



**Submission to  
Department of Planning & Environment  
A New Approach To Rezoning – Discussion Paper**

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## Contents

<b>1.</b>	<b>Introduction</b>	<b>3</b>
<b>2.</b>	<b>Large Format Retail Association and Sector Overview</b>	<b>5</b>
2.1	Significant Large Format Retail Floorspace Demand	7
<b>3.</b>	<b>Response to the Discussion Paper Questions</b>	<b>9</b>
3.1	Issues With Existing System	10
3.2	Categories And Timeframes	11
3.3	Roles	11
3.4	Scoping	12
3.5	Exhibition	12
3.6	Changes After Exhibition And Information Requests	12
3.7	Assessment Fees	13
3.8	New Appeals Pathways	13
<b>4.</b>	<b>Conclusion</b>	<b>14</b>

## 1. Introduction

This submission has been prepared by the Large Format Retail Association (LFRA) in response to the exhibition of 'A New Approach To Rezoning's' Discussion Paper, which seeks to revise the existing rezoning processes that currently occurs within the NSW Planning system.

We welcome the opportunity to provide feedback to the Department of Planning & Environment (DPE) on the Large Retail Format's experience with the NSW planning Framework to date and provide our feedback on the new approach. The LFRA also commends the DPE on actively looking to implement improvements to the existing planning proposal and rezoning system.

The LFRA has proactively engaged over the last 6 years with various NSW State Government bodies, including the DPE, the Greater Sydney Commission, various Local Councils, the NSW Retail Expert Advisory Committee (REAC), and both the NSW and Federal Productivity Commissions to voice its concerns regarding the current NSW planning system and the associated land use zoning controls that restrict the Large Format Retail industry's ability to find suitable sites and invest in NSW.

Minister Roberts informed our members in the 'Foreword' to the 2019 edition of the LFRA Directory ('Attachment A'), that in 2019 the NSW Government "...will finalise the State-wide retail planning policy and provide advice to councils on how to consider retail supply and demand as part of their local strategic plans...". However, the Local Strategic Planning Statements have been finalised and a State-wide retail planning policy has not been released, as was promised. In addition, throughout the majority of Minister Stokes' recent tenure as the Minister for Planning very little was done to support the important role that the Large Format Retail industry plays.

Our experience is such that finding a suitable site that meets our members requirements is a significant problem. The LFRA has welcomed and supported the DPE's Employment Zone Reform and the recent changes to State Environmental Planning Policy (Exempt and Complying Designment Codes) (Codes SEPP) 2008, as well as the Greater Sydney Commission's review of the Industrial Lands Policy.

A key theme in all the submissions that have been prepared in response to various NSW Government documents over the last 5 - 6 years is that the Large Format Retail sector is constantly evolving, existing retailers are becoming more innovative and are wishing to adapt to ensure that future expansion of their business.

The abovementioned significant amendments to NSW planning policy in the form of the Employment Zone Reform and the changes to the Codes SEPP have been long overdue and are anticipated to introduce increased flexibility and open-up more appropriately zoned land. However, the innovation that is happening within our sector and the increasing demand from new entrants wishing to enter the NSW market will always mean that on occasion some of our members will have to resort to instigating planning proposals and rezoning applications to allow their business model to trade within NSW.

The LFRA's vision is clarity, consistency and certainty of the various laws and government regulations that relate to the Large Format Retail industry in Australia. The LFRA's policy agenda encourages investment and employment growth and opportunities. Good urban planning, smart competition policy, renewable and cheaper energy, and sustainability underpin our agenda.

The LFRA supports the reform of the rezoning system in principle, however it must be noted that key impediments to investment in NSW by the Large Format Retail sector continue to be:

- The failure of DPE to provide a State-wide planning policy to guide retail land use objectives and decisions; and
- The NSW Government's inability to recognise and proactively plan for future growth of the Large Format Retail industry.

