



for

Tabled, by leave,

Mr Graham

SWart

Clerk of the Parliaments

15 / 10 / 2024

24-HOUR ECONOMY LEGISLATION AMENDMENT (VIBRANCY REFORMS) BILL 2024 STATEMENT OF PUBLIC INTEREST

Need: Why is the policy needed based on factual evidence and stakeholder input?

The aim of Bill is to help music venues, significant events and cultural spaces to thrive; create vibrant precincts; and further modernise the liquor licensing system. The amendments also seek to improve consistency across regulatory frameworks, making it easier to understand the rules and access incentives.

This Bill is a continuation of the *24-Hour Economy Legislation Amendment (Vibrancy Reforms) Act 2023*, which passed NSW Parliament in November 2023.

This Bill seeks to amend the:

- *Gaming and Liquor Administration Act 2007*
- *Liquor Act 2007*
- *Liquor Regulation 2018*
- *Registered Clubs Act 1976*
- *Registered Club Regulation 2015*
- *Local Government Act 1993*
- *Environmental Planning & Assessment Act 1979*
- *Protection of the Environment Operations (General) Regulation 2022*
- *Major Events Act 2009*
- *24-Hour Economy Commissioner Act 2023*.

The Bill forms part of a broader package of reform, including non-legislative initiatives, to deliver on a series of government commitments to support a vibrant and diverse 24-hour economy. These include public commitments such as *strengthening the Special Entertainment Precinct Framework* and *doubling the number of live music venues across the state within 4 years*.

These reforms also act on feedback provided by local government, NSW Government Agencies and industry stakeholders to optimise NSW regulatory frameworks.

Objectives: What is the policy's objective couched in terms of the public interest?

The NSW Government is committed to supporting venues in NSW to reach their full entertainment, economic and creative potential, especially at night.

These reforms focus on additional support for live music and hospitality venues, continued emphasis on vibrant, activated precincts, further modernising the regulatory framework for licensed venues and more support for special events. The proposed amendments will also correct some drafting errors in the *Vibrancy Reforms Act 2023*.

A fit-for-purpose regulatory ecosystem that is responsive to changing community expectations will support the growth of the night-time economy in NSW, protect and grow live music venues and cultural spaces, and improve the ability of businesses and communities to make use of public and private assets.

Options: What alternative policies and mechanisms were considered in advance of the bill?

The Bill forms part of a broader package of reform, including non-legislative initiatives, to deliver on a series of government commitments. A number of these commitments make explicit reference to implementing specific regulatory changes. As such, limited options analysis was completed.

Where alternatives were considered and tested through stakeholder consultation (such as alternative legislative mechanisms, policy options, guidelines and guidance materials), it was concluded that they would likely have minimal effect on the program objectives or would present additional cost to government.

Analysis: What were the pros/cons and benefits/costs of each option considered?

The 2024-25 Budget provided funding of \$26.9 million in 2024-25 to support the development of vibrant, safe, and diverse night-time precincts across the State and the delivery of the refreshed NSW 24-Hour Economy Strategy.

If these amendments do not proceed, the ensuing cost of overlapping regulation and red tape will continue to disrupt the hospitality and creative industries' ability to meet their full potential. It will also fail to realise NSW Government efficiencies presented by streamlining regulation.

Pathway: What are the timetable and steps for the policy's rollout and who will administer it?

The broader Tranche 2 package of reforms has been developed, and its implementation will be monitored, by a cross-government steering committee and working group convened by The Cabinet Office and the Office of the 24-Hour Economy Commissioner, with members comprising Liquor & Gaming NSW, Department of Planning, Housing and Infrastructure, Office of Local Government, NSW Health, NSW Police Force, Transport for NSW, Environment Protection Authority, and Sound NSW.

The Bill will be introduced to the NSW Parliament in the week of 14 October 2024. If enacted, most provisions will commence upon assent, with a small number on proclamation.

Consultation: Were the views of affected stakeholders sought and considered in making the policy?

The cross-government Steering Committee coordinated feedback and input from member agencies, as well as other relevant NSW Government agencies. Steering Committee members also conducted limited consultation and testing with their specific stakeholder groups, for reforms they were developing.

The proposed amendments to the *Local Government Act 1993* have been tested with several councils, including Inner West Council as the only council with a Special Entertainment Precinct currently, and the City of Sydney Council.

Notably, Liquor & Gaming NSW undertook a deliberate consultation process on liquor licensing and registered club rule amendments with key stakeholders, such as peak industry bodies and health advocacy groups.

The Office of the 24-Hour Economy Commissioner facilitated a workshop with industry, council and other government agencies representatives to identify barriers, improvements, and opportunities within the current regulatory environment. Industry stakeholders were broadly supportive of the reforms, with changes made to some reforms to respond to feedback.