

4. Planning context

This section presents a description of the planning context for the proposed development, including a description of the proposed amendment to the Camden LEP 2010, and a summary of the main relevant aspects of current strategic planning policy as it relates to centre development.

The analysis includes material that was presented in the *Narellan Town Centre Retail Analysis*, prepared by Deep End in August 2011.

4.1 Metropolitan Plan for Sydney 2036

The *Metropolitan Plan for Sydney 2036* (the 'Strategy') was released in December 2010, updating the earlier *City of Cities* strategy from 2005. The Strategy continues a strong emphasis on encouraging development within existing and planned new centres in order to generate economic multipliers, promote efficient use of infrastructure, and encourage active and amenable public places.

The Strategy adopts a centres typology which distinguishes between the following types of centres:

- **Strategic centres**, in which the NSW Government has a particular interest to ensure that these centres are performing an important role as places for employment generation, service delivery and residential living. Planning for these centres will be led by the state government, in conjunction with local councils. Strategic centres include:
 - *Global Sydney*, comprising Central Sydney and North Sydney
 - *Regional Cities*, comprising Parramatta, Penrith and Liverpool
 - *Major Centres*, which are major shopping and business centres serving their own subregions
 - *Specialised Centres* with particular economic roles, including airports, ports, universities, etc.
- **Local centres**, where planning is led by local government in conjunction with the NSW Government. Local centres include:
 - *Town Centres*, which comprise a large group of shops and services
 - *Villages*, which have a role in delivering daily shopping and services
 - *Neighbourhood Centres*, which are a small group of businesses providing localised shopping and services.

The key differences in the centre types are the amount and type of employment and retail services that are envisaged. Importantly, the policy states that "*Centres are likely to grow and change from one type to another*" and "*The hierarchy does not restrict the character of centres from changing and is not embedded in the statutory planning system.*" (p.59)

Strategic Direction B Growing and Renewing Centres identifies three core objectives for centres, specifically:

- Focussing activity in accessible centres;
- Strengthening Major and Specialised Centres to support sustainable growth; and
- Planning for new centres and urban renewal of existing centres served by public transport.

An important aspect of the new Strategy is the greater recognition given to the role of Local Centres in delivering services and providing employment opportunities. The emphasis on the wider network of centres is necessary if Sydney is to deliver its planning and economic growth agenda.

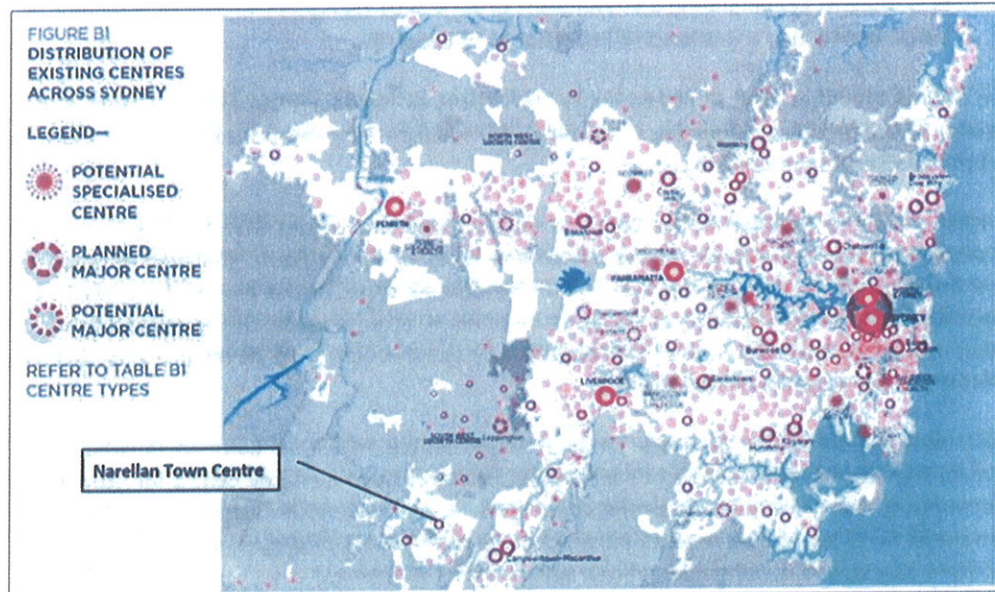
The changed emphasis in the Strategy reflects a greater awareness of the dynamic nature and role of centres and the need for many centres, not just a select few, to help deliver metropolitan planning and economic policies. The increased flexibility in the strategic planning framework also reflects competition principles from the draft Retail Policy to support ongoing growth of centres.

Importantly, the Strategy recognises that the hierarchy of centre will continue to evolve with a focus on supporting the growth of centres in general rather than maintaining a strict hierarchy as defined at a given point in time.

In the south-west region, Narellan and Camden are identified as a **Local Town Centres**, which is consistent with their designation under the draft *South West Subregion Regional Strategy* that was prepared in 2007 in response to City of Cities (refer *Figure 2*).

There is no change to the designation of Campbelltown-Macarthur as a **Major Town Centre**, although it is flagged as one of two centres in Sydney that could attract a Regional City designation, subject to employment growth and a broader regional service role for the CBD. Liverpool is the designated **Regional City** serving the south west region.

Figure 2: Metropolitan Plan for Sydney 2036 distribution of centres



Source: Metropolitan Plan for Sydney 2036, Department of Planning & Infrastructure

4.2 Southwest Subregion Draft Subregional Strategy (draft, 2007)

The South West Subregion covers the municipalities of Liverpool, Campbelltown, Camden and Wollondilly and all of the SWGC. The South West Subregion Draft Subregional Strategy (SWSRS) was prepared in 2007 and is still in draft form. To some extent, the SWSRS has been superseded by the Metropolitan Strategy for Sydney, although the document provides an important strategic framework for development and growth in south western Sydney.

The SWSRS sets the following directions and targets:

- The subregion will accommodate 25% of all new population and 15% of new jobs in Sydney over the next 25 years.
- A new dwelling target of 155,000 by 2031 including 100,000 in the SWGC – or around 5,500 new dwellings per annum.
- Recognition of the two existing Strategic Centres and one new proposed Strategic Centre in the region:
 - Liverpool as a 'Regional Centre'
 - Campbelltown as a 'Major Centre'
 - Leppington as a 'Planned Major Centre'
- Intensifying areas around retail centres and public transport corridors.
- Strengthening centres with public transport.

- Extending transport networks into the SWGC including the South West Rail Link with new stations at Leppington and Edmondson Park. Bus corridors will extend through the SWGC connecting to a transport interchange at Leppington.

The SWSRS identifies a total of ten Local Town Centres including Carnes Hill, Casula Mall, Ingleburn, Green Valley, Moorebank, Narellan, Edmondson Park (proposed), Camden (rural), Picton (rural) and Tahmoor (rural).

In relation to the **Narellan Town Centre**, the Key Directions of the SWSRS state that it is *"...planned to become a focus for the developing areas of Spring Farm, Elderslie, Harrington Park and Oran Park."* (p.62) This role in accommodating some of the needs of the SWGC is supported by Narellan's location at the juncture of major arterial roads, the provision of a new public transport interchange, and the opportunity for the centre to develop a role that is complementary to Camden Town Centre.