In response to the DPE's proposed new approach to rezoning, the position of the LFRA is as follows:

- The existing Regional Plan for Greater Sydney '*A Metropolis of Three Cities*', the District Plans and the Local Strategic Planning Statements inhibit the scope and success of planning proposals which seek to rezone land or add Schedule 1 additional permitted uses to accommodate new and existing Large Format Retail developments. They are deficient in that they provide little or no guidance on where Large Format Retail demand should be accommodated and therefore do not proactively plan for our sector.
- The LFRA supports the establishment of the rezoning application categories, the categorisation of applications at the pre-lodgment stage and the provision of clear benchmark timeframes.
- The LFRA supports the ability for a private proponent to take ownership of a '*rezoning application*' and its' associated rights and also support the decision to give Councils greater autonomy over rezoning decisions in certain circumstances. However, a streamlined '*Gateway*' or State interest check should be able to be implemented upon proponent request if necessary.
- The LFRA supports the implementation of a central body that co-ordinates agency involvement.
- The LFRA supports the implementation of a scoping system and do not think that a Council or the DPE should be able to refuse to issue study requirements at the scoping stage of an application if it is inconsistent with strategic plans.
- The LFRA supports exhibition of a rezoning application as soon as possible after lodgment, but does not support enforced community involvement prior to exhibition.
- The LFRA supports the proposition of starting the assessment clock earlier than the final submission.
- The LFRA supports a consistent fixed assessment fee structure and schedule.

- The LFRA supports the implementation of a Land and Environment Court merit appeal system for rezoning applications.

In addition to the proposed amendments to the rezoning system, the LFRA request that the DPE consider the following additional amendments to the legislation and strategic planning system, which in our view are also required to enable the Large Format Retail Sector to continue to invest in NSW and ensure the physical supply of floorspace meets the current and forecast levels of demand within NSW and the Sydney Metropolitan Area:

- DPE produce a State-wide planning policy to guide retail land use objectives and decisions;
- The NSW Government support and adequately consider the growth of all forms of retail activity and in particular the Large Format Retail industry which is a significant and growing segment of the retail sector;
- Provide opportunities for ‘*emerging*’ and ‘*innovative*’ retail formats to locate within NSW that are not currently recognised within the Standard Instrument LEP land use definitions.

## 2. Large Format Retail Association and Sector Overview

The LFRA is Australia’s peak industry body which supports and advocates for Australia’s Large Format Retail sector. Our membership base comprises of large format retailers, investors, owners, developers and service suppliers. The LFRA’s policy agenda strongly encourages investment and employment growth and opportunities. Issues such as good urban planning, smart competition policy and cheaper energy underpin our agenda. Our vision is clarity, consistency and certainty of the various laws and government regulations that relate to the Large Format Retail industry in Australia.

The LFRA’s Retail Members include some of Australia’s largest and most respected Large Format Retailers including the 67 individual business brands listed in the following table:

ABS Automotive Service Centres	Fantastic Furniture	Original Mattress Factory
Adairs	Focus on Furniture	OZ Design Furniture
Adairs Kids	Freedom	Petbarn
Amart Furniture	Harris Scarfe	PETstock
Anaconda	Harris Scarfe Home	Pillow Talk
Animates	Harvey Norman	Pivot
Autopro	House	Planet Fitness
Autobarn	House Bed & Bath	Provincial Home Living
Baby Bunting	IKEA	Rebel
Barbeques Galore	James Lane	Reece
BCF	Jaycar Electronics Group	RoadTech Marine
Beacon Lighting	JB Hi-Fi	Robins Kitchen
Beaumont Tiles	JB Hi-Fi Home	Sleepys
Bedshed	Joyce Mayne	Snooze
Bunnings	Kitchen Warehouse	SPACE
Bursons	Lincraft	Spotlight
Chemist Warehouse	Macpac	Supercheap Auto
City Farmers	Midas Auto Service Experts	The Good Guys
Clark Rubber	Mocka	The Sleeping Giant
Costco	Mountain Designs	Tool Kit Depot
Decathlon	Oakland Mowers	Total Tools
Domayne	Officeworks	Urban Home Republic
Early Settler		

