



21 October 2014

**ITEM 1**

**ATTACHMENT 1**

**Casey – Cardinia Employment Land Provision Study – Discussion Paper**

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**Discussion Paper**

**October 2014**



# **Casey Cardinia Employment Land Provision Study**

## **Discussion Paper**

### **Context**

The City of Casey and Cardinia Shire Council's formed a partnership in April 2013 known as the Casey Cardinia Region to focus on a new era of business investment and local employment opportunities within the region.

Across the two municipalities, there is a total resident workforce of more than 156,000, however almost 70 percent of workers are leaving the region for work each day. The purpose of the investment attraction partnership is to encourage businesses and investors to recognise opportunities in Casey and Cardinia, and to bring local people back to the region to do business.

The region is currently under pressure from the wider development industry to review the current employment land supply within the region and to pursue alternative land use outcomes. It is critical given the substantial amount of population growth occurring in the region that both Council's properly understand what land needs to be set aside and protected to accommodate future jobs within the Casey Cardinia Region.

The purpose of the Employment Land Provision Strategy is to ultimately provide an 'Employment land Provision Strategy' which will provide a road map guide to the long term provision of employment land in Casey.

A map of the Casey Cardinia Region can be found below showing its proximity to Melbourne and key road infrastructure:

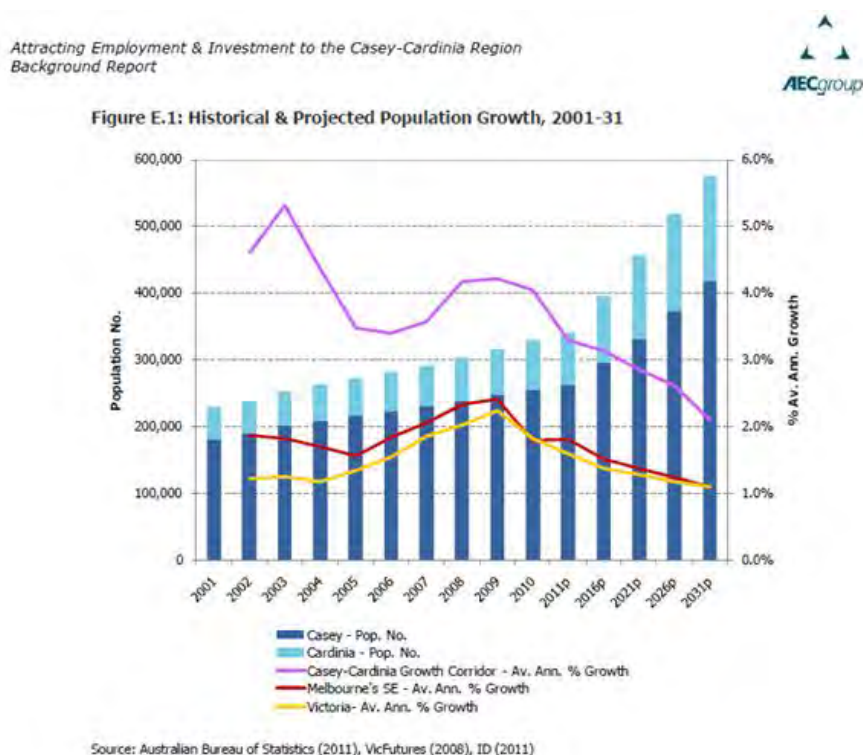


## Current and future population and employment data analysis and projections

### Population in Casey Cardinia Region

The Casey Cardinia Region has experienced strong population growth between 2006 and 2011. The area's population increased by approximately 50,000 persons ranking it the 3<sup>rd</sup> fastest growth area (amongst LGAs) in Australia. Within the Casey Cardinia region almost 80% of this population is currently based in Casey.

When looking at the future of Casey, it is expected that Casey will be the key source of future population growth in the south east growth corridor in the period up to 2031. It is expected that the area will attract an average of almost 11,700 residents each year over the next 20 years, which will add a total of 246,550 residents or 75% of the current population. The graph below shows population growth across the Casey Cardinia Region in comparison to Victoria's projected growth rates.