The '*Narellan Desired Future Character*' statement contained within Camden Development Control Plan 2006 indicates Council's intentions for Narellan to be a key centre for attracting *"commercial, retail, bulky goods, professional services, and low key industrial uses"*. The DCP also states that: *"any future redevelopment shall be rationalised, packaged and staged so as to facilitate access, quality urban design and infrastructure outcomes."*

The current proposal to bridge Camden Valley Way and extend the core retail elements across the arterial will link two important sites and address some of the fragmentation issues at Narellan raised by the Strategy.

Camden Town Centre is recognised in the SWSRS as the civic and cultural centre of the Camden LGA. It has important links to early colonial settlement and pastoral activities in the area which are evident in significant heritage buildings, streetscapes and distinctive vegetation. Visitors are drawn to Camden for a range of tourist attractions and activities while the district hospital and health facilities underline its broader community role.

The Nepean River floodplain limits further expansion of the Camden township and helps preserve its character and identity. The development of Narellan as a second Town Centre is seen to be important in accommodating growth and retail expansion that is otherwise incompatible with the character of Camden. In effect, Narellan is a major centre to accommodate the future needs of the area.

The relationship between Camden and Narellan is complementary and economically sound. It achieves the planning objectives set down for the Camden Town Centre while allowing the growth to be accommodated in a centre which is nearby, more central to the existing and future population base, has good road connections and improving public transport.

The vision for the **Campbelltown – Macarthur Major Centre** draws on Council's 2006 Structure Plan where the fragmented pattern of development is gradually integrated with the development of distinct precincts. The Structure Plan suggests that Macarthur Square can continue to expand as the region's retail destination.

Campbelltown is differentiated from other centres by the clustering of important health, education and business services. In the future these functions, along with its retail, civic, entertainment and recreation facilities and higher density residential living, will consolidate and enhance its role towards a higher order Regional City.

The SWSRS identifies a broad pattern of centre delivery in the SWGC, with Leppington designated as a Planned Major Town Centre and an additional seven other 'Planned centres'. It recognises Edmondson Park as one of the first precincts to be released having a planned centre with a minimum of 25,000 sqm of retail floorspace.

In summary, the SWSRS identifies a significant and growing local role for Narellan. When the context for Narellan established in the SWSRS is reviewed in light of the updated Metropolitan Strategy, it is clear that the continued evolution and growth of Narellan as a key centre is south-west Sydney is consistent with the Government's planning framework which is focused on growing existing centres and recognising that the centres hierarchy will evolve over time.

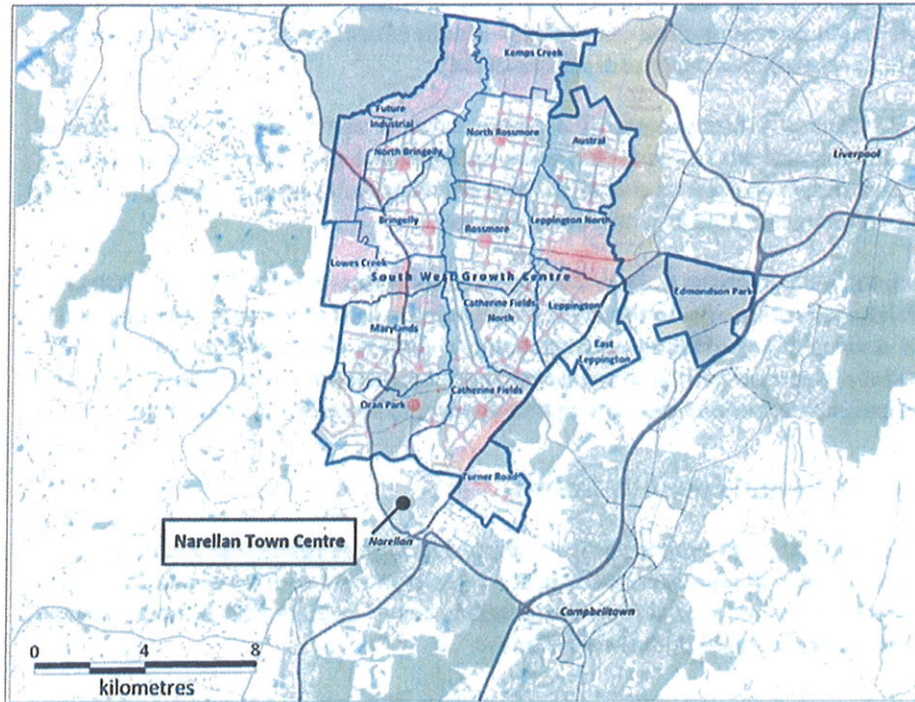
4.3 South West Growth Centre

The Sydney Growth Centres Program was established to provide residential and employment lands for around 500,000 people over the next 30+ years in the North West and South West Growth Centres (refer Map 1, p13). The Program began in 2004 and is now delivering residential blocks to market in both Growth Centres.

The South West Growth Centre (SWGC) comprises 18 precincts across 17,000 hectares with an estimated capacity of 110,000 dwellings or 330,000 people (refer Figure 3). The Growth Centres SEPP was gazetted in July 2006 and the first two precincts in the SWGC – Oran Park and Turner Road – were rezoned for urban development in December 2007. The two precincts will accommodate around 11,500 new dwellings or almost 35,000 people. Infrastructure and urban development has progressed in both precincts with the first residents moving into Oran Park in February 2011 and in Turner Road in July 2011. In the north of the SWGC, development is also progressing at Edmondson Park.

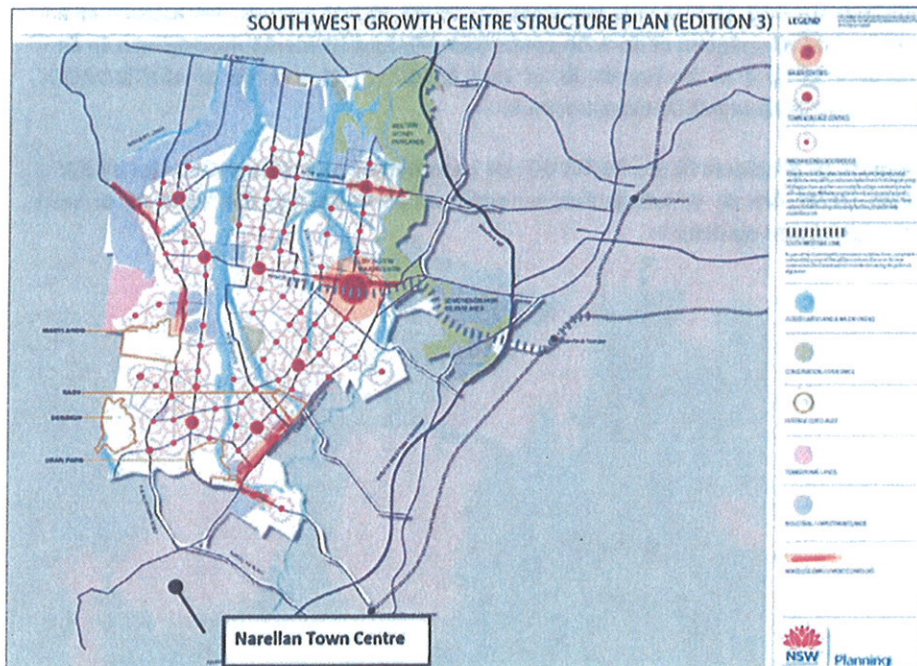
The development of all precincts in the SWGC will be generally in accordance with the SWGC Structure Plan (refer Figure 4) which guides, amongst other things, the location of town centres and neighbourhood centres.

