. Bass Coast Shire Council have decided not to continue with a planning scheme amendment, and therefore are not part of the next stage of this project.

POLICY IMPLICATIONS

The project found that the policy in the Planning Schemes for all Councils is broad, and is more concerned with addressing issues around on-premises liquor outlets, that is, pubs, clubs, taverns and the like, where the amenity impacts generally occur in the immediate area around these types of premises.

The State Planning Policy Framework (SPPF) at Clause 10 provides a general policy context without specific reference to licensed premises. It aims to concentrate retail functions in activity centres, with a greater variety of uses and functions to be available in higher order activity centres.

Consistent with the objectives of Local Government under the Local Government Act 1989, municipal planning authorities are required to identify the potential for regional impacts in their

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decision-making and co-ordinate strategic planning with their neighbours and other public bodies to achieve sustainable development and effective and efficient use of resources.'

Clause 52.27 (Licensed Premises) is a provision that provides policy in all Planning Schemes for licensed premises, and lists requirement regarding when a planning permit is required for a liquor licence as well as decision guidelines for consideration of these type of applications. Interestingly, a planning permit is required for a package liquor outlet, but there is very little policy guidance about how to assess the cumulative impacts from packaged liquor outlets as the decision guidelines are only applicable to on-premises liquor licences.

Practice Note 61, was prepared by Department of Environment, Land, Water and Planning to advise how to assess applications under Clause 52.27 but it focuses on On-premises liquor licences and provides very little guidance on Packaged Liquor.

As the State Government appears unwilling at this time to address this issue at a State Planning Policy level, the Consortia along with the two additional Councils have decided to seek a Group Planning Scheme Amendment to introduce a Local Policy into each Council's Planning Scheme, to address Package Liquor Outlets.

The creation of successful local policies relating to packaged liquor outlets is contingent upon reforms to Clause 52.27 that would broaden the statutory head of power and decision guidelines that currently confine the responsible authority's field of enquiry. In developing local policy in relation to packaged liquor, analogies with gaming machine gambling policies are obvious.

Should a policy be successfully implemented into the planning scheme it will ensure that a more detailed consideration can be given when Council receives applications for packaged liquor outlets. The current draft policy is not designed to prohibit but is designed to encourage more supporting information can be provided to Council officers, some of which includes a socioeconomic impact assessment. Through consideration of this type of supporting material officers will be able to make a more informed decision of whether an application would increase the incidence of alcohol related harms to an unacceptable level.

Clause 21.06 (Particular uses and development) in the Local Planning Policy will also be amended to provide policy support within the Municipal Strategic Statement for the Packaged Liquor local policy. The Referral and Notice Provisions at Clause 66.06 are also proposed to be updated to require a referral of applications for a Packaged Liquor Outlet to Victoria Police.

RELEVANCE TO COUNCIL PLAN

The amendment supports the following objectives in the Council Plan including:

- 1. Our People
- 1.4.3 Routinely investigate community health and wellbeing issues to inform Council's planning and activities.
- 1.6.1 Work with the Police, Victorian Government and the community to improve safety in homes, businesses, public places and roads.

It also supports Council's Liveability Plan.



CONSULTATION/COMMUNICATION

The consortia group regularly met throughout the project in order to progress the various tasks and discuss findings and ideas. During these meetings various agencies attended including VEDA Applied Credit, Medicare Locals, Department of Health and Department of Justice.

A Public Exhibition process will be undertaken as part of the Planning Scheme Amendment. This will involve direct notification of relevant stakeholders including the liquor industry, local community groups and relevant organisations. As part of this, notices will also be placed in the relevant local newspapers, and will be made available on Council's website. The amendment will also be placed on exhibition for an additional two weeks beyond the normal statutory period of 1 month.

FINANCIAL AND RESOURCE IMPLICATIONS

There will be some a financial contribution required from each Council, however, this will be acquired from the allocated amendment budget of Strategic Planning. It is noted that doing this amendment as a combined process with a number of other Councils will significantly reduce the cost of the overall amendment.

There will be some officer time required. This has previously committed to by Council.

CONCLUSION

Research on the impacts of packaged liquor outlets and the role of planning has been completed. It is considered that there are legislative gaps when addressing the impacts of packaged liquor outlets in the community, and that the most appropriate way to address this issue is through the introduction of a local policy into the Planning Scheme of each of the Councils involved in this project.

22.XX LICENSED PREMISES (PACKAGED LIQUOR) POLICY

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This policy applies to all applications for a new packaged liquor premises, the expansion of a licensed area for a packaged liquor premises, or the extension of trading hours of an existing packaged liquor premises, where a permit is required pursuant to Clause 52.27.

22.XX-1 Policy basis

Packaged liquor premises can make a positive contribution to local economies and provide a source of employment.

Research undertaken as part of the Addressing the Cumulative Impacts of Outlet Density and Alcohol-Related Harms: Final Report found a range of factors that are leading to impacts on communities from package liquor outlets, including:

- Increasingly, Australians are purchasing alcohol from packaged liquor outlets for consumption away from licensed premises;
- Nearly 80% of liquor consumed in Australia is purchased at packaged liquor outlets and this proportion is increasing;
- Changes in the availability of liquor influence drinking behaviour;
- Increasing the density of packaged liquor outlets has been shown to contribute to higher levels of assault, risk-taking behaviour and binge drinking;
- Outlet density also contributes to less visible harms including family violence, child abuse and chronic disease.

Packaged liquor presents particular management challenges because it is consumed away from the place of purchase. Harms associated with excessive consumption may be transferred a considerable distance and affect individuals in their homes, residential neighbourhoods and public spaces.

The density of licensed premises has traditionally been used as an indicator of harm. This measure is of limited use when it comes to packaged liquor outlets as they vary significantly in floorspace. The report found that the density of packaged liquor floor space represents a good indicator of the availability of packaged liquor. It was also found that one large-format liquor outlet may sell more liquor on a weekly basis than several small bottle shops.

