

# Casey Activity Centres: Retail and Other Employment Floorspace Assessment

## Final Report

City of Casey  
November 2017





This report has been prepared for City of Casey. SGS Economics and Planning has taken all due care in the preparation of this report. However, SGS and its associated consultants are not liable to any person or entity for any damage or loss that has occurred, or may occur, in relation to that person or entity taking or not taking action in respect of any representation, statement, opinion or advice referred to herein.

SGS Economics and Planning Pty Ltd  
ACN 007 437 729  
[www.sgsep.com.au](http://www.sgsep.com.au)  
Offices in Canberra, Hobart, Melbourne and Sydney

## TABLE OF CONTENTS

<b>GLOSSARY AND ABBREVIATIONS</b>	<b>I</b>
<b>EXECUTIVE SUMMARY</b>	<b>II</b>
Context and purpose	ii
Policy gaps, issues and opportunities	iii
Recommendations, strategies and actions	iii
<b>1 INTRODUCTION</b>	<b>1</b>
1.1 Project context	1
1.2 Scope and purpose of this report	1
1.3 Report structure	2
<b>2 A VISION FOR EMPLOYMENT IN ACTIVITY CENTRES</b>	<b>3</b>
2.1 A vision for employment in activity centres	3
2.2 Importance of jobs, retail and an activity centre strategy	4
2.3 What is the benefit of establishing a clear hierarchy?	5
<b>3 STRATEGIC CONTEXT</b>	<b>6</b>
3.1 Spatial context	6
3.2 Development context	9
3.3 Key economic trends	10
3.4 Current policy context	13
<b>4 A PROFILE OF CASEY'S ACTIVITY CENTRES</b>	<b>16</b>
4.1 Activity centres as part of City of Casey broader economy	16
4.2 Land zoned for retail and commercial uses	19
4.3 Current floorspace supply within existing activity centres	21
4.4 Employment in existing activity centres	35
4.5 Current expansion plans for the centre hierarchy	42
4.6 Zoning irregularities	44
4.7 Network coverage	47
4.8 Potential capacity of existing and planned activity centres	48
<b>5 PROJECTED RETAIL AND OTHER EMPLOYMENT NEEDS</b>	<b>52</b>
5.1 Population demographic profile	52
5.2 Retail expenditure forecasts	56
5.3 Retail and other employment forecasts	64
5.4 Aggregate floorspace requirements	67
<b>6 FLOORSPACE SUMMARY AND OPTIMAL CENTRE ROLLOUT</b>	<b>69</b>
6.1 Demand and Supply Summary	69
6.2 Subregional alignment	70
6.3 Spatial alignment and optimal roll out analysis	74
<b>7 RECOMMENDATIONS</b>	<b>79</b>
7.1 Council's role in facilitating growth and change	79
7.2 Justification for a new centre hierarchy	80
7.3 Overarching policy gaps, issues and opportunities	86
7.4 Centre specific policy gaps, issues and opportunities	87

<b>8</b>	<b>IMPLEMENTATION PLAN</b>	<b>94</b>
8.1	Summary of strategies	94
8.2	Action plan	95
	<b>REFERENCES</b>	<b>98</b>
	Reference List	98
	<b>APPENDIX A: PROJECT GEOGRAPHIES</b>	<b>100</b>
	City of Casey and surrounds	100
	Key features of the City of Casey	101
	Study boundary definitions	102
	Casey subregions	103
	Comparator regions	104
	<b>APPENDIX B: ECONOMIC CONTEXT</b>	<b>105</b>
	Structural changes in the Australian and Melbourne economy	105
	The spatial implications of a changing industry structure	108
	Implications for housing development	110
	Retail sector trends	111
	Health sector trends	118
	Professional services sector trends	119
	<b>APPENDIX C: HISTORICAL CONTEXT</b>	<b>121</b>
	Aboriginal communities	121
	European settlement	121
	Latter 20 <sup>th</sup> century	122
	21 <sup>st</sup> century	123
	Reflections on the development history	125
	<b>APPENDIX D: PLANNING POLICY CONTEXT</b>	<b>126</b>
	State policy	126
	Growth area spatial strategies	129
	Local policy	131
	Summary and policy gaps	140
	<b>APPENDIX E: ACTIVITY CENTRE TERMINOLOGY AND LIST</b>	<b>141</b>
	Centre typology	141
	List of centres	142
	<b>APPENDIX F: LAND USE DEFINITIONS</b>	<b>144</b>
	Land use definitions	144
	<b>APPENDIX G: CONCORDANCE OF LAND USE TERMS</b>	<b>146</b>
	Land use to planning terms	146
	<b>APPENDIX H: OPTIMAL CENTRE ROLL OUT BY SECTOR</b>	<b>151</b>



# GLOSSARY AND ABBREVIATIONS

Key terms and abbreviations are defined below to ensure consistent understanding.

Term	Definition	Abbreviation
Activity Centre	A node with diverse retail, employment and residential land uses. Further defined in Chapter 2.	AC
Victorian Planning Provisions	A state-wide reference document or template from which planning schemes are sourced and constructed. It provides the framework, standard provisions and State Planning Policy Framework.	VPP
State Planning Policy Framework	The state-level planning policies which apply to all land in Victoria	SPPF
Local Planning Policy Framework	Sets the local and regional strategic policy context for a municipality. It comprises the Municipal Strategic Statement and specific local planning policies and controls and operates consistently with the SPPF.	LPPF
Municipal Strategic Statement	A statement of the key strategic planning, land use and development objectives for the municipality and the strategies and actions for achieving the objectives.	MSS
Urban Growth Boundary	The long-term limits of urban development and where non-urban values and land uses should prevail in metropolitan Melbourne.	UGB
Precinct Structure Plan	Falling under the purview of the Victorian Planning Authority, Precinct Structure Plans are master plans for greenfield sites that provide a long-term plan for the urban development of an area, and describe how and where services are planned to support development.	PSP
Retail	Stores selling to the public items for use or consumption rather than for resale. Includes supermarkets, specialty stores, department stores, large format retail and hospitality businesses. Further defined in Appendix F.	
Higher order retail	Shops that predominantly sell high-priced goods that are bought on an infrequent basis. Furniture stores, electrical goods stores and travel agencies are examples of high order retail shops.	

# EXECUTIVE SUMMARY

## Context and purpose

The *Casey Activity Centres: Retail and Other Commercial Floorspace Assessment* (this report; referred to hereafter as the *Assessment*) was undertaken by SGS Economics and Planning to inform the development of the City of Casey's new activity centre strategy (forthcoming). This Assessment comprises part of the first stage of the development of the new activity centre strategy.

This Assessment work:

- Reviewed the spatial, historical, economic and policy context relevant to the development of an activity centre for the City of Casey,
- Modelled the demand for and supply of employment floorspace in the municipality, and
- Reviewed the existing activity centre hierarchy.

This Assessment's key findings and recommendations are summarised below.

## A vision for employment in activity centres

A vision was developed to provide an overarching statement regarding the desired future of retail and other employment uses in Casey's activity centres. The objectives, strategies and actions of this report reinforce and expand on this vision.

**Vision statement:**

*Casey's activity centres provide vibrant economic and social hubs throughout the city, offering convenient access to services, facilities, jobs and a supply of diverse desirable housing.*

**Economic principle:**

Each activity centre adheres to a clear hierarchy, balancing convenience, social interaction, economic growth and employment, benefiting the local neighbourhood and the city as a whole.

**Design principle:**

Casey's activity centres have strong internal and external connections, high quality design and an active public realm that creates a distinct identity and promotes visitation.

## Policy gaps, issues and opportunities

The City of Casey is faced with two major concerns at present in terms of activity centre planning.

The first is the degree of growth and change that the City is currently experiencing. Casey is the largest municipality in Victoria, and has the second highest rate of growth. While new activity centres are planned in Casey's growth areas to serve this growing population, interest has also been expressed in expanding existing centres, which has the potential to undermine the development of new centres. As such, there is a need to strike the right balance between flexibility for the market to respond to opportunities, and the creation of neighbourhoods and places that work well from a broader community perspective.

Secondly, a key aspiration of the City of Casey is to increase the provision of local jobs and facilitate more diverse housing options, with a greater emphasis being placed on facilitating local employment and housing in activity centres close to where people live. As a result, there is a need to develop a policy framework that will support diversification of the land use mix in activity centres.

Through strategic and economic assessment, the following considerations were derived.

### Casey-wide considerations

The following key overarching issues and opportunities affecting all activity centres in Casey were identified:

- The need for further employment diversification to promote self-sufficiency within Casey. This can be promoted by ensuring a sufficient level of commercial floorspace is available in Casey's activity centres, particularly in its metropolitan activity centres.
- Encouraging diverse retailing formats, particularly smaller format and discount department stores.
- The need for more floorspace to be planned for PSP areas to ensure that an adequate level of retail growth can occur in these areas.
- The need for greater structure plan and development plan specificity to ensure the creation of attractive, vibrant and liveable environments.
- The need for more supermarket floorspace to be planned for the municipality.

### Centre-specific considerations

Centre-specific considerations include:

- The need for the key centres of Narre Warren-Fountain Gate CBD and Cranbourne Town Centre to accommodate more higher-order commercial activity to provide a diverse range of local employment opportunities, while limiting retail growth to allow the sustainable development of new or smaller centres.
- The presence of a tertiary education provider in the Berwick health and education precinct being critical to the ongoing viability of the precinct.
- The need for medium and local neighbourhood activity centres to provide convenient and walkable access to local services and facilities to all residents in Casey.
- The need to discourage ad hoc establishment of restricted retail across the municipality.

## Recommendations, strategies and actions

Recommendations for this report were developed to support the development of a strong activity centre network that meets the needs of the local community into the future. The key recommendations are:

- Review the current hierarchy of centres,
- Align the terminology with Plan Melbourne (removing principal and large activity centres from the hierarchy), and
- Include an aspirational approach recognising the desired role of centres.

### A new centre hierarchy

A new activity centre hierarchy and typology was developed and recommended for the City of Casey. It is summarised in the figure overleaf.

## ACTIVITY CENTRE HIERARCHY

Centre Type	Employment Floorspace range	Key functions								Key objectives	
		Spmkt FL/SF	DS / DDS	Retail Spec	Hosp	RR	Major Ent	Emp Comm	Major H&E		Res
Metropolitan activity centre	More than 100,000 sqm	2+ FL 2+SF	1+ DS 2+ DDS	-	-						To play a key regional role in the metropolitan economy, providing a diverse range of employment opportunities for the region. To provide excellent access to higher order services that serve the north (Narre Warren-Fountain Gate CBD) and south (Cranbourne Town Centre) of the municipality. To provide a broad mix of higher-order activities, including a department store and discount department stores, entertainment, and attract a significant level of visitation.
Major activity centre	20,000 up to 100,000 sqm	2+ FL 1+SF	1-2 DDS								To serve a subregional catchment, providing a range of retail, employment, community, health and education facilities and services, and housing options.
Neighbourhood activity centre (medium)	5,000 to 20,000 sqm	1-2 FL 1+SF									To provide for the day-to-day and weekly retail and service needs at a neighbourhood level.
Neighbourhood activity centre (local)	Up to 5,000 sqm	1 SF									
Health and education precinct	-	-	-	-		-					To continue to grow as a significant health and education based employment precinct in Casey and surrounding municipalities.
Restricted retail precinct	5,000 to 50,000 sqm	-									To provide convenient access to a comprehensive range of bulky goods across the municipality.

Low focus

Medium focus

Strong focus

Some key changes include:

- Removal of the principal activity centre type and planning for two metropolitan activity centres – Fountain Gate-Narre Warren (immediate) and Cranbourne Town Centre (future)
- Removal of the neighbourhood activity centre (large) type given it has no discrete role in the existing hierarchy
- Revised neighbourhood activity centre classifications due to non-conformation with floorspace ranges
- Additional neighbourhood activity centres; those already identified in precinct structure plans, and seven new activity centres in Casey's south-eastern growth area to ensure localised accessibility to retail and other services on a day-to-day and weekly basis.
- Allocating 'current' and 'aspirational' roles for centres to allow for changing size and reach in high-development and growth areas.

### **Optimal centre roll out**

An 'optimal centre roll out' for Casey was developed to present the *ideal delivery of floorspace across the network* based on both market and policy based considerations. The optimal centre roll out was developed using a gravity model approach, incorporating small area projected demand, current and planned centre capacities and uses, and various other factors.

While there is no exact timing linked with individual centres in the aspirational centre hierarchy, SGS recommends reference to the optimal centre rollout in statutory decision-making.

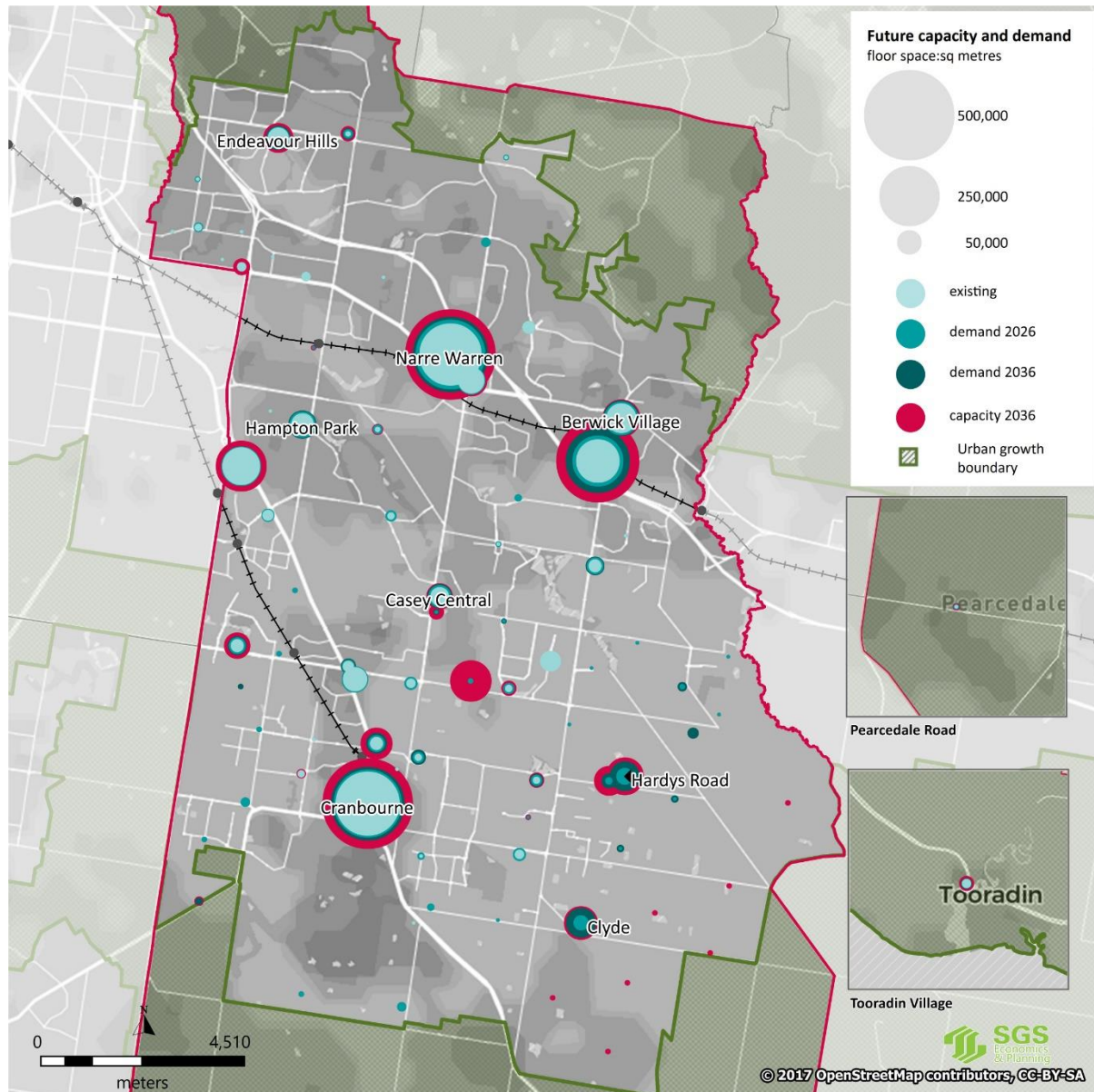
The optimal roll out should not be seen as a highly prescriptive, or fixed, view of the future. Rather it provides a strategic basis to understand how the network might roll out in a rapidly growing area.

Given the highly changeable nature of optimum floorspace levels at individual centres, the optimal centre roll out should be used in conjunction with up-to-date supply gap maps to understand the needs of a wider area and deviate from the optimum rollout if deemed appropriate. This should have consideration to a clearly defined decision-making hierarchy as proposed in Chapter 7.

The optimal roll out map is presented in the figure below.



## OPTIMAL ROLLOUT MAP



SGS Economics and Planning, 2017

## Summary of strategies

The following presents a list of the 21 strategies recommended in this Assessment.

### SUMMARY OF RECOMMENDED STRATEGIES

No.	Strategy
<b>Centre Hierarchy</b>	
1	Use the revised centre hierarchy to guide investment, planning policy and capital works priorities.
2	Use the optimal centre rollout when deciding on changes to zoning and floorspace in activity centres.
<b>Employment diversification</b>	
3	Use policy and zoning to maintain current retail floorspace in metropolitan activity centres and facilitate greater commercial and employment generating uses.
4	Support 'footloose' industries in activity centres.
<b>Encouraging diverse retailing formats</b>	
5	Facilitate development of discount department stores and 'mini-major' stores in activity centre majors and neighbourhood activity centres (medium).
<b>More floorspace in future activity centres</b>	
6	Allow for future growth of activity centres in PSP areas by allocating sufficient land.
<b>Greater structure plan and development plans</b>	
7	Develop high amenity and well-designed activity centres which provide attractive, vibrant and walkable environments.
<b>Managing the rollout of supermarkets</b>	
8	Provide adequate supermarket facilities to meet the needs of the population.
<b>Metropolitan activity centres</b>	
9	Increase ratio of non-retail employment activity using zoning and policy in the LPPF.
10	Identify economic development mechanisms to direct employment generating activities to these centres.
11	Facilitate improved walkability to, in and around these centres by prioritising pedestrian transit over vehicular transit.
12	Facilitate medium to high density residential development.
<b>Activity centre majors</b>	
13	Facilitate improved walkability to, in and around these centres by prioritising pedestrian transit over vehicular transit, and maximising proximity to public transport.
14	Support the development of Casey Central, Narre Warren South as a vibrant mixed use centre offering a wide range of services, facilities and jobs.
15	Identify preferred land use zoning and policy to be applied to Hardys Road (Clyde North) and Clyde Town Centre and advocate for this through the PSP process. This should address land use, built form, walkability to and around the centres, transport and car parking.
16	Ensure interim treatments and uses for unused land are included.
<b>Health and education precinct</b>	
17	Facilitate tertiary health educational facilities, and allied services, to locate in Berwick HEP.
<b>Neighbourhood activity centres</b>	
18	Support the ongoing growth of existing and proposed neighbourhood activity centres (medium) in growth areas to meet the retailing needs of new residents.
19	Avoid stand-alone supermarkets.
20	Avoid out-of-centre location of community services such as libraries, community centres and health services.
<b>Restricted Retail Precincts</b>	
21	Discourage restricted retail from locating in an ad hoc or non-consolidated manner.

## Action plan

The following implementation plan details the specific planning and other actions required to deliver the recommended strategies and objectives.

### IMPLEMENTATION PLAN

Actions	Alignment with strategies	Priority
<b>Overarching</b>		
<b>Planning actions</b>		
Incorporate the revised centre hierarchy into the Municipal Strategic Statement.	1	High
Update the current Clause 22.01 to reflect the revised centre hierarchy.	1	High
Reflect the optimal roll out in the planning scheme.	2	Medium
Consider moving Clause 22.01 to the Municipal Strategic Statement as it is more a strategic statement to guide the planning scheme and Council investment than a tool to guide discretion in planning permit applications.	1	Medium
Review Schedule 1 to the Activity Centre Zone (Cranbourne Town Centre) and Schedule 1 to the Priority Development Zone (Fountain Gate – Narre Warren CBD Incorporated Plan) to maintain existing retail floorspace levels and facilitate increases in commercial and employment generating uses, and housing.	1/3	Underway
Advocate for sufficient land to be allocated in PSP areas to provide for future growth.	6	Medium
Identify opportunities for additional supermarket floorspace in new and existing activity centres.	8	Medium
Develop decision-making hierarchy when applying discretion or making planning scheme amendments (see textbox for potential decision-making hierarchy)	2/6	Medium
<b>Other actions</b>		
Develop an Investment Strategy for activity centres to encourage investment in line with the recommendations of the forthcoming activity centre strategy.	3/4/5	High
Develop guidance for activity centre capital works projects to prioritise pedestrian movement and creation of attractive and people friendly streetscapes.	7	High
Place making program rollout through the economic development department.	7	Medium
<b>Metropolitan</b>		
<b>Planning Actions:</b>		
Review planning controls for each centre and refine to increase the ratio of non-retail employment activity.	9/10/11	Underway
Rezone parts of Cranbourne Town Centre to enable a more straightforward development approval process for higher density dwellings in proximity to the centre.	12	Underway
<b>Other Council Actions</b>		
Identify economic development interventions and incentives available at a local, regional, state and national level to attract investment and jobs creation in metropolitan activity centres and develop a strategy to leverage off these.	9/10/11	Medium

Actions	Alignment with strategies	Priority
Develop holistic accessibility plans for each metropolitan activity centre to improve access to and travel around the centres, with a priority on pedestrian safety and accessibility.	11	Medium
<b>Major</b>		
<b>Planning actions:</b>		
Review planning controls for each activity centre major to ensure that the zoning, overlays and policy in place supports development of vibrant mixed use centres.	15	Medium
Identify preferred location of and planning controls for proposed major activity centres.	15	Medium
<b>Other Council actions:</b>		
Develop holistic accessibility plans for each <b>major activity centre</b> to improve access to and travel around the centres, with a priority on pedestrian safety and accessibility.	13	Medium
<b>HEP</b>		
<b>Planning actions:</b>		
Review planning controls for Berwick HEP to ensure there is an appropriate amount of suitably zoned land to attract growth in the health and education sectors at Berwick HEP.	17	Medium
<b>Other Council actions:</b>		
Advocate for the co-location of health and ancillary facilities with Casey Hospital, within the Berwick HEP.	17	Medium
Maintain a positive relationship with key stakeholders, including Federation University and Monash Health.	17	Medium
Develop an access and movement plan for the precinct to plan for future employment and resident numbers.	17	Medium
<b>Neighbourhood</b>		
<b>Planning actions:</b>		
Review planning controls for each neighbourhood activity centre to ensure that the zoning, overlays and policy in place supports development of vibrant mixed use centres.	18/19/20	Medium
<b>Other Council actions:</b>		
Develop holistic accessibility principles to apply to neighbourhood activity centres when capital improvements to streetscaping and accessibility are funded, with a priority on pedestrian safety and accessibility.	18/19/20	Medium
<b>Restricted</b>		
<b>Planning actions:</b>		
Review planning controls for each precinct and define a consistent zoning approach.	21	Medium
<b>Other Council actions:</b>		
Prepare a restricted retail strategy to review and direct activities	21	Medium

# 1 INTRODUCTION

## 1.1 Project context

The City of Casey (Council) is currently developing a new activity centre strategy. As part of the first stage of the new activity centre strategy, SGS Economics and Planning (SGS) was engaged to prepare the *Casey Activity Centres: Retail and Other Commercial Floorspace Assessment* (this report; referred to hereafter as the *Assessment*).

The key objectives of the new strategy being developed by Council are:

- To identify any appropriate statutory or non-regulatory mechanisms that will encourage and diversify the land use mix and increase non-retail jobs and housing development in activity centres.
- To provide a clear and current strategic framework that can be effectively used as a policy tool to guide decision making.
- To establish a clear, evidence-based activity centres hierarchy with appropriately sized centres to meet the needs of Casey's communities through to 2036.
- To support on-going economic viability of activity centres across the network, having regard to evolving retail and other commercial trends.
- To ensure the Activity Centres Strategy is consistent with State Government Planning Policy such as Plan Melbourne and the new commercial zones, and is underpinned by robust strategic planning justification.
- To establish an overarching urban design framework that provides high-order guidelines that can be applied to all activity centres across the network.
- To involve the local community, commercial and development sector in the development of the 2017 Activity Centre Strategy.

## 1.2 Scope and purpose of this report

This Assessment forms a key background document to assist Council with the development of the new Strategy. The Assessment includes significant policy research, economic analysis and recommendations based on a retail and other employment role perspective. While other related topics (such as housing, transport, design) are touched on, these have not been analysed in detail and Council will need to draw on other research to establish a complete vision and strategy for the activity centres in the City of Casey.

The core objectives for this Assessment include:

- To contribute to the strategic basis for Council's review and update of the 2012 Activity Centres Strategy, and subsequent amendment to the *Casey Planning Scheme*.
- To identify the current and future demand for retail and other commercial floorspace within the City of Casey based on current and future population rates, while having regard to Council's adopted *Housing Strategy* (2015).
- To enable Council to establish a clear, evidence-based activity centres hierarchy with appropriately sized activity centres for current and future population catchments.
- To determine the current land supply available in activity centres to accommodate retail and other commercial uses and whether the current supplies are appropriately located.
- To provide advice on the 'market gap' (i.e. the over-supply or shortfall of retail and other commercial land supply, and in relation to supermarkets and discount department stores), including estimates that outline the additional land area required to accommodate retail and other commercial uses, where this should be located and when this is likely to be needed.
- To recommend how retail and other commercial floorspace growth should be apportioned across Casey's network of activity centres.



- To provide advice on how the 2012 activity centre hierarchy should be revised to ensure the future needs of the Casey community can be met.
- To provide advice on the statutory and non-regulatory mechanisms available to Council to diversify the land use mix and attract more non-retail commercial jobs into activity centres.
- To reduce the need for centre-specific economic impact assessments through the development of a robust activity centre hierarchy which is informed by current evidence and intelligence regarding likely retail and other commercial floorspace growth.
- To consider current State and Local Government policy relating to activity centres, and retail and other commercial uses.

### 1.3 Report structure

To meet these objectives SGS completed four stages of analysis (as presented in **Error! Reference source not found.**) which have been incorporated into this report as follows:

- **Chapter 2** outlines an overarching employment vision for activity centres in Casey
- **Chapter 3-5** provides a spatial, economic and policy context along with an assessment of existing supply and projected demand for retail and other employment uses across the network of centres in Casey.
- **Chapter 6-7** discusses key issues, opportunities and presents recommendations for a revised centre hierarchy and optimal roll out. This includes discussion of key objectives, strategies and actions to deliver on the vision outlined in Section 2.
- A series of **Appendices** include further research, analysis and definitions.

## 2 A VISION FOR EMPLOYMENT IN ACTIVITY CENTRES

Based on the research and analysis completed throughout this Assessment the following Chapter outlines the overarching vision for Activity Centres in the City of Casey from an employment perspective. The justification for Council to take a strategic approach to managing employment in activity centres is also presented.

### 2.1 A vision for employment in activity centres

The vision provides an overarching statement regarding the desired future of retail and other employment uses in Casey's activity centres. This vision is then reinforced and expanded through the various objectives, strategies and actions presented in Chapter 6 and 7.

#### Vision statement

*Casey's activity centres provide vibrant economic and social hubs throughout the city, offering convenient access to services, facilities, jobs and a supply of diverse desirable housing.*

#### Economic principle

Each activity centre adheres to a clear hierarchy, balancing convenience, social interaction, economic growth and employment, benefiting the local neighbourhood and the city as a whole.

#### Design principle

Casey's activity centres have strong internal and external connections, high quality design and an active public realm that creates a distinct identity and promotes visitation.

The rationale behind two fundamental elements of the vision – **a diversity of employment uses** and **the need for a hierarchy** – are outlined below. These are discussed and reinforced through the entire Assessment.

## 2.2 Importance of jobs, retail and an activity centre strategy

The City of Casey has the largest population in Victoria and is growing rapidly. Amongst Victorian Local Government Areas (LGAs), Casey's total population growth in 2014/15 was second only to Wyndham; Casey accommodated an additional 8,996 people, at a growth rate of 3.2 percent<sup>1</sup>.

This substantial growth is the pre-eminent characteristic of Casey and will have a significant impact on planning and land use decision-making over the next two to three decades as the City continues to be one of the fastest growing municipalities in Australia.

New activity centres are planned in Casey's growth areas to serve this growing population, and the locations of these are identified in the Precinct Structure Plans (PSPs). As the development of new activity centres often lags behind residential development, the City of Casey has been receiving applications to expand the retail floorspace in existing centres seeking to serve the increased residential activity. There are, however, concerns that an increase in floorspace at existing activity centres could be detrimental to the development of a sustainable hierarchy of activity centres to serve the future population of Casey.

Some commentators suggest the market could be left to its own devices in meeting this outcome of supply and demand balance in retail floorspace provision. That is, developers could be left to propose expansion or initiation of shopping centres wherever or whenever they see an opportunity for viable investment. Typically, this laissez faire approach is not adopted in planning schemes because it is likely to generate several negative side effects in the process of meeting consumer demands. These side effects can include excessive impacts on existing shopping centres, adverse amenity effects for surrounding neighbourhoods, poor transport outcomes and reduced diversification of employment uses.

**There is a need to strike the right balance between flexibility for the market to respond to opportunities, and the creation of neighbourhoods and places that work well from a broader community perspective.**

The City of Casey does not currently have an up to date evidence base from which to determine whether there is sufficient demand to support additional development in existing centres without compromising the roll out of these new centres or impacting on the viability of other existing centres.

Furthermore, a key aspiration of the City of Casey is to increase provision of local jobs and facilitate more diverse housing options, with a greater emphasis being placed on facilitating local employment and housing in activity centres close to where people live. As a result, there is a need to develop a policy framework that will support diversification of the land use mix in activity centres.

An updated activity centres strategy is required to respond to these rapid demographic and population changes and establish an activity centre network that meets the future demand for retail goods and commercial services.

---

<sup>1</sup> 2016 Census - ABS

## 2.3 What is the benefit of establishing a clear hierarchy?

While a clearly defined centre hierarchy has formed the foundation of municipal and state planning policy around retail, employment and residential land uses for many years, it remains a contested principle outside of urban planning circles. Indeed, there have been a range of high profile enquiries undertaken by Parliamentary Committees, the Commonwealth Treasury, the Productivity Commission and various industry bodies challenging the restrictive nature of centres hierarchies as the basis for planning controls on retail investment. Several of these critics have claimed that such planning laws are stifling investment by retail innovators, thereby hampering competition to the detriment of the consumer.

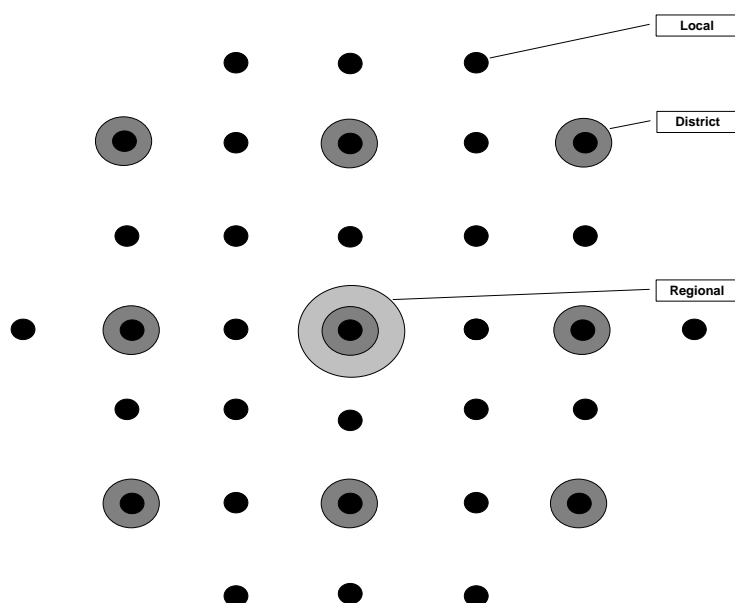
**It is essential that Casey clearly explain *why* adherence to a centres hierarchy is a good thing for the community.**

Planning policy across all jurisdictions in Australia has recognised the continuing tendency for retail and employment activity to fall into hierarchies of centres. These hierarchies of centres reflect typical citizen perceptions of 'community'. That is, the sense of local, district and regional identity is often defined by reference to the centres serving these various geographic spheres of affiliation.

These hierarchies also reflect typical shopping behaviours. More frequent, short distance and low spend visits are made to a local centre to support a 20-minute neighbourhood, versus occasional high spend visits to more distant centres offering higher order goods and services. In these hierarchies, lower order functions can 'nest' within higher order centres (Figure 1) in order to:

- Co-locate services and/or investment
- Promote and optimise accessibility for residents
- Manage impact on other centres to maintain healthy centres

FIGURE 1 RETAIL HIERARCHY



Source SGS Economics & Planning

If shopping opportunities are spatially arranged in this way, the consumer and environmental travel cost associated with the delivery of retailing services will be minimised due to the ability to make multi-purpose trips and the alignment of frequency with proximity (i.e. lots of small local centres close to everyone, fewer larger centres that provide the full range of services).

Aside from the vital benefit offered by centres hierarchies in terms of transport sustainability, there is a strong nexus between centres policy and urban consolidation. Vibrant nodes of commercial, retail, entertainment, health and civic services provide the nuclei around which more dense housing can form. If such centres do not exist, or if they are unable to 'promise' a continuity of services and public transport for their walkable catchments, it is likely that households will prioritise space – in dwelling floor area and lot size – over convenience of access to services. Ultimately, this generates sprawling low density environments.

For these reasons it is crucial that Casey establishes a centres hierarchy, where centres have a defined role as part of an integrated network. Given the significant growth projected in Casey it will need to understand the current role of centres, while still identifying an aspirational role as the population grows over time.

# 3 STRATEGIC CONTEXT

The following chapter presents an overview of the spatial, historical, economic and policy context relevant to the development of an activity centre strategy for Casey. Further detail is included in the appendix.

## 3.1 Spatial context

### City of Casey is at the heart of the South-East Growth Corridor

Casey operates within a broader regional context which should be considered when planning for future retail and commercial needs and assessing supply. Figure 2 presents this context as detailed in *Plan Melbourne 2017*.

While this regional hierarchy and these interconnections relate to the broader economy they are key drivers of opportunity for the retail and commercial sector within Casey.

To some degree Casey acts as a 'gateway' to surrounding peri-urban areas, providing higher-order uses typically not found in regional locations. This is particularly relevant to the Gippsland region, to which Casey has strong connections. There are some linkages down to the Mornington Peninsula but these are not as direct. Frankston largely provides this 'gateway' function for the Mornington Peninsula.

Conversely, given its location 50 kilometres out of the Melbourne city centre, the City of Casey is part of the broader metropolitan Melbourne economic mass. Strong and complementary linkages into this broader economy are critical to realising a diversified economy. The Dandenong Major Activity Centre and Dandenong South National Employment and Innovation Cluster (NEIC) are just to the west of Casey and present a significant opportunity. Beyond this major economic node is Monash NEIC and then the Melbourne CBD, along with many other smaller economic nodes along the way.

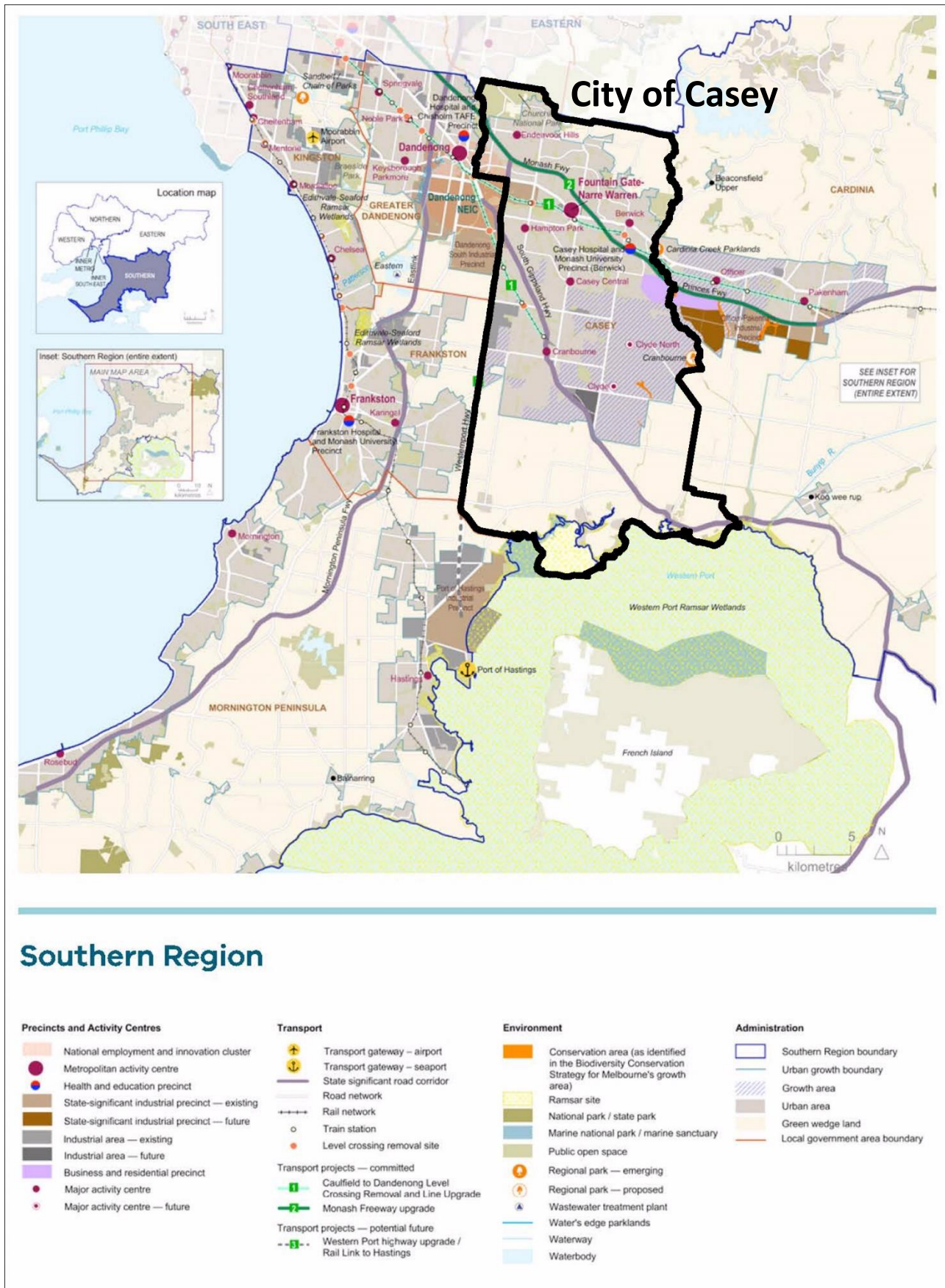
Within Casey, the Fountain Gate-Narren Warren CBD is the only centre identified as a metropolitan activity centre in Plan Melbourne.<sup>2</sup> However, the Cranbourne Town Centre also plays a similarly significant regional centre role serving a catchment beyond the local population.

---

<sup>2</sup> Two other centres in Casey are considered state significant. The Casey Hospital and Monash University Precinct (Berwick) is identified as a health and education precinct, and the Officer-Pakenham Industrial Precinct is identified as a state-significant industrial precinct.



FIGURE 2 STRATEGIC CONTEXT



Source: Plan Melbourne 2017

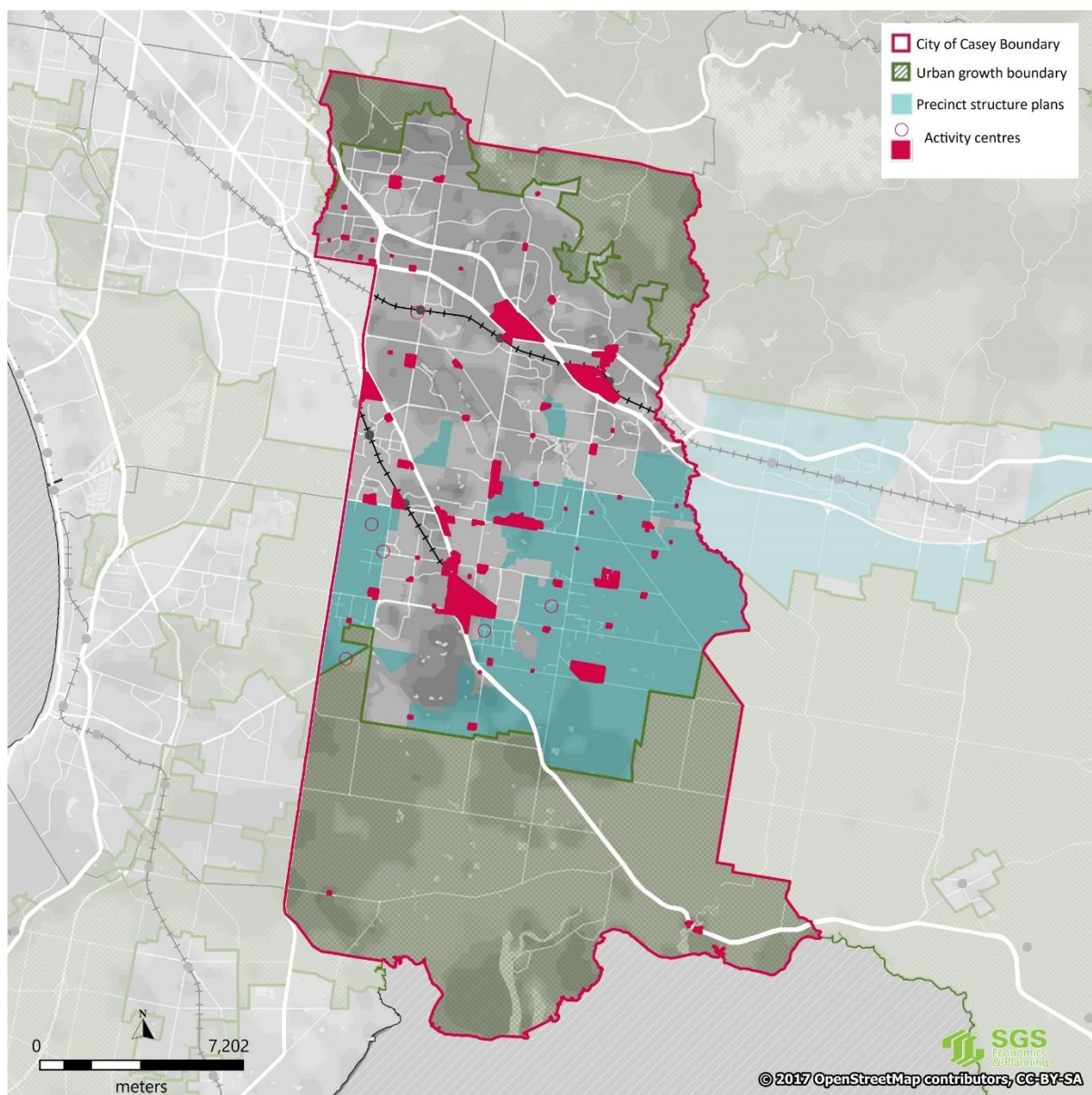
## Casey activity centres and defining the project study area

The City of Casey covers an area of 395 square kilometres and is characterised by a diverse environment that extends from the foothills of the Dandenong Ranges to the shores of the Western Port. It provides an interface between country Victoria and established Melbourne, with new rapidly developing suburbs in between.

The **study area** (see red areas and does in Figure 3) includes all existing activity centres defined in previous strategies, along with planned future centres as defined in existing Precinct Structure Plans (as of May 2017). A selection of 'out-of-centre' locations have also been investigated where they have potential to be incorporated into the hierarchy. However, this was not a comprehensive analysis and out of centre locations were not a focus of this Assessment.

Centre boundaries were defined based on a review of existing zones and uses and is further documented in Appendix A. Where zoning conflicts are evident, recommendations have been included in Chapter 6 and 7.

FIGURE 3 CASEY ACTIVITY CENTRES STUDY AREA



Source: SGS Economics and Planning



## 3.2 Development context

It is important to understand the long term development context of the region to gain a strong understanding of the existing structure of the local economy.

<b>Pre settlement</b>	The Mayone Bulluk Bunurong people (and a number of Wurundjeri people to the north and west) historically inhabited the land on which the City of Casey now lies.
<b>1830</b>	European settlement began in the 1830s, with small freeholding parcels created in the 1860s. More intensive forms of farming took on a predominant role the early 20 <sup>th</sup> century. Dairying and cheese-making comprised a large part of these diverse farming practices, along with market gardening, horse and cattle breeding, and orchard activities.
<b>1900</b>	By the early 20 <sup>th</sup> century, Berwick and Cranbourne had taken on roles as the two main centres in the area. These two main towns were supplemented by the smaller surrounding rural service townships and villages, including Hallam, Narre Warren, Narre Warren North, Tooradin and Clyde.
<b>1960</b>	<p>During the 1960s and 1970s, poultry farms rose in significance in the area, particularly in the south. Manufacturing also played a significant role in the post war era. Rural areas were converted to industrial suburbs, such as Doveton, and abattoirs and lace factories were established. Two prominent automotive and truck plants were also established during this period, including General Motors Holden.</p> <p>With the establishment of these large plants, the population of the adjoining suburbs of Doveton, Hallam and Endeavour Hills saw rapid growth.</p>
<b>1970</b>	The development of large shopping complexes in the 1970s and 80s (Dandenong Plaza being the other notable addition to the region during this time) altered the retail structure of the area, drawing activity from the main streets of Berwick and Cranbourne.
<b>1990</b>	The City of Casey was formed in 1994 as part of a series of local government mergers across Victoria, combining parts of the Cities of Berwick, Cranbourne and Knox.
<b>2000</b>	An Urban Growth Boundary (UGB) was introduced across Melbourne in 2002 to manage growth on the fringe of the city, including Casey. It was later extended in 2012.

Today, parts of the City of Casey are still regarded as some of the most important agricultural districts in Victoria. Within the UGB, urban growth is still occurring rapidly. Ensuring these new populations have access to local jobs and services will be a continuing challenge for the municipality. Given the precinct structure plans (PSPs) that guide new settlement in Melbourne are developed at the state level, Council planning and policy must be able to effectively respond to state growth area planning to achieve sustainable outcomes. PSPs are discussed further later in this chapter.

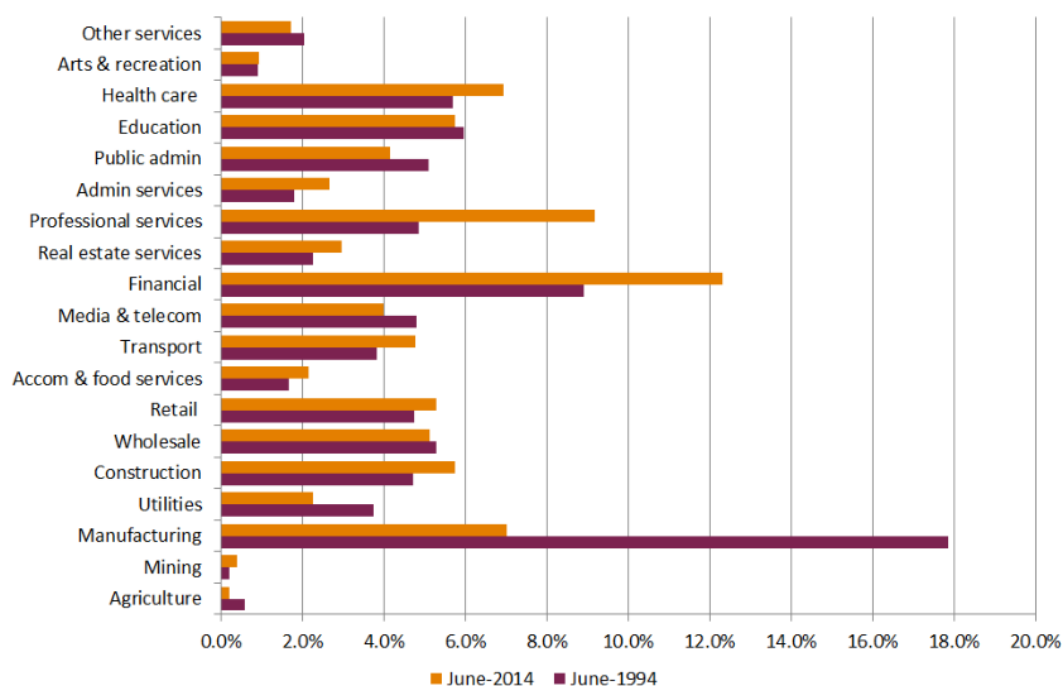
### 3.3 Key economic trends

#### Economic trends – structural changes in Australia and Melbourne’s economy

At a high level, the Australian and Melbourne economies are experiencing an economic evolution. Over the last decade, the Melbourne economy has shifted towards a knowledge services driven economy and away from its traditional manufacturing roots (see Figure 46 in Appendix B). This is reflected in the gross value added by different industries, as seen in Figure 4 below.

Wider economic shifts such as these impact local economies to varying degrees and present a range of issues and opportunities.

FIGURE 4 MELBOURNE INDUSTRY STRUCTURE, GROSS VALUE ADDED



Source: SGS Economics and Planning, 2014

## Sector trends: sector impacts on Casey's activity centres

These broad structural trends are largely out of government (local, state and federal) control. Nevertheless, they will have profound impacts on how local employment and economic activity will develop in Casey. The following presents some key trends which are further discussed in Appendix B.

<b>Retail and hospitality</b>	<p>Acting as a primary shaper of local activity, the retail and hospitality sector has and will continue to evolve significantly to meet consumers' changing preferences and technological disruption. We will see a continued shift toward more retail services (including hospitality). Goods retailing should increasingly focus on the 'experience' as simple price comparison shopping will be directed online. Online retailing also presents an opportunity for boutique retailers to specialise and expand their exposure.</p> <p>A unique, tailored and enjoyable experience will be central to future retail success.</p>
<b>Commercial services</b>	<p>The long-term competitiveness of the Australian economy is underpinned by its ability to innovate. This has resulted in dramatic growth in commercial 'knowledge based' services. Under the new knowledge economy many of the non-core functions of traditional firms have been moved out and undertaken by a range of specialist service firms (i.e engineering, accounting, IT, Design, etc). These specialised firms service a range of other businesses and consumers directly.</p> <p>Importantly they have significantly different locational drivers to the 'old economy'. Knowledge based services look to concentrate around economic nodes to maximise their potential client and employee skill base. They seek well connected and vibrant mixed use precincts which provide high amenity to their staff and customers alike.</p> <p>A rise in micro and home-based businesses may increase pressure on local infrastructure and services, including internet and communications infrastructure.</p>
<b>Health sector</b>	<p>Growth in the health sector will come from both a growing (and ageing) population and technological advancements. This will result in a broadening of the sector with increasing employment in allied and support services along with super specialisation in metropolitan level services. The sector will have two main growth areas:</p> <ul style="list-style-type: none"><li>– <b>local health services</b> (eg. general practitioners) which will be spread out and follow broad population and employment growth patterns; and</li><li>– <b>regional services</b> (eg. hospitals) which will increasingly be clustered around existing nodes as specialisation drives innovation.</li></ul>
<b>Education and community facilities</b>	<p>Social and community services along with education also form a key component of the local economy. As the needs and preferences of the community evolve, these facilities increasingly need to be adaptable and integrated into the local economy.</p> <p>These facilities are often (partly) funded via government and present a significant opportunity to lead design and hierarchy objectives to support vibrant and diverse employment outcomes in activity centres.</p>



## Housing trends: housing development impacts and opportunities

While housing is not the focus of this Assessment, it has significant implications on how activity centres develop and forms a key ingredient in a vibrant mixed use activity centre.

Medium and higher density residential development within and around activity centres provides a range of benefits including a diversity of housing products in the local community, and an increased local (walkable) catchment for the centre. For this reason, housing development as part of an activity centre should be supported where appropriate. This is discussed further in Chapter 6.

New multi-unit housing supply occurs as a response to both underlying demand and is (generally) a profit-generating activity for land owners and developers. The profitability of any project is, however, subject to a range of risks. Project-related risk is directly affected by the scale of development (i.e. larger projects reflect greater risk). Market-related risk, on the other hand, is lower in high-value markets, as new housing supply has a better opportunity to fit within the prevailing local housing price hierarchy.



Source: SGS Economics and Planning, 2017

It should be expected that new housing supply will follow a pattern of increasing intensity over time as the value of housing in that location escalates so as to lower market related risks. These incremental changes to project density also facilitates market acceptance and financiers' confidence about the suitability of locations to accommodate alternative housing forms.

### 3.4 Current policy context

The following outlines key policy documents at the state and local level along with gaps which the broader activity centre strategy will seek to address. Further detail around each document is included in Appendix D.

#### State and regional policy overview

State planning policy guides the overall developmental direction of the state and can have both general and very specific impacts on employment lands across a local government area. There are two core documents in particular that will help guide retail and other employment growth and its location in Casey:

- **Plan Melbourne:** The current state government strategic plan for Melbourne, which is adopted in the State Planning and Policy Framework (SPPF).
- **Victorian Planning Provisions (VPP) and SPPF:** defines the tools and overarching planning policy framework for all local governments. New commercial and residential zones have been created since the last Casey Activity Centre Strategy was adopted.

In addition to these overarching documents the Victorian Planning Authority (VPA) has developed further direction for new growth areas through two key policy documents:

- **Growth Corridor Plan:** Growth Corridor Plans are high level integrated land use and transport plans for Melbourne's growth corridors. Casey is located in the area covered by the *South East Growth Corridor Plan*.
- **Precinct Structure Plans (PSPs):** PSPs are master plans for greenfield sites that cater for between 10,000 to 30,000 people. There are 14 PSPs that have been approved or are at completion in the City of Casey

There are a number of other state and regional level policy documents which inform Casey's centres.

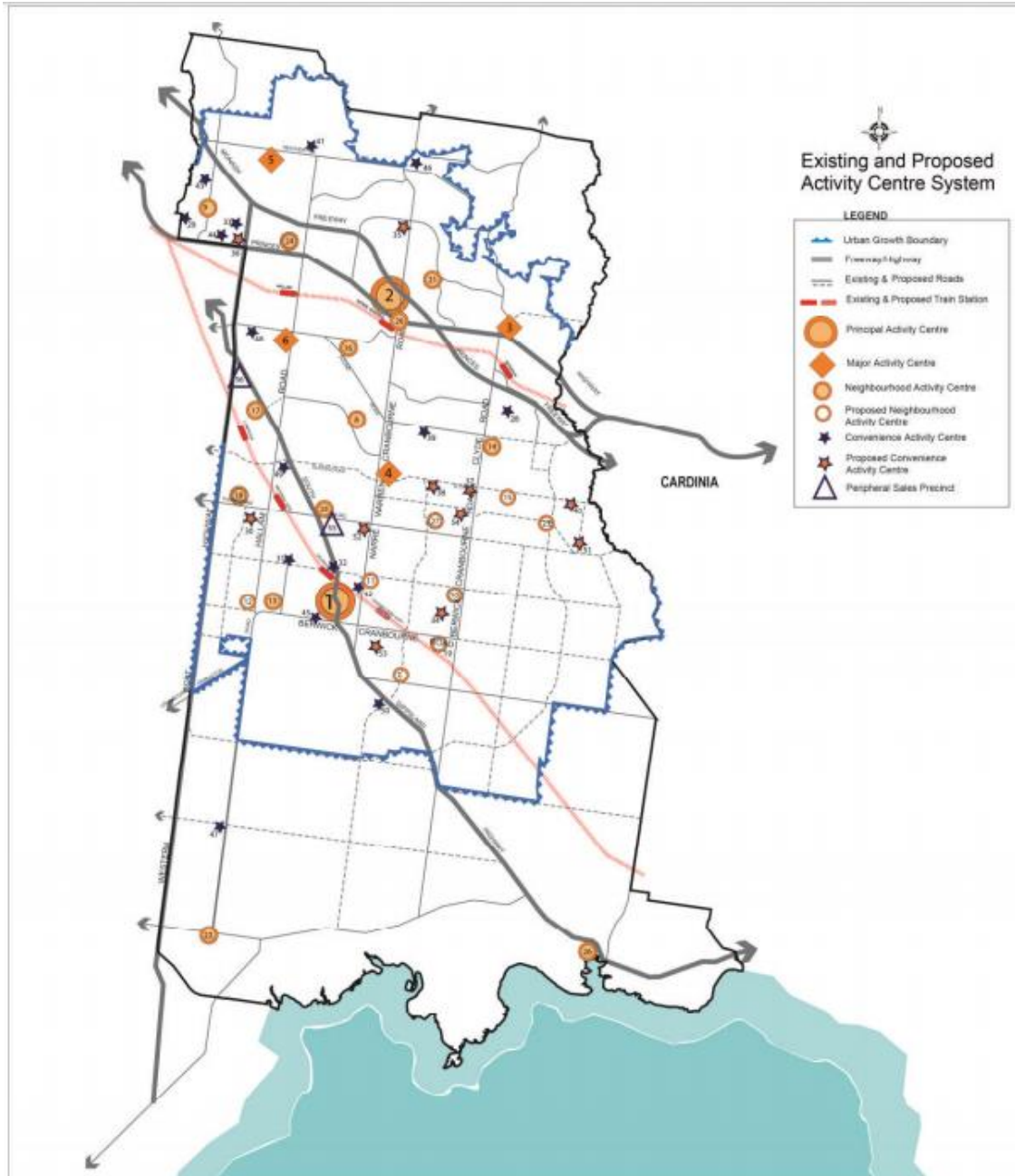
#### Local policy overview

While the SPPF sets out a strategic framework for employment land uses for Victoria, the Local Planning Policy Framework (LPPF), along with zones and overlays, is intended to provide guidance that is responsive to local conditions and opportunities. These policies need to be consistent with the SPPF. Local strategies, structure plans and programs also help provide additional direction and detail to local policy. These documents vary in terms of their statutory power (or status) and currency (or date prepared) which should be considered when interpreting them. An overview of key relevant documents is as follows:

- **Casey C21 Strategy – A Vision for our Future (2002) and Building a Great City (2011):** Present a long-term strategic plan for Casey as a whole. It should be noted that "Casey C21 – Building a Great City 2011" was recently updated in 2017 to the adopted 'C21 – 'Creating A Great City.' **Municipal Strategic Statement (MSS):** The MSS contains the key strategic planning, land use and development objectives for the municipality, along with the strategies and actions required to achieve them. A new MSS was recently gazetted into the Casey Planning Scheme. It includes Local Area Plans for each area across the municipality.
- **Clause 22.07 – Retail Policy:** Details the existing retail centres hierarchy (see Figure 6) and adopted policies.
- **Casey Activity Centre Strategy (2006):** The strategic basis for Clause 22.07. Its relevance to the fast-growing municipality is now limited and it aligns with the now outdated *Melbourne 2030* policy framework.
- **Casey Activities Areas and Non-Residential Uses Strategy Volumes 1 & 2 (2012):** A review of the 2006 *Casey Activity Centre Strategy*, in a response to significant growth and changes to activity centres. This Strategy has been adopted by Council but has not been given effect in the Casey Planning Scheme. It also aligns with the now outdated *Melbourne 2030* policy framework.
- **Casey Housing Strategy (2015):** The Strategy identifies areas suitable for different rates of housing change – minimal, incremental and substantial.
- **Casey-Cardinia Economic Development Strategy (2016):** The purpose of the Strategy is to provide a context for Council's economic development activities by providing direction and actions that stimulate investment and the growth of local jobs.

