Taking Control of Bulky Goods Retail in Sydney

Michael Rowe
BPlan Undergraduate Thesis
Abstract

Taking control of bulky goods retail in Sydney

One could easily mistake the name ‘Bulky Goods Retail’ as referring to the buildings themselves. It is hard to live in Sydney and not be familiar with these towering roadside symmetrical boxes, engulfed in a curtilage of car parking. Bulky goods retail actually refers to the merchandising of cumbersome items. The goods are usually sold from warehouse style buildings in industrial areas with large floor plates conducive to purchase and immediate transportation by car. However, it is these unique characteristics which have made bulky goods a ‘planning anomaly’ because they do not readily fit into traditional retail centres. Is this business model justified? Or is it doing significant long term damage to centres? Sydney presently seems to be ‘stuck on the fence’. The lack of development opportunities and guidance for developers caused by NSW planning policy has and will continue to result in significant short and long term costs to the community. This thesis critically reviews the existing planning and physical context in Sydney utilising qualitative research to develop spatial recommendations that could be implemented within the NSW planning system to provide a comprehensive approach and much needed direction for councils.
Acknowledgements

I would like to thank Stephen McMahon and Robert Freestone for their advice, time and direction. I wish to also thank Julie Bindon, Craig Allchin and John Brockhoff for assisting me with my research, Vivienne Goldschmidt for reviewing the thesis, and my parents for their ongoing support throughout the thesis process.
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A Bulky Goods Retail in Sydney Council LEPs
   Michael Rowe

B Ethics Approval
   University of New South Wales
1.0 Introduction

Retailing has historically followed a hierarchy from small neighbourhood centres right through to super regional centres. Up until the 1980s, Australian retail floor space was roughly distributed across regional, district and neighbourhood centres. However, it was during this time that the hierarchy began to be challenged by some developing social and economic trends. These trends included demographic changes to both size and age of the population, increased disposable incomes, availability of credit, changes in the use of domestic space, and increased participation of females in the paid labour force.

The retail industry responded to these changes through a number of new retail formats. One such format was bulky goods retailing (BGR). As the name implies, BGR is the retailing of bulky goods, usually homemaker items such as furniture and whitegoods. For a long time bulky goods were sold from traditional retailers in centres, such as department stores. However, what made BGR different was that these retailers combined the concept of warehousing with retail and sought out locations in industrial areas outside of centres.

Since the County of Cumberland Plan was introduced in 1948 Sydney has had some form of centres policy. The policy endorses retail hierarchies which ensure that retail uses locate within existing centres to support broader economic and social planning objectives. However, bulky goods retailers had identified the financial benefits of lower rents and economies of scale by locating outside of centres, and so began the short but complicated history of bulky goods retail planning.

1.1 Problem Setting

In 2008 BGR is still at the forefront of planning debate. The NSW Department of Planning (DoP) is under pressure from retailers who feel that planning policy has failed to keep up, which has resulted in “a lack of surety for those with a vested interest in the sector” (BGRA, 2008a). However, the problem stretches far beyond the profit margins of retailers, developers and investors and into the lives of every day Australians. This is because the BGR business model has the potential to provide maximum convenience at the lowest prices to consumers (Bindon, 2008) in a capacity not considered possible in traditional centres.

However, it is the unique characteristics of the BGR business model such as; cost efficient design, large flat sites, reliance on low rents and high exposure, and large areas of car parking (BGRAa, 2007) that have made it a ‘planning anomaly’ which bulky good retailers argue cannot fit into a traditional retail centre. The DoP maintain that there is a far greater cost to community in developing retail outside of existing centres. So the question beckons where if at all should BGR be going?
Some schools of thought are in centres or clusters while others argue that it does not matter, but the best word to describe Sydney’s approach to the problem is inconsistent. This is the consequence of the:

- lack of a comprehensive NSW Department of Planning strategy for BGR;
- inconsistent approach applied by local councils towards BRG;
- inconsistent regulation of out-of-centre development; and
- varied approach/interpretation taken by governments towards the definition of what constitutes bulky goods premises.

The consequences of the inconsistent approach listed above has and will continue to result in:

- weaker centres;
- significant long term costs to the community;
- less sustainable living; and
- higher prices for consumers.

Not all BGR planning or development in Sydney should be viewed negatively. There have been successful cases where the BGR business model has been accommodated while positive environmental planning outcomes have been achieved or in some cases where planning has worked to prevent adverse BGR develop from occurring. Unfortunately there has also been many cases where BGR has located in unsuitable locations at the detriment of the area or contrastingly BGR development has been prevented unnecessarily.

It is these cases that demonstrate the need for the DoP to address all the issues raised above through a comprehensive state wide approach and provide the much needed direction for councils to follow. For this reason, research into the BGR problem within a Sydney context is both timely and needed.

### 1.2 Problem Statement & Objectives

For economic, social and environmental reasons bulky goods retail in Sydney requires a consistent policy framework and planning approach that collectively addresses how and where the BGR business model can be accommodated.

In order to achieve this goal, the thesis will pursue the following objectives:

- review existing retail planning theory;
- critically evaluate the emergence and future need for BGR as a retail form;
- provide an analysis of the existing planning and physical context of BGR in Sydney;
- undertake qualitative research to with specific case studies of three different BGR clusters and interviews with industry experts; and
- develop spatial recommendations based on the analysis that could be implemented within the NSW Planning Framework.
1.3 Theoretical Framework & Methodology

Considerable research exists into centres and retail hierarchies and the role of retail within those places. However, it is also established that BGR is an emerging form of retail that does not follow traditional retail planning principles (Guy; Brown; Towart). There is little to no research that makes recommendations of how governments should be planning for BGR. This lack of research is likely to have contributed to the current inconsistencies in our planning system.

Therefore this thesis will function as a response to the lack of past research and the issues raised by the industry with regard to Sydney. The theoretical research will focus on retail planning theory, information in retail and planning journals, government legislation, strategies and policies.

Because of the lack of information available, and the fast pace at which the industry evolves, qualitative research will be undertaken. The research will harness the knowledge of industry experts and the experiences from three unique BGR developments in Sydney. The specific methodologies adopted for each part of the research is contained within their respective sections. The results will underpin the basis for the recommendations.

1.4 Thesis Structure

Chapter 2 Retail Planning Theory
This chapter undertakes a review of retail planning theory, and how it has been adopted in NSW. The review provides the context for BGR within the existing retail planning system. It specifically addresses what Central Place Theory is, and how it is implemented through retail hierarchies. It then builds on this theory by examining current opinion regarding whether or not we should be locating retail in centres, and the debate regarding whether or not we should be regulating the location of retail development.

Chapter 3 What is Bulky Goods Retail?
This chapter describes BGR. It provides a background into what it is, where it came from, and the positives and negatives of the retail format. Each section undertakes review of a wide range of literature relating to the specific aspects of BGR. The chapter was used to inform the research process undertaken as part of this thesis.

Chapter 4 Bulky Goods Retail in Sydney
This chapter reviews the existing economic and physical context of the BGR sector. The purpose of the chapter is to review current literature, market studies, and quantitative data to develop an understanding of the current state of BGR in Sydney.
Chapter 5 Land Use Planning for Bulky Goods Retail
This chapter provides an analysis of the existing NSW State and local government statutory and strategic plans and policies that relate to BGR development. It specifically reviews, and where appropriate provides critique, on the broad framework for retail regulation in NSW, the Metropolitan Strategy, the ILUT package, local planning approaches, and the Standard Instrument. The chapter was used to inform the research process undertaken as part of this thesis and to identify potential weaknesses in the planning framework which could be addressed through the recommendations made in Chapter 7.

Chapter 6 Qualitative Research
This chapter presents the results and conclusions from the qualitative research undertaken for this thesis. The research included interviews of industry experts and case studies of three BGR clusters in Sydney. The results of the research were used to inform the recommendations made in Chapters 7.

Chapter 7 Conclusion & Recommendations
Chapter 7 concludes the thesis by addressing how it has satisfied the problem statement and objectives set out in Chapter 1. It makes specific recommendations that could resolve the issues identified in Chapters 1-6.
2.0 Retail Planning Theory

This chapter undertakes a review of retail planning theory, and how it has been adopted in NSW. The review provides the context for BGR within the existing retail planning system. It specifically addresses what Central Place Theory is, and how it is implemented through retail hierarchies. It then builds on this theory by examining current opinion regarding whether or not we should be locating retail in centres, and the debate regarding whether or not we should be regulating the location of retail development.

2.1 Central Place Theory

‘Central Place’ is a geographical theory that was first developed by Walter Christaller in 1933 to explain the spatial distribution of human settlements. The theory proposes that within each level of the centres hierarchy, a higher order centre will provide the functions found in a lower level centre while incorporating some additional services (Agarwal, 2007). For example, a neighbourhood centre will contain small local shops, while a town centre will contain a supermarket as well as the small shops.

While the theory relies on a perfect environment consisting of an isotropic surface, with no barriers to movement, evenly distributed population and resources, and perfect competition, which do not exist in reality, it was widely adopted by planners as the best economic theory to explain hierarchy of urban centres (Agarwal, 2007). From a retail perspective “Central Place Theory has given guidance in establishing idealised retail hierarchies” (Hand, 2003, p3) and shaped NSW planning policy.

Retail Hierarchies

Retail hierarchies emerged naturally because of the difference in the nature of goods being sold. Frequently purchased goods, such as grocery stores, survive on a much smaller market area in comparison to infrequently purchased ‘comparison’ goods, such as BGR which need larger catchments. The hierarchy does not just effect the type of good but the also dictates the type of establishment it is sold in. For example, a supermarket needs a larger market area than a grocery store. In addition to this “establishments are sorted by the size of the center in which they are located, with large establishments selling comparison goods found in higher order regional centres and small establishments selling convenience goods found in lower order neighbour hood or convenience centres”(Handy, 1993, p14).

One of the first and best known retail hierarchy theories is Berry’s 1963 ‘classification of shopping centers and business configurations’. The classification identified three sets of nested hierarchical centers based on:

- the principles of Christaller’s central place theory;
- commercial ribbons mainly based on traffic flows; and
specialised areas based on mutual functional connections, requirements of comparative shopping or specific locational demands of types of business not easily accommodated in the traditional hierarchy of centers.

(Borchert, 1998, p332)

While Berry’s model is widely referred to, some academics believe that “with greater consumer mobility and new forms of retailing emerging continuously, the concept of a hierarchy of shopping centers in particular is considered obsolete” (Borchert, 1998, p335). However, Borchert argues that despite the evolution of retail, Berry’s model is still the best way to understand the spatial patterns of retail and the most efficient and sustainable means for structuring it (Borchert, 1998). Indeed the Metropolitan Strategy takes the same view and holds that “Most successful cities have a history of supporting their centres through the adoption and implementation of centres policies” (NSW DoP, 2005).

There have been numerous attempts by governments and academics to categorise centres within the retail hierarchy. Most recently, the NSW Government introduced a hierarchy as part of its Metropolitan Strategy (see Figure 1). It is worthy to note that none of the hierarchies reviewed make provision for BGR clusters.

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<tr>
<th>CENTRE TYPE</th>
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<th>SUMMARY</th>
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<tr>
<td>GLOBAL SYDNEY</td>
<td>2 km</td>
<td>The main focus for national and international business, professional services, specialised health and education precincts, specialised shops and tourism, it is also a recreation and entertainment destination for the Sydney region and has national and international signiﬁcance.</td>
</tr>
<tr>
<td>REGIONAL CITY</td>
<td>2 km</td>
<td>Providing a full range of business, government, retail, cultural, entertainment and recreational activities, they are a focal point where large, growing regions can access good jobs, shopping, health, education, recreation and other services and not have to travel more than one hour per day.</td>
</tr>
<tr>
<td>SPECIALISED CENTRE</td>
<td>approx 1 km</td>
<td>Areas containing major airports, ports, hospitals, universities, research and business activities. These perform a vital economic and employment role which generate metropolitan-wide beneﬁts.</td>
</tr>
<tr>
<td>MAJOR CENTRE</td>
<td>1 km</td>
<td>Major shopping and business centre serving immediate subregional residential population usually with a full scale shopping mall, council ofﬁces, taller ofﬁce and residential buildings, central community facilities and a minimum of 8,000 jobs.</td>
</tr>
<tr>
<td>TOWN CENTRE</td>
<td>800 m</td>
<td>Town Centres have one or two supermarkets, community facilities, medical centre, schools, etc. Contain between 4,500 and 9,500 dwellings. Usually a residential origin than employment destination.</td>
</tr>
<tr>
<td>STAND ALONE SHOPPING CENTRE</td>
<td>N/A</td>
<td>Internalised, privately owned centres located away from other commercial areas, containing many of the attributes of a Town Centre but without housing or public open space—may have potential to become a traditional town centre in the long-term.</td>
</tr>
<tr>
<td>VILLAGE</td>
<td>600 m</td>
<td>A strip of shops and surrounding residential area within a 5 to 10 minute walk contains a small supermarket, hairdresser, take-away food shops. Contain between 2,100 and 5,500 dwellings.</td>
</tr>
<tr>
<td>SMALL VILLAGE</td>
<td>400 m</td>
<td>A small strip of shops and adjacent residential area within a 5 to 10 minute walk. Contain between 800 and 2,700 dwellings.</td>
</tr>
<tr>
<td>NEIGHBOURHOOD CENTRE</td>
<td>150 m</td>
<td>One or a small cluster of shops and services. Contain between 150 and 900 dwellings.</td>
</tr>
<tr>
<td>RURAL TOWN, VILLAGE OR NEIGHBOURHOOD CENTRE</td>
<td>as above</td>
<td>Located in rural zones outside metropolitan urban areas with similar roles to towns, villages and neighbourhoods but rural in character with a wider driving catchment.</td>
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Figure 1 - Centres Types in the Metropolitan Strategy

Source: (NSW DoP, 2007)
2.2 Locating Retail Development

There are two conflicting views regarding the location of retail services. The historical understanding of retail location, which originates from Central Place Theory, is that retail should be located in centres. The reasons for the strong support of this theory, which are evident through the NSW Integrated Land Use and Transport Package (2001), are that it:

- boosts activity and underpins the viability of centres and their services which is essential in maintaining investor confidence and improving return on public investment and infrastructure;
- provides greater convenience, social equity and is more sustainable because centres are well serviced by transport and easily accessible to all member of the community;
- reduces the distortion of industrial land values and maintains the operation of industrial zoned lands for jobs and services; and
- generates activity and invigorates centres which sustains other desired land uses and services that are also located in centres such as commercial offices.

(NSW DUAP, 2001a)

The counter argument, recently presented by the Urban Task Force is that out-of-centre development:

- lowers the cost of retail development through the utilisation of cheap land and large sites which will provide savings that can be passed on to consumers;
- provides greater employment densities and services closer to where people live and work;
- reduces traffic congestion by distributing trip generation across the road network rather than directing it into centres; and
- increases the number of retail sites which will increase competition, innovation and convenience and therefore provide greater benefits to consumers.

(Fels, et al., 2008).

Those who advocate the centres policy heavily refute these claims stating that out-of-centre development will:

- lead to the savings made by retailers being absorbed in to their profit margins, and nominal savings being passed on to consumers who will have to pay the much higher long term public costs in the form of taxes;
- diminish social equity by victimizing lower income people who can not afford a car to access these retailers for services or employment;
- result in higher trip generation which places strain on the existing road network and does not re-coup the long term costs of upgrading infrastructure to cope with the increased demand; and
- allow for the further development of ‘category killers’ (see Section 3.X) making it more difficult for independent retailers to compete thus leading to the further monopolisation of the market.

(NSW DUAP, 2001a)

In addition to this, out-of-centre development is seen to counteract the benefits of the existing centres hierarchy, by causing lower activity levels and investor certainty which affect the viability of other landuses, and weaken our employment lands by inflating industrial land values and thus affecting the future viability of the operation of industrial zoned lands.
2.3 Regulating Retail Development

As Section 2.1 demonstrates, retail land uses historically occurred in centres. However, the increased availability of private automobiles provided the opportunity for retail to be located outside of centres where land is cheaper. For the most part this was prevented in NSW from the time the County of Cumberland Plan was introduced in 1948 (NSW DoP, 2005).

The Plan divided Sydney into a series of districts with specific centres. Each of these centres were planned to be a focus of activity where land uses such as retail were encouraged to locate (NSW DoP, 2005). Subsequent plans for Sydney built on the Central Place Theory and over time more prescriptive regulations were introduced, such as Local Environmental Plans (LEP), to encourage retail uses in centres and prevent it from occurring in other locations.

While the DoP see retail regulation as a key reason underpinning the success of Sydney’s centres, the regulation of retail land uses has been recently been under heavy scrutiny. Most notably from Urban Taskforce, who’s ‘Choice Free Zone’ report argues that in an attempt to protect traditional retail centres and key industrial lands, planning policy has become anti-competitive (Fels, et al., 2008).

