

**Appendix 3:
Hill PDA Peer Review Report
November 2011**

24 November, 2011

Chris Lalor
Acting Manager, Strategic Planning
Camden Council
PO Box 183,
Camden NSW 2570

Dear Chris,

Re: Narellan Town Centre Expansion - Independent Peer Review

Introduction

Hill PDA was commissioned by Camden Council ('Council') to undertake an independent peer review of the proposed rezoning of land adjacent to Narellan Town Centre. The rezoning seeks to facilitate the future expansion of retail floorspace in Narellan Town Centre. The need for this peer review has arisen in order to assist Council in determining whether to support the rezoning proposal and submit to the NSW Department of Planning and Infrastructure (DP&I) for a gateway determination.

In accordance with the brief, our advice considers the 'Retail Analysis' report prepared by Deep End Services for Dart West Developments Pty Limited in August 2011. Our advice comprises:

- A review of the provisions within local planning instruments, plans for the South West Growth Centre, the Draft Activity Centres Policy, the Draft Competition SEPP and other relevant planning documents and policies, insofar as they relate to the proposed rezoning;
- A critique of the assumptions contained within the Retail Analysis report in terms of the size and extent of trade areas, socio-demographic profiles, growth forecast, household expenditures, supply of retail floorspace and industry benchmark retail sales;
- A review of the demand modelling methodology using our bespoke expenditure model.

Please note that our examination concerns economic considerations only and does not consider other aspects of the proposals such as design, traffic etc.

We should note that the development proposal is for a rezoning only and does not constitute a development application for the retail floorspace referenced in the Retail Analysis. The proponent has not submitted an economic impact assessment – only an assessment of demand and supply. Notwithstanding this, we have undertaken a brief qualitative review of the potential economic impacts of the proposed development and noted considerations of which Council should be mindful in the assessment of such a development.

The Development Proposal

The subject site comprises 7.3ha and is located to the north of the existing Narellan Town Centre. It is separated from Narellan Town Centre by Camden Valley Way. It has direct frontage onto Camden Valley Way, The Northern Road and Old Northern Road. The Subject Site is owned by Landturn Pty Ltd who also own Narellan Town Centre. Currently the Subject Site is largely vacant although it does incorporate some temporary uses under short-term leases.

At the present time Narellan Town Centre contains around 35,000sqm floorspace including Big W (6,500sqm), Woolworths (3,800sqm), Coles (3,400sqm) and an 8-screen United Cinema (4,000sqm). Narellan Town Centre has existing development approval for an increase of 8,000sqm of retail floorspace.

Based on the Retail Analysis report, we understand that Landturn is seeking to develop up to a further 45,000sqm of retail space on the Subject Site and to integrate this development with the existing Narellan Town Centre. In total, we calculate that this could create a shopping centre of approximately 88,000sqm.

We understand that planning for the proposal is at an early stage and that it is not driven by a particular tenant mix or proposal. However, as detailed in the Retail Analysis it will be developed in 2 stages, of which Stage 1 will include additional discount department store/s, a relocated and enlarged supermarket, mini-majors and specialty shops.

Planning Policy

Draft Activity Centres Policy (April 2009)

The Draft Activity Centres Policy focuses upon six key principles. These relate to:

- The need to reinforce the importance of centres and clustering business activities;
- The need to ensure the planning system is flexible, allows centres to grow and new centres to form;
- The market is best placed to determine need. The planning system should accommodate this need whilst regulating its location and scale.
- Councils should zone sufficient land to accommodate demand including larger retail formats;
- Centres should have a mix of retail types that encourage competition; and
- Centres should be well designed to encourage people to visit and stay longer.

