



Western Australian Auditor General's Report

# Raising the Bar: Implementing key provisions of the *Liquor Control Act* in licensed premises

Report 1 – March 2011





THE PRESIDENT  
LEGISLATIVE COUNCIL

THE SPEAKER  
LEGISLATIVE ASSEMBLY

## RAISING THE BAR: IMPLEMENTING KEY PROVISION OF THE *LIQUOR CONTROL ACT* IN LICENSED PREMISES

This report has been prepared for submission to Parliament under the provisions of section 25 of the *Auditor General Act 2006*.

Performance audits are an integral part of the overall audit program. They seek to provide Parliament with assessments of the effectiveness and efficiency of public sector programs and activities, and identify opportunities for improved performance.

The information provided through this approach will, I am sure, assist Parliament in better evaluating agency performance and enhance parliamentary decision-making to the benefit of all Western Australians.

COLIN MURPHY  
AUDITOR GENERAL  
23 March 2011

# Contents

<b>Auditor General's Overview</b>	<b>4</b>
<b>Executive Summary</b>	<b>5</b>
Background	5
Audit conclusion	6
Key findings	7
Recommendations	9
Response from Department of Racing, Gaming and Liquor	10
Response from Western Australia Police	10
<b>The sale of alcohol is regulated to minimise harm</b>	<b>11</b>
Alcohol-related harm affects many in the community and is costly	11
Alcohol-related anti-social behaviour is increasing in and around licensed premises	11
The Act aims to minimise alcohol-related harm	12
WA Police and DRGL are responsible for ensuring compliance with the Act	14
There are recognised best practices in regulating licensed premises	15
Audit focus and scope	16
<b>Improving training and education for licensees and their staff would increase compliance</b>	<b>17</b>
Findings	17
DRGL does not prioritise educational visits to high risk new premises	17
Bar staff may not be adequately trained to serve alcohol responsibly	17
DRGL does not require managers and licensees to update their knowledge and skills through refresher training	18
DRGL and WA Police are promoting compliance through consultation with licensees	18
<b>There are gaps in the monitoring of some key provisions of the Act</b>	<b>20</b>
Findings	20
Monitoring should identify whether licensed premises are complying with the Act	20
The agencies' current approach to monitoring does not identify emerging problems before they escalate	20
Neither agency is effectively monitoring the responsible service of alcohol	22
<b>Enforcement activity has not fully supported compliance with the Act</b>	<b>25</b>
Findings	25
The Act provides a range of enforcement options and outcomes	25
The level of fines and prosecutions against licensees and their staff does not fully support improved compliance	26
The obligation to serve alcohol responsibly has not been effectively enforced against licensed premises	28
Until recently other enforcement options had not been used to offset the low level of enforcement against licensees and their staff through fines	29
<b>Appendices</b>	<b>30</b>

## Auditor General's Overview

---

Most Australians drink alcohol, generally in moderation, and often as part of their social activities. Alcohol can, however, cause harm to people's health, and harm to the community through alcohol-related anti-social behaviour. That harm carries a significant health and economic cost, consumes substantial police resources, and is a growing concern to the community. The consumption of alcohol needs to be balanced with minimising the harm that can result.

Parliament has enacted legislation that has minimising harm as one of its primary objectives, alongside the proper development and regulation of the liquor industry. The *Liquor Control Act 1988* (the Act) sets out the framework for regulating the sale of alcohol and the premises where it is sold. Key provisions of the Act place requirements on licensees and their staff intended to ensure safe, well run premises, where alcohol is served and consumed responsibly.

To achieve Parliament's objectives, compliance with the Act needs to be monitored and enforced. The Act gives the Department of Racing, Gaming and Liquor and Western Australia Police the responsibility and powers to do this.

While monitoring and enforcement of the Act will not, on its own, solve a complex social problem, it is an important part of the solution. But as yet it is not a fully effective part of the solution. Although improvements were occurring during our audit, both regulatory agencies still need to take action to make their monitoring and enforcement of the Act more effective, and they need to work together better. Doing so would have benefits for the liquor industry, the people it serves, and the community.

## Executive Summary

---

### Background

Most Australians drink alcohol socially for enjoyment and celebration. However, alcohol may cause problems if consumed in excess. The government regulates the sale of alcohol to minimise the harm associated with its use.

Twenty per cent of Australians drink at levels that increase their risk of alcohol-related harm at least once a month. This harm has a heavy impact on both the drinker and the wider community. Alcohol misuse is linked to increased levels of anti-social behaviour, violent crime, accidents, injury and disease. It is estimated that the economic cost of alcohol-related harm is more than \$15 billion annually.

There are around 4 300 premises licensed to serve alcohol in Western Australia. The majority of these licensed premises are hotels, taverns, clubs and restaurants. Most Western Australians want these premises to be safe and enjoyable drinking environments, but unfortunately this is not always the case. Over 30 per cent of alcohol-related assaults occur in or near licensed premises. In the past five years the number of alcohol-related incidents has increased by more than 20 per cent. In 2010, there were almost 3 000 alcohol-related incidents requiring police attention in and around licensed premises in Western Australia. However as many incidents are unreported, the overall number of alcohol-related incidents and the impact on the community is far higher.

The *Liquor Control Act 1988* (the Act) aims to regulate the sale, supply and consumption of alcohol to minimise alcohol-related harm, to cater for the needs of consumers, and to facilitate the development of licensed premises. The Act provides a detailed system for the licensing of premises. It sets out how alcohol should be served and sold on licensed premises, requiring licensees and their staff to serve alcohol responsibly. This essentially means that licensees and staff must not serve or sell alcohol to a drunk person, or allow a drunk person on licensed premises.

The Act was amended in 2006, strengthening the requirement for the responsible service of alcohol. These amendments were intended to result in well-managed licensed premises that promote the moderate, responsible consumption of alcohol, reducing the likelihood of alcohol-related harm.

The Act gives wide powers to the Director of Liquor Licensing, the Liquor Commission and Western Australia Police (WA Police) to regulate licensed premises and ensure compliance with the Act using a range of education, monitoring and enforcement strategies. The Department of Racing, Gaming and Liquor (DRGL) supports the functions of the Director of Liquor Licensing, and administers the issuing of licences by screening potential licensees and educating them about their responsibilities. DRGL responds to complaints about licensed premises, and monitors and enforces administrative and building standards in licensed premises. WA Police monitor and enforce the requirements of the Act by ensuring that licensed premises operate within the law and patrons are well behaved.

Following the disbanding of the WA Police Liquor and Gaming branch in 1996, DRGL expanded its mandate to cover some issues previously handled by WA Police. With the formation of the WA Police Liquor Enforcement Unit (LEU) in 2007, DRGL returned to dealing with complaints and compliance with building and administrative standards.

The focus of this audit is on whether WA Police and DRGL are implementing key provisions of the Act. The audit examined whether the agencies are effectively educating licensees and staff, monitoring the operation of licensed premises and taking appropriate enforcement action for breaches of the Act. Our audit focused on three lines of inquiry:

- Do WA Police and DRGL understand the patterns and causes of alcohol-related incidents in and around licensed premises?
- Do WA Police and DRGL promote compliance with the Act?
- Do WA Police and DRGL effectively enforce the Act?

### Audit conclusion

A primary objective of the Act is to minimise the harm associated with the sale and consumption of alcohol through the licensing of premises and regulating how the premises operate. DRGL and WA Police monitor and enforce some key provisions of the Act but neither agency is effectively monitoring or enforcing the responsible service of alcohol.

