

17 May 2018

**Director**

Employment Policy & Systems  
GPO Box 39  
Sydney NSW 2001

**Planning for the Future of Retail  
Submission in Support**

This submission has been prepared by Spotlight in response to the Planning for the Future of Retail discussion paper as prepared by the NSW Department of Planning and Environment and issued for public consultation in April 2018.

By way of background, Spotlight is one of the leading large format retailers in Australia with more than 125 stores currently operating across the country. Spotlight is also a founding and active board member of the Large Format Retailers Association (LFRA) that includes representatives from all leading large format retail organisations.

In New South Wales, Spotlight has thirty-three operating outlets, twenty-four of which are located in Homemaker Centres and are approved under the current definition of 'bulky goods premises'. The remaining nine outlets are located on properties which date back to Spotlights origins in strip centre or main street locations when the business commenced operations in New South Wales in the late 1980's. These remaining stores are all planned for upgrade; expansion and relocation into Homemaker Centres in the next 1-5 years. We also plan to open new showrooms in areas identified within our strategic plan in metropolitan and regional locations across NSW.

Spotlight is a keen observer of the recent work undertaken in NSW by the Retail Expert Advisory Committee (REAC) and its Independent Recommendations Report issued in June 2017. We believe the REAC report provides a valuable body of research; consultation and information to inform future planning for retailing in NSW. We agree with the key findings in the June 2017 report which define 8 key 'Retail Drivers' and considered the planning implications and potential planning policy response for those drivers. In many aspects, it appears that the REAC report is further advanced than the current Discussion paper – Planning for the Future of Retail. In saying this we are highlighting that the recommendations of the REAC report should logically flow into the current project, rather than revisiting all aspects of retail planning from afresh.

Spotlight has also made submission to the Proposed Amendments to the Standard Instrument LEP. In this submission we strongly support the proposed change to the definition of bulky goods premises to be replaced by specialised retail premises and adopt an entirely new definition of the land use term. We also fully support the other four amendments proposed in this project.

We have undertaken a review of the discussion paper – Planning for the Future of Retail and make the following specific comments in response –

**Direction 1 – Better local strategic planning for retail.**

We agree with the sentiment contained in Direction 1. It is most important that planning provides for a sufficient supply of appropriately zoned land to cater for the retail sector to service its customers. There is an identified undersupply of land for retail uses in NSW and this needs to be addressed by the creation of new supply. It is important for local councils to identify land for development and strategically plan for its development in a sustainable way. The state Government also needs to provide guidance and assistance to local councils to undertake this work.

## **Direction 2 – A modern approach to retail development that reflects a range of retail formats in centres.**

We generally agree with the principles contained within Direction 2. It is important to recognise that there are various types of centres and various types of retail formats. In adopting a centres policy to guide retail development, it should be done based on solely seeking to encourage development not to overly constrain it. It is critical that any centres policy doesn't prohibit or overly constrain development outside of centres. This is particularly important for the large format retail sector where most of our outlets are located on arterial road "corridors".

We are encouraged by the specific recognition of large format retail and homemaker centres and the current trends in this sector in terms of product range and other lifestyle uses. There is a need to determine a policy response and a place in the retail hierarchy for such land uses. We also believe that a detailed review of industrial land in metropolitan suburbs is long overdue and that industrial land can be put to higher and better uses including retail.

## **Direction 3 – Adaptability and certainty for retail.**

In relation to Direction 3, we strongly believe that a review of the various zones in the standard instrument should be undertaken to consolidate the number of zones and to make more uses permissible within those zones. The Victorian Government undertook a zoning reform project in circa 2013 and this has produced a more flexible approach to retail development than what currently exists in NSW. There is an immediate need to make bulky goods premises (or specialised retail premises as it is being proposed) a permissible use in more zones than is currently the case within the Standard Instrument LEP.

We strongly support the direction to introduce flexible 'open' zones to remove the prohibition on retail that currently exists in many zones. We also strongly support the development of an "innovation in retail" provision that can allow for consideration of uses that either don't currently exist or don't fit within current defined land use terms. The same 'innovation' principle should apply to other cases of land use and not be limited to the retail sector.

We thank you for the opportunity to provide a submission and look forward to opportunities to provide our views on future planning reform issues.

Yours sincerely,



**Quentin Gracani**  
CEO Spotlight Retail Group