



Economic Retail Assessment
Shepparton North East Growth Corridor

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Commissioned by City of Greater Shepparton

CPG

This report has been prepared from the office of CPG

Level 3 469 La Trobe Street PO Box 305 South Melbourne 3205 T 9993 7888

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27.06.2012	001	NR & BMc	Jane Macey	
03.07.2012	002	NR	Travis Reid	

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1 Introduction

Greater Shepparton City Council has identified land within the Shepparton North East Corridor to accommodate future growth of approximately 4,500 persons.

Council is currently working with CPG Australia to produce a Precinct Structure Plan and Development Contributions Plan to guide development within the Shepparton North East Growth Corridor. When completed, the structure plan will provide the overarching authority as to preferred development outcomes, expected services and facilities to be provided and the development timeframes.

CPG Australia has been commissioned by Greater Shepparton Council to provide an update of Economic Retail Analysis of the existing and potential market opportunity for food retail centres in the Shepparton North Growth Corridor.

The analysis will use current statistical data and modelling to provide an assessment of the potential scale and location of food retail provision expected to be supported within the corridor. The analysis will inform the retail offering within the structure planning process, and will contribute to the most efficient and practical provision being afforded to future residents of the region.

1.1 This Report

The following report details the following:

- The context of the development area and the proposed residential yield
- An overview of the current strategic documents guiding development within Greater Shepparton
- An account of the current and proposed retail services within the region
- The community and expenditure profile of the subject area.

Upon consideration of the above factors, the report culminates with a discussion on the preferred location of the Activity Centre based on the retail requirements of the precinct.

2 Shepparton North East Growth Corridor

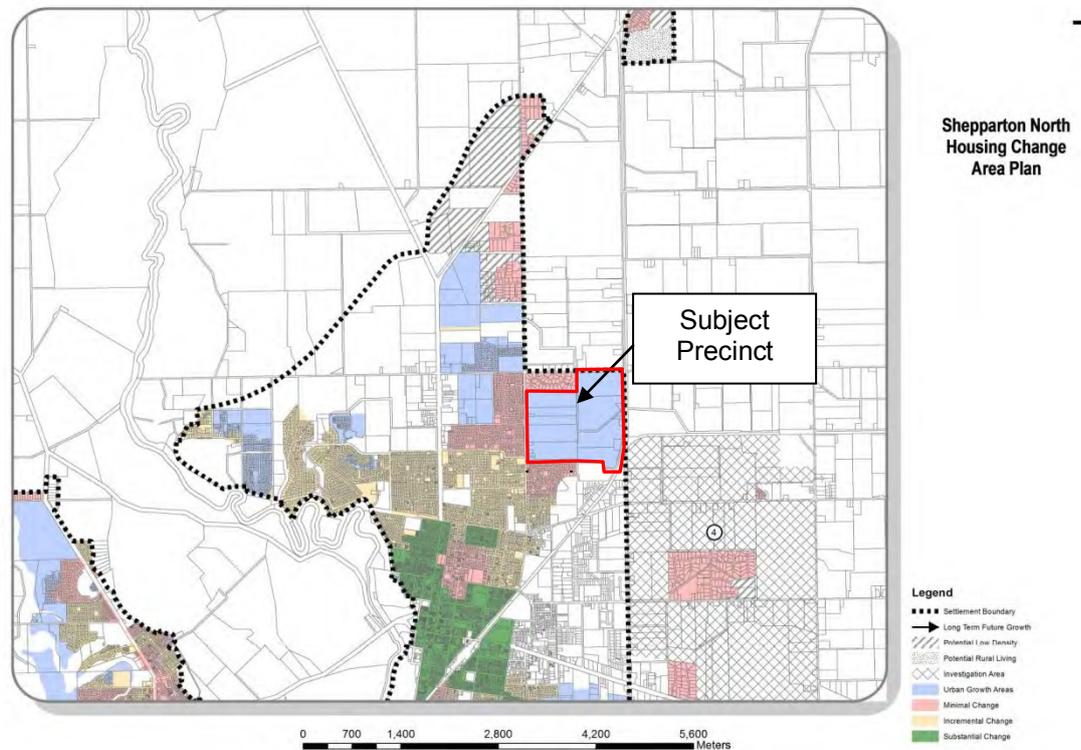
2.1 Subject Land

The Shepparton North East Corridor is located approximately 4 kilometres from the Shepparton CBD, yet remains within the area designated as the Shepparton City Centre.

The subject precinct is essentially the land bound by Ford Road and Grahamvale Road to the north and east, and the existing residential areas to the south and west.

The majority of the Shepparton North East Precinct is currently used for farming, with some limited associated residential dwellings. The area contains two primary schools: Grahamvale Primary located on Grahamvale Road to the east and Shepparton Christian College positioned on Verney Road to the west.