- **Fountain Gate-Narre Warren CBD Structure Plan (2016):** This report was developed to support the development of the ‘refreshed’ planning framework for the Fountain Gate-Narre Warren CBD.
- **Cranbourne Town Centre Structure Plan (2011):** Outlines planning controls and development objectives for the Centre. This Structure Plan is currently being updated.

FIGURE 6 EXISTING AND PROPOSED ACTIVITY CENTRE SYSTEM



Source: Casey Planning Scheme: Clause 22.01 Retail Policy

## Policy gaps and challenges

The main aim of developing a new activity centre strategy is largely to refresh and update existing policies which are now outdated. This Assessment will focus on the economic elements, providing direction on a revised hierarchy and details around the supply and demand alignment and composition. Importantly, this will include the role of non-retail employment within centres which has been lacking in previous strategies.

Other key policy gaps which this work will help to address include:

- Better alignment with new state planning policy Melbourne, including revised centre terminology and focus.
- Better alignment with latest growth forecasts.
- Updated understanding around the role of higher order centres (including the Fountain Gate-Narre Warren CBD and Cranbourne Town Centre) given recent development activity.
- Additional and more nuanced discussion around the need to consider the non-retail employment role in centres and how to provide more local employment opportunities for residents in Casey.
- How to balance the need for new/expanding centres to cater for significant growth in greenfield areas and preserving the integrity of existing centres.

## 4 A PROFILE OF CASEY'S ACTIVITY CENTRES

The following chapter provides a snapshot of the current distribution and composition of retail and other employment uses in Casey's activity centres. It also includes some discussion of 'out-of-centre' activity areas where this has an impact on the centre hierarchy. Finally, the chapter documents approved future developments, new centres as detailed in approved PSPs and network coverage.

The methodology in determining floorspace, job numbers etc. are found in text boxes at the end of each section.

### A note on the centre hierarchy and classifications used in this section

A key component of this Assessment was to review and update the existing centre hierarchy in terms of both individual centre classifications and the overall framework. Rather than presenting analysis based on the old hierarchy classification (as detailed in Clause 22.07) this section presents results based on the final revised framework. A full list is included in Appendix G.

The revised framework aligns with new state government terminology (eg. metropolitan activity centre) and was informed by analysis completed throughout the entire project, including this section. Further details along with justification is presented in Chapter 6 of this report. At a high level, there are now six classifications:

- Metropolitan activity centre or Metro
- Major Activity centre or Major
- Neighbourhood activity centre (medium) or Medium
- Neighbourhood activity centre (local) or Local
- Restricted retail precinct or RRP
- Health and education precinct or HEP

This section seeks to document existing uses and, therefore, centres are classified based on their existing role under this new framework. Chapter 6 draws on analysis of projected demand (completed in Chapter 5) to also detail aspirational centres roles.

### 4.1 Activity centres as part of City of Casey broader economy

As of 2016 the City of Casey had 69,700 jobs and 297,000 local residents (in 97,260 dwellings) spread across 395 square kilometres. However, Casey's activity centres, the focus of this Assessment, only represent a geographically small component of this total area. Before analysing their individual attributes, it is useful to understand their current role, as a whole, within the broader Casey economy.

Table 1 provides a summary of land, jobs and residents within and outside existing activity centres. Note:

- 'In centre' is all land within one of the 45 existing activity centre boundaries as detailed in Appendix A.
- 'Elsewhere' includes all other land, employment or population within the City of Casey. This includes other non-centre based employment industries such as industrial.

The calculations exclude land for proposed centres (i.e. in PSP locations) and 'out-of-centre' activity areas which are areas where the zoning does not reflect the land uses for the areas (e.g. Berwick Springs which is

adjacent to Eden Rise and currently zoned General Residential Zone (GRZ1)). Recommendations for realigning the zoning boundaries of some of these centres are found at the end of this chapter.

The overview highlights that while the activity centres occupy around 2 per cent of land, they contain 39 per cent of all jobs in the municipality. The centres are largely comprised of retail floorspace, but also contain several other employment uses, including commercial (both local services and higher order office functions) and institutional uses such as health and education services. Currently they have very few residents living within their boundaries, at less than 1 per cent of Casey's total population and dwellings. These dwellings are largely low to medium density dwellings, with relatively few apartments currently within Casey's activity centres.

TABLE 1 IN CENTRE AND ELSEWHERE SUMMARY, 2016

	Land area (sqm)	Jobs	Dwellings	People
In centres	8,110,000	27,300	750	2,061
% of Casey	2.0%	39.1%	0.8%	0.7%
Elsewhere	388,520,000	42,500	96,500	294,939
<b>City of Casey</b>	<b>395,630,000</b>	<b>69,800</b>	<b>97,250</b>	<b>297,000</b>

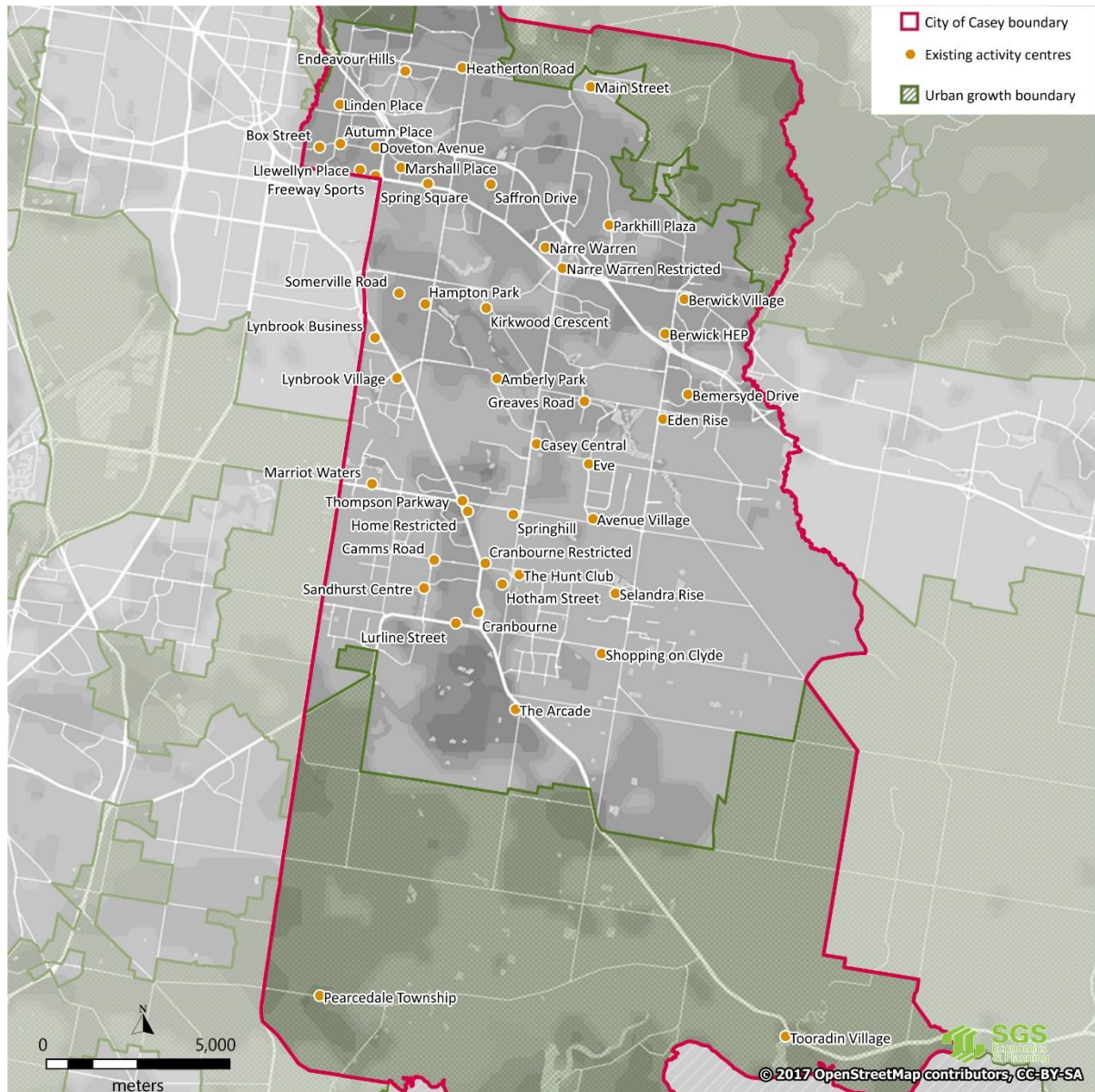
Source: SGS based on ABS and other datasets

The 45 existing activity centres in Casey are identified in the figure below. This includes one metropolitan activity centre, five major activity centre, 15 neighbourhood activity centres (medium), 19 neighbourhood activity centres (Local), one health and education precinct and four restricted retail precincts<sup>3</sup>. A full list is contained in Appendix G.

<sup>3</sup> Two are co-located with (or form part of) larger activity centres namely; Fountain Gate-Narre Warren CBD and Cranbourne Town Centre.



FIGURE 7 EXISTING ACTIVITY CENTRES



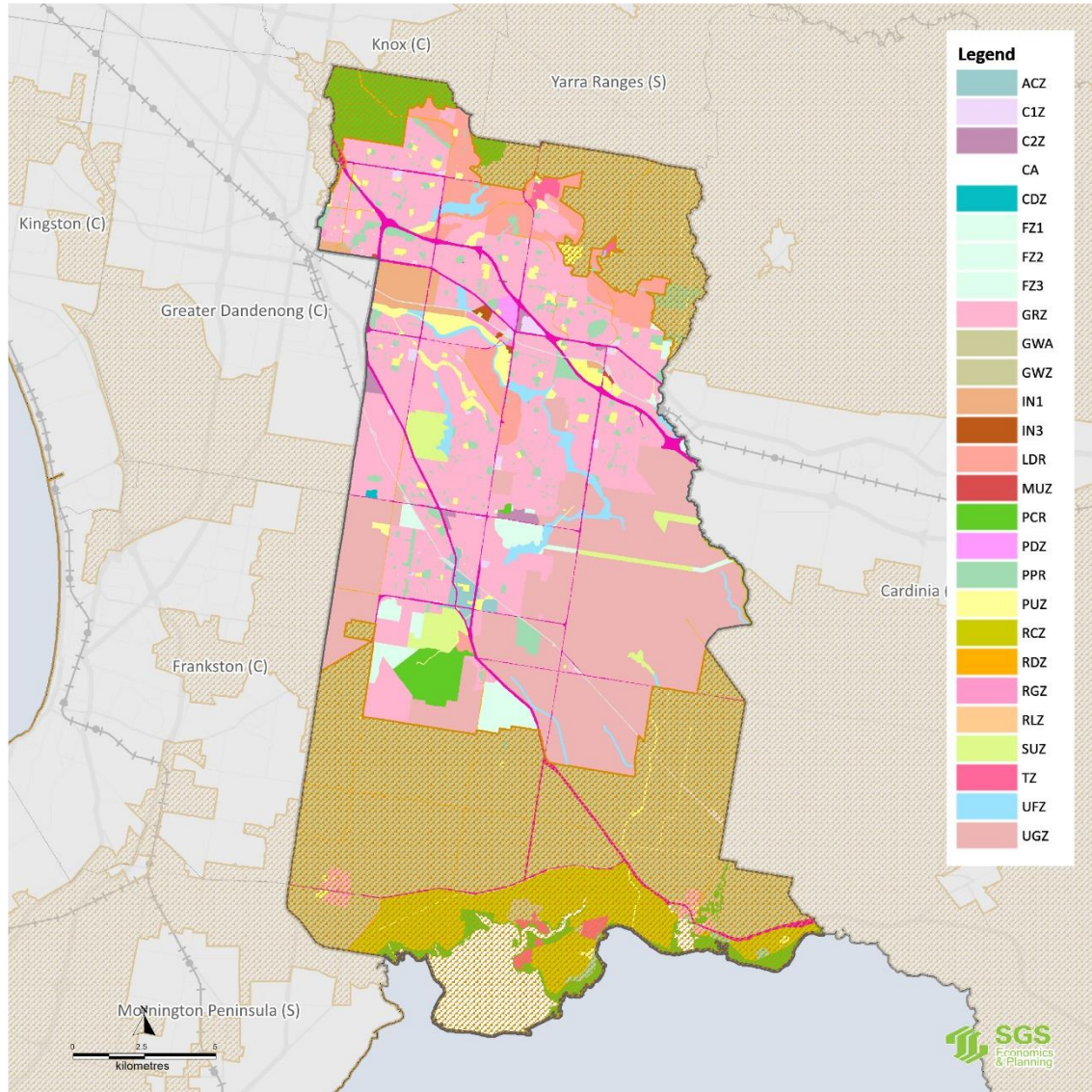
Source: SGS Economics and Planning



## 4.2 Land zoned for retail and commercial uses

The City of Casey is predominantly zoned rural (GWZ, RCZ), residential (GRZ, LDRZ, RGZ, RLZ, TZ) and urban growth zone (UGZ). Core retail and commercial employment zoned land (ACZ, C1Z, C2Z, MUZ, CDZ and PDZ) represent a relatively small proportion of the total land area.

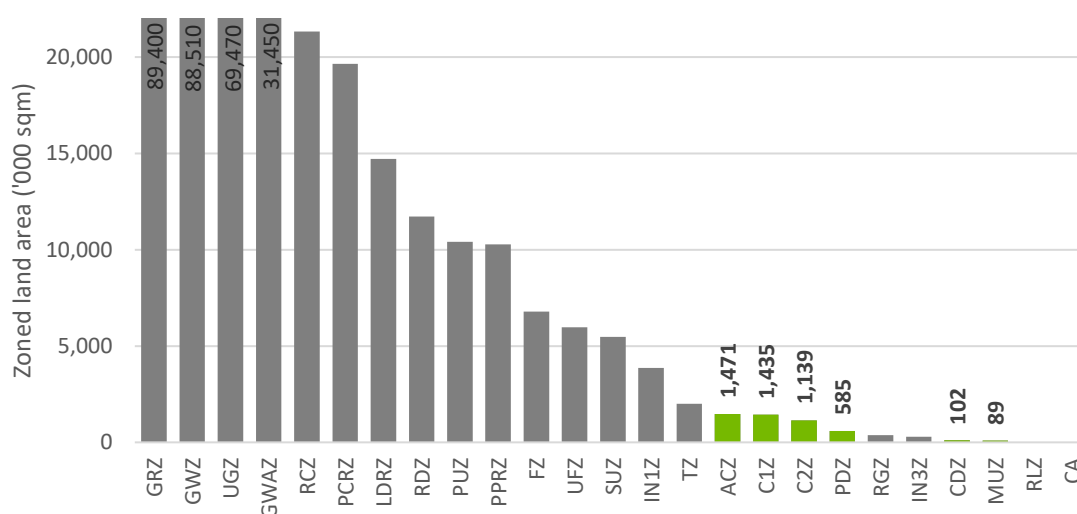
FIGURE 8 CASEY PLANNING ZONES, 2016



Source: Victorian Planning Provision, 2016

Figure 9 breaks down land area by planning zone with core retail and commercial employment zones highlighted green. Combined, these six zones represent 1.2 per cent of Casey's land area.

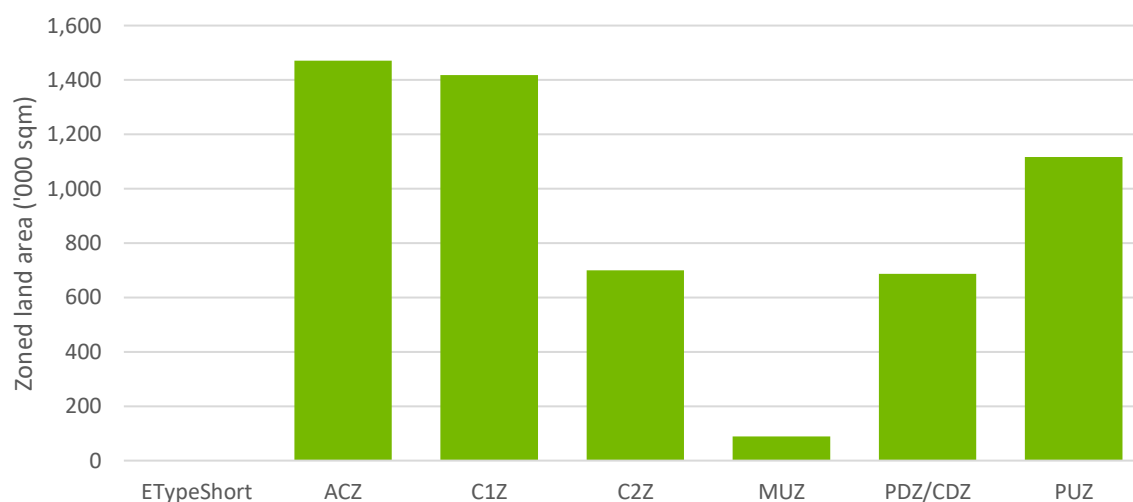
FIGURE 9 CASEY PLANNING ZONES, LAND AREA (SQM), 2016



Source: City of Casey Planning Scheme

Figure 10 breaks down the planning zones covering the existing activity centres. They are predominately comprised of C1Z and C2Z land, along with ACZ for Cranbourne. A few other supporting land use zones are also included within centre boundaries including some PUZ, MUZ and PDZ/CDZ. In addition, small components of several 'other' zones<sup>4</sup> fall within existing activity centres.

FIGURE 10 PLANNING ZONES WITHIN EXISTING CENTRES, LAND AREA (SQM), 2016



Source: City of Casey Planning Scheme

It should be noted that a planning scheme amendment is currently being considered to rezone the Fountain Gate – Narre Warren Metropolitan Activity Centre from C1Z, C2Z and PDZ to ACZ however this report uses the historic zoning for clarity.

<sup>4</sup> Other includes IN1Z (in Berwick HEP), FZ (in Main Street, Narre Warren North and The Arcade, Junction Village), UGZ (in Casey Central, Narre Warren South, Selendra Rise, Clyde North, Avenue Village, Cranbourne North and Shopping on Clyde, Clyde), GRZ (in Cranbourne Town Centre, Thompson Parkway, Cranbourne North, Springhill, Cranbourne and Berwick HEP) and PPRZ (in Cranbourne Town Centre)

## 4.3 Current floorspace supply within existing activity centres

### Overview

Casey's existing 45<sup>5</sup> activity centres currently have 1.4 million square metres of floorspace spread across a range of land use types. The majority of this floorspace is retail (58 per cent) followed by commercial (18 per cent) and institutional (17 per cent). Of the retail component breakdown there is an even spread between speciality stores (31 per cent), restricted retail (26 per cent) and hospitality (22 per cent). Around 13 per cent of retail space occupied by supermarkets.

The Fountain Gate-Narre Warren and Cranbourne Activity Centres make up almost 50 per cent of the total employment floor space and approximately 44 per cent of the retail floor space in Casey. The remaining Major Activity Centres (Berwick, Casey Central, Endeavour Hills and Hampton Park) accommodate 22 per cent of the retail space and the two Restricted Retail Precincts (Cranbourne Home and Lynbrook) accommodate 13 per cent of retail space. The 34 Medium and Local Neighbourhood Activity Centres accommodate the remaining 20 per cent of retail floor space, demonstrating the importance of these in providing a local convenient offering.

The following sections provides a detailed breakdown of the current floorspace composition within these existing centres. The definition of land use types and their alignment with planning land use terms is included in Appendices F and G.

### Current floorspace

The predominant use for employment floorspace within Casey's 45 existing activity centres is retail. This retail floorspace is supported by commercial and institutional floorspace. A small proportion of the floorspace in activity centres is currently classified as industrial (7 per cent).

TABLE 2 EXISTING CENTRE FLOORSPACE SUMMARY, 2016

	Floorspace (sqm)	% of employment floorspace
Retail	742,130	58%
Commercial	225,200	18%
Institutional	216,030	17%
Industrial	91,860	7%
<b>Total</b>	<b>1,275,220</b>	<b>100%</b>

Source: SGS Economics and Planning, 2016

Note: rounding of data results in slight inconsistencies across tables.

Table 3 further expands the retail category which indicates that retail floorspace is largely comprised of specialty stores (food and non-food), followed by restricted retail and hospitality floorspace. There are also 36 supermarkets across the municipality with an average size of 2,200 square metres and 10 department stores with an average size of 5,900 square metres.

TABLE 3 EXISTING CENTRE RETAIL FLOORSPACE, 2016

Retail type	Floorspace (sqm)	% of retail floorspace
Supermarket	99,140	13%
Specialty store	228,600	31%
Department store	59,410	8%
Restricted retail	189,810	26%
Hospitality	165,100	22%
<b>Total</b>	<b>742,060</b>	<b>100%</b>

Source: SGS Economics and Planning, 2015

Note: rounding of data results in slight inconsistencies across tables.

<sup>5</sup> These 45 centres include four restricted retail precincts, three of which are co-located with (or form part of) larger activity centres namely; Fountain Gate-Narre Warren, Cranbourne and Casey Central.

While these category distinctions are useful, it is important to note that retail increasingly operates on a spectrum. Some smaller supermarkets and larger convenience stores overlap in function, similarly with larger speciality stores (or mini-majors) and department stores.

### **Vacant floorspace**

The synthesised floorspace dataset is likely to under estimate the level of vacancy as the underlying rates datasets did not always code vacant shops. Regardless, site visit observations made it clear that vacancy is not an issue across centres in Casey.

Based on the floorspace dataset, 11,700sqm of vacant floorspace (i.e. unoccupied shops) was identified in Casey's existing activity centres. This represents less than 1 per cent of total floorspace, which is particularly low considering most metropolitan centres sit at around 3-5 per cent.

This low vacancy rate suggests the market is somewhat constrained as any new supply is rapidly occupied by established retailers. A modest level of vacancy (3-5 per cent) is important as it provides opportunity for lower rent stores and unique or experimental businesses to enter the market. These fringe businesses often have stronger connections with the local community and can generate unique and innovative offers which can help differentiate a centre.

## Approach to estimating current floor space supply

In the absence of a comprehensive land audit, a combination of various datasets was used to determine the existing floor space by broad land use category. These datasets were synthesised into a single comprehensive floorspace database as follows:

- 2016 Expanded Urban Development Program (EUDP) from Department of Environment, Land, Water and Planning formed the basis of the floorspace database for centres. This includes buildings footprints and total floorspace at a site level. This dataset covered most existing activity centres.
- A number of supplementary datasets were then used to review/refine/expand this base dataset and also add floorspace use and the composition of enclosed malls:
  - **Council rates data**, was used to provide additional information on uses within the floorspace. This required significant cleaning, alignment with the EUDP and recoding of use classifications.
  - **Property Council of Australia (PCA)** retail database also provided information for enclosed malls.
  - For areas not covered by these data sets, (eg. schools) **aerial imagery, google maps and search** was used to enable SGS to trace rooflines in GIS to estimate floorspace and understand internal uses.
- For the Cranbourne Town Centre a **site visit** (in June 2016) was undertaken to validate land uses through a parallel project.
- **Precinct Structure Plans** and other policy/planning documents were reviewed to source the location and planned size/role of future centres.
- Finally, Council staff completed a detailed review of this synthesised desktop based dataset drawing on their own local intel and detailed understanding of the centres in Casey.

Based on the project scope and information available at the time of the study, this process provides a reasonable understanding of the existing floorspace uses across activity centres for strategic purposes.

### Approach limitations

However, it should be noted that:

- A **comprehensive physical land audit was not completed**, and therefore any issues/errors in the underlying datasets may be present in this floorspace dataset. A significant review process and triangulation of multiple datasets was used to improve data quality and reduce any errors as much as possible within the project scope limitations.
- **Retail and commercial uses increasingly operate on a continuum** and, in some circumstances, it can be difficult to clearly assign to one category level. For example, a café might operate as bar in the evenings, or a school may also provide community services.

## Current floorspace by activity centre type

Figure 11 presents the distribution of current floorspace uses across centre types.

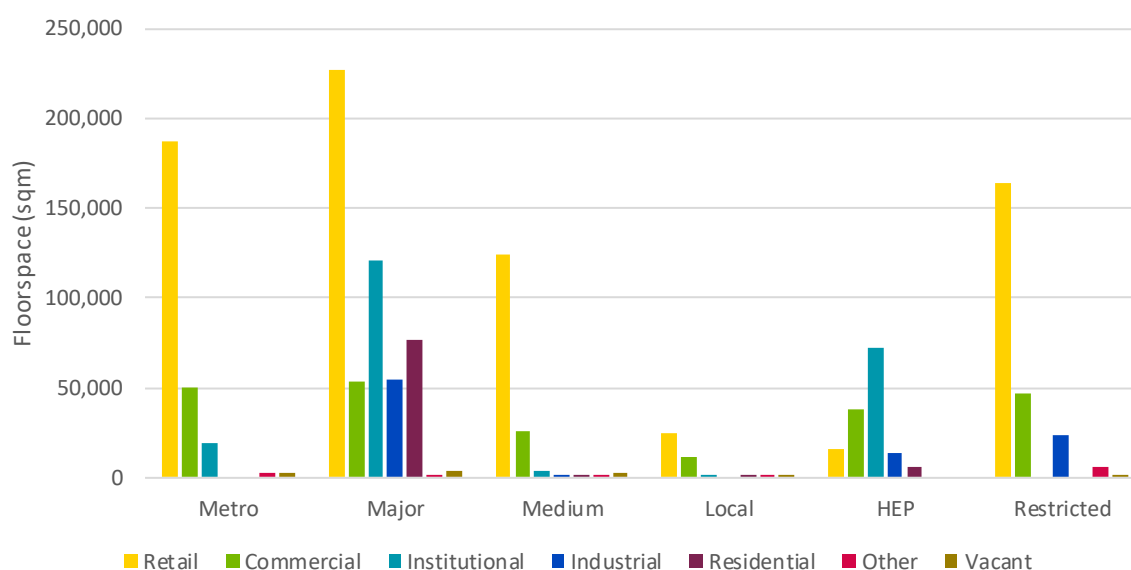
It illustrates the dominance of Fountain Gate-Narre Warren CBD (the only metro), Cranbourne Town Centre (existing major) and other existing activity centre majors (Berwick Village, Casey Central, Endeavour Hills and Hampton Park) in the municipality's activity centre network. Combined, these higher order centres represent 57 per cent of total floorspace and 56 per cent of retail floorspace. They are largely dominated by retail uses and have a relatively small proportion of other employment uses typically located in well-established, higher order centres.

The 15 existing neighbourhood activity centres (medium) represent 11 per cent of total floorspace and 17 per cent of retail floorspace in Casey's existing activity centres. They have an average size of 10,000 square metres. The 19 existing neighbourhood activity centres (local) represent 5 per cent of total floorspace and 3 per cent of retail floorspace. They have an average size of 2,000 square metres. This average size and mix of uses is consistent with their local confidence role in the network.

Commercial and institutional floorspace is concentrated in the Fountain Gate-Narre Warren CBD (metro), as well as Cranbourne Town Centre (existing major) and the Berwick HEP. This reflects the key role these centres play in providing employment opportunities for local residents.

Restricted retail precincts include a significant amount of retail floorspace, though these will be relatively low intensity uses. These precincts also include some other commercial and industrial uses.

FIGURE 11 EXISTING CENTRE FLOORSPACE BY CENTRE TYPE, 2016



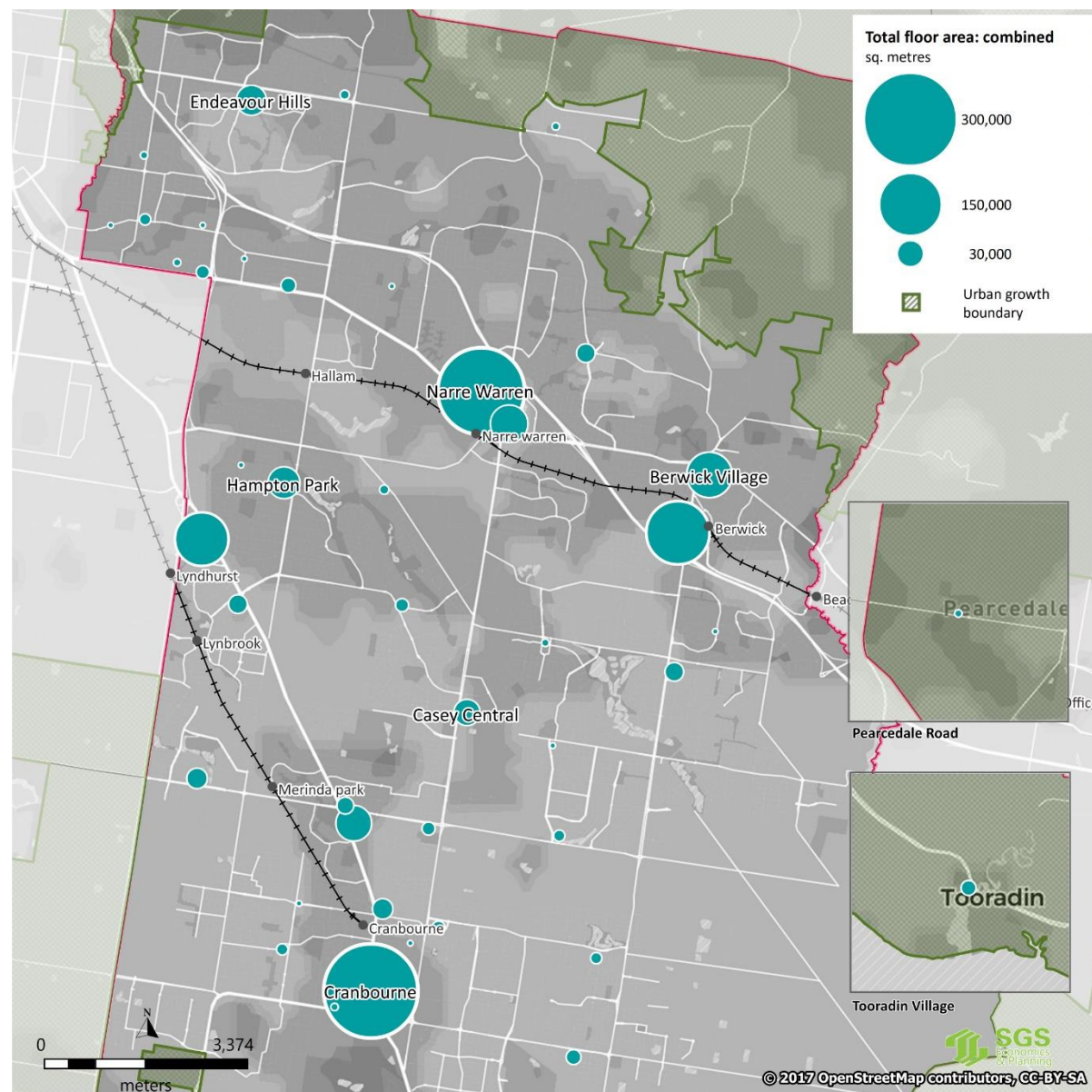
Source: SGS Economics and Planning, 2016

Note: Restricted retail precincts connected to Fountain Gate-Narre Warren CBD and Cranbourne Town Centre have been reported as part of the 'restricted retail precinct' category and not 'metropolitan activity centre' or 'activity centre major'



Figure 12 presents the spatial distribution of total floorspace across Casey's 45<sup>6</sup> existing activity centres. This highlights the large concentrations at Fountain Gate-Narre Warren CBD (metro and RRP) and Cranbourne Town Centre (existing major and RRP) along with the other activity centre majors (Berwick Village, Casey Central, Endeavour Hills and Hampton Park). Berwick HEP also represents a significant quantum of total floorspace.

FIGURE 12 EXISTING CENTRE TOTAL FLOORSPACE BY CENTRE, 2016



Source: SGS Economics and Planning

Note: While the Lynbrook business centre contains a substantial amount of floorspace, this is largely comprised of non-retail uses.

<sup>6</sup> These 45 centres include four restricted retail precincts, three of which are co-located with (or form part of) larger activity centres namely: Fountain Gate-Narre Warren CBD, Cranbourne and Casey Central.

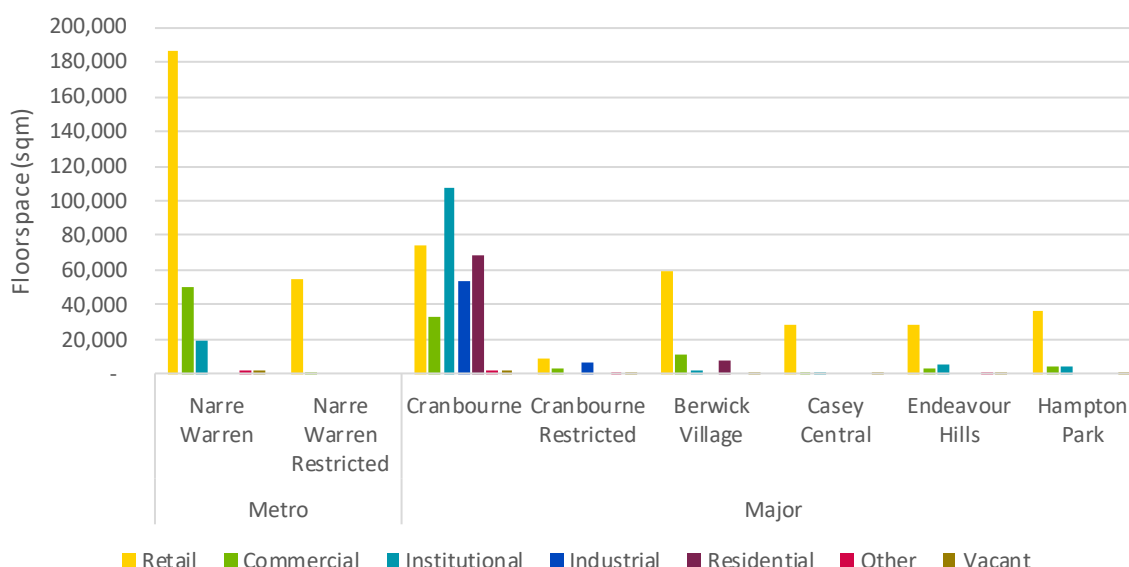
Figure 13 presents a more detailed summary of floorspace by land use type for the metropolitan activity centre and existing activity centre majors. Restricted Retail Precincts which fall within Fountain Gate-Narre Warren and Cranbourne Town Centre have also been included.

While it does not have the largest total amount of floorspace, the Fountain Gate-Narre Warren CBD (Metro and RRP) has the largest amount of retail and commercial floorspace across Casey, at a combined 293,600 sqm. This represents 30 per cent of retail and commercial floorspace within all activity centres in Casey.

In part due to its large designated area, Cranbourne (existing major) has the most amount of total floorspace – 360,000 sqm. However, this captures a range of ancillary (or non-core) uses such as significant recreational, community and council services in the south east, remnant industrial land and residential in a number of sub-precincts throughout (20 per cent of floorspace). While there is some commercial floorspace (10 per cent of floorspace), this is largely local services or attached to low intensity remnant industrial uses, rather than the intensive head office type commercial functions that would usually be expected in large higher order centres.

The remaining major activity centres are dominated by retail floorspace. This is highest in Casey Central (which is still developing), where 97 per cent of floorspace is dedicated to retail. Berwick Village shows the greatest mix of uses, though it still has 70 per cent of floorspace dedicated to retail. To truly operate as activity centre majors these centres will need to diversify their functions beyond just retail.

FIGURE 13 EXISTING METRO/MAJOR CENTRE FLOORSPACE BY CENTRE, 2016



Source: SGS Economics and Planning

A breakdown of current floorspace uses by land use type for all centres is shown in Table 4 overleaf.

TABLE 4 EXISTING CENTRE FLOORSPACE BY CENTRE, 2016

ID	Activity centre	Existing type	Retail	Commercial	Institutional	Industrial	Residential	Other	Vacant	Total
1	Narre Warren	Metro	186,630	50,150	19,000	-	-	2,530	2,630	260,940
1A	Narre Warren Restricted	Restricted	55,100	1,550	-	-	-	-	-	56,650
2	Cranbourne	Major	74,180	33,500	106,970	54,160	68,520	1,630	2,270	341,230
2A	Cranbourne Restricted	Restricted	8,510	3,110	-	7,100	-	120	910	19,750
3	Berwick Village	Major	58,850	11,830	2,570	-	8,430	-	390	82,060
4	Casey Central	Major	28,590	20	900	-	-	-	100	29,600
5	Endeavour Hills	Major	28,860	3,590	5,130	-	-	10	450	38,040
6	Hampton Park	Major	35,930	4,410	4,900	-	-	-	400	45,650
7	Eden Rise	Medium	13,590	1,930	-	-	-	-	-	15,520
8	Amberly Park	Medium	5,500	1,830	-	-	-	-	-	7,330
9	Lynbrook Village	Medium	11,480	3,530	-	-	-	680	640	16,340
10	Parkhill Plaza	Medium	13,610	1,860	-	-	-	-	-	15,470
11	Sandhurst Centre	Medium	4,250	2,180	-	-	-	-	-	6,430
12	Spring Square	Medium	7,240	1,560	520	-	80	-	160	9,560
13	Thompson Parkway	Medium	11,670	1,670	-	490	-	-	210	14,040
15	Autumn Place	Medium	3,900	360	1,230	-	-	-	230	5,720
18	Tooradin Village	Medium	6,700	1,390	400	-	-	-	1,470	9,960
34	Marriot Waters	Medium	12,020	6,350	-	-	-	-	-	18,370
37	The Hunt Club	Medium	6,790	-	-	-	-	-	-	6,790
38	Springhill	Medium	6,220	1,030	1,740	-	-	-	-	8,990
39	Selandra Rise	Medium	4,940	970	-	-	-	-	-	5,910
40	Avenue Village	Medium	6,060	670	-	-	-	-	-	6,730
45	Shopping on Clyde	Medium	10,390	-	-	-	-	-	-	10,390
14	Main Street	Local	1,780	-	-	-	-	-	-	1,780
16	Kirkwood Crescent	Local	3,700	-	-	-	-	-	210	3,900
17	Linden Place	Local	1,850	150	360	-	-	-	-	2,360
19	Bemersyde Drive	Local	920	500	-	-	-	-	-	1,420
20	Box Street	Local	570	-	-	-	-	-	-	570
21	Camms Road	Local	890	510	-	-	130	-	-	1,520
23	Doveton Avenue	Local	1,120	-	-	-	80	-	-	1,200
24	Greaves Road	Local	330	1,690	-	-	-	-	-	2,020
25	Llewellyn Place	Local	340	230	-	-	340	1,080	270	2,250
26	Somerville Road	Local	560	140	-	-	-	-	420	1,130
27	Hotham Street	Local	720	240	-	-	-	-	120	1,090
28	Lurline Street	Local	1,930	-	-	-	-	-	-	1,930
29	Pearcedale Township	Local	2,410	-	-	-	-	-	-	2,410
30	The Arcade	Local	360	360	-	-	-	-	-	720
41	Heatherton Road	Local	2,250	2,250	-	-	-	-	-	4,490
49	Freeway Sports	Local	3,500	5,100	-	-	-	-	-	8,600
53	Eve	Local	880	420	-	-	-	-	-	1,300
63	Marshall Place	Local	170	-	-	-	-	-	-	170
64	Saffron Drive	Local	300	300	-	-	-	-	-	600
3A	Berwick HEP	HEP	15,810	38,000	72,310	13,320	5,350	-	-	144,800
31	Home Restricted	Restricted	45,600	2,640	-	-	-	5,270	-	53,510
32	Lynbrook Business	Restricted	55,130	39,180	-	16,790	-	-	850	111,950
<b>Total</b>			<b>742,110</b>	<b>225,200</b>	<b>216,010</b>	<b>91,860</b>	<b>82,940</b>	<b>11,310</b>	<b>11,730</b>	<b>1,381,170</b>

Source: SGS Economics and Planning 2017

Each of these broad floorspace uses are now mapped and discussed in further detail.

### **Retail floorspace uses in existing activity centres**

The retail category has been further divided into several subsectors to better understand the composition of this significant component of activity centres. These categories are defined in detail in Appendix F and at a high level are defined as:

- Full-line supermarket (i.e. Coles, Woolworths)
- Other supermarkets (i.e. Aldi, IGA and smaller other independent supermarkets)
- Department stores (i.e. Myer, David Jones, Target, K-mart)
- Specialty (e.g. service stations, newsagents, shoe shops),
- Restricted retail (e.g. Bunnings, Spotlight, Officeworks), and
- Hospitality categories (i.e. Cafes, restaurants and take-away shops).

**It should be reiterated that retail uses increasingly operate on a continuum** and, in some circumstances, it can be difficult to clearly assign a use to one category level. One of many examples is the emergence of large specialty stores (often called mini-majors) such as JB HiFi. They are not department stores but do not operate as a typical specialty store.

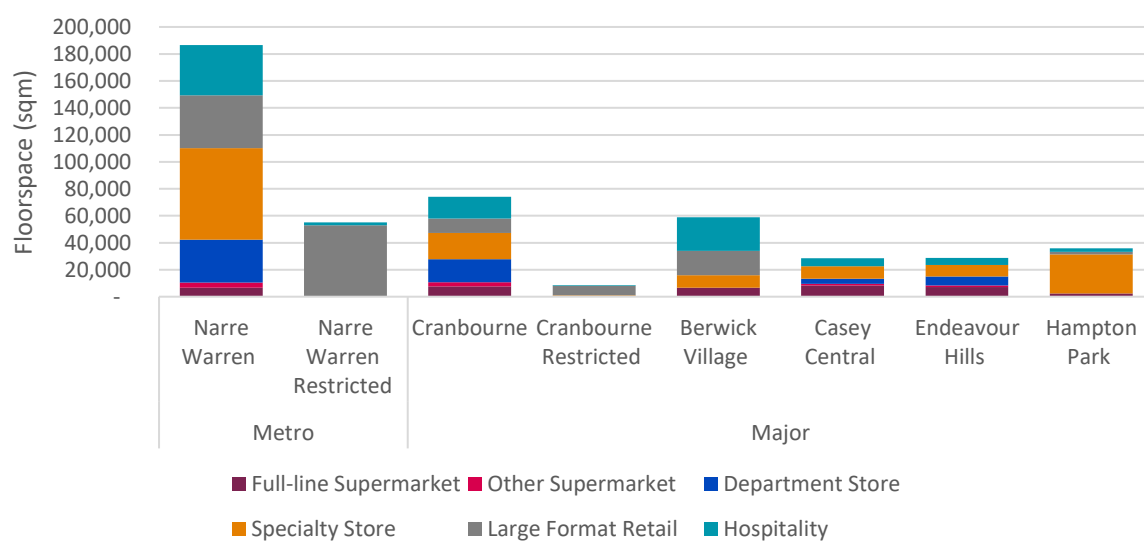
Figure 14 presents a retail floorspace breakdown for the metropolitan activity centre and existing major activity centres. Table 5 overleaf presents the current retail floorspace breakdown for all existing centres.

While there are 36 supermarkets across the municipality and they form key anchors for many centres, they represent a relatively small component of total retail floorspace within the metropolitan activity centre and existing major activity centres. Conversely, they represent around 30-40 percent of floorspace within neighbourhood activity centres (medium) and neighbourhood activity centres (local) which have supermarkets. However, in some neighbourhood activity centres they play a much more dominate role, such as in Selendra Rise where the supermarket represents 62 per cent of total retail floorspace.

The 10 department stores are also largely concentrated in the Fountain Gate-Narre Warren CBD and Cranbourne Town Centre. Both have major department stores (i.e. Myer) and discount department stores (i.e. Kmart).

The dominate floorspace type in the metropolitan activity centre and existing activity centre majors is specialty retail (both food and non-food). Hospitality also plays a modest role in the retail activity of nearly all centres, from large to small. Given the hospitality offer is largely concentrated around fast food, there is opportunity for take away options to be increased and diversified in all centres.

FIGURE 14 EXISTING METRO/MAJOR CENTRE RETAIL FLOORSPACE BY CENTRE, 2016



Source: SGS Economics and Planning

TABLE 5. EXISTING CENTRE RETAIL FLOORSPACE BY CENTRE, 2016

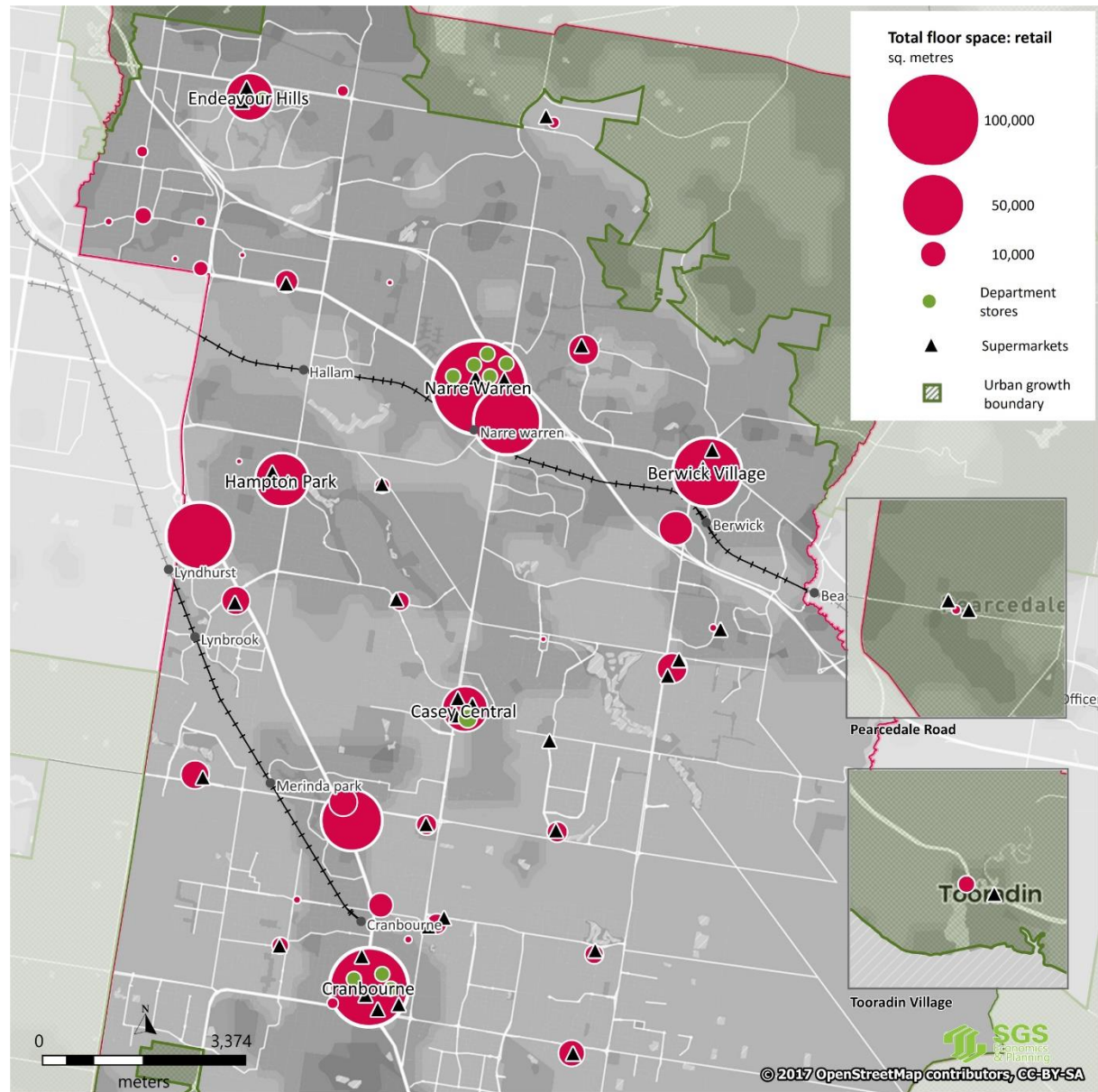
No.	Activity centre	Existing type	Full-line supermarket	Other supermarket	Specialty Store	Department Store	Large Format Retail	Hospitality	Total Retail
1	Narre Warren	Metro	6,800	3,700	68,000	31,730	39,000	37,400	186,630
1A	Narre Warren Restricted	Restricted	-	-	-	-	53,000	2,100	55,100
2	Cranbourne	Major	7,650	2,980	19,290	17,300	10,800	16,170	74,180
2A	Cranbourne Restricted	Restricted	-	-	1,050	-	7,130	330	8,510
3	Berwick Village	Major	6,800	-	9,230	-	17,930	24,890	58,850
4	Casey Central	Major	8,430	1,160	9,360	3,680	-	5,950	28,590
5	Endeavour Hills	Major	7,060	1,200	8,530	6,700	-	5,380	28,860
6	Hampton Park	Major	2,500	-	28,820	-	2,000	2,600	35,930
7	Eden Rise	Medium	6,300	890	590	-	-	5,800	13,590
8	Amberly Park	Medium	-	1,390	1,490	-	-	2,610	5,500
9	Lynbrook Village	Medium	3,060	-	5,990	-	-	2,440	11,480
10	Parkhill Plaza	Medium	2,800	-	5,940	-	-	4,860	13,610
11	Sandhurst Centre	Medium	2,300	-	250	-	-	1,690	4,250
12	Spring Square	Medium	3,200	-	2,940	-	170	920	7,240
13	Thompson Parkway	Medium	3,100	-	3,040	-	550	4,980	11,670
15	Autumn Place	Medium	-	400	2,250	-	-	1,250	3,900
18	Tooradin Village	Medium	-	550	3,640	-	-	2,510	6,700
34	Marriot Waters	Medium	3,500	1,750	-	-	-	6,760	12,020
37	The Hunt Club	Medium	2,200	1,410	1,910	-	-	1,270	6,790
38	Springhill	Medium	3,200	-	1,590	-	-	1,420	6,220
39	Selandra Rise	Medium	3,070	-	-	-	-	1,870	4,940
40	Avenue Village	Medium	3,200	-	1,680	-	-	1,180	6,060
45	Shopping on Clyde	Medium	3,200	-	3,600	-	-	3,600	10,390
14	Main Street	Local	-	1,400	-	-	-	380	1,780
16	Kirkwood Crescent	Local	-	1,200	1,250	-	1,250	-	3,700
17	Linden Place	Local	-	300	1,110	-	-	440	1,850
19	Bemersyde Drive	Local	-	240	80	-	-	610	920
20	Box Street	Local	-	-	400	-	-	170	570
21	Camms Road	Local	-	-	380	-	-	510	890
23	Doveton Avenue	Local	-	-	480	-	-	640	1,120
24	Greaves Road	Local	-	-	-	-	-	330	330
25	Llewellyn Place	Local	-	-	340	-	-	-	340
26	Somerville Road	Local	-	-	560	-	-	-	560
27	Hotham Street	Local	-	-	360	-	-	360	720
28	Lurline Street	Local	-	-	1,350	-	-	580	1,930
29	Pearcedale Township	Local	-	600	1,650	-	-	160	2,410
30	The Arcade	Local	-	-	360	-	-	-	360
41	Heatherton Road	Local	-	-	1,120	-	-	1,120	2,250
49	Freeway Sports	Local	-	-	-	-	-	3,500	3,500
53	Eve	Local	-	800	-	-	-	80	880
63	Marshall Place	Local	-	-	80	-	-	80	170
64	Saffron Drive	Local	-	-	300	-	-	-	300
3A	Berwick HEP	HEP	-	-	5,410	-	6,600	3,790	15,810
31	Home Restricted	Restricted	-	800	5,640	-	38,090	1,080	45,600
32	Lynbrook Business	Restricted	-	-	28,540	-	13,290	13,290	55,130
<b>Total</b>			<b>78,380</b>	<b>20,770</b>	<b>228,620</b>	<b>59,400</b>	<b>189,820</b>	<b>165,120</b>	<b>742,110</b>

Source: SGS Economics and Planning 2016



Figure 15 shows the location of current retail floorspace uses in Casey and identifies supermarket and department store locations. Whilst supermarkets are dispersed across the existing activity centres, department stores are concentrated in four locations: Fountain Gate-Narre Warren CBD, Cranbourne Town Centre, Casey Central and Endeavour Hills.

FIGURE 15 EXISTING CENTRE RETAIL FLOORSPACE BY CENTRE, 2016



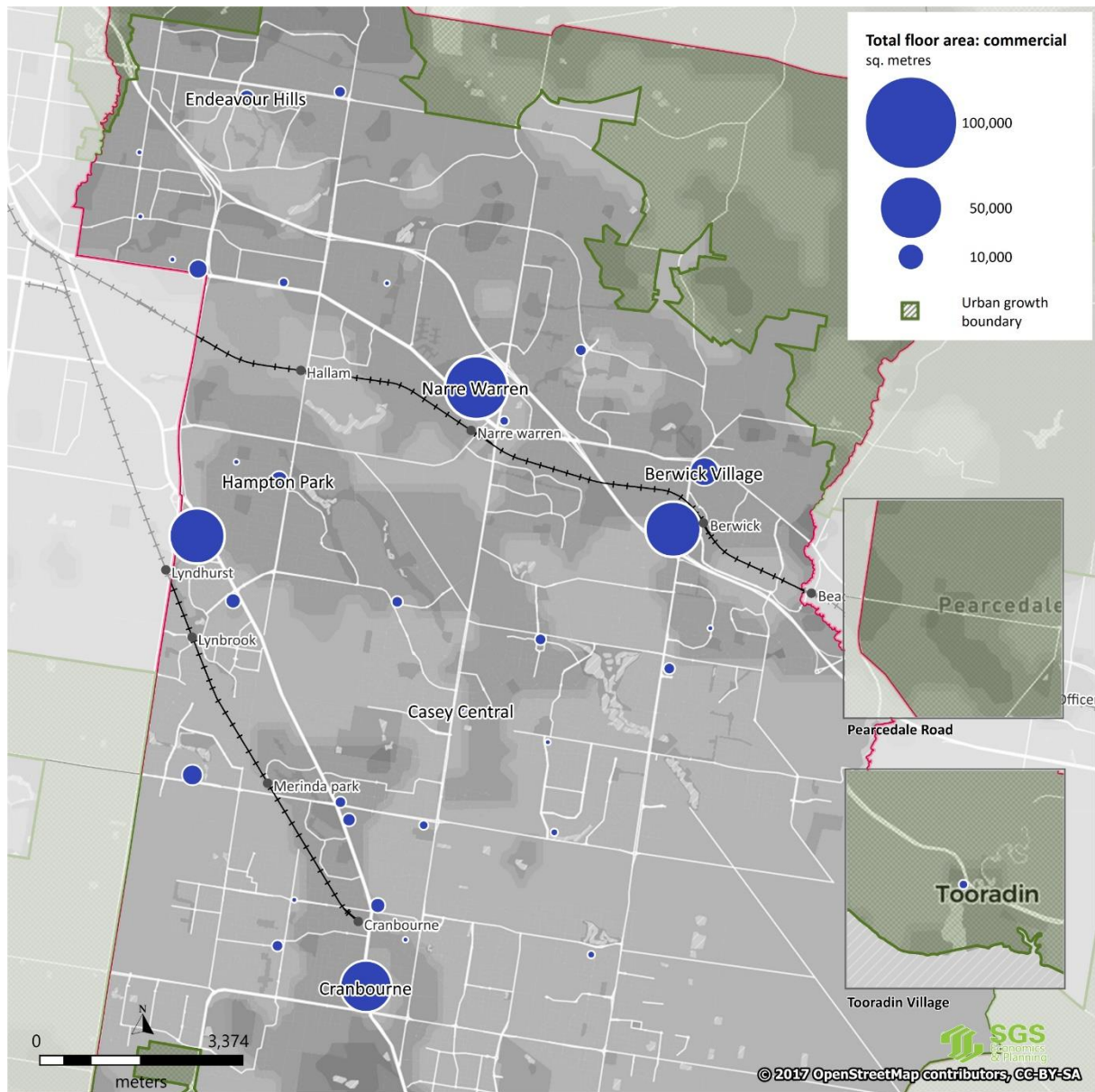
Source: SGS Economics and Planning 2016

Note: While the Lynbrook business centre contains a substantial amount of floorspace, this is largely comprised of large format restricted retail (i.e. car yards)

## Commercial floorspace uses in existing activity centres

Commercial activity includes professional services and office based businesses (including lawyers, accountants, financial planners), hair dressers, beauty salons, medical centres, fitness centres, childcare centres, aged care homes and accommodation businesses. Commercial floorspace is concentrated in the Fountain Gate-Narre Warren CBD, Cranbourne Town Centre, and Berwick Village, along with the Berwick HEP and Lynbrook Business Centre.

