QUEENSTOWN LAKES DISTRICT COUNCIL

Private Bag 50072, Queenstown 9348, New Zealand
QUEENSTOWN, 10 Gorge Road | P: +64 3 441 0499
WĀNAKA, 47 Ardmore Street | P: +64 3 443 0024
www.qldc.govt.nz

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SUBMISSION TO JUSTICE COMMITTEE ON SALE AND SUPPLY OF ALCOHOL (IMPROVING ALCOHOL REGULATION) AMENDMENT BILL

Thank you for the opportunity to present this submission on the Sale and Supply of Alcohol (Improving Alcohol Regulation) Amendment Bill.

The Queenstown Lakes District QLDC (QLDC) is supportive of the overall work on Sale and Supply of Alcohol (Improving Alcohol Regulation) Amendment Bill. This submission outlines key points that are broadly supported by QLDC where there is opportunity to improve clarify, fairness and harm minimisation from alcohol consumption. QLDC supports the following points and makes the following recommendations:

- Ensuring objections to licensing applications come from local communities, including from residents and businesses within the DLC's district. Refining objection criteria to ensure objections are made by persons with a genuine local connection, improving procedural efficiency, consistency, and focus on local alcohol-related harm will allow DLCs to focus on local information in hearings. QLDC recommends that the proposed amendments to ss 120(4), 128(1), and 140(1) be supported by clear statutory guidance in s 5 on what it means to "certify … in the prescribed form and manner" when an objector files an objection, including practical examples of acceptable evidence e.g. an amenities bill or rates notice, and that the DLC must consider and clarify how this certified confirmation will be shared with applicants and other parties in a way that appropriately manages Privacy Act 2020 considerations.

- Allowing Applicants a right of reply to objectors. Introducing a formal written right of reply for applicants strengthens procedural fairness, improves evidentiary balance, reduces legal risk, and formalises a process some DLCs already undertake. QLDC recommends the Amendment Bill formalise mandatory information-sharing so that all public objections received for an application are provided to the Police and Medical Officer of Health (MOoH), and also clarify and standardise the "right of reply" process including who receives the reply (objectors and other parties), clear timeframes for the applicant's response, measures to prevent direct applicant–objector contact, and a rule that objectors may respond only to new matters raised in the reply to avoid iterative back-and-forth cycles and ensure agencies are not unaware of objections until just before (or during) hearings.

- Allowing hairdressers and barbers to supply small amounts of alcohol to customers without a licence if certain conditions are met. Allowing limited alcohol supply by hairdressers and barbers under strict conditions reflects a low-risk, proportionate regulatory approach. QLDC recommends a further amendment be made to proposed s 12A to include an equivalent defence of clear guidance provision for age identification, and clarity on who would be subject to an infringement offence under s 260.

- Allowing premises like wineries, including breweries, meaderies and distilleries, to hold both On and Off-licences, and an Off-licence at the same time, and to charge for samples with the inclusion of cideries and sake breweries. This is particularly relevant to this district as Queenstown is the home to the only sake brewery in New Zealand. QLDC recommends that other premises including cideries and sake breweries also be included into this provision.

- Enabling the Governor-General, on the advice of the responsible Minister, to declare stand-alone exemptions to special licensing requirements for premises with both Club licences and On-licenses to televise significant events outside usual trading hours. Enabling formalised controlled exemptions for significant televised events, on the basis that clear processes, safeguards, and implementation guidance will alleviate last minute law changes for major sporting events that New Zealand is participating in. QLDC recommends the following to strengthen implementation and clarity:

    - Confirm the ongoing role of special licences, noting that new s 45G preserves the special licence pathway, but special licences should not be used as a substitute for a substantive club or on-licence (as contemplated by s 41).
    - Include workable transitional provisions with reasonable timeframes to enable TAs to manage the high volume of club and on-licences requiring condition updates, without creating unnecessary administrative burden.
    - Reduce compliance burden and improve national consistency by providing pro-forma templates for:
        1. notice of intention to show an approved televised event,
        2. notice of ceasing to air the event, and
        3. mandatory notice for display at the premises; and by adding example conditions to the Form 3 pro-forma in regulations to standardise appropriate condition wording nationally.
    - Address the current gap by adding enforcement provisions for licensees who fail to notify the TA or Police in advance (noting that enforcement appears absent beyond comments in proposed s 45D).
    - Amend proposed s 45C(2) to align with Act drafting by specifying "at least 7 working days' written notice before the date on which the first televised event occurs."

- Make an explicit amendment to ss 41 and 45G to clearly state that a special licence cannot be used in place of a premises on-licence to show televised sports fixtures under these amendments.

- The expansion of permitted forms of age identification to include accredited digital identity credentials. Accredited digital age verification will enhance the reliable verification of patrons including the age of the patron. This aligns with modern purchasing behaviour; government proposed changes to digital drivers' licences and will assist licensees and duty managers in their compliance duties. QLDC recommends the changes be implemented with clear national guidance on what qualifies as an accredited digital identity credential/service and standardised checking procedures, requiring digital IDs to clearly and quickly display and confirm of date of birth and 18+ status at both entry and point-of-sale to prevent delays and inconsistent practice between premises.

- Allowing clubs to hold either a Club licence or an On-licence. Generally, QLDC supports the intention, though further drafting is recommended for further safeguards to address legal, operational, and compliance risks. QLDC recommendations:

    - Further work is carried out to identify and address these unintended consequences before implementing the change.
    - Implement clear transition guidance / mechanisms for clubs with complex tenure arrangements and/or require DLCs to be satisfied the club has the legal right to occupy and use the premises for the proposed on-licence/hospitality activity (consistent with tenure expectations in s 105).
    - Ensure clubs holding an on-licence are subject to the same conditions and enforcement settings as

standard on-licences, including s 214 requirements i.e. a certified duty manager on duty when selling/supplying to the public, and clarify fees/risk weighting and licence labelling e.g. "club on-licence").
    - Add and clarify transitional provisions for clubs changing licence type and amend s 28 (if required) to explicitly enable relevant club entities (e.g., incorporated/friendly societies holding club licences) to hold an on-licence, to remove legal uncertainty.

- Allowing premises with both Club and On-licenses to stock zero-alcohol drinks instead of, or in addition to, low-alcohol drinks. Zero-alcohol beverages promote harm minimisation and reflects consumer preferences.

- Allow licensed supermarkets and grocery stores to display and promote in single areas zero-alcohol alternatives to spirits, liqueurs and ready-to-drink mixed drinks. Permitting zero-alcohol products to be displayed in single alcohol areas will support substitution without increasing harm. It will also mean that purchasers will be able to clearly identify zero-alcohol products when making their purchase.

- Allowing DLCs to change licence conditions rather than decline a renewal application if the licence is inconsistent with a local alcohol policy. QLDC recommends amending clause 16 so that, where a renewal application is inconsistent with a Local Alcohol Policy, a DLC can prioritise a graduated, harm-minimisation response by imposing or amending targeted licence conditions rather than refusing renewal, this would also aid in adding a safeguard to proposed s 133 requiring any such conditions to be *necessary, evidence-based, and proportionate* to the identified harm risk.

QLDC does not support:

- The proposed clause clarifying responsibilities for rapid delivery services. The requirements are intended to reduce the risk of delivery to intoxicated and under-age persons but have insufficient enforcement mechanisms and lack of clear accountability. QLDC recommend amending the proposed Bill to make s 59A directly enforceable by either removing clause 42 so breaches can be prosecuted under s 259(1)(a) or create a specific infringement offence for breaches of s 59A so the obligation has a credible, consistent compliance pathway.

