Taren Point
(130 – 142 Parraweena Road, Miranda)

Economic Impact Assessment, Sequential Test & Net Community Benefit Test

August 2016

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Executive summary

This report presents an independent assessment of the need and demand for a proposed supermarket based retail development at 130-142 Parraweena Road, Miranda (near Taren Point) in the Sutherland Local Government Area (LGA), as well as analysing the likely consequent impacts on other relevant activity centres throughout the surrounding region. This report also presents a sequential test and net community benefit (NCB) test of a proposed supermarket based retail development at the subject site. The key findings of the report are summarised below:

<u>Site context and proposed development</u>

- The subject site is located at 130 – 142 Parraweena Road, Miranda; however the site is located in the far north-east of the suburb of Miranda, proximate to Taren Point, and is also located within the Taren Point Employment Area. This site if referred to as the Taren Point subject site throughout the report. The site is located approximately 400 metres to the west of Taren Point Road which is the second busiest road in the Sutherland Shire and provides a major access route into and out of the Shire, accommodating around 58,500 vehicle trips per day (VPD) in 2015.

- The subject site is located within an existing precinct that includes the Sylvania BMW service centre, a child care and play centre, a gym, Supa IGA Taren Point, Taren Point Hotel (which includes a TAB and drive-thru bottleshop) as well as bulky good retailers and light industrial uses; with residential development to the north and west.

- The proposed development being considered at the Taren Point subject site includes a 3,800 sq.m Woolworths supermarket (which includes a 200 sq.m mezzanine) and a 200 sq.m small format liquor store. The development is proposed to include 200 at grade car space located at the front of the store, with two access points along Parraweena Road.

Review of supermarket trends and shopping behaviours in Sutherland Shire

- Sutherland Shire is significantly under-provided in regards to supermarket floorspace per capita, with around 286 sq.m of supermarket floorspace per 1,000 residents across the Sutherland Shire, which is around 16% below the capital cities average (ex-Sydney). The current under-provision of supermarket floorspace equates to around 12,000-13,000 sq.m, adopting a target rate of 340 sq.m per 1,000 residents. Allowing for future population growth is equivalent to a further 13,000 sq.m of additional floorspace, where the combined supermarket floorspace under provision means that a further eight large supermarkets (above 3,000 sq.m) would be needed between now and 2031.

- The existing supply is poorly distributed with around 33% of all supermarket floorspace located within the Miranda and Caringbah activity centres – which are located just 2 km from each other in the eastern part of the Sutherland Shire.

- At the 2011 Census approximately 20% of the 57,200 local jobs were filled by workers from beyond the Sutherland Shire, meaning around 60% or 66,000 Sutherland Shire resident workers leave the LGA every day for work. Further, retail trade is a key driver of the local economy, yet there was a net under-provision of retail jobs in the Sutherland Shire.

- Quantium was engaged to examine the actual supermarket shopping patterns of Sutherland Shire residents. This showed that around 12% of all supermarket expenditure generated by Sutherland Shire residents escapes the Shire, and the average distance travelled (from home) to undertake supermarket shopping trips for residents is between 2.5-3 times greater than the distance to their nearest supermarket.

- A detailed analysis of supermarket expenditure patterns of the catchment within a 1 km radius of the IGA supermarket at Taren Point was also undertaken. This shows that around 75% of all supermarket expenditure generated by residents in the defined Taren Point catchment is not spent at the Taren Point IGA supermarket – with considerable escape expenditure to Miranda (22%), Caringbah (22%) and Sylvania (12%). The average distance to the IGA supermarket for this catchment is about 0.9 km, however the average distance travelled to undertake supermarket shopping trips for this population was about 2.0 km.

- Taren Point represents a highly suitable location for additional full-line supermarket facilities because of the significant escape expenditure from this locality at present; the large daily workforce; and the significant amount of latent demand existing from drivers passing through the locality along Taren Point Road (i.e. local residents leaving the Shire for work; people accessing sporting facilities in the area; parents taking children to schools near Taren Point, etc). The worker population in the Taren Point/Caringbah Employment Area, in and of itself, would drive substantial additional demand for supermarket/convenience facilities over and above the local residential catchment and passing traffic. This would mean that many shoppers would be able to link another trip with a supermarket trip which would help to reduce specific/dedicated trips to supermarkets throughout the Shire.

- Caringbah and Miranda are under significant pressure due to a lack of full-line supermarket facilities around Sutherland/Kirrawee and Caringbah/Cronulla. The provision of new facilities at Kirrawee and Woolooware will help to ameliorate this issue to some extent, however, further provision of supermarket facilities in 'non-centre' locations (i.e. near main roads where there is already latent demand), is considered to be critical in relieving acute capacity issues that currently exist in some centres and to help prevent the escalation of such issues.

- Crosby Textor conducted primary market research through telephone surveys which identified the following important 'local issues' in relation to supermarket behaviours and preferences – easing local traffic congestion across the whole Sutherland Shire, a need for more local job opportunities and tackling youth unemployment, more retail jobs in the Shire, a preference to shop at the most convenient location available which is not being met and a preference for larger supermarkets with a full range of products, where such supermarkets would be located close to where people live – not just in centres.

- The following are adverse consequences of an undersupply, or inadequately distributed supply, of supermarket floorspace across the Sutherland Shire – congestion issues, deterrent effects, increased travel times/costs, reduced competition, potential lack of retailer investment and a decline in customer services at a local level, less job opportunities and a potential decline of non-centre employment precincts

- As alluded to earlier, one of the most important benefits of providing a convenient and appropriately distributed network of full-line supermarkets is that it saves travel time for customers and reduces congestion. This is particularly so at peak times, where even small savings in time can add up to significant aggregate time savings across a network. If just 10% of the 75,000 households across Sutherland Shire were able to save 1 minute per trip for 10% of their annual supermarket trips as a result of better/more convenient access to supermarket facilities, this would equate to total time savings of 58,000 – 59,000 minutes, or more than 40 days across the Shire's population.

Trade area analysis

- The trade area has been defined to include a primary sector and a secondary sector, referred to as the main trade area throughout the report, which includes the suburbs of Taren Point and part of Sylvania Waters, Caringbah and Miranda. The main trade area aligns with the Taren Point catchment identified by Quantium (as referred to in Section 2 of this report).

- The main trade area population is estimated at around 12,600 as at June 2016, with 7,600 people in the primary sector. The main trade area is forecast to reach almost 15,300 by 2031 reflecting average annual growth of 1.3%, while the primary sector is estimated to reach almost 8,400 people reflecting growth of 0.6% per annum.

- In addition, the Taren Point Employment Area is a key employment generating location within the Sutherland Shire. The worker trade area population is estimated at around 15,200 workers in 2016, and is expected to grow to around 17,500 workers by 2031, representing average annual growth of 0.9% per annum.

Competition

- Retail facilities in the Sutherland Shire form a typical retail hierarchy. Miranda Town Centre provides regionally oriented shopping centre facilities; Southgate Sylvania is a sub-regional shopping centre; and there are a range of smaller centres across the Shire (including Caringbah), generally supermarket-based shopping centres and street based retail. The only relevant retail offer located within the main trade area, is the 3,700 sq.m Supa IGA at Taren Point, located on the northern side of Parraweena Road proximate to the site. The remainder of retail facilities relevant to the proposal are located outside of the main trade area.

- There are several proposed retail oriented developments planned in the Sutherland Shire, with the most relevant supermarket facilitates including proposed Coles and Aldi supermarkets as part of South Village, Kirrawee (Brick Pit Site) which is under construction; a proposed Woolworths supermarket at Flora Street, Kirrawee (we have assumed that this proposal is approved for the purpose of this assessment); a large supermarket (assumed to be Woolworths) and a small supermarket at Bay Central, Woolooware Bay Town Centre (Sharks Village) and a proposed Aldi at the former Caringbah Marketplace. It is also understood that Coles own their site in Caringbah, however any redevelopment of the Coles site is anticipated to occur post the proposal at the subject site.

Retail market gap and sales potential

- The residents and workers of the main trade area generate demand for about 6,900 sq.m of supermarket floorspace at 2016, which is projected to increase by almost 2,000 sq.m, to reach 8,800 sq.m by 2031. By subtracting supermarket floorspace supply from estimated demand, we have identified an existing market gap of around 3,100 sq.m of supermarket floorspace for the defined main trade area at 2015/16.

- The addition of the proposed 3,800 sq.m supermarket in 2019/20 would effectively fill the existing supermarket floorspace gap by 2021, where this floorspace gap is expected to grow to over 1,300 sq.m by 2031, assuming the provision of no additional facilities in the main trade area, and shows that the proposed development could be comfortably absorbed and that there is sufficient demand to support the proposed supermarket at the subject site.

- We estimate that the proposed development would potentially achieve a sales volume of $39.1 million at 2019/20. The estimated market share to achieve these sales within the main trade area is estimated at 15.6%, meaning that around 84% of all expenditure generated by residents in the main trade area would be directed to other retail facilities including Supa IGA Taren Point, as well as surrounding centres such as Caringbah, Miranda and Sylvania. In combination, the proposed development and Supa IGA Taren Point are estimated to achieve a combined market share of around 30%, which means that 70% of all main trade area retail would still be available for capture by other centres, generally located outside the trade area.

- In addition, we expect around 20% of sales turnover to be generated from beyond the defined main trade area, in the form of passing traffic and accounting for a contribution from surrounding workers.

<u>Economic Impacts</u>

- The greatest impacts are expected to be absorbed by the range of retail facilities located at Miranda, Caringbah and Southgate Sylvania, which are the closest centres and with full-line Coles/Woolworths supermarkets, are the largest shopping precincts in the area (with a combined total of nine supermarkets). They are presently the main destination for food and grocery shopping for residents of the main trade area, as indicated by Quantium data.

- Given the highest order retail shopping offer is provided in Miranda, its proximity to the subject site and main trade area population, we estimate an impact in the order of around $10 million or 1% on Miranda. In addition we estimate an impact in the order of $9 million or 5% on Caringbah, and around $4 million or 2% on Southgate Sylvania. Given the scale and wide offer of retail facilities at these centres, the impact on retail facilities is likely to be relatively small overall.

- Given its proximity to the Taren Point subject site, a moderate to high impact is anticipated on the Supa IGA at Taren Point, with an impact of around 13% estimated on this store. While this store is the most proximate to the subject site, Quantium data showed that 75% of main trade area expenditure is not directed to this centre.

- We also estimate impacts in the order of around $4 million or 4% on the Woolooware town centre, and we expect impacts on the Kirrawee Town Centre to be negligible. We also anticipate impacts on the smaller neighbourhood centres located beyond the trade area at Kareela, Cronulla, San Souci and Ramsgate will be small/negligible.

- Approximately 15% of sales are forecast to come from other centres and retail facilities.

- These estimated impacts across the identified centres are considered to be within an acceptable range, and when considered in the context of the size, performance, role and function of surrounding centres, would be highly unlikely to result in a material reduction of retail service provision throughout the Sutherland Shire.

- Supa IGA Taren Point is likely to be impacted by the proposed retail facilities at Bay Central, Woolooware as well as the proposed Taren Point subject site, however the store should still be viable at the sales levels likely to be achieved post impacts. We expect the majority of the impacts to be absorbed by the seven full-line supermarkets located throughout Miranda, Caringbah and Sylvania, stores that would be at no risk of closure following a moderate reduction in trading volumes. We also expect that the small impact on Woolooware town centre will not affect the timing, staging and ultimate potential of this centre, as it is being provided in an area of significant supermarket undersupply.

- We estimate 101 jobs could be created on site once the proposed development is fully operational. Making an allowance of around 5% for employment being redirected from other centres, the proposed development could result in a net addition of 96 jobs.

Sequential Test and Site Suitability Criteria

- Our sequential test assessment has considered the surrounding B3 zoned land that is considered reasonably closely located to the Taren Point subject site, namely Miranda, Caringbah and Southgate Sylvania. We have also assessed the surrounding B5 and B7 zoned land throughout Taren Point/Caringbah, even though full-scale supermarket facilities are not supported in this zone according to the Sutherland Shire LEP 2015. We have only considered sites within an approximate 4km distance, by road, of the subject site. In our view, and as demonstrated earlier by the Quantium analysis, centres/sites further away than this would not be practical alternative sites to accommodate supermarket development to meet the needs of the population within the identified main trade area.

- A detailed assessment of the range of uses accommodated within these precincts has been undertaken, where the majority of lots support functional and operational uses, with minimal vacant land identified within the precinct (the majority of which is too small to accommodate the proposed development concept). Any opportunity to develop within these precincts would require an entire site to be redeveloped, and in many cases multiple sites would need to be amalgamated, with the existing uses at the site removed and resulting in much lower net community benefit. Further existing retail facilities within the B3 zones include existing supermarkets, with Woolworths already represented in these centres, and would require Taren Point residents and workers to drive between 2 – 4 km to access these facilities contributing to existing congestion.

- This assessment has shown that there are no available sites within any of the established centres that could reasonably accommodate the proposed development concept being considered at Taren Point, nor any adjacent sites (i.e. edge-of-centre) that could be practically considered for rezoning. All of these centres are generally surrounded by residential, public recreation or infrastructure zoned land.

- The subject site performs very well against the suggested site suitability criteria in the NSW DPE draft Centres Policy, and the proposed development being considered for the site is considered to be appropriate in this context.

- The subject site could be reasonably easily accessed by foot or bike and is served by a bus stop, along Parraweena Road and near the intersection of Taren Point Road, a major access route into and out of Sutherland Shire LGA. The subject site is also proximate to an existing and growing potential future labour market and the proposed development of the subject site will not materially impact the supply of housing or industrial land in the LGA.

- Further, a new modern convenience oriented retail development, which meets relevant urban design standards, would be sympathetic to the surrounding visual amenity of the local area and would integrate with the nearby existing uses (including Supa IGA Taren Point located on the northern side of Parraweena Road).

- Supermarket and convenience amenity for surrounding residents will be improved greatly.

<u>Other economic and social impacts</u>

The delivery of the proposed supermarket based retail facilities at Taren Point will result in a range of other economic and community benefits. The key benefits, summarised below, include:

- Increased choice and amenity for the population of the main trade area, and more convenient access to new food and grocery shopping facilities, as well as likely increased competition for the benefit of consumers.

- Reduction of supermarket floorspace demand/supply gap, ensuring sufficient supermarket floorspace is provided, at convenient locations, for main trade area residents.

- Addresses the high proportion of supermarket expenditure leakage from the main trade area, through a better provision of food and grocery shopping facilities at the local level.

- Savings on time and fuel for main trade area residents due to a much better provision of supermarket shopping facilities, and supporting convenience facilities.

- A reduction in travel times and distances generates related benefits, including reduced vehicle wear and tear, reduced fuel costs, reduced pollution, reduced traffic congestion, reduced risks of car-accidents, and more time can be spent either working, socialising or undertaking other activities.
- Providing jobs near people's homes and consequent economic multiplier impacts, which will boost the local economy.
- Reinforcing the retail/centres hierarchy in the region by providing additional convenience retail adjacent to an existing Supa IGA supermarket, without reducing the level of service provision anywhere else, nor impeding the development of any future/planned centres.

Introduction

This report presents an independent assessment of the need and demand for a proposed supermarket based retail development at 130-142 Parraweena Road, Miranda (near Taren Point) in the Sutherland Local Government Area (LGA), as well as analysing the likely consequent impacts on other relevant activity centres throughout the surrounding region.

This report has been prepared in accordance with instructions from Woolworths Limited, and is structured as follows:

- **Section 1** reviews the local and regional context of the subject site; provides an overview of the proposed development concept, and overviews the strategic planning context as it relates to retail development at the subject site.

- **Section 2** provides a review of supermarket trends and shopping behaviours across Sutherland Shire based on Quantium transactional data and Crosby Textor primary market research prepared in April/May 2016.

- **Section 3** examines the potential trade area to be served by the proposed supermarket development; provides estimates of current and anticipated resident and worker population levels within the trade area; analyses the socio-demographic profile of the trade area resident and worker populations; and assesses the current and future estimated retail expenditure volumes generated by trade area residents.

- **Section 4** reviews the competitive context within which the proposed centre could operate, including all proposed competitive facilities.

- **Section 5** assesses the supermarket demand and market gap within the main trade area. This section of the report also estimates the sales potential of the proposed supermarket development.

- **Section 6** presents our estimates of likely trading impacts on the surrounding retail network; and discusses the implications of these impacts.

- **Section 7** examines all of the existing and proposed business zoned precincts surrounding the subject site, in order to identify potential alternative sites that could realistically accommodate the proposed development. This process is referred to as the 'sequential test' and this section assesses sites within each identified centre as well as edge-of-centre sites located near these centres.
- **Section 8** examines the net community benefits associated with the proposed development, including employment generation and other economic and social benefits. This assessment examines the proposal against a base case, addressing the evaluation criteria of the Draft Centres Policy net community benefit test.

Section 1: Site context and proposed development

1.1 Local and regional context

The subject site is located at 130 – 142 Parraweena Road, Miranda; however the site is located in the far north-east of the suburb of Miranda, proximate to Taren Point, and is also located within the Taren Point Employment Area. This site if referred to as the Taren Point subject site throughout the report.

The suburb of Taren Point is located in the north of Sutherland Shire Local Government Area (LGA) and is bounded by the Georges River and Woolooware Bay to the north and east, approximately 24 km south-west of the Sydney Central Business District (CBD), as shown on Map 1.1.

The Sylvania BMW service centre is located adjacent to the site to the east, with residential development to the north and west. The surrounding uses located along Parraweena Road in proximity to the site include a child care and play centre, a gym, Supa IGA Taren Point, Taren Point Hotel (which includes a TAB and drive-thru bottleshop) as well as bulky good retailers and light industrial uses.

The site is situated on the south-east corner of the intersection with Kareena Road and is currently occupied by light industrial and commercial office buildings (refer Map 1.2). The site is located approximately 400 metres to the west of Taren Point Road, which is the second busiest road in the Sutherland Shire after the Princes Highway. Taren Point Road provides a major access route into and out of the Shire, accommodating around 58,500 vehicle trips per day (VPD) in 2015 (just south of the bridge), according to the RMS. This is only marginally less than the 60,000 VPD recorded on the Princes Highway just north of Bates Drive at Kareela.

Map 1.1: Taren Point subject site

Regional context

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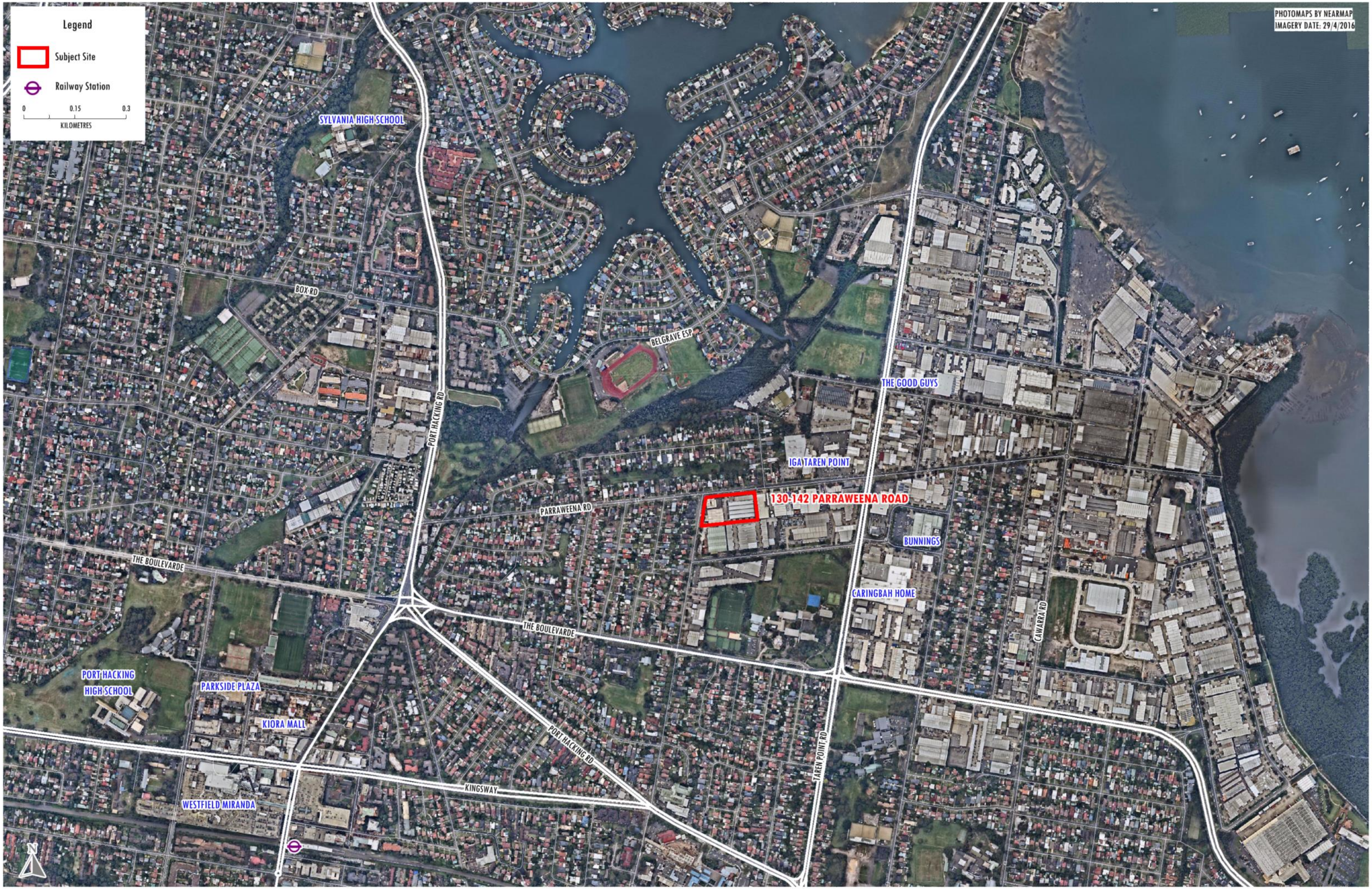

Map 1.2: Taren Point subject site

Site location

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1.2 Proposed development

The proposed development being considered at the Taren Point subject site includes a 3,800 sq.m Woolworths supermarket (which includes a 200 sq.m mezzanine) and a 200 sq.m small format liquor store. The development is proposed to include 200 at grade car space located at the front of the store, with two access points along Parraweena Road. The development is assumed to open in 2018/19, with the first year of trade therefore estimated at 2019/20.

Figure 1.1 provides an artist's impression of the proposed development.

1.3 Strategic planning context

NSW Government - Draft Centres Policy (2009)

The Draft Centres Policy (2009) aims to create a network of vital and vibrant centres that cater for the needs of business, and are places where individuals and families want to live, work and shop.

The Policy encourages the development of retail and commercial activity in centres, where possible, but that the planning system should be flexible, allowing existing centres to grow and new centres to form, in response to demand growth over time. The Policy provides clear criteria/tests that should be considered when determining the appropriateness of new centres.

The Policy outlines assessment tests/criteria for out-of-centre developments, including the Sequential Test, Site Suitability guidelines and the Net Community Benefit Test. This report includes all three of these components, in addition to a detailed economic impact assessment.

Figure 1.1: Proposed development

Sutherland Shire – Local Environment Plan (2015)

The subject site is currently zoned IN1 – General Industrial in the *Sutherland Shire Local Environment Plan 2015 (LEP 2015).* The subject site is located at the western edge of the IN1 precinct located to the west of Taren Point Road, and is bounded by R2 Low Density Residential to the north and west.

Key objectives of the IN1 zone are detailed as follows:

- To provide a wide range of industrial and warehouse land uses.
- To encourage employment opportunities.
- To minimise any adverse effect of industry on other land uses.
- To support and protect industrial land for industrial uses.
- To enhance the visual appearance of the employment area by ensuring new development achieves high architectural and landscape standards.
- To minimise the impact of development in the zone on areas of environmental significance.

According to the Sutherland Shire Council website (2015) '*Industrial zones are now open zones, where primarily the prohibited uses are specified and all other uses are permissible...'.* Under the LEP 2015 permitted uses in the IN1 zone include industries, takeaway food and drink premises, neighbourhood shops and warehouse or distribution centres, as well as any other development not specified in item 2 or 4.

While shops and bulky goods retail are not permitted in the IN1 zone, the Supa IGA Taren Point supermarket and other bulky goods retailers are already located within the same IN1 – General Industrial zone as the subject site, on the northern side of Parraweena Road.

Section 2: Review of supermarket trends and shopping behaviours in Sutherland Shire

In April-May 2016, MacroPlan Dimasi and Quantium undertook a report for Woolworths Limited in order to assist Sutherland Shire Council with its future planning to enable new retail developments to be provided that meet the needs of its constituents. The work undertaken provided an assessment of the supermarket trends across Sutherland Shire and shopping behaviours of Sutherland Shire residents (across the total LGA and its five sub-regions). This Sutherland LGA report is attached as Appendix 1 to this report, with the key findings summarised in this section.

2.1 Supermarket trends

Current supermarket provision

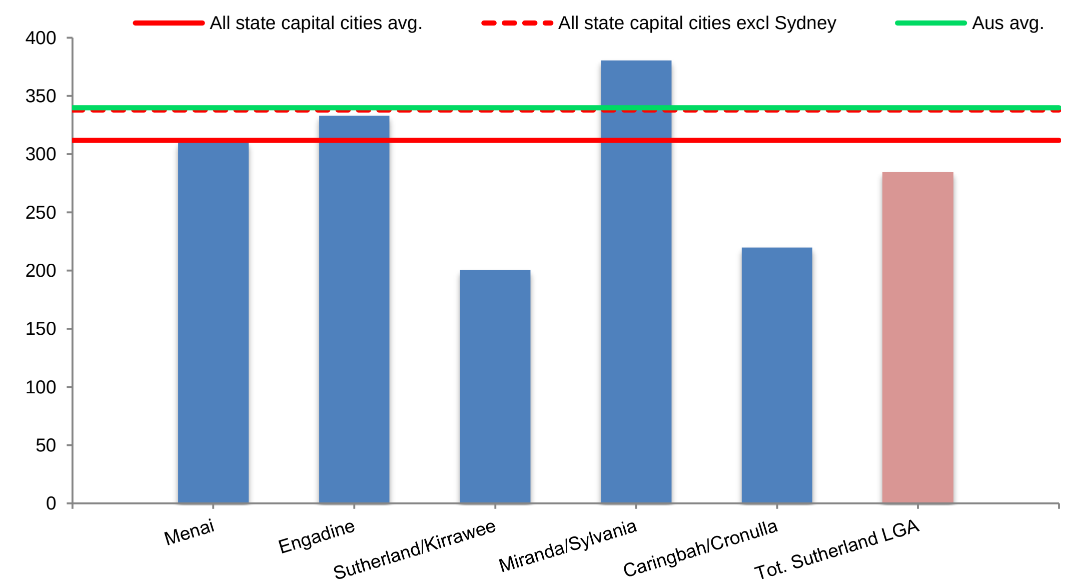
Typically there is around 340 sq.m of supermarket floorspace per 1,000 residents across Australia and 313 sq.m per 1,000 residents across Australia's capital cities. Sydney is chronically and significantly under-supplied in regards to supermarket floorspace per capita, at around 25%-30% below other Australian capital cities. Were Sydney excluded from the above analysis, average supermarket floorspace provision increases to 363 sq.m per 1,000 residents for Australia and 340 sq.m per 1,000 residents across Australia's capital cities (refer Chart 2.1).

Sutherland Shire is significantly under-provided in regards to supermarket floorspace per capita, in aggregate, and the existing supply is also poorly distributed. As shown in Chart 2.1 there is around 286 sq.m of supermarket floorspace per 1,000 residents across the Sutherland Shire, which is around 16% below the capital cities average (ex-Sydney). The current under-provision of supermarket floorspace across Sutherland Shire equates to around 12,000-13,000 sq.m, adopting a target rate of 340 sq.m per 1,000 residents.

Further, around 33% of all supermarket floorspace is located within the Miranda and Caringbah activity centres – which are located just 2 km from each other in the eastern part of the Sutherland Shire. Clearly there is an imbalance of supermarket space within the Shire.

Chart 2.1

Sutherland Shire subregions - supermarket* floorspace per 1,000 residents, 2015



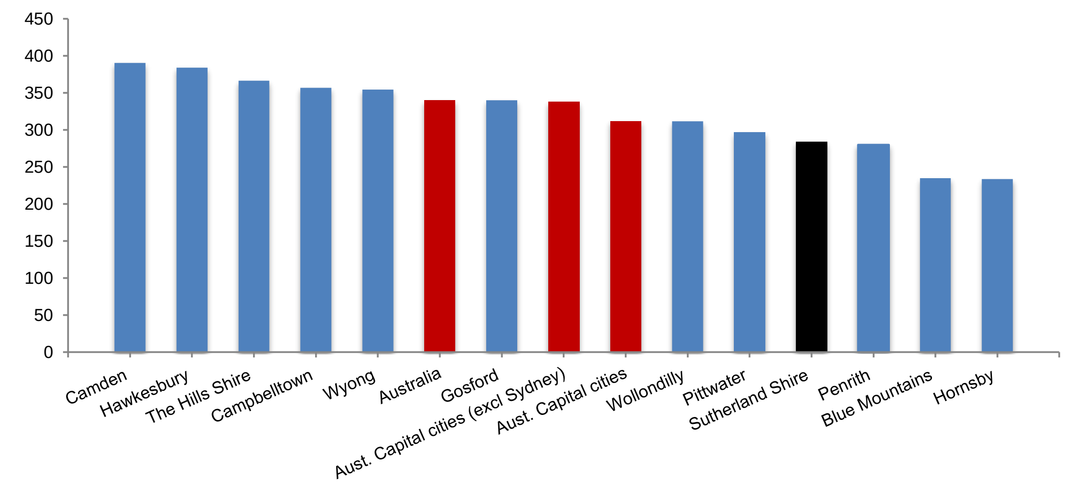
** Includes supermarkets larger than 500 sq.m*
Source: MacroPlan Dimasi

Comparison with other LGAs

In comparison to other outer suburbs LGAs across metropolitan Sydney, as well as the Australian average and Australian capital city average, the rate of provision per 1,000 residents in Sutherland is low. Sutherland is ranked fourth last with only Penrith, Blue Mountains and Hornsby LGAs having lower rates of provision (see Chart 2.2).

Chart 2.2

Outer Sydney LGAs - supermarket* provision relative to population (GLA per 1,000 residents), 2015



** Includes supermarkets larger than 500 sq.m*
Source: MacroPlan Dimasi

Future population and supermarket floorspace provision

Sutherland Shire's population is projected to grow by around 17% to 2031, from 225,610 in 2015 to 264,230 by 2031 (based on NSW Bureau of Transport Statistics projections). This growth of 38,620 persons by 2031 would be equivalent to around 13,000 sq.m of additional supermarket floorspace demand. Combined with the existing under-provision of 12,000-13,000 sq.m, means that a further eight large supermarkets (above 3,000 sq.m) would be needed between now and 2031 in order for Sutherland Shire to match the current average provision across Australian capital cities (excluding Sydney).

Looking at population growth across the Shire's sub-regions shows that 60-65% of the future population growth is expected to occur in the eastern part of the shire (i.e. Miranda/Sylvania and Caringbah/Cronulla). Yet this area is planned to accommodate just one new large supermarket at Woolooware and an Aldi supermarket at Caringbah in the foreseeable future. Elsewhere, across Sutherland Shire there is only one other large supermarket approved, the Coles supermarket under construction at South Village (i.e. the former Kirrawee Brick Pit site), which will also include an Aldi supermarket. Additionally there is a proposal for a Woolworths's supermarket at Kirrawee which may also be approved in the future.

Retail expenditure per capita

Sutherland Shire residents spend around 8%-9% more per capita on retail goods and services than the average resident across Metropolitan Sydney (and 12% more than the Australian average), with spend of take home food and grocery (F&G) and take home food, packaged liquor and grocery (FLG) around 5.8% to 7.2% higher (around 2%-3% more than the Australian average). Therefore in addition to the Shire being significantly undersupplied in terms of supermarket floorspace per capita, Shire residents also spend a lot more on supermarket retailing per capita, which further exacerbates the adverse effects of an under-supply (e.g. congestion, inferior customer amenity).

2.2 Employment trends

As at the 2011 Census, there were around 110,500 resident workers in the Sutherland Shire yet only 57,200 local jobs were available in the Shire. Furthermore, approximately 20% of the 57,200 local jobs were filled by workers from beyond the Sutherland Shire, meaning around 60% or 66,000 Sutherland Shire resident workers leave the LGA every day for work.

The number of jobs in the Sutherland Shire grew by around 4.8% between 2006 and 2011, yet retail jobs in the Shire declined by 1%. Retail trade is a key driver of the local economy, constituting around 16% of all local jobs as at 2011, the largest employing industry in the Shire. Yet there was a net under-provision of retail jobs in the Sutherland Shire of around 16%, or 1,750 jobs in 2011, with less retail jobs available in the Shire than employed residents in the retail industry.

2.3 Escape Expenditure and Taren Point

Quantium analysis

Quantium was engaged to examine the actual supermarket shopping patterns of Sutherland Shire residents. The analysis by Quantium represents a very accurate picture of the actual supermarket expenditure behaviours of residents in Sutherland Shire. This showed that:

- Around 12% of all supermarket expenditure generated by Sutherland Shire residents escapes the Shire.
- The average distance travelled (from home) to undertake supermarket shopping trips for residents in Kirrawee/Sutherland (+2.3km), Caringbah/Cronulla (+2.4km) and Engadine (+2.4km) is more than 200% greater (i.e. three times) than the distance to their nearest supermarket. In Miranda/Sylvania and Menai this percentage is around 120% – 150% (i.e. 2.5 times greater).
- This means many residents are bypassing smaller, more proximate supermarkets because they do not provide a comprehensive range of grocery items.

A detailed analysis of supermarket expenditure patterns at a suburb level as well as a specific assessment of the catchment within a 1 km radius of the IGA supermarket at Taren Point was also undertaken. Table 2.1 shows that around 75% of all supermarket expenditure generated by residents in the defined Taren Point catchment is not spent at the Taren Point IGA supermarket – with considerable escape expenditure to Miranda (22%), Caringbah (22%) and Sylvania (12%). The average distance to the IGA supermarket for this catchment is about 0.9 km, however the average distance travelled to undertake supermarket shopping trips for this population was about 2.0 km..

Table 2.1
Supermarket expenditure patterns - Taren Point catchment residents

Area of origin	Supermarket destination	Percentage of spend
Caringbah / Cronulla	Caringbah	22%
	Taren Point	25%
	Cronulla	1%
	Caringbah South	4%
	Lilli Pilli	0%
	Bundeena	0%
	Woolooware	0%
Miranda / Sylvania	Miranda	22%
	Sylvania	12%
	Gymea	0%
Sutherland / Kirrawee	Kareela	0%
	Jannali	0%
	Sutherland	0%
Engadine	Engadine	1%
	Heathcote	0%
	Yarrawarrah	0%
Menai	Worona Heights	0%
	Menai	1%
	Illawong	0%
	Bangor	0%
Out of Sutherland LGA		12%
Total		100%

Source: Quantium

Taren Point represents a highly suitable location for additional full-line supermarket facilities because of the significant escape expenditure from this locality at present; the large daily workforce; and the significant amount of latent demand existing from drivers passing through the locality along Taren Point Road as outline below:

- The traffic generated on this road would include local residents leaving the Shire for work; people accessing sporting facilities in the area; parents taking children to schools near Taren Point as well as beyond the Shire; and workers accessing the Taren Point/Caringbah precinct. Most of these users would be making such trips frequently – i.e. twice on a daily basis on weekdays.

- The Taren Point/Caringbah employment precinct is a key employment node in the Sutherland Shire. This worker population, in and of itself, would drive substantial additional demand for supermarket/convenience facilities over and above the local residential catchment and passing traffic.

This would mean that many shoppers would be able to link another trip with a supermarket trip which would help to reduce specific/dedicated trips to supermarkets throughout the Shire.

A policy that encourages future residential development in centres and quarantines supermarket development to centres only, fails to acknowledge that particular centres in the Shire are already at capacity and neglects major non-centre employment precincts. Caringbah and Miranda are under significant pressure due to a lack of full-line supermarket facilities around Sutherland/Kirrawee and Caringbah/Cronulla.

The provision of new facilities at Kirrawee and Woolooware will help to ameliorate this issue to some extent, however, further provision of supermarket facilities in 'non-centre' locations (i.e. near main roads where there is already latent demand), is considered to be critical in relieving acute capacity issues that currently exist in some centres and to help prevent the escalation of such issues as the population grows.

2.4 Net community impacts

Consumer market research

In March 2016, Crosby Textor conducted primary market research through telephone surveys in relation to the supermarket behaviours and preferences of Sutherland Shire residents. The key findings of note included the following:

- 38% of residents across the Sutherland Shire cited Woolworths as their preferred supermarket brand, with Coles second at 28%.
- Easing local traffic congestion is the most important ‘local issue’ identified across the whole Sutherland Shire, with 90% citing this as important or very important.
- A need for more local job opportunities and tackling youth unemployment were also identified as very important local issues, with 80% - 85% citing this as important or very important.
- 70% of respondents favourably responded to the suggestion that there should be more retail jobs in the Shire.
- Most respondents indicated that they prefer to shop at the most convenient location available (87%). However, the Quantium data indicate that people travel further than their closest supermarket, on average, to conduct their supermarket shopping trips, which means their preferences are not being met.
- Indeed, 77% of respondents prefer shopping at larger supermarkets with a full range of products. Ideally, therefore, such supermarkets would be located close to where people live – not just in centres.

Adverse impacts of under-supply

The following are adverse consequences of an undersupply, or inadequately distributed supply, of supermarket floorspace across the Sutherland Shire:

- **Congestion issues** – within supermarkets themselves (i.e. over-crowding/queues), their associated car-parks (queues), and surrounding streets (traffic) particularly at peak times.
- **Deterrent effects** – whereby customers/shoppers alter their shopping behaviours to shop at less convenient times in order avoid congestion/time wasting.
- **Increased travel times/costs** – due to inadequate provision of supermarket facilities (i.e. long travel distances) and due to congested existing supermarket facilities (lost time).
- **Reduced competition** – which can lead to higher prices for consumers at a local area level.
- **Increased supermarket/retailer profitability** – which can lead to a lack of reinvestment and a decline in customer services at a local level.
- **Less job opportunities** - limits the retail job opportunities for local residents, which is particularly an issue given the relatively high leakage of employed residents to areas outside the Shire.
- **Potential decline of non-centre employment precincts** – a lack of immediate amenities for workers in major "non-centre" employment precincts could lead to the general decline of these precincts – as local workers/businesses may seek better serviced localities. Providing local amenities would minimise car-trips by workers.

As alluded to earlier, one of the most important benefits of providing a convenient and appropriately-distributed network of full-line supermarkets is that it saves travel time for customers, on a per trip basis, which translates to significant gains at an aggregate level across the whole community. Some centres in the Sutherland Shire suffer from major congestion issues, particularly at peak times, for example Caringbah and Miranda. Even small savings in time, can add up to significant aggregate time savings across a network (i.e. across the Sutherland Shire).

There are around 226,000 – 227,000 residents in the Sutherland Shire, residing in around 75,000 households. Assuming each household undertakes 1.5 supermarket based trips per week, on average, per year, this would be the equivalent to around 5.8 – 5.9 million supermarket based shopping trips per annum. **If just 10% of households were able to save 1 minute per trip for 10% of their annual supermarket trips as a result of better/more convenient access to supermarket facilities, this would equate to total time savings of 58,000 – 59,000 minutes, or more than 40 days across the Shire's population.**

Section 3: Trade area analysis

This section of the report reviews the potential trade area that could be served by the proposed development at the Taren Point subject site. It includes current and forecast resident and worker population levels, the socio-demographic profile of resident and worker trade area residents and estimates of resident retail expenditure levels.

3.1 Trade area definition

The extent of the trade area or catchment that is served by any shopping centre or retail facility is shaped by the interplay of a number of critical factors. These factors include:

- The relative attraction of the centre, in comparison with alternative competitive retail facilities. The factors that determine the strength and attraction of any particular centre are primarily its scale and composition (in particular the major trader or traders that anchor the centre); its layout and ambience; and carparking, including access and ease of use.

