

**IN THE MATTER** of the Sale and Supply of Alcohol Act  
2012

**AND**

**IN THE MATTER** of an application by **Basraz Liquor Ltd** pursuant to s.100 of the Act for the OFF Licence in respect of premises situated at **125 Normanby Street, Paeroa** known as "**Liquor Station**"

**BEFORE THE HAURAKI DISTRICT LICENSING COMMITTEE**

Chairperson: Paul Milner  
Members: Brent Holmes  
Ross Murphy

**Hearing at Paeroa, Hauraki District Council on 12 September 2023 and reconvened on 7 November 2023.**

**APPEARANCES**

Manbir Kaur	Applicant/Director of Basraz Liquor Ltd
John Young	Legal Counsel for applicant
Sandy Watkins	Super Liquor Franchise Manager
Jane Beard	District Licencing Inspector
Nicole Zeier	Representative for Medical Officer of Health
Ayobami Adesanya	Representative for Medical Officer of Health
Sgt Nigel Sanderson	NZ Police

**DECISION**

**Background**

1. Application for OFF Licence by Basraz Liquor Limited t/a Liquor Station Paeroa, 125 Normanby Road, Paeroa. The company owner and sole director is Manbir Kaur. She also operates Super Liquor South, Paeroa with her husband and brother-in-law. She resides in Papakura and travels to Paeroa to work.
2. A Sale and Purchase agreement dated 21 December 2022 which was conditional on obtaining a Temporary Authority (TA) within 30 working days, was submitted to the DLC when applying for the first TA. Further TAs have been applied for and granted.
3. The premises have been operating under Temporary Authority over the previous owners Licence, Sapphire Dreams t/a Thirsty Liquor, Paeroa. Sapphire Dreams OFF licence renewal has been declined by the DLC and is currently under appeal with ARLA.

4. The first TA was applied for on 24 January 2023 and issued on 8 February 2023. A failed CPO was undertaken at the premises on 14 April 2023. The settlement for the business took place on 24 April 2023.
5. Paeroa is a high depravation community which currently has 6 OFF licence premises.
6. Objection was received from the Inspector, MOH and Police to this application. The Police later withdrew their opposition.

### **Applicant**

7. Manbir Kaur gave evidence before the committee to give her background and experience and to address matters raised in opposition by the agencies. Ms Kaur was able to explain the issues raised and provided detailed explanations of all that was asked of her by the agencies and the committee members under cross examination.
8. Ms Kaur presented herself as a competent operator that is aware of her obligations under the Act. For all the issues raised there was reasonable explanations provided to the committee, most of which were able to be backed up by email trails and other correspondence as presented.
9. It is noted that no relevant evidence was able to be presented to show the reduction in purchase price of the business from what was shown on the Sale & Purchase Agreement, only a verbal explanation from Ms Kaur.
10. The failed CPO happened under the previous owner and although the Inspector was under the belief that Ms Kaur was in-charge at that point in time, evidence was presented to show this was not the case, including the final stocktake prior to changeover on 24 April 2023.
11. The final handover of the business took far longer than expected due to negotiations for the lease conditions with the landlord being protracted.
12. Ms Kaur agreed that improvements need to be made around provision of rest breaks for staff to ensure compliance with the law.
13. Ms Kaur spoke about how the final stocktake prior to handover was carried out. The previous owner had very poor stock control systems, so much so that no accurate cost prices had ever been entered into the POS system nor was there any stock amounts entered into the system; therefore a full manual stocktake was required. To calculate the final stock value, a reduction back from the retail price was used to calculate a final figure.
14. Sandy Watkins gave evidence in support of Ms Kaur on behalf of Super Liquor. Mr Watkins is the franchise Manager for Waikato, BOP, Taranaki and Gisborne. He described the Liquor Station Brand and how it relates to the main Super Liquor franchise of which Ms Kaur operate her other store, Super Liquor South.

15. Mr Watkins described the systems and support made available to franchisees in the network and his role in supporting this function including quarterly audits. He also described the improvements that had already been made to the premises by Ms Kaur. He made notes on further items he would be following up on with Ms Kaur to ensure further improvements are made to tighten up on procedures.
16. The committee found Mr Watkins to be very knowledgeable regarding Super Liquor and the industry in general. This was offset to a minor extent during the hearing when it became obvious that Mr Watkins was not aware of another failed CPO at the other Super Liquor outlet in Paeroa.

### **Inspector**

17. Jane Beard raised issues of suitability of the applicant and whether appropriate systems, staff and training to comply with the law exist.
18. Ms Beard was familiar with the previous owner and their poor performance which ultimately led to their OFF Licence being declined. Therefore Ms Beard was required to satisfy herself and this committee whether or not this was firstly a genuine arm's length sales and if so, then does the new operator have the necessary systems in place to ensure compliance with the Act.
19. The failed CPO served as a red flag in that Ms Beard was of the belief that the new owner had taken over the business at the time of the failed CPO and when this was disputed it prompted further inquiry into the applicant. This may have led Ms Beard to enquire more fully into all information provided by the applicant as a result of the initial "red flag".
20. The committee agrees that Ms Beard was required to enquire fully into this applicant in any event, but especially after the previous owner had run the business in such a poor manner previous to Ms Kaur becoming involved.
21. Ms Beard asked whether there was enough staff to operate the stores full allocation of proposed hours should they be granted. Ms Beard suggested shorter opening hours of 11.00am to 9.00pm

### **Medical Officer of Health**

22. Nicole Zeier and Ms A Adesanya for the Medical officer of Health presented evidence of deprivation levels of the Paeroa community. There were questions raised regarding managers linked to this premises that were also working at other locations and whether they were actually available as required and there was a lot of discussion around the sample rosters submitted by the applicant and how they work in reality.
23. Ms Zeier raised concerns about the proximity of the two premises owned by Ms Kaur and also the total number of OFF license premises in Paeroa and particularly how this affects the high deprivation communities that they serve.

