

This fact sheet has been prepared to outline land use planning considerations relevant to alcoholic and non-alcoholic beverage production and incorporates specific agency assessment and legislative requirements for the disposal of wastewater.

## 1. What is beverage production?

Beverage production is a broad term used to describe any land use which produces beverages for human consumption including manufacture of beer, wine, soft drinks, spirits or other drinks. The Planning and Development (Local Planning Schemes) Regulations 2015 include a range of model definitions for land uses, which are typically set out in local planning schemes. Older schemes may have bespoke definitions however, these are being progressively updated as schemes are reviewed and amended.

## 2. Why is this fact sheet required?

Beverage production generates a significant volume of wastewater, known as trade and domestic waste, which needs to be safely disposed of. For example, the production of beer results in at least 5.5 litres of trade waste for every litre of beer produced.

This means that beverage production needs to have a sustainable water supply and make provision for reuse and/or disposal of trade waste.

Another issue with beverage production is the scale of development. This may require management of complementary uses such as cellar door tastings, retail sales, food service, and events, and attention to issues such as access, parking, hours of operation and amenity impacts (noise, light, odour).

## 3. Key water and wastewater considerations for beverage production

### 3.1 Scale of operation

The scale of an operation is a critical factor in identifying the land use planning arrangements, agency approvals, and ongoing requirements. Beverage production can occur at a small scale with modest output, or it can be significant in scale and production volumes.

One factor common to most operations is the potential impact on the environment or public health from wastewater disposal. Depending on the scale of the operation, approvals may be required from either the local government, Department of Health, Water Corporation (or other licenced service provider) and/or Department of Water and Environmental Regulation (DWER). (Refer to Appendix 1)

If increased scale is planned for the future, early consideration should be given to whether the site can accommodate this. Unless future increases in scale or development footprint have formed part of the original approval, expansion of operations may require a new development approval.

### 3.2 Water supply

Beverage production requires access to a reliable supply of drinking water. Licenced potable water supply is more reliable but may not be available in rural areas.

Where a licenced supply is not available, it may be possible to harvest rainfall or access surface and/or groundwater, however water would need to be treated to meet *Australian Drinking Water Quality Guidelines*.

The take and use of surface and/or groundwater may also need to be licenced by DWER, depending on the volume required.

### 3.3 Wastewater management

There are two key types of wastewater: **trade waste** and **domestic waste**. Trade waste is any wastewater produced as part of the manufacturing process, and excludes domestic waste, which is generated from bathrooms, toilets, kitchens and laundries.

#### 3.3.1 Trade waste

Beverage production results in high volumes of trade waste relative to the volume of final product. Trade waste may also contain solids such as yeasts, marc, lees and grains. Beverage by-products may also be acidic or caustic, and trade waste may need to be treated prior to reuse and/or disposal. The trade waste profile varies between different types of beverages.

An application to produce beverages must demonstrate how trade waste is to be managed. This includes a suitable and sustainable trade waste treatment and management system, which may involve reuse and/or disposal.

In sewerred areas trade waste may be disposed of into a licenced sewerage system. The ability of the system to accommodate the quality and quantity of waste needs to be assessed and agreed by the operator of the system (for example, Water Corporation). A trade waste permit is required from the operator of the sewerage system prior to disposal of the trade waste.

Where licenced sewerage is not available, proponents will need to make arrangements for treatment and/or disposal of trade waste on site.

The tradewaste treatment and disposal system may require approval under the Health (Treatment of Sewage and Disposal of Effluent and Liquid Waste) Regulations 1974 and/or *Environmental Protection Act 1986* (refer to Appendix 1).

In some cases it may be possible to dispose of trade waste at an off-site licenced waste facility. However, the capacity of waste facilities varies across WA and a facility would need to have the ability to accept and manage the waste in the first instance. Such an approach would also require storage facilities for trade waste on-site before it is transported to an off-site facility.

Where licenced sewerage is not available and on-site disposal is proposed, it is critical to understand the relationship between site area and projected volume of production. For example, beer production requires approximately 1ha of land disposal area per 200kL of beer produced.

For a planning decision-maker to understand trade waste requirements, a development application needs to state the total design capacity of manufacturing equipment (tanks), and the number of brew sessions per week. The development application report should also estimate the annual volume of trade waste and land application area (Planning and Development (Local Planning Schemes) Regulations 2015 deemed provisions cl. 63(1)(d)).