Figure 3: South West Growth Centre Precincts



Source: SEPP (Sydney Region Growth Centres) 2006, Precinct Boundary Map Ed 2

Figure 4: South West Growth Centre Structure Plan



Source: South West Growth Centre Structure Plan Edition 3

According to the Explanatory Notes issued to support the SWGC Structure Plan, the SWGC is divided into local areas where the population is large enough to support a Town or Village centre and a critical investment in public transport. The size of each town centre will depend on the size of its local area.

The proposed hierarchy of centres adopts the metropolitan typology, with the overall structure as follows (refer *Table 5*):

- One Major Town Centre is at Leppington in the north-east of the Structure Plan area with 60,000-80,000 sqm of retail floorspace. More recently, the Austral and Leppington North Precinct Planning Report (August 2011) identifies a long term potential for a centre of 120,000 sqm, to be developed over at least a 20-year planning horizon beginning in 2016.
- Ten Town/Village Centres are identified and nominated in the Structure Plan Explanatory Notes as having up to 40,000 sqm, with most in the 20,000-25,000 sqm range. The first Town Centre to be planned in detail is Oran Park which now has a maximum retail area set down in the Oran Park DCP of 50,000 sqm. The first residents are now moving into Oran Park and the first stage of the Town Centre is anticipated within five years.
- 70-80 neighbourhood centres based on walkable catchments.

According to the *Retail Floorspace and Staging Capacity Project* undertaken by HillPDA for the Department of Planning & Infrastructure in 2010 in relation to the SWGC, the total floorspace provision as set out in the Structure Plan is approximately 200,000-280,000 sqm, which is well below the forecast total demand of 530,000 sqm when the growth area is fully developed. An increase in the planned size of the Leppington Major Town Centre, from 80,000 sqm to 120,000 sqm, has been made on the basis of this analysis.

The timing of Leppington Major Town Centre is an important factor to consider in light of the proposal to expand Narellan Town Centre. While there is no specific timeframe established for the development of the retail component at Leppington, several factors suggest that it is likely to be some time away. Leppington will play an important role in servicing the future population catchment in the northern part of the SWGC and it is noted that the fragmented nature of landholdings in almost all of its catchment is likely to see residential development occur over a long period, meaning the customer base for retail development in Leppington Major Town Centre is also likely to grow relatively slowly.

While the rezoning of the precinct in which the centre is located is likely in 2012, and the rail link is likely in 2016, residential development of a scale to warrant even the first significant retail development in the centre is likely to occur in perhaps a 10 – 15 year period at the earliest, with the town centre likely to be in a position to provide higher order (beyond a convenience supermarket focus) at the latter end of this period. This commentary is not intended to challenge the validity of the role of Leppington in the long term, but simply points out the likely development timeframe of retail floorspace of any significant scale.

The locations of the smaller neighbourhood centres are considered indicative and will be subject to change through detailed planning. The size of these centres is also unknown. Depending on the area, these centres could range from supermarket-based centres to convenience stores or, in some cases, are unlikely to be developed with any retail facilities because of limited catchments or proximity to larger centres.

For example, the Structure Plan shows six neighbourhood centres in the Oran Park precinct; however, the Oran Park Indicative Layout Plan suggests only two will be developed and are limited to 5,000 sqm GFA each by the provisions of the Oran Park Development Control Plan.

This is a precinct-specific response in Oran Park and it is unclear how many and what average size other neighbourhood centres will evolve to. The Department of Planning's view of "neighbourhood centres" has been flexible. Some could comprise supermarket-based facilities, while others could take the form of a local centre with a small independent supermarket and a group of shops or even a corner store or small collection of shops.

Table 5: SWGC population targets and centres

Precincts	Dwelling (dwg) / Population targets (pop)	Structure Plan guiding elements - centres and employment land
Austral	8,000 dwg 22,000 pop	• 1 Town/Village Centre - mixed use • 5 Neighbourhood Centres • Industrial area • Mixed use employment corridor
Bringelly	5,000 dwg 14,000 pop	• 1 Town/Village Centre - mixed use • 5 - 6 Neighbourhood Centres
Catherine Fields	8,000 dwg 22,000 pop	• 1 Town/Village Centre - mixed use • 5 - 7 Neighbourhood Centres • Industrial area • Mixed use employment corridor
Catherine Fields North	9,500 dwg 26,000 pop	• 1 Town/Village Centre - mixed use • 8 Neighbourhood Centres • Industrial area
East Leppington	3,000 dwg 8,000 pop	• 2 - 3 Neighbourhood Centres
Edmondson Park	8,000 dwg approx	Planning taken from the LEP process
Future Industrial		• Significant industrial land
Kempe Creek	1,000 dwg 2,500 pop	• Low density residential • Industrial area
Leppington	12,000 dwg 33,000 pop	• 1 Major Town Centre - mixed use • Community services • 10 - 12 Neighbourhood Centres
Leppington North	12,000 dwg 33,000 pop	• Significant densities in the Town Centre and surrounds • SWRL and a new station • Mixed use employment corridor
Lowes Creek	2,000 dwg 5,000 pop	• 2 - 3 Neighbourhoods • Industrial area
Marylands	9,000 dwg 25,000 pop	• 5 - 7 Neighbourhood Centres • Industrial area
North Bringelly	5,000 dwg 14,000 pop	• 1 Town/Village Centre - mixed use • 4 - 5 Neighbourhood Centres
North Rossmore	5,500 dwg 18,000 pop	• 1 Town/Village Centre - mixed use • 7 Neighbourhood Centres
Oran Park	8,000 dwg 22,000 pop	• 1 Town/Village Centre - mixed use • 5 - 7 Neighbourhood Centres
Rossmore	9,000 dwg 25,000 pop	• 1 Town/Village Centre - mixed use • 7 - 8 Neighbourhood Centres • Industrial area
Turner Road	2,000 dwg 5,000 pop	• 2 - 3 Neighbourhood Centres • Industrial area • Mixed use employment corridor

Source: South West Growth Centre Structure Plan - Explanatory Notes

This growth only represents SWGC data and additional growth is expected in release areas such as Elderslie and Spring Farm

4.4 Draft Centres Policy (2009)

A draft *Centres Policy – Planning for Retail and Commercial Development* was released by the Department of Planning in April 2009. The aims of the Policy include “to create a network of vital and vibrant centres that cater for the needs of businesses,... individuals and families” (pii) and “...to proactively and positively plan for the retail and commercial sector, ensuring the supply of floorspace accommodates market demand (p29).

The policy was prepared during a time when competition issues in the retail sector were being considered by the ACCC and the Australian Productivity Commission. Although other factors are relevant, the draft Policy acknowledges the planning system can influence competition in the retail sector. On this basis, the Department would work pro-actively with Councils to ensure that floorspace supply met demand.

The policy is based on six principles, all of which are relevant to the assessment of the Narellan proposal. They can be summarised as follows:

1. Retail and commercial activity should be located in centres for efficient use of transport, for access to labour markets and improve liveability.
2. The planning system should be flexible to enable centres to grow and new centres to form.

Increases in population and real incomes and a constantly ... evolving economy means that the planning system needs to respond to prevailing market demand” (p.3).