The LFRA is also supported by its patron, PwC, and the following 78 Associate Members that comprise of Large Format Retail developers, investors, owners and service suppliers:

Acure Asset Management	CV Media & Signage	Morgans Financial Limited
ADCO Constructions	Deep End Services	MPG Funds Management
Advent Security Services	Deluca	Moray & Agnew Lawyers
Arise Developments	DOMÉ Property Group	National Storage
AsheMorgan	Edgewise Insurance Brokers	Newmark Capital Limited
Arkadia	Ethos Urban	Norman Asset Delivery
Aventus Group	Re Grow Development Group	Paidright
AXIMA Logistics	FTI Consulting	Planning Solutions
AXIOM Properties Limited	Gazcorp	Primewest
Baycrown Property Group	Gibb Group	Properties and Pathways
Bayleys	Geon Property	QIC
Bill Identity	Grosvenor Engineering Group	Realmark Commercial
Birdsong Legal	HLC Constructions	Re Ventured
Blackmont	Home Co.	Sentinel Group Australia
Blueprint	Humich Group	Signify
Buchan	Investore	Solar Edge
Burgess Rawson	Jape Group Australia	Terrace Tower Group
BWP Trust	JVL Investment Group	TK Maxx
CBRE	Knapp Property Group	Transact Capital
Charter Hall	Leedwell Property	Transcend Property
Cherry Energy Solutions	Leffler Simes Architects	Troon Group
Citinova	Lester Group	Tutch
Colliers International	Lumi Lighting	Upstream Energy
Complete Colour	Mainbrace Constructions	Vend Property
Coombes Property Group	Major Media	Wa ker Corporation
COVA Group	Market Lane Developments	Wrkr

Australian's love affair with Large Format Retail has been on full display during the pandemic, with sales on track to increase by almost 13% during the 2020-21 financial year despite the COVID-19 restrictions. In simple terms, the trading performance of the Large Format Retail sector has been buoyed by the following key factors:

- The much-needed economic boost by the Federal Government in the form of Jobseeker and Jobkeeper payments;
- Reactionary purchases by the population due to the various Government restrictions such as work from home requirements and the closure of gymnasiums;
- The take-up of DIY projects;
- The desire by many to transform their homes into an oasis; and
- The spatial element of the large retail format sector (i.e. large car parks, large floorplates that automatically aid social distancing, the limited numbers of spacious internal shopping malls, and ease of access for '*click and collect*' and '*drive and collect*' services).

Demand assessment economists, Deep End Services, estimate the following approximate key industry metrics for both Australia and New South Wales for the year ending 30<sup>th</sup> June 2021:

Key Industry Metrics	Australia	New South Wales
Total retail sales	\$ 361.9 billion	\$ 115.3 billion
Large Format Retail percentage of total retail sales	26.4%	26.5%
Large Format Retail sales	\$ 92.4 billion	\$ 30.5 billion
Number of direct employees in Large Format Retail	199,144	60,196
Number of indirect employees in Large Format Retail	247,337	74,763
Total number of employees both directly and indirectly in Large Format Retail	446,481	134,959
Large Format Retail floor space	20,184,699 million square metres which equates to 35% of all retail floor space	

The LFRA has also seen a broader trend in that there has been a rise in the take-up of floorspace within established homemaker centres by uses other than traditional Large Format centre uses, these include:

- Allied medical/ health and wellness (dental, radiology, blood donation centres);
- Automotive sales and servicing (sales, servicing, tyres, car washes);
- Business premises (financial services, government agencies, training services); and
- Entertainment and recreation centres (play centres, bowling, climbing, gymnasiums)

## 2.1 Significant Large Format Retail Floorspace Demand

Floorspace demand within the Large Format Retail sector was specifically identified in the 2016 Deep End Services report – ‘*Sydney Retail Demand and Supply Consultancy*’ prepared for the then DP&E in association with the Greater Sydney Commission (GSC). The report confirmed that between 1.74 and 2.2 million square metres of Large Format Retail floorspace will be required over the period 2011 to 2031 which accounts for approximately 40% of retail demand.

