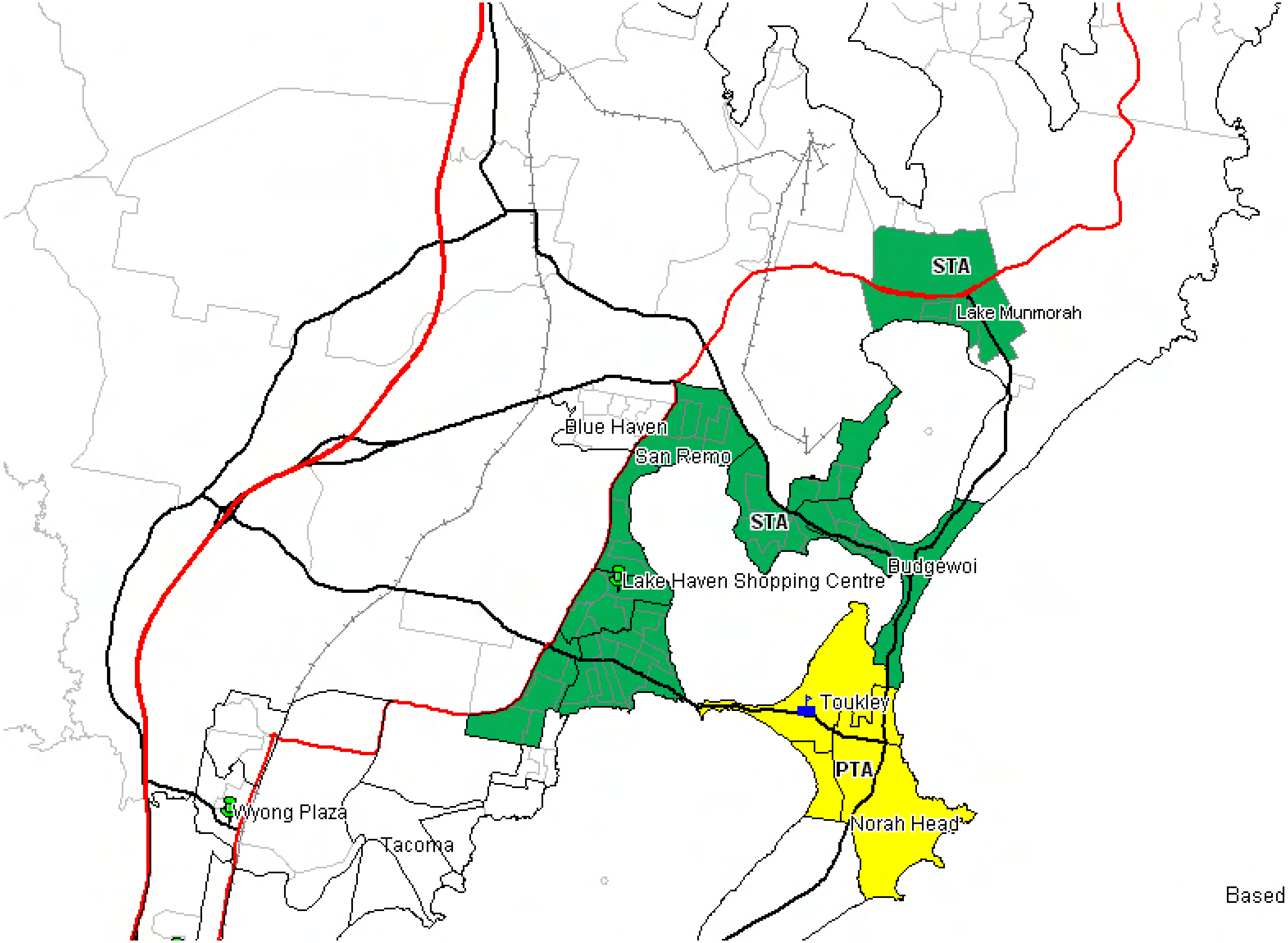
FIG 2.6: Toukley Trade Area

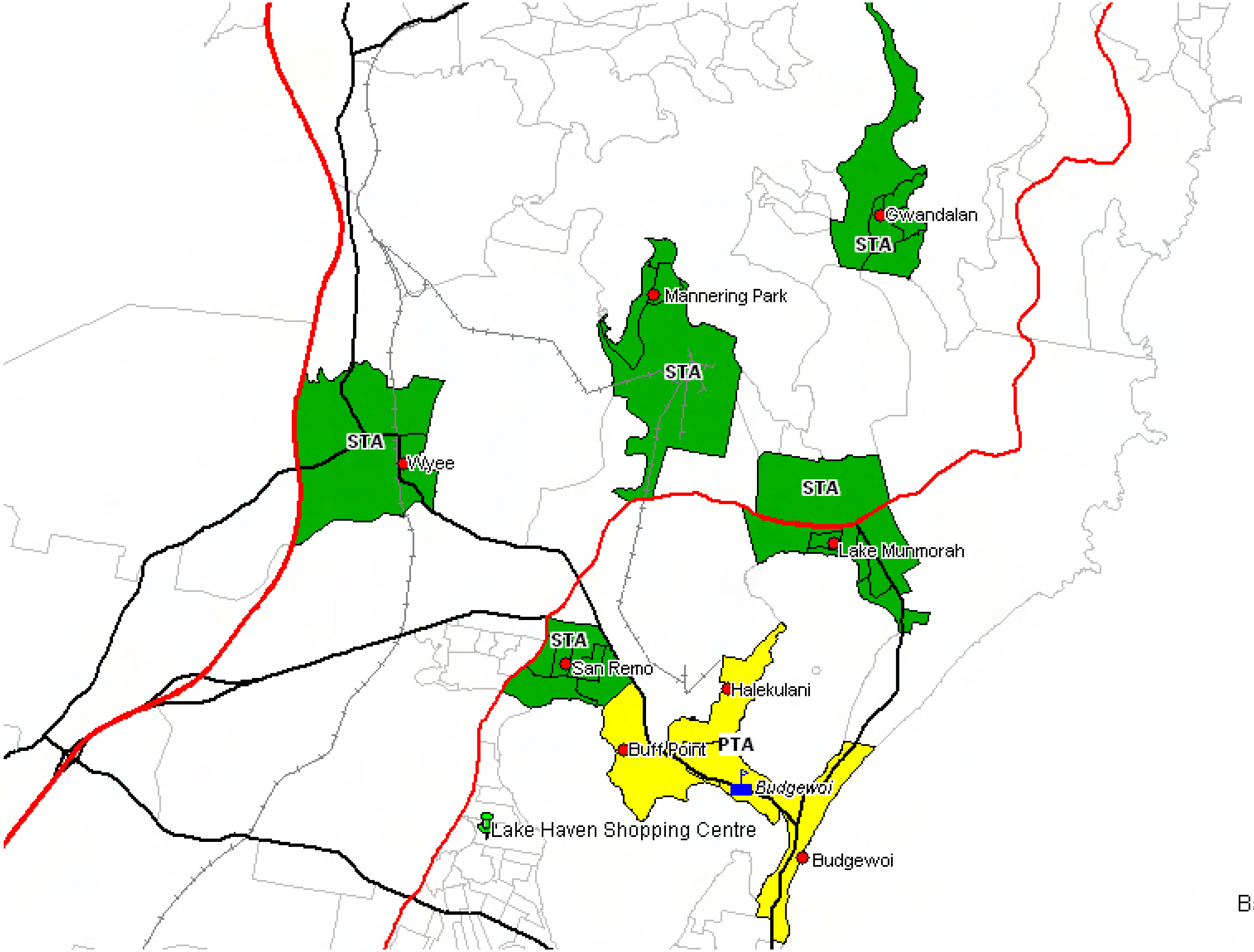
and surrounding areas



Based on 2001 Collection District Boundaries
Source: 2001 Census
Produced by: Leyshon Consulting