- The proximity and attractiveness of competitive retail centres. The locations, compositions, quality and scale of competitive retail facilities all serve to define the extent of the trade area which a shopping centre is effectively able to serve.

- The available road network and public transport infrastructure, which determine the ease (or difficulty) with which customers are able to access a shopping centre.

- Significant physical barriers which are difficult to negotiate, and can act as delineating boundaries to the trade area served by an individual shopping centre.

Having regard for the above, Map 3.1 illustrates the trade area that could potentially be served by retail facilities at the subject site. The trade area has been defined to include a primary sector and a secondary sector, detailed as follows:

- The **primary sector** includes the suburbs of Taren Point, and part of Sylvania Waters, Caringbah and Miranda. It is bound by the Georges River/Woolooware Bay in the north and north-east, by Cawarra Road/Captain Cook Drive/Taren Point Road in the south-east and by Port Hacking Road in the south and west.

- The **secondary sector** extends to the south-east of the primary sector and includes part of Caringbah. It is bounded to the south by Kingsway and to the east by Gannons Road and Woolooware Bay.

In combination, these sectors are referred to as the **main trade area** throughout the remainder of this report. The main trade area aligns with the Taren Point catchment identified by Quantium (as referred to in Section 2 of this report).

3.2 Trade area population

Table 3.1 details the current and projected population levels within the main trade area. This information has been collected from a range of sources, including the following:

- Australian Bureau of Statistics Census of Population and Housing (2006 and 2011);
- Australian Bureau of Statistics Dwelling Approvals Data (2010–15);
- Australian Bureau of Statistics Estimated Residential Population Data (ERP) (2011-15);
- NSW Department of Planning and Environment, 2014;
- NSW Bureau of Transport Statistic (BTS), 2014;
- Other investigations of future residential development, undertaken by this office.

As shown in Table 3.1 the main trade area population is estimated at around 12,600 as at June 2016, with 7,600 people in the primary sector. The main trade area is forecast to reach almost 15,300 by 2031 reflecting average annual growth of 1.3%, while the primary sector is estimated to reach almost 8,400 people reflecting growth of 0.6% per annum.

Map 3.1: Taren Point subject site

Trade area and competition

MacroPlanDimasi

Population growth in the main trade area will primarily be driven by development of infill sites including the following:

- **Woolooware Shores – primary sector**: currently comprises around 200 independent living units, and Anglican Retirement Villages are currently in the process of purchasing an adjoining site which will include development of further retirement living units. The exact scale of development is currently unknown.

- **Caringbah North Residential Flat Precinct (Caringbah High School) – secondary sector**: has overall master plan approval which includes staged development of 17 buildings, with a total of 656 units. Development approval has been submitted for stage one which comprises three buildings with 143 units, with construction likely to begin in 2017.

In addition there is also a number of smaller scale residential development projects expected to occur throughout the main trade area.

Table 3.1
Taren Point trade area population, 2006-2031*

	Estimated population			Forecast population			
Trade area sector	2006	2011	2016	2018	2021	2026	2031
Primary	6,500	7,300	7,600	7,700	7,850	8,100	8,350
Secondary	4,410	4,780	5,030	5,130	5,430	6,180	6,930
Main trade area	**10,910**	**12,080**	**12,630**	**12,830**	**13,280**	**14,280**	**15,280**
		Average annual growth (no.)					
Trade area sector		2006-11	2011-16	2016-18	2018-21	2021-26	2026-31
Primary		160	60	50	50	50	50
Secondary		74	50	50	100	150	150
Main trade area		**234**	**110**	**100**	**150**	**200**	**200**
		Average annual growth (%)					
Trade area sector		2006-11	2011-16	2016-18	2018-21	2021-26	2026-31
Primary		2.3%	0.8%	0.7%	0.6%	0.6%	0.6%
Secondary		1.6%	1.0%	1.0%	1.9%	2.6%	2.3%
Main trade area		**2.1%**	**0.9%**	**0.8%**	**1.2%**	**1.5%**	**1.4%**

**As at June*
Source: ABS Census 2011; NSW Deptartment of Planning and Environment 2014; NSW Bureau of Transport Statistics; MacroPlan Dimasi

3.3 Socio-demographic profile

Table 3.2 details the socio-demographic profile of the main trade area population compared with the respective benchmarks for metropolitan Sydney and Australia, as sourced from the 2011 Census of Population and Housing. The key points to note include the following:

- Main trade area residents earn per capita and household incomes levels that are largely in line with the metropolitan Sydney average. However household incomes in the secondary sector are around 12% below the metropolitan Sydney average, which is mainly driven by a smaller average household size.

- The average age of main trade area residents, at 41.3 years, is above the metropolitan Sydney average (37.1 years). The older population is driven by an above average proportion of people aged over 60 years at 26.0% compared to the Sydney average of 18.0%, including 28.8% in the primary sector.

- Home ownership levels within the main trade area (77.8%) are higher than the respective average for metropolitan Sydney (66.8%). There is a particularly high proportion of home ownership in the primary sector (83.4%), with almost 47% owning their home outright.

- The main trade area population is predominantly Australian born (79.0%), and is above the Sydney average (63.6%).

- Traditional families (i.e. couples with dependent children) are the most prevalent household type, accounting for 45.9% of main trade area households; however this is below the respective average for metropolitan Sydney. There is an above average proportion of couples without children and lone person households in the main trade area, driven by the older/retiree population.

In summary, the main trade area population is generally characterised by an older established Australian population with smaller household size, average incomes and high home ownership.

Table 3.2
Taren Point main trade area - socio-demographic profile, 2011

Census item	Primary sector	Secondary sector	**Main TA**	**Syd Metro avg.**	**Aust. avg.**
Per capita income	$39,106	$36,928	$38,244	$37,441	$34,467
Var. from Syd Metro benchmark	*4.4%*	*-1.4%*	*2.1%*		
Avg. household income	$103,581	$88,628	$97,308	$101,090	$88,205
Var. from Syd Metro benchmark	*2.5%*	*-12.3%*	*-3.7%*		
Avg. household size	2.6	2.4	2.5	2.7	2.6
Age distribution (% of population)					
Aged 0-14	18.2%	19.6%	18.7%	19.2%	19.3%
Aged 15-19	5.8%	5.0%	5.5%	6.3%	6.5%
Aged 20-29	9.5%	11.9%	10.4%	14.8%	13.8%
Aged 30-39	12.6%	15.9%	13.9%	15.3%	13.8%
Aged 40-49	14.4%	13.0%	13.9%	14.3%	14.2%
Aged 50-59	10.8%	12.7%	11.6%	12.2%	12.8%
Aged 60+	28.8%	21.9%	26.0%	18.0%	19.6%
Average age	42.6	39.3	41.3	37.1	37.9
Housing status (% of households)					
Owner (total)	83.4%	69.3%	77.8%	66.8%	68.7%
• Owner (outright)	46.7%	35.4%	42.2%	31.1%	32.9%
• Owner (with mortgage)	36.7%	33.9%	35.6%	35.7%	35.8%
Renter	15.2%	30.7%	21.3%	32.4%	30.4%
Other	1.5%	0.0%	0.9%	0.8%	0.9%
Birthplace (% of population)					
Australian born	77.4%	81.4%	79.0%	63.6%	74.0%
Overseas born	22.6%	18.6%	21.0%	36.4%	26.0%
• Asia	6.3%	5.3%	5.9%	15.5%	8.6%
• Europe	10.0%	8.2%	9.2%	10.6%	10.5%
• Other	6.4%	5.1%	5.9%	10.3%	7.0%
Family type (% of households)					
Couple with dep't children	47.0%	44.3%	45.9%	48.2%	45.3%
Couple with non-dep't child.	9.4%	7.4%	8.6%	9.1%	7.7%
Couple without children	23.2%	20.0%	21.9%	20.1%	23.0%
One parent with dep't child.	7.2%	8.1%	7.6%	8.5%	9.2%
One parent w non-dep't child.	4.1%	4.7%	4.4%	3.9%	3.5%
Other family	1.0%	1.1%	1.1%	1.2%	1.1%
Lone person	8.1%	14.3%	10.7%	9.0%	10.2%

Source: ABS Census of Population & Housing, 2011; MacroPlan Dimasi

3.4 Retail expenditure

MacroPlan Dimasi estimates retail expenditure capacity generated by the main trade area residents based on information sourced from Market Data Systems (MDS). MDS utilises a detailed micro simulation model of household expenditure behaviour for all residents of Australia known as MarketInfo. The model takes into account information from a wide variety of sources including the regular ABS Household Expenditure Surveys, national accounts data, Census data and other information. We consider MarketInfo data to be an accurate measure of available retail expenditure and it is widely relied on in the retail industry.

Total retail expenditure is detailed in a number of categories, as follows:

- Take-home food and groceries – goods typically sold in supermarkets and specialty fresh food stores.
- Packaged liquor – packaged beer, wine and spirits such as those purchased at bottle-shops and liquor outlets.
- Food catering – cafes, take-away outlets and restaurants, including liquor consumed on such premises.
- Apparel – clothing, footwear, fashion and accessories.
- Household Goods – giftware, electrical, computers, furniture, homewares, and hardware goods.
- Leisure – sporting goods, music, DVDs, games, books, newspaper and magazines and film processing/photography.
- General Retail – pharmaceutical goods, cosmetics, toys, florists, mobile phones.
- Retail Services – retail services such as key cutting, shoe repairs, hair and beauty.

Chart 3.1 illustrates the average per capita retail expenditure capacity of main trade area residents for the year 2015/16, and compares these estimates with the average for metropolitan Sydney and Australia. All expenditure estimates are presented inclusive of GST. Estimated retail spending for main trade area residents of $14,757 per person is 2.4% above the metropolitan Sydney average.

Table 3.3 presents projections of total retail spending generated by the main trade area population over the period from 2016 to 2031, while Table 3.4 details the estimated retail spending capacity of the main trade area population by category, as well as the category definitions. Spending forecasts are presented inclusive of GST and in constant 2015/16 dollars.

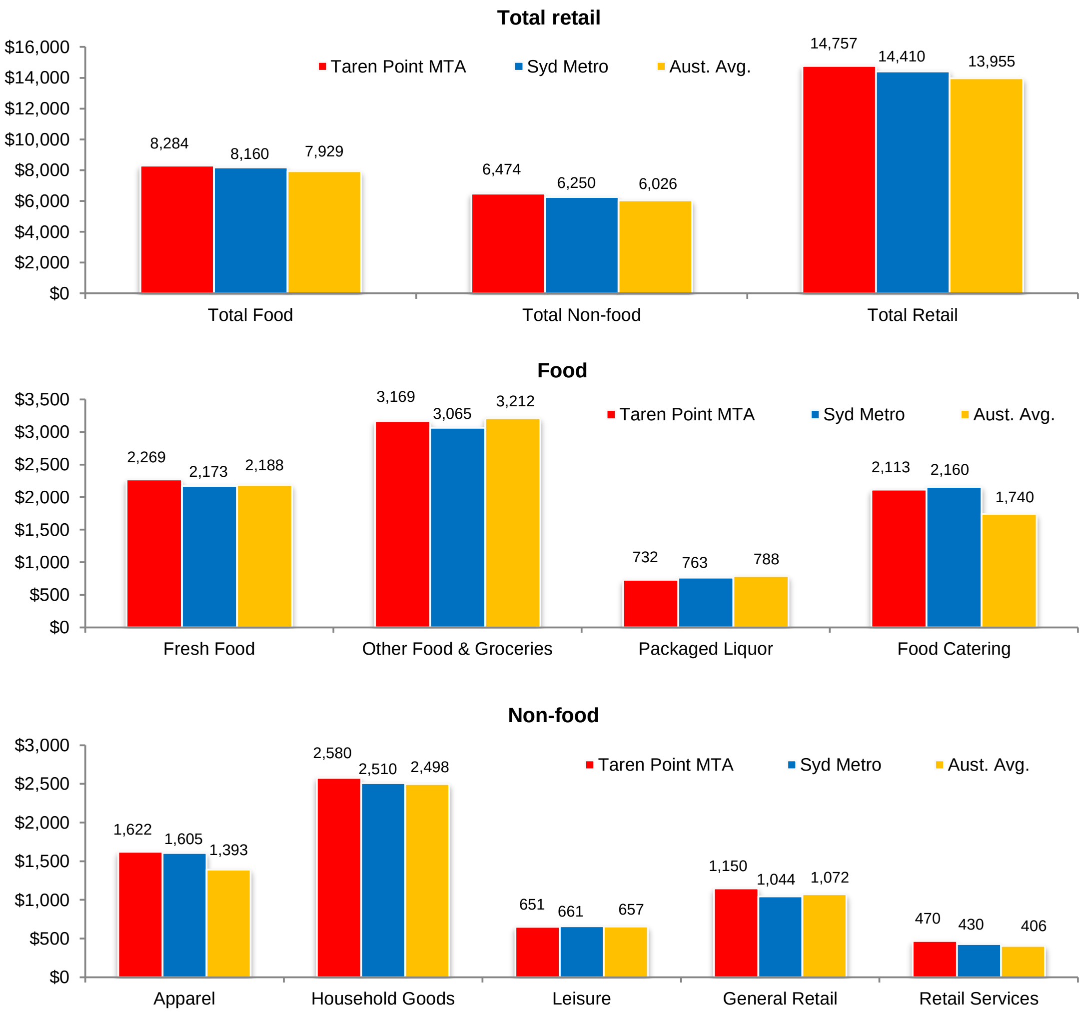
The retail expenditure capacity of the main trade area is estimated to grow from $187 million in 2016 to $258 million by 2031, at an average annual growth rate of 2.2% over the forecast period comprising the following two components:

- Residential population growth, which is expected to average 1.3% per annum; and
- Real growth in per capita retail expenditure, which is expected to average 0.9% per annum over the forecast period.

FLG expenditure (take-home food and groceries including packaged liquor) which is of most relevance for supermarket based centres is estimated at $79 million in 2016, and accounts for around 42% of total main trade area retail expenditure. FLG expenditure is estimated to reach $110 million by 2031, reflecting average annual growth of 2.3%.

Chart 3.1

Taren Point main trade area - retail expenditure per person, 2015/16*



**Including GST*
Source: MarketInfo; MacroPlan Dimasi

Table 3.3 Taren Point main trade area - retail expenditure ($M), 2016-2031*			
Year ending June	Primary sector	Secondary sector	**Main TA**
2016	113.5	73.1	186.7
2017	115.4	74.5	189.9
2018	117.2	76.0	193.2
2019	119.1	77.8	196.8
2020	120.9	80.0	200.9
2021	122.8	82.3	205.1
2022	124.7	84.9	209.6
2023	126.7	87.9	214.6
2024	128.6	91.1	219.7
2025	130.6	94.3	225.0
2026	132.7	97.7	230.3
2027	134.7	101.0	235.7
2028	136.8	104.3	241.1
2029	138.9	107.7	246.6
2030	141.0	111.2	252.3
2031	143.2	114.9	258.1
Average annual growth ($M)			
2016-2031	2.0	2.8	4.8
Average annual growth (%)			
2016-2031	1.6%	3.1%	2.2%

**Constant 2015/16 dollars & including GST*
Source: MarketInfo; MacroPlan Dimasi

Table 3.4
Taren Point main trade area - retail expenditure by category ($M), 2016-2031*

Year ending June	FLG	Food catering	Apparel	Household goods	Leisure	General retail	Retail services	**Total retail**
2016	78.7	26.6	20.4	32.4	8.2	14.5	5.9	186.7
2017	80.1	27.2	20.7	33.0	8.3	14.7	6.0	189.9
2018	81.6	27.8	20.9	33.5	8.4	14.8	6.1	193.2
2019	83.2	28.5	21.2	34.0	8.5	15.1	6.3	196.8
2020	85.0	29.3	21.6	34.7	8.7	15.3	6.4	200.9
2021	86.8	30.1	21.9	35.3	8.8	15.6	6.5	205.1
2022	88.9	30.9	22.3	36.1	9.0	15.9	6.7	209.6
2023	91.0	31.8	22.8	36.8	9.2	16.2	6.8	214.6
2024	93.3	32.8	23.2	37.6	9.3	16.5	7.0	219.7
2025	95.6	33.7	23.6	38.5	9.5	16.8	7.2	225.0
2026	98.0	34.7	24.1	39.3	9.7	17.1	7.4	230.3
2027	100.4	35.7	24.5	40.1	9.9	17.5	7.5	235.7
2028	102.8	36.8	25.0	41.0	10.1	17.8	7.7	241.1
2029	105.2	37.8	25.4	41.8	10.3	18.1	7.9	246.6
2030	107.7	38.9	25.9	42.7	10.5	18.5	8.1	252.3
2031	110.3	40.0	26.4	43.6	10.7	18.8	8.3	258.1
Average annual growth ($M)								
2016-2031	2.1	0.9	0.4	0.7	0.2	0.3	0.2	4.8
Average annual growth (%)								
2016-2031	2.3%	2.8%	1.7%	2.0%	1.8%	1.8%	2.3%	2.2%

**Constant 2015/16 dollars & including GST*
Source: MarketInfo; MacroPlan Dimasi

Retail expenditure category definitions:

- FLG: take-home food and groceries, as well as packaged liquor.
- Food catering: expenditure at cafes, take-away food outlets and restaurants.
- Apparel: clothing, footwear, fashion accessories and jewellery.
- Household goods: giftware, electrical, computers, furniture, homewares and hardware goods.
- Leisure: sporting goods, music, DVDs, computer games, books, newspapers & magazines, stationery and photography equipment.
- General retail: pharmaceutical goods, cosmetics, toys, florists, mobile phones and pets.
- Retail services: hair & beauty, optical goods, dry cleaning, key cutting and shoe repairs.

3.5 Worker catchment

The Taren Point Employment Area is a key employment generating location within the Sutherland Shire, with the Taren Point worker trade area accounting for around 20% of Sutherland Shire's total employment as at the 2011 ABS Census.

Map 3.2 illustrates the Taren Point worker trade area, which has been defined by MacroPlan Dimasi using BTS travel zones, and broadly aligns with the residential main trade area.

Table 3.5 presents current and projected population levels of the worker trade area. The worker trade area population is estimated at around 15,200 workers in 2016, and is expected to grow to around 17,500 workers by 2031, representing average annual growth of 0.9% per annum.

Table 3.5
Taren Point worker trade area population, 2011-2031*

	Estimated population		Forecast population			
Trade area	2011	2016	2018	2021	2026	2031
Worker trade area	14,180	15,180	15,500	15,980	16,730	17,480
		Average annual growth (no.)				
Trade area		2011-16	2016-18	2018-21	2021-26	2021-26
Worker trade area		200	160	160	150	150
		Average annual growth (%)				
Trade area		2011-16	2016-18	2018-21	2021-26	2021-26
Worker trade area		1.4%	1.0%	1.0%	0.9%	0.9%

**As at June*
Source: ABS Census 2011; NSW Bureau of Transport Statistics; MacroPlan Dimasi

Map 3.2: Taren Point subject site

Worker trade area

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Table 3.6 details the socio-demographic profile of workers within the Taren Point worker trade area. The key points to note include the following:

- Around 55% of workers in the trade area are male and 45% of workers are female.
- The average age of workers is 42.5 years, which is slightly higher than the Sydney average of 41 years.
- There is an above average proportion of tradesperson and technicians, as well as labourers and transport workers. This represents 31.6% of the workforce, in comparison to the Sydney average of 23.0%.
- Workers in the Taren Point worker trade area earn relatively low incomes, which are approximately 13% below the metropolitan Sydney average. This is driven by an above average proportion of workers earning between $20,800 and less than $65,000 per annum (60.6% versus the metropolitan Sydney average of 49.8%).
- The majority of workers (80.4%) travel to work by car, with 75% as a driver and an additional 5% as a passenger. This is well above the metropolitan Sydney average of 59.8% (driver and passenger combined).

The demographics of the Taren Point worker trade area indicate the worker market could be likely to use a supermarket within the trade area given the majority of workers drive to work, are slightly older and have a relatively even split between males and females.

Table 3.7 also details the industry of employment of workers within the trade area. The highest proportions of workers are employed in manufacturing at 22.2%, which is 2.5 times higher than the metropolitan Sydney average. This is followed by workers in health care and social assistance (20%), retail trade (12.3%) and wholesale trade (10.4%).

Table 3.6
Taren Point worker trade area - Worker population profile, 2011

Characteristics	Total Worker TA	Syd Metro avg.
Gender		
Male	55.2%	52.0%
Female	44.8%	48.0%
Age distribution		
Aged 15-19	3.8%	4.2%
Aged 20-29	18.4%	21.3%
Aged 30-49	45.7%	47.5%
Aged 50-64	28.0%	24.0%
Aged 65+	4.1%	3.1%
Average age	42.5	41.0
Occupation		
Managers	14.9%	14.2%
Professionals	20.5%	27.3%
Clerical and service workers	24.2%	26.2%
Sales workers	8.8%	9.3%
Tradespersons and technicians	15.7%	11.0%
Labourers & transport workers	15.9%	12.0%
Personal income		
Less than $20,799	10.5%	13.6%
$20,800 - $41,599	29.4%	24.3%
$41,600 - $64,999	31.2%	25.5%
$65,000 - $103,999	20.9%	22.3%
$104,000 or more	8.0%	14.3%
Average income	58,749	67,257
Mode of transport		
Train	3.2%	14.2%
Tram (& light rail)	0.0%	0.1%
Bus	1.1%	6.0%
Car driver	75.1%	53.5%
Car passenger	5.3%	4.4%
Bicycle	0.9%	0.8%
Other	4.4%	8.0%
Non travel	10.0%	13.0%

Source: ABS Worker Population Profile 2011, MacroPlan Dimasi

Table 3.7
Taren Point worker trade area - Industry of Employment, 2011

Characteristics	Total Worker TA	Syd Metro avg.
Agriculture, forestry and fishing	0.1%	0.4%
Mining	0.1%	0.2%
Manufacturing	22.2%	8.9%
Electricity, gas, water and waste services	0.6%	0.9%
Construction	9.0%	5.4%
Wholesale trade	10.4%	5.6%
Retail trade	12.3%	10.3%
Accommodation and food services	2.6%	6.3%
Transport, postal and warehousing	3.8%	5.3%
Information media and telecommunications	0.5%	3.2%
Financial and insurance services	1.7%	7.1%
Rental, hiring and real estate services	1.0%	1.9%
Professional, scientific and technical services	4.8%	10.3%
Administrative and support services	1.4%	3.2%
Public administration and safety	0.7%	6.1%
Education and training	2.9%	8.1%
Health care and social assistance	20.0%	11.4%
Arts and recreation services	1.0%	1.6%
Other services	4.8%	3.7%

Source: ABS Worker Population Profile 2011, MacroPlan Dimasi

3.6 Other customer segments

In addition, expenditure generated by potential retail facilities at the subject site will be drawn from beyond the defined resident and worker main trade area populations, as follows:

- Passing traffic/commuters: The subject site is located in close proximity to Taren Point Road, a key transport route for people traveling into and out of Sutherland Shire. This includes the Sutherland Shire resident workers that leave the LGA every day for work; people accessing sporting facilities in the area; and parents taking children to schools near Taren Point as well as beyond the Shire.
- Other customers or clients of businesses within the Taren Point worker trade area.

These additional markets will help to drive activity throughout different times of the day.

Section 4: Competition

This section reviews the competitive context within which the proposed Woolworths supermarket at the subject site will operate, including all proposed competitive facilities.

4.1 Existing competition

Retail facilities in the Sutherland Shire form a typical retail hierarchy. Miranda Town Centre provides regionally oriented shopping centre facilities; Southgate Sylvania is a sub-regional shopping centre; and there are a range of smaller centres across the Shire, generally supermarket-based shopping centres and street based retail.

The only relevant retail offer located within the main trade area is the 3,700 sq.m Supa IGA at Taren Point, located on the northern side of Parraweena Road proximate to the site. The remainder of retail facilities relevant to the proposal are located outside of the main trade area.

Regional shopping centres

Miranda Town Centre is located about 2.1 km south-west of the subject site and predominantly consists of Westfield Miranda, which is the only regional shopping centre in the Sutherland Shire.

The centre has recently undergone a major refurbishment and expansion, and now contains around 127,000 sq.m of retail floorspace, anchored by Myer and David Jones department stores, Big W and Target discount department stores (dds), Woolworths, Coles and Aldi supermarkets, together with a very extensive range of specialty retailing. The tenant mix at the centre has been improved and now includes international 'fast fashion' stores – Zara, Uniqlo and Top Shop.

Non-retail facilities at the centre include a 10 screen Event Cinema complex, a Star car wash, a medical centre and a childcare centre. The extensive range of retail and non-retail tenants at Westfield Miranda means that the centre serves a very broad, regional trade area, including the Taren Point main trade area defined in this report. Indeed, the trade area map on the Scentre Group (the owner of the centre) website indicates that the trade area served by the centre includes more than half a million persons.

There is also a further 10,000 – 11,000 sq.m of additional retail floorspace within the Miranda Town Centre, including the Coles anchored Parkside Plaza and a street based retail strip that includes a stand-alone Aldi store.

Sub-regional centres

Southgate Sylvania is located around 3.8 km north-west of the subject site and contains around 22,700 sq.m of retail floorspace. Southgate Sylvania shopping centre is anchored by a Kmart dds, and Coles and Woolworths supermarkets. The centre also provides around 60 specialty stores including fast food pad sites and a number of non-retail tenants including an AMF bowling alley and the Sylvania library.

There are also several retail tenants to the north of the centre and a small retail strip is located just south of the Georges River.

Other centres/street based retail

Other supermarket-based facilities provided beyond the main trade area are detailed as follows:

- **Caringbah Town Centre** is located 2.8 km south of the subject site and comprises around 12,700 sq.m of retail floorspace, including the 5,700 sq.m Woolworths-anchored Caringbah Shopping Village. In addition, there is around 5,000 sq.m of street based retail including a Coles supermarket.

- **Gymea Local Centre** is situated around 4.1 km south-west of the subject site and is located along Gymea Bay Road, around the Gymea train station. Gymea provides an extensive retail strip of around 11,500 sq.m, with a Supabarn Express and a wide range of specialty shops.

- **San Souci** includes a 3,900 sq.m retail centre anchored by a Supabarn supermarket, located 4.4 km north of the subject site, on the peninsula to the north of Georges River.

- **Kareela Local Centre** includes Kareela Village which is situated approximately 5.3 km from the subject site, north of the Princes Highway. The centre is anchored by a Coles supermarket, and recently underwent a major redevelopment, which increased the centre's floorspace from around 4,000 sq.m to 6,500 sq.m.

- **Cronulla Town Centre** is located 5.5 km to the south-east and comprises around 15,100 sq.m of retail floorspace, including the Supa IGA (1,100 sq.m) anchored Cronulla Mall, as well as street based retail which includes small Woolworths and IGA supermarkets.

In addition, **Kirrawee Local Centre** includes existing strip retail on Oak Road, located 4.7 km to the south-west, which currently accommodates an estimated 3,000 sq.m of retail floorspace.

4.2 Proposed competition

There are several proposed retail oriented developments planned in the Sutherland Shire, and these are summarised below:

- **South Village, Kirrawee (Brick Pit Site):** Concept approval was granted by the NSW Planning Assessment Commission for a new mixed-use development at the former Brick Pit site in Kirrawee in 2012. The original development approval included 432 residential units, as well as retail and commercial uses, and in total was expected to deliver in the order of 85,000 sq.m of mixed use floorspace. This site has been undergoing remediation works for several years and several variations of the development scheme have been proposed. A recent approval was granted in early 2015, for amendment to the Concept Plan, allowing for an increase in the number of dwellings to 749.

Table 4.1 Taren Point - schedule of competing retail facilities			
Centre	Retail GLA (sq.m)	Major traders	Dist. by road from Taren Point (km)
Within trade area			
Taren Point (p)	4,000	Woolworths - 3,800 sq.m (p)	-
Taren Point	3,700	Supa IGA	0.2
Beyond trade area			
Miranda	*137,500*		*2.1*
• Westfield Miranda	126,000	David Jones, Myer, Big W, Target, Woolworths, Coles, Aldi	
• Parkside Plaza	4,600	Coles	
• Other	6,900	Aldi	
Caringbah	*12,700*		*2.8*
• Caringbah SV	5,700	Woolworths	
• Other	7,000	Coles	
• Caringbah Marketplace (p)	6,500	Aldi (p)	
Bay Central - Woolooware TC (u/c)	17,400	Supermarket (p)	3.2
Southgate Sylvania	22,700	Kmart, Woolworths, Coles	3.8
Gymea	11,500	Supabarn Express	4.1
San Souci	3,900	Supabarn	4.4
Kirrawee	*3,000*		*4.7*
• Oak St retail	3,000	n.a.	
• South Village Kirrawee (u/c)	14,200	Coles (p), Aldi (p)	
• Other (p)	5,400	Woolworths (p)	
Kareela	*10,200*		*5.3*
• Kareela Village	6,500	Coles	
• Other	3,700	n.a.	
Cronulla	*15,100*		*5.5*
• Cronulla Mall	2,100	Supa IGA	
• Cronulla Street	13,000	Woolworths, IGA	
Ramsgate	5,000	Coles, IGA	6.6

Source: Property Council of Australia; MacroPlan Dimasi

More recently in May 2016, the Joint Regional Planning Panel granted formal approval, subject to draft conditions being met, for the mixed-use development. The retail component is expected to provide a new shopping precinct including one major supermarket (i.e. Coles 4,740 sq.m) and a smaller discount supermarket (i.e. Aldi 1,450 sq.m), as well as several mini-major tenancies and specialty shops. The total retail and commercial floorspace component is not expected to exceed 14,200 sq.m.

Payce, the owner of the former Brick Pit site, recently entered into a development agreement with private developers, DeiCorp, which has granted DeiCorp development rights and constructions services of the $350 million project while Payce retains ownership of the land. Construction is anticipated to take two years with the centre likely to open in FY17/18 and its first year of trade in FY18/19.

- **Flora St, Kirrawee – Woolworths:** A development application was lodged with Sutherland Council in December 2015 for a 4,000 sq.m Woolworths supermarket (including a 200 sq.m administrative office), a 1,200 sq.m Dan Murphy's outlet, a specialty retail tenancy or café of 89 sq.m and 318 car spaces. The application is currently being assessed by Council, and if approved later this year could be open by FY17/18 with first year sales in FY18/19. We have assumed that this proposal is approved for the purpose of this assessment.

- **Bay Central, Woolooware Bay Town Centre (Sharks Village):** is a new mixed use development in Cronulla, 3.2 km south-east of the Taren Point subject site, on the existing Cronulla Sharks Club site. Concept approval for a 26,495 sq.m GFA retail/club precinct was granted by the NSW Department of Planning and Environment (DP&E) in August 2013, which included 17,441 sq.m of retail uses on level 2; 5,218 sq.m of leisure/medical/retail uses on Level 1; 3,836 sq.m Club floorspace on level 3 and 4; and 770 car parking spaces.

  A modification to the retail/club precinct was submitted to the NSW DP&E early this year and is currently being assessed after public consultation was undertaken in March 2016. The modified plan proposes a slight increase to the overall GFA to 27,740 sq.m, including 14,547 sq.m of retail uses; 8,553 sq.m of non-retail uses (including a gym, community uses, childcare centre and gallery); and 4,640 sq.m of Club floorspace. The retail centre is proposed to include a 4,124 sq.m supermarket major, a 1,506 sq.m small supermarket major, a 1,428 sq.m liquor major and 1,001 sq.m major, as well as mini-major, specialty, fresh food, fast food and café/restaurant floorspace. Assuming the development is approved later this year, the centre could be open by FY18/19 with its first year of trade in FY19/20.

- **Caringbah**: It is understood that the site of the former Caringbah Marketplace, which ceased trading in 2012, was purchased by Aldi in 2014. It is also understood that Coles own their site in Caringbah.

  In November 2015, a pre-development application meeting was held between Aldi and Council to discuss the proposed retail and residential development to be undertaken at Caringbah Marketplace. At a town hall meeting held on 30 March 2016 regarding Caringbah, the Mayor noted that neither Aldi nor Coles had submitted development applications but that Council was in early discussions with Aldi. For the purpose of this assessment, we have assumed that Aldi will lodge a development application later this year with approval anticipated mid next year (by the end of FY2016/17), where the store could be open by FY18/19 with the first year of trade in FY19/20. Any redevelopment of the Coles site is anticipated to occur post FY19/20.

Section 5: Retail market gap and sales potential

This section of the report examines the supermarket floorspace market gap for the main trade area, and provides estimates of the potential sales that could be achieved by the proposed development.

5.1. Retail floorspace demand

To assess the market demand for potential supermarket facilities at the subject site, we have examined the current and future demand for supermarket floorspace generated by the main trade area resident and worker populations and compared these estimates with the existing and proposed supply of such floorspace.

To estimate the supermarket floorspace demand generated by the main trade area resident and worker populations, the available supermarket related expenditure is translated into an estimate of supportable/required supermarket floorspace. Floorspace estimates are generated by applying appropriate thresholds of turnover levels per sq.m of floorspace, normally referred to as retail turnover densities (RTD), to the available expenditure volume. For the purposes of calculating the estimated gap we have undertaken the following steps:

- Estimated the current and future resident and worker populations within the main trade area over the period 2016 – 2031.
- Estimated per capita expenditure on take-home food and groceries (F&G) using MarketInfo data.
- Allowed for 75% of F&G expenditure to be directed to supermarkets. This estimate reflects the higher spend on retail goods and services, and in particular F&G and FLG items, by Sutherland Shire residents and is largely consistent with national benchmarks for comparable areas (i.e. suburban areas of major Australian cities). It also allows for the remaining 25% to be allocated to smaller foodstores, food specialty stores and other general retail stores (e.g. service stations etc).

- Multiplied per capita F&G expenditure directed to supermarkets by the available population to determine the total available F&G expenditure pool to be directed to supermarkets.

- Allowed for 6% of supermarkets' turnover to comprise general merchandise (i.e. non-food) retail items, which is typical across national supermarkets.

- Applied a suitable retention rate of available expenditure within the main trade area. We have allowed for an outflow of 20% of total supermarket expenditure from residents, i.e. 80% of supermarket expenditure generated by main trade area residents is estimated to be retained within the trade area, if an extensive range of supermarket options is provided within the area.

  We have then allowed for an inflow from resident customers who live beyond the main trade area, which we have estimated at a relatively conservative 10%. This allows for passing traffic and commuters including Sutherland Shire resident workers that leave the LGA every day for work; people accessing sporting facilities in the area; and parents taking kids to schools near Taren Point as well as beyond the Shire, but allows for some overlap between the resident and worker market as detailed below.

  In addition, we have also allowed for an inflow from workers within the trade area, which we have estimated at 25% (of their annual supermarket expenditure). This allows for a share of supermarket spend to be captured by retail facilities near one's place of work i.e. at either Supa IGA Taren Point or the proposed Woolworths.

- The total supermarket expenditure pool is then translated into supermarket floorspace demand by dividing by an applied retail turnover density (RTD). We have applied a RTD for supermarkets and grocery stores of $9,500 per sq.m in 2015/16, which we consider would reflect a successful and profitable average trading level. We have also allowed for some real growth in this RTD, averaging around 0.5% per annum from 2016 onwards.

Based on the above methodology, Table 5.1 shows that main trade area residents and workers generate demand for about 6,900 sq.m of supermarket floorspace at 2016, which is projected to increase by almost 2,000 sq.m, to reach 8,800 sq.m by 2031.

By subtracting supermarket floorspace supply from estimated demand, we have identified an existing market gap of around 3,100 sq.m of supermarket floorspace for the defined main trade area at 2015/16.

The addition of the proposed 3,800 sq.m supermarket in 2019/20 would effectively fill the existing supermarket floorspace gap by 2021, where this floorspace gap is expected to grow to over 1,300 sq.m by 2031, assuming the provision of no additional facilities in the main trade area, and shows that the proposed development could be comfortably absorbed and that there is sufficient demand to support the proposed supermarket at the subject site.

Supermarket expenditure leakage from the main trade area

As outlined previously, the Quantium analysis showed around 75% of all supermarket expenditure generated by residents in the defined Taren Point main trade area is not spent at the Taren Point IGA supermarket – with considerable escape expenditure to Miranda (22%), Caringbah (22%) and Sylvania (12%).

In addition, the average distance to the IGA supermarket for this catchment is about 0.9 km, however the average distance travelled to undertake supermarket shopping trips for this population was about 2.0 km. The existing provision of supermarket facilities in the Taren Point catchment appears to not be meeting the needs of the local population.

Table 5.1

Taren Point main trade area - Est. supermarket floorspace market gap (2016 - 2031)

Factor	2016	2018	2021	2026	2031
Resident market - Population and supermarket expenditure					
Main trade area (MTA) population	12,630	12,830	13,280	14,280	15,280
F&G Spend per capita* ($)	$5,438	$5,548	$5,716	$6,007	$6,314
Total F&G exp. ($M)	$68.7	$71.2	$75.9	$85.8	$96.5
F&G expenditure to smkts at 75% ($M)	$51.51	$53.38	$56.93	$64.3	$72.4
6% of smkt sales from GM ($M)	$3.3	$3.4	$3.6	$4.1	$4.6
Total smkt exp. MTA residents ($M)	**$54.8**	**$56.8**	**$60.6**	**$68.4**	**$77.0**
MTA smkt retention rate	80%	80%	80%	80%	80%
Beyond trade area - resident (% of total)	10%	10%	10%	10%	10%
Total available smkt exp. in MTA ($M)	**$48.7**	**$50.5**	**$53.8**	**$60.8**	**$68.4**
Worker market - Population and supermarket expenditure					
Trade area worker population	15,180	15,500	15,980	16,730	17,480
F&G Spend per capita* ($)	$5,438	$5,548	$5,716	$6,007	$6,314
Total F&G exp. ($M)	$82.6	$86.0	$91.3	$100.5	$110.4
F&G expenditure to smkts at 75% ($M)	$61.92	$64.49	$68.50	$75.4	$82.8
6% of smkt sales from GM ($M)	$4.0	$4.1	$4.4	$4.8	$5.3
Total smkt exp. MTA residents ($M)	**$65.9**	**$68.6**	**$72.9**	**$80.2**	**$88.1**
MTA smkt retention rate	25%	25%	25%	25%	25%
Total available smkt exp. in MTA ($M)	**$16.5**	**$17.15**	**$18.22**	**$20.0**	**$22.01**
Total resident & worker exp. In MTA ($M)	**$65.2**	**$67.6**	**$72.1**	**$80.9**	**$90.4**
Supermarket floorspace demand and market gap					
RTD @ $9,500 increasing at 0.5% p.a.	$9,500	$9,595	$9,740	$9,986	$10,238
Supportable smkt floorspace (sq.m)	6,861	7,048	7,398	8,100	8,833
Supermarket supply (sq.m)	3,720	3,720	7,520	7,520	7,520
*Future supply***			3,800		
Total supermarket gap (sq.m)	**3,141**	**3,328**	**-122**	**580**	**1,313**

**Constant 2015/16 dollars & including GST*

*** Assumes the proposed development at the subject site occurs between 2018 and 2021.*

Source: MarketInfo; MacroPlan Dimasi

5.2 Estimated sales potential

Tables 5.2 and 5.3 summarise the estimated market shares for and the consequent sales potential of the proposed retail development. As previously stated, we have assumed that the proposed development would have its first full year of trade in the financial year 2019/20. Sales estimates are presented in constant 2016 dollar terms and include GST.

In estimating the sales potential for the proposed development, we have had regard to all of the information set out in the previous sections of the report, and in particular the following:

- The lack of supermarkets within the main trade area.
- The available resident and worker populations, and in particular the F&G expenditure capacity, within the trade area.
- The provisions of competitive supermarkets in the surrounding centres located outside the trade area, in particular in Caringbah, Miranda and Sylvania.
- Known information in regards to supermarket turnover levels across NSW and Australia.

As shown in Table 5.2, we estimate that the proposed development would potentially achieve a sales volume of $39.1 million at 2019/20.