- The streamlining special licensing for events and ensuring that licence decisions are made using a risk-based framework that will be set out in regulations. The proposed changes reduce statutory clarity, increase uncertainty, and risk undermining effective decision-making. No draft Regulations have been provided making it more difficult to fully understand the extent of the proposed changes. QLDC recommends public consultation on the draft regulations, retaining s 142 and s 147 in the Act (with any risk framework supplementing rather than replacing them), introducing earlier lodgement requirements (e.g. 30–40 working days for first-time or >2,000 attendee events), creating a clear multi-district framework (lead DLC, time-bound consultation, local variation principle, and deadlock escalation pathway), standardising a national minimum dataset and templates beyond Form 6, and reforming fees and providing guidance to match the true workload, especially for large events.

- Allowing restaurants that prepare and sell food products from retail sites on the same premises to apply for an off-licence in addition to an On-licence. QLDC's concerns relate to the increased alcohol availability proposed, regulatory burden, and increased alcohol related harm risk. QLDC recommends the proposed clause be substantially amended to narrow eligibility to genuinely ancillary, limited retail activity. It is

recommended that BYO endorsed on-licences be explicitly address and excluded as intended; that mandatory baseline conditions (e.g. sealed containers only, volume limits, age-verification and supervision controls, restrictions on immediate consumption outside, and remote delivery consideration) should be explicitly addressed; clarify provided on how a restaurant off-licence application fee should be weighted and where these applications fall is risk categories; and require revenue-mix reporting (projected at application and audited/verified at renewal) to ensure food remains the primary business and venues do not become de facto bottle stores.

QLDC recommends consideration of the effects on some club premises where they lease the building and land they operate from where there may be conditions in their contracts restricting the types of licences or activities they can undertake where a council may own the facility and / or land.

QLDC would not like to be heard at any hearings that result from this consultation process.

Thank you again for the opportunity to comment.

Yours sincerely,

Katherine Harbrow
General Manager
Finance, Assurance and Risk

SUBMISSION TO JUSTICE COMMITTEE ON SALE AND SUPPLY OF ALCOHOL (IMPROVING ALCOHOL REGULATION) AMENDMENT BILL

1.0 Context of the Sale and Supply of Alcohol (Improving Alcohol Regulation) Amendment Bill in relation to QLDC.

1.1 Queenstown-Lakes District (QLD) is a district with an average daily population of 81,660 (visitors and residents) and a peak daily population of 122,490. By 2055, this is forecast to increase to 147,518 and 221,276 respectively[1].

1.2 Currently there are 518 alcohol licences in the district equating to one licence for every 158 people (average daily population). Dunedin by comparison has approximately 400 licences with a population of 132,800[2], or one licence for every 332 people.

1.3 The QLD does not have a Local Alcohol Policy (LAP) in place, instead relying on the Act, associated Regulations, and case law for guidance and enforcement of licensing matters within the district.

1.4 While the Bill seeks to reduce unnecessary barriers for business and introduce consistency, several proposed amendments risk weakening local alcohol control, increasing alcohol-related harm, and creating practical enforcement difficulties.

2.0 Ensuring objections to licensing applications come from local communities (clauses 4 to 7).

2.1 Queenstown Lakes District Council (QLDC) **supports** the proposed amendments refining objection criteria.

2.2 The current objection framework under the Sale and Supply of Alcohol Act (the Act) has evolved to require a clear nexus between an objector and the statutory criteria (particularly under sections 102 and 106). In practice, uncertainty around standing and relevance has created procedural inefficiencies and inconsistent application across District Licensing Committees (DLCs).

2.3 As it stands, the Queenstown Lakes DLC currently have two applications where public objections have been received from members of the public located in Christchurch and Wellington. One of these applications has a sole objector who resides in Wellington.

2.4 The proposed amendments will enhance procedural clarity and natural justice, by ensuring objections are confined to relevant statutory considerations; align with the object of the Act (s 4) by focusing decision-making on local lived alcohol-related harm rather than generalised opposition; reduce frivolous or vexatious objections, improving efficiency and fairness to applicants with their district.

2.5 These changes are consistent with administrative law principles requiring relevant considerations to be determinative and support a more coherent and legally robust objection process.

2.6 It is considered this proposed amendment will maintain the ability all persons, community groups, or residents within a community who wish to object to an application can still do so. By maintaining standing to those members of the community who reside or work in the locality of within 1 kilometre of a licensed premises would also align with the amenity and good order provisions within the Act. This would be a flexible assessment criterion that would logically be smaller for urban/CBD premises and

1 Queenstown Lakes District Council Population and Growth Information – QLDC website
2 Dunedin City Population numbers as at 30 June 2025 – Stats NZ

larger for small towns and rural environments working on a radius basis with the premises being at the centre.

2.7 The threshold of "standing" of an objector has been argued in many Authority hearings. The test under s 128 of the Act has been interpreted as those "residing or doing business within a one or two kilometre radius of the premises"[3]. The proposed changes would therefore align with existing case law considered prior to the implementation of the Sale and Supply of Alcohol (Community Participation) Amendment Act in August 2023[4].

2.8 The QLDC **recommends** clarification be provided by way of inclusion into s 5 the interpretation of "certifies … in the prescribed form and manner" in relation to the proposed amendments to ss 120(4), 128(1), and 140(1) when an objector files an objection. It would be helpful to provide direction as to what this "certification" would look like i.e. an amenities bill or rates notice.

2.9 The QLDC then **recommends** consideration for the DLC in relation to the certification and how this confirmation is shared with applicants and other parties to an application in relation to Privacy Act 2020 considerations.

3.0 Allowing licence applicants a right of reply to objections (clauses 8 to 15).

3.1 The QLDC **supports** providing applicants a formal written right of reply to objectors with 15 working days after receiving a copy of the objection.

3.2 This amendment strengthens natural justice rights (audi alteram partem), ensuring applicants have a clear statutory opportunity to respond to adverse information before a decision is made. The changes made under the Amendment Act in 2023 removed cross-examination from DLC hearings and reduced the applicant's ability to respond to points made in objections. A written right of reply is a less adversarial way to restore balance while keeping hearings accessible.

3.3 Currently, reply rights are often informal or inconsistently applied. Codifying this entitlement ensures procedural fairness and transparency; reduces risk of judicial review on procedural grounds; improves evidentiary quality by enabling DLCs to consider balanced submissions.

3.4 This amendment aligns with core administrative law obligations and strengthens the defensibility of licensing decisions and is a practice the Queenstown Lakes DLC has undertaken in the past.

3.5 The QLDC also **recommends** that provision be formalised in the proposed Bill whereby all public objections received for an application must also be shared with the Police and Medical Officer of Health (MOoH). This is a practice not often followed by DLCs around the country. This inclusion would allow Police and the MOoH to work with objectors if there are shared concerns are raised in objections. It would also alleviate occurrences of agencies attending hearings with no awareness of public objections until either a matter of days before a hearing, or during a hearing.

3.6 The QLDC **recommends** that clarity also be provided in the Amendment Bill around the sharing of the right of reply with all objectors and other parties to the application, provision of timeframes as to when the applicant has the right to respond, steps to prevent applicants contacting objectors directly, as well

[3] Flaxmere Liquor (2008) Limited - Flaxmere Liquor [2019] NZARLA 94 (5 June 2019)
[4] Sale and Supply of Alcohol (Community Participation) Amendment Act 2013

as clarifying that an objector may respond only to new matters raised in the reply to avoid iterative cycles.