FIG 2.7: Budgewoi Trade Area

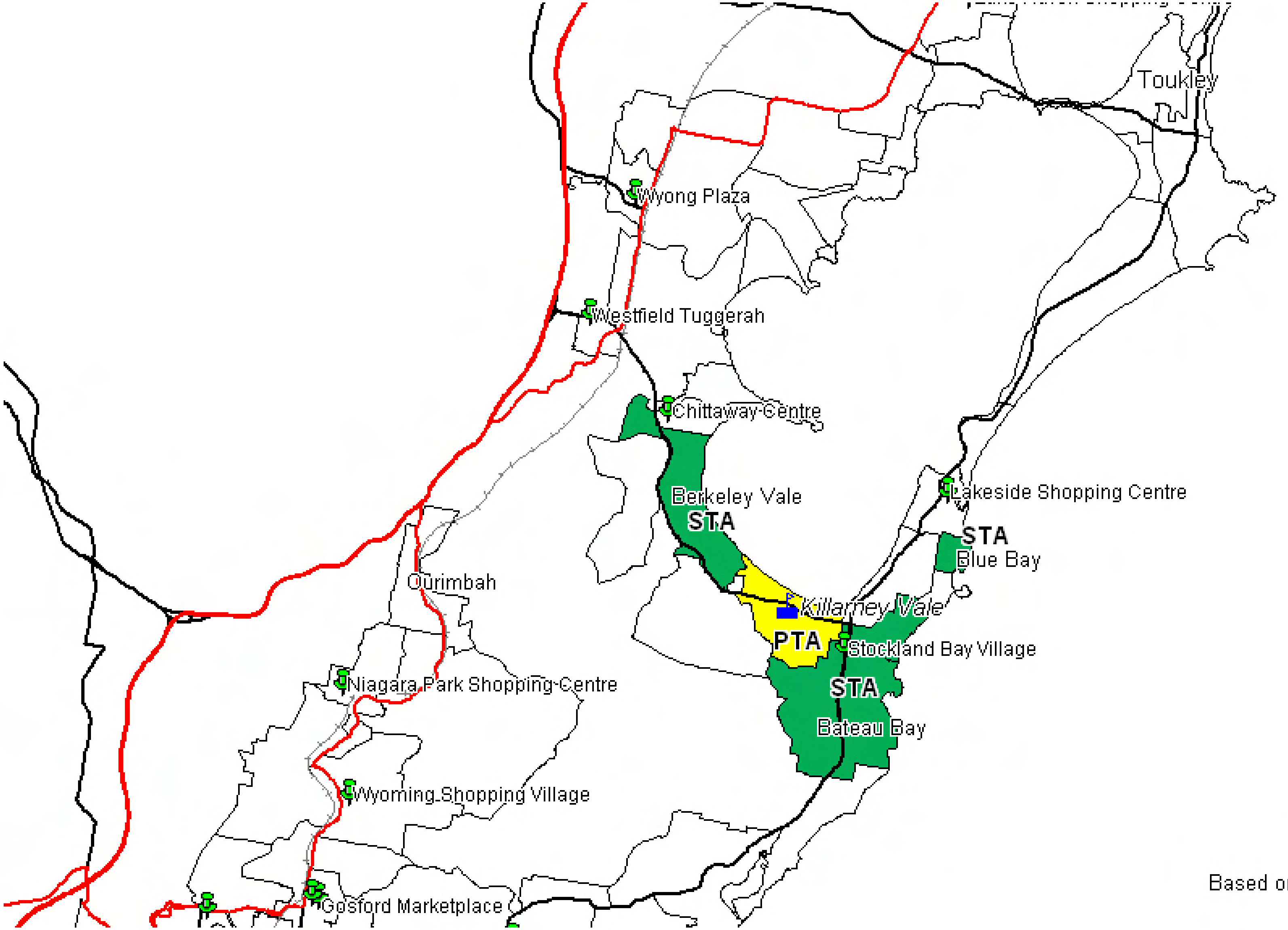
and surrounding areas



Based on 2001 Collection District Boundaries
Source: 2001 Census
Produced by: Leyshon Consulting

FIG 2.8: Killarney Vale Trade Area

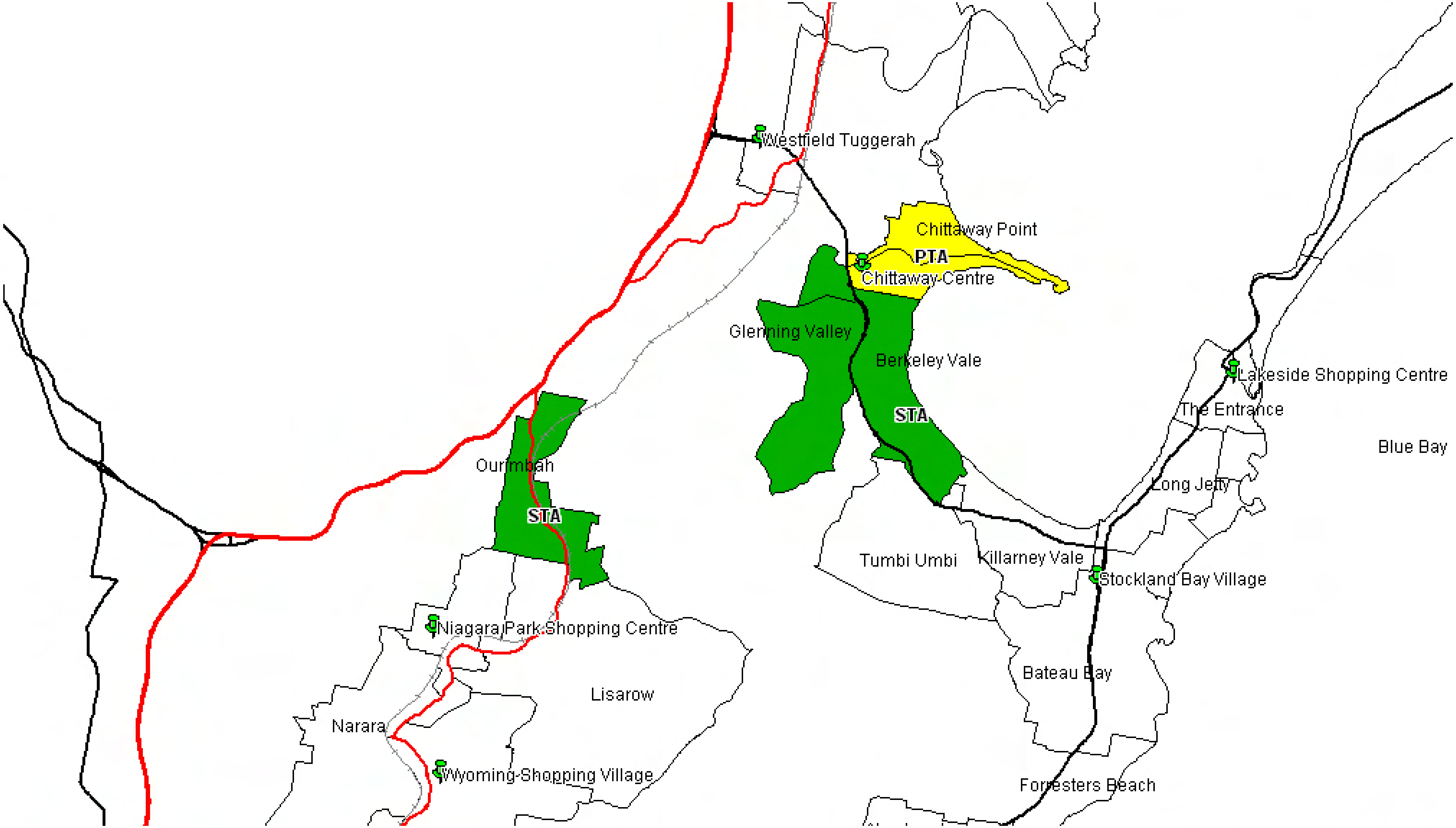
and surrounding areas



Based on 2001 Collection District Boundaries
Source: 2001 Census
Produced by: Leyshon Consulting

FIG 2.9: Chittaway Bay Trade Area

and surrounding areas



Based on 2001 Collection District Boundaries
Source: 2001 Census
Produced by: Leyshon Consulting

trade area enjoyed by Lake Haven will contract when the proposed Warnervale centre is developed.

Wyong

The trade area of the Wyong district centre is shown in FIGURE 2.4. Compared with both Bateau Bay and Lake Haven, Wyong has a very restricted trade area. The PTA is small encompassing the suburbs of Mardi, Wyong and Watanobbi. The centre also has a small STA around Ourimbah: this is possibly due to the fact Wyong is on the rail system which links it to Ourimbah. Wyong also has a TTA focussed on the Warnervale/Wadalba area.

The Entrance

The trade area for The Entrance is shown in FIGURE 2.5. The Entrance has a lineal PTA including The Entrance and Long Jetty and areas north of The Entrance stretching up to Norah Head. The centre has a small STA around Blue Bay and a relatively expansive TTA including suburbs on the southern side of Tuggerah Lake and encompassing the area from Killarney Vale to Chittaway Bay and north of the lake in an arc stretching from Kanwal through to the Toukley Peninsula.

Toukley

The Toukley trade area is shown in FIGURE 2.6. Toukley has a PTA restricted to the suburbs which comprise the Toukley Peninsula including Toukley, Noraville, Hargraves, Norah Head and Canton Beach. The centre's STA includes Kanwal, Gorokan, San Remo and Budgewoi. Toukley also attracts a small proportion of trade from the Lake Munmorah area to the north of the centre. Toukley's trade area is restricted in the west by the presence of Lake Haven. Anecdotal evidence suggests that some residents of Gorokan may be shopping in Toukley as a consequence of congestion at Lake Haven.

Neighbourhood Centres

The **Budgewoi** trade area is shown in FIGURE 2.7. Budgewoi attracts the majority of its trade from a PTA which includes Buff Point, Halekulani and Budgewoi. The centre also attracts a smattering of trade from an STA which includes San Remo, Lake Munmorah, Mannering Park, Wyee and Gwandalan.