Table 5.2
Taren Point - Centre sales potential by retail category, 2019/20*

	Taren Point		
Category	GLA (sq.m)	Est. sales ($'000)	Est. sales ($/sq.m)
Supermarket	3,800	36,100	9,500
Retail specialties	200	3,000	15,000
Total centre	**4,000**	**39,100**	**9,775**

**Constant 2015/16 dollars & including GST*
Source: MacroPlan Dimasi

Table 5.3 presents the estimated market shares which the proposed development would be required to achieve in order to deliver the sales potential estimated in Table 5.2. Overall, the market share of available retail expenditure within the main trade area is estimated at 15.6%. This means that around 84% of all expenditure generated by residents in the main trade area would be directed to other retail facilities including Supa IGA Taren Point, as well as surrounding centres such as Caringbah, Miranda and Sylvania. In combination, the proposed development and Supa IGA Taren Point are estimated to achieve a combined market share of around 30%, which means that 70% of all expenditure will continue to be available for other centres, generally located outside the trade area.

We expect around 20% of sales turnover to be generated from beyond the defined main trade area, in the form of passing traffic, commuters and accounting for a contribution from surrounding workers. This is considered appropriate for this type of location in a prominent employment area.

Table 5.3
Taren Point - Estimated market shares, 2019/20*

	Retail spend ($M)	Centre sales ($M)	Market share
Main TA	200.9	31.3	15.6%
Sales from beyond TA		7.8	
Total centre sales		**39.1**	

**Constant 2015/16 dollars & including GST*
Source: MarketInfo; MacroPlan Dimasi

Section 6: Economic and social impacts/potential trading impacts

This section of the report presents our estimates of likely trading impacts on the surrounding retail network, and discusses the implications of these impacts.

6.1 Purpose of assessing trading impacts

The purpose of an impact assessment is to provide guidance as to whether or not there is likely to be a net community benefit or disbenefit from any proposed development. In particular, if there is a real possibility of some existing facilities potentially being impacted to such a degree that they may be lost to the community. If the service or services provided by those facilities are not at the very least replaced by the proposed new facilities, then a community disbenefit could result.

In order to understand whether any particular centre may be impacted to the extent that its continued viability may be in question, we have estimated specific retail impacts that we expect across the surrounding competitive network if the proposed supermarket based development at the Taren Point subject site were to proceed as planned.

These estimates provide indications as to whether the scale of the proposed retail development is reasonable and whether any surrounding centres are likely to be at risk to the extent that the community would suffer a net disbenefit, attributable to the proposed retail development. In considering likely trading impacts on any individual centre or individual retailer, it must first be acknowledged that such estimation can only realistically expect to provide a broad indication of likely outcomes, since there are many factors which can change in response to any new retail development, and which will have a bearing on the consequent outcomes. The competitive response of each relevant centre or trader is one such factor, as are further redevelopments/improvements which one or more of the competitive network of centres might implement.

6.2 Impacts methodology

The following factors are typically considered when assessing the potential impacts of a new supermarket based development on each existing facility or centre:

- The distance of the (impacted) centre, or retail precinct, by road, from the proposed development.
- The size of the centre or precinct, in terms of total retail floorspace.
- The amount of supermarket floorspace, and brands of these supermarkets.
- The role and function of the centre or precinct.
- Relative accessibility and relative convenience compared with the proposed retail development.
- The estimated performance of the centre/precinct (in current sales) and future performance (in the impact year), accounting for any future developments in the region that may also impact on the future sales of existing centres.
- The share of available expenditure which the centre/precinct attracts from the identified main trade area of the proposed development. A centre may not be situated in the identified trade area of the proposed development but its main trade area may extend to include parts, or all, of the trade area. For example, the trade area for large regional shopping centre typically includes several hundred thousand persons. Such a trade area is likely to include (partially or completely) trade areas for smaller convenience based centres, sub-regional centres, retail strips and stand-alone supermarkets.

The following key principles are then relied on when assessing the dollar (and percentage) impacts that are likely to be absorbed by existing facilities/centres:

- The greatest impacts are typically absorbed by the closest comparable centres. For example, a new Woolworths supermarket is generally likely to impact the closest nearby Woolworths supermarket to the greatest extent, followed by impacts on other comparable large supermarkets (e.g. Coles), and at the lower end of the spectrum, on smaller scale supermarkets/food stores, which serve much more limited roles.

- Impacts on small scale, local supermarkets/food stores, tend to be relatively smaller in scale, as these stores normally attract a small market share of available main trade area expenditure and perform a different role and function in the hierarchy, often serving the local walkable catchments surrounding them, and/or serving more specialised/discerning needs (e.g. a small Foodworks foodstore).

Table 6.1 presents a summary of the key metrics for the surrounding centres of relevance to the proposed development. This table includes the following:

- Column (1) shows the distance of each centre or store from the subject site.

- Column (2) shows the amount of retail floorspace at the centre and column (3) shows the amount of supermarket floorspace at the centre.

- Column (4) outlines the brand/s of key supermarket tenants at the centre.

- Column (5) outlines the estimated sales for the year 2015/16.

- Column (6) presents an estimate of the proportion of sales for each centre that is generated from the main trade area population. This provides the starting point for the allocation of sales redirected to the new development at the subject site.

- Column (7) presents an estimate, for each centre, of the volume of sales generated from the defined main trade area. Column (7) is calculated by multiplying Column (6) by

Column (5). This column represents the total amount estimated to be spent by residents of the main trade area at each identified centre.

- Column (8) shows, for each centre, the proportion of sales drawn by the centre from the main trade area as a percentage of the total sales drawn from the main trade area by all identified centres in the analysis. **Column (8) is calculated by dividing each entry in Column (7) by the sum total of Column (7).**

Table 6.2 builds upon the analysis in Table 6.1, setting out an assessment of the likely order of trading impact on each of the identified centres, showing:

- The estimated floorspace (GLA) and sales volume for each centre as at 2015/16.
- The estimated sales volume for each centre at 2019/20 assuming no development at the subject site. However this allows for other supermarket proposals that are planned or approved within the surrounding area e.g. Coles and Woolworths at Kirrawee, Woolworths Woolooware and Aldi Caringbah.
- The estimated sales volume for each centre at 2019/20 after allowing for the proposed development at the subject site at 2019/20.
- The consequent estimated trading impact, measured both as a sales volume and a percentage impact, on each centre.
- The estimated cumulative post-impact sales performance at 2019/20 as compared with current (2015/16) sales for each centre.

Table 6.1

Taren Point - Estimated sales distribution of specific centres in region, 2015/16*

Centre	Distance from site (km)	Floorspace (sq.m)** Total GLA (sq.m)	Smkt. GLA (sq.m)	Supermarket Brand	Est. centre sales ($M) (2016)	Est. % sales drawn from MTA (%)	Est. % sales drawn from MTA ($M)	Share of available MTA retail exp. to identified centres (%)
	(1)	*(2)*	*(3)*	*(4)*	*(5)*	*(6)*	*(7)*	*(8)*
Within trade area								
Taren Point	0.2	3,700	3,700	Supa IGA	30.5	80%	24.4	15%
Beyond trade area								
Miranda [1]	2.1	137,500	14,900	Coles, Woolworths, Aldi	890.2	5%	44.5	28%
Caringbah [2]	2.8	12,700	7,400	Coles, Woolworths	181.4	25%	45.4	28%
Southgate Sylvania	3.8	22,700	5,800	Coles, Woolworths	180.9	15%	27.1	17%
Gymea	4.1	11,500	600	Supabarn Express	83.1	0%	0.0	0%
San Souci	4.4	3,900	2,500	Supabarn	29.7	15%	4.5	3%
Kirrawee Town Centre	4.7	3,000	0	n.a.	17.0	0%	0.0	0%
Kareela [3]	5.3	10,200	3,100	Coles	82.1	5%	4.1	3%
Cronulla [4]	5.5	15,100	2,500	Woolworths, Supa IGA, IGA	121.5	5%	6.1	4%
Ramsgate	6.6	5,000	2,700	Coles, IGA	71.3	7%	5.0	3%
Total identified centres		**225,300**	**43,200**		**1,687.6**		**161.0**	**100%**
Share of sales directed to nearby centres from MTA residents							**9.5%**	

**Constant 2015/16 dollars & including GST*
1. Includes Westfield Miranda, Parkside Plaza and Miranda strip retail; allows for recent expansion of Westfield Miranda
2. Includes Caringbah SC and Caringbah strip retail
3. Includes Kareela Village and Kareela strip retail; allows for recent expansion of Kareela Village
4. Includes Cronulla Mall and Cronulla strip retail
Source: PCA, MacroPlan Dimasi

Table 6.2
Taren Point - Estimated impacts on specific centres, 2019/20*

Centre	GLA (sq.m)	Est. sales 2016 $M	Est. Sales (2019/20)** Without dev. $M	With dev. $M	Est. Impacts (2019/20) Dist. Of impacts (%)	Est. Impacts $M	%	% diff. from 2016
Taren Point	3,700	30.5	29.6	25.7	10.0%	-3.9	-13.2%	-15.6%
Miranda [1]	137,500	890.2	953.9	944.1	25.0%	-9.8	-1.0%	6.1%
Caringbah [2]	12,700	181.4	184.5	175.9	22.0%	-8.6	-4.7%	-3.1%
Woolooware TC **	14,500	-	111.4	107.5	10.0%	-3.9	-3.5%	n.a.
Southgate Sylvania	22,700	180.9	187.9	184.0	10.0%	-3.9	-2.1%	1.7%
Gymea	11,500	83.1	90.9	90.9	0.0%	0.0	0.0%	9.3%
San Souci	3,900	29.7	32.4	31.7	2.0%	-0.8	-2.4%	6.7%
Kirrawee Town Centre **	23,300	17.0	168.3	168.3	0.0%	0.0	0.0%	889.9%
Kareela [3]	10,200	82.1	88.7	87.9	2.0%	-0.8	-0.9%	7.1%
Cronulla [4]	15,100	121.5	113.0	112.2	2.0%	-0.8	-0.7%	-7.7%
Ramsgate	5,000	71.3	78.0	77.2	2.0%	-0.8	-1.0%	8.2%
Sub-total	**260,100**	**1,687.6**	**2,038.5**	**2,005.3**	**85.0%**	**-33.2**	**-1.6%**	**18.8%**
Other centres / beyond					15.0%	-5.9		
Total est. sales potential new centre [1]					**100.0%**	**39.1**		

**Constant 2015/16 dollars & including GST*
*** Assumes future developments in the pipeline are approved, and allows for an allocation of impact on this future network i.e. Coles and Woolworths Kirrawee; Aldi Caringbah; as well as Woolworths and a small supermarket at Woolooware TC*
1. Includes Westfield Miranda, Parkside Plaza and Miranda strip retail; allows for recent expansion of Westfield Miranda
2. Includes Caringbah SC and Caringbah strip retail
3. Includes Kareela Village and Kareela strip retail; allows for recent expansion of Kareela Village
4. Includes Cronulla Mall and Cronulla strip retail
Source: MarketInfo; MacroPlan Dimasi

In summary, the impact assessment shows the following:

- The greatest impacts in terms of aggregate dollars, are expected to be absorbed by the range of retail facilities located at Miranda, Caringbah and Southgate Sylvania, which are the closest centres. These centres with full-line Coles/Woolworths supermarkets, are the largest shopping precincts in the area (with a combined total of nine supermarkets) and are presently the main destination for food and grocery shopping for residents of the main trade area, as indicated by Quantium data.

- Given the highest order retail shopping offer is provided in Miranda, its proximity to the subject site and main trade area population we estimate an impact in the order of around $10 million or 1% on Miranda. In addition we estimate an impact in the order of $9 million or 5% on Caringbah, and around $4 million or 2% on Southgate Sylvania. Given the scale and wide offer of retail facilities at these centres, the impact of retail facilities is likely to be relatively small overall.
- Given its proximity to the Taren Point subject site, a moderate to high impact is anticipated on the Supa IGA at Taren Point, with an impact of around 13% estimated on this store. While this store is the most proximate to the subject site, Quantium data shows that 75% of main trade area expenditure is not directed to this centre.
- We also estimate impacts in the order of around $4 million or 4% on the Woolooware town centre.
- Impacts on the smaller neighbourhood centres beyond the trade area at Kareela, Cronulla, San Souci and Ramsgate are also expected to be small/negligible.
- We expect impacts on the Kirrawee Town Centre to be negligible.
- Approximately 15% of sales are forecast to come from other centres and retail facilities.

6.3 Consideration of trading impacts

The key points to note regarding the estimated impacts across the surrounding network of centres, as presented in Table 6.2, include the following:

- The retail sector is dynamic, and the development of new retail facilities is linked to evident undersupply and/or growth in population. New players, new centres, new competition will seek to enter any retail hierarchy where there is a market gap and/or future population growth to support such development.
- It is stressed, however, as already noted previously in this report, that the impact assessment set out above should be regarded purely as a guide as to the likely order of trading impacts on the various existing centres. What is far more important in this instance is the fact that the relevant area is underprovided with retail facilities, and therefore, any resultant trading impacts from the improvement in the provision of such facilities, particularly modern supermarket floorspace, is not in reality a negative economic impact as such – rather, it is an addition to net community benefit, for all the reasons set out in this report. There is more than ample available demand for all existing facilities to continue to trade successfully and viably – all they need to do is reasonably meet the needs and aspirations of trade area residents.
- Generally, retail trading impacts between 10% and 15% are considered by the industry to be significant but acceptable, with impacts less than 10% considered relatively moderate, and impacts less than 5% generally considered minor/negligible. However, other factors such as the current trading performance; expansions of centres; potential loss of services to the community; expected growth in the region; and overall net community benefit should be considered.
- The Draft Centres Policy 2010 encourages retail development to be provided to meet market demand stating that “Within the NSW economy, the market is best placed to determine the need for business or office premises, shops, entertainment venues, recreation facilities, residential and other forms of development. In general, businesses have a better understanding of the demand for particular products and services, and it is

businesses and individuals that bear the financial risk from establishing new premises or expanding their operations in particular locations."

- We estimate that Supa IGA Taren Point is currently trading at around $30 million, or over $8,000 per sq.m. This store is likely to be impacted by the proposed retail facilities at Bay Central, Woolooware as well as the proposed Taren Point subject site, however the store should still be viable at the sales levels likely to be achieved post impacts.

- Retail facilities throughout Miranda, Caringbah and Southgate Sylvania trade reasonably well and we estimate that their combined sales volumes would be in the order of $1.25 billion, or around $7,200 – $7,300 per sq.m. Thus small impacts of the magnitude estimated, would be able to be comfortably absorbed.

- We expect the majority of the impacts to be absorbed by the seven full-line supermarkets located throughout Miranda, Caringbah and Sylvania, stores that would be at no risk of closure following a moderate reduction in trading volumes.

- We also expect that the small impact on Woolooware town centre will not affect the timing, staging and ultimate potential of this centre, as it is being provided in an area of significant supermarket undersupply.

- These estimated impacts across the identified centres are considered to be within an acceptable range with around 13% on Taren Point, between 1% – 5% on the larger centres at Miranda, Caringbah and Southgate Sylvania, and 0% – 4% on other centres. When considered in the context of the size, performance and role and function of surrounding centres, it would be highly unlikely to result in a material reduction of retail service provision in these centres.

- Based on the market gap analysis in this report, an additional supermarket could be accommodated within the main trade area, where the proposed development would help to retain supermarket expenditure that presently escapes from the main trade area, reducing unnecessary trips throughout Sutherland Shire.

6.4 Employment impacts

The development of the proposed retail component of the development at the Taren Point subject site will result in additional on-going employment on site, as well as further jobs throughout the supply chain, including those in industries servicing the retail tenants at the site, such as transport workers, wholesalers and the like.

Furthermore, the construction phase of the project will support temporary construction related employment, and additional temporary jobs through the broader economic supply chain (i.e. multiplier impacts).

In estimating the various employment benefits, we have relied upon various data sources including information from supermarket operators, the ABS, state and local government agencies, as well as 30 years of experience in preparing assessments of this nature.

Table 6.3 illustrates the estimated net increase in direct on-site retail employment that could potentially be created if the proposed development at the subject site were to proceed. An estimated 101 jobs could be created on site once the neighbourhood centre development is fully operational. Making an allowance of around 5% for employment being redirected from other centres, the proposed development could result in a net addition of 96 jobs.

Table 6.3
Taren Point - Estimated employment impacts

Scenario	Estimated employment per '000 sq.m	GLA (sq.m)	Employment (persons)
Supermarket	25	3,800	95
Retail specialties	30	200	6
Total development	**25**	**4,000**	**101**
Net employment increase*			**96**

** Net increase includes an allowance for reduced employment levels at impacted centres, estimated at 5% of the total increase*
Source: MacroPlan Dimasi

Section 7: Sequential test

The NSW DPE draft Centres Policy details a "Sequential Assessment Test" which is to be applied to rezoning proposals for out-of-centre commercial development. This section of the report examines all of the existing business zoned precincts within a reasonable distance surrounding the subject site, in order to identify sites that could potentially accommodate the proposed development concept being considered. This process is referred to as the 'Sequential Test' and this section assesses all sites within these centres as well as edge-of-centre locations around these centres.

The sequential test requires proponents to assess the potential for available in-centre or edge-of-centre sites and to demonstrate reasons as to why alternative site options cannot be pursued, if they exist, before consideration is given to an out-of-centre location. The steps involved are:

- Step 1 - Firstly, it must be demonstrated that there are no suitable sites within an existing or planned new activity centre that can accommodate the demand by adjusting future intentions, which could include:
  - Increasing height and floor space controls,
  - Permitting a broader mix of uses, or
  - Actions to facilitate site availability or site consolidation.
- Step 2 - Secondly, it must then be demonstrated that there are no suitable sites in an edge-of-centre location that can satisfy the demand to be accommodated.
- Step 3 - Thirdly, an out-of-activity centre site that can satisfy the demand to be accommodated may be considered if it meets the Site Suitability Criteria and is consistent with relevant local or regional planning strategy.

Section 7 of this report addresses the Sequential Assessment Test and assesses the subject site against the Site Suitability Criteria.

All except one of the existing full-line supermarkets in Sutherland Shire LGA are located in either B3 – Commercial Core or B2 – Local Centre zoned land, with the Taren Point Supa IGA located in the IN1 – General Industrial zone. We have examined the existing B3 – Commercial Core zoned precincts (as well as edge-of-precinct locations) at Miranda, Caringbah and Sylvania in the Sutherland Shire LGA which are considered to be within a reasonable distance of the subject site, in order to identify potential sites that could realistically accommodate the proposed development concept being considered by Woolworths Limited. We note there are no B2 – Local Centre or B4 – Mixed use precincts within a reasonable distance of the site. We have also reviewed the network of B5 – Business Development and B7 – Business Park zoned land within Taren Point and Caringbah.

We have only considered sites within an approximate 4km distance, by road, of the subject site. In our view, and as demonstrated earlier by the Quantium analysis, we consider that centres/sites further away than this would not be practical alternative sites to accommodate supermarket development to meet the needs of the population within the identified main trade area (i.e. residents of Taren Point, Sylvania Waters and northern Miranda and Caringbah). Indeed, we consider the investigation area we have assessed to be extensive given the supermarket trends and behaviours of Taren Point residents discussed earlier.

For the each selected centre/site in this section we have applied a consistent assessment matrix that examines various criteria in relation to site suitability, availability and viability. We have assessed site areas, lot configuration (i.e. ownership, depth, road networks and loading requirements), land use conflicts, existing and proposed uses. We have examined the potential edge-of-centre sites as well.

7.1 Sites assessed

The first step of the sequential test is to examine all of the appropriately zoned business land within the surrounding locality of the subject site to determine whether there are any suitable sites to accommodate the proposed development concept.

Centres assessed (Business zoned land) – Sutherland Shire LGA

The proposed development concept consists of uses that would typically be accommodated in the B3 – Commercial Core and B2 – Local Centre, where particular regard has been given to those sites that are reasonably closely located to the Taren Point subject site. The 'centres' we have examined for potential opportunities, are listed below:

1. Miranda – B3 zone
2. Caringbah – B3 zone
3. Southgate Sylvania – B3 zone

We have also assessed the surrounding B5 and B7 zoned land, even though full-scale supermarket facilities are not supported in this zone according to the Sutherland Shire LEP 2015, including:

4. Taren Point/Caringbah – B5 and B7 zone

Other centres (Business zoned land) – Sutherland Shire LGA

We have also investigated other sites, but have not explicitly considered them in this analysis due to their distance from the subject site. There are other business zoned precincts within the Sutherland Shire LGA with B3 zones at Cronulla and Sutherland, as well as B2 zones at Gymea, Kirrawee, Kareela, Jannali and Woolooware. However these are not considered relevant when examining the demand for additional supermarket facilities in the area around Taren Point as these precincts are located a significant distance from the subject site or already have planned supermarket developments under construction (i.e. Bay Central at Woolooware Town Centre).

Non-business zoned sites

Page 12 of the Draft Centres Policy states that "*there may be areas where there is significant market demand but there is currently no land zoned for retail and commercial development. In…these cases, new centres will need to be identified and zoned*".

The Policy recommends that adjacent land near busy roads can be considered. The subject site is located on Parraweena Road, itself a 'busy road', which is located near Taren Point Road a major access route through the Shire.

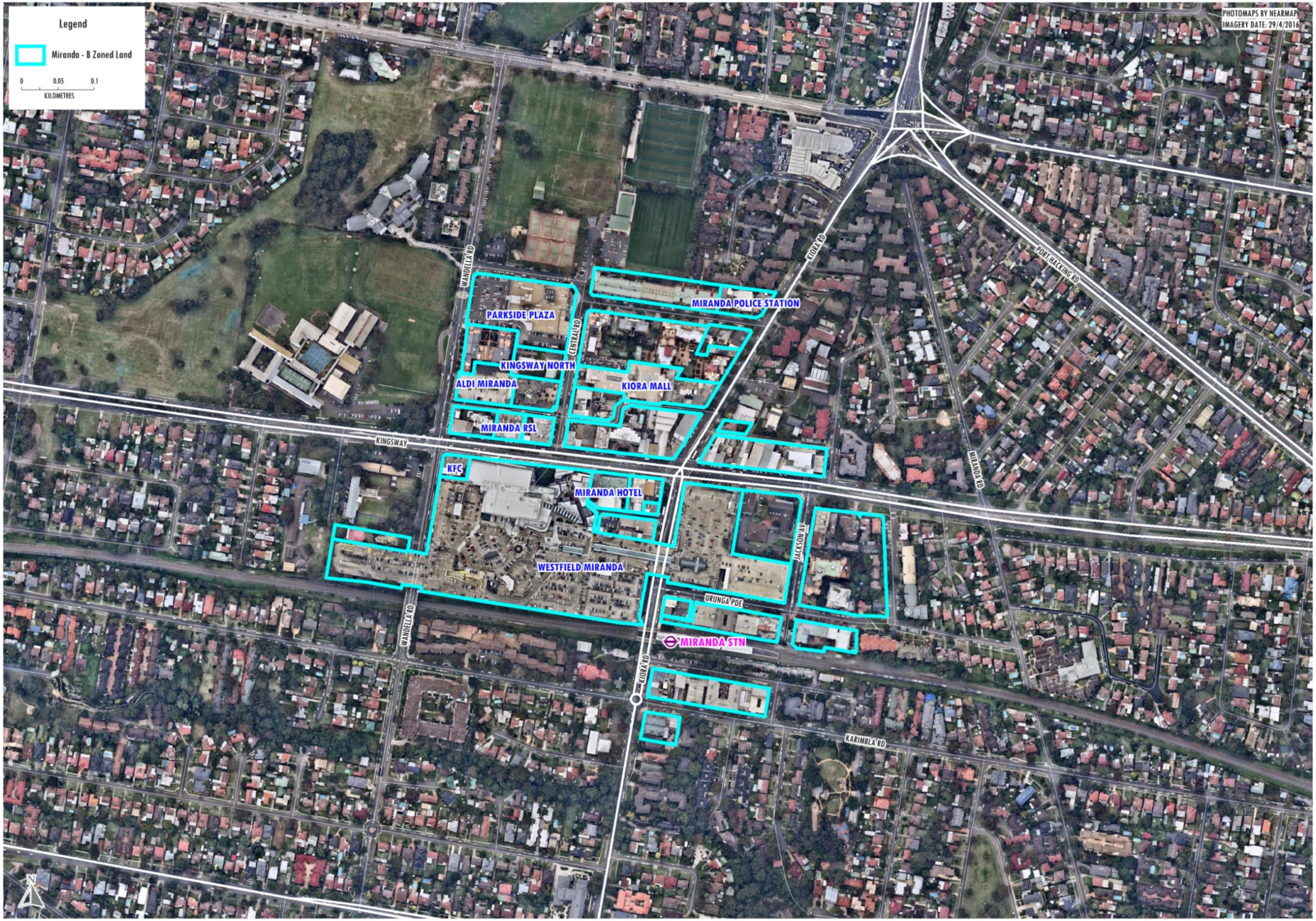
7.2 Potential sites – Sutherland LEP 2015

Miranda – B3 zone

The Miranda B3 – Commercial Core is approximately 2.1 km south-west of the Taren Point subject site and is generally located around the intersection of Kingsway and Kiora Road (see Map 7.1), covering an area of around 203,700 sq.m (i.e. 20.37 ha).

The centre currently accommodates a range of uses which are outlined in detail in Table 7.1, with very limited vacant land identified within the precinct. In order for a full-line supermarket of 3,800 sq.m to be developed on any site within the Miranda B3 zone, the entire site would need to be redeveloped, and in many cases multiple sites would need to be amalgamated, and existing uses at the site would need to be removed, including existing retail, commercial, medical, community and other uses. This outcome is not considered possible nor feasible, and would result in much lower net community benefit, compared to a scenario where the proposed supermarket development concept is developed at the Taren Point subject site.

In addition the Miranda B3 zone already provides an extensive range of retail facilities, including five supermarkets, with Woolworths already represented within the Westfield shopping centre with a large 4,700 sq.m store. Even if an additional supermarket could be physically provided within the Miranda B3 zone, this would not help meet the market gap in Taren Point, where the residents and workers of Taren Point would be required to drive over 2 km to access the supermarket offer in this location further adding to congestion within the town centre. Indeed it would provide virtually no additional net community benefit given the provision of five supermarkets already.



Map 7.1: Taren Point subject site

Miranda B Zoned Land

Table 7.1

Taren Point - Miranda Sequential Test Analysis (Site Specific)

Site	Zoned	Area (sq m)	Site details	Vacant area
Parkside Plaza	B3	11,500	The existing shopping centre building and on-grade car park occupy the entire site.	None
Kiora Mall	B3	7,500	The existing mixed-use residential building and shopping centre (including Spotlight) with basement car park occupy the entire site.	None
Aldi Miranda	B3	3,800	The existing Aldi supermarket with undercroft car park, as well as decked Diggers Club car park occupy the entire site.	None
Miranda RSL	B3	1,400	Site completely occupied by the existing Miranda RSL Diggers Club.	None
KFC	B3	1,200	Site completely occupied by the existing KFC and on-grade car park.	None
Westfield Miranda	B3	74,700	The existing Westfield shopping centre and associated car park extends over three blocks with no vacant land for additional development.	None
Miranda Hotel	B3	2,600	Site completely occupied by the existing Miranda Hotel.	None
Telstra Phone Exchange	B3	1,800	Site completely occupied by the existing Telstra phone exchange.	None
Miranda Police Station	B3	2,500	Site completely occupied by the existing Police station.	None
Kingsway North	B3	4,600	The existing Gymea-Miranda Uniting Church, Southpoint Towers commercial and residential building, Shire Legal/Solari and Stock Lawyers commercial buildings and The Salvation Army Miranda extend over several blocks.	There appears to be a small parcel of vacant land (used as a car park) near The Salvation Army, site is not large enough for the proposed development.
Miranda Apartments (North)	B3	26,500	The existing medium-high density residential buildings with undercroft or basement car parks located along Willcock Avenue (north and south), The Wilshire residential building, as well as medium-high density residential buildings on Wandella Road and Central Road extend over several blocks with no vacant land for development. There is also a site along Central Road currently under construction.	None
Miranda Commercial/ Retail Strip	B3	22,100	The existing retail, commercial and medical uses including Anytime Fitness, Specialist Medical Centre, Specialist Sports Medicine Centre, Miranda Medical Centre, Kar Pro Tyre and Auto, Ray White and HYA Yoga, as well as other uses such as St Lukes Miranda Anglican Church, Metro Inn Miranda and mixed use developments including medium-high density residential at Lavita and the corner of Wandella Road extend over several blocks with no vacant land for additional development.	None
Miranda Remainder (South Kingsway)	B3	43,500	The existing Miranda Library, retail, commercial and medical uses including Liquor Bank, Vet, Medical Imaging, Ophthalmologist, Urunga Medical Centre, offices, medium density residential buildings and residential dwellings extend over several blocks with no vacant land for additional development.	None

Source: MacroPlan Dimasi

The centre is surrounded by R3 – Medium density residential and R4 – High density residential zoned land, as well as RE1 – Public recreation zoned parkland and SP2 – Infrastructure zoned educational establishments.

Any reduction in the supply of residential land may lead to a decrease in the supply of residential dwellings, which by extension may impact housing affordability. A rezoning of residential lands to accommodate the proposed development would be impractical and most certainly constitutes a very significant adverse outcome for the local community. It would also be unviable to redevelop medium-high density residential blocks for a ground level retail development. Therefore we do not consider that any edge-of-centre locations with established or planned future residential development should be considered as a potential site for a full-line supermarket.

A reduction of public open space or education facilities would need to be provided elsewhere, notwithstanding that rezoning such land for commercial uses would be a very long, costly process and would require significant community and Council support. Thus we generally do not consider edge of centre locations zoned Public Recreation or Infrastructure should be considered as timely or practical sites for rezoning for a supermarket development.

In summary, the Miranda B3 precinct cannot accommodate the proposed development concept being considered at the Taren Point subject site as there is no vacant land available – and the existing uses are fully operational and serve an important community service providing a key shopping, business and medical destination.

Caringbah – B3 zone

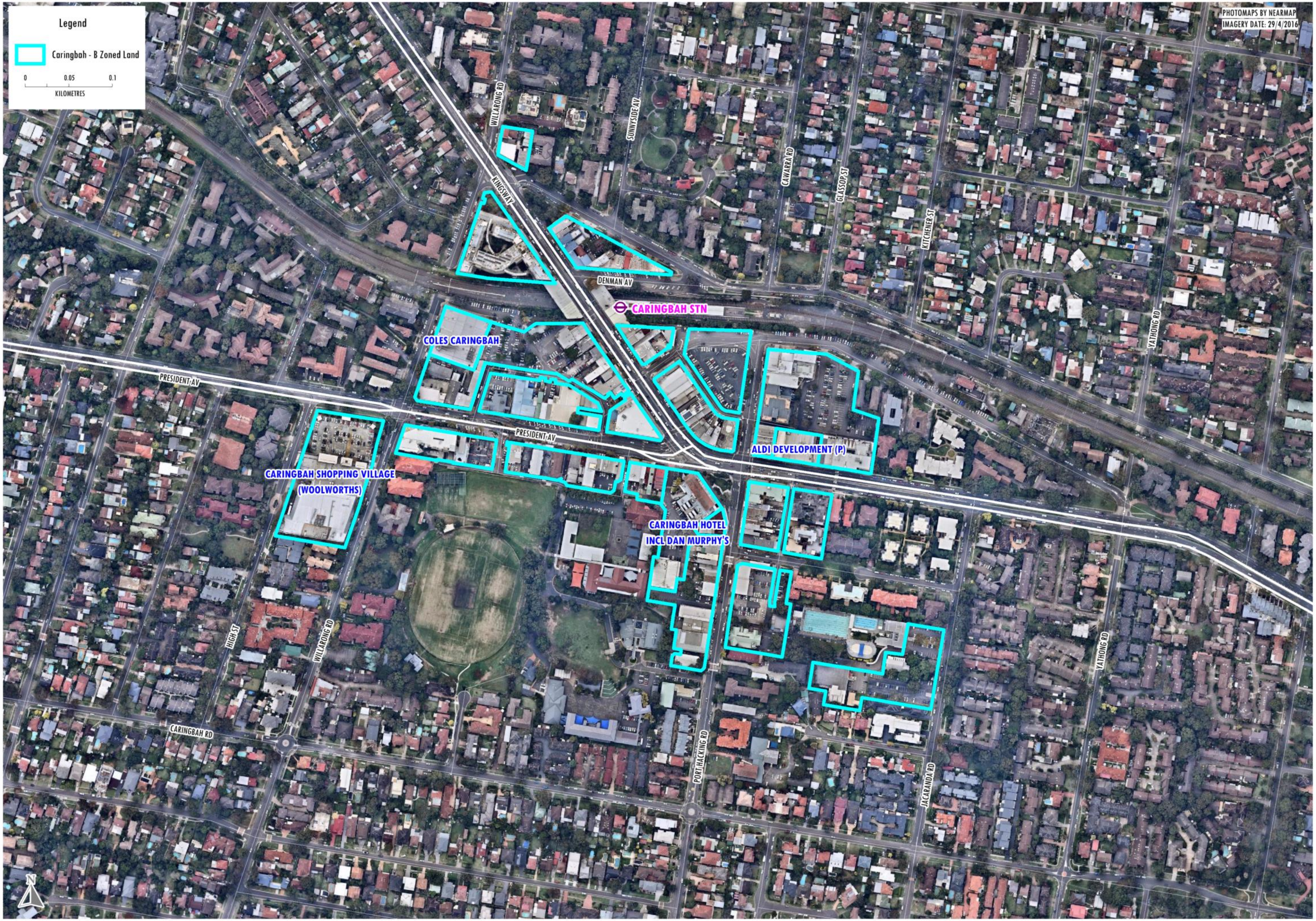
The Caringbah B3 – Commercial Core incorporates around 115,000 sq.m (i.e. 11.5 ha) of B3 zoned land, situated around 3 km south of the subject site around the intersection of Kingsway, Port Hacking Road and President Avenue (see Map 7.2).

The centre currently accommodates a range of uses which are outlined in detail in Table 7.2, with an extensive range of retail facilities provided that comprises two full line supermarkets including Woolworths of 4,400 sq.m. There is minimal vacant land identified within the precinct. There are a number of on-grade car parks however these are either too small to accommodate the proposed development concept (e.g. 1,300 sq.m Port Hacking Road/Caringbah library car park; 2,600 sq.m Jacaranda Road/YMCA car park; and 3,300 sq.m Hay Lane car park), are likely to be redeveloped as part of future supermarket developments (i.e. Coles Caringbah) or would require existing car-parking to be moved and provided underground or above other uses. This may not even be physically possible, and could require redevelopment of surrounding sites, which may not even be feasible. Additional development would encroach on existing car parking and require additional car parking be provided, where redevelopment would need to be of considerable scale to offset costs for underground/rooftop parking. In this context no site is considered to be a viable, timely alternative.

Any other opportunity to develop within the Caringbah B3 zone would require an entire site to be redeveloped, and in many cases multiple sites would need to be amalgamated, with the existing uses at the site removed and resulting in much lower net community benefit. Further, the residents and workers of Taren Point would have to drive almost 3 km to access the supermarket offer in this location which would further add to congestion within the town centre.

The centre is surrounded by R3 – Medium density residential and R4 – High density residential zoned land, as well as RE1 – Public recreation zoned parkland and SP2 – Infrastructure zoned educational establishments.

For similar reasons explained earlier, we do not consider the loss of adjacent residential dwellings or recreation and infrastructure zoned land to be appropriate to accommodate a full-line supermarket. Thus no practical edge of centre locations exist in Caringbah to accommodate the proposed development concept.



Map 7.2: Taren Point subject site

Caringbah B3 Zone

Table 7.2
Taren Point - Caringbah Sequential Test Analysis (Site Specific)

Site	Zoned	Area (sq m)	Site details	Vacant area
Caringbah Shopping Village (Woolworths)	B3	12,000	The existing shopping centre building and decked car park occupy the entire site.	None
Coles Caringbah	B3	3,200	The existing supermarket and undercroft car park occupy the entire site. Given the small size of this site, surrounding sites (including the Council car park) are likely to be included as part of any Coles supermarket anchored mixed use redevelopment which is assumed to occupy the entire site.	None
Aldi Development (p)	B3	1,800	The existing Caringbah Marketplace used to contain a Franklins supermarket and 23 specialties. The site has been purchased by Aldi who are planning to undertake a Aldi supermarket anchored mixed used redevelopment assumed to occupy the entire site.	None
Caringbah Hotel including Dan Murphy's	B3	6,100	The existing tavern, Dan Murphy's liquor store and on-grade car park occupy the entire site.	None
Caringbah Remainder	B3	91,900	The existing retail, commercial and community uses including Liquourland, Soul Patterson Chemist, Vinnies retail shop, Cheesecake shop, McDonalds, Chemist Warehouse, Whitworths Marine and Leisure, Curves Gym, banks (NAB, Westpac, St George), post office, TAB, commercial offices buildings (including Denman Chambers and ANZ), Caringbah Veterinary Hospital, Tradies Caringbah RSL and on-grade car park, Vision Australia, Aussie Home Loans, Anytime Fitness gym, Medicare/Centrelink, Caringbah 24 hour medical centre, President Squash Centre, Caringbah library and on-grade car park, Caringbah YMCA, Jacaranda pre-school, Jacaranda Road on-grade car park, as well as mixed use developments with medium-high density residential buildings (including those under constriction at the western end of President Avenue) extend over several blocks with no vacant land for additional development.	There are a number of on-grade car parks located throughout Caringbah, however sites are not large enough to accommodate a 3,800 sq.m supermarket, are likely to be part of a future supermarket redevelopment (i.e. Coles) or would require existing car-parking to be moved and provided underground or above other uses which may not be possible or feasible.

Source: MacroPlan Dimasi

In summary, the Caringbah B3 precinct cannot accommodate the proposed development concept being considered at the Taren Point subject site as there is no vacant land available – and all lots support fully functional, operational existing uses which serve an important community service providing a key shopping and business destination. Further the site is located beyond the main trade area and already supports two supermarkets serving a local convenience role as well as serving residents towards Cronulla.

Sylvania – B3 zone

The Sylvania – B3 Commercial Core is located around 4 km north-west of the Taren Point subject site, and includes around 49,700 sq.m of (4.97 ha) of B3 zoned land at Southgate Sylvania (see map 7.3).

The range of uses accommodated within this centre is outlined in Table 7.3, where all lots within the precinct support functional and operational uses, with no vacant land identified within the precinct. The at-grade car parking area services the Southgate Sylvania shopping centre. Further the existing retail facilities at the centre include two supermarkets, with Woolworths already represented within the centre, and would require Taren Point residents and workers to drive almost 4 km to the centre contributing to increased congestion.

The centre is surrounded by R2 – Low Density Residential, R3 – Medium density residential and R4 – High density residential zoned land. For similar reasons explained earlier, we do not consider the loss of adjacent residential dwellings appropriate to accommodate a full-line supermarket. Thus no practical edge of centre locations exist to accommodate the proposed development concept.

Map 7.3: Taren Point subject site

Sylvania B3 Zone

Table 7.3 Taren Point -Sylvania Sequential Test Analysis (Site Specific)				
Site	Zoned	Area (sq m)	Site details	Vacant area
Southgate Sylvania	B3	39,500	The existing shopping centre building and on-grade car park occupy the entire site.	None
Fitness First	B3	3,200	Site completely occupied by the existing Fitness First building and undercroft car park.	None
The Crest Hotel	B3	3,700	The existing tavern, TAB and drive-through liquor store occupy the entire site.	None
McDonald's	B3	2,100	Site completely occupied by the existing McDonald's building, playground and on-grade car park.	None
Sylvania Remainder	B3	1,200	Site completely occupied by the existing commercial office building.	None

Source: MacroPlan Dimasi

Taren Point / Caringbah – B5 zone and B7 zone

Taren Point / Caringbah incorporates approximately 205,000 sq.m of (20.50 ha) of B5 zoned land and 419,400 sq.m (41.94 ha) of B7 zoned land, situated between 0.4 km and 2.8 km east of the subject site between Taren Point Road and Captain Cook Drive (see Map 7.4)

The extensive range of uses accommodated in this precinct is outline in Table 7.4, with limited vacant land identified in the precinct. Most of the identified B5 and B7 zoned land parcels are occupied by functional, operating bulky goods, commercial and light industrial uses.