Figure 2.1: Subject land within Shepparton North East Growth Corridor



Source: Greater Shepparton Housing Strategy, May 2011, David Lock Associates



2.2 Development Context

The subject precinct is proposed to be developed in five stages, and expected to accommodate an additional 4,540 persons across 1,642 lots.

It is expected the precinct will be developed over a 15+ year period, with the development staging to generally follow a 'clockwise' pattern around the site, commencing from the Shepparton Christian College.

Stage	Area (ha)	Potential Lots	Projected Population
1	32.20	253	700
2	35.52	384	1,060
3	34.48	380	1,050
4	37.02	362	1,000
5	25.60	264	730
Total	164.82	1,642	4,540

Note: Population numbers rounded

The *Shepparton North East Draft Structure Plan* shows an indicative layout of the precinct, including a Neighbourhood Activity Centre located on Verney Road adjacent to Ryeland Drive. The draft plan suggests the Activity Centre should include the following land uses and design elements

- Supermarket, including associated car parking
- Supporting retail tenancies
- A community centre, including a Maternal Health Centre
- Playground
- A public town square/main street configuration
- Retail entrance off Verney Road as 'entrance only'.



3 Strategic Planning Policy

This section details the strategic planning policies most relevant in considering the development of Greater Shepparton.

3.1 Greater Shepparton Planning Scheme

The Greater Shepparton Planning Scheme provides a range of strategic and statutory policies to guide land use development within the municipality.

Of particular relevance, *Clause 21.06-4 Commercial/Activity Centres* highlights Councils commitment to a hierarchy of retail centres that promotes the Central Business District as the primary, multifunctional centre that is then complemented by local centres providing convenience shopping.

The hierarchy of centres is identified as follows:

- A Regional Centre (Shepparton CBD)
- Sub-Regional Centres
- Neighbourhood / Townships Centres
- Local / Town Centres.

The Clause indicates: with the exception of the growth corridors, additional freestanding retail centres will not be encouraged within the municipality.

3.2 Greater Shepparton 2030 Strategy Plan

Greater Shepparton 2030 Strategy Plan builds upon the 1996 City of Greater Shepparton Strategy Plan to provide an updated guide to the future development of the municipality. The plan includes an overview of:

- Key issues currently facing the municipality
- Major factors likely to influence development over the next two to three decades
- A vision statement of a preferred direction and development for the municipality
- Exploration of appropriate objectives and strategies
- A statement of outcomes that might be expected by the year 2030
- Strategic framework plans for the municipality and its major urban areas.

Background and Analysis Report No: 5 Economic Development of Greater Shepparton 2030 Strategy Plan outlines the Activity Centre hierarchy incorporated into the Planning Scheme MSS. The analysis affirms the position of Shepparton CBD as the primary retail centre for the region, and marks the Fairleys IGA site as a neighbourhood centre slated for future expansion.

3.3 Greater Shepparton Economic Development Strategy 2009-2012

The *Greater Shepparton Economic Development Strategy 2009-2012* provides a review of the previous 2007 Economic Development Strategy. The strategy provides an action plan for the implementation of the strategies developed by Council's Economic Development Unit.

The strategy identifies Greater Shepparton's retail sector as generating 3,490 jobs, equivalent to 13.9% of all jobs in Greater Shepparton. Approximately 8 in 10 of these retail jobs are related to food and store-based retailing (2,880 jobs or 82% of retail jobs).

The strategy supports the continued growth of the Shepparton CBD as the primary retail destination, indicating that as a result of population expansion and retail spending growth, there is potential for an additional 23,000m² of retail floorspace to be required in Shepparton CBD by 2021, equivalent to around 23% of existing retail floorspace. The Shepparton CBD is estimated to have a total catchment population of approximately 170,000 persons.

The strategy does not provide any direct guidance as to how retail sectors outside of the CBD should develop, exception to note these should not detract from the primacy of the CBD as the main retail destination.

3.4 Greater Shepparton Housing Strategy 2011

The Greater Shepparton Housing Strategy was undertaken between 2007 and 2009, with the Greater Shepparton City Council adopting the strategy in 2009 to guide the future long term identification and provision of residential land within the municipality.

As a result of changes made to the strategy arising from the Amendment C93 Panel Report and the adoption of the amendment, the Greater Shepparton City Council re-adopted the updated Greater Shepparton Housing Strategy in May 2011.



The (readopted) *Greater Shepparton Housing Strategy 2011* forms the strategic basis for long term residential provision in Shepparton and outlying townships.

The strategy aims to inform and guide decision making by landowners, the Greater Shepparton City Council, service authorities and the general community about residential land and housing needs and locations.