FIGURE 16 EXISTING CENTRE COMMERCIAL FLOORSPACE BY CENTRE, 2016



Source: SGS Economics and Planning 2016



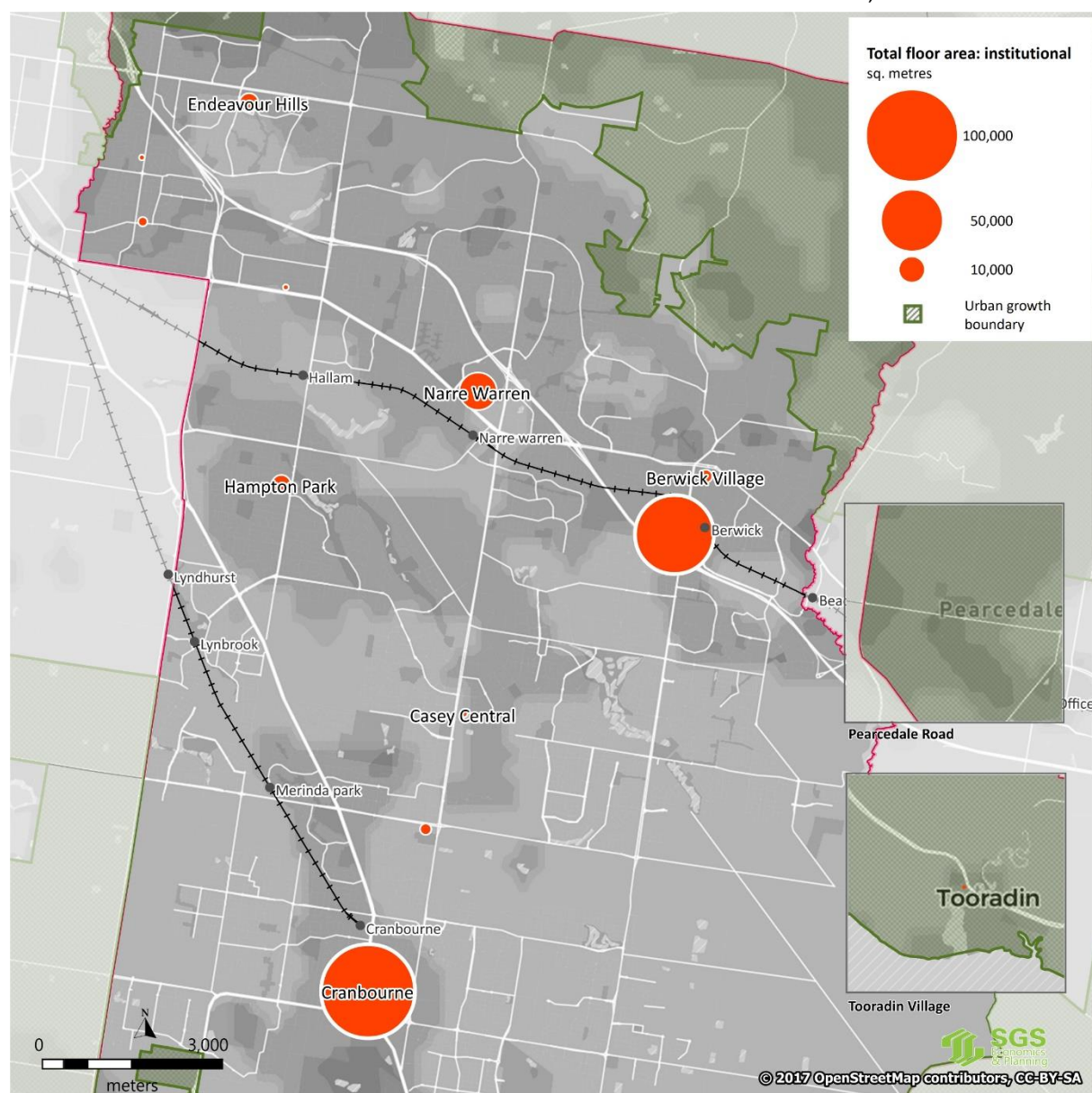
## Institutional floorspace uses in existing activity centres

Institutional floorspace includes hospitals, primary, secondary and tertiary education, churches, and community and Council facilities (e.g. kindergarten and maternal health centres, libraries). This report did not include out-of-centre institutional floor space data such as schools, kindergartens or Council facilities and only concentrated on existing centres.

As with other floorspace types, the two largest centres, Fountain Gate-Narre Warren CBD and Cranbourne Town Centre, have some of the biggest concentrations of institutional floorspace. The Cranbourne Town Centre has a hospital, a campus of the Chisholm Institute of TAFE and a number of council services. The Berwick Health and Education Precinct, however, has the largest concentration of institutional floorspace as it contains Monash/Federation University and Chisholm Institute TAFE campuses, and Casey Hospital.

Smaller dots relate to individual in-centre child care centres, or other local level facilities.

FIGURE 17 EXISTING CENTRE INSTITUTIONAL FLOORSPACE BY CENTRE, 2016



Source: SGS Economics and Planning

### **A note on out-of-centre activity areas**

Through this Assessment seven out-of-centre activity areas (OC) were identified:

- Berwick Springs (Berwick),
- Princess Highway (Eumemmerring),
- Belgrave-Hallam Road Corner,
- Huon Park Road (Cranbourne North),
- Cranbourne-Frankston Road (Cranbourne),
- Cranbourne South General Store (Cranbourne South), and
- Five-ways General Store (Devon Meadows).

These are not the focus of this Assessment and have not been comprehensively identified/analysed and are not included in data tables/charts/maps unless explicitly noted.

The seven identified out-of-centre activity areas are all relatively small and have organically evolved overtime. They may now be functioning somewhat as pseudo activity centres to the local community. While outside the formal hierarchy they play an important local convenience role and fill demand gaps as the corridor rapidly grows and the official activity centre hierarchy establishes.

Council has received enquiries regarding rezoning of some of these clusters, and/or formal designation as neighbourhood centres. These enquiries should be assessed on a case by case basis with strong consideration made to the designated network. However, in general they should remain as small local convenience offerings (either as out-of-centre activity areas or at the bottom of the designated hierarchy). This will help reinforce 20 minute neighbourhoods and more diverse uses within the municipality, while not impacting on higher order designated centres and overall supply/demand alignment

Where they are directly adjacent designated centres they should be integrated into the designated centre so that an integrated and holistic planning approach can be established.

Recommendations to integrate some into the Activity Centres Hierarchy in Chapter 6.

## 4.4 Employment in existing activity centres

### Overview

The City of Casey contains 69,700 jobs as of 2016, with 27,500 (or 39 per cent) of these jobs located within existing activity centres. The key employment sectors in the City are:

- Retail and hospitality within activity centres,
- Healthcare and education scattered through residential areas and activity centres, and
- Construction and industrial throughout the growth areas and industrial precincts.

Within the activity centres, employment is predominantly comprised of retail and commercial with significant institutional employment in Cranbourne and the Berwick HEP. The annual growth rate of employment in Casey has been declining, though the municipality's share of employment in the South East Melbourne region has grown to 28 per cent.

SGS has determined a Casey-specific employee-to-floorspace ratio for various sectors. These are:

- 35-50 sqm per employee for supermarkets, specialty stores, department stores, hospitality and institutional areas;
- 120 sqm per employee for restricted retail, and
- 30 sqm per employee for commercial floorspace.

Extrapolated, this provides an estimated job ratio per activity centre.

The following sections provide a detailed breakdown of the current employment composition within these existing centres. The definition of land use types and their alignment with planning land use terms is included in Appendices F and G.

### Current employment overview

The City of Casey contains 69,700 jobs as of 2016. While it has seen strong growth in employment over the last few decades this has not fully kept pace with population growth and the ratio of population to jobs has only slightly declined from 5 people per job in 1996 to 4.2 people per job in 2016. However, compared to other growth areas this is actually a good outcome as they have seen the ratio remain flat or increase (eg. Melton has remained around 5.2 people per job and Cardinia has increased from 3.2 to 3.8 over the same period).

Casey currently represents 28 per cent of employment in the South East subregion<sup>7</sup> of metropolitan Melbourne. This figure has increased over recent years. In recent years employment growth in Melbourne has fluctuated from 1.7 per cent annual growth in the last 5 years to as high as 2.7 per cent annual growth from 2006 to 2011. This has had impacts on employment growth in both the South East subregion and Casey and is due to a range of macro-economic trends discussed further in Chapter 3 and Appendix B.

TABLE 6 CASEY AND COMPARATOR AREA EMPLOYMENT

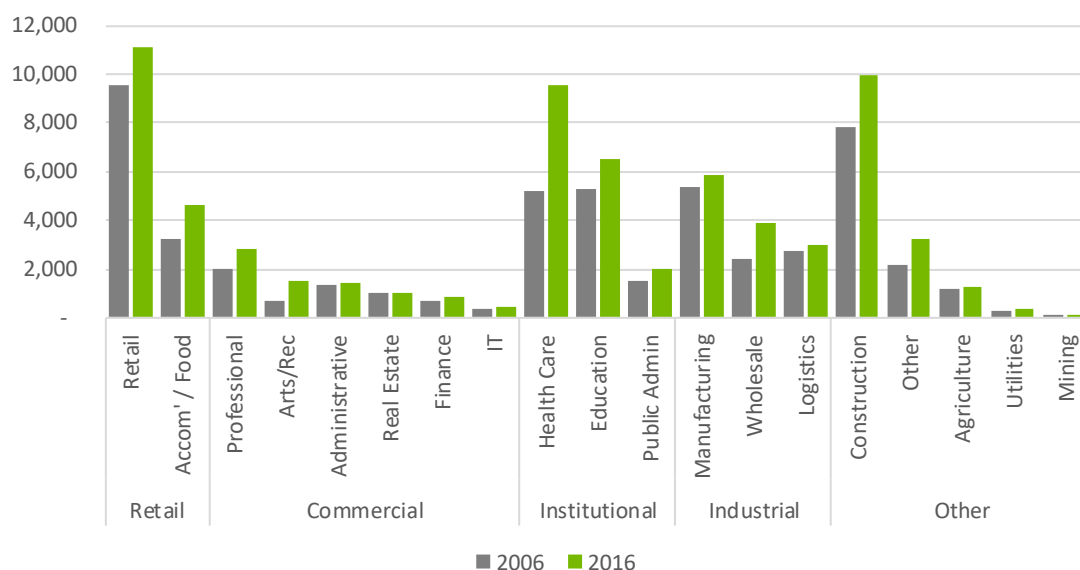
	1996	2001	2006	2011	2016
Metropolitan Melbourne	1,546,700	1,687,700	1,875,100	2,142,100	2,325,700
<i>Annual growth rate</i>		1.8%	2.1%	2.7%	1.7%
South East Subregion	147,000	166,000	200,200	232,800	249,000
<i>Annual growth rate</i>		2.5%	3.8%	3.1%	1.4%
Casey (C)	29,600	38,600	52,600	64,100	69,700
<i>Annual growth rate</i>		5.5%	6.4%	4.0%	1.7%
<i>Share of SE</i>		23.3%	26.3%	27.5%	28.0%

Source: SGS based on ABS datasets

<sup>7</sup> South East subregion is defined as the Local Government Areas of Casey, Cardinia, Greater Dandenong and Frankston.

The following figure presents the change in Casey's employment structure over the past 10 years. The figure illustrates that the key growth sectors within Casey have been retail, health care, construction, wholesale trade and hospitality.

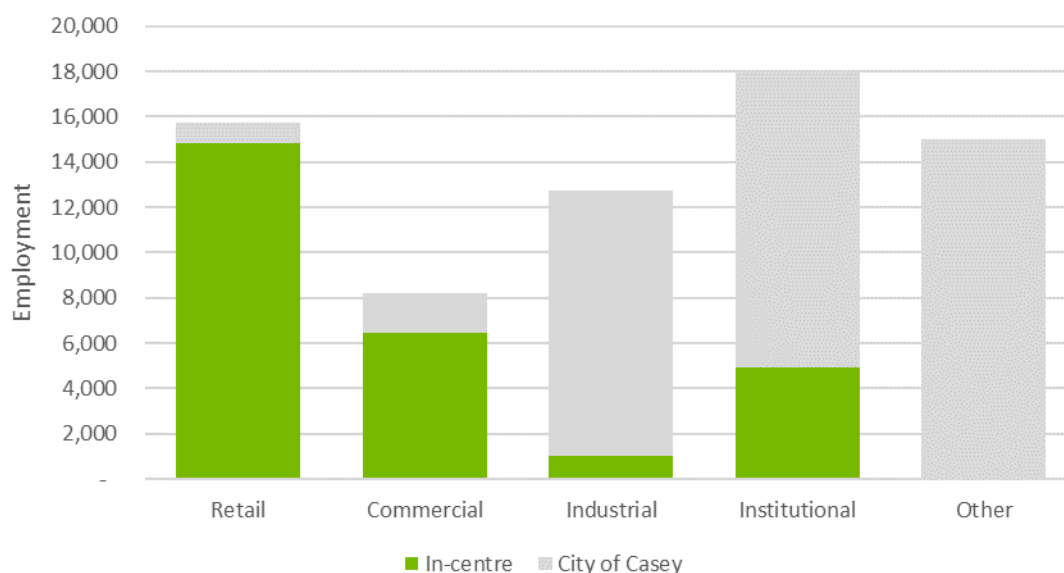
FIGURE 18 CASEY EMPLOYMENT BY INDUSTRY, 2006-2016



Source: SGS based on ABS datasets

Based on the approach outlined at the end of this section SGS estimates that 27,500 (or 39 per cent) of employment within Casey is located within existing activity centres. Figure 19 outlines employment numbers by broad industry category and the amount that is estimated to be located within activity centres.

FIGURE 19 CASEY-WIDE AND EXISTING CENTRE EMPLOYMENT BY BROAD INDUSTRY, 2016



Source: SGS based on ABS datasets

This illustrates that while the vast majority of retail and commercial employment is located within existing activity centres, only a small portion of industrial and institutional employment is located within existing activity centres. No 'other' employment (eg. construction, agriculture, etc.) has been included within activity



centres. While some construction workers may be located within centres during a development they do not represent a permanent or long term use.

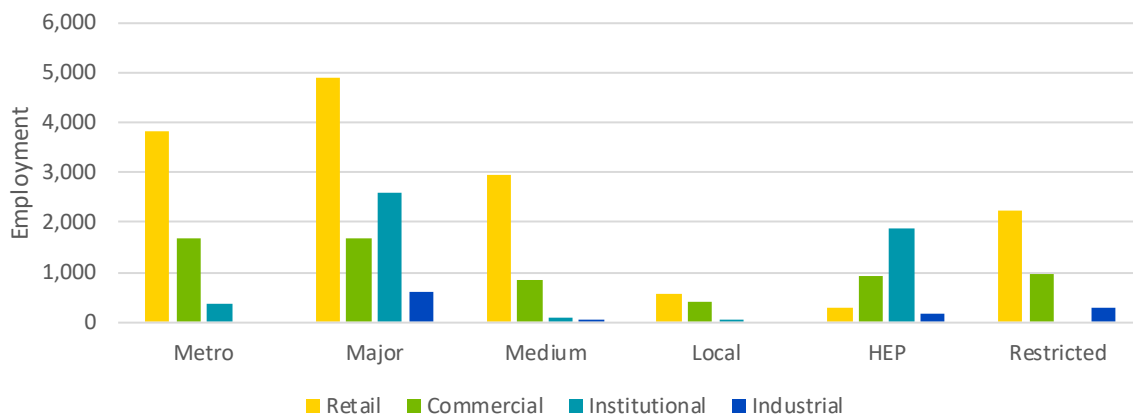
### Current employment by activity centre

Figure 20 and Figure 21 presents employment by broad industry uses by centre type and then for the metropolitan activity centre and existing major activity centre individually. Restricted retail precincts which fall within Fountain Gate-Narre Warren CBD and Cranbourne Town Centre have also been included in Figure 21.

Of particular note is:

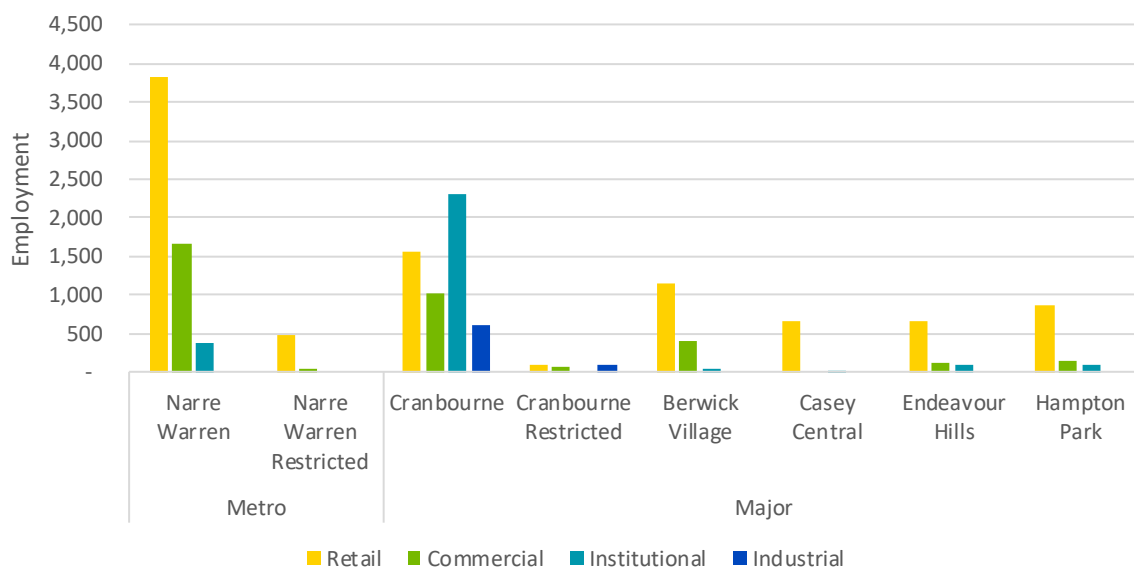
- Though Cranbourne Town Centre has more floorspace, Fountain Gate-Narre Warren CBD has the highest employment of all centres. This is likely due to the high amount of residential floorspace in the Cranbourne Town Centre (which does not contribute to employment), industrial, and other low intensity floorspace which has a low employment density.
- The Cranbourne Town Centre does, however, have the most diverse mix of employment, as most other centres are predominantly retail focused. This is particularly relevant as the four other existing activity centre majors provide very few non-retail employment opportunities.
- The Berwick Health and Education Precinct, which has the Casey Hospital and several tertiary institutions provides a significant amount of non-retail employment opportunities.
- While neighbourhood activity centres (medium and local) represent 14 per cent of floorspace they contain 18 per cent of employment. This is largely retail based with some local commercial services.

FIGURE 20 EXISTING CENTRE EMPLOYMENT BY CENTRE TYPE, 2016



Source: SGS Economics and Planning

FIGURE 21 EXISTING METRO AND MAJOR CENTRE EMPLOYMENT BY CENTRE, 2016



Source: SGS Economics and Planning

Table 7 presents employment by broad industry uses for all existing centres. With 3,200 jobs, the Berwick HEP is a significant employer node for non-retail activity. Medium NACs provide an average of 213 jobs while local NACs have an average of 75 jobs.

TABLE 7 EXISTING JOB NUMBERS BY CENTRE, 2016

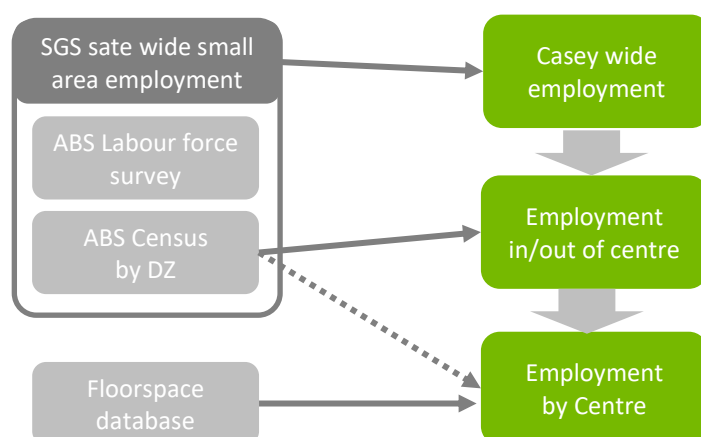
No	Activity centre	Existing type	Retail	Commercial	Institutional	Industrial	Total
1	Narre Warren	Metro	3,830	1,670	380	-	5,880
1A	Narre Warren Restricted	Restricted	490	50	-	-	540
2	Cranbourne	Major	1,560	1,010	2,320	620	5,510
2A	Cranbourne Restricted	Restricted	100	60	-	80	240
3	Berwick Village	Major	1,150	390	50	-	1,590
4	Casey Central	Major	670	-	20	-	690
5	Endeavour Hills	Major	660	120	100	-	880
6	Hampton Park	Major	870	150	100	-	1,120
7	Eden Rise	Medium	320	60	-	-	380
8	Amberly Park	Medium	140	60	-	-	200
9	Lynbrook Village	Medium	280	120	-	-	400
10	Parkhill Plaza	Medium	330	60	-	-	390
11	Sandhurst Centre	Medium	100	70	-	-	170
12	Spring Square	Medium	160	50	10	-	220
13	Thompson Parkway	Medium	270	60	-	10	340
15	Autumn Place	Medium	100	10	20	-	130
18	Tooradin Village	Medium	160	50	10	-	220
34	Marriot Waters	Medium	290	210	-	-	500
37	The Hunt Club	Medium	160	-	-	-	160
38	Springhill	Medium	150	30	30	-	210
39	Selandra Rise	Medium	120	30	-	-	150
40	Avenue Village	Medium	140	20	-	-	160
45	Shopping on Clyde	Medium	250	-	-	-	250
14	Main Street	Local	40	-	-	-	40
16	Kirkwood Crescent	Local	70	-	-	-	70
17	Linden Place	Local	50	10	10	-	70
19	Bemersyde Drive	Local	30	20	-	-	50
20	Box Street	Local	10	-	-	-	10
21	Camms Road	Local	20	20	-	-	40
23	Doveton Avenue	Local	30	-	-	-	30
24	Greaves Road	Local	10	60	-	-	70
25	Llewellyn Place	Local	10	10	-	-	20
26	Somerville Road	Local	10	-	-	-	10
27	Hotham Street	Local	20	10	-	-	30
28	Lurline Street	Local	40	-	-	-	40
29	Pearcedale Township	Local	50	-	-	-	50
30	The Arcade	Local	10	10	-	-	20
41	Heatherton Road	Local	60	70	-	-	130
49	Freeway Sports	Local	90	170	-	-	260
53	Eve	Local	20	10	-	-	30
63	Marshall Place	Local	-	-	-	-	-
64	Saffron Drive	Local	10	10	-	-	20
3A	Berwick HEP	HEP	290	910	1,860	150	3,210
31	Home Restricted	Restricted	510	90	-	-	600
32	Lynbrook Business	Restricted	1,150	-	-	980	2,120
<b>Total</b>			<b>14,830</b>	<b>6,460</b>	<b>4,910</b>	<b>1,050</b>	<b>27,250</b>

Source: SGS Economics and Planning 2016

## Approach to estimating current employment in existing activity centres

In the absence of a comprehensive employment and land use audit, a combination of various datasets (see Figure 22) was used to determine existing employment by industry and broad land use category within existing centres. These datasets were synthesised into a single employment database as follows:

FIGURE 22 APPROACH TO ESTIMATING CURRENT EMPLOYMENT BY EXISTING CENTRES



**Total employment by industry for Casey** was sourced from the SGS state-wide small area employment database. This database is drawn from ABS 2011 Census Place of Work data and the ABS Labour Force Survey. The ABS Census is a self-administered survey and as a result there is some degree of undercount largely resulting from people incorrectly completing their forms<sup>8</sup>. This is particularly evident in the place of work data where employment is undercounted by approximately 15-20 per cent in 2011. This varies spatially and by industry, with construction generally seeing the largest undercount as workers find it difficult to specify an exact work location. SGS has 'scaled up' the raw Census data by systematically reallocating undefined locational and industry categories and then drawing on the Labour Force Survey at the Greater Melbourne level to ensure the sum of all locations aligns with official employment estimates.

An assumption regarding the proportion of **employment likely to be located in activity centres** across Casey was then made by broad industry category. This assumption was informed by ABS 2011 Census Destination Zone level employment data which generally aligns with some centres and the floorspace audit.

TABLE 8. ASSUMED SHARE OF EMPLOYMENT WITHIN CENTRES BY INDUSTRY

Industry	Employment within centres
Retail	94%
Commercial	79%
Industrial	8%
Institutional	27%
<b>Total</b>	<b>39%</b>

Source: SGS Economics and Planning

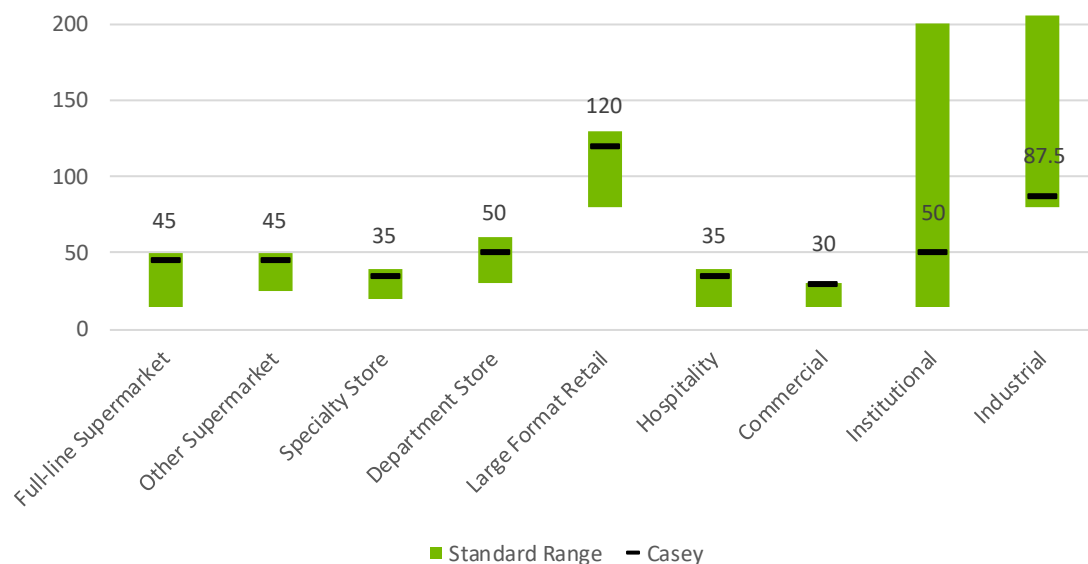
**Employment in each activity centre** has then been estimated based on the existing estimated floorspace, combined with SGS standard employment density ranges (floorspace (sqm) per job ratio) (see green bars in Figure 23 for SGS standard employment density ranges). These ratios have been developed by SGS from numerous projects across Australia over the last two decades. An appropriate ratio (see black line in Figure 23 for Casey selected employment density) within the SGS standard range for each industry has then been selected.

<sup>8</sup> For more information regarding the undercount in the ABS Census refer to ABS Cat. 2940.0

<http://www.abs.gov.au/AUSSTATS/abs@.nsf/allprimarymainfeatures/3825808BCAEAA204CA2581470023D308?opendocument>

Generally lower employment densities have been selected in alignment with an outer/greenfield area trends where lower rents and larger floorplates are more typical. However, for institutional and industrial uses a higher density has been assumed given these uses within activity centres will typically be more intensive than out of centre locations. Cross-checks with small area (ABS Destination Zone) data were then also completed to refine the assumptions. For example, we checked that the floorspace by job ratio in a particular location broadly aligned with the associated employment from the ABS Census data.

FIGURE 23 STANDARD FLOORSPACE (SQM) PER JOB RATIOS AND SELECTED CASEY RATIO



Source: SGS Economics and Planning

Based on the project scope and information available at the time of the study, this process provides a reasonable understanding of the existing employment across activity centres for strategic purposes.

#### **Approach limitations**

However, these estimates are **based on professional judgement and broad assumptions** drawing on SGS research as outlined above. These assumptions are likely to vary at a store and centre level and, given there is no detailed employment audit data to refine them, they should only be seen as indicative employment estimates.

Furthermore, as outlined with the floorspace data it should be noted that **all businesses increasingly operate on a continuum** and, in some circumstances, it can be difficult to clearly assign a job to one category level. Furthermore it is important to remember that **centres are always evolving** and uses are continuously changing.

These limitations should be considered when reviewing the results in this section.

## 4.5 Current expansion plans for the centre hierarchy

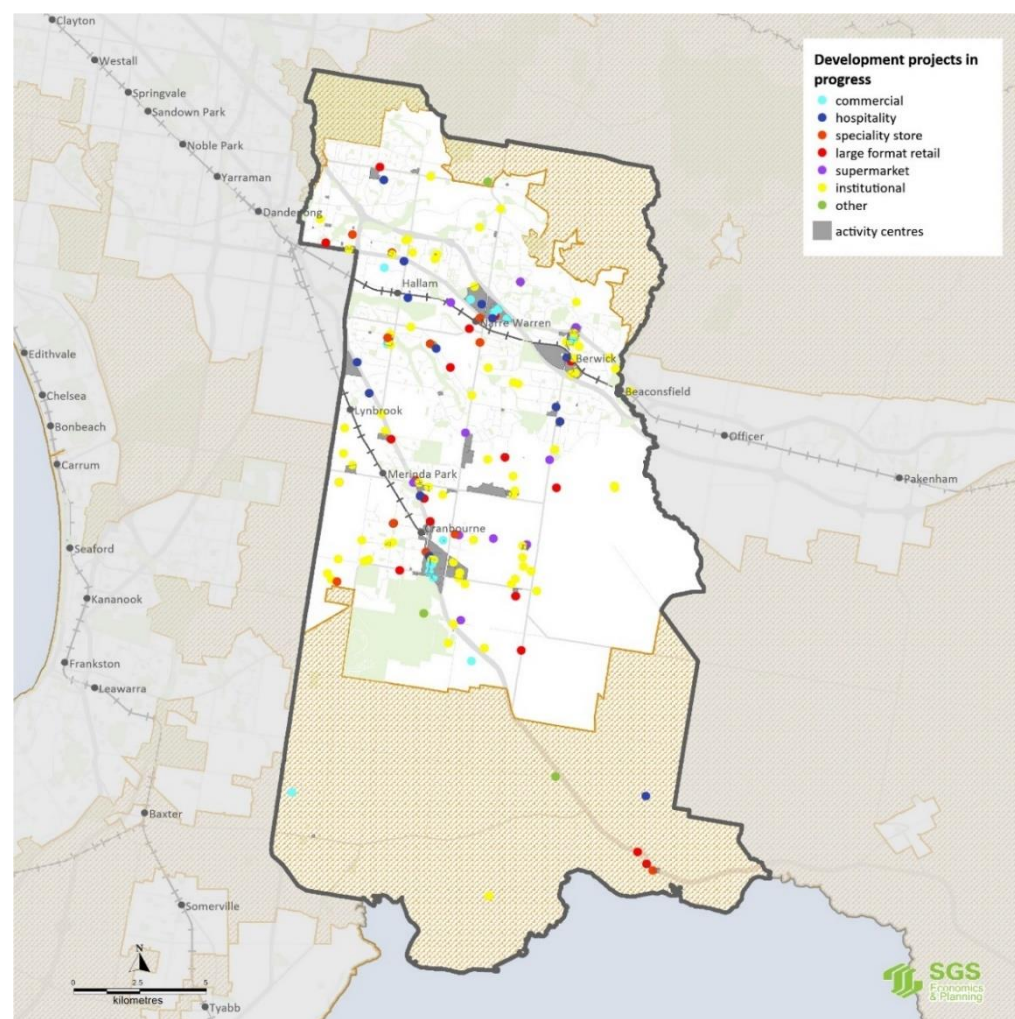
The previous sections outlined the composition of the existing 45 activity centres. The following outlines known development and new centre plans which should be factored into the centre hierarchy.

### Development pipeline

The City of Casey is rapidly developing and this section identifies the short-term development pressures. Figure 24 maps proposed development projects that are yet to be constructed (as of 2016) but are part way through the development or building application process. Some may not be approved or developed and/or may be located on land which currently prohibits the use. However, they represent developer interest/intent and are a combination of new developments, extensions, redevelopments and renovations valued at over \$1 million sourced from Cordell Connect – CoreLogic.

This shows that while many development types are scattered across the municipality, commercial applications are focused on the Fountain Gate-Narre Warren CBD and Cranbourne Town Centre, which already hold the greatest levels of commercial activity of the municipality's activity centres. There are a large number of institutional<sup>9</sup> developments with a cluster occurring in the Berwick Health and Education Precinct.

FIGURE 24 PROPOSED DEVELOPMENT BY BROAD LAND USE CATEGORY



Source: Cordell Connect, 2016

Note: Includes projects that were commenced since 2013 and are projected to be completed by 2024.

<sup>9</sup> Institutional developments as defined by the Cordell Connect dataset are largely comprised of hospitals, medical centres and child care facilities (schools have been removed from the dataset).

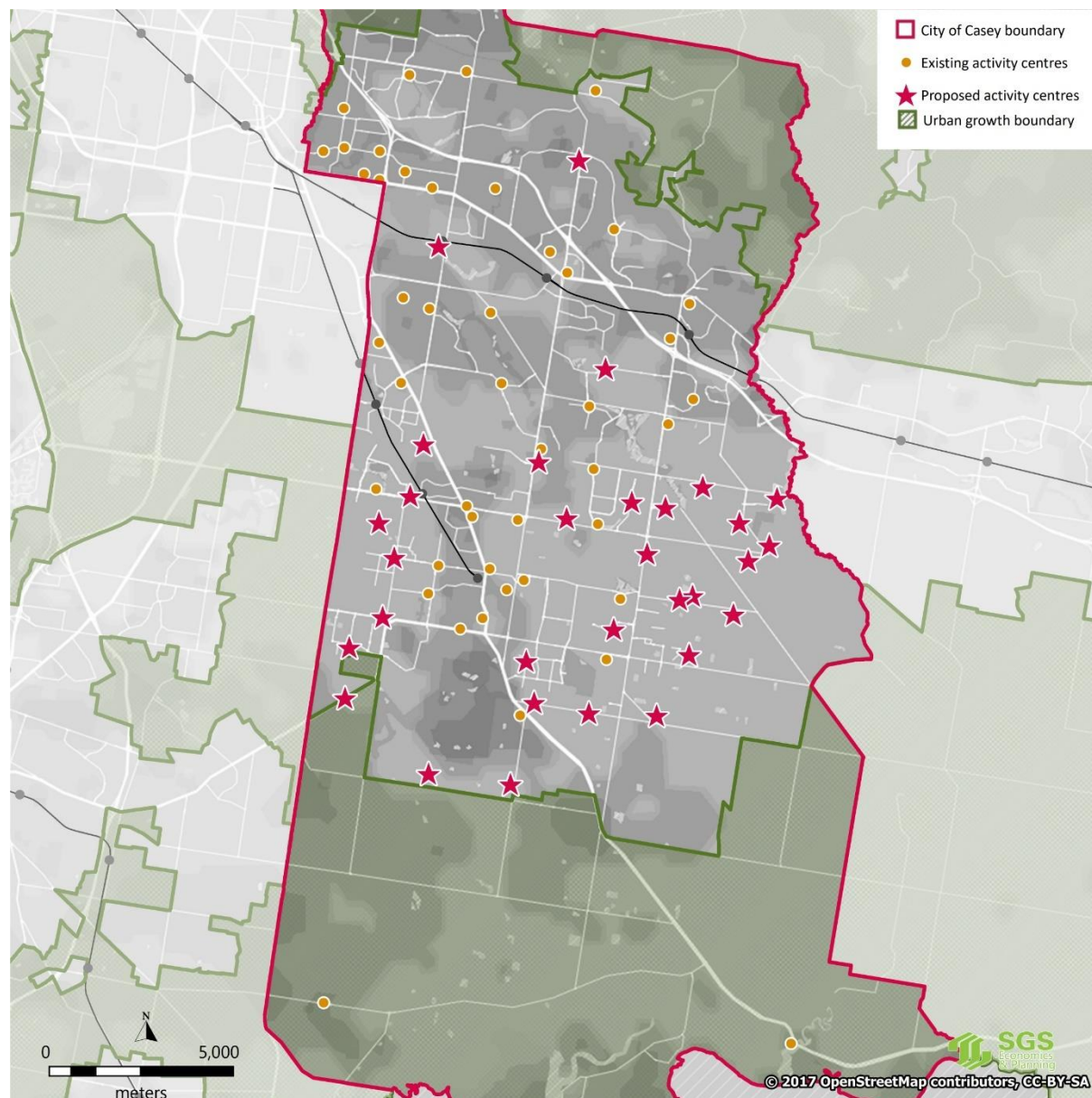


## Currently proposed new centres

Given the rapid growth planned for Casey, a large number of new activity centres have already been planned through previous activity centre strategies or Precinct Structure Plans (PSPs) (detailed in Appendix D).

Figure 25 presents the 31 currently planned new activity centres in Casey. This includes two new major activity centres, 11 new neighbourhood activity centres (medium), 15 new neighbourhood activity centres (local) and three new restricted retail precincts<sup>10</sup>. A full list is contained in Appendix G.

FIGURE 25 CURRENTLY PROPOSED NEW ACTIVITY CENTRES



Source: SGS Economics and Planning

<sup>10</sup> One is co-located with (or form part of) larger activity centres, namely Casey Central.

## 4.6 Zoning irregularities

This section identifies areas where existing planning zones should potentially be reviewed.

Through this Assessment several locations were identified where the existing planning controls do not align with existing uses or centre roles. These areas should be further investigated in detail and if appropriate consultation should be undertaken with relevant stakeholders (i.e. land owners). This further investigation may (or may not) find the existing controls as appropriate. Regardless further investigation is worthwhile.

It is noted that Council is currently reviewing zones in the Cranbourne Town Centre as part of an updated Structure Plan process. These proposed revisions have been incorporated in this Assessment.

Relevant strategic level recommendations for these areas are also further detailed in Chapter 6 and 7.

---

### Freeway Sports, Eumemmerring

Current MUZ includes an indoor pool with gym and hotel/tavern. Neighbouring shops along Princess Highway are currently zoned GRZ1. There is also a S173 Agreement on the MUZ land which restricts a supermarket. DPO13 also applies to the MUZ land and aims to facilitate the development of a 'Convenience Centre'. Across Princess Highway (in the City of Greater Dandenong) is a larger centre zoned C2Z which includes a new supermarket amongst other shops.

This area should be reviewed holistically in conjunction with the City of Greater Dandenong and a long-term plan established to transition the area to an appropriate zone.



### Eden Rise and Berwick Springs

Eden Rise is zoned C1Z while the existing adjacent retail development, Berwick Springs is currently zoned GRZ1. It should be noted some parts of Berwick Springs are still undeveloped.

This area should be reviewed holistically and a long term plan to integrate the two centres and apply an appropriate zone(s) over the area should be investigated.



---

### Springhill, Cranbourne

The core shopping centre is zoned C1Z while the adjacent takeaway store and service station are zoned GRZ1. This area should be reviewed and an appropriate zone(s) to be applied over the area should be investigated.

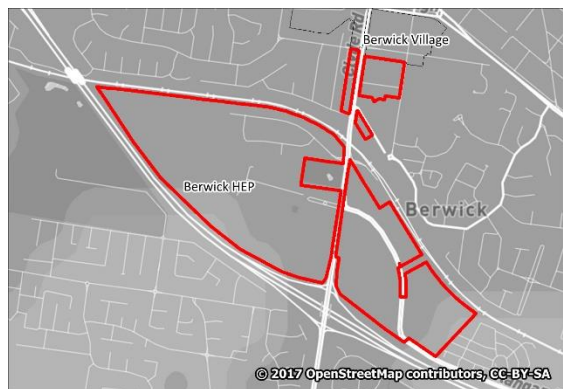


---

### Berwick Health and Education Precinct

This major precinct includes C1Z, MUZ, IN1Z, GRZ1 and PUZ. There are some existing uses which do not align with the zones such as St John of God Hospital in the northern sub precinct zoned GRZ1.

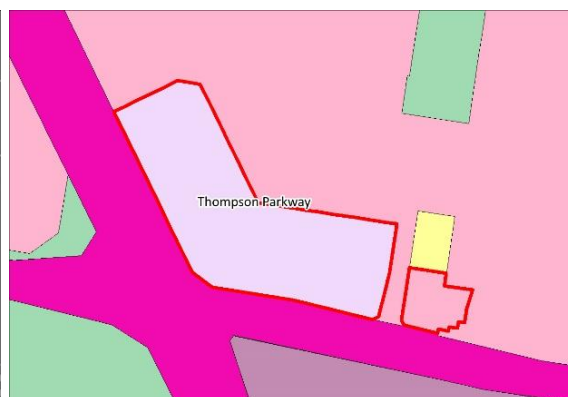
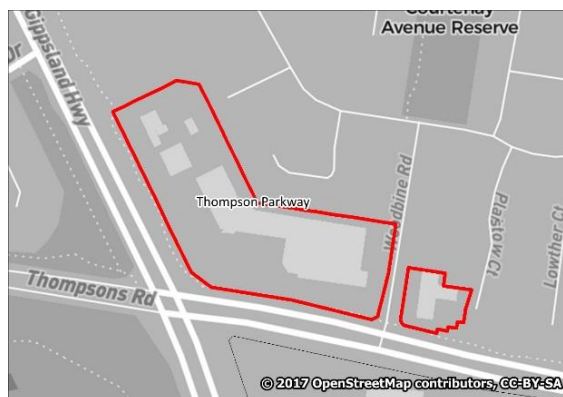
This area should be reviewed, potentially as part of a wider strategic study, and a long term plan to apply appropriate zone(s) which full support the precincts vision should be investigated.



---

### Thompson Parkway, Cranbourne North

The main shopping centre is zoned C1Z. There is a small parcel of land to west which contains a medical centre currently zoned GRZ1. A more appropriate zone could possibly be investigated.



---

### South Gippsland Highway, Cranbourne North

The centre is currently zoned GRZ1 and largely undeveloped with a pending retail and residential planning application. A more appropriate zone will need to be applied before it can be developed in line with its future role.





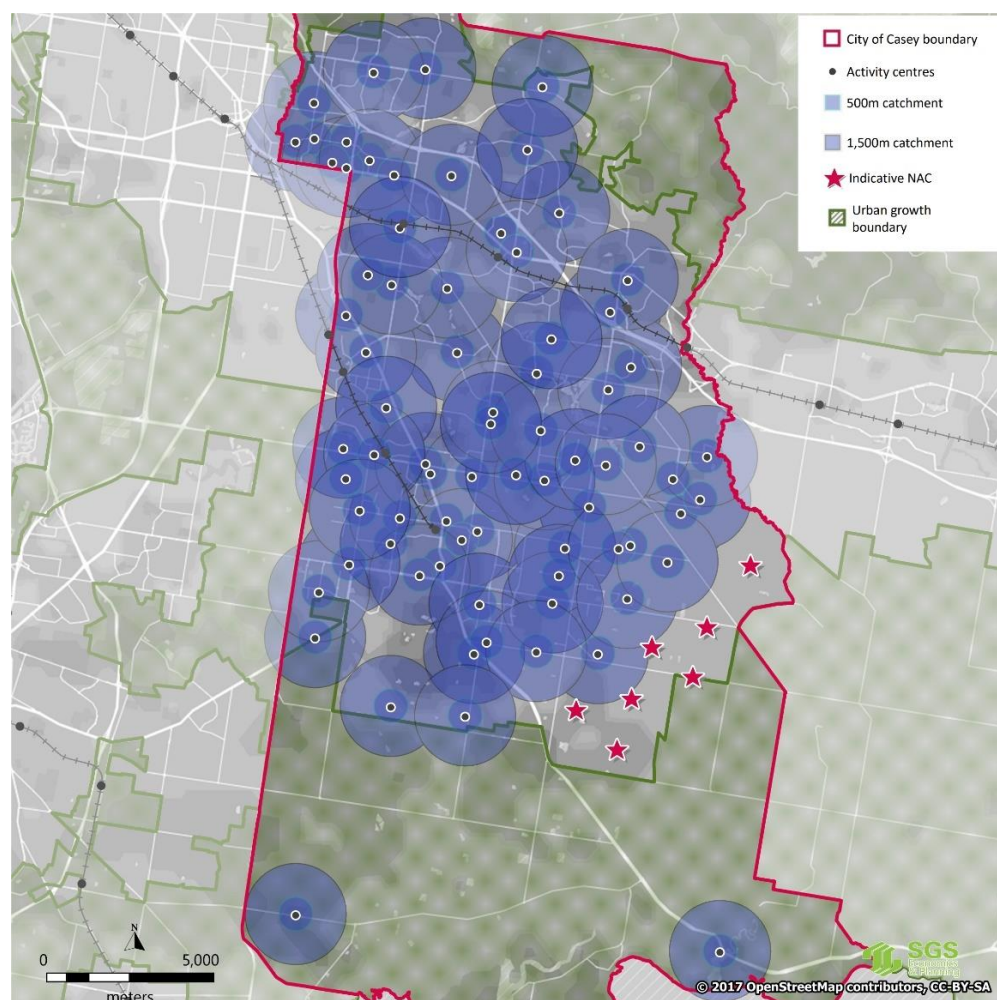
## 4.7 Network coverage

Ensuring all residents in Casey have access to at least some form of local retailing is critical to ensuring a healthy liveable community. This is recognised in state and local planning policy through objectives such as the '20-minute neighbourhood'.

Using a simple 1.5km buffer<sup>11</sup> the following map highlights the coverage of the existing and planned network of centres. This has been consistently applied across all levels of the hierarchy to understand if all residents have some form of local convenience retailing. Council will further refine this walkable coverage analysis using local data on street and walking path connectivity when preparing a new activity centres strategy.

A number of small gaps in the north of the municipality are evident. However, these are located on the periphery of the urban areas with low residential densities. There is a more significant gap in the network coverage to the south-east of the future urban area, beyond Clyde but within the Urban Growth Boundary. While these are the last parts of the growth areas to be established (as detailed in the next chapter) there are no neighbourhood activity centres currently planned for the area. PSPs have not been completed for the area as yet, but it is assumed that any future PSPs developed by the VPA will ensure 20-minute neighbourhoods and hence would identify a number of additional local centres. Seven indicative neighbourhood activity centres have been placed in this area to support the 20-minute neighbourhood concept. Refinement and further planning of these will be required.

FIGURE 26 NETWORK COVERAGE – EXISTING AND PROPOSED ACTIVITY CENTRES



Source: SGS Economics and Planning

<sup>11</sup> 1.5km reflects a 20 minute walk at 5kph

## 4.8 Potential capacity of existing and planned activity centres

### Overview

The following section provides an overview of the existing and potential growth in floorspace. The potential floorspace projections in this section are high-level capacity limits estimated using net land area within each centre, and do not reflect the demand, population catchment, or employment availability.

Using this method (outlined in more detail at the end of this section), the 45 existing centres, 31 currently planned centres and 7 additional indicative neighbourhood activity centres have a combined potential capacity of approximately 3.6 million square metres of floorspace (or 2.2 million additional square metres) based on a high level capacity assessment. The following sections provide an overview of the existing and potential activity centre network from a supply side perspective.

### Estimated potential floorspace capacity

Table 9 provides a breakdown of floorspace in each of the existing and future activity centres. For most centres, this represents a floorspace to developable land ratio of 60% (see 'approach' section at the end of this section for more detail). Caution should be used when interpreting these centre level results for reasons outlined in the 'limitations' section at the end of this section.

TABLE 9 CURRENT AND POTENTIAL FLOORSPACE BY CENTRE

ID	Name	Status	Existing/ Proposed Hierarchy	Total developable land (sqm)	Existing floorspace (sqm)				Floorspace capacity (sqm)	
					Retail	Other Emp	Non-Emp	Total Existing	Net (additional) Capacity	Total Capacity (inc. existing)
1	Narre Warren	Existing	Metro	964,660	186,630	69,150	5,160	260,940	317,860	578,800
1A	Narre Warren Restricted	Existing	Restricted	134,640	55,100	1,550	0	56,650	24,140	80,780
2	Cranbourne	Existing	Major	1,436,340	74,180	194,630	72,410	341,230	603,230	944,460
2A	Cranbourne Restricted	Existing	Restricted	96,210	8,510	10,210	1,030	19,750	57,730	77,480
3	Berwick Village	Existing	Major	163,560	58,850	14,390	8,820	82,060	27,520	109,580
3A	Berwick HEP	Existing	HEP	980,990	15,810	123,630	5,350	144,800	281,710	426,500
4	Casey Central	Existing	Major	311,350	28,590	920	100	29,600	24,780	54,380
4A	Casey Central Restricted	Proposed	Restricted	0	0	0	0	0	23,730	23,730
5	Endeavour Hills	Existing	Major	124,460	28,860	8,720	470	38,040	36,630	74,670
6	Hampton Park	Existing	Major	105,600	35,930	9,310	400	45,650	17,710	63,360
7	Eden Rise	Existing	Medium	54,750	13,590	1,930	0	15,520	17,330	32,850
8	Amberly Park	Existing	Medium	23,570	5,500	1,830	0	7,330	6,810	14,140
9	Lynbrook Village	Existing	Medium	31,850	11,480	3,530	1,320	16,340	2,770	19,110
10	Parkhill Plaza	Existing	Medium	30,670	13,610	1,860	0	15,470	2,930	18,400
11	Sandhurst Centre	Existing	Medium	14,190	4,250	2,180	0	6,430	2,080	8,510
12	Spring Square	Existing	Medium	13,600	7,240	2,080	250	9,560	530	10,100
13	Thompson Parkway	Existing	Medium	35,990	11,670	2,150	210	14,040	7,570	21,610
14	Main Street	Existing	Local	6,370	1,780	0	0	1,780	2,050	3,820
15	Autumn Place	Existing	Medium	16,750	3,900	1,590	230	5,720	4,330	10,050
16	Kirkwood Crescent	Existing	Local	24,820	3,700	0	210	3,900	9,730	13,630
17	Linden Place	Existing	Local	7,530	1,850	510	0	2,360	2,160	4,520
18	Tooradin Village	Existing	Medium	37,630	6,700	1,790	1,470	9,960	12,620	22,580
19	Bemersyde Drive	Existing	Local	3,710	920	500	0	1,420	800	2,220
20	Box Street	Existing	Local	1,360	570	0	0	570	250	820



ID	Name	Status	Existing/ Proposed Hierarchy	Total developable land (sqm)	Existing floorspace (sqm)				Floorspace capacity (sqm)	
					Retail	Other Emp	Non-Emp	Total Existing	Net (additional) Capacity	Total Capacity (inc. existing)
21	Camms Road	Existing	Local	2,650	890	510	130	1,520	70	1,590
23	Doveton Avenue	Existing	Local	2,520	1,120	0	80	1,200	310	1,510
24	Greaves Road	Existing	Local	6,160	330	1,690	0	2,020	1,680	3,690
25	Llewellyn Place	Existing	Local	4,470	340	230	1,690	2,250	430	2,680
26	Somerville Road	Existing	Local	3,210	560	140	420	1,130	800	1,920
27	Hotham Street	Existing	Local	2,140	720	240	120	1,090	200	1,290
28	Lurline Street	Existing	Local	3,020	1,930	0	0	1,930	0	1,930
29	Pearcedale Township	Existing	Local	10,140	2,410	0	0	2,410	3,670	6,090
30	The Arcade	Existing	Local	1,080	360	360	0	720	0	720
31	Home Restricted	Existing	Restricted	165,150	45,600	2,640	5,270	53,510	7,680	61,190
32	Lynbrook Business	Existing	Restricted	304,360	55,130	55,970	850	111,950	70,670	182,610
33	Hall and Evans Road	Proposed	Medium	0	0	0	0	0	8,000	8,000
34	Marriot Waters	Existing	Medium	101,910	12,020	6,350	0	18,370	42,780	61,150
36	Ernst Wanke Road	Proposed	Medium	0	0	0	0	0	8,680	8,680
37	The Hunt Club	Existing	Medium	54,600	6,790	0	0	6,790	15,240	22,030
38	Springhill	Existing	Medium	32,170	6,220	2,770	0	8,990	10,310	19,300
39	Selandra Rise	Existing	Medium	34,360	4,940	970	0	5,910	14,710	20,620
40	Avenue Village	Existing	Medium	36,790	6,060	670	0	6,730	15,340	22,070
41	Heatherton Road	Existing	Local	39,870	2,250	2,250	0	4,490	19,430	23,920
42	Clarinda Park	Proposed	Local	0	0	0	0	0	3,000	3,000
44	Cranbourne West North	Proposed	Local	0	0	0	0	0	3,000	3,000
45	Shopping on Clyde	Existing	Medium	28,580	10,390	0	0	10,390	6,760	17,150
46	Adrian Street	Proposed	Medium	0	0	0	0	0	6,500	6,500
47	South Gippsland Highway	Proposed	Local	0	0	0	0	0	4,000	4,000
48	Hallam Station	Proposed	Local	0	0	0	0	0	4,000	4,000
49	Freeway Sports	Existing	Local	40,780	3,500	5,100	0	8,600	15,870	24,470
50	Merinda Park	Proposed	Medium	0	0	0	0	0	3,000	3,000
52	Cranbourne East South	Proposed	Medium	0	0	0	0	0	6,500	6,500
53	Eve	Existing	Local	6,590	880	420	0	1,300	2,660	3,960
54	Wheelers Park Drive	Proposed	Local	0	0	0	0	0	1,000	1,000
55	Soldiers Road	Proposed	Medium	0	0	0	0	0	11,000	11,000
56	Clyde North South-East	Proposed	Local	0	0	0	0	0	1,000	1,000
57	Clyde North North-East	Proposed	Local	0	0	0	0	0	1,000	1,000
58	Grices Road	Proposed	Local	0	0	0	0	0	2,500	2,500
59	Hardys Road	Proposed	Major	0	0	0	0	0	110,000	110,000
60	Clyde	Proposed	Major	0	0	0	0	0	90,000	90,000
61	Central Parkway	Proposed	Medium	0	0	0	0	0	5,000	5,000
62	Thompsons Road Restricted	Proposed	Restricted	0	0	0	0	0	70,000	70,000
63	Marshall Place	Existing	Local	190	170	0	0	170	0	170
64	Saffron Drive	Existing	Local	1,870	300	300	0	600	520	1,120

ID	Name	Status	Existing/ Proposed Hierarchy	Total developable land (sqm)	Existing floorspace (sqm)				Floorspace capacity (sqm)	
					Retail	Other Emp	Non-Emp	Total Existing	Net (additional) Capacity	Total Capacity (inc. existing)
65	Springbrook Drive	Proposed	Local	0	0	0	0	0	2,000	2,000
66	Centre Road	Proposed	Medium	0	0	0	0	0	6,000	6,000
67	Ballarto Road	Proposed	Local	0	0	0	0	0	1,500	1,500
68	Tuckers Road	Proposed	Local	0	0	0	0	0	6,000	6,000
69	Hardys Road Local	Proposed	Local	0	0	0	0	0	6,000	6,000
70	Smiths Lane	Proposed	Local	0	0	0	0	0	3,600	3,600
71	Craig Road	Proposed	Medium	0	0	0	0	0	10,100	10,100
72	Berwick-Cranbourne Road	Proposed	Local	0	0	0	0	0	1,500	1,500
73	St Germain	Proposed	Medium	0	0	0	0	0	13,000	13,000
74	Cranbourne North Business	Proposed	Restricted	0	0	0	0	0	131,740	131,740
75	Brompton Lodge	Proposed	Medium	0	0	0	0	0	8,000	8,000
76	Indicative NC	Proposed	Local	0	0	0	0	0	5,000	5,000
77	Indicative NC	Proposed	Local	0	0	0	0	0	5,000	5,000
78	Indicative NC	Proposed	Local	0	0	0	0	0	5,000	5,000
79	Indicative NC	Proposed	Local	0	0	0	0	0	5,000	5,000
80	Indicative NC	Proposed	Local	0	0	0	0	0	5,000	5,000
81	Indicative NC	Proposed	Local	0	0	0	0	0	5,000	5,000
82	Indicative NC	Proposed	Local	0	0	0	0	0	5,000	5,000
<b>Total</b>				<b>5,503,110</b>	<b>742,130</b>	<b>533,070</b>	<b>105,990</b>	<b>1,381,190</b>	<b>2,283,750</b>	<b>3,664,900</b>

Source: SGS Economics and Planning

Note: Existing centres are classified based on their existing role and not their aspirational role.  
Potential capacity includes all floorspace types.

This analysis highlights that the potential capacity is more than double the current amount of floorspace (1.4 million square metres). Cumulatively, there is estimated to be 591,000 sqm of floorspace capacity across the 38 planned new centres, and 1.6 million sqm of potential additional supply across 45 existing centres.