24. Ms Zeier also raised the issue of single serve high alcohol, low cost items which was a particular concern in high deprivation areas as well as in general.
25. Ms Adesanya also suggested shorter opening hours than those proposed in the application, of 11.00am to 8.00pm.

### **Police**

26. Sargent Nigel Sanderson gave an explanation regarding the failed CPO at the premises and conceded that the responsibility for this was on the previous owner not the current applicant. There had been a delay in following up after the failure and that a more timely response in future would be desirable to ensure those responsible can be held to account and that improvements can be made by business owners.

### **General**

27. CPTED:  
Safety and Security is a concern which can be addressed through appropriate layout of the store and surrounds as well as good quality CCTV. The committee questioned Ms Kaur about the change to the look of the shop frontage and the additional graphics displaying alcohol pictures. Ms Kaur stated it was part of the revamp along with the new branding of the store. Ms Kaur agreed that a condition requiring going back to a smaller graphic without alcohol pictures would be acceptable.
28. Single Sales:  
Ms Kaur agreed to have a condition requiring the removal of single sales from the store.

### **Decision & Reasons**

29. The committee is satisfied that the applicant has answered all issues raised and has proven to be suitable to hold a licence of this type. It is noted that while the enquiry into this applicant by the Inspector and MOH may have been far more thorough than what has been asked of other applicants in the past it was nonetheless fair and justified to do so.
30. The premises at this location have a recent history of being operated poorly which led the recent renewal being declined and a subsequent failure of a CPO. It is clear that this was not the fault of the current applicant, but still raised a red flag for the committee requiring a deeper look into all aspects of the operation.
31. Paeroa has a high deprivation community as well as a high number of OFF licence premises. There is evidence of alcohol related harm within the community that would be best addressed through the LAP process.
32. The failed CPO can be disregarded as it is accepted by the committee that the previous owner was still in control of the premises.

33. The purchase price was somewhat lower than what the committee would expect based on other similar businesses in the wider region. This was offset against the fact that the business was a distressed sale as stated by the applicant with the previous owner having been declined their OFF licence renewal.
34. Ms Kaur could be described as a hands-on operator who regularly works in the business, taking an active role in the management of the day to day operations.
35. Due to the high deprivation community in and around Paeroa the committee believes it is a fair question raised by the MOH and Inspector, firstly whether Paeroa needs up to six OFF licences and secondly whether those OFF licences should be allowed to sell single serve, high percent alcohol due to the increased risk of alcohol related harm. It is noted that the same concerns exist in Waihi which has similar characteristics as Paeroa.

**NOTE: The committee recommends that council consider these issues at the earliest possible time by conducting a full review of the Local Alcohol Policy (LAP).**

36. The committee has carefully considered the extensive submissions and evidence presented by all parties. We have undertaken an evaluative approach and considered the merits of the application for the new OFF licence when weighted against the criteria in section 105 and ultimately against the object of the Act.

**The licence is subject to the following conditions:**

- a) Alcohol may only be on the following days during the following hours:  
Monday to Sunday 10:00am to 9:00pm December to February  
Monday to Sunday 10:00am to 8:00pm March to November
- b) The front windows of the premises must be free from all posters and advertising material other than what is required by law. A plain transfer (one or two colours) may be placed at the bottom of the glass frontage and shall be no higher than 300mm. No fridges or alcohol displays are to be placed in such a way that they would obstruct the clear view into the premises.
- c) No single sales of Beer or ready to drink spirits in bottles, cans or containers of 500mls or less in volume except craft beer, shots or premixed shots. As consistent with the wording in 'Thirsty Liquor Wordsworth' (2023) NZARLA 79
- d) No alcohol may be sold on the premises on Good Friday, Easter Sunday, Christmas Day, or before 1.00pm on ANZAC Day.
- e) There is to be no external advertising of alcohol products.
- f) A properly appointed certificated, acting or temporary manager must always be on duty and on the premises when the premises is open for the sale and supply of alcohol.

- g) A manager's register (as required by s.232 of the Act) is maintained and available on site.
- h) There must be no sale or supply of alcohol to minors or intoxicated persons and appropriate signs must be displayed detailing these restrictions.
- i) Drinking water must be freely available and displayed whenever alcohol is being supplied during complimentary tastings.
- j) The Licensee must ensure the following are displayed:
  - i. A sign visible from outside the principal entrance stating the ordinary hours of business when the premises will be open for the sale of alcohol.
  - ii. A copy of the original licence with all conditions located just inside the principal entrance where persons entering can read it.
  - iii. A sign in a prominent place identifying the duty manager's name.

### **Conclusion**

We have considered the criteria in section 105 and the submissions and evidence of the Applicant and reporting agencies. Standing back and evaluating all relevant factors, we have formed an opinion that the new OFF licence application is consistent with the object of the Act. We are satisfied that the grant of the OFF licence, with appropriate conditions, will ensure the safe and responsible supply of alcohol and the minimisation of harm caused by excessive or inappropriate use of alcohol. Therefore, the application for the issue of the OFF licence is granted.

The OFF licence is granted for an initial period of 12 months, as required by the Act. This probationary period is an opportunity for the applicant to demonstrate compliance with the Act and for the reporting agencies to observe how the business is operated. Police, the Medical Officer of Health, and the Licensing Inspector all have a role to play in assessing compliance with the Act by Basraz Liquor Limited, in preparation for any future renewal applications.

NOTE: All commercially sensitive information including the purchase price of the business and staff wages is subject to a non-publication order.

**Dated** at Paeroa this 26th day of January 2024

Paul Milner  
DLC Chairperson