4.0 Allowing hairdressers and barbers to supply small amounts of alcohol to customers without a licence if certain conditions are met (clauses 38 and 39).

4.1 The QLDC **supports** the proposed amendment for allowing limited alcohol supply by hairdressers and barbers without a licence, subject to strict conditions, with further amendments made to proposed s.12A.

4.2 This proposed amendment reflects a de minimis exception, where the supply is ancillary to a primary service with alcohol consumption being limited, along with alcohol not the core or primary purpose of these types of premises.

4.3 The proposed amendment would be consistent with the principle that regulatory intervention should be proportionate to risk and existing exemptions within the Act for low-risk premises and business activities.

4.4 The proposed amendment would also be consistent with the changes which occurred on 31 July 2025 with the repeal of the Health (Hairdressers) Regulations 1980[5] where hairdressers and barbers are now exempt from requiring to be registered with local councils. However, hairdressers and barbers still have Public Health Guidance outlined to aid them in managing public health risks[6].

4.5 The QLDC supports the ability to be able to issue infringement notices for offences against the proposed s 12A as it is considered a consistent enforcement option.

4.6 It is noted that the proposed section 12A does not include the identification defence which is also provided elsewhere within the Act i.e. s 239(6).

4.7 The QLDC **recommends** a further amendment be made to proposed s 12A to include an equivalent defence of clear guidance provision for age identification, and clarity on who would be subject to an infringement offence under s 260.

5.0 Allowing premises similar to wineries, such as breweries, meaderies and distilleries to hold both on and off-licence and off-licence at the same time and to charge for samples (clause 34 to 37).

5.1 The QLDC **supports** extending winery-style provisions to breweries, distilleries, meaderies, and similar premises, but recommends including cideries and sake (rice wine) producers.

5.2 The Act already recognises wineries as a special category reflecting production-based operations. Extending this framework will promote legislative consistency and neutrality across alcohol producers, will addresses current inequities where similar operations are regulated differently without justification, and will support regional economic development while maintaining licensing controls.

5.3 By allowing both on and off-licences to be held by these producers and allowing charging for samples will reflect modern industry practice whilst remaining consistent with the Act, provided core safeguards (e.g. host responsibility and supervision) continue to apply.

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5 Health (Hairdressers) Regulations 1980 (repealed)

6 Ministry of Health Public Health Guidance for Hairdressers and Barbers

5.4 Although the proposed s 5 definition of "producer tasting room" does extend the framework beyond grape wine to include other alcohol produced from the operator's land/produce, not all manufacturers or producers of alcohol necessarily grow their own product.

5.5 Queenstown is fortunate to have the only sake brewery in New Zealand, Zenkuro Sake[7], an international awarded business. Sake is a rice wine product; the repeal of the "grape wine" definition would be helpful in allowing sake manufacturers to be considered under the "wine" categorisation.

5.6 Although the proposed Bill expressly contemplates "any other alcohol specified in regulations" for sampling limits, which provides a pathway to include additional producer types.

5.7 The QLDC **recommends** expressly listing cideries and sake producers in s 17 as this would reduce uncertainty and disputes over what types of premises have coverage under the Act.

6.0 Enabling the Governor-General, on the advice of the responsible Minister, to declare stand-alone exemptions to special licensing requirements for club and on-licensed premises to televise significant events outside usual trading hours (clauses 24 to 33).

6.1 The QLDC **supports** enabling the Governor-General (on Ministerial advice) to grant exemptions for significant televised events.

6.2 This provision introduces a targeted and controlled regulation-making power, which is appropriate for **rare, nationally significant occasions** (emphasis added). The proposed provision will allow flexibility to licensed premises without permanently altering the licensing framework.

6.3 The inclusion of the proposed provisions removes the last-minute law changes previously made three times (2015, 2019 and 2023) since the first change in 2011 to allow certain premises to show the Rugby World Cup matches. The proposed changes will also not be unfamiliar to those licensees who have operated club or on-licence premises over recent years and have been subject to previous Act amendment requirements. The Bill establishes a permanent mechanism that avoids repeated one off legislation when major events occur outside standard trading hours.

6.4 Provided safeguards are retained within the proposed amendments (e.g. defined criteria, limited duration, noise management plan requirements), this mechanism appears to be consistent with delegated legislative authority principles and ensures exemptions remain exceptional and justified.

6.5 The proposed new provisions specify purpose, eligibility, and required public information display — indicating this is not a blanket trading hours deregulation.

6.6 Although the proposed amendments maintain the special licence pathway, new s 45G explicitly states the televised event provisions do not limit special licences, preserving the broader licensing tools where needed. However, special licences should not be applied for in place of a substantive club or on-licence as specified in section 41 of the Act.

6.7 The QLDC note that transitional clauses will need to be considered under the Bill in order for TA's to work through the high number of club and on-licences which will require licence conditions to be amended. These timeframes need to be reasonable and not create unnecessary additional burden on TA's.

[7] Zenkuro Sake - website

6.8 A further burden to TA's is that the work initially for TA's to create forms for licensees to aid them in their notification requirements. The QLDC therefore recommended that pro-forma templates be created for notification of showing approved televised events, for providing notice of no longer airing the televised event, and notice for display at the premises.

6.9 The QLDC also recommended that example conditions be placed on the Form 3 pro-forma in the Regulations to ensure consistency with wording of appropriate conditions nationally around televised events.

6.10 It is noted that outside comment in proposed s 45D, no enforcement provisions have been considered for licensees who fail to provide notification of airing events to the TA or police in advance of a televised event.

6.11 The QLDC also **recommends** that the wording in proposed s 45C(2) regarding the number of days' notice which must be provided be altered to align with other wording provisions in the Act as follows "at least 7 **working** days written notice **before the date which the first televised event occurs**", emphasis added to show suggested amendments.

6.12 The QLDC also **recommends** that an additional amendment be made to ss 41 and 45G making it explicitly clear that a special licence in place of a premises on-licence to show televised sports fixtures is not provided for under the amendments.

7.0 Implementation of digital age verification (as provided in the "Explanation of proposals" paper)

7.1 The QLDC **supports** the proposal to expand approved evidence-of-age options to include accredited digital identity credentials and services for alcohol purchases, as described in the Bill's policy materials.

7.2 Digital age verification, when limited to accredited credentials/services such as those currently being worked on by the Department of Internal Affairs (DIA) and the "NZ Verify - Trust Framework for Digital Identity"[8], can improve the reliability of age checks by using verified identity information rather than relying exclusively on physical documents that are more vulnerable to loss, damage, or misuse. This aligns with the Bill's stated intent to "further" the Sale and Supply of Alcohol Act's object while improving regulatory settings.

7.3 The Bill's proposals explicitly connect digital identity to alcohol purchasing in contemporary contexts, including where people may present either physical or verified digital forms of ID when asked for proof of age. This is particularly relevant as alcohol sales increasingly occur through online remote seller off-licence websites, or supermarket online ordering.

7.4 A clear, regulated expansion of acceptable evidence-of-age document reduces ambiguity for licensed premises staff, owners and security along with simplifying training. Staff and owners would be to apply a consistent rule that ID would be approved physically or be an approved accredited digital document rather than making ad hoc judgments about unofficial applications or photos of ID documents. The proposed Bill frames the change as an expansion of "approved" documents with the intention of including accredited digital identity of individuals, providing regulatory clarity for business practice and enforcement expectations.