“Within and adjacent to existing centres, land needs to be identified and zoned to provide opportunities for business to grow and new businesses to enter the market” (p.3).

This may mean that some lower-order centres might expand and take on greater importance at the expense of others...” (p.3)

3. The market is best placed to determine the need for retail development. The role of the planning system is to regulate location and scale to meet demand.
4. The planning system should ensure the supply of floorspace always accommodates market demand.
5. The planning system should support a range of premises in all centres and encourage a competitive retail and commercial market.
6. Retail and commercial development should be well designed.

At the regional or subregional strategic planning level, the draft Policy emphasises the need for a flexible network of centres to guide investment and allow existing centres to grow. Floorspace demand and supply assessments were recommended to provide an evidence-based understanding of future requirements against the planned provision, and the concept of a minimum floorspace target was introduced.

The draft Policy discusses the application of per capita rates of retail floorspace provision (approximately 2 sqm per capita in Sydney) as a basis to plan future requirements. The Policy raises the prospect of this rate increasing to 2.4 sqm per capita in the long term requiring an additional 5.1 million square metres of retail floorspace in Sydney. Much of this would need to be accommodated in existing centres.

The draft Policy expands on the role and use of the 'Typology of Centres' used in the Metropolitan and Regional Strategies. It emphasises that the typology is designed as "... a descriptive tool to categorise the likely future function of centres, not a prescriptive tool to limit the growth of those or other centres in the future. The categorisation of a centre as a particular typology is not intended to limit the future growth or diversity of that centre". (p.7)

4.5 Competition SEPP (2010)

The draft Competition SEPP responded to reports by the Department and Better Regulation Office into the effects of certain provisions in the NSW planning system which promote or detract from opportunities to increase competition and economic growth. It also follows industry reviews and recommendations from the ACCC, Productivity Commission and Council of Australian Governments (COAG). In summary, the draft SEPP reinforces some long-standing planning principles and mandates other changes to planning provisions and instruments including:

- Competition between individual businesses and particularly the loss of trade is not a relevant planning consideration.
- The commercial viability of a development or any effects on the viability of other developments are not matters to be considered by a planning authority.
- Restrictions in planning instruments which restrict the number of a particular type of retail store are invalid.
- Impacts, including loss of trade, may be taken into consideration if they have the effect of adversely impacting on the extent and adequacy of services available to a community.

4.6 Planning Proposal and Gateway Determination

The Planning Proposal prepared to facilitate the development on the Landturn site proposes to make the following amendments to the Camden LEP 2010:

- Amend the Land Zoning Map to rezone the Landturn site to B2 – Local Centre
- Amend Schedule 1 – Additional Permitted Uses to remove the additional permitted use and retail gross floor area restriction (currently set at 11,300 sqm)
- Rezone the section of Camden Valley Way adjoining the subject land from Zone Sp2 Infrastructure (Classified Road) to B5 Business Development
- Amend the relevant Height Control Map to specify maximum heights on the Landturn site, the adjoining part of Camden Valley Way and the existing NTSC
- Amend the relevant Floor Space Ratio Map to allow an FSR of 1:1 across the Landturn site, and extending to the former road reserve on the north-eastern part of the site.

At Gateway, the Department of Planning & Infrastructure determined to enable the proposed amendment to proceed subject to a number of conditions which include, among others, the need to prepare an assessment of the economic impact associated with the proposal, including its effect on the centres planned for the SWGC.

4.7 Conclusion

A strong and effective centres policy has been a cornerstone of metropolitan planning policy over many years. As part of this, a centres hierarchy (typology) has been an important tool to characterise the role and function of centres. The Metropolitan Strategy encourages the growth and renewal of Strategic and Local Centres across Sydney. It recognises that centres have different attributes, will continue to grow and change and their classification in the hierarchy is not a limiting factor in their development potential. It notes the status of Local Centres will be reviewed as many will have changed in the last 5 years.

Consistent with these policy directions, Narellan is identified as a Local Town Centre in the South West Subregional Strategy where it is expected to “change” arising from growth in the SWGC precincts and in established areas to the south. The SWSRS identifies a number of attributes at Narellan, including catchment growth, road connections and improving public transport, which point to a significant and growing role in the region.

Further centre development will also occur, over time, in the SWGC, where Leppington is planned to become a Major Town Centre with at least 120,000 sqm of floorspace at full development, as part of a centres hierarchy with ten town and village centres and a network of neighbourhood centres.

The draft Centres Policy, the Competition SEPP and Productivity Commission reports aim to encourage growth and competition in the retail sector and between centres. They emphasise planning’s important role in establishing the location and function of centres while questions of size should be largely left to the market to determine. Major proposals are still required to examine the broad economic impacts on surrounding centres to ensure there is no overall loss of amenity or service to the community.

The Metropolitan Strategy places high expectations on the Southwest region to generate a disproportionate share of jobs in the Sydney region (one in 5) by 2036. The proposed development through its construction, operational and spin-off benefits will establish NTC as an even more significant employment node in the region.

In summary, a review of the metropolitan and sub-regional planning strategies and draft Policy directions lends support to the future growth of NTC and its potential development, as proposed.

5. Catchment analysis

This section identifies the catchment area that would be served by the expanded NTSC, and presents a range of relevant market metrics including:

- Demographic features;
- Population – historical and forecast; and
- Retail spending levels and market size.

5.1 Catchment area definition

The catchment area for an activity centre is determined by a range of factors including:

- Composition of the existing centre and the proposed new elements to be added;
- Location of competing centres and the quality and range of retail tenancies on offer within and beyond the catchment;
- Urban and natural geography including the pattern and mix of residential and non-residential areas, road networks, topography and other physical barriers; and
- The provision of transport and parking facilities.

Other influential local considerations in determining the catchment area for NTSC are:

- A central position with respect to ongoing urban growth in and around Narellan and in the SWGC located immediately to the north;
- Excellent transport access for people living in the Remembrance Drive corridor, which extends from the SWGC through Narellan and Camden and towards Tahmoor and the rural areas of Wollondilly Shire;
- An entrenched position as the main location for discount department store shopping and other higher-order retailing for people living to the west of the Hume Highway corridor;
- The presence of Macarthur Square, Campbelltown Mall and other shopping components that make up the Major Centre at Campbelltown-Macarthur, which together provide regional-level shopping for residents in a wide catchment that extends into the municipalities of Camden and Wollondilly.