The DoP response to Urban Taskforce argument uses evidence from the UK that suggests that relaxing retail planning laws would only result in a 3c saving per week on grocery prices. Further to this the submission criticizes the report for not calculating the full cost to the community. For example the submission demonstrates that “increasing the average distance travelled to shop in Sydney to align with the US average would generate an additional 500,000 tonnes of greenhouse gas emissions annually” (DoP, 2008a) and result in an extra 2 billion kilometres of car travel in Sydney each year (DoP, 2008a).

As the Fels report itself points out; the failure to regulate retail can result in large costs to the community, irreversible damages, and cases where the cost of delaying development is not worth an incorrect decision (Fels, et al., 2008, p29). The effects of a lightly regulated retail environment are evident in the United States of America where retail uses are commonly allowed to occur outside of centres. For example, according to deadmalls.com (2008) there are over 300 dead or dying shopping malls in the USA. The death of these malls is a consequence of the centres not being able to attract an anchor tenant which now prefer to locate in free standing boxes outside of centres (deadmalls.com, 2008).

Therefore, based on the cumulative impact of the deregulation of retail and the minor savings produced to customers, it is considered that the ongoing regulation of retail in NSW is in the best interests of the community. Irregardless of the previous discussion Julie Bindon believes that issue in NSW is not with over regulation in itself but rather the adequate supply of land for retail purposes which needs to be addressed (Bindon, 2008) it is here that this thesis attempts to address the problems with BGR in Sydney.
3.0 What is Bulky Goods Retail?

This chapter describes BGR. It provides a background into what it is, where it came from, and the positives and negatives of the retail format. Each section undertakes review of a wide range of literature relating to the specific aspects of BGR. The chapter was used to inform the research process undertaken as part of this thesis.

3.1 Defining Bulky Goods Retail

BGR refers to the merchandising of cumbersome items. The goods are usually sold from warehouse style buildings with large display areas that are conducive to customers purchasing the good and immediately transporting it by car. These bulky items include a broad range of categories such as furniture, whitegoods, electrical equipment, lighting, automotive parts, camping and outdoor equipment, hardware, buildings materials etc. (BGRA, 2007a). Even if unfamiliar with the term ‘bulky goods retail’ many people will relate to the retail format through brands such as Harvey Norman, Freedom Furniture, Ikea, Bunnings, The Good Guys etc.

Lois Towart describes the nature of BGR as the “niche between industrial and retail with elements of highway retailing” (Towart, 2004). The hybrid form of retail emerged as “retailers of these goods and products... identified financial benefits in lower occupancy costs and economies of scale outside of established high-rent and high-cost retail centres” (HillPDA, 2005) and the increased availability of space to provide a wider range of products. As a consequence BRG differs from traditional retail forms in many aspects.

The current formula for successful BGR developments relies on a large flat site, good exposure, affordable and sustainable rents, road and loading infrastructure to support large trucks, large areas of car parking, wide regional catchments, co-location with other BGR, and cost efficient design (BGRA, 2007a). It should be noted that while almost all forms of BGR rely on the aforementioned formula, BGR can be found in different forms such as; a single tenanted freestanding building (Figure 2), in multi tenanted centres (Figure 3), retail parks (Figure 4) or incorporated with conventional retail shopping centres (Figure 5).
The term ‘high value’ or ‘infrequently purchased items’ are also often adopted when referring to the merchandise at a BGR store (SGS Economics, 2002, p3). However, this description does not always reflect the true nature of the actual goods sold at a bulky goods store. Harvey Norman is an excellent example of a BGR where one can buy bulky infrequently purchased high value items, such as a television, but you can also buy non-bulky low value items such as CDs and DVDs. The trade catchments of BGR stores are also much higher than traditional retailers as patrons are willing to travel further seeking greater value (Hill PDA, 2005).

Another retail format that is commonly associated with BGR are discount factory outlets. These stores adopt a similar business model to that of BGR such as large low cost sites outside of existing retail centres, but sell non bulky items such as clothes and other fashion accessories. These retailers claim that their business model, which relies on selling heavily discounted goods needs to be located on cheap land outside of centres to be economically viable. However, as stated in the NSW Right Place for Businesses and Service Planning Policy, this claim is not a valid justification and these shops should be “encouraged to agglomerate in existing declining centres where they can play a positive role in their revitalisation” (NSW DUAP, 2001a, p11).
BGR has remained largely ‘undefined’ from a planning perspective as its unique characteristics have been interpreted differently by NSW State and local governments (see Section 5.4). Historically there has been no consistent definition used by Councils in their Environmental Planning Instruments (EPIs) nor was it included in the Environmental Planning and Assessment Model Provisions 1980. A comprehensive definition was introduced when the NSW State Government gazetted the ‘Standard Instrument - Principal Local Environmental Plan’ (herein known as the Standard Instrument), which contains a mandatory standardised list of definitions to be adopted by councils in the preparation of their new LEPs. The Standard Instrument defines a Bulky Goods premises as:

“a building or place used primarily for the sale by retail, wholesale or auction of (or for the hire or display of) bulky goods, being goods that are of such size or weight as to require:

(a) a large area for handling, display or storage, or

(b) direct vehicular access to the site of the building or place by members of the public for the purpose of loading or unloading such goods into or from their vehicles after purchase or hire,

but does not include a building or place used for the sale of foodstuffs or clothing unless their sale is ancillary to the sale or hire or display of bulky goods” (NSW State Government, 2006a).

While the Standard Instrument will provided a consistent ‘definition’ for BGR across NSW, the interpretation of this definition is likely to remain an issue. A full review of the definition is located at Section 5.5.

3.2 The emergence of Bulky Goods Retail

Europe & USA

The conceptual emergence BGR can be attributed to a variety of different social factors. Walmsley (2006) believes that demographic changes to both size and age of the population, increased disposable incomes, availability of credit, changes in the use of domestic space, increased participation of females in the paid labour force are all significant factors to the economic growth of the sector. He also raises two cultural changes that are particularly important, being: “the blurring of the distinction between shopping on the one hand and recreation and leisure on the other; and the heightened importance of shopping as a way of developing and projecting personal identity and thus making a statement about position in society” (Walmsley, 2006, p510).

When coupled with the increased demand for ‘do-it-yourself’ home improvement products as a result of the building boom, and the technology revolution which has increased the number of consumer products available and rendered other household goods obsolete, it is little wonder that BGR has grown across the world in the past twenty years. Many of these social trends began four decades ago, so it is of little surprise that it is also the period that the first BGR came into existence.
The first ‘retail warehouses’ (as they are known in the UK) were recorded in the England during the late 1960’s. The outlets were located outside existing shopping districts in converted warehouses (Figure 6). Utilising the converted buildings circumvented the need for institutional investment, which at the time was unavailable for the untested retail format, and bypassed planning restrictions which prohibited new retail development outside of traditional centres (Gibbs, 1987). The stores relied on a “cut-price trading philosophy, spartan appearance, unsophisticated displays, lack of customer services and cash-and-carry sales policy” (Gibbs, 1987, p23).

During the 1970’s retail warehousing primarily sold household goods like Do-It-Yourself materials and furniture and they were noted for their unappealing appearance and lack of spatial integration (Gibbs, 1987). By the mid to late seventies, the first, albeit unplanned, BGR clusters began to appear with considerable economic success, and by the 1980’s BGR was becoming well established in most western nations. By the 1990’s the ad hoc clusters that were prominent with early BGR began to be replaced with more carefully integrated clusters in the form of ‘retail parks’ and BGR centres.

Retail planning resistance to BGR development played a significant role in its development, as “countries such as Britain..., the Netherlands, Denmark, France, Germany and Belgium all enacted legislation to in some way direct the location of new retailing in order to protect traditional centres” (Goodman and Coote, 2007, p42). However, as Guy explains, “This has made their prospects of development uncertain, since land-use planners have for many years attempted to protect traditional town centres and suburban ‘district centres’ from competition from off-centre developments” (Guy, 2002, p393). Accordingly the level of retail planning regulation dictated the quantity and location of BGR in their respective countries (Goodman and Coote, 2007).
The development of BGR across the Atlantic in the US was quite different to that of the UK. The late 1980s and early 1990s saw the collapse of a series of US department stores (which were anchor tenants), tax laws were changed to make financing shopping centres more difficult and the cost of constructing centres escalated (Towart, 2004). The effect was intensified by the maturation of the mall sector and over saturation of the market. These changes were the catalyst for a new retail form known as ‘Big Box retailing’, as “developers looked for a new asset class that could be constructed on hitherto unexploited sites, (which) were not tied to existing retailers and had cheap construction costs” (Towart, 2004, p116).

Big Box refers to a stand alone building which is larger than a traditional store, uniform in appearance, contains large areas of parking, faces a major road, has a regional catchment and places an emphasis on profit from sales volume instead of mark up (see Figure 7) (Towart 2004). Therefore BGR and big box retailing share many similarities, however, unlike BGR, big box is not restricted to the sale of bulky items. It should also be noted that it does not refer to the Australian notion of a ‘big box’ shopping centre.

As the big box blueprint was refined it proved to be a very lucrative retail formula and resulted in the creation of a series of successful phenomena within the form such as:

- **Category Killers**: specialised chain stores that offer tremendous selection in a particular merchandise category and use buying power to provide goods at lower prices than smaller individual and larger broad line retailers (Figure 8).
- **Power Centre**: typically a center dominated by several large freestanding “category killers” and only a minimum amount of small specialty tenants (Figure 9). The centres vary in size between 20,000 to 50,000m² with a primary trade area of 15 kilometres (ICSC 1999).
The maturation of big box retailing played a significant role in successful development of BGR internationally and shaped the retail format into the state we know it today.

**Australia**

Arguably Australia did not experience the same structural problems that were the catalyst for the big box movement in the US, because of the strict regulatory approach to retail planning. However, similar demographic changes and the proven success of the economic formula resulted in a BGR boom across the country. Australia’s pattern of BGR development was closer to the UK due to similar retail planning regulation which is not enforced in the USA.

Much like the UK, BGR first appeared in Sydney “as showrooms attached to distribution and warehousing industries” (HillPDA, 2008, p42) during the early 1970s. Standalone BGR stores began to emerge by the mid to late 70’s with small areas of bulky good retailers trading out of industrial zones typically selling items such as whitegoods and furniture (Towart, 2004).

Sydney continued to follow the same pattern of development as the UK during the 1980’s and 90’s and by the turn of the century BGR had evolved “from former industrial premises to purpose built bulky goods retail parks that allow brand awareness, enhanced economies of scale and consumers the benefit of comparison shopping” (HillPDA, 2005, p11). Predictions were made during mid 1990’s that the market would reach saturation, however, these proved to be incorrect as the number and types of retailers expanded and filled market niches (Towart, 2004). Sydney specifically attracted a higher interest in BGR as Alistair Palmer, CB Richard Ellis’s negotiator for BGR observed that “some retailers were entering the NSW market both in metro and regional areas, hoping to capitalise on NSW’s higher discretionary income and consumer spending levels” (Cummins, 2005). By 2005 CB Richard Ellis’s manager, Lee Talbott noted that the bulky goods market had begun to mature and established retailers were now striving for market share (Cummins, 2005).
Just as it had been in Europe, the development of BGR has been constrained by resistance from the State and local governments who were “concerned about a proliferation of retail usages outside designated retail areas” (Towart, 2004). The first recognition of BGR in the form of NSW State policy came in 1991 as the Flexible Industrial Lands Policy, which promoted the location of BGR in light industrial zones provided it could not be located in existing commercial / retail zones. The policy acknowledged that BGR “needs extensive areas for storage and showroom space, special vehicular access and loading requirements” and concluded that traditional centres can not easily accommodate these needs. The policy recommended that Council approve developments on the basis of merit where there is no adverse impact on the surrounding neighborhood and existing retail centres. In 2001 the Department of Planning reconfirmed its position through Integrated Land Use and Transport (ILUT) Package which included draft State Environmental Planning Policy 66 (SEPP 66) and The Right Place for Businesses and Services policy. The ILUT Package remains the current state policy today and is discussed in further detail in Section 5.2.

3.3 The Pros and Cons of Bulky Goods Retail

This section reviews the positive and negative aspects of BGR.

The Positives of Bulky Goods Retail

Some of the key benefits identified by the BGRA are that it:

- offers convenient and easily accessible retail facilities that meet the popular demand for homemaker merchandise.
- directly benefits consumers by offering improved price and product competition.
- generates employment both directly and indirectly in areas such as construction and the on-going jobs associated with retail.
- offers safe retailing environments, managing transport and traffic-related issues in regards to the loading and unloading of bulky goods and regular vehicular access.
- offers improved levels of retail service to local communities.
- doesn’t adversely affect the trading roles of other retail areas (BGRA, 2007a).

The benefits provided by the BGRA have been strongly supported by a variety of studies and the market demand for homemaker merchandise (see Section 4.1) is widely undisputed (Deep End Services, 2007).

The most significant benefit of BGR and the key reason to streamline the planning process to ensure its development, is the benefits it provides to consumers by allowing for improved price and product competition. BIS Shrapnel’s analysis of consumer prices for bulky goods (Figure 10) illustrates the dramatic effect BGR has had on driving down prices against the CPI. It should be noted that cheaply manufactured mass produced goods from developing countries has played a more significant role in the occurrence of this trend.
Chapter 3 | What is Bulky Goods Retail?

Figure 10 - Consumer prices for bulky goods  (Source: BIS Shrapnel, Bulky Goods Property 2006-2011)

BGR also provides large levels of employment to Australians. The sector directly employs over 150,000 predominantly low skilled workers (BGRA, 2007a) along with hundreds of thousands of others involved in the construction of stores and on going jobs associated with retail.

It is disputed within the industry that BGR does not jeopardise the economic viability of other forms of retail. However, President of the Shopping Centre Council of Australia, Milton Cockburn states, that provided “ sensible planning rules are adopted - and those rules are applied consistently - shopping centres have no concerns about competing for the consumer dollar against bulky goods retailers” (Cockburn, 2004a).

While not mentioned in the BGRA list, the sector also has a very significant part to play in providing a competitive environment for overseas retailers to enter the Australian market and challenge the dominance of established category killers and provide further savings to Australian consumers (Cummins, 2008a).

The Negatives of Bulky Goods Retail

BGR in itself does not have any significant negative aspects. However, when located out of centres, as it commonly is, it is considered to have the following adverse impacts with attendant significant long term costs to the State and economy:

- depletes existing industrial lands;
- encourages car dependancy which is unsustainable and socially inequitable; and
- damages the economic viability and character of existing centres.
Employment land has been under rising pressure from higher value land uses, in particular residential, for a considerable amount of time. As Jones Lang LaSalle wrote in their 2001 article ‘Bulky Goods - The Killer Retail Sector’, “Concern is now starting to mount over bulky goods development competing with light industrial, warehouse and wholesale distribution uses, reducing the availability of suitably zoned land for such purposes.” In addition to the direct pressure it applies, it is also likely that “such competition for land has increased the average price of industrial land in some locations” (Jones Lang LaSalle, 2001).

Accordingly, many councils have begun prohibiting BGR occurring in industrial areas to retain and protect employment lands for low skilled workers despite declining demand for the industry (BGRA, 2007c). While the value of retaining employment land is well established and reflected throughout the Metropolitan Strategy and Section 117(2) Ministerial Directions, recent research such as the ‘Choice Free Zone’ report argues that the re-distribution of retail through industrial and employment land is likely to improve community welfare (Fels, et al., 2008).

The BGRA argues that the retail sector provides more employment per square metre and sources its workers from a similar pool of lower skilled workers (BGRA, 2007c). However, by replacing one low skilled job with another is a net loss if the use would otherwise be located in another location. In addition to this, industrial lands have significant role in providing essential goods and services to the economy.

It is commonly accepted “that the extent of automobile dependence seen in Australian cities is undesirable due to its environmental impact, and unsustainable on a number of counts, most obvious of which is the traffic congestion which makes increasing car usage self-defeating” (Goodman and Coote, 2007, p4). Accordingly, BGR reliance on cars therefore makes it unsustainable. However, the reality of this situation is less cut and dried.

As Patrick Fensham of SGS Economics explains “Planners have rightly been concerned about the car based nature of these centres and how sustainability, community life and social interaction ‘fit’ into this complex of places. Nevertheless, market realities need to be acknowledged while important planning objectives are pursued” (Fensham, 2007). In other words, while it would be ideal if BGR was more sustainable, the actuality of the BGR business model necessitates car usage. As it would be unrealistic to expect this to change, planners should proactively be using planning as an instrument to make them more sustainable by locating them in centres or specialised clusters supporting centres, which is explained in further detail at Chapter 6.

The economic damage caused by out-of-centre retail on traditional centres has been widely disputed. However, as previously discussed in Section 2.2, retail development, bulky or otherwise, is best located in centres (Brockhoff, 2008). As Cockburn states, “There is no doubt, for example, that Melbourne benefits greatly as a city from the fact that, in many of its ‘activity centres’, shopping centres and bulky goods centres are effectively co-located” (Cockburn, 2006).
Despite this, the BGRA maintain “There is no evidence to suggest that Bulky Goods retailing in out-of-centre locations is undermining activity centre policy” (BGRA, 2008b). As retail policy expert John Brockhoff explains, retailers often don’t understand that their presence in a centre not only generates activity in centres through their primary trade but they also trigger activity through investment into other land uses which is self propagating (Brockhoff, 2008).

