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Small business and the planning system



northern beaches council The Northern Beaches has the third highest number of business registrations in NSW, after the City of Sydney and Canterbury-Bankstown.

We want to support of local businesses in the Northern Beaches, and one way we can do this is to make change to making it easier for business owners to navigate planning processes.

This information sheet explains three planning approval pathways that business owners are most likely to use before they open or expand their business. These pathways are:

- Exempt development (planning permission not required)
- Complying development (fast-tracked approval process by Council's building control team or an external certifier)
- Development application process (standard approval process by Council)

As you read through this information sheet, you might still find that you have questions, as sometimes some planning approval processes are more complicated than others. If this is the case, we always encourage prospective or existing business owners to get in touch to discuss their business circumstances.

You can do this by making an appointment with either:

- Our <u>Planning Enquiry Officer</u>
- Our **Business Support Service**.
- You can also seek your own independent planning advice to assist

Permitted land uses

The planning system sets out different zones for different types of land uses. Your first step will be to check whether the type of business you want to operate or expand will be permitted on the site (or the zone) that you're looking at.

Step 1: Determine which zone applies

All land in NSW is zoned under local environmental plans (LEPs). You can check how land is zoned on the <u>NSW Planning Portal</u>.

Go to the <u>search function</u> and type in the site address. Once the address comes up, you'll see options to view various maps. Click on the '+' button next to 'Land Zoning Map' to find the land use zone that applies. Different types of zones allow for different land uses. In general, they are listed under:

- Rural zones
- Residential zones
- Employment zones
- Special purpose zones
- Recreation zones
- Conservation zones
- Waterway zones

The NSW Department of Planning and Environment (DPE) has replaced the Business and Industrial zones in Council's Local Environmental Plans (LEPs) with new 'Employment' zones.

The new Employment zones took effect from 26 April 2023 and you can compare the old and new zones <u>here</u>.

In most cases, land uses allowed under the 'old' zones are also allowed under the new zones. Where they are not, transitional rules apply (see the Department of Planning and Environment website for details).

Step 2: Work out the land use that applies to your business

The planning system describes different types of land uses. Your business may, for example, be described as a retail premises, food and drink premises, business premises, a recreational facility (which includes gyms), or an industrial premises.

To understand which of these land uses applies to your business, click on the blue arrow to take you to the LEP that applies to the site (see figure 1).

Scroll down the left-hand column to the dictionary at the bottom to find the land use categories that are used in the LEP. Find one that may best describe your business.

If you're unsure, contact our Planning Enquiry Officer.

Step 3: Check if your business type is allowed on the site

Once you understand the zone that applies to the site, and how the planning system would describe the type of business, you then need to find out if your proposed business type is permitted or prohibited at that location. It will need to be a permitted use for your plans to come to life. If it's not allowed on the site, we recommend you look for another location or zone.

To find this out, look at the zoning for your site (identified in Step 1 and 2) and then see if your business type is permitted (see figure 2).

Home business, home occupation or home industry

Land zoned residential or environmental only allows businesses described as 'home business, home industry and home occupation'. These could apply to your business if you're operating from home, dependant on the number of employees you have and the type of goods/services you offer.

These types of businesses could be subject to an easier approval process, the 'exempt development process'.

In general, approval is not required if your business employs no more than two people (other than the residents). However, some business types, such as <u>food manufacturing</u> and <u>skin</u> <u>penetration</u> will require approval.

Contact our Planning Enquiry Officer if you are unsure what approval you may need to operate a business from your home.

Figure 1 Follow the red circled link to the LEP



Figure 2 Follow the red circled link to the LEP to check the land use table



Once you've determined that your type of business is permitted on the site, you then need to understand which pathway the approval process will take. This depends on the scale and nature of your business. Figure 3 gives you an idea of the questions you need to answer.

Step 1: Does the site have an existing approval?

The site may already be approved for your type of business. To find out, either:

- Use our website to find if an existing development consent is in place on the site, if it is, ask the leasing agent or landlord for evidence of the existing approval existing approval.
- Formally ask Council to provide relevant consents and approvals for the site, keeping in mind that depending on the extent of information required, there may be a fee and the request could take up to 20 days.

If there is already a development consent in place, review the Notice of Determination to check the existing conditions of consent that may affect your business, such as the number of parking spaces or hours of operation.

Step 2: Could exempt development apply?

Your business may be able to operate without Council approval. This is known as 'exempt development'. This applies in some circumstances when you're changing the use of a building, such as opening a new business in an existing space used for another business or business type. Check <u>this page</u> to find out if this might apply to you.

This could apply, for example, when your business is a clothing shop, and it's replacing a business with a similar existing retail use, such as a florist.

You may also be able to undertake minor<u>internal</u> or <u>external</u> building work without approval. This must meet the development standards set out under the relevant state policy, which is State <u>Environmental Planning Policy (SEPP)</u> <u>Exempt and Complying Development 2008.</u> This is also known as the Codes SEPP.

Types of work include installing workstations, counters or floor coverings, repainting, changing light fittings, or upgrading sanitary fittings.

If you're unsure, check with our Planning Enquiry Officer.

Step 3: Could complying development apply?

Where approval may be required, the SEPP introduces a fast-tracked process called complying development. This more straightforward approach requires either Council or an accredited certifier to determine whether a <u>complying</u> <u>development certificate (CDC)</u> applies. Speak to our Planning Enquiry Officer to confirm if this applies to your property.