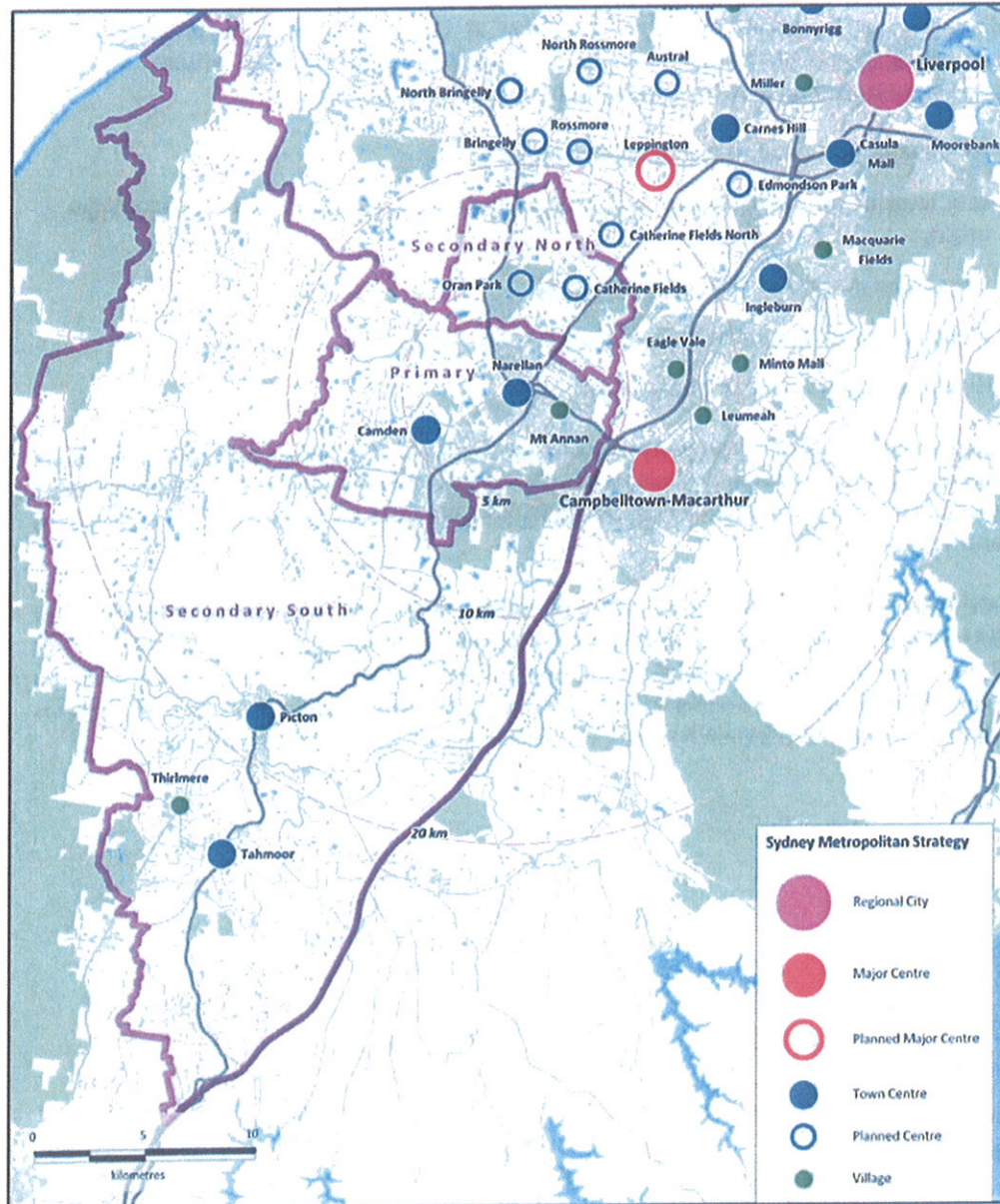
The resulting defined catchment area for the NTSC is illustrated on **Map 4** and comprises a primary sector and two secondary sectors, with the inbound (northwards) side generally located within 3 km of the centre and outbound (southwards) up to 8 km from the centre. The catchment area has been confirmed through discussions with the centre management at NTSC.

The **Primary** sector comprises the suburbs of Narellan, Camden, Mt Annan, Elderslie, Spring Farm and rural areas immediately to the east of Camden, and extends 3km to the north-east and approximately 10km to the south-west of the NTSC.

The **Secondary North** sector incorporates the southernmost precincts of the SWGC, consisting of Oran Park, Marylands, Catherine Fields and Turner Road. Access from these areas to Narellan is excellent and the NTSC will become an important shopping location for new residents in these urban growth areas, particularly prior to the construction of new shopping centres at Oran Park, Catherine Fields and in other precincts to the north (and including the identified Leppington Major Town Centre).

The **Secondary South** sector extends southwards and westwards from the NTSC and includes townships and rural parts of Wollondilly Shire. The main townships within this sector are Picton, Tahmoor, Thirlmere, Bargo and The Oaks, with retail shopping concentrations at Picton and Tahmoor. Access to Narellan is via Remembrance Drive and the Camden Bypass. The boundary for the Secondary South sector is defined by the Hume Highway to the east, and the national parks located to the south and the west.

Map 4: NTSC catchment area



Source: MapInfo; Deep End Services

5.2 Demographics

The demographic characteristics of the catchment at the 2006 Census are presented in **Table 6**, noting that 2011 Census results were not available at the time of writing. When compared to metropolitan Sydney, the distinguishing characteristics are:

- A higher proportion of residents aged under 19 years;
- Low level of ethnicity, with a very high proportion of residents of Australian-Anglo origin;
- Lower than average per capita income levels;
- Higher proportion of households with a mortgage; and
- High levels of motor vehicle ownership.

Overall, these demographic features are consistent with the location and historical background in the region, with the community made up of older established families in the major township settlements, and new residents – largely young families and first home buyers – moving into new land release areas.

The catchment is relatively similar across the different sectors, although the Primary sector exhibits a slightly higher income profile and the Secondary South sector has a slightly older age profile. Importantly, the demographic information for the Secondary North sector does not capture the changes to the population profile that have occurred since 2006, as new residents have only moved into the Oran Park and Turner Road precincts during the last year.

