

# Attachments

## Council Meeting

Tuesday 14 June 2022

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11.1           Amendment Burwood Brickworks  
Development Plan, 78  
Middleborough Road, Burwood  
East - Stormwater Quality

Attachment 1   Further Details on Report Discussion -  
Amendment to Burwood Brickworks  
Development Plan

**11.1 – ATTACHMENT 1. Further Details on Report Discussion - Amendment to Burwood Brickworks Development Plan**

**Attachment 1: Further Details Supporting Report Discussion**

**Amendment to Burwood Brickworks Development Plan – Wetland Removal**

**1.1 Whitehorse Planning Scheme – Clauses that reference the Urban Stormwater Best Practice Environmental Management Guidelines (BPEMG) (CSIRO, 1999)**

The Urban Stormwater BPEMG publication is referenced in the following relevant clauses of the Whitehorse Planning Scheme:

- Clause 14.02-1S Catchment planning and management;
- Clause 19.03-3S Integrated water management with respect to development infrastructure;
- Clause 22.10 Environmentally Sustainable Development;
- Clause 53.18 Stormwater Management in Urban Development;
- Clause 55.03-4 Integrated water and stormwater management with respect to two or more dwellings on a lot;
- Clauses 55.07-5 and 58.03-8 Integrated water and stormwater management with respect to apartment developments; and
- Clause 56.07 Integrated water management with respect to residential subdivisions.

**1.2. Burwood Shopping Centre Stormwater Quality Analysis**

The total suspended solids (TSS) performance outcome achieved for the Shopping Centre is 80.9% when compared against an 80% target requirement. The 0.9% difference between the modelled outcome and target requirements allows for extremely limited contingency to ensure effective pollutant reduction and the system's adequate performance.

Acknowledging that the raingardens and carpark area to the Burwood Brickworks Shopping Centre development has been constructed, the raingardens appear undersized with respect to the area that they are required to treat. This is with regard to Melbourne Water's Healthy Waterways Raingardens – Building an inground raingarden instruction sheet. As per Melbourne Water's specifications, generally, raingardens should be sized to at least 2% of the treatable area. Noting that the carpark area constitutes 0.721 hectares, with 90% considered impervious surfaces, this equates to 0.6489 hectares of impervious surface required to be treated by the raingardens ( $0.721 \times 90\% = 0.6489$  hectares or 6,489 m<sup>2</sup>). Upon review of the stormwater quality node regarding the Burwood Brickworks Shopping Centre, the total size of the raingardens servicing such impervious area is detailed as 43 m<sup>2</sup>. This equates to an effective sizing of raingardens to impervious surface at 0.66% ( $43 \text{ m}^2 / 6,489 \text{ m}^2 = 0.66\%$ ) – this is a significant shortfall with respect to the 2% minimum expectation.

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Due to the undersizing of the raingardens, it is important that the raingardens are regularly attended to and maintained given that such assets will be under strain to effectively remove pollutants.

Additionally, any overflow from the rainwater tanks is required to be managed in order to avoid compromising the management of pollutants on the development site. This entails that rainwater tank demand continually outweighs supply so that respective overflow is marginal when it is discharged to the ornamental pond and ultimately Gardiners Creek.

The above issues and management measures potentially undermine the stormwater quality performance and the modelled expectations that are conveyed within current stormwater reports, as well as, community expectations.

However, theoretically and on paper, the stormwater quality targets for the Burwood Brickworks Shopping centre are met.

### 1.3. Costs Associated with Wetland and Sediment Basin Maintenance Research Findings

The findings detailed that the costs vary depending on several variables that include location, accessibility, scalability, frequency and type of labour engaged.

Additionally, key concerns with ongoing maintenance and upkeep of such assets include the party responsible, the period/ term of responsibility for initial maintenance post the asset's construction, and the ongoing responsibility and cost after a subsequent period/ term expires.

Maintenance costs can also be further divided into the following variables and categories which includes associated services:

- Maintenance checks – undertaken on a quarterly basis to check the inlets, outlets and plants;
- Full service and clean – the information was obtained more in line with a sediment basin, however such assets are cleaned every 5 years (minimum). The soil for disposal may require Environment Protection Authority (EPA) Victoria approval if the soil is found to be contaminated. Vehicles to ensure access to the site, including a dump truck to manage the associated clean out will need to be facilitated, including a suitably located area to allow for the soil to dry out, before transporting offsite;
- Personnel involved – There is generally an initial maintenance period once the asset is built and that requires the original owner to manage and maintain such asset for a short period of time (i.e. 2 years) before it is handed over to another party (i.e. Council) for ongoing management and maintenance, particularly if such asset is located on public land. Maintenance is generally outsourced depending on its management complexity;
- Pricing – This includes the above details regarding maintenance, cleaning, and personnel as a packaged service. Prices can fluctuate depending on the vegetation and plant species utilised within the asset which may require more frequent servicing and planting.