7.5 Further, the proposed amendments increase accessibility for customers who may prefer to carry a secure digital ID document (rather than risk losing the original document such as a passport), while

[8] Trust Framework for Digital Identity – DIA website.

preserving a high threshold through the use of accredited systems (rather than informal digital copies). This supports consumer convenience without compromising the core protection (robust age verification) that underpins the Act framework.

7.6 The proposed amendment also links the measure to wider government work on digitisation of age identification including the Digital Identity Services Trust Framework Act 2023[9] and the new Sale and Supply of Alcohol Amendment Regulations 2026[10] which come into effect on 28 May 2026, and the and expressly describes digital identity credentials as strengthening age verification and increasing security/veracity for both remote purchasing and licensed settings. This makes the measure a sensible modernisation that can be implemented with defined standards and safeguards through accreditation.

7.7 The QLDC considers that whilst digital age identification is being considered, the legislation could go further and provide clarity within the Act itself as to who should be asked to provide ID. Currently the Act is silent on who should be asked to verify their age. Guidance is provided that if a person looks under 25 ID should be requested, however this isn't necessarily always carried out due to some minors looking older than they are.

7.8 Amending the Act to include a provision where every person purchasing alcohol is required to show their ID would remove ambiguity, assumptions on peoples ages, and provide assurances to licence holders that their staff will always be verifying ages prior to making sales in order to avoid circumstances where minors are served alcohol which could lead to enforcement actions taken by police or Inspectors against the premises and the manager who made the sales.

7.9 The QLDC **recommends** that implementation of the digital age verification be supported by clear national guidance for licensees on what constitutes an "accredited digital identity credential/service" and how staff should check it. A requirement that digital credentials display (or reliably provide) date-of-birth and 18+ age confirmation in a way that is quick to verify at the entry door to the premises and any point-of-sale to avoid service delays and inconsistent staff practices.

8.0 Allowing clubs to hold either a club licence or an on-licence (clauses 17 and 18).

8.1 Generally, QLDC **supports** the proposed allowance of clubs to apply for on-licences, subject to further consideration.

8.2 There is no principled basis to exclude clubs from apply for on-licences where they meet fit and proper person and operational requirements. However, risks arise regarding property arrangements in place where they club doesn't own the land or building, they may operate out of which may be subject to lease conditions, covenants, and ownership structures.

8.3 The QLDC **recommends** further statutory clarification or guidance to avoid contractual conflicts or unintended breaches, ensuring that clubs operating on-licences are subject to full regulatory parity with other on-licensees.

8.4 QLDC considers the proposed amendments are a logical alignment of licence type with clubs trading reality. Club licences are premised on restricted patronage (i.e. members/guests/reciprocal members/reciprocal members guests) and fewer regulatory requirements. The proposed amendments confirm this trade-off and explains that on-licences allow service to the general public. Where clubs

[9] Digital Identity Services Trust Framework Act 2023 – New Zealand Legislation website.

[10] Sale and Supply of Alcohol Regulations 2026 – Accredited Digital Identity Service & Approved Evidence of Age Document – New Zealand Legislation website

are functionally operating as public venues for events or weddings, an on-licence may be the legally coherent tool, avoiding repeated special licence reliance or non-compliance where a special licence isn't sought.

8.5 The proposed amendments will allow for regulatory parity and clearer enforcement given on-licence operations attract the standard compliance regime (including manager certification requirements under the Act). This can improve safety outcomes where clubs transition to broader public service. Allowing a club to choose an on-licence could reduce administrative load for TA's where clubs genuinely operate as public hospitality venues.

8.6 The QLDC **recommends** further work be undertaken to consider the "unintended consequences" which could be created by clubs applying for and obtaining an on-licence. Many clubs occupy land or buildings subject to lease agreements, are subject to community facility agreements, hold charitable trust arrangements, are subject to licensing-sensitive covenants, or must adhere to council controlled or owned venue policies or lease conditions. A shift to on-licence trading could trigger resource consent requirements depending on the City or District Plan Rules, may remove "existing use rights" by changing the licence type, may trigger landlord consent issues such as breach of lease terms (especially around public access, venue use changes, hours, or security obligations).

8.7 One of the many clubs in Queenstown operates out of a council controlled or owned building on council owned land. One of the conditions within the lease is that the club is not able to obtain a tavern style licence.

8.8 The proposed Bill does not address these non-Act legal constraints, QLDC's caution on this matter is therefore justified as a practical risk management point.

8.9 The QLDC **recommends** careful transition guidance mechanisms be implemented for clubs with complex tenure arrangements, or explicit requirements be set whereby DLCs must be satisfied the applicant has the legal right to occupy, and that the club has use of the premises (tenure requirements as per s 105) for the proposed on-licence and hospitality activity (mirroring the practical due diligence already common in licensing).

8.10 The QLDC also **recommends** that clubs must be subject to the same conditions and enforcement provisions like a standard on-licence to ensure there is consistency of enforcement by the tri-agencies and expectations around the country given clubs have reciprocal visitors from other clubs.

8.11 QLDC also **recommends** that clubs who would hold an on-licence must be subject to the requirements set out in s 214 and have a certified duty manager on duty when selling and supplying alcohol to the public. Consideration should be given to where in the Sale and Supply of Alcohol Fees Regulations a club holding an on-licence would sit from a risk weighting perspective, or indeed what the licence type would be labelled i.e. "club on-licence" as opposed to "club-licence".

8.12 The QLDC also notes that transitional provisions have not been allowed for or considered if a club chose to change its licence type from a club licence to an on-licence. The proposed Bill is also silent on whether an Incorporated Society or Friendly Society which holds a club licence, is an entity able to hold an on-licence under s 28 (outside the proposed amendments to s 29), it is recommended that s 28 also be amended to include a club as per s 30.

9.0 Allowing club and on-licensed premises to stock zero-alcohol drinks instead of, or in addition to, low-alcohol drinks (clauses 19 and 20).

9.1 A The QLDC **supports** enabling on-licence and club premises to stock zero-alcohol beverages in place of, or alongside, low-alcohol products.

9.2 The proposed amendment supports s 4 harm minimisation by promoting safer alternatives, aligning with current consumer and public health expectations, and removing unnecessary product restrictions.

9.3 As zero-alcohol products sit outside the Act's core risk focus, enabling their supply is sensible. The Bill would allow the requirement to be met with drinks under 1.15% ethanol.

10.0 Expanding zero and low-alcohol availability reduces intoxication risk and supports s 4. It also gives licensees flexibility to substitute products, hold less stock, and reduce wastage. Allowing licensed supermarkets and grocery stores to display and promote in single alcohol areas zero-alcohol alternatives to spirits, liqueurs and ready-to-drink mixed drinks (clause 43).

10.1 A The QLDC **supports** allowing supermarkets and grocery stores to display and promote zero-alcohol alternatives alongside alcohol products.

10.2 The amendment supports harm reduction through substitution, maintains the regulatory distinction between alcohol and non-alcohol products, and does not materially increase alcohol exposure, provided "zero alcohol" is tightly defined and enforced.

10.3 The Explanations of Proposals paper notes confusion where zero-alcohol spirits and RTDs must be displayed outside single alcohol areas, despite being alcohol substitutes and still requiring age verification at checkout.

10.4 This amendment would complete the 2016 display settings by clarifying that eligible zero-alcohol products may be displayed within single alcohol areas.

10.5 Treating the clause 43 beverages as non-alcohol products while permitting them in controlled single alcohol areas improves substitution choice and consumer clarity without expanding access to alcohol.