The Deep End Services report also acknowledged that the Large Format Retail sector has experienced a 2.3% growth per annum between 1992 and 2015, which is the second highest growth rate out of all other identified retail sub-markets. Growth between 2015 and 2031 is, however, expected to slow to 1.1% per annum, which was attributed in part to:

- The past trend of redeveloping industrial land in inner suburban locations for retail development is unlikely to occur to such an extent in the future; and
- Regulatory reform that in the past fuelled growth (e.g. removal of weekend trading restrictions) is unlikely to occur to such an extent in the future.

Deep End Services estimated that the Large Format Retail floorspace supply within the Sydney Metropolitan Area in 2015 was 2.9 million square metres which represents 27% of the retail distribution. Using the same methodology in its calculations, Deep End Services estimated that by 2031, Large Format Retail floorspace supply within the Sydney Metropolitan Area will account for 4.5 million square metres; this equates to an increase in supply of 1.6 million square metres, and a forecast demand requirement of between 1.7 and 2.2 million square metres outstrips the supply level.

**The Large Format Retail sector is therefore forecast to have significant surplus floorspace demand at 2031 which will not be met by estimated supply levels.** It has been a common experience for LFRA members over the past few years that due to the restrictive planning and zoning controls within NSW there has been and continues to be a lack of appropriately zoned, sized and configured land to support new Large Format Retail development.

This challenge to the Large Format Retail Sector has been further acknowledged in the 'REAC Report': "...it can be difficult for large format retailers to establish within the existing urban fabric where either land is not appropriately zoned or where zoned land comprises small lots...". This has resulted in the sector becoming "...unnecessarily constrained, resulting in further distortions in the locations of such facilities and their market performance...".

Furthermore, the LFRA, in conjunction with Deep End Services, produced the latest and 13<sup>th</sup> annual edition of the Large Format Retail Directory – Australia and New Zealand. Data from the Directories show that Large Format Retail vacancy rates have largely declined over this period as shown in the following table:

<b>Large Format Retail Directory Year of Publication</b>	<b>Vacancy Rate</b>
2012/13	7.9%
2013/14	5.1%
2014/15	4.6%
2015/16	4.3%
2016/17	3.7%
2017/18	3.6%
2018/19	5.0%
2019/20	6.2%
2020/21	5.0%



### 3. Response to the Discussion Paper Questions

In response to the discussion paper and the questions asked throughout the document, the LFRA considers that:

- The existing Regional Plan for Greater Sydney ‘*A Metropolis of Three Cities*’, the District Plans and the Local Strategic Planning Statements inhibit the scope and success of planning proposals which seek to rezone land or add Schedule 1 additional permitted uses to accommodate new and existing Large Format Retail developments. They are deficient in that they provide little or no guidance on where Large Format Retail demand should be accommodated and therefore do not proactively plan for our sector.
- The LFRA supports the establishment of the rezoning application categories, the categorisation of applications at the pre-lodgment stage and the provision of clear benchmark timeframes.
- The LFRA supports the ability for a private proponent to take ownership of a ‘*rezoning application*’ and its associated rights and also support the decision to give Councils greater autonomy over rezoning decisions in certain circumstances. However, a streamlined ‘*Gateway*’ or State interest check should be able to be implemented upon proponent request if necessary.
- The LFRA supports the implementation of a central body that co-ordinates agency involvement.
- The LFRA supports the implementation of a scoping system and do not think that a Council or the DPE should be able to refuse to issue study requirements at the scoping stage of an application if it is inconsistent with strategic plans.
- The LFRA supports exhibition of a rezoning application as soon as possible after lodgement, but does not support enforced community involvement prior to exhibition.
- The LFRA supports the proposition of starting the assessment clock earlier than the final submission.
- The LFRA supports a consistent fixed assessment fee structure and schedule.
- The LFRA supports the implementation of a Land and Environment Court merit appeal system for rezoning applications.

These positions are explained in further detail below.