The location of the proposed development site is such that it should be considered as forming part of Narellan Town Centre. This is because it is located immediately adjacent to the existing Town Centre, although we note the busy nature of Camden Valley Way which would present a significant barrier to unconstrained pedestrian movement between the existing and proposed developments and which would need to be carefully mitigated. Rather than competing with the existing Town Centre, the proposed development would support its existing role and broaden the range of retail goods and services it provides its catchment population. In doing so, it would provide shoppers with greater choice by facilitating a greater range of retailers and a greater amount of retail floorspace in Narellan Town Centre.

This is consistent with the Draft Activity Centres Policy in this regard as it recognises the importance of supporting centres, fostering growth and encouraging competition.

Principle 4 of the Draft Centres Policy emphasises the need to provide sufficient land to accommodate future market demand. The Retail Analysis should therefore provide an assessment of existing supply versus demand in order to determine the requirement for additional land such as the Subject Site to be rezoned, which it has done.

In terms of rezoning applications on edge-of-centre sites such as the Subject Site a sequential approach is advocated whereby the availability of in-centre sites is first assessed. Only when it can be demonstrated that no alternative in-centre sites exist for new retail development should edge-of-centre sites be considered. This is in view of in-centre sites being the preferred location for new retail development. The proponent has not sought to do this, although we note from a desk-top examination of the zoned B2 Local Centre in Narellan Town Centre that options to provide the proposed development in-centre appear to be limited.

The Draft Centres Policy states that if rezoning is permitted, subsequent DAs will be considered on their merits. In terms of this proposal, therefore, if a rezoning was permitted it does not necessarily follow that the retail floorspace detailed in the rezoning application should also be permitted in any subsequent DA.

The Draft Centres Policy requires that a Net Community Benefits Test be undertaken for all rezoning applications. The Draft Centres Policy states that:

“The [net community benefits test] assessment should be prepared by the proponent in conjunction with the relevant planning authority to be submitted to council for endorsement prior to submitting to the Department of Planning as part of the Gateway test.”

The requirements of a net community benefits test are that it evaluates the external costs and benefits of the proposal to the community, and should be assessed against a base case or cases (i.e. retaining the existing zoning or locating the development on appropriately zoned land in a centre).

Requirements of the net community benefits test which the proponent has not considered include:

- The level of available (or potentially available) floorspace in existing centres and, if any, why it cannot be used for the purposes proposed in the rezoning proposal;
- Quantification of the costs and benefits of the proposed development in terms of matters such as the number and type of jobs generated, the local or regional economy multiplier effects and any infrastructure and likely travel cost implications;
- Evaluation of the external costs and benefits of the proposal (i.e. the externalities);
- Whether the amended LEP is likely to create a precedent or create or change the expectations of the landowner or other landholders;
- Whether existing public infrastructure (roads, rail, utilities) is capable of servicing the proposed site;
- The extent of pedestrian, cycle and public transport access now or in the future;
- The impact on amenity in the location and in the wider community;
- Whether the public domain will improve.

Draft Competition SEPP (July 2010)

The proposed state-wide planning policy removes artificial barriers on competition between retail businesses. The new Draft SEPP proposes:

- The commercial viability of a proposed development may not be taken into consideration by a consent authority, usually the local council, when determining development applications;
- The likely impact of a proposed development on the commercial viability of other individual businesses may also not be considered unless the proposed development is likely to have an overall adverse impact on the extent and adequacy of local community services and facilities, taking into account those to be provided by the proposed development itself; and
- Any restrictions in local planning instruments on the number of a particular type of retail store in an area, or the distance between stores of the same type, will have no effect.

In our opinion the proposed development is consistent with the draft Competition SEPP because it allows competition between retailers to exist and leaves it to the market to decide what is viable on this site. Any competition which may result between individual traders is not a planning concern.

The Draft SEPP stipulates that Council cannot place restrictions on the type of retail stores to be provided in any future DA, for example on the provision of department store or Discount Department Store (DDS) floorspace.

Metropolitan Plan for Sydney to 2036

Narellan is identified as a Town Centre in the Metropolitan Plan. Town Centres are defined as comprising 'a large group of shops and services' with a walking catchment of 800m.