Due to the high level approach and large geographic boundary of some existing centres (namely Fountain Gate-Narre Warren CBD, Cranbourne Town Centre and Berwick HEP) the realised capacity in existing centres is likely to be considerably lower. Regardless, it does highlight the large dispersed nature of these three centres and their ultimate size potential if fully built out to modest development levels (60 per cent of net land).

Furthermore, if all floorspace were realised in these three centres they would absorb the majority of demand (to be discussed in Chapter 5) which would undermine smaller and emerging centres from developing. This would ultimately reduce the local convenience offer for residents and undermine the 20-minute neighbourhood concept.

Endeavour Hills is the only major activity centre which may struggle to fully realise its role in terms of size as a major centre. The other major activity centres have sufficient potential to further expand and diversify their current retail functions.

There is potential for some of the Restricted Retail Precincts to become quite large and undermine the activity centre hierarchy if they are not managed. Non-retail businesses in these precincts should be promoted.

TABLE 10 CURRENT AND POTENTIAL FLOORSPACE BY CENTRE TYPE

	Count of Centres			Existing floorspace (sqm)		Potential Capacity (sqm)	
	Existing	Proposed	Total	Total	Average per centre	Total	Average per centre size
Metro	1	0	1	261,000	261,000	579,000	579,000
Major	5	2	7	537,000	107,000	1,446,000	207,000
Medium	15	11	26	158,000	11,000	405,000	16,000
Local	19	22	41	39,000	2,000	180,000	4,000
Restricted	4	3	7	242,000	61,000	628,000	90,000
HEP	1	0	1	145,000	145,000	427,000	427,000
<b>Total</b>	<b>45</b>	<b>38</b>	<b>83</b>	<b>1,382,000</b>	<b>31,000</b>	<b>3,665,000</b>	<b>44,000</b>

Source: SGS Economics and Planning

Note: Existing centres are classified based on their existing role and not their aspirational role.  
Existing and potential capacity includes all floorspace types.

### Approach to estimating potential floorspace capacity

A high-level estimate of the potential floorspace capacity across the entire existing and planned activity centre network has been completed to provide an 'order of magnitude' understanding of what the network could represent. It is not based on site or precinct based analysis but rather 'top-down' ratios as follows:

- **Net land** (total developable land) within each existing activity centre boundary was estimated based on the lot area. This excludes footpaths, roads and other similar uses.
- A **potential capacity for existing centres** was then estimated based on an assumed average floorspace to net land area ratio of 0.6 across the centre. This was selected based on a review of existing centres. There were some exceptions to this standard assumption:
  - Precinct level adjustments were made to Cranbourne as part of a separate Assessment
  - The ratio was reduced to 0.4 for much of the Berwick HEP given its institutional use focus
- A **potential capacity for proposed centres** was based on a review of current policy documents (i.e. PSPs and previous strategies). Where individual centre information was not available standard sizes were applied based on the centre role.

### Approach limitations

It should be noted this estimate of capacity is a **theoretical** capacity based on the assumptions outlined above. The assessment has not considered site level characteristics or constraints, if the development is feasible given current or future market conditions, or the likelihood of a planning permit being issued. It is intended to be a high-level capacity estimate and should not be interpreted as the actual potential capacity for any one centre. Significant additional research is required to refine this estimate.

# 5 PROJECTED RETAIL AND OTHER EMPLOYMENT NEEDS

The City of Casey is going through significant population growth with a population of almost 300,000 residents in 2016. Compared to the Greater Melbourne area Casey has a significantly higher percentage of separate house, significantly less renters, very high car ownership, larger households and more middle income earners. The population growth is projected to reach almost 500,000 residents by 2041.

This section provides an outline of the underlying retail and non-retail employment demand that is anticipated within Casey's activity centres, including its implications for floorspace demand. A key factor driving retail demand is population growth and demographic profile, which is also analysed.

Alignment of projected demand to individual centres draws on a combination of market and policy based considerations and is detailed in Chapter 6 as part of the optimal centre roll out.

## 5.1 Population demographic profile

### Overview

Household and workforce characteristics can significantly shape retail demand in an area, as they influence the range, type, price and quantity of goods bought. For example, in a population with a large proportion of elderly residents, a greater demand for pharmaceutical goods can be expected, while in areas with young families there is a high proportion of expenditure on food and groceries.

### Casey demographic snapshot

As of 2016 there are 299,301 people living in Casey (as per the 2016 ABS Census). Table 11 provides a snapshot from the 2016 ABS Census of the residents of Casey, alongside the South East subregion and Greater Melbourne. This highlights some of the unique aspects of the local population which heavily impact on demand for retail goods and services.

The following key characteristics can be seen:

- There is a significantly higher percentage of family households in Casey compared to Greater Melbourne in particular, but also the South East.
- There are relatively few lone person households.
- There is a greater proportion of detached housing compared particularly to Greater Melbourne, but also the South East. There are also very few apartments, at less than 1 per cent.
- There is a lower proportion of dwellings which are rented compared to both Greater Melbourne and the South East. The majority of houses are owned with a mortgage, typical of a new growth area.
- The majority of households have two or more cars, higher than trends in the South East and Greater Melbourne.
- There is a slightly *higher* percentage of households in the middle income brackets than Greater Melbourne. There is a slightly *lower* percentage of households in both the lowest and highest income brackets than Greater Melbourne.

TABLE 11 HOUSEHOLD PROFILE, CASEY AND COMPARATOR AREAS, 2016

	Casey	South East Region	Greater Melbourne
<b>Population</b>			
Population	299,301	755,265	4,485,211
<b>Dwelling Numbers</b>			
Occupied private dwellings	92,128	243,020	1,574,484
Unoccupied private dwellings	5,772	17,863	167,500
% Unoccupied	(5.9%)	(6.8%)	(9.6%)
<b>Dwelling Structure</b>			
Separate house	89.5%	81.3%	67.8 %
Semi-detached	9%	12.3%	16.8%
Apartment	1%	5.8%	14.7%
<b>Tenure</b>			
Owned (Outright)	23.7%	29.6%	30.4%
Owned (Mortgage)	51.6%	40.5%	36%
Rented	21.3%	26.3%	30%
<b>Car Ownership</b>			
None	3.1%	5.4%	8.7%
One	26.4%	30.5%	34.7%
Two	43.8%	40%	36.6%
Three or more	23.6%	20.8%	16.8%
<b>Household Structure</b>			
Family households	82.5%	78.1%	71.7%
Lone person household	15.3%	18.1%	23.2%
Group households	2.2%	3.8%	5%
<b>Weekly Household Income</b>			
\$0-\$650	14.5%	18.3 %	18.4%
\$651-\$2,999	73%	68.7%	63.7%
\$3000 or more	12.5%	13%	17.9%

Source: 2016 Census

Casey generally exhibits the expected characteristics of a growth area in terms of dwelling type, household structure and income profile.

These are key characteristics that influence retail demand although it is noted that other factors including age structure, socio-economic status, public transport usage, physical and mental ability, and cultural or linguistic background, amongst other factors, also influence the scale and profile of retail expenditure.

## Projected population

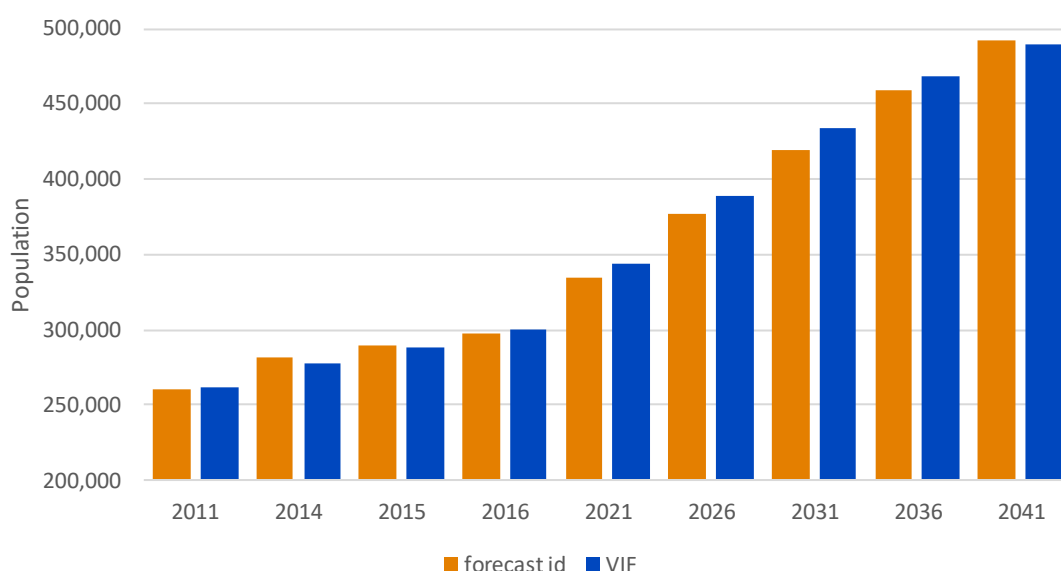
As well as the profile of the population, a key driver of retail demand is the scale of population growth.

Casey is experiencing rapid rates of growth, with the population in Casey set to increase by almost 200,000 people between 2016 and 2041 based on forecast.id projections. This equates to a 66 per cent growth over the 25 year period, compared to a 52 per cent growth over the same period across Greater Melbourne as a whole based on Department of Land, Water, Resources and Planning projections.

This means that by 2041, the City of Casey is expected to be home to almost 500,000 residents.

Figure 27 presents the recent and projected population growth for the City of Casey taken from forecast.id and the State Government's 2015 Victoria in Future projections. While these sources produce a slightly different forecast (as a result of different forecasting methods) both indicate a significant upward trend in Casey over the next two decades.

FIGURE 27 PROJECTED POPULATION GROWTH, CITY OF CASEY



Source: Forecast id 2015; Department of Environment, Land, Water & Planning 2015.

Note: VIF refers to '2015 Victoria in Future', the State Government's population projections.

**Forecast.id has been used as the primary source of population projections for this study, while comparisons to the Greater Melbourne and the broader region still draws on VIF forecasts.**

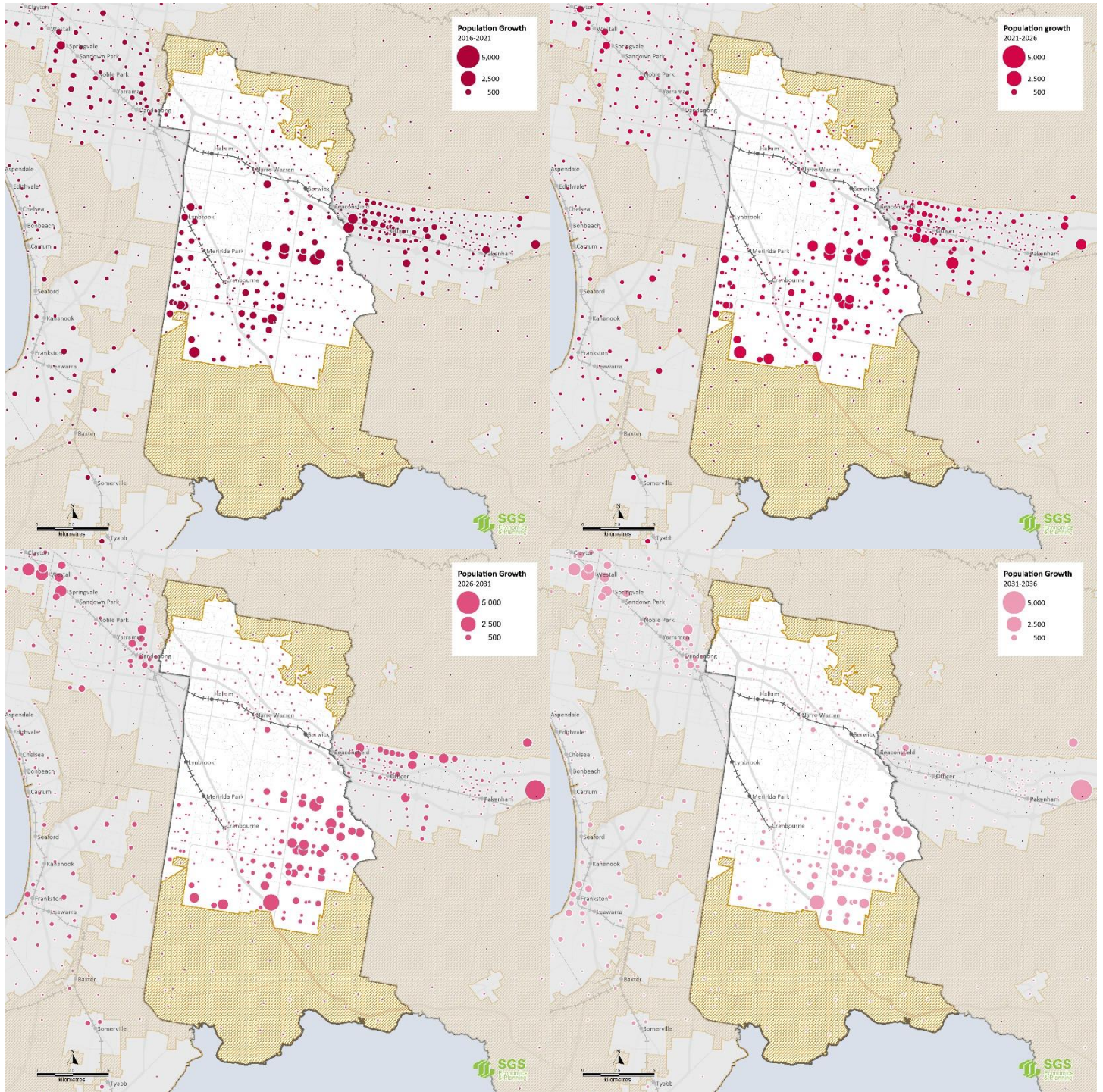
Drawing on the id population projections dataset, SGS has disaggregated these down to a small area level using the 2016 Urban Development Program, Precinct Structure Plans and other local area planning documents. This small area distribution considers the latest residential zoning local policy, including zoning for increased growth around activity centres.

This small area distribution is presented in Figure 28. From this we can see over the next ten years much of the development will be focused around Cranbourne and along the Monash/Pakenham rail corridor. As this is progressively built out, development will shift to the south-east of the municipality toward Clyde.

This population development pattern is critical when planning for the future centre network.



FIGURE 28 ESTIMATED POPULATION GROWTH 2016 TO 2036



Source: SGS Economics and Planning based on UDP, PSPs, forecast.id and other datasets

## 5.2 Retail expenditure forecasts

### Overview

Casey residents are estimated to have a per capita annual retail expenditure of \$12,763 in 2013/14. Compared to expenditure in the wider Greater Melbourne area, Casey residents are estimated to spend around 9 per cent less on retail. Broken down further, Casey residents spend 19% less on hospitality compared to Greater Melbourne, though only 5 per cent less in terms of supermarket expenditure. This is likely a reflection of the daily migration of workers out of Casey, lower higher income earners and a reduced hospitality offering throughout the municipality.

The current retail expenditure (at 2016) across the whole of Casey is estimated at \$3,790 million. This is projected to increase to \$7,660 million by 2036, based on anticipated population growth, changes in expenditure trends, employment, online spending and other forms of expenditure leakage and capture.

While online expenditure is difficult to ascertain and project, it is estimated to comprise around 3.5 per cent of total retail sales. The projections assume this 3.5 per cent online expenditure share is a constant; this is a significant limitation in the available data. The share of online retail is higher for some commodity groups. For example, 12 per cent of electronics expenditure occurs online.

Looking at the existing estimated turnover of the retail sector within Casey currently (based on revenue turnover per square metre of each retail market) there is a 13 per cent capture of additional retail spend above the current residents. This is somewhat typical on peri-urban areas with larger regional catchments.

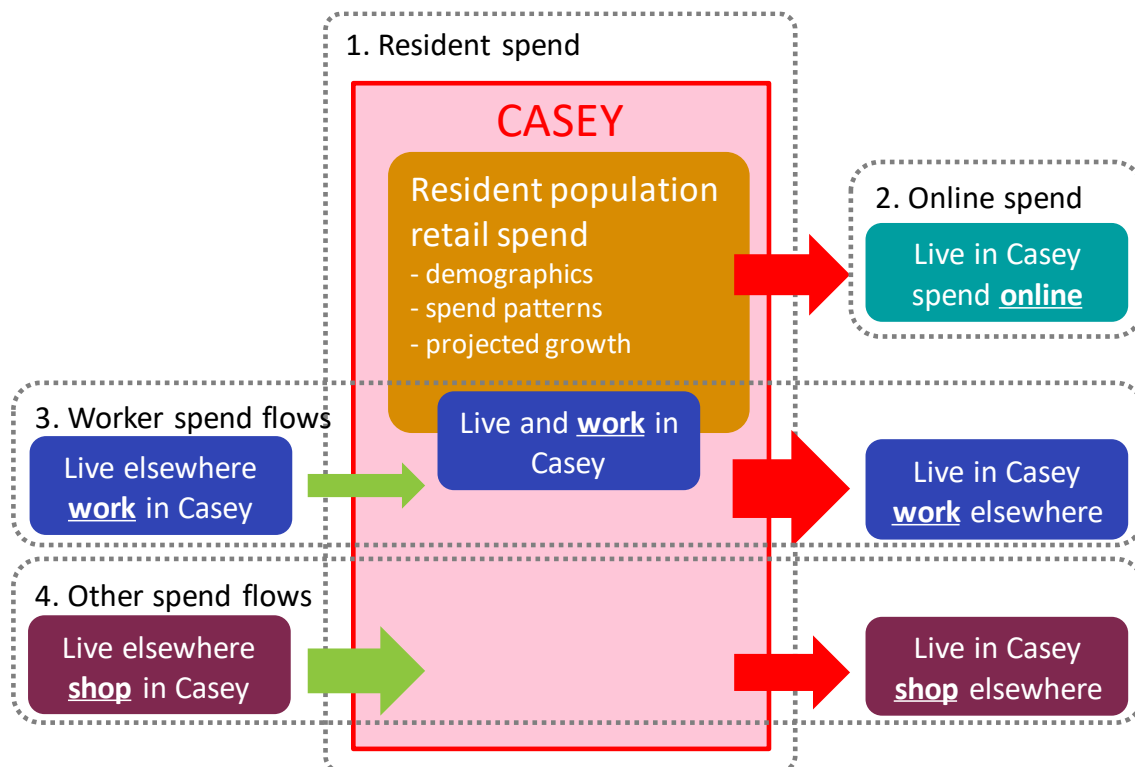
The estimated turnover within Casey's retail sector is anticipated to increase significantly to \$8,760 million by 2036 with significant growth in the specialty store and supermarket sectors, substantially above the \$7,660 million estimated to be spent on retail by Casey residents per year by this date.

The following sections step through this process in further detail, highlighting key results throughout the process.

## Approach to forecasting retail expenditure demand

Retail demand is primarily driven by growth in the local resident population. However, there are number of other factors that vary this level of spend (see Figure 29). These additional factors are considered when current and future retail expenditure is estimated at a small area level across the municipality.

FIGURE 29 RETAIL EXPENDITURE ANALYSIS



Source: SGS Economics and Planning

The following steps are taken to estimate underlying retail expenditure demand:

1. The total residential expenditure 'pool' by small area zone<sup>12</sup> is calculated based on:
  - Small area population projections from SGS (drawing on id consulting and other datasets),
  - Small area annual per capita spend by store type from MarketInfo, and
  - Expenditure trends from ABS retail trade and other industry research.
2. Adjustments are made to account for the online expenditure
3. Adjustments are made to account for worker in/out flows
4. Expenditure is then aligned with local floorspace and turnover estimates to understand likely net flow of expenditure in/out of Casey for other reasons (i.e. preferences/local visitation/etc)
5. Finally, a forecast of retail demand (accounting for the introduction of new centres) is estimated.

*A Gravity Model is then used to align underlying expenditure demand projected at a small area level with existing and future centres. This is completed as part of the optimal centre roll out and is detailed in Chapter 6.*

<sup>12</sup> Small area zones are defined as ABS Statistical Areas 1 (SA1) further disaggregated around growth areas and centres.

## Step 1: Total resident retail expenditure forecasts

Total retail expenditure is forecast using small area spend per capita and commodity type data sourced from MarketInfo, population forecasts sourced from forecast.id (and SGS for small area breakdown) and retail trade trends created by SGS drawing on ABS data and retail market research. The MarketInfo data is derived from the ABS Household Expenditure Survey, which provides information on the current expenditure activities of households, and captures the unique profile of different household spending patterns at the Statistical Area 1 (SA1) level.

MarketInfo is regarded as an industry standard and is reported at the SA1 level to enable fine-grained estimates for retail expenditure forecasting.

MarketInfo expenditure data is based on ABS Household Expenditure Survey commodity categories (eg. food and groceries, clothes, etc). These are grouped into five broad store types. For example, the 'food and groceries' category is split into 'supermarkets' and 'specialty stores' at a 3:1 ratio to enable estimates of different floorspace types.

Table 12 shows the per capita expenditure by store type for the year 2013/14 for Casey and comparator areas. This indicates that Casey residents have a lower average spend compared to the Greater Melbourne average. This is particularly notable for hospitality, department store and specialty store expenditure. For most commodity groups, however, Casey's per capita spend is slightly higher than the South East subregion. This suggests that current Casey residents have a higher level of disposable income than the wider South East, as noted in Section 5.1.

TABLE 12 ANNUAL PER CAPITA SPEND, (\$) 2013/14

Store type	South East Region	Greater Melbourne	City of Casey	
			\$	% diff from Gr Mel
Supermarket	\$3,956	\$4,244	\$4,036	95%
Specialty store	\$4,378	\$5,156	\$4,551	88%
Department store	\$910	\$1,120	\$955	85%
Restricted retail	\$1,508	\$1,751	\$1,603	92%
Hospitality	\$1,558	\$2,009	\$1,618	81%
<b>Total Retail Spend</b>	<b>\$12,311</b>	<b>\$14,280</b>	<b>\$12,763</b>	<b>89%</b>

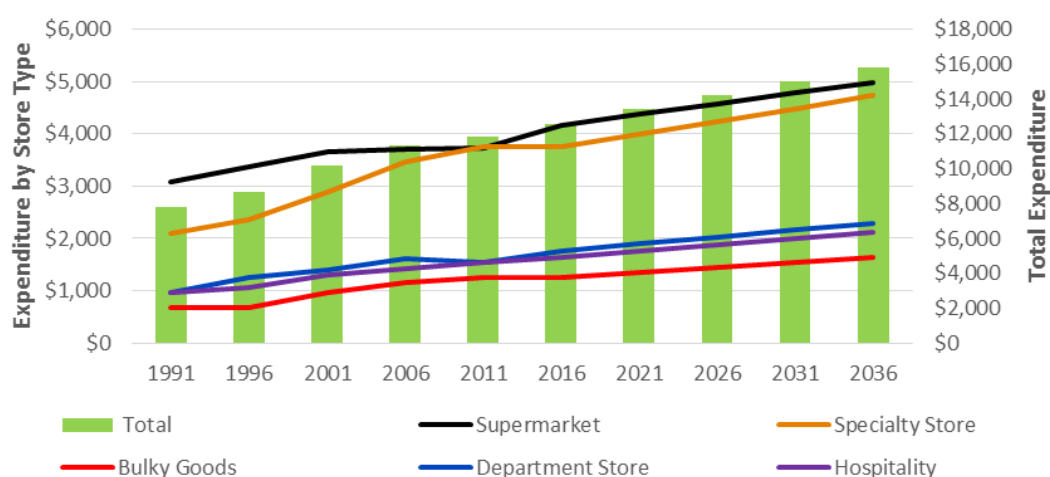
Source: MarketInfo, 2013/14

These small area expenditure estimates are projected forward to 2036 using data from the ABS Retail Trade series for Victoria. The Retail Trade series provides data on historical growth of real consumption by commodity category. These rates of growth are used to forecast change in real expenditure (ie. excluding inflation).

Figure 30 illustrates the projected growth in per capita expenditure in Casey to 2036. It shows that expenditure at specialty stores is expected to increase at a greater rate than other store types. The rate of increase of spending on restricted retail is conversely expected to slow.



FIGURE 30 PROJECTED GROWTH IN PER CAPITA EXPENDITURE, 1991-2036



Source: SGS Economics and Planning analysis drawing on several datasets

These per capita forecasts were then used to calculate forecasts of total resident expenditure across Casey using forecast.id population forecasts and SGS disaggregated forecasts at a small area level.

A summary of this total expenditure pool from all residents within the municipality is presented in Table 13. It indicates a steady growth in expenditure across all store types is expected to 2036.

TABLE 13 TOTAL CASEY-WIDE RESIDENT RETAIL EXPENDITURE PER ANNUM BY STORE TYPE (\$M)

	2016	2021	2026	2031	2036
Population	297,035	334,667	376,442	419,914	458,643
Supermarket	\$1,199	\$1,423	\$1,684	\$1,976	\$2,264
Specialty store	\$1,352	\$1,651	\$2,005	\$2,409	\$2,816
Department store	\$284	\$343	\$414	\$493	\$572
Restricted retail	\$476	\$583	\$710	\$857	\$1,004
Hospitality	\$481	\$588	\$715	\$859	\$1,004
<b>Total retail spend</b>	<b>\$3,791</b>	<b>\$4,588</b>	<b>\$5,528</b>	<b>\$6,594</b>	<b>\$7,661</b>

Source: SGS Economics and Planning analysis drawing on several datasets

## Step 2: Accounting for the rise of online retail

Online retailing has rapidly developed in recent years and is now a mainstay of the retail economy. As a result, some of the local retail spending will be captured online. There is very limited information on how much this is in Casey and how it might change. Given this, we have focused on simply accounting for a reasonable share based on Productivity Commission<sup>13</sup> data, rather than not accounting for it at all.

Given uncertainty about the future (such as future macroeconomic trends, rapid technological changes, population growth patterns and the dynamics of online retail) SGS has not sought to estimate future trends in online retail. Rather, it has been assumed that 'leaked' shares remain fixed at the 2011 level as this is the most recent data available.<sup>14</sup>

<sup>13</sup> Productivity Commission, 'Economic Structure and Performance of the Australian Retail Industry', November 2011.

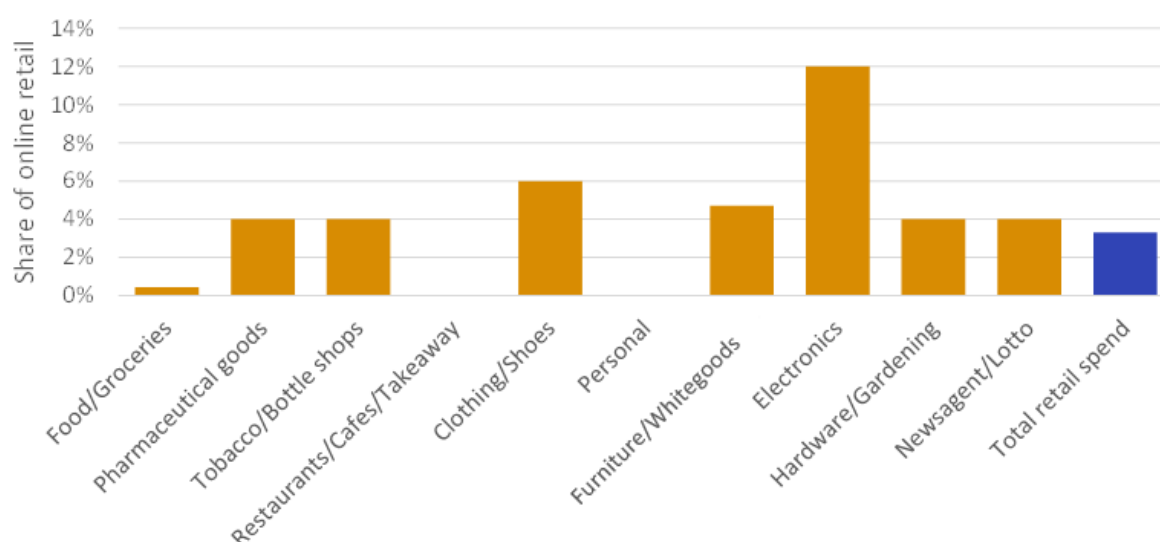
<sup>14</sup> A sensitivity test was undertaken to validate the appropriateness of this approach. If online leakage were to increase to 10 per cent by 2031 build out, from 4 per cent currently, total resident spend would reduce from \$3,659m to \$3,426m at 2031 build out. This is still significantly higher than the current retail spend of \$1,661m. For this reason we believe the core recommendations around the magnitude of growth and provision gaps would still largely hold.

Key trends in online retailing are further discussed in Appendix B. In particular, there is a blurring of ‘bricks and mortar’ and online retailing as shops use multi-channelling to appeal to changing consumer preferences. Though the rise of the share and digital platform economies (eg. Amazon, Airbnb and UberEats) will continue to influence the online preference, bricks and mortar retailers are anticipated to remain an important component of retailing. These latter retailers will need to focus on the retail ‘experience’ to attract and engage shoppers, rather than just competing on price, as consumers are increasingly undertaking this activity online.

Figure 31 shows the estimated online market shares by commodity group. Where possible, percentages for individual commodity groups have been sourced from the Productivity Commission report. Perishable commodities are assumed to lose a negligible share of turnover to online retailing. For other non-perishable commodities, the overall online share of retail sales has been applied.

Total online spend is estimated to be around 3.5 per cent of total retail expenditure. Electronics represents the biggest market online, with online expenditure accounting for 12 per cent of total expenditure in this commodity group.

FIGURE 31. ONLINE RETAIL SHARES BY COMMODITY GROUP



Source: SGS Economics and Planning 2015, based on Productivity Commission, 2011

### Step 3: Accounting for worker expenditure flows

As shown in Table 14, there are approximately 70,000 workers in the City of Casey and approximately 140,000 employed residents. This means that there is a net outflow of approximately 70,000 people from Casey for work each day ie. 50 per cent of the workforce. By 2036 there is forecast to be a net outflow of approximately 120,000 workers or around 46 per cent of the workforce. This will reduce the effect of population growth on retail demand in the City of Casey.

TABLE 14 NET WORKER FLOW

	2016	2021	2026	2031	2036
(A) Employed Residents	140,235	161,697	183,927	206,100	222,575
(B) Workers	69,730	78,992	88,229	95,132	102,220
(B-A) Net flow	-70,505	-82,705	-95,699	-110,968	-120,355

Source: SGS Economics and Planning

It is important to note that this ‘escape’ expenditure will not be consistent across all commodity groups or store types. Workers will typically spend more near their work on services and food outlets such as restaurants and cafes, and less on groceries and household items.

Worker flows across metropolitan Melbourne were used to calculate worker related escape expenditure. This was determined by distributing spend according to place of work, using ABS data.



## Step 4: Other expenditure flows in/out of Casey

Steps 1 to 3 have estimated resident expenditure (see A in Table 15) and accounted for online and worker based expenditure (see B in Table 15). This is now compared to estimated local turnover (see C in Table 15) which is based on the existing retail floorspace data (Chapter 4) and turnover per square metre (known as retail turnover density (RTD) – see Table 17 and text box below) estimated by store type to determine expenditure in/out flows for a base year.

The final column in Table 15 provides a breakdown of net retail escape expenditure by store type. Where the percentage is positive it represents a net inflow. Where the percentage is negative it represents a net outflow. Based on the assumed RTDs (see Table 16), City of Casey has a net inflow of retail expenditure of approximately 13 per cent in total, ranging from 20 per cent inflow for large format and hospitality to 16 per cent outflow for department store capture.

TABLE 15 NET RETAIL EXPENDITURE IN CASEY, \$ MILLION, 2016

	(A) Casey resident spend	(B) Casey spend adjusted for online and workers	(C) Estimated turnover in Casey	(A vs C) Escape (-) / Capture (+) of retail spend
Supermarket	\$1,200	\$1,160	\$1,290	8%
Specialty store	\$1,350	\$1,150	\$1,600	19%
Department store	\$280	\$270	\$240	-14%
Large format retail	\$480	\$430	\$570	19%
Hospitality	\$480	\$460	\$580	21%
<b>Total</b>	<b>\$3,790</b>	<b>\$3,470</b>	<b>\$4,280</b>	<b>13%</b>

Source: SGS Economics and Planning

TABLE 16 ASSUMED RETAIL TURNOVER DENSITIES FOR CASEY RETAIL NETWORK, 2016

	Supermarket	Specialty Store	Department Store	Restricted Retail	Hospitality	Total
<b>Assumed RTDs (per sqm)</b>	\$13,000	\$7,000	\$4,000	\$3,000	\$3,500	
<b>Floorspace per industry (total sqm)</b>	99,140	228,600	59,410	189,810	165,100	
<b>Estimated total turnover in Casey (\$M)</b>	\$1,289	\$1,600	\$238	\$569	\$578	\$4,274

Source: SGS Economics and Planning

It should be noted that this calculation incorporates significant assumptions and is based on fixed RTDs, which with slight adjustments can substantially alter the outcome. For example, if the specialty store RTD is at the lower end of the spectrum (i.e. \$5,000 rather than \$7,000) across all the existing specialty floorspace across Casey, this would bring the expenditure capture rate to 1 per cent not 13 per cent as above.

That said, 13 per cent capture is not an uncommon trend in municipalities located on the urban periphery, whose activity centres often play an important role in providing goods and services to residents in surrounding regional areas with lower levels of higher order retail supply.

## Retail Turnover Densities (RTDs)

Retail Turnover Density (RTD) is a commonly used tool in retail economics. RTDs represent the total turnover of the shop divided by the floorspace area of the shop. They enable a consistent comparison of a shop/centres 'performance', similar to a housing density measure.

However, RTDs do (and should) vary significantly for a range of reasons by location and store type. This is due largely to varying cost inputs and performance. This means a store with a low RTD is necessarily less profitable. Therefore, RTDs should always be used at a strategic level (such as this project), as a guide and with consideration of the local market fundamentals.

The following chart presents some RTD averages to provide guidance as to how they vary for different segments of the market and spatially. As can be seen, supermarkets typically perform around \$9-12,000 per square metre, while department stores perform around \$2-4,000 per square metre. Overall, centre RTDs can vary significantly based on the store mix and also the rents. More accessible locations typically generate more customers and in turn have both higher RTDs and higher rents.

FIGURE 32 SELECTION OF RETAIL TURNOVER DENSITY AVERAGES BY STORE TYPE



Source: Retail Averages - Urbis (2010)

Drawing on these indicative ranges the following RTDs have been assumed across the retail network in Casey. While these would likely vary at a centre and store level, for this strategic Assessment they have been left constant across all centres.

## Step 5: Forecast retail demand within Casey

While the growth of population and employment within Casey will be a significant driver of floorspace demand, external factors will also contribute. Taking a network-wide modelling approach, which extends beyond the municipality borders, will capture floorspace demand which is induced by factors such as population demand in other Councils. For this reason, SGS has used a regional Gravity Model to forecasts both municipality wide demand and internal individual centre demand. The Gravity Model approach is further detailed in Chapter 6 as part of the optimal network rollout.

Table 17 presents the estimated retail expenditure that will end up within Casey's activity centres (ie. turnover across Casey). As mentioned above, the current turnover is calculated by applying benchmark RTD estimates to known floorspace. Using this as a starting point, the retail gravity model then calculates the relative attractiveness of centres and estimates future turnover based on the quantum and distribution of expenditure growth (ie. expenditure at point of origin).

The results of the analysis suggest that retail spend within Casey will more than double over the next 20 years. This is primarily driven by population growth which is almost doubling over the same period. Specialty store retailing, followed by supermarkets, will represent the most significant sectors of expenditure demand. Department stores will be the slowest growth sector.

**TABLE 17 TOTAL RETAIL DEMAND IN CASEY PER ANNUM BY STORE TYPE (\$M) (BASED ON RTDS)**

	2016	2021	2026	2031	2036	2016-36
Supermarket	\$1,290	\$1,560	\$1,870	\$2,190	\$2,490	+\$1,200
Specialty Store	\$1,600	\$1,990	\$2,430	\$2,890	\$3,330	+\$1,730
Department Store	\$240	\$300	\$370	\$450	\$520	+\$280
Large format retail	\$570	\$720	\$880	\$1,050	\$1,210	+\$640
Hospitality	\$580	\$720	\$880	\$1,050	\$1,210	+\$630
<b>Total retail spend</b>	<b>\$4,280</b>	<b>\$5,290</b>	<b>\$6,430</b>	<b>\$7,630</b>	<b>\$8,760</b>	<b>+\$4,480</b>

Source: SGS Economics and Planning calculations based on a range of datasets

The following table highlights the forecast retail expenditure flows across Casey. Consistent with broader retail trends we see that resident retail demand is growing slightly faster than population growth. The net expenditure inflow is also forecast to increase slightly over the next 20 years as the municipality matures and additional growth is located beyond Casey.

**TABLE 18 SUMMARY OF RETAIL DEMAND FLOWS FOR CASEY**

	2016	2021	2026	2031	2036	2016-36 Change	Average annual growth rate (AAGR)
Population	297,035	334,667	376,442	419,914	458,643	+161,608	2.2%
Total resident spend (\$m)	\$3,790	\$4,590	\$5,530	\$6,590	\$7,660	+3,870	3.6%
Total spend (\$m)	\$4,280	\$5,290	\$6,430	\$7,630	\$8,760	+4,480	3.6%
Capture/escape	13%	15%	16%	16%	14%		

Source: SGS Economics and Planning calculations based on a range of datasets

## 5.3 Retail and other employment forecasts

As of 2016 there are estimated to be 69,730 jobs located within Casey (see Table 19), with an estimated 27,260 of these located within the 45 existing activity centres.

TABLE 19 ACTIVITY CENTRE EMPLOYMENT AS SHARE OF CASEY EMPLOYMENT (2016)

Industry	City of Casey employment (2016)	Casey Activity Centre employment (2016)	Shares of employment within Activity Centres
Retail	15,740	14,820	94%
Commercial	8,190	6,480	79%
Industrial	12,730	1,050	8%
Institutional	18,050	4,920	27%
Other	15,020	-	0%
<b>Total</b>	<b>69,730</b>	<b>27,260</b>	<b>39%</b>

Source: SGS Economics and Planning

This is projected to increase to 113,400 jobs across Casey by 2036. If the in/out of centre ratio is held constant across individual industries, SGS projects 44,640 jobs will be located in existing and proposed activity centres by 2036. This includes a mix of retail and other employment sectors.

### What does this level of growth represent?

This level of growth largely reflects a 'business as usual' scenario, while assumes a small increase in regional growth shares due to some policy interventions and investment. Over the last 20 years Casey has added approximately 2,000 jobs per year, the forecast essentially assumes Casey will be able to continue to deliver this level of growth over the next 20 years. This is useful for strategic planning purposes as it helps identify the baseline level of growth that Council should seek to maintain across its centre network.

It should be noted that forecasting employment is complex and there can be many plausible scenarios. More aspirational employment targets, such as achieving one job per household by 2036, would require a more than doubling of recent employment growth, with Casey needing to add 4,400 jobs per annum over that period. With strong policy and investment this could still be achieved and should still be pursued to help drive transformative change across the municipality.

### Retail employment

Drawing on the analysis of retail expenditure demand, SGS has calibrated our employment forecasts (further detailed in the next section) for retail workers within Casey. This ensures macro employment trends are aligned with local demand needs.

Table 20 presents the current and projected number of retail workers out to 2036. Over this time we see that the spend per worker increases as the retail sector continues to become more efficient. This is a combination of larger formats of retailing, more automated/streamlined checkout practices and other efficiency improvements which are occurring across the retail sector.

TABLE 20 RETAIL DEMAND AND WORKERS

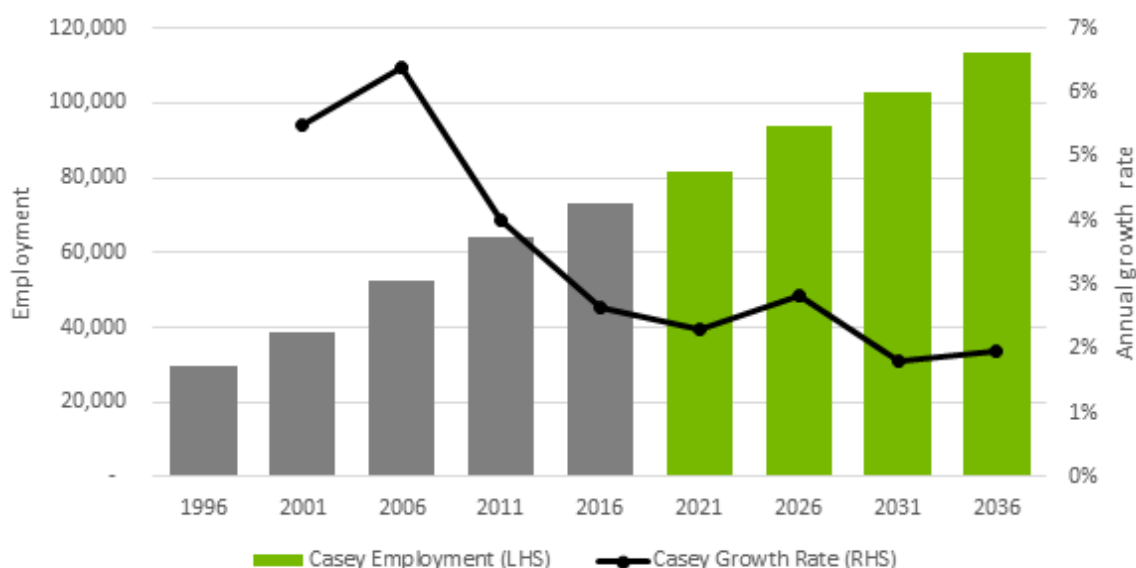
Industry	2016	2021	2026	2031	2036	2016-36
Total spend (\$m)	\$4,280	\$5,290	\$6,430	\$7,630	\$8,760	+\$4,480
Retail workers (jobs)	15,736	18,011	20,512	22,205	24,001	+8,265
Spend per worker	\$272,000	\$294,000	\$313,000	\$344,000	\$365,000	+\$93,000

Source: SGS Economics and Planning calculations based on a range of datasets

## Casey wide employment projections

Over the last 20 years Casey has added approximately 2,000 jobs per year. The employment forecasts developed for this Assessment assumes Casey will be able to deliver a slightly higher level of growth (2,200 jobs per year) over the next 20 years (see Figure 33). While this does represent a slowing growth rate, it is primarily due to Casey coming from a very low base (or initial employment level in 1996) which is typical of a Growth Area. Over the next 20 years, employment is projected to grow at 2.5 per cent per annum, which is above the South East subregion average of 1.9 per cent. On this basis Casey will have 113,000 jobs by 2036.

FIGURE 33 CASEY EMPLOYMENT FORECAST



Source: SGS Economics and Planning

As stated in the previous section, this employment growth scenario assumes Casey captures an increased share of the South East subregion's employment. In particular, Casey would capture a higher percentage of commercial and institutional growth through leveraging its existing hospital and tertiary education assets and diversifying its high order centres and other employment precincts.

Table 21 further breaks down employment forecasts by industry. It also presents Casey as a share of the South East subregion and the people per job ratio for Casey. This highlights that Casey is forecast to add 43,670 jobs over the next 20 years. This comprises 38 per cent of the South East subregion's new jobs and will result in Casey increasing its employment share from 28 per cent in 2016 to 31 per cent by 2036. It will largely maintain its current people per job ratio of four as employment will grow in line with population.

There will be a structural shift in the types of jobs with 38 per cent of new jobs forecast to be within the institutional (i.e. health and education) sector, which currently represents 26 per cent of employment.

TABLE 21 CASEY EMPLOYMENT BY INDUSTRY FORECASTS, 2016-2036

Industry	2016	2021	2026	2031	2036	2016-36
Retail	15,740	18,010	20,510	22,210	24,000	+8,260
Commercial	8,190	9,850	11,470	12,720	14,660	+6,460
Industrial	12,730	14,900	17,460	18,250	19,060	+6,330
Institutional	18,050	21,710	25,760	29,710	34,650	+16,590
Other	15,020	17,310	18,870	19,940	21,030	+6,010
<b>Total</b>	<b>69,730</b>	<b>81,780</b>	<b>94,070</b>	<b>102,820</b>	<b>113,400</b>	<b>+43,670</b>
Share of South East subregion	28%	29%	30%	31%	31%	38%
Casey people per job	4.2	4.1	4.0	4.1	4.0	-

Source: SGS Economics and Planning 2016

## Casey activity centre employment projections

Based on the current share of employment by industry within existing activity centres being maintained into the future, excluding industrial employment which will be directed to out of centre locations, we would anticipate 17,370 additional jobs located in activity centres over the next 20 years (see Table 22).

TABLE 22 CASEY CENTRE EMPLOYMENT FORECASTS, 2016-2036

Industry	2016	2021	2026	2031	2036	2016-36
Retail	14,820	16,960	19,310	20,910	22,600	+7,780
Commercial	6,480	7,790	9,060	10,060	11,590	+5,110
Industrial	1,050	1,050	1,050	1,050	1,050	-
Institutional	4,920	5,910	7,000	8,070	9,400	+4,480
Other	-	-	-	-	-	-
<b>Total</b>	<b>27,260</b>	<b>31,710</b>	<b>36,430</b>	<b>40,080</b>	<b>44,640</b>	<b>+ 17,370</b>
Share of Casey employment	39%	39%	39%	39%	39%	40%

Source: SGS Economics and Planning 2016

This additional employment would be spread across existing and new activity centres which is explored in Chapter 6 with consideration of market trends and policy objectives.

### Approach to forecasting employment in activity centres

Casey does not have its own official set of employment forecasts. Therefore, activity centre employment has been projected by SGS using a 'top down' and 'bottom up' approach to capture both macro structural changes in the economy and local trends and composition specific to Casey.

SGS maintains a baseline employment forecast for Victoria and each Local Government Area (LGA) which has been drawn upon for this study. These have been refined and further disaggregated for Casey and its existing and proposed activity centres. The approach used to develop these employment forecasts is as follows:

- **Victoria and Greater Melbourne employment by industry** is forecast using detailed trends analysis of employment by industry from the ABS Labour Force Survey, Census Journey to Work, projected workforce and analysis of major economic factors regarding structural changes in the broader economy, drawing on a wide number of state and national publications.
- Greater Melbourne **employment is then disaggregated to regions and LGAs** using trend analysis and a range of indicator series to distribute employment by industry. This ensures population serving employment (eg. retail, education, etc.) is shifted to where population growth is forecast while the spatial distribution of other industries follows other locational drivers. A 'new developments database' is also used to capture major renewal sites and policy interventions which shift employment from a base trend. The baseline SGS projections for each LGA largely represents a 'business as usual' scenario. It assumes some policy interventions, sufficient supply conditions and investments. However, it assumes these are not fully realised and offset by other councils doing similar activities.
- SGS has **adjusted this baseline employment forecast for Casey** to provide a slightly more optimistic employment scenario. This is based on Casey actively pursuing a centres policy and as a result captures an increased share of the South East subregion's employment.
- The share of **employment retained in activity centres** is then estimated. This is based on the current share of employment by industry within existing activity centres (see Table 19) being maintained into the future, except industrial where all new growth is assumed to be located outside activity centres. Retail forecasts have also been aligned with local expenditure demand as discussed in the previous section.

### Approach limitations

It should be noted that forecasting employment is complex and there can be many plausible scenarios. The prime purpose of forecasting employment in this Assessment is to inform floorspace needs and centre roll out. As such, a slightly optimistic, yet largely recent trend based forecast was developed. This is different to more 'aspirational employment targets' which should still be developed and pursued to help drive transformative change across the municipality.



## 5.4 Aggregate floorspace requirements

Based on analysis of existing activity centres (in Chapter 4) there is 1.3 million square metres of existing employment floorspace as of 2016. The employment and retail demand analysis below indicates that anticipated total employment floorspace demand will be 2.25 million square metres by 2036. The retail component of this is estimated to total around 1.4 million square metres, or an additional 650,000 square metres over the next 20 years.

The following outlines the floorspace demand projections, followed by the methodology used to derive them (see text box at the end of this section).

### Retail floorspace demand

Table 23 presents the current and projected retail floorspace demand within existing and proposed Casey activity centres. In 2016 we can see this exactly aligns with the existing supply of retail documented in Chapter 4. The forecast retail floorspace demand reflects local population and employment growth along with shifts in other factors impacting escape/capture of expenditure. It also considers the impact of online retailing, shifts in expenditure patterns and retail store productivity improvements.

This suggests retail floorspace demand will approximately double over the next 20 years within Casey, particularly driven by the level of population growth expected in Casey's PSP areas. Over that time the composition of retail demand will remain largely the same.

Supermarket floorspace demand will increase by 74,160 square metres (10 per cent of retail floorspace growth). This represents approximately 21 additional full line supermarkets (3,000 sqm). The largest growth sector is specialty store retailing which will need an additional 201,540 square metres of floorspace over the next 20 years. This is a little more than the total amount of retail (all sectors) currently contained in the Fountain Gate-Narre Warren CBD, while it will need to be spread across the entire network of centres.

TABLE 23 RETAIL FLOORSPEC REQUIREMENTS FOR CASEY CENTRES, 2016-2036

	2016	2021	2026	2031	2036	2016-36
Supermarket	99,150	116,860	136,640	156,390	173,310	+74,160
Specialty Store	228,620	276,880	330,240	383,730	430,160	+201,540
Department Store	59,400	73,050	88,620	104,020	116,770	+57,370
Large Format Retail	189,820	232,500	279,530	325,360	364,020	+174,200
Hospitality	165,120	199,770	238,360	277,530	312,100	+146,980
<b>Total</b>	<b>742,110</b>	<b>899,060</b>	<b>1,073,390</b>	<b>1,247,030</b>	<b>1,396,360</b>	<b>+654,250</b>

Source: SGS Economics and Planning

### Retail and other employment floorspace needs

The table below shows the floorspace demand within Casey activity centres for other employment industries (i.e. non-retail). Retail has also been included for completeness. Table 24 suggests there is a requirement for an additional 326,610 square metres of non-retail (commercial and institutional) floorspace in activity centres to 2036. This is a 60 percent increase in non-retail floorspace compared to 2016 levels.

TABLE 24 FLOORSPEC GROWTH, SQM, TARGETED GROWTH

Industry	2016	2021	2026	2031	2036	2016-36
Retail	742,110	899,060	1,073,390	1,247,030	1,396,360	+654,250
Commercial	225,200	257,030	299,140	331,900	382,400	+157,200
Industrial	91,860	91,860	91,860	91,860	91,860	-
Institutional	216,010	242,270	287,080	330,760	385,430	+169,410
<b>Total</b>	<b>1,275,180</b>	<b>1,490,220</b>	<b>1,751,470</b>	<b>2,001,550</b>	<b>2,256,050</b>	<b>+980,860</b>
<b>Total (non-retail)</b>	<b>533,070</b>	<b>591,160</b>	<b>678,080</b>	<b>754,520</b>	<b>859,690</b>	<b>+ 326,610</b>

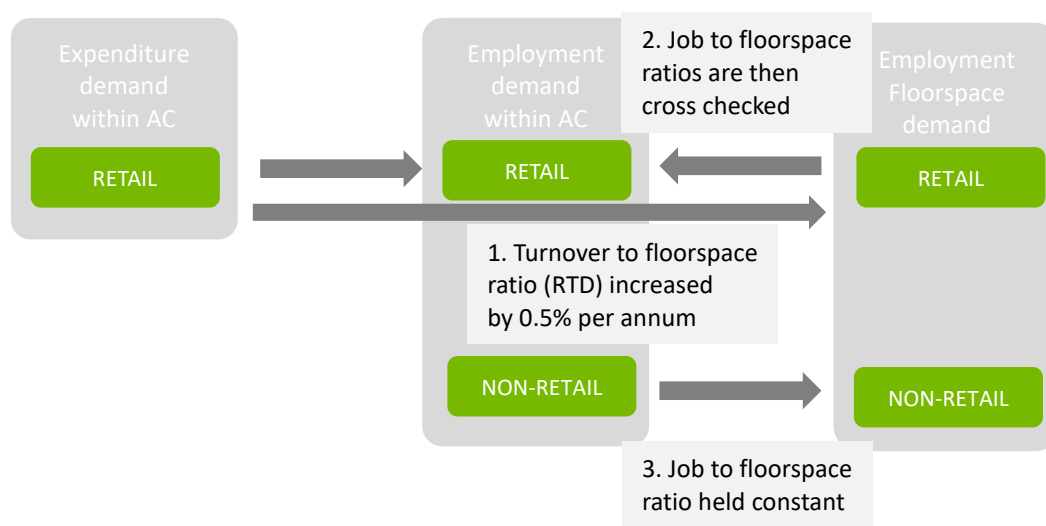
Source: SGS Economics and Planning 2016

Alignment of aggregate projected demand to individual centres draws on a combination of market and policy based considerations and is detailed in Chapter 6 as part of the optimal centre roll out.

## Approach to centre floorspace requirements

This section considers the growth in retail and other employment demand within Casey's existing and future activity centres. The following figure provides an overview of the approach to estimating future employment floorspace needs. The approach essentially involves drawing together several previous analysis tasks along with some additional assumptions around how floorspace needs will change into the future.

FIGURE 34 OVERVIEW TO ESTIMATING FLOORSPACE DEMAND



The following steps are taken to estimate floorspace needs:

- Retail expenditure forecasts (discussed in Section 5.2) are translated into retail floorspace needs using RTDs. The 2016 assumed RTDs (see Table 25) have been increased over time to reflect productivity increases in the retail network overtime. Based on historical information, RTDs are assumed to have an annual growth rate of 0.5 per cent. Over time, this results in higher turnover for the same amount of floorspace over time.

TABLE 25 RTD ASSUMPTIONS

	Supermarket	Specialty Store	Department Store	Large Format Retail	Hospitality
<b>2016</b>	<b>\$13,000</b>	<b>\$7,000</b>	<b>\$4,000</b>	<b>\$3,000</b>	<b>\$3,500</b>
2021	\$13,328	\$7,177	\$4,101	\$3,076	\$3,588
2026	\$13,665	\$7,358	\$4,205	\$3,153	\$3,679
2031	\$14,010	\$7,544	\$4,311	\$3,233	\$3,772
2036	\$14,364	\$7,734	\$4,420	\$3,315	\$3,867

Source: SGS Economics and Planning

- Retail floorspace is then cross checked back with employment to ensure job to floorspace ratios remain reasonable. This ensures all retail forecasts (expenditure, floorspace, jobs) are consistent with each other.
- For other employment sectors the existing average job to floorspace ratios are applied to employment growth into the future.

# 6 FLOORSPACE SUMMARY AND OPTIMAL CENTRE ROLLOUT

## 6.1 Demand and Supply Summary

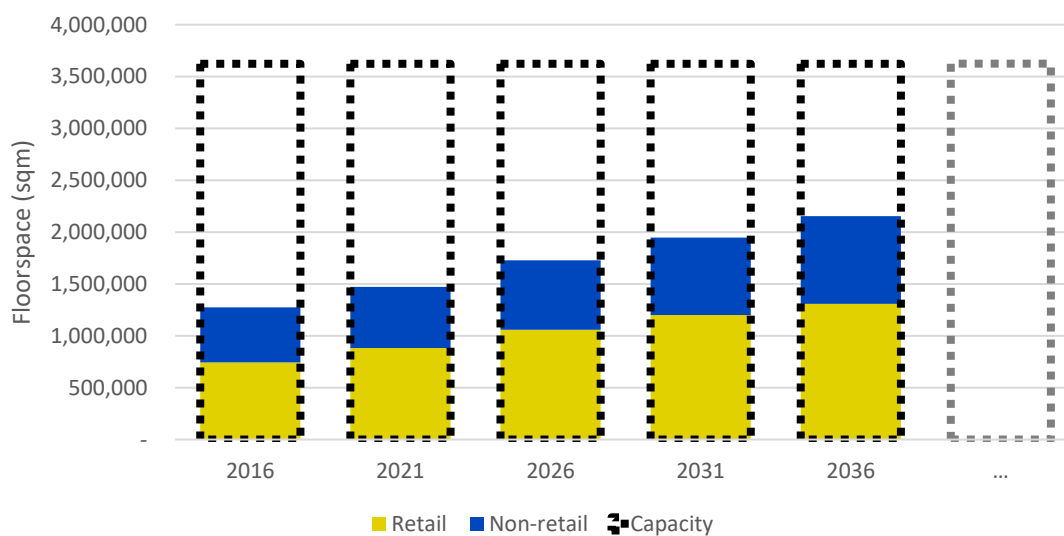
As presented in Chapter 4, there are currently 45 existing activity centres operating across Casey with plans for 83 activity centres in total once the network is fully established.

The theoretical capacity of the 83 centres represents a total potential floorspace capacity of approximately 3.6 million square metres or 2.2 million additional square metres (existing and additional capacity). This is based purely off the land area of the existing and proposed centre boundaries and does not relate to demand or potential supply.

Using the aggregated floorspace requirements in Chapter 5 there is demand for 980,860 additional sqm of retail, commercial and institutional floorspace within Casey's activity centres between now and 2036 (see Figure 35).

However, it is also important to remember that centres will continue to grow and evolve after 2036. As such, perfect alignment of supply and demand to a fixed point in time is not desirable and in reality, will constrain the market and result in undersupply and other adverse outcomes.

FIGURE 35 CASEY WIDE SUPPLY AND DEMAND ALIGNMENT



Source: SGS Economics and Planning

Overall this high level alignment suggests that **in aggregate** Casey has planned for sufficient retail and commercial floorspace across the network. However, whether this is the right type and in the right location, and how it should be systematically delivered over time are questions that must be answered.