### 3.1 Issues With Existing System

The LFRA agrees with the summary of the issues that the DPE has identified with the existing system. It is also noted that the aims of the discussion paper are seeking to create a system that better aligns the rezoning process with strategic planning.

However, as noted in Section 2.1, there is a significant deficiency in the supply of land for new Large Format Retail development up to 2031. The LFRA has consistently stated that the strategic planning system falls short and has requested within its numerous submissions over the last 6 years, that a State-wide planning policy is formulated to guide retail land use objectives and decisions and proactive strategic planning for large format retail development.

Given that the rezoning application system is underpinned by the premise that a proposals must demonstrate consistency with the *'Regional'* and *'District Plans'*, the LFRA considers that as part of the rezoning system review, that the Strategic planning documents need to reviewed at the same time and be made more flexible in order to enable the opportunity for consideration of merit based proposals where wholly justified.

Following advocacy by the LFRA during the exhibition phases, it was anticipated that the Greater Sydney Commission's (GSC) *'A Metropolis of Three Cities' – The Greater Sydney Region Plan* (the *'Regional Plan'*) and the *'District Plans'* would implement the recommendations from the *'REAC Report'* and consider:

- How to identify existing Large Format Retail centres and where their place is within the hierarchy of centres, and
- How to proactively plan to meet the significant identified demand for additional Large Format Retail floorspace.

Yet, the Large Format Retail sector was largely ignored within the *'Regional Plan'* and *'District Plans'* and there is no synergy between the REAC Report recommendations, dated June 2017 (but released in November 2017) and the final *'Regional Plan'* and *'District Plans'* that were released in March 2018.

It is noted that the GSC identified within the *'Principles for Greater Sydney's Centres'* set out within the *'Regional Plan'* and the *'District Plans'*, that clusters of Large Format Retail are to be treated as part of the retail network, and planning for new clusters of Large Format Retail should be done in the same way as other *'new'* centres.

However, the GSC has not provided any further guidance on how the Large Formal Retail clusters are to be treated within the retail network or the centres hierarchy. Neither the *'Regional Plan'* nor the *'District Plans'* reference any existing and established Large Format Retail centres within the *'centre hierarchy'*. Furthermore, the round of Local Strategic Planning Statements (LSPS) issued by the Metropolitan Council's throughout 2019 generally provided little or no guidance on where Large Format Retail demand should be accommodated within their Local Government Areas.

This clearly showed that the GSC largely ignored the Large Format Retail sector and the DPE did not have an interest in securing investment within the State from our sector.

Due to the lack of policy and until now, lack of appropriately zoned sites many Large Format Retailers have been forced into spot rezoning process, despite the risk, difficulty and uncertainty involved. Furthermore, since the release of the '*Regional Plan*' and '*District Plans*' in March 2018, it is our opinion that the level of risk in achieving a spot rezoning within the Metropolitan Sydney area by Large Format Retailers has increased. This is due to the '*centre*' focused policy direction that the '*Regional Plan*' and '*District Plans*' adopt, their lack of consideration of the Large Format Retail sector and that pursuant to '*Section 3.8 of the Environmental and Planning Assessment Act*' planning proposals are required give effect to the '*Regional Plan*' or the '*District Plans*'.

New Large Format Retail centres will generally not be able to meet the '*tests*' for new centres under the existing Regional and District Plans and the role of Large Format Retail centres are not defined for Councils within the hierarchy. This results in reactive planning to allocate sufficient land to accommodate the increasing demand, which leads to stagnation and possibly decline in the NSW Large Format Retail market.

This is therefore a key issue with the existing rezoning system, as it inhibits the scope and success of planning proposals which seek to zone new land or Schedule 1 additional permitted uses to accommodate the Large Format Retailers business model.

### 3.2 Categories And Timeframes

The LFRA supports improved clarity, consistency and certainty in all areas of NSW planning process and regulation, and supports the establishment of the rezoning application categories, the proposal for categorization of applications at the pre-lodgment stage and the provision of clear benchmark timeframes for completion of each step.