The vacant sites identified across the precinct include:

- A vacant building on the corner of Box Road and Taren Point Road, previously occupied by Bob Jane T-mart before they relocated near the corner of Taren Point Road and Bay Road, however this site is not large enough to accommodate the proposed development, at around 1,000 sq.m.

- A vacant lot is located on the corner of Captain Cook Highway and Willarong Road, which was previously approved for bulky goods retail outlet with basement car park. This 4,600 sq.m site is not large enough to accommodate the proposed 3,800 sq.m supermarket (4,000 sq.m centre) with on-grade car parking and would result in a development much less convenient than the proposal. This site is also located closer to the proposed Bay Central shopping centre (likely to include Woolworths), and is relatively close to the existing Caringbah town centre, which is located around 1km south. Therefore this site is not deemed appropriate for the proposed development concept.

- A vacant lot is located adjacent to the existing ARV Woolooware Shores retirement village; however this site has been rezoned to accommodate future retirement living units and a purpose built dementia care unit. Purchase of this site was to be finalised and settled by 30th June 2016. The site is therefore not deemed appropriate for the proposed development concept.

- There are currently vacant sites located in a newly developed industrial estate known as Sutherland Shire Industrial Estate (developed by Leda); however the majority of sites are sold and are expected to be taken up by industrial uses in the near future.

In addition, the existing Toyota Australia site in Caringbah is due to close in 2017. The entire 123,900 sq.m site is likely to be redeveloped in the future however this process will no doubt occur over the medium to long term. In addition, this site is located in close proximity to the proposed Bay Central shopping centre, where Woolworths are likely to already be represented, and Taren Point residents would still be required to travel almost 4 km to the site, adding to congestion throughout this precinct.

This area is surrounded by R2 – Low Density Residential, RE1 – Public recreation zoned parkland and SP2 – Infrastructure zoned educational establishments, as well as IN1 – General Industrial, IN2 – Light Industrial. For reasons outlined earlier, we do not consider the loss of adjacent residential dwellings or development of recreation and infrastructure zoned land to be appropriate to accommodate a full-line supermarket. This subject site is located within the IN1 – General Industrial precinct, and is considered the most appropriate site within the industrial zone to accommodate the proposed development concept given its colocation with the existing Supa IGA Taren Point, surrounding residential population and distance from surrounding centres where smaller impacts are spread across a range of retail facilities/ centres rather than impacting any one centre to a moderate-high degree.

Having regard to the above, we conclude that the proposed Woolworths development could not reasonably and viably be accommodated on any site within the Taren Point / Caringbah B5 and B7 zones.

Map 7.4: Taren Point subject site

Taren Point/Caringbah B5 and B7 Zone

Table 7.4
Taren Point - Taren Point/Caringbah Sequential Test Analysis (Site Specific)

Site	Zoned	Area (sq m)	Site details	Vacant area
Officeworks Complex	B5	4,900	The existing Officeworks, Bristol Paint & Decorator Centre, Hype café and Oak Valley Farm Fresh building and on-grade car park occupy the entire site.	None
Bunnings	B5	14,600	The existing Bunnings Warehouse building and on-grade car park occupy the entire site.	None
McDonald's	B5	3,500	Site completely occupied by the existing McDonald's and on-grade car park.	None
Domayne	B5	3,900	Site completely occupied by the existing Domayne building.	None
The Zone Caringbah	B5	4,800	Site completely occupied by the existing Subway, Oporto, Petbarn and Original Mattress Factory buildings and on-grade car park.	None
Caringbah Home	B5	22,100	The existing bulky goods shopping centre and basement / undercroft car park occupy the entire site.	None
Australia Post	B5	2,500	Site completely occupied by the existing Australia Post Business Hub.	None
Shire Centre	B5	19,400	The existing bulky goods retail / light industrial buildings and on-grade car park occupy the entire site.	None
Captain Cook Business Park	B5	5,800	The existing bulky goods retail / light industrial buildings and on-grade car park occupy the entire site.	None
The Good Guys & Super Amart	B5	12,100	The existing Good Guys and Super Amart buildings and on-grade car park occupy the entire site.	None

Source: MacroPlan Dimasi

Table 7.4 cont.

Taren Point - Taren Point/Caringbah Sequential Test Analysis (Site Specific)

Site	Zoned	Area (sq m)	Site details	Vacant area
Taren Point Remainder	B5	111,600	The existing bulky goods retail, commercial and light industrial uses including Tribe Social Fitness, Dulux Trade Centre, Coles Express petrol station, Avis car rental and Caltex petrol station, Bulky goods and light industrial centre (including Baby Bunting, Home and gift warehouse, Bali Karma, Winnings Appliances, Casa Bella home living, Workout World, Drummond Golf, Miss Fit, Repco), Callaghan Collision Centre, Discount car and truck rental, Total Tool, Shire Bathware, Bridgestone Select, Visual Arts Digital Imaging, Amazing Clean, Ultra Tune, Bob Jane T-mart, Star car wash, RSEA Safety, Solartint, Scrap metal centre, Carpet Court, The Meat Store, Battery World, Aero Surf Skis, Tile Warehouse, Alco battery sales, Midas, Mattress sale, RB racing, Assassin dirt bikes, Smash repairs, Road Tech Marine, BBQ Factory, Manchester Importer Factory Outlet, Bella Bagno bathroom house, Shire Sweets and Gifts, Metglaze, Elite Autohaus, Amber Tiles, Tamping Ground cafe, John R Turk Electrical and Data Supplies, Designed Mouldings, Coates Hire, 2nds World Bargain Warehouse, Camec, Plus Fitness, Zone 3 laser tag, 123inkjets.com.au, Strata owners services, Sydney Side, Taren Point Swim School, Beaurepaires, Reece, Snooze, Frasers Cycles, Sports and Toys, R&D, Gaimil, Management Services, Deb's Hidden Treasures, Tackle World, Pet Care Warehouse, Tiles Sydney, Ciment Art, Roxy Cafe, PP Atkins & Co Accountant, Belgrave, Metrocorp Technologies and other bulky goods/light industrial complexes extend over several blocks with no vacant land for additional development.	Vacant building on the corner of Bay Street and Taren Point Road, however site is not large enough for the proposed development. Vacant lot on the corner of Captain Cook Highway and Willarong Road (site was previously approved for a bulky good centre), site is not large enough to provide a supermarket with on-grade car parking and would result in a development much less convenient than the proposal. This site is also located closer to the proposed Bay Central shopping centre (likely to include Woolworths), and is close to the existing Caringbah town centre (c. 1km away).
Toyota Australia (Caringbah)	B7	123,900	The existing Toyota Sales and Marketing, Eastern Regional Office, National Parts office and on grade are park occupy the vast majority of the site. Manufacturing is anticipated to continue to 2017. The site is being considered for future education facilities.	None (presently), entire site will be redeveloped over the medium-long term and is located in close proximity to the proposed Bay Central shopping centre (likely to have Woolworths and Aldi supermarkets).
Rezoned to allow Retirement Living ARV	B7	48,100	Land rezoned to allow for AVR's expansion of Woolooware Shores, purchase is due to be finalised and settled by 30th June 2016.	Vacant site is rezoned to accommodate future retirement living units and a purpose built dementia care unit.
Taren Point B7	B7	247,400	The existing industrial uses include Isuzu Ute, Harvey Norman Business Park (including clearance centre), Hino, Australian Plastic Profiles, Crunch Fitness and ANZ Business centre, as well as new Sutherland Shire Industrial Estate including Shimano and Reece Plumbing Centre with a number of sites under construction.	Vacant sites in new Sutherland Shire Industrial Estate, however majority of sites are sold and will be taken up by industrial uses.

Source: MacroPlan Dimasi

7.3 Summary

Our sequential test assessment has considered the surrounding B3, B5 and B7 zoned land within a reasonable distance of the subject site. This assessment has shown that there are no available sites within any of the established centres that could reasonably accommodate the proposed development concept being considered at Taren Point, nor any adjacent sites (i.e. edge-of-centre) that could be practically considered for rezoning. All of these centres are generally surrounded by residential or public recreation zoned land.

7.4 Site suitability criteria

The sequential test states that if no alternative site locations 'in-centre' or 'edge-of-centre' are deemed suitable for a proposed development, then any out of centre proposal should examine the suitability of the proposed site for its intended use. An assessment of the site suitability criteria for out-of-centre commercial development has been undertaken, as outlined in the NSW DPE draft Centres Policy 2009, in order to determine whether the subject site is suitable for such development.

Given our assessment of the subject site against the site suitability criteria in the Draft Centres Policy, we consider that the subject site represents a suitable location to support a new supermarket based development that would be as good, or better, than any other site in the surrounding locality that is not zoned business.

The following site suitability criteria are recommended on page 11 and page 12 of the draft Centres Policy to be used when assessing the suitability of a prospective out-of-centre site, noting that these criteria are much more applicable to traditional centres (i.e. B1, B2, B3 and B4), rather than B5, B6 and B7 land, as these zones tend to support car-based bulky goods and industrial type uses.

- Access to public transport, or the infrastructure capacity to support future public transport.

- Good pedestrian access.
- Good road access for employees, customers and suppliers and, where necessary, capacity to provide new road infrastructure.
- Close proximity to local labour markets with the skills required by business.
- Urban design opportunities that create the potential to integrate with surrounding land uses.
- Potential to increase the amenity of the local area.

7.5 Site suitability assessment

The subject site at Taren Point performs as follows against the criteria specified above:

- **Public transport:** The subject site is serviced by bus services operated by Transport NSW, with bus stops on Parraweena Road providing access to Miranda (and in turn access to the train network), as well as proximate bus stops on Taren Point Road which provide services between Rockdale and Miranda (which also provides access to the train network).
- **Pedestrian access**: The subject site has sufficient pedestrian and bike access, and any deficiencies or additional linkages to the site required can be made good at DA stage.
- **Road access (employees/suppliers/customers):** The subject site is proximately located near Taren Point Road, which is the second busiest road in the Sutherland Shire after the Prince Highway, and provides a major access route into and out of the Shire, accommodating around 58,500 vehicle trips per day (VPD). In addition, Parraweena Road in itself is a major thoroughfare, and also provides good access to and from The Boulevarde.
- **Access to labour:** The subject site, being situated in a highly accessible location adjacent to an area that is predominantly residential, is therefore proximate to an existing and

potential future labour market. Further, around 60% of Sutherland Shire resident workers leave the LGA every day for work, where the proposed development would provide the opportunity for workers to gain employment in the area in which they reside. In addition, there is a net under-provision of retail jobs in the Sutherland Shire, which the proposed development would help address.

- **No reduction in residential/industrial land supply**: The proposed development of the subject site will not impact the supply of land available for housing in the LGA, as residential development is not allowed at the subject site currently. Land for industrial uses is provided for extensively on the eastern side of Taren Point Road, and given the current Toyota Australia facilities (zoned B7) is being considered for non-industrial uses indicates that there is adequate provision of industrial land within the precinct.

- **Urban design:** The urban design elements of the proposal can be further negotiated at the DA stage of the development, but the development would meet the requirements of the relevant development controls.

- **Potential amenity increases:** A new modern convenience oriented retail centre, which meets relevant urban design standards, would be sympathetic to the surrounding visual amenity of the local area and would integrate with the nearby existing uses including Supa IGA Taren Point located on Parraweena Road. Supermarket and convenience amenity for surrounding residents will be improved greatly.

- **Environmental issues:** In regards to whether the site will contribute to environmental outcomes and have regard for environmental issues, the proponents have undertaken the necessary technical assessments examining various constraints and would be willing to discuss and address any issues with Council and/or the NSW DPE.

This assessment shows that the subject site performs very well against the suggested site suitability criteria in the NSW DPE draft Centres Policy, and the proposed development being considered for the site is considered to be appropriate in the above context.

Section 8: Net community benefit test

This section of the report examines the net community benefits associated with the proposed development were it allowed to be provided at the subject site. This assessment examines the proposal against a base case, addressing the evaluation criteria of the NSW DPE draft Centres Policy 2009 net community benefit (NCB) test.

This section considers the findings earlier in this report and assembles these in a manner that attributes a net community cost or benefit to the approval of the proposed development against a base case – i.e. were the proposed development not to be developed.

Our assessment has been adapted from the evaluation criteria nominated in the draft Centres Policy.

8.1 Net Community Benefit Appraisal

The NSW DPE draft Centres Policy 2009 provides a guide for the assessment of planning proposals for 'out-of-centre' developments. The draft Centres Policy recognises the usefulness of a net community benefit appraisal to inform the decision making process of the planning authority"… *where it is judged that the rezoning would produce a net community benefit, the proposal should proceed …." (p.26, draft centres policy, April 2009).*

As stipulated in the draft Centres Policy, a NCB test should consider the external costs and benefits of a proposal, such as net welfare effects or the net impact on other centres, as opposed to possible private costs and benefits.

The NCB test should also allow for the consideration of a proposal against a base case, such as the development not proceeding. The NSW DPE's draft Centres Policy also provides a series of evaluation questions to assist the NCB analysis.

Assessment against NCB evaluation criteria

Will the project be compatible with agreed State and regional strategic direction for development in the area (e.g. land release, strategic corridors, development within 800 metres of a transit node)?

Yes. The subject site is located within 400 m of Taren Point Road, the second busiest road in Sutherland Shire and a major access route into and out of the region, and is also located within the Taren Point Employment Zone. The general strategic planning intent for this region is to accommodate employment generating uses in a highly accessible location. Residents and workers in Sutherland Shire are generally car-dependent; however, there are bus stops nearby to the subject site on Parraweena Road and near the intersection with Taren Point Road and Port Hacking Road.

Our EIA analysis indicates that estimated impacts of the proposed development are likely to be minor, and with growth in the trade area and across Sutherland Shire will not affect the future viability of any centres, including future proposed centres. The proposed development will therefore not alter or impact the existing strategic centres hierarchy, in particular the role and function, or timing of the planned centres in Woolooware or Kirrawee. In this context, the proposed development at the subject site is consistent with the strategic direction in the region. Indeed, the identified retail centres hierarchy would remain unchanged and would be augmented by the proposed development at the Taren Point subject site.

Is the project located in a global/regional city, strategic centre or corridor nominated within the Metropolitan Strategy or other regional/subregional strategy?

Yes. The subject site is located within the Taren Point Employment Area, the largest employment precinct in the Sutherland Shire LGA, and is located near the intersection of Taren Point Road, a key economic development and transport corridor in the region.

Is the project likely to create a precedent or create or change the expectations of the landowner or other landholders?

No. Supa IGA Taren Point is already located proximate to the subject site in the same IN1 – General Industrial zone. There is no substantive ground therefore to view the proposed development as setting an additional precedent, in the context of the supporting analysis/technical documentation, which demonstrates the appropriateness of the development.

Have the cumulative effects of other such projects in the locality been considered? What was the outcome of these considerations?

Yes. Our EIA has accounted for the cumulative effects of all approved and proposed developments across the competitive network of relevance to the site. In this context, our analysis has not only considered the potential trading impacts of the proposed development itself, but also the impacts of other proposals in the region on the surrounding network of centres. For example, the proposed development of centres at Woolooware town centre and Kirrawee town centre.

The economic impact assessment showed that the proposed development concept being considered at the subject site is of an appropriate scale and composition in the context of the existing and planned centres hierarchy in the surrounding area.

Given the under-provision of supermarket floorspace within the Sutherland Shire LGA, and the high degree of supermarket expenditure leakage from the Taren Point main trade area, as well as population growth projected in the trade area and broader surrounds means that any potential impacts are likely to result in centres still trading at supportable trading levels post development, no future centres being impacted in terms of staging/scale and any impacts being dissipated very quickly.

In this context, the proposed development would enhance the centres hierarchy and proposed future hierarchy, as it would result in an additional centre in the network without compromising the hierarchy.

Will the project facilitate a permanent employment generating activity or result in any impact on employment lands?

Yes. We estimate that the proposed development concept being considered could support a net additional 96 on-going jobs as well as a further 38 jobs across the broader economy.

The proposed development is located within the Taren Point Employment Area, where its key objective is to generate employment. The proposed development will not have any impact on the provision of zoned employment land in the Sutherland Shire LGA. Indeed, it would create additional employment opportunities in the LGA. The proposed development concept will also help to service the significant workforce within the Taren Point Employment Area.

Furthermore, temporary employment will be supported during the construction phase of the project, including jobs created directly and from multiplier induced effects.

Will the project impact upon the supply of residential land and therefore housing supply and affordability?

No. The subject site under its current zoning cannot support residential development. So the proposed rezoning would not reduce the availability of residential dwellings in this part of the LGA. Indeed, the Industrial zone in the Sutherland Shire LEP 2015 does not allow residential development, and there is no proposal to change this.

Traffic and Access

Is the existing public infrastructure (roads, rail, and utilities) capable of servicing the proposed site?

Is there good pedestrian and cycling access?

Is public transport currently available or is there infrastructure capacity to support future public transport?

Yes. The subject site is serviced by the 986 Miranda to North Miranda bus service (there is an existing bus stop near the subject site along Parraweena Road), the 477 and 478 Rockdale Station to Miranda bus services (there are existing bus stops near the site at the intersection of Taren Point Road with Bay Road and Box Road; and near the intersection of Parraweena Road and Erskine Road) and the 971 Hurstville to Miranda/Cronulla (there is an existing bus stop near the intersection of Port Hacking Road and Parraweena Road, although this is located further from the subject site).

In addition, there is existing pedestrian and cyclist infrastructure that can be used to access the site.

We understand a traffic report has been prepared as part of the planning proposal.

Will the proposal result in changes to the car distances travelled by customers, employees and suppliers? If so, what are the likely impacts in terms of greenhouse gas emissions, operating costs and road safety?

Yes, it is anticipated that the development of this site is likely to result in reduced vehicle kilometres travelled by customers, employees or suppliers. The Quantium analysis showed that 75% of supermarket expenditure generated by main trade area residents escaped the catchment and that the average distance travelled to undertake supermarket shopping trips for this population was 2.0km. Further by providing employment opportunities within Sutherland Shire, resident workers may no longer need to leave the Shire to access employment thereby possibly decreasing car distances travelled.

The site is well serviced by major road infrastructure, with Taren Point Road connecting to Rocky Point Road, and Port Hacking Road connecting to the Princes Highway. The highly accessible site location will enable excellent access to distribution networks and labour markets. Furthermore the subject site is located about 2.1 km from the closest Woolworths store at Westfield Miranda, enabling delivery efficiencies to be achieved with minimal additional kilometres travelled.

The site is situated near an established residential population, with future growth expected in and around the main trade area. We anticipate that workers can be drawn from the existing established population and future growing areas. An analysis of ABS Journey to work data across selected employment precincts in metropolitan Sydney shows that for major suburban employment precincts a significant proportion (and in many cases a majority) of workers tend to reside within approximately 10 km of their place of employment, and the creation of employment opportunities at the subject site will provide job opportunities for residents of Sutherland Shire LGA, as well as surrounding LGAs (i.e. Rockdale, Kogarah and Hurstville).

The review of supermarket trends and shopping behaviours in Sutherland Shire in Section 2 and the assessment of the market gap in the defined main trade area in Section 5 of this report showed that there is considerable leakage of expenditure from the trade area and the proposed development will serve to reduce this trade area leakage.

Are there significant Government investments in infrastructure or services in the area whose patronage will be affected by the proposal? If so, what is the expected impact?

The proposed development is not expected to have an adverse impact on the surrounding road infrastructure, and, if anything, may reduce the number of private vehicle kilometres travelled by the population of the main trade area when accessing supermarket facilities.

The potential reduction in travel distance, will in turn result in reduced travel times for Taren Point trade area residents and workers

The existing bus services are not expected to be greatly impacted by the proposed development.

Will the proposal impact on land that the Government has identified a need to protect (e.g. land with high biodiversity values) or have other environmental impacts? Is the land constrained by environmental factors such as flooding?

No. We understand relevant ecological reports have been prepared as part of the planning proposal.

Will the project be compatible/ complementary with surrounding land uses?
What is the potential impact on amenity in the location and wider community?
Will the public domain improve?

The subject site is situated amongst an established precinct including the existing Supa IGA Taren Point on the northern side of Parraweena Road, a child care and play centre, a gym, Taren Point Hotel, bulky good retailers and light industrial uses, as well as being located near an established residential area around Taren Point, Sylvania Waters and northern Miranda and Caringbah.

While the land is zoned IN1 – General Industrial, the site is surrounded by residential uses, where the proposed development provides an appropriate conduit between the two zones. The site currently supports low amenity technology and long life dairy businesses, as well as a data centre. In this context, the subject site would be an extension of the existing retail and shop uses in the precinct and would be complementary to this offer. The additional "pulling power" of the proposed development, will enhance this precinct overall.

The proposed development will assist in providing jobs and services to meet the growing population in the area, and the proposed scale and mix of uses are appropriate in the context of the existing facilities and planned future centres in Sutherland Shire LGA.

It is anticipated that the proposed development will adhere to the required urban design guidelines and will contribute to the broader amenity in the area and public domain through well designed buildings and landscaping. Currently the site is occupied by commercial and warehousing facilities, and it is considered that the proposed development would be a major improvement on this. It would also significantly improve in the level of convenience amenity for surrounding residents and workers.

What are the public interest reasons for the project? What are the implications of not proceeding at that time?

The proposed development on the site could potentially result in a range of net community benefits, such as:

- Increased choice and amenity for the population of the main trade area, and more convenient access to new food and grocery shopping facilities, as well as likely increased competition for the benefit of consumers.
- Reduction of supermarket floorspace demand/supply gap, ensuring sufficient supermarket floorspace is provided, at convenient locations, for main trade area residents. As well as addressing the high proportion of supermarket expenditure leakage from the main trade area, through a better provision of food and grocery shopping facilities at the local level.
- Savings on time and fuel for main trade area residents due to a much better provision of supermarket shopping facilities, and supporting convenience facilities.
- A reduction in travel times and distances generates related benefits, including reduced vehicle wear and tear, reduced fuel costs, reduced pollution, reduced traffic congestion, reduced risks of car-accidents, and more time can be spent either working, socialising or undertaking other activities.
- Providing jobs near people’s homes and consequent economic multiplier impacts, which will boost the local economy.

- Reinforcing the retail/centres hierarchy in the region by providing additional convenience retail adjacent to an existing Supa IGA supermarket, without reducing the level of service provision anywhere else, nor impeding the development of any future/planned centres.

If the proposal does not proceed in its current form, the above benefits will not be realised. Given our assessment above, we consider the proposed development concept is in a highly accessible location for residents, workers and suppliers; and provides an outcome that is in-line with the strategic direction of the area, which can be serviced by existing transport infrastructure and would result in an overall benefit to the community.

8.2 Summary – Taren Point EIA, Sequential test and NCB test

Overall we consider the proposed development concept will provide a significant net community benefit given the following:

- Our analysis shows that the proposed development could be comfortably absorbed and that there is sufficient demand to support the proposed supermarket at the subject site.
- The proposal will address the existing under-provision of supermarket floorspace within the Sutherland Shire LGA, as well as the high degree of supermarket expenditure leakage from the Taren Point main trade area.
- The proposed development is likely to result in minor impacts on surrounding centres which will not affect the future viability of any centres, including future proposed centres. Further our analysis shows that the proposed development concept is of an appropriate scale and composition in the context of the existing and planned centres hierarchy in the surrounding area, and would enhance the centres hierarchy and proposed future hierarchy.
- The proposal will create an employment generating use within the Taren Point Employment Area, and provide 96 net additional on-going jobs, as well as a further 38 jobs across the broader economy.

- The proposed development is likely to result in reduced vehicle kilometres travelled by residents, workers and suppliers; which in turn could reduce travel times and ease congestion. In particular it would help to ease congestion around some of the key centres in the eastern part of the shire.

- There are no available sites within any of the established centres that could reasonably accommodate the proposed development, nor any adjacent sites (i.e. edge-of-centre) that could be practically considered for rezoning.

- The subject site performs very well against the suggested site suitability criteria in the NSW DPE draft Centres Policy.

Appendix

Sutherland LGA

Supermarket and consumer trends review

August 2016

MacroPlanDimasi

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Contents

Executive summary

Adverse impacts of supermarket under-supply…

- Congestion issues/deterrent effects – from supermarkets and car parks being too busy.
- Increased travel times/costs – due to congestion and shoppers bypassing smaller/inadequate supermarkets.
- Increased supermarket/retailer profitability – which can lead to a lack of reinvestment and a decline in customer service at a local level.
- Less job opportunities - limits the retail job opportunities for local residents and increases travel times for workers who need to leave LGA.
- Potential decline of non-centre employment precincts – due to lack of local amenities.

Small time savings add up…

- Quantium transactional data show that the average supermarket trip distance undertaken by Sutherland residents is around 120-200% greater than the average distance to their closest supermarket.
- This means that many residents are bypassing smaller, more proximate supermarkets because they do not provide a comprehensive range of grocery items.
- If just 10% of households were able to save 1 minute per trip for 10% of their annual supermarket trips as a result of better/more convenient access to supermarket facilities this would equate to time savings across the Shire of almost 60,000 minutes or more than 40 days.

Under-supply of supermarket floorspace…

- There is typically around 340 sq.m of supermarket floorspace per 1,000 residents across Australia. There is around 313 sq.m per 1,000 residents across Australia's capital cities, and around 338 sq.m per 1,000 residents, on average, if Sydney is excluded.
- There is around 286 sq.m of supermarket floorspace per capita across the Sutherland Shire, which is around 16% below the capital cities average (ex-Sydney).
- Around 33% of all supermarket floorspace is located within the Miranda and Caringbah activity centres – which are located just 2km from each other in the eastern part of the shire. Clearly, there is an imbalance in the provision of supermarket space within the Shire.
- The current under-provision of supermarket floorspace across Sutherland Shire equates to around 12,000 – 13,000 sq.m (which does not account for approved future developments).
- **Future demand for supermarket floorspace…**
- The Shire's population is projected to grow from 225,610 in 2015 to 264,230 by 2031. This growth of 38,600 persons by 2031 would be equivalent to around 13,000 sq.m of additional supermarket floorspace demand.
- This means a further 8 large supermarkets (above 3,000 sq.m) would be needed between now and 2031 in order for the Sutherland Shire to match the current average provision across Australian capital cities (ex-Sydney).
- There are only two large supermarkets approved across the Shire (at Woolooware and Kirrawee), as well as a proposed one at Kirrawee as well as two Aldi supermarkets which are much smaller – providing a limited range of items.

Lack of retail job opportunities…leads to greater unemployment.

- As at the 2011 Census, there were around 110,500 resident workers in the Sutherland Shire yet only 57,200 local jobs were available in the Shire.
- 20% of these local jobs are filled by workers from beyond the Shire, which means around 60% of Sutherland Shire resident workers leave the LGA every day for work.
- The number of jobs in the Sutherland Shire grew by around 4.8% between 2006 and 2011, yet retail jobs in the Shire declined by 1%.
- Retail trade is a key driver of the local economy, constituting around 16% of all local jobs as at 2011, the largest employing industry in the Shire. However, there was a net under-provision of retail jobs in the Sutherland Shire in 2011, with less retail jobs available in the Shire than employed residents in the retail industry.

Taren Point locality…

- Taren Point represents a highly suitable location for additional full-line supermarket facilities because of the significant escape expenditure from this locality at present; the large daily workforce (of around 11,000 workers); and the significant amount of latent demand existing already from drivers passing through the locality along Taren Point Road (in excess of 58,000 VPD).
- This would provide Shire residents the opportunity to link supermarket trips with a trip to work (or another trip beyond the Shire) and reduce specific/dedicated trips to supermarkets throughout the Shire.

Introduction

Introduction

Introduction

This report presents an assessment of supermarket trends across the Sutherland Shire and supermarket shopping behaviours of Sutherland Shire residents.

This report has been prepared on behalf of Woolworths Limited - a major employer in the Sutherland Shire, to assist Sutherland Shire Council with its future planning to enable new retail development to be provided that meet the needs of its constituents.

This report has been prepared to generally examine the broader supermarket environment across the Sutherland Shire but also to form part of the economic justification for a planning proposal for a new supermarket proposed at Taren Point.

MacroPlan Dimasi and Woolworths propose to discuss the findings of this report with Sutherland Shire Council representatives.

This report should be considered in conjunction with the Quantium report titled, "*Sutherland LGA supermarket analysis and Taren Point deep-dive*", which was prepared in April 2016 and has also been informed by consumer research prepared by Crosby Textor in March 2016.

The Quantium report presents an analysis of supermarket shopping behaviours of Sutherland Shire residents based on actual electronic transactional data.

The Crosby Textor consumer research provides insights into the preferences and issues of Sutherland Shire residents (i.e. Council's constituents), with information elicited through telephone surveys.

Report structure

This report is presented as follows:

Section 1: provides an overview of the current provision of supermarket floorspace across the Sutherland Shire, disaggregated by sub-region. This section also provides an analysis of the current and future population distribution across the Shire and examines their retail expenditure profile, and the implied future growth in demand for supermarket floorspace.

Section 2: reviews the Quantium transactional analysis and Crosby Textor market research that was commissioned as part of the suite of analytics prepared to examine the shopping patterns of Sutherland Shire residents.

Section 3: presents an analysis of relevant employment trends across the Shire, in particular, employment trends in the retail industry.

Section 4: examines the Taren Point locality and its suitability for additional supermarket facilities.

Section 5: identifies the implications of inadequate and poorly distributed supermarket floorspace supply; and then estimates the potential time savings that could result from improved supermarket floorspace distribution across the Shire.

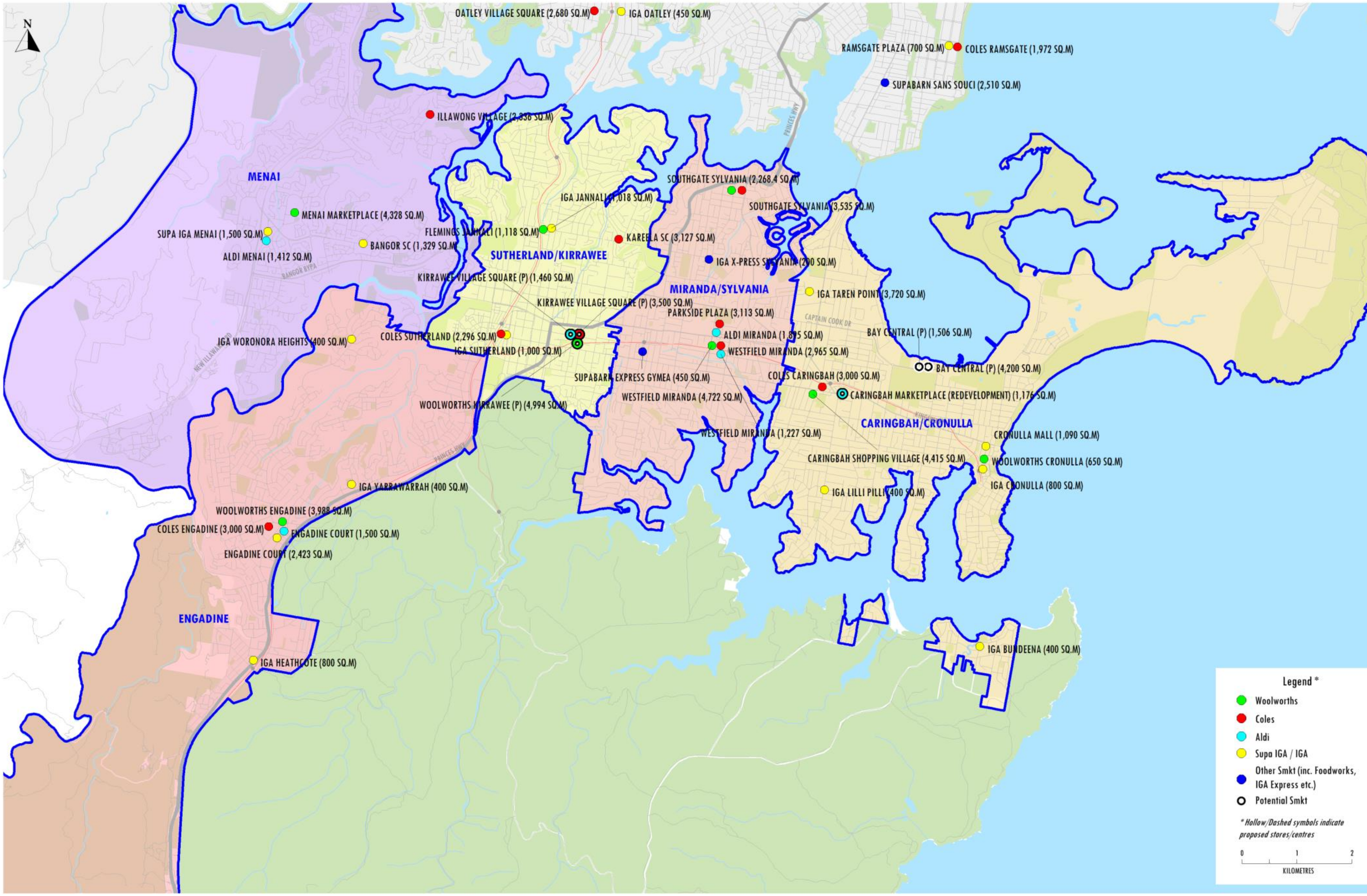
1. Supermarket trends

Section 1: Supermarket trends

1.1 Methodology

In order to examine the appropriateness of the supermarket floorspace provision across the Sutherland Shire the following methodology has been applied in this section of the report:

- Disaggregated the Sutherland Shire LGA into five sub-regions, in order to examine population growth and supermarket provision at a granular level (refer Map 1).
- Analysed the provision of supermarket floorspace per 1,000 residents in the Sutherland Shire and its sub-regions, in 2010 and 2015.
- Compared the supermarket provision rate within Sutherland Shire with other outer suburban LGAs across Sydney, as well as national and capital city benchmarks.
- Examined the future population growth across the Shire, and the distribution of this growth, to determine the future implied supermarket floorspace demand over the period to 2031.
- Had regard to the proposed/approved supermarket developments across the Sutherland Shire.
- Examined the annual retail and grocery expenditure per capita of Sutherland Shire residents, and compared this with metropolitan Sydney and Australian averages.



Map 1 – Sutherland Shire: supermarkets & sub-regions

MacroPlanDimasi

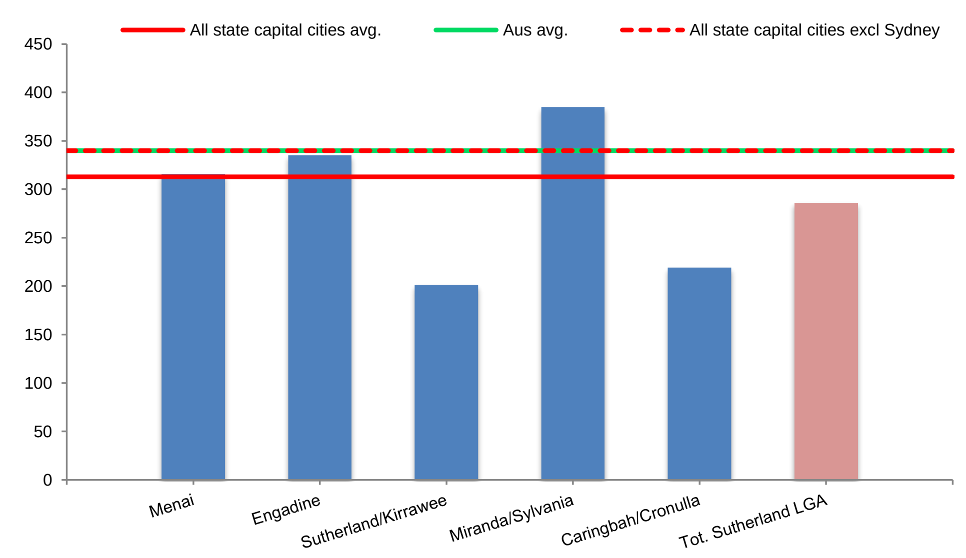
Section 1: Supermarket trends

1.2 Supermarket provision

The adjacent chart shows that the Sutherland Shire is significantly under-provided for in regards to supermarket floorspace per capita, in aggregate, and the existing supply is also poorly distributed. The following key points are noted:

- There is typically around 340 sq.m of supermarket floorspace per 1,000 residents across Australia. The Australian average, ex-Sydney is around 363 sq.m per 1,000 residents.
- There is around 313 sq.m of supermarket floorspace per 1,000 residents across Australia's capital cities, and around 340 sq.m, on average, if Sydney is excluded.
- Sydney is chronically and significantly under-supplied in regards to supermarket floorspace per capita, at around 25-30% below other Australian capital cities.
- There is around 286 sq.m of supermarket floorspace per 1,000 residents across the Sutherland Shire as at year end 2015, which is around 16% below the capital cities average (ex-Sydney).
- Around 33% of all supermarket floorspace is located within the Miranda and Caringbah activity centres – which are located just 2km from each other in the eastern part of the shire. Clearly, there is an imbalance in the provision of supermarket space within the Shire.
- In addition to the current under-supply, there is a 'net inflow' of retail expenditure demand from beyond the Sutherland Shire. Westfield Miranda is a super-regional shopping centre that serves a trade area population in the order of 500,000 persons, extending south towards Wollongong/Shellharbour and north of the Georges River to include the areas around southern Bankstown, Hurstville, Rockdale, Kogarah etc. This 'net inflow' is not only relevant for higher order fashion/leisure shopping, but would also be relevant to supermarket shopping.

Sutherland Shire subregions - supermarket* floorspace per 1,000 residents, 2015



** Includes supermarkets larger than 500 sq.m*
Source: MacroPlan Dimasi

Section 1: Supermarket trends

1.2 Supermarket provision

The adjacent table shows Sutherland has been chronically under-supplied in terms of supermarket floorspace since 2010. We make the following comments in relation to this table:

- Across Australia, the rate of supermarket floorspace provision per capita increased by around 7.6% over the past five years, and across the five mainland capital cities, this rate has increased by about 5.1%.
- The rate of supermarket floorspace provision per capita in the Sutherland Shire has grown by just 2.3% over the past 5 years, meaning that new supply has not kept pace with population growth at 3.6%.
- The addition of new supermarket facilities at Westfield Miranda in 2015 was the only thing that prevented a decline in the rate of supermarket provision per capita between 2010 and 2015.
- The current under-provision of supermarket floorspace across Sutherland Shire equates to around 12,000 – 13,000 sq.m adopting a target rate of provision of 340 sq.m per 1,000 residents (i.e. the average across Australian capital cities (ex-Sydney)).

Sutherland Shire - supermarket provision relative to population, 2010-2015*

	2010			2015			Growth (2010 - 15)	
Region	SMKT GLA	Population	GLA per 1000	SMKT GLA	Population	GLA per 1000	Population	GLA per 1000
Sutherland Shire								
• Menai	10,692	34,434	311	10,905	34,530	316	0.3%	1.7%
• Engadine	11,711	34,310	341	11,711	34,930	335	1.8%	-1.8%
• Sutherland/Kirrawee	8,399	40,706	206	8,559	42,500	201	4.4%	-2.4%
• Miranda/Sylvania	16,334	49,576	329	19,725	51,250	385	3.4%	17%
• Caringbah/Cronulla	13,814	58,810	235	13,675	62,400	219	6.1%	-6.7%
Total Sutherland Shire	**60,950**	**217,836**	**280**	**64,575**	**225,610**	**286**	**3.6%**	**2.3%**
Capital cities	-	-	298	-	-	313		5.1%
Capital cities excl Sydney	-	-	323	-	-	340		5.3%
Australia	-	-	316	-	-	340		7.6%

**Supermarkets greater than 500 sq.m*
Source: ABS; MacroPlan Dimasi

Section 1: Supermarket trends

1.3 Comparison with other LGAs

The adjacent table and chart on the next page compare the rate of supermarket provision per 1,000 residents with other outer suburban LGAs across metropolitan Sydney, as well as the Australian average and Australian capital cities average.