Planning can play an important role in avoiding and mitigating amenity impacts associated with packaged liquor outlets by ensuring they are appropriately located.

22.XX-2 Objectives

- To ensure the cumulative impact of packaged liquor floorspace is assessed.
- To manage the location, floor area and type of packaged liquor outlets so as to avoid and mitigate potential amenity impacts.
- To ensure that the assessment of amenity impacts from packaged liquor outlets includes consideration of community health, wellbeing and safety.
- To minimise the potential for alcohol-related transferred harm associated with off premises consumption of products purchased from packaged liquor outlets.

22.XX.3 Definitions

Amenity includes community health, wellbeing and safety.

Large format means a packaged liquor outlet with a net floor area of more than 1,000sqm.

Net floor area has the same meaning as at Clause 72 except in the case of a drive-through bottle shop where it includes any external or covered licensed area from which packaged liquor may be purchased.

Oversupply means a total net packaged liquor floor space density in excess of 80sqm per 1,000 adults within the projected retail catchment of the proposed outlet.

Packaged liquor outlet means a licensed premises that includes floor space dedicated to the sale of packaged liquor for consumption off the premises. It includes at bottle shop and drivethrough sales area. It excludes over the bar sales of packaged liquor from a premises with a general or club licence.

Socio-economically disadvantaged area means a statistical area that is within the most socio-economically disadvantaged 20 per cent as defined by the Australian Bureau of Statistics SEIFA index of relative disadvantage.

Statistical Area Level 1 is the smallest unit used by the Australian Bureau of Statistics for the processing and release of Census data.

Surrounding area extends to the projected retail catchment of the packaged liquor outlet that is the subject of the application.

Transferred harm refers to adverse impacts of excessive alcohol consumption of packaged liquor that occur away from the packaged liquor premises.

22.XX-4 Policy

Location

It is policy to:

- Direct large-format packaged liquor outlets to higher-order activity centres, where they
 are accessible but not convenient.
- Avoid the establishment of these types of packaged liquor outlets in neighbourhood and local activity centres. [Municipalities may specify centres here]
- Discourage stand-alone packaged liquor outlets in out-of-centre locations.

Cumulative impacts

It is policy to:

- Ensure that the total net floor area of packaged liquor outlets within an activity centre (including the net floor area of the proposed outlet) is proportionate to the role and function of that centre (as determined by the SPPF and LPPF).
- Discourage increases in packaged liquor floor space in Statistical Areas Level 1 that are oversupplied with packaged liquor floor space.

Sensitive areas

It is policy to discourage:

- Packaged liquor outlets in areas that are socio-economically disadvantaged and oversupplied with packaged liquor floor area. [Municipalities may specify locations here]
- Packaged liquor outlets within 400 metres walking distance of health services that provide drug, alcohol or mental health treatment.
- The location of packaged liquor outlets within 400 metres walking distance of land that is predominantly used by person under 18 years of age.

Management

It is policy to:

- Encourage the operators of all packaged liquor outlets to become signatories of any relevant local liquor accords.
- Limit trading hours of packaged liquor outlets to not later than 9:00PM.

22.XX-5 Application requirements

All applications that are subject to this policy should include the following information:

- A written submission including:
 - A description of the proposed use including the net floor area and the hours of operation;
 - A written description of the site context;
 - A map showing cumulative impact assessment area (see Diagram 1);
 - An estimate of the total net floor area of all packaged liquor outlets within the cumulative impact assessment area (including the net floor area of the proposed outlet);
 - An assessment as to whether the retail catchment of the licensed premises creates or extends into an area where there is an oversupply of packaged liquor floor space (the assessment should include the net floor area of the proposed outlet).

Applications that meet the following criteria should include a Social Impact Assessment:

- All applications for large format packaged liquor outlets;
- All applications where the proposed packaged liquor outlet creates or increases an
 oversupply of packaged liquor floor space within any part of the projected retail
 catchment of the proposed outlet.

A Social Impact Assessment must include the following information, which may be waived or reduced if in the opinion of the Responsible Authority it is not necessary:

- All relevant alcohol-related harm and crime data from the Crime Statistics Agency and Turning Point Drug and Alcohol Research Centre in relation to the site and surrounding area; and
- The views of local support services and the local community.

22.XX-6 Decision guidelines

Before deciding on an application, the following matters should be considered in addition to the decision guidelines at Clauses 52.27 and 65:

- The objectives and policies of this Clause;
- The impact of the sale or consumption of liquor permitted by the liquor licence on the amenity of the surrounding area, including the health, wellbeing and safety of the community;
- The impact of the hours of operation on the amenity of the surrounding area, taking into account the hours of operation of nearby licensed premises;
- The cumulative impact of the total amount of available net floor space of packaged liquor outlets on the amenity of the projected retail catchment, including the health, wellbeing and safety of the community;
- The susceptibility of the population in the retail catchment to alcohol-related harm;
- The appropriateness of the type and scale of the licensed premises in the context of the metropolitan and local activity centre hierarchy and the existing role of the relevant centre; and
- The views of Victoria Police.

22.XX-7 Reference documents

South East Melbourne Councils Alliance (2015) Addressing the Cumulative Impacts of Outlet Density and Alcohol-Related Harms: Final Report.

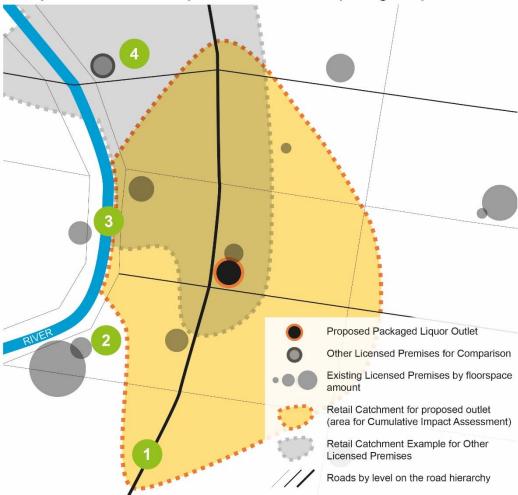


Diagram 1: Example of a cumulative impact assessment for a packaged liquor outlet

A retail catchment is a geographic area from which trade generated by a retail business is derived. Typically the size of a catchment ranges from 'local catchments' (e.g. served by a local grocery store or milkbar) to a 'regional catchment' that serves an extensive regional area (e.g. 5km or more).