### 3.3 Roles

The LFRA generally supports the new terminology and especially the ability for a private proponent to take ownership of a '*rezoning application*' and its associated rights to:

- Meet with the rezoning authority to discuss a potential request;
- Submit a rezoning application and have it assessed and determined after public exhibition; and
- Appeal a decision made about a rezoning application because of delay or dissatisfaction with a rezoning authorities decision.

We also generally support the decision to give Councils greater autonomy over rezoning decisions, however we can see that this will only be beneficial where Council takes a proactive approach. Where a Council/the Rezoning Authority does not take a proactive approach, or where Councils are taking a tunnel vision approach and not looking at the potential '*wider*' benefits of a proposal, we consider that a streamlined '*Gateway*' or State interest check, should be able to be implemented upon proponent request, which includes checking to see if a proposal maintains the integrity of the planning system.

Furthermore, the role of State agencies needs careful consideration. There should be a central body that co-ordinate agency involvement and to ensure that State agencies respond within required timeframes. At present, we are aware that many development applications are currently held up by Transport for NSW (TfNSW), and even with involvement by the Planning Delivery Unit, these applications are stagnating and suffering significant hold ups.

Therefore, we foresee that Stage agency involvement would need to be carefully managed within the new rezoning process, to ensure that timeframes are not unduly held up. If clear and statutory stages, timeframes and consequences are imposed upon agency feedback, this would present a real opportunity to provide significant certainty that the anticipated and benchmark timeframes are met.

### 3.4 Scoping

The LFRA generally supports the implementation of the scoping system. We do not think that a Council or the DPE should be able to refuse to issue study requirements at the scoping stage of a rezoning application if it is inconsistent with strategic plans. All proponents should have the opportunity to submit a fully formed proposal for exhibition and assessment.

As noted above in Section 3.1, the LFRA believes that the strategic plans significantly fail acknowledge the Large Format Retail sector, and therefore if all proponents are granted the ability to submit a fully formed proposal, irrelevant of whether it is consistent with strategic plans, then the rezoning system will provide opportunities for proponents with 'out of the box' proposals to demonstrate their merit.

In formulating the submission requirements, the DPE will need to ensure that irrelevant items through poorly considered standardised requirements or a wide-ranging list for every issue, (whether relevant or not) are not simply 'dished out'.

### 3.5 Exhibition

The LFRA supports the proposal to exhibit a rezoning application as soon as possible after lodgement. Whilst a proponent should have the ability to engage directly with agencies and the community at the pre-lodgement/scoping stage, it should not be a fundamental requirement, therefore unless the proponent seeks to undertake its own community consultation to manage its own risk, the DPE should not mandate that the public should have an opportunity to comment on a rezoning application prior to the exhibition stage.

### 3.6 Changes After Exhibition And Information Requests

The LFRA considers that the assessment officers need to understand the key issues with a proposal and commence drafting their reports early in the process, therefore the assessment clock needs to start sooner than the final submission.

An assessment officers understanding of the project early in the process is critical to carefully formulating the Requests for Further Information (RFIs), which then should lead to reducing the number of RFIs and ultimately streamlining the assessment process.

It is not considered appropriate to remove the ability for RFIs to be issued and restrict the submission of further information to respond to issues that arise through the public exhibition phase, however, it is considered that assessment officers should be judicious with issuing RFIs and aim to issue them only for significant issues. Where assessment officers can address a matter internally, they should do so.

### 3.7 Assessment Fees

The LFRA acknowledges that three potential fee options are being considered, namely:

- Option 1 – Fixed assessment fees
- Option 2 – Variable assessment fees
- Option 3 – Fixed and variable assessment fees.

Given Option 1, provides the most certainty, we consider that it would be the most preferable option. A consistent structure that includes a fee schedule enables applicants to factor in the costs associated with a proposal early in its feasibility assessment and account for the potential costs. A variable fee structure would introduce significant uncertainty and increase risk for an applicant.