Another danger raised by Cockburn regarding BGR being allowed to occur out of centres is that “the original intention of these special zones is now being corrupted by an invasion of retailers whose retail offer does not meet the special criteria for these zones and who are simply seeking to take advantage of the lower rents that tend to apply to these zones” (Cockburn, 2004a).

The sale of non bulky items, specifically clothing and food in ‘retail outlet centres’ or ‘discount factory outlets’ or under the pretense of BGR, is detrimental to the hierarchy of centres and retail land values (Cockburn, 2004a). The issue was brought to light in 2004 during the Orange Grove case (Westfield Management Pty Limited & Anor v Gazcorp Pty Limited & (2) Ors [2004] NSWLEC 7) where the Westfield Group took legal action against Liverpool Council for modifying a consent for a bulky goods centre, which was permissible, to be used as a warehouse clearance outlet despite retail being prohibited in the zone. Section 7.5 addresses this issue and includes recommendations to prevent this occurring in the future.
4.0 Bulky Goods Retail in Sydney

This chapter reviews the existing economic and physical context of the BGR sector. The purpose of the chapter is to review current literature, market studies, and quantitative data to develop an understanding of the current state of BGR in Sydney. An in depth review of BGR planning regulation is located in Chapter 5.

4.1 Economic Context and Forecast

BIS Shrapnel estimate that BGR now represents $38.5 billion or 23.1% of total retail sales in Australia. Sales of Bulky Goods in NSW alone were up from $13.452 to $14.735 billion for the 07/08 financial year, demonstrating that the emerging format is a significant sector of the retail industry (Cummins, 2008a). The growth has been so significant that as Deep End Services’ 2007 analysis shows, the BGR sector “has grown 3% greater per annum for the past 6 years when compared with the remainder of the retail market” (Deep End Services, 2007).

The BGRA predicts that “Over the next five years the bulky goods retail sector will continue to enjoy strong popularity with consumers spending billions of dollars each year on bulky items” (BGRA 2006), the claims are substantiated by strong numeric data compiled by BIS Shrapnel and LMW Research. Figure 11 below illustrates the strong growth forecast across all the main BGR categories.

Figure 11 - Bulky goods expenditure by category  (Source: BIS Shrapnel, Bulky Goods Property 2006-2011)
Real estate analysts CBRE attribute “population growth and the continued strength in the housing market as key factors underpinning developer confidence in the bulky goods sector” (CBRE, Sep 2007).

On a national scale Figure 12 shows that NSW is well below the national average and behind most other states in annual expenditure growth, despite the State’s higher discretionary incomes and consumer spending levels. This could be a result of the restrictions on BGR in NSW but is more likely to be a consequence of the sector being more established.

Not all industry experts support the prediction of strong growth in the sector. Simon Rumbold, a director at Urbis, believes that with 46% of the 1.1 million square metres of retail space under construction across Australia being BGR (at the time of the article), the amount is unsustainable. He says consumer spending in BGR is around 12%, so if “you’re trying to build between 40 and 50 percent of your new floorspace as bulky goods, clearly you’ve got a big mismatch” (McDonald, 2006). While there is a potential threat of oversupply, the strong growth in 2007 indicates that perhaps Rumbold underestimated the market and that future growth is sustainable while the wider market trends continue to occur.

### 4.2 Ownership & Investors

The BGR sector was pioneered by private investors who were willing to take risks with the emerging format. It wasn’t until the mid 1990’s that syndicates began to take an interest in BGR as they recognised the economic potential of high yields and future rental growth. By the late 1990’s and early 2000’s the sector had become established and the large institutional investors who had avoided BGR initially began to move into the sector (Towart, 2004). The influx of investment funds transformed BGR from the small independent retail warehouses of the 1980’s into the large corporate power centres of today (Towart, 2004).
Unlike traditional retail centres, BGR is not as reliant on specific anchor tenants, such as David Jones, to support the rest of the centre because the stores are considered destinations in their own right (Towart, 2004). BGR’s non-reliance on an anchor facilitates its growth as “developers have a wider pool of potential occupants who can underpin any new development” (Towart, 2004). However, major tenants are still considered important in attracting other retailers into the centre. For example, Harvey Norman is considered the major draw card for BGR centres with owners charging rents up to 10 per cent higher for tenants to be in the same centre (CBRE, 2007).

In 2007 private investors accounted for 87.71% of new investment in the industry with the other 12.29% by syndicates (LMW Research, 2007). In 2005 Cummins observed that “the strength of the sector has not been lost on the investment market with many listed and unlisted property trusts jumping in to buy any spare centres and developments as they become available” (Cummins, 2005). However, Jones Lang LaSalle Research believes that the rush to invest in BGR “is a double-edge sword because it has the potential to create an oversupply” (Cummins, 2005).

The threat of oversupply may have halved recent financing of the sector as investment notably fell in 2007. However, CBRE’s 2007 BGR MarketView report identified that bulky goods vacancy rates are at an all time low and that there is still “continued demand for quality bulky goods property” (CBRE, 2007). Quality being the operative word as LMW Research explains the downturn in investment as “a result from the limited opportunities in the market, in particular prime centres” (LMW Research, 2007), emphasising the need for planning reform to facilitate quality BGR growth not necessarily quantity.

4.3 Physical Context

Landuse planning has played a significant role in the physical development of BGR across Sydney. However, it has also been heavily influenced by the proximity of new housing and roads (HillPDA, 2008) and that BGR, like traditional retail development, “needs to be concentrated in one area to achieve critical mass” (JLL et al, 2008). The result of these extrinsic factors has led to a number of clusters, of varying sizes, being scattered throughout the Sydney metropolitan area. Figure 13 illustrates the spatial distribution of the major BGR clusters across Sydney.

As of October 2007 it was estimated that there was over 1.1 million square metres of BGR floorspace in Sydney with an additional 300,000 square metres in the pipeline (see Table 1). In addition to this the LandMark White Group predicted that another 730,000m² of BGR floor space will enter the market between 2007 and 2010 (LMW Research, 2007).

<table>
<thead>
<tr>
<th>Location</th>
<th>Completed</th>
<th>Uncompleted</th>
<th>Planned</th>
</tr>
</thead>
<tbody>
<tr>
<td>Centres</td>
<td>843,184</td>
<td>48,170</td>
<td>164,640</td>
</tr>
<tr>
<td>Freestanding</td>
<td>296,340</td>
<td>8,950</td>
<td>99,955</td>
</tr>
<tr>
<td>Total</td>
<td>1,139,524</td>
<td>57,120</td>
<td>264,595</td>
</tr>
</tbody>
</table>

(Source: BIS Shrapnel, Bulky Goods Property 2006-2011)
Figure 13 - Significant BGR Clusters in the context of Sydney’s Strategic Centres Plan
(Original Source: NSW Government, City of Cities Plan)
All forms of BGR can be found in Sydney, including freestanding, stand alone centres, and multi-tenanted BGR parks (Hand, 2003). Most BGR clusters will often contain a combination of all three of these building types. The layout of these clusters, as illustrated in Figure 14, varies widely. Some resemble strip shopping along major arterial roads (Auburn), some are in planned BGR parks (Belrose), while others are sporadically located with other uses throughout an area (Alexandria).

As BGR is commonly attracted to industrial areas due to the lower land prices, larger sites, better vehicular access, and greater potential to construct purpose built premises (Hand, 2003) the land uses surrounding BGR are most commonly forms of light industry. However, in recent times BGR has also been co-located with other uses such as commercial offices and even residential, such as, the Ikea development at Rhodes.

Table 2 above also shows that existing floorspace is predominantly located in BGR shopping centres. This trend is set to continue as smaller tenants move out of freestanding buildings and into larger homemaker centres (CBRE, 2007) as shown in Table 2.

<table>
<thead>
<tr>
<th>Size</th>
<th>Floorspace</th>
<th>% of total</th>
<th>% change 2005-2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>10,000-19,999</td>
<td>1,054,787</td>
<td>42</td>
<td>13</td>
</tr>
<tr>
<td>20,000-29,999</td>
<td>296,340</td>
<td>31</td>
<td>34</td>
</tr>
<tr>
<td>&gt; 30,000</td>
<td>1,139,524</td>
<td>27</td>
<td>85</td>
</tr>
</tbody>
</table>

(Source: BIS Shrapnel, Bulky Goods Property 2006-2011)
5.0 Land Use Planning for Bulky Goods Retail

This chapter provides an analysis of the existing NSW State and local government statutory and strategic plans and policies that relate to BGR development. It specifically reviews, and where appropriate provides critique, on the broad framework for retail regulation in NSW, the Metropolitan Strategy, the ILUT package, local planning approaches, and the Standard Instrument. The chapter was used to inform the research process undertaken as part of this thesis and to identify potential weaknesses in the planning framework which could be addresses through the recommendations made in Chapter 7.

5.1 Retail Regulation in NSW

The highest level of retail regulation in NSW is at the Commonwealth level, which includes a number of statutes that regulate retail investment, employment, procedures, practices, and ownership. Of specific relevance is the Commonwealth Trade Practices Act 1974 which aims to “enhance the welfare of Australians through the promotion of competition and fair trading and provision for consumer protection”.

The State Government has the largest role in retail regulation with legislation controlling pricing, employment and trading conditions, and land uses. The primary piece of planning legislation used to regulate retail development, is the Environmental Planning and Assessment Act 1979 (EP&A Act). The EP&A Act empowers planners at both the State and local level to:

- at a strategic level, control the location of land uses through zoning; and
- at a statutory level, assess retail development applications.

The strategic direction is legislated through Environmental Planning Instruments under Part 3 of the EP&A Act, which zone land for retail uses and regulate their development. These instruments are based on the local context of an area and the broader strategic direction set by the State Government. As a result, the retail planning theories adopted by the State Government have had a large influence on the structure of retail across Sydney. In NSW there has been some form of centres policy since the County of Cumberland Planning Scheme was introduced in 1951 (Cockburn, 2005b). The Metropolitan Strategy states that over the past 50 years “metropolitan strategies for Sydney have contained centres policies that have identified major centres, supported nominated centres and restricted and regulated office based and retail activities outside of centres” (NSW DoP, 2005).

Legal precedent from the Courts, most commonly the Land and Environment Court, also plays a significant role in retail regulation. A significant case that set a precedent regarding new retail development was the High Court decision over Kentucky Fried Chicken Pty Ltd v Gantidis (1979) 140 CLR 675. The outcome of the case resulted in a precedent which prevents
existing centres being unreasonably impacted on by competition from a new retail proposal. The reason for this was to protect the centre and community facilities such as public transport infrastructure and shopping convenience from being jeopardised by new development.

5.2 The Metropolitan Strategy

The Metropolitan Strategy is the planning framework intended to guide Sydney over the next 25 years and support its “continuing economic growth while balancing social and environmental impacts” (NSW DoP, 2005). The cornerstone of the Strategy is the metropolitan-wide City of Cities: A Plan for Sydney’s Future. The City of Cities plan is supported by subregional strategies which provide more detailed planning on a subregional basis.

City of Cities: A Plan for Sydney’s Future

The City of Cities: A Plan for Sydney’s Future was released in December 2005. The plan is structured around seven metropolitan wide strategies. Of specific relevance to BGR planning is the Centres and Corridors Strategy (CSS), which establishes a centres and corridors hierarchy (see Figure 1) and identifies these centres on the Sydney’s Strategic Centres Plan (see Figure 15). BGR is not identified in the hierarchy on the Sydney’s Strategic Centres Plan.

Planning for BGR is addressed in the City of Cities Plan under Direction B4.1. ‘Concentrate Retail Activity in Centres Business Development Zones and Enterprise Corridors’ which reaffirms that the ILUT Policy Package will remain Government policy. Under B4.1 there are a series of sub-directions (see Table 3).
Table 3 - Key Directions for BGR in the City of Cities Plan

<table>
<thead>
<tr>
<th>B4.1.1 Locate retail and office activity in identified or designated retail zones.</th>
<th>The new Standard LEP template will limit retail and office activity to core commercial and mixed use zones, business development zones and in some circumstances enterprise corridors. Councils will be required to undertake forward structure planning to identify land in these zones to accommodate all commercial activity and retailing, including large floor area retailing. This will provide certainty for investors in office and retail in centres and ensure that ad hoc out of centre development does not have extra cost impacts for Government and the community.</th>
</tr>
</thead>
<tbody>
<tr>
<td>B4.1.2 Allow retailing in industrial areas only where it is ancillary to industrial uses.</td>
<td>Retailing has encroached into some industrial areas. This has displaced legitimate light industry and related uses and created excess trip generation to out of centre locations. Retailing in industrial areas will be limited to that which is ancillary to the industrial use or has operating requirements or demonstrable offsite impacts akin to industrial uses (such as building and hardware, plumbing and nurseries).</td>
</tr>
<tr>
<td>B4.1.3 Create business development zones to encourage development in strategic centres.</td>
<td>In some strategic centres, it may be desirable to establish more flexible development controls for job generating uses in areas adjacent to or supporting centres. Business development zones will encourage such uses, but would only be allowed where adjacent to and/or linked to the strategic centres. Clusters of large floor area retailing could be planned for in these business development zones.</td>
</tr>
</tbody>
</table>

The main outcomes of these directions are that:
- councils will limit retail outside of business zones;
- land intended for these zones should be identified by Council in advance and zoned accordingly;
- retailing in industrial areas is to be limited to ancillary retailing or demonstrate off site impacts similar to industry; and
- the Business Development Zone will be utilised for clusters of large floor area retailing in locations adjacent or linked to strategic centres.

Subregional Planning

The process of planning for the 10 subregions identified in the “City of Cities” plan is currently underway. Once completed the strategies will translate the relevant objectives of the “City of Cities” plan to the local level and “act as a broad framework for the long term development of the area” (DoP, 2007). In particular as Councils’ prepare their Principal LEPs.

Each subregional strategy adopts the same structure and planning principles as the “City of Cities” plan including the Centres and Corridors Strategy and associated centres hierarchy with the addition ‘Local Centres’. BGR is specifically addressed in each strategy under the same Key Direction B4 which reaffirms the NSW Government’s position on limiting retail outside of centres or strategic clusters.

The approach to BGR planning is generally consistent across the subregions and reiterates much of what is conveyed in the City of Cities plan, however the nature of certain subregions is recognised. For example, in the West Central Subregion there is a key action which requires local councils to investigate appropriate locations for bulky goods, including potential business development zones. Whereas in the Inner West Strategy it identifies there is already areas with considerable BGR and there is no such key action (DoP, 2008b).
Direction B4 broadly identifies the locations and demand for BGR across the subject subregion but like the ‘City of Cities’ plan it does not identify it on any maps or recognise it in the centres and corridors hierarchy. The key actions that are common to all the subregional strategies under Key Direction B4 are as follows:

- The Department of Planning to prepare centre design guidelines to assist councils in structure planning and resolving complex design issues in centres.
- Councils to investigate appropriate locations for retail uses in Centres, Business Development Zones (supporting identified Strategic Centres) and Enterprise Corridors.
- The Department of Planning to prepare guidelines for the application of Business Development and Enterprise Corridor zones.
- NSW Government and Inner West councils to undertake integrated land use and transport planning to ensure that opportunities to benefit from transport infrastructure investment are realised.

(DoP 2007/2008)

Critique

The Metropolitan Strategy sets out clear objectives for BGR development, however, the failure of the Metropolitan Strategy to acknowledge BGR on any maps or acknowledge it in the centres and corridors hierarchy is a significant oversight because it:

- does not recognise the unique characteristics of BGR clusters which are different to traditional retail centres;
- would allow the DoP to direct future BGR growth and encourage consolidation in existing centres; and
- would deliver development surety and security in existing clusters for stakeholders.

5.3 Integrated Land Use and Transport Package

In 2001 the NSW Department of Urban Affairs and Planning (DUAP) (now the Department of Planning) released the ILUT Package to “provide a framework for State government agencies, councils and developers to integrate land use and transport planning at the regional and local levels” (NSW Ministry of Transport, 2007). The package included draft State Environmental Planning Policy No 66 - Integration of Land Use and Transport (SEPP 66), which required the other following documents in the package to be taken into consideration:

- Integrating Land Use and Transport - Overview
- The Right Place for Business and Services - Planning Policy
- Improving Transport Choice - Guidelines for planning and development

Despite being over seven years since it was first released the ILUT Package remains the only NSW State planning policy that provides guidance for BGR development. For a variety of political reasons the key legislative instrument within ILUT Package, draft SEPP 66, was never gazetted and was intended to be replaced by the ILUT Ministerial Direction under Section 117(2) of the EP&A Act which only applies during the preparation of EPIs. As a result the Package has never been consistently applied, and as detailed below will continue to remain largely ineffectual.
Draft SEPP 66

The primary aim of draft SEPP66 is to locate trip-generating uses such as BGR in places with good public transport links in order to reduce car dependancy. The SEPP contains provisions to guide the drafting of EPIs, plans, and the assessment of DAs. As part of this process it requires the other documents within the ILUT package be taken into consideration and gives them statutory weight. As mentioned above the draft SEPP has never been gazetted and was to be replaced by a Ministerial Direction, however, it still remains a draft SEPP which requires consideration under Section 79(c) of the EP&A Act.