Effective monitoring and enforcement relies on successful collaboration between WA Police and DRGL. The Act provides scope for the agencies to work together. The roles of the agencies are not formally agreed and collaboration is currently inadequate, leaving gaps in coverage, and duplication of effort. Increased collaboration would lead to more effective scrutiny of licensed premises and improved compliance with the Act.

Education and training is essential for licensed premises to operate in accordance with the Act. Education and training requirements are limited, so staff of licensed premises may not have the necessary knowledge to manage their premises safely and responsibly.

During the course of this audit the agencies began to respond to a number of our findings. These include findings on liquor industry staff training, improved collaboration between DRGL and WA Police, more effective information sharing and the follow up of unpaid fines.

### Key findings

There are shortfalls in training and education requirements for licensees and their staff so some may lack the skills and knowledge to operate licensed premises in accordance with the Act:

- DRGL does not record how many educational visits it makes to new licensed premises each year but best estimates indicate that approximately 30 per cent are visited. The basis for selecting new premises to visit is not clear, and is not risk based. This limits the effectiveness of this activity.
- DRGL does not require licensees and their staff to undertake periodic refresher training in the requirements of the Act including the responsible service of alcohol. Refresher training is a requirement in some other jurisdictions. Since the audit started, DRGL advised they are in discussion with industry associations about refresher training.
- The Act requires that bar staff be trained in the responsible service of alcohol. However, DRGL and WA Police cannot be assured that bar staff are properly trained. Currently an abridged training course can be done online, without proof of identity or assessment of skills. To address this, we recommended that DRGL review the continued use of this abridged training course. The Director of Liquor Licensing has since advised the liquor industry that the abridged course will not be sufficient to meet the requirements of the Act from May 2011.
- DRGL and WA Police promote compliance with the Act through consultation with licensees and through local liquor accords. Alongside effective monitoring and enforcement, these consultative arrangements can be effective in promoting compliance with the Act.

There are gaps in DRGL and WA Police monitoring of licensed premises' compliance with key provisions of the Act. This limits the assurance that can be given that licensed premises are safely and responsibly managed:

- DRGL and WA Police have a shared regulatory role but do not have a clear agreement on how they will collaborate to fulfil that role. This has contributed to gaps in monitoring activity, lack of coordination and poor use of information.
- Neither agency has comprehensive information on the patterns and causes of incidents in and around licensed premises. This information could be used to identify early indicators of licensed premises becoming problematic and to support preventive action.
- It is not clear how much visible monitoring is provided by WA Police because information regarding visits to licensed premises by frontline officers is not consistently collected or analysed. The Alcohol Policing Strategy 2009-2011 commits frontline police to providing high visibility policing in public areas such as licensed premises.
- Neither agency undertakes any significant level of monitoring of whether alcohol is served responsibly in licensed premises. DRGL does not conduct activities in this area because it considers it does not have the resources or powers to do this effectively, while WA Police focus their efforts in other areas. Responsive enforcement action such as fines, prosecutions and cancellation of licences is only possible if evidence has been gathered through the effective monitoring of licensed premises.

Although enforcement activity, primarily issuing fines, has increased significantly since 2006-07, gaps remain. These gaps need to be addressed to ensure that licensees and their staff are held accountable for breaches of the Act.

- Only seven per cent of all fines under the Act in 2009-10 (including administrative, building, or service-related offences) were issued against licensees and managers. Over the last 15 years this has averaged at four per cent. WA Police has limited success in prosecuting licensees and their staff because of difficulties in collecting and presenting evidence.
- Licensees and staff can receive an on the spot fine of \$1 000 for breaching the Act. However, the deterrent effect of a \$1 000 fine is questionable for those licensees with a high business turnover. In addition, over 20 per cent of all fines issued against licensees and managers over the last three years have remained unpaid. In early 2011, DRGL and WA Police advised that they would liaise to develop a process to refer unpaid infringements to police for prosecution.
- The Act makes licensees and staff responsible for how alcohol is served, but they have faced little risk of enforcement by WA Police for serving or allowing a drunk person on licensed premises:
  - Between 2005-06 and 2009-10 only 161 fines were issued against licensees and staff for serving alcohol or allowing a drunk person on a licensed premises. Fifty-three of these fines were issued in 2009-10, reflecting an increased focus on this means of enforcement.
  - In 2009-10, 29 of the 4 324 licensed premises were fined for irresponsible service of alcohol.
  - In 2009, WA Police were successful in less than 50 per cent of prosecutions brought against licensees or their staff where the charge involved serving alcohol to a drunk person, or allowing a drunk person on the premises.
- Other enforcement options such as the suspension of liquor licences, or the withdrawal of approval from managers have not often been used, but WA Police have recently increased the use of these enforcement options:
  - Since 2010, WA Police have made increasing use of alternative methods of enforcement. They have initiated nine complaints to the Liquor Commission and have made three applications to the Director for Liquor Licensing for further conditions to be placed on existing licences.
  - In the 17 years from 1994 to 2010, eleven managers lost their status to run licensed premises.
  - Since 2006-07 there has been an average of six orders per year restricting the scope of a liquor licence by imposing additional conditions.

## Recommendations

To improve the understanding by licensees and staff of their responsibilities under the Act, DRGL should make sure all bar staff are appropriately trained, and require periodic refresher training for licensees and their staff.

To improve the monitoring of licensed premises WA Police and DRGL should:

- formally agree on their roles for monitoring, enforcement, and education under the Act, including monitoring the responsible service of alcohol in licensed premises, and define how they will collaborate
- develop a joint system for tracking and planning the monitoring of licensed premises state-wide in response to a formalised risk analysis
- develop a guideline to assist police, licensees, bar staff and security staff in the identification of drunk patrons
- improve evidence-gathering to reliably show that a person was drunk while on licensed premises or when being served alcohol.

To improve enforcement of the Act, WA Police should:

- target enforcement effort towards the responsible service of alcohol by licensees and their staff
- make greater use of all enforcement mechanisms under the Act
- review the outcomes of fines and prosecutions, the collection of evidence, and the preparation and prosecution of cases in order to improve success rates for enforcement.

## Response from Department of Racing, Gaming and Liquor

The Department of Racing, Gaming and Liquor acknowledges that there are issues in relation to monitoring and enforcement of laws relating to liquor control in Western Australia and work has been ongoing over recent months to address those issues. For example:

- Reforms made to the *Liquor Control Act 1988* by way of the *Liquor Control Amendment Act 2010*, have enabled the Director of Liquor Licensing to re-examine issues around mandatory training. Effective from 2 May 2011, the abridged course will no longer be an approved course. The subject of refresher training for managers has also been raised by and with the industry. The introduction of refresher training would have a significant impact on the industry and as such will require extensive consultation by the Government.
- The Department is seeking additional funding to update its information technology infrastructure which was first implemented in the mid 1990s. The Auditor General's report should support the Department's efforts in relation to these funding bids.
- In December 2010, the Department published an information pamphlet "Identifying the Signs of Intoxication". This pamphlet is aimed at raising awareness in the industry about the signs of intoxication. Further, information has been provided to the industry associations as well as to training providers. The definition of intoxication as set out in the *Liquor Control Act* has been placed on the agenda for consideration in the next round of legislative review.

The Department's capacity to do more in relation to compliance activity is constrained by existing resourcing. In this regard, it is important to recognise that the Department is not funded to provide a compliance role as broadly recommended and envisaged by the Performance Audit. It is only funded to deliver an inspectorial role, performed by six inspectors, for assessing venue/building suitability across the State.