Catchment analysis is important in providing an appreciation of the role served by a retail business (for example, a large 'big box' retailer such as a hardware store or a furniture store serves a larger catchment than small local shops), and assists in identifying the likely origin of a retailer's customer base, and the appropriate scale and nature of development that can be supported in that particular catchment.

The geographic extent of the catchment served by a retail business is influenced by a number of factors. These include the following:



TRANSPORT NETWORK

The transport network affects the ease of access to licensed premises.

This example shows how the road network and the hierarchy of roads impacts the shape of a retail catchment. Premises are easier to access where roads provide quicker access particularly through shorter routes more major roads. This explains why proposed packaged liquor outlet's catchment extends to the south along the major road.



EXISTING RETAIL FLOORSPACE

The amount of existing leasable retail floorspace in the vicinity and its location can influence the retail catchment

The example shown illustrates how a large nearby premises can push the proposal's catchment area away from it.



PHYSICAL CONSTRAINTS

Physical constraints (such as railway lines, creeks and rivers) can restrict access to licensed premises. The river restricts access to licensed premises in this example.



OVERLAPPING CATCHMENTS

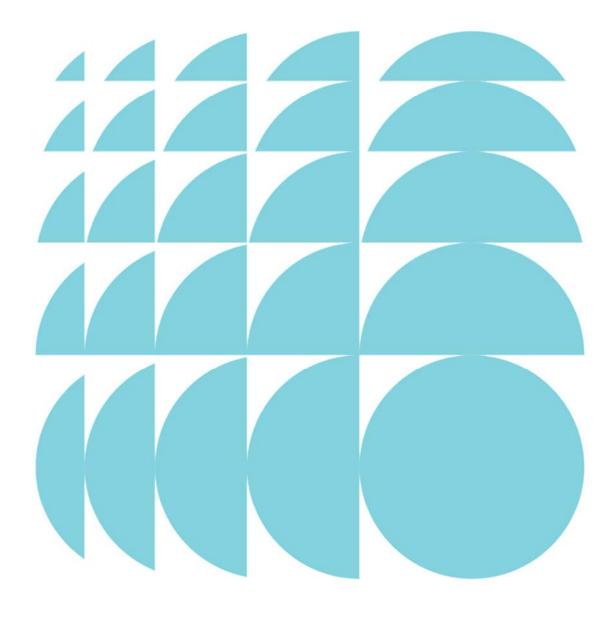
A proposed packaged liquor outlet's catchment area may also be influenced by overlapping catchments. This depends on the size and role of competing retailers with overlapping catchments

ETHOS URBAN

Addressing the Cumulative Impact of Outlet Density and Alcohol-Related Harms

Report Addendum 2017

Prepared by Ethos Urban for the South East Melbourne Councils Alliance



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Table 1 – Suggested VPP Reforms to Clause 52.27

'Alcohol is second only to tobacco as a preventable cause of drug-related death and hospitalisation.'

Jerril Rechter (2015) CEO, VicHealth

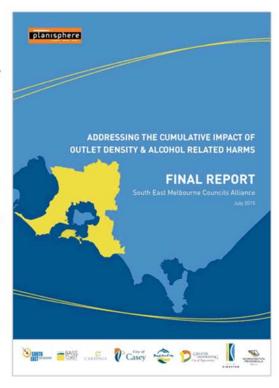
1.0 Introduction

Ethos Urban (formerly, Planisphere) has been engaged by the South East Melbourne Councils Alliance to prepare an addendum to the report, Addressing the Cumulative Impact of Outlet Density on Alcohol-related Harms (Planisphere, 2015). This addendum adds to the discussion in that report by:

- Further exploring the role of planning in liquor licensing regulation, specifically regarding packaged outlets; and
- Reviewing recent Planning Panel and Victorian Civil and Administrative Tribunal (VCAT) decisions made since 2015 concerning packaged outlets.

Overall, this addendum finds that the policy context has not changed significantly since the first report was released in 2015. Recent decisions at VCAT illustrate that there continues to be a lack of policy direction in the Planning Scheme and at Clause 52.27 (Licensed Premises) to assist in the assessment of the cumulative impacts of packaged liquor outlets.

This addendum has been prepared for the municipalities of Bass Coast, Cardinia, Casey, Frankston, Greater Dandenong, Kingston, Knox, Maroondah and Mornington Peninsula.



1.1 Overview of the 2015 Report

In 2015, Planisphere, in partnership with Essential Economics and Harvest Digital Planning, prepared a report addressing the *Cumulative Impact of Outlet Density and Alcohol-Related Harms*. The report considered what impacts the prevalence of packaged liquor outlets is having on rates of alcohol consumption in the South-East Melbourne (SEM) Councils' area. The discussion built on work commenced in 2012 by the SEM Councils, working with Victoria Police, Ambulance Victoria, Swinburne University, the Australian Drug Foundation, and Turning Point Alcohol and Drug Research Centre.

The report identified opportunities to strengthen and enhance the role of local government in local safety and packaged liquor regulation by:

- Reducing overlap between the planning and liquor licensing frameworks, thereby clarifying the roles and strengths of each system.
- Re-examining the remit of land use planning in relation to liquor applications to better reflect the strengths of the system as they relate to spatial strategic planning, local contextual analysis and community engagement.
- Clarifying the public health objectives and decision-making criteria within the land use planning system as they
 relate to liquor applications.
- · Developing evidence-based policy directions to guide data collection and decision-making.
- Strengthening the relationship between the statutory Municipal Public Health and Wellbeing Plans and Municipal Strategic Statements.
- Developing procedures and toolkits to better equip Council land use and social planners to develop strategies
 related to liquor licensing; and procedures and decision guidelines for dealing with individual applications.