Despite never being formerly gazetted, draft SEPP 66 has been used as grounds for refusal on a number of DAs which were considered to be in an inappropriate location despite the use being permissible under the zone. One notable DA that was refused, and subsequently appealed at the Land and Environment Court, was *Terrace Tower Holdings Pty Ltd v Sutherland Shire Council (2002)*. In the decision handed down by Justice Cowdroy, he upheld Sutherland Shire Councils refusal on the grounds that the location of the centre was inappropriate in relation to existing retail facilities and public transport services.

The Right Place for Business and Services

The *Right Place for Business and Services - Planning Policy 2001* (RPBS Policy) intends councils to incorporate a range of objectives into their local planning strategies and plans to guide development and rezoning decisions. The objectives to be incorporated into the strategy are to:

- locate trip generating development in places that reduce reliance on cars, provide people with equitable and efficient access, and encourage multipurpose trips and the use of public transport;
- protect community investment in centres, and in transport infrastructure and facilities;
- encourage private and public investment in centres; and
- foster growth, competition, and investment confidence in centres through consistent and responsive decision making. (NSW DUAP, 2001a, p5)

The approach taken to regulating out-of-centre development is described as representing a “balance between retailer and consumer needs and the community cost of dispersed retail activity” (NSW DUAP, 2001a, p11). In order to make this evaluation the Policy uses the ‘Net Community Benefit Test’ (NCBT). The NCBT sets out criteria that require all forms of out-of-centre proposals to establish that there will be no detrimental effect on public investment in centres and that private investment certainty is maintained. In addition to this, the proposal must also demonstrate that it can provide the same performance as a centre by managing travel demand, utilising public transport and moderating car usage.

Amongst other types of trip generating development, the Policy gives specific direction for locating BGR. First and foremost, it states that despite BGR needing physical space to display and handle goods, out-of-centre clusters are not automatically necessary. This is because most new centres are now capable of accommodating them and the lower order ones who
Chapter 5 | Land Use Planning for Bulky Goods Retail

are in need of investment are also potentially capable of accommodating them (NSW DUAP, 2001a, p11). However, the policy goes on to state that:

*When it is not realistic for bulky goods outlets to be in centres, they should be located in one or two regional clusters to help moderate travel demand and allow for public transport accessibility. Existing clusters should be reinforced. If justified, new clusters should be in areas that would indirectly support major centres and link to public transport corridors.* (NSW DUAP, 2001a, p6).

In addition to the NCBT there are additional criteria for BGR development to be assessed against. These criteria cover the key issues raised regarding out-of-centre BGR development, including:

- the economic and social impact on existing and planned centres;
- the demand for BGR floorspace and what effect the potential oversupply will have on existing centres;
- accessibility to public transport;
- the effect of increased demand and traffic impacts on the existing road network; and
- where proposed in industrial areas, the impact on property prices and the operational and access needs of existing and future industry (NSW DUAP, 2001a, p6).

The Policy also makes reference to the need to regulate BGRs selling non-bulky items. Stating that practice “impacts on centres and raises community costs beyond any benefit” (NSW DUAP, 2001, p11) and leaving it to the councils’ discretion as to whether or not they want to apply a floorspace limit on ancillary retail.

**Improving Transport Choice**

The *Improving Transport Choice - Guidelines for planning and development 2001* (ITC Guidelines) was intended to translate broader transport sustainability outcomes into a set of practical guidelines to be used at all stages of the planning process in order to:

- better integrate land use and transport planning and development
- provide transport choice and manage travel demand to improve the environment, accessibility and livability (NSW DUAP, 2001c, p2).

Amongst other things the guidelines reaffirmed the RPBS Policy and specifically set out principles for the location of retail development. These included:

- locating retail functions in a network of mixed use centres closely aligned with the public transport system;
- avoiding isolated retail locations because they are car dependent and incur significant community and environmental costs;
- preventing retail formats such as BGR being the justification for an isolated location;
- integrating retail functions to encourage multi purpose trips; and
- avoiding locating retail along main roads if it compromises the best use of the road and public transport infrastructure (NSW DUAP, 2001c, p29).
The policy also explicitly states that the location and design principles located in the guidelines can be applied to BGR, and that the specific needs of the format are “often exaggerated and little different from other retail outlets” (NSW DUAP, 2001c, p29).

**Section 117 Ministerial Directions**

Under section 117(2) of the EP&A Act, the Minister for Planning issues directions that local councils must follow when preparing new LEPs.

The direction, which was titled *3.4 Integrating Land Use and Transport*, adopts the same land use-transport oriented objectives as Draft SEPP 66 and requires councils to adopt the aims, objectives and principles of the ITC Guidelines and RPBS policy. The fundamental difference between the SEPP and the Directions is that the Directions only applies when a council prepares a draft LEP as opposed to the Draft SEPP which also applies to the consideration of DAs and other plans.

**Critique**

In theory the planning principles in the ILUT package should provide strong support to the NSW Governments Centres Policy. However, Draft SEPP 66, which was intended to be the key statutory instrument, remains a draft seven years after it was first placed on exhibition. Not only is its status a source of confusion it undermines the rest of the package. Instead the only statutory tool is the Section 117 Direction which is significantly less effective at preventing out-of-centre BGR development which usually occurs at a DA level rather than at the local plan making level.

**5.4 Local Government Planning**

Local governments have and will continue to play a key role in the development of BGR. The EP&A Act empowers councils to make a principal EPI for their LGA and to assess the DAs within that area under that EPI. Up until this point in time, the planning system’s disharmony with the BGR format is evident through inconstancies between local governments. *Appendix A* contains a table outlining each of Sydney’s 38 LGA’s primary EPIs definition for BGR and zones where the landuse is permissible. Using the information collected, *Table 4* and *Figure 16* illustrates the wide range of zones where BGR is permissible across Sydney. The trends evident in *Figure 16* are:

- the more affluent residential harbour LGA’s have prevented BGR occurring in any zone;
- some of the northern and inner western LGAs only allow BGR in their commercial zones; and
- the traditional industrial LGA’s in the south and west and have allowed BGR to occur in industrial zones
Table 4 - Definitions for BGR

<table>
<thead>
<tr>
<th>Permissible in</th>
<th>Number of LGAs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commercial and Industrial Zones</td>
<td>9</td>
</tr>
<tr>
<td>Industrial Zones only</td>
<td>12</td>
</tr>
<tr>
<td>Commercial Zones only</td>
<td>5</td>
</tr>
<tr>
<td>Prohibited in all zones</td>
<td>12</td>
</tr>
</tbody>
</table>

Figure 16 - BGR LGA Permissibility Map (certain exclusions may apply to specific areas shown on map)
Of the LEPs in 38 LGAs examined 38% do not contain any definition for BGR. This is partly the consequence of many EPI’s calling up the *Environmental Planning and Assessment Model Provisions 1980*, a document which has since been repealed, but is still widely used in LEPs. In defence of the provisions, at the time of their gazettal in 1980 BGR would not have merited its own specific definition. However, the age of the document emphasises a bigger issue with the inability of statutory plans to keep up with land use trends and more importantly the need for Council’s to address specific planning issues as they arise.

Of those 23 remaining EPI’s that do define BGR there were 15 different interpretations of the term. An example of some of the differences are demonstrated in Table 5.

### Table 5 - Definitions for BGR

<table>
<thead>
<tr>
<th>EPI</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bankstown Local Environmental Plan 2001</td>
<td><em>bulky goods complex</em> means a building or place used to accommodate 5 or more bulky goods salesrooms or showrooms.  &lt;br&gt; <em>bulky goods salesroom or showroom</em> means a building or place used for the sale by retail or auction, or the hire or display, of any of the following: &lt;br&gt; (a) furniture, or &lt;br&gt; (b) ...</td>
</tr>
<tr>
<td>Campbelltown (Urban Area) Local Environmental Plan 2002</td>
<td><em>bulky goods retailing</em> means use of a building or place for the sale by retail of items which: &lt;br&gt; (a) are of such a size, shape or range as to require: &lt;br&gt; (i) a large area for handling, storage and display, and &lt;br&gt; (ii) direct vehicular access for customers’ vehicles to and from the site on which the goods are sold for the purpose of loading and unloading of the goods onto and from vehicles, or &lt;br&gt; (b) are, in the opinion of the Council, of such a kind: &lt;br&gt; (i) as are required to be displayed in premises not easily accommodated in traditional commercial centres, and &lt;br&gt; (ii) as a person using them is unlikely to purchase frequently, including consumer durables (such as refrigerators, washing machines and stoves) and home improvement and hardware supplies.</td>
</tr>
<tr>
<td>South Sydney Local Environmental Plan 1998</td>
<td><em>bulky goods retailing</em> means the retailing of large goods such as furniture, do-it-yourself home improvement materials and the like which generate a low return per unit floor area and which are of such a size and shape as to require: &lt;br&gt; (a) a large area for handling, storage or display, and &lt;br&gt; (b) easy and direct vehicular access to enable the goods to be collected by customers after sale.</td>
</tr>
<tr>
<td>Warringah Local Environmental Plan 2000</td>
<td><em>bulky goods shop</em> means a building or place used for the sale by retail or auction of goods or materials which are of such a size, shape or weight as to require: &lt;br&gt; (a) a large area for handling, storage or display, or &lt;br&gt; (b) direct vehicular access to the site of the building or place by members of the public, for the purpose of loading items into their vehicles after purchase, but does not include a building or place used for the sale of foodstuffs or clothing.</td>
</tr>
</tbody>
</table>

As Appendix A illustrates, most councils commonly define BGR premises to need a large area for handling, storage or display, and easy and direct vehicular access to enable the goods to be collected by customers after sale. However, Table 5 demonstrates that in:

- Bankstown: differentiates between a BGR complex and a BGR salesroom;
- Campbelltown: the premises should be of a nature that is not easily accommodated in a traditional commercial centre or sell items that are purchased frequently;
- South Sydney: the items on sale should ‘generate a low return per unit floor area’; and
- Warringah: the buildings can not be used for the sale of foodstuffs or clothing.
The inconsistencies across EPIs is further exemplified in Table 6 which shows that in Council’s that list categories of BGR there are many items that might be permissible in one LGA but not in another. This creates great levels of confusion and uncertainty for all stakeholders in the process, specifically retailers who operate across LGAs.

**Table 6 - Categories of BGR**

<table>
<thead>
<tr>
<th>Bankstown</th>
<th>Liverpool</th>
<th>Parramatta</th>
<th>Ryde</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a) furniture, or</td>
<td>(a) furniture,</td>
<td>(a) furniture,</td>
<td>(a) ...</td>
</tr>
<tr>
<td>(b) electrical appliances,</td>
<td>(b) electrical goods,</td>
<td>(b) electrical goods,</td>
<td>(c) furniture,</td>
</tr>
<tr>
<td>or</td>
<td>or</td>
<td>or</td>
<td>(d) electrical goods,</td>
</tr>
<tr>
<td>(c) office furniture, or</td>
<td>(c) toys/sporting</td>
<td>(e) toys or sporting</td>
<td>(e) toys or sporting</td>
</tr>
<tr>
<td>(d) hardware, or</td>
<td>equipment,</td>
<td>equipment,</td>
<td>equipment,</td>
</tr>
<tr>
<td>(e) outdoor products, or</td>
<td>(d) outdoor products,</td>
<td>(f) office supplies,</td>
<td>(f) office supplies or</td>
</tr>
<tr>
<td>(f) floor coverings, or</td>
<td>or</td>
<td>or</td>
<td>furniture,</td>
</tr>
<tr>
<td>(g) automotive parts and</td>
<td>(g) floor coverings,</td>
<td>(g) floor coverings,</td>
<td>(g) hardware,</td>
</tr>
<tr>
<td>accessories, or</td>
<td>or</td>
<td>or</td>
<td>(h) outdoor products,</td>
</tr>
<tr>
<td>(h) lighting, or</td>
<td>(h) automotive parts and</td>
<td>(h) automotive parts/</td>
<td>(i) outdoor products,</td>
</tr>
<tr>
<td>(i) kitchen or bathroom</td>
<td>accessories,</td>
<td>accessories,</td>
<td>(l) floor coverings,</td>
</tr>
<tr>
<td>showrooms, or</td>
<td>or</td>
<td>or</td>
<td>(j) automotive parts and</td>
</tr>
<tr>
<td>(j) tiles (floor, ceiling or</td>
<td>(i) lighting,</td>
<td>(k) lighting,</td>
<td>accessories,</td>
</tr>
<tr>
<td>wall), or</td>
<td>(j) video hire,</td>
<td>(l) lighting,</td>
<td>(l) automotive parts and</td>
</tr>
<tr>
<td>(k) plant and equipment</td>
<td>(k) antiques/secondhand</td>
<td>(l) lighting,</td>
<td>accessories,</td>
</tr>
<tr>
<td>for hire.</td>
<td>goods,</td>
<td>(l) automotive parts and</td>
<td>(m) kitchen or bathroom</td>
</tr>
<tr>
<td></td>
<td></td>
<td>accessories,</td>
<td>showrooms,</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>(m) tiles (floor, ceiling,</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>wall),</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>(n) plant nursery,</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>(o) take away food.</td>
</tr>
</tbody>
</table>

### 5.5 Standard Instrument

On 31 March 2006, the NSW Government gazetted the Standard Instrument - Principal Local Environmental Plan and the (Local Environmental Plans) Order 2006 for preparing new LEPs. The Standard Instrument aims to standardise the planning language and structure used in LEPs. The Order requires all councils to use the Standard Instrument to prepare a new principal and comprehensive LEP for their LGA by 2011.

#### 5.5.1 Definition

As previously discussed the Standard Instrument contains a mandatory standardised list of definitions. The standard definition for BGR was intended to resolve issues raised within the industry such as Sue Robinson, who believed at the time that, “this inconsistency (in the definition of BGR) provides the potential for legal challenge and we believe there is an urgent need to introduce a standard definition” (Skelsey, 2004).

Under the Standard Instrument ‘bulky goods premises’ is defined as:

*a building or place used primarily for the sale by retail, wholesale or auction of (or for the hire or display of) bulky goods, being goods that are of such size or weight as to require:*

(a) *a large area for handling, display or storage, or*

(b) *direct vehicular access to the site of the building or place by members of the public for the purpose of loading or unloading such goods into or from their vehicles after purchase or hire,*

*but does not include a building or place used for the sale of foodstuffs or clothing unless their sale is ancillary to the sale or hire or display of bulky goods.*
This definition uses the size or weight of the good being sold, which necessitates the requirement for large areas for handing and storage and direct vehicular access to the site, as a distinction between a ‘bulky goods premises’ and a ‘retail premises’ which means:

*a building or place used for the purpose of selling items by retail, or for hiring or displaying items for the purpose of selling them by retail or hiring them out, whether the items are goods or materials (or whether also sold by wholesale).*

**Critique**

The rigidness of the bulky goods premises definition and the versatility of the retail premises definition should enable enough flexibility when preparing LEPs for BGR to locate in centres as well as specialised clusters.

The definition for a bulky goods premises also precludes the sale of foodstuffs or clothing unless ancillary to the sale of bulky goods, which is intended to prevent the misuse of the zone by non bulky uses as discussed in Section 3.3. The preclusion of foodstuffs or clothing will assist with achieving this goal, however, there is still considerable ambiguity regarding what quantum is ‘ancillary’? The definition is also ambiguous regarding other forms of non bulky ancillary retail outside of clothing and foodstuffs. The definition states that the premises should be “used primarily for the sale” of bulky goods. The area/quantity which constitutes ‘primarily’ is very open to interpretation and is a clear weakness in the definition.

To overcome this problem an ancillary retailing cap could be included in the definition. However as Cockburn raised in a SCA submission written in 2005 to Baulkham Hills Council, if the average bulky goods development is 25,000m$^2$ and 25% is allocated to ancillary retail (as is the case in some LEPs) then there can be up to 6,250m$^2$ of non bulky retailing area, which is the equivalent of more than 50 retail shops (Cockburn, 2005b). As every location is different, an ancillary cap would not be appropriate for a standard definition. Recommendations regarding the definition are located at Section 7.5.

### 5.5.2 Zones

Under the Instrument there 34 zones available to councils to use when making their LEP. Each zone has a list of standard objectives and permissible or prohibited uses. Direction 2 under the Instrument allows for specified uses and objectives to be added to (but not removed from) the list of development that is permitted or prohibited in a zone.

Bulky goods premises is not listed as a specified use in any of the Instrument’s zones. The Instrument works on the basis that if a use is not listed as prohibited it is permissible (provided it is consistent with the objectives of the zone).