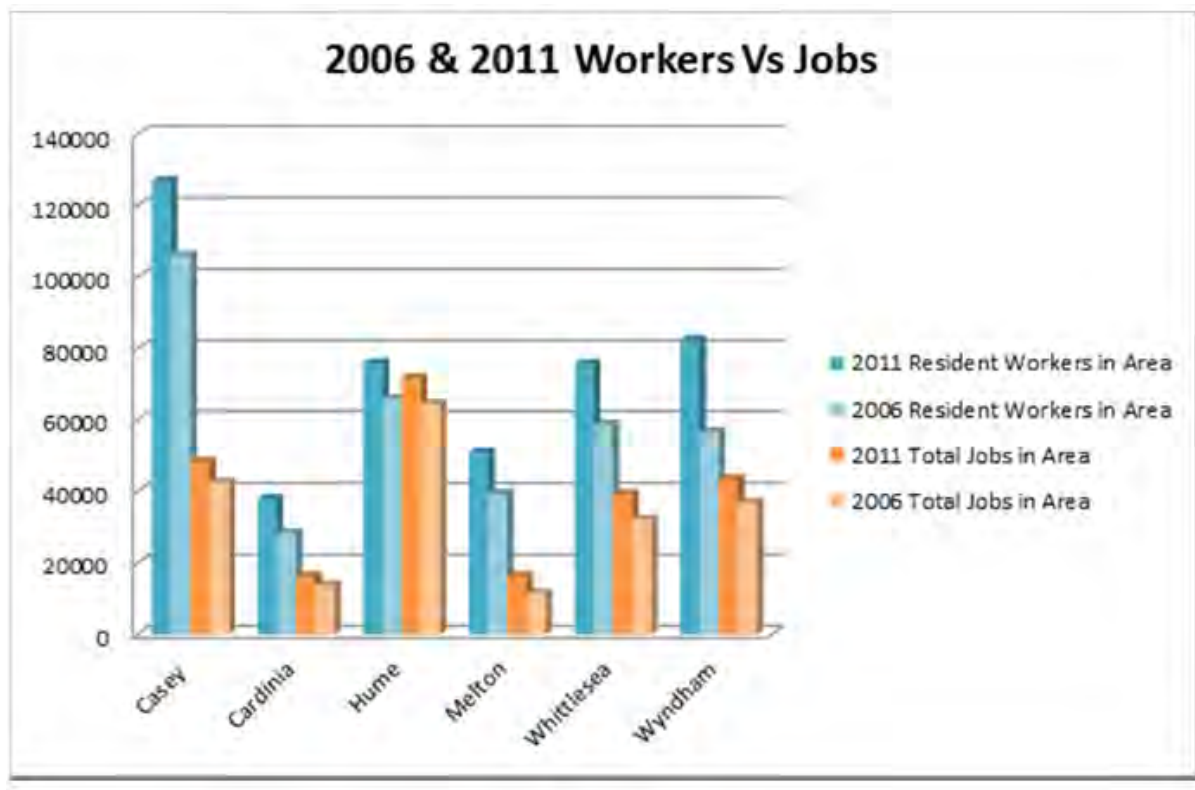


### Employment analysis

Given the current trends of strong population growth, low employment growth and economic structured geared toward population based services, the State Government's planning priority is to deliver one new job for every new household in the Casey Cardinia region by 2031. In raw figures this equates to an estimated requirement for an additional 90,000 jobs in the region over a 20 year period.

Analysis of the last census data has revealed that Casey's population has increased by an additional 20,662 workers between 2006 and 2011 (a 19.4% increase), whilst only an additional 5,702 jobs were created in Casey during the same period (a 13.4% increase).

The graph below indicates that this is a common trend amongst growth areas. It also shows that Casey has the biggest job deficit as well. This means that only one job for every four workers in Casey has been provided resulting in an increase of 15,000 more people leaving Casey every day. As a result, the percentage of resident workers leaving Casey every day to go to work has increased to 73.9%.



## State and Local Policy literature review

### Plan Melbourne

Plan Melbourne is a Metropolitan wide Planning Policy document that provides a vision for Melbourne over the next 30 years. It is an evidence-based plan designed to guide Melbourne's housing, commercial and industrial development through to 2050. It seeks to integrate long-term land use infrastructure and transport planning to meet the population, housing and employment needs of the future.