## 6.2 Subregional alignment

10 subregions have been defined for Casey to understand subregional alignment of demand and supply. These subregions are defined in Appendix A. Figure 37 provides a summary of supply and demand alignment for employment floorspace (both retail and non-retail) within Casey's subregions.

Some degree of misalignment is expected and appropriate. For example, Casey North, which includes Fountain Gate-Narre Warren CBD, has an oversupply of floorspace. However, this metropolitan activity centre provides a much broader role than supporting just its local catchment.

FIGURE 36 CASEY WIDE SUPPLY AND CAPACITY ALIGNMENT PER CENTRE TYPE

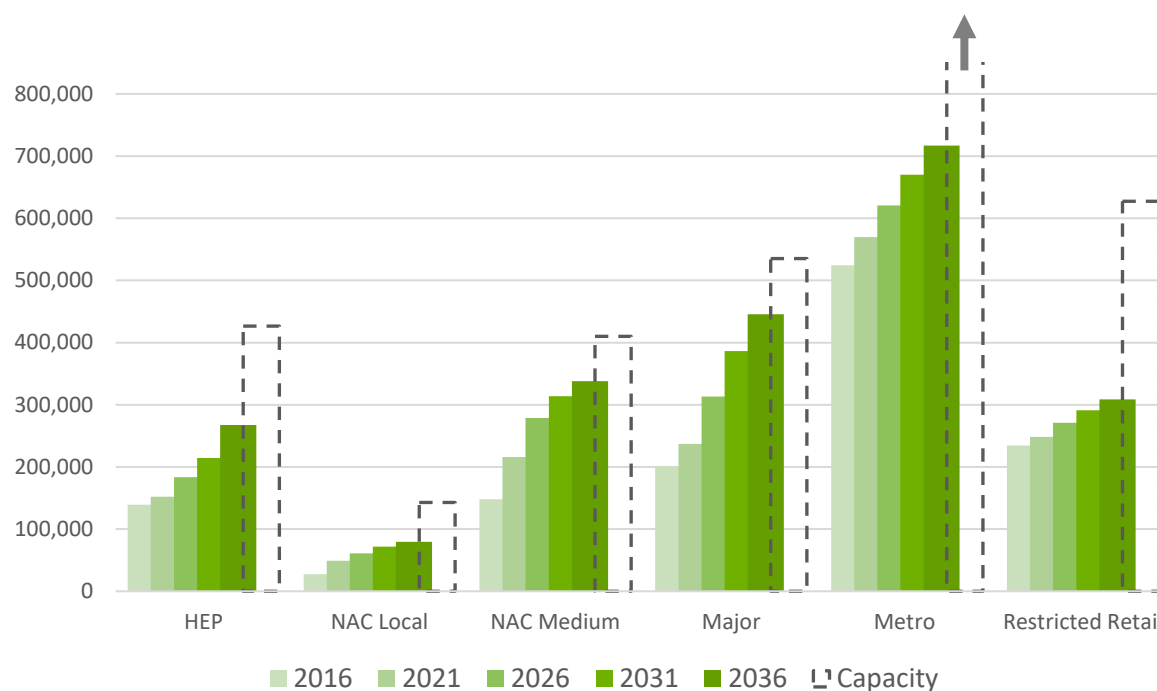
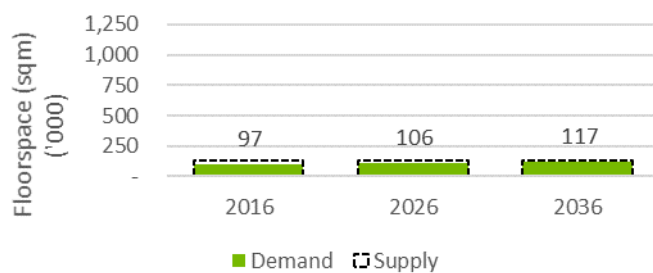


FIGURE 37 SUBREGIONAL FLOORSPACE SUPPLY-DEMAND SUMMARY

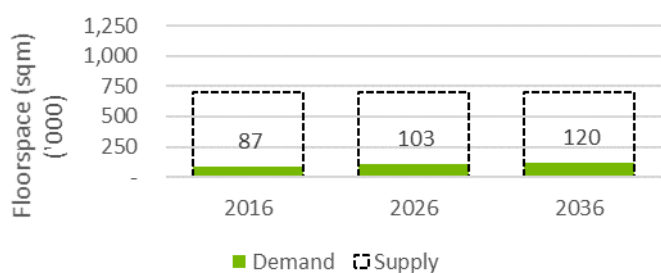
Casey Outer North Subregion



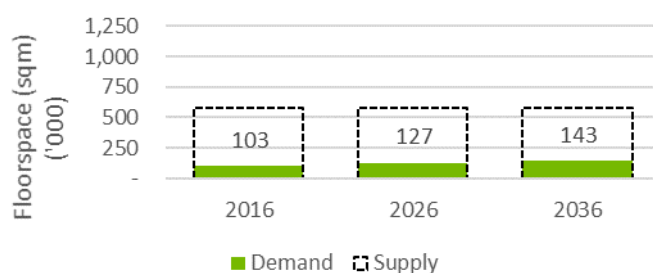
Endeavour Hills Subregion



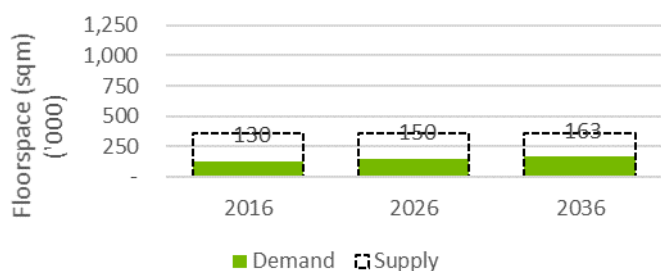
Casey North Subregion



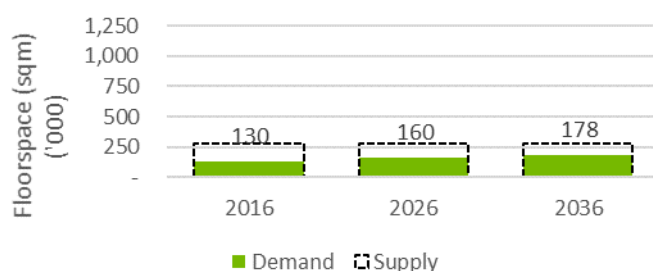
Berwick Subregion



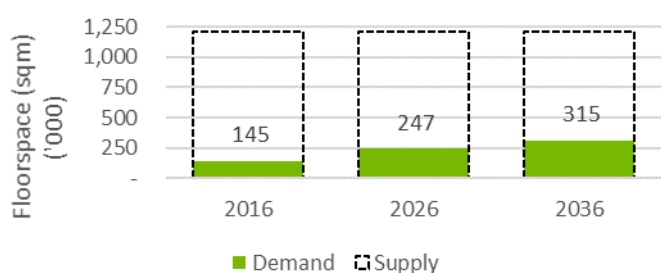
Hampton Park Subregion



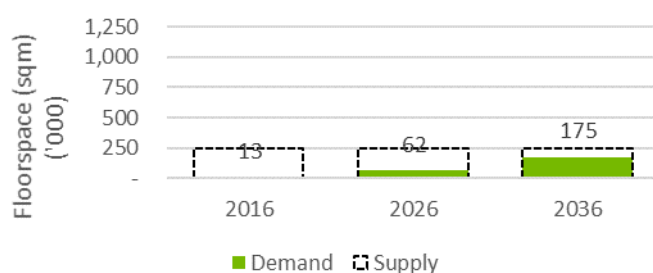
Casey Central Subregion



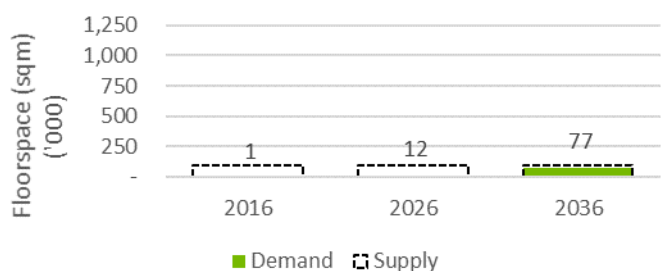
Cranbourne Subregion



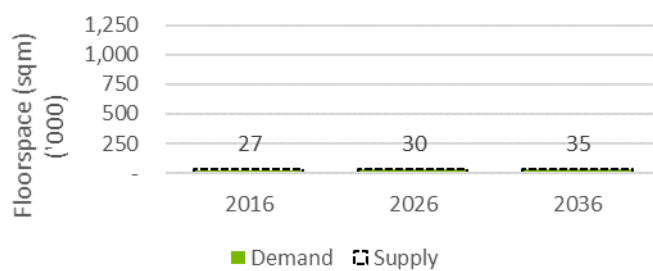
Cranbourne East Subregion



Clyde Subregion



Casey Outer South Subregion



Source: SGS Economics and Planning

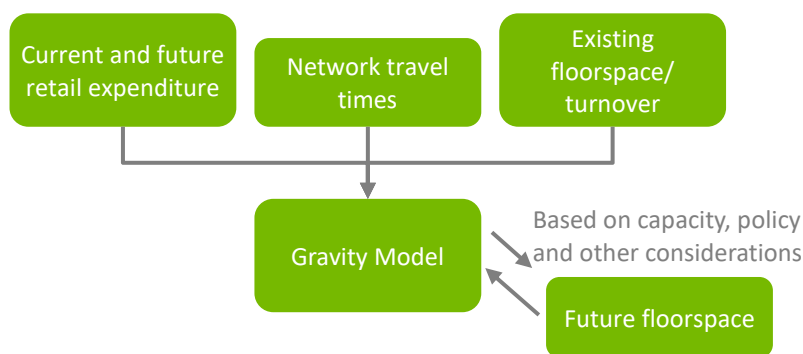
## Optimal centre roll out approach

SGS has used a Gravity Model approach to align underlying expenditure demand with current and future centres. The SGS Gravity Model extends beyond the municipality borders and captures floorspace demand which is induced by factors such as population demand in other municipalities. This enables SGS to use the model to forecast both municipal-wide demand and internal individual centre demand.

The gravity model helps to understand where demand will most likely be realised based on its location, existing behaviours and preferences.

Future floorspace requirements are then estimated based on results from the Gravity Model and an understanding of capacity, policy and other considerations. This holistic approach ensures forecasts consider both pure market forces and broader benefits realised through a well-defined and managed network hierarchy. A summary of the approach is detailed in in Figure 38 below.

FIGURE 38      APPROACH TO RETAIL FORECASTING



Overall retail demand in Casey was allocated to the activity centres, informed by the following factors:

- Existing uses and capacity at existing centres
- The available capacity (based on PSPs) in proposed centres
- A **strategic assessment** of the centres hierarchy, to gain an understanding of the optimal retail size and function of each centre across the network (e.g. the need to balance the growth of major centres, including Fountain Gate-Narre Warren CBD and Cranbourne Activity Centre, with ensuring equitable access to goods and services at the local level)
- The desired non-retail functions of each centre based on its position in the hierarchy
- The spatial location of retail demand and its alignment with floorspace supply as estimated through the Retail Gravity Model.



### SGS Retail Gravity Model

The SGS Retail Model is built upon previous research as well as the extensive experience SGS has gained conducting many retail studies. The SGS retail model takes the following approach:

$$\text{Propensity to shop at a centre} = \frac{\text{"Attractiveness" of centre} \times \text{Floorspace of shopping centre}}{\text{Travel time to the shopping centre}^n}$$

This formula essentially means **you are more likely to go to more 'attractive' and larger centres and less likely to go to centres that are further away.**

The 'attractiveness' of a shopping centre is a value that represents external attributes such as the centre's appearance or design layout. Unlike other gravitational models, the SGS model does not attempt to measure the effects of design layout or product mix explicitly. Instead, it uses the shopping centre's current turnover and the distribution of current demand as a basis to find the current 'attractiveness' value. This current attractiveness value is then used to forecast how the shopping centre will perform in the future given changes to floorspace (in either that centre or surrounding ones) and demand.

The rate at which travel times affect propensities (n) is calibrated to ensure realistic catchments. This is to account for consumers going to alternative shopping centres that are based along major freeways or restricted to others based on natural barriers such as bays and rivers.

#### Why use a gravity model?

Other approaches such as survey based assessments are very expensive and data intensive and only consider the current population and behaviour. Simplified 'shift-share' approaches typically focus on one/a few centres and heavily rely on judgement based catchments with exaggerated market share thresholds.

On the other hand, gravity models consider:

- All spending across the retail system and ensures it is accounted for once, and only once.
- Data driven catchments rather than judgement based catchments
- Continuous and dynamic nature of catchments, based on changing demand/supply/transport

### 6.3 Spatial alignment and optimal roll out analysis

As described above, SGS has used the SGS retail gravity model to align small area projected demand to individual centres (existing and proposed). Non-retail floorspace demand has also been allocated to individual centres based on both market and policy based considerations.

This is referred to as the '**optimal centre roll out**' and presents the ideal delivery of floorspace across the network based on current population projections and development plans. This will, and should, evolve over time as plans evolve, actual development occurs and markets react to changing consumer preferences.

It should not be seen as a highly prescriptive, or fixed, view of the future. Rather it provides a strategic basis to understand how the network might roll out in a rapidly growing area. As each new centre is established this optimal roll out should be reviewed and refined as required.

Figure 39 presents a spatial overview of the optimal roll out. Table 26 provides further detail by centre type (based on their aspirational roles) and Table 27 provides an additional breakdown by centre.

#### **Metropolitan activity centres**

Compared to their total potential capacity there is relatively little additional growth projected for the two (one of which is aspirational) metropolitan activity centres. We have assumed these two centres will only reach 47 per cent of their theoretical capacity by 2036.

Given their existing size their core focus should be to consolidate and diversify their offer, rather than continuing to get bigger. Additional demand has been directed to other parts of the hierarchy to support a greater coverage of local centres.

#### **Major activity centres**

Similarly, existing major activity centres will only see a small amount of growth as they shift focus to consolidating and enhancing their existing offer. There are also several new major activity centres which will establish over the next 20 years. By 2036 83 per cent of their theoretical capacity will be realised. This is ideal and will ensure compact centres while still providing some flexibility in the market.

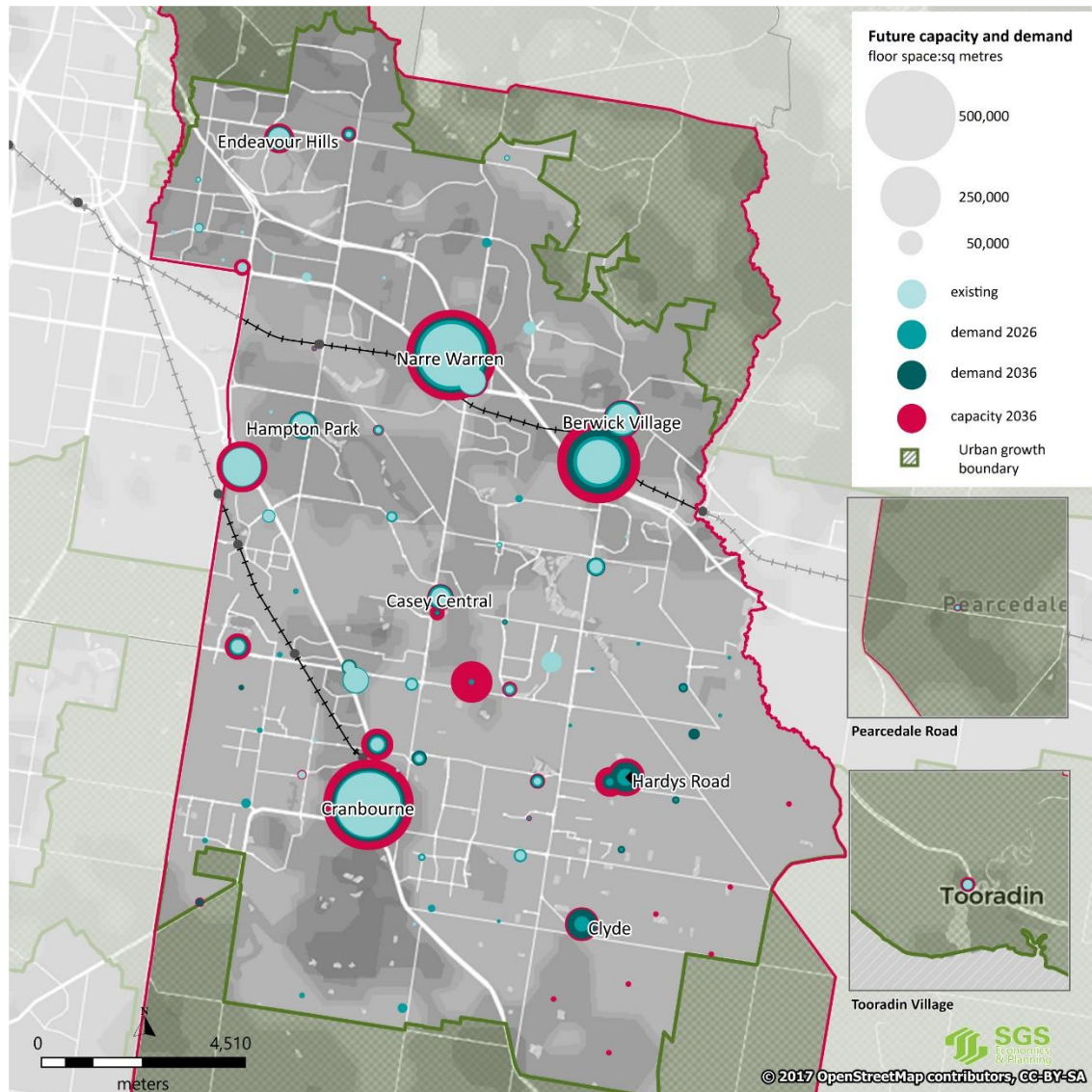
#### **Berwick HEP**

The Berwick HEP could see significant growth, leveraging the strength of the Health and Education sectors in the broader economy. There will still be significant potential for it to grow post 2036.

#### **Neighbourhood activity centres**

Existing neighbourhood activity centres will see small levels of growth and new ones will be established as growth areas are developed. There will still be capacity across this local network as development continues post 2036.

FIGURE 39 OPTIMAL ROLLOUT MAP



SGS Economics and Planning, 2017

TABLE 26 OPTIMAL ROLLOUT BY CENTRE TYPE

		2016	2021	2026	2031	2036	Capacity
<b>Metro</b>	Count*	2	2	2	2	2	2
	Floorspace (sqm)	602,200	569,900	620,600	669,900	716,700	1,523,300
	% of capacity	40%	37%	41%	44%	47%	
	Average size (sqm)	301,000	285,000	310,000	335,000	358,000	762,000
<b>Major</b>	Count	5	5	7	7	7	7
	Floorspace	210,900	236,900	313,000	386,200	445,400	534,800
	% of capacity	39%	44%	59%	72%	83%	
	Average size	42,000	47,000	45,000	55,000	64,000	76,000
<b>Medium</b>	Count	16	20	25	27	27	27
	Floorspace	150,400	215,800	278,900	313,900	338,000	410,100
	% of capacity	37%	53%	68%	77%	82%	
	Average size	9,000	11,000	11,000	12,000	13,000	15,000
<b>Local</b>	Count	17	29	31	32	32	39
	Floorspace	31,100	48,900	61,000	71,700	79,300	142,600
	% of capacity	22%	34%	43%	50%	56%	
	Average size	2,000	2,000	2,000	2,000	2,000	4,000
<b>RRP</b>	Count	4	5	7	7	7	7
	Floorspace	241,900	248,300	271,200	291,300	308,400	627,500
	% of capacity	39%	40%	43%	46%	49%	
	Average size	60,000	50,000	39,000	42,000	44,000	90,000
<b>HEP</b>	Count	1	1	1	1	1	1
	Floorspace	144,800	152,200	183,400	214,500	267,600	426,500
	% of capacity	34%	36%	43%	50%	63%	
	Average size	145,000	152,000	183,000	215,000	268,000	427,000
<b>All Centres</b>	Count	45	62	73	76	76	83
	Floorspace	1,381,200	1,471,900	1,728,100	1,947,500	2,155,400	3,664,900
	% of capacity	38%	40%	47%	53%	59%	
	Average size	31,000	24,000	24,000	26,000	28,000	44,000

Source: SGS Economics and Planning

Notes: Count is based on the number of centres with some amount of floorspace and based on their aspirational (not existing) hierarchy role.

Note: An additional sector breakdown is provided in Appendix H

TABLE 27 OPTIMAL ROLLOUT BY CENTRE

ID	Centre name	Status	Type	2016	2021	2026	2031	2036	Capacity	% of cap at 2036
1	Narre Warren	Existing	Metro	255,780	281,990	312,200	342,420	368,630	<b>578,800</b>	64%
1A	Narre Warren Restricted	Existing	Restricted	56,650	59,500	62,350	65,200	68,050	<b>80,800</b>	84%
2	Cranbourne	Existing	Metro	268,820	287,880	308,440	327,500	348,060	<b>944,500</b>	37%
2A	Cranbourne Restricted	Existing	Restricted	18,720	22,470	26,220	32,970	36,720	<b>77,500</b>	47%
3	Berwick Village	Existing	Major	73,240	81,940	88,680	94,880	99,580	<b>109,600</b>	91%
3A	Berwick HEP	Existing	HEP	139,440	152,220	183,360	214,500	267,650	<b>426,500</b>	63%
4	Casey Central	Existing	Major	29,500	38,250	44,210	48,460	52,710	<b>54,400</b>	97%
4A	Casey Central Restricted	Proposed	Restricted	0	0	1,480	2,950	4,430	<b>23,700</b>	19%
5	Endeavour Hills	Existing	Major	37,580	43,870	47,120	50,370	53,620	<b>74,700</b>	72%
6	Hampton Park	Existing	Major	45,250	51,540	54,840	59,710	61,590	<b>63,400</b>	97%
7	Eden Rise	Existing	Major	15,520	21,270	28,060	31,060	32,060	<b>32,800</b>	98%
8	Amberly Park	Existing	Medium	7,330	8,150	11,980	13,980	13,980	<b>14,100</b>	99%
9	Lynbrook Village	Existing	Medium	15,020	15,580	16,140	16,700	17,270	<b>19,100</b>	90%
10	Parkhill Plaza	Existing	Medium	15,470	18,320	18,320	18,320	18,320	<b>18,400</b>	100%
11	Sandhurst Centre	Existing	Medium	6,430	6,430	6,430	6,430	6,430	<b>8,500</b>	76%
12	Spring Square	Existing	Medium	9,310	9,410	9,510	9,610	9,710	<b>10,100</b>	96%
13	Thompson Parkway	Existing	Medium	13,830	17,890	18,950	20,020	21,080	<b>21,600</b>	98%
14	Main Street	Existing	Local	1,780	3,780	3,780	3,780	3,780	<b>3,800</b>	99%
15	Autumn Place	Existing	Medium	5,490	9,740	9,740	9,740	9,740	<b>10,100</b>	96%
16	Kirkwood Crescent	Existing	Medium	3,700	6,260	8,820	9,880	10,950	<b>13,600</b>	81%
17	Linden Place	Existing	Local	2,360	4,010	4,160	4,310	4,460	<b>4,500</b>	99%
18	Tooradin Village	Existing	Medium	8,480	9,770	11,060	12,350	13,630	<b>22,600</b>	60%
19	Bemersyde Drive	Existing	Local	1,420	1,850	2,220	2,220	2,220	<b>2,200</b>	101%
20	Box Street	Existing	Local	570	620	670	720	770	<b>800</b>	96%
21	Camms Road	Existing	Local	1,400	1,400	1,400	1,400	1,400	<b>1,600</b>	88%
23	Doveton Avenue	Existing	Local	1,120	1,170	1,220	1,270	1,320	<b>1,500</b>	88%
24	Greaves Road	Existing	Local	2,020	2,520	3,020	3,520	3,520	<b>3,700</b>	95%
25	Llewellyn Place	Existing	Local	560	660	760	860	960	<b>2,700</b>	36%
26	Somerville Road	Existing	Local	700	1,400	1,400	1,400	1,400	<b>1,900</b>	74%
27	Hotham Street	Existing	Local	970	970	970	970	970	<b>1,300</b>	75%
28	Lurline Street	Existing	Local	1,930	1,930	1,930	1,930	1,930	<b>1,900</b>	102%
29	Pearcedale Township	Existing	Local	2,410	2,860	3,310	3,760	4,210	<b>6,100</b>	69%
30	The Arcade	Existing	Local	720	720	720	720	720	<b>700</b>	103%
31	Home Restricted	Existing	Restricted	48,240	51,990	55,750	55,750	55,750	<b>61,200</b>	91%
32	Lynbrook Business	Existing	Restricted	111,100	112,320	113,540	114,760	115,970	<b>182,600</b>	64%
33	Hall and Evans Road	Proposed	Medium	0	7,980	7,980	7,980	7,980	<b>8,000</b>	100%
34	Marriot Waters	Existing	Medium	18,370	23,240	26,620	28,490	30,370	<b>61,100</b>	50%
36	Ernst Wanke Road	Proposed	Medium	0	6,700	8,400	8,400	8,400	<b>8,700</b>	97%
37	The Hunt Club	Existing	Medium	6,790	12,100	13,900	18,710	20,510	<b>22,000</b>	93%
38	Springhill	Existing	Medium	8,990	16,280	18,280	18,280	18,280	<b>19,300</b>	95%
39	Selandra Rise	Existing	Medium	5,910	11,100	14,790	16,970	19,160	<b>20,600</b>	93%
40	Avenue Village	Existing	Medium	6,730	10,990	12,260	13,320	14,380	<b>22,100</b>	65%
41	Heatherton Road	Existing	Medium	4,490	5,870	10,240	11,620	12,990	<b>23,900</b>	54%
42	Clarinda Park	Proposed	Local	0	2,000	3,000	3,000	3,000	<b>3,000</b>	100%
44	Cranbourne West North	Proposed	Local	0	0	0	2,670	3,000	<b>3,000</b>	100%
45	Shopping on Clyde	Existing	Medium	10,390	13,920	16,850	16,850	16,850	<b>17,100</b>	99%
46	Adrian Street	Proposed	Medium	0	0	6,350	6,350	6,350	<b>6,500</b>	98%
47	South Gippsland Highway	Proposed	Local	0	1,850	3,400	3,400	3,400	<b>4,000</b>	85%
48	Hallam Station	Proposed	Local	0	1,550	2,550	2,550	2,550	<b>4,000</b>	64%
49	Freeway Sports	Existing	Local	8,600	8,600	8,600	8,600	8,600	<b>24,500</b>	35%
50	Merinda Park	Proposed	Medium	0	2,300	2,950	2,950	2,950	<b>3,000</b>	98%

ID	Centre name	Status	Type	2016	2021	2026	2031	2036	Capacity	% of cap at 2036
52	Cranbourne East South	Proposed	Medium	0	0	6,210	6,210	6,210	6,500	96%
53	Eve	Existing	Local	1,300	2,030	2,760	3,500	3,500	4,000	88%
54	Wheeler's Park Drive	Proposed	Local	0	780	950	950	950	1,000	95%
55	Soldiers Road	Proposed	Medium	0	0	4,170	8,330	11,000	11,000	100%
56	Clyde North South-East	Proposed	Local	0	0	500	1,000	1,000	1,000	100%
57	Clyde North North-East	Proposed	Local	0	0	500	1,000	1,000	1,000	100%
58	Grices Road	Proposed	Local	0	1,250	2,500	2,500	2,500	2,500	100%
59	Hardys Road	Proposed	Major	0	0	26,670	53,330	75,500	110,000	69%
60	Clyde	Proposed	Major	0	0	23,440	48,380	70,310	90,000	78%
61	Central Parkway	Proposed	Medium	0	0	3,330	4,170	5,000	5,000	100%
62	Thompsons Road Restricted	Proposed	Restricted	0	0	7,820	15,640	23,460	70,000	34%
63	Marshall Place	Existing	Local	170	170	170	170	170	200	85%
64	Saffron Drive	Existing	Local	600	600	600	600	600	1,100	55%
65	Springbrook Drive	Proposed	Local	0	1,000	2,000	2,000	2,000	2,000	100%
66	Centre Road	Proposed	Medium	0	3,750	6,000	6,000	6,000	6,000	100%
67	Ballarto Road	Proposed	Local	0	1,330	1,500	1,500	1,500	1,500	100%
68	Tuckers Road	Proposed	Local	0	200	400	2,900	5,400	6,000	90%
69	Hardys Road Local	Proposed	Local	0	200	400	2,900	5,400	6,000	90%
70	Smiths Lane	Proposed	Local	0	2,200	3,600	3,600	3,600	3,600	100%
71	Craig Road	Proposed	Medium	0	0	9,650	9,650	9,650	10,100	96%
72	Berwick-Cranbourne Road	Proposed	Local	0	750	1,500	1,500	1,500	1,500	100%
73	St Germain	Proposed	Medium	0	0	0	7,250	13,000	13,000	100%
74	Cranbourne North Business	Proposed	Restricted	0	2,010	4,030	4,030	4,030	131,700	3%
75	Brompton Lodge	Proposed	Medium	0	0	0	5,390	7,780	8,000	97%
76	Indicative NC	Proposed	Local	0	0	0	0	0	5,000	0%
77	Indicative NC	Proposed	Local	0	0	0	0	0	5,000	0%
78	Indicative NC	Proposed	Local	0	0	0	0	0	5,000	0%
79	Indicative NC	Proposed	Local	0	0	0	0	0	5,000	0%
80	Indicative NC	Proposed	Local	0	0	0	0	0	5,000	0%
81	Indicative NC	Proposed	Local	0	0	0	0	0	5,000	0%
82	Indicative NC	Proposed	Local	0	0	0	0	0	5,000	0%
<b>All Centres</b>				<b>1,381,170</b>	<b>1,471,930</b>	<b>1,728,110</b>	<b>1,947,540</b>	<b>2,155,400</b>	<b>3,664,900</b>	<b>59%</b>



# 7 RECOMMENDATIONS

The previous chapters have provided an overview of the strategic context, supply, demand and current structure of Casey's activity centre network. Drawing on this evidence base this chapter expands on the Vision (detailed in Chapter 2) with clear recommendation (in the form of objectives and strategies) for a revised hierarchy, and how Council can support the development of a strong activity centre network that meets the needs of the local community into the future.

The key recommendations of this report are to:

- Review the current hierarchy of centres,
- Align the terminology with Plan Melbourne (removing principal and large activity centres from the hierarchy), and
- Include an aspirational approach recognising the desired role of centres.

A summary of the proposed hierarchy is found in Table 28Table 29.

## 7.1 Council's role in facilitating growth and change

The economy is complex and influenced by a range of macro (federal, state, regional) and micro (local) economic factors. While many of these are beyond the direct control of local government, there are a range of ways Council can influence the development of a centre. Understanding the roles that Council could play in the Casey centre hierarchy will be critical.

The following outlines the full spectrum of roles Council could play.

<div> <div>Passive</div> <div>Active</div> </div>	<b>Researcher and advocate</b> – providing research and data around key issues and representing community needs and interests to Commonwealth and State Government and the private sector.
	<b>Educator</b> – provide information and best-practice advice to developers, businesses, residents and interest groups.
	<b>Policy director</b> – providing clear, evidence based policy direction
	<b>Regulator</b> – ensuring that development meets town planning, building and public health regulations and expectations.
	<b>Planner</b> – in relation to its urban, social, economic and environmental planning responsibilities, within the existing legislative framework and through the Victorian Planning Provisions.
	<b>Promoter</b> – by providing grants, incentives or bonuses schemes to encourage positive development outcomes.
	<b>Enabler</b> – through the provision of supportive infrastructure and services, such as transport, community facilities and local amenity.
	<b>Partner</b> – where council works closely with developers, businesses, residents and human service agencies.
	<b>Provider / Developer</b> – where Council is actively involved as an investor, developer or landlord.

The recommendations that have been developed in this chapter primarily focus around Council's role as a Policy director, Regulator, Planner and Enabler. Through this evidence base Council is also to play a role as a Researcher and Advocate, and Educator.

## 7.2 Justification for a new centre hierarchy

The hierarchy of activity centres within the municipality is important in terms of Council and State Government planning and investment decision making. The optimal hierarchy has been informed by:

- The Vision and Objectives detailed in Chapter 2 and throughout this section,
- Plan Melbourne designations and objectives,
- Research and analysis completed throughout this report including the operation of the existing network.

### Hierarchy objective and supporting strategies

The **core objective** of the centre hierarchy is to develop an accessible network of activity centres across the municipality that provide a wide range of retail, service, entertainment and employment functions that meet regional, subregional and local level needs.

- Higher order retail and broader employment growth should be directed into a few key centres that have good public and private transport access. Improving these centres will have benefits for the entire region.
- At the other end of the spectrum there should be sufficient coverage of small centres to provide for local amenity and walkable catchments, and provide spaces where locals will shop and socialise. These could be either efficient single store trips or small public areas for socialising with some overflow spend.
- Specialised centres (i.e. health and education precincts and restricted retail precincts) should support this core network and provide specialised and regional level services which cannot effectively be accommodated in the core network of centres.

### Strategy to deliver on objective:

- Use the revised centre hierarchy to guide investment, planning policy and capital works priorities.
- Use the optimal centre roll out when deciding on changes to zoning and floorspace in activity centres.

### Revised centre typology

Table 28 provides a description of a revised centre typology that underpins the revised Casey activity centre hierarchy. Key components of this typology include:

- Six activity centre types (metropolitan, major, neighbourhood (medium), neighbourhood (local), restricted retail, and health and education) have been defined, each with a size range, key function and objectives.
- Activity centres have been assigned an existing and aspirational role. For example, while Cranbourne Town Centre is currently performing as a very large activity centre major, ultimately it needs to diversify its functions and act as a metropolitan activity centre once the growth corridor is built out.
- An employment floorspace size range provides some guidance as the expected overall size of the centre. It is not a cap and should be considered along with the key functions.
- Low, medium and high focus for a range of key functions across each centre type are identified. This includes retail functions: Full line and Small format Supermarkets (FL/SF Spmkt), Department Store and Discount Department Stores (DS/DDS), Speciality store retailing (Spec'), Hospitality (Hosp'), Restricted Retail (RR). Other employment functions: Major entertainment (Major Ent), Commercial (Com), Major Health and Education (Major H&E) and medium and high density residential within the centre (Res).
- Finally, key objectives for each level of the hierarchy are detailed. These are further detailed in Section 7.4.

Figure 40 presents a map of the revised retail centre hierarchy for Casey. Appendix E includes a full list of centres along with their revised current and aspirational role.

### Centre rollout and timing

There is no exact timing linked with individual centres in the aspirational centre hierarchy. However, SGS recommends reference to the optimal centre rollout identified in this chapter in statutory decision-making. This presents the optimal roll out of new centres based on current population projections and development plans.

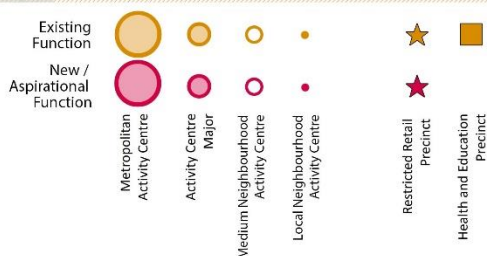
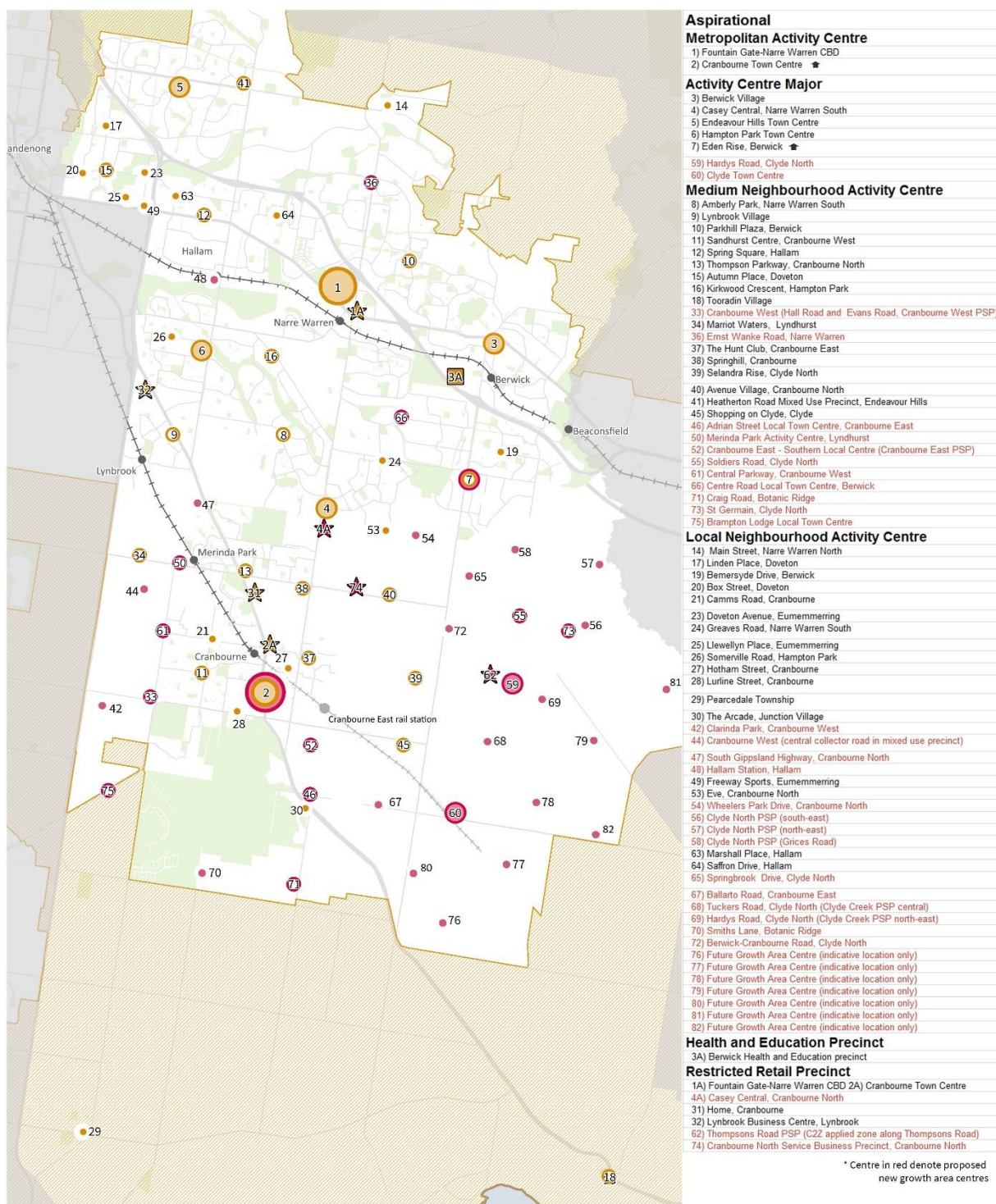
Given the highly changeable nature of optimum floorspace levels at individual centres, however, this should be used in conjunction with up-to-date supply gap maps to understand the needs of a wider area and deviate from the optimum rollout if deemed appropriate. This should have consideration to a clearly defined decision-making hierarchy as proposed in Chapter 7.

TABLE 28 ACTIVITY CENTRE HIERARCHY

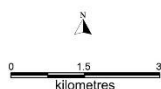
Centre Type	Employment Floorspace range	Key functions									Key objectives
		Spmkt FL/SF	Retail DS / DDS	Spec	Hosp	RR	Major Ent	Emp Com	Major H&E	Res	
Metropolitan activity centre	More than 100,000 sqm	2+ FL 2+SF	1+ DS 2+ DDS	-	-						<ul style="list-style-type: none"> <li>To play a key regional role in the metropolitan economy, providing a diverse range of employment opportunities for the region.</li> <li>To provide excellent access to higher order services that serve the north (Narre Warren-Fountain Gate CBD) and south (Cranbourne Town Centre) of the municipality.</li> <li>To provide a broad mix of higher-order activities, including a department store and discount department stores, entertainment, and attract a significant level of visitation.</li> </ul>
Major activity centre	20,000 up to 100,000 sqm	2+ FL 1+SF	1-2 DDS								<ul style="list-style-type: none"> <li>To serve a subregional catchment, providing a range of retail, employment, community, health and education facilities and services, and housing options.</li> </ul>
Neighbourhood activity centre (medium)	5,000 to 20,000 sqm	1-2 FL 1+SF									<ul style="list-style-type: none"> <li>To provide for the day-to-day and weekly retail and service needs at a neighbourhood level.</li> </ul>
Neighbourhood activity centre (local)	Up to 5,000 sqm	1 SF									
Health and education precinct	-	-	-	-							<ul style="list-style-type: none"> <li>To continue to grow as a significant health and education based employment precinct in Casey and surrounding municipalities.</li> </ul>
Restricted retail precinct	5,000 to 50,000 sqm	-									<ul style="list-style-type: none"> <li>To provide convenient access to a comprehensive range of bulky goods across the municipality.</li> </ul>

Low focus
  Medium focus
  Strong focus

FIGURE 40 REVISED CENTRE HIERARCHY



## 2017 Activity Centres





## Changes to the activity centre hierarchy

The following changes and additions have been made from the *2012 Activity Centre Strategy* hierarchy. A significant change comes about through the removal of the neighbourhood activity centre (large) classification from the hierarchy (as discussed above). Note that 'neighbourhood activity centre' has been abbreviated to 'NAC'.

TABLE 29 CHANGES TO THE CENTRE HIERARCHY

ID	Activity centre name	Status	Type		Comments
			Existing	Aspirational	
1	Fountain Gate-Narre Warren CBD	Existing	Metro	Metro	Changed from a principal activity centre to a metropolitan activity centre
2	Cranbourne Town Centre	Existing	Major	Metro	Changed from a principal activity centre to an (aspirational) metropolitan activity centre
2A	Cranbourne Town Centre - Restricted Retail	Existing	Restricted	Restricted	Changed from a NAC (local) to a restricted retail precinct
3A	Berwick Health and Education precinct	Existing	HEP	HEP	NEW
7	Eden Rise, Berwick	Existing	Medium	Major	Merged with Berwick Springs and changed from a NAC (large) to an (aspirational) activity centre major
14	Main Street, Narre Warren North	Existing	Local	Local	Changed from a NAC (medium) to a NAC (local)
17	Linden Place, Doveton	Existing	Local	Local	Changed from NAC (medium) to a NAC (local)
33	Cranbourne West (cnr Hall Road and Evans Road, Cranbourne West PSP)	Proposed	NA	Medium	NEW – Changed from a NAC (large) to a NAC (medium)
34	Marriot Waters, Lyndhurst	Existing	Medium	Medium	Changed from a NAC (large) to a NAC (medium)
49	Freeway Sports, Eumemmerring	Existing	Local	Local	Merged with Princess Highway (out-of-centre) and remains a NAC (local)
50	Merinda Park Activity Centre, Lyndhurst	Proposed	NA	Medium	NEW – Changed from a NAC (local) to a NAC (medium)
52	Cranbourne East - Southern Local Centre (Cranbourne East PSP)	Proposed	NA	Medium	NEW – Changed from a NAC (local) to a NAC (medium)
55	Soldiers Road, Clyde North	Proposed	NA	Medium	NEW – Changed from a NAC (large) to a NAC (medium)
63	Marshall Place, Hallam	Existing	Local	Local	NEW
64	Saffron Drive, Hallam	Existing	Local	Local	NEW
65	Springbrook Drive, Clyde North	Proposed	NA	Local	NEW
66	Centre Road Local Town Centre, Berwick	Proposed	NA	Medium	NEW
67	Ballarto Road, Cranbourne East	Proposed	NA	Local	NEW
68	Tuckers Road, Clyde North (Clyde Creek PSP central)	Proposed	NA	Local	NEW
69	Hardys Road, Clyde North (Clyde Creek PSP north-east)	Proposed	NA	Local	NEW
70	Smiths Lane, Botanic Ridge	Proposed	NA	Local	NEW
71	Craig Road, Botanic Ridge	Proposed	NA	Medium	NEW
72	Berwick-Cranbourne Road, Clyde North	Proposed	NA	Local	NEW
73	St Germain, Clyde North	Proposed	NA	Medium	NEW
74	Cranbourne North Service Business Precinct, Cranbourne North	Proposed	NA	Restricted	NEW
75	Brompton Lodge Local Town Centre	Proposed	NA	Medium	NEW
76	Indicative Neighbourhood Centre	Proposed	NA	Local	NEW
77	Indicative Neighbourhood Centre	Proposed	NA	Local	NEW
78	Indicative Neighbourhood Centre	Proposed	NA	Local	NEW
79	Indicative Neighbourhood Centre	Proposed	NA	Local	NEW
80	Indicative Neighbourhood Centre	Proposed	NA	Local	NEW
81	Indicative Neighbourhood Centre	Proposed	NA	Local	NEW
82	Indicative Neighbourhood Centre	Proposed	NA	Local	NEW

Note: 'Neighbourhood activity centre' has been abbreviated to 'NAC'.

### Removal of the principal activity centre type and planning for two metropolitan activity centres

The principal activity centre is based on previous terminology used in *Melbourne 2030*. Moreover, there will be little difference in the aspirational function and composition of the Fountain Gate-Narre Warren CBD and Cranbourne Town Centre once the South East growth corridor is fully developed.

To align with *Plan Melbourne 2016* policy, it is recommended that Fountain Gate-Narre Warren CBD be correctly designated as a metropolitan activity centre.

SGS has identified a need for the Cranbourne Town Centre to play a role as a metropolitan activity centre in the centre hierarchy once this corridor is developed. This is due to the level of growth anticipated in the growth areas of the south-eastern region of metropolitan Melbourne.

The table below presents past and forecasted residential population in the Cranbourne corridor (extending from south of Cranbourne to just south of Narre Warren and excluding the Berwick/Pakenham corridor) from 1996 to 2046.

The corridor is expected to reach almost 350,000 residents at full build-out.

	1996	2006	2016	2026	2036	2046
<b>Cranbourne corridor</b>	60,120	103,348	169,308	251,296	311,853	348,375

Nine current metropolitan activity centres have been identified in *Plan Melbourne 2017*, providing one metropolitan activity centre per 500,000 people in the metropolitan region. In order to maintain this proportion (in light of significant future population growth), Melbourne will need more than those centres identified as 'future' metropolitan activity centres to be playing a metropolitan role in the hierarchy. Given the level of growth in the Cranbourne corridor – a corridor that is distinct from the catchment of the Fountain Gate-Narre Warren CBD – Cranbourne Town Centre has significant potential to play a metropolitan activity centre role in the future.

Council should advocate for this change at the state level. Attracting more commercial uses to the centre will also be important for Cranbourne's increased role as a metropolitan activity centre.

### Removal of the neighbourhood activity centre (large) type

No discrete role was identified for the neighbourhood activity centre (large) category in the existing hierarchy.

There were three neighbourhood activity centres (large) defined – two existing and one proposed. Eden Rise is expected to reach employment floorspace levels of 30,000 by 2036 once combined with Berwick Springs. This means it will have capacity for a more substantial level of employment floorspace that is required in centre types with a subregional role. It has thus been designated an activity centre major, albeit at the lower end of the range within this centre type. This will also enable Council to encourage it to take on a broader employment role, rather than just being very large 'retail only' centres.

Marriot Waters and Cranbourne West (cnr Hall Road and Evans Road) have both been designated as neighbourhood activity centres (medium). The floorspace proposed for these centres is constrained in size and the catchment is limited, with Cranbourne absorbing the higher order retail within this corridor. As such, these two centres fit within the medium classification.



**Revised neighbourhood activity centre classifications**

A number of centres did not conform with the floorspace ranges and did not appear to have a clear plan (via zoning/other) to achieve the designation. These have been identified in Table 29.

**Additional neighbourhood activity centres**

Several new neighbourhood activity centres have been identified through the PSP process and incorporated into the hierarchy.

SGS has also identified a need for around seven new neighbourhood activity centres in Casey's south-eastern growth area. Clyde Town Centre will adequately satisfy retail demand in the subregion. However, greater activity centre coverage is needed across the area to ensure localised accessibility to retail and other services on a day-to-day and weekly basis, particularly given the significant resident population expected to locate there in future decades.

Indicative locations have been placed on the hierarchy map. Further review/refinement/site identification will be needed as planning for these areas progress.

### 7.3 Overarching policy gaps, issues and opportunities

The following outlines some key overarching issues and opportunities affecting all activity centres.

#### Employment diversification

Further employment diversification is key to promoting self-sufficiency within Casey. Council must ensure a sufficient level of commercial floorspace is available in Casey's activity centres, particularly in its metropolitan activity centres. Options include:

- Policy to specify preferred retail floorspace limits, or a ratio for retail compared to commercial floorspace, in higher order centres.
- Capitalising on the flexible or 'footloose' jobs market.

##### Strategies:

- Use policy and zoning to maintain current retail floorspace in metropolitan activity centres and facilitate greater commercial and employment generating uses.
- Support 'footloose' industries in activity centres.

#### Encouraging diverse retailing formats

Like supermarkets floorspace, the optimal centre rollout is also lacking in a sufficient level of department store floorspace to meet demand. Given the declining viability of department stores in the wider market, a reasonable approach is needed to ensure more supply of floorspace which delivers department store type products that meet the needs of the local community. This includes:

- Discount department stores, rather than higher end forms, and
- Mini-majors; that is, smaller retail formats that are likely to perform well in major activity centres and large neighbourhood centres (given metropolitan activity centres have already had a significantly large degree of department store floorspace allocated to them).

##### Strategies:

- Facilitate development of discount department stores and 'mini-major' stores in major activity centres and neighbourhood activity centres (medium).

#### More floorspace in future activity centres

Limited floorspace capacity in the City's new and emerging activity centres places limits on the degree of retail activity that could be allocated to them. As a result, the level of specialty shop floorspace allocated to existing centres outweighs that to new centres. To counter this, dedicating larger amounts of floorspace in PSP areas to activity centres can ensure that a greater level of retail growth can occur in them, and result in more balanced growth across the municipality.

##### Strategies:

- Allow for future growth of activity centres in PSP areas by allocating sufficient land.

#### Greater structure plan and development plan specificity

Ensuring high amenity and design quality in both existing and future activity centres is crucial to creating attractive, vibrant and liveable environments. Development plans for new and existing centres must include key desirable urban design elements, including: fine-grained urban form, appropriate density, built form diversity, walkability, and a focus on main street environments. Plans should also consider responsibilities for stakeholders, maintenance and managing declining centres.

##### Strategies:

- Develop high amenity and well-designed activity centres which provide attractive, vibrant and walkable environments.

## Managing the rollout of supermarkets

The optimal centre rollout does not accommodate the total level of supermarket floorspace required in SGS's demand modelling. This is attributable to the conservative approach that was taken in interpreting numbers prescribed in the PSPs. As such, the municipality requires a greater level of supermarket floorspace than has been allocated in the optimal centre rollout. Given the influence that supermarkets have on the location and degree of growth in centres, greater prescription is also required around the number, size and location of supermarkets within new and existing centres. This will help to ensure that growth aligns with the desired retail hierarchy and promote the floorspace allocation principle outlined above.

### Strategies:

- Provide adequate supermarket facilities to meet the needs of the population.

## 7.4 Centre specific policy gaps, issues and opportunities

The following section provides an overview of the intended role of each centre type within the hierarchy. Relevant centre specific recommendations are also included.

### Metropolitan activity centre

Centre Name	Status	Existing role	Aspirational role
Fountain Gate-Narre Warren CBD	Existing	Metro	Metro
Cranbourne Town Centre	Existing	Major	Metro

### Objectives:

- To play a key regional role in the metropolitan economy, providing a diverse range of employment opportunities for the region.
- To provide excellent access to higher order services that serve the north (Narre Warren-Fountain Gate CBD) and south (Cranbourne Town Centre) of the municipality.
- To provide a broad mix of higher-order activities, including a department store and discount department stores, entertainment, and attract a significant level of visitation.
- To develop accessible, high amenity and high connectivity centres, with consideration for adequate transport provision, walkability, safety, and attractive environments.

### Opportunities:

While both centres have a significant quantum of additional development capacity, retail growth in these centres has been limited to achieve sustainable levels of growth in new or smaller centres.

Instead, the focus for the Fountain Gate-Narre Warren CBD and the Cranbourne Town Centre should be the attraction and fostering of higher order commercial activity. These centres – the Fountain Gate-Narre Warren CBD in particular – should serve to play a greater role in the provision of a diverse range of local employment opportunities in the municipality.

In addition, these centres should seek to further diversify the range of facilities and services which are available, including community, social, community, cultural and entertainment activities in particular. The co-location of these activities with retail and commercial activity are more likely to result in multi-purpose trips, reducing overall transport demand.

Improvements to centre amenity, walkability and the broadening of the offer within metropolitan activity centres will also support the development of higher density housing and employment-generating uses in these centres. Increasing the local walkable catchment for these centres will also encourage the diversification of activity to include more hospitality and entertainment facilities.

**Defining characteristics:**

- Comprise a total floorspace of around 100,000+ sqm.
- Provide a high level of commercial floorspace that supports higher order employment, such as major corporate offices, research, institutional and health.
- Provide a large retail and service offer, include major retail and department stores, to provide consumer choice.
- Support two or more full-line supermarkets.
- Provide excellent transport connections within and to the broader economy including access to the Principal Public Transport Network, the road network and active transport (walking and cycling) connections.
- Provide for the co-location of local and major community, social, cultural and entertainment activities with commercial and retail development.
- Include higher density housing integrated with retail and employment and significant housing within or in proximity to the centre.

**Strategies:**

- Increase ratio of non-retail employment activity using zoning and policy in the LPPF.
- Identify economic development mechanisms to direct employment generating activities to these centres.
- Facilitate improved walkability to, in and around these centres by prioritising pedestrian transit over vehicular transit.
- Facilitate medium to high density residential development.

**Major activity centre**

Centre Name	Status	Existing role	Aspirational role
Berwick Village	Existing	Major	Major
Casey Central, Narre Warren South	Existing	Major	Major
Endeavour Hills Town Centre	Existing	Major	Major
Hampton Park Town Centre	Existing	Major	Major
Eden Rise, Berwick	Existing	Medium	Major
Hardys Road, Clyde North	Proposed	NA	Major
Clyde Town Centre	Proposed	NA	Major

**Objectives:**

- To serve a subregional catchment, providing a range of retail, employment, local entertainment, community, health and education facilities and services, and housing options.

**Opportunities:**

Improvements to centre amenity, walkability and the broadening of the offer within major centres will support the development of higher density housing in activity centre majors. Increasing the local walkable catchment for these centres will also encourage the diversification of activity to include more hospitality facilities.

**Berwick Village** has little additional capacity. While it is an active, vibrant, street-based centre with fine-grained retail typology, its pedestrian accessibility could be improved to promote walkability across, to and from the centre.

The **Casey Central, Narre Warren South** activity centre has a huge level of development capacity with the Casey Central Town Centre Precinct Structure Plan adding a large tract of greenfield land to the centre. Leveraging its location on Narre Warren-Cranbourne Road, its proximity to public transport, and the existing activity in the developed northern area of the centre, the new development will be mixed use, with a core retail function (including leisure and lifestyle, health and wellbeing, entertainment and hospitality uses), along with a significant commercial offer, including a multi-storey office, medical and commercial developments. A portion of the undeveloped land will be dedicated to restricted retail uses

(see Casey Central Restricted Retail, and Cranbourne North below), with opportunity to transition to a larger traditional retail, employment and civic precinct.

While population in Endeavour Hills has been stable, or gradually declining, there has been reasonable levels of population growth projected for the surrounding north-west corner of Casey. Some degree of the anticipated regional activity centre demand in this area is expected to be absorbed by the Dandenong Town Centre. However, some growth is expected in the **Endeavour Hills Town Centre**.<sup>15</sup>

The **Hampton Park Town Centre** is expected to grow only moderately in coming years, given limited population growth projected in the area. The centre needs investment to improve amenity and the quality of offer, rather than an increase in floorspace per se.

Casey's two proposed activity centre majors, **Hardys Road (Clyde North)** and **Clyde Town Centre**, are both anticipated to come online in 2026, given the significant population growth forecasted for these areas at this time. Nearby growth is expected to be absorbed by Cranbourne and other existing or 2021-proposed centres. Both are to initially be anchored by a single supermarket, and will grow to subregionally significant centres. Hardys Road is to service both the Thompsons Road PSP area as well as the Clyde Creek PSP area, while the Clyde Town Centre will service the Clyde Creek PSP area and the Casey Fields South Residential PSP area.

The **Eden Rise, Berwick** centre will be expanded to include existing retail and employment activity referred to as Berwick Springs. Integration of the two halves of the new centre will need to be further investigated.

**Defining characteristics:**

- Located along the Principal Public Transport Network and connected to the arterial road network, they are situated in highly accessible locations.
- Comprise a total floorspace of around 20,000 to 100,000 sqm.
- Support a range of retail and service choice, including 1-2 discount department stores and two or more supermarkets.
- Include higher density housing within, or in proximity to, the centre.
- Provide good public, private and active transport access.
- Unique identity

**Strategies:**

- Facilitate improved walkability to, in and around these centres by prioritising pedestrian transit over vehicular transit, and maximising proximity to public transport.
- Support the development of Casey Central, Narre Warren South as a vibrant mixed use centre offering a wide range of services, facilities and jobs.
- Identify preferred land use zoning and policy to be applied to Hardys Road (Clyde North) and Clyde Town Centre and advocate for this through the PSP process. This should address land use, built form, walkability to and around the centres, transport and car parking.
- Ensure interim treatments and uses for unused land are included.