- The rate of provision per 1,000 residents in Sutherland (286 sq.m) is significantly below most outer suburban LGAs.
- Only the Penrith, Blue Mountains and Hornsby LGAs have lower rates of provision per 1,000 sq.m.
- Furthermore, and as alluded to earlier, some LGAs do not contain any regional or sub-regional scale shopping facilities, while some, such as Sutherland Shire, contain significant super-regional shopping centres that service regional scale catchments, extending well past the LGA boundaries.
- In this context, one would expect the rate of supermarket provision in Sutherland Shire to be much greater than other LGAs, yet it is ranked fourth last in the list.

Outer Sydney LGAs - supermarket provision relative to population

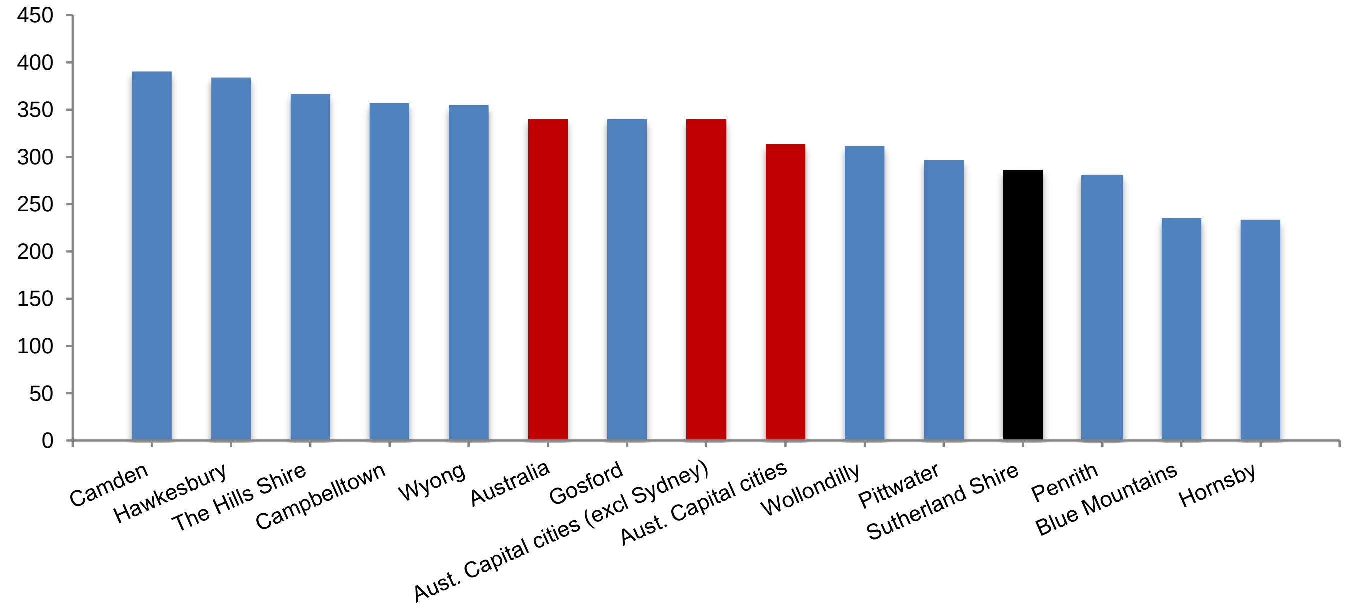
		2015*		No. of centres	
LGA/Region	Smkt GLA (sq.m)	Population	Smkt GLA per 1,000	Regional	Sub-regional
Camden	30,929	72,260	390	0	2
Hawkesbury	25,731	66,290	384	0	1
The Hills Shire	72,103	192,810	366	1	3
Campbelltown	58,713	158,990	357	1	3
Wyong	57,614	159,980	355	1	2
Gosford	58,677	173,140	340	1	1
Wollondilly	14,623	48,040	312	0	0
Pittwater	18,769	64,190	297	0	1
Sutherland Shire	**65,514**	**225,610**	**286**	1	2
Penrith	56,030	197,910	280	1	2
Blue Mountains	19,149	79,550	235	0	1
Hornsby	39,681	170,820	234	1	1
Aust. Capital cities	-	-	313	-	-
Aust. Capital cities (excl Sydney)		-	340	-	-
Australia	-	-	340	-	-

**Includes supermarkets 500 sq.m and larger*
Source: ABS; MacroPlan Dimasi

Section 1: Supermarket trends

1.3 Comparison with other LGAs

Outer Sydney LGAs - supermarket* provision relative to population (GLA per 1,000 residents), 2015



** Includes supermarkets larger than 500 sq.m*

Source: MacroPlan Dimasi

Section 1: Supermarket trends

1.4 Future population and supermarket floorspace growth

The adjacent tables show the future population growth expected across the Sutherland Shire, by sub-region, as per the NSW Bureau of Transport Statistics (BTS) projections.

- As mentioned earlier, the existing under-provision of supermarket floorspace across the Sutherland Shire is equivalent to around 12,000 – 13,000 sq.m.

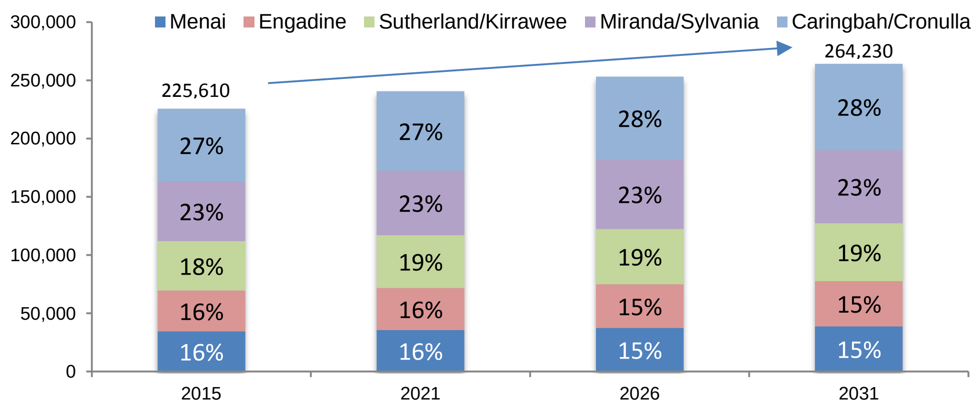
- The Shire's population is projected to grow by around 17% to 2031, from 225,610 in 2015 to 264,230 by 2031. This growth of 38,620 persons by 2031 would be equivalent to around 13,000 sq.m of additional supermarket floorspace demand.

- This means that a further 8 large supermarkets (above 3,000 sq.m) would be needed between now and 2031 in order for the Sutherland Shire to match the current average provision across Australian capital cities (ex-Sydney).

- The bottom chart shows that around 60 – 65% of the future population growth is expected to occur in the eastern part of the Shire (i.e. the Miranda/Sylvania and Caringbah/Cronulla sub-regions). Yet these areas are planned to accommodate just one new large supermarket at Woolooware (plus an Aldi supermarket) and an Aldi supermarket at Caringbah in the foreseeable future.

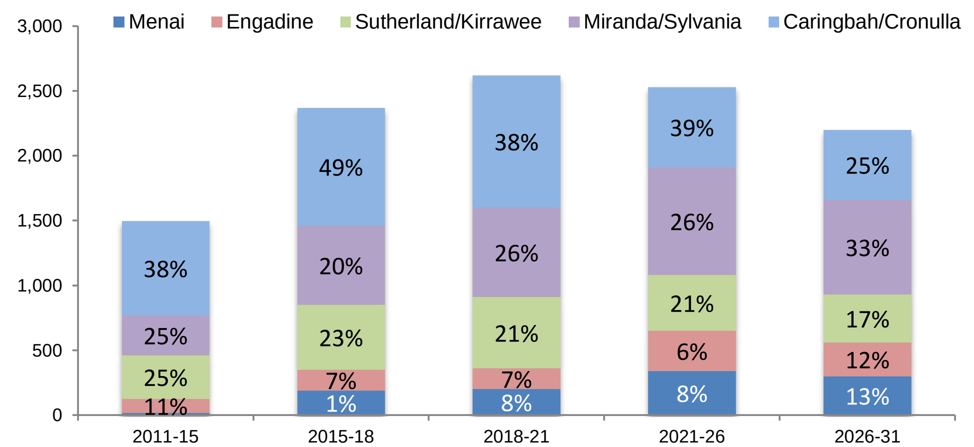
- Elsewhere across the Shire, there is only one other large supermarket approved, the Coles supermarket under construction at South Village (i.e. the former Kirrawee Brick Pit site), which will also include an Aldi supermarket. There is also a proposed Woolworths supermarket at Kirrawee which may be approved in the future.

Sutherland Shire - Total population by sector, 2016-2031



Source: ABS, NSW BTS

Sutherland Shire - % of Population growth per annum, 2011-2031



Source: ABS, NSW BTS

Section 1: Supermarket trends

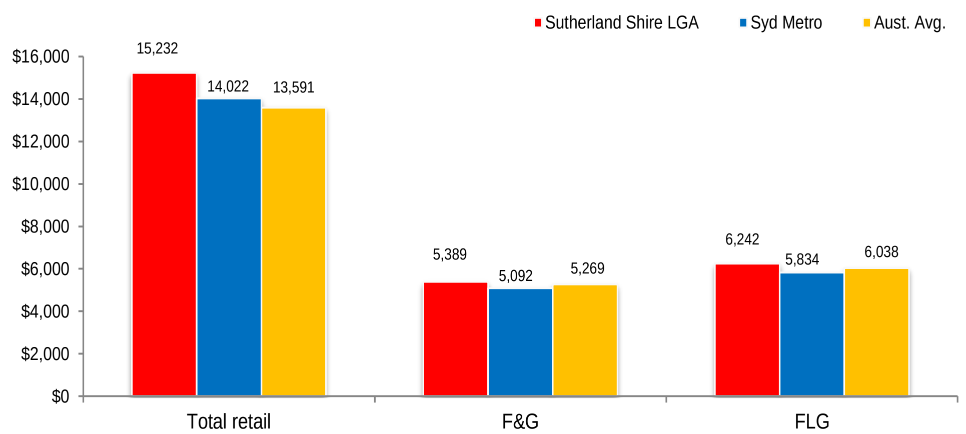
1.5 Retail expenditure per capita

The adjacent table illustrates the estimated annual retail expenditure per capita of the Sutherland Shire population, compared with benchmarks for metropolitan Sydney and Australia, based on MarketInfo data. These data are presented in $2015 dollars and inclusive of GST.

We make the following comments:

- Sutherland Shire residents spend around 8 – 9% more per capita on retail goods and services than the average resident across metropolitan Sydney, and around 12% more per capita than the average resident across Australia.
- In regards to spend on take-home food and grocery (F&G) items, and take-home food, packaged liquor and grocery (FLG), Sutherland Shire residents spend around 5.8% and 7.2% more per capita more than the average Sydney resident, and around 2 – 3% more than the average Australian resident.
- Therefore, in addition to the Shire being significantly under-supplied in terms of supermarket floorspace per capita, Shire residents also spend a lot more on supermarket retailing per capita, which further exacerbates the adverse effects of an under-supply (e.g. congestion, inferior customer amenity).
- The relatively high affluence and high proportion of family households – where parents tend to buy groceries and prepare meals at home, drive this above average expenditure profile.

Sutherland Shire - retail expenditure per person, 2015*



**Including GST*
Source: MarketInfo; MacroPlan Dimasi

2. Consumer market research

Section 2: Consumer market research

2.1 Quantium analysis

Purpose

Quantium was engaged to examine the actual supermarket shopping patterns of Sutherland Shire residents. The analysis by Quantium represents a very accurate picture of the actual supermarket expenditure behaviours of residents in Sutherland Shire.

Quantium is able to assess where residents conduct their supermarket shopping within the Sutherland Shire, and their suburb of origin, as well as how much expenditure escapes beyond the Sutherland Shire.

The analysis of supermarket expenditure provides an additional overlay to the supermarket trends analysis of Section 1.

The Quantium analysis is attached as Appendix 1 to this report, and assessed the following:

- Reviewed the supermarket expenditure patterns for each sub-region.
- Reviewed the supermarket expenditure patterns for each suburb.
- Assessed the average distances travelled by residents to undertake supermarket shopping trips.
- Reviewed the supermarket expenditure patterns and travel distances of residents in the Taren Point locality specifically.

About Quantium Data

The basis of the Quantium Market Blueprint data is the full set of electronic transactions (credit card and debit card) for all National Australia Bank (NAB) customers across Australia. The information enables Quantium to plot both the origin (i.e. the home address) and the destination (i.e. the particular store) for each transaction.

The NAB coverage means that Quantium is able to analyse and plot the actual transactional behaviours of more than 2.5 million customers nationally, which forms the basis for a detailed estimation of expenditure flows for any identified area.

In short, the Quantium data provides a detailed analysis of actual spending behaviours by residents of the Sutherland Shire.

The data provided, for the year to April 2016, reflects actual transactions conducted by all of these residents, over the 12 month period, at all supermarkets within the trade area.

The data show the reality of what is currently happening in in terms of supermarket expenditure across the Shire, at a very granular level.

Section 2: Consumer market research

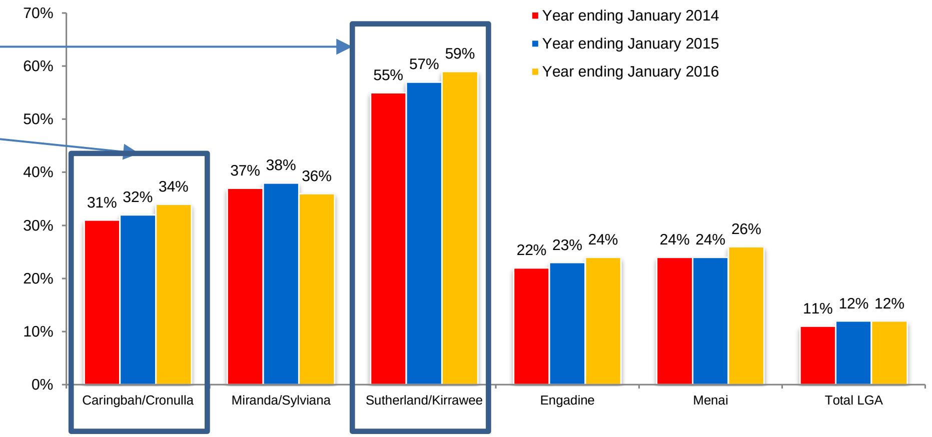
2.1 Quantium analysis

Supermarket expenditure patterns - by sub-region

The following supermarket expenditure behaviours were identified by Quantium in its analysis:

- Around 59% of Sutherland/Kirrawee residents' supermarket expenditure escapes the sub-region.
- Around 34% of Caringbah/Cronulla residents' supermarket expenditure escapes the sub-region.
- Around 12% of all supermarket expenditure generated by Sutherland Shire residents escapes the Shire.
- Aside from the Miranda/Sylvania sub-region, where the provision of supermarket floorspace per capita is above average due to the provision of a super-regional shopping centre (Westfield Miranda) and a sub-regional shopping centre (Southgate Sylvania) with multiple supermarkets, the sub-regions with an under-supply of supermarket floorspace tend to exhibit the greatest proportion of escape expenditure to other sub-regions.
- For the Miranda/Sylvania sub-region, the proportion of escape expenditure is relatively high due to the large cross-over flows between Caringbah and Miranda centres which are located relatively close together.

Sutherland LGA - escape expenditure by year



Source: Quantium

Section 2: Consumer market research

2.1 Quantium analysis

Supermarket travel patterns

The adjacent chart shows that existing provision of supermarkets is less than optimal as residents generally travel much further than their most proximate supermarket, presumably to access larger, more comprehensive supermarket offers.

The chart shows the average distance travelled (from home) to undertake supermarket shopping trips for residents in Kirrawee/Sutherland (+2.3km), Caringbah/Cronulla (+2.4km) and Engadine (+2.4km) is more than 200% greater than the distance to their nearest supermarket.

In Miranda/Sylvania and Menai this percentage is around 120 - 150%.

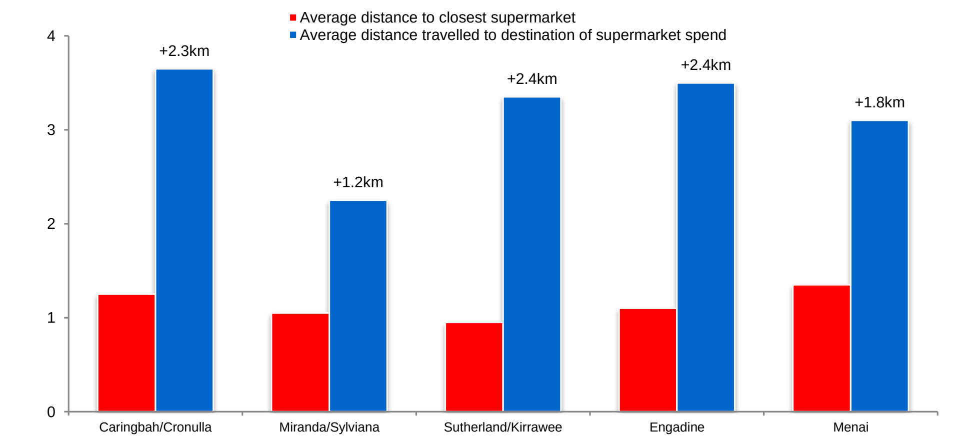
Supermarket expenditure very focussed on two centres

Not only is the Sutherland Shire under-provided for in terms of supermarket floorspace per capita in aggregate, but there is a major issue in relation to the distribution of supermarket floorspace across the Shire.

Around 33% of all supermarket floorspace is contained within the Miranda and Caringbah activity centres, which are located just 2km apart in the eastern part of the Shire.

These centres also attract expenditure from residents beyond the Sutherland Shire, however, the Quantium analysis shows that these centres also attract around 33 - 35% of all supermarket expenditure generated by Sutherland Shire residents.

Sutherland LGA - average distance travelled to supermarket



**Average distance is weighted by customer supermarket transactions. Includes only transactions made in Sutherland LGA*
Source: Quantium

Section 2: Consumer market research

2.1 Quantium analysis

Supermarket expenditure patterns - Taren Point residents

- Quantium undertook a detailed analysis of supermarket expenditure patterns at a suburb level as well as a specific assessment of the catchment within a 1km radius of the IGA supermarket at Taren Point.
- The table adjacent shows that around 75% of all supermarket expenditure generated by residents in the defined Taren Point catchment is not spent at the Taren Point IGA supermarket – with considerable escape expenditure to Miranda (22%), Caringbah (22%) and Sylvania (12%).
- The average distance to the IGA supermarket for this catchment is about 0.9 km, however he average distance travelled to undertake supermarket shopping trips for this population was about 2.0km.
- The existing provision of supermarket facilities in the Taren Point catchment appears to not be meeting the needs of the local population.

Supermarket expenditure patterns - Taren Point catchment residents

Area of Origin	Supemarket destination	% spend
Caringbah / Cronulla	Caringbah	22%
	Taren Point	25%
	Cronulla	1%
	Caringbah South	4%
	Lilli Pilli	0%
	Bundeena	0%
	Woolooware	0%
Miranda / Sylvania	Miranda	22%
	Sylvania	12%
	Gymea	0%
Sutherland / Kirrawee	Kareela	0%
	Jannali	0%
	Sutherland	0%
Engadine	Engadine	1%
	Heathcote	0%
	Yarrawarrah	0%
Menai	Worona Heights	0%
	Menai	1%
	illawong	0%
	Bangor	0%
Out of Sutherland LGA		12%
Total		100%

Source: Quantium

Section 2: Consumer market research

2.2 Crosby Textor research

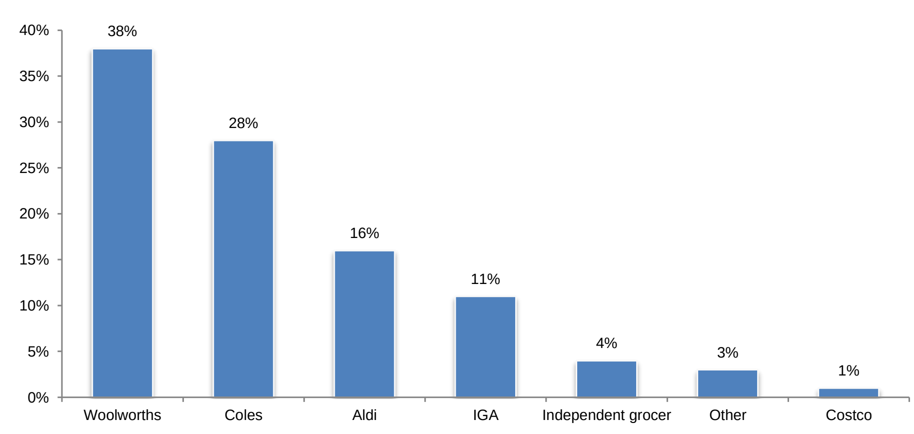
Purpose of Crosby Textor research

Crosby Textor is a market research company that conducted primary market research through telephone surveys in relation to supermarket behaviours and preferences of Sutherland Shire residents. The research addresses issues that were more qualitative in nature than the transactional supermarket expenditure analytics prepared by Quantium.

The key findings of note included the following:

- 38% of residents across the Sutherland Shire cited Woolworths as their preferred supermarket brand, with Coles second at 28%.
- Easing local traffic congestion is the most important 'local issue' identified across the whole Sutherland Shire, with 90% citing this as important or very important.
- A need for more local job opportunities and tackling youth unemployment were also identified as very important local issues, with 80 - 85% citing this as important or very important.
- 70% of respondents favourably responded to the suggestion that there should be more retail jobs in the Shire.
- Most respondents indicated that they prefer to shop at the most convenient location available (87%). However, the Quantium data indicate that people travel further than their closest supermarket, on average, to conduct their supermarket shopping trips, which means their preferences are not being met.
- Indeed, 77% of respondents prefer shopping at larger supermarkets with a full range of products. Ideally, therefore, such supermarkets would be located close to where people live – not just in centres.

Sutherland LGA - residents preferred supermarket/grocery store



Source: Crosby Textor

3. Employment trends

Section 3: Employment trends

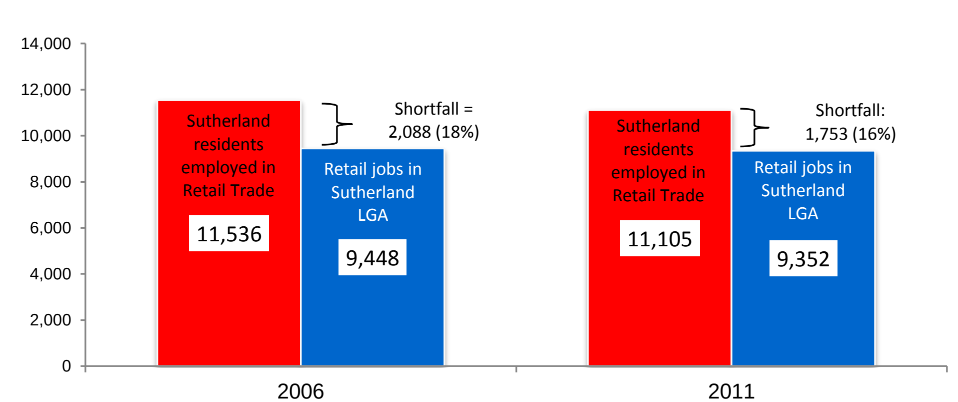
3.1 Shortfall in retail jobs & jobs in general

The charts adjacent present an analysis of the job provision in the Sutherland Shire compared against the local resident workforce, based on data from the 2011 ABS Census of Population and Housing. The first chart presents an analysis of the retail industry specifically and the second chart presents an analysis of total employment. The following key points are noted:

- As at the 2011 Census, there were around 110,500 resident workers in the Sutherland Shire yet only 57,200 local jobs were available in the Shire.
- Furthermore, approximately 20% of the 57,200 local jobs were filled by workers from beyond the Sutherland Shire, meaning around 60% of Sutherland Shire resident workers leave the LGA every day for work.
- The number of Sutherland Shire residents employed in the retail industry decreased between 2006 and 2011, by around 400 workers yet the total number of resident workers increased by almost 3,000.
- The number of jobs in the Sutherland Shire grew by around 4.8% between 2006 and 2011, yet retail jobs in the Shire declined by 1%.
- There was a net under-provision of retail jobs in the Sutherland Shire of around 16%, or 1,750 jobs in 2011.
- Retail trade is a key driver of the local economy, constituting around 16% of all local jobs as at 2011, the largest employing industry in the Shire, followed by health care & social assistance (14%).

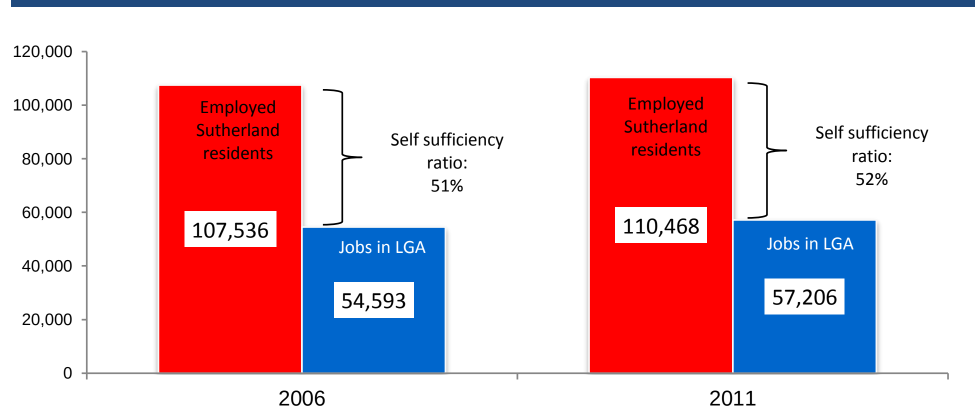
In summary, the lack of sufficient investment in retail development between 2006 and 2011 in the Sutherland Shire resulted in a deterioration in local retail jobs and a continued net exodus of retail employment to other LGAs. The recent expansion of Westfield Miranda (in 2015) will contribute to addressing this shortfall to some extent, however, there would still remain a major net outflow of employment from the Shire in general, given more than 66,000 resident workers left the Shire each day in 2011.

Sutherland Shire - Resident retail trade workers vs retail trade jobs



Source: ABS; MacroPlan Dimasi

Sutherland Shire - Total resident workers vs jobs



Source: ABS; MacroPlan Dimasi

4. Taren Point – site potential

Section 4: Taren Point – site potential

4.1 Taren Point locality

This report has been prepared to examine the supermarket trends and customer shopper behaviours across the whole Sutherland Shire. However, at a more specific level around Taren Point, there are several other issues that should be noted:

Taren Point Road traffic – significant latent demand

- Taren Point Road is the second busiest road in the Sutherland Shire, accommodating around 58,000 vehicle trips per day (VPD) in 2015 (just south of the bridge), according to the RMS. This is only marginally less than the 60,000 VPD recorded on the Princes Highway just north of Bates Drive at Kareela.

- The traffic generated on this road would include local residents leaving the Shire for work; parents taking children to schools near Taren Point as well as beyond the Shire; and workers accessing the Taren Point/Caringbah precinct. Most of these users would be making such trips frequently – i.e. twice on daily basis on weekdays.

Taren Point/Caringbah - employment precinct

- The Taren Point/Caringbah employment precinct is a key employment node in the Sutherland Shire, accommodating in excess of 11,000 jobs (around 20% of the Shire total), of which around 7,000 jobs are located in the precinct north of Box Road and the area around Parraweena Road and Taren Point Road.

- This worker population, in and of itself, would drive substantial additional demand for supermarket/convenience facilities over and above the local residential catchment and passing traffic.

- In this regard, Taren Point would represent a very suitable location for additional full-line supermarket facilities because a significant amount of latent demand exists already from drivers already passing through the locality. This would mean that many shoppers would be able to link another trip with a supermarket trip which would help to reduce specific/dedicated trips to supermarkets throughout the Shire.

Taren Point catchment – significant leakage

- The Quantium analysis showed that the residential area around Taren Point has a high supermarket expenditure leakage rate to other centres, in particular to Caringbah (22%), Miranda (22%) and Sylvania (12%).

- P.36-37 of the Quantium report shows that 75% of supermarket expenditure generated by this population is directed to supermarkets beyond Taren Point and that on average (or frequently), residents of the Taren Point catchment travel around 2km per supermarket trip – even though on average they are located around 1km from their closest supermarket (i.e. IGA Taren Point).

- Section 5 provides an analysis of the potential time savings that could be achieved in aggregate across the whole Sutherland Shire were just 10% of the population able to save 1 min (or around 0.5 – 1km) from 1 in 10 supermarket shopping trips per annum.

Centres at capacity & inadequate distribution of supermarket floorspace

- As shown earlier, not only is the Sutherland Shire under-provided for in terms of supermarket floorspace per capita in aggregate, but there is a major issue in relation to the distribution of supermarket floorspace across the Shire. Of particular note, around 33% of all supermarket expenditure generated by Sutherland Shire residents is captured by supermarkets in Caringbah and Miranda, which are located just 2km apart in the centre of the Shire.

- A policy that encourages future residential development in centres and quarantines supermarket development to centres only, fails to acknowledge that particular centres in the Shire are already at capacity and neglects major non-centre employment precincts. (cont. next page)

Section 4: Taren Point – site potential

- Caringbah and Miranda are under significant pressure due to a lack of full-line supermarket facilities around Sutherland/Kirrawee and Caringbah/Cronulla.
- The provision of new facilities at Kirrawee and Woolooware will help to ameliorate this issue to some extent, however, further provision of supermarket facilities in 'non-centre' locations (i.e. near main roads where there is already latent demand), is considered to be critical in relieving acute capacity issues that currently exist in some centres and to help prevent the escalation of such issues.

4.2 Future supermarket supply

There are several proposals for new supermarket developments across the Sutherland Shire including:

- **Sharks Club at Woolooware (Approved & under construction)** – a mixed use redevelopment of the Sharks Club is currently under construction including residential, medical, rejuvenated club facilities and a full-line supermarket, plus an Aldi supermarket plus mini-majors and specialty retail. This development is due for completion around 2019 or so.
- **South Village at Kirrawee (Approved & under construction)** - which will include a full-line Coles supermarket and an Aldi supermarket, and supporting specialty retail. This development is due to open around 2018 or so.
- **Woolworths supermarket at Kirrawee (Proposed)** – a revised development application was submitted in December 2015 for the development of a full-line Woolworths supermarket (and Dan Muphy's) on Flora Street in Kirrawee. This application is currently being assessed by Sutherland Shire Council.
- **Aldi at Caringbah** – is due to begin construction soon, and open in the next year or so.

The provision of a new full-line supermarket at the Sharks Club at Woolooware (plus a Aldi supermarket) will help to provide local full-line supermarket facilities, servicing residents in the suburbs of Woolooware, Cronulla, Kurnell etc.

However, the site is disconnected from the rest of the Taren Point/Caringbah employment precinct and will do little to provide convenience amenity for these workers or minimise daily trips generated by this worker population; and will not really service the latent demand generated by the traffic using Taren Point Road.

The provision of new supermarket facilities at Kirrawee will help to meet the significant demonstrated shortfall of supermarket facilities in the Sutherland/Kirrawee sub-region – where more than 50% of resident expenditure escapes the sub-region and will provide an opportunity for some of the latent demand from passing traffic on the Princes Highway to be captured.

However, this will do little in the way of addressing the shortfall in the north-eastern part of the Sutherland Shire, nor servicing the significant local workforce around Taren Point/Caringbah, and will not serve the significant latent demand generated by passing traffic on Taren Point Road.

The new facilities at Kirrawee are long overdue and will merely help to address part of the supermarket distribution problem across the Shire.

5. Net community impacts

Section 5: Net community impacts

5.1 Adverse impacts of under-supply…

The following adverse consequences have been identified, resultant from an undersupply, or inadequately distributed supply, of supermarket floorspace across the Sutherland Shire:

- **Congestion issues** – within supermarkets themselves (i.e. over-crowding/queues), their associated car-parks (queues), and surrounding streets (traffic) particularly at peak times.
- **Deterrent effects** – whereby customers/shoppers alter their shopping behaviours to shop at less convenient times in order avoid congestion/time wasting.
- **Increased travel times/costs** – due to inadequate provision of supermarket facilities (i.e. long travel distances) and due to congested existing supermarket facilities (lost time).
- **Reduced competition** – which can lead to higher prices for consumers at a local area level.
- **Increased supermarket/retailer profitability** – which can lead to a lack of reinvestment and a decline in customer services at a local level.
- **Less job opportunities** - limits the retail job opportunities for local residents, which is particularly an issue given the relatively high leakage of employed residents to areas outside the Shire.
- **Potential decline of non-centre employment precincts** – a lack of immediate amenities for workers in major "non-centre" employment precincts could lead to the general decline of these precincts – as local workers/businesses may seek better serviced localities. Providing local amenities would minimise car-trips by workers.

5.2 Potential time savings…

As alluded to earlier, one of the most important benefits of providing a convenient and appropriately distributed network of full-line supermarkets is that it saves travel time for customers, on a per trip basis, which translates to significant gains at an aggregate level across the whole community.

Some centres in the Sutherland Shire suffer from major congestion issues, particularly at peak times, for example Caringbah and Miranda.

Even small savings in time, can add up to significant aggregate time savings across a network (i.e. across the Sutherland Shire).

There are around 226,000 – 227,000 residents in the Sutherland Shire, residing in around 75,000 households. Assuming each household undertakes 1.5 supermarket based trips per week, on average, per year, this would be the equivalent to around 5.8 – 5.9 million supermarket based shopping trips per annum.

The Quantium analysis showed that the average supermarket trip distance undertaken by Sutherland residents is around 120 - 200% greater than the average distance to their closest supermarket (i.e. the average distance to the nearest supermarket facilities tends to be around 1km, whereas the average trip is around 2.2 – 3.4.km). This means that many residents are bypassing smaller, more proximate supermarkets because they do not provide a comprehensive range of grocery items.

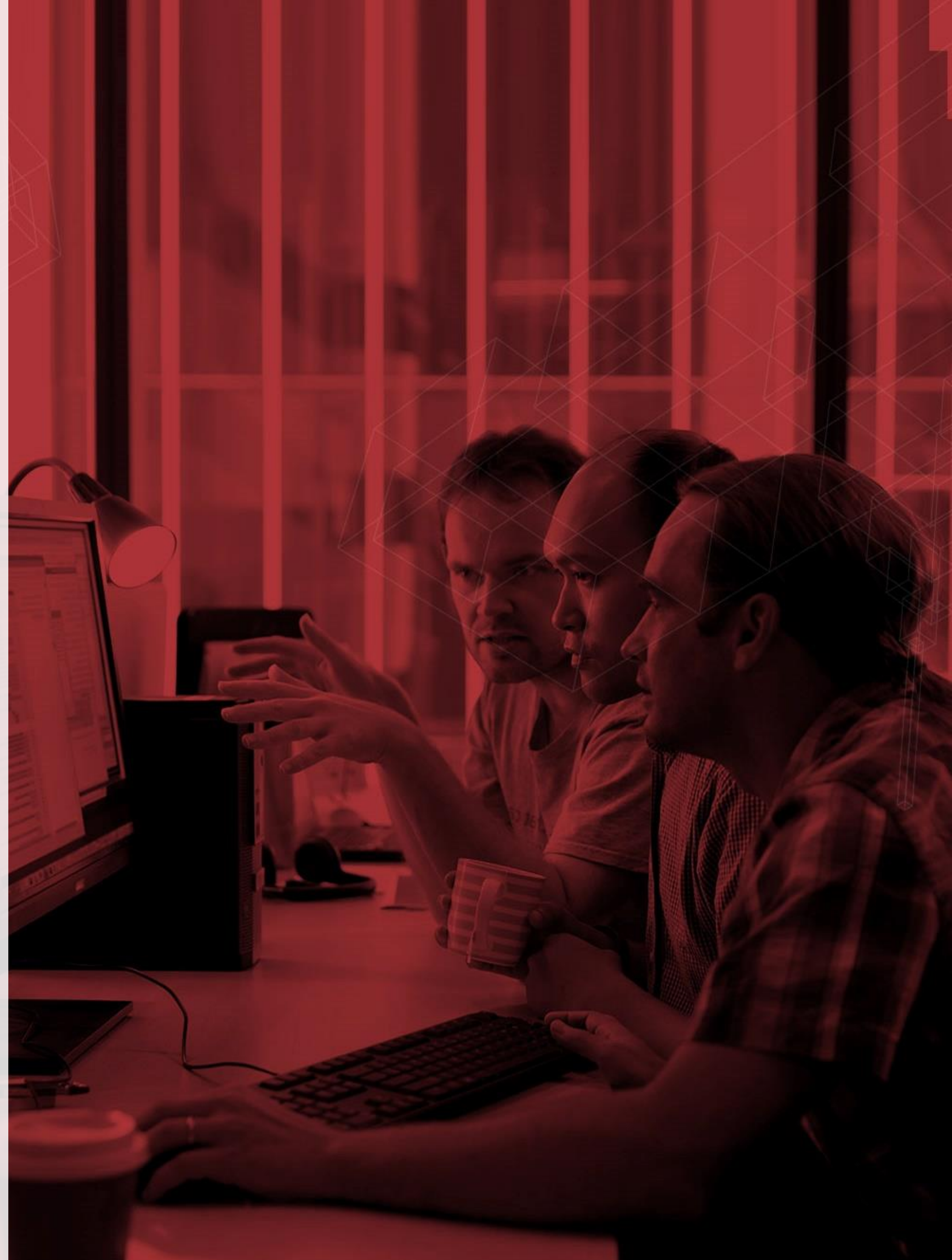
If just 10% of households were able to save 1 minute per trip for 10% of their annual supermarket trips as a result of better/more convenient access to supermarket facilities, this would equate to total time savings of 58,000 – 59,000 minutes, or more than 40 days.

