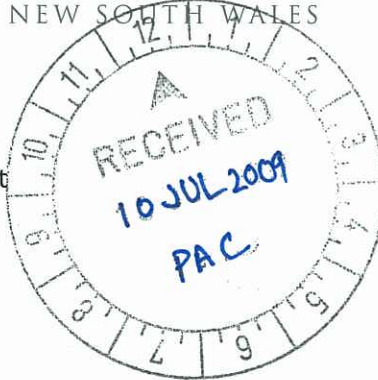




THE AUDIT OFFICE
OF NEW SOUTH WALES

CONTACT NAME P Achterstraat
TELEPHONE 9275 7101
OUR REFERENCE
YOUR REFERENCE

Mr Paul McLeay MP
Chair
Public Accounts Committee
Legislative Assembly
Parliament House, Macquarie Street
SYDNEY NSW 2000



8 July 2009

Dear Mr McLeay

**Examination of Auditor-General's Performance Audit Report
"Working with Hotels and Clubs to reduce alcohol-related crime"**

We have reviewed the submission provided by the Department of the Arts, Sport and Recreation and the NSW Police Force concerning the recommendations in the above performance audit report.

Following tabling of the report, we were pleased that both the Department and the Police Force accepted all of our recommendations. Both submissions indicate that they are making good progress in implementing most of the recommendations.

Please find attached our assessment of whether each response addresses the issues raised in the original report, along with a comment on progress. We have not substantiated the submission. In some instances, more information would be helpful to better understand what has been done to address our recommendations.

I plan to forward a copy of this correspondence to the Director-General of the Department of the Arts, Sport and Recreation and to the Police Commissioner for their information.

I am happy to provide any further assistance the Committee may need in completing its examination.

Yours sincerely

Peter Achterstraat
Auditor-General

Attachment

Number	Recommendations	Action steps address issue	Comment on progress
1	<p>We recommended that the NSW Police Force and the Office of Liquor Gaming and Racing:</p> <ul style="list-style-type: none"> ▪ establish a working party to: <ul style="list-style-type: none"> - clarify roles and responsibilities under the new liquor laws - develop a joint approach to licensing that includes both education and enforcement strategies, by December 2008 - develop a risk-based annual program which identifies the areas and licensed premises to be targeted as part of its licensing operations, which is reviewed at least quarterly, by December 2008. ▪ ensure that all relevant information about licensed premises is accessible to each agency so they can better target high-risk premises. 	<p>The Department and Police report that they established an Interagency Working Group, which was to meet quarterly, but has only met twice (October 2008 and April 2009). OLGR has seconded an officer to the Police's Alcohol and Licensing Enforcement Command (ALEC) to facilitate a joint agency approach, including industry education.</p> <p>The Group has endorsed a strategic program that prioritises enforcement resources to hot spots. A risk assessment database (Escalated Licensing Operational Response Model) has been established and used to guide police in reducing the risk at identified premises.</p>	<p>Completed.</p> <p>The risk assessment database appears to be a good response. Both OLGR and Police need to ensure data is maintained and used to guide enforcement operations.</p>
2	<ul style="list-style-type: none"> ▪ ensure that all relevant information about licensed premises is accessible to each agency so they can better target high-risk premises. 	<p>The Alcohol-Related Crime Information Exchange (ARCIE) system was introduced in May 2009 to make relevant crime information available to both agencies, as well as the Office of State Revenue and the Bureau of Crime Statistics and Research (BOCSAR).</p> <p>OLGR advises it is using the Government Licensing System as its primary database, and that it needs to be developed further to allow it to interface with ARCIE and OLGR's compliance management information system.</p>	<p>Completed.</p> <p>Improved access will result from the database integration work described by OLGR.</p>