There has also been no official direction released by the Department of Planning regarding the zone is best suited for BGR. However, as previously mentioned, the City of Cities plan recommends the B5 Business Development Zone for large floor plate uses. **Table 7** examines the suitability of potential zones to accommodate BGR based on the set objectives.
Table 7 - The suitability of BGR under zones in the Standard Instrument

<table>
<thead>
<tr>
<th>Zone</th>
<th>Objectives (with Author’s Emphasis)</th>
</tr>
</thead>
</table>
| B2 Local Centre             | • To provide a range of retail, business, entertainment and community uses that serve the needs of people who live in, work in and visit the local area.  
• To encourage employment opportunities in accessible locations.  
• To maximise public transport patronage and encourage walking and cycling. |
| B3 Commercial Core          | • To provide a wide range of retail, business, office, entertainment, community and other suitable land uses that serve the needs of the local and wider community.  
• To encourage appropriate employment opportunities in accessible locations.  
• To maximise public transport patronage and encourage walking and cycling. |
| B4 Mixed Use                | • To provide a mixture of compatible land uses.  
• To integrate suitable business, office, residential, retail and other development in accessible locations so as to maximise public transport patronage and encourage walking and cycling. |
| B5 Business Development     | • To enable a mix of business and warehouse uses, and specialised retail uses that require a large floor area, in locations that are close to, and that support the viability of, centres. |
| B6 Enterprise Corridor      | • To promote businesses along main roads and to encourage a mix of compatible uses.  
• To provide a range of employment uses (including business, office, retail and light industrial uses) and residential uses (but only as part of a mixed use development).  
• To maintain the economic strength of centres by limiting retailing activity. |
| B7 Business Park            | • To provide a range of office and light industrial uses.  
• To encourage employment opportunities.  
• To enable other land uses that provide facilities or services to meet the day to day needs of workers in the area. |
| IN1 General Industrial      | • To provide a wide range of industrial and warehouse land uses.  
• To encourage employment opportunities.  
• To minimise any adverse effect of industry on other land uses. |
| IN2 Light Industrial        | • To provide a wide range of light industrial, warehouse and related land uses.  
• To encourage employment opportunities and to support the viability of centres.  
• To minimise any adverse effect of industry on other land uses.  
• To enable other land uses that provide facilities or services to meet the day to day needs of workers in the area. |

Based on the objectives of each zone (see Table 7), the zone most suitable to accommodate BGR is the B5 Business Development Zone as it is the only zone that enables “specialised retail uses that require a large floor area”. The B3 Commercial Core Zone would also be suitable as it aims to provide for a wide range of uses that serve the wider community, such as BGR.

BGR would be less appropriate in the B2 Local Centre Zone which aims to serve the needs of people located in the local area, or the B4 Mixed Business Zone which is intended for mixed use development not commonly associated with BGR. The B6 Enterprise Corridor Zone does not support BGR as it aims to maintain the existing strength of centres by limiting retail activity. The B7 Business Park Zone also does not support BGR as it aims to only provide retail services to meet the day to day needs of workers.

While not prohibited in the IN2 Light Industrial Zone the objective to support the viability of centres makes BGR unsuitable in the Zone unless it can be demonstrated that the proposal is not in conflict with the objective. The IN1 General Industrial objectives to not indicate whether BGR is suitable or not in the zone.
Critique

The appropriateness of the B5 Zone for BGR will provide certainty for all stakeholders under the new Standard Instrument. The exclusion of bulky goods premises as a specified permissible use under the zone is also appropriate as it allows council to use the zone in their LGA where BGR may not be suitable. The flexibility for BGR to occur in the B2 and B3 (Centres) Zones is also supported as it allows for BGR to locate in centres which should be the first choice for their location (NSW DUAP, 2001a).

The decision to discourage BGR locating in the B6 Enterprise Corridor zone may be questioned by retailers who believe these corridors are opportune locations for large format retailing to occur. However, locating high trip generating retail uses along these corridors away from centres would weaken the economic strength of existing centres and be contrary to the NSW governments centres policy.

The only foreseeable problem with the Standard Instrument’s zones relates to the ambiguity of the IN1 Zone, which unlike the IN2 Zone makes no reference to supporting the viability of centres. The lack of clarity could lead to the future misuse of the zone and further degradation of industrial lands. Recommendations regarding the zones are located at Section 7.5.

5.6. Summary of the NSW BGR Planning Framework

BGR operates in a legislative and strategic policy framework as shown in Figure X. The primary legislative instrument is the EP & A Act which enables the Government to gazette EPIs that control the location of BGR and assess DAs for BGR under those EPIs. During that process the Government is required to consider a range of planning policies and directions that specifically relate to BGR such as the Metropolitan Strategy, Section 117 Ministerial Directions, and the ILUT Package which includes draft SEPP 66 and the RPBS Policy & ITC Guidelines.

![Figure 17 - NSW BGR Planning Framework](image-url)
6.0 Qualitative Research

This chapter presents the results and conclusions from the qualitative research undertaken for this thesis. The research included interviews of industry experts and case studies of three BGR clusters in Sydney. The results of the research were used to inform the recommendations and conclusions made in Chapters 7 and 8.

6.1 Expert Interviews

The lack of significant research into the location of Bulky Goods Retail and the fast pace at which the industry is evolving make it timely to canvass the opinions of industry experts. The candidates were selected because of their varied backgrounds and extensive experience in the BGR planning field, they included: Julie Bindon, John Brockhoff and Craig Allchin. The responses to the issues discussed during the qualitative interview process are presented on an issue by issue basis to illustrate the similar and contrasting opinions held by the experts.

6.1.1 Research Approach

Opinion regarding how we should be dealing with BGR is polarized. The solution from a pure urban design point of view is simple: put them in centres. The solution is equally simple from a retailers point of view: put them where they can accommodate our business model. The problem being is that the two solutions are in direct opposition to each other. The aim of the qualitative interviews was to therefore seek the opinion from both sides of the fence and present their perspective on an issue by issue basis.

Ethics approval and the signed consent forms for the expert’s who participated are located at Appendix B. Approval was also sought from the respective experts who participated for the final transcript to ensure that the views represented were an accurate record of their opinion.

Selection of Issues

The issues were selected to clarify the key points of disagreement and provide feedback on possible ways to improve the system which could later be used to formulate recommendations. A series of direct questions was used during the interview (see Appendix B) and the findings were then summarised and grouped under the following headings:

- What is the best location for BGR?
- Does BGR need a policy distinction?
- How should BGR be zoned under the Standard Instrument?
- How can we improve the standard definition for a Bulky Good Premises?
- Should BGR be dealt with at a State level?
- Should BGR clusters be added to the Metro Strategy Centres Hierarchy and identified in the subregional strategies?
- What else should we be doing for BGR?
Selection of Industry Experts

The first candidate approached was Phillipa Kelly, the Executive Director of the BGRA, the peak national body representing the interests of bulky goods retailers in Australia. However, she recommended that all the information I required was contained in the various publications released by the BGRA. As a result the views of the BGRA have been sourced from the material made publicly available by the Association and sourced accordingly.

In order to understand how BGR should be approached from a State level down interviews were requested from two key planners from the NSW Department of Planning’s Metropolitan Strategy Team. John Brockhoff, a senior policy specialist, and Craig Allchin the Director of Urban Design.

The final candidate interviewed was Julie Bindon, the President of the NSW Division of the Planning Institute of Australia and the founding partner of a large urban planning consultancy in Sydney, to present her views as a planner who regularly represents both the government and retailers on retail planning issues.

6.1.2 Interview Results

Issue: What is the best location for BGR?

The BGRA argue that BGR products are big and must have large amounts of affordable floor space for the display, storage and loading of goods along with adequate car parking facilities for their customers. Therefore BGR is best located in areas which can accommodate the needs of the BGR business model such as out-of-centre clusters usually in industrial lands (BGRA, 2007).

Brockhoff refutes aspects of these claims noting (1) that many products sold in BGR outlets are not bulky, (2) that often the most bulky items are actually delivered from a separate location and (3) that there are numerous examples of BGR outlets operating in and near existing centres (eg Ikea at Rhodes). Subject to the availability of sites there are opportunities for BGR in and near existing centres. He sees that retail has an important role in generating activity in centres which triggers further investment and security for other land uses. Further to this he feels that there is a significant cost to the community as a result of unplanned out-of-centre development.

Brockhoff notes Business development zones identified in regional strategies offer a further opportunity to locate BGR where centres are tightly constrained.

If new BGR is to be located outside of centres (– or business development zones) it needs to pass the ‘Net Community Benefit Test’. Other than that the only retail that has a role out of centres in industrial areas is when it is associated with the manufacturing of goods on site, building materials or nurseries etc (Brockhoff, 2008).
Allchin was of the same opinion. He stressed that we do not want BGR in areas isolated from the urban fabric. In the case when goods are ‘genuinely bulky’ then it is acceptable for them to be located in a specialised regional cluster (ie homewares) supporting a strategic centre (see Figure 18) (Allchin, 2008).

Figure 18 - Specialised regional cluster supporting a strategic centre

Bindon agreed that in theory BGR should go into centres. However, she felt that the reality is there is insufficient retail land available for the demands of their business model in most existing centres. This is because the availability of suitably zoned land is currently constrained by:

- the low quantum of land zoned for retail;
- the nature of the landuses around the centres (usually higher order economic uses such as residential land uses);
- the size and ownership of land parcels and the issues associated with the consolidation of ownership; and
- the affordability of the land.

Bindon was also of the opinion that we need to prevent BGR from sporadically taking over industrial land in a ‘salt and pepper’ fashion. Therefore BGR is best located in strategic clusters, preferably on the fringes of existing centres, or at least well served by public transport and/or the regional road network (Bindon, 2008)

Issue: Does BGR need a policy distinction?

The BGRA believe that planning policy relating to BGR must consider the unique nature of bulky goods retailing. They are of the opinion that the lack of recognition for BGR in planning policy and the varied approach taken by governments creates uncertainty for the industry. They argue that it is essential to the ongoing viability of the bulky goods sector that government, retailers, developers, agents and other key stakeholders share an intimate understanding of all the elements required to create a bulky goods development successful in the long term (BGRA, 2007).
Contrary to the claims above Brockhoff feels that the size and shape of goods is not a policy distinction as bulky and non bulky items are currently traded in centres with no difficulty, such as Bing Lee. He explained that the reason they want to be located out of centres is because the land is cheaper (and more readily available to accommodate many BGR large outlet formats) not because they strictly need it to operate, and concluded that some BGR models can adapt to fit in a centres (Brockhoff, 2008).

Bindon was of the opinion that there is a clear differentiation between primary retail and BGR as people only visit a BGR twice a year on average, compared to a supermarket which they would visit once a week or more. She also felt that BGR benefits from being concentrated in one area to achieve a critical mass for comparison shopping. Therefore it needs either a policy distinction or a significant increase in the amount or retail land available around centres for it to go into (Bindon, 2008).

Bindon believes that retail planning policy needs to be flexible enough to deal with new trends. She raised issue with planners becoming too focused on achieving the ‘end state’ when in reality no location ever stops evolving. As BGR is based on a business model that relies on elements such as larger floor plates Bindon is of the opinion that we have to avoid being too narrow with our perspective of achieving a certain urban design or spatial planning outcome. Instead she thinks we need to acknowledge the global economic model of retailers which in turn provides benefits to consumers in the form of convenience and affordability (Bindon, 2008).

Bindon used Ikea at Rhodes as an example where the one store serves the entire metropolitan region. She explained that it works on a business model of product range, immediate ‘take home’ availability, and price. Ikea has its entire range under one roof with the goods ready to be transported home immediately after purchase, which a smaller store would not be capable of achieving. This provides maximum convenience and lowest prices to the consumer (Bindon, 2008).

Bindon concluded that in the end if the planning policy system sticks too rigidly to certain principles then the industry will attempt to resolve the matter politically and rely on consumer pressure arguments. It is better to plan for it now than allow for an ad hoc approach later (Bindon, 2008).

**Issue: How should BGR be zoned under the Standard Instrument?**

Brockoff communicated that BGR should typically be permissible in retail zones and prohibited in industrial zones. Allchin agreed with this view and expressed that where there are existing BGR clusters supporting strategic centres we should zone them post hoc as B5 Business Development to allow for the clusters continued development and intensification as a specialised BGR area. As part of this process he recommended that we should be looking how we can develop/enhance the connection between the primary centre and the cluster (Brockhoff, 2008).
Issue: How can we improve the standard definition for a Bulky Good Premises?

Brockhoff noted that the definition was not important given that typically all retail would be permissible in centre retail zones and typically prohibited in industrial (other than items manufactured on site and building supplies etc). However a definition needs to operate to ensure that general retail does not locate in business development zones and to ensure that retailing of on-site manufactured goods and building products etc are not precluded from industrial areas (Brockhoff, 2008). Bindon had not previously considered it but supported initiatives such as limiting the area for ancillary non bulky retail and minimum floor plate sizes to prevent the misuse of BGR zones by non bulky items (Bindon, 2008).

Issue: Should BGR be dealt with at a State level?

All the experts strongly supported dealing with BGR at a State level (Brockhoff, 2008, Allchin, 2008 and Bindon, 2008). However, the BGRA were of the opinion that it would ideally be dealt with at a National level (BGRA, 2007). Bindon was also keen to point out that there is no one size fits all approach, as each LGA is different (Bindon, 2008).

Issue: Should BGR clusters be added to the Metropolitan Strategy Centres Hierarchy and identified in the subregional strategies?

Brockhoff, Allchin, and Bindon all strongly supported adding BGR clusters to the Metropolitan Strategy Centres Hierarchy and to identify it in the subregional strategies (Brockhoff, 2008, Allchin, 2008 and Bindon, 2008).

Issue: What else should we be doing for BGR?

The BGRA strongly advocate the need to provide a significant increase in the supply of retail floor space. They feel that it is also need to increase the consistency in planning regulations particularly in relation to land use definitions and zonings and remove the outdated and protectionist planning policies that preserve industrial land for industrial uses (BGRA 2007, Kelly feb 2007).

Brockhoff would like to see Council’s planning for more retail growth to plan for situations where BGR could occur in clusters supporting strategic centres (ie in business development zones), new centres or expanded centres. To achieve this he felt that the NSW Government should have clear guidelines for BGR and a strategy for their implementation (Brockhoff, 2008).

Bindon strongly believes that if we want BGR to occur in centres or in supporting clusters we need to supply more retail land. To do this she is of the opinion that we need to identify where we want BGR to be located and zone it accordingly. Then under the LEP review process, which is undertaken each 5 years, councils should review the space available for development. If there is demand for more BGR space, and it is appropriate, then they should move the zoning boundaries out adjacent to the established centres (as a first preference). Alternatively a new cluster may need to be established (Bindon, 2008).
6.1.3 Summary of Findings

There is no reason that BGR should not go into existing centres. However, the reality is there is insufficient retail land available for the demands of their business model in most existing centres. Therefore when goods are ‘genuinely bulky’, BGR is best located in specialised regional cluster (ie homewares) supporting a strategic centre, or at least well served by public transport and/or the regional road network.

Despite the fact that BGR can operate in existing centres, there is a difference between primary retail and BGR as people only visit a BGR twice a year on average, compared to a supermarket which they would visit once a week or more. Retail planning policy therefore needs to be flexible enough to deal with the global economic model of retailers which in turn provides benefits to consumers in the form of convenience and affordability. If the planning policy system sticks too rigidly to certain principles then the industry will attempt to resolve the matter politically and rely on consumer pressure arguments. It is therefore better to plan for it now than allow for an ad hoc approach later.

If we want BGR to occur in centres or in supporting clusters we need to supply more retail land. To achieve this BGR should be dealt with at a State level first. The NSW Government should increase the consistency in planning regulations for BGR by adopting a clear guidelines and strategy. It should also add BGR clusters to the Metropolitan Strategy Centres Hierarchy and to identify it in the subregional strategies.

Councils need to plan for more retail growth to prevent BGR occurring out of centres. When zoning for BGR at a local level, it should in most cases be permissible in retail zones and prohibited in industrial zones. Where there are existing BGR clusters supporting strategic centres we should zone them post hoc as B5 Business Development to allow for the clusters continued development and intensification as a specialised BGR area.
6.2 Case Studies

The qualitative research provided a valuable insight into how planners can successfully plan for BGR. However, to develop practical recommendations it was necessary to analyse existing BGR development across Sydney. Consequently, three case studies of BGR clusters were undertaken, selected to portray the variety of different styles of BGR development across Sydney. Each study reviews the development history, planning policy, and identifies the strength and weaknesses of their location and development. The specific case studies are followed by a comparative summary to compare and contrast the findings.

6.2.1 Research Approach

Selection of Case Studies

The methodology behind the selection of case study areas was based on identifying three different and significant bulky goods clusters to represent the diverse variety of BGR development in Sydney. Table 8 shows the reasons for each sites selection.