The five broad housing objectives of the Greater Shepparton Housing Strategy are to:

- Ensure an adequate supply of appropriate land for residential development
- Improve the quality and performance of future residential development
- Promote active and healthy living environments
- Achieve a wide choice of affordable and market housing
- Promote leadership, innovation and learning.

The subject land is identified within the Shepparton North Housing Change Area plan as an 'urban growth area'. The Shepparton North Growth Management Plan indicates the subject land is to be developed in stages over a 15 year plus timeframe.

While there are no specific provisions mandating development within the subject precinct, a set of general principles are set out to guide the development pattern, including:

- New development should (wherever possible) to be integrated with public transport and provide a high degree of walkability within a maximum 800m walking distance for all residents.
- Development will contribute to the existing and preferred housing diversity of the urban and township areas of the municipality.
- The unique character of the municipality's smaller towns will be protected with any new residential development in these areas.
- All existing service infrastructure and facilities will be used in any new development
- The main urban growth areas of Shepparton, Kialla and Mooroopna will be separated from Rural Living and Low density Residential areas through the use of appropriate environmental buffers.

4 Analysis of Retail Provision

4.1 Community Profile

The Greater Shepparton region is experiencing sustained population growth, driven primarily by internal and overseas migration and growth in the agricultural sector. The most recent 2011 Census figures indicate the current population of Greater Shepparton (LGA) is 61,000 people (usual resident), an increase of nearly 4,000 people from 2006 levels. The *Victoria in Future 2012* population forecast suggests suggest Greater Shepparton will be home to a total population of nearly 78,000 people by 3031.

The 2011 Census data provides the most recent statistical profile of Shepparton. The Shepparton (State Suburb) area, which includes the primary urban areas of Shepparton and part of the subject precinct, has a total population of 29,550 persons across 12,500 dwellings.

Detached housing remains the most prevalent dwelling type (83.2%), followed by units/apartments (10.9%) and semi-detached/terrace/townhouses (5.4%). The average number of persons per dwelling was 2.5, slightly below the Victorian average of 2.6 persons.

The median weekly rent was \$195, with median monthly mortgage repayments \$1,300.

The median weekly personal income was \$495, \$66 or 12% below the Victorian median. Similarly, the median weekly family income was \$1,133; \$127 or 10% below the Victorian median. In Shepparton, 30.9% of households had a weekly household income of less than \$600.

4.2 Resident Expenditure Profile

The DPCD report *Overview of Retailing in Regional Victoria (2007)*, prepared by Essential Economics, provides a solid base to forecast general information about food retailing within regional areas. In relation to Per Capita Spending, the report indicates the following:

In 2007, the average per capita retail spending of regional Victorian residents is estimated at approximately \$10,110 and this includes approximately \$5,350 on food merchandise, approximately \$4,390 on non-food merchandise, and approximately \$370 on retail services. By 2020, total per capita retail spending



by regional Victorians is forecast to increase to approximately \$12,520, and to reach approximately \$14,990 by 2030.

The following table (Table 4.1) represents the existing annual expenditure profile for the Shepparton North East area, and a comparison figure showing the average expenditure for Victorian urban areas, based on the most recently available 2010 MarketInfo data.

The areas considered within Shepparton North East expenditure profile includes the existing populations east of Verney Road and the subject site, and the surrounding area extending west to the Goulburn Valley Highway/Numurkah Road and south to the Midland Highway. This includes some 9,540 persons across just over 3,600 dwellings

Table 4.1: Shepparton North East and Victorian Urban Expenditure Profiles 2010

Expenditure Category	Shepparton (NE) Trade Area - \$ per person	Vic Other Urban Area – \$ per person
Food Only	3,513.20	3,527.60
Non-Food Groceries	595.10	592.90
Tobacco	497.80	538.60
Liquor (Bottleshop)	630.90	594.60
Cafes & Restaurants	396.00	342.70
Take-Away	512.30	468.60
Apparel	1,302.50	1204.00
Homewares	984.60	915.20
Bulky	1,310.30	1,255.20
Leisure	1,508.30	1,431.10
Services	383.80	351.60
'Total'	11,634.90	11,222.10

Source: MarketInfo 2010

Shepparton North East Growth Area has an annual per capita expenditure of \$11,634.90; just 3.7 per cent higher than the Victorian Other Urban expenditure of \$11,222.10.



Based upon the continuation of the existing expenditure profile, the expected population capacity of 4548 would generate a total spend of \$52,915,070 within the Shepparton retail network, of which \$23,817,876 would be spent on food, non food groceries, tobacco and liquor products.

