

ŌTOROHANGA DISTRICT LICENSING COMMITTEE

Decision	018-0539
<u>IN THE MATTER</u>	of the Sale and Supply of Alcohol Act 2012
<u>AND</u> <u>IN THE MATTER</u>	of an application by JD 2023 Limited for the renewal of an off-licence pursuant to section 127 of the Act for the premises trading as Kiwi Town Liquor Centre

HEARING at the Ōtorohanga District Council Chambers, Ōtorohanga on 25 July 2025

ŌTOROHANGA DISTRICT LICENSING COMMITTEE

Commissioner: Ms T McIntyre

Members: Cllr R Johnson, Mr R Murphy

APPEARANCES

Mr K Singh Deol – Director, JD 2023 Limited
Mrs A Kaur Deol – Director, JD 2023 Limited
Mrs P Davies – Counsel for JD 2023 Limited
Mrs N Pham Berry - Licensing Inspector (in opposition)
Senior Sergeant Hall - NZ Police (to assist)
Mr B Wipa – Medical Officer of Health delegate (to assist)

DECISION OF THE ŌTOROHANGA DISTRICT LICENSING COMMITTEE

1. The off-licence 018/OFF/002/2024 for the premises situated at 6 Maniapoto Street, Ōtorohanga and known as Kiwi Town Liquor Centre is renewed for a further period of **18 months**. The licence may issue on payment of the annual fee.
2. The present conditions of the licence are replaced as follows:
 - (a) Alcohol may be sold on the following days and during the following hours:
Monday to Sunday, from 9.00am to 10.00pm

- (b) No alcohol may be sold on the premises on Good Friday, Easter Sunday, Christmas Day, or before 1 pm on Anzac Day.
- (c) Single sales of alcoholic products priced at less than \$6.00 per unit are prohibited.
- (d) The use of any Buy Now Pay Later (BNPL) services for the purchase of alcohol is prohibited.
- (e) The area where alcohol is to be sold and consumed is described in the plan date stamped as received by the Ōtorohanga District Licensing Committee on 29 November 2024.
- (f) The entire premises is designated as a supervised area (no persons under 18 can be in the area unless with their parent or legal guardian).
- (g) A properly appointed certificated, acting or temporary manager must be on duty and on the premises at all times when the premises is open for the sale and supply of alcohol.
- (h) A manager's register (as required by s.232 of the Act) is to be maintained and available on site.
- (i) The licensee must ensure all staff receive training in their responsibilities and obligations under the Sale and Supply of Alcohol Act 2012.
- (j) There must be no sale or supply of alcohol to minors or intoxicated persons and there must be appropriate signs detailing these restrictions at every point of sale.
- (k) Drinking water must be freely available and displayed whenever alcohol is being supplied by way of complimentary tastings.
- (l) The Licensee must ensure the following are displayed:
 - i) A sign to be seen from outside the principal entrance stating the ordinary hours of business during which the premises will be open for the sale of alcohol.
 - ii) A copy of the original licence with all the conditions, just inside the principal entrance so persons entering can read it.
 - iii) A sign in a prominent place identifying the duty manager.

Remote Sale Conditions

- (m) Alcohol may be sold remotely at any time, on any day.
- (n) Alcohol must not be delivered on Good Friday, Easter Sunday, Christmas Day, or before 1 pm on Anzac Day, or between 11:00pm and 6:00am the following day.
- (o) The licensee must take reasonable steps to verify that the buyer and the receiver of an alcohol delivery is not under 18 years of age, and that the receiver (where present) is not intoxicated.
- (p) The outside of the delivery package must contain a label with the following words:
CONTAINS ALCOHOL- Do not deliver to intoxicated persons or persons under 18 years of age.

- (q) A copy of the licence must be displayed on the Kiwi Town Liquor Centre internet site in a prominent place.