11.0 Requiring district licensing committees to change licence conditions rather than decline a renewal application, if the licence is inconsistent with a local alcohol policy (clause 16).

11.1 The QLDC **supports** the proposed clause 16 regarding DLCs being able to amend licence conditions instead of declining renewals where inconsistency with a Local Alcohol Policy (LAP) arises.

11.2 Whilst the Queenstown Lakes district does not have a Local Alcohol Policy (LAP) in place, of the 67 Territorial Authorities (TA's) in New Zealand, 41 have LAPs which have been adopted with 31 of those TA's having already reviewed their initial LAP which was in force[11].

11.3 Under the present framework, which was the result of the 2024 Amendments Act, inconsistency with an LAP may lead to binary outcomes, including refusal of licences at renewal. The proposed change reverts back to pre-2023 legislative framework enabling proportionate regulatory responses and is consistent with the graduated approach implicit in ss 4 and 133–136.

[11] Alcohol Healthwatch – Local Alcohol Policies

11.4 The proposed changes recognise that renewal decisions should focus on ongoing suitability rather than punitive outcomes; supports adaptive regulation, allowing conditions to be tailored to mitigate harm while preserving legitimate economic activity.

11.5 This amendment better reflects the statutory purpose of harm minimisation, while preserving local policy integrity. Renewal applications are often more appropriately managed through targeted conditions (hours, single serve conditions, layout controls) rather than refusal in circumstances where harm can be mitigated.

11.6 If the proposed clause 16 is approved, the QLDC recommends that a subsection be added to the proposed s 133 with a requirement that any condition imposed under s 133 must be necessary, evidence-based and proportionate to the identified harm risk to align with the existing provisions set out in ss 116, 117 and 132 of the Act and to ensure consistency.

12.0 Clarifying responsibilities for rapid delivery services, which will reduce the risk of delivery to intoxicated and under-age persons (clause 41 and 42)

12.1 The QLDC **does not support** clauses 41–42 as drafted because, while the policy intent is supported in principle, the proposed legal mechanism is internally inconsistent and risks creating an unenforceable duty that will not reliably reduce harm or support consistent compliance outcomes.

12.2 Although the proposed amendment is reflective of modernisation of businesses and customer demands for speedy service delivery with proposed clause 41 attempting to create a clear positive obligation on rapid delivery services (i.e. the driver must be over 18 years of age, delivery of alcohol can only be completed if a non-minor/non-intoxicated recipient is present), the proposed clauses do not go far enough.

12.3 Proposed clause 42 removes the obvious enforcement hook by excluding s 59A from s 259(1)(a) offences. That drafting combination risks creating a duty without an effective, direct compliance consequence—reducing deterrence and creating ambiguity about what agency action is available when the s 59A duty is breached.

12.4 A statutory obligation should be paired with a coherent enforcement pathway (i.e. offence, infringement, civil consequence, or licensing consequence). Otherwise, the provision is vulnerable to becoming merely aspirational and inconsistent with effective implementation of the Acts harm-minimisation object at s 4.

12.5 Proposed clause 41 outlines operational requirements at the delivery point, but proposed clause 42 signals Parliament's intention **not** to enforce those requirements through the standard "failure to comply with requirements imposed by the Act" offence mechanism. This inconsistency creates uncertainty about whether breaches are intended to be enforced only indirectly (e.g. through other offences like sale/supply to minors), and how compliance monitoring is expected to work in practice when the primary duty is not directly enforceable. This uncertainty undermines both voluntary compliance and consistent tri-agency enforcement practice.

12.6 Rapid delivery models often involve layered relationships such as the licence holder → purchasing platform → alcohol dispatched → a contracted driver/staff member delivery driver. Clause 41 states "rapid delivery service **must ensure**…" (emphasis added) and restricts completion of delivery unless conditions are met. However, without a clear, enforceable consequence tied to s 59A (particularly given clause 42), the legal accountability of the purchasing platform, the licence holder, and the

individual driver, risks becoming diffuse, disputable, and difficult to prosecute or deter. This can lead to "responsibility shifting" after harm occurs, which is the opposite of what the proposal intends.

12.7 The proposals paper frames this as "formalising" what many companies already do, that being ID and intoxication checks at the door. But formalisation also requires clear evidential expectations (what constitutes a sufficient check), and is enforceability to ensure consistent adoption across operators, and TA's. As it is currently drafted, clause 42 of the Bill undermines that uniform baseline and may create a two-tier system with reputable operators complying whilst others do not comply, with limited consequences.

12.8 If the Select Committee wishes to retain the policy intent, the QLDC **recommends** amending the Bill to ensure s 59A is directly enforceable, by remove clause 42 so that a breach of s 59A can be treated as an offence under s 259(1)(a) (standard "failure to comply" approach), or create an infringement offence for breach of s 59A, similar in style to the Bill's approach for the hairdresser exemption (where breaches are made enforceable via infringement). Either approach would better align the policy aim ("reduce risk"), and with the legal design (clear duty and clear consequence).

13.0 Streamlining special licensing for events and ensuring that licence decisions are made using a risk-based framework that will be set out in regulations (clauses 24 to 33).

13.1 The QLDC **does not support** the Bill's proposed changes to special licence provisions.

13.2 In QLDC's view, the proposal removes core statutory criteria from the Act (currently in s 142) and replaces them with a risk assessment approach set by regulations, reducing certainty, transparency and Parliamentary scrutiny for a high-impact part of the alcohol regime.

13.3 The proposed Bill removes the current statutory framework for special licence conditions (currently in s 147) and replaces it with conditions permitted/required via regulations, which risks undermining enforceability and the ability to tailor conditions for local harms and operational realities.

13.4 The proposed Bill also introduces a requirement for two or more licensing committees to consult on "interconnected events", but does not define who leads this process, what the timeline is, or what happens if tri-agencies or committees can't agree on conditions thereby creating uncertainty and delaying decision-making.

13.5 The Queenstown Lakes DLC has issued approximately 835 special licences in the last five years, with 175 of those being Class 1 applications made up of 102 events where more than 2,000 people attended, of these events, 20 were music-oriented events. Other special licences issued over the past 5 years includes over 350 Class 2 applications, and over 300 Class 3 applications. Within a high-tourism, high-event district, special licences are a significant regulatory workload and an important harm-minimisation tool.

13.6 At present, the licensing committee **must have regard to** a detailed list in s 142, including: the object of the Act, the nature of the event, target age demographic, applicant suitability, any relevant LAP, likely impacts on amenity and good order, proposed hours, design/layout, staffing and training systems, steps to prevent supply to prohibited persons, and the contents of agency reports.

13.7 This statutory checklist is fundamental for applicants and knowing what they must satisfy to have a licence issued, tri-agencies for knowing what evidence to test, DLCs to provide consistent decision making, and for the community.

13.8 Special licence conditions are currently supported by s 147, which expressly enables **discretionary** operational conditions to be applied to licences relating to prohibited persons, beverage container types, the number of serves sold per person, food, low/non-alcohol options, transport, security and supervision expectations, establish enforceable requirements for host responsibility and harm minimisation, and other reasonable conditions, plus mandatory minimum conditions including days and hours of the event and free drinking water.

13.9 The Bill proposes a move to a risk-based assessment for special licences "in accordance with regulations" rather than the existing statutory criteria. The "Explanation of proposals" frames this as streamlining and standardising decision-making. The absence of regulations that outline how a risk-based approach and what conditions may be imposed on special licences was the main area of concern. Without detailed regulations that outline these changes, it is challenging for us to meaningfully comment on the proposed changes or recommend appropriate amendments.