Appendix

Sutherland LGA supermarket analysis and Taren Point deep-dive

Wade Tubman and Donald Freudenstein

April 2016



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Agenda

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Background and executive summary

Background

- Quantium was engaged to investigate the adequacy of supermarket provision in the Sutherland LGA, particularly relating to an inconvenience of residents and overtrading or undertrading of existing supermarkets in the area

Executive summary

- There is a clear under-provision of supermarkets in the Sutherland / Kirrawee area as evidenced by high levels of escape expenditure and distance travelled by residents to complete their supermarket missions
- Supermarkets in all areas within Sutherland / Kirrawee undertrade except for Kareela which overtrades. In particular, Jannali supermarkets significantly undertrade relative to the rest of the Sutherland LGA. Kirrawee currently has no supermarkets to service the area
- Despite having supermarkets in the area, Cronulla has a high level of escape expenditure to Caringbah. This is also reflected in clear overtrading of Caringbah supermarkets and under-trading of Cronulla supermarkets
- Taren Point catchment residents have a very high level of escape expenditure to Caringbah, Miranda and Sylvania

QUANTIUM

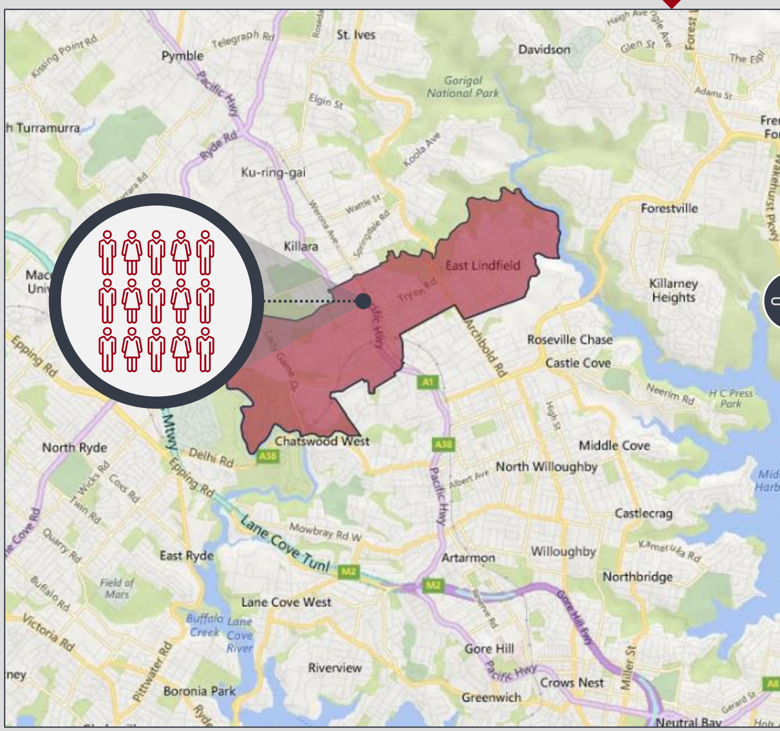
Escape expenditure measures the proportion of supermarket spend that is conducted outside the residents area of convenience

An area with a high level of escape expenditure can be evidence of a poor supermarket offering or under-provision of supermarkets

Escape expenditure is also associated with increased travel times and inconvenience for residents to complete supermarket missions

Illustrative example

Lindfield residents



Supermarket spend

43%	**Retained expenditure (Lindfield)**
57%	**Escape expenditure (out of area)**

Lindfield residents spend 43% of total their supermarket wallet in the Lindfield area (**retained expenditure**)

The remaining 57% of spend is conducted outside the Lindfield area (**escape expenditure**)

The escape expenditure can be further broken down to a postcode / suburb level

Escape expenditure to…

9%	Chatswood
7%	Gordon
2%	North Ryde
39%	Other postcodes

QUANTIUM

Notes on analysis

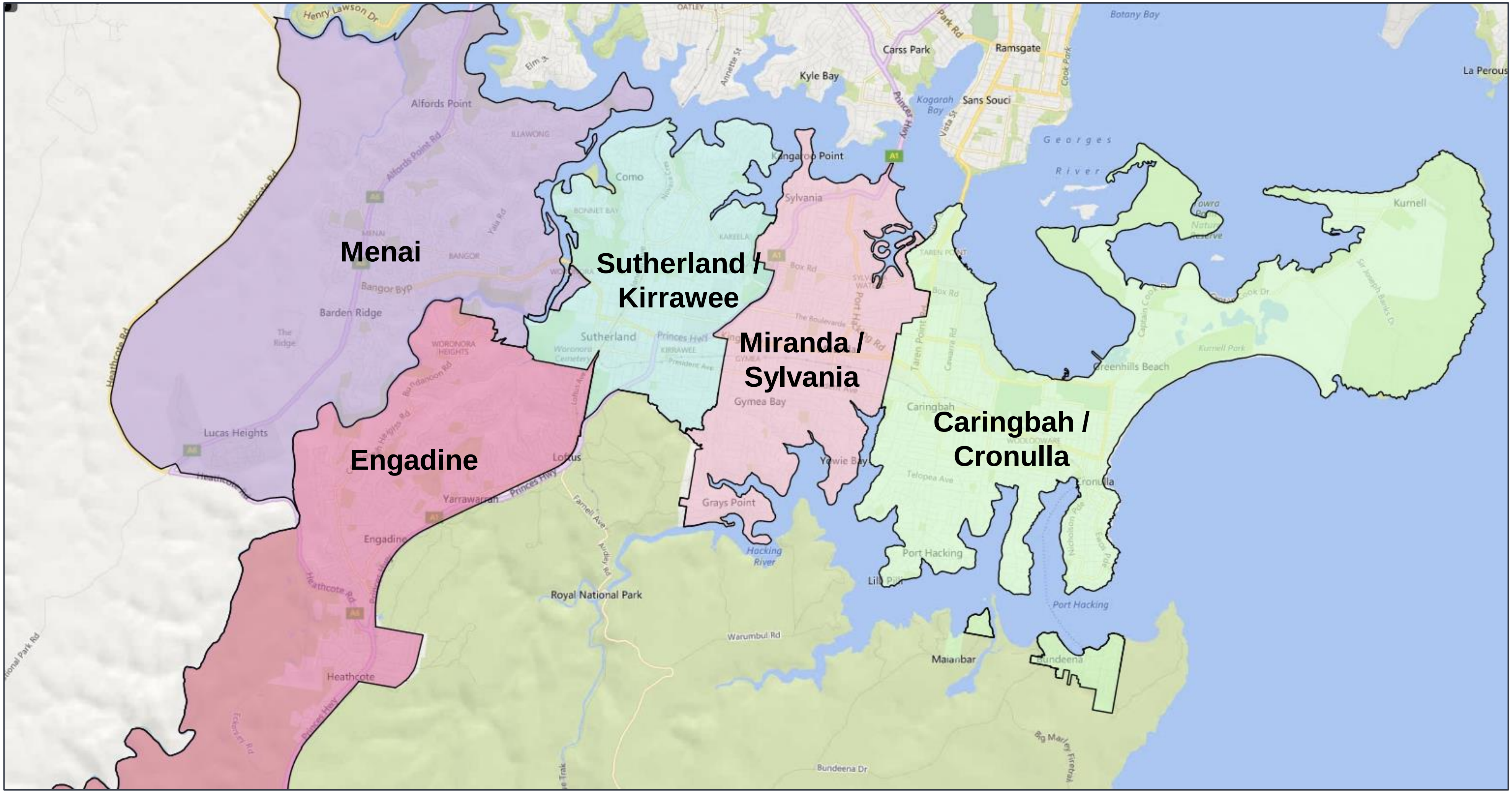
	All analysis is for year ending January 2016 (unless otherwise stated)	01
	All analysis is based on the Quantium majors supermarket tracker with the addition of Supabarn (see appendix)	02

QUANTIUM

Agenda

QUANTIUM

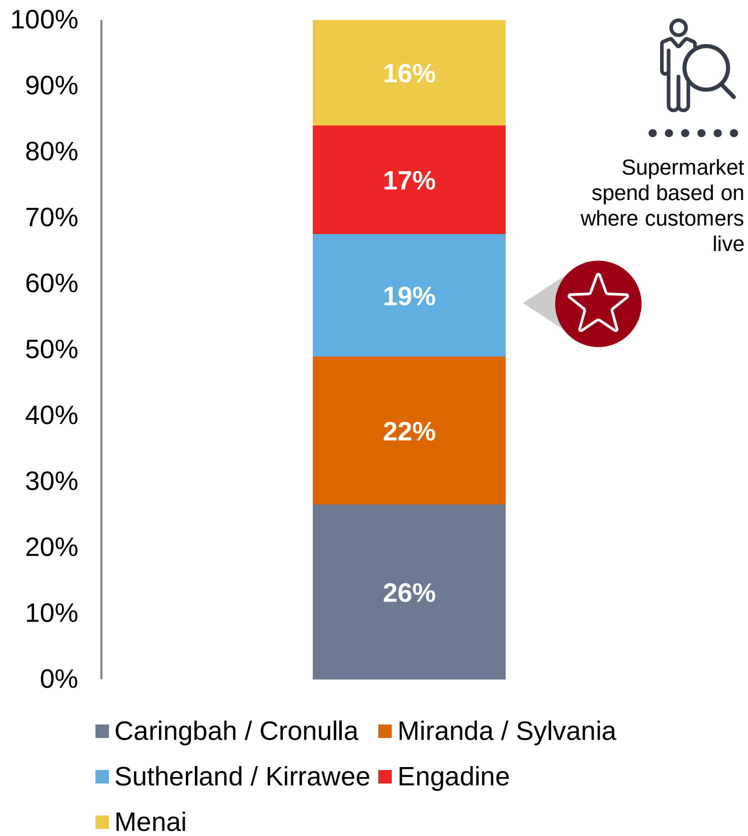
Sutherland LGA by zone



QUANTIUM

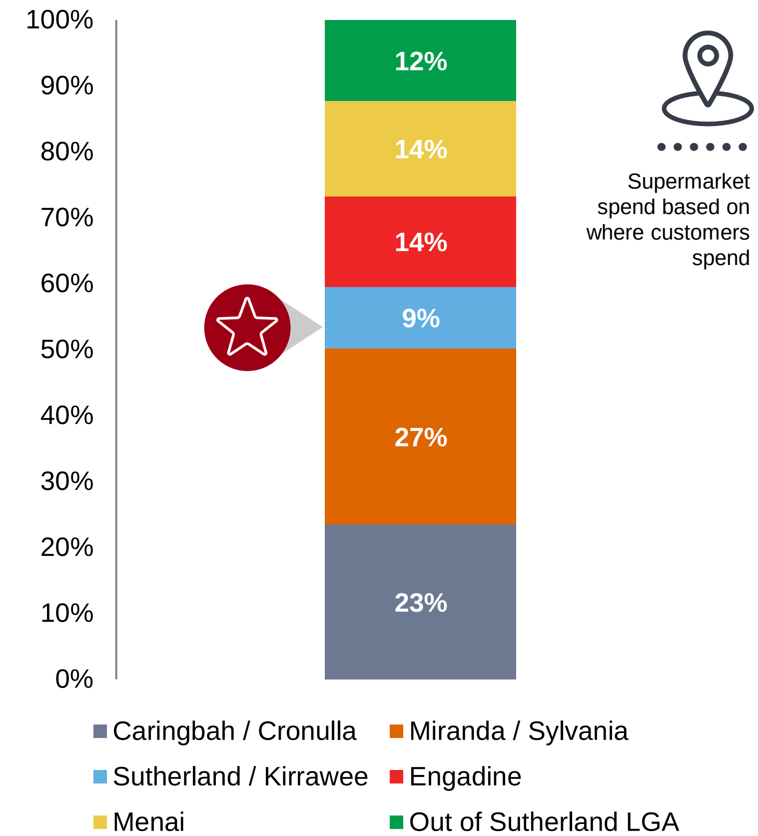
Sutherland / Kirrawee attracts a much lower proportion of supermarket dollars compared to residents contribute to overall LGA supermarket spend

Sutherland LGA
Supermarket spend by residents



Despite **19%** of total Sutherland LGA supermarket spend coming from Sutherland / Kirrawee residents, only **9%** of supermarket dollars are spent in the Sutherland / Kirrawee area

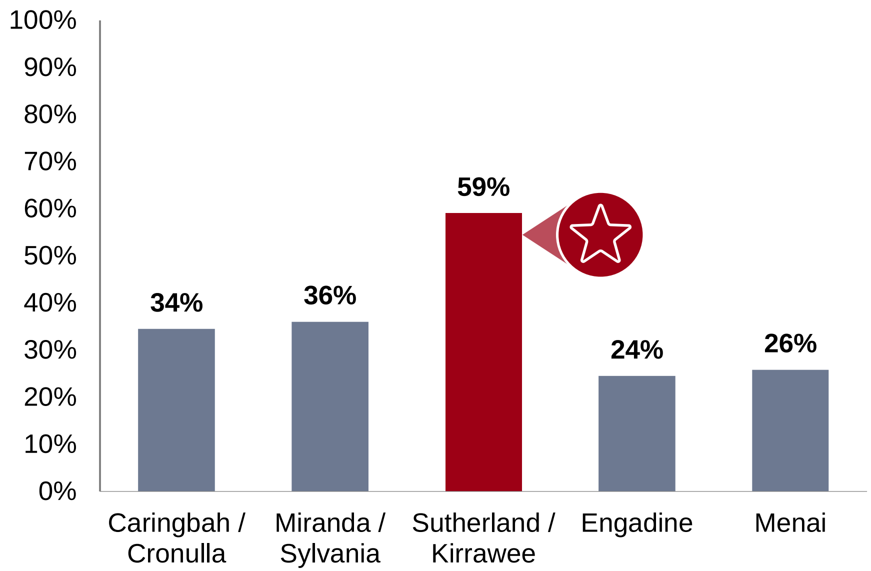
Sutherland LGA
Supermarket spend by destination of spend



QUANTIUM

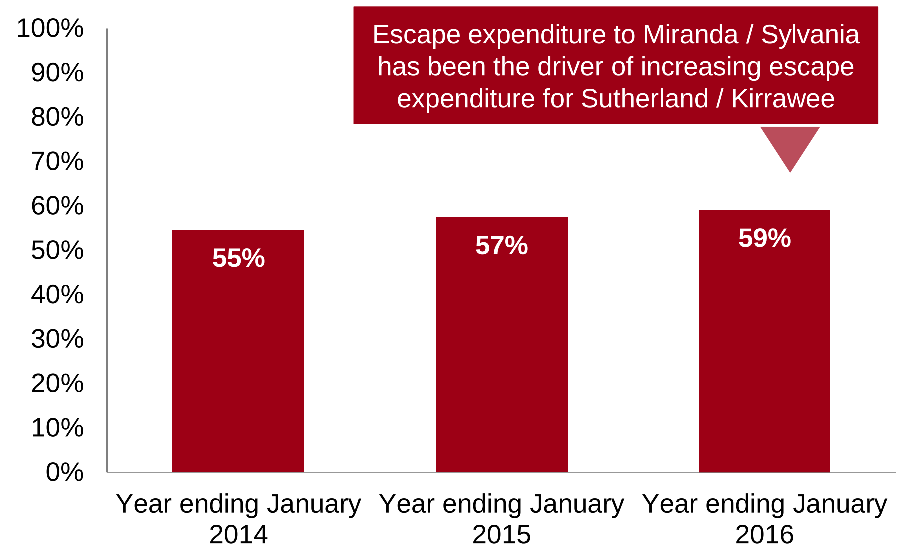
Escape expenditure in Sutherland / Kirrawee is very high and has been increasing since 2013

Escape expenditure by Sutherland LGA zone



Residents of the Sutherland / Kirrawee area spend a significantly higher proportion of their supermarket spend outside their local area of convenience relative to the other Sutherland LGA areas

Sutherland / Kirrawee escape expenditure by year

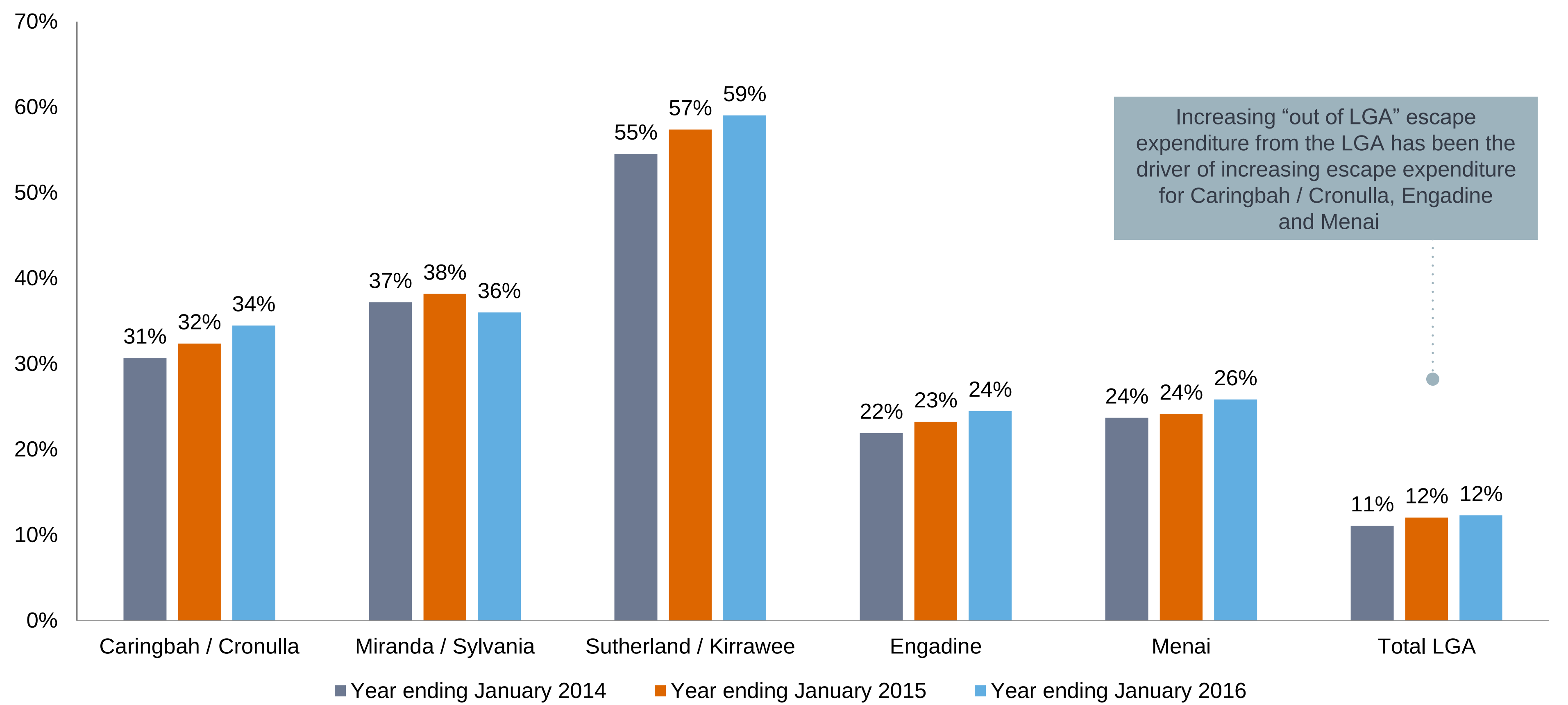


Sutherland / Kirrawee residents proportion of supermarket spend outside their local area of convenience has been consistently increasing since 2013

QUANTIUM

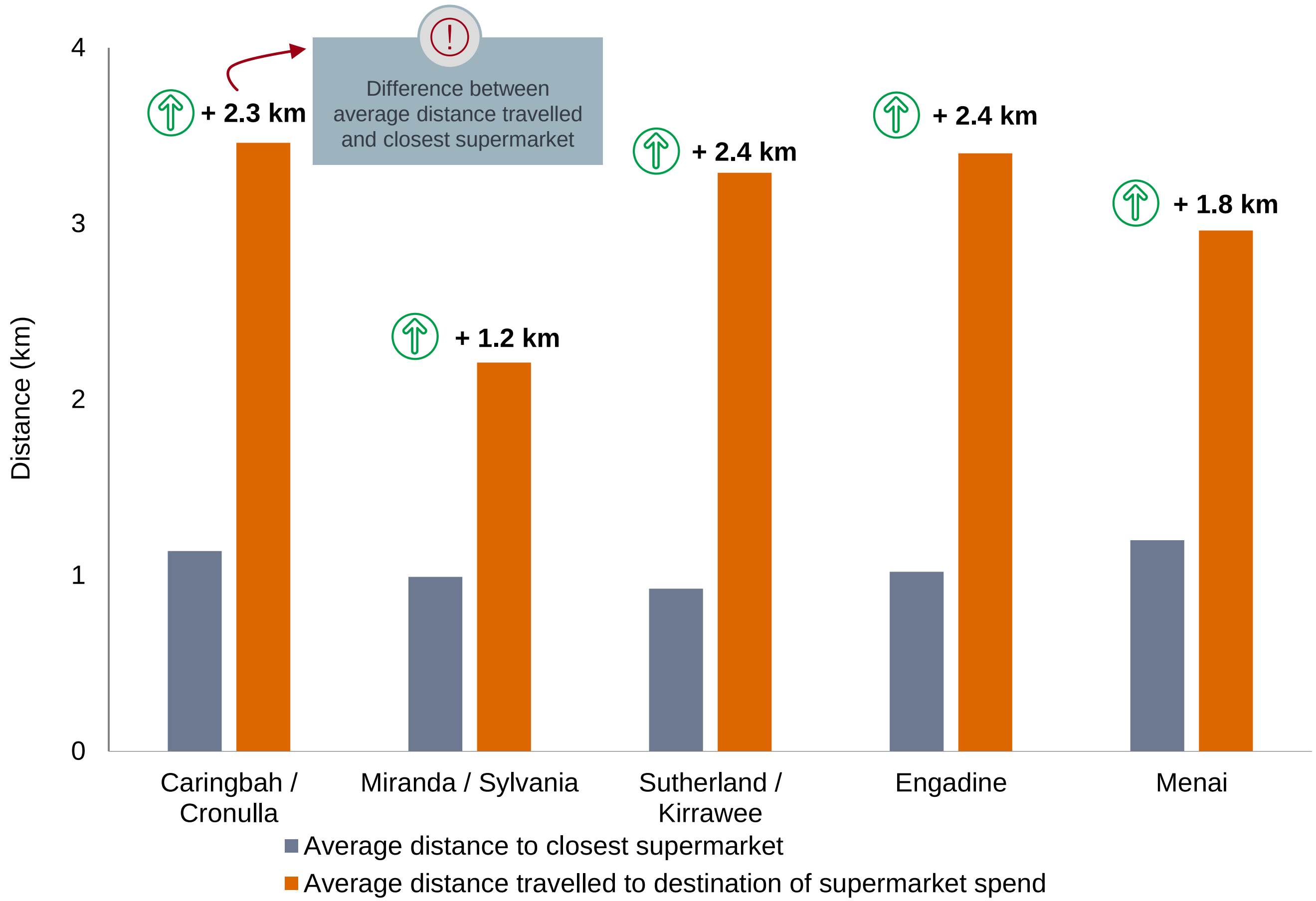
With the exception of Miranda / Sylvania, escape expenditure across the Sutherland LGA has consistently increased between 2013 and 2015

Sutherland LGA escape expenditure by year



On average Sutherland / Kirrawee and Caringbah / Cronulla residents travel 2.4km in excess of their nearest supermarket to complete supermarket missions

Average distance travelled to supermarkets by residents

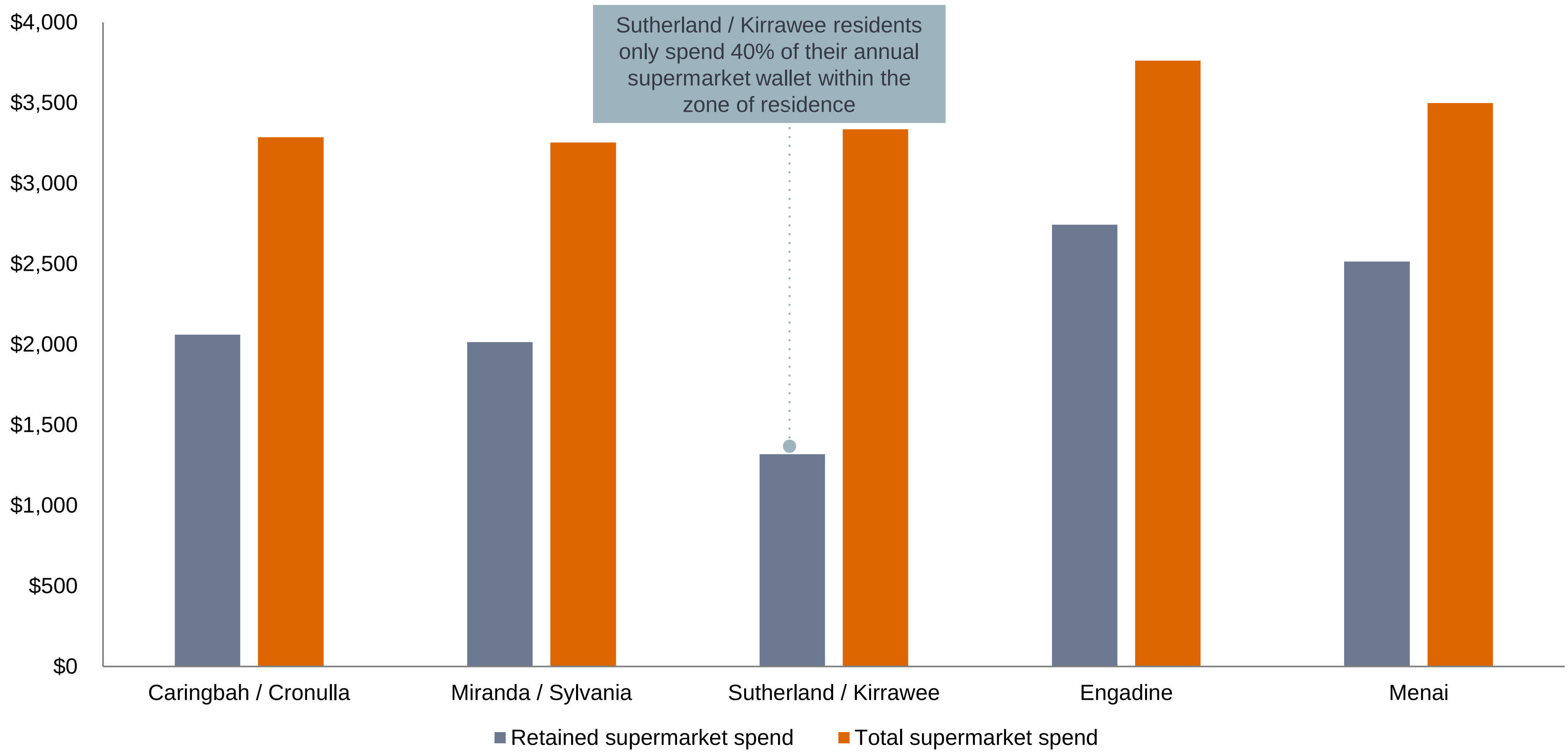


- The distance travelled beyond the nearest supermarket indicates that the residents nearest supermarket offering is not the one they are using
- On average, Sutherland / Kirrawee zone residents travelled **143km** per resident further than the nearest supermarket to fulfil their supermarket missions over the full year ending January 2016

* Average distance is weighted by customers supermarket transactions. Includes only transactions made in Sutherland LGA

Sutherland / Kirrawee residents spend a small proportion of their total supermarket wallet in their area of convenience compared to the other LGA zones

Average annual supermarket spend per resident*

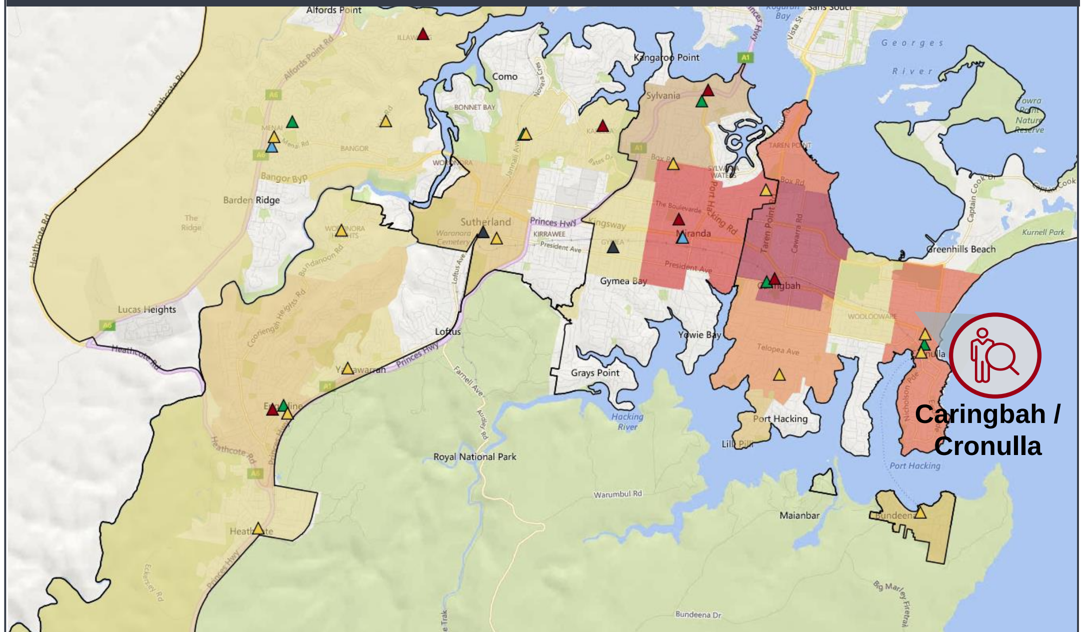


* Annual supermarket spend per resident includes electronic spend only

QUANTIUM

Caringbah / Cronulla residents supermarket spend is predominately captured within Caringbah and Miranda

Caringbah / Cronulla escape expenditure by area



% spend in suburb

- 20%+
- 10% to 20%
- 7% to 10%
- 5% to 7%
- 3% to 5%
- 1% to 3%
- <= 1%

Store Locations

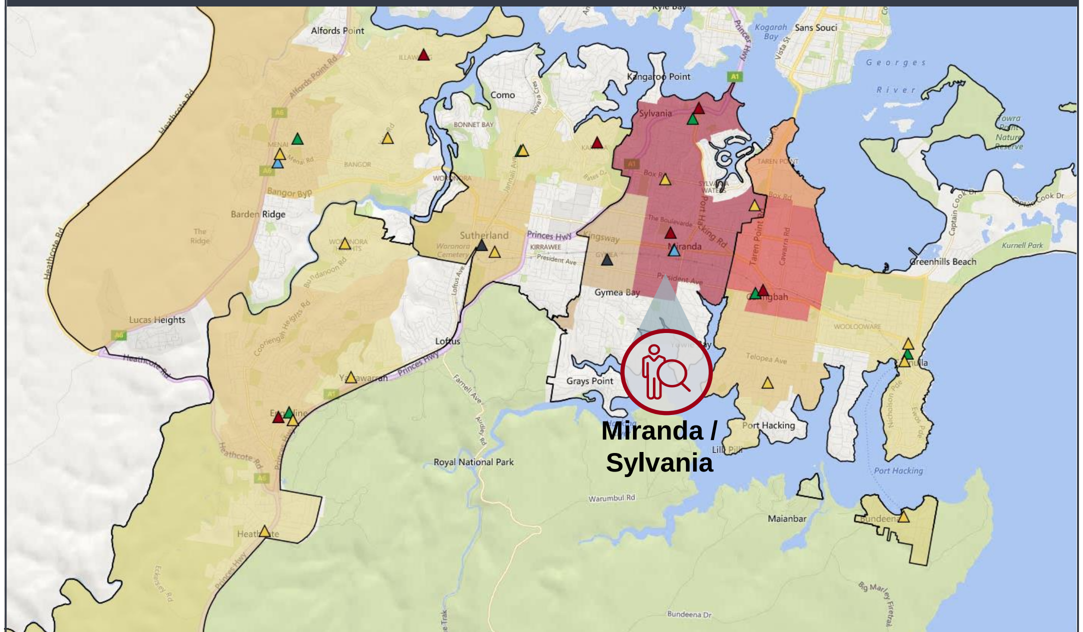
- Woolworths
- Coles
- ALDI
- IGA
- Supabarn

Zone of expenditure	Resident Zone: Caringbah / Cronulla
Caringbah / Cronulla	66%
Miranda / Sylvania	19%
Sutherland / Kirrawee	1%
Engadine	1%
Menai	1%
Outside Sutherland LGA	12%
Total	100%

QUANTIUM

Miranda / Sylvania residents supermarket spend is predominately captured within Miranda, Sylvania and Caringbah

Miranda / Sylvania escape expenditure by area



% spend in suburb

- 20%+
- 10% to 20%
- 7% to 10%
- 5% to 7%
- 3% to 5%
- 1% to 3%
- <= 1%

Store Locations

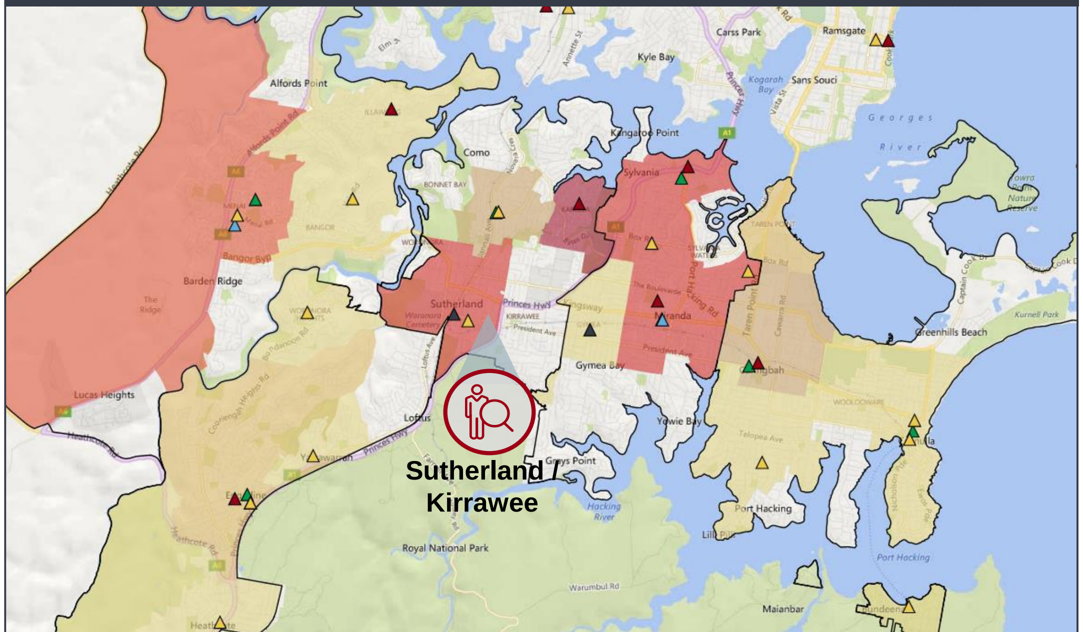
- Woolworths
- Coles
- ALDI
- IGA
- Supabarn

	Resident Zone: Miranda / Sylvania
Zone of expenditure	
Caringbah / Cronulla	19%
Miranda / Sylvania	64%
Sutherland / Kirrawee	2%
Engadine	1%
Menai	1%
Outside Sutherland LGA	12%
Total	100%

QUANTIUM

Sutherland / Kirrawee residents have significant escape expenditure to Miranda, Sylvania and Menai

Sutherland / Kirrawee escape expenditure by area



% spend in suburb

- 20%+
- 10% to 20%
- 7% to 10%
- 5% to 7%
- 3% to 5%
- 1% to 3%
- <= 1%

Store Locations

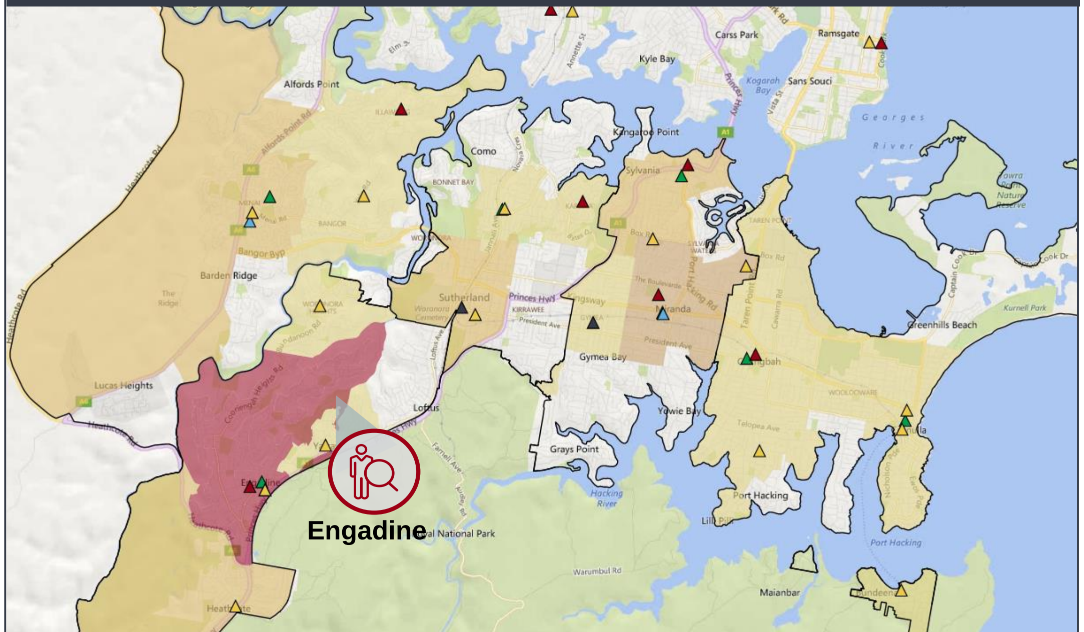
- Woolworths
- Coles
- ALDI
- IGA
- Supabarn

Zone of expenditure	Resident Zone: Sutherland / Kirrawee
Caringbah / Cronulla	7%
Miranda / Sylvania	29%
Sutherland / Kirrawee	41%
Engadine	3%
Menai	8%
Outside Sutherland LGA	12%
Total	100%

QUANTIUM

Engadine residents supermarket spend is predominately captured within the Engadine suburb

Engadine escape expenditure by area



% spend in suburb

- 20%+
- 10% to 20%
- 7% to 10%
- 5% to 7%
- 3% to 5%
- 1% to 3%
- <= 1%

Store Locations

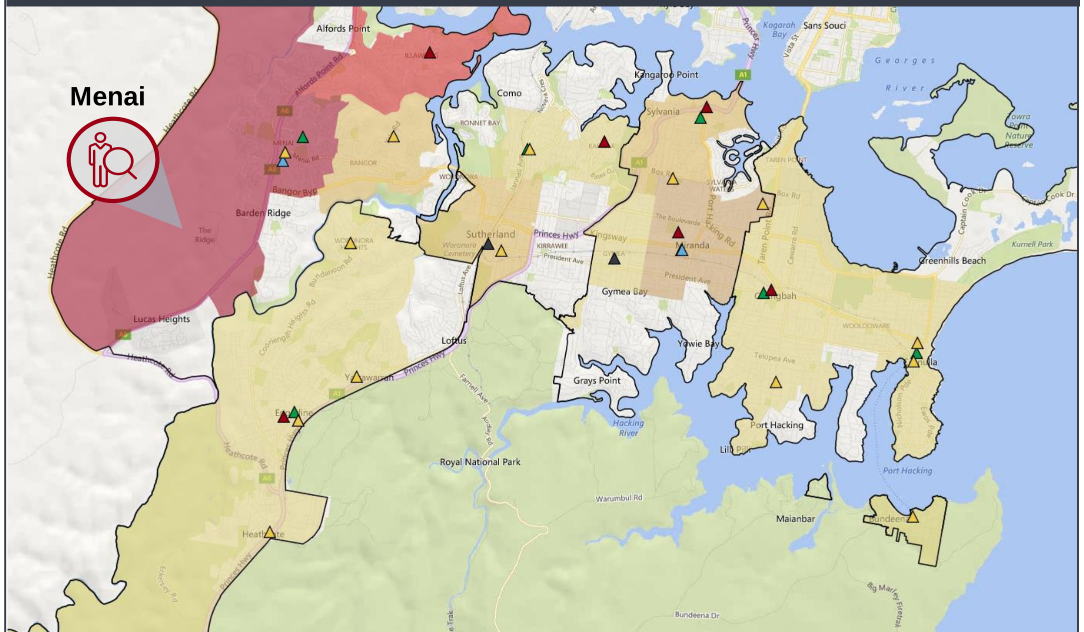
- Woolworths
- Coles
- ALDI
- IGA
- Supabarn

Zone of expenditure	Resident Zone: Engadine
Caringbah / Cronulla	2%
Miranda / Sylvania	6%
Sutherland / Kirrawee	3%
Engadine	76%
Menai	3%
Outside Sutherland LGA	10%
Total	100%

QUANTIUM

Menai residents supermarket spend is predominately captured within Menai and Illawong