REASONS

1. This is an application by JD 2023 Limited for the renewal of the off-licence for the premises situated at 6 Maniapoto Street, Ōtorohanga and known as Kiwi Town Liquor Centre.
2. The reporting agencies did not initially raise any concerns with the renewal application. However, the Licensing Inspector later provided a supplementary report dated 17 March 2025, advising of a failed Controlled Purchase Operation (CPO) conducted on 15 March 2025 and raised concerns about observations of a further sale made during that time. We have accepted this report on the basis that the information contained within it only came to light after the inspector had submitted their initial report, and it is relevant to the application. As a result of the failed CPO, the off-licence was suspended for 48 hours (14 to 16 June 2025).¹
3. We considered it appropriate to decide the application at a public hearing to better understand the concerns raised.²
4. A non-publication order, pursuant to sections 203 (5) and (6) of the Act, is granted in relation to the CCTV video evidence presented to the Committee. The committee orders that no person may publish, broadcast, or disseminate in any form any part of the CCTV video evidence presented to the Committee that would identify the individual shown in the customer interaction captured in that video. The customer is a local community member, and publication could cause substantial detriment and harm to their reputation. For completeness, this order applies to all media organisations, members of the public, and any other persons present or who obtain copies of the evidence.

The Law

5. In deciding whether to renew an off-licence we must have regard to sections 105 and 131 of the Act. Therefore, we must consider the following questions within the framework of the purpose and object of the Act:
 - a) Is the applicant suitable?
 - b) Are the days and hours during which the applicant proposes to sell alcohol reasonable?
 - c) Is the design and layout of the premises suitable?
 - d) Does the applicant propose to engage in the sale of goods or provision of services other than those directly relating to the sale of alcohol, low-alcohol refreshments, non-alcoholic refreshments, and food?
 - e) Does the applicant have appropriate systems, staff, and training to comply with the law?
 - f) Have the police, inspector and medical officer of health raised any relevant considerations?
 - g) Will the amenity and good order of the locality be increased by more than a minor extent by the effects of a refusal to renew the licence?
 - h) Has the applicant sold, displayed, advertised, or promoted alcohol in a responsible manner?

¹ [2025] NZARLA 137

² Section 202(1) Sale and Supply of Alcohol Act 2012

- i) Does the application comply with the Ōtorohanga District Council Local Alcohol Policy?
6. The object of the Act is to ensure that the sale and supply of alcohol is undertaken safely and responsibly, and the harm caused by excessive or inappropriate consumption of alcohol is minimised.³ We must take an evaluative and merits-based approach.⁴

Is JD 2023 Limited a suitable applicant?

7. In a number of decisions, the High Court and the Licensing Authority have indicated suitability is a broad concept and that matters such as: previous convictions, character, reputation, experience in the hospitality industry, management ability, previous unlawful operation of a licensed premises and personal integrity should be taken into account when assessing suitability.⁵ In essence the licensing committee must consider whether the applicant is likely to properly carry out the responsibilities that go with the holding of licence.⁶
8. The business is family-run and has operated from its current location for the past 18 months. Mr Singh Deol, who appeared before us, is a co-director of JD 2023 Limited alongside Mrs Kaur Deol, his wife. The company operates both the Kiwi Town Liquor Centre and a Thirsty Liquor bottle store, located on the same street in Ōtorohanga. Mr Singh Deol has been involved in the alcohol industry since 2013, beginning as a full-time duty manager at Broadwood General Store in the Far North. He then held duty manager positions at Super Liquor Paraparaumu Beach (2014–2016) and later at Kiwi Town Liquor Centre under the previous licensee. In 2023, upon the former owner's retirement, Mr Singh Deol and his wife purchased the business and have been managing the premises since. Mr Singh Deol works full time at the Kiwi Town Liquor Centre, while Mrs Kaur Deol manages the Thirsty Liquor store. He expressed confidence in their joint ability to continue managing both outlets responsibly.
9. Mr Singh Deol demonstrated a sound understanding of the responsibilities associated with holding an off-licence. He was able to recall the conditions of the licence with clarity and was able to explain why his staff training documents referred to the provision of food and low alcohol options despite being an off-licence. Mr Singh Deol advised that he resides locally and has built strong relationships with his customers. Given the small size of the community, he is familiar with many of them and described the value he places on maintaining trust and acting responsibly. He also spoke about his awareness of alcohol-related harm and shared examples of behaviours he had witnessed in the community. These insights, along with his commitment to responsible service, gave us confidence that Mr Singh Deol is a conscientious and capable licensee. Neither he nor Mrs Kaur Deol have any convictions.