The trade area of **Killarney Vale** is shown in FIGURE 2.8. The centre's PTA essentially is restricted to the suburb of Killarney Vale. Given the centre's prominent location on The Entrance Road it also attracts trade from an STA which in the east includes Bateau Bay and in the west Berkeley Vale.

The trade area of the **Chittaway Bay** centre is shown in FIGURE 2.9. Chittaway Bay has a relatively localised trade area with the majority of its custom being derived from a PTA which comprises the suburb of Chittaway Bay/Chittaway Point. The centre has an STA which includes Berkeley Vale and Glenning Valley.

3 DEMAND ASSESSMENT

3.1 Introduction

The purpose of this section of the Report is to assess the potential demand for retail floorspace in Wyong Shire during the period 2006-31. This assessment relies on population growth projections and estimates of retail expenditure levels within Wyong's Social Planning Districts (FIGURE 3.1 refers) which have been used to generate estimates of the likely growth in available resident retail spending during the forecast period. In turn, these estimates have been converted into projections of the future demand for retail floorspace at various levels of the retail hierarchy.

3.2 Population Growth

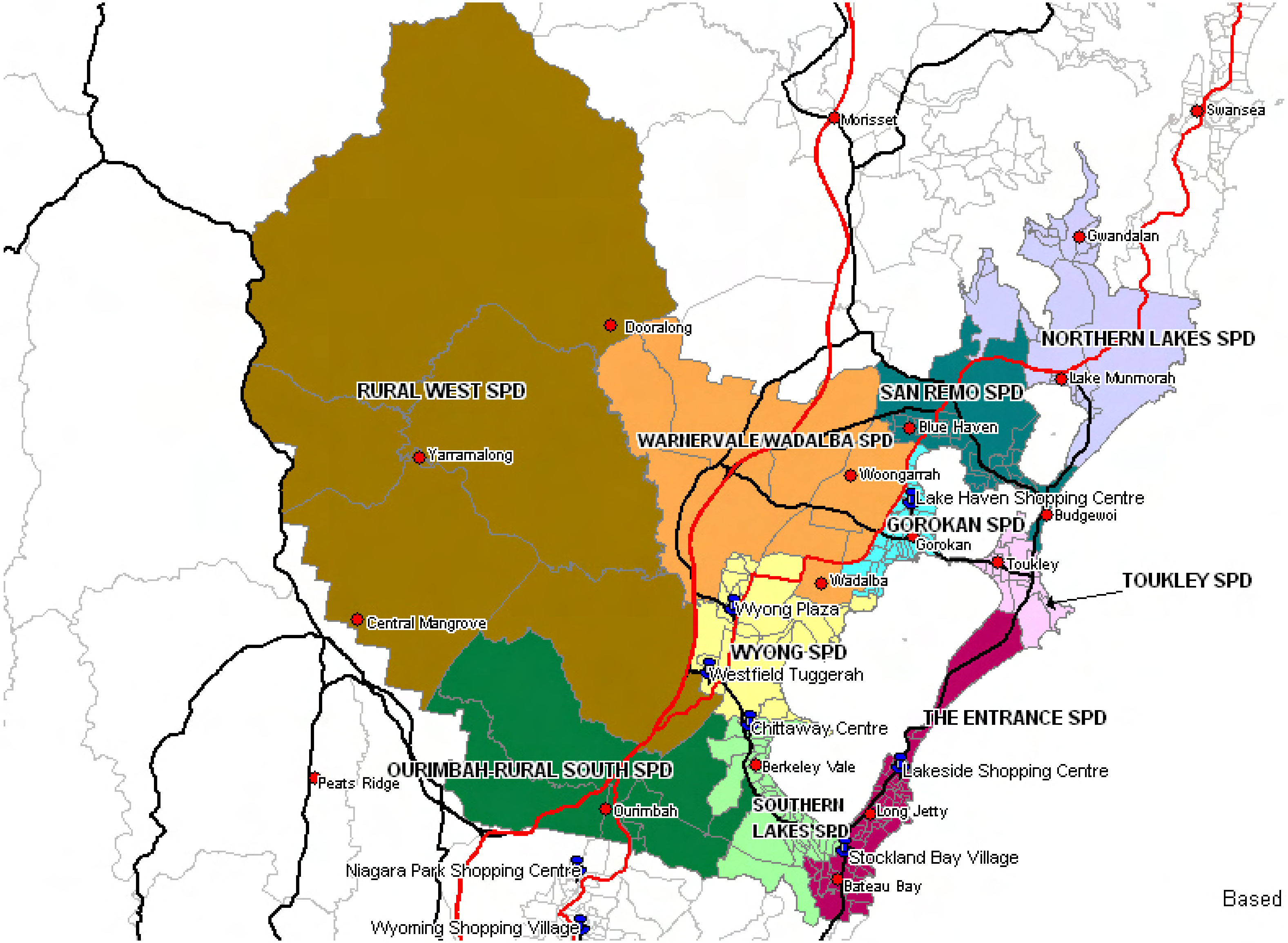
As noted earlier in this Report, at the request of Council we have utilised population projections for Wyong prepared by id Consulting Pty Ltd for Council in late 2005. These projections indicate that the population of Wyong will grow from some 135,498 persons in 2001 to 220,141 persons by 2031–an increase of +84,643 persons. This represents an overall increase of +62.5% in the resident population between 2001-31.

As noted in TABLE 3.1 below, population growth will be concentrated in specific SPDs. Between 2001-31 the majority of growth will occur in the following:

- Warnervale/Wadalba ... 39,573 persons
- The Entrance ... 14,405
- Wyong ... 9,925

FIG 3.1: Wyong Social Planning Districts (SPDs)

and surrounding areas



Based on 2001 Collection District Boundaries
Source: 2001 Census
Produced by: Leyshon Consulting

- San Remo ... 6,171
- Toukley ... 5,965.

TABLE 3.1
FORECAST POPULATION – WYONG SHIRE SOCIAL PLANNING DISTRICTS, 2001-31

	— Social Planning Districts —										
Period ...	Northern Lakes	San Remo	Gorokan	Toukley	Warnervale /Wadalba	Ourimbah-Rural South	Wyong	The Entrance	Rural West	Southern Lakes	Total
2001	14,044	18,302	19,327	9,083	6,058	4,569	13,581	23,444	2,236	24,854	135,498
2006	14,579	19,724	19,452	9,708	12,278	4,879	14,648	26,715	2,397	26,008	150,388
2011	14,576	19,865	19,497	10,581	20,650	5,199	16,974	29,851	2,444	26,453	166,090
2016	14,958	19,743	19,644	11,664	27,131	5,472	18,830	32,707	2,519	26,737	179,405
2021	15,809	20,147	19,913	12,669	34,701	5,744	20,139	34,877	2,620	27,024	193,643
2026	15,881	22,690	20,372	13,865	40,460	5,964	21,778	36,812	2,752	27,257	207,831
2031	15,958	24,473	20,890	15,048	45,631	6,143	23,506	37,848	2,882	27,762	220,141
Change 2001-11	532	1,563	170	1,498	14,592	630	3,393	6,407	208	1,599	15,702
Change 2011-21	1,233	282	416	2,088	14,051	545	3,165	5,026	176	571	27,553
Change 2021-31	149	4,326	977	2,379	10,930	399	3,367	2,971	262	738	26,498
Change 2001-31	1,914	6,171	1,563	5,965	39,573	1,574	9,925	14,404	646	2,908	84,643

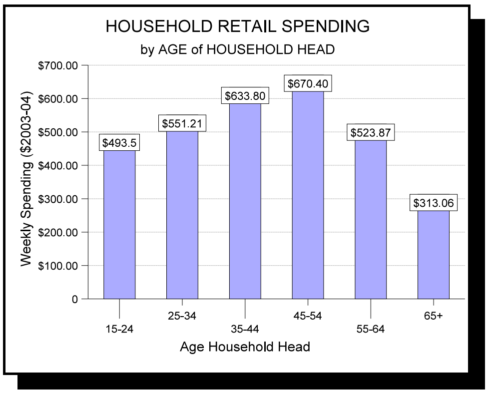
Source: id Consulting Pty Ltd 2005.

3.3 Demographic Change

Associated with preparing population projections by SPDs, id Consulting also projected demographic change as indicated by the change in the age and household structure of Wyong's SPDs.

With respect to changes in the age structure between 2001-31, the id Consulting projections indicate a decline in the proportion of the population aged 0-49 years across Wyong LGA as a whole and significant growth in the proportion of the population aged 50+ years. Those SPDs forecast to experience the most significant growth in the proportion of the population aged 50+ years during the forecast period are San Remo, Wyong and Ourimbah-Rural South.