Table 6: NTSC catchment area demographic profile, Census 2006

Demographic characteristic	Primary No	%	Secondary North No	%	Secondary South No	%	Total catchment No	%	Sydney No/%
Usually resident population	45,488	-	2,024	-	28,243	-	75,755	-	4,117,947
Total occupied dwellings	14,535	-	575	-	9,163	-	24,273	-	1,413,941
Usually resident persons per dwelling	3.13	-	3.52	-	3.08	-	3.12	-	2.91
Age group - usual residents									
0-9	8,000	18%	260	13%	4,332	15%	12,592	17%	13%
10-19	7,258	16%	348	17%	4,527	16%	12,133	16%	13%
20-29	5,537	12%	254	13%	3,085	11%	8,876	12%	15%
30-39	7,921	17%	263	13%	4,041	14%	12,225	16%	16%
40-49	6,701	15%	292	14%	4,318	15%	11,311	15%	15%
50-59	4,893	11%	328	16%	3,780	13%	9,001	12%	12%
60-69	2,552	6%	179	9%	2,269	8%	5,000	7%	8%
70+	2,626	6%	100	5%	1,891	7%	4,617	6%	9%
Total	45,488	100%	2,024	100%	28,243	100%	75,755	100%	100%
Country of birth - usual residents									
Australia	36,958	85%	1,498	78%	23,201	87%	61,657	85%	66%
United Kingdom	2,616	6%	58	3%	1,489	6%	4,163	6%	5%
New Zealand	467	1%	26	1%	284	1%	777	1%	2%
Italy	198	0%	83	4%	129	0%	410	1%	1%
Other	3,324	8%	254	13%	1,572	6%	5,150	7%	27%
Total ⁽¹⁾	43,563	100%	1,919	100%	26,675	100%	72,157	100%	100%
Annual individual income - usual residents⁽²⁾									
Nil or negative	2,606	8%	148	10%	1,913	10%	4,667	9%	10%
\$1-\$7,800	2,422	8%	89	6%	1,569	8%	4,080	8%	7%
\$7,800 - \$13,000	3,168	10%	182	13%	2,574	13%	5,924	11%	13%
\$13,000 - \$20,800	7,872	25%	470	32%	5,578	28%	13,920	26%	25%
\$20,800 - \$52,000	7,329	23%	343	24%	4,051	20%	11,733	22%	20%
\$52,000 - \$83,200	5,910	19%	161	11%	3,093	15%	9,164	17%	15%
\$83,200 - \$104,000	1,194	4%	30	2%	681	3%	1,905	4%	4%
\$104,000 or more	1,156	4%	27	2%	568	3%	1,751	3%	6%
Total ⁽¹⁾	31,657	100%	1,450	100%	20,037	100%	53,144	100%	100%
Average per capita income	\$26,883	-	\$23,185	-	\$24,915	-	\$26,061	-	\$28,580
Variation from Sydney average	-	-5.9%	-	-18.9%	-	-12.8%	-	-8.8%	-
Occupied private dwelling tenure									
Fully owned	3,375	24%	290	52%	2,992	34%	6,657	28%	33%
Being purchased	7,898	56%	188	33%	4,322	49%	12,408	53%	34%
Rented	2,821	20%	84	15%	1,585	18%	4,490	19%	33%
Total ⁽¹⁾	14,094	100%	562	100%	8,899	100%	23,555	100%	100%
Household composition									
Couples with children	7,072	48%	322	53%	4,089	44%	11,483	46%	36%
Couples without children	3,562	24%	148	25%	2,568	27%	6,278	25%	24%
One parent family	1,769	12%	64	11%	975	10%	2,808	11%	11%
Other family	106	1%	0	0%	65	1%	171	1%	1%
Lone person	2,025	14%	58	10%	1,540	16%	3,623	15%	23%
Group	261	2%	11	2%	130	1%	402	2%	4%
Total ⁽¹⁾	14,795	100%	603	100%	9,367	100%	24,765	100%	100%
Motor vehicle ownership per dwelling									
None	541	4%	14	3%	430	5%	985	4%	14%
One	3,844	27%	90	16%	2,350	27%	6,284	27%	40%
Two	6,913	49%	223	40%	3,586	41%	10,722	46%	33%
Three or more	2,854	20%	229	41%	2,472	28%	5,565	24%	13%
Total ⁽¹⁾	14,162	100%	556	100%	8,838	100%	23,556	100%	100%

Notes:

⁽¹⁾ Excludes not stated

⁽²⁾ 15 years and over

⁽³⁾ Persons in occupied private dwellings

Source: Deep End Services; Australian Bureau of Statistics

5.3 Population

Population estimates and forecasts for the identified catchment area have been prepared with reference to a range of data sources:

- 2001 and 2006 population levels (Usual Resident Population ("URP")) based on actual Census data as provided by the ABS;
- Population projections prepared by id consulting (Forecast.id) for the municipalities of Camden and Wollondilly;
- Recent lot production rates for urban release areas located within the Primary sector;
- Expected lot yields and population capacity in the SWGC precincts that form the Secondary North sector; and
- Lot production data for individual precincts in the SWGC based on information contained in the Metropolitan Development Program, and from active developers in these precincts.

Primary sector

The **Primary sector** has a mix of older, well established residential areas, new suburbs approaching full development (Mt Annan and Harrington Park) and urban release areas in various stages of planning and development (Spring Farm and Elderslie). This area has an estimated resident population of **50,697 persons** in 2011.

The major infill and urban release areas within the Primary catchment are:

- Elderslie, situated between Camden and Narellan, with approximately 1,978 residential lots, of which approximately 500 have been developed.
- Spring Farm, with a total potential of between 3,700–4,000 lots across a series of urban villages. An estimated 3,000 lots are still to be developed.
- Harrington Park with an estimated 600 lots (Harrington Grove) east of The Northern Road. Over the next 4-6 years development will move west of The Northern Road into Harrington-Kirkham with a capacity of 500 lots.
- The final stages of Mount Annan South with approximately a further 400 lots.

Population forecasts for the Primary sector have been prepared with reference to expected dwelling yields and lot production rates for the urban release areas, and having regard for projections for defined neighbourhoods in the Camden municipality (Forecast.id).

In 2017, when Stage 5 of the NTSC expansion will be completed, the resident population in the Primary sector is forecast to be 60,238 persons, representing average growth of 1,595 persons per annum over the period 2011-2017, or an average annual growth rate of 2.9%.

Ongoing population growth is anticipated to continue thereafter, with the Primary sector forecast to have a residential population of 66,796 persons in 2021, and increasing more slowly to 71,186 persons in 2026. Average population growth is forecast to be 1,632 persons per year for the period 2017-2021 (average annual growth rate of 2.6%), declining to 878 persons per year over the period 2021-2026 (average rate of 1.3% pa).

Secondary South sector

The **Secondary South sector** consists of part of Wollondilly Shire and a small part of the Camden LGA. This sector has an estimated resident population of **33,764 persons** in 2011.

Population growth is occurring mainly in the form of urban expansion around the major settlements at Picton, Tahmoor and Thirlmere, and with a smaller amount of urban development and rural residential development occurring in other smaller townships.

According to the Forecast.id projections, the number of dwelling commencements across Wollondilly Shire is anticipated to increase from an average of around 220 dwelling per year over the most recent five years, to an average of approximately 250 dwellings per year for the period 2011-2017.

The Forecast.id population projections, adjusted to reflect the geographic extent of the catchment, indicate that the Secondary South sector will have a total population of 36,172 persons in 2017, rising to 37,566 persons in 2021 and to 39,401 persons in 2026. Growth rates are forecast to be in the order of 0.9-1.2% over these periods, reflecting the largely rural nature of the area and the limited opportunities for major urban development.

Secondary North sector

The **Secondary North sector** consists of the four southernmost SWGC precincts of Oran Park, Marylands, Catherine Fields and Turner Road, and the El Caballo Blanco & Gledswood development area. Residential development is already proceeding in the Oran Park and Turner Road precincts, with the southern part of Catherine Fields now released for planning.

The sector has a total estimated population of **2,635 persons** in 2011. Most of this population consists of people living in the large lot subdivision area of Catherine Field, with only a very few new residents at Oran Park and Turner Road at that date.

Rapid population growth is occurring in this catchment sector, with the main active residential estates being Oran Park (east of Northern Road) and Turner Road (at Gregory Hills). These precincts will continue to be the focus for new urban development, although over time development is expected to occur in the western part of Oran Park (ie west of Northern Road), at El Caballo Blanco & Gledswood (not an identified SWGC precinct), in the southern part of Catherine Fields, and in the longer term in the Marylands precinct to the north.

Compared to the northern areas of the SWGC, development of the southern precincts is accelerating, and in lot production terms Oran Park and Turner Road are bringing land to market well ahead of expectations and alleviating a shortage of residential land in the region. In particular:

- The Oran Park precinct has capacity for 7,500 lots (or over 20,000 people), all of which are zoned with an approved DCP in place. Development is now progressing at an average of in excess of 400 lots per annum. A town centre is being planned with a first stage expected to be developed in 2014. Major community infrastructure is committed including the construction of Oran Park Anglican College, a major public K-12 school, retirement village, district leisure centre and a civic precinct.
- Turner Road, with a capacity of about 4,250 lots (12,000 people), is progressing with nearly 300 lots sold in Gregory Hills in the first year. The overall capacity includes 1,260 lots within Turner Road from Sekisui.
- A further 1,670 potential dwellings are identified in other land controlled by Sekisui and others immediately north of the Turner Road precinct, including the El Caballo Blanco & Gledswood development, for which a draft LEP and DCP have been prepared.
- The southern part of Catherine Fields has been released for planning under the Precinct Acceleration Protocol, and has an indicative lot capacity of approximately 3,000 dwellings (9,000 people).