Table 4.2; Shepparton North East Subject Precinct Projected Total Spend Profile

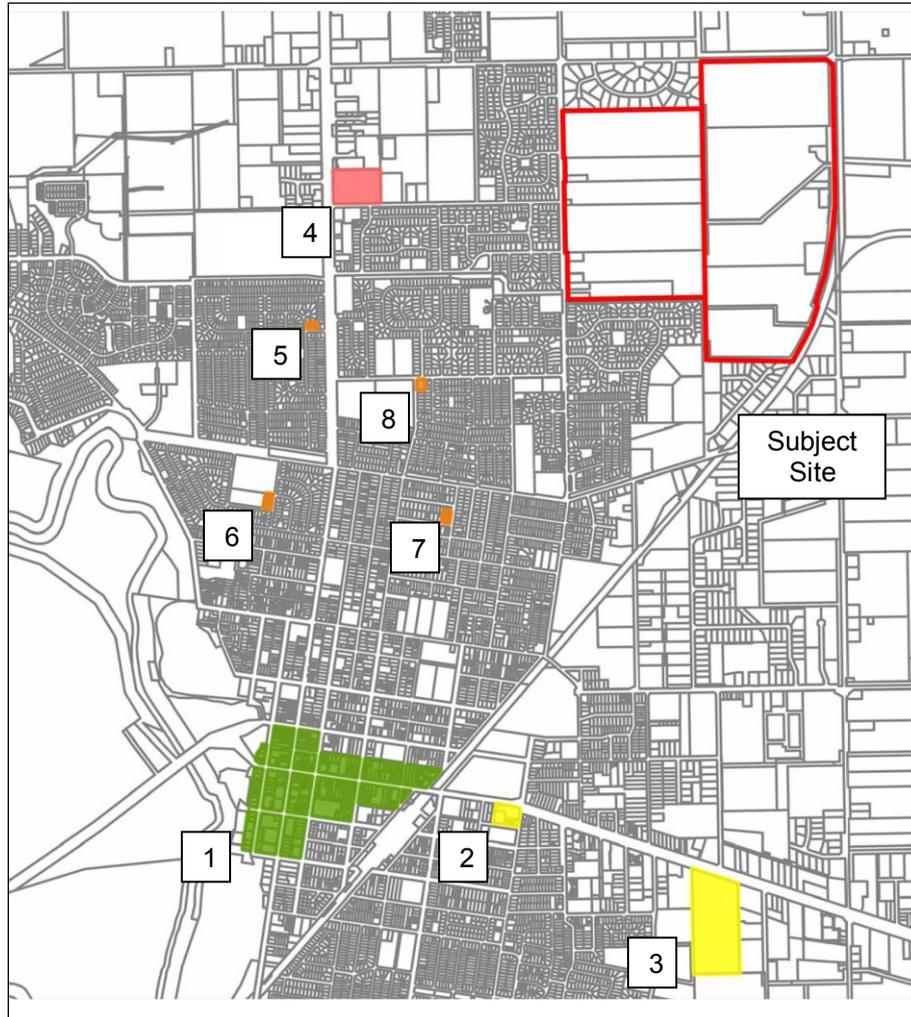
Expenditure Category	Subject Site - \$ Total
Food Only	\$15,978,033
Non-Food Groceries	\$2,706,514
Tobacco	\$2,263,994
Liquor (Bottleshop)	\$2,869,333
Cafes & Restaurants	\$1,801,008
Take-Away	\$2,329,940
Apparel	\$5,923,770
Homewares	\$4,477,960
Bulky	\$5,959,244
Leisure	\$6,859,748
Services	\$1,745,522
'Total'	\$52,915,070

Source: MarketInfo 2010; CPG Australia

4.3 Existing Services

The following section describes the existing food retailing services in the surrounding Greater Shepparton area between the subject land and the Shepparton CBD. Figure 4.1 demonstrates the spatial layout across the immediate area

Figure 4.1: Shepparton North Activity Centre Locations



Source: CPG Australia

Legend

<p>Regional Centre</p> <p>1. Shepparton CBD - Coles, Aldi</p>	<p>Township/Neighbourhood Centre</p> <p>4. Fairleys IGA</p>
<p>Sub-Regional Centre</p> <p>2. Shepparton Plaza - Woolworths</p> <p>3. Shepparton Marketplace - Woolworths</p>	<p>Local/Town Centre</p> <p>5. Strip Shopping - Branditt Ave</p> <p>6. Strip Shopping - King St</p> <p>7. Strip Shopping - Dunkirk St</p> <p>8. Potential Mixed Use Expansion</p>



4.3.1 Supermarkets

The general area between the subject land and the Shepparton CBD provides five supermarkets of varying size. These are:

- Coles, Midland Highway, Shepparton CBD, Regional Centre
- Aldi, Midland Highway, Shepparton CBD, Regional Centre
- Fairleys IGA, Goulburn Valley Highway, Shepparton North, Neighbourhood Centre
- Woolworths, Midland Highway, Shepparton Plaza, Sub-Regional Centre
- Woolworths, Midland Highway, Shepparton Market Place, Sub-Regional Centre.