The Department will continue to exercise, with integrity, the complex and difficult responsibilities vested in it by the Western Australian community in relation to the regulation of the liquor and gambling industries. In doing so, it will consider the Auditor General's recommendations in the context of its existing resourcing levels.

## Response from Western Australia Police

Western Australia Police acknowledges the impact of alcohol misuse on the community and the impost it generates for policing services. In responding to and attempting to prevent alcohol fuelled violence and anti-social behaviour Western Australia Police is committed to working closely with the Department of Racing Gaming and Liquor and the liquor industry in promoting the responsible service and consumption of alcohol.

In 2007 it was identified that there was a gap in expertise in policing licensed premises and in response to this the Liquor Enforcement Unit was established.

The Western Australia Police welcomes the performance audit and reaffirms its commitment to enforcing the provisions of the *Liquor Control Act 1988*.

Through the Licensing Enforcement Unit and frontline police officers the Western Australia Police will continue to endeavour to improve its capacity and competence to fulfil its obligations under the *Liquor Control Act 1988*.

# The sale of alcohol is regulated to minimise harm

Most Australians drink alcohol socially for enjoyment and relaxation, but alcohol may cause problems if consumed in excess. The government regulates the sale of alcohol to minimise the harm associated with the use of alcohol, including harm arising from anti-social behaviour and violence.

## Alcohol-related harm affects many in the community and is costly

Alcohol misuse is linked to increased levels of anti-social behaviour, violent crime, accident, injury and disease.

According to the state alcohol policing strategy, alcohol misuse is one of the main factors influencing perceptions of community safety. WA Police research shows that alcohol is involved in 25 per cent of threatening behaviour, 38 per cent of assault, and 53 per cent of aggravated assault offences. Alcohol intoxication makes people more likely to be either a victim or perpetrator of crime.

The Police Commissioner has reported that alcohol is an issue in around 75 per cent of police work. Alcohol intoxication is involved in around 90 per cent of calls for police intervention between the hours of 10pm and 2am, and in 60 per cent of all police call outs. In some areas this demand is much higher. Nationally, police use one quarter of their budgets responding to alcohol-related incidents.

Australian research estimates that the economic cost of alcohol-related harm is more than \$15 billion annually. In 2006, the Western Australian Department of Health estimated that one-third of all injuries treated in hospital emergency departments were caused by alcohol-related incidents. The total cost of treating alcohol-related injuries and intoxication in Western Australian emergency departments was estimated at more than \$7 million a year. The total cost to the health system is much higher.

## Alcohol-related anti-social behaviour is increasing in and around licensed premises

Between 2005-06 and 2009-10, the number of alcohol-related incidents in and around licensed premises recorded by WA Police increased 22 per cent. In the case of hotels, taverns and nightclubs, the increase in alcohol-related incidents was 30 per cent. The Police Commissioner stated in 2011 that addressing this issue is a key strategic objective, noting that alcohol-related incidents have become 'more intense'.

Although most licensed premises are associated with few problems, some licensed premises have much higher rates of alcohol-related aggression and violence than any other public setting. Over 30 per cent of alcohol-related assaults in Western Australia occur in or near licensed premises.

In 2009-10, around 3 000 alcohol-related incidents resulted in witnesses making statements to police. Many more incidents requiring police attention did not result in a complaint to police or charges being laid, and are not reflected in WA Police data (Figure 1). The following 10 metropolitan and regional localities had the highest numbers of reported alcohol-related incidents.

Number of alcohol-related incidents in metropolitan areas for 2009-10			Number of alcohol-related incidents in regional areas for 2009-10		
	Incident Locality	Total		Incident Locality	Total
1	Northbridge	298	1	Kalgoorlie	148
2	Perth Central Business District	187	2	Geraldton	95
3	Fremantle	145	3	Broome	94
4	Burswood	114	4	Bunbury	59
5	Mandurah	70	5	Meekatharra	59
6	Subiaco	70	6	Busselton/Dunsborough	55
7	Leederville	53	7	Fitzroy Crossing	51
8	Cottesloe	42	8	Halls Creek	51
9	Claremont	41	9	Port Hedland	43
10	Rockingham	41	=10	Karratha	38
			=10	Esperance	38

**Figure 1: The top 10 ranked metropolitan and regional localities for alcohol-related incidents in 2009-10**

*In 2009-10, four metropolitan and one regional locality recorded over 100 alcohol-related incidents requiring police attention. Some of these areas have higher concentrations of licensed premises than others.*

Source: WA Police, OAG

### The Act aims to minimise alcohol-related harm

Community expectations have been the major driver of liquor control laws, and the Police Commissioner states that a large proportion of the community supports strong enforcement of the liquor control laws. Patrons of licensed premises want a safe and responsible drinking environment. The *Liquor Control Act 1988* (the Act) sets up the framework for how premises will be licensed. The Act was strengthened in 2006, with the goal of better regulating the liquor industry with an objective to minimise alcohol-related harm. The revised Act aims to create well-managed licensed premises, which promote the responsible consumption of alcohol and reduce opportunities for alcohol-related harm.

### The Act requires licensed premises to be well managed and makes licensees accountable for how alcohol is sold

The Act requires licensed premises to be managed responsibly and safely. A well-managed licensed premises includes the following:

- an approved manager present at all times
- bar staff trained in the responsible service of alcohol
- an appropriate level of security including crowd controllers
- promotion of responsible alcohol consumption including providing free water
- suitably designed, furnished and clean facilities
- appropriate dress and behaviour standards.

According to the Director of Liquor Licensing’s policy on harm minimisation, licensed premises must have a house management policy, a code of conduct and a management plan to guide the safe and responsible management of the premises.

Not all incidents in and around licensed premises can be attributed to poor management, or to staff serving a drunk person alcohol. Patrons are also responsible for how much alcohol they drink. Some patrons drink a large amount of alcohol before entering a licensed premises, or combine alcohol with other substances. This creates a complex environment for licensees and their staff. Even so, licensees and their staff remain responsible under the Act for the way they serve and sell alcohol. The Act requires licensees and their staff to serve alcohol responsibly, which means they must:

- not sell alcohol to a person who appears to be drunk
- not allow any drunk person on the premises
- not serve alcohol to under-age patrons
- ensure staff are properly trained to serve alcohol responsibly.

A well-managed premises serving alcohol responsibly is critical, given that licensed venues operate in a setting where excessive drinking patterns, drug use, and anti-social behaviour present complex challenges for staff.

The government is implementing programs to increase community awareness and understanding of the extent and impacts of alcohol intoxication and to change attitudes to excessive alcohol consumption. These programs complement the responsible service of alcohol on licensed premises.

## WA Police and DRGL are responsible for ensuring compliance with the Act

WA Police and DRGL regulate the Western Australian liquor industry. Both agencies aim to promote compliance with the Act using a range of education, monitoring and enforcement strategies. The Act gives DRGL a dual role: to administer and enforce the Act while also promoting the integrity of the liquor industry.

### DRGL focus on administrative and building issues and WA Police focus on the way the licensed premises is run

The Director of Liquor Licensing is responsible for the administration of the Act and appoints inspectors to:

- ensure that licensed premises conform to proper standards
- examine records relating to liquor transactions and subsidies.