---

<sup>15</sup> With a significant level of floorspace capacity, the Heatherton Road Mixed Use Precinct, Endeavour Hills Neighbourhood Activity Centre is expected to absorb some degree of the demand overflow anticipated in the north-west area of the municipality from the Endeavour Hills Town Centre Activity Centre Major.

## Health and Education Precinct

Centre Name	Status	Existing role	Aspirational role
Berwick Health and Education Precinct <sup>16</sup>	Existing	HEP	HEP

### Objectives:

- To continue to grow as a significant health and education based employment precinct in Casey and surrounding municipalities.

### Opportunities:

Formerly referred to as the Casey Technology Park and forming a part of Berwick Village, the **Berwick Health and Education Precinct** is now recognised as a centre in its own right.

The growing Health and Education Precinct has attracted Federation University to take over the campus previously occupied by Monash University. The retention of a tertiary education provider is critical to the ongoing viability of the precinct, and Council should play an advocacy role in attracting and supporting tertiary providers.

### Defining characteristics:

- Includes multiple large institutions including a regional hospital and tertiary institution.
- Provides significant opportunity for associated employment to co-locate around major institutions.
- Supports ancillary hospitality and speciality retailing to support a vibrant employment precinct.

### Strategies:

- Facilitate tertiary health educational facilities, and allied services, to locate in Berwick HEP.

## Neighbourhood Centres

Centre Name	Status	Existing role	Aspirational role
Amberly Park, Narre Warren South	Existing	Medium	Medium
Lynbrook Village	Existing	Medium	Medium
Parkhill Plaza, Berwick	Existing	Medium	Medium
Sandhurst Centre, Cranbourne West	Existing	Medium	Medium
Spring Square, Hallam	Existing	Medium	Medium
Thompson Parkway, Cranbourne North	Existing	Medium	Medium
Autumn Place, Doveton	Existing	Medium	Medium
Kirkwood Crescent, Hampton Park	Existing	Local	Medium
Tooradin Village	Existing	Medium	Medium
Marriot Waters, Lyndhurst	Existing	Medium	Medium
The Hunt Club, Cranbourne East	Existing	Medium	Medium
Springhill, Cranbourne	Existing	Medium	Medium
Selendra Rise, Clyde North	Existing	Medium	Medium
Avenue Village, Cranbourne North	Existing	Medium	Medium
Heatherton Road Mixed Use Precinct, Endeavour Hills	Existing	Local	Medium
Shopping on Clyde, Clyde	Existing	Medium	Medium
Cranbourne West (cnr Hall and Evans Road, Cranbourne West PSP)	Proposed	NA	Medium
Ernst Wanke Road, Narre Warren	Proposed	NA	Medium
Adrian Street Local Town Centre, Cranbourne East	Proposed	NA	Medium
Merinda Park Activity Centre, Lyndhurst	Proposed	NA	Medium
Cranbourne East - Southern Local Centre (Cranbourne East PSP)	Proposed	NA	Medium
Soldiers Road, Clyde North	Proposed	NA	Medium
Central Parkway, Cranbourne West	Proposed	NA	Medium
Centre Road Local Town Centre, Berwick	Proposed	NA	Medium
Craig Road, Botanic Ridge	Proposed	NA	Medium

<sup>16</sup> Identified as the Casey Hospital and Monash University Precinct (Berwick) in *Plan Melbourne*.



Centre Name	Status	Existing role	Aspirational role
St Germain, Clyde North	Proposed	NA	Medium
Brompton Lodge Local Town Centre	Proposed	NA	Medium
Main Street, Narre Warren North	Existing	Local	Local
Linden Place, Doveton	Existing	Local	Local
Bemersyde Drive, Berwick	Existing	Local	Local
Box Street, Doveton	Existing	Local	Local
Camms Road, Cranbourne	Existing	Local	Local
Doveton Avenue, Eumemmerring	Existing	Local	Local
Greaves Road, Narre Warren South	Existing	Local	Local
Llewellyn Place, Eumemmerring	Existing	Local	Local
Somerville Road, Hampton Park	Existing	Local	Local
Hotham Street, Cranbourne	Existing	Local	Local
Lurline Street, Cranbourne	Existing	Local	Local
Pearcedale Township	Existing	Local	Local
The Arcade, Junction Village	Existing	Local	Local
Freeway Sports, Eumemmerring	Existing	Local	Local
Eve, Cranbourne North	Existing	Local	Local
Marshall Place, Hallam	Existing	Local	Local
Saffron Drive, Hallam	Existing	Local	Local
Clarinda Park, Cranbourne West	Proposed	NA	Local
Cranbourne West (central trunk boulevard collector road in mixed use precinct, Cranbourne West PSP)	Proposed	NA	Local
South Gippsland Highway, Cranbourne North	Proposed	NA	Local
Hallam Station, Hallam	Proposed	NA	Local
PSP18 Cranbourne East Local Centre	Proposed	NA	Local
Whealers Park Drive, Cranbourne North	Proposed	NA	Local
Clyde North PSP (south-east)	Proposed	NA	Local
Clyde North PSP (north-east)	Proposed	NA	Local
Clyde North PSP (Grices Road)	Proposed	NA	Local
Springbrook Drive, Clyde North	Proposed	NA	Local
Ballarto Road, Cranbourne East	Proposed	NA	Local
Tuckers Road, Clyde North (Clyde Creek PSP central)	Proposed	NA	Local
Hardys Road, Clyde North (Clyde Creek PSP north-east)	Proposed	NA	Local
Smiths Lane, Botanic Ridge	Proposed	NA	Local
Berwick-Cranbourne Road, Clyde North	Proposed	NA	Local
Indicative Neighbourhood Centre x 7	Proposed	NA	Local

#### Objectives:

- To provide convenient access to local retail services and facilities, including local entertainment and leisure facilities to all residents.

#### Opportunities:

##### General:

Scattered across Casey and ranging in physical size and catchment area, these centres provide access to services at the local level. Neighbourhood activity centres may have public transport options which generally connect to higher order activity centres.

While having a significant amount of potential, particularly in light of the level of population growth to occur in the municipality in future years, Casey's neighbourhood activity centres are currently identified as "the weakest link in the retail hierarchy" in the Municipal Strategic Statement. However, analysis complete in this study appears to suggest they are generally performing their function in the hierarchy.

A lot of the success or failure of neighbourhood activity centres will depend on market forces, but there are some areas where Council can support and strengthen neighbourhood activity centres such as:

- Limiting the capacity for growth in retail floorspace in metropolitan activity centres, such that other centres have a greater opportunity for retail growth.

- Improving the urban environment and walkability of neighbourhood activity centres in order to increase their attractiveness to local residents, particularly in satisfying convenience needs (especially for smaller centres).
- Locating education, health and community facilities that meet local needs in or next to neighbourhood activity centres.
- Supporting increases in local specialty, hospitality and commercial floorspace around anchors such as small supermarkets and local employment opportunities.

Neighbourhood activity centres (medium):

There is substantial population growth planned for the western border of Casey. Both **Marriot Waters, Lyndhurst** and the proposed centre **Mernda Park** (adjacent to the Mernda Park Railway Station) will operate together to support this expected growth over the next 20 years. Marriot Waters, Lyndhurst is already well established and quite large (18,000 sqm) for a neighbourhood activity centre (medium). There is limited opportunity for it to expand and a restriction allowing only one supermarket. Conversely Mernda Park is in the process of getting a planning permit at the time of this report.

Eleven proposed neighbourhood activity centres (medium) will also support significant growth in the new growth area in the east of Casey.

Neighbourhood activity centres (local):

The 32 local centres play an important role in providing local access to convenience and day-to-day goods for their local community, generally without a supermarket offer. In some cases, these centres are very small, providing limited choices. The future growth of activity centre floorspace has been allocated to support growth in these centres.

**Desired characteristics:**

*Medium centres:*

- Comprise a total floorspace of between 5,000sqm and 20,000sqm.
- Include one to two full-line supermarkets, with potential for an additional small format supermarket.
- Include specialty retail, hospitality and commercial floorspace.
- Provide commercial services that support local needs such as hairdressers, financial services, small medical centres.

*Local centres:*

- Comprise a total floorspace of up to 5,000sqm.
- Provide a small cluster of convenience shops or hospitality outlets that serve the everyday needs of the immediate residential catchment.
- May contain a small format supermarket (eg. Aldi, Foodworks, IGA or the like).

**Strategies:**

- Support the ongoing growth of existing and proposed neighbourhood activity centres (medium) in growth areas to meet the retailing needs of new residents.
- Avoid stand-alone supermarkets.
- Avoid out-of-centre location of community services such as libraries, community centres and community health services.

## Restricted retail precincts

Centre Name	Status	Existing role	Aspirational role
Fountain Gate-Narre Warren CBD - Restricted Retail	Existing	Restricted	Restricted
Cranbourne Town Centre - Restricted Retail	Existing	Restricted	Restricted
Home, Cranbourne	Existing	Restricted	Restricted
Lynbrook Business Centre, Lynbrook	Existing	Restricted	Restricted
Casey Central, Cranbourne North	Proposed	NA	Restricted
Thompsons Road PSP (C2Z applied zone along Thompsons Road, Hardys Road & Tuckers Road)	Proposed	NA	Restricted
Cranbourne North Service Business Precinct, Cranbourne North	Proposed	NA	Restricted

### Objectives:

- To provide convenient access to a comprehensive range of bulky goods across the municipality.
- To manage a contemporary pattern of appropriately distributed restricted retail where fragmented sites are rationalised and new precincts are clearly defined and appropriately located.

### Opportunities:

Restricted retail appears to be mostly opportunistic and ad hoc in its delivery. It is located along long linear corridors, in modern precincts and in a few fragmented sites. This dispersed form creates traffic problems and can undermine convenience if customers need to get in and out of a car to visit each shop. It can also undermine other uses including residential and employment.

Restricted retail floorspace is expected to grow substantially across the municipality. The **Lynbrook Business Centre, Lynbrook** and **Home, Cranbourne** centres are expected to reach capacity by 2026, giving rise to large amounts of growth across each five-year period in the proposed restricted retail precincts.

### Desired characteristics:

- Accommodates large format retail stores, typically selling furniture, lighting, hardware and other goods requiring large floorplates and specialised access.
- Located along main roads for visibility and on the periphery of major/metropolitan activity centres.
- May include a small amount of ancillary hospitality integrated within the centre.

### Strategies:

- Discourage restricted retail from locating in an ad hoc or non-consolidated manner.

# 8 IMPLEMENTATION PLAN

Actions to implement the objectives and strategies detailed in Chapter 6 are presented below.

## 8.1 Summary of strategies

The following presents a list of the 21 strategies detailed throughout the previous section.

TABLE 30 SUMMARY OF RECOMMENDED STRATEGIES

No.	Strategy
<b>Centre Hierarchy</b>	
1	Use the revised centre hierarchy to guide investment, planning policy and capital works priorities.
2	Use the optimal centre rollout when deciding on changes to zoning and floorspace in activity centres.
<b>Employment diversification</b>	
3	Use policy and zoning to maintain current retail floorspace in metropolitan activity centres and facilitate greater commercial and employment generating uses.
4	Support 'footloose' industries in activity centres.
<b>Encouraging diverse retailing formats</b>	
5	Facilitate development of discount department stores and 'mini-major' stores in activity centre majors and neighbourhood activity centres (medium).
<b>More floorspace in future activity centres</b>	
6	Allow for future growth of activity centres in PSP areas by allocating sufficient land.
<b>Greater structure plan and development plans</b>	
7	Develop high amenity and well-designed activity centres which provide attractive, vibrant and walkable environments.
<b>Managing the rollout of supermarkets</b>	
8	Provide adequate supermarket facilities to meet the needs of the population.
<b>Metropolitan activity centres</b>	
9	Increase ratio of non-retail employment activity using zoning and policy in the LPPF.
10	Identify economic development mechanisms to direct employment generating activities to these centres.
11	Facilitate improved walkability to, in and around these centres by prioritising pedestrian transit over vehicular transit.
12	Facilitate medium to high density residential development.
<b>Activity centre majors</b>	
13	Facilitate improved walkability to, in and around these centres by prioritising pedestrian transit over vehicular transit, and maximising proximity to public transport.
14	Support the development of Casey Central, Narre Warren South as a vibrant mixed use centre offering a wide range of services, facilities and jobs.
15	Identify preferred land use zoning and policy to be applied to Hardys Road (Clyde North) and Clyde Town Centre and advocate for this through the PSP process. This should address land use, built form, walkability to and around the centres, transport and car parking.
16	Ensure interim treatments and uses for unused land are included.

No.	Strategy
	Health and education precinct
17	Facilitate tertiary health educational facilities, and allied services, to locate in Berwick HEP.
	Neighbourhood activity centres
18	Support the ongoing growth of existing and proposed neighbourhood activity centres (medium) in growth areas to meet the retailing needs of new residents.
19	Avoid stand-alone supermarkets.
20	Avoid out-of-centre location of community services such as libraries, community centres and health services.
	Restricted Retail Precincts
21	Discourage restricted retail from locating in an ad hoc or non-consolidated manner.

## 8.2 Action plan

The following implementation plan details the specific planning and other actions required to deliver the recommended strategies and objectives.

TABLE 31 IMPLEMENTATION PLAN

Actions	Alignment with strategies	Priority
<b>Overarching</b>		
<b>Planning actions</b>		
Incorporate the revised centre hierarchy into the Municipal Strategic Statement.	1	High
Update the current Clause 22.01 to reflect the revised centre hierarchy.	1	High
Reflect the optimal roll out in the planning scheme.	2	Medium
Consider moving Clause 22.01 to the Municipal Strategic Statement as it is more a strategic statement to guide the planning scheme and Council investment than a tool to guide discretion in planning permit applications.	1	Medium
Review Schedule 1 to the Activity Centre Zone (Cranbourne Town Centre) and Schedule 1 to the Priority Development Zone (Fountain Gate – Narre Warren CBD Incorporated Plan) to maintain existing retail floorspace levels and facilitate increases in commercial and employment generating uses, and housing.	1/3	Underway
Advocate for sufficient land to be allocated in PSP areas to provide for future growth.	6	Medium
Identify opportunities for additional supermarket floorspace in new and existing activity centres.	8	Medium
Develop decision-making hierarchy when applying discretion or making planning scheme amendments (see textbox for potential decision-making hierarchy)	2/6	Medium
<b>Other actions</b>		
Develop an Investment Strategy for activity centres to encourage investment in line with the recommendations of the forthcoming activity centre strategy.	3/4/5	High
Develop guidance for activity centre capital works projects to prioritise pedestrian movement and creation of attractive and people friendly streetscapes.	7	High
Place making program rollout through the economic development department.	7	Medium

Actions	Alignment with strategies	Priority
<b>Metropolitan</b>		
<b>Planning Actions:</b>		
Review planning controls for each centre and refine to manage future retail growth.	9/10/11	Underway
Rezone parts of Cranbourne Town Centre to enable a more straightforward development approval process for higher density dwellings in proximity to the centre.	12	Underway
<b>Other Council Actions</b>		
Identify economic development interventions and incentives available at a local, regional, state and national level to attract investment and jobs creation in metropolitan activity centres and develop a strategy to leverage off these.	9/10/11	Medium
Develop holistic accessibility plans for each metropolitan activity centre to improve access to and travel around the centres, with a priority on pedestrian safety and accessibility.	11	Medium
<b>Major</b>		
<b>Planning actions:</b>		
Review planning controls for each activity centre major to ensure that the zoning, overlays and policy in place supports development of vibrant mixed use centres.	15	Medium
Identify preferred location of and planning controls for proposed major activity centres.	15	Medium
<b>Other Council actions:</b>		
Develop holistic accessibility plans for each <b>major activity centre</b> to improve access to and travel around the centres, with a priority on pedestrian safety and accessibility.	13	Medium
<b>HEP</b>		
<b>Planning actions:</b>		
Review planning controls for Berwick HEP to ensure there is an appropriate amount of suitably zoned land to attract growth in the health and education sectors at Berwick HEP.	17	Medium
<b>Other Council actions:</b>		
Advocate for the co-location of health and ancillary facilities with Casey Hospital, within the Berwick HEP.	17	Medium
Maintain a positive relationship with key stakeholders, including Federation University and Monash Health.	17	Medium
Develop an access and movement plan for the precinct to plan for future employment and resident numbers.	17	Medium
<b>Neighbourhood</b>		
<b>Planning actions:</b>		
Review planning controls for each neighbourhood activity centre to ensure that the zoning, overlays and policy in place supports development of vibrant mixed use centres.	18/19/20	Medium
<b>Other Council actions:</b>		
Develop holistic accessibility principles to apply to neighbourhood activity centres when capital improvements to streetscaping and accessibility are funded, with a priority on pedestrian safety and accessibility.	18/19/20	Medium
<b>Restricted</b>		
<b>Planning actions:</b>		
Review planning controls for each precinct and define a consistent zoning approach.	21	Medium
<b>Other Council actions:</b>		
Prepare a restricted retail strategy to review and direct activities	21	Medium



### Text Box: Potential Decision-Making Hierarchy

1. Appraise how the retail proposal aligns with the updated retail hierarchy in terms of:
  - a) **location** – relative to the proposed centres network
  - b) **indicative size** – assessed against the floorspace allocations
  - c) **centre role** – assessed against the role and function of centre level within the hierarchy.
2. Proposals that are deemed to be inconsistent with the centres hierarchy and policy on any of the three terms listed above (**'non-compliant proposals'**) will be assessed to determine whether they are likely to become 'high community impact' or 'low community impact' developments in terms of the core objectives which Council has set for the activity.
3. Potentially '**high impact**' non-compliant proposals will be those which compete directly, and to a significant degree, with similar offerings in designated **metropolitan and major centres** as identified in the retail hierarchy.
4. Potentially '**low impact**' proposals will be all other non-compliant proposals. Approval of these proposals will depend on demonstration of acceptable trade diversion effects (less than 10% to 15% immediate impact on any competing centre) and satisfactory operation from a traffic and urban amenity perspective.
5. The status of the proposal against Items 3 and 4 will be evaluated by Council based on the proponent's (peer reviewed) retail capacity and economic impact assessment.
6. High impact proposals will be required to demonstrate a **net community benefit** against a Base Case where the new retail services in question are assumed to be satisfactorily provided in an appropriate centre in the hierarchy.

The net community benefit test will measure marginal costs and benefits generated by the non-compliant proposal versus the Base Case. The (minimum) scope of the net community benefit test is shown in State Government guidance on how these costs and benefits may be measured, found in *DTF Victorian Guide to Regulation – Toolkit 2: Cost benefit analysis (updated July 2014)*.

# REFERENCES

## Reference List

- Australian Bureau of Statistics. National Accounts.
- Bailey, M. (2013), 'Consumer Profiles and Behaviour in Australian Shopping Centres', *Retail Property Insights*, 20(1), 4-11.
- CBREa (2015) *Implications for retailers as the demographic wave moves through*.  
<http://www.cbre.com.au/research/Pages/australia-reports.aspx>
- CBREb (2015) *Asia Pacific Consumer Market: How we like to shop online*.  
<http://www.cbre.com.au/research/Pages/australia-reports.aspx>
- CBREc (2015) *Australia Retail, Q2 2015*. <http://www.cbre.com.au/research/Pages/australia-reports.aspx>
- City of Casey (2004). *Thematic Environmental History (Post European Contact)*. Report prepared by Context Pty Ltd.
- City of Casey (2016a). Aboriginal and Torres Strait Islander Communities in Casey. Retrieved from <<http://www.casey.vic.gov.au/council/about-casey/history/aboriginal-policy>>.
- City of Casey (2016b). History of the Casey region and Ward Names. Retrieved from <<http://www.casey.vic.gov.au/council/about-casey/history/history-region>>.
- City of Casey planning scheme
- City of Sydney (2013) Green Square Public Domain Strategy.
- Clearpoint (2012) *Trends in Pop-up Retail: Innovative Merchandising Driven by Flexible, Dependable Mobile Connectivity*.  
[http://www.streakwave.com/cradlepoint/CradlePoint\\_Pop\\_up\\_Store\\_White\\_Paper.pdf](http://www.streakwave.com/cradlepoint/CradlePoint_Pop_up_Store_White_Paper.pdf)
- Colliers (2015) *Retail Research and Forecast Report First Half 2015*.  
<http://www.colliers.com.au/find%20research/retail/research%20-%20first%20half%202015/>
- Department of Agriculture, Fisheries and Forestry (2012) Social and Economic Dimensions of Farmers Markets in Australia.
- Dermot McGeown & Ajith Kuruvilla, 2014. Strip shopping precincts: analysis of renewal policies by local authorities: an examination of recent policy implementation. 20th Annual Pacific Rim Real Estate Society Conference Christchurch, New Zealand, 19-22 January 2014. Accessed via "[http://www.prres.net/Proceedings/.%5CPapers%5CMcGeown\\_Strip\\_Shopping\\_Renewal\\_Recent\\_Policy.pdf](http://www.prres.net/Proceedings/.%5CPapers%5CMcGeown_Strip_Shopping_Renewal_Recent_Policy.pdf)
- Flannigan, N. (2002). 'Small Area Planning for Traditional Shopping Districts', *Urban Policy and Research*, 20:2, 205-217, DOI: 10.1080/08111140220144498
- Florida, R. (2003) 'Cities and the creative class'. *City and Community*. 2(1). 3–19.
- JLL (2015) *Australian Shopping Centre Investment Review and Outlook 2015*.  
<http://www.jll.com.au/australia/en-au/research/retail>
- Kim, H., Fiore, A. M., Niehm, L. S., Jeong, M. (2010) 'Psychographic characteristics affecting behavioural intentions towards pop-up retail'. *International Journal of Retail & Distribution Management*. (38)2. 133-154.
- Knight Frank (2015) *Australia Retail Demand Trends Q1 2015*.  
<http://content.knightfrank.com/research/821/documents/en/resinsight150331c-2892.pdf>
- Landry C., Greene, L., Matarasso, F., Bianchini, F. (1996) *The Art of Regeneration*. Comedia. Stroud.
- Lehtovuori, P. & Ruoppila, S. (2012) *Temporary uses as means of experimental urban planning*. SAJ. Estonian Academy of Arts, University of Turku.
- Mathwick, C. et al (2002), 'The effect of dynamic retail experiences on experiential perceptions of value: an Internet and catalog comparison', *Journal of retailing*, 78, 51-60.

- NAB Group Economics (2015) NAB Online Retail Sales Index – July 2015.  
<http://business.nab.com.au/tag/online-retail-sales-index/>
- Russo Spena, T., Caridà, A., Colurcio, M., Melia, M. (2012) 'Store experience and cocreation: the case of temporary shop'. *International Journal of Retail and Distribution Management*. (40)1. 21-40
- Savills (2014) *Australian Retail Market August 2014*. <http://pdf.savills.asia/asia-pacific-research/australian-research/australia-retail/savillsresearch-insight-australian-retail-market-august-2014.pdf>
- The Economist (2009) 'Gone Tomorrow: The spread of pop up retailing'. *The Economist*. 23 July.  
<http://www.economist.com/node/14101585>
- The Economist (2012) 'Art the conqueror: Culture and regeneration'. *The Economist*. 12 March.  
<http://www.economist.com/node/21550291>
- Wynne, D. (1992). *The culture industry: the arts in urban regeneration*. Avebury. Aldershot.

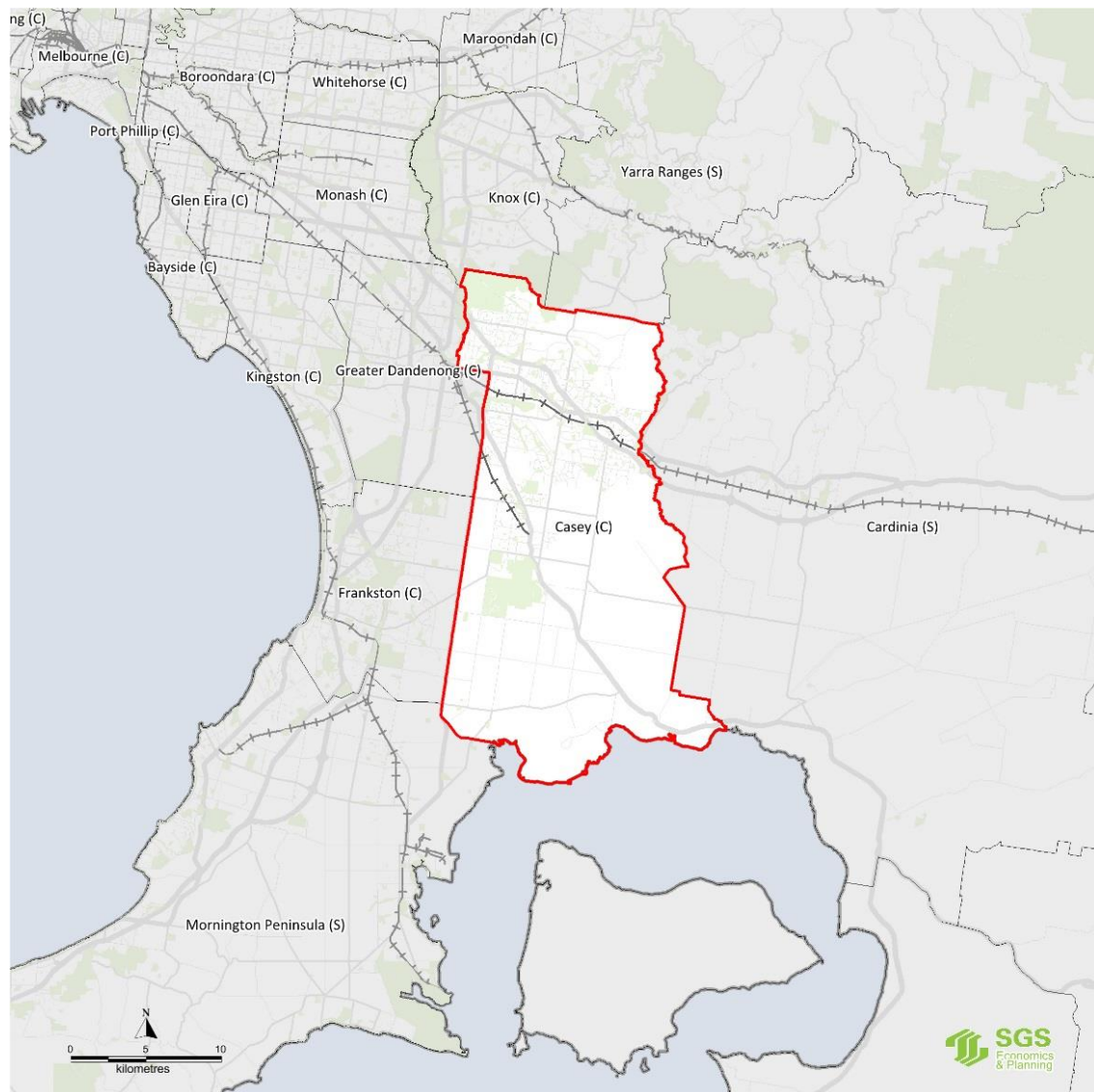
# APPENDIX A: PROJECT GEOGRAPHIES

## City of Casey and surrounds

The City of Casey is located approximately 35 kilometres south east of Melbourne's central business district (CBD). The City straddles urban and rural areas and has a combination of existing urban land, greenfield growth areas and rural land.

The figure below shows the location of the City of Casey relative to central Melbourne.

FIGURE 41 CITY OF CASEY AND SURROUNDING AREA



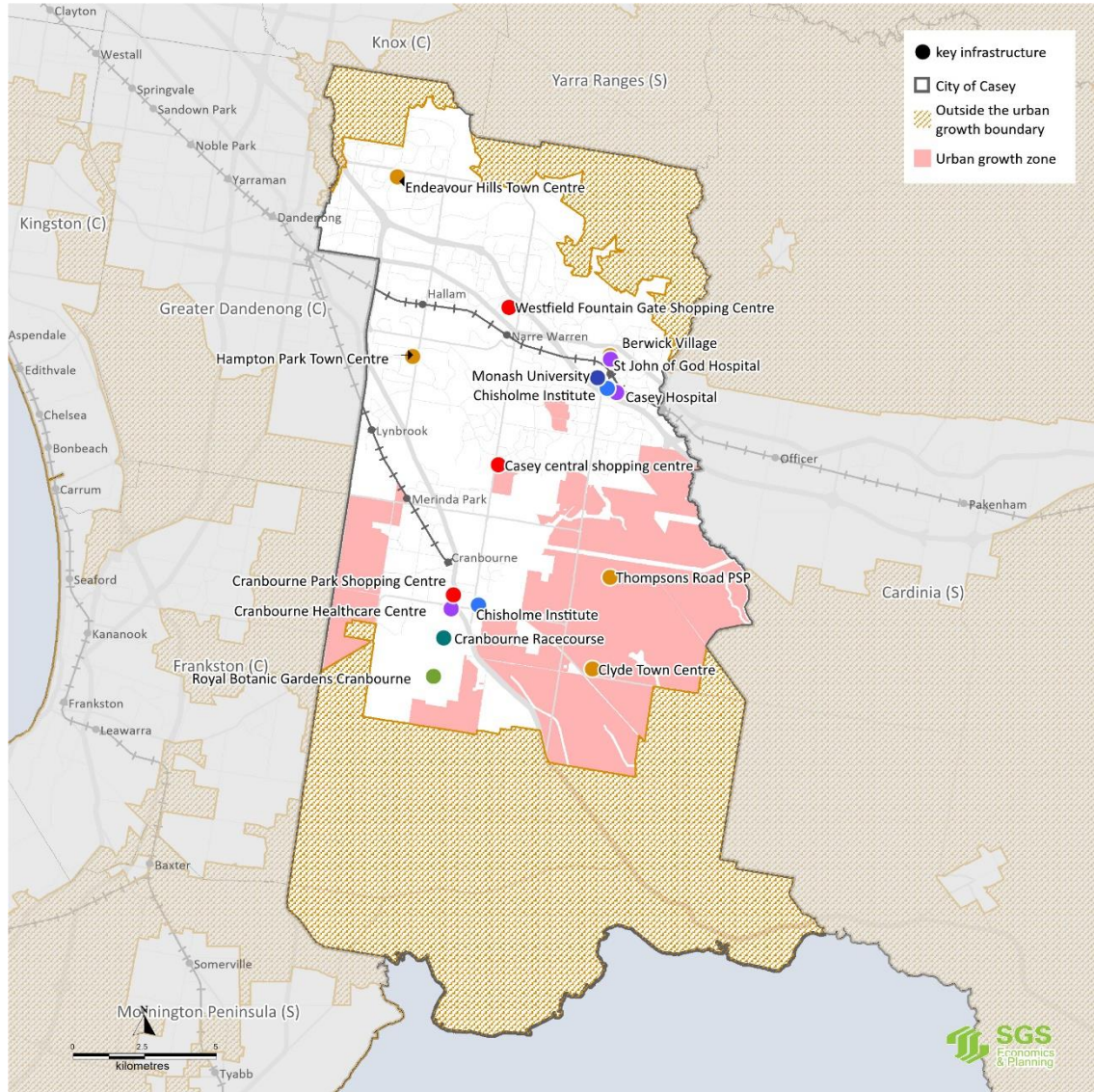
Source: SGS Economics and Planning 2015



## Key features of the City of Casey

The City of Casey is located in the south-east of Greater Melbourne. Covering an area of 395 square kilometres, Casey is characterised by a diverse environment that extends from the foothills of the Dandenong Ranges to the shores of Western Port, providing an interface between country Victoria (Gippsland) and metropolitan Melbourne.

FIGURE 42 CASEY LOCAL GOVERNMENT AREA CONTEXT MAP

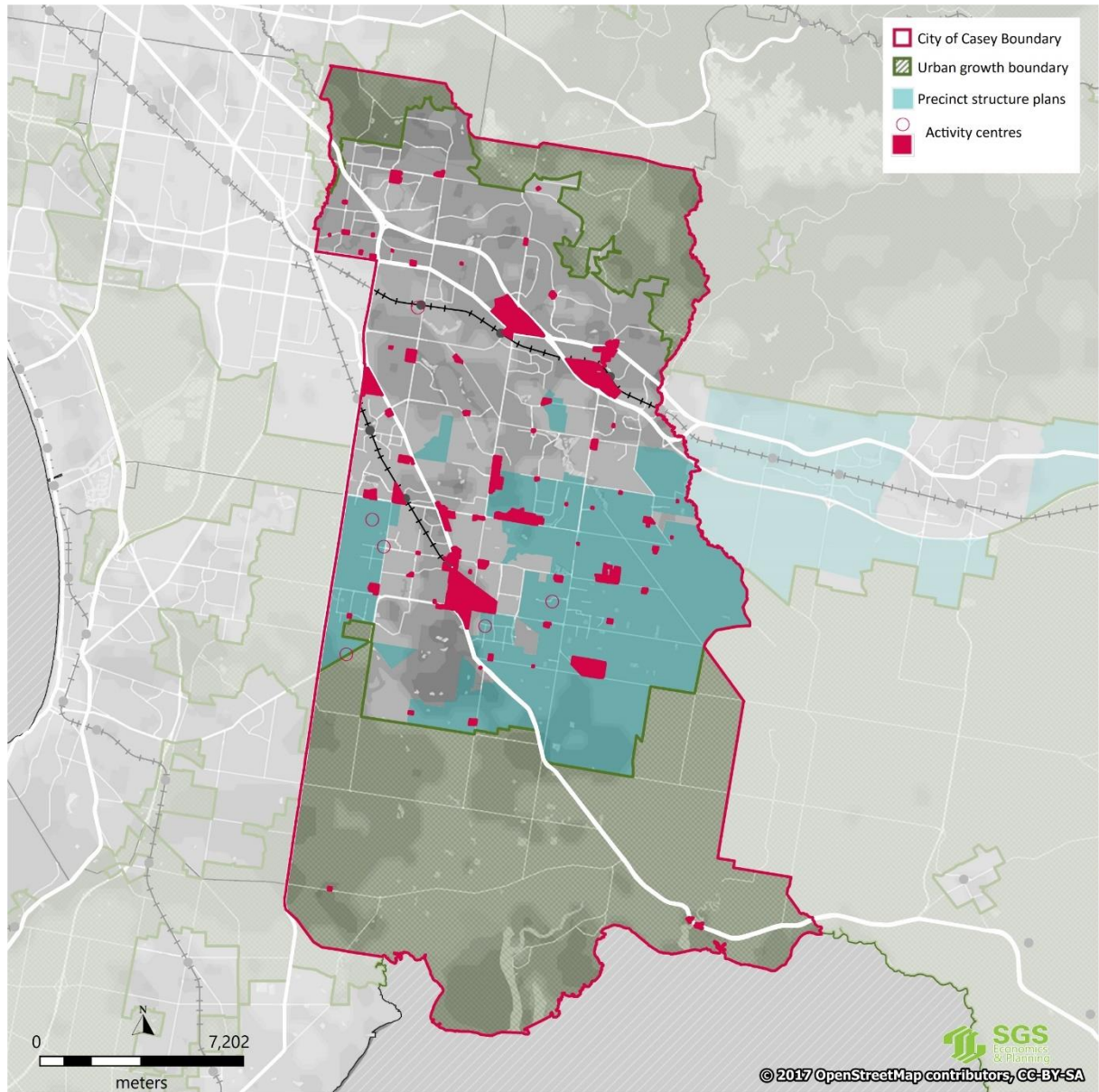


Source: SGS Economics and Planning

## Study boundary definitions

The figure below identifies activity centre study areas that have been used during the analysis throughout this report.

FIGURE 43 ACTIVITY CENTRE BOUNDARIES DEFINITION



Source: SGS Economics and Planning

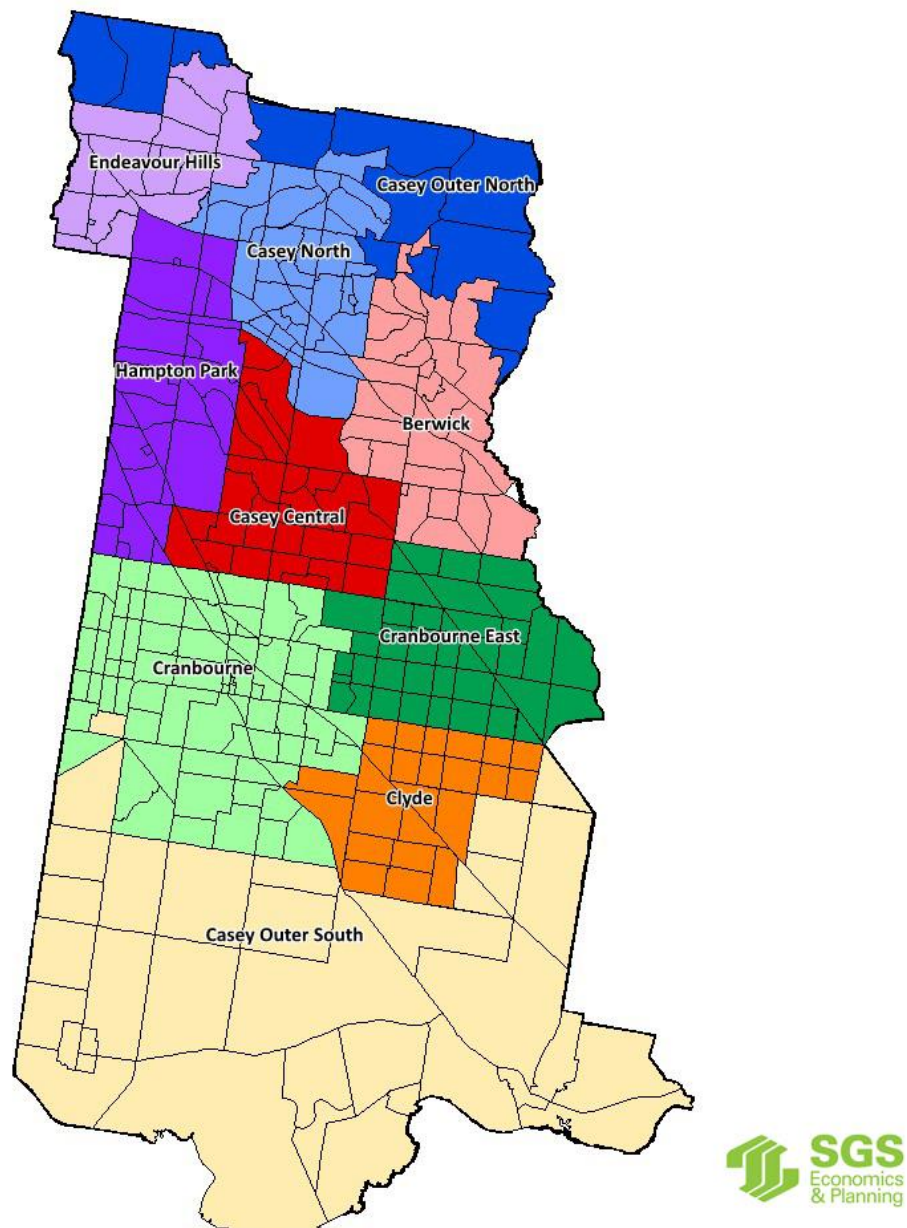
Note: PSP centres are not included in the supply assessment.



## Casey subregions

10 subregions of Casey were defined as a part of this study to better assess demand and supply at a localised level. Each subregion was defined around a major centre, as seen in Figure 44 below. Subregion boundaries were developed with consideration for the urban growth boundary and other natural and urban features.

FIGURE 44 CASEY SUBREGIONS



Source: SGS Economics and Planning

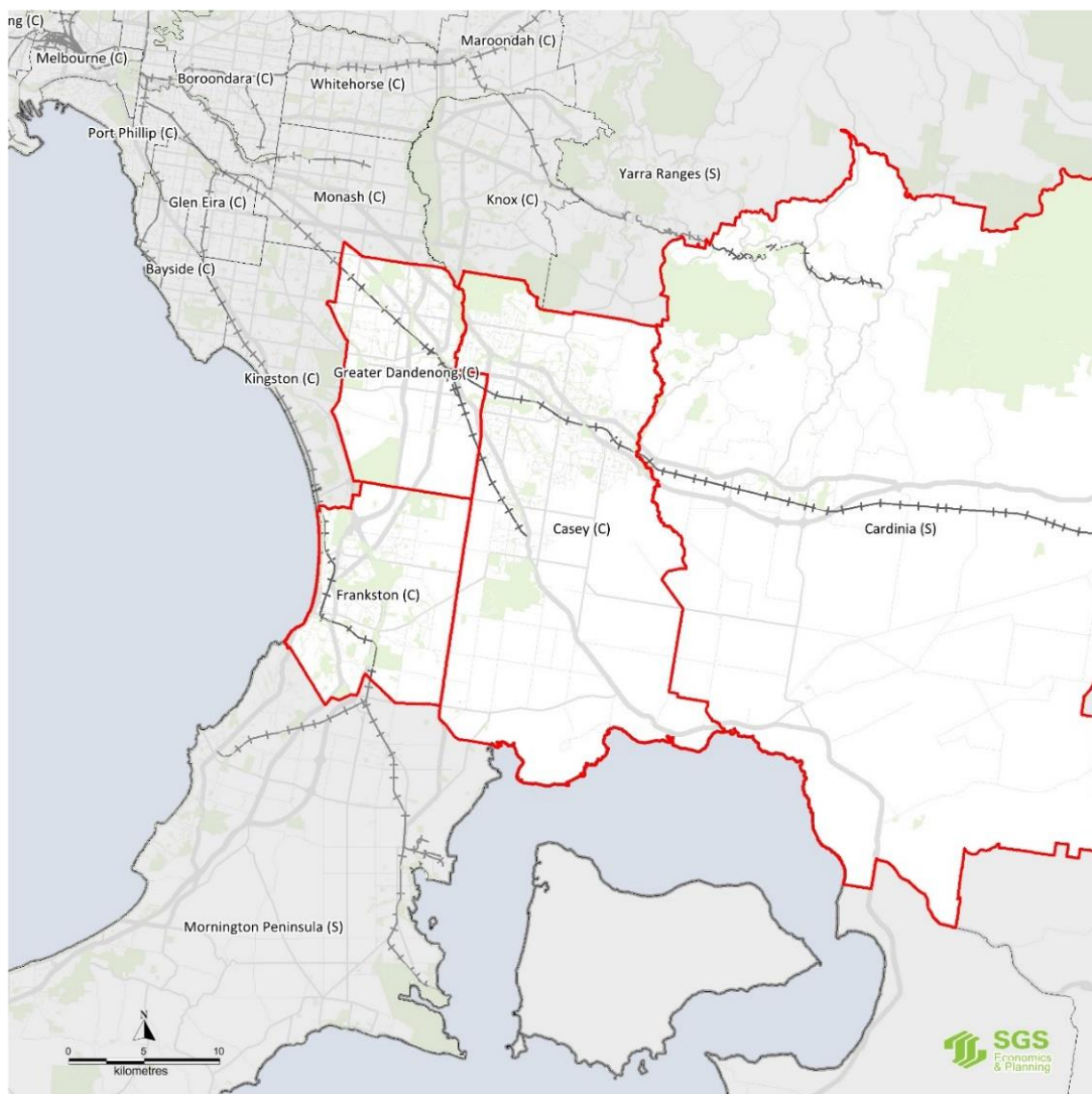
## Comparator regions

The City of Casey does not operate in isolation and as such has also been analysed within its local and broader metropolitan context. Two broad regions have been used to analyse Casey's local and broader regional context:

- **Greater Melbourne:** Defined by the 31 metropolitan Melbourne Local Government Areas.
- **South East Region:** Defined as the City of Casey, the Shire of Cardinia, the City of Greater Dandenong, and the City of Frankston.

These regions help to understand the trends and drivers of retail and commercial activity within the local area, how they are different to other areas and the scale of growth anticipated within Casey.

FIGURE 45 SOUTH EAST COMPARATOR REGION



Source: SGS Economics and Planning, 2016

# APPENDIX B: ECONOMIC CONTEXT

This section introduces relevant economic trends affecting the broader metropolitan economy which will play (and have played) a significant role in the growth and spatial distribution of employment and economic activity.

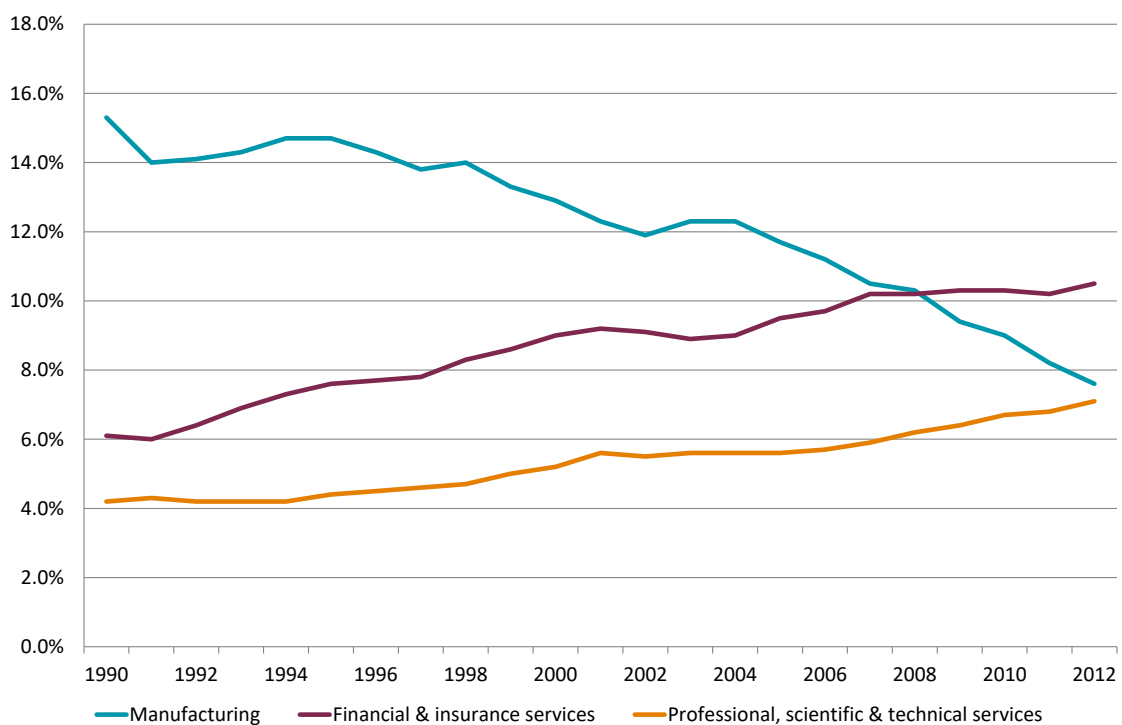
## Structural changes in the Australian and Melbourne economy

During the early 1980s, the economic structure of Australia was fairly homogeneous. Manufacturing was the primary income generator across most parts of the country. Certain areas had specialisations in particular industries, such as tourism, agriculture and mining in regional areas and earlier iterations of advanced business services in the central core of cities.

The economic evolution of the past 30 years has resulted in a far more complex picture. The rise of knowledge intensive services, the resources boom and a high Australian dollar, has created a much more diverse economy.

Figure 46 below highlights the restructuring of the Australian economy, as illustrated by three key industries, over the last two decades.

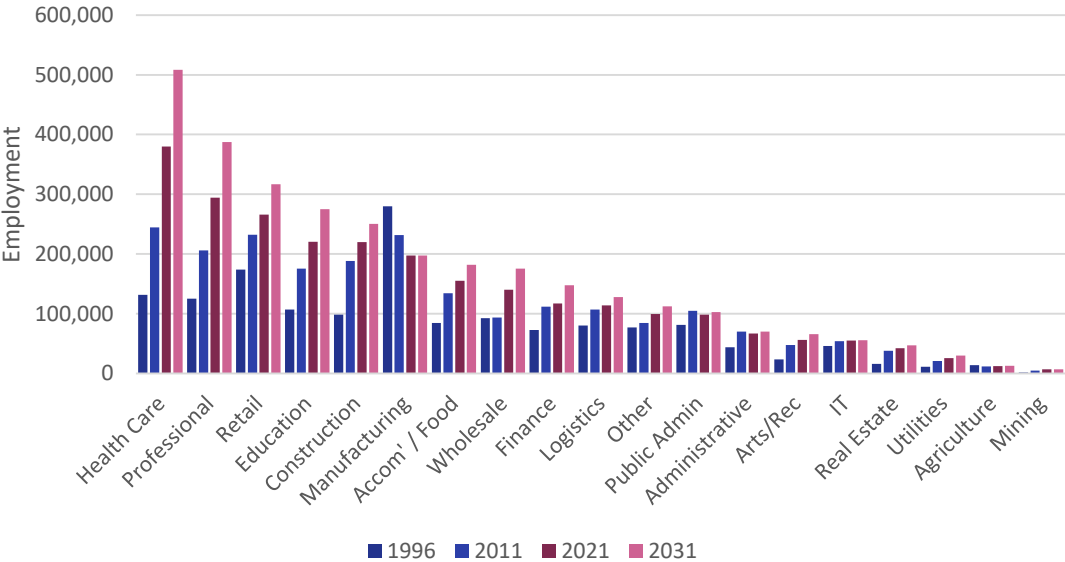
FIGURE 46 SHARE OF GDP FOR SELECTED INDUSTRIES, AUSTRALIA



Source: Australian Bureau of Statistics – National Accounts

The factors driving this economic structural change are anticipated to remain, and as such the future composition of employment across metropolitan Melbourne will continue to evolve. Figure 47 presents historical and projected future employment by industry for metropolitan Melbourne.

**FIGURE 47      EMPLOYMENT BY INDUSTRY, GREATER MELBOURNE, 1996-2031**

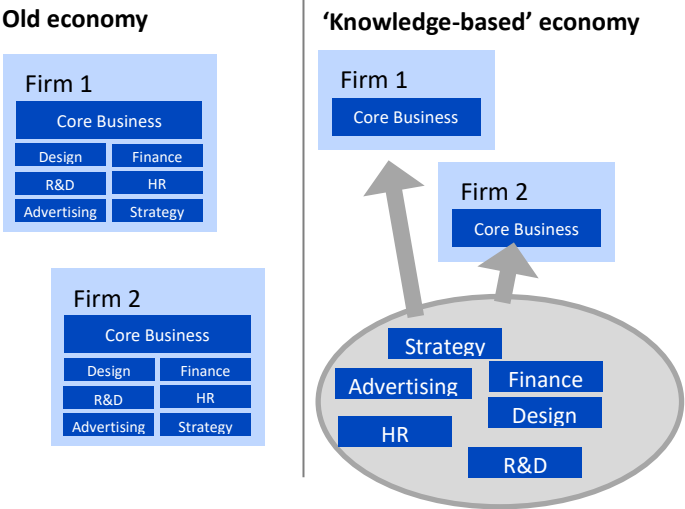


Source: SGS Economics and Planning and ABS

These broad structural economic trends are largely out of government (local, state and federal) control. Nevertheless, economic trends will have profound impacts on how local employment and economic activity will develop in Casey.

Some of the key trends particularly relevant to Casey include the following.

**FIGURE 48.      SHIFT TO KNOWLEDGE ECONOMY**



### **Knowledge based services are the core economic driver of the future economy**

The long term competitiveness of the Australian economy is underpinned by its willingness and ability to innovate. Innovation helps to not only reshape product and service offerings for customers, but sometimes may also lead to the creation of new markets.

As the global economy continues to evolve rapidly, innovation helps businesses and local economies remain relevant to the broader economic landscape.

It is important to note some of the key differences between innovation in the old economy (including traditional manufacturing), and innovation in a knowledge based context. Essentially this relates to the unbundling of the value chain (or how the economy turns raw materials and ideas into goods and services) (see Figure 48). In the old traditional economy, firms completed much of their business activities in-house. Under the new knowledge based economy many of these non-core functions have been moved out and are undertaken by a range of specialist firms.

As a result, the economy will need to become more sophisticated and leverage our skilled labour force to drive economic growth across all sectors of the economy. This growth will largely be concentrated in the financial and professional services sectors but all sectors (including retail, health, hospitality, agriculture, mining and construction) will increasingly leverage these analytical and creative services if they are to boost productivity. Massing or 'agglomeration' of these professional services improves their capacity for innovation and therefore their ability to boost the competitiveness of their customers. This is why we see them increasingly focused around the central core of our major cities.

### **Health care will be the single largest growth sector of the future**

Growth in the health sector will come from both a growing (and ageing) population and technological advancements. This will result in a broadening of the sector with increasing employment in allied and support services along with super specialisation in metropolitan level services. The sector will have two main growth areas: local health services (eg. general practitioners) which will be spread out and follow broad population and employment growth patterns; and regional services (eg. hospitals) which will increasingly be clustered around existing nodes as specialisation drives innovation.

### **Continued growth in retail and hospitality**

Acting as a primary shaper of local activity, the retail and hospitality sector has and will continue to evolve significantly. The composition of retail offers will continue to evolve to match consumer preferences and products. In addition, largely through the introduction of technology, the format of retailing will continue to evolve beyond a simple 'shop-front' which on-sells goods from a supplier.

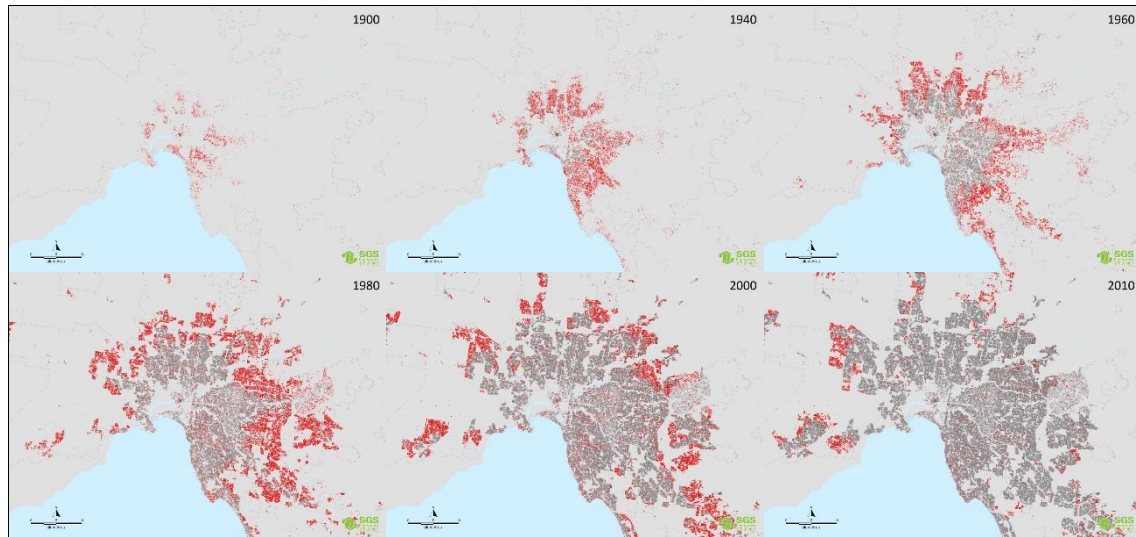
### **Decline in traditional manufacturing and new niche sectors**

As trade barriers have been reduced and the industry has become more capital intensive, the majority of the manufacturing industry has been driven offshore, where there are cheaper labour markets and greater economies of scale. Outsourcing has also occurred to a large extent in the manufacturing industry. For example, professional services such as accountancy, as well as transport, are now more likely to be contracted out. However, selected subsectors of manufacturing still remain and are growing. Broadly they are focused around perishable products or advanced/innovative sectors where skilled labour is required. Melbourne also has the advantage of a deep water port which has supported moderate growth in the logistics and warehousing sector. As more goods are imported, and businesses interact with each other through increased specialisation, these logistics firms are increasingly clustering in larger industrial nodes.

## The spatial implications of a changing industry structure

This economic restructure has had a profound impact on the spatial structure of Melbourne. Figure 49 presents housing development over the past 100 years (note: grey shadings represent previous development, whilst the red shadings showing the extent of new development since the time of the previous caption).

FIGURE 49 HISTORICAL GROWTH OF MELBOURNE, 1900-2010



Source: SGS Economics and Planning drawing from council rates data and other datasets.

It shows a trend of suburbanisation from the 1960s to the late 1980s. During this period, inner city employment growth stagnated as both population serving jobs and industrial employment moved outward, following the new suburbs. This was attributed to the availability of cheap, flat land, the removal of trade barriers, and the development of new housing estates on Melbourne's fringe, aided by increasing car ownership rates.

During this period, the inner city – the CBD in particular – was not seen as a desirable place to live, work or recreate. The landscape of economic activity was focussed on suburban corridors of office parks, shopping centres and research factories, largely requiring access by car. The trends were largely consistent across most cities in industrialised economies. The great hub of innovation, Silicon Valley, was in this domain.