³ Section 3 Sale and Supply of Alcohol Act 2012

⁴ *Christchurch Medical Officer of Health v J & G Vaudrey Limited* [2015] NZHC 2749, at [54]

⁵ *Police v Casino Bar (no 3) Ltd* [2013] NZAR 267 (HC), *Re Jays* LLA 994/94 (15 July 1994), *Re Sheard* [1996] 1 NZLR 751 (HC), and *Re Nishchay's Enterprises Ltd* [2013] NZARLA 837.

⁶ *Re Sheard* [1996] NZAR 61

10. Apart from the failed CPO, the Licensing Inspector and Police have not had any concerns about the management of the premises. Therefore, we are satisfied that JD 2023 Limited is a suitable entity to hold an off-licence

Are the days and hours during which the applicant proposes to sell alcohol reasonable?

11. The licensed hours of 9.00am to 10.00pm Monday to Sunday are appropriate for this type of premises in the Ōtorohanga District.
12. The application has been assessed and complies with the Ōtorohanga District Local Alcohol Policy 2024.

Is the design and layout of the premises suitable? Will the amenity and good order of the locality be increased by more than a minor extent by the effects of a refusal to renew the licence?

12. We are satisfied that the premises has a suitable design and layout that meets the requirements of the Act. The premises comprises an open-plan retail area with a chiller located at the rear of the store. The point-of-sale counter is near the main entrance so staff can monitor customers walking into the premises. The Licensing Inspector reported a good selection of snack items was observed at the counter. It is her view that the layout allows for effective monitoring by staff and is supported by the presence of 10 CCTV cameras.
13. We are satisfied that refusing the renewal of the off-licence would not be likely to increase the amenity and good order of the locality by more than a minor extent. There have been no reports of any nuisance or vandalism, or noise problems associated with the operation of the off-licence in the past year.

Does JD 2023 Limited have adequate systems, staff, and training in place to ensure compliance with the Act?

14. Mr Singh Deol brought a copy of the Kiwi Town Liquor Centre training manual to the hearing, and we saw evidence that regular staff training is taking place. We saw that staff are trained to identify signs of intoxication and are reminded of their obligations to check identification and confirm customers' ages. Mr Singh Deol explained that he provides all the training personally. He told us that age identification by staff is supported by an automatic till prompt requiring age verification before a sale can proceed. All staff are required to complete the ServeWise online training programme, and additional training is provided through the Allied Retail Group NZ online training academy, which is part of the franchise arrangement. He also explained that new staff receive induction training through the franchisee, and ongoing reminders are communicated via a staff WhatsApp group, with a focus on ID checks and the use of the SCAB tool. We saw evidence of attendance at Club Champs.
15. Mr Singh Deol submits that the actions of the duty manager were an isolated lapse in judgement and were inconsistent with the training and procedures that had been provided to him throughout his employment. Evidence presented confirmed that Mr Singh Deol had

implemented clear protocols and expectations in line with the Act, and that the duty manager had received regular training on these matters. Despite this, the duty manager's conduct on the 15 March 2025 departed from those standards, indicating a failure to adhere to established practices rather than a lack of guidance or instruction.

