



# OLGA

## Online Liquor Gets Audited

The Northern Sydney Local Health District's Health Promotion *Online Liquor Gets Audited* (OLGA) project involved:

- A review of the relevant sections of the NSW Liquor Act 2007 and Liquor Regulation 2018
- Auditing the supply practices of 497 businesses with *no walk-up* packaged liquor licences in NSW i.e. those liquor suppliers with licences restricted to online and phone ordering, and delivery of alcohol.

The audit aimed to assess the parameters in place to protect young people under 18 years of age, from purchasing alcohol online and prevent the supply of alcohol to intoxicated persons.

The following risks/issues were identified and solutions recommended:



**497**

Licences audited  
(NSW Liquor and Gaming  
database May, 2018)

**213**

Websites reviewed  
(supplier website found &  
alcohol could be purchased)

**1**

### Inconsistent application of the NSW Liquor Act 2007

- The responsibility and legal defence for the licensee and any person delivering on their behalf, in relation to the supply of liquor to minors through the internet or by other communication media as per Section 114 of the NSW Liquor Act 2007, is overly complex.
- Third parties involved in the delivery of liquor are required to have an in-depth knowledge of their legal responsibilities in regards to the supply of alcohol to minors under Section 114 (4) of the NSW Liquor Act 2007, without any mandatory training or the requirement of RSA certification.
- Section 114 (3)(iii) of the NSW Liquor Act 2007 effectively absolves the licensee of their legal responsibility to ensure alcohol is only supplied to an adult over 18 years, if the sale is made through an internet site or delivery is made on a day after the day the order is taken.
- Parameters used to assess social impact during the application process for online packaged liquor licences are not appropriate due to the lack of a geographically defined community.
- 62% of websites were found not following signage and/or age verification conditions required by their liquor licence.



**62%**

No signage  
&/or age  
verification

### Recommendations

- 1.1 Require online licensed businesses and third party delivery companies to enter into a service agreement clearly outlining supply legislation (Section 114 (4) of the NSW Liquor Act 2007), and mandating anyone responsible for the delivery of alcohol to be RSA certified.
- 1.2 Remove Section 114 (3)(iii) of The Act, thereby prohibiting the option for delivery in accordance with the customer's instructions (Authority to Leave), and requiring licensees in all instances to provide written instructions to the person responsible for the delivery of liquor to only supply to the adult who placed the order or another adult at those premises.
- 1.3 Establish an alternative approach to assessing social impact for licences without a geographically defined local and broader community.
- 1.4 Implementation of ongoing random compliance audits for online packaged liquor licences, including signage, extreme discounting and age verification (point of sale & delivery).





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## Barriers to compliance auditing

- 32% of websites (n=159) were unable to be accessed for the audit.
- The proposed URL is not required to be submitted during the liquor licence application process.
- The existing database of packaged liquor licences with *no walk-up* conditions does not contain URLs.
- There is no requirement in the NSW Liquor Act 2007 to notify the governing body of URL changes.
- Authorities are unable to conduct random compliance audits as website URLs do not seem to be available.



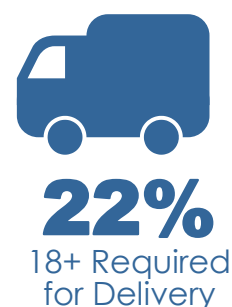
## Recommendations

- 2.1 Require licensees to supply the governing body with URLs and/or App name within 30 days from commencement of trading.
- 2.2 Require licensees to complete an *Update details of liquor licence* form when the URL of approved online packaged liquor licence changes.

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## Absence of consistent mandatory signage

- 15% of audited websites **did not** include the notice, 'Liquor Act 2007: "It is against the law to sell or supply alcohol to, or obtain alcohol on behalf of, a person under the age of 18 years', as required by Section 51(1) of the Liquor Regulation 2018.
- Many internet sites, that did include the notice stipulated in Section 51 (1) of the Liquor Regulation 2018, displayed it in a size and location that would not ensure that a person accessing the site would reasonably be expected to be alerted to its contents.
- Only 22% of audited websites specified that delivery can only be completed if someone 18+ years can accept the goods.
- Only 5% of audited websites included a policy in their *Terms and Conditions* on delivery to intoxicated persons.



## Recommendations

- 3.1 Mandate that the website landing page prominently displays the 'Under 18' pictogram (on right) and require users to declare their date of birth to permit access to the site, as well as at the point of purchase.
- 3.2 Require a point of purchase declaration that delivery will only be made if a person aged 18 years or over can accept and sign for the goods.
- 3.3 Mandate a point of sale declaration that delivery of goods will not be made to intoxicated persons.






**4**

**Lack of risk mitigation strategies**

- An absence of effective proof of age check exists:
  - 60% of websites did not require the purchaser to declare their DOB or declare they are 18 years or over.
  - Debit cards can be obtained from minors so these can not be relied upon as proof of age (77% of websites allow credit card/ debit card payment options).
- The Responsible Service of Alcohol (RSA) requirements in the NSW Liquor Act 2007 are unclear for supply of alcohol via online or phone ordering.



**60%**  
D.O.B.  
Not Required

**Recommendations**

- 4.1 Require any package containing alcohol to display 'Contains Alcohol: Age Verification Required Upon Delivery' label, to ensure persons responsible for delivery are aware of their supply responsibilities.
- 4.2 Prohibit 'authority to leave' delivery option and mandate age verification for anyone that looks under 25 years at the point of delivery, as per standard RSA requirements.
- 4.3 Prohibit buy now, pay-later payment options.
- 4.4 Restrict the delivery of alcohol to 10pm.