4.3.2 Local/Convenience Retailers

Several smaller independent and strip shops are scattered within the surrounding area. These are:

- Shopping Strip, Dunkirk Street
- Shopping Strip, Branditt Avenue
- Shopping Strip, King Street

Strip shopping is generally characterised by a milk bar, take away food shops and specialised services such as hairdressers, laundromats, post offices, etc.

4.4 Proposed Expansions

The *Shepparton North East Draft Structure Plan* indicates the Fairleys IGA supermarket, the neighbourhood centre located 1.0km west of the subject area, is to undergo a significant expansion. The draft strategy states:

An expansion is proposed for the existing supermarket outlet from 3,800 sq m to a retail area of 7,300 sq m, which includes the current size supermarket and 2,500 sq m of specialty outlets, a mini major of 1,000 sq m and 400 sq m of commercial services.

A Planning Permit for the “*proposed buildings and works associated with the construction of a neighbourhood centre*” was approved for the IGA site on the 12th April 2012 (*app 2008-346*). The Planning Permit acts alongside Planning Scheme Amendment C119 which rezoned the land from a Business 4 to a Business 1 Zone. The Schedule to the Zone allows a maximum combined



leasable floor area for a shop up to 8,000 square metres and an office up to 900 square metres.

The site adjacent the Goulburn Valley Hospital at 52 – 56 Graham Street is zoned Business 1 and is expected to be developed as a mixed use centre that includes specialty retail and food shops, although no planning permit applications of this nature are currently being considered by Council.

5 Activity Centre Location

This section considers the most appropriate location for the Activity Centre within the precinct.

5.1.1 Shepparton North East Draft Structure Plan Activity Centre Objectives

The Shepparton North East Draft Structure Plan indicates the objectives for the Activity Centre are to:

- Provide for an activity centre that is accessible to the Shepparton North East community and meets its day to day convenience and service needs.
- Ensure that the type and scale of shops are appropriate to the neighbourhood role and function of the centre.
- Provide employment opportunities in retailing, commerce and community service industries.
- Integrate community facilities, including education within or on the periphery of the activity centre.
- Create attractive public and private spaces, including town squares which foster community interaction.
- Use a consistent landscaping theme, street furniture and signage to contribute to neighbourhood image and character.
- Provide attractive interface treatments along the adjoining boundaries of the NAC to encourage active street frontages that promote safety and passive surveillance of public areas.
- Encourage access to the centre by walking, cycling and public transport through integration of a pedestrian network and public transport infrastructure.
- Seek landscape design and architecture that reinforces the activity centre as the community and commercial focus of the Precinct.

While the above objectives are regarded as sound principles to inform activity centre development, the objective of integrating education facilities *within* an activity centre must be considered against the resulting exclusion of local residents. The vibrancy and diversity of a Neighbourhood Activity Centre relies on community use, with a balance required as to whether this use is preferenced to residents in the immediate area or those who travel to the accompanying school.



The following assessment considers the objectives for the Activity Centre as detailed in the Shepparton North East Draft Structure Plan, the strategic policies set out by Council and urban planning best practice principles to analyse the suitability of several site to accommodate a Neighbourhood Activity Centre.

The sites considered include the following:

1. Verney Road, North of Shepparton Christian College (as located in draft structure plan)
2. Grahamvale Road, south of Grahamvale Primary School
3. Grahamvale Road, north of Grahamvale Primary School
4. Crn Pine Road extension and Staging Boundary.

These are depicted on Figure 5.1 overleaf with a subsequent analysis of the benefits and constraints of each option.

Figure 5.1: Activity Centre Locations Considered



Source: Shepparton North East Draft Structure Plan, Edited CPG Australia 2012



5.2 Verney Road, North of Shepparton Christian College

Benefits	Constraints
Located on major, established road, with potential for a public transport route	Positioned in the northwest of the precinct away from the majority of future residents
Catchment from the surrounding areas	Existing built form of Shepparton Christian College
Located near existing school infrastructure, and proposed open space	Located proximate to an established, expanding neighbourhood centre and its market catchment
Located within Stage 1 of the development	Low walking catchment due to the proximity of the primary school and open space
Adjacent established residential areas which would support early use and development	Limits residents in the west of the precinct ability to walk to the centre/shops
Does not present any constraints restricting the desired design outcomes, including town squares, landscaping, active street frontages,	
<p>Comment</p> <ul style="list-style-type: none"> – An activity centre on Verney Road would likely be developed within the earlier stages of the precinct, and gain early use from the abutting existing residential areas. – The site would co-locate with the existing primary school and proposed open space and could adequately service the residents within Stage 1 of the precinct development. – The site would gain additional retail expenditure from the surrounding residential catchments – The proximity to the existing Fairleys IGA neighbourhood centre and relatively limited catchment of the subject precinct reduce its accessibility to the wider community. – The proposed expansion of the IGA site is likely to impact upon the expenditure profile within the catchment. – Access to the centre will be predominately car based and increase traffic movements within the precinct 	