1.2 Key Recommendations from the 2015 Report

The report made a number of recommendations regarding planning policy and the role of planning policy in packaged liquor relation reform, specifically to the State Planning Policy Framework (SPPF), Clause 52.27 (Licensed Premises), Clause 66 (Notice and Referral Provisions), and the Local Planning Policy Framework. Specifically, the report recommended that:

The State Planning Policy Framework (SPPF) should be amended to:

- · Recognise alcohol harm minimisation as supporting the objectives of planning in Victoria;
- · Describe the role of spatial planning in alcohol harm minimisation;
- Provide for Social Impact Assessments, Crime Risk Assessments (including a CPTED audit) to be undertaken as part of application assessments or planning scheme amendments; and
- Require planning authorities to conduct a Health Impact Assessment for key planning decisions, such as major urban developments or making or amending a planning scheme.

Clause 52.27 should be amended to:

- Include a framework and decision-making guidelines that enable consideration of community health, safety and amenity impacts within the retail catchment of proposed packaged liquor outlets;
- Include a strategy that ensures the total floor space of packaged liquor outlets within an individual activity centre
 considers the activity centre hierarchy and the intended function of the centre as expressed in the Municipal
 Strategic Statement (MSS);
- Require consideration of the potential social impact of cumulative packaged liquor floor space within the
 projected retail catchment the proposed packaged liquor outlet; and
- Ensure that social impact assessments take into account available data concerning acute and chronic alcoholrelated disease, and 'transferred harms' including assaults occurring on private property and family violence.

Clause 66.05 (Notice of permit applications under State standard provisions) should be amended to:

- Ensure that the Chief Commissioner of Police is notified of applications for packaged liquor outlets that meet identified threshold criteria:
 - Have a leasable floor space of 1,000m² or more;
 - Are within a 'cluster' of licensed premises as defined by the current practice note;
 - Are within a 'cluster' of packaged liquor outlets where the density of packaged liquor floor space (including the proposal) exceeds 80m² per 1,000 adults within the retail catchment of the proposed premises;
 - Propose hours of operation after 1:00 am.

Planning Practice Note 61 (Licensed premises: Assessing cumulative impact) should be amended to:

 Reference retail catchments for cumulative impact assessment so their size and associated impact can be considered rather than specific distances used to indicate clustering in the current version.

The Planning and Environment Act 1987 (Vic) should be amended to:

- Require Municipal Public Health and Wellbeing Plans to be considered when reviewing local sections of the Planning Scheme; and
- The Objectives of Planning in Victoria at Section 4(1) of the Planning and Environment Act 1987 (Vic) should be
 amended to include 'the creation and maintenance of environments that protect and encourage public health
 and wellbeing' which reflects the recommendation of the Inquiry into the Application of Safer Design Principles
 and Crime Prevention.

Local Planning Policy Frameworks (LPPF) should be amended to:

 Ensure that the total floor space of packaged liquor outlets is proportionate to the role and function of the relevant activity centre;

- Apply a precautionary approach to the approval of packaged liquor outlets in neighbourhood and local activity centres:
- · Direct large format packaged liquor outlets to higher-order activity centres and bulky goods retail areas;
- Discourage stand-alone packaged liquor outlets in out-of-centre locations;
- Discourage increases in packaged liquor floor space in Statistical Areas Level 1 that are significantly oversupplied with packaged liquor outlets and retail floor space;
- Discourage the clustering of packaged liquor outlets and oversupply of packaged liquor floor space in socioeconomically disadvantaged areas;
- · Discourage the location of packaged liquor outlets in close proximity to, primary and secondary schools;
- Discourage the location of packaged liquor outlets in close proximity to places that may be adversely affected by the public consumption of packaged liquor, such as public parks and railway stations;
- Discourage the location of packaged liquor outlets in close proximity to alcohol-sensitive uses such as Alcoholics Anonymous meeting places, hospital treatment facilities and other alcohol support facilities; and
- · Limit trading hours of packaged liquor outlets to not later than 11:00pm.

If Clause 52.27 is not amended as suggested above, the LPPF should state that, when assessing an application for a licensed premises under the current Clause 52.27 provisions, the responsible authority should:

- Require consideration of the cumulative floor space of packaged liquor outlets within the area under investigation; and
- Assess whether the retail catchment of the proposed premises is subject to an under or oversupply of packaged liquor retail floor space.

1.3 Implications of the 2015 Report

A toolkit was developed by Planisphere as part of the 2015 report package to guide the implementation of key recommendations. The toolkit contained recommended changes to:

- Clause 52.27 Licensed Premises; and
- Planning Practice Note 61: Licensed premises: Assessing cumulative impact.

The toolkit also included an Application Assessment Tool for the assessment of permit applications for licensed premises.

In addition to the above, Planisphere drafted a local planning policy to be used for Councils to implement recommendations of the 2015 report.

Despite continued advocacy from the SEM Councils, the State government has not commenced an amendment process to update the SPPF, Clause 52,27 or the Planning Practice Note 61.

The next section of this report reviews the policy and research context since 2015 to consider whether reform of the Victorian planning system continues to be a valid recommendation for harm minimisation concerning packaged liquor outlets.

2.0 Changes to the Policy Context since 2015

Research published in November 2016 by VicHealth highlighted that almost 500,000 Victorians drink 11 or more standard drinks on a single occasion, and are doing this on a monthly basis. 1 As an estimated 80% of alcohol is purchased from packaged liquor outlets, there is a strong likelihood that most of the alcohol consumed comes from one of Victoria's 2,068 packaged liquor outlets.2

According to the VicHealth update, Victoria has more outlets than it ever has had before. The number of packaged liquor licenses increased 49% between 2001 and 2016. There has been a rapid expansion in the number of packaged liquor outlets owned by supermarket chains, and a dramatic increase in the number of 'big box' format stores (e.g. Dan Murphy's, First Choice) in Victoria, which increased from three in 2001 to 68 in 2016.3

Despite known harms associated with the consumption of alcohol, extensively documented in the 2015 report, the legislative and planning context has not changed significantly since 2015. Indeed, decisions at the Victorian Civil and Administrative Tribunal (VCAT) continue to assert that planning does not play a role in public health. Yet, as outlined in the 2015 report, this response is in part due to the current drafting and narrow interpretation of the current VPP provisions relating to the packaged liquor outlets.