The Director of Liquor Licensing is also the Chief Executive Officer of DRGL. DRGL's focus in regulating licensed premises is primarily administrative. DRGL supports the functions of the Director of Liquor Licensing, and administers the issuing of licences by screening potential licensees. DRGL also responds to complaints about licensed premises, and monitors and enforces administrative and building standards in licensed premises. DRGL compliance inspections focus on administrative matters and the building inspections focus on the standard of licensed buildings and facilities. The building inspections operate independently from the compliance inspections.

DRGL supports the Director of Liquor Licensing and the Liquor Commission (a separate administrative tribunal) in day-to-day operations.

WA Police monitor the Act through the Liquor Enforcement Unit (LEU) together with frontline officers. WA Police are responsible for monitoring the requirements of the Act by:

- ensuring that licensed premises operate within the law
- ensuring that patrons are well-behaved
- preventing the illegal sale, supply or consumption of alcohol
- submitting reports, applications, complaints and objections to the Licensing Authority.

The Alcohol Policing Strategy 2009-2011 commits frontline police to providing high visibility policing in public areas such as licensed premises. The strategy affirms that frontline officers are primarily responsible for enforcing the Act.

There are a range of enforcement options to deal with offences under the Act from fines through to the cancellation of a liquor licence. WA Police and DRGL are able to issue fines for specific offences. The Director of Liquor Licensing, the Liquor Commission, and the Courts make decisions on the suspension, cancellation or restriction of a liquor licence where there have been serious or repeated offences by a licensee.

## There are recognised best practices in regulating licensed premises

### Effective regulatory activity should be both visible and covert, collaborative, and supported by enforcement

Australian studies of best practice in the regulation of the liquor industry have found that:

- police and regulatory agencies should not only respond to problems promptly, but should also anticipate and prevent problems by actively and visibly policing licensed premises
- a visible police presence on licensed premises should be coupled with the credible threat of enforcement and a substantial penalty
- enforcement should be frequent, unpredictable, strongly publicised and ongoing
- police and regulatory agencies should work together
- police and regulatory agencies should respond to identified risks by using a problem-solving approach.

WA Police and DRGL observe how licensed premises are operating by a combination of visible and covert monitoring. Visible monitoring sends a clear message that WA Police and DRGL are checking the operations of licensed premises. Covert monitoring is mainly used to collect evidence of non-compliance in licensed premises.

### The responsible service of alcohol should be monitored and enforced to minimise harm

A central aim of the Act is minimising harm caused by the unsafe consumption of alcohol. Australian and international research shows that harm is reduced if licensees, managers and staff of licensed premises refuse service to under-age and drunk patrons.

To effectively regulate licensed premises, monitoring and enforcement activity should focus on the conduct of the licensee, manager and staff. As in other Australian jurisdictions, monitoring of compliance with the Act should include whether bar staff are serving alcohol responsibly.



## Audit focus and scope

The focus of this audit is on whether WA Police and DRGL are implementing key provisions of the Act. The audit examined whether the agencies are effectively educating licensees and staff, monitoring the operation of licensed premises and taking appropriate enforcement action for breaches of the Act. Our audit focused on three lines of inquiry:

- Do WA Police and DRGL understand the patterns and causes of alcohol-related incidents in and around licensed premises?
- Do WA Police and DRGL promote compliance with the Act?
- Do WA Police and DRGL effectively enforce the Act?

We limited the scope of our audit to key parts of the Act that relate to reducing anti-social behaviour and minimising harm in licensed premises, particularly the responsible service of alcohol. We did not examine the assessment and granting of liquor licences and permit applications, or the screening of applicants and related corporate structures. We did not audit the inspection of licensee records relating to liquor transactions and subsidies.

In conducting this audit we interviewed WA Police and DRGL staff and reviewed legislation, policies, files and agency documents. We consulted with the local government representative body and the Drug and Alcohol Authority. In addition, we sought the views of stakeholders within the liquor industry.

We conducted the examination in accordance with the Australian Auditing Standards.

## Improving training and education for licensees and their staff would increase compliance

### Findings

- DRGL does not prioritise educational visits to high risk new premises.
- Bar staff may not be adequately trained to serve alcohol responsibly.
- DRGL does not require managers and licensees to update their knowledge and skills through refresher training.
- DRGL and WA Police are promoting compliance through consultation with licensees.

### DRGL does not prioritise educational visits to high risk new premises

DRGL require all prospective licensees to understand their responsibilities under the *Liquor Control Act 1988*. A person applying for a liquor licence must show that they can manage the premises safely and responsibly to minimise harm to the community.

To ensure that new licensees understand their responsibilities under the Act, DRGL began educational visits to new licensees in 2007. Due to resourcing constraints DRGL visit approximately 30 per cent of new licensees. While visits are a positive initiative, there is no formal risk assessment to identify which new premises to visit. Resource constraints also mean that premises outside of the metropolitan area are infrequently visited.

DRGL could improve this service and make better use of limited resources by prioritising those educational visits to premises that may pose higher risks. A risk assessment could include factors such as the size and location of the premises, the type of licence and the history and experience of the licensee and manager. This may help target regulatory activity towards potential sources of alcohol-related harm before serious incidents occur.

### Bar staff may not be adequately trained to serve alcohol responsibly

Bar staff in Western Australia are required to complete training in the responsible service of alcohol. This can be done either through a nationally accredited course or a DRGL approved abridged course conducted on the internet. Both courses cover similar material, and around 50 per cent of bar staff trained by a major training provider select the online abridged course. Completion of the abridged course results in a certificate of participation, but this is not recognised in other Australian states.

A weakness of the abridged course is that it does not require proof of identity or participant assessment. Licensees can therefore not be certain that staff claiming to be trained through the abridged course have completed the course, or have an adequate understanding of their responsibilities under the Act.

DRGL introduced this abridged training course as an interim measure to meet the needs of volunteer staff at premises such as sporting clubs. However, bar staff across the entire liquor industry have made use of this concession. Since we started this audit, DRGL has informed licensees that the abridged course will no longer be sufficient for bar staff to meet the requirements under the Act.

DRGL does not have a policy requiring bar staff to refresh their training. No re-training is required if a staff member repeatedly breaches the Act.

### DRGL does not require managers and licensees to update their knowledge and skills through refresher training

DRGL's mandatory training policy requires licensees and approved managers to complete a course in liquor licensing. However, unlike some other Australian jurisdictions, licensees and managers are not required to complete ongoing training. Periodic refresher training would enable licensees and managers to remain up to date with amendments to the Act and the Director's policies and guidelines. It would also provide DRGL with an opportunity to discuss issues identified during inspections or noted in other jurisdictions. Since the audit started, DRGL advised they are in discussion with industry associations about refresher training.

There is an opportunity to expand and enhance the provision of refresher educational material through electronic delivery. Other states provide automatic and regular delivery of email material that alerts readers of liquor industry news. DRGL currently provide educational material on a website, but this assumes that licensees and staff will access it. DRGL has informed us that their computer systems are over 15 years old and can not deliver automated emails.

Given the importance of the responsible service of alcohol, we expected to find that licensees and managers who seriously or repeatedly breached the Act would be required to complete further training. However, this is not an automatic requirement.

### DRGL and WA Police are promoting compliance through consultation with licensees

DRGL and WA Police promote safe and well-managed licensed premises by building cooperative relationships with licensees and managers. This cooperative approach can raise awareness of issues, produce results in a short time, and help preserve relationships between the regulatory agencies and licensees. This approach can work alongside enforcement, but should not replace it.