Table 8 - Case Study Selection Criteria

<table>
<thead>
<tr>
<th>BGR Cluster</th>
<th>LGA/ Subregion</th>
<th>Approx. GLA (m²)</th>
<th>Approx. Development Period</th>
<th>Layout</th>
<th>Predominant Tenancy Type</th>
<th>Surrounding land uses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alexandria</td>
<td>Sydney/ East</td>
<td>100,000</td>
<td>Unplanned 2000 onwards</td>
<td>Sporadic</td>
<td>Single/Multi</td>
<td>Industrial, high density residential</td>
</tr>
<tr>
<td>Auburn</td>
<td>Auburn/ West Central</td>
<td>110,000</td>
<td>Unplanned 1995 onwards</td>
<td>Highway</td>
<td>Single</td>
<td>Highway uses, low density residential</td>
</tr>
<tr>
<td>Belrose</td>
<td>Warringah/ North East</td>
<td>60,000</td>
<td>Planned 2005 onwards</td>
<td>Retail Park</td>
<td>Multi</td>
<td>National Park, Corporate Park</td>
</tr>
</tbody>
</table>

Approach to Spatial Analysis

Analysis of the three case studies was undertaken using the findings from the theoretical and qualitative research of what constitutes best practice BGR development. This included an assessment of the study areas:

- development pattern;
- level of accessibility to development catchment by public transport, walking and cycling and impact on the surrounding road network;
- proximity to an existing centre;
- effect on the viability of surrounding industrial areas; and
- future and potential for expansion.

A comparative analysis of the three sites was conducted to draw positives and negatives from the studies. The analysis compared the layout, access, exposure, potential for expansion, and zoning method used for each area.
6.2.2 Alexandria

Background

The Alexandria bulky goods cluster contains over 100,000m² of BGR GFA haphazardly located throughout an area known as the southern industrial lands of the City of Sydney LGA as shown on Figure 19. While the area was traditionally industrial, over the past two decades a number of other land uses have moved into the area, including a significant amount of residential development to the north at Green Square (see Figure 20). The BGR cluster has grown strongly over the last decade servicing the large residential growth in Sydney city, and the adjoining south eastern and eastern suburbs (JLL. et al., 2008).

Figure 19 - Alexandria Locality Plan

(Original Source: Google Maps)
Planning Context

The primary EPI that applies to the site is the South Sydney Local Environmental Plan 1998 (SSLEP 1998). BGR is defined under SSLEP 1998 as:

*bulky goods retailing means the retailing of large goods such as furniture, do-it-yourself home improvement materials and the like which generate a low return per unit floor area and which are of such a size and shape as to require:
(a) a large area for handling, storage or display, and
(b) easy and direct vehicular access to enable the goods to be collected by customers after sale.*

The study area is currently located in Zone No. 4 - Industrial under SSLEP 1998, and according to the Green Square and Southern Areas Retail Study (GSSARS) is likely to remain as a similar zone under the new standard instrument being prepared for the LGA.
After consideration of the GSSARS on the 8 May 2008, the Central Sydney Planning Committee resolved that:

*The draft Study also examined the bulky goods market, particularly in the Southern Industrial Area. The draft Study found that further bulky goods development in the Study Area is unlikely to be supportable, and any infill bulky goods retailing should be contained along O’Riordan Street to consolidate the street’s existing role. This recommendation will be supported by zoning provisions, where bulky goods retailing will only be permitted in lots fronting the southern end of O’Riordan Street.*

(Central Sydney Planning Committee, 2008)

**Table 9** below outlines the relevant SSLEP 1998 clauses that allow for the development of BGR in the area.

**Table 9 - Relevant SSLEP 1998 clauses**

<table>
<thead>
<tr>
<th>Clause 14</th>
<th>Zoning controls for Zone No 4—the Industrial Zone</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>(1)</strong> The objectives of Zone No 4 are:</td>
<td></td>
</tr>
<tr>
<td>a) to facilitate and encourage suitable types of industrial development ranging from general industry to high technology industry, including warehousing, manufacturing and distribution centres, or other land uses which, due to their type, nature, scale, transport requirements or impacts, cannot reasonably be located in another zone, and</td>
<td></td>
</tr>
<tr>
<td>b) <strong>to allow for a range of ancillary, non-industrial land uses that provide direct services to industrial activities and their workforce, including associated research, administration, commercial and retail facilities, and</strong></td>
<td></td>
</tr>
<tr>
<td>c) to ensure that development is carried out in a manner which does not detract from the amenity enjoyed by residents in neighbouring localities, the viability of commercial centres in the vicinity, or from the efficient operation of the local or regional road system, and</td>
<td></td>
</tr>
<tr>
<td>d) to provide for appropriate forms of industrial development which will contribute to the economic and employment growth of the area, and</td>
<td></td>
</tr>
<tr>
<td>e) to improve the environmental quality of the City of South Sydney by ensuring that industries conform to strict environmental and hazard reduction guidelines, and</td>
<td></td>
</tr>
<tr>
<td>f) to ensure that the scale, design and materials of construction, and the nature of development, contribute positively to the visual quality of major access routes.</td>
<td></td>
</tr>
<tr>
<td><strong>(3) What requires development consent?</strong></td>
<td></td>
</tr>
<tr>
<td>Development for the purpose of: advertising structures; <strong>bulky goods retailing;</strong> car repair stations; child care centres; depots; dwellings used in conjunction with a land use which is permissible in the zone; equipment hire centres; high technology industries; industries; light industries; materials recycling depots; mines; motor showrooms; places of assembly; places of public worship; public buildings; recreation areas; recreation facilities; road transport terminals; roads; service stations; temporary buildings; vehicle rental centres; warehouses or distribution centres.</td>
<td></td>
</tr>
<tr>
<td>Any other development not included in subclause (2).</td>
<td></td>
</tr>
</tbody>
</table>

Under Clause (3) BGR is a permissible use in the zone. However, there is no specific objective relating to this use. The GSSARS report comments that while objective (1)b. allows for a range of non industrial land uses that provide direct services to industrial activities and their workforce, “Council has experienced on-going difficulties regulating the uses” and that the substantial retail development “compromises the viability of the space as an industrial zone” (JLL. et al., 2008).
Physical Context

There is a variety of land uses in the study area as illustrated at Figure 20. Alexandria is attractive for BGR as it provides “relatively large parcels of level land with main road frontage and high visibility to large volumes of passing traffic” and as a result “in the past decade, ...has seen a very high level of bulky good retail development” (JLL. et al., 2008). Most of the BGR occurs along O’Riordan Street, with isolated occurrences along other nearby arterial roads, in particular Botany Road and Gardeners Road and the Moore Park Supa Centa.

The GSSARS analysis of BGR market turnover and demand forecasts demonstrate the area’s regional prominence for bulky goods shopping (JLL. et al., 2008), which is strengthened by the lack of competing BGR clusters in the region as shown on Figure 13. However, the report predicts that over the 10 year forecast period there will not be any strong demand for any additional BGR floor space, and recommend that only an additional 7500m² “may be supportable towards the end of the forecast period” (JLL. et al., 2008).
The combined total of gross lettable area (GLA) is estimated to be in excess of 100,000m². Figures 22-25 and Table 10 demonstrates the key BGR sites. In addition to the main national chain retailers listed in Table 10 the study area also consists of a number of independent retailers.

Table 10 - Major Bulky Goods Sites in study area

<table>
<thead>
<tr>
<th>Retail / Centre</th>
<th>GLA (m²)</th>
<th>Selected major retailers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Style at Home</td>
<td>22,400</td>
<td>The Good Guys, Joyce Mayne, Bing Lee, Oz Design, Forty Winks</td>
</tr>
<tr>
<td>Harvey Norman</td>
<td>13,000</td>
<td>Harvey Norman</td>
</tr>
<tr>
<td>Domayne / Space</td>
<td>17,600</td>
<td>Domayne, Space</td>
</tr>
<tr>
<td>Bunnings</td>
<td>8,200</td>
<td>Bunnings</td>
</tr>
<tr>
<td>Officeworks</td>
<td>2900</td>
<td>Officeworks</td>
</tr>
<tr>
<td>Moore Park Supa Centa</td>
<td>29,000</td>
<td>Harvey Norman, Dick Smith’s Powerhouse, Freedom, Barbeques Galore, Bing Lee, Nick Scali, Capt’n Snooze, Fantastic Furniture, Oz Design</td>
</tr>
</tbody>
</table>

Source: JLL. et al., 2008
Analysis

The lack of policy or direction for BGR from the former South Sydney and now City of Sydney Council has led to ad-hoc development throughout the study area. The result is a highly fragmented development pattern where a wide range of uses are located sporadically across a large area. This development pattern is contrary to the principles for best practice BGR development identified earlier in the chapter. Despite this, the regional prominence and lack of competing sites means O’Riordan Street “has developed into a strong precinct with the centres complementing each other and providing opportunities for comparison shopping” (JLL et al., 2008).

O’Riordan Street was identified in the Draft Southern Industrial Area Land Use and Urban Design Study as an arterial road with an important role in linking the city to the Airport and employment lands (City of Sydney, 2008, p112), and with close to connections with Southern Cross Drive and the Eastern Distributor. However, the cluster is only moderately accessible due to the significant heavy vehicle traffic and impermeable street network. The area has poor accessibility by public transport. The nearest bus routes is Botany Road which is over 500m to the east of O’Riordan Street. The closest BGR in the cluster is located approximately 1.2 km from the Green Square Town Centre/Station and is separated by industrial uses with poor pedestrian amenity due to traffic, pollution, and illegible connectivity and questionable safety. Therefore there is low potential for the future cluster to support the Green Square Town Centre.

BGR, along with other forms of retail, have swallowed up a large area of the remaining inner city industrial lands. The industrial land, which is under considerable pressure from the surrounding residential uses is further compromised by the infiltration of BGR. The value of retaining industrial land to support Sydney Airport and Port Botany should not be over looked by the decreased importance of low skilled employment opportunities due to the changing demographic nature of the area.

As BGR is scattered throughout Alexandria and there are no easily identifiable clusters, a blanket B5 Business Development Zoning would not be appropriate because it would jeopardize the viability of the remaining industrial lands. Therefore the land would be best zoned IN1 General Industrial. BGR should not be a permissible use in the Zone, as it has in the past, as this would allow for the same pattern of adverse development to occur. Instead, BGR should be prohibited in the IN1 Zone and an exclusionary clause included in the LEP which would allow it to occur within IN1 Zone provided it is located in the specific area shown on the LEP map. This solution would aid in protecting the industrial land, allow the cluster to consolidate and prevent ad-hoc development, and provide greater surety to BGR retailers.
6.2.3 Auburn

Background

Auburn is home to the largest concentration of bulky goods floor space in Sydney. Stretching out over a 2km section of Parramatta Road in the LGA of Auburn (Figure 26), the cluster contains over 110,000m² of BGR GLA broken up by a range of uses including industrial, commercial business parks, traditional and highway retail, and automobile showrooms as shown in Figure 27. The cluster which has grown haphazardly over time, is characterised by a number of large power centres, such as the Auburn Megamall which primarily service the trade areas of Sydney’s inner and central west.
Planning Context

Bulky Goods Retail has grown organically along the Parramatta Road corridor since the early 1990’s. The original independent single tenant BGR stores were developed under Auburn LEP No 43 which zoned the Parramatta Road corridor 3(d) Employment. ‘Shops’, which included BGR, were permissible with consent under the zone if Council was satisfied that:

- the development was appropriate and necessary for the economic use and revitalisation of the existing shop building/ building group; or
- suitable land for the development was not available in any nearby business centre; or
- the proposed development would not detrimentally affect the viability of any business centre in the locality.

The LEP restricted retail development in excess of 2000m². So limiting the growth of bulky goods until Auburn LEP 2000 was gazetted. Under this LEP,

*Bulky goods retailing means the retailing of large goods such as furniture, do-it-yourself home improvement materials and the like which generate a low return per unit floor area and which are of such a size and shape as to require:
(a) a large area for handling, storage or display, and
(b) easy and direct vehicular access to enable the goods to be collected by customers after sale.*
The LEP promoted the development of the corridor as a BGR cluster and zoned the corridor 4(c) - Industrial Enterprise Zone. The relevant objectives and permissible uses for the zone, which includes BGR, are summarized at Table 11 below.

Table 11 - Relevant Auburn LEP 2000 controls

<table>
<thead>
<tr>
<th>Clause 20</th>
<th>Zoning controls for Zone No 4 (c)—Industrial Enterprise Zone</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) The objectives of Zone No 4 (c) are as follows:</td>
<td></td>
</tr>
<tr>
<td>a) to recognise the special character of Parramatta Road frontages and surrounding areas,</td>
<td></td>
</tr>
<tr>
<td>b) to ensure that development in this zone does not reduce the economic viability of businesses in the business zones,</td>
<td></td>
</tr>
<tr>
<td>c) to provide the flexibility required to encourage innovative and high technology industrial uses in the zone,</td>
<td></td>
</tr>
<tr>
<td>d) to prohibit shops in this zone generally but permit minor retail development only where it is providing for the daily convenience needs of the local work force, is ancillary or incidental to other permissible development or is in the form of bulky goods retail outlets or motor showrooms.</td>
<td></td>
</tr>
</tbody>
</table>

(3) Development that requires consent

Development for the purpose of:
- banks, bulky goods retailing, car repair stations, child care centres, community facilities, depots, dwellings used in conjunction with another land use that is permissible in this zone, educational establishments, equipment hire centres, exhibition homes, freight transport terminals, general advertising signs, high technology industries, hotels, industries, light industries, motels, motor showrooms, multiple dwellings, passenger transport terminals, places of public worship, public buildings, recreation areas, recreation facilities, refreshment rooms, restaurants, service support industries, serviced apartments, showrooms, site identification signs, training facilities, utility undertakings, warehouses or distribution centres

Author’s emphasis

As the road corridor is zoned Industrial Enterprise, Auburn’s Industrial Areas Development Control Plan applies to the area. The DCP sets out development standards for land uses permitted within the Industrial zones under Auburn Local Environmental Plan 2000. However, because the DCP relates to industrial land there is very little design guidance for BGR development.

Physical Context

Over time BGR development along the Parramatta Road Corridor between Hill Road and James Ruse Drive has swallowed up industrial land through Auburn. As Figure 28 illustrates, BGR is concentrated on both sides of the road and is surrounded by a wide range of land uses. It is also apparent that two smaller clusters have occurred between Rawson and Stubbs Streets and Percy and Frances Streets. These smaller clusters are likely to be a result of the presence of the larger anchor stores such as Bunnings and Harvey Norman.

Unlike the other study areas, Auburn contains considerably more traditional single tenant bulky goods stores. This is a result of the area being historically used for highway retailing and the corridor nature of the strip having lots with small depths and a high visual prominence.

The combined total of GLA along the corridor is estimated to be in excess of 120,000m² (HillPDA, 2008). Table 12 and Figures 29 - 32 below demonstrates the major bulky good sites along the corridor.

Table 12 - Major Bulky Goods Sites in study area

<table>
<thead>
<tr>
<th>Retail / Centre</th>
<th>Selected major retailers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Auburn Home Mega Mall</td>
<td>Brescia Furniture, Captain Snooze, Fantastic Furniture, Freedom Furniture, The Good Guys, Retravision</td>
</tr>
<tr>
<td>Auburn Power Centre</td>
<td>Dick Smith Power House, Natuzzi, Anaconda, Work Out World, Spotlight, Beach House</td>
</tr>
<tr>
<td>Auburn Centre</td>
<td>Easy Living, 2nds World, Enrico, Bunnings Warehouse</td>
</tr>
<tr>
<td>The Reading Centre</td>
<td>Rebel, Fitness First, Freddy’s Fishing, Sports Co, Kathmandu</td>
</tr>
<tr>
<td>Domayne</td>
<td>Domayne</td>
</tr>
</tbody>
</table>
Figure 28 - Parramatta Road Corridor Land Uses

Figure 29 - Auburn Home Mega Mall

Figure 30 - Auburn Power Centre

Figure 31 - Harvey Norman Centre

Figure 32 - Single tenant BGR
Analysis

According to HillPDA, the success of Auburn can be attributed to “the significant residential growth that occurred in Western Sydney during the 1990’s and Auburn’s accessibility along The Great Western Highway and at the gateway to the M4 Motorway” (HillPDA, 2008). It appears that too much land was made available along the strip, and as a result, BGR moved into sites as they became available. So resulting in fragmented land uses spread out over a large distance.

As previously mentioned, the Auburn BGR corridor is highly accessible by private vehicle as it is located along a main 6-lane arterial road. However, the area has low accessibility by other forms of transport. No buses run along this section of Parramatta Road, with only two routes linking Auburn town centre to Parramatta bisecting the study area at the same point. Auburn Station is approximately 800m from Parramatta Road, however, the elongated nature of the ‘cluster’ means that most of the stores are well outside the 800m walkable radius such as the Auburn Mega Mall which is approximately 2km from the station. In addition to this, pedestrian amenity along Parramatta Road is very low as a result of traffic, pollution, poor pedestrian connectivity and questionable safety. It was also noted that BGR functions well as a buffer between Parramatta Road and the nearby residential.

The Auburn Town Centre, which is congregated around the station, has the potential for future linkage with the Auburn BGR corridor. However, Northumberland Road, which connects the centre to the cluster is dominated by established residential uses on small lots. Thereby limiting the potential to link the two centres.