Case studies which Council officers were privy to have accessed included sediment basins of approximately 250 m<sup>2</sup> and 1 hectare in surface area size respectively. Quotes for a contractual servicing period of 10 years ranged from \$140,000 to



## **11.1 – ATTACHMENT 1. Further Details on Report Discussion - Amendment to Burwood Brickworks Development Plan**

\$190,000 for the 250 m<sup>2</sup> sediment basin whilst estimates for the 1 hectare sediment basin were calculated at approximately \$500,000 for a 10 year contractual servicing period. Such figure was modelled as a worst case scenario. The sediment basin within the Village Green/ Central Open Space has a 562 m<sup>2</sup>. When scaling associated costs, this could be in excess of \$300,000 over an approximate 10 year period.

In terms of local experience and with respect to a future local asset that will be provided within the City of Whitehorse, by way of a Victorian Civil and Administrative Tribunal (VCAT) Order, the implementation of a bioretention basin serving the Nunawading Brickworks site requires that Council receives a one-off monetary contribution of \$10,000 from the developer for ongoing maintenance of the future public drainage system. The VCAT Order also requires that the developer maintain the asset for a minimum of two years, to Council's satisfaction, before it is handed over to Council for ongoing management and maintenance.

### **1.4. Melbourne Water stormwater quality offsets program - eligibility criteria and selection priorities for expenditure of funds.**

The eligibility criteria includes:

- Investment must target Nitrogen abatement across the Port Phillip or Westernport Catchments through stormwater best practice treatment;
- Projects are capital stormwater treatment measures that address urban runoff. (e.g. not Rural Land Programs or natural and amenity wetlands); and
- Target expenditure is for assets that Melbourne Water owns or manages.

The selection priorities are:

- Investment reflects the most cost-effective nitrogen abatement;
- The investment reflect spatial environmental equivalence
- That there is alignment with Melbourne Water program priorities, services and funding;
- That there is asset planning, delivery and operations which reflects design intent and modelled outputs that are consistent with best practice standards.

### **1.5. Frasers Recertification of Green Star Communities Rating**

The issue raised during display of the Development Plan changes, was with respect to the acclaimed 6 star Green Star Communities rating that was achieved for the overall development.

The issue has been resolved as Frasers have recertified the development to ensure that the 6 star Green Star Communities rating demonstrating 'World Leadership' is retained.

Prior to clarification sought from Frasers, Council officers were made aware that the development achieved a score of 77.7 points. With regard to the Green Star Communities appraisal framework, a total score at or above 75 points results in a 6

## **11.1 – ATTACHMENT 1. Further Details on Report Discussion - Amendment to Burwood Brickworks Development Plan**

star Green Star Communities rating and the status of 'World Leadership' development.

In 2016, the method the development used to achieve 77.7 points included the incorporation of the wetland within the MWRB to address stormwater quality performance requirements. 3 points are awarded for achieving the relevant stormwater quality performance criteria in general alignment with best practice, therefore wetland's proposed removal eliminated 3 points from the total score of 77.7 points. Thus a total score of 74.7 points was achieved (below 75) which equates to a 5 star Green Star Communities rating, resulting in a status achievement of 'Australian Excellence'. This is in contrast with the 'World Leadership' recognition that a development is entitled to promote if it achieves a certified 6 star Green Star Communities rating.

It is understood that when Frasers recently submitted documentation to the GBCA to recertify the Burwood Brickworks Green Star Communities rating, transparent information was provided to the GBCA on the status of the stormwater quality treatments measures implemented on and offsite (i.e. the potential use of offsets). Such information included the updated MUSIC model which highlighted the removal of the wetland and the overall development's stormwater quality performance shortfalls.

It is also understood from Frasers that the recent recertification process involved the pursuit of a total score of 78 points for the overall development – thus ensuring that a 'World Leadership' 6 star Green Star Communities rating could be achieved and that development's acclaimed status could be maintained.

That previously the wetland was utilised to obtain 3 points and thus a total score of 77.7 points, it was not made clear to Council officers on the additional sustainability and environmental measures and features which the overall development recently proposed and/or incorporated to address such shortfall. It is assumed that the shortfall included 0.3 points that were required to achieve the 75 point threshold to claim 6 star Green Star Communities recognition. However, 3-4 new points were claimed resulting in a revised (or continued) total score of 78 points to be achieved for the overall development.