13.10 The QLDC considers this inappropriate because special licences often involve temporary premises designations, changing layouts and crowd dynamics, high-risk service contexts (festivals, concert series, pop-up spaces), where clear statutory decision criteria are critical for consistency, legitimacy and enforcement.

13.11 The Act requires special licence applications be filed at least 20 working days before the event begins. In QLDC's experience, this is a minimum that is frequently insufficient for very large events, particularly where the event is first time in the district, is over 5,000 attendees for example, and is logistically complex with multiple bars, multiple trading areas, staged entry/exit, high alcohol density points.

13.12 These larger attendance event applications often require multiple rounds of information requests, revised site plans, revised alcohol management plans, and extended negotiations over conditions.

13.13 Within the 20-working day timeframe, police and MOoH must file reports in opposition **within 15 working days** after receiving the application. The inspector **must** also inquire into the application and write a report, the application is then sent to the DLC with time taken in order for them to sufficiently assess the application and write a decision. These timeframes and mandatory considerations can take the entire 20 working days particularly when agencies and DLCs are dealing with high numbers of applications in the lead up to the busy summer season.

13.14 The QLDC therefore recommend that for events where there is more than 2,000 people anticipated to be in attendance, particularly if the event is being run for the first time in a district, that the statutory lodgement timeframe be longer than 20 working days before the day of the event.

13.15 The proposed Bill also introduces requirements for DLCs to consult on interconnected events spanning multiple territorial authority areas. QLDC inspectors have direct experience with an applicant running event series across Queenstown, Taupō and Whitianga, where joint consideration in the past created issues with significant back-and-forth over conditions due to different venue capacities and layouts, tension over "consistent conditions" vs local risk realities (including socio-economic differences and visitor-driven dynamics), and increased tri-agency workload trying to reconcile differing expectations and local operational constraints.

13.16 Without viewing and understanding the draft Regulations proposed for special licence events, the QLDC strongly **recommends** must provide clarity on critical aspects such as:

- Who is the "lead" DLC for the group of events?
- What is the required consultation timeframe (and how does it fit inside the statutory decision clock)?
- If two or more DLCs (or TAs) cannot agree on conditions, what is the escalation or resolution pathway?
- Is "consistency" intended to mean identical conditions, or aligned conditions where appropriate with justified local variation?

13.17 There is currently a national Form 6 prescribed in the Sale and Supply of Alcohol Regulations (application for a special licence)[12]. In practice, TAs require different additional information, have different coversheets, checklists, and request different supporting documents to suit their venues and experience, or resource consent specific conditions.

13.18 The QLDC **recommends** that if special licence decision-making is to be standardised nationally through a regulations-based risk framework, then there must also be a single national minimum dataset required with every special licence application (beyond Form 6) that would include all events from small funerals to large concerts and festivals.

13.19 If the reform package increases reliance on inter-DLC coordination and national risk classifications, QLDC submits that central government must address capability gaps via matters such as training and guidance, shared templates to ensure consistency, and resourcing pathways when large events "travel" to smaller districts where tri-agencies and DLCs may be less experienced with these size events.

13.20 The QLDC **recommends** that the changes will result in uncertainty during transition replacing known statutory criteria and conditions with regulations creating re-interpretation churn for applicants, agencies, and DLCs, increasing processing time and requests for clarification; will increase coordination burden for the tri-agencies by requiring consultation for multi-district events leading to cross-TA coordination without clear timelines, lead responsibility, or deadlock resolution; could lead to documentation disputes as without national standardisation of supporting information, agencies will keep seeking different material and formats, slowing the already tight reporting timeframe.

13.21 The proposed Bil or supporting documents provides no indication of the proposed fees regime (especially for events over 2,000 attendees), the system continues to under-recover costs for resource-intensive applications. Current special licence fees are set in regulation and do not proportionately reflect the workload of very large event applications. Indeed, the Class 1 event classification in many public resources references the 400-patron model. All resources, QLDC website information, and all TA forms would need to be amended to reflect any amendments, these tasks will take time and resources to change.

13.22 The QLDC **recommends** that the Justice Committee remove or substantially amend the special licence provisions. If Parliament proceeds, QLDC recommends:

1. Public consultation on the Regulations once they have been drafted in order to provide a greater understanding of what the Government intends for special licence applications, and to provide for transparency over process.
2. Retain s 142 statutory criteria in the Act (risk framework may supplement but not replace) including: the object of the Act, the nature of the event, target age demographic, applicant

[12] Sale and Supply of Alcohol Regulations 2013 Schedule Forms – Form 6 Application for special licence – NZ Legislation website

suitability, any relevant LAP provisions, likely impacts on amenity and good order of the locality, proposed hours of the event, design and layout of the event space, staffing (including security) and training systems, steps to prevent supply to prohibited persons, and the contents of agency reports. The majority of special licences issued in this district fall into the less than 400 attendee categories for Class 2 and 3 events (over 650 issued in the past five years as provided at point 13.5 above).

3. Retain s 147 statutory condition powers as a baseline enforcement toolkit (regulations may add detail, not replace Parliament's list).
4. Introduce a mandatory earlier lodgement requirement for first-time larger events e.g. 30 or 40 working days for >2,000 or first-time in district, acknowledging statutory deadlines and agency report windows.
5. Creating a clear framework for multi-district applications including:
    - Clarifying who the lead DLC would be,
    - time-bound consultation – extension of the current 20 working day timeframe,
    - local-variation principle – local solutions for local events,
    - deadlock escalation to ARLA or defined fallback rules.
6. Require standardised national application information (minimum dataset and document templates) to support consistent risk assessments.
7. Reform fees to reflect large event workload.

14.0 Allowing restaurants that prepare and sell food products from retail sites on the same premises to apply for an off-licence in addition to an on-licence (clause 40).

14.1 The QLDC **does not support** allowing restaurants to obtain off-licences.

14.2 This proposal blurs the fundamental distinction between the on-licence and off-licence regimes, increases alcohol availability and outlet density - a key driver of harm, and undermines the effectiveness of Local Alcohol Policies.

14.3 The proposed change would increase alcohol availability in a district already characterised by a high concentration of hospitality premises servicing residents and visitors, and it risks undermining the object of the Sale and Supply of Alcohol Act 2012 (minimising harm) by widening the number of outlets able to sell take away alcohol without a commensurate enforcement or compliance framework.

14.4 The Regulatory Impact Statement (RIS) prepared by the MoJ identifies alcohol harm drivers including premises density and opportunities to extend drinking sessions and notes the proposals can create costs for government agencies and that costs are likely to outweigh benefits. In QLDC's view, those risks are heightened locally and are not adequately mitigated in the Bill as drafted.

14.5 The "Explanation of proposals" paper states that restaurants operating a retail space on the same premises selling food or non-alcoholic beverages for off premises consumption would be able to apply for an off licence, provided they already hold an on-licence.

14.6 Clause 40 of the Bill implements this by amending the off-licence eligibility provisions so an off-licence may be issued for a restaurant that (a) holds an on-licence, and (b) includes retail premises from which food or non-alcoholic drinks prepared on the premises are sold for consumption elsewhere. The QLDC is concerned this drafting is too broad and will likely capture a wide range of operations, potentially extending beyond the limited "deli style" concept illustrated in policy communications.