The approach towards centres in the Metropolitan Plan is to facilitate flexibility in order to allow centres to change and grow over time. It recognises that the retail hierarchy will evolve and that the focus should be on supporting the growth of centres in general rather than maintaining a strict hierarchy as defined at a given point in time.

Based on the above, we consider that the proposed development would support the role of Narellan and demonstrate a flexible approach towards retail development. By virtue of the size of the proposed development it would be more akin to a Major Centre rather than a Town Centre, but this in itself does not contravene the plan in view of the flexible approach which is advocated. As such, in our view it is compliant with the Metropolitan Plan.

Draft South West Subregional Strategy (2007)

Narellan is defined as comprising a Town Centre in the draft Strategy. Town Centres are defined as having one or two supermarkets, community facilities, medical centre, schools, etc. and containing between 4,500 and 9,500 dwellings. Town Centres are understood to have a walking catchment of 800m.

The Strategy recognises that there is an opportunity to develop a main street along Camden Valley Way with complementary uses either side of it. It acknowledges that the centre is to be a focus for the developing urban areas of Spring Farm, Elderslie, Harrington Park and Oran Park. Notwithstanding this, the Strategy states that Narellan should complement rather than compete with Camden Town Centre and should avoid duplicating functions.

Action B4.1 of the draft Strategy seeks to concentrate retail activity in centres and in business development zones such as the Subject Site.

In view of the above, we consider that retail uses on the Subject Site and an expanded Narellan Town Centre would accord with the draft Strategy in principle. However, the scale of retail floorspace provided should be of an appropriate level that it would not compete with Camden Town Centre to a great extent or duplicate functions if it is to comply with the draft Strategy.

In our view the development of up to 88,000sqm of retail floorspace on the Subject Site is likely to result in Narellan drawing trade at the expense of Camden Town Centre which provides in the order of 18,000sqm (according to the proponent) of retail floorspace. As such, it would be nearly 5 times smaller than the expanded Narellan Town Centre in terms of the quantum of retail floorspace which it provides.

An assessment of economic impact which would accompany any development application for the proposed development should determine the extent of any economic impact on Camden and other centres, and therefore whether the proposed development is in accordance with the draft Strategy in this regard.

Employment Prospects for South West Sydney, Hill PDA (2008)

Although not adopted as planning policy, we note the findings of the Employment Prospects for South West Sydney report which was undertaken by Hill PDA in 2008. It recommends that the growth of Narellan Town Centre as a complementary town centre to Camden be supported through civic, community and expanded retail and commercial functions. It also recognises opportunities to consider expanding existing supermarket floorspace and providing department stores and new speciality retail shops.

Structure Plan for the South West Growth Centre

As part of this peer review we have reviewed the Structure Plan for the South West Growth Centre. Although it contains no policy directions of direct relevance to the consideration of this rezoning proposal, we have noted the location, number and size of planned centres in the Growth Centre, including 50,000sqm of retail floorspace at Oran Park Town Centre (4km north) and 80,000sqm of retail floorspace at Leppington Major Centre (11km north). The staging of the development of these centres is unclear at this stage.

Camden Local Environmental Plan 2010

The Subject Site is zoned B5 Business Development under the Camden LEP 2010. This zoning permits a range of bulky goods and retail uses, although there is a floorspace cap of 11,300sqm GFA for retail premises. The proposed development would be prohibited under this zoning, and therefore a land rezoning is being sought.

Camden Development Control Plan 2011

The Camden DCP 2011 has been considered as part of this peer review but does not contain anything of direct relevance to the consideration of the proposed rezoning.

Critique of Retail Analysis

In accordance with the brief Hill PDA undertook a detailed critique of the assumptions contained within the Retail Analysis. These are explored on an individual basis below.