#### 3.3.2 Domestic waste

Domestic waste is generated from bathrooms, toilets, kitchens and laundries. Where available, a production facility must connect to a licenced sewerage system.

If a licenced sewerage system is not available, onsite disposal of domestic waste needs to be investigated. Onsite domestic waste systems must be approved by local government, and larger systems may require further approval from the Department of Health and/or DWER. These systems will not be suitable for the treatment and disposal of trade waste.

## 4. Other important land use planning considerations

Important considerations include the type of development proposed, location and site area, and the ability for the development to manage impacts within the development site and surrounds.

### 4.1 Type of land use

In some cases a site will be used for the sole purpose of beverage production, and 100% of the final product will be transported off-site. In other cases, a proponent may seek to produce beverages on site and, in a complementary manner, sell the product to visitors in a tavern style environment. A venue of this type may also seek to hold events.

It is important that the full range of proposed land use activities are identified prior to development application stage by contacting the relevant local government or planning authority.

### 4.2 Location and site area

When considering a proposal a planning decision-maker needs to consider a number of factors in regard to the location and site area of a proposed beverage production facility:

- Does the zoning allow for the full scope of proposed land uses and activities, particularly if expansion is planned for the future?
- Does the site have sufficient developable area? An applicant may need to consider the size/scale of development proposed and associated wastewater disposal, car parking, landscaping, and setbacks to lot boundaries, waterways and vegetation.
- If the site is located in a Bushfire Prone Area, and can the proposal demonstrate compliance with the requirements of *State Planning Policy 3.7 - Planning in bushfire prone areas*. This would require the preparation of a Bushfire Attack Level (BAL) assessment, Bushfire Management Plan and Bushfire Emergency Evacuation Plan.
- Is the site area sufficient to achieve setbacks from sensitive land uses *State Planning Policy 2.5 - Rural planning* and *State Planning Policy 3.0 - Urban growth and settlement* aim to avoid and minimise land use conflicts and where a development is proposed for a land use that may generate off-site impacts, there should be application of the separation distances used in environmental policy and health guidance. For example, for the development of a brewery the Environmental Protection Authority recommend a separation distance of 200 - 500 metres, depending on the size and type of beverage production, to mitigate impact from odour, gas, noise and dust; and noise emissions need to comply with Environmental Protection (Noise) Regulations 1997, and a plan to mitigate the impact from noisy activities should be described in a noise impact assessment.

### 4.3 Transport impacts

Access to and from a site, the volume of daily vehicle movements and car parking are key land use planning considerations. A traffic statement or impact assessment may be required to support the proposal.

If access is proposed via the State Road Network, then Main Roads Western Australia must be consulted on the proposal.

Where a beverage production facility involves frequent heavy vehicle movements transporting goods to and from the site, arrangements may need to be made for intersection upgrades.

If a complementary land use is proposed that would result in visitors to and from the site, further arrangements may need to be made to provide sufficient car parking and internal roads of an acceptable standard.

Many of the land use planning considerations discussed above are technical in nature and require expert advice, often in the form of separate specialist reports such as environmental, bushfire, visual impact, noise or traffic assessments (etc).

Ideally, both the proponent and planning authority should have discussed site conditions and application requirements prior to an application being lodged. Pre-lodgement consultation is strongly encouraged.

## 5. Approvals that may be required from various decision-makers

### 5.1 DWER, Department of Health and Water Corporation

DWER, Department of Health and Water Corporation (or other licenced service provider) generally assess applications and issue approvals, licences and permits for the following:

- taking and using water from a water course or groundwater;
- trade and domestic wastewater systems (although domestic systems with a capacity of less than 540 L/day are to be approved by the local government);
- domestic waste sewerage treatment facilities (not septic tanks), where the sewage facility has a production or design capacity to treat 20m<sup>3</sup> or more per day of sewage and the treated sewage is discharged onto land or into waters;
- disposal of trade waste into a sewerage system;
- discharge of trade waste onto land or into waters;
- offsite trade waste disposal.

Appendix 1 provides a guide to the approvals, licences and permits issued by different agencies or service providers, depending on the scale of the operation proposed. It is critical to make early contact with the relevant decision-maker, to discuss these requirements.