In some recent cases DRGL and WA Police have consulted with licensees of problematic premises to seek voluntary improvements in the management of the premises. The intent was to encourage action by licensees before formal enforcement action was considered. This approach was dependent on a cooperative response from the licensee, and was backed up by the prospect of effective enforcement action.

#### **CASE EXAMPLE:** LEU's cooperative approach as a first step when dealing with problematic premises.

Following a marked increase in serious violent incidents requiring police attention, the WA Police Licensing Enforcement Unit (LEU) met with the licensee and manager of a licensed premises. LEU explained that unless management practices were improved, formal enforcement action would be taken. In consultation with LEU, the licensee made a number of changes. These included improvements to security arrangements, patron identification on entry, lighting, dress standards and the type of music played. In the three months prior to the consultation, the premises experienced 14 violent incidents. In the three months following the consultation with LEU, violent incidents decreased to one per month. The long term effect of this intervention is not yet clear.

Improvements in the management of licensed premises can also result from Liquor Accords. Accords are voluntary industry associations and may include representatives from licensed premises, local government, police, government agencies and community organisations. These accords provide a forum for discussing local issues, and are initiated and convened by local police districts. Accords intend to develop constructive working relationships between licensees and regulatory bodies. In some regional areas, licensees have used liquor accords to jointly identify trouble-making patrons and ban them from licensed premises, with police support. In some regions, police use the accords to provide education to licensees and staff. Because accords are voluntary there is no guarantee that licensees will comply with any agreement reached.

# There are gaps in the monitoring of some key provisions of the Act

## Findings

- Monitoring should identify whether licensed premises are complying with the Act.
- The agencies' current approach to monitoring does not identify emerging problems before they escalate:
  - The agencies do not assess risk adequately.
  - It is not clear how much visible monitoring is provided by WA Police, and coverage of regional areas is inconsistent.
  - Frontline police are not well-prepared to monitor licensed premises and have other policing priorities.
  - Information systems do not assist the agencies in monitoring premises or working together.
- Neither agency is effectively monitoring the responsible service of alcohol:
  - It is difficult to prove that a patron is drunk.
  - WA Police and DRGL focus on issues other than the responsible service of alcohol.

## Monitoring should identify whether licensed premises are complying with the Act

Monitoring involves visiting licensed premises and assessing if they are operating in compliance with the Act. It also includes determining whether there is a risk that the premises will become problematic. Monitoring covers the administration and operation of licensed premises, and includes issues such as noise, crowd control, suitable and clean facilities, the responsible service of alcohol and violent incidents.

The Act requires alcohol to be served responsibly, and research shows this to be effective in reducing levels of alcohol-related harm. When a licensed premises serves alcohol responsibly patrons are less likely to become drunk and the risk of anti-social behaviour and harm is reduced.

## The agencies' current approach to monitoring does not identify emerging problems before they escalate

### The agencies do not assess risk adequately

The agencies lack a monitoring approach to identify emerging problem premises and prevent those premises becoming the scene of anti-social behaviour and violence. Neither agency has comprehensive information on the patterns and causes of incidents in and around licensed premises.

In other Australian jurisdictions, risk-rating systems enable regulatory agencies to target their operations towards high risk premises, from the moment a new licence is issued. The risk profile of the premises may be determined from factors such as the physical layout and design of the premises, the provision of qualified security staff, the style of entertainment, the ambience and atmosphere, the nature of advertising and promotions, and the conduct and profile of patrons.

Until June 2010, LEU did not collect, analyse or share information to make an informed risk assessment. Without this information, LEU was unable to systematically target its monitoring of licensed premises in response to risk. LEU began developing a risk-based response in June 2010, which now directs police attention towards those premises where multiple violent incidents occur. However, LEU has not developed a reliable method for identifying problem premises before the situation escalates and violent incidents occur. LEU is unable to show whether its monitoring of licensed premises focuses on high risk premises before violent incidents occur.

DRGL does not have a risk-assessment tool to guide their compliance inspections. Instead, DRGL relies upon the professional judgment and memory of compliance officers to prioritise monitoring. This means that DRGL can not ensure that its compliance program is responding to risk appropriately. DRGL is not able to show whether its inspection program focuses on problematic or high risk premises.

### It is not clear how much visible monitoring is provided by WA Police, and coverage of regional areas is inconsistent

The Alcohol Policing Strategy 2009-2011 commits frontline police to providing high visibility policing in public areas such as licensed premises. The strategy affirms that frontline officers are primarily responsible for enforcing the Act.

WA Police does not know how much visible policing is happening inside licensed premises. This means WA Police can not be sure that the strategy has been implemented effectively.

A lack of central coordination also means that WA Police can not be sure that all areas of the state are adequately and visibly monitored. There is little connection between metropolitan and regional policing of licensed premises. Three of the seven regional districts have not developed their own alcohol policing action plans. Officers responsible for coordinating the enforcement of the Act may be assigned to other police duties. A 2010 internal review recommended that control of WA Police liquor enforcement be centralised under LEU.

### Frontline police are not well-prepared to monitor licensed premises and have other policing priorities

Frontline police officers are not well-prepared for monitoring the conduct of licensees and staff. This, combined with frontline police having other operational priorities, results in officers focusing on the outside of licensed premises rather than monitoring the situation inside.

Of the 1 120 hours of training for a new police recruit, six hours (less than one per cent) is spent on the requirements of the Act. The majority of frontline officers do not receive any ongoing training concerning the Act. Given that alcohol is an issue in around 75 per cent of police work, and that over 30 per cent of alcohol-related assaults occur in or near licensed premises, this training does not appear to adequately prepare frontline officers. LEU and specialised alcohol and drug police officers confirm that training for frontline officers does not prepare them to be confident in monitoring licensed premises effectively or to collect sufficient evidence to support enforcement measures against licensees and their staff.

### Information systems do not assist the agencies in monitoring premises or working together

Problems with the information systems of both agencies hamper the collection, analysis and sharing of relevant information. DRGL has informed us that their liquor licensing computer system is over 15 years old and in urgent need of upgrading or replacing.

DRGL does not have a suitable information system to support its operations. DRGL can not readily identify and report on which premises its inspectors have visited over time, or which premises are a high priority for future inspection. This means that DRGL is unable to provide assurance that the industry is being adequately monitored.

WA Police monitoring of licensed premises relies on a number of separate databases in various police district offices. This means the police view of risks and responses across the state is fragmented. Regional police districts are required to maintain their own database to monitor local licensed premises, but not every district has done so reliably. A combined state-wide database would enable WA Police to better understand the liquor industry.

Police incident data contains inconsistencies in the naming of premises and the exact location of incidents. This hampers the identification of problem premises. LEU has reviewed and corrected incident data since June 2010.

WA Police are unable to readily report which licensed premises have been visited by frontline officers. This is because police do not record or collate this information in a central database. LEU officers and teams log visits to licensed premises on a daily basis, but this information is not collated or analysed further.

Although senior staff from DRGL and WA Police meet fortnightly, the meetings do not result in documented outcomes. Information regarding planned monitoring and enforcement activities is not always exchanged. DRGL have provided LEU with access to liquor licensing databases, but some officers find the DRGL system difficult to use.

#### **GOOD PRACTICE: NSW Police liquor licensing database**

The New South Wales (NSW) 'ARCIE' database captures and reports information from both police and liquor licensing authorities. This enables NSW police and liquor licensing authorities to jointly identify 'problem premises' and develop effective responses. This database can then be used when evidence is required by police management, liquor licensing authorities, courts, or other government institutions.

