



Hon Melissa Horne MP

Minister for Casino, Gaming and Liquor Regulation
Minister for Local Government
Minister for Ports and Freight
Minister for Roads and Road Safety

1 Spring Street
Melbourne Victoria 3000 Australia
Telephone: +61 3 8392 8020

Our ref: 23080790

Ms Danielle Huntersmith
Chair
Victorian Liquor Commission
Level 3, 12 Shelley Street
Richmond VIC 3121

By email: danielle.huntersmith@liquor.vic.gov.au

Dear Ms Huntersmith,

I am pleased to provide you with my Statement of Expectations (SOE) for the Victorian Liquor Commission (VLC) to guide the regulator's business planning processes. This SOE applies to 30 June 2024, or until otherwise amended.

The VLC is supported in the exercise of its regulatory functions by staff in a dedicated business unit of the Department of Justice and Community Safety (DJCS). The VLC and this team of DJCS employees supporting its regulatory functions are called Liquor Control Victoria (LCV).

Legislative framework

As Minister for Casino, Gaming and Liquor Regulation, I am responsible for administering the *Liquor Control Reform Act 1998* (Act) and this guidance should be read in the context of the objectives, obligations and functions outlined in this Act as amended. This guidance should also be read in the context of any other legislative and non-legislative obligations on LCV.

Emerging risks and priorities

The Victorian Government is committed to best practice regulation of our liquor industry. LCV was established to provide a dedicated focus on liquor regulation and to have a greater role in monitoring and responding to liquor related harm.

The 2023-24 financial year is an important year to establish the identity and priorities of Victoria's new dedicated liquor regulator, following the demerger from the casino and gaming regulator in mid-2022.

The liquor regulatory environment is characterised by change including:

- New liquor industry business models and industry practices such as online ordering and delivery;
- New social and economic expectations of the liquor industry as Victoria emerges from the pandemic; and

- New regulatory reform and policy initiatives, including an enhanced focus on harm minimisation under the Act that includes harm to minors, harm to vulnerable persons and communities, family violence, and anti-social behaviour resulting in personal injury or property damage.

Within this context, I have set out below my expectations and priorities for LCV for the 2023-24 financial year. These priorities and expectations are not exhaustive and do not cover the full range of important regulatory activities undertaken by LCV. Instead, these priorities focus on strategic matters I consider necessary to deliver the government's intent for the newly established LCV.

My expectation is that LCV work towards a safe, diverse, and responsible liquor industry for everyone. Based on consultation with the VLC and DJCS, my expectation is that LCV works towards this goal by focussing on the following priority areas:

- Timely processing of licence applications and variations, including the improvement of processing times.
- Identifying, understanding, and responding to the highest risks of harm. This expectation is to be fulfilled both:
 - Proactively, including through strong relationships with communities, industry and other stakeholders, and improved access to data, research, and intelligence; and
 - Reactively, including through strong enforcement action to achieve specific and general deterrence.
- Enhancing risk based regulatory approaches, including through the operationalisation of government policies such as the Ministerial guidelines.
- Supporting industry diversity and responsible business growth. This expectation is to be fulfilled by:
 - Timely licence processing that leverages investments in new systems and is appropriately calibrated to risk; and
 - Making it easier for industry and the community to interact with the regulator through improved communication and reduction of unnecessary regulatory barriers.
- Strong working relationships with stakeholders to raise industry standards, compliance with regulatory requirements, and fulfillment of industry's obligations as licensees. This expectation is to be fulfilled by:
 - Delivery of fit for purpose education and training; and
 - Successful implementation of government policy and regulatory reform.
- Engaging, consulting, and supporting staff throughout LCV's ongoing change process.
- Working across DJCS and across the Victorian Government to ensure a sustainable liquor regulatory funding model.

Reporting and reviewing

I request that LCV incorporate these expectations into its business plan and include milestones for meeting these expectations, noting that some priorities are longer-term and may extend beyond 2024. I would also appreciate periodic updates on the progress of these matters at our regular meetings.

Finally, as the inaugural Chair of the VLC, I look forward to working with you to deliver best practice regulatory oversight of the liquor industry.

Should you wish to discuss any aspect of this letter, please do not hesitate to contact my office or Toby Hemming, Deputy Secretary of Integrity, Regulation, and Legal Services at DJCS.

Yours sincerely

A handwritten signature in blue ink, appearing to read "Melissa Horne".

Hon Melissa Horne MP
Minister for Casino, Gaming and Liquor Regulation

16/08/2023