## 5.2 Local government

Local governments are typically the starting point for most proponents and, are a good source of advice for required approvals and any supporting technical information that may be needed to support the proposal. This may include:

- Planning: depending on land use permissibility for beverage production on the site, development is to be approved by the local government prior to commencing construction.
- Building: a building permit must be obtained from the local government prior to any construction, alterations or additions to any building, and a Certificate of Compliance is to be submitted where additional toilets are required. Proponents in the design of buildings have a responsibility to comply with the requirements of the Disability (Access to Premises - Buildings) Standards 2010 and the *Disability Discrimination Act 1992*.
- Health: if a beverage production facility intends to sell food and/or provide meals the food business must be registered with the local government.

## 5.3 Other planning decision-makers

Some types of development are approved by other planning decision-makers besides the local government. For example, development applications in the Swan Valley or in Planning Control Areas or Improvement Scheme areas are determined by the WAPC. In some circumstances, a development application may be called in for determination by the WAPC under clause 32 of the Metropolitan Region Scheme, or voluntarily be lodged with a Development Assessment Panel or for a large scale development through the Significant Development Pathway.

## 5.4 Department of Local Government, Sport and Cultural Industries

Where alcoholic beverages are to be produced, sold or consumed onsite, operators need to obtain a liquor licence from the Department of Local Government, Sport and Cultural Industries.

Generally a producer's licence is authorised to sell and supply take-away liquor for consumption off the licenced premises. A producer's licence will often restrict tastings on the premises to a licenced area for free samples only. Sample amounts that can be offered by licensees are:

- Wine 50ml
- Beer 100ml
- Spirits 15ml

If the proposal is to sell and consume alcohol on the premises in standard serving sizes, then a different liquor licence may be required, for example a tavern licence.

## 5.5 Australian Taxation Office

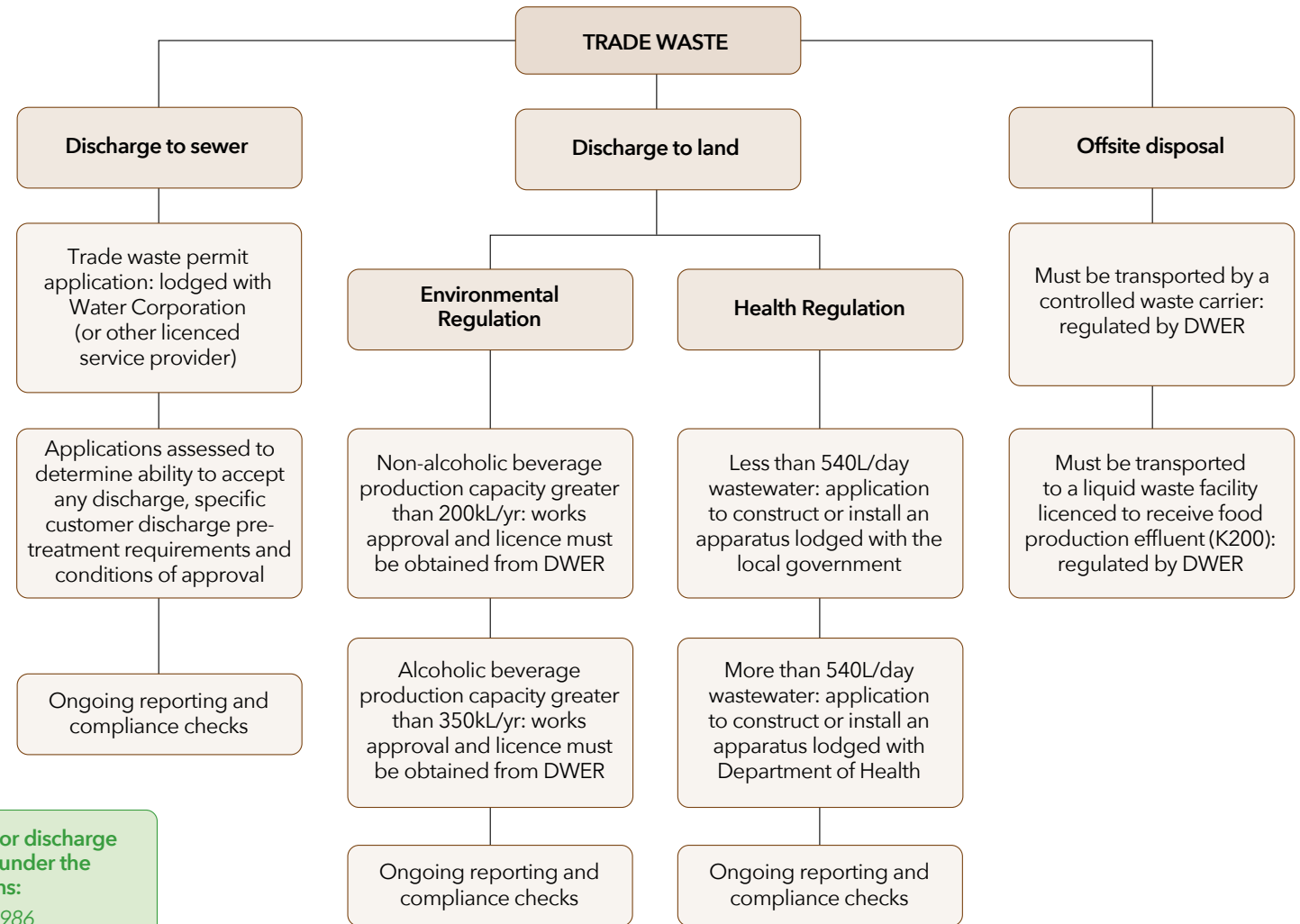
Permission from the ATO is required to move underbond excisable alcohol between licenced premises, and to dispose of underbond excisable beverage (i.e., produce trade waste). These requirements may apply to alcoholic or non-alcoholic beverages and are important considerations when thinking about beverage type, site area, volume of production and trade waste. Refer to Appendix 2 for more information.