16. While the training systems appeared generally sound, we noted that the written 'Training Plan' was out of date and still referred to the previous licensee as the person responsible for staff training. JD 2023 Limited was asked to provide an updated Training Plan, including a clear requirement for induction training for all new staff and six-monthly refresher training for all other staff. This updated plan was subsequently submitted following the hearing.
17. Mr Singh Deol confirmed there are three duty managers employed by JD 2023 Limited including himself that are dedicated to the Kiwi Town Liquor Centre store. There are other duty managers working at the Thirsty Liquor store that could be called on if required. Mr Singh Deol informed the committee that he and his staff used a whiteboard sign stating "Closed – back in 30 minutes" when taking breaks. This indicates an awareness of his obligations under employment law, ensuring that staff were able to take their entitled breaks.
18. We are satisfied that JD 2023 Limited have an appropriate training programme in place, understand the requirements around the Manager's Register and have sufficient staff to manage the premises.

Has JD 2023 Limited sold, displayed, advertised, or promoted alcohol in a responsible manner?

Failed CPO

19. JD 2023 Limited accepts that its duty manager made an error when a sale of a six pack of vodka RTD's was made to a minor on 15 March 2025. Mr Singh Deol outlined the steps taken following a breach involving the sale of alcohol to a minor during a controlled purchase operation. This consisted of a formal meeting held with the duty manager involved, Navdeep, to review the incident and the associated CCTV footage. Mr Singh Deol was not present at the incident but, from viewing the CCTV, he saw that Navdeep had checked customers who appeared under the age of 25 earlier that same day. He told us that the staff member reported taking a personal phone call regarding an upcoming examination which had him caused significant stress and this affected his concentration at the time of the sale. He reported feeling overwhelmed and the controlled purchase operation occurred before he was able to call Mr Singh Deol to organise to leave early. The committee also questioned whether fatigue was a contributing factor noting the CPO occurred around 5.00pm and Navdeep had been working since 10.00am that morning. Mr Singh Deol confirmed breaks were rostered and taken.
20. Mr Singh Deol acknowledged the seriousness of the breach and the importance of preventing access to alcohol by minors. He expressed deep regret that the sale occurred and advised that steps had been taken to strengthen compliance procedures. These included retraining all staff on their obligations under the Act, with emphasis on the "under-25" age verification rule

and ensuring all duty managers received one-on-one training and attended Club Champs courses. Mr Singh Deol assured the Committee that this incident is not reflective of the standards upheld at the premises or the quality of training provided. Mr Singh Deol provided evidence that Navdeep subsequently resigned from his role. We were told he wished to focus on completing his Bachelor of Nursing studies.

21. Senior Sergeant Hall confirmed that this was the first CPO for Kiwi Town Liquor Centre since 2022. He noted that the failure was particularly concerning given that it occurred during what is commonly referred to as the “probationary period.” This term is used to describe the early stage of a new licence-holder’s operation when agencies expect heightened vigilance and strict compliance with the Sale and Supply of Alcohol Act. During this time, any breaches are viewed seriously as they can indicate whether the licensee can meet their statutory responsibilities. Despite the failure, Senior Sergeant Hall acknowledged that Mr Singh Deol had accepted the seriousness of the incident and agreed to the suspension of the licence as proposed by Police.