The projected changes in the population age profile in various SPDs and in Wyong LGA as a whole will have implications for future retail spending. Data available from the Australian Bureau of Statistics' (ABS) Household Expenditure Survey since the mid-1980s consistently has shown there is a sharp decline in the retail spending of households (compared to the average) when adults in the household are aged 55+ years *(see Chart)*.

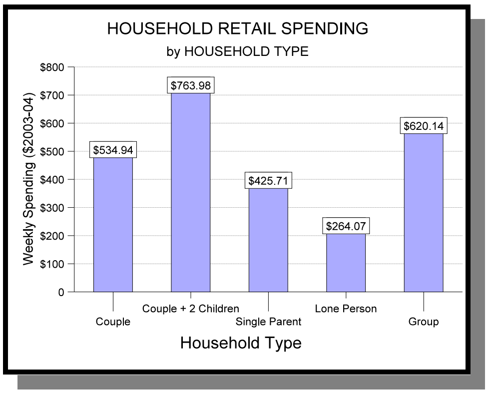


Source: ABS Household Expenditure Survey, 2003-04

As a consequence of general population ageing over the period 2006-31, there will also be changes in the household structure of Wyong in general and within particular SPDs.

For Wyong LGA as a whole, id Consulting predicts a notable decline in the proportion of total households comprised of couples with dependents–down from 29.0% of all households in 2006 to 24.6% in 2031. They also project an increase in lone person households (up from 25.5% in 2006 to 27.5% in 2031) and couple households without dependent children (up from 29.0% in 2006 to 32.6% in 2031).

Again, data from the ABS's household expenditure survey over time highlight how the highest levels of retail spending occur in so-called traditional households–that is couples with dependent children *(see Chart)*.



Source: ABS Household Expenditure Survey 2003-04

The most significant falls in the proportion of households constituted by couples with dependents are projected by id Consulting to occur in the San Remo, Ourimbah-Rural South, Wyong and Rural West SPDs.

3.4 Per Capita Spending Levels

A projection has been made of per capita retail spending levels in all of the Wyong SPDs. This projection takes into account data from the 2001 Census on the demographics of the population in each SPD together with data from the 2003-04 Household Expenditure Survey published by the ABS which provides detailed information on the retail and other expenditure patterns of Australian households with differing demographic characteristics. In summary, the per capita retail spending levels ($2005) for each SPD are estimated to be as follows:

- Northern Lakes ... $7,247
- San Remo ... $7,119
- Gorokan ... $7,376
- Toukley ... $7,827
- Warnervale/Wadalba ... $7,777
- Ourimbah-Rural South ... $8,084
- Wyong ... $7,475

- The Entrance ... $7,986
- Rural West ... $8,405
- Southern Lakes ... $7,217
- Wyong Total ... $7,522.

In relation to future per capita retail spending growth we have assumed a +1.0% real growth rate during the period 2006-31. This real growth is over and above movements in the consumer price index which will occur during the forecast period.

A real growth rate of +1.0% is a conservative assumption. Over the past one to two decades in New South Wales real growth in retail spending has averaged some +2.0% per annum. We consider that a more conservative rate of +1.0% is warranted in this instance, however, given the comparatively low household and per capita incomes which apply to Wyong Shire, its above average unemployment levels and the significant population ageing which will occur over the next 25 to 30 years.

3.5 Total Available Retail Spending

TABLE 3.2 provides estimates of total available retail spending by residents of Wyong Shire by SPD for the period 2006-31 at constant 2005 prices. A detailed breakdown of spending by commodity group category by SPD for the period 2006-31 is provided in APPENDIX C to this Report.

TABLE 3.2

ESTIMATED TOTAL AVAILABLE RETAIL SPENDING – WYONG SHIRE SOCIAL PLANNING DISTRICTS, 2006-31 ($ Mil; $2005)

	— Social Planning District —										
Period ...	Northern Lakes	San Remo	Gorokan	Toukley	Warnervale /Wadalba	Ourimbah-Rural South	Wyong	The Entrance	Rural West	Southern Lakes	Total
2006	$105.6	$140.4	$143.5	$76.0	$95.5	$39.4	$109.5	$213.3	$20.1	$187.7	$1,131.0
2011	$111.0	$148.6	$151.1	$87.0	$168.8	$44.2	$133.4	$250.6	$21.6	$200.6	$1,316.9
2016	$119.7	$155.3	$160.1	$100.8	$233.1	$48.9	$155.5	$288.5	$23.4	$213.1	$1,498.4
2021	$133.0	$166.5	$170.5	$115.1	$313.3	$53.9	$174.8	$323.4	$25.6	$226.4	$1,702.5
2026	$140.4	$197.1	$183.3	$132.4	$383.9	$58.8	$198.6	$358.7	$28.2	$240.0	$1,921.4
2031	$148.3	$223.4	$197.6	$151.0	$455.1	$63.7	$225.3	$387.6	$31.1	$256.9	$2,140.0
Growth 2006-31	**$42.7**	**$83.0**	**$54.1**	**$75.0**	**$359.6**	**$24.3**	**$115.8**	**$174.3**	**$11.0**	**$69.2**	**$1,009.0**

Source: Leyshon Consulting Estimates, February 2006.

As indicated in TABLE 3.2, total available annual retail spending by residents is estimated at $1.13 billion in 2006 and is forecast to increase to $2.14 billion by 2031–growth of approximately +$1.0 billion.

The most significant increases in annual available retail spending are projected to occur in the following SPDs:

- Warnervale/Wadalba ... +$359.6 million per annum
- The Entrance ... +$174.3 million
- Wyong ... +$115.8 million
- San Remo ... +$83.0 million.

Given the importance of supermarkets to all centres within the retail hierarchy in Wyong, an estimate also has been made of total available supermarket spending by SPD during the forecast period. As indicated in TABLE 3.3, Wyong is estimated to generate in the order of $362.0 million of available supermarket spending in 2006. By 2031 this is projected to rise to $684.7 million per annum–growth of +$322.8 million.

TABLE 3.3
ESTIMATED TOTAL AVAILABLE SUPERMARKET SPENDING – WYONG SHIRE SOCIAL PLANNING DISTRICTS, 2006-31 ($ Mil; $2005)

	— Social Planning District —										
Period ...	Northern Lakes	San Remo	Gorokan	Toukley	Warnervale /Wadalba	Ourimbah-Rural South	Wyong	The Entrance	Rural West	Southern Lakes	Total
2006	$33.8	$44.9	$45.9	$24.3	$30.6	$12.6	$35.0	$68.3	$6.4	$60.1	$361.9
2011	$35.5	$47.6	$48.4	$27.9	$54.0	$14.1	$42.7	$80.2	$6.9	$64.2	$421.5
2016	$38.3	$49.7	$51.2	$32.3	$74.6	$15.6	$49.8	$92.3	$7.5	$68.2	$479.5
2021	$42.6	$53.3	$54.6	$36.8	$100.3	$17.3	$55.9	$103.5	$8.2	$72.5	$545.0
2026	$44.9	$63.1	$58.7	$42.4	$122.9	$18.8	$63.6	$114.8	$9.0	$76.8	$615.0
2031	$47.5	$71.5	$63.2	$48.3	$145.6	$20.4	$72.1	$124.0	$9.9	$82.2	$684.7
Growth 2006-31	**$13.7**	**$26.6**	**$17.3**	**$24.0**	**$115.0**	**$7.8**	**$37.1**	**$55.7**	**$3.5**	**$22.1**	**$322.8**

Source: Leyshon Consulting Estimates, February 2006.

Between 2006-31, the most significant growth in annual available supermarket spending will occur in the following SPDs:

- Warnervale/Wadalba ... +$115.0 million
- The Entrance ... +$55.7 million
- Wyong ... +$37.1 million
- San Remo ... +$26.6 million.

3.6 Floorspace Demand

The estimates of available retail spending discussed above have been converted into a notional future demand for retail floorspace. In doing so, we have adopted an assumption of an average sales rate of $5,500 per sq.m. per annum ($2005) as representing a reasonable average for newly constructed retail space across the spectrum from traditional retailing to bulky goods retailing. The resultant demand for retail floorspace is summarised in TABLE 3.4. As can be noted from

TABLE 3.4, between 2006-31 a theoretical total demand of +183,453 sq.m. is forecast for Wyong as a whole.

TABLE 3.4
THEORETICAL GROWTH in RETAIL FLOORSPACE DEMAND – WYONG SPDs, 2006-31

Social Planning District ...	Floorspace Growth (Sq.M.)
Northern Lakes	7,755
San Remo	15,094
Gorokan	9,840
Toukley	13,648
Warnervale/Wadalba	65,382
Ourimbah-Rural South	4,408
Wyong	21,060
The Entrance	31,692
Rural West	1,985
Southern Lakes	12,589
Total Wyong	**183,453**

Source: Leyshon Consulting Estimates, February 2006.

In summary, during the forecast period the most significant growth in the demand for additional retail floorspace is projected to occur in the following SPDs:

- Warnervale/Wadalba ... +65,382 sq.m.
- The Entrance ... +31,692 sq.m.
- Wyong ... +21,060 sq.m..