Trade Area

The trade area (or 'catchment area' as referred to in the Retail Analysis) is defined as comprising a 'core' area of 'Narellan – Camden', a 'secondary' catchment of 'Wollondilly towns and rural areas' (comprising 80% of the Wollondilly Shire) and a secondary catchment north consisting of 'South West Growth Centre southern precincts'.

Based on the nature of retail floorspace being proposed this trade area is reasonable in our view. The proportion of expenditure captured by broad commodity type will vary between the core and secondary trade areas. These proportions will also vary over time as existing centres are expanded and new centres, such as Oran Park are developed.

With regard to the Wollondilly towns and rural areas some capture can be expected, particularly DDS related expenditure, given that there are no DDSs in this area at the current time. However we note that a Big W is proposed for Tahmoor, and we understand that retail floorspace growth in both Tahmoor and Picton is planned in the future. Also over time Oran Park will develop into a large town centre that may rival Narellan.

Population

We concur with the population estimates for the trade areas as documented in the Deep End study.

In terms of the population projections used, we note that:

- The proponent has considered population growth over the period to 2036. Whilst this is an important consideration, the need for the proposed retail floorspace should also be demonstrated over the short to medium term as well (i.e. to 2016 and 2021);
- We have checked the number of lots (i.e. residential dwelling) assumed by the proponent against those recorded by forecast.id for Camden LGA. We note that the forecast number of lots used by the proponent is cautious and below those recorded by forecast.id;
- The proponent has assumed an average household size of 3.0 persons per household which is consistent with Camden LGA (based on the 2006 ABS Census).

Escape Expenditure

The proponent has not provided any data (e.g. sales densities, assumed floorspace etc) indicating how the assumed retail turnovers detailed in Table 8 of the Retail Analysis were calculated. We have examined the assumed turnover rates used in Table 8 compared to published turnover data, comparison to average retail sales turnovers (sourced from the ABS Survey Census 1999) and based on our previous work in the area¹.

¹ Sources: Retail Floorspace Capacity and Staging Project in the Austral, Leppington North and Oran Park Precincts, Hill PDA (May 2010) and Wollondilly Commercial Centres Study, Hill PDA (June 2006)

We concur with the assumed turnovers for Narellan, Mt Annan, Harrington Plaza, Wollondilly balance and other/ bulky goods.

We believe that the turnover of Camden Town Centre has been underestimated, likely because it reflects the proponents assumed floorspace of Camden of 18,000sqm retail floorspace (Table 9) which is some 6,000 to 7,000sqm below the current level². In our view the turnover of the Camden is likely to be around \$110m.

In our view the turnovers of Picton and Tahmoor have also been underestimated. Tahmoor is dominated by supermarket floorspace which trades at a higher than average turnover rate, and given development proposals to expand retail floorspace in this centre it is likely to be trading well. We estimate the turnover of Tahmoor is around \$90m. Picton is likely to be trading at a lower level than Tahmoor but at a higher level than that assumed by the proponent which may relate solely to the Picton Mall. In our view the centre is likely to have a turnover in the order of \$60m.

The recalibrated results based on the above indicate a current turnover in the trade area of around \$715m – around \$45m more than has been estimated by Deep End.

On the basis of our calculations, net escape expenditure is around \$390m or 35% of available resident spend. This is an understandable level of escape expenditure given that there are no major (or regional) centres in the defined trade area. The nearest major centres are Macarthur-Campbelltown Greater CBD and Liverpool (Regional Centre). Such centres can be expected to capture between 20 and 25% of household expenditure. Narellan's defined trade area also contains a limited offer in the bulky goods range and no significant brand outlet centre. Bulky goods retailers capture around 16% of total retail expenditure. As such, a relatively high level of escape expenditure would be expected and in the absence of these larger centres or other regionally significant shopping facilities this situation will always remain.

Supply of Retail Floorspace

We agree with the proponent that a DDS typically requires a catchment of around 35,000 to 40,000 people, and that on this basis the trade area is capable of sustaining additional DDSs. However as previously noted the trade area does not contain any Major or Regional Centre and therefore an allowance for the provision of DDSs in higher order centres outside of the trade area should be made.