Menai escape expenditure by area



% spend in suburb

- 20%+
- 10% to 20%
- 7% to 10%
- 5% to 7%
- 3% to 5%
- 1% to 3%
- <= 1%

Store Locations

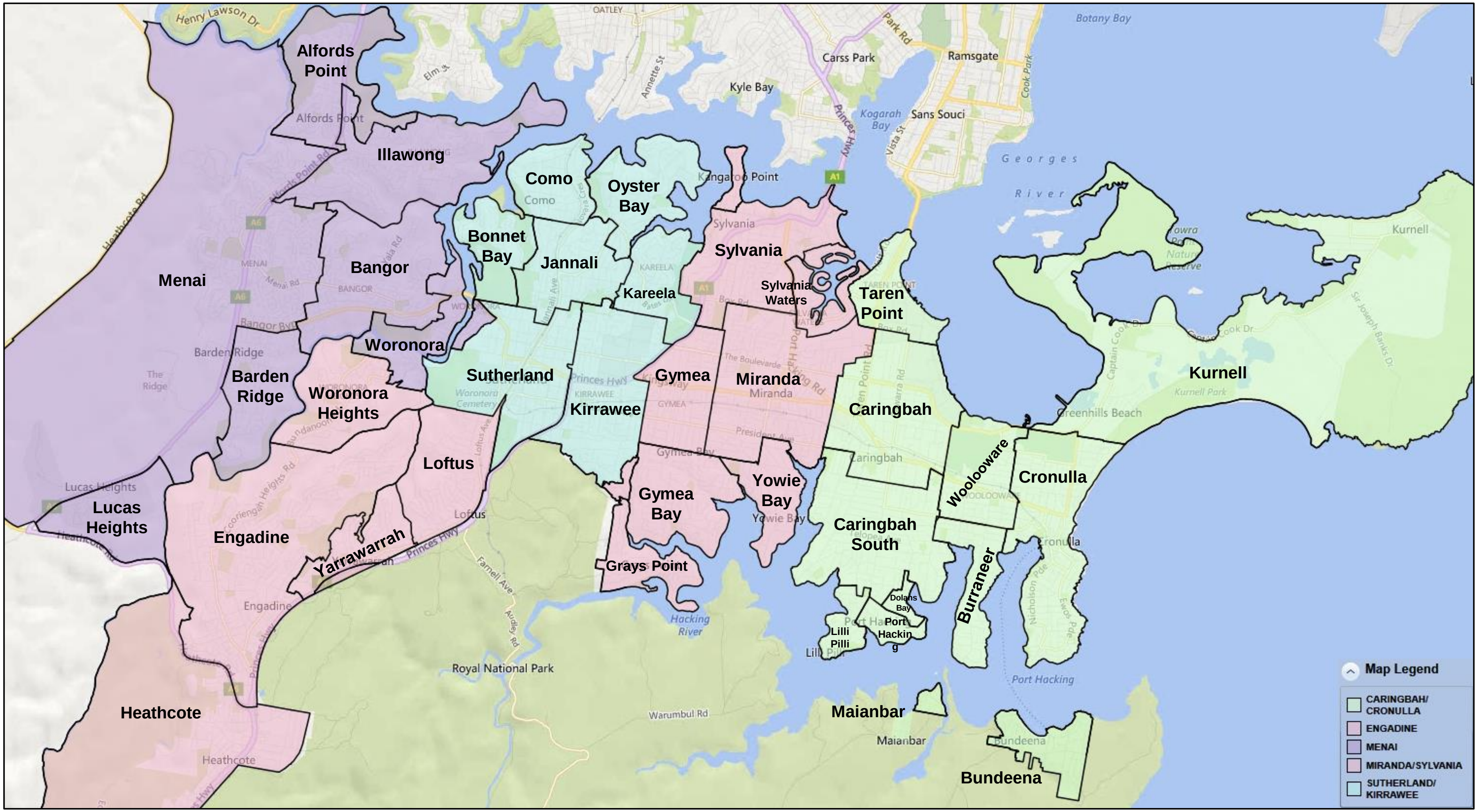
- Woolworths
- Coles
- ALDI
- IGA
- Supabarn

Zone of expenditure	Resident Zone: Menai
Caringbah / Cronulla	1%
Miranda / Sylvania	5%
Sutherland / Kirrawee	2%
Engadine	1%
Menai	74%
Outside Sutherland LGA	16%
Total	100%

Agenda

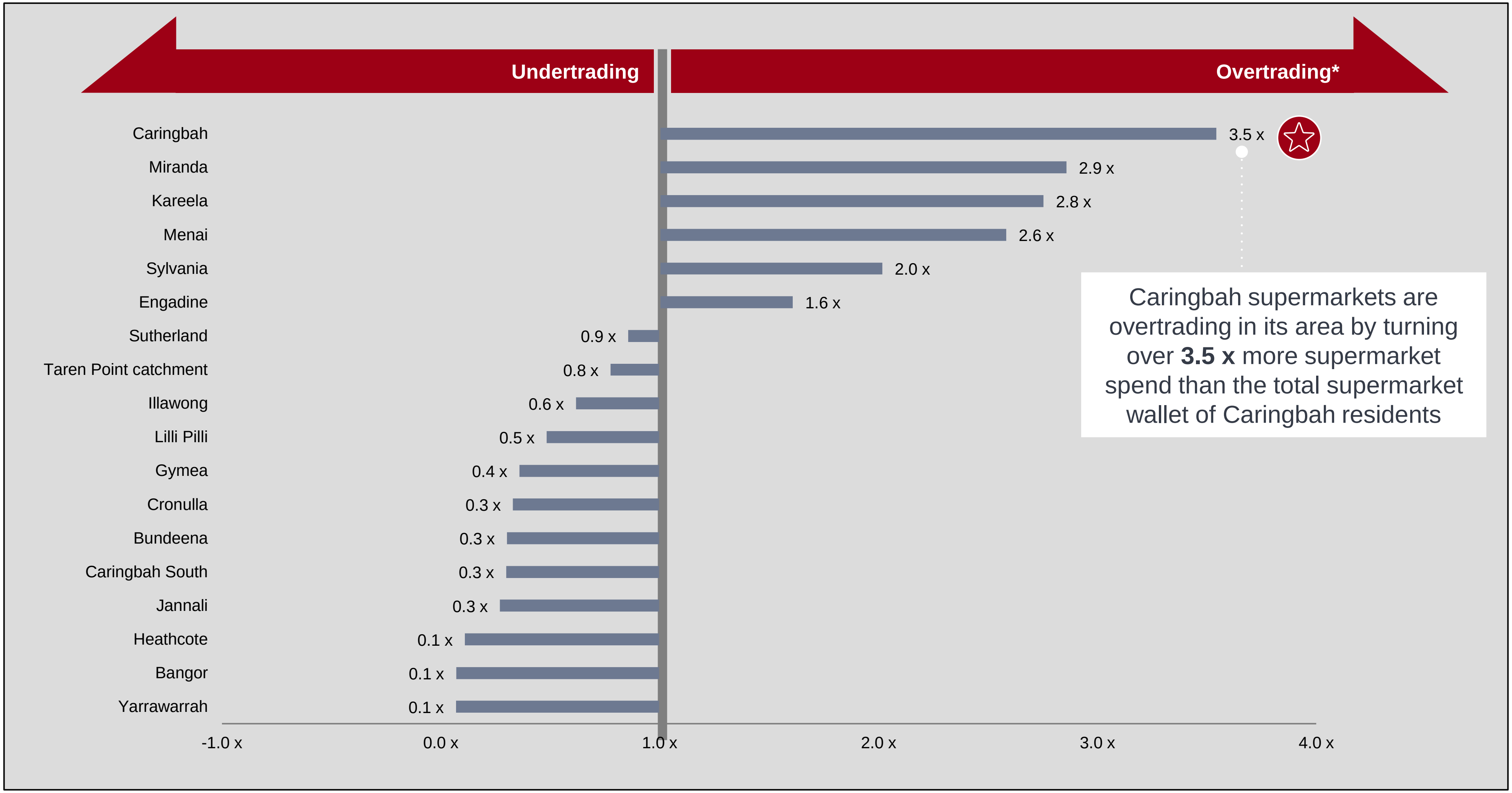
QUANTIUM

Map of Sutherland LGA by suburb



QUANTIUM

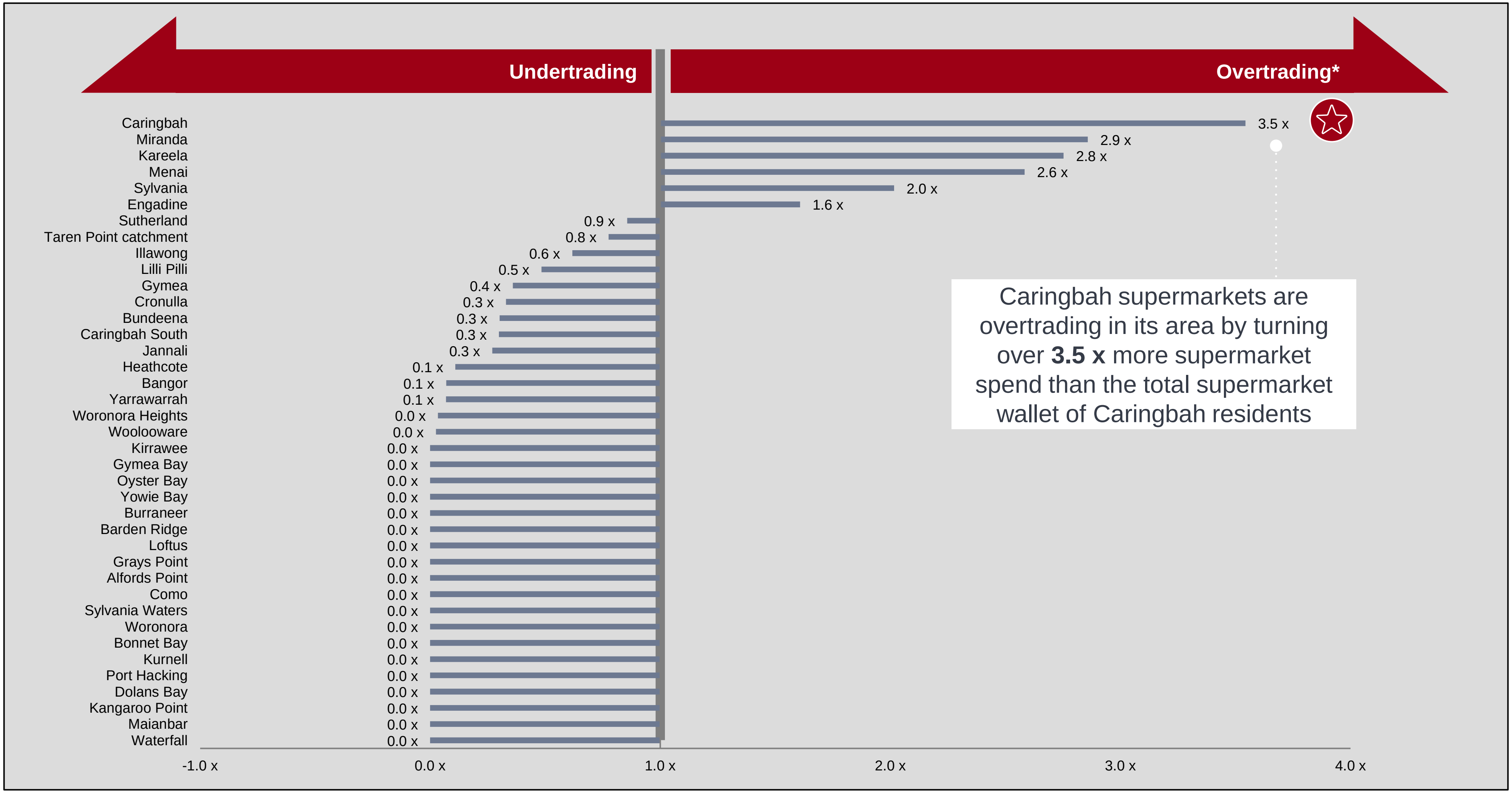
Supermarkets in Caringbah, Miranda and Kareela are overtrading relative to the supermarket spend of its residents. Jannali and Taren Point are undertrading



* Overtrading/undertrading is measured by total supermarket spend to the suburb v total supermarket spend from residents of the suburb, standardising for supermarket spend of residents; all spend is limited to Sutherland LGA residents

QUANTIUM

Suburbs which are overtrading relative to resident spend are Caringbah and Miranda. Jannali, Cronulla and Taren Point are undertrading

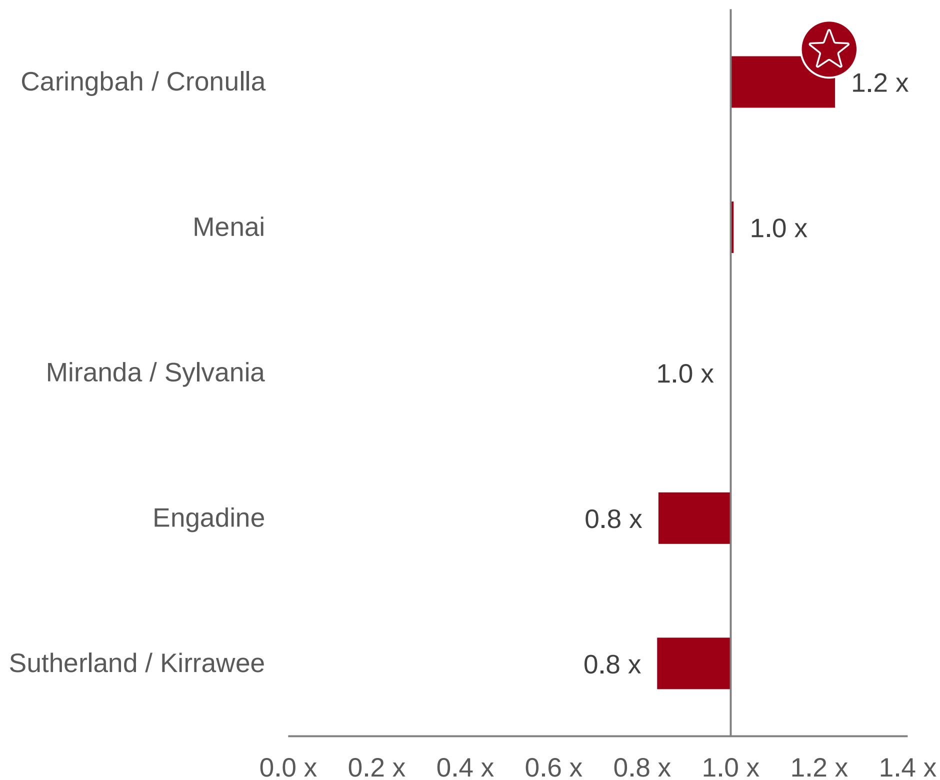


* Overtrading/undertrading is measured by total supermarket spend to the suburb v total supermarket spend from residents of the suburb, standardising for supermarket spend of residents; all spend is limited to Sutherland LGA residents

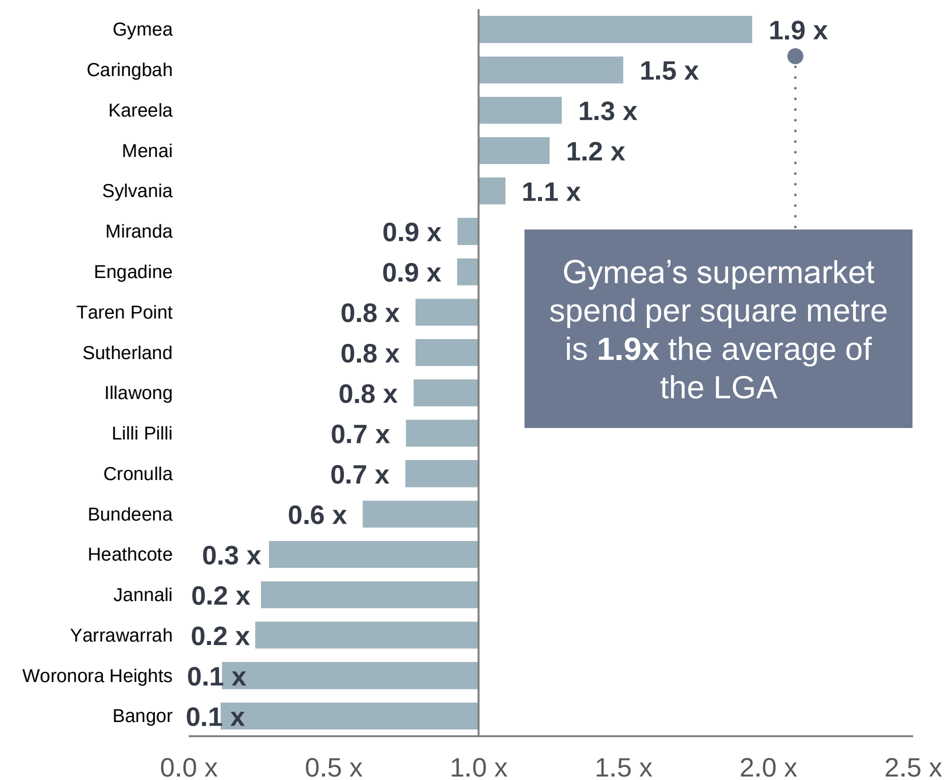
QUANTIUM

Relative to GLA, Caringbah, Kareela and Menai supermarkets are overtrading and Jannali, Sutherland and Taren Point supermarkets are undertrading

Supermarket spend per Sqm* – Zone level



Supermarket spend per Sqm* – Suburb level



* Supermarket spend per sqm is quoted relative to the average supermarket spend per sqm of the Sutherland LGA; All spend is limited to Sutherland LGA residents

The escape expenditure from Cronulla, Kurnell, Woolooware and Burraneer shows that they prefer to travel to Caringbah and Miranda than utilise Cronulla

% of supermarket spend		Caringbah / Cronulla Residents							
Zone of expenditure		Burraneer	Caringbah	Caringbah South	Cronulla	Kurnell	Taren Point	Woolooware	Caringbah / Cronulla Residents
Caringbah / Cronulla	Caringbah	50.3%	44.8%	57.3%	30.0%	29.6%	9.5%	40.6%	41%
	Taren Point	5.7%	11.8%	3.2%	8.0%	17.0%	39.8%	6.1%	8.0%
	Cronulla	7.2%	1.7%	1.9%	21.7%	5.0%	0.6%	8.5%	8.4%
	Caringbah South	6.4%	7.6%	7.5%	4.0%	3.4%	0.5%	9.1%	5.6%
	Lilli Pilli	0.7%	0.1%	3.3%	0.1%	0.0%	0.0%	0.2%	1.4%
	Bundeena	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%	1.2%
	Woolooware	0.0%	0.0%	0.0%	0.3%	0.1%	0.0%	0.6%	0.2%
Miranda / Sylvania	Miranda	13.9%	16.2%	12.6%	15.4%	17.4%	17.0%	17.3%	14.5%
	Sylvania	3.0%	4.0%	2.9%	3.6%	6.5%	17.9%	4.9%	4.2%
	Gymea	0.2%	0.2%	0.3%	0.1%	0.1%	0.1%	0.0%	0.2%
Sutherland / Kirrawee	Kareela	0.1%	0.2%	0.1%	0.2%	0.1%	0.6%	1.0%	0.3%
	Jannali	0.0%	0.1%	0.0%	0.0%	0.2%	0.1%	0.1%	0.0%
	Sutherland	0.6%	0.5%	0.3%	0.5%	0.4%	0.3%	0.3%	1.1%
Engadine	Engadine	0.5%	1.0%	0.7%	0.5%	0.4%	1.6%	1.6%	1.5%
	Heathcote	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	Yarrawarrah	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Menai	Woronora Heights	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	Menai	0.3%	0.8%	0.4%	0.8%	0.3%	0.4%	0.8%	0.8%
	Illawong	0.0%	0.0%	0.3%	0.1%	0.0%	0.0%	0.0%	0.1%
	Bangor	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Out of Sutherland LGA		11.0%	10.7%	8.9%	14.5%	19.5%	11.6%	8.6%	11.9%
TOTAL		100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

QUANTIUM

Miranda / Sylvania residents have some escape expenditure to Caringbah but otherwise spend is contained within Miranda and Sylvania

% of supermarket spend		Miranda / Sylvania Residents						
Zone of expenditure		Gymea	Gymea Bay	Miranda	Sylvania	Sylvania Waters	Yowie Bay	Miranda / Sylvania Residents
Caringbah / Cronulla	Caringbah	11.5%	18.3%	10.8%	2.3%	4.5%	30.6%	12.0%
	Taren Point	2.5%	2.9%	8.5%	5.9%	14.9%	3.3%	5.6%
	Cronulla	0.7%	0.6%	0.5%	0.4%	0.2%	1.2%	0.6%
	Caringbah South	1.2%	0.8%	1.1%	0.2%	0.3%	1.9%	0.9%
	Lilli Pilli	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	Bundeena	0.1%	0.0%	0.0%	0.0%	0.1%	0.0%	0.0%
	Woolooware	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Miranda / Sylvania	Miranda	48.6%	41.8%	55.3%	13.8%	17.9%	39.2%	38.1%
	Sylvania	11.0%	9.2%	9.0%	58.2%	43.3%	8.6%	21.8%
	Gymea	10.7%	9.1%	0.7%	0.3%	0.0%	1.7%	4.1%
Sutherland / Kirrawee	Kareela	0.7%	0.4%	0.5%	1.3%	0.8%	0.2%	0.7%
	Jannali	0.1%	0.0%	0.1%	0.0%	0.0%	0.1%	0.1%
	Sutherland	1.3%	2.9%	0.5%	0.3%	0.3%	1.3%	1.5%
Engadine	Engadine	1.7%	1.3%	0.5%	0.6%	0.4%	0.6%	1.1%
	Heathcote	0.0%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%
	Yarrawarrah	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%	0.0%
Menai	Woronora Heights	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	Menai	1.0%	1.2%	0.8%	0.7%	0.3%	1.0%	1.2%
	Illawong	0.0%	0.0%	0.1%	0.0%	0.0%	0.0%	0.0%
	Bangor	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Out of Sutherland LGA		8.9%	11.2%	11.4%	15.8%	17.1%	10.1%	12.3%
TOTAL		100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

QUANTIUM

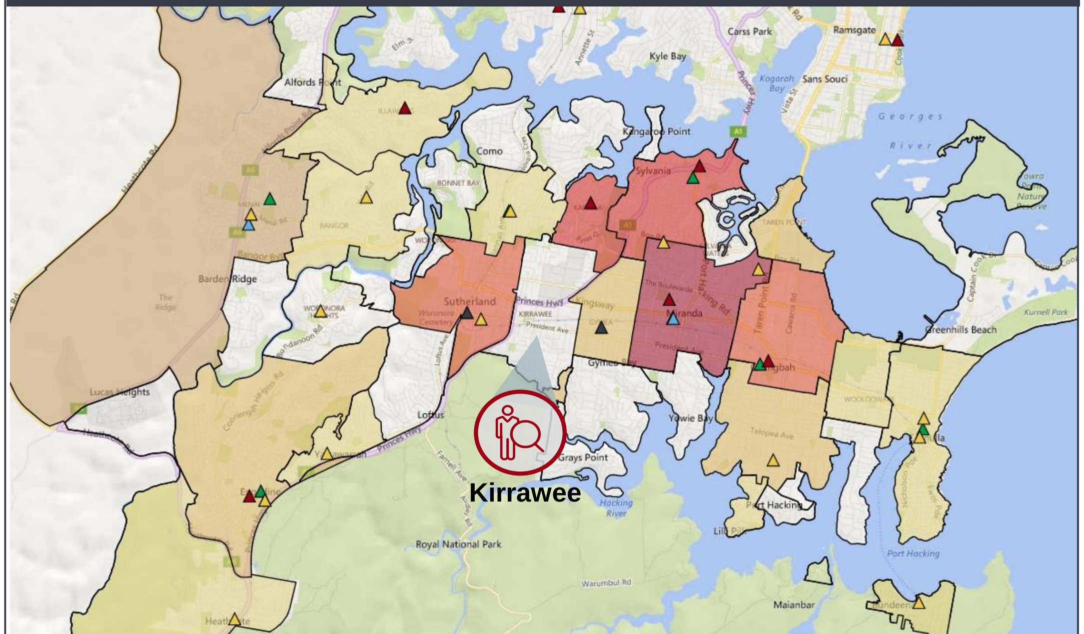
Sutherland / Kirrawee residents have escape expenditure to Miranda and Sylvania with Kareela being the only area within the zone capturing significant spend

% of supermarket spend		Sutherland / Kirrawee Residents							
Zone of expenditure		Bonnet Bay	Como	Jannali	Kareela	Kirrawee	Oyster Bay	Sutherland	Sutherland / Kirrawee Residents
Caringbah / Cronulla	Caringbah	1.3%	3.4%	3.1%	3.5%	9.9%	1.5%	3.8%	4.5%
	Taren Point	0.4%	0.6%	0.7%	1.1%	1.9%	1.8%	0.9%	1.2%
	Cronulla	0.9%	0.6%	0.2%	0.5%	0.6%	0.4%	0.4%	0.5%
	Caringbah South	0.1%	0.2%	0.6%	0.2%	1.0%	0.2%	0.3%	0.5%
	Lilli Pilli	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	Bundeena	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	Woolooware	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Miranda / Sylvania	Miranda	12.5%	9.4%	10.3%	12.2%	34.6%	12.4%	17.6%	18.1%
	Sylvania	6.6%	9.8%	9.0%	13.5%	11.5%	12.6%	8.6%	10.5%
	Gymea	0.3%	0.2%	0.2%	0.1%	2.8%	0.1%	0.3%	0.8%
Sutherland / Kirrawee	Kareela	14.8%	32.5%	35.0%	55.3%	13.3%	49.4%	4.1%	26.5%
	Jannali	5.3%	6.6%	11.8%	0.9%	0.3%	3.0%	0.8%	3.3%
	Sutherland	11.8%	9.0%	6.0%	0.7%	8.4%	2.5%	30.0%	11.1%
Engadine	Engadine	1.5%	1.1%	2.9%	1.1%	2.8%	1.0%	5.1%	2.6%
	Heathcote	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	Yarrawarrah	0.0%	0.0%	0.2%	0.0%	0.0%	0.0%	0.0%	0.0%
Menai	Woronora Heights	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	Menai	31.7%	13.0%	8.4%	2.7%	3.1%	4.8%	11.8%	8.4%
	Illawong	0.3%	0.1%	0.0%	0.1%	0.0%	0.1%	0.2%	0.1%
	Bangor	0.0%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Out of Sutherland LGA		12.6%	13.2%	11.5%	8.2%	9.8%	10.3%	16.0%	11.7%
TOTAL		100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

QUANTIUM

Sutherland / Kirrawee – Kirrawee deep-dive

Kirrawee escape expenditure by suburb



% spend in suburb

- 20%+
- 10% to 20%
- 7% to 10%
- 5% to 7%
- 3% to 5%
- 1% to 3%
- <= 1%

Store Locations

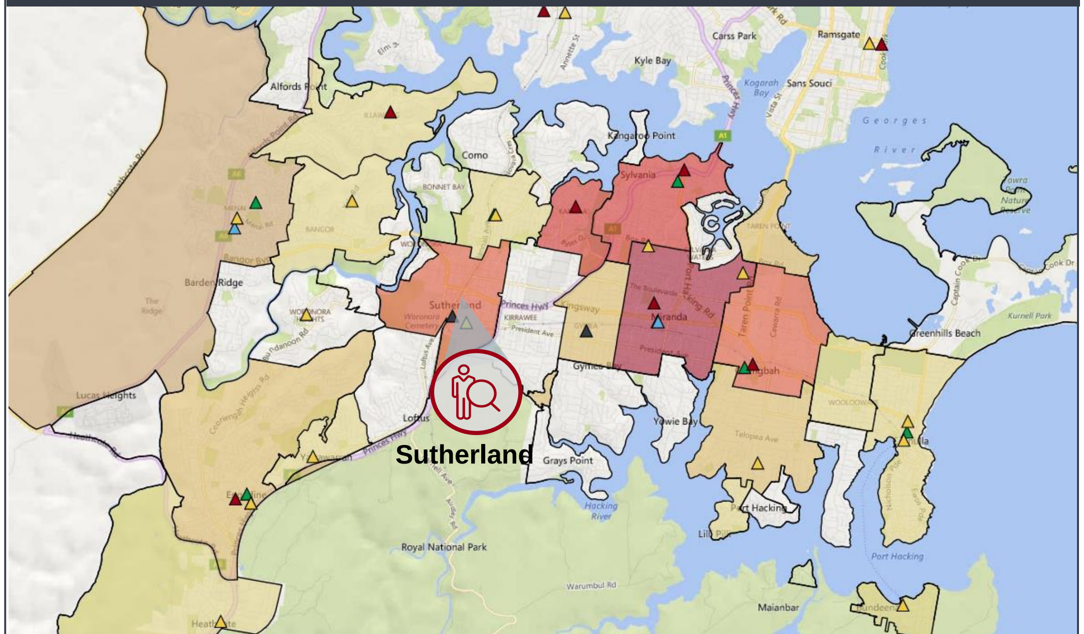
- Woolworths
- Coles
- ALDI
- IGA
- Supabarn

Zone of expenditure		Resident Suburb: Kirrawee
Caringbah / Cronulla	Caringbah	10%
	Taren Point	2%
	Cronulla	1%
	Caringbah South	1%
	Lilli Pilli	0%
	Bundeena	0%
	Woolooware	0%
Miranda / Sylvania	Miranda	35%
	Sylvania	11%
	Gymea	3%
Sutherland / Kirrawee	Kareela	13%
	Jannali	0%
	Sutherland	8%
Engadine	Engadine	3%
	Heathcote	0%
	Yarrawarrah	0%
Menai	Woronora Heights	0%
	Menai	3%
	Illawong	0%
	Bangor	0%
Out of Sutherland LGA		10%
TOTAL		100%

QUANTIUM

Sutherland / Kirrawee – Sutherland deep-dive

Sutherland escape expenditure by suburb



% spend in suburb

- 20%+
- 10% to 20%
- 7% to 10%
- 5% to 7%
- 3% to 5%
- 1% to 3%
- <= 1%

Store Locations

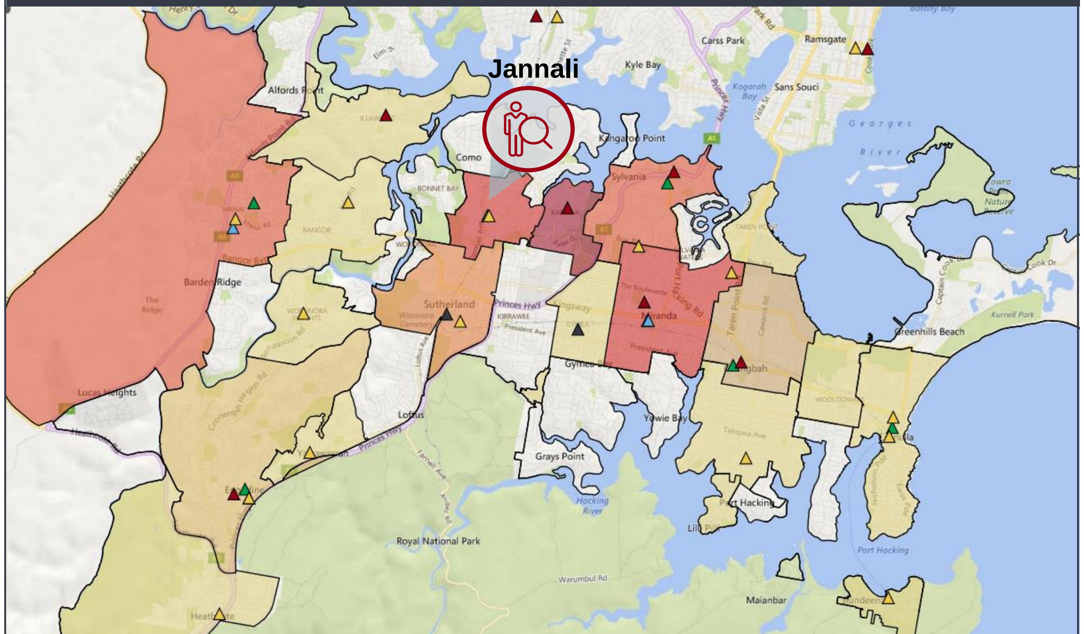
- Woolworths
- Coles
- ALDI
- IGA
- Supabarn

Zone of expenditure		Resident Suburb: Sutherland
Caringbah / Cronulla	Caringbah	4%
	Taren Point	1%
	Cronulla	0%
	Caringbah South	0%
	Lilli Pilli	0%
	Bundeena	0%
	Woolooware	0%
Miranda / Sylvania	Miranda	18%
	Sylvania	9%
	Gymea	0%
Sutherland / Kirrawee	Kareela	4%
	Jannali	1%
	Sutherland	30%
Engadine	Engadine	5%
	Heathcote	0%
	Yarrawarrah	0%
Menai	Woronora Heights	0%
	Menai	12%
	Illawong	0%
	Bangor	0%
Out of Sutherland LGA		16%
TOTAL		100%

QUANTIUM

Sutherland / Kirrawee – Jannali deep-dive

Jannali escape expenditure by suburb



% spend in suburb

- 20%+
- 10% to 20%
- 7% to 10%
- 5% to 7%
- 3% to 5%
- 1% to 3%
- <= 1%

Store Locations

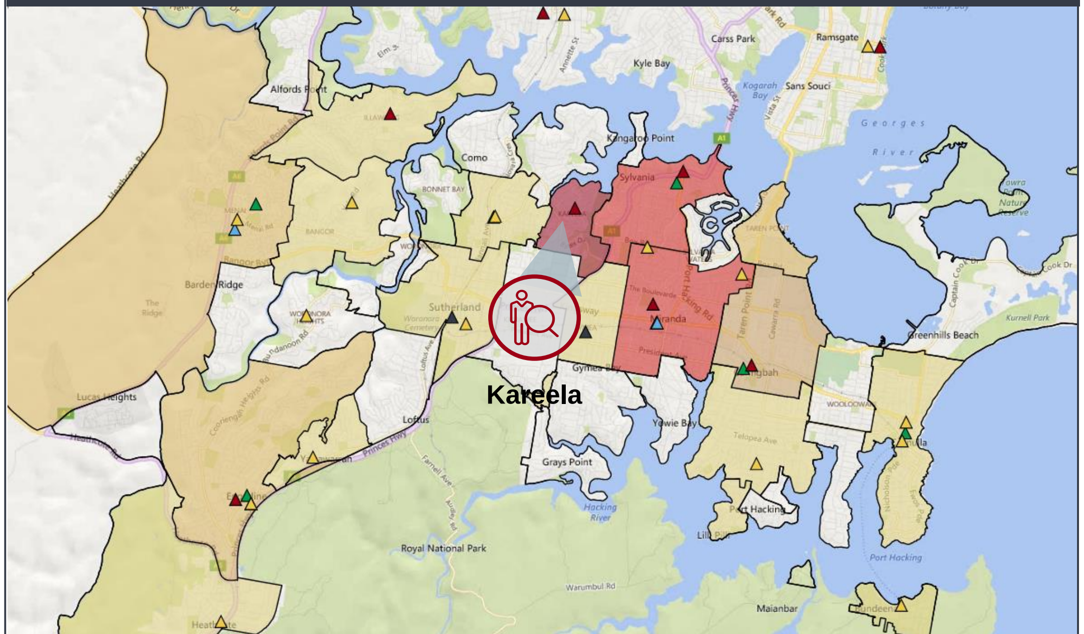
- Woolworths
- Coles
- ALDI
- IGA
- Supabarn

Zone of expenditure		Resident Suburb: Jannali
Caringbah / Cronulla	Caringbah	3%
	Taren Point	1%
	Cronulla	0%
	Caringbah South	1%
	Lilli Pilli	0%
	Bundeena	0%
	Woolooware	0%
Miranda / Sylvania	Miranda	10%
	Sylvania	9%
	Gymea	0%
Sutherland / Kirrawee	Kareela	35%
	Jannali	12%
	Sutherland	6%
Engadine	Engadine	3%
	Heathcote	0%
	Yarrawarrah	0%
Menai	Woronora Heights	0%
	Menai	8%
	Illawong	0%
	Bangor	0%
Out of Sutherland LGA		12%
TOTAL		100%

QUANTIUM

Sutherland / Kirrawee – Kareela deep-dive

Kareela escape expenditure by suburb



% spend in suburb

- 20%+
- 10% to 20%
- 7% to 10%
- 5% to 7%
- 3% to 5%
- 1% to 3%
- <= 1%

Store Locations

- Woolworths
- Coles
- ALDI
- IGA
- Supabarn

Zone of expenditure		Resident Suburb: Kareela
Caringbah / Cronulla	Caringbah	3%
	Taren Point	1%
	Cronulla	1%
	Caringbah South	0%
	Lilli Pilli	0%
	Bundeena	0%
	Woolooware	0%
Miranda / Sylvania	Miranda	12%
	Sylvania	14%
	Gymea	0%
Sutherland / Kirrawee	Kareela	55%
	Jannali	1%
	Sutherland	1%
Engadine	Engadine	1%
	Heathcote	0%
	Yarrawarrah	0%
Menai	Woronora Heights	0%
	Menai	3%
	Illawong	0%
	Bangor	0%
Out of Sutherland LGA		8%
TOTAL		100%

QUANTIUM

Engadine is the only suburb within the zone that attracts significant supermarket spend of residents

% of supermarket spend		Engadine Residents						
Zone of expenditure		Engadine	Heathcote	Loftus	Waterfall	Woronora Heights	Yarrawarrah	Engadine Residents
Caringbah / Cronulla	Caringbah	0.6%	1.2%	1.9%	0.1%	1.4%	0.9%	1.0%
	Taren Point	0.7%	0.6%	1.8%	0.8%	1.0%	0.5%	0.8%
	Cronulla	0.1%	0.3%	0.2%	0.0%	0.2%	0.1%	0.2%
	Caringbah South	0.1%	0.1%	0.3%	0.2%	0.1%	0.0%	0.1%
	Lilli Pilli	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	Bundeena	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	Woolooware	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Miranda / Sylvania	Miranda	2.4%	2.4%	11.0%	2.2%	2.7%	4.3%	3.6%
	Sylvania	2.0%	1.9%	5.5%	1.1%	3.1%	2.7%	2.6%
	Gymea	0.1%	0.1%	0.2%	0.1%	0.1%	0.1%	0.1%
Sutherland / Kirrawee	Kareela	0.4%	0.1%	1.2%	0.0%	0.3%	1.0%	0.5%
	Jannali	0.1%	0.0%	0.3%	0.0%	0.6%	0.0%	0.2%
	Sutherland	0.8%	1.0%	13.6%	0.3%	0.8%	3.0%	2.5%
Engadine	Engadine	82.0%	69.8%	41.4%	56.2%	74.1%	69.5%	72.9%
	Heathcote	0.2%	8.5%	0.1%	10.1%	0.2%	0.1%	1.6%
	Yarrawarrah	0.3%	0.1%	0.6%	0.0%	0.1%	3.9%	0.6%
Menai	Woronora Heights	0.1%	0.0%	0.0%	0.1%	2.8%	0.0%	0.3%
	Menai	1.5%	3.6%	10.1%	1.2%	1.3%	2.9%	2.9%
	Illawong	0.0%	0.1%	0.1%	0.0%	0.0%	0.0%	0.0%
	Bangor	0.0%	0.0%	0.0%	0.0%	0.0%	0.2%	0.0%
Out of Sutherland LGA		8.5%	10.2%	11.5%	27.6%	11.2%	10.6%	9.9%
TOTAL		100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