Significant growth in demand is also evident in San Remo (+15,094 sq.m.), Toukley (+13,648 sq.m.) and in the Southern Lakes SPD (+12,589 sq.m.).

In relation to these figures it should be recognised that:

- in reality this theoretical demand will be distributed over the entire retail hierarchy–that is, centres at the regional, district, and village levels as well as "special" centres such as bulky goods/homemaker centres

- a substantial component of demand associated with non-food spending will escape to centres outside Wyong, for example to Erina and the like

- a proportion of this demand will be accounted for by holiday spending by Wyong residents (that is, directed to retailers outside of Wyong) or as a result of internet purchasing.

Hence, the actual level of demand for additional retail floorspace arising from population growth in Wyong during the period 2006-31 will be significantly less than the maximum figure of 183,453 sq.m. noted above. As a broad measure, a discount of 15% to 20% should be applied to this estimate to account for spending by Wyong residents which takes place outside Wyong LGA. Hence, the actual demand for additional retail floorspace in Wyong LGA during the period 2006-31 is estimated to be in the range of 146,700 to 156,000 sq.m..

4

CENTRE OPTIONS

4.1 Indicative Floorspace Demand

4.1.1 Introduction

To determine an appropriate retail strategy for Wyong for the forecast period 2006-31 it is necessary to allocate the floorspace estimates discussed in Section 3.5 of this Report to various levels of the retail hierarchy.

Retail analysts have developed broad allocation models for available retail spending and floorspace demand. These models have been particularly useful where "greenfields" development is involved. Examples of this have included the ACT, planning for new urban release areas in New South Wales such as South Creek, and for new urban growth corridors such as the northern suburbs of Perth and the northern suburbs of the Gold Coast.

These models allocate spending to various levels of the hierarchy according to preset assumptions about the likely distribution of sales between regional, sub-regional, district and neighbourhood/village centres.

Such allocation models have their limitations, however, particularly where it is sought to apply them to environments like Wyong which effectively combine both established urban areas (with established retail centres) and areas of greenfields development like that at Warnervale/Wadalba.

4.1.2 Existing Sales Distribution

Rather than adopt preset assumptions about the market shares of various types of centres, we have prepared estimates of the current distribution of retail spending across various levels of Wyong's existing retail hierarchy (TABLE 4.1 refers). We acknowledge there is potential for error in these estimates. For instance, while reasonably reliable turnover data is available for planned centres, for a number of district centres (Toukley, Wyong and The Entrance) and neighbourhood/village centres ,it has been necessary to estimate turnover levels.

Estimates also have been made concerning the proportion of sales by centre type derived from spending by Wyong residents as opposed to sales attributable to spending by tourists and visitors who reside outside Wyong LGA.

As indicated in TABLE 4.1, we estimate the distribution of spending by Wyong residents across the hierarchy in 2005-06 broadly to be as follows:

- regional centre ... 25.2%
- bulky goods ... 9.6%
- district centres ... 37.1%
- village/neighbourhood centres ... 6.5%
- escape spending ... 21.6%.

TABLE 4.1
ESTIMATED MARKET SHARE by CENTRE TYPE – WYONG SHIRE, 2006

Centre Type ...	Sales 2006 ($ Mil. p.a.)	Derived from Wyong (%)	Derived from Wyong ($ Mil. p.a.)	Share of Wyong Spend (%)
Regional	$380.0	75.0	$285.0	25.2
Bulky	$127.5	85.0	$108.4	9.6
District				
Lake Haven	$174.3	85.0	$148.2	13.1
Bay Village	$137.4	88.0	$120.9	10.7
Toukley	$66.7	95.0	$63.4	5.6
Wyong	$41.0	95.0	$39.0	3.4
The Entrance	$61.5	80.0	$49.2	4.3
District Sub-Total	$480.9	87.5	$420.7	37.1
Village/ Neighbourhood	$77.0	95.0	$73.2	6.5
Escape	–	–	–	21.6

Source: Leyshon Consulting Estimates, March 2006.

The Tuggerah Regional Centre has the highest "market share" of any retail centre in Wyong. By combining the Regional Centre share with the bulky goods share (that is, the proportion of spending captured by the Tuggerah Homemakers Centre and retailers on Tuggerah Straight), the overall market share of the Tuggerah Town Centre is put at approximately 34.8% of available retail spending.

Our principal comment in relation to the estimates contained in TABLE 4.1 is that Wyong LGA essentially has a "top heavy" retail hierarchy–that is, fully 71.9% of total spending generated by Wyong residents in 2006 is estimated to be captured by the Regional Centre and the five district centres. Compared with other retail hierarchies we have studied, a neighbourhood/village centres' market share of 6.5% (as estimated for Wyong) is well below average. In other environments like the ACT, for instance, historically neighbourhood centres have captured between 12% and 15% of available resident spending.

TABLE 4.2 provides an indicative assessment of the demand for additional retail floorspace in Wyong by centre type during the period 2006-31. This assessment is based on the assumption that resident spending will increase by +$1.131 billion between 2006-31. It also assumes no change in the existing proportion of retail spending distributed by centre type.

The analysis presented in TABLE 4.2 makes certain assumptions as to average retail sales standards by centre type in order to determine notional floorspace demand. In summary, the average sales rates assumed for the analysis are as follows:

- regional centre ... $5,500 per sq.m. per annum
- bulky goods ... $4,000
- district centres ... $6,000
- village/neighbourhood ... $4,500.

These sales rates are regarded as the sales "hurdles" necessary to justify the development of **new** retail space in Wyong.

As indicated in TABLE 4.2, the resultant notional demand for **additional** retail floorspace by centre type between 2006-31 is as follows:

- regional centre ... +46,230 sq.m.
- bulky goods ... +24,216 sq.m.
- district centres ... +62,558 sq.m.
- village/neighbourhood ... +14,574 sq.m.
- **Total ... +147,578 sq.m..**

TABLE 4.2
ESTIMATED DEMAND for ADDITIONAL RETAIL FLOORSPACE by CENTRE TYPE – WYONG, 2006-31

Centre Type ...	Share of Spending (%)	Increase in Spending ($.Mil. p.a.)	Average Sales ($/Sq.M./p.a.)	Notional Floorspace Demand (Sq.M.)
Regional	25.2	$254.3	$5,500	46,230
Bulky	9.6	$96.9	$4,000	24,216
District	37.2	$375.3	$6,000	62,558
Village/ Neighbourhood	6.5	$65.6	$4,500	14,574
Escape	21.5	$216.9	–	–
Total	**100.0**	**$1,009.0**		**147,578**

Note: Errors due to rounding.
Source: Leyshon Consulting Estimates, March 2006.

4.1.3 Indicative Demand – Northern Wyong

If the broad market shares noted above are applied to geographic areas within Wyong Shire, it is possible to estimate the likely demand for additional floorspace by centre type in Northern and Southern Wyong for the period 2006-31.

Northern Wyong is defined as including the SPDs of Northern Lakes, San Remo, Gorokan, Toukley and Warnervale/Wadalba. Southern Wyong is defined as including the SPDs of Ourimbah/Rural, Wyong, The Entrance, Rural West and Southern Lakes.

As indicated in TABLE 4.3, the overall theoretical demand for additional floorspace in Northern Wyong between 2006-31 is some 89,784 sq.m. distributed broadly as follows:

- regional centre ... 28,152 sq.m.
- bulky goods ... 14,719 sq.m.

- district centres ... 38,082 sq.m.
- village/neighbourhood ... 8,831 sq.m.
- **Total ... 89,784 sq.m..**

As there is no regional centre in Northern Wyong, notional regional floorspace demand generated in that area by an increase in available resident spending during the forecast period primarily would be directed to Tuggerah. Some demand would also be directed to Erina as well as to other regional-scale centres outside the Central Coast.

TABLE 4.3
ESTIMATED DEMAND for ADDITIONAL RETAIL FLOORSPACE by CENTRE TYPE – NORTHERN WYONG, 2006-31

Centre Type ...	Share of Spending (%)	Increase in Spending ($ Mil. p.a.)	Average Sales ($/Sq.M./p.a.)	Notional Floorspace Demand (Sq.M.)
Regional	25.2	$154.8	5,500	28,152
Bulky	9.6	$58.9	4,000	14,719
District	37.2	$228.5	6,000	38,082
Village/ Neighbourhood	6.5	$39.7	4,500	8,831
Escape	21.6	$132.6	-	-
Total		**$614.5**		**89,784**

Source: Leyshon Consulting Estimates, March 2006.

4.1.4 Indicative Demand – Southern Wyong

The theoretical demand for additional floorspace in Southern Wyong between 2006-31 is shown in TABLE 4.4. In summary, total theoretical additional demand of some 57,640 sq.m. is estimated distributed broadly as follows:

- regional centre ... 18,072 sq.m.
- bulky goods ... 9,450 sq.m.
- district centres ... 24,448 sq.m.