14.7 Under the Act's licensing process, Police, the MOoH and the licensing inspector **must** inquire into licence applications, with the DLC required to consider those reports as part of its decision making. Section 103 sets out these statutory inquiry obligations, and s 129 applies the same obligations to renewals. Any expansion in the number of licence applications therefore directly increases workloads for all three reporting agencies and for DLC administration and any hearings.

14.8 The RIS also notes that, due to timing constraints, the Ministry had not yet consulted with DLCs and that the proposals have implications for DLCs, local government, and regulatory agencies. Introducing a new pathway that encourages additional off-licence applications is therefore proceeding without clear evidence that local systems have capacity to absorb the additional processing, monitoring, and enforcement demands.

14.9 The QLDC submits that the proposed amendments, will see dual applications from restaurants that currently hold no licence (e.g. dining venues that currently operate without alcohol) deciding to apply for both an on-licence and an off-licence to access broader alcohol sales channels.

14.10 Increased compliance monitoring demands will follow the granting of these licences, because an off-licence introduces additional risk pathways such as take away supply, remote delivery interfaces, and consumption in public spaces (potentially within alcohol ban areas) beyond on premises controls.

14.11 The fees framework provides that fees for on, off, and club licences comprise an application fee and an annual fee, determined by premises risk rating and fees categorisation. Where a business holds both an on-licence and an off-licence, it will necessarily be subject to two sets of licensing fees across the life of those licences.

14.12 Neither the Bill nor the "Explanation of proposals" paper addresses these additional costs for hospitality operators or explains how the change would reduce overall compliance burden, given that it creates an additional or parallel licensing stream. In a high-cost environment such as the Queenstown Lakes, the fee duplication may incentivise the additional off-licence holders to have lower prices for takeaway alcohol leading to higher sales in order to recover licensing costs, thereby further increasing off premises availability. Over time however, restaurants who do hold off-licences (if the proposal became law) may surrender their off-licence after a period of time due to the additional licensing costs they would be subject to.

14.13 Although the proposal narrative describes a "retail site" attached to restaurants, the legislative test in clause 40, turns on whether the restaurant includes "retail premises" selling food or non-alcoholic drinks prepared on site for off premises consumption. Many on-licensed premises may meet this test through routine takeaway service, grab and go counters, or incidental retail shelving. The QLDC is concerned the proposal could unintentionally enable a substantial increase in off-licence access points across the district, including venues whose operational model is closer to takeaway meals rather than to the traditional seated restaurant dining setting. This is especially concerning given the RIS' acknowledgement that increased access to alcohol and increased density of licensed premises are linked to harm, and that the costs of increased harm fall on communities and public services.

14.14 Bring your own (BYO) restaurants operate under an on-licence endorsed under s 37 of the Act and have a distinctive regulatory posture (including different expectations around alcohol supply and, in some cases, manager requirements). The Bill's clause 40 eligibility criterion hinges on "holds an on-licence" and does not expressly exclude or distinguish BYO endorsed licences.

14.15 BYO provisions also demonstrate Parliament's intent to use specific, explicit conditions for alcohol leaving premises e.g. allowing removal only if the container is sealed or resealed. The QLDC submits that if restaurants are to be enabled to sell takeaway alcohol, the legislation should similarly specify core safeguards rather than relying on discretionary conditions or default assumptions.

14.16 The "Explanation of proposals" paper notes that restaurants could apply for an off-licence "provided they meet the definition, and any conditions imposed by the DLC", but it does not identify baseline, enforceable conditions tailored to this new off-licence context.

14.17 From a QLDC operational perspective, introducing takeaway alcohol from restaurants without explicit statutory conditions such as sealed container requirements, prohibition on open vessels leaving the venue, and clear limits on volumes, complicates frontline compliance, and increases ambiguity for Inspectors and Police. The Bill largely creates eligibility but does not add corresponding, restaurant specific enforcement levers or mandatory controls.

14.18 Currently the Sale and Supply of Alcohol (Restrictions on Issue of Off-Licences and Low and No Alcohol Products) Amendment Bill [13] which is before Parliament, provided a more defined and targeted description of a retail premises. This bill was targeted to specialist food stores that manufacture products that alcohol would complement. The QLDC submits that parts of this Bill may provide guidance to the Select Committee when considering this aspect of the proposed Clause 40.

14.19 The Fees Regulations assign weightings by licence type and premises type, including restaurant Classes 1,2,3 (on-licence) and a separate set of off-licence categories. There is no express fee risk category for a "restaurant off-licence" as contemplated by clause 40. This raises uncertainty about how territorial authorities should classify these premises for fee purposes and whether restaurants would face inconsistent fee outcomes across districts.

14.20 The Bill and explanatory material are silent on whether (or how) the restaurant off-licence is intended to align with existing restaurant class structures used in the Fees Regulations. The QLDC submits that this is a material implementation gap; it affects both applicants cost certainty and QLDC cost recovery.

14.21 A core policy premise for restaurants is that food is the primary business activity. Unlike certain off-licence settings where annual sales revenue statements are regulated (including requirements to assign revenue into categories and, for existing businesses, a chartered accountant verification), the Bill and RIS do not explain how ongoing verification would work for restaurant off-licences where off sales could expand over time.

14.22 The Sale and Supply of Alcohol Regulations 2013 include detailed requirements for statements of annual sales revenue in the off-licence context e.g. assigning revenue to food, alcohol, tobacco, convenience foods and more; and verification by an accountant for existing businesses). This shows that Parliament has previously recognised the value of sales mix evidence to ensure licensing settings reflect the true nature of a business. A similar requirement at renewal (and projected figures for new applications) would provide certainty that alcohol off sales are not overtaking food sales under a "restaurant" banner.

14.23 The RIS outlines that mandatory licensing conditions exist to reduce harm and that different licences are subject to different conditions due to their unique risk profiles. It also identifies that the Minister's preferred options may impose costs on government agencies and that the costs are likely to outweigh

[13] Sale and Supply of Alcohol (Restrictions on Issue of Off-Licences and Low and No Alcohol Products) Amendment Bill – NZ Legislation website

benefits, with uncertainty about harm extent. This supports QLDC's position that expanding off-licence eligibility should only proceed with strong, explicit mitigations and implementation planning.

14.24 The RIS also states that the Ministry had not consulted with DLCs (or the public) for this addendum analysis due to timing constraints, and acknowledges implementation risks due to incomplete understanding of workability and costs. In the QLDCs view, these gaps are especially problematic for districts like the Queenstown Lakes, where visitor-driven demand, seasonality, and intensive nightlife and hospitality activity already place considerable pressure on licensing monitoring and enforcement systems.

14.25 QLDC recommends that the Justice Committee should **not** adopt the restaurant off-licence proposal as currently drafted as clause 40. At a minimum, if Parliament proceeds, The QLDC requests substantial amendments to:

- Narrow eligibility to genuinely limited, ancillary retail operations (avoiding capture of routine takeaway models);
- Explicitly address BYO endorsed restaurants and clarify whether they are excluded;
- Introduce mandatory conditions including sealed alcohol only to able to leave the premises, defined limits of how much alcohol can be sold under the off-licence for takeaway from the premises, age verification steps, supervision controls, clear restrictions on immediate consumption outside the premises, remote delivery addressed;
- Clarify fee treatment and alignment with existing fee class structures; and
- Introduce revenue mix reporting at application and renewal to ensure "restaurant" off-licence premises remain operating in a capacity where they are in the business of principally for supplying meals[14] and do not become de facto bottle stores.
- Applicants for restaurant off-licences be required to provide projected annual revenue splits (food vs alcohol off sales vs alcohol on sales) at application; and
- Requirements to provide actual audited annual revenue splits at renewal (or on request) to demonstrate that food remains the primary source of income and that off-licence sales remain ancillary.