## Additional resources

- [Apply to install a wastewater system \(Department of Health\)](#)
- Australian Drinking Water Quality Guidelines 2011 (version 3.7)
- [Drinking water \(Department of Health\)](#)
- Guidance on preparation of nutrient and irrigation management plans: [WQPN 33 - Nutrient and irrigation management plans \(Department of Water\)](#)
- Guidance on the design of wastewater treatment systems: [Water Quality Protection Note 73 Wineries and distilleries \(DWER\)](#)
- Guidance on the disposal of trade waste to land: [WQPN 22 - Irrigation with nutrient-rich wastewater \(DWER\)](#)
- [Guidance Statement 3 – Separation Distances between Industrial and Sensitive Land Uses \(EPA\)](#)
- [Guidelines for the Non-potable Uses of Recycled Water in WA](#)
- [Help and advice on trade waste \(Water Corporation\)](#)
- [Licence types and trading hours \(DLGSC\)](#)
- [Draft State Planning Policy 2.9 – Planning for Water](#)
- [State Planning Policy 2.5 – Rural planning](#)
- [State Planning Policy 3.0 – Urban growth and settlement](#)
- [State Planning Policy 3.7 – Planning in bushfire prone areas](#)
- Wastewater planning for small breweries: [Agribusiness Development Guidelines \(DPIRD\) \(includes links to peak industry bodies including The Brewers Association and The Western Australian Brewers Association\)](#)

Note: it is the responsibility of the proponent to refer to various agency websites for any changes or updates to published resources.

## Appendix 1: Approvals, licences and permits from DWER, Department of Health and Water Corporation (or other licenced service provider)



Approvals, licences and permits for discharge to land of trade waste are issued under the following legislation or regulations:

- *Environmental Protection Act 1986*
- Health (Treatment of Sewage and Disposal of Effluent and Liquid Waste) Regulations 1974

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## Appendix 2: Australian Taxation Office

When thinking about beverage type, site area, volume of production and trade waste, it's also important to be aware of Australian Taxation Office (ATO) requirements:

- For alcohol products (excluding products which are subject to WET, including wine and certain wine-based products) excise duty, which is a commodity-based tax based on the litres of alcohol in the good produced, may be payable.
- Generally a licence (issued by the ATO) is required to manufacture or store underbond\* excisable alcohol.
- Permission from the ATO is required to move underbond excisable alcohol between licensed premises.
- Permission is required from the ATO to dispose of underbond excisable beverage (produce trade waste).
- Many non-alcoholic beverages are made from alcoholic products and have the alcohol content 'stripped' from them. As a result:
  - even though a manufacturer may be producing a non-alcoholic beverage they are required to have an ATO excise manufacturer licence to produce the initial alcohol; and
  - the manufacturer must apply to the ATO for permission to dispose of the alcohol that is removed (as part of this permission a remission is granted that cancels the excise liability attached to the alcoholic product).

\* underbond – excisable goods are underbond while they are under ATO control. ATO control ceases once the excisable goods have been delivered into the Australian market (permanently left an ATO licenced premises), exported or a remission has been applied.

**For more information visit**

[www.ato.gov.au/business/excise-on-alcohol/](http://www.ato.gov.au/business/excise-on-alcohol/)