### **1.6. Melbourne Water and the Use of Proprietary Systems and Products**

Melbourne Water has shared its views with officers on the use of propriety systems. The views shared are provided as follows:

- Melbourne Water is not a proprietary system regulator and does not undertake reviews or provide endorsements of proprietary stormwater treatment devices and their performance.
- That in development areas outside of Melbourne Water's Development Services Scheme catchments (such as the Burwood Brickworks site), the selection and adoption of proprietary stormwater treatment devices is to be discussed and agreed upon with the relevant responsible body, for example councils, road authorities, body corporates, etc.
- Melbourne Water does not have jurisdiction over the decision of other agencies to accept or endorse proprietary systems as the costs, responsibilities and risks of managing these assets will be with the other agencies.

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- Where Melbourne Water is to be the responsible asset owner (typically for systems serving catchments greater than 60 hectares), Melbourne Water may investigate or accept the implementation of a proprietary stormwater treatment device, however the use of a device does not constitute Melbourne Water's endorsement of the device performance.

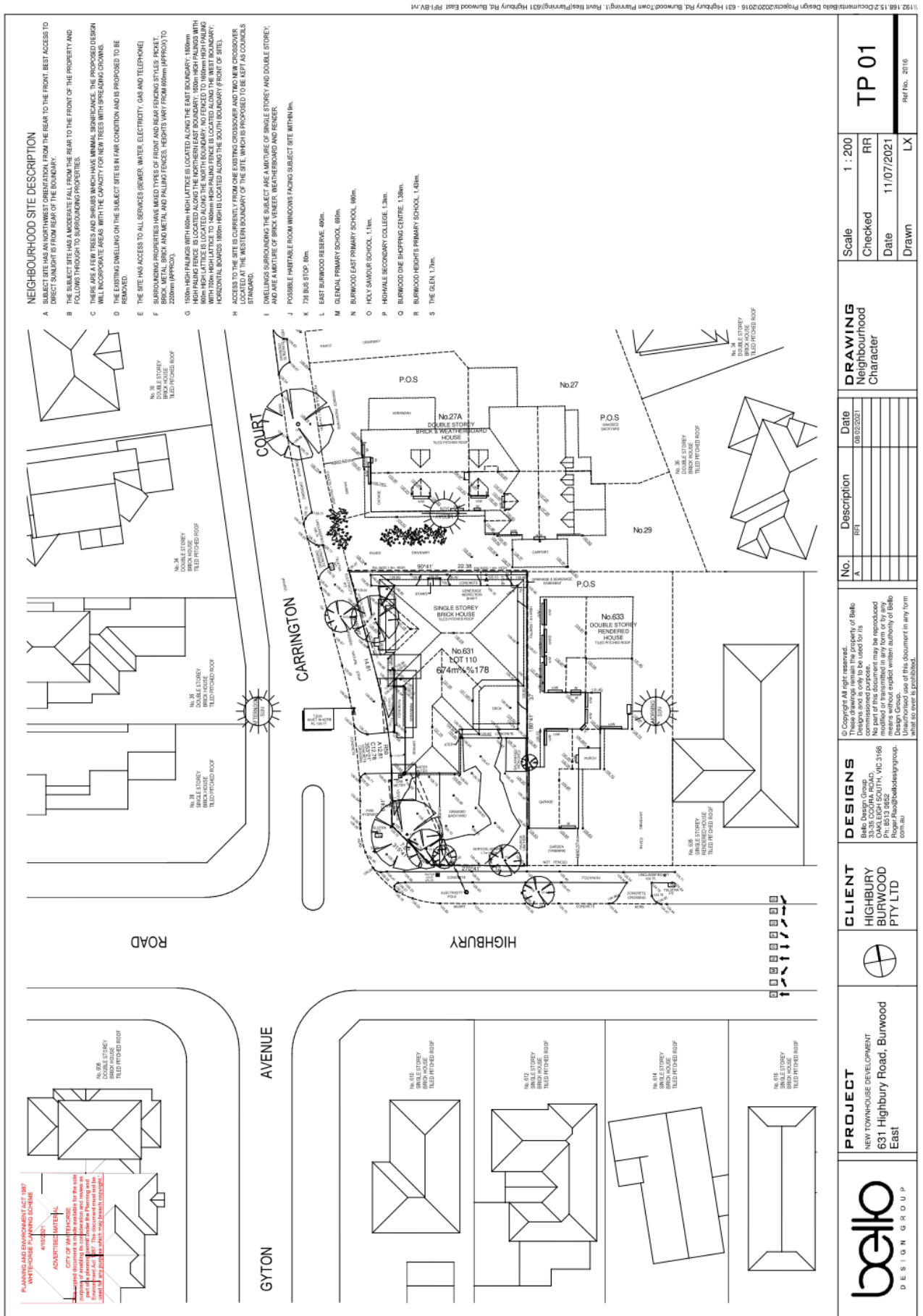
Given that the Burwood Brickworks development caters for a catchment of less than 60 hectares, Melbourne Water considers that the proposed drainage works to service the Burwood Brickworks development is local drainage. Therefore Council is the responsible authority.