2.1 VicHealth

VicHealth has been an ongoing advocate for improved regulation around packaged liquor outlets that gives greater regard to the substantial health and social harm associated with alcohol consumption. It advocates for the following changes to the regulatory framework, designed to facilitate 'a more appropriate level of growth in packaged liquor outlets in Victoria':

- 1. Only enable a new liquor licence to be granted when the applicant satisfies harm and public interest tests by demonstrating how the licenced premise is in the public interest and will not contribute to the social and health harms within the area it is to be established.
- 2. Require consideration be given to the cumulative impact of existing licences in an area for all packaged liquor licence applications. This means that the licence application must be considered in the context of the number, density, mix, locations, trading hours, capacity or retail floor space, patron or customer numbers, and alcohol sales of existing licensed premises in the area for which the application is being made. A new application should not be approved if an area is already saturated with packaged liquor outlets.
- 3. Give local councils the ability to have an area declared an alcohol harm zone which restricts the establishment of new licence premises in areas already experiencing very harm rates of alcohol related harm.4

Royal Commission into Family Violence

The Royal Commission into Family Violence (the Commission) was concluded subsequent to the publication of the 2015 report. It acknowledged that greater attention should be paid to the relationship between alcohol and family violence, considering evidence showing that alcohol misuse can increase the severity and frequency of family violence.

A key recommendation of the Commission (Recommendation 93) was that the Victorian Government ensure that the terms of reference of the current review of the Liquor Control Reform Act 1998 (Vic) consider family violence and alcohol-related harms, stating the review should also involve 'consultation with people who have expertise in the inter-relationship between family violence and alcohol use." In her statement to the Commission, Ms Cate Carr, Executive Officer of the Office of Liquor, Gaming and Racing, Department of Justice and Regulation, said the Victorian Government has decided to conduct a major review of the Liquor Control Reform Act to assess the current balance between culture and the need to reduce alcohol-related harm, particularly street violence and family violence.6

¹ VicHealth, VicHealth Indicators Survey 2015 Selected Findings, Victorian Health Promotion Foundation, Melbourne.
2 Victorian Commission for Gambling and Liquor Regulation, Victorian Liquor Licenses as at 31 October 2017, Available online from URL https://www.vcglr.vic.gov.au/resources/data-and-research/liquor-data/liquor-licences-category.
3 Livingston, M., Packaged liquor in Victoria - 2001 to 2016. In Press, Melbourne: La Trobe University, Foundation for Alcohol Research and Education, Centre for Alcohol Policy Research: Melbourne.
4 VicHealth, VicHealth Indicators Survey 2015 Selected Findings, Victorian Health Promotion Foundation, Melbourne.
5 State of Victorian Pound Commission into Earnity Victorian 2014 (2014-16): p. 73

State of Victoria, Royal Commission into Family Violence: Summary and Recommendations, Parl Paper No. 132 (2014-16), p. 73.
 State of Victoria, Royal Commission into Family Violence: Summary and Recommendations, Parl Paper No. 132 (2014-16), p. 292.

Review of the Liquor Control Reform Act 1998 2.3

The Victorian Government is currently reviewing the Liquor Control Reform Act 1998 (Vic) and has received several submissions from government agencies and Councils. A significant finding from the review so far (which is still underway) is that holders of packaged liquor licenses can, without further permissions required, supply alcohol via online systems that can be directly delivered to households.7

The review will be conducted with the input of the Liquor Control Advisory Council and several working groups of that Council, including the Targeted Harm Reduction Strategies Working Group, will be involved. As part of the review, the Working Group has been asked to advise on what alcohol-related harm reduction strategies could be trialled in Victoria and to identify trial areas based on risks of alcohol-related family violence harms.

According to the review conducted thus far:

'New modes of liquor supply exist today that did not exist when the [Liquor Control Reform Act's] licensing regime commenced. For example, there is no specific licence for online supply. Online suppliers can hold a packaged liquor licence, a renewable limited licence or a wine and beer producers licence. There are significant differences between the obligations that apply to these licences, including whether the licensee needs to obtain planning permission and the hours during which alcohol can be supplied. 8

The review has also found that the Victorian Commission for Gambling and Liquor Regulation (VCGLR) can consider certain aspects of amenity as including 'parking facilities, traffic movement, traffic density and noise.9 The Liquor Control Reform Act 1998 defines amenity as 'the quality that the area has of being pleasant and agreeable.'10 As highlighted in the 2015 report, the Planning Scheme does not currently define amenity.

The implications of narrow definitions, or an ongoing absence of definitions, in the planning system regarding health, wellbeing and amenity, mean that when policy is tested by the Tribunal, there continues to be no detailed framework to consider harm-minimisation for packaged liquor outlets. Furthermore, the planning system maintains a narrow consideration of alcohol-related impacts that does not extend to access to liquor that can be consumed in the private realm; despite playing a key role in its supply.

Office of Liquor, Gaming and Racing, Review of the Liquor Reform Act 1998: Consultation Paper, November 2016, p. 5.
 Office of Liquor, Gaming and Racing, Review of the Liquor Reform Act 1998: Consultation Paper, November 2016, p. 5.

⁹ ibid. p. 8. ¹⁰ Liquor Control Reform Act 1998 (Vic), s 3A.