In any case we agree that there is a demonstrable need for additional DDS floorspace in Narellan. Given the forecast population of the SWGC of at least 300,000 people at least 7-8 DDSs will be required. On this basis, the provision of additional DDS floorspace in Narellan will have no impact on developing further DDS based shopping centres in Oran Park, Leppington and other possible locations in the SWGC.

We are aware that there have been some discussions concerning a possible Myer store in the Macarthur Region. The proponent has sought to demonstrate need for a department store in the trade area and that this may be a Myer store. The incorporation of a Myer store in an expanded Narellan Town Centre could jeopardise the potential for a Myer store to locate within the planned Major Regional Centre of Leppington. Whilst Leppington may be the preferred location we understand that it will be years before there is sufficient critical mass in surrounding population to justify

² Source: Wollondilly Commercial Centres Study, Hill PDA floor space surveys (June 2006 and January 2009).

it. Myer is currently not represented in the Macarthur Region and Narellan is a superior location for the commercial sustainability of a Myer store in the short term. Furthermore the development of a major centre in Leppington is not dependent on any single retailer.

Demand Assessment

In deriving the catchment areas for the proposed development, the proponent has not sought to quantify the proportion of trade which would be captured from secondary catchment areas. The proposed development could be expected to draw a higher proportion of trade from the core catchment, and a lower proportion of trade from the secondary catchments. Any trade captured from the secondary catchments is also likely to be in a thin range of goods i.e. predominately non-food goods and higher order shopping like clothing.

As previously indicated we note that there is a proposed Big W store in Tahmoor, and that both Tahmoor and Picton are set to expand their retail offer in the future. The effect of this will be to reduce escape expenditure from the 'Wollondilly towns and rural areas' secondary catchment. The proponent has recognised the existence of the proposed DDS in Tahmoor but has not sought to adjust future trading patterns which would eventuate as a result i.e. through a lower quantum of captured trade.

We agree with the proponent that the provision of additional retail floorspace at Narellan would assist in serving early residents in the southern precincts of SWGC. However as the planned centres are developed over time, particularly at Oran Park, it is likely that the proportion of expenditure captured from this secondary trade area will lessen.

The proponent has used a figure of 2.2sqm retail floorspace per capita (retail and bulky goods floorspace combined) to calculate floorspace demand. This is slightly higher than the estimated 2.0sqm per capita referenced in the Draft Centres Policy. However we concur with the target of 2.2sqm per capita as an appropriate level in this aspirational middle-income market. Some 0.5sqm is attributable to bulky goods which equates to a residual requirement of 1.7sqm retail floorspace per capita for non-bulky goods retail floorspace.

We have a number of concerns with the approach used by the proponent to calculate need, some of which have been referenced previously in this peer review:

- The proponent has tested long term need only (i.e. at 2036) and has not considered need in the short to medium term (to 2016 and 2021);
- The assessment of retail floorspace per capita rates has not been adjusted to reflect the lack of Major or Regional Centres or brand outlet centres in these areas. Given that such destinations attract 20-25% of household expenditure the benchmark per capita floorspace rates should be reduced by 20-25% i.e. to around 1.2sqm per capita. On this basis the core catchment would not be under provided for in 2011 in terms of retail floorspace based on the proponents' calculations;
- The use of floor area per capita rates does not allow for variations of capture from secondary trade areas. An alternative method would be expenditure modelling and then conversion to floor areas using industry benchmark turnover levels. This enables a more accurate assessment of floor area requirements derived from varying capture rates.

