



## SUBMISSION ON THE DRAFT FIRST SET OF NATIONAL PLANNING STANDARDS

**TO:** the Ministry for the Environment

**SUBMISSION ON:** the draft first set of National Planning Standards

**FROM:** Bunnings Limited  
C/- the address for service set out below

### 1. INTRODUCTION AND SUMMARY

- 1.1 Bunnings Limited ("**Bunnings**") welcomes the opportunity to submit on the Ministry for the Environment's ("**MfE**") draft first set of National Planning Standards ("**Standards**").
- 1.1 Bunnings is one of the leading retailers of home improvement and outdoor living products in Australasia and services both consumer and commercial customers. A number of descriptions are used for these activities, including building suppliers, trade suppliers and building improvement centres. However, for the purposes of this submission, the term building improvement centres is used throughout.
- 1.2 Bunnings operates 27 warehouses, 20 smaller format stores, and 8 trade centres throughout New Zealand, along with a distribution centre and a head office. These sites are carefully designed and planned to a very high standard.
- 1.3 In Bunnings' experience, regional and district planning frameworks often do not properly recognise the need for business growth to occur – especially alongside residential growth. Given Bunnings' significant past and planned further investment in New Zealand, the contents of these and any future Standards will be integral to the continuing operation and development of Bunnings' operations in New Zealand.
- 1.4 Bunnings supports the standardisation of certain zone content and definitions, as this will limit the repeat consideration of common issues across the country. Building improvement centres are currently provided for in general business, commercial and light industrial zones, which are treated differently by different plans, despite building improvement centres being an

appropriate activity in such areas. Standardising such provisions would provide a great deal of certainty to building improvement centres.

### **Brief overview of Bunnings**

- 1.5 Bunnings is a long-established leading supplier of hardware and home improvement related products and currently operates 338 Bunnings Warehouses and Small Format Stores throughout Australia and New Zealand. In addition, Bunnings also operates 32 Trade Centres across Australia and New Zealand supplying building-related products predominantly to tradespeople such as builders, landscaping contractors, plumbers, electricians and more.
- 1.6 There are three basic Bunnings formats:
- (a) The Bunnings Warehouse - which generally comprises stores of 5,000m<sup>2</sup> up to 20,000m<sup>2</sup> gross floor area or more within the main warehouse component, timber trade and nursery areas;
  - (b) The smaller format stores simply known as Bunnings Stores, with the distinction between the branding being primarily size-related and usually reflected in the range of goods sold and regional locations, these can typically range from 1,500m<sup>2</sup> to 5,000m<sup>2</sup>; and
  - (c) Trade Centres, which are primarily focussed on both delivery to site or pickup by commercial users. They hold larger volumes of a more limited range of products, such as timber materials, sheeting and associated building products. While still open to the public, they primarily service our commercial trade customers.
- 1.7 Depending on the store types, there are some key considerations for building improvement centres when seeking appropriate sites. These include:
- (a) For warehouses in particular, the ability to accommodate **large building footprints** to house the range, stock amount and often bulky size of goods sold. Such large sites are usually found in industrially zoned areas. Where they are located in General Business or Mixed Use areas (depending on size), they are usually located on arterial routes with direct traffic access.
  - (b) Building improvement centres typically require **functional building formats** to accommodate racking arrangements and movement of

goods to and within the building. Such building designs are compatible with industrial zones which often exhibit a predominance of utilitarian style, or have been visually "softened" via landscaping where required to meet specific visual amenity objectives and policies within some district plans.

- (c) Sites with **appropriate access** – given the goods sold and the strong trade customer base, sites must be easily accessed by a range of vehicle types. Building improvement centres can generate levels of traffic – both customer and service oriented – that are comparative to the traffic generation of industrial activities (in the case of trade centres), or big box retail (in the case of warehouses and smaller format Bunnings stores).

1.8 Bunnings currently employs approximately 4,000 team members. This number is expected to increase in the future, as Bunnings plans to expand its operations in New Zealand. Bunnings' presence in the market ensures that there is competition in the trade supply market, which results in lower prices for both commercial and consumer customers. This provision of key DIY and trade supplier goods is essential to a well-functioning economy and the well-being of communities, especially amidst a housing boom.

**Bunnings' "fit" within different zones**

1.9 As set out above, Bunnings warehouses operate throughout the country, and are currently treated differently depending on the definitions within the relevant district plan, the zoning of the Bunnings site in question, and the objectives and policies attached to that zone.

1.10 To provide some context, Bunnings has set out a 'snap-shot' of various Bunnings stores throughout New Zealand, and the relevant zones and definitions.