3.0 Recent VCAT Decisions

Since the completion of the 2015 report, the following key VCAT decisions have been made about packaged liquor outlets:

Decision	Application Details	VCAT Discussion
Cansiz v Hume CC [2016] VCAT 2198 (23 December 2016)	Permit Application: Use of land for the sale of packaged liquor (small supermarket) Council decision: Refusal Grounds for Council decision: Inappropriate location close to other licensed premises with risk of adverse amenity impacts on adjoining properties and the local neighbourhood VCAT decision: Decision of the responsible authority overturned Permit issued subject to conditions	Proposal suitable in the context of the surrounding land use mix and amenity of the area Proposed use will provide an appropriate mix of licensed premises: a restaurant, a packaged liquor store and the proposed packaged liquor component of the supermarket Amount of packaged liquor stores within a 100m and 500m radius not considered to be excessive No evidence was presented to demonstrate an existing problem with loitering patrons or public alcohol consumption The submission that the proposal would lead to an increase in these behaviours was 'purely speculative'
Lahdo v Port Phillip CC [2017] VCAT 868 (16 June 2017)	Permit Application: Use of land for the packaged liquor licence associated with a bottle shop Council decision: Refusal Grounds for Council decision: Location inappropriate in the context of residential zones, adjacent community services Number of already established packaged liquor outlets in the area VCAT decision: Decision of the responsible authority upheld Application refused	VCAT agreed that the proposal was inappropriate due to its proximity to existing community services (i.e. Salvation Army Crisis Centre) and that the proposal would pose a great risk to those that the centre accommodates This decision was based solely on the proximity of the crisis centre to the proposed packaged liquor store VCAT did not consider the social impacts in a broad, abstract or social sense Proximity to other licensed premises was not a deciding factor in the hearing
Lawrence v Moonee Valley CC [2017] VCAT 662 (12 May 2017)	Permit Application: Packaged liquor license associated with a small supermarket, part of a larger application for a residential development Council decision: Permit granted Grounds for appeal: Location inappropriate in the context of applicant for review's dwelling Location inappropriate for people living and working nearby, and those vulnerable to alcohol abuse VCAT decision: Decision of the responsible authority upheld Permit issued	Cumulative impact assessment was submitted as part of the original application and showed that there were no other licensed premises within 100m of the site Due to location VCAT considered that there would be no saturation of licensed premises in the area The proposal would not have an unacceptable impact on the applicant for review's personal amenity as they resided approximately 2km from the site

Decision	Application Details	VCAT Discussion
Curry v Banyule CC [2017] VCAT 430 (5 April 2017)	Permit Application: Development of land for a supermarket and associated packaged liquor outlet Council decision: Permit granted Grounds for appeal: Proposal inappropriate as it would increase the frequency of anti-social behaviour VCAT decision: Decision of the responsible authority varied Permit issued	VCAT stated that they do not explore submissions about the health and social implications of binge drinking and alcohol related social issues It is not the role of the Tribunal to make wider findings with respect to the harm that can be caused by alcohol consumption and that the focus is on the suitability of the proposed location, and impact on the amenity of the surrounding area'

Discussions in the VCAT determinations above highlight that the existing policy context in local Planning Schemes continues to limit the Tribunal's consideration of amenity beyond the physical environment. Furthermore, it does not give the Tribunal a policy framework on which to consider harm related to alcohol consumption, broader social issues, health and wellbeing. Since 2015, the Tribunal has emphasised (as in Lahdo v Port Phillip and Curry v Banyule CC, above) that its considerations should be confined to suitability of location and associated amenity impacts.

Although grounds for refusal from Council and third-party appeals demonstrate consideration is being given to saturation of packaged liquor outlets, scale of impact, social health and wellbeing considerations, the VCAT decisions above demonstrate that there is insufficient grounds in the scheme to pursue these matters in the current policy context.

4.0 Planning Scheme Amendments

Since the 2015 report, two Councils have introduced new local planning policies into their Planning Schemes: Yarra City Council and Hume City Council. In conducting the VCAT review, no cases were found that have yet tested the new local policies. However, the policies and any relevant Planning Panel discussions have been summarised below.

4.1 Hume City Council: Planning Scheme Amendment C176

Amendment C176 was gazetted on 19 October 2017. As part of its MSS review, the City of Hume amended Clause 22.20 in its scheme: 'Liquor Licensing'.

The basis of Clause 22.20 is Hume's *Liquor License Referral Policy*, adopted in 2013. That policy requires a cumulative impact assessment be prepared as part of an application for packaged liquor, considering:

- · Hours of operation
- · Staffing and training arrangements
- · The nature and location of uses surrounding the proposed licensed premises
- · Proximity of the site to other licensed premises and their patron numbers
- Operating hours.

The policy also defines clustering, activity centre and cumulative impact assessment, including positive and negative impacts. Building on the 2013 document, the updated Clause 22.20 considers the social, economic and health harms that the inappropriate sale and consumption of alcohol are considered to have on vulnerable groups and individuals. The policy notes that concentration of licensed premises in a single location can have a negative cumulative impact on an area. Its purpose is to provide guidance for new premises and changes of operation to existing premises.

The liquor licensing policy at Clause 22.20 includes a requirement for a Cumulative Impact Assessment. This addresses the clustering of packaged liquor premises and considers the likely impact of existing and proposed premises on the amenity of the surrounding area.

As part of the Amendment's Planning Panel hearing, a submission was made that the requirement for a Cumulative Impact Assessment would result in additional and unnecessary delays. Council submitted that the assessment would not result in excessive delays as it is the type of assessment that a planning consultant could undertake as part of the preparation of a permit application.

The Panel concluded that, 'a Cumulative Impact Assessment should be required for applications for licenced premises where there is a clustering of premises'. The Panel considered that the assessment would provide valuable information when considering applications, including the impacts they might have on the vitality and viability of an activity centre.

4.2 Yarra City Council: Planning Scheme Amendment C209

The basis for Planning Scheme Amendment C209 is the *City of Yarra Licensed Premises Policy*, prepared in December 2015. That report highlights an ongoing policy context since 2011 (VC79) where requirements for impact assessments for packaged liquor applications have progressively been reduced.¹¹

The amended Clause 22.09 (currently submitted for approval) acknowledges the positive contribution that licensed premises have on the municipality. It also notes that considerable tensions sometimes develop between the premises and conflicting land uses, which must be effectively managed. The objective of the Clause is to manage the location, size, operation and hours of licensed premises as well as encouraging best practice venue design and venue operation for licensed premises.