### 3.8 New Appeals Pathways

The LFRA supports an appeal system for private proponents at the end of the process if progress has been delayed or if the proponent is dissatisfied with the final decision. A Land and Environment Court merit appeal that operates in a similar way to development applications is considered a preferable outcome, to the Independent Planning Commission, as this system works well for development applications, as it provides a single person as decision maker that are informed by experts rather than a '*decision by committee*' process.

## 4. Conclusion

The LFRA welcomes the opportunity to provide feedback to the Department of Planning & Environment (DPE) on the Large Retail Format's experience with the NSW Planning Framework to date and provide our feedback on the new approach to rezonings. The LFRA also commends the DPE on actively looking to implement improvements to the existing planning proposal and rezoning system.

As explained within this submission, the Large Format Retail sector faces many challenges when it comes to the supply of available land which is suitable for our members. In particular, our experience is such that finding a suitable site that meets our members requirements is a significant problem.

The LFRA's vision is clarity, consistency and certainty of the various laws and government regulations that relate to the Large Format Retail industry in Australia. The proposed reform of the rezoning system is generally supported and has the potential to streamline the system. Our position therefore is as follows:

- The existing Regional Plan for Greater Sydney '*A Metropolis of Three Cities*', the District Plans and the Local Strategic Planning Statements inhibit the scope and success of planning proposals which seek to rezone land or add Schedule 1 additional permitted uses to accommodate new and existing Large Format Retail developments. They are deficient in that they provide little or no guidance on where Large Format Retail demand should be accommodated and therefore do not proactively plan for our sector.
- The LFRA supports the establishment of the rezoning application categories, the categorization of applications at the pre-lodgment stage and the provision of clear benchmark timeframes.
- The LFRA supports the ability for a private proponent to take ownership of a '*rezoning application*' and its associated rights and also support the decision to give Councils greater autonomy over rezoning decisions in certain circumstances. However a streamlined '*Gateway*' or State interest check should be able to be implemented upon proponent request if necessary.
- The LFRA supports the implementation of a central body that co-ordinates agency involvement.
- The LFRA supports the implementation of a scoping system and do not think that a Council or the DPE should be able to refuse to issue study requirements at the scoping stage of an application if it is inconsistent with strategic plans.
- The LFRA supports exhibition of a rezoning application as soon as possible after lodgement but does not support enforced community involvement prior to exhibition.

- The LFRA supports the proposition of starting the assessment clock earlier than the final submission.
- The LFRA supports a consistent fixed assessment fee structure and schedule.
- The LFRA supports the implementation of a Land and Environment Court merit appeal system for rezoning applications.

However, to ensure that the Large Format Retail sector continues to invest in NSW and the physical supply of floorspace meets the current and forecast levels of demand within the NSW and in particular the Sydney Metropolitan Area, it is imperative that additional strategic planning which seeks actively seek to grow the Large Format Retail sector is undertaken. This additional strategic planning work needs to go hand in hand with the rezoning reforms and the employment zone reform and the Industrial Lands policy Review, and specifically require:

- DPIE to produce a State-wide planning policy to guide retail land use objectives and decisions;
- The NSW Government to support and adequately consider the growth of all forms of retail activity and in particular the Large Format Retail industry which is a significant and growing segment of the retail sector;
- Recognise that not all forms of retail activity belong in '*centres*' and acknowledge the role that Large Format Retail centres provide to the NSW economy;
- Provide opportunities for '*emerging*' and '*innovative*' retail formats to locate within the NSW that are not currently recognised within the Standard Instrument LEP (Local Environment Plan) land use definitions; and
- Require Local Government areas to proactively plan to increase Large Format Retail floorspace to meet the required demand.

It is important to acknowledge the contribution that Large Format Retail makes to the economy and the wider retail sector. The retail sector is far more diverse than just traditional shopping centres and malls.

The LFRA would be happy to meet with DPE to discuss this submission.

Please contact the LFRA's Chief Executive Officer, Philippa Kelly on [REDACTED] or [REDACTED] should you wish to discuss any aspect of this submission.