5.3 Grahamvale Road, South of Grahamvale Primary School

Benefits	Constraints
Adequately separated from the established, expanding Fairleys IGA neighbourhood centre	Grahamvale Road and rail corridor currently act as a significant barrier to the east
Presents minimal constraints to desired design outcomes, including town squares, landscaping, active street frontages, etc	Limited wider catchment
Located on an arterial road along the edge of the precinct, with potential for a public transport route	Low walking catchment due to much of the immediate area taken up by the primary school and open space
Located near existing school infrastructure, within adequate proximity to a proposed Neighbourhood Park	Positioned near the Grahamvale Road/railway line junction, with potential for increased traffic congestion
	Provides limited convenience to the extreme north east of the precinct
	Exiting built form of the Grahamvale Primary School
	Located within Stage 2 of the development
<p>Comment</p> <ul style="list-style-type: none"> – An Activity Centre located to the south of Grahamvale Primary School would assist in evenly distributing accessibility and market expenditure across the precinct. – While convenient access is still limited to residents in the very north-east, when considered with the Fairleys IGA catchment, the majority of residents are within reasonable proximity to an activity centre. – The sites abuttal to the Grahamvale Primary School and the Grahamvale road and rail corridor restricts the walking catchment of the centre – The centre would be located within the later stages of development, allowing time to review the wider Greater Shepparton settlement pattern and assess the strategic needs of the precinct, while not reducing the required retail provision as the built out areas would remain serviced by the Fairleys IGA site 	

5.4 **Grahamvale Road, North of Grahamvale Primary School**

Benefits	Constraints
Adequately separated from the established, expanding Fairleys IGA neighbourhood centre	Grahamvale Road and rail corridor currently act as a significant barrier to the east
Located on an arterial road along the edge of the precinct, with potential for a public transport route	Limited wider catchment
Increases access provision to the extreme north east of the precinct	Existing agricultural/residential built form to the north of the site, and Grahamvale Primary School to the south
Located near existing school infrastructure, within proximity to a proposed Neighbourhood Park	Located within Stage 2 of the development
Presents minimal constraints to desired design outcomes, including town squares, landscaping, active street frontages, etc	Low walking catchment dues to much of the immediate area taken up by the primary school and open space
<p>Comment</p> <ul style="list-style-type: none"> – An Activity Centre located to the north of Grahamvale Primary School assists in evenly distributing the accessibility and market expenditure across the precinct. – When considered with the Fairleys IGA catchment, the majority of residents are within reasonable proximity to an activity centre. – The centre would be located within the later stages of development, allowing time to review the wider Greater Shepparton settlement pattern and assess the strategic needs of the precinct, while not reducing the required retail provision as the built out areas would remain serviced by the Fairleys IGA site – The sites abuttal to the Grahamvale Primary School and the Grahamvale road and rail corridor restricts the walking catchment of the centre – Locating on the rail corridor provides a potential strategic opportunity to develop an activity hub built around a railway station that connects the subject precinct, the established primary school, an expanded settlement to the east and the industrial/employment uses to the south. 	



5.5 Crn of Pine Road extension and Staging Boundary

Benefits	Constraints
Centrally located within the precinct, with minimal surrounding encumbered land	Not proximate to the residents of the extreme north east of the precinct
Located within Stage 1 of the development	Limited wider catchment
Located on a connector street running through the precinct, with potential for a public transport route	Limited existing infrastructure in the immediate area
Adequate proximity to a proposed Neighbourhood Park	
Unencumbered land with no surrounding built form	
Does not present any constraints that would restrict the desired design outcomes, including town squares, landscaping, active street frontages, etc	
<p>Comment</p> <ul style="list-style-type: none"> – The centrally located Activity Centre would be adequately proximate to a large proportion of the precinct. – The land is unconstrained by any existing built form and could be designed to gain the maximum walking catchment of the precinct sites. – The centre would be positioned along a proposed connector street that could draw catchment from Verney and Grahamvale Roads, while remaining within reasonable walking distance to a larger population. – While not co located with an existing school, the centres position between the two schools would provide equitable access to both schools. The site is considered a suitable distance from the Fairleys IGA site to reduce competition between the market catchments. – The position of the site could ensure it be developed within Stage 1 of the precinct, and would be completed in time to service the development of Stage 2. 	



