

The Growing Trend of Suburban Small Bars

Small bar licences have now been around in Western Australia since 2007 and we have seen a steady increase in the number of new small bars opened each year. In 2010/11 there were only 56 small bars, which has grown to 94 small bars in February 2015. The concept of the small bar was introduced to encourage innovation and a more dynamic hospitality industry in Western Australia.

Whilst a small bar licence currently comes under the banner of a hotel licence, there are some important requirements in order for a premises to obtain a small bar licence, these include:

1. The number of persons who may be on the licensed premises is strictly limited to a maximum of 120 persons (this includes employees not just patrons);
2. No packaged liquor may be sold from the premises (i.e. no takeaway liquor); and
3. There is no need to provide accommodation (as you would expect at a hotel).

Unlike a restaurant licence, patrons of a small bar have the option to stand up whilst consuming liquor and can also purchase liquor over the bar (as opposed to table service in a restaurant). These features provide greater flexibility for licensees to hold cocktail functions with finger food and can add to the dynamic and atmosphere of a small bar venue.

Small bars have generally been regarded as 'low risk' venues because of the limited size of the venue, but more importantly because of the manner of the business conducted. Regardless of the style or theme, small bars are intended to provide an intimate setting where people can enjoy liquor ancillary to another service or activity, for example, tapas, pre-dinner drinks or late night supper. Small bars are also encouraged as they can provide seating for patrons with entertainment played at a level which allows normal conversation to occur between patrons.

The majority of small bars have been located in the entertainment districts such as the Perth CBD (20), Northbridge (10) and Fremantle (10), however, we are starting to see more applications for small bar licences in the suburbs, including West Leederville, Wembley, Mosman Park, Applecross and Morley, and also in regional areas such as Esperance, Albany and Busselton. Unlike traditional licensed premises such as hotels, taverns and nightclubs, the features of a small bar lend themselves to smaller, intimate venues where patrons can attend any night of the week without disturbing the surrounding neighbours.

As with nearly all new liquor licence applications, an applicant for a small bar licence must demonstrate that the application is in the public interest, having regard to the likely health and social impacts on the community. This is done by way of a public interest assessment submission that addresses a range of factors such as the proposed operation of the premises, community profile and statistics, crime, other licensed premises in the locality and alcohol-related health issues. Whilst small bars are becoming increasingly popular, it is important that all the relevant information is addressed in the public interest assessment submission. Several liquor licence applications have been refused recently on the basis that insufficient objective evidence has been produced which supports that the application is in the public interest.

Despite being considered a low risk venue, small bar licence applications can attract the attention of the Commissioner of Police and/or the Executive Director of Public Health who may lodge an intervention to the application, whilst local residents can object to an application. Such interventions or objections put the application at risk of being refused, which can prohibit



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a new application for a liquor licence being lodged within three years for that premises unless the application is of a kind sufficiently different from the application that was not granted. In order to reduce the likelihood of an intervention or objection to an application, it is imperative that the public interest submissions sufficiently address all aspects of the application.

If you have any queries regarding applying for a small bar licence or preparing a public interest assessment submission, please contact Murfett Legal by telephone on +61 8 9388 3100, via our website at www.murfett.com.au or email one of the following directors:

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