### Neither agency is effectively monitoring the responsible service of alcohol

Neither DRGL nor WA Police effectively monitor whether drunk patrons are being served alcohol or are on a licensed premises. DRGL do not consider they have the resources or the powers to undertake this role. WA Police find it difficult to prove that a patron was served alcohol while drunk, and have chosen to focus their monitoring on other areas.

### It is difficult to prove that a patron is drunk

DRGL and WA Police both report that it is difficult to gather sufficient evidence to prove that a patron was drunk while on a licensed premises or while being served alcohol. WA Police advise that this requires careful observation of the patron over an extended period. Under the Act the charging officer must collect evidence that:

- the patron was on licensed premises
- the speech, balance, coordination or behaviour of the patron was noticeably impaired
- it was reasonable to conclude that the impairment resulted from drinking alcohol
- the patron was allowed to remain on the premises, or served alcohol, by the licensee or staff.

Collecting sufficient evidence can be a difficult task, particularly in a crowded busy environment. Because of this difficulty, the agencies have not effectively monitored whether licensed premises are serving alcohol responsibly.

WA Police do not administer alcohol breath tests to show that a patron was drunk. This is because the Act does not authorise them to take alcohol breath tests from patrons, and because evidence of blood alcohol levels would be irrelevant to the definition of 'drunk' in the Act. The Act's definition of 'drunk' refers to the noticeable impairment of a patron's behaviour, rather than the patron's blood alcohol levels. Other jurisdictions have produced detailed guidelines to assist agencies in determining whether a patron is drunk, and DRGL advise that they produced a similar pamphlet for licensees in late 2010.

### WA Police and DRGL focus on issues other than the responsible service of alcohol

WA Police do not effectively monitor the responsible service of alcohol because their efforts are focused on other issues. Frontline police focus on the outside of licensed premises and tend to concentrate on street drinking, under-age drinking, physical assaults, and other anti-social behaviour. LEU officers do not monitor the majority of licensed premises for responsible service of alcohol because they focus on responding to a few premises after multiple violent incidents have occurred.

DRGL inspectors focus on enforcing building safety and administrative issues, rather than operational issues such as the responsible service of alcohol. However, the DRGL 2009-10 Annual Report states that DRGL "provides inspection and audit functions to ensure that the service of liquor is conducted in a responsible manner". The Act allows DRGL inspectors to enforce any offence, but DRGL consider they do not have the power or resources to enforce the responsible service of alcohol.

The majority of the DRGL compliance inspection check list relates to administrative issues rather than operational issues such as the responsible service of alcohol. In addition, DRGL compliance inspectors check for overcrowding and whether an approved manager is present. Up to six DRGL inspectors work on compliance inspections on any average week. In 2009-10 DRGL carried out 982 compliance inspections.

DRGL also conducts building inspections that concentrate on structural issues, patron safety, hygiene, and the serving of alcohol only in approved licensed areas. In 2009-10, DRGL undertook 316 building inspections.

DRGL considers that the Act restricts its inspectors to monitoring building safety and administrative issues, but has not sought legal advice to confirm this view. The Act states that the function of DRGL inspectors is to ensure that licensed premises conform to proper standards. The inspectors can issue infringements for any offence under the Act. DRGL inspectors do not have powers of arrest like WA Police, but are authorised under the Act to demand information from any person in relation to an offence, including name, address and age.

DRGL advise that without powers of arrest, their inspectors are not able to collect evidence to support a charge against a licensee or their staff for serving alcohol to a drunk patron. The Act states that DRGL inspectors can not compel answers to their questions where this might incriminate the person responding, but failure to otherwise provide an answer to a DRGL inspector is an offence. This may lead to arrest by a police officer and a \$5 000 fine.

## Enforcement activity has not fully supported compliance with the Act

### Findings

- The Act provides a range of enforcement options and outcomes.
- The level of fines and prosecutions against licensees and their staff does not fully support improved compliance:
  - The bulk of enforcement effort is directed towards individual drinkers rather than licensees and their staff.
  - Some fines issued to licensees remain unpaid, and the amount of the fine does not always create a deterrent.
  - Police fail in around half of prosecutions against licensees and their staff.
- The obligation to serve alcohol responsibly has not been effectively enforced against licensed premises.
- Until recently, the low level of fines against licensees and their staff had not been offset by other enforcement options such as complaints to the Liquor Commission. Since the establishment of LEU, levels of enforcement through fines and other enforcement options have increased.

### The Act provides a range of enforcement options and outcomes

Enforcement is designed to change licensee and staff behaviour by penalising them if they do not operate safely and responsibly. The agencies can not demonstrate whether the level of enforcement is increasing compliance with the Act and minimising harm. It appears that problems in and around licensed premises have increased in recent years. In the period from 2005-06 to 2009-10, incidents requiring police attention in and around licensed premises increased by 22 per cent.

The Act provides the agencies with a number of different enforcement options and possible outcomes (Appendix 1). These include:

- on the spot fines of between \$200 and \$1 000, issued by DRGL or WA Police
- prosecution where a fine is challenged, leading to possible fines between \$2 000 and \$10 000
- more restrictive licence conditions imposed by the Director of Liquor Licensing or the Liquor Commission
- penalties of up to \$30 000 where a formal complaint has been made to the Liquor Commission
- suspension or cancellation of a liquor licence by the Director of Liquor Licensing or the Liquor Commission
- withdrawal of an approved manager's status.

Some examples of offences under the Act include: a licensee operating outside of approved hours; failing to have an approved manager supervise the premises; and serving alcohol to drunk or under-age patrons.

**The level of fines and prosecutions against licensees and their staff does not fully support improved compliance**

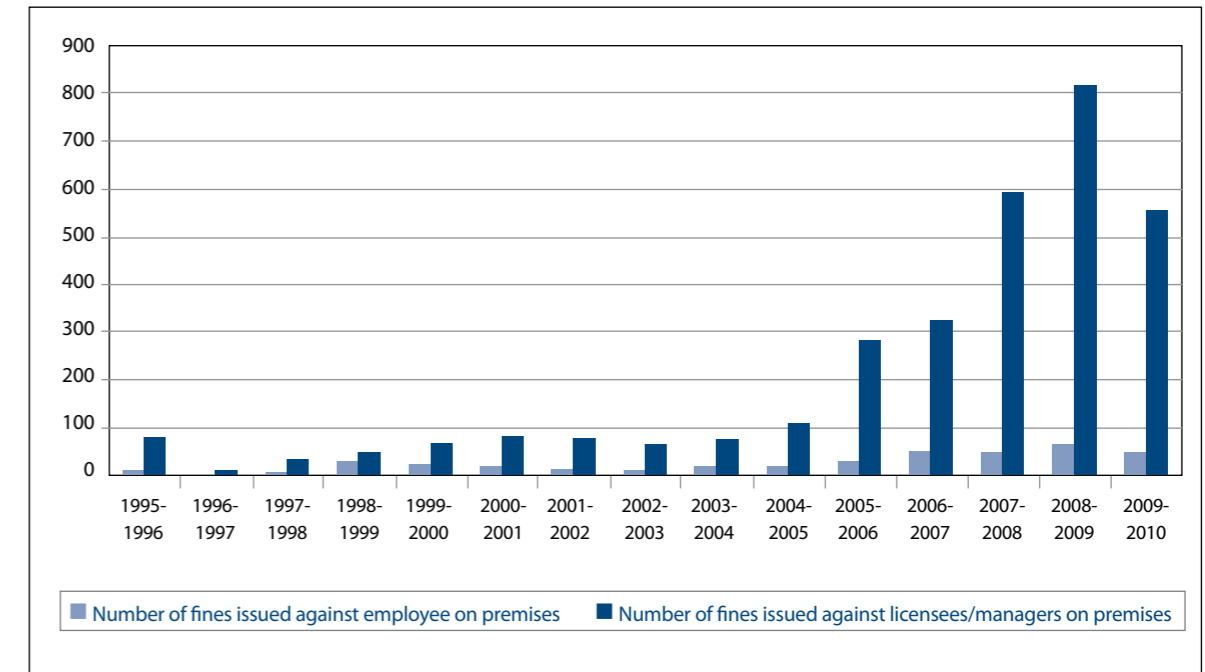
DRGL and WA Police carry out the majority of enforcement under the Act by issuing fines. In 2009-10 DRGL issued 117 fines, while WA Police issued almost 12 000.