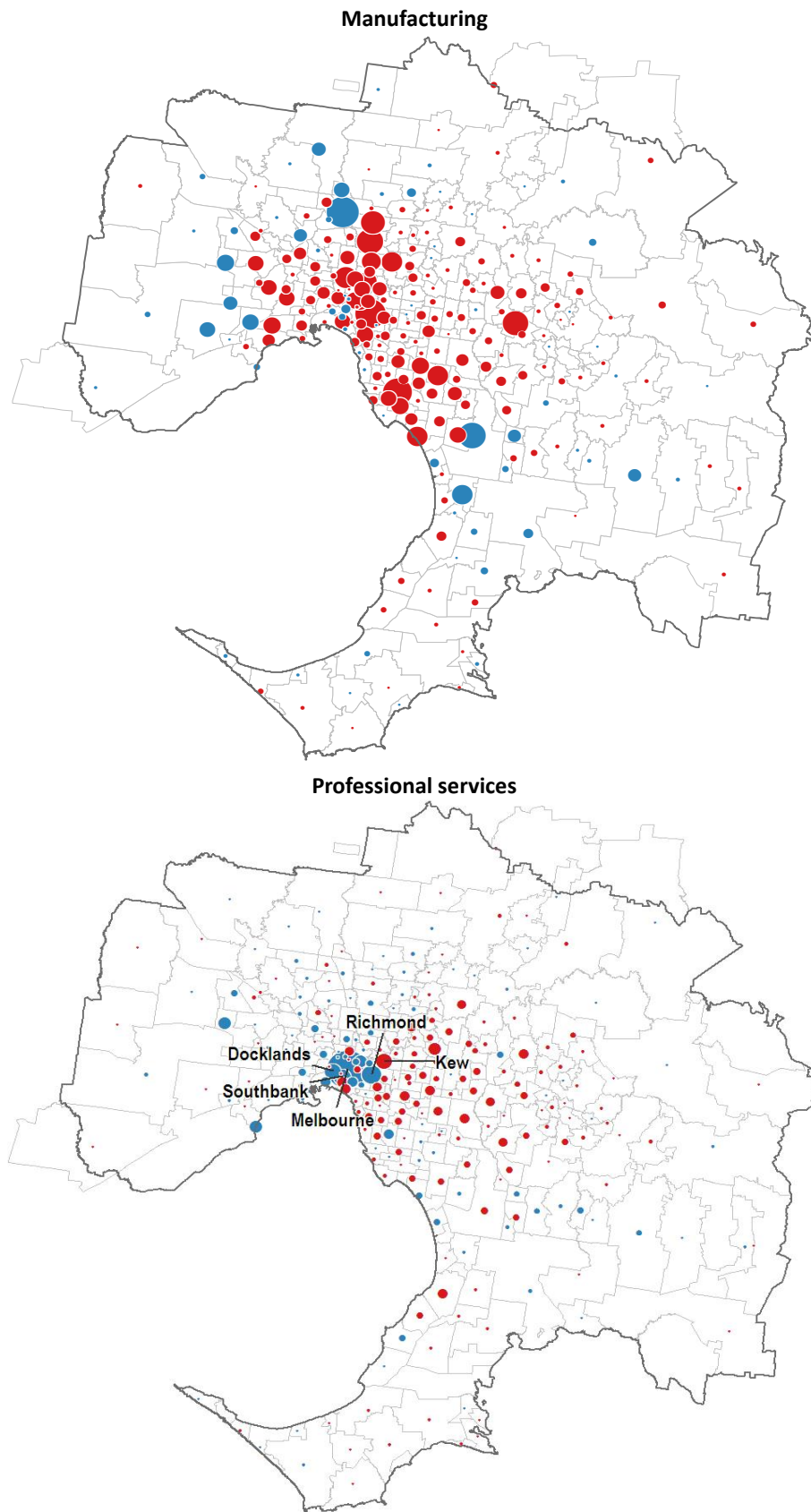
This changing spatial landscape which is occurring across Melbourne is best summed up in Figure 50 with the divergent trends of business openings and closures (note: the red dots represent a net loss of businesses from a particular area, whilst blue dots represent net increases).

The size of each dot represents the relative magnitude of change, with larger dots signalling a large increase/decrease in number of businesses. As can be seen in the figure, while manufacturing businesses have moved outwards over the past decade, professional services have increasingly located in inner areas.

The City of Casey has had a relatively low level of business establishment over this period, with growing industrial hubs located in neighbouring municipalities.



FIGURE 50 NET CHANGE IN BUSINESS ESTABLISHMENTS BY POSTCODE 2001 TO 2011



Source: 2013 Industry Atlas of Victoria – Department of Economic Development, Jobs, Transport and Resources

## Implications for housing development

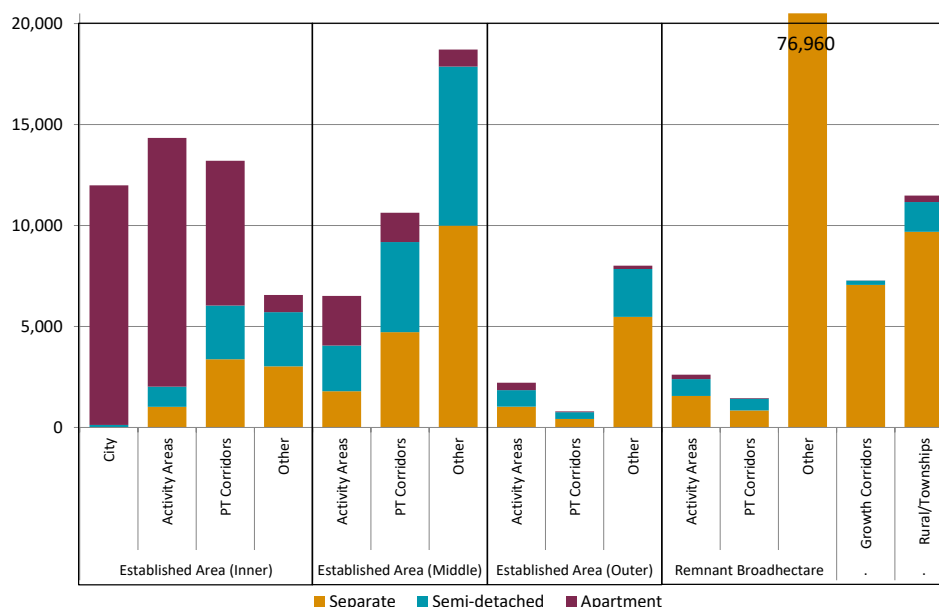
Melbourne has recently experienced unprecedented levels of housing development. This level of new supply has been driven by strong growth in population along with changing demographics and housing preferences.

This additional housing supply was delivered by a wide range of parties from large private developers to private small scale (non-professional<sup>17</sup>) investors.

New supply has also been realised in a wide range of locations and development forms from high rise towers in the city to the development of greenfield sites into detached housing estates on the fringe of Melbourne (See Figure 51).

Note that classification of 'other' refers to areas not in either activity centres or public transport corridors.

FIGURE 51 2004 TO 2010 DWELLING CONSTRUCTIONS



Source: 2004-2010 Housing Development Data – DPCD prepared by Spatial Economics

Note: Other refers to areas that are not activity centres or PT corridors

The outer established areas (which includes parts of Casey) had limited housing growth compared to other locations across greater Melbourne.

There were significantly higher rates of housing development in the remnant broadhectare areas (of which Casey also forms a part). The vast majority of new supply in these areas was delivered outside activity centres or public transport corridors.

In the middle and outer established areas and remnant broadhectare areas, separate houses accounted for the majority of dwelling constructions, with some semi-detaching housing and limited apartment stock. This has contributed to a present lack of housing diversity.

<sup>17</sup> Also referred to as 'mum and dad' type investors, where existing home owners seek to capitalise on their own property.

Typically doing one or two opportunistic developments rather than being heavily engaged in the sector on a full time basis.

There was also significant development in the inner ring with the vast majority of new supply delivered in the city<sup>18</sup>, near activity centres or in public transport corridors. These locations also saw more intense forms of development with a greater proportion of apartment and semi-detached housing, particularly in the city, which almost exclusively saw apartment type housing being constructed.

This significant inward pressure on housing development has pushed up prices in the inner city areas, increasingly creating a divided housing market, both geographically and in terms of development form.

## Retail sector trends

### Key drivers

#### Mission versus leisure retail

Mission-orientated customers are defined as shoppers driven by a particular purpose, whilst leisure-orientated customers are those that are recreational shoppers, more likely to browse for discretionary items. Around 72 percent of customers in Australia were mission based shoppers whilst 28 percent were leisure shoppers (Bailey, 2013).

Mission based customers are more likely to be drawn by strong food retail offers from supermarkets and specialty fresh food stores. On average, leisure based shoppers are spending more than mission based shoppers within shopping centres and consider shopping as an experience or leisure activity rather than a necessary process (Bailey, 2013). To attract leisure based retailing, the experience of shopping needs to be positive and enjoyable, often catering to higher order retail (Bailey, 2013).

#### Retail as an experience

Leisure based retailing relies in part on creating an appealing and enjoyable experience to attract and retain consumers (Mathwick et al, 2002). Recent research by CBRE into the retail habits of 18 to 34 year olds has found a growing preference for retail centres with foreign brands and a wide range of high quality food and beverage options (CBRE 2015a, CBRE 2015b). The presence of foreign retailers in centres, and an increasing range of food and beverage options are expected to continue over the next decade. The introduction of international retailers has been found to support high street shopping districts and shopping centres in the Sydney and Melbourne CBDs (JLL 2015). Food and beverage retailing in particular offers a more desirable and attractive shopping experience as these goods generally cannot be bought online.

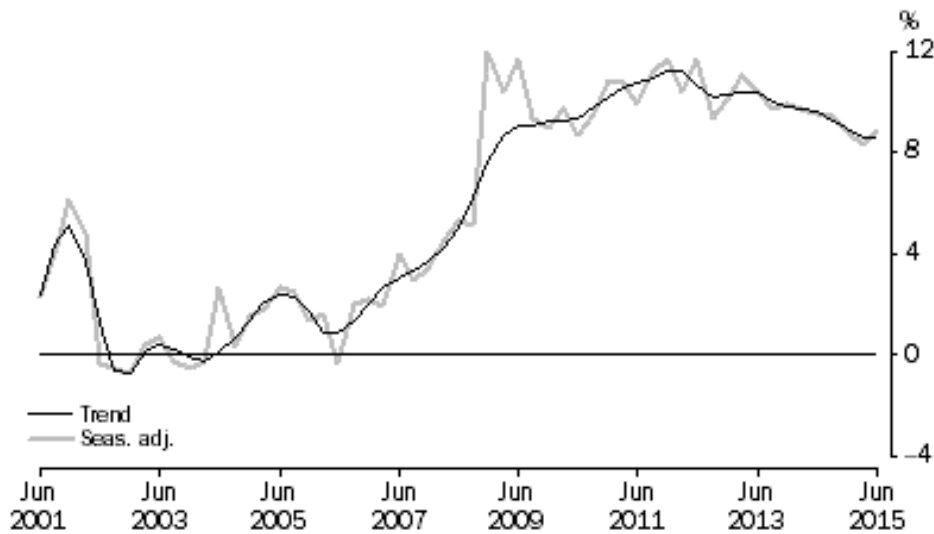
#### Changes in consumer spending

An increased rate in household savings and an associated decrease in household spending have been noted across Australia since 2008 (ABS 2015, Knight Frank 2015). Figure 52 shows that since 2008, the proportion of household income put into savings dramatically increased between 2007 and 2009 and has remained high. An increase in household saving is associated with a decrease in the amount of household income spent in the retail sector.

---

<sup>18</sup> Includes CBD, Docklands and Southbank.

FIGURE 52 HOUSEHOLD SAVING RATIO, 2001-2015



Source: ABS, 2015

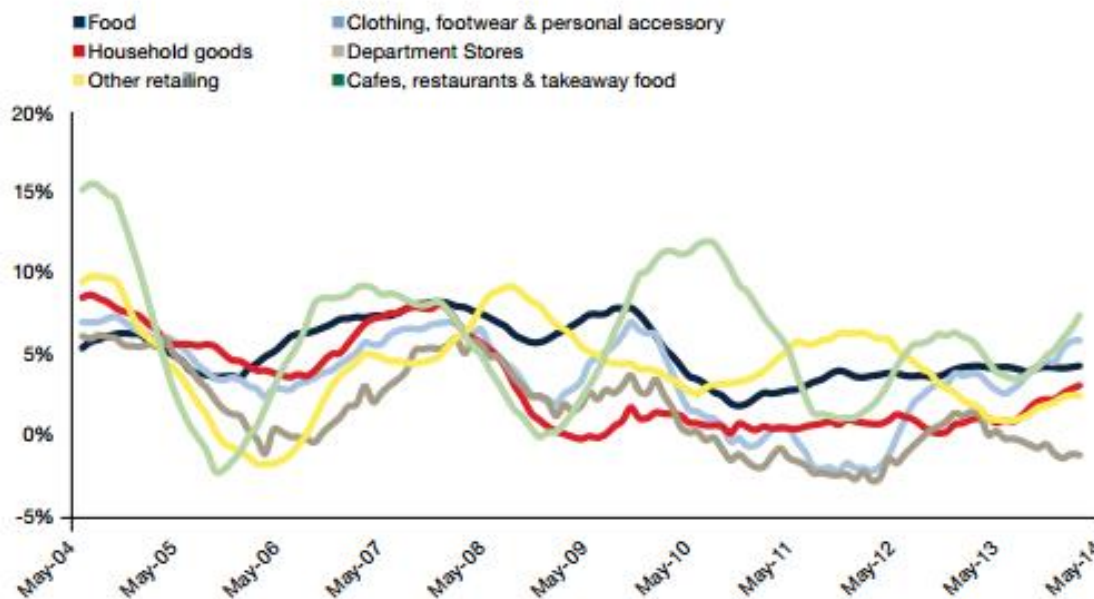
At the same time, consumers have also increased spending on services, such as travel, health and education, directing their disposable income away from retail (Knight Frank, 2015). Non-discretionary retail spending, such as food retailing, is predicted to outperform other forms of retail as discretionary spend is diverted either into savings or the purchase of services (Knight Frank, 2015).

Figure 53 illustrates retail trade trends over the past decade by documenting changes in moving annual turnover of different retail sectors. Clothing, footwear and personal accessory retail, and cafe, restaurant and take away food spending has grown slowly since 2008. Retail spending in department stores has declined while food retailing has remained relatively consistent since 2010. The decline in retail spending at department stores and discount department stores is anticipated to continue in the short term (Colliers, 2015, JLL, 2015).

The performance of major discount department stores has been impacted by economic uncertainty that has prompted households to scale back expenditure. Consumers have become increasingly price conscious and reluctant to spend, preferring to pay down debt and increase savings.

Recently, there has been an increase in the volume of centres trading with mixed uses as investors diversify retail centres to include other uses such as apartments, hotels and student accommodation. Recent growth has occurred in moving annual turnover for the household goods sector and other retailing.

FIGURE 53 AUSTRALIAN RETAIL SPENDING TRENDS



Source: Savills, 2015

## Popular trends

### Online retailing

The rise of online retailing has also impacted on retail sector growth in Australia. Online retailing now accounts for the equivalent of 7.1 percent of retail spending in bricks and mortar stores in Australia (NAB, 2015). Nominated reasons for shopping online are: 'avoid having to go somewhere to shop', 'finding better offers', and the 'flexibility to shop anytime' (CBREb, 2015).

The declining Australian dollar has seen a reduction in international online sales as products have become more expensive (Knight Frank, 2015, Colliers, 2015). However, it is important to note that 75 per cent of online retail is from domestic retailers (Colliers, 2015), and domestic online retail is less likely to be affected by the decline of the Australian dollar.

When this form of retailing first emerged it was initially seen as a direct competitor to store based retailing. As the table below indicates, both forms of retailing possess distinct and different advantages. Many retailers now have both a physical and online presence to maximise potential revenue sources.

FIGURE 54. ADVANTAGES OF RETAIL DISTRIBUTION PLATFORMS

Advantages of online stores	Advantages of physical stores
Broad selection	Personal Service
Richer product innovation	Ability to touch/try products
Customer reviews and tips	Shopping as an event/experience
Strong referral networks (Twitter, Instagram)	Social interaction and immersion
More time efficient	

Source: SGS Economics and Planning

This multi-channel retailing could involve a customer finding the store online and deciding to download the store app. The customer then visits the store, tries on and then purchases the product with a 10% discount coupon from the app. In the process the store receives data about how the customer found the store and their preferences. This feeds future research to deliver a more targeted product and service offer. The converse may also be impacting retail stores, with customers examining or trying on goods in store and then sourcing competitive prices and purchasing online.

Most clothing and personal item retailers in particular will need to integrate both platforms and assess whether the spending occurs online or in-store is irrelevant. Ultimately the physical store is still necessary, because there are many reasons why stores still facilitate an important point of difference in the business model.

### **Rise of regional shopping centres**

Historically, retailing has been viewed as a city centre or town centre activity, particular for higher order retailing. However, regional suburban centres have emerged as the preferred destination for many consumers and preferred location for retailers.

Some regional suburban centres, such as Chadstone, have recently attracted large international retailers. The trend of retail decentralisation is driven by a number of factors including:

- The growth of an affluent and mobile population in suburban areas
- The development of strong corporate chains with fewer ties to a locality and more willingness and need to move shops to areas of demand and opportunity
- Changes in the methods of selling which have seen a demand for larger stores and associated parking.

The growth of regional shopping centres is expected to continue across Melbourne, limiting the distance residents travel for higher order retailing needs.

### **Bulky goods retailing**

Bulky goods retailing has been performing strongly. The household goods sector, primarily sold through bulky goods retailing, led the growth in retail trade in 2014. During the year to March 2015, household goods retailing grew by 8 percent, well above the overall retail average of 4.5 percent (Colliers, 2015).

The growth in bulky goods retailing has largely been driven by growth in housing construction and low interest rates. The growth in household goods retailing is anticipated to continue in the short term until house prices and residential construction plateau (Colliers, 2015). The Large Format Retail Association anticipates demand for an additional 2.32 million square metres of floorspace from 2014 to 2024 (Large Format Retail Association, 2015). New bulky goods development has been focused on single tenant buildings rather than larger scale homemaker centres (Colliers, 2015).

A notable trend in bulky goods retailing precincts is the drive for them to revitalise and rebrand on a regular basis. This process of rebranding occurs frequently to maintain the broad catchment of consumers for bulky goods retailing precincts, attract additional consumers to the 'new' offering, keep current in the market, and to prevent newer competitors from drawing away consumers. By always appearing new, regardless of whether new bulky goods or other retailing is provided, provides significant advantages to existing retailers and continues to attract additional consumers to the 'new' retail space.

### **Supermarket formats and trends**

Major factors influencing change in supermarket retailing are the expansion of discount supermarkets including ALDI and the growth of inner suburban convenience stores. These factors are challenging product pricing and servicing delivery models of established supermarket chains. As Australian cities increase residential density in inner city areas, there are space constraints for large format supermarkets due to smaller lots sizes and the prevalence of other existing development constraints such as existing strata titling and heritage.

ALDI stores operate over 1,200 to 1,500 square metre floor plans compared to 3,000 to 4,000 square metres for full-line supermarkets such as Coles and Woolworths. Convenience based retailing and buying as required have become critical factors influencing consumers moving away from major full-line supermarkets to smaller scale shopping options (JLL, 2015).



Australian consumers' lifestyles are changing, and supermarket operators need to adapt to the changing market. The demand for organic produce is a small, but growing sub-sector of food retailing. The growing awareness of how food is produced and the impact of chemicals on the environment has driven this growth in organic produce. Increasing numbers of people converting to vegetarian, vegan and gluten-free diets, are also key drivers for this type of specialised retail offer of organic, fresh and minimally processed foods.

The increasing popularity of farmers market across inner Melbourne and Australia is testament to the rise of organic produce and wholefoods. Farmers markets across Australia have noted increased stall numbers and financial sustainability (Department of Agriculture, Fisheries and Forestry, 2012) as increasing numbers of consumers recognise the environmental, societal and health benefits of organic produce.

Organic supermarkets/wholefoods retailing is specialised with a number of small supermarkets dotted across the inner suburbs. However, large retail chains such as Woolworths and Coles have started to capture this market trend by supplying their own line of organic products to combat the growth of these niche supermarkets. In 2009, Woolworths bought the organic food chain Macro Wholefoods which had several stores in Melbourne and Sydney.

#### **Fine grain retail**

Fine grain retail involves shop fronts at a human scale, often in the form of a main street or high street. A fine grain high street shopping experience offers a more unique retail experience to shopping centres with small local businesses and boutiques.

As shopfronts are often owned individually along a high street, there is limited control on where certain shops and businesses set up. This is contrast to shopping centres, where centre managers are able to direct the location of particular stores to create clusters, e.g. fashion sections and fresh food sections (Flannigan, 2012). The inability to control the clustering of businesses limits the ability for collaboration which in turn may impact on the shopping experience as a 'one-trip' experience.

A traditional high street does not benefit from synergies of clustering, and the easy access to complementary businesses in the same manner as an enclosed shopping centre controlled by a single entity. However, this lack of synergy may form part of the appeal of high street retailing with an eclectic mix of stores in close proximity.

High street retailing has faced significant challenges in recent years with the rise of regional shopping centres, changes in consumer habits and online retailing. However, fine grain retailing along high streets has been adapting to combat these changes, changing from a convenience shopping role to a destination and an experience, as evident in the rise of cafés. Fine grain retailing is likely to remain a retail option as consumers choose to visit high streets for experience retailing and for the social interactions and experiences that are not easily replicated in shopping centres or online.

### **Emerging trends**

#### **Pop-up retail**

Pop-up retailing involves short-term leases to retailers focused on providing a positive shopping experience, and promoting a brand or product line. Pop-up retailing tends to take place in vacant stores; however pop-up stores constructed from easily transportable materials, such as shipping containers, have also been noted in the retail landscape (Cradlepoint, 2012, The Economist, 2009). Pop-up retailing provides benefits to the retailer by providing a chance to have a bricks and mortar presence and reach new markets. Landowners also benefit from having vacant space utilised.

Recognising the value to both land-owner and retailer, pop-up retailing has been embraced by the wider retail sector. Pop-up spaces are being made available in major shopping centres such as Westfield. Pop-up retailing has been utilised by a range of retailers, from small online-based stores to large multinational companies. Pop-up retailing has been found to be a successful experiential marketing

strategy for the landowner, and increases the attractiveness of a retail centre by providing a unique retail offering (Kim *et al.* 2010, Russo Spena *et al.* 2011). The benefits of pop-up retailing are likely to see this trend continue in a variety of retail spaces in Australia.

#### **Fast versus slow retail**

Fast retailing is often characterised by simple, standard retail products which are relatively inexpensive. The customer is therefore able to shop quickly, and businesses are likely to have higher likelihood of spend per customer as the customer knows what is on offer. The rise of large multi-national apparel companies like Zara, H&M and Uniqlo have resulted in the rise of fast retail, offering not only the basic products, but also the most current trends, directing customers quickly to what they want. This sort of retail also has quick turnover of trending product, which encourages sustained consumption.

Fast retailing has led to the emergence of slow retailing which is a more tailored retailing offer and not the simple standard retail product. This type of retailing aims to engage with the customer at a more comfortable pace. Slow retailing aims to distinguish itself as a brand with individuality and personality. Quality of customer interaction, store design, and finding a 'niche' in the market are key competitive advantages in this sector of retail. Examples include local cafes, delis, and boutique merchandise stores. These retailers often are more likely to hire skilled workers at a reasonable wage, stock locally produced goods and justify their higher price points by the high quality of product and service.

#### **Creative short term uses**

Vacant shopfronts also provide an opportunity for short-term non-retail uses to utilise the space.

Programs such as *Renew Australia* find individuals or groups involved in the creative arts, such as artists, photographers and fashion designers, to use these spaces in the short to medium term until they become commercially viable, or the site is redeveloped. *Renew Australia* programs are underway in Leichhardt, Newcastle, Adelaide and Townsville. Similar approaches have been utilised along Oxford Street by the City of Sydney and Woollahra Council. These projects aim to revitalise and create interest in the centre by developing a distinctive character and 'sense of place'. This process is termed 'arts-led regeneration' (Wynne, 1992).

The majority of literature on the short-term use of spaces for creative or non-retail purposes is discussed in the context of existing centres and urban renewal projects, rather than the construction of new centres. Literature on arts-led regeneration purports that creative industries provide a catalyst for reinvestment in a place, attracting the 'creative-class' to a centre, and stimulating local economic growth (Florida 2003, Lehtovuori & Ruoppila, 2012). Arts-led projects also have the capacity to stimulate community led urban renewal, and meet social planning objectives such as social cohesion (Landry *et al* 1996). However, artistic and creative uses on their own cannot stimulate urban renewal and develop a local culture. Other, complementary uses are required to achieve these aims such as good transport connections, commercial and retail uses (The Economist, 2012).

#### **Implications for Casey**

The current and emerging economic trends have implications for the City of Casey. In particular, the large scale macroeconomic trends, such as online retailing, the rise of regional shopping centres and increased household savings, are likely to continue to impact on the retail sector in the municipality and across Australia. Despite this, there will be a continued need for 'bricks and mortar' retail, although retailers will need to adopt new practices or formats, and adapt to changing trends, in order to thrive. Creating a pleasant retail environment and public domain will contribute to positive retail experience.

#### **Urban design**

The design of centres is therefore critical to attracting consumers and creating a successful, vibrant, amiable retail experience. It should be noted that some higher order retailers and/or retail anchors may need a larger floorplate than could be achieved in a fully fine grain streetscape, and some flexibility may be required for these uses in the study area.

Given the maturity and format of Casey's retail offer, it is considered likely that a large proportion of retail activity will be 'mission-oriented', and that customers wishing to experience 'leisure retail' are likely to visit locations outside the municipality, such as Chadstone.

Opportunities to mitigate this trend could include building on the municipality's 'experience' offer through diversifying retail forms, such as pop-up retail and creative short term uses, and ensuring that planning regulation allows for such forms to establish themselves and thrive in a centre. Developing unique, high-amenity retail experiences is key to the success of leisure retail.

The need for flexibility in terms of the format of retail (eg. pop-up and temporary retail activity) is likely to be important in Casey. Demand for particular types of retail and services could change from current formats, and as such regulatory mechanisms must remain flexible where appropriate to support diversity of activity in centres.

### **Bulky goods sector**

The rise of bulky goods retailing across Australia is also anticipated to be felt in the study area. As the residential population grows in and around the study area, there will be increasing needs for the sectors of retail traditionally serviced by large floorplates, such as furniture and electronics. As such, there is likely to be increasing pressure for bulky goods retailing to establish in the study area due to this population growth, a strong housing market and the prevalence of new households establishing in the study area.

Changes to the housing market and/or population growth patterns are likely to impact demand for these goods into the future. It is essential, that where bulky goods are established, that it occurs in a manner that allows for format and land use change as needed, as the key phase of housing growth in the study area is concluded.

### **Non-discretionary retail**

While there is a growing trend of diverting usual spend from retail into savings or services, it is anticipated that non-discretionary forms of retail (including food retailing) will remain relatively unaffected by this trend. There may also be growth in demand for smaller format department stores as this form of retail is impacted by reduced spending growth.

Other factors for consideration for Casey in terms of retail sector trends are:

- Addressing potential monopolisation of groceries market by major supermarkets in new activity centres
- Difficulty in delivering fine-grained retailing with a diversity of store types through planning or other regulatory mechanisms, although this is often attractive to consumers. Land ownership can also be an issue (eg. where a single landholder seeks to deliver a limited finer grained retail environment, which consists of major retailers).
- The need to balance demand for bigger centres (ie. growing existing centres), which would offer consumers greater choice and diversity, and provide access to goods/services in growth areas.

## Health sector trends

### Key drivers and trends

The health sector is one of the fastest growing sectors in the Australian economy. Understanding how the sector functions, including its spatial profile and preferences, will be important to understand how to support its growth.

The health sector has experienced rapid growth due to both a growing (and ageing) population and continued technological advancements in the industry. Increased wealth has also contributed to increased demand for health services as people have more discretionary income.

The sector has evolved to two broad subsectors which have quite different locational requirements (see Figure 55):

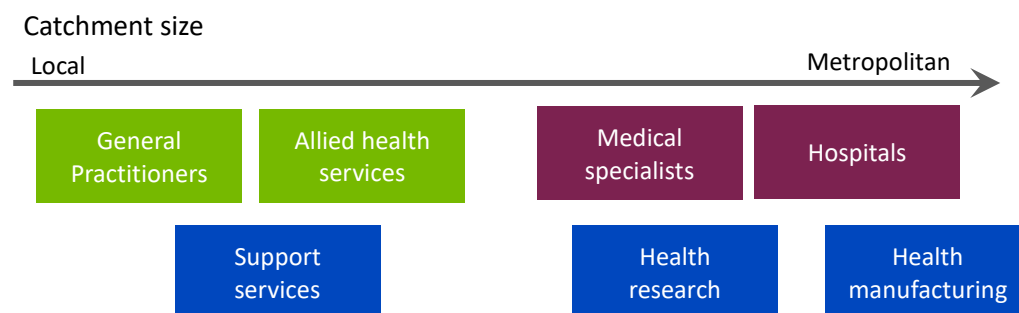
- **Local level services:** predominantly general practitioners (GPs) and allied health services (eg. physiotherapists) who are largely dispersed and locate in response to population growth. They do not necessarily need to be near other health services and in fact tend to spread out and often co-locate with other *everyday services*, such as retail.
- **Specialised services:** hospitals and medical specialists (eg. anaesthetics, neurosurgery) that provide regional level services. This group tends to drive innovation and specialisation in the health sector and as a result, preference locations around existing major health nodes and educational institutions.

Both groups sit on a spectrum, however; some health services are highly innovative and specialised, and some hospitals are quite small and provide more of a local service role.

A number of associated industries also have close ties with the sector including: support services (eg. cleaning, catering), health research and health manufacturing (equipment and pharmaceuticals).

Figure 55 conceptualises this structure, reflecting the variation in catchment size from local to metropolitan of the various health sector components.

FIGURE 55 HEALTH SECTOR STRUCTURE



Source: SGS Economics and Planning

### Implications for Casey

Whilst Casey has a lower percentage of its population aged over 60 compared with Greater Melbourne it has a much higher percentage of babies and school aged children (Forecast.id, 2011). This, combined with significant population growth, will generate significant increases in both local and specialised services.

Leveraging these existing and future institutional and health services in Casey is an opportunity in terms of diversifying the profile of activity centres.

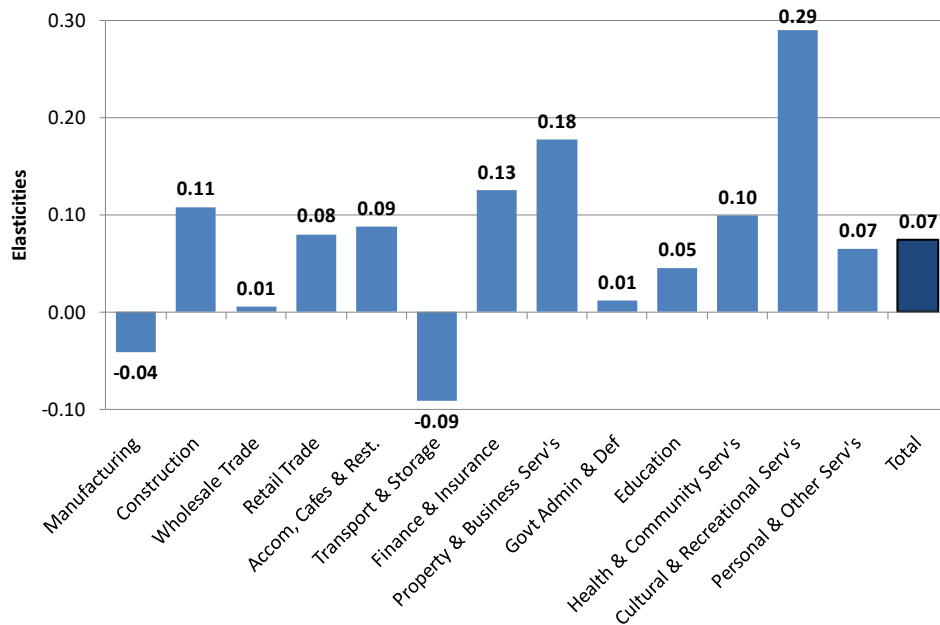
## Professional services sector trends

### Key drivers and trends

Professional service jobs include those in the finance and insurance sector, and business services such as design, recruitment, lawyers, consultancy and architecture. These jobs derive significant benefit from being closely connected and therefore tend to cluster in central locations where these benefits are greatest.

Figure 56 shows the industries that benefit most from agglomeration industries in Melbourne. Finance and insurance, and property and business services industries, are two of the biggest beneficiaries.

FIGURE 56 AGGLOMERATION ECONOMIES BY INDUSTRY (MELBOURNE)



Source: SGS Economics and Planning

### Implications for Casey

For Casey this means there are implications for the types of jobs that are likely to be attracted to locating to the municipality's activity centres. This does not mean that no professional services jobs will locate to the municipality but it is likely that they will be more geared towards local population serving jobs such as local lawyers and accountants.

Policies for diversification in Casey should also focus on what are called 'footloose' jobs. SGS work<sup>19</sup> in Melbourne shows that 80 per cent of jobs growth will be anchored to particular localities because they have a population serving nexus (also known as 'fixed' jobs e.g. retail or hospitality jobs that follow the resident population) or they enjoy a compelling agglomeration benefit (e.g. high level business service jobs are strongly drawn to the CBD). Only the remaining 20 per cent of Melbourne's future jobs will be amenable to being shifted from where they would be located under business as usual conditions (i.e. no intervention).

That is, only they can be considered 'footloose' or 'up for grabs' without the possible imposition of productivity costs. Footloose jobs could, for example, include jobs in the manufacturing industry, 'back

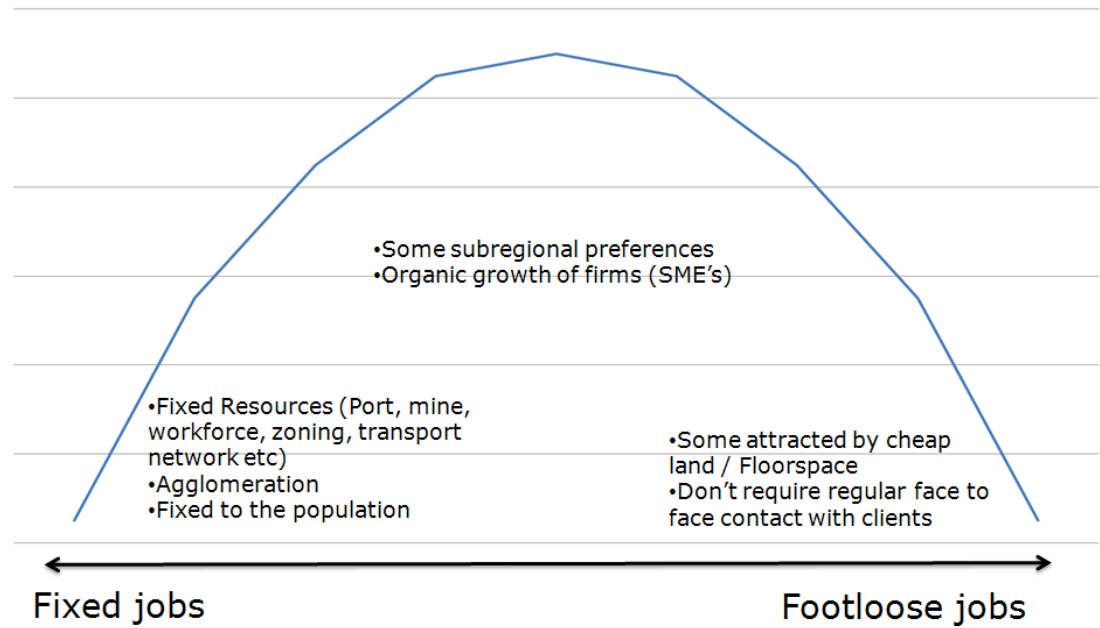
<sup>19</sup> This work includes a wide number of projects for both local and state government, along with independent SGS research. The key finding relevant to this project is the concept of fixed and footloose jobs, rather than the exact percentage split which relates to greater Melbourne overall based on 2011 ABS Census data.

office' jobs (i.e. those that support the operations of a business, such as accounting or IT support), or other freelance work including graphic design, programmers and app-developers.

Attracting footloose jobs into activity centres, where possible, could help diversify centres and ensure utilisation of existing infrastructure, amenity and commercial activity.

Between fixed and footloose jobs are those that have elements of both, such as tertiary education and subregional health facilities. Figure 57 identifies the progression from fixed to footloose job types.

FIGURE 57 IDENTIFICATION OF FIXED AND FOOTLOOSE JOBS



Source: SGS Economics and Planning



# APPENDIX C: HISTORICAL CONTEXT

This chapter describes the history of development in the City of Casey, both pre- and post-colonial settlement, in order to better understand the context of the municipality today.

## Aboriginal communities

The Mayone Bulluk Bunurong people (and a number of Wurundjeri people to the north and west) historically inhabited the land on which the City of Casey now lies.

A migratory people, the Mayone Bulluk lived in small huts that changed with the seasons and were made from the boughs or bark of trees or thatched with the grasses and sedges that were once commonly found in the area. With better access to available resources, areas such as Warneet, as it is now known, played an important role in summer months, while the current suburb of Cranbourne was more commonly inhabited in winter months.

With European settlement, extensive transformations to the land occurred, changing the lifestyle of the existing peoples and causing displacement and dispossession. This included the clearing of bushlands and draining of swamps for farming, as well as a reduction in hunting grounds. There was also a widespread loss of life in the community as a result of the introduction of new diseases.

## European settlement

European settlement began in the 1830s, with pastoralism comprising the main economic activity of the period. Selection began in the 1860s, leading to the creation of smaller freeholdings of fertile land and closer patterns of settlement, with an emphasis on more intensive forms of agriculture. With improvements in technologies in the early 20<sup>th</sup> century, intensive forms of farming took on a predominant role in the economic activity of the area.

Dairying and cheese-making comprised a large part of these diverse farming practices, along with market gardening, horse and cattle breeding, and orchard activities. Farming activity was further supported by the state and federal governments, as well as expanding export markets. With the significant population growth in Victoria associated with gold rush, there was also an increase demand for fresh produce locally.

Natural resources also played an important role in economic activity in the early days of European settlement. Quarrying was of great significance, with activities dating back to Aboriginal communities of pre-European settlement. Bluestone, sand, gravel and stone were commonly quarried resources. Fishing and tourism have also been longstanding activities in the region, particularly in the coastal areas to the south.

FIGURE 58 WILSON QUARRY, BERWICK (1906)



Source: City of Casey (2004). *Thematic Environmental History (Post European Contact)*. Report prepared by Context Pty Ltd.

While the squatters of the selection era were more commonly young and unmarried men, the resources made available in the selection area promoted family life and stimulated the development of larger and more permanent settlements.

By the early 20<sup>th</sup> century, Berwick and Cranbourne had taken on roles as the two main centres in the area. Location played a key role in the popularity of Berwick, with its being situated on the main road to Gippsland, while Cranbourne was a significant trading centre, with service-providing businesses established around it. These two main towns were supplemented by the smaller surrounding rural service townships and villages, including Hallam, Narre Warren, Narre Warren North, Tooradin and Clyde.

Later, further subdivisions of farming areas resulted in the establishment of more townships, including Devon Meadows, Hampton Park and Endeavour Hills.

## Latter 20<sup>th</sup> century

During the 1960s and 1970s, poultry farms rose in significance in the area, particularly in the south. Tourism suffered a slight decline with improvements to road transport that allowed people to travel to destinations further along the coast, though the opening of the Tooradin Aerodrome in 1968 was in part able to reverse this trend by providing the opportunity for tourists to fly to the area.

The small coastal towns of Cannons Creek, Warneet and Blind Blight were created during this period, and saw the establishment of holiday and retirement homes. In the 1980s, Lysterfield Lake was created from the former Lysterfield reservoir, and a popular tourist park was created around it.

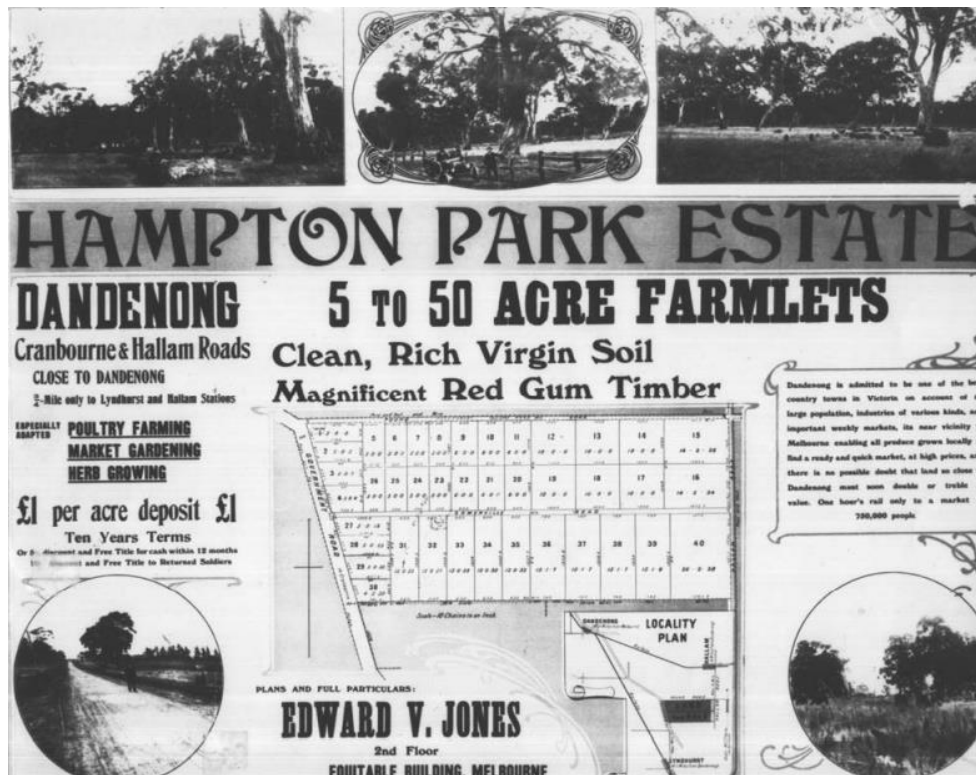
Manufacturing also played a significant role in the post war era. Rural areas were converted to industrial suburbs, such as Doveton, and abattoirs and lace factories were established. Two prominent automotive and truck plants were also established during this period, including General Motors Holden, which continued its operation until recent years. Large Heinz and International Harvester factories were also of significance.

With the establishment of these large plants, the population of the adjoining suburbs of Doveton, Hallam and Endeavour Hills saw rapid growth. Small, mass-produced concrete dwellings were established on the Doveton Estate by the Housing Commission of Victoria, largely for the purpose of

housing for workers employed at the nearby plants. This was closely followed by two private residential estates in the Berwick area, in Hallam and Fountain Gate.

The rate of suburban development in the post-war period significantly altered the formerly farmland character of many of these areas. While the region had previously seen a growth pattern of discrete settlements surrounded by farmland, suburban expansion blurred many of these settlement boundaries.

FIGURE 59 ADVERTISEMENT FOR AN EARLY ESTATE IN HAMPTON PARK



Source: City of Casey (2004). *Thematic Environmental History (Post European Contact)*. Report prepared by Context Pty Ltd.

Berwick and Cranbourne continued as important retail and service centres in the region in the postwar period, with thriving shopping strips.

With close proximity to both Gippsland Road and the Narre Warren Railway Station, the location of Narre Warren helped ensure its development as an important local services centre in the twentieth century. In 1970, the Fountain Gate Shopping Centre was established in Narre Warren, giving the town a significant retail and service role in the region. The development of large shopping complexes in the 1970s and 80s (Dandenong Plaza being the other notable addition to the region during this time) altered the retail structure of the area, drawing activity from the main streets of Berwick and Cranbourne.

## 21<sup>st</sup> century

The City of Casey was formed in 1994 as part of a series of local government mergers across Victoria, combining parts of the Cities of Berwick, Cranbourne and Knox.

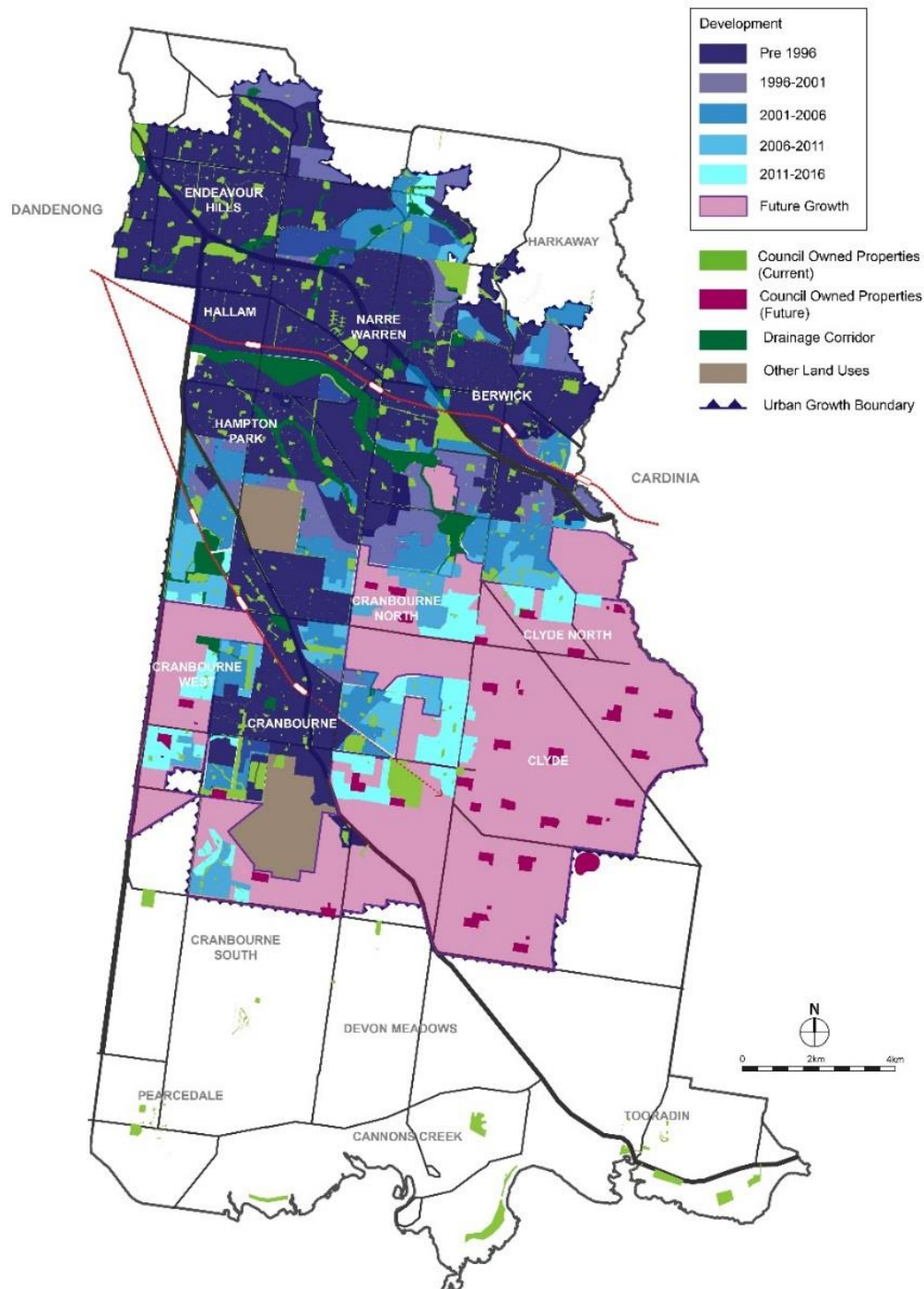
An Urban Growth Boundary (UGB) was introduced across Melbourne in 2002 as a part of the metropolitan plan *Melbourne 2030*, in order to manage urban growth and development across the metropolitan area. The UGB has been shifted outwards multiple times in Casey since its establishment. Currently, the UGB dissects Casey south of Cranbourne South, with parts of the municipality north of

here located within the UGB, and other areas, such as Devon Meadows, Pearcedale, Cannons Creek and Blind Bight, located outside of the UGB.

An urban growth zone (UGZ) was introduced in 2012 to assist in the master planning of broadacre areas within the UGB. With 6,690 hectares of UGZ area, Casey has the third largest growth area in metropolitan Melbourne.

Figure 60 shows the expansion of urban development in the City of Casey from 1996 to 2016 and the amount of land marked for future urban expansion.

FIGURE 60 CASEY URBAN DEVELOPMENT, 1996-2016 AND FUTURE GROWTH AREAS



Source: Source: City of Casey, 2016

Today, parts of the City of Casey are still regarded as some of the most important agricultural districts in Victoria. While grazing was a major form of primary production in the early days of European settlement and continues to an extent, in present-day Casey it is vegetable growing that performs as the major economic agricultural use.

Some intensive animal industries that developed in the area during the 20<sup>th</sup> century, such as poultry farming, , also continue today, as does flower growing. The dog and equine industries and natural resource extraction, including sand, clay and rock, are also significant.

Secondary industries in Casey include house construction, light manufacturing, and service provision. House construction plays a significant role as one of Casey's major employers. Service provision is concentrated largely on retailing in the municipality's activity centres.

The Fountain Gate – Narre Warren and Cranbourne Activity Centres are today the municipality's largest. While activity at Cranbourne has in the past been adversely affected by the establishment of shopping complexes in the wider region, including the Fountain Gate Shopping Centre, the recent redevelopment of Cranbourne Park Shopping Centre may help to reverse this trend.

While Berwick still retains some of its former 'village-like' quality, it no longer functions as a large-scale commercial centre for the region, particularly given the size of retail offers in nearby centres. In response to this competition, retail in Berwick is highly diverse and specialised, offering high quality, locally produced and unique goods.

## Reflections on the development history

The pastoral and more intensive agricultural practices of the late 19<sup>th</sup> and early 20<sup>th</sup> century, and subsequent suburban development of the latter half of the 20<sup>th</sup> century, transformed the landscape on which Casey now lies.

While in recent decades there have been concerns regarding the infringement of suburban development onto agricultural land, the implementation of a UGB is designed to significantly curb unchecked growth in the future, and agricultural and natural resource extraction activities are likely to continue in southern parts of the municipality.

Within the UGB urban growth is occurring rapidly. Ensuring these new populations have access to local jobs and services will be a continuing challenge for the municipality with the need to balance the establishment of new retail and other commercial precincts with the health and vitality of existing centres.



# APPENDIX D: PLANNING POLICY CONTEXT

This chapter provides a critical assessment of the existing policy context for retail and other commercial land (not including industrial and agricultural uses) with a particular focus on the established and urban growth areas of Casey.

A summary of policy gaps is provided at the conclusion of this chapter, with reference to relevant planning panel outcomes.

## State policy

### Plan Melbourne (2017)

Melbourne's metropolitan planning strategy, *Plan Melbourne 2017-2050*, was released by the Victorian Government in March 2017 to provide direction and guidance for city growth and change over the next 35 years. Plan Melbourne identifies eight priority sectors with the potential to attract and deliver significant growth and investment for Melbourne and Victoria. These are: medical technology and pharmaceuticals, new energy technologies, food and fibre, transport technologies, defence technologies, construction technologies, international education, professional services.

The City of Casey is located in the Southern subregion of Melbourne. Industries anticipated to be most relevant to this subregion over the next 15 years are retail trade, manufacturing, healthcare and social assistance, and education and training.



Plan Melbourne recognises Cranbourne Town Centre as one of 121 major activity centres in Melbourne.<sup>20</sup> One rung lower than metropolitan activity centres in the activity centre hierarchy, major activity centres are defined in the strategy as “suburban centres that provide access to a wide range of goods and services. They have different attributes and provide different functions, with some serving large subregional catchments”.

Policy 1.1.7 of Plan Melbourne is to “Plan for adequate commercial land across Melbourne”. It recognises that the increasing desire for activity centres and commercial areas to allow mixed-use development can lead to residential uses competing with commercial uses and employment opportunities. It states (p. 35):

*“Once a commercial site is converted for a residential use, it is likely to be permanently lost to that market. Consideration needs to be given to ways in which commercial and residential development can be developed together. To ensure Melbourne maintains a competitive commercial market and is able to facilitate local access to employment, future commercial land requirements need to be quantified by region.”*

---

<sup>20</sup> Plan Melbourne activity centre classifications differ from those in the City of Casey Planning Scheme.



This policy to ensure adequate preservation of commercial land into the future is highly relevant to the Cranbourne context, given the large amount of land designated for retail and other commercial uses within the Activity Centre Zone.

Plan Melbourne further identifies the need to develop a network of activity centres linked by transport (Policy 1.2.1). It states (p. 37):

*“All activity centres have the capacity to continue to grow and diversify the range of activities they offer. Opportunities to partner with the private sector to enable future diversification, investment and employment growth should be explored and, where appropriate, facilitated through planning provisions.*

*Diversification will give communities access to a wide range of goods and services, provide local employment and support local economies and the development of 20-minute neighbourhoods. In many activity centres, this growth will include housing, particularly at higher densities. To capture and to accommodate future growth opportunities activity centres will need greater flexibility in planning controls than surrounding residential areas.”*

The question of allowing flexibility in planning controls in activity centres is very pertinent to all centres in Casey

## **Victoria Planning Provisions (VPPs)**

The Victoria Planning Provisions (VPPs) act as the blueprint for all Victorian planning schemes. This includes the provision of land use zones, which designate the specific purpose for the use of land and are used to implement state and local planning policy, and overlays, which applies development restrictions on land with features of physical or strategic importance.

While Casey’s activity centres are largely zoned Commercial, various other zones, including Mixed Use, Activity Centre and Comprehensive Development, have also been applied to these centres. Development and use in activity centres is guided by relevant structure plans and development plans that have been given effect in the municipal planning scheme.

Changes made in 2013 to the zones in the VPPs, including the merging of five existing business zones into two new commercial zones, have allowed for new types of development within commercial zones. A major departure from the previous zones was the removal of restrictions on floorspace thresholds in most instances in commercial zones.

The revision of the Commercial 1 Zone (C1Z) allowed the widening of the range of activities the land could be used for without the need for a planning permit and removed floor area restrictions. In some cases, floor area restrictions were retained and converted into schedules to the Urban Growth Zone where precinct structure plans apply.

The revised Commercial 2 Zone (C2Z) now permits office use, commercial businesses, restricted retail premises, trade supplies and some limited retail and hospitality activity. Floor area restrictions for all office and some retail uses were also removed. Small supermarkets (less than 1800 sqm) are now allowed in the C2Z as-of-right, while larger supermarkets (greater than 1800 sqm) can now also apply to locate in this zone.

Changes to the VPP’s residential zones may also serve to exacerbate potential out-of-centre commercial development. The Residential Growth Zone (RGZ) allows the establishment of shops, medical centres and hospitality uses within 100 metres of land in a Commercial or Mixed Use Zone, if a permit is granted. While the RGZ is largely intended to be used in areas surrounding activity centres, allowing commercial uses within the zone to serve a complementary purpose, there is the risk that too great a degree of commercial development in this zone can weaken activity centre boundaries and result in non-consolidated, sprawling centres.

## State Planning Policy Framework (SPPF)

The State Planning Policy Framework (SPPF) translates State Government land use policies, including *Plan Melbourne*, into statutory planning provisions. It is applied in all local planning schemes to provide the strategic framework for land use planning across Victoria.

The SPPF highlights the role of strategic planning in identifying the use and development of land within and surrounding activity centres and provide a clear direction for investment in a range of land uses. Commercial development (including retail and office) is to be contained within existing or planned activity centres. Out of centre development is to be discouraged, as per Clause 17 of the SPPF, with proposals for commercial uses (including retail and office) within areas outside of activity centres to be subject to a net community benefit test.

In terms of planning for growth areas, Clause 11.02 encourages overall residential densities in growth areas of a minimum of 15 dwellings per net developable hectare. Significant amounts of local employment opportunities are also to be provided for.

To achieve diverse and affordable housing and reduce the cost of living, Clause 11.04 plans for the increase of housing supply near services and public transport. In order to achieve 'a more connected Melbourne', the SPPF recognises a need to improve transport infrastructure, services and affordability in the city's newer suburbs, and improve local travel options to increase social and economic participation.

Clause 16.01 supports this need to ensure adequate access to services, promoting the location of new housing in or close to activity centres and employment corridors and encouraging higher density development on sites that are well located in relation to activity centres, employment corridors and public transport.

## Growth area spatial strategies

### South East Growth Corridor Plan

Growth Corridor Plans are high level integrated land use and transport plans for Melbourne's growth corridors. Casey is located in the area covered by the *South East Growth Corridor Plan*.

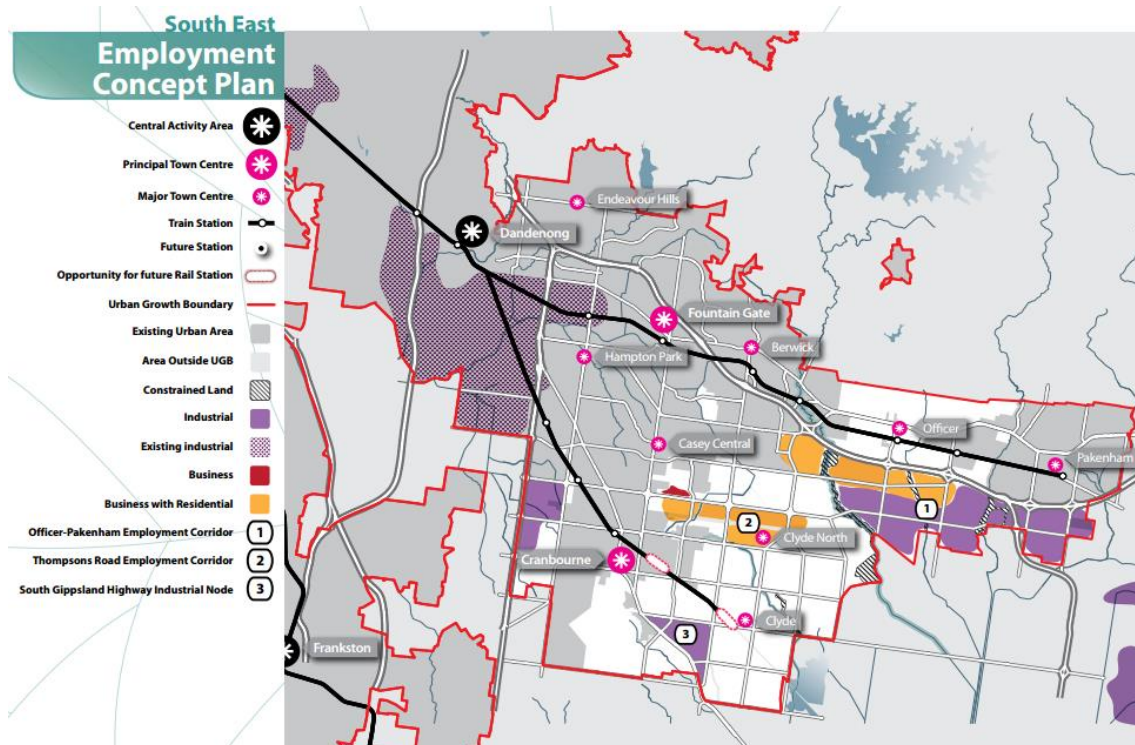
With a focus on manufacturing and technology, the economy of the wider south-east region features a high degree of employment and self-containment at the metropolitan scale, while being closely linked to the metropolitan area as a whole.