As shown in Figure 28 there are very few industrial sites left along this section of Parramatta Road. Through land use planning there is the opportunity to protect the viability of the remaining industrial land in Auburn outside of the corridor. This can be achieved by reinforcing the character of the precinct and ensuring there is land capable of accommodating BGR as this would make it easier for BGR to locate in the cluster. As a result this would reduce the pressure BGRs apply on finding sites in other industrial areas.

It is suggested that the corridor be zoned B5 Business Development between Duck and John street, and that BGR be included as an additional use within the zone. No additional land should be made available to the east or west of the aforementioned streets to encourage consolidation in the large areas currently occupied by other uses such as automobile showrooms. Incentives such as higher floorspace limits could be applied in the sites near Northumberland Road to encourage development closer to the Auburn Town Centre and the station. Further to this, Section 94 contributions could be used to provide the funds necessary to improve the pedestrian linkages between BGR sites along Parramatta Road.
6.2.4 Belrose

Background

The Austlink Business Park (the Park), Belrose, is home to over 61,000m² of BGR along with larger areas of commercial/light industrial uses (see Figure 33). The Park is situated in the LGA of Warringah, at the intersection of the two major arterial roads of Mona Vale Road and Forest Way and is surrounded on most sides by the Garigal and Ku-Ring-Gai National Parks (see Figure 34). The purpose-planned Park is the primary BGR cluster servicing Sydney’s north eastern suburbs. Its trade area has one of the highest average incomes in Sydney (HillPDA 2005).

Figure 33 - Austlink Business Park Locality Plan

(Original Source: Google Maps)
Planning Context

The genesis of the Austlink Business Park was from the Austlink Corporate Park Master Scheme, which was prepared in 1995 to establish a framework for the ongoing development, operation and management of the Park. The Development Strategy Plan (DSP) which accompanied the Master Scheme, proposed the location of future land uses within each of the Park’s precincts as shown in Figure 35.
The plan concentrated the BGR in the north east corner of the Park in Precinct’s 6, 7 and 8 where there were suitable sites in close proximity to each other and with good access to Forest Way. BGR was not permissible in the remaining precincts. The DSP was adopted by the Warringah LEP 2000 (WLEP) which defines a bulky goods shop as:

*a building or place used for the sale by retail or auction of goods or materials which are of such a size, shape or weight as to require:

(a) a large area for handling, storage or display, or
(b) direct vehicular access to the site of the building or place by members of the public, for the purpose of loading items into their vehicles after purchase,

but does not include a building or place used for the sale of foodstuffs or clothing.

The WLEP is unique in comparison with other LEPs across Sydney as it does not zone land or use DCPs but rather classifies areas into localities which are subject to the WLEP and its appended ‘Locality Statements’. The Austlink Business Park is known as the C9 Locality, which is intended to “integrate modern forms of industry, manufacturing, research, warehouses, offices and related services with the natural qualities of the locality and the adjacent National Park” (Warringah LEP 2000 (Appendix C)). While BGR is not mentioned in the desired character statement above, it is listed as a Category One (most desirable) land use for the site.
Physical Context

The development of the Austlink Business Park has for the most part been in accordance with the DSP. As Figure 36 illustrates, BGR has been concentrated in the north eastern corner of the site, however, the recently approved 1 Narabang Way BGR centre (construction is yet to be commenced) is located in the north western corner adjacent to the Mona Vale Road entrance.

![Austlink Corporate Park Land Uses](image)

The combined total of GLA in the Park is estimated to be in excess of 61,000m². Table 13 and Figures 37 - 40 below demonstrates the major bulky good sites within the Park.

Table 13 - Major Bulky Goods Sites in study area

<table>
<thead>
<tr>
<th>Retail / Centre</th>
<th>GLA (m²)</th>
<th>Selected major retailers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Belrose Supa Centa</td>
<td>33,000</td>
<td>Domayne, Clive Peters, Nick Scali, Country Manor, Spotlight, Lincraft, Capt’n Snooze, Freedom, Lincraft</td>
</tr>
<tr>
<td>Bunnings</td>
<td>10,200</td>
<td>Bunnings</td>
</tr>
<tr>
<td>1 Narabang Way (approved but not commenced)</td>
<td>13,500</td>
<td>Unknown</td>
</tr>
<tr>
<td>Smaller BGR</td>
<td>4,500</td>
<td>Forty Winks, Pet Bix, Carpet Right</td>
</tr>
</tbody>
</table>
Spatial Analysis

The location of the Park at the intersection of two major roads allows customers strong access to the site from the northern suburbs and beaches along Mona Vale Road and Forest Way. The area also has three bus routes operated by Forest Coach Lines that stop at the entrance to the Park and one that runs through the Park. There are no train lines in close proximity to the cluster. The condensed retail park layout makes the cluster conducive for walking.

The advantages of a long term planning strategy are evident in the development pattern for the Park. Currently all the BGR uses are co-located in the north-eastern corner of the site which facilitates the benefits of clustering. However, the controversial approval of a new BGR centre at 1 Narabang Way, which is contrary to the Development Strategy Plan, will counteract the benefits of the existing cluster. The centre, which is over 10 minutes walk from the existing cluster, has no pedestrian footpaths linking the two sites and will force patrons to walk down Narabang Way.

The nearest retail centre to the Park is 6 km away at St Ives village. The closest major centre is Warringah Mall which is approximately 14 km from Belrose. Because of the National Parks surrounding the site there is no potential to develop links to the existing centres which are a considerable distance from the area. However, if the residential development forecast for
the Terrey Hills region occurs there is potential that the Austlink Corporate Park could be developed into a traditional major centre in the future.

If the Park was converted into a major centre then the use of the land primarily for light industrial uses would be threatened and further development on the site could also adversely affect the character of the area and ecological environment. Nevertheless, there is potential for the site to redeveloped into a regional centre for the northern beaches.

6.2.5 Comparative Analysis

Based on the analysis of the three areas, no ‘best’ approach was identified. However, there are positives and negatives that can be drawn from the three sites.

Belrose’s retail park configuration is the best layout as it supports the benefits of clustering BGR by allowing for easy comparison based shopping while minimising trip generation. Auburn’s haphazard layout and Alexandria’s strip layout were not conducive for clustering as the retailers have spread out over large distances and the streetscape necessitates car travel in order to move from one retailer to another.

Auburn’s location on Parramatta Road allows for the best access and exposure, and has the added advantage of allowing the BGR to serve as a buffer between the road and the nearby residential uses. Belrose also has good access to the Park but limited exposure. The dispersed location and strained road network mean that Alexandria has the worst access and exposure. None of the case studies are well serviced by public transport or have much potential to be developed to support a nearby existing retail centre.

Alexandria provides the best allotments to support large floor-plate retail stores as it has sizable flat lots with few environmental constraints. The lots at Belrose are highly constrained by the sloping topography and significant vegetation throughout the Park. The historical highway orientated development in Auburn has resulted in small narrow elongated lots which are less conducive for buildings with large floor plates.

Belrose will have the least impact on its surrounding uses if the cluster is expanded, as there is potential for the cluster to occupy the adjoining commercial sites. Auburn has limited potential to expand because of the residential uses to the south and M4 motorway to the north, however, there is still significant potential to consolidate along the existing corridor. The expansion of Alexandria has the biggest potential to impact the viability of surrounding land uses as it will result in forcing industrial uses out of the area.

The case studies all present poor examples of zoning methods. In Alexandria, BGR is permissible in the industrial zone which has forced industrial uses out of the area they were intended for. In Auburn too broad an area was zoned for BGR and the use has become too spread out. In Belrose no zoning is used, which allowed for the development of 1 Narabang Way to occur away from the other BGR and counteract the benefits of clustering.
7.0 Conclusion & Recommendations

This thesis set out to address Sydney’s need for a consistent policy framework and planning approach that collectively addresses how and where the BGR business model can be accommodated. In order to achieve this goal, the thesis:

- reviewed the existing retail planning theory in Chapter 2;
- critically evaluated the emergence and future need for BGR as a retail form in Chapter 3;
- provided an analysis of the existing planning and physical context of BGR in Sydney in Chapters 4 and 5;
- undertook qualitative research to with specific case studies of three different BGR clusters and interviews with industry experts in Chapter 6; and
- developed spatial recommendations based on the analysis that could be implemented within the NSW Planning Framework in Chapter 7.

Based on the formative research the recommendations below demonstrate ways that the problem statement set out above and in Chapter 1 could be addressed. The recommendations have been divided into general recommendations, about the nature and location of BGR, and specific policy recommendations that could resolve the issues identified in Chapters 1-6.

7.1 Location

Location

BGR should be located in centres. This will:

- boost activity and underpin the viability of centres and their services which is essential in maintaining investor confidence and improving return on public investment and infrastructure;
- provide greater convenience, and is more sustainable because centres are well serviced by transport and;
- ensure social equity by locating employment opportunities and shopping services easily accessible to all members of the community
- reduce the distortion of industrial land values and maintain the operation of industrial zoned lands for jobs and services; and
- generate activity and invigorates centres which sustains other desired land uses and services that are also located in centres such as commercial offices.

Clustering

In situations where centres are not able to accommodate the BGR business model, BGR should be located in clusters of 20,000m² GFA or greater to achieve a critical mass. This initiative would:

- support comparison based shopping which is essential to the viability of BGR;
- generate specialised destination based shopping which reduces the number of trips generated by patrons;
- allow planners to more effectively control areas zoned for BGR and more effectively manage concerns such as retaining industrial lands; and
allow for BGR to retain its business model while providing the potential to support existing centres.

These clusters should be located:

- on sites with good existing road and public transport infrastructure;
- with good exposure and access to a main highway or arterial road as these areas have been proven to grow faster and have lower vacancy levels (once established);
- where the site is not heavily constrained by adjoining landuses and could be expanded in the future;
- where it will not jeopardise the viability of existing and future industry;
- on at least one arterial road to improve access to the site and reduce impact on neighbourhood roadways.

7.2 Metropolitan Strategy

Centres Hierarchy

The centres hierarchy in the Metropolitan Strategy should recognise ‘Bulky Goods Cluster’ as a specific element in the hierarchy (see Figure 41) to provide:

- clarity to all stakeholders, specifically councils;
- greater certainty for investors and developers;
- protection for existing BGR clusters; and
- consolidation in existing clusters and prevent further out-of-centre development and make existing ones more sustainable.

<table>
<thead>
<tr>
<th>METRO ELEMENTS</th>
<th>SUMMARY</th>
</tr>
</thead>
<tbody>
<tr>
<td>BULKY GOODS CLUSTER</td>
<td>Specialised regional clusters of bulky goods retailers. They provide alternate locations to existing centres which can not accommodate the larger retail format.</td>
</tr>
<tr>
<td>ENTERPRISE CORRIDOR</td>
<td>Areas which provide low cost accommodation for a range of local and regional services, including start-up offices, light industrial, showrooms, building supplies and retail, which benefit from high levels of passing traffic (over 50,000 vehicles per day). They provide a valuable buffer between residential development and the road.</td>
</tr>
<tr>
<td>EMPLOYMENT LANDS</td>
<td>Traditional industrial areas and business and technology parks for higher order employment. They are vital to supporting the economy and ability to service the city and incorporate light industries, heavy industry manufacturing, urban services, warehousing and logistics and high-tech based activities.</td>
</tr>
<tr>
<td>MAGNET INFRASTRUCTURE</td>
<td>An asset that attracts activities to co-locate with it to form an industry cluster. It is not limited to traditional infrastructure, but may include research and medical facilities, specialised educational institutions and studios.</td>
</tr>
<tr>
<td>METROPOLITAN ATTRACTOR</td>
<td>A place which draws visitors from across the metropolitan region, interstate and internationally which in turn creates transport and other planning needs.</td>
</tr>
<tr>
<td>ECONOMIC CORRIDOR</td>
<td>Areas relating to gateway infrastructure (airport, port, motorway) containing important economic activities in Strategic Centres and Employment Lands.</td>
</tr>
</tbody>
</table>

Figure 41 - Amended Metropolitan Strategy Retail Hierarchy including Bulky Goods Cluster Element (Original Source: NSW Government)
Identification of Bulky Goods Clusters

Existing and potential bulky Goods Clusters should be identified in the City of Cities Plan and sub-regional strategies (see Figure 41). This should be reflected at a regional level prior to the subregional level due to the large retail catchments of BGR stores.

7.3 ILUT Package

ILUT Package

While this thesis supports the key principles of the ILUT Package, it should be extensively reviewed and updated. As part of that process:

- Draft SEPP 66 should be removed to avoid confusion regarding its status as an item of statutory consideration.
- The ‘package’ should be consolidated into one cohesive policy document.
- Regarding BGR development, the final policy should have a clear position on the location, zoning approach and strategy, assessment, net community benefit test.
- A review of how the policy can be implemented more consistently and effectively within the NSW planning framework should be undertaken, which may mean the reintroduction of a statutory instrument.
- The ILUT Ministerial Direction should be updated to call up the revised Department of Planning policy.

7.4 Local Planning

Zoning Principles

Local Governments should adopt a dynamic approach to BGR zoning that recognises existing and potential BGR clusters and how to manage future demand for them. To ensure the above recommendations in relation to location and clustering occurs, the following principles should be adopted:

- BGR should not be prohibited in the B2, B3, B4 or B5 Business Zones.
- BGR that is currently located in traditional centres should be zoned in accordance with the rest of that centre.
- In most cases, existing BGR clusters should be recognised and zoned B5 Business Development.
- Areas zoned for future BGR growth should be directed into areas where they can support existing centres, reinforce the and preferably replace non contributing land uses.
- In areas where the existing BGR cluster is spread out, future development should be forced to locate in infill sites between the existing BGR.
LEP Review Process

The LEP review process should be used to assess BGR demand every 5 years. This will allow councils to successfully manage growth by preventing:

- over-zoning areas, which causes spread out areas that are less sustainable, less efficient and more prone to land use conflicts as was evident in Auburn; and
- under-zoning areas which causes BGR to occur outside of clusters, inflates land values, and is less competitive.

Based on the findings of the LEP review council should adopt the approach illustrated in Figure 42 and detailed below.

At the time of LEP gazettal existing BGR sites should be zoned B5 Business Development. If there is demand for further BGR then adjoining sites should be identified using the principles above and also zoned B5.

After 5 years the demand for BGR should be reassessed during the LEP review process. If there is decreased or no additional demand then the LEP can remain unchanged. However, councils should investigate what the primary reasons for the absence of growth is. Where there is increased demand for BGR then the zoning boundary should be moved out to accommodate the future growth. The land made available should again use the principles and recommendations made in this thesis. This process should then be repeated at the 10 year review and so on.

7.5 The Standard Instrument

Definition

Insufficient research has been conducted to make a specific recommendation regarding how the Standard Instrument’s definition for Bulky Goods Premises could be improved. However, it is apparent there are still potential issues with its interpretation and it is recommended that the Department of Planning undertake a review the definition.

Zones

To remove ambiguity regarding the suitability of retail in the IN1 General Industrial Zone the following objective should be included to the list of compulsory objectives:

“To encourage employment opportunities and to support the viability of centres.”
Figure 42 - BGR Zoning approach utilising LEP review process
7.6 Looking forward

BGR

To support the recommendations in Section 7.1 planners should endeavor to provide for the BGR Business Model. This means providing the quantum and quality of retail land necessary for BGR to realistically locate in the centres.

Future Research

This thesis has identified that the undersupply of suitable retail land in centres is the key cause for BGR and other forms of retail occurring in out-of-centre locations. As Sydney’s existing centres are highly constrained by their adjoining land uses, providing the space needed appears nearly impossible. It is therefore recommended that future research be undertaken into how we deal with the constraints of existing centres and provide retail land capable of accommodating large format retailing in those centres.
Bibliography


Auburn Council. ‘Auburn LEP No 43 - Parramatta Road Corridor’.


Cockburn, M. (2004a) ‘Why should a centre selling last year’s fashion, get a better deal one selling this year’s fashion?’. *Shopping Centre News*. Shopping Centre Council of Australia.


NSW Land and Environment Court. ‘Kentucky Fried Chicken Pty Ltd v Gantidis (1979) 140 CLR 675’.

NSW Land and Environment Court. ‘Terrace Tower Holdings Pty Ltd v Sutherland Shire Council (No 2) (2002) 122 LGERA 288 at 294’.


NSW State Government. (2006a) ‘(Local Environmental Plans) Order 2006’. NSWGP, Sydney, NSW.

NSW State Government. (2006b) ‘Standard Instrument - Principal Local Environmental Plan’


Bulky Goods Retail in Sydney LEPs

Michael Rowe
Ethics Approval

University of New South Wales
Appendix A - Bulky Goods Retail in Sydney Council LEPs

The following table identifies each of Sydney’s LGA’s primary environmental planning instruments definitions for bulky goods retail and the zones under which it is a permissible use. It should be noted that the table does not identify zones where the use is not listed as a permissible use or provided for in the objectives but may be permissible under that zone.