Relevant Plan	Bunnings Store	Zone	Relevant definitions
Auckland Unitary Plan	Bunnings Silverdale	General Business	"trade supplier"
	Bunnings Glenfield	Light Industry	
	Bunnings Manukau	Metropolitan Centre	"retail"

	Bunnings Trade – East Tamaki	Heavy Industry	
	Bunnings Mt Wellington	General Business	
	Bunnings Grey Lynn	Mixed Use	
	Bunnings Mt Roskill	Light Industry	
Hamilton City District Plan	Bunnings Te Rapa	Business 4	“Building improvement centre”
Waikato District Plan	Bunnings Te Awamutu	Commercial zone	“Building improvement centre”
Tauranga City Plan	Bunnings Mount Maunganui	Industry	“Building improvement centre”
Christchurch City District Plan	Bunnings Riccarton	Business Retail Park	“Building supplier” “Trade supplier”
Wellington City District Plan	Bunnings Wellington Central	Central Area	“Building improvement centre” “Trade supply retail”
Whakatane District Plan	Bunnings Whakatane	Large Format Retail	“Retail activity”
Dunedin City District Plan	Bunnings Dunedin	Industrial Zone	“Trade related retail”
Nelson Resource Management Plan	Bunnings Nelson	Industrial Nayland Road South Area	“Retail activities”

1.11 Within the Auckland Unitary Plan, building improvement centres are defined as a 'trade supplier' and sit within retail in the nesting tables. However, as discussed further below, it is imperative that building improvement centres are recognised as distinct from other forms of retail.

- 1.12 Bunnings undertakes extensive due diligence before investing and establishing in new locations, including consideration of potential effects on, and from, neighbours. When seeking to establish within a Light Industry zoned site (and within close proximity to heavy industrial activities for example), it will do so in the full knowledge of the amenity of that environment, being familiar with the types of activities that can locate in the zone, and indeed because of the zone's anticipated amenity. This approach is also taken for General Business and Mixed Use zoned sites.

### **Bunnings' interest in the Standards**

- 1.13 Bunnings will be looking to expand its presence further in New Zealand, and ensure its current stores are operating in a competitive manner. As such, Bunnings is keen to ensure that the Standards appropriately recognise the unique position of trade suppliers – that due to their size and nature tend straddle traditional commercial, retail and light industrial zones.
- 1.14 Bunnings has been closely involved in plan reviews and changes over the years throughout New Zealand. For example, Bunnings was engaged in the extensive process of developing the Auckland Unitary Plan, and, more recently, the Queenstown Lakes District Council Proposed District Plan.
- 1.15 Bunnings also has extensive experience with the consenting process across the country, and with the challenges that can arise where council planners and decision-makers have not understood the place of trade suppliers.
- 1.16 Bunnings is particularly interested with the proposals to include definitions and "purpose statements" for a template set of zones. While time and cost intensive, Bunnings sees participation in the development of these Standards as important, given the critical role that planning frameworks play in the establishment or upgrading of its activities (along with protection from potential reverse sensitively effects of nearby sensitive activities).
- 1.17 This submission will primarily address the questions within the Discussion Document as they relate to Content of Standards, Standard Zones Structure and Definitions.

## **2. CONTENT OF STANDARDS**

**Q1: What are your thoughts on this proposed package of planning standards? If you consider changes necessary, how would these affect the anticipated outcomes?**

- 2.1 The Standards are designed to make plans easier to use. Bunnings supports this objective as it is a mechanism that will result in efficient plan-making processes and national consistency where appropriate. In particular, Bunnings supports the requirement for increased and more consistent electronic accessibility and functionality for plans and the standardisation of plan structure.
- 2.2 Bunnings supports and agrees with the potential for beneficial outcomes of standardisation set out on page 11 of the Consultation Document, especially in relation to improving plan usability for those who work across different plans throughout the country, such as Bunnings.
- 2.3 Bunnings also sees merit in greater standardisation of zone content. However, if the Government were to take that step, then it is crucial that the content is thoroughly tested through a submission and hearing process before it is adopted.

**Q2: What topics or matters should be investigated for future planning standards?**

- 2.4 Future planning standards should include a greater level of content, anticipating that this may take longer with greater consultation to ensure the best approach is taken. Bunnings is concerned by reports from MfE that there are no plans for a second set of Standards with further content on the horizon.
- 2.5 In Bunnings' experience, a lot of time and cost is required to address issues with local plans that are common across the country. Standardisation of zone content, for example, would go some way in reducing this repeated consideration of common issues. For example, business improvement centres in general business, commercial and light industrial zones are treated differently by different plans, despite business improvement centres being an appropriate activity in such areas. Standardising such provisions would provide a great deal of certainty to business improvement centres, and would considerably reduce time and cost spent preparing and using plans.