Elsewhere in the SWGC residential development is already occurring in Edmonson Park and is expected to begin in the precincts surrounding Leppington over the next four to five years. Urban development in this location will be stimulated by the South West Rail Link, which is planned to be completed in 2016.

Having regard for expected development rates in the individual precincts which make up the Secondary North sector, the total residential population is forecast to reach 23,635 persons in 2017, increasing rapidly to 50,244 persons in 2021 and to 71,389 persons in 2026. Over the longer term, this southern part of the SWGC is expected to house a capacity population of more than 90,000 persons.

Total catchment area

The catchment served by shopping facilities in Narellan has a total estimated residential population of 87,095 persons in 2011, having increased substantially from an estimated 79,089 persons in 2006.

Population growth is forecast to occur rapidly, with an additional 32,980 residents moving into the catchment area over the period 2011-2017. A substantial 64% of this additional residential population will live in the newly-developing urban precincts to the north of Narellan; however, significant growth of 9,572 persons is also anticipated to occur in the area immediately surrounding Narellan and Camden townships.

In 2021 the catchment area is forecast to have a total residential population of approximately 154,605 persons, representing an additional 34,530 new residents for period 2017-2021. Approximately 77% of this growth will occur in the southern precincts of the SWGC.

In the longer term, the catchment area as a whole has a total capacity population of approximately 205,827 people, with this figure calculated with reference to expected yields in urban release areas and SWGC precincts, and applying the 2036 population projections for parts of Wollondilly and Camden. The catchment population is forecast as follows:

- 72,102 people in the Primary sector;
- 43,027 people in the Secondary South sector; and
- 90,699 people in the Secondary North sector.

Although the SWGC precincts (located in the Secondary North sector) make a significant contribution to future population in the catchment area as a whole, around 115,000 people (or 56% of the total catchment population) will still live in the established areas within the Primary catchment and in the townships and rural districts located in the Secondary South sector.

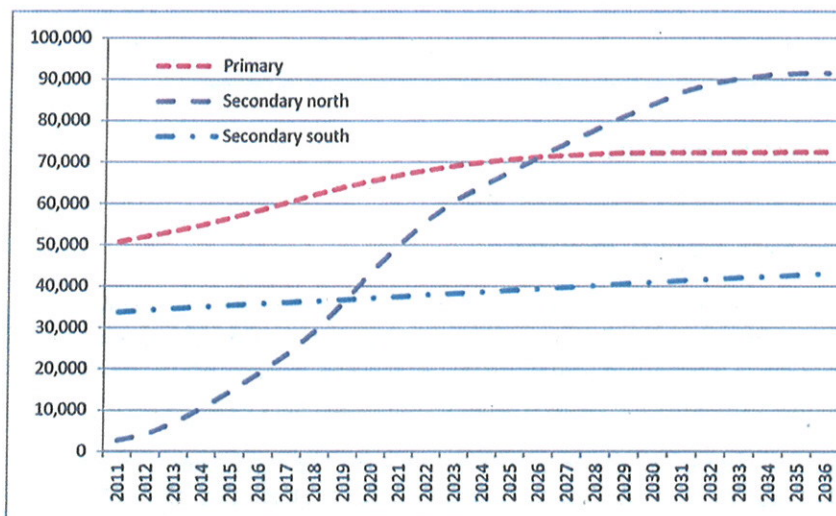
A summary of population estimates and forecasts for each of the catchment sectors is presented below in **Table 7**, with the accompanying **Figure 5** illustrating the relative contributions each sector makes to the catchment area population over the period 2011-2036.

Table 7: Catchment area population, 2006-2026

Catchment area sector	2006	2011	2017	2021	2026
Population					
Primary	45,389	50,697	60,268	66,796	71,186
Secondary North	2,200	2,635	23,635	50,244	71,389
Secondary South	31,500	33,764	36,172	37,566	39,401
Total	79,089	87,095	120,075	154,605	181,976
Population growth (No. per annum)					
Primary	-	1,062	1,595	1,632	878
Secondary North	-	87	3,500	6,652	4,229
Secondary South	-	453	401	348	367
Total	-	1,601	5,497	8,633	5,474
Population growth (% per annum)					
Primary	-	2.2%	2.9%	2.6%	1.3%
Secondary North	-	3.7%	44.1%	20.7%	7.3%
Secondary South	-	1.4%	1.2%	0.9%	1.0%
Total	-	1.9%	5.5%	6.5%	3.3%

Source: Deep End Services; Australian Bureau of Statistics; Dart West Developments; NSW Govt Dept of Planning & Infrastructure; forecast i.d.

Figure 5: Catchment area population forecasts by sector, 2011-2036



Source: Deep End Services; ABS; Forecast.id; Narellan Town Centre; NSW Dept of Planning & Infrastructure

5.4 Retail spending

This sub-section provides an estimate of the current retail spending capacity of catchment area residents and with forecasts of growth in retail spending over the period 2011 to 2021.

5.4.1 Definition

Deep End adopts the definition of shopfront retail as used by the ABS in carrying out the 1991/92 Retail Census and the 1998/99 Retail Industry Survey, with auto accessories retailers included and marine equipment and motor vehicle retailers excluded.

Spending on commodities sold by shopfront retailers is classified under the following groups:

Spending group	Spending categories/commodity type
Supermarket goods	Edible supermarket goods ("ESGs"), non-food groceries
Liquor	Takeaway liquor
Catering	Takeaway food, dining
Non-food	Auto accessories, fashion, furniture & furnishings, hardware & garden, health & beauty, home appliances & entertainment, homewares, reading & writing, recreational goods
Services	Retail services including hair and beauty, clothing and household repairs, dry cleaning, optometry, video hire, key cutting, etc

For the purposes of this report, retail commodity categories are aggregated to the following two core groups:

Food = supermarket goods + liquor + catering
Non-food & services = non-food + services

It is important to note that these are spending categories and are not intended to describe the nature of particular retailers. Due to the wide array of modern retailing formats, consumers can direct their spending on particular commodities or products to a number of different types of retailers. As an example, fashion spending can be directed to:

- Supermarkets;
- Department stores;
- DDSs;
- Discount variety stores;
- Clothing shops;
- Footwear shops;
- Fashion accessory shops;
- Jewellers; and
- Sporting goods retailers.

It is also important to note that Deep End's definition of retail spending does not include spending on items such as gambling and travel bookings, although these are activities that also occur in activity centres.

The classification by *spending category* is the approach taken in specifying floorspace and aggregated turnover and impacts in this report.

5.4.2 Data sources

Several data sources are used to estimate the current and future size of the retail spending market generated by residents of the catchment area.

MarketInfo

Deep End uses small area spending information supplied by Market Data Systems ("MDS") which is derived from a micro-simulation model based on a number of sources including the ABS Household Expenditure Survey ("HES"), the Census of Population and Housing and National Accounts data. The MDS product is referred to as *MarketInfo 2006/07* and represents spending propensity on a wide range of retail items at the small area geographic level for the year ending June 2007.