<table>
<thead>
<tr>
<th>EPI</th>
<th>Definition</th>
<th>Zones where listed as permissible</th>
</tr>
</thead>
<tbody>
<tr>
<td><em>Ashfield Local Environmental Plan 1985</em></td>
<td>None - Model Provisions</td>
<td></td>
</tr>
<tr>
<td><em>Auburn Local Environmental Plan 2000</em></td>
<td><strong>bulky goods retailing</strong> means the retailing of large goods such as furniture, do-it-yourself home improvement materials and the like which generate a low return per unit floor area and which are of such a size and shape as to require: (a) a large area for handling, storage or display, and (b) easy and direct vehicular access to enable the goods to be collected by customers after sale.</td>
<td><strong>bulky goods retailing</strong> Zone No 4 (c)—Industrial Enterprise Zone</td>
</tr>
<tr>
<td><em>Bankstown Local Environmental Plan 2001</em></td>
<td><strong>bulky goods complex</strong> means a building or place used to accommodate 5 or more bulky goods salesrooms or showrooms. <strong>bulky goods salesroom or showroom</strong> means a building or place used for the sale by retail or auction, or the hire or display, of any of the following: (a) furniture, or (b) electrical appliances, or (c) office furniture, or (d) hardware, or (e) outdoor products, or (f) floor coverings, or (g) automotive parts and accessories, or (h) lighting, or (i) kitchen or bathroom showrooms, or (j) tiles (floor, ceiling or wall), or (k) plant and equipment for hire.</td>
<td><strong>bulky goods complex</strong> 3 (a) <strong>bulky goods salesroom or showroom</strong> 3 (a) Business - CBD 3 (b) Business - Other Centres 3 (c) Business - Enterprise 4 (a) General Industrial 4 (b) Light Industrial</td>
</tr>
<tr>
<td>EPI</td>
<td>Definition</td>
<td>Zones where listed as permissible</td>
</tr>
<tr>
<td>-----</td>
<td>------------</td>
<td>----------------------------------</td>
</tr>
</tbody>
</table>
| **Baulkham Hills Local Environmental Plan 2005** | **bulky goods premises** means a building or place used primarily for the sale by retail, wholesale or auction of (or for the hire or display of) goods that are of such size or weight as to require: (a) a large area for handling, display or storage, or (b) direct vehicular access to the site of the building or place by members of the public for the purpose of loading or unloading such goods into or from their vehicles after purchase or hire, but does not include a building or place used for the sale of foodstuffs or clothing unless their sale is ancillary to the sale or hire of such goods. | bulky goods premises  
Service Business 3 (c) Zone  
Light Industry 4 (b) Zone |
| **Blacktown Local Environmental Plan 1988** | None - Model Provisions | Not prohibited in:  
Zone No 3(b) (Special Business Zone)  
Zone No 4(c) (Special Industrial Zone)  
Minimum Floor Space Clause applies |
| **Botany Local Environmental Plan 1995** | None - Model Provisions | |
| **Burwood Planning Scheme Ordinance** | None | |
| **Canada Bay Local Environmental Plan 2008** | **bulky goods premises** means a building or place used primarily for the sale by retail, wholesale or auction of (or for the hire or display of) bulky goods, being goods that are of such size or weight as to require: (a) a large area for handling, display or storage, or (b) direct vehicular access to the site of the building or place by members of the public for the purpose of loading or unloading such goods into or from their vehicles after purchase or hire, but does not include a building or place used for the sale of foodstuffs or clothing unless their sale is ancillary to the sale or hire or display of bulky goods. | bulky goods premises  
Zone B3 Commercial Core  
Zone B6 Enterprise Corridor  
Zone B4 Mixed Use |
| **Canterbury Planning Scheme Ordinance** | **bulky goods** means large goods which are of such size and shape as to require: (a) a large area for handling, storage or display; and (b) easy and direct vehicular access to enable the goods to be collected by customers after sale, but does not include food, clothing or produce. | bulky goods  
3(d) Business (Showroom) |
<table>
<thead>
<tr>
<th>EPI</th>
<th>Definition</th>
<th>Zones where listed as permissible</th>
</tr>
</thead>
</table>
| **Campbelltown (Urban Area) Local Environmental Plan 2002** | **bulky goods retailing** means use of a building or place for the sale by retail of items which: (a) are of such a size, shape or range as to require: (i) a large area for handling, storage and display, and (ii) direct vehicular access for customers’ vehicles to and from the site on which the goods are sold for the purpose of loading and unloading of the goods onto and from vehicles, or (b) are, in the opinion of the Council, of such a kind: (i) as are required to be displayed in premises not easily accommodated in traditional commercial centres, and (ii) as a person using them is unlikely to purchase frequently, including consumer durables (such as refrigerators, washing machines and stoves) and home improvement and hardware supplies. | bulky goods retailing  
Zone 4 (b)—Industry B Zone  
Zone 4 (c)—Industry C Zone                                                                                           |
| **Camden Local Environmental Plan No 46 - Existing Urban Areas** | **bulky goods shop** means a building or place used primarily for the sale by retail or auction, or the hire or display, of items (whether goods or materials) which are of such a size, shape, range or weight as to require: (a) a large area for handling, storage and display, and (b) direct vehicular access to the site of the building or place by members of the public, for the purpose of loading items into their vehicles after purchase or hire. | bulky goods shop  
Zone No 3 (b1) Business Support                                                                                     |
| **Fairfield Local Environmental Plan 1994** | **bulky goods salesroom or showroom** means a building or place used for the sale by retail or auction or the hire or display of items (whether goods or materials) which are of such a size, shape or weight as to require: (a) a large area for handling, storage or display, or (b) direct vehicular access to the site of the building or place by members of the public for the purpose of loading items into their vehicles after purchase or hire, but does not include a building or place used for the sale of foodstuffs or clothing. | bulky goods salesroom or showroom  
Zone 4 (c) Special Industrial                                                                                         |
| **Hawkesbury Local Environmental Plan 1989** | **bulky goods sales room or showroom** means a building or place used for the sale by retail or auction, the hire or display of items (whether goods or materials) which are of such a size, shape or weight as to require: (a) a large area for handling, storage or display, or (b) direct vehicular access to the site of the building or place by members of the public for the purpose of loading items into their vehicles after purchase, but does not include a building or place used for the sale of foodstuffs or clothing. | bulky goods sales room or showroom  
Zone No 3 (a) (Business General)  
Zone No 3 (b) (Business Special)  
Zone No 4 (a) (Industry General)  
Zone No 4 (b) (Industry Light)                                                                                       |
<table>
<thead>
<tr>
<th>EPI</th>
<th>Definition</th>
<th>Zones where listed as permissible</th>
</tr>
</thead>
</table>
| **Hornsby Shire Local Environmental Plan 1994** | **bulky goods retailing establishment** means a building or place used for the sale by retail or auction, or the hire or display, of items (whether goods or materials) which, in the opinion of the Council, are of such a size, shape or weight as to require:  
(a) a large area for handling, storage or display, or  
(b) direct vehicular access to the site of the building or place by members of the public, for the purpose of loading items into or onto their vehicles after purchase,  
but does not include a building or place:  
(c) used for the sale of food, clothing or petrol, or  
(d) used for a purpose that would adversely affect the range of services offered by existing facilities located in any nearby business or industrial centre. | **bulky goods retailing establishment**  
Business A (General Zone)  
Business B (Special Zone)  
Business E (Service Centre) Zone  
Business F (Town Centre) Zone |
| **Holroyd Local Environmental Plan 1991** | **bulky goods** means large goods which, in the opinion of the council, by reason of their size and shape require:  
(a) a large area for handling, storage and display, and  
(b) easy and direct vehicular access for the unloading and loading of delivery and customer vehicles | **bulky goods**  
Zone No 4(c) (Industrial Special Zone)                                                                 |
| **Hunter’s Hill Local Environmental Plan No 1** | None - Model Provisions                                                                                                                                                                                   | None - Model Provisions                                                                                                                                    |
| **Hurstville Local Environmental Plan 1994** | None                                                                                                                                                                                                     | **bulky goods showroom or salesroom**  
Zone No 4  (Light Industrial Zone)                                                                                                                   |
| **Kogarah Local Environmental Plan 1998** | **bulky goods retailing establishment** means a building or place used for the sale by retail or auction, or the hire or display, of items (whether goods or materials) which, in the opinion of the Council, are of such a size, shape or weight as to require:  
(a) a large area for handling, storage or display, or  
(b) direct vehicular access to the site of the building or place by members of the public, for the purpose of loading items into or onto their vehicles after purchase,  
but does not include a building or place:  
(c) used for the sale of food, clothing or petrol, or  
(d) used for a purpose that would adversely affect the range of services offered by existing facilities located in any nearby business or industrial centre. | **bulky goods retailing establishment**  
Industrial 4 (a)—Industrial (Light) Zone                                                                                                             |
<table>
<thead>
<tr>
<th>EPI</th>
<th>Definition</th>
<th>Zones where listed as permissible</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Ku-Ring-Gai Planning Scheme Ordinance</strong></td>
<td>None</td>
<td></td>
</tr>
<tr>
<td><strong>Lane Cove Local Environmental Plan 1987</strong></td>
<td>None</td>
<td></td>
</tr>
<tr>
<td><strong>Leichhardt Local Environmental Plan 2000</strong></td>
<td>None</td>
<td></td>
</tr>
</tbody>
</table>
| **Liverpool Local Environmental Plan 1997**  | **Bulky goods salesroom or showroom** means a building or place used for the sale by retail or auction, or the hire or display, of any of the following:  
(a) furniture, or  
(b) electrical goods, or  
(c) toy and sporting equipment, or  
(d) office furniture, or  
(e) hardware, or  
(f) outdoor products, or  
(g) floor coverings, or  
(h) automotive parts and accessories, or  
(i) lighting, or  
(j) antiques and second-hand goods, or  
(k) kitchen or bathroom showrooms, or  
(l) tiles (floor, ceiling or wall). | Bulky goods salesroom or showroom  
3 (a) Business  
3 (b) Business—Highway  
3 (c) Business—Town Support  
4 (b) Industrial—Special |
| **Manly Local Environmental Plan 1988**      | None - Model Provisions                                                                                                                                                                                   | retail outlets for bulky goods  
Zone No 4 - Industrial Zone                                 |
<table>
<thead>
<tr>
<th>EPI</th>
<th>Definition</th>
<th>Zones where listed as permissible</th>
</tr>
</thead>
</table>
| *Marrickville Local Environmental Plan 2001* | **bulky goods salesroom or showroom** means a building or place used for the sale by retail or auction, or the hire or display, of items (whether goods or materials) which are of such a size, shape or weight as to require:  
(a) a large area for handling, storage or display, or  
(b) direct vehicular access to the site of the building or place by members of the public, for the purpose of loading items into their vehicles after purchase or hire, but does not include a building or place used for the sale of foodstuffs or clothing. | bulky goods salesroom or showroom  
General Business 3 (A) zone                                  |
| *Mosman Local Environmental Plan 1998*      | None                                                                                                                                                                                                     |                                                             |
| *North Sydney Local Environmental Plan 2001*| None                                                                                                                                                                                                     |                                                             |
| *Parramatta Local Environmental Plan 2001*  | **bulky goods retailing** means the sale by retail of goods of the following kind:   
(a) furniture,  
(b) electrical goods,  
(c) toys/sporting equipment,  
(d) outdoor products,  
(e) office supplies,  
(f) hardware,  
(g) floor coverings,  
(h) automotive parts/accessories,  
(i) lighting,  
(j) video hire,  
(k) antiques/secondhand goods,  
(l) kitchen/bathroom showrooms,  
(m) tiles (floor, ceiling, wall),  
(n) plant nursery,  
(o) take away food. | bulky goods retailing  
Employment Zone (Zone 4)  
Minimum Floor Space Clause applies |
<table>
<thead>
<tr>
<th>EPI</th>
<th>Definition</th>
<th>Zones where listed as permissible</th>
</tr>
</thead>
</table>
| **Penrith Local Environmental Plan 1996** (Industrial Land) | **bulky goods** means large goods which are, in the opinion of the council, of such a size and shape as to necessitate:  
(a) a large area for handling, storage or display, and  
(b) easy and direct vehicular access so as to allow for their collection by customers, but does not include agricultural products, beverages, clothing, food, footwear, leisure goods, paper or stationery products, small electrical appliances, electronic goods or toys. | bulky goods  
Zone No 4 (b) Special Industry                    |
| **Pittwater Local Environmental Plan 1993** | None - Model Provisions                                                                                                                                                                                  |                                                    |
| **Randwick Local Environmental Plan 1998** | None                                                                                                                                                                                                     | bulky goods  
Zone No 4A (Industrial Zone)                    |
| **Ryde Planning Scheme Ordinance** | **bulky goods retailing establishment** means a building or place used for the sale by retail or auction, or the hire or display, of large goods which are of such size, shape and weight as to require:  
(a) a large area for handling, storage, or display, and  
(b) easy and direct vehicular access to enable the goods to be collected by customers after sale, and which include any of the following:  
(c) furniture,  
(d) electrical goods,  
(e) toys or sporting equipment,  
(f) office supplies or furniture,  
(g) hardware,  
(h) outdoor products,  
(i) floor coverings,  
(j) automotive parts and accessories,  
(k) lighting,  
(l) antiques and second-hand goods,  
(m) kitchen or bathroom showrooms,  
(n) tiles (floor, ceiling or wall). |                                                    |
<table>
<thead>
<tr>
<th>EPI</th>
<th>Definition</th>
<th>Zones where listed as permissible</th>
</tr>
</thead>
</table>
| Rockdale Local Environmental Plan 2000 | **bulky goods showroom** means a building or place used for the sale by retail or auction, or the display of items (whether goods or materials, but not food, clothing or produce) which are of such a size, shape or weight as to require: (a) a large area for handling, storage or display, and (b) direct vehicular access to the site of the building or place by members of the public, for the purpose of loading items into their vehicles after purchase. | bulky goods showroom  
Zone 3(a) General Business Zone  
Zone 4(b) Industrial (Light) zone |
| South Sydney Local Environmental Plan 1998 | **bulky goods retailing** means the retailing of large goods such as furniture, do-it-yourself home improvement materials and the like which generate a low return per unit floor area and which are of such a size and shape as to require: (a) a large area for handling, storage or display, and (b) easy and direct vehicular access to enable the goods to be collected by customers after sale. | bulky goods retailing  
Zone No 3 - the Business Zone  
Zone No 4 - the Industrial Zone |
| Strathfield Planning Scheme Ordinance | **bulky goods, salesroom or showroom** means a building or place used for the sale by retail or auction, the hire or the display of items (whether goods or materials) which are of such a size, shape or weight as to require: (a) a large area for handling, storage or display; and (b) direct vehicular access to the site of the building or place by members of the public, for the purpose of loading items into their vehicles after purchase or hire, and are of such a kind that they are required to be displayed in premises not easily accommodated in traditional commercial centres. | bulky goods, salesroom or showroom  
Zone 4 Industrial |
| Sydney Local Environmental Plan 2005 | None | |
| Sutherland Shire Local Environmental Plan 2006 | **bulky goods premises** means a building or place used primarily for the sale by retail, wholesale or auction of (or for the hire or display of) bulky goods, being goods that are of such size or weight as to require: (a) a large area for handling, display or storage, or (b) direct vehicular access to the site of the building or place by members of the public, for the purpose of loading and unloading such goods into or from their vehicles after purchase or hire, but does not include a building or place used for the sale of foodstuffs or clothing unless their sale is ancillary to the sale or hire of bulky goods. | bulky goods premises  
Zone 8 - Urban Centre  
Zone 11—Employment |
<table>
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<tr>
<th>EPI</th>
<th>Definition</th>
<th>Zones where listed as permissible</th>
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| **Warringah Local Environmental Plan 2000** | bulky goods shop means a building or place used for the sale by retail or auction of goods or materials which are of such a size, shape or weight as to require:  
(a) a large area for handling, storage or display, or  
(b) direct vehicular access to the site of the building or place by members of the public, for the purpose of loading items into their vehicles after purchase, but does not include a building or place used for the sale of foodstuffs or clothing. |                                                                           |
| **Waverley Local Environmental Plan 1996** | None - Model Provisions                                                                       |                                                                           |
| **Willoughby Local Environmental Plan 1995** | bulky goods sales room or showroom means a building or place used for the sale by retail or auction, or the hire or display, of items (whether goods or materials) which are of such a size, shape or weight as to require:  
(a) a large area for handling, storage or display, or  
(b) direct vehicular access to the site of the building or place by members of the public, for the purpose of loading items into or onto their vehicles after purchase, but does not include a building or place used for the sale of foodstuffs, produce or clothing. | bulky goods sales room or showroom  
Zone 3 (a)—General Business Zone |
| **Wollondilly Local Environmental Plan 1991** | bulky goods means large goods which are, in the opinion of the council, of such a size and shape as to require:  
(a) a large area for handling, storage or display, and  
(b) easy and direct vehicular access to enable the goods to be collected by customers after sale. | bulky goods  
Zone No 4(a) (Industrial Zone) |
| **Woollahra Local Environmental Plan 1995** | None - Model Provisions                                                                       |                                                                           |