



Change of use

Fact Sheet

If your business is different to the previous type of business on site, this is called a 'change of use'. Generally speaking, you need a permit to do this.

How do I know if I need a permit?

You need to check with your council to see where your business is listed in the zone.

All zones have three sections:

- Section 1 - No permit required
- Section 2 - Permit required
- Section 3 - Prohibited.

For instance, shops are prohibited in the industrial 1 zone (so a council is not able to grant a permit); a café will need a permit in a residential zone, but no permit is required to use a premises for a café in some commercial zones.

Unfortunately, the planning scheme doesn't always use everyday language to describe businesses. Cinemas, art galleries and function centres are classed as a 'place of assembly' in the planning system. Rock-climbing, escape rooms and similar activities are classed as 'indoor recreation'. Keep this mind when asking questions about your business and make sure you understand what category your business falls into.

You should also give the council your specific address so they can provide definitive advice (as this fact sheet provides general guidance only).



What do councils consider when assessing a change of use application?

The purpose of the zone

The main consideration will be the purpose of the zone your business is in. Is it in a residential zone? A commercial zone? A rural zone? This affects the council's decision. It will also consider what it envisages for the area. In general, businesses should steer clear of residential zones, unless it is small scale business or council policies support this type of business in a residential area. Commercial zones, activity centre zones and even industrial zones are areas where businesses should look at setting up.

Car parking

Depending on the size of your business, you may need to provide car parking to operate. Alternatively, you may need to seek a permit from Council for a reduction in car parking. Car parking reductions are common in inner-city areas, however, you may need to submit a report that demonstrates there is enough public parking in the precinct to accommodate a new use. Car parking rates are set out in the Council's planning scheme.

Liquor

Liquor licences also fall under 'change of use', so even if the previous business at your address was the same, if they did not have a liquor licence, you will have to apply for a planning permit for a 'change of use'.

When assessing liquor applications, Councils have a specific set of guidelines. These cover anti-social behaviour, noise and general patron management considerations. Councils also consider how many liquor licences have been issued within a local area, to see if the saturation point has been reached.

Neighbours and 'amenity impacts'

Most commercial areas allow residential uses. Many buildings have ground floor commercial space and residential apartments above. If your business will create a lot of noise with machinery, or play loud music, it may be best to look for an alternative location where there are fewer residential uses. Neighbours can object to a planning application and can take a matter to the Victorian Civil and Administrative Tribunal (VCAT) for review, even if Council supports the application.

Other considerations include traffic impacts, loading and deliveries, waste management, odours, fumes and emissions. These are all considered to be 'amenity impact' which Council will turn its mind to before granting an approval.

The positives!

The positives of your business are also considered by councils when assessing your application. Many councils have policies about encouraging employment close to home, access to childcare centres, growing live music and supporting the arts. They understand that businesses are also part of the local community and contribute to the municipality. Reach out to your council to find out what policies are relevant to your business.

How do I apply?

Applications are done on your council's website. Refer to the ***How to apply for a planning permit*** fact sheet for details.

More information

You can learn about the process, fees and timeframes involved in permit applications in our range of Council Guidelines, e.g. ***Council Guidelines for Hospitality Businesses***, ***Council Guidelines for Music Venues*** etc.