**The bulk of enforcement effort is directed towards individual drinkers rather than licensees and their staff**

The Act makes licensees responsible for the safe management of their premises, but most enforcement effort is against individual drinkers. More than 93 per cent of the fines issued in 2009-10 were against individual drinkers in and outside licensed premises, with less than seven per cent against licensees and their staff. The average proportion of fines against licensees and their staff over the last 15 years was four per cent.

The Act’s aim of minimising harm in and around licensed premises is more likely to be achieved by making licensees and their staff accountable, rather than individual drinkers. Changing the behaviour of licensees and bar staff through enforcement will affect all the patrons they serve. Issuing a fine against an individual drinker will have less effect. Fines and prosecutions against licensees and staff were low until 2005-06, but have recently increased following a renewed focus on enforcement.

Following the disbanding of the Police Liquor and Gaming Branch in 1996, the number of fines issued to licensees, managers and staff under the Act remained low until 2004-05 (Figure 2). Since 2005-06, the number of fines issued has increased dramatically, peaking at more than 800 in 2008-09. This increasing trend reflects a renewed focus on enforcement activity by WA Police.



**Figure 2: Number of fines issued against licensees and their staff for any breach of the Act**

Enforcement of the Act against licensees and staff was low from 1995-96 to 2004-05. A single incident may lead to a fine for both the licensee and the manager, and sometimes also the employee. This means that the number of licensed premises fined is less than the total shown.

Source: DRGL, WA Police, OAG

**Some fines issued to licensees remain unpaid, and the amount of the fine does not always create a deterrent**

The majority of enforcement under the Act occurs through fines. While the amounts of the fines are comparable to some other Australian jurisdictions, the deterrent effect of a fine is not always significant. The same \$1 000 fine applies to the licensee of a small sports club and to the licensee of a premises holding more than a thousand patrons. The deterrent effect of a \$1 000 fine is less significant for those licensees with high business turnover.

More than 20 per cent of all fines issued against licensees and managers over the last three years remained unpaid, and were referred to the Fines Enforcement Registry. This represents a total of around \$450 000 in unpaid and overdue fines. If a fine remains unpaid for long enough, it may be written off by the Fines Enforcement Registry. A long delay between the payment of a fine and the relevant offence lessens the impact and reduces the deterrent effect of the fine. During this audit, DRGL and WA Police began to review the enforcement of unpaid infringements.

The Fines Enforcement Registry pursues payment of the fine in the same way as a parking fine. An unpaid fine may result in the suspension of a driver’s licence, but the liquor licence remains unaffected.

### Police fail in around half of prosecutions against licensees and their staff

The rate of police success in prosecuting offences by licensees is low. This weakens the deterrent effect of being charged.

In 2009 WA Police won less than 60 per cent of cases against licensees and their staff, and less than 50 per cent of cases where the charge involved serving alcohol to a drunk person, or allowing a drunk person on the premises. The LEU has been allocated funding for an in-house solicitor to improve the rate of prosecution successes.

### The obligation to serve alcohol responsibly has not been effectively enforced against licensed premises

Neither WA Police nor DRGL effectively enforce the responsible service of alcohol. DRGL does not consider this to be part of their role, and WA Police have focused their effort elsewhere. This means that licensees and their staff may not be held accountable if they breach this key requirement of the Act. The irresponsible service of alcohol may lead to anti-social or violent behaviour by drunk patrons.

In the five years to 2009-10, only 161 (less than 0.5 per cent) of the 52 600 fines issued under the Act were for the irresponsible service of alcohol. In 2009-10 less than one per cent of licensed premises were fined for the irresponsible service of alcohol, and the success rate of prosecutions for serving alcohol to a drunk person was less than 50 per cent.

It appears that problematic premises where numerous serious assaults have occurred are also not being held accountable for their serving practices. Of the top 20 problematic premises in 2009-10, only three of the premises were fined for serving drunk patrons. In some cases, rather than issuing a fine against the premises WA Police have taken a consultative approach or commenced a complaint to the Liquor Commission. WA Police advised that serving practices may not be the cause of all problems in licensed premises.

As an alternative approach to fines, police can issue a summons for an offence to be prosecuted in court. Police may issue a summons when an offence is serious, or for a repeat offence. The maximum penalty for an offence taken to court is 10 times that of an infringement. Fifteen out of 1 282 prosecutions (around one per cent) under the Act in 2009 were for serving alcohol to drunk patrons or allowing a drunk person on the premises.

This low level of enforcement is out of step with the number of drunk patrons present in some licensed premises. The Drug and Alcohol Office found in a 2010 project that obviously drunk patrons were present in almost half of a sample of 110 high risk premises audited. The project generating this data is a collaborative initiative between the Drug and Alcohol Office, DRGL, WA Police and industry.

### Until recently other enforcement options had not been used to offset the low level of enforcement against licensees and their staff through fines

The low number of fines issued against licensees and their staff has not been offset by the increased use of other enforcement options, such as complaints to the Liquor Commission, removal of approved managers, the suspension of liquor licences, or the placing of additional conditions on a liquor licence.

WA Police and DRGL (through the Director of Liquor Licensing) complained to the Liquor Commission in 20 cases from 2007 to 2010, resulting in the suspension of three liquor licences. In 2010, WA Police began using this avenue of enforcement more frequently. They have initiated nine complaints to the Liquor Commission, and have made three applications to the Director of Liquor Licensing for further conditions to be placed on existing licences.

The Act states that the Director of Liquor Licensing may suspend a liquor licence for a period of time if the Director considers that this would be in the public interest. In practice this power has been exercised mostly in response to administrative breaches of the Act or building safety issues. However, the public interest is widely defined in the Act to include issues such as harm, ill health, local amenity, offence, annoyance, disturbance, or inconvenience to people in the area. The Director of Liquor Licensing rarely suspends a licence in response to the poor management of a premises, or ongoing anti-social or violent behaviour in or around the premises. The Director of Liquor Licensing has been verbally advised by the State Solicitor's Office that he is unable to suspend a liquor licence in these circumstances.

The Director of Liquor Licensing and the Liquor Commission removed approval from a total of 11 managers of licensed premises over the 17 year period from 1994 to 2010. During this time there were periods of up to five years in which no approved managers lost their status.