- village/neighbourhood ... 5,670 sq.m.
- **Total** **... 57,640 sq.m..**

TABLE 4.4
ESTIMATED DEMAND for ADDITIONAL RETAIL FLOORSPACE by CENTRE TYPE – SOUTHERN WYONG, 2006-31

Centre Type ...	Share of Spending (%)	Increase in Spending ($.Mil. p.a.)	Average Sales ($/Sq.M./p.a.)	Notional Floorspace Demand (Sq.M.)
Regional	25.2	$99.4	5,500	18,072
Bulky	9.6	$37.8	4,000	9,450
District	37.2	$146.7	6,000	24,448
Village/ Neighbourhood	6.5	$25.5	4,500	5,670
Escape	21.6	$85.1	-	-
Total		**$394.5**		**57,640**

Source: Leyshon Consulting Estimates, March 2006.

4.2 Centre Strategy

In addition to the theoretical estimates of potential demand discussed above, an analysis has been undertaken of potential centre development options in both Northern and Southern Wyong during the forecast period (2006-31). This analysis takes into account a number of factors including:

- the existing distribution of centres in both broad localities
- existing approvals for new retail development
- the differential market share of the Regional Centre in both Northern and Southern Wyong

- the existing supply of floorspace at various levels of the retail hierarchy

- the differing turnover or productivity levels that apply to various types of centres within the hierarchy.

In this instance the latter issue is of particular importance. While the analysis set out in TABLES 4.2 to 4.4 provides an estimate of the **theoretical** demand for **new** retail floorspace (based on the level of average sales required to justify new retail floorspace), existing centres typically have much lower average sales levels. Hence, to determine what the likely demand in reality would be for additional floorspace at various levels of the retail hierarchy in both areas, it is essential to take into account the fact that existing centres (for example Toukley and Wyong) can (and do) trade acceptably at much lower average sales rates than district centres such as Lake Haven or Stockland Bay Village.

Secondly, in formulating development options it needs to be recognised there are in fact relatively limited options for new centres in Northern Wyong given existing approvals and commitments to a new district centre at Warnervale, the proposed village centre at San Remo, an additional supermarket at Wadalba and the existing consent for a major bulky goods centre at Lake Haven.

To a significant extent the future retail strategy for Northern Wyong and Southern Wyong will be considerably influenced by the demand for additional supermarkets and, in the case of Northern Wyong, the demand for an additional DDS.

The demand for supermarkets between 2006-31 is particularly influential as far as the development of new centres or expansion of existing centres is concerned. Principally this is because supermarkets are found at every level of the retail hierarchy and in and of themselves command around 32% of total available retail spending. Consequently, the demand for supermarkets by location has a direct and very great influence on centre strategy.

With the above in mind, TABLE 4.5 provides an estimate of the demand for full-line supermarkets in 2006, 2016 and 2031. The assessment detailed in TABLE 4.5 is based on the following assumptions:

- an average sales rate of $8,500 per sq.m. per annum
- an average full-line supermarket size of 3,500 sq.m.
- existing supermarkets of <2,500 sq.m. are counted as 50% of a full-line supermarket.

TABLE 4.5
INDICATIVE DEMAND for FULL-LINE SUPERMARKETS – WYONG SHIRE SOCIAL PLANNING DISTRICTS, 2006, 2016 and 2031

	— Social Planning Districts —										
Period ...	Northern Lakes	San Remo	Gorokan	Toukley	Warnervale/ Wadalba	Ourimbah-Rural South	Wyong	The Entrance	Rural West	Southern Lakes	Total
2006											
Available Spending ($ Mill. p.a.)	$33.8	$44.9	$45.9	$24.3	$30.6	$12.6	$35.0	$68.3	$6.4	$60.2	$362.0
Floorspace Supportable (Sq.M.)	3,977	5,286	5,402	2,861	3,595	1,485	4,122	8,032	758	7,066	42,584
Stores Supportable (No.)	1.1	1.5	1.5	0.8	1.0	0.4	1.2	2.3	0.2	2.0	12.0
Existing Stores (No.)	0.0	0.0	2.0	1.0	0.0	0.0	3.5	3.0	0.0	2.5	12.0
Difference (No.)	(1.1)	(1.5)	0.5	0.2	(1.0)	(0.4)	2.3	0.7	(0.2)	0.5	0.0
2016											
Available Spending ($ Mill. p.a.)	$38.3	$49.7	$51.2	$32.3	$74.6	$15.6	$49.8	$92.3	$7.5	$68.2	$479.5
Floorspace Supportable (Sq.M.)	4,508	5,845	6,025	3,797	8,774	1,840	5,853	10,863	880	8,024	56,409
Stores Supportable (No.)	1.3	1.7	1.7	1.1	2.5	0.5	1.7	3.1	0.3	2.3	16.2
Existing Stores (No.)	0.0	1.0	2.0	1.0	2.5	0.0	4.0	4.0	0.0	2.5	17.0
Difference (No.)	(1.3)	(0.7)	0.3	(0.1)	0.0	(0.5)	2.3	0.9	(0.3)	0.2	0.8
2031											
Available Spending ($ Mill. p.a.)	$47.5	$71.5	$63.2	$48.3	$145.6	$20.4	$72.1	$124.0	$9.9	$82.2	$684.7

TABLE 4.5

INDICATIVE DEMAND for FULL-LINE SUPERMARKETS – WYONG SHIRE SOCIAL PLANNING DISTRICTS, 2006, 2016 and 2031

	— Social Planning Districts —										
Period ...	Northern Lakes	San Remo	Gorokan	Toukley	Warnervale/ Wadalba	Ourimbah-Rural South	Wyong	The Entrance	Rural West	Southern Lakes	Total
Floorspace Supportable (Sq.M.)	5,583	8,411	7,439	5,686	17,133	2,398	8,483	14,594	1,169	9,674	80,570
Stores Supportable (No.)	1.6	2.4	2.1	1.6	4.9	0.7	2.4	4.2	0.3	2.8	23.0
Existing Stores (No.)	0.0	1.0	2.0	1.0	2.5	0.0	4.0	4.0	0.0	2.5	17.0
Difference (No.)	(1.6)	(1.4)	(0.1)	(0.6)	(2.4)	(0.7)	1.6	(0.2)	(0.3)	(0.3)	(6.0)

Source: Leyshon Consulting Estimates, March 2006.

In relation to the assessment of the demand for supermarket floorspace it is possible some of the demand could be absorbed by increases in the average size of supermarkets over time.

As indicated in TABLE 4.5, at present in Wyong there is sufficient demand for 12.0 full-line supermarkets. The current supply of these stores totals 12 meaning that there is an approximate balance (across the Shire) between demand and supply. There are, however, three SPDs with a clear localised shortfall of supermarket floorspace namely:

- San Remo ... -1.5
- Northern Lakes ... -1.1
- Warnervale/Wadalba ... -1.0.

By 2016 we have assumed that a new supermarket has opened at San Remo, two full-line supermarkets are open at the Warnervale Town Centre together with half a full-line supermarket at Wadalba. Wyong meanwhile is assumed to have an upgraded supermarket to full-line status and an additional full-line supermarket has been added to The Entrance.

As indicated in TABLE 4.5, by 2016 there would be a slight oversupply in supermarket floorspace within the Shire as a whole (0.8 of a store). The only under-supplies of supermarkets in local areas of any significance are in Northern Lakes (-1.3) and San Remo (-0.7).

Assuming no further additions of supermarkets by 2031, some significant shortfalls of supermarket floorspace would arise. By 2031 our analysis indicates Wyong could support 23 full-line supermarkets. But assuming no increase in the number of stores between 2016-31 Wyong would have only 17 supermarkets–a shortfall of six stores. The most significant shortfalls are evident in:

- Warnervale ... -2.4
- Northern Lakes ... -1.6
- San Remo ... -1.4.

There are slight shortages in most other SPDs but not sufficient to warrant the addition of a full-line supermarket. In Toukley SPD, for example, sufficient demand may emerge between 2016-31 for another smaller-scale supermarket such as an Aldi or IGA. A similar situation applies in the Ourimbah/Rural South SPD.

In summary, this analysis suggests that apart from the additional supermarket being contemplated for The Entrance, there is no pressing need for another supermarket in Southern Wyong during the period 2006-31. In Northern Wyong, by contrast, demand already exists for another supermarket in Northern Lakes SPD. This will be addressed in part by the proposed supermarket at San Remo. A second supermarket is required in Lake Munmorah and up to two further supermarkets in the Warnervale/Wadalba area by 2031.

The other major retail element which will affect future centre strategy will be the addition of a DDS. Most analysts agree that a population catchment of around 50,000 persons is required to support a full-line DDS (that is, >6,000 sq.m.). Currently one DDS (Kmart) is located at Lake Haven in Northern Wyong, two (Big W and Target) are located at Tuggerah in Southern Wyong together with a Kmart at Bateau Bay.