Given the strong reliance of residents in the South East Growth Corridor on jobs and services in established areas, however, a key objective of the Plan is improving the local self-containment of jobs in the area. Dandenong and the south eastern metropolitan suburbs are planned to be a continued focus for employment, services and facilities in the region, with emphasis placed on Pakenham, Thompsons Road and South Gippsland Highway for new job opportunities.

As seen in the Figure 61, a large portion of undeveloped land in and around Casey is within the UGB and slated for residential growth. Areas along Thompsons Road and Princes Freeway (towards Officer) have been designated business use with residential.

The Thompsons Road Business Corridor is to be serviced by a high amenity business precinct and Major Town Centre at Clyde North. The precinct will allow employment uses, some residential development, and a mix of business services, services industry and other associated uses. The Corridor is projected to have good freight access to the metropolitan area, as well as the principal public transport network. The possible removal of the Port of Hastings expansion works from the next State transport policy, however, should be considered in the future planning of South East Growth Corridor Plan.

FIGURE 61 SOUTH EAST GROWTH CORRIDOR EMPLOYMENT CONCEPT PLAN (2012)



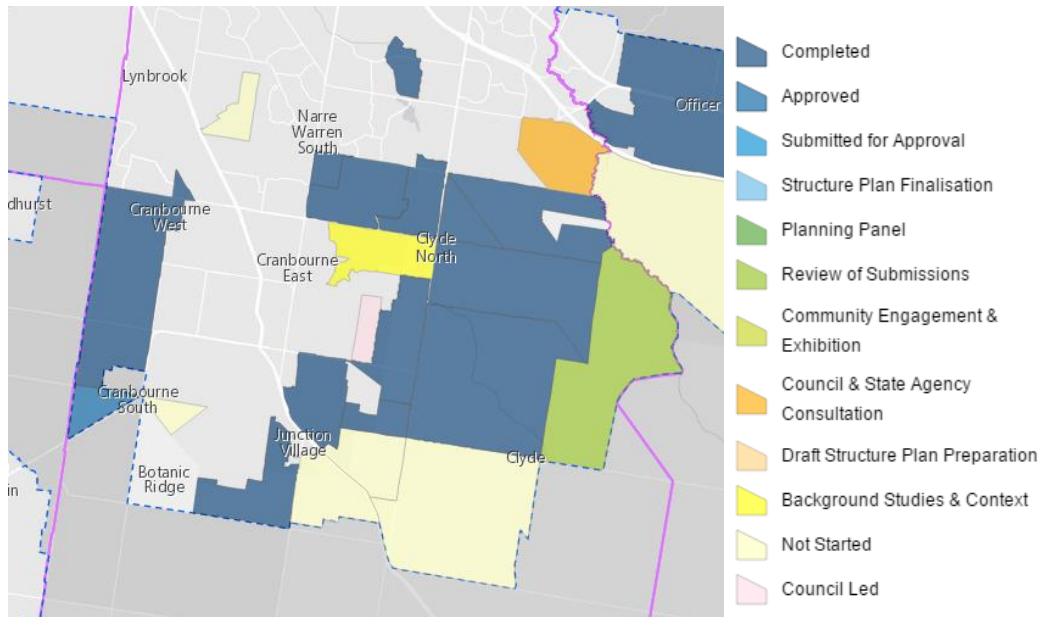
Source: Growth Areas Authority, 2012

## Precinct Structure Plans (PSPs)

PSPs are master plans for greenfield sites that cater for between 10,000 to 30,000 people. Falling under the purview of the Victorian Planning Authority, they provide a long-term plan for the urban development of an area, and described how and where services are planned to support development.

The map below illustrates the PSPs relating to the City of Casey.

FIGURE 62      PRECINCT STRUCTURE PLANS NEAR CRANBOURNE TOWN CENTRE



Source: VPA, MAY 2017. Retrieved from <https://vpa.vic.gov.au/greenfield/interactive-status-map/>

There are currently 14 PSPs that have been approved or are at completion in the City of Casey. These are summarised in the table below:

TABLE 32      PSP STATUS (AT MAY 2017), CITY OF CASEY

PSP	Status	Forecast population	Forecast jobs
Cranbourne West	Completed	110,000	10,626-16,762
Brompton Lodge	Approved	4,157	369
Botanic Ridge	Completed	9,640	936
Cranbourne East	Completed	18,147	2,862
Casey Fields South Residential	Completed	4,100	130
Clyde Creek	Completed	38,400	7,471
Thompsons Road	Completed	18,200	8,920
Clyde North	Completed	18,500	Unknown
Cranbourne North (Stage 1)	Completed	5,600	Unknown
Cranbourne North (Stage 2)	Completed	5,821	Unknown
Casey Central Town Centre	Completed	5,790	5,219
Berwick Waterways	Completed	2,586	383

Source: Compiled by SGS Economics and Planning, 2017 from relevant Precinct Structure Plans

The location and development of future activity centres in growth areas is strongly governed by PSPs and Urban Design Frameworks, which provide more detailed guidance on the development and design of various precincts.

## Local policy

### **Casey C21 Strategy – A Vision for our Future (2002) and Building a Great City (2011)**

*Casey C21 – Building a Great City 2011 (Casey C21 BaGC)* is a companion document to the original *Casey C21 – A Vision for our Future 2002*, a long-term strategic planning document for Casey. It should be noted that *Casey C21 – Building a Great City 2011* is currently under review. Once completed the new iteration will be named *Casey Next 2017*.

The development of the Casey C21 Strategy arose from recognition by Council that a more holistic, longer-term vision needed to be created for the municipality than that offered by the existing MSS, which would complement and strengthen the key directions of the Council Plan.

The central focus of the strategy is the building and strengthening of communities in terms of physical planning and community development. It is a ‘whole-of- community’ strategy incorporating social, economic and environmental needs, and encouraging community participation. This vision was created from the ‘ground up’, comprising strategic directions that are based on a detailed understanding of the values of the Casey community and how those values vary in a spatial sense.

Casey C21 identifies rapid population growth as one of Casey’s defining features. An ageing population is another challenge for the municipality, along with pockets of disadvantage (Doveton-Eumemmerring, Cranbourne and Hampton Park, as well as areas of Narre Warren, Hallam and the coastal villages) and vulnerability to mortgage stress and fuel price rises. Chronic congestion is also recognised as an issue, with the document advocating for more investment in the public transport system.

Casey has a vision to establish itself as a ‘City’ rather than an extension to metropolitan Melbourne or a suburb. It hopes to accomplish this through the provision of a range city-like facilities and services, and the establishment of Narre Warren as the CBD. This vision is supported by the recognition of Fountain Gate – Narre Warren in Plan Melbourne 2014 as a Metropolitan Activity Centre.

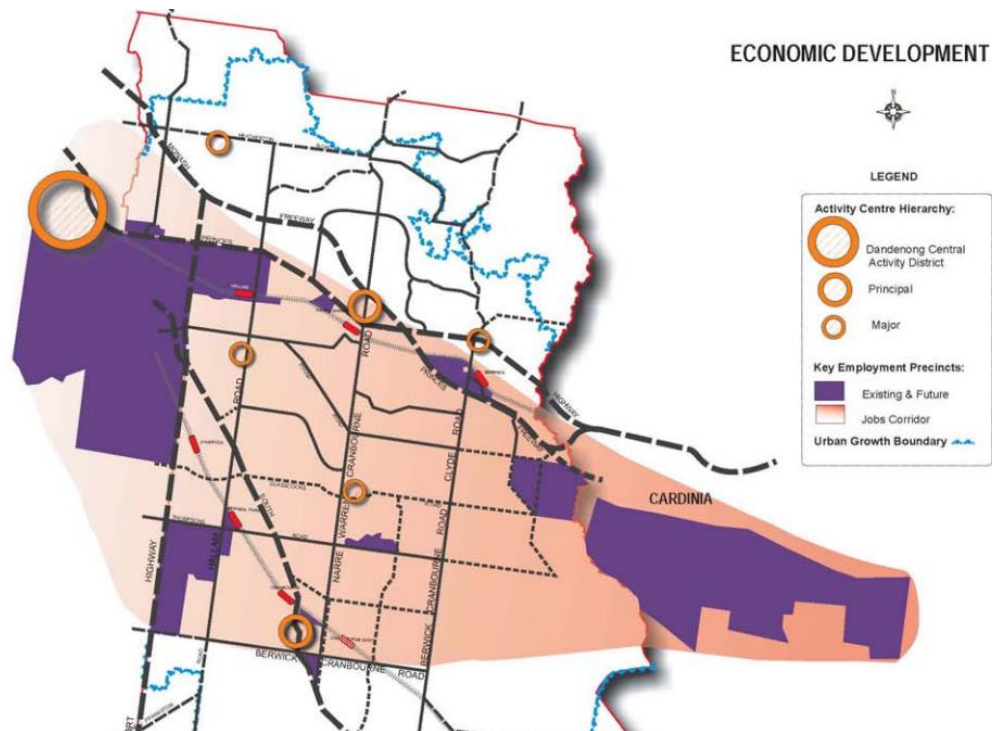
A critical part of this vision is the attainment of self-sufficiency, whereby high quality, local opportunities to “work, live and play” are offered, such that residents have little need to travel outside Casey. Economic development, traffic congestion and sustainability benefits are expected through the achievement of this goal.

In terms of economic activity, the plan advocates for a transition away from traditional sectors such as goods and services, and towards ‘knowledge’ industries through the use of remote technologies and advanced work practices.

Casey is also to work collaboratively with its adjoining councils of Dandenong and Cardinia to link projected employment areas, integrate these with major transport connections and create an integrated jobs corridor (see Figure 63). Casey C21 also advocates for an education and medical precinct (identified in Plan Melbourne as the Berwick Health and Education Precinct (HEP)) to be established in collaboration with Universities, Chisholm TAFE, business and government. The Berwick HEP Comprehensive Development Plan is currently being prepared by the VPA, with a draft having been exhibited in November 2015. Further employment and investment in commercial industries related to medicine and education is also to be fostered.



FIGURE 63 ECONOMIC DEVELOPMENT PLAN (2011)



Source: Casey, 2011, 'Casey C21 – Building a Great City'

Opportunities for freight-related economic development in Casey are also recognised in the plan, which supports the future expansion of the Port of Hastings as a key policy position of Council.

Casey C21 recognises that the *Revitalising Central Dandenong* initiative and the associated relocation of regional government offices to Dandenong will have implications for Casey, asserting that not only will the Fountain Gate – Narre Warren CBD activity centre need to be more reliant on private sector investments than the public sector, but that it will also be required to play more of a complementary, rather than competitive, role to the Dandenong project.

Given some years have passed since the Dandenong initiative was implemented, there may be a present need to revisit understandings of interactions between Central Dandenong and areas of Casey and investigate options to ensure economic sustainability. Since the publication of the BaGC companion document to Casey C21 not only has the Fountain Gate – Narre Warren CBD been identified in state policy as a centre of metropolitan significance, but it is projected to service a much more significant population by 2036.

## Local Planning Policy Framework (LPPF)

### Municipal Strategic Statement (MSS)

The Municipal Strategic Statement (MSS) is located at Clause 21 of the Planning Scheme and contains the key strategic planning, land use and development objectives for the municipality, along with the strategies and actions required to achieve them.

A new MSS was recently gazetted and incorporated into the Casey Planning Scheme.

The MSS reflects the Casey C21 Strategy. The framework of the new MSS uses both a 'thematic approach' based around five discrete themes, and a 'local area approach' that articulates the C21 Strategy's vision and objectives through 17 local areas.



The Fountain Gate – Narre Warren CBD and the Cranbourne Town Centre are to remain the focus of activity in the municipality, and are expected to play an increasingly regional role, particularly as links along the two highway corridors to the Cardinia Employment Corridor and Gippsland continue to grow. The development of a hierarchy of activity centres that caters for the growth of individual centres is also to continue.

The new MSS also consolidates descriptions of the way in which zones and overlays are to be applied. These are as follows:

- Commercial 1 Zone to activity centres with a primary retail function, or with an office and commercial function;
- Commercial 2 Zone to activity centres with an office and manufacturing function, or with a restricted retail, manufacturing and service business function;
- Mixed Use Zone to activity centres with a mixed use function, including employment centres and community activity clusters;
- Activity Centre Zone to designated activity centres to encourage a mixture of uses and the intensive development of the activity centre;
- Development Plan Overlay to provide for the integrated and orderly planning of future and developing residential and employment areas, activity centres and other mixed use/commercial areas as appropriate;
- Incorporated Plan Overlay to employment areas, activity centres and other mixed use areas to provide for the integrated and orderly development of the land through a plan incorporated in the planning scheme;
- Development Contributions Plan Overlay to future and developing residential areas, employment areas and activity centres to facilitate the timely delivery of appropriate transport, physical and community infrastructure.

#### **Local Planning Policy**

The Local Planning Policies located at Clause 22 of the Planning Scheme provide the tools by which the MSS is implemented, guiding development at a local level across the municipality and presenting specific guidelines in relation to strategic planning, land use and development objectives for Casey.

#### **Clause 22.07 – Retail Policy**

The Retail Policy at Clause 22.07 presents the following policies:

- New retail and commercial development is to occur in designated activity centres, unless otherwise provided for in the policy;
- A structure planning process is to be used as the mechanism to ensure that floorspace allocations achieve the best net community benefit outcomes. Allocation of floorspace to activity centres is to be based on the intended role of the centres rather than the precise floorspace to be provided;
- Floorspace thresholds/limits for retail and commercial uses may be imposed on some centres/sites to ensure that the role of the centre is maintained and/or there is a balanced activity centre system for the City;
- The subdivision of activity centres is to be done in a way that ensures flexibility for redevelopment and evolution over time, particularly in the face of pressure to subdivide centres into small units for individual sale;
- New retail and commercial development proposals are to make an appropriate contribution to infrastructure provision, including road and intersection works, streetscape upgrades, linking trails, community facilities, youth spaces, public art and other public spaces.

The Clause also establishes the municipality's activity centre hierarchy, based on the 2006 *Casey Activity Centre Strategy*. It is summarised as follows:

Classification	Description and key objectives	Examples
<b>Metropolitan activity centres</b>	Metropolitan activity centres provide municipal-wide and regional level retailing, commercial, entertainment and community functions to residents, workers and visitors to the City and the wider region. They serve a catchment of approximately 100,000+ persons and generally include a department store(s), discount department stores and a very diverse range of goods and services.  Development is to be consolidated within the retail cores of Fountain Gate – Narre Warren CBD and the Cranbourne Town Centre so that these centres can service the north and south parts of the City respectively.	Fountain Gate – Narre Warren CBD Cranbourne Town Centre*
<b>Major activity centres</b>	Major activity centres provide a wide range of shopping, commercial and community goods and services to cater for day-to-day and weekly shopping and a range of discretionary needs. They serve a catchment of approximately 50,000 to 75,000 persons and generally include a discount department store(s), supermarkets and a wide variety of goods and services.  The roles of these centres are to be strengthened to provide high levels of service and competition, a basis for small business growth and to assist in the development of an effective public transport system.	Berwick Village Casey Central Town Centre Endeavour Hills Town Centre Hampton Park Town Centre
<b>Neighbourhood centres</b>	Neighbourhood centres provide attractive locations to meet the day-to-day needs and most weekly shopping functions of households at locations that are convenient and provide easy access to the community. They serve a catchment of approximately 10,000 to 25,000 persons and generally include a supermarket(s), specialty shops and related goods and services.  These are recognised as the “weakest link” in the retail hierarchy.	Amberley Park (Narre Warren South) Autumn Place (Doveton) Spring Square (Hallam) Eden Rise (Berwick)
<b>Convenience centres</b>	Convenience centres provide for essential day-to-day purchases of retail goods and some selected services, fulfilling an important social and community role in the City. They serve a catchment of approximately 2,000 to 4,000 persons and generally include a cluster of goods and services not anchored by a supermarket.	Bemersyde Drive (Berwick) Boulevard Collector Road (Cranbourne North) Box Street (Doveton)
<b>Peripheral sales precincts</b>	Peripheral sales precincts provide attractive and competitive environments for the display, storage and sale of bulky goods and services (generally defined as ‘restricted retail’ in the planning scheme).  These roles are to play a greater role in the retail network in the future.	Home Centre (Cranbourne) Lyndhurst Business Park
<b>Employment centres</b>	Employment centres provide high quality environments for a range of business and advanced manufacturing activities that would traditionally be associated with an office park. They may also include residential, recreation and leisure activities, and retail uses commensurate with their size and related catchment. Activities in the centres may be integrated both horizontally and vertically.  The development of a new, dense, mixed use employment precinct in Berwick known as the ‘Casey Technology Park’ is desired.	Casey Technology Park (part of Berwick Village)

\*Note: The elevation of Cranbourne Town Centre as a Metropolitan Activity Centre in Clause 22.07 – Retail Policy was an error made in the processing of C157 in 2015 when the ACZ was applied to the Cranbourne Town Centre. It is not designated a MAC by Plan Melbourne. This error is proposed to be rectified in either Amendment C224 (Fountain Gate – Narre Warren CBD Amendment) or C250 (MSS review).

#### **Clause 22.08 – Non Residential Uses in Residential and Future Residential Areas Policy**

The scheme's Non-Residential Uses in Residential and Future Residential Areas Policy (Clause 22.08) highlights the need to establish complementary uses for the convenience of local residents, including new residential areas. In new and future residential areas, non-residential uses are to be clustered around planned activity centres.

#### **Casey Activity Centre Strategy (2006)**

The 2006 Activity Centre Strategy has 7 main goals:

- To achieve best practice activity centre development;
- To consolidate Casey's commercial and residential settlement patterns;
- To consolidate the development of the Fountain Gate – Narre Warren CBD and Cranbourne Town Centre to ensure they are competitive regional centres in the metropolitan context;
- To substantially strengthen the tier of major activity centres;
- To develop a greater role for peripheral sales precincts;
- To develop robust local centres; and
- To provide proactive management of all activity centres and peripheral sales precincts within Casey, specifically the preparation of structure plans.

While the Strategy has been given effect in the *Casey Planning Scheme*, its relevance to the fast-growing municipality is now limited, given not only the high rate of population growth, but also the establishment of new commercial developments, and significant additions to the Cranbourne Park Shopping Centre. Like the *2012 Activities Areas Strategy*, this Strategy also aligns with the now outdated *Melbourne 2030* policy and classifications regarding activity centres.

#### **Casey Activities Areas and Non-Residential Uses Strategy Volumes 1 & 2 (2012)**

The 2012 Strategy is a review of the *2006 Casey Activity Centre Strategy*, in a response to significant growth and changes to activity centres. It aims to ensure the provision of a range of non-residential uses throughout Casey with a focus on a diverse, robust and accessible activity areas network which meets community needs and expectations. This Strategy has been adopted by Council but has not been given effect in the Casey Planning Scheme and, consequently, it has less statutory weight than the 2006 Casey Activity Centre Strategy.

Key issues identified in the development of the strategy were:

- Out-of-centre development pressures, including gymnasiums, medical centres and child care centres in residential areas, and ad-hoc retail and commercial facilities along arterial roads
- Lack of strategic justification for 'community activity clusters', defined as grouping of non-residential community focused activities (e.g. education facilities, multi-function community buildings and cultural, recreational and sporting facilities). This was found to be less of an issue in greenfields sites.
- Emerging uses, including the location of factory outlet centres, and the increasing number of home based businesses

The Strategy re-establishes the activities areas hierarchy and further develops a neighbourhood activities areas hierarchy. However, given population growth, commercial development, and changes in policy since the publication of this Strategy, projections for the demand and supply of retail and commercial floorspace are likely to have changed.

## Casey Housing Strategy (2015)

The Casey Housing Strategy was developed in response to projected population growth, in order to enable Council to efficiently manage future housing supply to meet the community's needs.

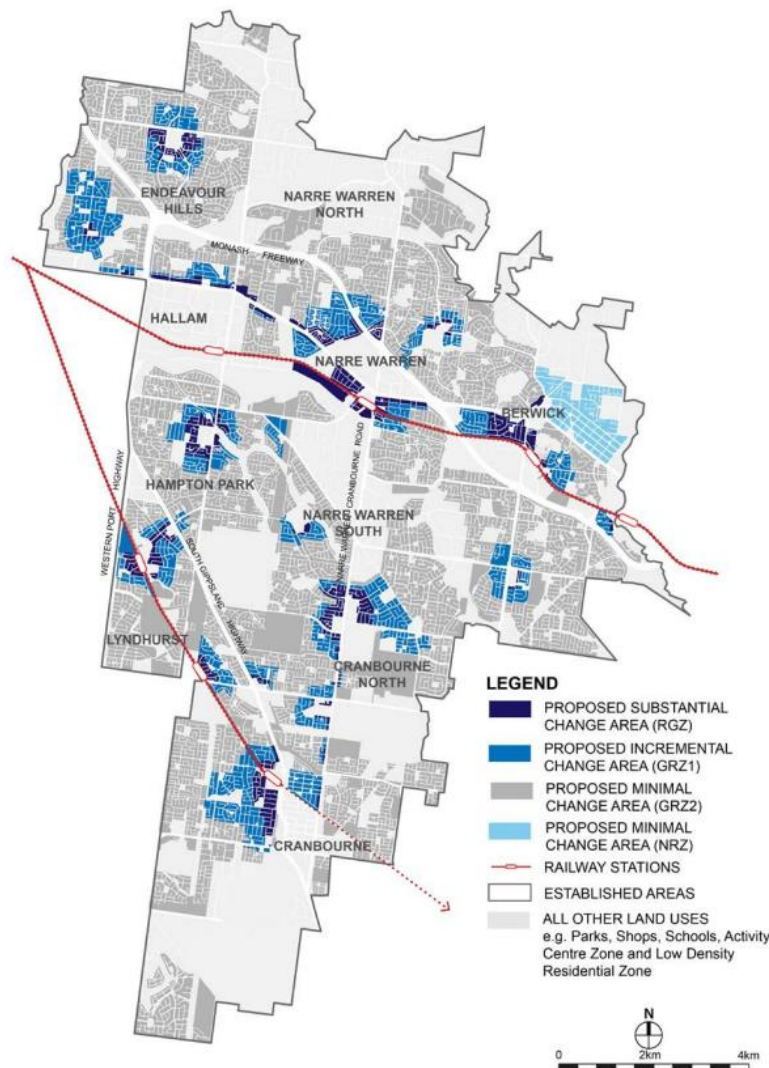
The Strategy identifies areas suitable for different rates of housing change – minimal, incremental and substantial. More intensive development is to be directed to areas with easy access to existing services and public transport.

Areas identified for substantial change are defined as being within a walkable catchment of an activity centre or public transport. The Strategy proposes that the new Residential Growth Zone be applied to these areas.

Moderate development is to occur in incremental change areas with good access to activity centres and close to strategic transport routes. Minimal change areas are nominated in areas that are more remote from public transport and services.

The map below illustrates which areas are proposed to undergo change, and to what extent.

FIGURE 64 DETAILED CHANGE AREAS



Source: Casey Housing Strategy (Version 2), 2015

While the Housing Strategy has a focus on established areas (where Council has planning controls), the document advocates for the provision of greater housing diversity in growth areas, with clearly defined objectives and specific areas identified for higher densities.

The Strategy further advocates for Precinct Structure Plans (PSPs) to be marked in accordance with objectives and targets for the established areas of Casey, including supporting the development of higher residential densities within walkable distances to activity centres, services and public transport.

## Casey-Cardinia Economic Development Strategy (2016)

The purpose of the strategy is to provide a context for Council's economic development activities by providing direction and actions that stimulate investment and the growth of local jobs.

To date, the local economy has provided insufficient jobs for local employment. As a result, over 70 per cent of local residents who are able to work leave the region for their employment every day. Over time, low employment and self-containment rates may result in the region becoming a dormitory suburb for the wider Melbourne South East region.

The Strategy contends that by increasing and diversifying the economy, the region will be able to support stronger economic growth, higher value-added activities and become more resilient to external economic shifts. Most importantly, the local economy can begin to generate more local jobs.

The Strategy aims to achieve this diversification by focussing on the development and attraction of the following industry sectors:

### Manufacturing sector

- Advanced manufacturing
- Food product manufacturing
- Machinery and equipment manufacturing

### Professional and Business Services sector

- Professional, scientific and technical services
- Transport and logistics
- Building materials and construction services
- Administration and support services

### Population and Household Services sector

- Education and training
- Health care and community services

The figure below graph summarises the key principles driving the Strategy.

FIGURE 65 KEY PRINCIPLES OF THE CASEY-CARDINIA ECONOMIC DEVELOPMENT STRATEGY



Source: Casey-Cardinia Economic Development Strategy (2016)



The four principles are described as follows:

**1. Be investment ready**

- Position the Casey Cardinia region as the place for business investment.

**2. Business leadership**

- Support the growth of local businesses and develop pathways into employment.
- Provide opportunities for the community to participate in work, training and career development. Help businesses connect with each other and well integrated supply chains. Ensure that important transport and telecommunications infrastructure is provided.

**3. Innovation, science and technology**

- Innovation will be a key focus across all sectors within the region. Councils will support and encourage a culture of innovation within the business community and will provide up-to-date information with a particular focus on new technology and the support of new ideas.

**4. Advocacy for business and economic growth**

- The Casey Cardinia region will advocate for major infrastructure projects which will generate new investment and jobs in the region.

**Fountain Gate-Narre Warren CBD Structure Plan (2016)**

The Fountain Gate-Narre Warren CBD is a designated Metropolitan Activity Centre under Plan Melbourne 2014. The 2016 Background Economic Report was developed to support the development of the 'refreshed' planning framework for the Fountain Gate-Narre Warren CBD.

In September 2015, a need to update the strategic planning framework for the Fountain Gate-Narre Warren CBD was identified by Council. The Fountain Gate-Narre Warren CBD Incorporated Plan (Incorporated Plan) and associated planning scheme controls required a refresh and the planning framework needs to reflect the designation as a Metropolitan Activity Centre.

Since the original Incorporated Plan was developed, Westfield has expanded, the business park development is well underway, and Council is building Bunjil Place, Casey's new Arts and Cultural precinct that will also accommodate civic services.

The report found that the growth anticipated in the immediate catchment area of the centre by the original Incorporated Plan (584,000 by 2036) should be addressed in a variety of different ways in the short, medium and long term.

In the short to medium term, floorspace expansion within the activity centre is to be largely retail driven. As such, it was proposed that future development of Westfield Fountain Gate and the 'Urban Heart' in this time period would remain retail and entertainment focused.

It was found that the activity centre does not currently exhibit many of the fundamental traits required to support a major office provision, though in the long-term it has potential to accommodate an increased supply of office space in the retail core of the centre and around the railway station. It is expected that land within the business park precinct will still satisfy much of this growth in the medium term.

The report also notes that there is a shortage of supply for hotel or short stay accommodation in the wider region, though demand for these uses are not considerable. While other uses such as health, education and community facilities may support the growth of the activity centre, these are not likely to drive it.

Health and cultural facilities were found to be important to the centre, however, in meeting state strategy to become a centre of regional significance.

## Summary and policy gaps

Key issues and objectives relating to the future demand and supply of retail and other commercial services in Casey, as identified in policy, are:

- The need to provide more local employment opportunities for residents in the City
- The need to address rapid urban growth and poor access to activity centres and employment opportunities at the urban fringe
- Resisting pressure for isolated, ad-hoc, out-of-centre development outside of recognised activity centres, and
- Ensuring that growth in larger centres (such as Fountain Gate – Narre Warren CBD) does not limit the capacity for the strategic objectives of smaller centres to be achieved.

Change in metropolitan planning policy as a result of a Plan Melbourne ‘refresh’ may have an impact on the anticipated rollout of PSPs in Casey.

With the *Plan Melbourne Refresh Discussion Paper* proposing a lower share of residential development to growth areas than the 2014 iteration of the strategy, population growth in Casey’s growth areas could slow to rates lower than previously anticipated if the updated planning strategy proposes a delay in the rollout of PSPs. Proposed changes to guidelines around activity centres planning, in terms of establishing market need for new centres and their contribution to self-sufficient neighbourhoods, may also have an effect on future PSPs.

Infrastructure Victoria is investigating the merits of developing a second Victorian container port, to be potentially located at Port of Hastings, as identified in Plan Melbourne 2014. The outcome of this investigation will need to be considered in the planning for economic growth in the municipality in the future.

Greater clarity is also needed around the level of self-sufficiency both projected and desired for the City, given ongoing recognition of rapid urban growth, a large commuter worker population, a strong degree of escape expenditure, and congestion issues.

Given significant growth is planned for the Fountain Gate – Narre Warren CBD, its role in the greater context of the region must be better understood, particularly in the context of the large nearby commercial precinct of Central Dandenong, into which substantial investment has recently occurred.

Moreover, with several new activity centres proposed for Casey’s growth areas, a balance must be struck between encouraging growth in existing centres and ensuring the sustainable establishment of new centres. This will include:

- Facilitating a sustainable level of growth in regionally significant centres,
- Promoting the continued development and functionality of other existing centres as per strategic objectives, and
- Ensuring the viability of new and planned activity centres for local residents.

Recent planning panels, including the panel for the 2013 C157 Planning Scheme Amendment regarding the Cranbourne Town Centre the 2014 C181 Planning Scheme Amendment regarding the Heatherton Road Mixed Use Neighbourhood Centre and the C250 Planning Scheme Amendment regarding the introduction of a new MSS, have also recommended that a review of retail and commercial demand projections is warranted in the context of significant changes within the municipality.

Given changes to the planning system and commercial zones some policy is now outdated, the lack of cohesion between objectives in various documents, and the rapidly changing environs of Casey and its surrounding region, this study seeks to provide an up-to-date assessment of the supply of and demand for retail and other commercial land across the City. The functionality of the existing activity centres hierarchy will be reviewed in the context of new and proposed centres, and greater clarity around the role, impact and potential for growth of both planned and existing centres will be provided based on current population projections.

# APPENDIX E: ACTIVITY CENTRE TERMINOLOGY AND LIST

## Centre typology

The following provides a summary of both Plan Melbourne and City of Casey centre definitions:

TABLE 33 ACTIVITY CENTRE TERMINOLOGY

Term	Definition	Abbreviation
<b>Plan Melbourne (2017)</b>		
Metropolitan Activity Centre	Higher-order centres with diverse employment options, services and housing stock, supported by good transport connections.  Fountain Gate-Narre Warren CBD is defined as a Metropolitan Activity Centre	
National employment and innovation clusters	Designated concentrations of employment distinguished by a strong core of nationally significant knowledge sector businesses and institutions that make a major contribution to the national economy and Melbourne's positioning in the global economy	NEIC
Health and Education Precinct	Locations to cluster synergistic health and/or education services to improve access to integrated service provision, improve outcomes, develop the health and education workforce and deliver economic benefits (such as innovation and job creation). These precincts may provide solely health, solely education, or a combination of health and education services.	HEP
Major Activity Centre	Suburban centres that provide access to a wide range of goods and services. They have different attributes and provide different functions, with some serving larger subregional catchments. Plan Melbourne identifies 121 major activity centres.  Cranbourne is defined as a Major Activity Centre.	
<b>City of Casey</b>		
Metropolitan Activity Centre	As per Plan Melbourne	Metro
Major Activity Centre		Major
Neighbourhood Activity Centre (Medium)		Medium
Neighbourhood Activity Centre (Local)		Local
Health and Education Precinct	As per Plan Melbourne	HEP
Restricted Retail Precinct		RR
Out of Centre Activity Area	Small retail clusters or individual shops not zoned for employment (i.e. C1Z) or included in defined hierarchy. These have not been comprehensively identified in this Assessment.	OC

## List of centres

ID	Full name	Short name	Status	Existing Hierarchy	Aspirational Hierarchy
1	Fountain Gate-Narre Warren CBD	Narre Warren	Existing	Metro	Metro
1A	Fountain Gate-Narre Warren CBD - Restricted Retail	Narre Warren Restricted	Existing	Restricted	Restricted
2	Cranbourne Town Centre	Cranbourne	Existing	Major	Metro
2A	Cranbourne Town Centre - Restricted Retail	Cranbourne Restricted	Existing	Restricted	Restricted
3	Berwick Village	Berwick Village	Existing	Major	Major
3A	Berwick Health and Education precinct	Berwick HEP	Existing	HEP	HEP
4	Casey Central, Narre Warren South	Casey Central	Existing	Major	Major
4A	Casey Central, Cranbourne North	Casey Central Restricted	Proposed	NA	Restricted
5	Endeavour Hills Town Centre	Endeavour Hills	Existing	Major	Major
6	Hampton Park Town Centre	Hampton Park	Existing	Major	Major
7	Eden Rise, Berwick	Eden Rise	Existing	Medium	Major
8	Amberly Park, Narre Warren South	Amberly Park	Existing	Medium	Medium
9	Lynbrook Village	Lynbrook Village	Existing	Medium	Medium
10	Parkhill Plaza, Berwick	Parkhill Plaza	Existing	Medium	Medium
11	Sandhurst Centre, Cranbourne West	Sandhurst Centre	Existing	Medium	Medium
12	Spring Square, Hallam	Spring Square	Existing	Medium	Medium
13	Thompson Parkway, Cranbourne North	Thompson Parkway	Existing	Medium	Medium
14	Main Street, Narre Warren North	Main Street	Existing	Local	Local
15	Autumn Place, Doveton	Autumn Place	Existing	Medium	Medium
16	Kirkwood Crescent, Hampton Park	Kirkwood Crescent	Existing	Local	Medium
17	Linden Place, Doveton	Linden Place	Existing	Local	Local
18	Tooradin Village	Tooradin Village	Existing	Medium	Medium
19	Bemersyde Drive, Berwick	Bemersyde Drive	Existing	Local	Local
20	Box Street, Doveton	Box Street	Existing	Local	Local
21	Camms Road, Cranbourne	Camms Road	Existing	Local	Local
23	Doveton Avenue, Eumemmerring	Doveton Avenue	Existing	Local	Local
24	Greaves Road, Narre Warren South	Greaves Road	Existing	Local	Local
25	Llewellyn Place, Eumemmerring	Llewellyn Place	Existing	Local	Local
26	Somerville Road, Hampton Park	Somerville Road	Existing	Local	Local
27	Hotham Street, Cranbourne	Hotham Street	Existing	Local	Local
28	Lurline Street, Cranbourne	Lurline Street	Existing	Local	Local
29	Pearcedale Township	Pearcedale Township	Existing	Local	Local
30	The Arcade, Junction Village	The Arcade	Existing	Local	Local
31	Home, Cranbourne	Home Restricted	Existing	Restricted	Restricted
32	Lynbrook Business Centre, Lynbrook	Lynbrook Business	Existing	Restricted	Restricted
33	Cranbourne West (cnr Hall Road and Evans Road, Cranbourne West PSP)	Hall and Evans Road	Proposed	NA	Medium
34	Marriot Waters, Lyndhurst	Marriot Waters	Existing	Medium	Medium
36	Ernst Wanke Road, Narre Warren	Ernst Wanke Road	Proposed	NA	Medium
37	The Hunt Club, Cranbourne East	The Hunt Club	Existing	Medium	Medium
38	Springhill, Cranbourne	Springhill	Existing	Medium	Medium
39	Selandra Rise, Clyde North	Selandra Rise	Existing	Medium	Medium
40	Avenue Village, Cranbourne North	Avenue Village	Existing	Medium	Medium
41	Heatherton Road Mixed Use Precinct, Endeavour Hills	Heatherton Road	Existing	Local	Medium
42	Clarinda Park, Cranbourne West	Clarinda Park	Proposed	NA	Local
44	Cranbourne West (central trunk boulevard collector road in mixed use precinct, Cranbourne West PSP)	Cranbourne West North	Proposed	NA	Local
45	Shopping on Clyde, Clyde	Shopping on Clyde	Existing	Medium	Medium
46	Adrian Street Local Town Centre, Cranbourne East	Adrian Street	Proposed	NA	Medium

ID	Full name	Short name	Status	Existing Hierarchy	Aspirational Hierarchy
47	South Gippsland Highway, Cranbourne North	South Gippsland Highway	Proposed	NA	Local
48	Hallam Station, Hallam	Hallam Station	Proposed	NA	Local
49	Freeway Sports, Eumemmerring	Freeway Sports	Existing	Local	Local
50	Merinda Park Activity Centre, Lyndhurst	Merinda Park	Proposed	NA	Medium
51	PSP18 Cranbourne East Local Centre	Cranbourne East Local	Proposed	NA	Local
52	Cranbourne East - Southern Local Centre (Cranbourne East PSP)	Cranbourne East South	Proposed	NA	Medium
53	Eve, Cranbourne North	Eve	Existing	Local	Local
54	Whealers Park Drive, Cranbourne North	Whealers Park Drive	Proposed	NA	Local
55	Soldiers Road, Clyde North	Soldiers Road	Proposed	NA	Medium
56	Clyde North PSP (south-east)	Clyde North South-East	Proposed	NA	Local
57	Clyde North PSP (north-east)	Clyde North North-East	Proposed	NA	Local
58	Clyde North PSP (Grices Road)	Grices Road	Proposed	NA	Local
59	Hardys Road, Clyde North	Hardys Road	Proposed	NA	Major
60	Clyde Town Centre	Clyde	Proposed	NA	Major
61	Central Parkway, Cranbourne West	Central Parkway	Proposed	NA	Medium
62	Thompsons Road PSP (C2Z applied zone along Thompsons Road, Hardys Road & Tuckers Road)	Thompsons Road Restricted	Proposed	NA	Restricted
63	Marshall Place, Hallam	Marshall Place	Existing	Local	Local
64	Saffron Drive, Hallam	Saffron Drive	Existing	Local	Local
65	Springbrook Drive, Clyde North	Springbrook Drive	Proposed	NA	Local
66	Centre Road Local Town Centre, Berwick	Centre Road	Proposed	NA	Medium
67	Ballarto Road, Cranbourne East	Ballarto Road	Proposed	NA	Local
68	Tuckers Road, Clyde North (Clyde Creek PSP central)	Tuckers Road	Proposed	NA	Local
69	Hardys Road, Clyde North (Clyde Creek PSP north-east)	Hardys Road Local	Proposed	NA	Local
70	Smiths Lane, Botanic Ridge	Smiths Lane	Proposed	NA	Local
71	Craig Road, Botanic Ridge	Craig Road	Proposed	NA	Medium
72	Berwick-Cranbourne Road, Clyde North	Berwick-Cranbourne Road	Proposed	NA	Local
73	St Germain, Clyde North	St Germain	Proposed	NA	Medium
74	Cranbourne North Service Business Precinct, Cranbourne North	Cranbourne North Business	Proposed	NA	Restricted
75	Brompton Lodge Local Town Centre	Brompton Lodge	Proposed	NA	Medium
76	Indicative Neighbourhood Centre	Indicative NC	Proposed	NA	Local
77	Indicative Neighbourhood Centre	Indicative NC	Proposed	NA	Local
78	Indicative Neighbourhood Centre	Indicative NC	Proposed	NA	Local
79	Indicative Neighbourhood Centre	Indicative NC	Proposed	NA	Local
80	Indicative Neighbourhood Centre	Indicative NC	Proposed	NA	Local
81	Indicative Neighbourhood Centre	Indicative NC	Proposed	NA	Local
82	Indicative Neighbourhood Centre	Indicative NC	Proposed	NA	Local
OC1	Berwick Springs, Berwick	Berwick Springs	Merge with 7	OC	Merge with 7
OC2	Princes Highway Eumemmerring	Princes Highway	Merge with 49	OC	Merge with 49
OC3	Belgrave-Hallam Road Corner	Belgrave-Hallam Road	-	OC	OC
OC4	Huon Park Road Cranbourne North	Huon Park Road	-	OC	OC
OC5	Cranbourne-Frankston Road Cranbourne	Cranbourne-Frankston Road	-	OC	OC
OC6	Cranbourne South General Store, Cranbourne South	Cranbourne South General Store	-	OC	OC
OC7	Five-Ways General Store, Devon Meadows	Five-Ways General Store	-	OC	OC

# APPENDIX F: LAND USE DEFINITIONS

## Land use definitions

The following provides additional detail regarding the definition of each land use term.

TABLE 34 SGS LAND USE DEFINITIONS

Term	Definition
Supermarket (Full line)	Self-service retail shop selling a full range of food and other household goods including packaged groceries, fresh meat, bakery and deli departments, fresh fruit and vegetables and frozen foods. For example, Coles and Woolworths.
Supermarket (Other)	Self-service retail shop selling food and other household goods but with a more limited range. For example, Aldi, Foodworks, Woolworths Metro and IGA.
Specialty store (food)	A retail business that focuses on a specific category of food products. Includes butchers, bakeries and delis.
Specialty store (non-food)	A retail business that focuses on a specific category of non-food products. Includes newsagents, service stations and clothing stores.
Department store	A large retail store selling an extensive range of goods. For example Myer, David Jones, Harris Scarf and Target.
Large format retail (low density)	Sometimes called bulky goods stores or restricted retail, these are typically characterised by large single storey floor plates, located on major road ways, surrounded by large parking lots and usually owned by national or multi national chains. Low density large format retail businesses are generally over 5,000sqm. Examples of low density large format retail businesses are car and boat yards.
Large format retail (medium density)	Sometimes called bulky goods stores or restricted retail, these are typically characterised by large single storey floor plates, located on major road ways, surrounded by large parking lots and usually owned by national or multi national chains. Medium density businesses are generally between 2,000 and 5,000sqm. Examples of medium density businesses are furniture shops and Bunnings warehouses.
Large format retail (high density)	Sometimes called bulky goods stores or restricted retail these are typically characterised by large single storey floor plates, located on major road ways, surrounded by large parking lots and usually owned by national or multi national chains. High density businesses are generally between 1,000 and 2,000sqm and sell smaller goods that can be carried out of the store. Examples of high density businesses are JB Hi-Fi and Spotlight. High density large format retail can often also be found in shopping centres, not just bulky goods stores or homemaker centres.
Hospitality (Bars/pubs)	Licensed venue for the sale and consumption of alcoholic beverages. May also offer meals and entertainment.
Hospitality (Cafes/restaurants)	Food and beverage businesses serving meals and drinks which can be consumed on the premises. Can be licensed or unlicensed.
Hospitality (Takeaway Food)	Food and beverage businesses where food is prepared on site for consumption elsewhere.



Term	Definition
Commercial	Commercial activity includes professional services and office based businesses including lawyers, accountants and financial planners as well as hair dressers, beauty salons, medical centres, fitness centres or gyms, private childcare centres, aged care homes, cinemas and accommodation businesses.
Institutional (Education)	An institution that provides courses of study, e.g. primary and secondary schools, Technical and Further Education (TAFE) institutions and universities.
Institutional (Arts and recreation institutions)	Arts, cultural and sports facilities including theatres and sports clubs. These are predominantly Council or government owned or managed. However, could include private facilities such as a cinema.
Institutional (Hospitals)	Health care institutions that provide inpatient facilities and deliver medical, nursing and related services 24 hours per day, seven days per week. Smaller/non-hospital health and medical services are included under commercial (non-retail).  <i>Note small medical centres/doctors offices sit within the Commercial land use category.</i>
Institutional (Public and community services)	Council and government owned or managed facilities including libraries, kindergarten and maternal health care services and neighbourhood houses.
Industrial	Consists of heavy or light manufacturing businesses, including warehousing.
Residential	Consists of private and rental dwellings.
Other Land Use	Ancillary floorspace uses (eg. utilities infrastructure, such as sub-stations, telecommunications, drainage reserves)
Vacant	Existing floorspace that is vacant (e.g. vacant shops). Does not include vacant land that has not been developed.

# APPENDIX G: CONCORDANCE OF LAND USE TERMS

## Land use to planning terms

The following table provides a concordance of land use terms used by SGS in this work with groups of land use terms in Clause 75 of the Victoria Planning Provisions (VPP).

APP LAND USE TERMS			SGS LAND USE TERMS																								
			Supermarket – full line	Supermarket – other	Department store	Specialty store (non-food)	Specialty store (food)	Large format retail – high density	Large format retail – medium density	Large format retail – low density	Hospitality (cafes, restaurants)	Hospitality (Take-away)	Hospitality (Bars, pubs)	Commercial	Institutional – education	Institutional – health (hospitals)	Institutional – arts & recreation	Institutional – public & community	Industrial	Residential	Other	Vacant	Not included				
ACCOMMODATION GROUP																											
Camping and caravan park																x											
Corrective institution																				x							
Dependent person's unit																							x				
Dwelling	Eg.																						x				
	Bed and breakfast																x										
	Caretaker's house																						x				
Group accommodation																							x				
Host farm																							x				
Residential building	Eg.																						x				
	Backpackers' lodge																x										
	Boarding house																						x				
	Hostel																x										
	Nurses' home																						x				
	Residential aged care facility	Eg.															x										
		Nursing home															x										
	Residential college																		x								
	Residential hotel	Eg.															x										
		Motel															x										
Residential village																								x			
Retirement village																								x			
CHILD CARE CENTRE GROUP																											
Child care centre	Eg.																x										
	Kindergarten																			x							
EDUCATION CENTRE GROUP																											
Education centre	Eg.																										
	Business college																x										
	Employment training centre																x										
	Primary school																			x							
	Secondary School																			x							
	Tertiary institution																			x							

VPP LAND USE TERMS			SGS LAND USE TERMS																					
			Supermarket – full line	Supermarket – other	Department store	Specialty store (non-food)	Specialty store (food)	Large format retail – high density	Large format retail – medium density	Large format retail – low density	Hospitality (cafes, restaurants)	Hospitality (Take-away)	Hospitality (Bars, pubs)	Commercial	Institutional – education	Institutional – health (hospitals)	Institutional – arts & recreation	Institutional – public & community	Industrial	Residential	Other	Vacant	Not included	
INDUSTRY GROUP																								
Materials recycling																			x					
Refuse disposal																			X					
Research and development centre															x									
Rural industry	Eg.																					X		
	Abattoir																					X		
	Sawmill																					x		
Service industry	Eg.														X									
	Car wash														X									
	Dry cleaner														X									
	Motor repairs	Eg.																	X					
		Panel beating																	X					
Transfer station																			x					
LEISURE AND RECREATION GROUP																								
Major sports and recreation facility	Eg.														X									
	Race course														x									
Minor sports and recreation facility	Eg.														X (Privately owned or high revenue raising)									x (Publically owned or community-serving)
	Indoor recreation facility	Eg.													x									x
		Dancing school													x									x
	Informal outdoor recreation																					x		
	Open sports ground																							x
	Outdoor recreation facility														x									
	Restricted recreation facility														X (Gyms, fitness centres, bowling etc.)									X (Publically owned or community-serving eg. sports clubs)
Motor racing track															x									
OFFICE GROUP																								
Office	Eg.														X									
	Bank														X									
	Electoral office														X									
	Medical centre														X									
	Real estate agency														X									
	Travel agency														x									

VPP LAND USE TERMS			SGS LAND USE TERMS																				
			Supermarket – full line	Supermarket – other	Department store	Specialty store (non-food)	Specialty store (food)	Large format retail – high density	Large format retail – medium density	Large format retail – low density	Hospitality (cafes, restaurants)	Hospitality (Take-away)	Hospitality (Bars, pubs)	Commercial	Institutional – education	Institutional – health (hospitals)	Institutional – arts & recreation	Institutional – public & community	Industrial	Residential	Other	Vacant	Not included
PLACE OF ASSMEBLY GROUP																							
Amusement parlour														X									
Carnival														X									
Cinema														X									
Circus														X									
Drive-in theatre														X									
Exhibition centre	Eg.													X (variable)		X (variable)							
	Art gallery															X							
	Museum															x							
Function centre	Conference centre													X									
	Reception centre													X									
Hall														X (variable)			X (variable)						
Library																	X						
Nightclub	Cabaret													X									
Place of worship																	x						
Restricted place of assembly														X (variable)			X (variable)						
UTILITY INSTALLATION GROUP																							
Minor utility installation	Eg.																					X	
	Water retarding basin																					X	
Reservoir																						x	
Telecommunications facility																						x	
WAREHOUSE GROUP																							
Commercial display area														X									
Fuel depot	Eg.																	X					
	Liquid fuel depot																	X					
	Solid fuel depot																	X					
Mail centre																		x					
Milk depot																		x					
Store	Eg.																	X					
	Boat and caravan storage																	X					
	Freezing and cool storage																	X					
	Rural store																	X					
	Shipping and container storage																	X					
	Vehicle store																	x					

VPP LAND USE TERMS			SGS LAND USE TERMS																						
			Supermarket – full line	Supermarket – other	Department store	Specialty store (non- food)	Specialty store (food)	Large format retail – high density	Large format retail – medium density	Large format retail – low density	Hospitality (cafes, restaurants)	Hospitality (Take- away)	Hospitality (Bars, pubs)	Commercial	Institutional – education	Institutional – health (hospitals)	Institutional – arts & recreation	Institutional – public & community	Industrial	Residential	Other	Vacant	Not included		
RETAIL PREMISES GROUP																									
Food and drink premises	Eg.												X	x											
	Convenience restaurant												X												
	Hotel												X												
	Restaurant												X												
	Take away food premises													X											
	Tavern												X												
Gambling premises	Eg.														X										
	Betting agency														X										
	Gaming premises														X										
Landscape gardening supplies	Eg.							X																	
	Garden supplies							X																	
	Plant nursery							X																	
Manufacturing sales																				X					
Market	Eg.														X (if land used solely for this purpose)										
	Community market														X										
	Trash and treasure market														X										
Motor vehicle, boat or caravan sales	Eg.									X															
	Car sales									X															
Postal agency								X																	
Primary produce sales																						x			
Shop	Adult sex bookshop							x																	
	Beauty salon														X										
	Bottle shop								X																
	Convenience shop								X																
	Dry cleaning agent														X										
	Department store							X																	
	Hairdresser														X										
	Laundromat														X										
	Restricted retail premises	Eg.						X (varies)	X (varies)	X (varies)															
			Equestrian supplies						X																
		Party supplies						X																	
	Supermarket		X Greater than 2,500 sqm	X 1,000- 2,500sqm																					
Trade supplies	Eg.							X (varies)	X (varies)	X (varies)															
	Timber yard								x																

VPP LAND USE TERMS			SGS LAND USE TERMS																									
			Supermarket – full line	Supermarket – other	Department store	Specialty store (non- food)	Specialty store (food)	Large format retail – high density	Large format retail – medium density	Large format retail – low density	Hospitality (cafes, restaurants)	Hospitality (Take- away)	Hospitality (Bars, pubs)	Commercial	Institutional – education	Institutional – health (hospitals)	Institutional – arts & recreation	Institutional – public & community	Industrial	Residential	Other	Vacant	Not included					
LAND USE TERMS THAT ARE NOT NESTED																												
Art and craft centre														X (variable)	X (variable)													
Brothel			x																									
Car park			x																									
Cemetery			x																									
Cinema based entertainment facility														x														
Crematorium			X																									
Display home														X														
Emergency services facility																		X										
Freeway service centre																			X									
Funeral parlour														X														
Helicopter landing site																							X					
Home occupation																								X				
Hospital																								X				
Natural systems																												x
Research centre														X														
Saleyard																									X			
Service station			X																									
Tramway																												x
Veterinary centre														x														
Winery																											x	



# APPENDIX H: OPTIMAL CENTRE ROLL OUT BY SECTOR

The following provides a further breakdown of the optimal centre roll out data by centre type. Caution should be used when considering these results. The assumptions and limitation as set out in Section 5 and 6 should be clearly understood. As market opportunities, policy, planning and investment evolves alternative outcomes may eventuate which could still be desirable or optimal for individual centres.

TABLE 35 OPTIMAL ROLLOUT BY CENTRE TYPE, TOTAL, SQUARE METRES

Type	Status	2016	2026	2036
<b>Metro</b>	<b>Existing</b>	524,590	569,870	620,640
<b>HEP</b>	<b>Existing</b>	139,440	152,220	183,360
<b>Major</b>	<b>Existing</b>	201,090	236,870	262,910
	<b>Proposed</b>	-	-	50,100
<b>Medium</b>	<b>Existing</b>	146,730	195,050	223,890
	<b>Proposed</b>	-	20,730	55,030
<b>Local</b>	<b>Existing</b>	28,630	35,280	37,690
	<b>Proposed</b>	-	13,110	22,800
<b>Restricted</b>	<b>Existing</b>	234,710	246,280	257,850
	<b>Proposed</b>	-	2,010	13,330
<b>Metro</b>		524,590	569,870	620,640
<b>HEP</b>		139,440	152,220	183,360
<b>Major</b>		201,090	236,870	313,010
<b>Medium</b>		146,730	215,780	278,920
<b>Local</b>		28,630	48,390	60,490
<b>Restricted</b>		234,710	248,300	271,180
	<b>Existing</b>	1,275,190	1,435,580	1,586,350
	<b>Proposed</b>	-	35,850	141,260
<b>Total</b>		<b>1,275,190</b>	<b>1,471,430</b>	<b>1,727,610</b>

TABLE 36 OPTIMAL ROLLOUT BY CENTRE TYPE, RETAIL, SQUARE METRES

Type	Status	2016	2026	2036
<b>Metro</b>	<b>Existing</b>	260,810	300,320	339,840
<b>HEP</b>	<b>Existing</b>	15,810	15,950	16,220
<b>Major</b>	<b>Existing</b>	165,810	213,140	235,290
	<b>Proposed</b>	-	43,770	126,810
<b>Medium</b>	<b>Existing</b>	116,710	189,820	216,580
	<b>Proposed</b>	-	50,660	78,620
<b>Local</b>	<b>Existing</b>	18,630	27,050	29,580
	<b>Proposed</b>	-	19,390	33,190
<b>Restricted</b>	<b>Existing</b>	164,340	185,490	202,120
	<b>Proposed</b>	-	12,140	29,070
<b>Metro</b>		260,810	300,320	339,840
<b>HEP</b>		15,810	15,950	16,220
<b>Major</b>		165,810	256,910	362,100
<b>Medium</b>		116,710	240,480	295,200
<b>Local</b>		18,630	46,440	62,770
<b>Restricted</b>		164,340	197,630	231,190
	<b>Existing</b>	742,110	931,760	1,039,620
	<b>Proposed</b>	-	125,970	267,700
<b>Total</b>		<b>742,110</b>	<b>1,057,730</b>	<b>1,307,320</b>

TABLE 37 OPTIMAL ROLLOUT BY CENTRE TYPE, NON-RETAIL, SQUARE METRES

Type	Status	2016	2026	2036
<b>Metro</b>	<b>Existing</b>	263,780	292,050	320,310
<b>HEP</b>	<b>Existing</b>	123,630	136,410	167,420
<b>Major</b>	<b>Existing</b>	35,270	42,520	49,770
	<b>Proposed</b>	-	-	6,330
<b>Medium</b>	<b>Existing</b>	30,020	32,370	34,070
	<b>Proposed</b>	-	1,550	4,370
<b>Local</b>	<b>Existing</b>	10,000	10,450	10,650
	<b>Proposed</b>	-	1,550	3,410
<b>Restricted</b>	<b>Existing</b>	70,370	71,370	72,370
	<b>Proposed</b>	-	180	1,180
<b>Metro</b>		263,780	292,050	320,310
<b>HEP</b>		123,630	136,410	167,420
<b>Major</b>		35,270	42,520	56,110
<b>Medium</b>		30,020	33,920	38,440
<b>Local</b>		10,000	12,000	14,060
<b>Restricted</b>		70,370	71,540	73,550
	<b>Existing</b>	533,070	585,170	654,590
	<b>Proposed</b>	-	3,280	15,300
<b>Total</b>		<b>533,070</b>	<b>588,450</b>	<b>669,890</b>

## Contact us

### CANBERRA

Level 2, 28-36 Ainslie Place  
Canberra ACT 2601  
+61 2 6257 4525  
[sgsact@sgsep.com.au](mailto:sgsact@sgsep.com.au)

### HOBART

PO Box 123  
Franklin TAS 7113  
+61 421 372 940  
[sgstas@sgsep.com.au](mailto:sgstas@sgsep.com.au)

### MELBOURNE

Level 14, 222 Exhibition Street  
Melbourne VIC 3000  
+61 3 8616 0331  
[sgsvic@sgsep.com.au](mailto:sgsvic@sgsep.com.au)

### SYDNEY

209/50 Holt Street  
Surry Hills NSW 2010  
+61 2 8307 0121  
[sgsnsw@sgsep.com.au](mailto:sgsnsw@sgsep.com.au)

### PARRAMATTA

Level 7, 91 Phillip Street  
Parramatta NSW 2150  
+61 2 8307 0121  
[sgsnsw@sgsep.com.au](mailto:sgsnsw@sgsep.com.au)