Table 1 below shows our assessment of need in the trade area. Key assumptions to note are:

- We have used the proponents' population estimates and projections
- We have derived existing retail floorspace from previous studies;
- We have adopted the proponents' estimates of retail floorspace in the SWGC Catchment;
- We have included allowances for future retail floorspace provided by the extant DA at Narellan Town Centre, Spring Farm and Elderslie, and the proposed extension to Tahmoor Shopping Centre;
- We have adopted a benchmark floorspace of 1.2sqm per capita in 2011, increasing by 0.6% per annum (in line with the historic average since 1986) to 1.4sqm per capita in 2036.

Table 1 - Retail Floorspace Need in the Trade Area

	2011	2036
Trade Area Population	86,600	205,827
Supply		
Existing/ Proposed Retail floorspace		
Core Catchment [^]	70,500	83,500
Wollondilly Secondary Catchment [*]	33,000	40,300
SWGC Secondary Catchment	-	112,500
Total Supply	103,500	236,300
Floorspace provision rate (sqm/ capita)	1.20	1.15
Demand		
Floorspace demand (sqm/ capita)	1.2	1.4
Floorspace demand (sqm)	103,900	287,000
Residual Demand (demand minus supply) (sqm)	400	50,700

[^] Floorspace data sourced from earlier Hill PDA studies. Future retail floorspace includes Narellan extension (8,000sqm) and additional retail floorspace at Spring Farm and Elderslie (5,000sqm)

^{*} Floorspace data sourced from Wollondilly Commercial Centres Study, Hill PDA (June 2006). Future floorspace comprises Tahmoor expansion (Cordells)

Based on the above, we estimate that the supply of non-bulky goods retail space in the trade area is more or less in equilibrium in 2011. By 2036 however there will be an undersupply of around 50,000sqm assuming that all developments in the pipeline are realised.

Even if this demand was met there would still be net escape expenditure of 22% of total retail expenditure to the regional or major centres which is expected.

Note that the above analysis is a simple snapshot in 2036 which ignores growth in demand over time and the different scenarios of retail expansion. We acknowledge that residential dwellings in the SWGC Southern precinct will be developed prior to the provision of retail floorspace at Oran Park and the other planned retail centres in this area. Expansion in Narellan can meet a significant level of demand generated from the southern precincts of the SWGC depending upon the timing of Oran Park.

If both Narellan and a full-size Oran Park were to advance in say 5 to 10 years from now it would result in a significant oversupply of floor space – although the level of oversupply will diminish over time with population growth. Hence the timing of these centres is imperative to understanding the economic impacts.

Whilst current supply levels in the broad trade area suggests we are in equilibrium this does not mean that all centres are trading at average levels. Whilst Narellan is trading above average it is likely that centres such as Camden and Picton are probably trading a little below average.

Narellan Town Centre recorded a turnover of \$211.27m for the October 2009 to September 2010 period (sourced from Shopping Centre News Little Guns 2010). This ranks the centre 20th nationally out of the 100 Little Gun Centres. It equates to of \$8,056/sqm in terms of sales per square metre which ranks it 21st and is 16% above the Little Gun median. This implies unsatisfied demand from residents in the local area supporting the case for further expansion.

Economic Impact

The proponent has not undertaken an impact assessment – only a supply demand snapshot in 2031. Apart from the timing of expansion the economic impacts is dependent on the likely retail mix of the proposed floorspace which has not yet been addressed. Council should require the applicant to prepare an economic and social impact assessment either as part of the rezoning or at the DA stage. At rezoning stage is the preferred scenario since it will give Council greater control.

We note that any assessment of economic impact will be inherently difficult given the uncertainty regarding the SWGC in terms of eventual dwelling numbers, population, quantum of floorspace and staging. However, in quantifying the impacts of the proposed development particular consideration should be given to the impact of any retail development on Camden, which is not trading as strongly as Narellan despite both centres being defined as Town Centres.