There are six key directions that are found under the 'Delivering jobs and investment' section of the document. Whilst all of the directions have relevance to Casey, the directions of greatest synergy to Casey include:

- 1.2 Strengthen the competitiveness of Melbourne's employment land.
- 1.3 Improve decision-making processes for state and regionally significant developments.
- 1.5 Plan for jobs closer to where people live.

Whilst Plan Melbourne holistically is supported, the main focus beyond the key issues listed above relates to greater focus on existing employment hubs within Melbourne and a focus on establishing a new employment

precinct in Werribee. However the generic directions are very similar to what the Casey Cardinia region are aspiring to.

#### South East Growth Corridor Plan (2010)

In 2010 the State Government reviewed the location of the Urban Growth Boundary across metropolitan Melbourne, which resulted in more land being made available for urban purposes including residential and employment land. The South East

The South East Growth Corridor Plan sets out to provide a good range of new employment opportunities which are well connected by appropriate transport links between homes and new and existing jobs. It notes that new employment opportunities will be provided at Pakenham, Thompsons Road and South Gippsland Highway, as well as the existing and identified town centres and within new residential communities.

Within the employment section of this document, the plan states that the corridor plan makes provision for”

- 2,370 (gross) hectares of industrial land;
- 1,290 (gross) hectares of business land; and
- Around 60 (gross) hectares of additional land could also be provided, for a range of local industrial and commercial activities across the residential Precinct Structure Plans.

The broader document notes that the South East Growth Corridor will accommodate between 86,000 and 110,000 new jobs across a range of employment sectors and locations.

#### Casey Planning Scheme

Within the City of Casey Planning Scheme there are two sections that focus on employment in Casey, specifically Clause 21.11 – Employment, in the Municipal Strategic Statement (MSS) section and Clause 22.09 – Industrial Development Policy in the Local Planning Policy Framework.

The Casey Planning Scheme notes that when employment section of the MSS was written more than 7 years ago that there was minimal employment opportunities provided within Casey, with retail, industrial and service sectors being the prominent employment types. It is also noted at the time that most Casey residents travel outside of the municipality to get to their work destination.

In facilitating further growth within the employment sector, the planning scheme lists key objectives and strategies to implement employment, an example of those are below:

- Objective – to expand the number of employment opportunities within Casey.
- Objective – to protect the limited supply of industrial land in the municipality from inappropriate land uses.
- Strategy – Encourage business investment that generates significant employment opportunities to locate in accessible areas such as activity centres, designated employment precincts or public transport nodes.
- Strategy – Encourage the development of a diverse and job intensive employment precinct in Cranbourne West in accordance with the Cranbourne West precinct Structure Plan.

The Industrial Development Policy which applies to the Cranbourne West Precinct Structure Plan area and provides specific policy objectives to the localised issues within this area. The focus of this policy is to establish new employment/industrial areas whilst integrating them with the surrounding residential areas, through appropriate landscaping and other amenity considerations.

Planning Scheme Amendment C50 to the Casey Planning Scheme which reviews the Municipal Strategic Statement and Local Planning Policy Framework, has recently been adopted by Council and sent to the Minister for Planning for Approval. Amendment C50 has a focus on the delivery of employment land within the City of Casey and specifically refers to areas where employment has been earmarked for and provides objectives around infrastructure delivery and general land use development.

#### City of Casey – Council Plan 2013 - 2017

The Council Plan outlines the way in which the City of Casey will work towards achieving Council's Vision for the future during the period 2013 – 2017. With regards to Casey's Economy there are two key directions which focus on facilitating employment and the general planning around new employment areas and they are:

##### Key Direction 2 – Developing Casey's Economy

- A focus on attracting investment and business growth to increase local employment opportunities.

##### Key Direction 3 – Planning for Casey's Community

- A focus on environmentally responsible planning for the current and future growth of our diverse community, while preserving local heritage.

#### City of Casey – 2013-2015 Advocacy Program

Council's 2013-2015 Advocacy Program focusses on improved transport services and infrastructure and economic development opportunities for Casey residents. Relevant for the provision of employment are the following Priorities:

- Enhancement of local employment opportunities for residents.
- Development of a Regional Business Incubator.
- Construction of the Port of Hastings.