With respect to Northern Wyong, the population of the area is some 75,741 persons at present and will pass the threshold required for a second DDS (100,000 persons) somewhere between 2016-21. By 2031 Northern Wyong is projected to have an overall population of 122,000. This is insufficient to support a third DDS.

We are aware some observers advocate the proposed Warnervale district centre should be developed to contain two DDSs. If this were to occur before 2021 it would place considerable competitive pressure on the existing DDS at Lake Haven (Kmart) and any other DDS developed at Warnervale itself. It would also have some competitive effects (albeit of a modest nature) on Westfield Tuggerah by reducing the flow of department store-type spending to that centre from Northern Wyong.

Given the above we recommend that the preferred course of action is for the second DDS in Northern Wyong to be located at Warnervale.

By 2031 the total population for Wyong Shire is projected to be in the order of 220,140 persons. Assuming the addition of a DDS in Warnervale, the Shire by that time would have five DDSs serving 220,000 persons or a ratio of about 44,000 persons per store. This appears to be a sustainable level of provision of DDSs.

4.2.1 Northern Wyong

TABLE 4.6 provides an estimate of the theoretical demand for additional floorspace in Northern Wyong during the period 2006-31 based on adjusted market shares (to reflect current sales volumes) for the major centre types and lower average sales rates ($ per sq.m. per annum) than those utilised in the analysis shown in TABLES 4.2 to 4.4.

As indicated in TABLE 4.6, in 2006 it is estimated that Northern Wyong has a theoretical shortfall of some -46,280 sq.m. of retail floorspace. Of this, an estimated 18,360 sq.m. relates to demand at the regional centre level which of course is satisfied by Westfield Tuggerah. Thus Northern Wyong is estimated to have an existing shortfall of about -27,920 sq.m. of district, village and bulky goods retail floorspace at present.

We have assumed that by 2011 the existing approved bulky goods centre at Lake Haven is constructed (20,000 sq.m.), the first stage of Warnervale has been developed (15,000 sq.m.), a new village centre has been developed at San Remo (5,500 sq.m.) and a new supermarket at Wadalba has been constructed (1,500 sq.m.). We have also assumed the addition of a 5,000 sq.m. village centre in Northern Lakes SPD by 2011.

This analysis indicates that a theoretical oversupply (4,035 sq.m.) of bulky goods space and an oversupply of 2,479 sq.m. at the village/neighbourhood level would exist in 2031 but a slight under-supply of space at the district centre level in the order of 1,293 sq.m..

As noted in TABLE 4.6, we have assumed a second stage of the Warnervale district centre by 2016 of some 10,000 sq.m.. This produces a theoretical oversupply of district centre-type space of 5,275 sq.m. in 2016. By 2021 this oversupply will have dissipated due to spending growth. This growth would permit an expansion of Lake Haven by some 5,000 sq.m. by 2021.

TABLE 4.6
ESTIMATED DEMAND for ADDITIONAL FLOORSPACE by CENTRE TYPE – NORTHERN WYONG, 2006-31

Centre Type ...	Share of Spending (%)	Increase in Spending ($ Mil. p.a.)	Average Sales ($/Sq.M./p.a.)	Notional Floorspace Demand (Sq.M.)	Existing Floorspace (Sq.M.)	Surplus/ (Deficit) (Sq.M.)
2006						
Regional	18.0	$101.0	$5,500	18,360	–	(18,360)
Bulky	9.6	$53.8	$4,000	13,438	–	(13,438)
District	47.6	$267.0	$4,800	62,865	53,900	(8,965)
Village/Neighbourhood	8.5	$47.7	$4,000	12,517	7,000	(5,517)
Escape	16.3	$91.5	–	–	–	0
Total	**100.0**	**$561.0**		**107,180**	**60,900**	**(46,280)**
2011						
Regional	18.0	$120.0	$5,500	21,813	–	(21,813)
Bulky	9.6	$63.9	$4,000	15,965	20,000	4,035
District	46.6	$310.6	$5,000	70,193	68,900	(1,293)
Village/Neighbourhood	9.5	$63.3	$4,000	16,621	19,100	2,479
Escape	16.3	$108.7	–	–	–	0
Total	**100.0**	**$666.5**		**124,592**	**108,000**	**(16,592)**
2016						
Regional	17.0	$130.7	$5,500	23,769	–	(23,769)
Bulky	9.6	$73.7	$4,000	18,420	20,000	1,580
District	46.6	$358.4	$5,500	73,625	78,900	5,275
Village/Neighbourhood	10.5	$80.7	$4,500	18,841	19,100	259
Escape	16.3	$125.5	–	–	–	0
Total	**100.0**	**$769.0**		**134,655**	**118,000**	**(16,655)**
2021						
Regional	17.0	$152.7	$5,500	27,769	–	(27,769)
Bulky	9.6	$86.1	$4,000	21,520	20,000	(1,520)
District	46.6	$418.7	$5,500	86,014	83,900	(2,114)
Village/Neighbourhood	10.5	$94.3	$4,500	22,011	19,100	(2,911)
Escape	16.3	$146.6	–	–	–	0
Total	**100.0**	**$898.4**		**157,314**	**123,000**	**(34,314)**
2026						
Regional	17.0	$176.3	$5,500	32,056	–	(32,056)
Bulky	9.6	$99.4	$4,000	24,842	20,000	(4,842)
District	46.6	$483.3	$5,500	99,294	78,900	(20,394)

TABLE 4.6
ESTIMATED DEMAND for ADDITIONAL FLOORSPACE by CENTRE TYPE – NORTHERN WYONG, 2006-31

Centre Type ...	Share of Spending (%)	Increase in Spending ($ Mil. p.a.)	Average Sales ($/Sq.M./p.a.)	Notional Floorspace Demand (Sq.M.)	Existing Floorspace (Sq.M.)	Surplus/ (Deficit) (Sq.M.)
Village/Neighbourhood	10.5	$108.9	$4,500	25,409	19,100	(6,309)
Escape	16.3	$169.2	–	–	–	0
Total	**100.0**	**$1,037.1**		**181,601**	**118,000**	**(63,601)**
2031						
Regional	17.0	$199.8	$5,500	36,331	–	(36,331)
Bulky	9.6	$112.6	$4,000	28,155	20,000	(8,155)
District	46.6	$547.7	$5,500	112,535	78,900	(33,635)
Village/Neighbourhood	10.5	$123.4	$4,500	28,797	19,100	(9,697)
Escape	16.3	$191.9	–	–	–	0
Total	**100.0**	**$1,175.4**		**205,818**	**118,000**	**(87,818)**

Source: Leyshon Consulting Estimates, March 2006.

TABLE 4.7
ESTIMATED DEMAND for ADDITIONAL FLOORSPACE by CENTRE TYPE – SOUTHERN WYONG, 2006-31

Centre Type ...	Share of Spending (%)	Increase in Spending ($ Mil. p.a.)	Average Sales ($/Sq.M./p.a.)	Notional Floorspace Demand (Sq.M.)	Existing Floorspace (Sq.M.)	Surplus/ (Deficit) (Sq.M.)
2006						
Regional	28.5	$162.5	$5,500	29,542	69,324	39,782
Bulky	11.6	$66.1	$4,000	16,533	40,000	23,467
District	36.7	$209.2	$4,800	49,255	57,790	8,535
Village/Neighbourhood	7.5	$42.8	$4,000	11,224	14,450	3,226
Escape	15.7	$89.5	–	–	–	0
Total	**100.0**	**$570.1**		**106,554**	**181,564**	**75,010**
2011						
Regional	27.0	$175.6	$5,500	31,929	69,324	37,395
Bulky	11.6	$75.4	$4,000	18,862	40,000	21,138
District	38.4	$249.8	$5,000	56,444	70,075	13,631
Village/Neighbourhood	7.5	$48.8	$4,000	12,804	14,450	1,646
Escape	15.5	$100.8	–	–	–	0
Total	**100.0**	**$650.4**		**120,039**	**193,849**	**73,810**