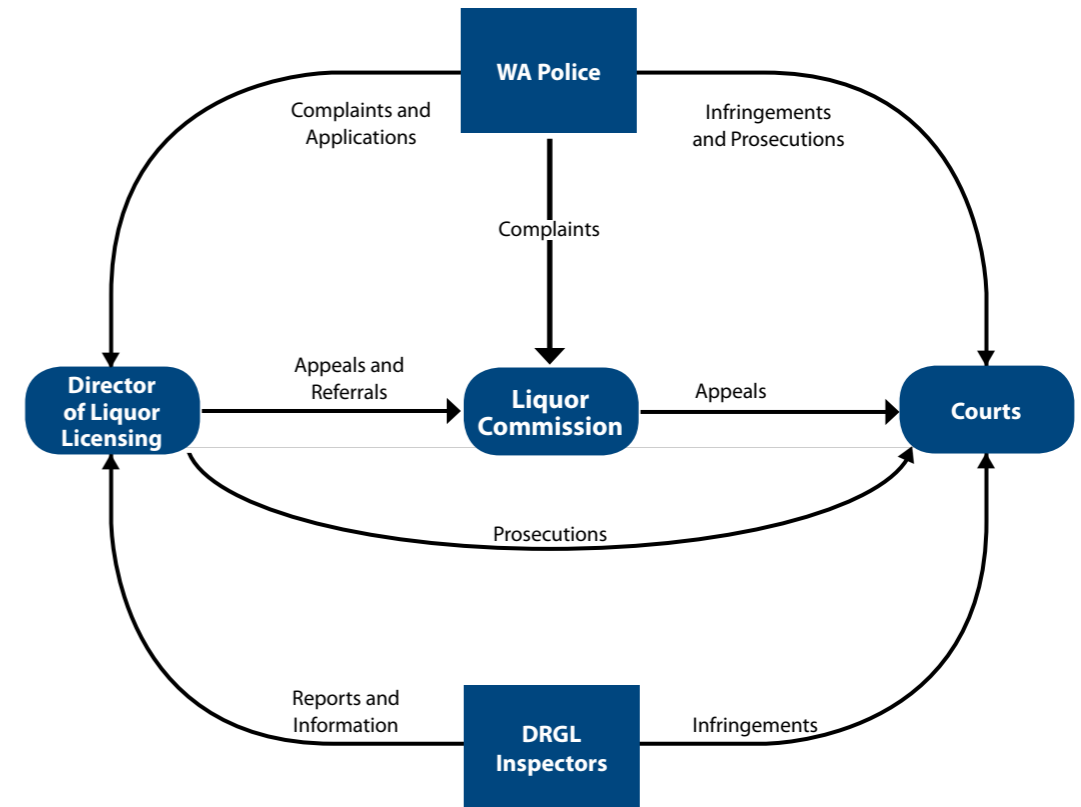
Since 2006-07 the Director of Liquor Licensing has made an average of six orders per year restricting the scope of a liquor licence by imposing additional conditions. One order in the summer of 2009-10 applied to all licensed premises within an entertainment precinct. Additional conditions may require minimum standards of lighting, security staffing, and camera surveillance, or limit the hours of operation of the premises.

# Appendices

Enforcement Mechanism	Description	Penalty
Additional conditions imposed by the Director of Liquor Licensing under s.64.	Conditions may be imposed at the discretion of the Director of Liquor Licensing, after receiving submissions.	New conditions may restrict the terms on which a licensed premises may trade. Maximum penalty of \$500/day for breach of conditions, payable by the licensee.
Complaints to the Director of Liquor Licensing under s.117.	A complaint may be made to the Director by the Commissioner of Police, local government, government agency, or any three affected persons as defined.	Discretionary order by the Director of Liquor Licensing. Penalty for contravening Director's order: \$10 000.
Suspension of a Liquor Licence by the Director of Liquor Licensing under s.91.	The Director may suspend a liquor licence in the public interest, at the Director's discretion, or on application by the Commissioner of Police.	Operating while licence suspended: <ul style="list-style-type: none"> <li>\$10 000 licensee or manager</li> <li>\$4 000 employee</li> <li>\$2 000 anyone else.</li> </ul>
Revocation of Approved Manager Status by the Director of Liquor Licensing under s.35B(3)	The Director of Liquor Licensing may revoke 'approved manager' status at the Director's discretion, after receiving submissions.	Failing to have an approved manager in charge, or acting as an approved manager without approval: \$10 000 (s.100).
Prohibition against entering a licensed premises by the Director of Liquor Licensing under s.152B.	Director may make a prohibition order preventing a person from being employed by or entering any licensed premises, on application by the Commissioner of Police.	Acting contrary to a prohibition order: \$10 000 for employer and for person prohibited.
Complaints to the Liquor Commission under s.95.	A complaint may be made to the Commission by the Director of Liquor Licensing, the Commissioner of Police, or local government.	Penalties include: additional conditions, suspension of licence, cancellation of licence; maximum \$30 000 fine, or any other order.
Work orders issued by Inspectors of the Director of Liquor Licensing under s.99.	DRGL inspectors have the power to issue work orders where a licensed premises building is not suitable, clean and in good repair.	Work order compels repairs. Failure to comply: penalty of \$500/day.
Emergency closure of licensed premises by WA Police under s.114	Police may close a licensed premises, or order a stop to the sale of alcohol to preserve the peace.	Temporary closure of premises.
Self-regulation via 'incident registers' under s.116A.	Self-regulation via 'incident register'.	Penalty for missing or false/ misleading statement \$10 000.
Infringement Notice or Prosecution under s.167 or s.168.	An authorised officer may issue an infringement notice or summons against the licensee, employee, or patron.  The Director of Liquor Licensing or WA Police may commence a prosecution.	Modified penalty is 10% of maximum under Act, i.e. \$1 000, \$400 or \$200. Follow up by Fines Enforcement Registry. Prosecution may result in penalties up to \$10 000, \$4 000 or \$2 000.

Appendix 1: Enforcement options under the *Liquor Control Act 1988*

Source: OAG



Appendix 2: Enforcement processes under the *Liquor Control Act 1988*

This diagram shows the essential enforcement processes under the Act. For ease of understanding, the diagram does not show complaints to the Director of Liquor Licensing from members of the public, local governments, and other government agencies. The diagram also omits complaints to the Liquor Commission from local governments, emergency closures of premises by police, work orders issued by DRGL, and prohibition and banning orders made against individuals by the responsible agencies. The Fines Enforcement Registry enforces unpaid infringement notices, but is not shown.

Source: OAG



# Auditor General's Reports

REPORT NUMBER	2010 REPORTS	DATE TABLED
12	Second Public Sector Performance Report 2010 – The price is right? Setting fees and charges for government services – Royalties for Regions – Local government spending	24 November 2010
11	Universal Child Health Checks	24 November 2010
10	Audit Results Report – Annual 2009-10 Assurance Audits	10 November 2010
9	ICT Procurement in Health and Training	13 October 2010
8	Environmental Management of Cockburn Sound	22 September 2010
7	Fitting and Maintaining Safety Devices in Public Housing	11 August 2010
6	Energy Smart Government	30 June 2010
5	Fiona Stanley Hospital Project	23 June 2010
4	Audit Results Report: Annual Assurance Audits completed since 2 November 2009, including universities and public colleges; and Compliance Audits: Managing attractive assets; Managing salary payment errors	5 May 2010
3	Public Sector Performance Report 2010 – Opinions on three 'Ministerial Notifications' – ministerial decisions to not provide information to Parliament – Registration of Medical Practitioners	5 May 2010
2	Information Systems Audit Report	24 March 2010
1	The Planning and Management of Perth Arena	10 March 2010

The above reports can be accessed on the Office of the Auditor General's website at [www.audit.wa.gov.au](http://www.audit.wa.gov.au)

On request these reports may be made available in an alternative format for those with visual impairment.