For example, a hairdressing salon or a small cafe could be approved under a CDC, so long as it complies with industry standards such as food safety standards or health standards. Read about the <u>approval requirements</u> for a café/restaurant, hairdresser, takeaway food and drink business, office and more.

You will also need to obtain a <u>section 10.7</u> certificate from Council before you can apply for a CDC. A section 10.7 certificate contains relevant planning information about a site, such as land zoning, complying development, heritage, bush fire, geotechnical and flooding risk, and other required matters. To apply for a section 10.7 certificate you need to complete this <u>form</u>.

Step 4: Do you need to lodge a development application (DA)?

If neither exempt nor complying development apply, you will need to <u>lodge a</u> <u>development application (DA)</u> with Council to seek development consent. All DAs are lodged via the <u>NSW planning portal</u>.

The next section outlines this process.

Figure 3

Process to clarify the applicable planning pathway



Step 1: Gather supporting evidence

You will be using our streamlined standard <u>DA lodgement requirement form</u> specifically for small businesses. We have removed supporting documents not generally required for small business DAs and set out mandatory documents and minimum requirements. The form also sets out the supporting documents that could be required.

Mandatory documents are:

- Cost Summary Form
- Statement of Environmental Effects (SEE).
- Site Plan (showing the location of the site relative to adjoining properties – use Google Maps and highlight your property)
- A scaled, dimensioned, and labelled floor plan.
- Building Code of Australia Report
- Fire Safety Schedule

The SEE details the proposed business use, trading hours, staff numbers, parking and traffic arrangements, deliveries and any noise-generating activities. Most businesses will engage a town planner to develop the SEE; however, you can do this yourself, so long as it includes all the required information in the DA lodgement requirements. Reports and other documents <u>likely</u> to be required depend on your proposal. They may include:

- Access Report
- Acoustic Report
- Traffic and Parking Report
- Contaminated Land Report
- Energy Performance Report
- Social Impact Statement
- Onsite Wastewater Management System/Septic Report
- Waste Management Plan
- Survey Plan (if external works are proposed)
- Section Plan (showing internal crosssections if substantial internal works or a mezzanine level is proposed)
- Signage Plan.

If there are any constraints on the site, <u>you may need:</u>

- Flood Risk Assessment Report
- Statement of Heritage Impact
- Bushfire Report

Once you have submitted your application via the Planning Portal, Council will review the documentation for completeness. Based on the information submitted, Council will make a decision to:

- ACCEPT the application,
- REQUEST ADDITIONAL INFORMATION with a list of matters for you to address, or
- **RETURN** the application.

Our commitment is to review your application and provide you with a response within two business days, however this may vary for more complex applications.

You can track the progress of your application on the <u>DA tracker</u> and if you have any questions regarding your application and the process, you can talk to our <u>Planning Enquiry Officer</u>.

Laura's florist

Laura wishes to open a florist in Newport. A florist is defined as a 'shop' and is permitted with consent in the E1 Local Centre Zone in Newport. From her research, Laura has found an existing development consent for the premises to operate as an office.

She checks the Codes SEPP and finds that a change of use from an 'office' to a 'shop' is an exempt development. Laura will not need to follow the DA or CDC process to change the use.

In terms of minor internal works to fit out the shop, including a new counter and some shelving, Laura can undertake these works without approval, as long as they meet the standards in the Codes SEPP for <u>Minor building alterations (internal)</u> or <u>Minor building alterations (external)</u>.

Andrew's gym

Andrew wishes to open a new cross fit gym in an industrial zone in Cromer. The premises he has found is zoned E4 General Industrial under the Warringah LEP 2011. A cross fit gym is a type of 'recreational facility (indoor)' and is a permitted in the E4 Zone.

The premises is used as a 'warehouse and distribution centre'. Andrew checks the Codes SEPP and finds that a change of use to a 'recreation facility (indoor)' cannot occur as an exempt development. He also confirms that a complying development isn't applicable, as his proposed business will not meet all the <u>development standards</u> under the SEPP. Andrew, therefore, needs to submit a <u>DA</u> to Council.

When he begins this process, Andrew realises the site has no off-street parking and is across the road from a residential area. Given the early morning group classes, noise may also be generated.

This requires Andrew to submit a Traffic and Parking Assessment and Acoustic Report with this DA. Due to the change of building, he will also need to submit a Fire Safety and Building Code of Australia Report to let Council know the building can be safely occupied and can be upgraded to meet fire safety standards.

John's cafe

John is looking to open a cafe in Freshwater. There was an existing shop on the site and John firstly needs to check if a café is a permitted use within the Freshwater village, which is zoned E1 Local Centre.

John finds that cafes are a type of 'food and drink premises' and could be approved as a complying development. The Codes SEPP allows for change of use from a shop to a café under a complying development, with a series of development standards including maximum capacity of 100 patrons and design, construction and fit-out in accordance with food premises standards.

John will also need to notify Council of his business and food activities, appoint a food safety supervisor and meet Food Standard Code requirements set out by the NSW Food Authority.

As he wants to serve alcohol, he will need to apply to Liquor and Gaming NSW for an on-premises licence.

As the café becomes popular, John decides he would like to add some outdoor dining. John completes Council's <u>outdoor dining</u> <u>application form</u>, which is assessed against Council's outdoor dining guidelines.

More information

Contact our Planning Enquiry Officer via online <u>appointment</u> or call us on 1300 434 434 to discuss your enquiry with the officer.

For more general business support, contact our business support service by making an <u>online appointment</u> or emailing <u>business@northernbeaches.nsw.gov.au</u>



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northernbeaches.nsw.gov.au