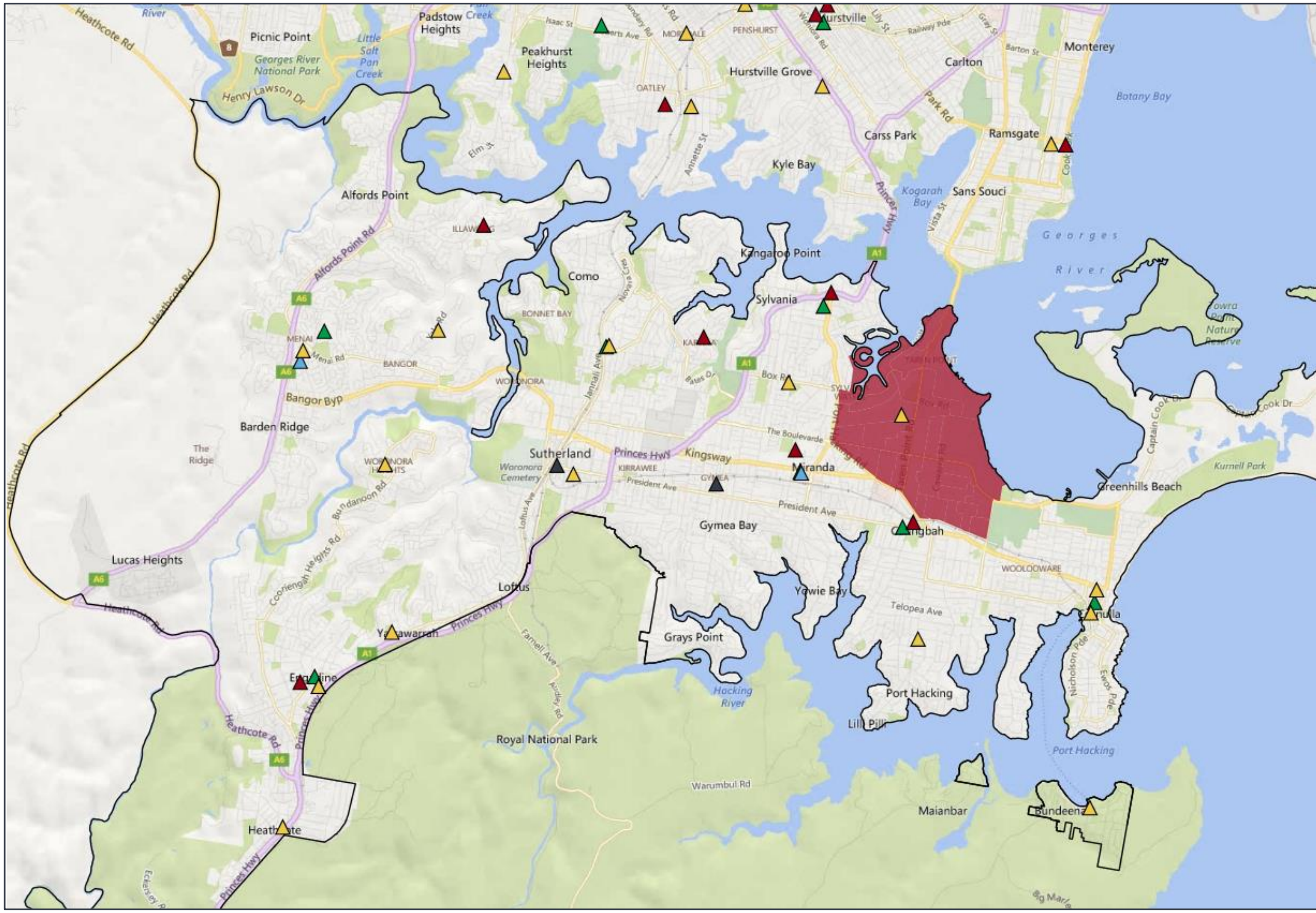
Illawong residents have significant escape expenditure to Menai

% of supermarket spend		Menai Residents						
Zone of expenditure		Alfords Point	Bangor	Barden Ridge	Illawong	Menai	Woronora	Menai Residents
Caringbah / Cronulla	Caringbah	0.1%	1.2%	0.6%	0.4%	0.4%	2.3%	0.7%
	Taren Point	0.0%	0.3%	1.1%	0.2%	0.2%	3.3%	0.6%
	Cronulla	0.1%	0.2%	0.1%	0.1%	0.3%	0.6%	0.2%
	Caringbah South	0.0%	0.1%	0.0%	0.0%	0.1%	0.2%	0.1%
	Lilli Pilli	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	Bundeena	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	Woolooware	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Miranda / Sylvania	Miranda	2.1%	5.0%	4.3%	2.3%	3.0%	8.4%	3.7%
	Sylvania	0.3%	2.4%	1.1%	0.5%	1.5%	5.1%	1.5%
	Gymea	0.0%	0.1%	0.1%	0.0%	0.1%	0.3%	0.1%
Sutherland / Kirrawee	Kareela	0.1%	0.2%	0.3%	0.1%	0.3%	2.0%	0.3%
	Jannali	0.1%	0.1%	0.1%	0.0%	0.2%	0.6%	0.2%
	Sutherland	0.1%	1.9%	0.8%	0.4%	0.7%	14.6%	1.8%
Engadine	Engadine	0.2%	0.6%	2.1%	0.1%	0.6%	1.1%	0.7%
	Heathcote	0.0%	0.0%	0.3%	0.0%	0.0%	0.0%	0.0%
	Yarrawarrah	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Menai	Woronora Heights	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	Menai	46.9%	67.1%	72.1%	34.5%	74.5%	49.9%	58.5%
	Illawong	27.6%	2.4%	2.0%	39.6%	4.5%	0.3%	14.6%
	Bangor	0.1%	4.2%	0.4%	0.1%	0.8%	1.0%	1.1%
Out of Sutherland LGA		22.3%	14.0%	14.6%	21.6%	12.8%	10.0%	16.2%
TOTAL		100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Agenda

QUANTIUM

Taren Point catchment map



Store Locations

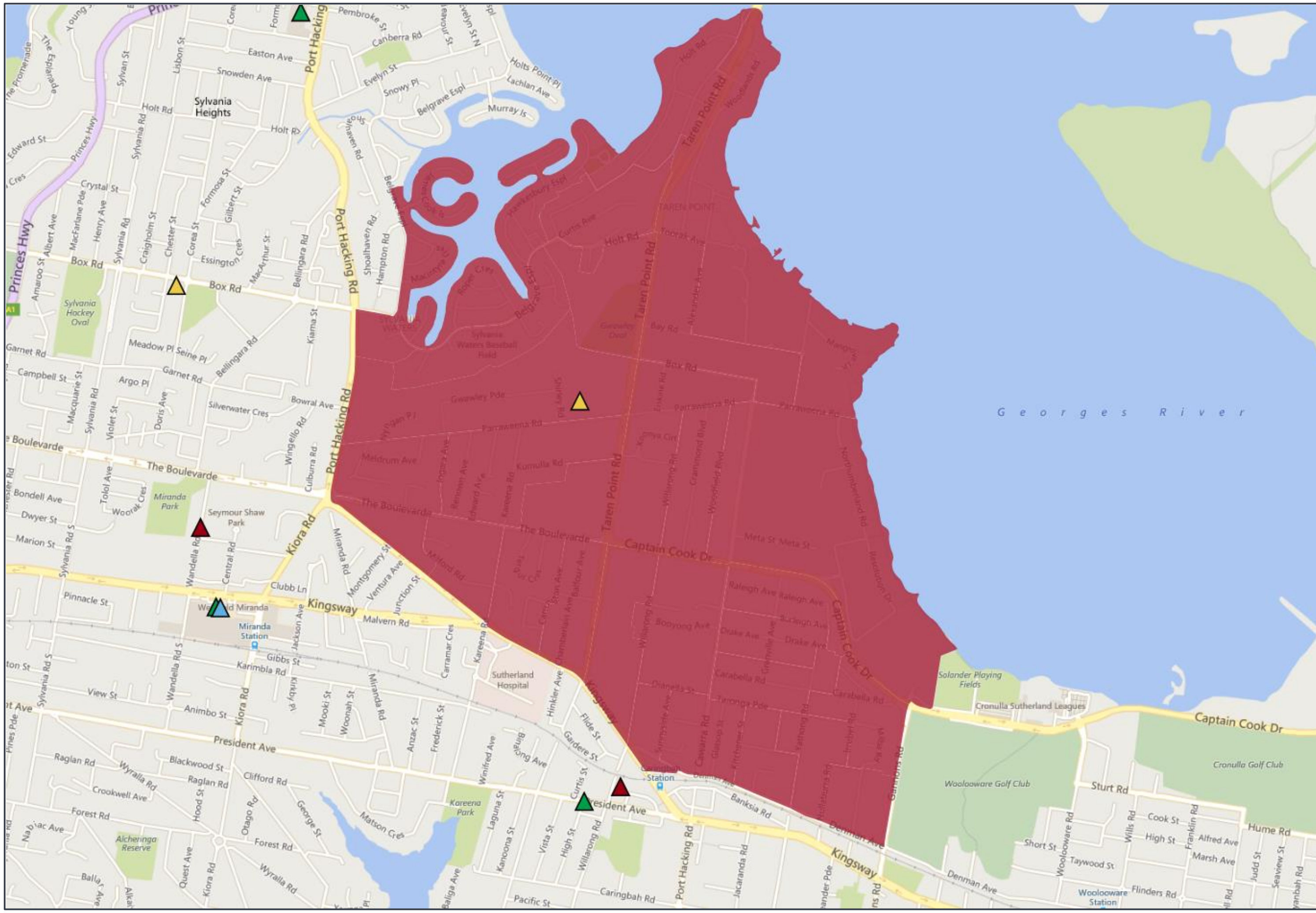
- Woolworths
- Coles
- ALDI
- IGA

Catchment Zone for Taren Point

- The Taren Point resident catchment stretches to the edge of Miranda, Caringbah and Sylvania Waters
- The Taren Point IGA is the only supermarket in the catchment area
- The catchment includes the 1km radius around the IGA Taren Point store and hence includes the residents the store should service

QUANTIUM

Taren Point catchment map



Store Locations

- Woolworths
- Coles
- ALDI
- IGA

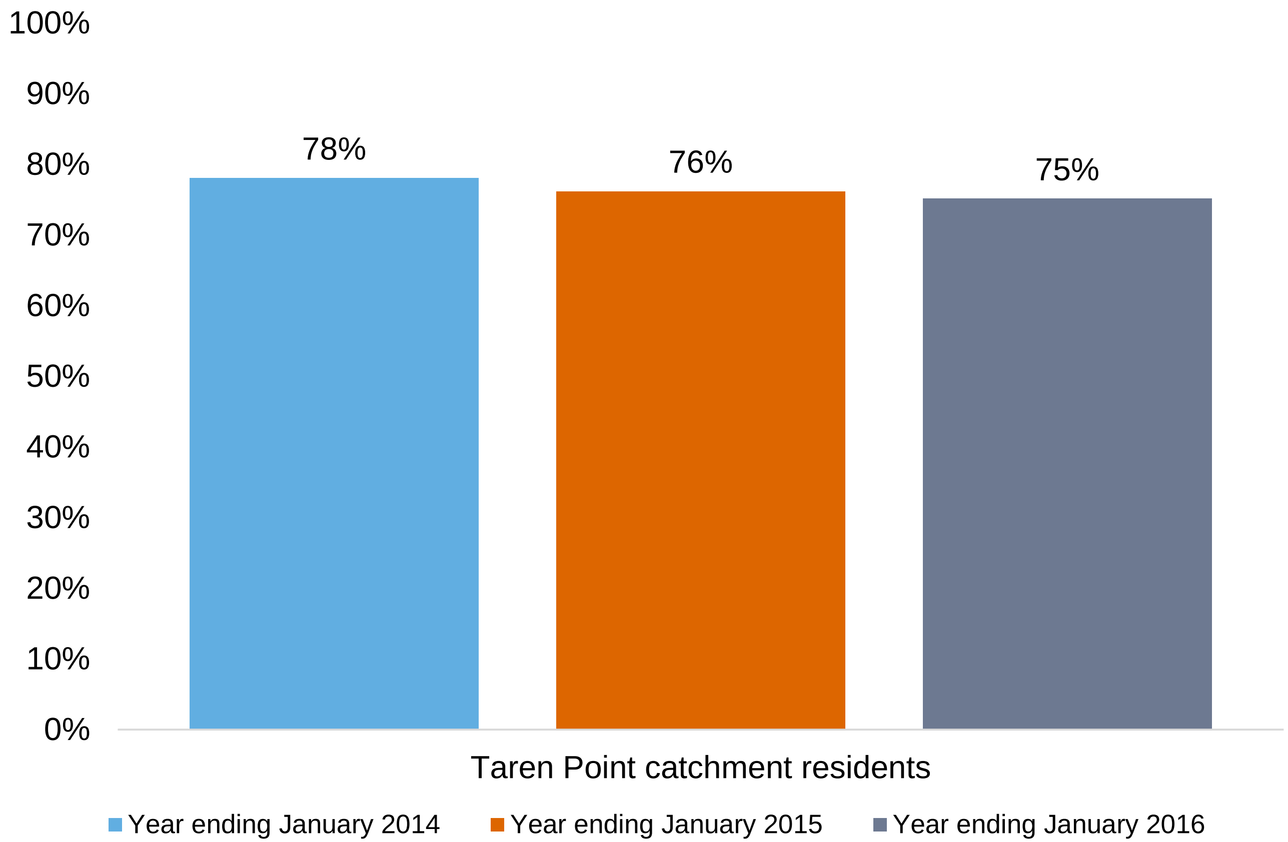
Catchment Zone for Taren Point

- The Taren Point resident catchment stretches to the edge of Miranda, Caringbah and Sylvania Waters
- The Taren Point IGA is the only supermarket in the catchment area
- The catchment includes the 1km radius around the IGA Taren Point store and hence includes the residents the store should service

QUANTIUM

Taren Point catchment residents have a very high level of escape expenditure, particularly to Miranda and Caringbah

Taren Point catchment residents - escape expenditure by year

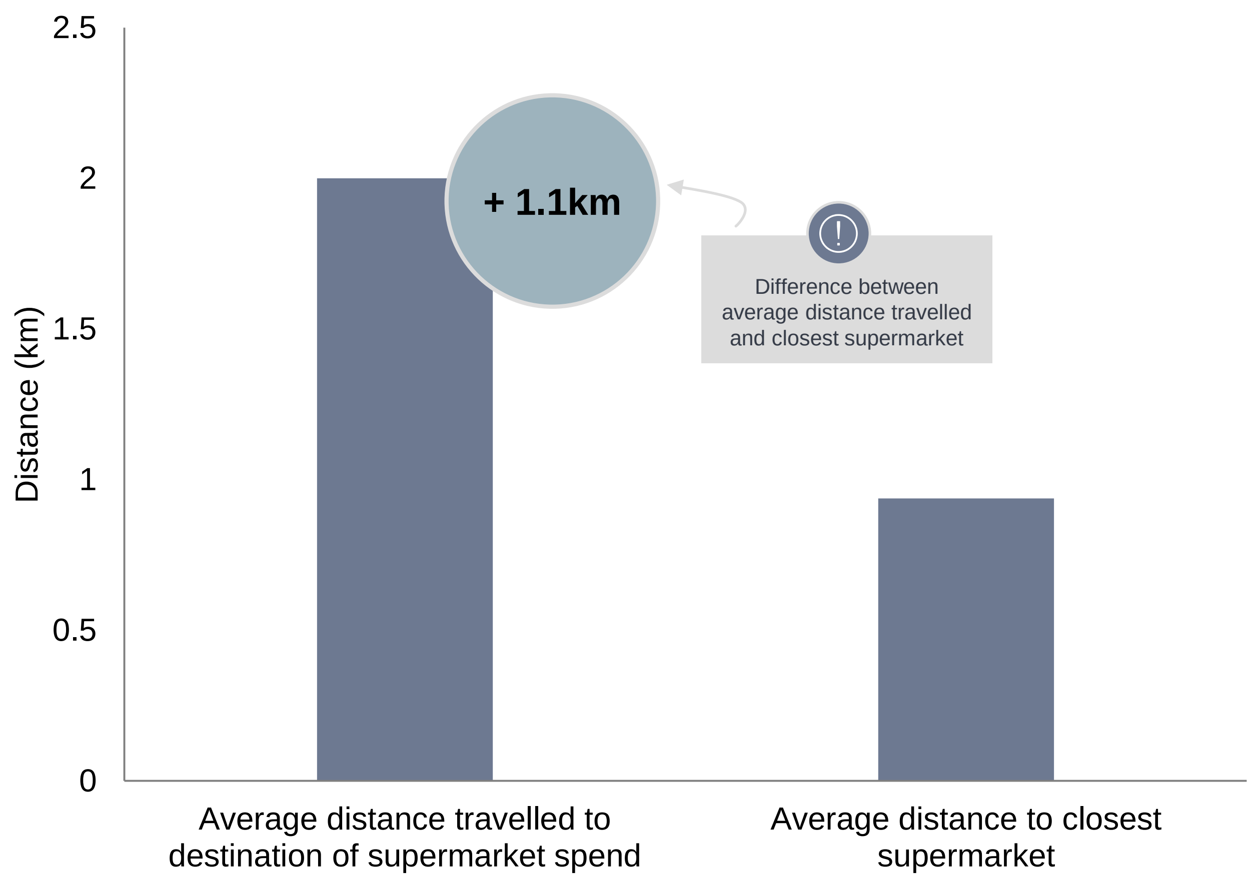


- 75% of supermarket spend by Taren Point catchment residents was conducted outside their local area of convenience in the year ending January 2016
- Escape expenditure from the Taren Point catchment has decreased over the past 3 years but remains at very high levels

QUANTIUM

On average, Taren Point catchment residents travel 1.1km in excess of their nearest supermarket to complete supermarket missions

Taren Point catchment residents - average distance travelled to supermarkets by residents

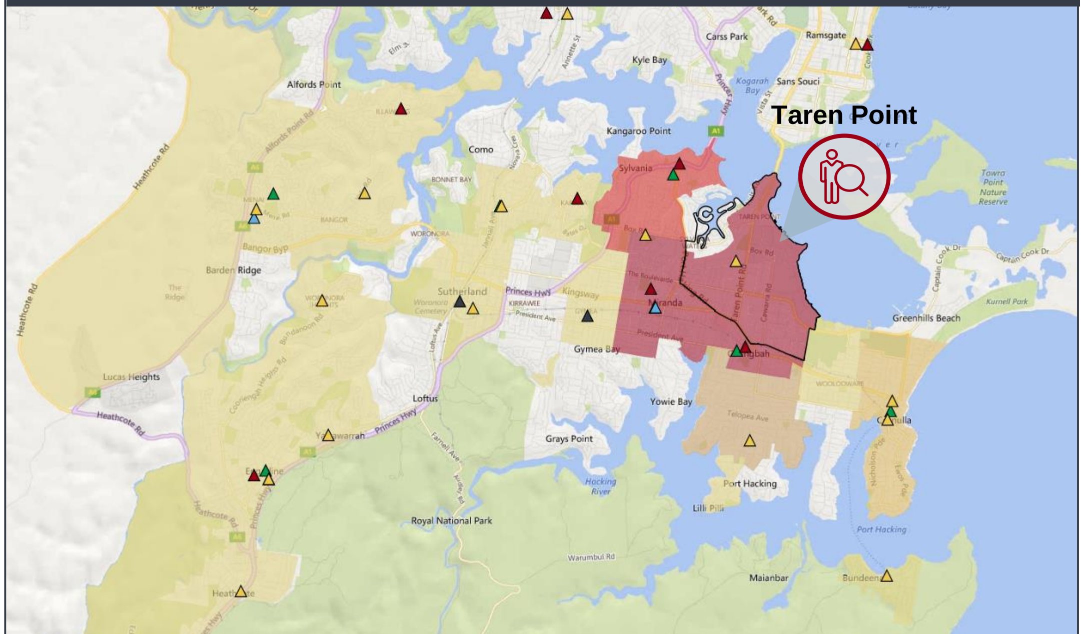


- The distance travelled beyond the nearest supermarket indicates that the residents nearest supermarket offering is not the one they are using
- On average, Taren Point residents travelled **61km** per resident further than the nearest supermarket to fulfil their supermarket missions over the full year ending January 2016

* Average distance is weighted by customers supermarket transactions. Includes only transactions made in Sutherland LGA

Taren Point catchment residents supermarket spend have a high level of escape expenditure to Caringbah, Miranda and Sylvania

Taren Point catchment residents - escape expenditure by suburb



% spend in suburb

- 20%+
- 10% to 20%
- 7% to 10%
- 5% to 7%
- 3% to 5%
- 1% to 3%
- <= 1%

Store Locations

- Woolworths
- Coles
- ALDI
- IGA
- Supabarn

Zone of expenditure		Resident area: Taren Point Catchment
Caringbah / Cronulla	Caringbah	22%
	Taren Point	25%
	Cronulla	1%
	Caringbah South	4%
	Lilli Pilli	0%
	Bundeena	0%
	Woolooware	0%
Miranda / Sylvania	Miranda	22%
	Sylvania	12%
	Gymea	0%
Sutherland / Kirrawee	Kareela	0%
	Jannali	0%
	Sutherland	0%
Engadine	Engadine	1%
	Heathcote	0%
	Yarrawarrah	0%
Menai	Woronora Heights	0%
	Menai	1%
	Illawong	0%
	Bangor	0%
Out of Sutherland LGA		12%
TOTAL		100%

QUANTIUM

Agenda

Escape expenditure in Sutherland LGA

% of supermarket spend		Resident Zone				
		Caringbah / Cronulla	Miranda / Sylvania	Sutherland / Kirrawee	Engadine	Menai
Zone of expenditure	Caringbah/Cronulla	65.5%	19.1%	6.7%	2.1%	1.5%
	Miranda/Sylvania	18.9%	64.0%	29.4%	6.3%	5.2%
	Sutherland/Kirrawee	1.4%	2.3%	41.0%	3.2%	2.2%
	Engadine	1.5%	1.1%	2.7%	75.5%	0.7%
	Menai	0.9%	1.2%	8.5%	3.0%	74.2%
	Out of Sutherland LGA	11.9%	12.3%	11.7%	9.9%	16.2%
TOTAL		100.0%	100.0%	100.0%	100.0%	100.0%

Caringbah / Cronulla residents escape expenditure by suburb

% of supermarket spend		Caringbah / Cronulla Residents												
Zone of expenditure		Bundeena	Burraneer	Caringbah	Caringbah South	Cronulla	Dolans Bay	Kurnell	Lilli Pilli	Maianbar	Port Hacking	Taren Point	Woolooware	Caringbah / Cronulla Residents
Caringbah / Cronulla	Caringbah	6.8%	50.3%	44.8%	57.3%	30.0%	55.9%	29.6%	52.0%	10.2%	58.7%	9.5%	40.6%	41%
	Taren Point	1.2%	5.7%	11.8%	3.2%	8.0%	4.9%	17.0%	9.0%	0.1%	2.0%	39.8%	6.1%	8.0%
	Cronulla	0.3%	7.2%	1.7%	1.9%	21.7%	3.4%	5.0%	1.0%	0.2%	1.4%	0.6%	8.5%	8.4%
	Caringbah South	0.2%	6.4%	7.6%	7.5%	4.0%	6.7%	3.4%	4.3%	0.2%	3.5%	0.5%	9.1%	5.6%
	Lilli Pilli	0.0%	0.7%	0.1%	3.3%	0.1%	9.9%	0.0%	8.7%	0.0%	7.0%	0.0%	0.2%	1.4%
	Bundeena	26.6%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	8.3%	0.0%	0.0%	0.1%	1.2%
	Woolooware	0.0%	0.0%	0.0%	0.0%	0.3%	0.0%	0.1%	0.0%	0.0%	0.0%	0.0%	0.6%	0.2%
Miranda / Sylvania	Miranda	12.2%	13.9%	16.2%	12.6%	15.4%	7.6%	17.4%	12.0%	10.6%	12.1%	17.0%	17.3%	14.5%
	Sylvania	7.6%	3.0%	4.0%	2.9%	3.6%	1.8%	6.5%	2.0%	7.1%	2.4%	17.9%	4.9%	4.2%
	Gymea	0.2%	0.2%	0.2%	0.3%	0.1%	0.3%	0.1%	0.0%	0.1%	0.1%	0.1%	0.0%	0.2%
Sutherland / Kirrawee	Kareela	0.5%	0.1%	0.2%	0.1%	0.2%	0.0%	0.1%	0.0%	1.8%	0.0%	0.6%	1.0%	0.3%
	Jannali	0.0%	0.0%	0.1%	0.0%	0.0%	0.3%	0.2%	0.0%	0.2%	0.0%	0.1%	0.1%	0.0%
	Sutherland	12.0%	0.6%	0.5%	0.3%	0.5%	0.5%	0.4%	0.1%	16.4%	0.7%	0.3%	0.3%	1.1%
Engadine	Engadine	14.9%	0.5%	1.0%	0.7%	0.5%	1.1%	0.4%	0.2%	16.4%	0.2%	1.6%	1.6%	1.5%
	Heathcote	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	Yarrawarrah	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Menai	Woronora Heights	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	Menai	2.7%	0.3%	0.8%	0.4%	0.8%	0.1%	0.3%	1.4%	1.0%	1.7%	0.4%	0.8%	0.8%
	Illawong	0.0%	0.0%	0.0%	0.3%	0.1%	0.0%	0.0%	0.0%	0.0%	0.1%	0.0%	0.0%	0.1%
	Bangor	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%
Out of Sutherland LGA		14.9%	11.0%	10.7%	8.9%	14.5%	7.4%	19.5%	9.0%	27.3%	10.1%	11.6%	8.6%	11.9%
TOTAL		100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

QUANTIUM

Miranda / Sylvania residents escape expenditure by suburb

% of supermarket spend		Miranda / Sylvania Residents								
Zone of expenditure		Grays Point	Gymea	Gymea Bay	Kangaroo Point	Miranda	Sylvania	Sylvania Waters	Yowie Bay	Miranda / Sylvania Residents
Caringbah / Cronulla	Caringbah	13.7%	11.5%	18.3%	0.5%	10.8%	2.3%	4.5%	30.6%	12.0%
	Taren Point	0.9%	2.5%	2.9%	1.6%	8.5%	5.9%	14.9%	3.3%	5.6%
	Cronulla	0.5%	0.7%	0.6%	0.2%	0.5%	0.4%	0.2%	1.2%	0.6%
	Caringbah South	1.1%	1.2%	0.8%	0.5%	1.1%	0.2%	0.3%	1.9%	0.9%
	Lilli Pilli	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	Bundeena	0.0%	0.1%	0.0%	0.0%	0.0%	0.0%	0.1%	0.0%	0.0%
	Woolooware	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Miranda / Sylvania	Miranda	33.6%	48.6%	41.8%	9.0%	55.3%	13.8%	17.9%	39.2%	38.1%
	Sylvania	9.1%	11.0%	9.2%	71.9%	9.0%	58.2%	43.3%	8.6%	21.8%
	Gymea	10.9%	10.7%	9.1%	0.0%	0.7%	0.3%	0.0%	1.7%	4.1%
Sutherland / Kirrawee	Kareela	0.9%	0.7%	0.4%	0.9%	0.5%	1.3%	0.8%	0.2%	0.7%
	Jannali	0.1%	0.1%	0.0%	0.0%	0.1%	0.0%	0.0%	0.1%	0.1%
	Sutherland	7.7%	1.3%	2.9%	0.1%	0.5%	0.3%	0.3%	1.3%	1.5%
Engadine	Engadine	4.2%	1.7%	1.3%	0.1%	0.5%	0.6%	0.4%	0.6%	1.1%
	Heathcote	0.0%	0.0%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	Yarrawarrah	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%	0.0%
Menai	Woronora Heights	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	Menai	4.6%	1.0%	1.2%	0.3%	0.8%	0.7%	0.3%	1.0%	1.2%
	Illawong	0.0%	0.0%	0.0%	0.0%	0.1%	0.0%	0.0%	0.0%	0.0%
	Bangor	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Out of Sutherland LGA		12.6%	8.9%	11.2%	14.8%	11.4%	15.8%	17.1%	10.1%	12.3%
TOTAL		100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

QUANTIUM

Sutherland / Kirrawee residents escape expenditure by suburb

% of supermarket spend		Sutherland / Kirrawee Residents							
Zone of expenditure		Bonnet Bay	Como	Jannali	Kareela	Kirrawee	Oyster Bay	Sutherland	Sutherland / Kirrawee Residents
Caringbah / Cronulla	Caringbah	1.3%	3.4%	3.1%	3.5%	9.9%	1.5%	3.8%	4.5%
	Taren Point	0.4%	0.6%	0.7%	1.1%	1.9%	1.8%	0.9%	1.2%
	Cronulla	0.9%	0.6%	0.2%	0.5%	0.6%	0.4%	0.4%	0.5%
	Caringbah South	0.1%	0.2%	0.6%	0.2%	1.0%	0.2%	0.3%	0.5%
	Lilli Pilli	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	Bundeena	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	Woolooware	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Miranda / Sylvania	Miranda	12.5%	9.4%	10.3%	12.2%	34.6%	12.4%	17.6%	18.1%
	Sylvania	6.6%	9.8%	9.0%	13.5%	11.5%	12.6%	8.6%	10.5%
	Gymea	0.3%	0.2%	0.2%	0.1%	2.8%	0.1%	0.3%	0.8%
Sutherland / Kirrawee	Kareela	14.8%	32.5%	35.0%	55.3%	13.3%	49.4%	4.1%	26.5%
	Jannali	5.3%	6.6%	11.8%	0.9%	0.3%	3.0%	0.8%	3.3%
	Sutherland	11.8%	9.0%	6.0%	0.7%	8.4%	2.5%	30.0%	11.1%
Engadine	Engadine	1.5%	1.1%	2.9%	1.1%	2.8%	1.0%	5.1%	2.6%
	Heathcote	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	Yarrawarrah	0.0%	0.0%	0.2%	0.0%	0.0%	0.0%	0.0%	0.0%
Menai	Woronora Heights	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	Menai	31.7%	13.0%	8.4%	2.7%	3.1%	4.8%	11.8%	8.4%
	Illawong	0.3%	0.1%	0.0%	0.1%	0.0%	0.1%	0.2%	0.1%
	Bangor	0.0%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Out of Sutherland LGA		12.6%	13.2%	11.5%	8.2%	9.8%	10.3%	16.0%	11.7%
TOTAL		100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

QUANTIUM

Engadine residents escape expenditure by suburb

% of supermarket spend		Engadine Residents						
Zone of expenditure		Engadine	Heathcote	Loftus	Waterfall	Woronora Heights	Yarrawarrah	Engadine Residents
Caringbah / Cronulla	Caringbah	0.6%	1.2%	1.9%	0.1%	1.4%	0.9%	1.0%
	Taren Point	0.7%	0.6%	1.8%	0.8%	1.0%	0.5%	0.8%
	Cronulla	0.1%	0.3%	0.2%	0.0%	0.2%	0.1%	0.2%
	Caringbah South	0.1%	0.1%	0.3%	0.2%	0.1%	0.0%	0.1%
	Lilli Pilli	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	Bundeena	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	Woolooware	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Miranda / Sylvania	Miranda	2.4%	2.4%	11.0%	2.2%	2.7%	4.3%	3.6%
	Sylvania	2.0%	1.9%	5.5%	1.1%	3.1%	2.7%	2.6%
	Gymea	0.1%	0.1%	0.2%	0.1%	0.1%	0.1%	0.1%
Sutherland / Kirrawee	Kareela	0.4%	0.1%	1.2%	0.0%	0.3%	1.0%	0.5%
	Jannali	0.1%	0.0%	0.3%	0.0%	0.6%	0.0%	0.2%
	Sutherland	0.8%	1.0%	13.6%	0.3%	0.8%	3.0%	2.5%
Engadine	Engadine	82.0%	69.8%	41.4%	56.2%	74.1%	69.5%	72.9%
	Heathcote	0.2%	8.5%	0.1%	10.1%	0.2%	0.1%	1.6%
	Yarrawarrah	0.3%	0.1%	0.6%	0.0%	0.1%	3.9%	0.6%
Menai	Woronora Heights	0.1%	0.0%	0.0%	0.1%	2.8%	0.0%	0.3%
	Menai	1.5%	3.6%	10.1%	1.2%	1.3%	2.9%	2.9%
	Illawong	0.0%	0.1%	0.1%	0.0%	0.0%	0.0%	0.0%
	Bangor	0.0%	0.0%	0.0%	0.0%	0.0%	0.2%	0.0%
Out of Sutherland LGA		8.5%	10.2%	11.5%	27.6%	11.2%	10.6%	9.9%
TOTAL		100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

QUANTIUM

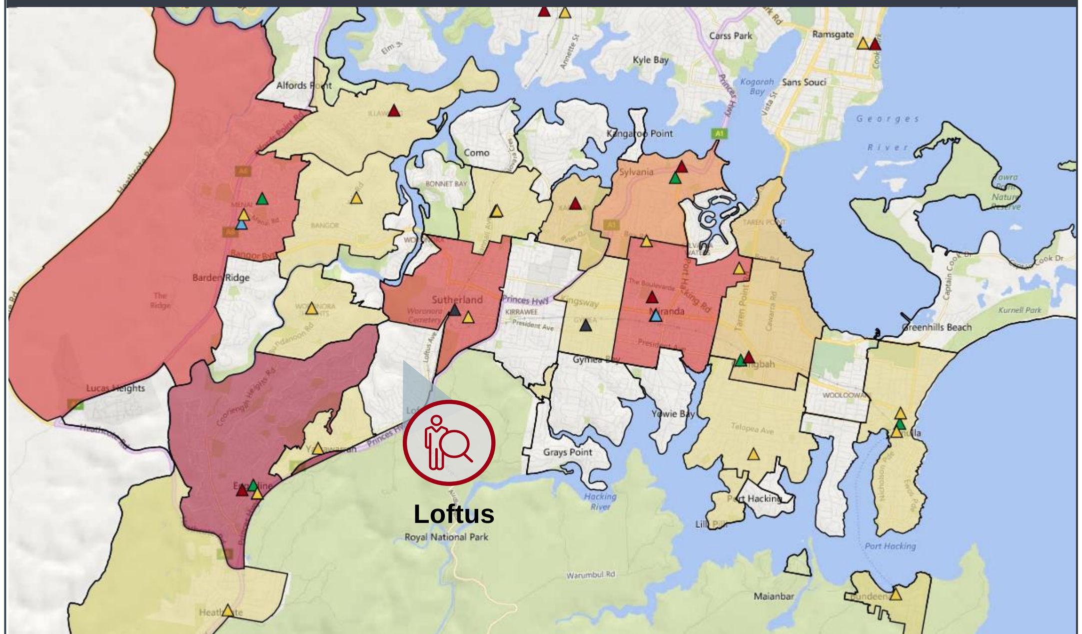
Menai residents escape expenditure by suburb

% of supermarket spend		Menai residents						
Zone of expenditure		Alfords Point	Bangor	Barden Ridge	Illawong	Menai	Woronora	Menai Residents
Caringbah / Cronulla	Caringbah	0.1%	1.2%	0.6%	0.4%	0.4%	2.3%	0.7%
	Taren Point	0.0%	0.3%	1.1%	0.2%	0.2%	3.3%	0.6%
	Cronulla	0.1%	0.2%	0.1%	0.1%	0.3%	0.6%	0.2%
	Caringbah South	0.0%	0.1%	0.0%	0.0%	0.1%	0.2%	0.1%
	Lilli Pilli	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	Bundeena	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	Woolooware	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Miranda / Sylvania	Miranda	2.1%	5.0%	4.3%	2.3%	3.0%	8.4%	3.7%
	Sylvania	0.3%	2.4%	1.1%	0.5%	1.5%	5.1%	1.5%
	Gymea	0.0%	0.1%	0.1%	0.0%	0.1%	0.3%	0.1%
Sutherland / Kirrawee	Kareela	0.1%	0.2%	0.3%	0.1%	0.3%	2.0%	0.3%
	Jannali	0.1%	0.1%	0.1%	0.0%	0.2%	0.6%	0.2%
	Sutherland	0.1%	1.9%	0.8%	0.4%	0.7%	14.6%	1.8%
Engadine	Engadine	0.2%	0.6%	2.1%	0.1%	0.6%	1.1%	0.7%
	Heathcote	0.0%	0.0%	0.3%	0.0%	0.0%	0.0%	0.0%
	Yarrawarrah	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Menai	Woronora Heights	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	Menai	46.9%	67.1%	72.1%	34.5%	74.5%	49.9%	58.5%
	Illawong	27.6%	2.4%	2.0%	39.6%	4.5%	0.3%	14.6%
	Bangor	0.1%	4.2%	0.4%	0.1%	0.8%	1.0%	1.1%
Out of Sutherland LGA		22.3%	14.0%	14.6%	21.6%	12.8%	10.0%	16.2%
TOTAL		100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

QUANTIUM

Engadine – Loftus deep-dive

Loftus escape expenditure by suburb



% spend in suburb

- 20%+
- 10% to 20%
- 7% to 10%
- 5% to 7%
- 3% to 5%
- 1% to 3%
- <= 1%

Store Locations

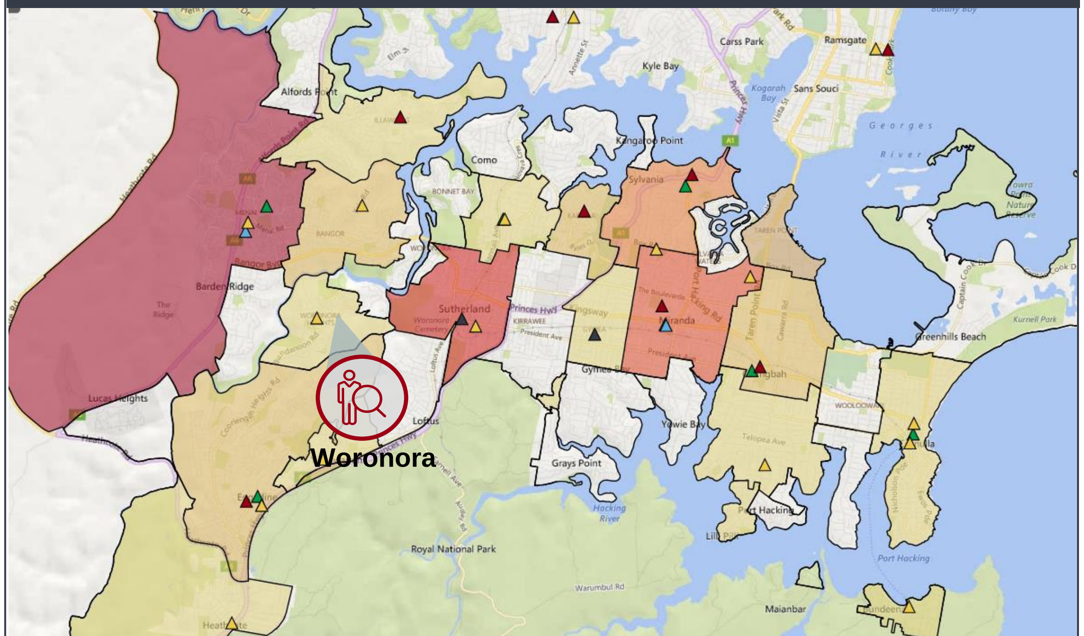
- Woolworths
- Coles
- ALDI
- IGA
- Supabarn

Zone of expenditure		Resident Suburb: Loftus
Caringbah / Cronulla	Caringbah	2%
	Taren Point	2%
	Cronulla	0%
	Caringbah South	0%
	Lilli Pilli	0%
	Bundeena	0%
	Woolooware	0%
Miranda / Sylvania	Miranda	11%
	Sylvania	6%
	Gymea	0%
Sutherland / Kirrawee	Kareela	1%
	Jannali	0%
	Sutherland	14%
Engadine	Engadine	41%
	Heathcote	0%
	Yarrawarrah	1%
Menai	Woronora Heights	0%
	Menai	10%
	Illawong	0%
	Bangor	0%
Out of Sutherland LGA		12%
TOTAL		100%

QUANTIUM

Menai – Woronora deep-dive

Woronora escape expenditure by suburb



% spend in suburb

- 20%+
- 10% to 20%
- 7% to 10%
- 5% to 7%
- 3% to 5%
- 1% to 3%
- <= 1%

Store Locations

- Woolworths
- Coles
- ALDI
- IGA
- Supabarn

Zone of expenditure			Resident Suburb: Woronora
Caringbah / Cronulla	Caringbah / Cronulla	Caringbah	2%
		Taren Point	3%
		Cronulla	1%
		Caringbah South	0%
		Lilli Pilli	0%
		Bundeena	0%
		Woolooware	0%
	Miranda / Sylvania	Miranda	8%
		Sylvania	5%
		Gymea	0%
	Sutherland / Kirrawee	Kareela	2%
		Jannali	1%
		Sutherland	15%
	Engadine	Engadine	1%
		Heathcote	0%
		Yarrawarrah	0%
	Menai	Woronora Heights	0%
		Menai	50%
		Illawong	0%
		Bangor	1%
	Out of Sutherland LGA		10%
TOTAL			100%

QUANTIUM

Appendix: Quantium Majors Tracker definition

Factor	Quantium Majors Tracker
Competitor set	Woolworths, Coles, Metcash (IGA & Foodworks), Aldi, Aussie Farmers Direct, Costco* and Harris Farm
Includes liquor	✘
Includes convenience store spend attached to petrol stations	✘
Includes online	✓
Includes business spend	✘
Includes subsidiaries	✓
Includes spend by Australians at competitors internationally	✘
Includes international cardholder spend in Australia	✘
Includes cash transactions	✘

Source(s): Quantium

* Costco sales include membership costs

QUANTIUM

QUANTIUM