Alleged discounted sale/sale to an intoxicated person

22. The Licensing Inspector outlined further concerns arising from the failed CPO. While documenting the CPO in-store, Mrs Pham observed a sale in which a bottle of wine was sold for just \$5.00, and she questioned whether the customer was intoxicated at the time. Mr Singh Deol clarified that the wine was sold at its usual price of \$11.99 and was not discounted. We noted that the receipt, provided by way of evidence, was dated 17 March 2025 two days after the bottle was removed from the store. This confirmed there was an irregularity about the sale. Mr Singh Deol explained that the transaction involved a deferred payment arrangement due to the customer’s card declining. A total of \$5.00 was paid at the time, with the balance settled later. He stated this arrangement was permitted because of a longstanding relationship with the customer, who had been known to the store for over 15 years. Although he acknowledged that this practice is rare and staff have since been reminded that full payment must be received at the time of sale, we also note that there was a system in place, both at the point of sale and in the premises records, to facilitate deferred payments.
23. The Inspector also alleged that the customer may have been intoxicated at the time of the sale. Mr Singh Deol strongly disagreed, noting that the customer is well known in the local community and has a distinctive manner and presentation that may be misunderstood by someone unfamiliar with her. It was submitted that the customer did not exhibit any observable signs of intoxication under the Sale and Supply of Alcohol Act, such as slurred speech, unsteadiness, or impaired behaviour. We were unable to make any assessment on speech as the CCTV did not have any accompanying audio but Mr Singh Deol contended that she was able to engage normally in a conversation. Senior Sergeant Hall confirmed that while he was present, he hadn’t made an assessment on her sobriety. After reviewing the four different CCTV footage angles showing the incident several times, the Committee agreed that there was no conclusive evidence that the customer was intoxicated at the time of the sale.

If the licence is granted, what conditions should be imposed?

24. Under section 117 of the Act, the Licensing Committee may issue a licence with any reasonable conditions, provided they are not inconsistent with the Act. As a general principle, we aim to apply consistent and reasonable conditions across all licensees in the Ōtorohanga area. Where more restrictive conditions are proposed, particularly those that differ from conditions imposed on similar licensees, there must be sound evidence that the additional requirements are necessary to address a specific, identified risk relating to the goal of ensuring alcohol is consumed safely and responsibly, and to minimise the harm caused by excessive or inappropriate alcohol consumption.
25. The Medical Officer of Health initially opposed the application. As noted in an email dated 5 March 2025, a site visit to the store showed a high strength (7.2%) bottle of Kingfisher beer being sold singularly for \$6.00 and several other products being sold for \$4.00. At the hearing, the Medical Officer of Health delegate confirmed that the premises is in a higher-deprivation area (decile 9, with neighbouring areas of decile 7-9), making the community more vulnerable to alcohol-related harm. Mr Wipa submitted that selling low-cost single units of high-strength beer and RTDs increases risk, particularly for individuals with addiction issues or problematic drinking behaviours. To address this, a condition to ensure no single sales of alcohol products priced \$6.00 or less may be sold was put forward. Similar conditions have already been applied to several off-licences in the Ōtorohanga district operating in similarly vulnerable communities. JD 2023 Limited accepted this condition and the Medical Officer of Health withdrew their opposition.
26. We remain concerned that JD 2023 Limited allowed customers to pay a deposit and then pay the balance later, which in turn gave easier access to alcohol when a customer could not afford it at the time of need. This is the same principal as the official 'Buy now pay later' (BNPL) system even though by their own admission this was used responsibly and very infrequently. The use of BNPL options that postpone the consequences of payment may encourage poor decision making. This is particularly relevant for those with alcohol addictions. Mr Singh Deol has accepted a condition restricting this practice and has assured us that this will not happen again. We accept this assurance.

Conclusion

27. Standing back and considering the criteria for renewing a licence and the evidence presented, the licensing committee agrees that one failed CPO alone, in the absence of any other aggravating circumstances, cannot reasonably warrant a refusal to renew the off-licence. In addition, the actions of JD 2023 Limited in immediately accepting responsibility for the breach, co-operating with police and requiring staff to undergo further training demonstrates a responsible attitude. Mrs Pham indicated she would withdraw her opposition on the basis that JD 2023 Limited accept a condition around single sales, no use of BNPL and if the renewal period was truncated.
28. Weighing up all these factors, the application for the renewal of the off-licence is granted for a truncated renewal period of eighteen months. This serves as a reminder for the company

that their operation remains under close observation by the reporting agencies and gives more time to demonstrate that improved staff, systems, and training are in place.

29. The conditions for this licence have been updated. The application for the renewal of the off-licence is granted.

Dated at this 19th day of August 2025



Tegan McIntyre
Commissioner
Ōtorohanga District Licensing Committee