TABLE 4.7
ESTIMATED DEMAND for ADDITIONAL FLOORSPACE by CENTRE TYPE – SOUTHERN WYONG, 2006-31

Centre Type ...	Share of Spending (%)	Increase in Spending ($ Mil. p.a.)	Average Sales ($/Sq.M./p.a.)	Notional Floorspace Demand (Sq.M.)	Existing Floorspace (Sq.M.)	Surplus/ (Deficit) (Sq.M.)
2016						
Regional	24.6	$179.4	$5,500	32,624	69,324	36,700
Bulky	11.6	$84.6	$4,000	21,153	40,000	18,847
District	41.0	$299.1	$5,000	67,586	70,075	2,489
Village/Neighbourhood	7.5	$54.7	$4,000	14,360	14,450	90
Escape	15.3	$111.6	–	–	–	0
Total	**100.0**	**$729.4**		**135,723**	**193,849**	**58,126**
2021						
Regional	24.6	$197.8	$5,500	35,965	69,324	33,359
Bulky	11.6	$93.3	$4,000	23,319	40,000	16,681
District	41.0	$329.7	$5,000	74,508	70,075	(4,433)
Village/Neighbourhood	7.5	$60.3	$4,000	15,831	14,450	(1,381)
Escape	15.3	$123.0	–	–	–	0
Total	**100.0**	**$804.1**		**149,623**	**193,849**	**44,226**
2026						
Regional	24.6	$217.6	$5,500	39,566	69,324	29,758
Bulky	11.6	$102.6	$4,000	25,653	40,000	14,347
District	41.0	$362.7	$5,000	81,967	70,075	(11,892)
Village/Neighbourhood	7.5	$66.3	$4,000	17,416	14,450	(2,966)
Escape	15.3	$135.4	–	–	–	0
Total	**100.0**	**$884.6**		**164,602**	**193,849**	**29,247**
2031						
Regional	24.6	$237.3	$5,500	43,148	69,324	26,176
Bulky	11.6	$111.9	$4,000	27,976	40,000	12,024
District	41.0	$395.5	$5,000	89,389	70,075	(19,314)
Village/Neighbourhood	7.5	$72.4	$4,000	18,993	14,450	(4,543)
Escape	15.3	$147.6	–	–	–	0
Total	**100.0**	**$964.7**		**179,506**	**193,849**	**14,343**

Source: Leyshon Consulting Estimates, March 2006.

With no further additions to the retail hierarchy significant shortfalls of space emerge over the period 2021-31. By 2031 the estimated shortfalls of space are as follows:

- regional centre ... -36,331 sq.m.
- bulky goods ... -8,155 sq.m.
- district centres ... -33,635 sq.m.
- village/neighbourhood ... -9,697 sq.m..

Based on the analysis set out in TABLE 4.6, we consider an appropriate retail centre strategy for Northern Wyong during the period 2006-31 can be summarised as follows:

- permit the expansion of the Warnervale centre from 10,000 sq.m. to 25,000 sq.m. via a second stage of 10,000 sq.m. in about 2021

- introduce a new centre of 5,000 sq.m. at Lake Munmorah by 2011

- permit the expansion of Lake Haven by some 5,000 sq.m. but not before 2021

- encourage the development of a bulky goods precinct at Warnervale of up to 8,000 sq.m. by 2031

- add a second supermarket to Toukley after 2021

- expansion of Lake Munmorah after 2021 to some 10,000 sq.m.

- add an additional centre in Wadalba East by 2031.

4.2.2 Southern Wyong

An analysis of potential retail needs in Southern Wyong between 2006-31 has been undertaken (TABLE 4.7 refers). Compared to Northern Wyong (discussed above), the analysis for Southern Wyong is affected by the existence of the Tuggerah Regional Centre which attracts trade from throughout the LGA and beyond.

The analysis for Southern Wyong factors in the existing approvals issued by Council with respect to the expansion of Stockland Bay Village together with the proposed expansion of retailing in The Entrance. These two developments have been assumed to be completed by 2011. No further changes to floorspace in particular centres have been assumed post-2011.

As indicated in TABLE 4.7, as far as district and neighbourhood centres in Southern Wyong are concerned there is a notional oversupply of retail floorspace up until 2016. Theoretical deficiencies of floorspace start to emerge by 2021. By 2031 the Southern Wyong region is projected to have a shortfall of up to -19,314 sq.m. of district centre space and -4,543 sq.m. of neighbourhood/village centre space.

The options open to Council with respect to centres in Southern Wyong essentially are limited. It is therefore likely that the shortfall identified in TABLE 4.7 for district and village floorspace in 2031 will be met by the redevelopment and expansion of existing centres. With respect to district centres, the two centres with the most capacity for expansion/redevelopment appear to be The Entrance and Wyong. Given the scale and sophistication of Bateau Bay any further expansion of that centre does not appear necessary particularly if expanded district centre retailing can be achieved at both The Entrance and Wyong. In our opinion, the most logical strategy with respect to the Wyong district centre would be to encourage retail redevelopment on the back of residential development with the aim of adding a second full-line supermarket to the centre after 2021.

We also recommend Council give consideration to the expansion of retail facilities at Ourimbah. By 2016, the Ourimbah/Rural South SPD could support a medium-scale supermarket (1,500-2,500 sq.m.). It is further recommended Council review options for additional retailing at Ourimbah as part of a more general review of how the University of Newcastle campus can be integrated better with existing development.

4.2.3 Regional Centre Demand

In relation to the Tuggerah Regional Centre, taking into account both demand from residents as well as that likely to originate from outside the trade area, the further expansion of Westfield Tuggerah by some 32,000 sq.m. (retail) could be contemplated by 2031. This would mean that Westfield Tuggerah would contain some 113,416 sq.m. of retail floorspace and, (depending on the future addition of non-retail floorspace functions), some 125-130,000 sq.m. of space in total. These estimates exclude existing and proposed floorspace in Tuggerah Straight and adjacent areas.

Given the potential for a substantial expansion in bulky goods retailing in Northern Wyong during the period 2006-31, the prospects for an expansion of such retailing in the Regional Centre are limited. Despite this, we consider it is appropriate to allow for an increase of up to 10,000 sq.m. to take account of:

- changes in the bulky goods retail sector which are leading to increases in average store sizes; and

- the ability of retailing in the Regional Centre to attract sales from outside Wyong Shire.

The further development of Westfield Tuggerah should proceed under the provisions of an agreed master plan which focuses on how the Westfield centre could be integrated better with other parts of the overall Tuggerah Regional Centre.

4.3 Non-Retail Floorspace Demand

There is no accepted methodology for estimating the demand for non-retail floorspace in centres. The demand for this type of floorspace is driven principally (but not exclusively) by the growth in office-based employment in a given region.

While it is relatively easy to model workforce growth, estimating the demand for floorspace to accommodate growth in employment is complicated by the following factors:

- home-based employment is a growing but poorly understood trend

- some employment in this sector is essentially mobile and thus makes limited (if any) demands on traditional office space

- the provision of significant components of office accommodation for State and Commonwealth government functions being determined by political factors which defy modelling.

Notwithstanding the above, given the scale of expected population (and therefore workforce) growth during the forecast period, demand for the further provision of non-retail (commercial) floorspace in Wyong undoubtedly will continue.

We have prepared some estimates of this potential growth (TABLE 4.8 refer). These estimates assume no change in the current proportion of jobs in Wyong which could be classified as being office-based (that is, 68.4%). Broadly, we estimate the total number of persons employed in office jobs in Wyong Shire could rise from 21,209 in 2001 to 36,380 in 2031–an increase of +15,171 workers in this sector. Assuming a provision of 15 sq.m. per worker this produces a theoretical requirement for an additional +227,565 sq.m. of office space in Wyong during the period 2001-31.

TABLE 4.8
PROJECTED OFFICE FLOORSPACE DEMAND – WYONG SLA, 2006-31

Year ...	Total Workers in Home SLA	Office Jobs in Work SLA (%)	Number Office Jobs in Work SLA	Current Office Floorspace (Sq.M.)
2001	46,647	68.4	21,209	318,135
2006	61,508	68.4	25,954	389,317
2011	67,831	68.4	28,622	429,337
2016	72,615	68.4	30,641	459,618
2021	77,441	68.4	32,677	490,162
2026	82,079	68.4	34,635	519,521
2031	86,216	68.4	36,380	545,703
Growth 2001-31	**39,569**			**227,568**

Source: Leyshon Consulting Estimates, March 2006.

As highlighted above, in reality some of this space will not be required due to persons choosing to work from home rather than from commercial office space.

In our opinion, existing State and Regional planning policies (for instance, draft SEPP66) point to the requirement for such additional employment and floorspace being concentrated in Wyong's three major centres which will have a high degree of public transport accessibility–namely Warnervale, Wyong and the Tuggerah Regional Centre.

At a practical level some of this employment will be accommodated in the proposed Warnervale Employment Zone (WEZ). The WEZ will consist of some 300 hectares of employment/industrial land to the west of the Warnervale District Centre.

Notwithstanding the above, strategies are required to encourage office and other non-retail activities to locate in smaller centres in Wyong LGA. This is particularly so as far as new village centres are concerned.

In relation to other planned centres, we consider it appropriate for Council to consider a requirement of up to 10% of the gross leasable area of new centres be allocated to non-retail commercial purposes. In a village centre of 5,000 sq.m., for instance, this would equate to about 500 sq.m. of space being developed for such uses.

Clearly, a higher rate of provision of non-retail commercial space would apply with respect to the proposed Warnervale District Centre. This is due to the role of this centre in providing district-level services to the population residing in Warnervale/Wadalba and adjacent areas.

In relation to the WEZ, it is recommended that a minimum floorspace limit be applied to individual development proposals involving "pure" office space. In such cases, a minimum tenancy size of 500 sq.m. should be applied to prevent small-scale offices from establishing in out-of-centre locations as opposed to existing or proposed business centres.