5.6 Assessment of Preferred Location

While there are benefits and constrains of each of the options considered, the Verney Road option is considered the most appropriate site for the Activity Centre since an activity centre on Verney Road would likely be developed within the earlier stages of the precinct, and gain early use from the abutting existing residential areas which may assist in promoting development to the North. Since the site would co-locate with the existing primary school and proposed open space, it would be able to adequately service the residents within Stage 1 of the precinct development. Conversely, the alternate locations are on the edge of town and would be unable to generate demand for a comprehensive retail mix.



6 Potential Retail Provision

While the existing Shepparton Activity Centre network, particularly the Fairleys IGA site, is capable of servicing the retail food requirements of the subject precinct, additional retail provision, particularly convenience shopping opportunities, are likely to be required within the precinct.

6.1 Basis for Assessment

The ADR¹ estimate that an independent supermarket could expect to draw around a 20% share of the total catchment expenditure has been applied to the current analysis.

The DPCD report *Overview of Retailing in Regional Victoria (2007)*, indicates that food retail provides an average turnover of \$7,000 per square metre per annum of leasable floorspace, expected to increase to \$7,800 by 2030. The conservative figure of \$7,800 will be used to assess retail needs to ensure a new food retailer would remain viable.

6.2 Activity Centre Requirements

Table 5.1 highlights the potential expenditure share of the subject precinct. Table 5.2 demonstrating the store size viability based on the 20% market share. Expected market share is provided both with and without the inclusion of liquor sales.

Table 5.1; Supermarket Capacity

Catchment	Population Capacity	Population percentage	Total \$ Share of Precinct Expenditure	
			Food, non food groceries, tobacco	Food, non food groceries, tobacco and Liquor
Subject Precinct	4,550	100%	20,948,540	23,817,880

Source: CPG Australia; MarketInfo 2010 Note: Numbers rounded

¹ Applied Development Research Pty Ltd Shepparton North East Growth Area Activity Centre Demand, Prepared for; Maunsell Australia Pty Ltd December 2008

Table 5.2: Viability Estimate

Catchment	Population Capacity	20% (\$) Share of Precinct Expenditure		Required Store Size based on \$7,800 per leasable sqm	
		Food, non food groceries, tobacco	Food, non food groceries, tobacco and Liquor	Food, non food groceries, tobacco	Food, non food groceries, tobacco and Liquor
Subject Precinct	4,550	\$4,189,710	\$4,763,580	537m²	611²

Source: CPG Australia; MarketInfo 2010; DPCD Overview of Retailing in Regional Victoria (2007)
Note: Numbers rounded

Table 5.2 suggests, based on the proposed residential population within the precinct alone, a supermarket in the order 610 sqm could be supported.

Applying the ADR² estimate of the ratio of supermarket area to small tenancies, the 610 square metres of leasable floor area would be expected to be capable of supporting approximately 305 square metres of small tenancies.

Changes to the car parking provisions came into effect on 5 June 2012 with the introduction of Amendment VC90. Standard car parking is required at the following rates:

- Supermarket – 5 spaces per 100 sqm of leasable floor area
- Shop (other than listed in this table) – 4 spaces per 100 sqm of leasable floor area
- Convenience shop (if the leasable floor area exceeds 80 sqm) – 10 to each premises
- Food & drink premises (other than listed in this table) 4 spaces per 100 sqm of leasable floor area.

A 610 sqm supermarket, supporting 305 sqm of small tenancies considered shops or food and drink premises, would generate a parking requirement of 42 spaces. This would require adjustment if the occupancy mix was to include convenience

² Applied Development Research Pty Ltd Shepparton North East Growth Area Activity Centre Demand, Prepared for; Maunsell Australia Pty Ltd December 2008



shops. A standard car space of 4.9m by 2.6m generates an area of 12.74 square metres per space, however this figure should be extrapolated to 30 sqm per space to ensure for safe and efficient manoeuvrability within the site. This would result in a total parking area of 1,260 sqm.

Based upon the minimum amount of parking required, an approximate 2,170 sqm site³ is required to support the supermarket, associated tenancies and parking development within the precinct outlined in the above scenario.

6.3 Wider Catchment

The Shepparton North East Draft Structure Plan shows an indicative Activity Centre positioned on Verney Road adjacent to Ryeland Drive. Verney Road provides access to the wider area and, as such, an Activity Centre here could expect to gain additional catchment spend.

The following assessment of the regions considered to be within practical proximity to the precinct, and an estimated percentage of catchment food spend that would be directed to the Verney Road Activity Centre is provided below. It is noted: several of these areas will be built out over a 15+ year period, and estimates are based on the likely populations once development is complete.