### **Analysis of current and future employment trends (types of employment and land take up)**

A report conducted by the AEC group on behalf of the Casey-Cardinia Region found that according to the Victorian Government, the Casey-Cardinia Region holds over 15% of vacant industrial land stocks within Melbourne's South East. With Mornington Peninsula's 40% share of industrial land stocks largely dedicated to special use zoning for the Port of Hastings, the key industrial lands competitor for the Casey-Cardinia region is The City of Greater Dandenong, which holds almost 35% of Melbourne's South East vacant industrial land stocks.



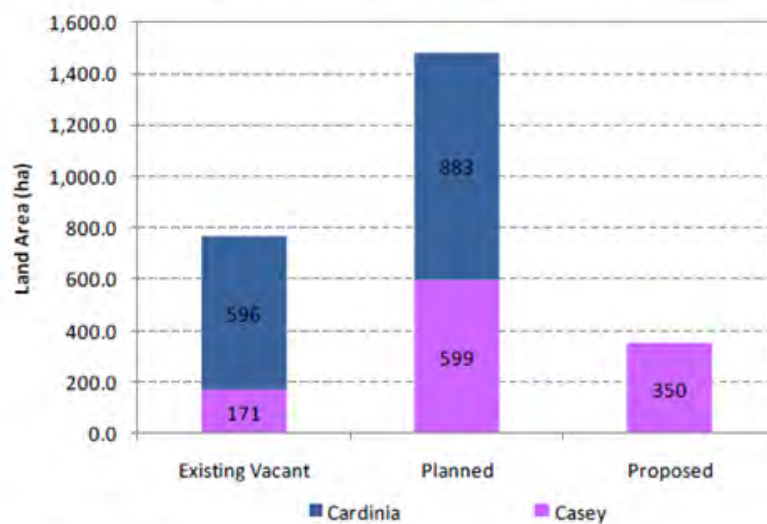
Between 2006-07 and 2008-09, employment land consumption in Melbourne's South East averaged around 91 hectares per year with a total of 273 hectares consumed over the three year period. Of this, 41.8 hectares were consumed in Casey and 17.7 hectares were consumed in Cardinia.

There is an estimated 2,599 ha of employment land in Casey-Cardinia available for future development which comprises existing vacant, planned and proposed lands.

*Attracting Employment & Investment to the Casey-Cardinia Region  
Background Report*



**Figure 5.7: Total Future Employment Land in Casey-Cardinia, 2011**



Source: City of Casey (2011), Cardinia Council (2011)

The 2012-2013 Urban Development Program (UDP) for metropolitan Melbourne provides a review of the land supply that currently exists for residential and industrial uses. Whilst the detail on numbers is informative and useful for future planning it does not provide any commentary on if land supplies are adequate. The UDP will be used through the Consultation Paper process to provide information on current employment land supply in the Casey – Cardinia Region.

## Assessment of job densities

Further work will need to be undertaken to get a better understanding of current and historical job densities in the Casey Cardinia Region. Business survey work will need to be commissioned to obtain job densities numbers and this will form part of the consultation paper in the next phase of this process. This is an important aspect of the next phase of the work as more and more focus is turning to how many jobs can a site provide rather than a pure land allocation.

## Analysis of job targets

Council officers in the past year have undertaken preliminary work on employment numbers in Casey and Cardinia with the Metropolitan Planning Authority (MPA). Through various discussions with the Metropolitan



Planning Authority (MPA), Council officers and staff at the MPA have been in discussions to work out how the proposed job targets will be achieved within municipalities and across the south east region.

The target set by the MPA is to provide one job for every household in Casey and Cardinia. During the Consultation Paper process, Council officers will be testing these assumptions to see if the targets can be met in the current land supply set out through the Growth Corridor Plans.

The importance of having the information outlined in this manner is to agree on a long term plan for the provision of employment land, informed by whatever target the Council determines to support. A decision to reduce employment land either requires land to be set aside elsewhere or an acknowledgement that the job target will then not be able to be realised. It is also a double edged sword as the changes in land use from employment to residential results not only in a loss of employment land but also increases the population that will need a job to go to.

There is also the opportunity that if it is revealed that there is adequate land to deliver an agreed job target then consideration of additional residential land can be considered.

## **Next steps**

Following the consideration of the discussion paper, Council officers will start focusing on what areas of employment forecasting and data is required to provide the Casey Cardinia Region with a strong basis to work out whether current land provisions are adequate for our future populations.

The previously mentioned work will form part of the Consultation Paper that will focus on engaging with the relevant community, industry and government agencies.