- 2.6 Bunnings appreciates that the detail of such content (if and when it is standardised) will be critical. In particular, content for the commercial zones must provide for the functional and operational requirements of business activities (such as parking) and the need for expansion of certain business activities to meet demands of residential growth. Equally, content for industrial zones must provide for the function and operational needs of light and heavy industrial activities (and the corresponding concerns in respect of reverse sensitivity effects).
- 2.7 Bunnings agrees that councils should retain control over aspects of plan content that vary in order to be appropriate for the local resource management issues on a district scale. It is, therefore, not appropriate to develop compulsory directions for the content of entire zones. However, Bunnings considers that there would be significant benefit in providing some level of standardisation, including a mix of mandatory and discretionary directions, which relate to district wide rules and rule requirements. Bunnings provides an example of this under the definitions section further below.
- 2.8 Requirements relating to matters such as parking, signs, landscaping and screening vary significantly from plan to plan and regularly attract submissions and appeals, with associated cost and time implications. Aspects of this level of plan variation are clearly unnecessary, given the resources required to develop provisions that do not have good reason to vary from district to district. It would therefore be appropriate to provide a 'cookie cutter' level of detail for some rules and rule requirements.
- 2.9 Bunnings would therefore support a future Standard that provides zone content which addresses common core planning issues in a consistent manner, while ensuring councils can still draft plan provisions to manage issues specific to their local community and planning framework.
- 2.10 Bunnings would also support further Standards that manage and standardise:
- (a) district wide activities, such as parking, traffic and signs; and
  - (b) district wide amenity matters, such as landscaping and screening required around trade suppliers.
- 2.11 Providing national direction on such matters will significantly increase plan consistency and make it easier to use plans. In particular, it would give clear

guidance to councils as to the appropriate district wide provisions and amenity issues that should be taken into account when considering a resource consent application or plan change. However, as stated above, it is important that there is appropriate public input into the development of any future Standards.

### **3. STANDARD ZONE STRUCTURE**

**Q6: Should we have a standard set of zones? Would this make plans across New Zealand easier to use?**

3.1 Bunnings supports the inclusion of a standard set of zones. It considers that this national direction will be useful in providing greater efficiency in the way councils and plan users interact with various plans across the country.

**Q8: Is the inclusion of purpose statements for zones useful for guiding how they may be used?**

3.2 Bunnings supports the inclusion of purpose statements for zones. In Bunnings' submission, it is critical that there is some level of consistency in how the zones are applied across different plans throughout the country.

3.3 In particular, Bunnings seeks the inclusion of purpose statements for Commercial, Mixed Use, Town Centre, Light Industrial and Industrial Zone.

### **4. DEFINITIONS**

4.1 Bunnings generally supports the proposed introduction of national standardised definitions, but considers it critical that the definitions are well informed and appropriately provide for existing activities. Bunnings is particularly interested in engaging with MfE in relation to the following trade-supplier related definitions:

- (a) 'commercial activity' – Bunnings supports this definition given that it best defines the operational nature of a Bunnings Warehouse under the proposed NPS definition; and
- (b) 'industrial activity' – the Auckland Unitary Plan, for example, contains “Light Industry” and “Heavy Industry” zones which clearly distinguish that those industrial activities that do not generate objectionable odour, dust or noise are directed to located in the Light Industry Zone, while those industrial activities that do

generate such effects are directed to located in the Heavy Industrial Zone.

- 4.2 Paragraph 1.3 demonstrates that there is variance at the national level in terms of what activity a Bunnings Warehouse is defined as in District Plans across the country. Given the nationwide presence of Bunnings and its planned expansion in the future, the inclusion of a standardised definition to provide for a consistent approach at the national level would be important.

**Q18: Are these drafting principles suitable for definitions? Should they be changed or expanded?**

- 4.3 Bunnings considered that the drafting principles for the definitions are suitable for the reasons that any terms already defined within the RMA or higher order planning documents should be adopted to avoid unnecessary duplication. Definitions should be clear and concise without the use of subjective language that could lead to different interpretations and unintended consequences for plan implementation.

**Q19: What other definitions should be standardised in future sets of planning standards?**

- 4.4 Bunnings would be grateful for an opportunity to engage with MfE in the future, in the event that further definition standardisation is contemplated. In particular, Bunnings would support the inclusion of a standardised definition for 'building improvement centre'. The Hamilton City Council currently defines building improvement centres as follows:

**Building Improvement Centre**

Premises used for the storage, display and sale of goods and materials used in the construction, repair, alteration and renovation of buildings and includes nurseries and garden centres.

- 4.5 This is because building improvement centres, such as Bunnings Warehouses are currently treated in a number of different ways under a variety of definitions across the country (including building supplier, trade supplier, building improvement centre etc). In addition, there has been inconsistent treatment as to whether these activities are classified as retail or industrial activities. This definition better reflects that building improvement centres have characteristics that are industrial in nature, but also involves a retail component with sales to the public.

4.6 Providing a consistent definition of 'building improvement centre' is appropriate. It also enables building improvement centres to be treated distinctly from other forms of retail and from typical industrial activities, which is appropriate given the range of zones that business improvement centres should be enabled within.

**5. CONCLUSION**

5.1 Given the potentially significant implications that the draft Standards could have on trade suppliers, Bunnings would welcome any opportunity to discuss these prospects further with MfE in the finalising stages of the Standards.

**Signature:** **BUNNINGS LIMITED**, by its solicitors and authorised agents Russell McVeagh:



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Daniel Minhinnick

**Date:** 17 August 2018

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Attention: Georgia Cameron

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