3	<ul style="list-style-type: none"> review the impact of their operations to determine what works best in the long term to reduce alcohol-related crime, and disseminate and share good practice. 	<p>OLGR reports this happens at the quarterly Interagency Working Group meetings, and that monthly meetings occur at regional level.</p> <p>OLGR has established a new unit to provide advice on the most effective controls to reduce alcohol-related crime and to draft policies and standards.</p> <p>In October 2008, the Government established an Implementation Team to work on a package of measures to reduce alcohol-related crime. Both OLGR and Police are represented on it.</p>	Completed and ongoing.
4	<ul style="list-style-type: none"> develop and deliver by July 2010, statewide patron education campaigns on the liquor laws, including the consequences of breaking the law for both patrons and licensees. 	<p>OLGR chairs the Liquor Working Group within the Crime Prevention Steering Committee. Both agencies give numerous examples of patron education campaigns they have worked together on.</p> <p>The OLGR Liquor Accord Delivery Unit is reviewing patron communication initiatives, and is researching ways for accords to better engage the wider community.</p>	Ongoing. OLGR progress appears satisfactory.
5	<ul style="list-style-type: none"> assist NSW Health in developing and implementing statewide public education campaigns on responsible drinking. 	<p>OLGR has worked to draft industry guidelines on liquor promotions, and partnered with Health to propose an industry trial of responsible consumption messages on advertising.</p> <p>The Implementation Team has assisted Health on a responsible drinking campaign which ran in locations with high reported rates of alcohol-related violence in early 2009.</p>	Ongoing. These actions will address these issues.

6	<ul style="list-style-type: none"> ▪ continue to work with the Australian Hotels Association and Clubs NSW to ensure licensees are informed about the alcohol-linking project and other new initiatives, including how data is used. 	<p>OLGR works closely with the two peak bodies, as do Police through the Commander, ALEC.</p> <p>OLGR, in conjunction with Police, runs industry education workshops on the alcohol and crime linking project.</p>	Completed and ongoing.
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	<p>We recommended that the NSW Police Force:</p> <ul style="list-style-type: none"> ▪ by December 2008 introduce guidelines which outline the joint approach to licensing including how police should: <ul style="list-style-type: none"> - work with licensees to prevent breaches from occurring by using a range of education and support initiatives - respond to licensing breaches including enforcement options. 		
7		<p>Police established ALEC in July 2008, and six Regional Licensing Coordinator positions to support local licensing officers. Police established a Licensing Education Program for police, to ensure consistent practice in managing licences and assessing risk.</p>	Completed.
8	<ul style="list-style-type: none"> • by December 2008 analyse the appropriate resource requirements to tackle alcohol-related crime, and allocate these resources accordingly 	<p>Police report that ALEC was established on 1 July 2008 with an operational capacity of 30 officers. In July 2009 Police report that 27 of these positions are filled and recruitment action is being taken to fill the remaining vacancies.</p>	Completed.
9	<ul style="list-style-type: none"> ▪ by July 2009 implement the following training initiatives: <ol style="list-style-type: none"> a) provide training in liquor licensing as part of general duty officer recruitment program b) reinstate and deliver a formal training course on licensing c) run an abridged version of the licensing course for general duty officers where needed to ensure they have licensing skills and knowledge to assist them to carry out their duties d) deliver a mandatory training package to LACs which includes information on the liquor reforms and the functions of each agency. 	<p>Police have instituted training at all four levels specified.</p> <p>All new recruits receive education in relation to the 2007 Liquor Act and alcohol-related crime.</p> <p>Police expect to complete mandatory training of all officers on liquor reform by July 2009.</p>	Completed and ongoing.

	<p>We recommended that the Office of Liquor Gaming and Racing:</p>		
10	<ul style="list-style-type: none"> ▪ monitor the effectiveness of liquor accords to identify strategies that reduce alcohol-related harm, such as crime and anti-social behaviour, by July 2009 	<p>OLGR's Liquor Accord Delivery Unit has been allocated five new officers, and received a grant of \$260,000 in 2008 to implement strategies to sustain liquor accords.</p> <p>OLGR ran 36 workshops for accord coordinators in 2008 to strengthen accords and the strategic alliance between regulator and the industry. OLGR plans additional workshops in 2009-10.</p>	<p>These actions will help sustain liquor accords, but do not address the issue that accords should include clear objectives and performance measures and that OLGR monitor the effectiveness of the liquor accords.</p>
11	<ul style="list-style-type: none"> ▪ include on its website the results of enforcement action taken against licensees by Police and OLGR for breaches of the liquor laws, by December 2008. 	<p>OLGR reports it has several ways of informing stakeholders, but is taking advice on confidentiality provisions that may prohibit the publication of this information.</p>	<p>Incomplete.</p>