MarketInfo models the effects of demographic variables such as income, ethnicity, age and education level and geographic location on a household's propensity to purchase different types of retail items and services. The results are generally regarded as the best proprietary data base of its type in Australia.

Deloitte Access Economics

Deep End subscribes to the *Detailed Consumer Spending* series produced by Deloitte Access Economics on a quarterly basis for all states in Australia. The data series extends back to 1983/84 and includes forecasts to 2020/21 for 47 commodity items used in the ABS National Accounts.

Each spending category (as described in section 5.4.1) can be linked to one or more of Access Economics' commodity items to enable forecasts of future changes in average per capita spending. For example, the edible supermarket goods category is linked to the Access Economics categories of perishable food & drink, non-perishable food & drink and cigarettes.

These estimates and forecasts are used to bring the MDS data up to date (to 2011) and then to project this data out to 2021.

5.4.3 Average retail spending

Average per capita retail spending levels are set out in *Table 8* for the individual catchment sectors and for detailed commodity types.

The data shows that average retail spending in the catchment is approximately 2.4% lower than the Sydney metropolitan average in 2010/11, with food spending 4.1% below the average.

Average retail spending varies across the catchment, with residents of the Primary sector spending at a higher relative level (1.3% below the Sydney average), while residents of the Secondary North sector have average spending which is a substantial 7.3% lower than the Sydney average.

As the Secondary North sector develops over time, the spending profile in this catchment is likely to change, with average retail spending approaching or exceeding the spending levels that are recorded in other catchment sectors. This prediction for an increase in the average spending level in the Secondary North sector is substantiated by the profile of new home buyers at Oran Park and Gregory Hills, with a significant share of new residents comprising second or third home buyers with equity in existing homes.

Subsequent analysis of the spending market in the Secondary North sector incorporates a gradual increase in average spending rates, such that by 2021 the average retail spending of residents in this sector is approximately equal to that in the Primary sector and slightly lower than the metropolitan average at that time.

Table 8: Catchment area average retail spending per capita by commodity type 2011

Spending category	Primary	Secondary North	Secondary South	Total	Sydney	Australia
Spend per capita						
ESGs ⁽¹⁾	\$3,725	\$3,766	\$3,780	\$3,748	\$3,717	\$4,114
Takeaway food	\$1,077	\$987	\$1,017	\$1,051	\$1,093	\$841
Takeaway liquor	\$801	\$742	\$792	\$795	\$804	\$649
Dining out	\$1,095	\$936	\$1,040	\$1,069	\$1,336	\$1,035
Total food	\$6,698	\$6,431	\$6,630	\$6,663	\$6,951	\$6,638
Auto accessories	\$146	\$160	\$163	\$153	\$131	\$119
Fashion	\$1,333	\$1,290	\$1,287	\$1,314	\$1,402	\$1,317
Furniture & furnishings	\$656	\$513	\$609	\$633	\$607	\$610
Hardware & garden	\$653	\$562	\$620	\$638	\$507	\$471
Health & beauty	\$547	\$535	\$549	\$547	\$592	\$629
Home appliances & entertainment	\$1,115	\$1,002	\$1,028	\$1,078	\$1,088	\$1,148
Homewares	\$229	\$208	\$226	\$227	\$222	\$210
Non-food groceries	\$467	\$436	\$456	\$462	\$439	\$436
Reading & writing	\$459	\$438	\$448	\$454	\$525	\$425
Recreational goods	\$329	\$278	\$303	\$317	\$271	\$267
Retail services	\$496	\$471	\$488	\$492	\$560	\$486
Total non-food & services	\$6,429	\$5,894	\$6,176	\$6,315	\$6,345	\$6,119
Total retail	\$13,127	\$12,325	\$12,805	\$12,978	\$13,296	\$12,757
Comparison to Sydney average						
Total food	-3.6%	-7.5%	-4.6%	-4.1%		
Total non-food & services	1.3%	-7.1%	-2.7%	-0.5%		
Total retail	-1.3%	-7.3%	-3.7%	-2.4%		

Note:

⁽¹⁾ESGs = Edible Supermarket Goods

Source: Deloitte Access Economics; Market Data Systems

5.4.4 Total spending market

The total retail spending market in the identified catchment area can be calculated by combining the population estimates presented in section 5.3 with the retail spending shown in section 5.4.3 above. Forecasts have also been prepared by applying anticipated real growth in spending as described in the Deloitte Access Economics consumer spending series, and with adjustments to average spending levels in the Secondary North sector as described in Section 5.4.3 above.

Retail spending forecasts are set out in **Table 9** for the main spending groups.

Since 2006, the retail spending market for the catchment area has increased at an average rate of 5.0% per annum to reach an estimated \$1,130.3 million in 2010/11. Spending on food accounts for 51% of this total (i.e. \$580.3 million).

Over the period 2011-2017, the retail spending market is anticipated to increase at a higher rate of +6.2% per annum, reaching \$1,625.6 million in 2017. This represents an increase in annual spending capacity of +\$495.3 million.

Over the subsequent four years to 2021 retail spending in the catchment is forecast to increase to \$2,186.9 million.

In summary, the catchment area is forecast to experience a very substantial increase in retail spending capacity over the ten year period from 2011 to 2021. Over this period, total spending on retail goods and services is anticipated to increase from \$1,130.3 million to \$2,186.9 million, representing an additional \$1,056.6 million in annual spending that will go towards supporting new retail developments both within and beyond the identified catchment area.

Of particular note is the significant increase in the available spending generated by residents in the Secondary North catchment sector. Retail spending by these residents is forecast to increase from just \$32.5 million in 2011, to a total of \$715.3 million in 2021. In addition to supporting the provision of new shopping facilities within this catchment sector (as envisaged by the SWGC Structure Plan), the additional spending capacity will support new retail developments in the wider sub-region, including at Narellan which is currently the main focus for sub-regional retail shopping in the area, as well as at Leppington which is planned as a new higher-order centre within the SWGC.

Table 9: Catchment area retail spending market, 2006-2021 (Y/E June)

Spending category	Spending market (\$m)				Change (% pa)		
	2006	2011	2017	2021	2006-11	2011-17	2017-21
Food							
Primary	259.9	339.5	433.2	500.3	5.5%	4.1%	3.7%
Secondary North	12.1	16.9	174.9	389.5	7.0%	47.5%	22.2%
Secondary South	178.6	223.8	257.2	278.2	4.6%	2.3%	2.0%
Total	450.6	580.3	865.3	1,168.1	5.2%	6.9%	7.8%
Non-food & services							
Primary	253.3	325.9	389.0	449.6	5.2%	3.0%	3.7%
Secondary North	11.3	15.5	146.7	325.8	6.7%	45.4%	22.1%
Secondary South	168.7	208.5	224.6	243.4	4.3%	1.2%	2.0%
Total	433.3	550.0	760.2	1,018.8	4.9%	5.5%	7.6%
Total retail							
Primary	513.2	665.5	822.2	950.0	5.3%	3.6%	3.7%
Secondary North	23.4	32.5	321.6	715.3	6.8%	46.5%	22.1%
Secondary South	347.4	432.4	481.8	521.6	4.5%	1.8%	2.0%
Total	883.9	1,130.3	1,625.6	2,186.9	5.0%	6.2%	7.7%

Source: Deloitte Access Economics; Market Data Systems; NSW Dept of Planning & Infrastructure; ABS; forecast i.d.