QLDC Recommendations:

R.1. The QLDC **supports** the changes to the objection criteria from local communities. QLDC recommends that the proposed amendments to ss 120(4), 128(1), and 140(1) be supported by clear statutory guidance in s 5 on what it means to "certify … in the prescribed form and manner" when an objector files an objection, including practical examples of acceptable evidence e.g. an amenities bill or rates notice, and that the DLC must consider and clarify how this certified confirmation will be shared with applicants and other parties in a way that appropriately manages Privacy Act 2020 considerations.

R.2. The QLDC **supports** allowing applicants a written right of reply to objectors. QLDC recommends the Amendment Bill formalise mandatory information-sharing so that all public objections received for an application are provided to the Police and Medical Officer of Health (MOoH), and also clarify and standardise the "right of reply" process including who receives the reply (objectors and other parties), clear timeframes for the applicant's response, measures to prevent direct applicant–objector contact, and a rule that objectors may respond only to new matters raised in the reply to avoid iterative back-and-forth cycles and ensure

[14] Section 5 – "restaurant" means premises that—
(a) are not a conveyance; and
(b) are used or intended to be used in the course of business principally for supplying meals to the public for eating on the premises

agencies are not unaware of objections until just before (or during) hearings.

R.3. The QLDC **supports** allowing hairdressers and barbers to supply a small amount of alcohol to customers without a licence provided certain conditions are met. QLDC recommends a further amendment be made to proposed s 12A to include an equivalent defence of clear guidance provision for age identification, and clarity on who would be subject to an infringement offence under s 260.

R.4. The QLDC **supports** allowing premises similar to wineries such as breweries, meaderies, and distilleries to hold both on and off-licences at the same time and to charge for samples. QLDC recommends that other premises including cideries and sake breweries also be included into this provision.

R.5. The QLDC **supports** enabling the Governor General on Ministerial advice to grant limited exemptions for significant televised events, as a targeted, controlled, and exceptional mechanism that provides flexibility for rare nationally significant occasions without permanently altering the broader licensing framework. QLDC also supports the inclusion of clear safeguards. QLDC recommends the following to strengthen implementation and clarity:

- Confirm the ongoing role of special licences, noting that new s 45G preserves the special licence pathway, but special licences should not be used as a substitute for a substantive club or on-licence (as contemplated by s 41).
- Include workable transitional provisions with reasonable timeframes to enable TAs to manage the high volume of club and on-licences requiring condition updates, without creating unnecessary administrative burden.
- Reduce compliance burden and improve national consistency by providing pro-forma templates for:
    1. notice of intention to show an approved televised event,
    2. notice of ceasing to air the event, and
    3. mandatory notice for display at the premises; and by adding example conditions to the Form 3 pro-forma in regulations to standardise appropriate condition wording nationally.
- Address the current gap by adding enforcement provisions for licensees who fail to notify the TA or Police in advance (noting that enforcement appears absent beyond comments in proposed s 45D).
- Amend proposed s 45C(2) to align with Act drafting by specifying "at least 7 working days' written notice before the date on which the first televised event occurs."
- Make an explicit amendment to ss 41 and 45G to clearly state that a special licence cannot be used in place of a premises on-licence to show televised sports fixtures under these amendments.

R.6. The QLDC **supports** the implementation of digital age verification technology and processes. QLDC recommends the changes be implemented with clear national guidance on what qualifies as an accredited digital identity credential/service and standardised checking procedures, requiring digital IDs to clearly and quickly display and confirm of date of birth and 18+ status at both entry and point-of-sale to prevent delays and inconsistent practice between premises.

R. 7. The QLDC **supports** the overall proposal for clubs to be able to apply for on-licences, however, recommends further work needs to be undertaken regarding the changes to club licences allowing them to obtain on-licences given there may be contractual complications or breaches between land and building owners and a club. QLDC recommendations tied to this risk:

- Further work is carried out to identify and address these unintended consequences before implementing the change.
- Implement clear transition guidance / mechanisms for clubs with complex tenure arrangements and/or require DLCs to be satisfied the club has the legal right to occupy and use the premises for the proposed on-licence/hospitality activity (consistent with tenure expectations in s 105).
- Ensure clubs holding an on-licence are subject to the same conditions and enforcement settings as

standard on-licences, including s 214 requirements i.e. a certified duty manager on duty when selling/supplying to the public, and clarify fees/risk weighting and licence labelling e.g. “club on-licence”).

- Add and clarify transitional provisions for clubs changing licence type and amend s 28 (if required) to explicitly enable relevant club entities (e.g., incorporated/friendly societies holding club licences) to hold an on-licence, to remove legal uncertainty.

R.8. The QLDC **supports** the proposed amendments to allow club and on-licence premises to stock zero-alcohol beverages in place of, or as well as low-alcohol drinks.

R.9. The QLDC **supports** allowing supermarkets and grocery stores to display and promote in single alcohol areas zero-alcohol alternatives to spirits, liqueurs and RTDs.

R.10. The QLDC **supports** the proposed changes which would allow DLCs to change licensing conditions rather than declining renewal applications if the licence is inconsistent with the local alcohol policy. QLDC recommends amending clause 16 so that, where a renewal application is inconsistent with a Local Alcohol Policy, a DLC can prioritise a graduated, harm-minimisation response by imposing or amending targeted licence conditions rather than refusing renewal, this would also aid in adding a safeguard to proposed s 133 requiring any such conditions to be *necessary, evidence-based, and proportionate* to the identified harm risk.

R.11. The QLDC **does not support, as currently drafted,** the proposed changes to rapid alcohol delivery service requirements, as drafted as they create a duty without a clear enforcement consequence, making compliance inconsistent and potentially unenforceable. QLDC recommend amending the proposed Bill to make s 59A directly enforceable by either removing clause 42 so breaches can be prosecuted under s 259(1)(a) or create a specific infringement offence for breaches of s 59A so the obligation has a credible, consistent compliance pathway.

R.12. The QLDC **does not support** the proposed streamlining of special licensing. QLDC recommends the Justice Committee remove or substantially amend the special licence provisions as currently drafted. If progressed, QLDC recommends public consultation on the draft regulations, retaining s 142 and s 147 in the Act (with any risk framework supplementing rather than replacing them), introducing earlier lodgement requirements (e.g. 30–40 working days for first-time or >2,000 attendee events), creating a clear multi-district framework (lead DLC, time-bound consultation, local variation principle, and deadlock escalation pathway), standardising a national minimum dataset and templates beyond Form 6, and reforming fees and providing guidance to match the true workload, especially for large events.

R.13. The QLDC **does not support** the proposal for restaurant premises to obtain off-licences. QLDC recommends the Justice Committee should not adopt clause 40 as drafted. If progressed, it should be substantially amended to narrow eligibility to genuinely ancillary, limited retail activity. It is recommended that BYO endorsed on-licences be explicitly address and excluded as intended; that mandatory baseline conditions (e.g. sealed containers only, volume limits, age-verification and supervision controls, restrictions on immediate consumption outside, and remote delivery consideration) should be explicitly addressed; clarify provided on how a restaurant off-licence application fee should be weighted and where these applications fall is risk categories; and require revenue-mix reporting (projected at application and audited/verified at renewal) to ensure food remains the primary business and venues do not become de facto bottle stores.