¹¹ Public Place and 10 Consulting Group for City of Yarra, Licensed Premises Policy - Background Document, December 2015, p. 10

The updated licensed premise policy at Clause 22.09 includes new policy relating to the cumulative impacts of packaged liquor outlets as well as their preferred hours of operation. It also identifies a new cumulative impact assessment requirement.

As part of its assessment the Panel discussed the following issue: 'should the policy acknowledge and address the health and social impacts arising from the consumption of alcohol?'. The Alcohol Policy Coalition¹² submitted that the policy should better address the substantial health and social harm associated with alcohol. it requested changes to the policy that would effectively limit the number and manage the location of licensed premises, relying on evidence from Dr Michael Livingston that did not satisfy the panel. Dr Michael Livingston's peer reviewed research was used extensively in the 2015 Planisphere report and is quoted elsewhere regarding this issue in Australia.

The Panel did not believe that broadly based research would provide the 'necessary practical day to day assistance to planners in assessing applications to manage the potential social effects of licensed premises.' It concluded that the necessary justification had not been provided to include limits on licensed premises, or for additional policy provisions to address social and health effects in the assessment of applications for licensed premises.

In further discussion, Panel noted that they supported the exclusion of restaurants and packaged liquor outlets from being required to provide a cumulative impact assessment, as they considered them to pose a significantly lower risk.

4.3 Implications of the Recent Planning Panel Decisions

The Planning Panel's discussions and conclusions regarding the Hume and Yarra policies vary significantly. In the first instance, it was decided that a cumulative impact assessment should be applied to applications to enable planners to assess the impact of clustering. However, in the case of Yarra the Panel was not convinced there was sufficient evidence to support planning officers when deciding potential social impacts of licensed premises.

Given the above, the cumulative impact assessment framework prepared as part of the Toolkit for decision-makers in 2015 is considered to continue to be a relevant tool that could assist Councils when seeking to introduce their own local planning policy.

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¹² The Alcohol Policy Coalition is a collaboration of health and allied agencies who 'share a concern about the level of alcohol misuse and associated health and social consequences for the community'. It includes members of the Australasian College of Emergency Medicine, Alcohol and Drug Foundation, Cancer Council Victoria, Royal Australasian College of Surgeons, and St Vincent's Health Australia. Source URL: <www.alcoholpolicycoalition.org.au/about>

5.0 Smart Planning Reform

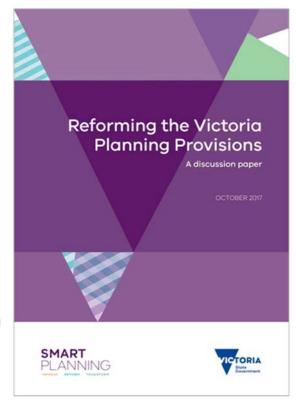
The Department of Environment, Land, Water and Planning (DELWP) is currently reviewing the Victorian Planning System. It is examining the structure and operation of the Victoria Planning Provisions (VPP) or state-wide standard provisions, seeking to simplify and improve the operation of the VPP. In future, DELWP will also look at other parts of the planning system to make it 'more responsive to the needs of Victorians.' 13

5.1 Overview of Proposed Changes

Following a first round of broad stakeholder consultation in early 2017, a range of changes are proposed and currently being examined by DELWP:

- Restructure the VPP and draft some provisions to reflect the principles of a modern planning scheme
- Widen the opportunity to use the VicSmart assessment pathway for simple applications
- Align the State Planning Policy Framework and Local Planning Policy Framework into an integrated policy framework
- Improve the clarity and usability of the VPP
- Review and rationalise permit triggers
- · Review and increase permit exemptions
- Respond to previous advisory committee reviews and new state government policy
- Remove superfluous provisions, including duplicated and outdated clauses
- · Clarify common points of contention and confusion
- · Update document titles and agency and ministerial references.

A diagram outlining the proposed changes to the overarching framework of the VPP is included at **Figure 1**, following.



¹³ Department of Environment, Land, Water and Planning, Reforming the Victoria Planning Provisions: A Discussion Paper, October 2017, p. 4.

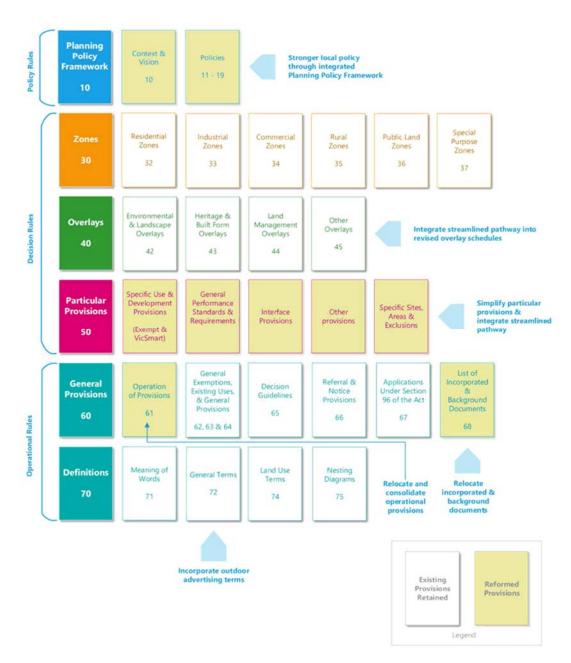


Figure 1 - Proposed VPP Framework

Source/Notes: Department of Environment, Land, Water and Planning (DELWP), Reforming the Victoria Planning Provisions: A Discussion Paper, October 2017, p. 13.