Summary and Conclusions

Our peer review has shown that:

- The proponent has not considered a number of the evaluation criteria required by a net community benefits test for rezoning applications under the Draft Centres Policy;
- The proponent has not submitted an economic impact assessment which must quantify the economic impact of the proposed development upon other centres in the surrounding area;
- The trade area used by the proponent is reasonable;
- The population estimates and growth rates used by the proponent are reasonable;
- The proponent has overestimated the level of escape expenditure at 45% compared to our estimate of net escape expenditure of around 35%;
- There is demand for additional DDSs and a department store in the trade area, although the provision of a national department store such as Myer at Narellan may jeopardise the potential for such a store to be located in the proposed major centre in Leppington;
- The development of a major centre at Leppington however is not dependent on securing a Myer store;
- There is a need for additional retail floorspace in the trade area over the next 25 years of around 50,000sqm over and above that which is in the planning pipeline.

In our view the Subject Site would be suitable to accommodate retail floorspace and such development in this location is generally consistent with the draft Subregional Strategy. Camden Valley Way may form a barrier that

would need to be carefully mitigated. The locality would probably require master planning to ensure satisfactory urban design outcomes.

We agree that the proposed development may assist early residents of the SWGC by providing access to retail facilities in the short term. However in the long run residents in this area will be served by new retail centres in the SWGC. Whilst the ability of Narellan Town Centre to cater for this need is a consideration, thought should also be given to the implications on the trade area of having a centre of this size, and in particular the impact on retail centres once residents in the SWGC redirect their expenditure to closer retail centres such as Leppington and Oran Park.

Council should be mindful that a development of the nature proposed would elevate Narellan towards a Major Centre classification. Notwithstanding this the Draft Centres Policy allows a flexible approach towards retail centres enabling centres to grow as required.

In our view the rezoning can be justified in economic terms, given identified need in the local area and the proximity of the Subject Site to Narellan Town Centre. If the rezoning were to proceed, economic impact upon existing centres and in particular on Camden would need to be carefully considered and quantified once the final floorspace mix and timing or staging of development is known. The submission of an economic impact statement should be a requirement at the rezoning or DA stage.

Please note also that the Deep End report is largely a supply demand snapshot in 2031. It is not a net community benefits test as required under the Draft Centres Policy (although this policy is still in draft form). Nor is the Deep End report an economic impact assessment.

It should be mandatory that the applicant prepare an economic and social impact assessment and a sequential or net community benefit test in accordance with the Draft Centres Policy. The economic and social impact assessment should at least have regard to the following:

- Assessment of all relevant planning controls and policies in relation to the economic and social impacts of the proposal;
- Consideration of what are relevant matters for determination in relation to economic and social impact having regard to the relevant planning documents and having regard to relevant court judgements (for example *Fabcot v Hawkesbury Council*);
- Identification of trade areas and capture rates (market share) through time having regard to the timing of new centres and expansion of existing centres;
- Likely turnover levels in the new centre through time and the impacts that that will have on existing centres in the broad trade area – redirection of expenditure (retail sales) from those centres. This includes assessing the trading performance of those centres before and after the impact and the trading performance of those centres through time with and without the proposal (proposed expansion of Narellan town centre);
- Whether the impacts will be significant or not, whether they will be short or long term and whether they will result in social detriment (increased vacancies, urban neglect or blight, reduced land use / transport

integration, reduced ESD, reduced access to retail services for some residents or community groups, equity issues, increase in crime and any other relevant matters);

- Whether there are any proposed mitigation strategies to address the adverse impacts;
- Whether there are benefits of the proposal over and above the normal benefits of increasing retail space such as price competition. This may include for example the introduction of new retailers or retail formats, improvements in transport integration, reduced travel times, better ESD, improvement in the retail offer for disadvantage groups, etc.

Should you have any questions, please do not hesitate to contact us in our Sydney office on 02 9252 8777.

Yours sincerely,



Adrian Hack
Principal, Hill PDA

File Name: C11173 - Peer Review (Final)

Date Printed: 24/11/2011 12:19:00 PM

Liability limited by a scheme approved under the Professional Standards Legislation