Activity Centre Verney Road expected to capture 10% of Existing Shepparton North East Supermarket Spend

A portion of the existing population around the subject precinct close to Verney Road may use the NAC for convenience, however the Dunkirk Avenue shopping strip is expected to continue to cater for convenience shopping for much of the southern part of the catchment. Residents to the west of the catchment are likely to use the Fairleys IGA or use other strip centres

Activity Centre Verney Road expected to capture 10% of North Growth Corridor Supermarket Spend

The residents closer to the Goulburn Valley Highway are expected to travel to Fairleys IGA as it would be closer than the Verney Road centre. The residents closer to Verney Rd may travel to the centre for convenience but are expected to continue using the established Fairleys IGA as it is within comparable distance.

³ Space requirements are based on leasable floor areas and do not include additional circulation space that may be required. This would alter the overall site area



Activity Centre Verney Road expected to capture 2% of Shepparton North Low Density Residential Supermarket Spend

As the residents in the Shepparton North Low Density Residential area are essentially car dependent and will have to travel regardless of their preference, it is expected that the majority of residents would utilise the shopping opportunities along the Goulburn Valley Highway. The Verney Road centre would be expected to gain some catchment from residents avoiding the potential traffic on the Goulburn Valley Highway

Activity Centre Verney Road expected to capture 1% of Shepparton North Neighbourhood Residential Precinct Supermarket Spend

The Fairleys IGA sits adjacent the development area and would be within walking distance to the majority of residents. This convenience is seen to ensure the Fairleys IGA dominates the shopping catchment.

The following table outlines the additional expenditure the surrounding areas would be anticipated to contribute to an Activity Centre located on Verney Road

Table 5.3: Catchment and Expenditure of Surrounding Areas

Catchment	Population Capacity	Anticipated Catchment Percentage	Anticipated Catchment Population	Expenditure Contribution ⁴	
				Food, non food groceries, tobacco	Food, non food groceries, tobacco and Liquor
<i>Existing Shepparton North East</i>	3,760	10%	380	\$1,730,050	\$1,967,020
<i>North Growth Corridor</i>	2,340	10%	230	\$1,077,830	\$1,225,460
<i>Shepparton North Low Density Residential</i>	1,220	2%	20	\$112,570	\$127,990
<i>Shepparton North Neighbourhood Residential Precinct</i>	1,140	1%	10	\$52,330	\$59,490
Total	8,460	-	650	\$2,972,780	\$3,379,960

Source: CPG Australia; MarketInfo 2010, City of Greater Shepparton Population Forecasting Note:
Numbers Rounded

The additional expenditure could allow an increase of between 381 to 433 square metres to a supermarket development, dependent on the inclusion of liquor sales. A supermarket development of 1,044 square metres could support an additional 522 square metres of retail tenancies considered shops or food and drink premises, which would generate a minimum parking requirement of 73 spaces.

⁴ The Expenditure profile outlined in Table 4.2 has been applied to generate the expected catchment contribution to



Based upon the minimum amount of parking required, a site of approximately 3,756 sqm site is required to support a supermarket, associated tenancies and parking development within the precinct outlined in the above scenario.

It is noted the final configuration and services provided within a supermarket and associated tenancies will have a bearing on how it is used by surrounding precincts. Similarly, the expansion of the already established and popular Fairleys IGA site would also be expected to affect the shopping preferences of the wider area.

7 Summary Remarks

An analysis of the expenditure profile for the Shepparton North East region indicates the subject precinct could support a Neighbourhood Activity Centre on Verney's Road that included a supermarket with 1,044 square metres of leasable floorspace, with an additional 522 square metres specialist tenancies.

Greater Shepparton Council's various strategic planning policies generally support the development of such an Activity Centre within the precinct. While a range of potential alternative sites has been provided to assist Council in their assessment, the indicative Verney Road Activity Centre, as shown within the Shepparton North East Draft Structure Plan, is considered the most appropriate location for the Activity Centre. The location is generally compliant with activity centre planning objectives, and would be expected to gain the most additional expenditure from the existing and proposed residential areas surrounding the precinct. The alternate locations are on the edge of town and would be unable to generate demand for a comprehensive retail mix.

An activity centre on Verney Road would likely be developed within the earlier stages of the precinct, and gain early use from the abutting existing residential areas which may assist in promoting development to the North. Since the site would co-locate with the existing primary school and proposed open space, it would be able to adequately service the residents within Stage 1 of the precinct development.

The impact on the existing Fairleys IGA neighbourhood centre is expected to be limited. It is anticipated Fairleys IGA will attract significant additional business as a result of the growth in the North of Shepparton and the reputation of Fairley's IGA together with the more limited catchment of an Activity Centre on Verney Road is expected to insulate Fairleys from undue competition while providing an alternate and proximate supermarket offer within this eastern precinct.

Since core retail consideration of locating the activity centre should be its ability to serve the greatest number of future residents with the minimal effect to the market share of the existing retail centres, a Neighbourhood Activity Centre at Verney Road with a supermarket (1,044 square metres of leasable floorspace) and an additional 522 square metres specialist tenancies is considered appropriate.