5.2 Victoria Planning Provisions Reform relevant to Packaged Liquor Outlets

A key proposal for VPP change relates to 'a simpler VPP structure with VicSmart assessment built in'. 14 This includes proposals to:

- · 1.1 Restructure and reform the particular provisions (refer to Figure 1, above)
 - Restructure and reform the particular provisions, including 'interface provisions', where the provisions set out requirements for planning decisions that may affect other legislative processes and instruments
- 2.1 Integrate state, regional and local planning policy
 - Merge the SPPF and LPPF into a single policy source called the Planning Policy Framework (PPF) with three levels of policy: state, regional and local
 - Group three levels of policy by theme, with directly relevant regional and local policies 'nested' under the corresponding state policy, if in place at the three levels
 - All regional and local policy would need to be derived from state planning policy
 - Amend the VPP so decisions must consider the MSS and LPP with equal weight to the SPP
- · 2.2 Simplify the Municipal Strategic Statement
 - The PPF would start with a new 'municipal vision and context'
 - Content from the MSS not included in the context and vision would be reviewed and integrated into the PPF
- . 5.1 Improvements to specific provisions (for Clause 52.27, refer to Table 1, following)
 - Appendix 2 of the discussion paper highlights suggestions made through broad stakeholder consultation
 - Suggestions included review of permit requirements and exemptions, reduction of referral requirements, remove or amalgamate zones/overlays where purposes are duplicated, clarify common points of confusion/complexity and correct anomalies.

As part of suggested reform at Proposal 5.1, suggested changes to Clause 52.27 that were collected in an online survey in July 2017 have been included. They are:

Table 1 - Suggested VPP Reforms to Clause 52.27

Modification Review licensed premises having regard to There is duplication between the permit process set out at Clause 52.27 and the liquor licensing process as managed by the VCGLR. This double-up takes the following: Review the role and function of the valuable resources and creates length timeframes and added costs for planning system in licensed premises applicants, particularly for small businesses such as cafes and restaurants. and explore opportunities to minimise Removing duplicate processes would simplify the planning system and ensure conflict and overlap with the VCGLR licensing process regulation is better targeted. Any change would need to ensure important community issues continue to be addressed. This would implement the 'land use Make premises in commercial zones focused' principle of a modern planning scheme. exempt from the need for a planning permit, subject to certain conditions, Any change would need to maintain consideration of important community issues and relying on the VCGLR licensing in relation to licensed premises. Consistent with a number of facilitative changes process for small business, it is considered that premises within commercial zones could Include and clarify common application be exempt from the need for a permit for licenses premises, subject to conditions. requirements, such as 'cumulative Consolidation and review of application requirements would also improve impact statements' usability.

Source: Department of Environment, Land, Water and Planning (DELWP), Reforming the Victoria Planning Provisions: A Discussion Paper, October 2017, p. 60.

5.3 Anticipated Implications of Smart Planning Reform

As outlined above, the stage government is planning significant reform to the form and content of planning schemes, driven by the VPP review. Due to the extent of reform proposed, it is likely that the new PPF will also affect local policies at Clause 21 and Clause 22 of the planning scheme. This may have impact on the proposed

¹⁴ ibid., р. 9	9.		

LPP, Clause 52.27 and 66 amendments and changes to the SPPF recommended under the 2015 Planisphere report and this addendum.

The Smart Planning project is focussed on 'removing duplication' and streamlining systems within the current planning system. As highlighted in **Table 1** (above), this discussion has been raised regarding Clause 52.27, referrals and the approach to managing liquor licensing through the planning scheme in tandem with the VCGLR. An implication of the reform process may be that certain liquor licensing triggers less involvement from a statutory planning perspective for certain land uses. However, it is recommended that ongoing advocacy be directed towards the findings from the 2015 report, recent VCAT and Planning Panel hearings, and ongoing awareness of the impacts of packaged liquor outlets. As highlighted in the 2015 Planisphere report, this is an area of licensing and regulation that is currently inadequately provided for within the VPPs.

6.0 Summary and Conclusions

The review of policy, VCAT and Planning Panel reports undertaken has confirmed that the issues and policy settings addressed in the 2015 Planisphere report have not changed significantly. Consequently, the findings and recommendations of that report remain relevant.

While significant public discussion has occurred regarding the role of planning in liquor regulation, it is relevant to note that the VCGLR licensing requirements for a packaged liquor (including late night packaged liquor) outlet do not require submission of a cumulative impact assessment or justification as to the way the premises may influence amenity of the surrounding area. The planning system remains a valid mechanism for facilitating these types of assessments. The role of planning should be clarified using recommendations from the 2015 report and this addendum, while better equipping local government to support its strategic objectives around both harm minimisation and economic development. This can be achieved by:

- Reducing overlap between the planning and liquor licensing frameworks, thereby clarifying the roles and strengths of each system;
- Re-examining the remit of land use planning in relation to liquor applications to better reflect the strengths of the system as they relate to spatial strategic planning, local contextual analysis and community engagement;
- Clarifying the public health objectives and decision-making criteria within the land use planning system as they
 relate to liquor applications;
- · Developing evidence-based policy directions to guide data collection and decision-making;
- Strengthening the relationship between the statutory Municipal Public Health and Wellbeing Plans and Municipal Strategic Statements; and
- Developing procedures and toolkits to better equip Council land use and social planners to develop strategies
 related to liquor licensing; and procedures and decision guidelines for dealing with individual applications.

Local Councils, as the arm of Government in closest contact with communities, are aware of the impact of alcoholrelated harms and the level of associated community concern. Many Councils have sought to address the issue through their Municipal Health and Wellbeing Plans, but there remains an implementation gap when it comes to the planning system. Planning policy regarding land use is a key lever available to local government that will enable it to engage with implementation of those plans.

Currently the State Government is reviewing both the *Liquor Control Reform Act 1998* and the *Victoria Planning Provisions* (that latter as part of the Smart Planning Reform program). Given the current gaps and overlaps between the two regulatory systems it is essential that the two processes are aligned so that any future revisions to the MSS, LPPF or Clause 52.27 do not perpetuate a policy context in which harm minimisation in the planning system continues to remain unaddressed.

7.0 References

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