As such, Council is supported by Melbourne Water in having full oversight over the type and scope of drainage assets, including treatment systems that can be adopted on the Burwood Brickworks development site.

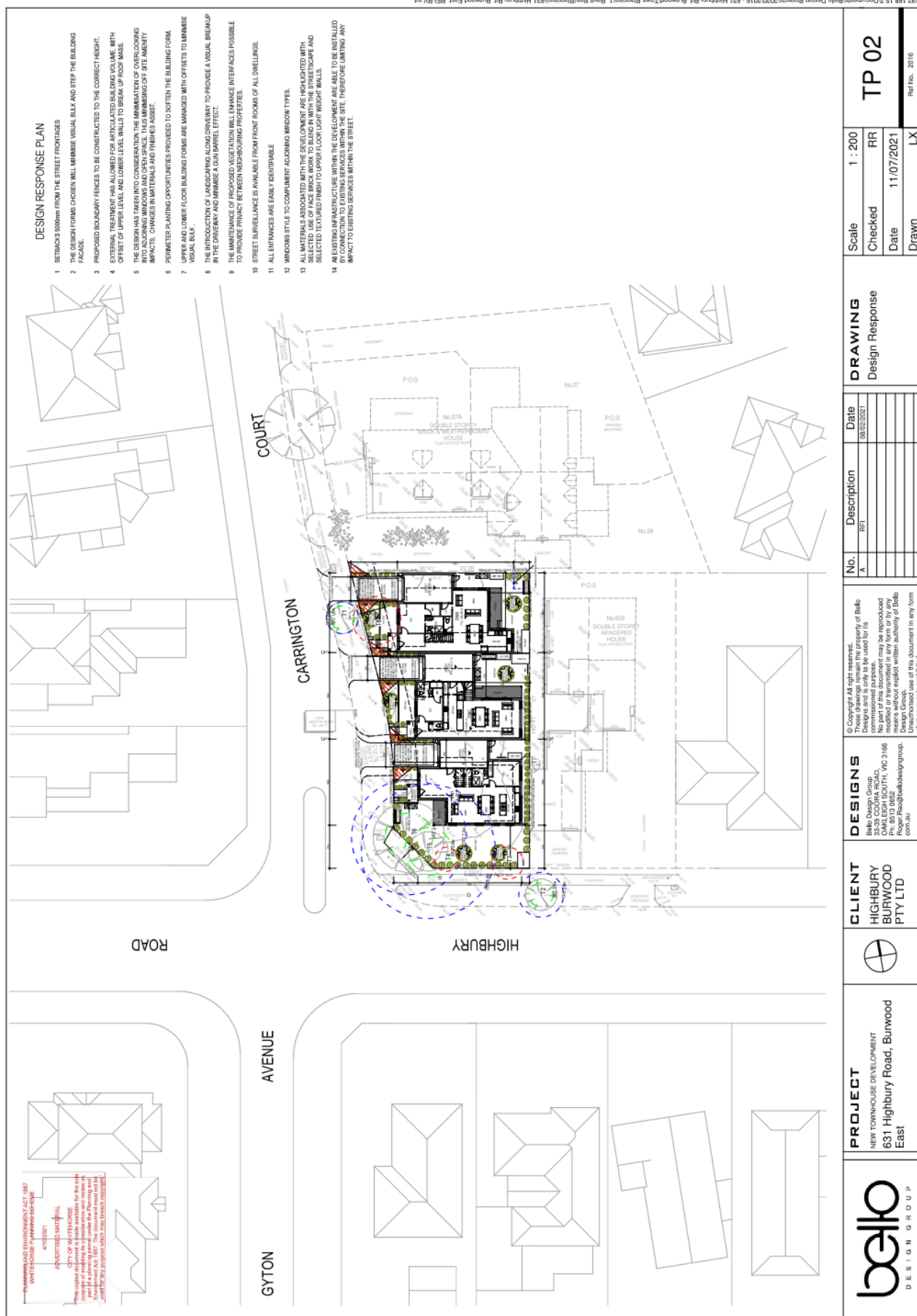
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Attachment 1    WH/2020/1194 - Council Report A3 Plans

11.2 – ATTACHMENT 1. WH/2020/1194 - Council Report A3 Plans



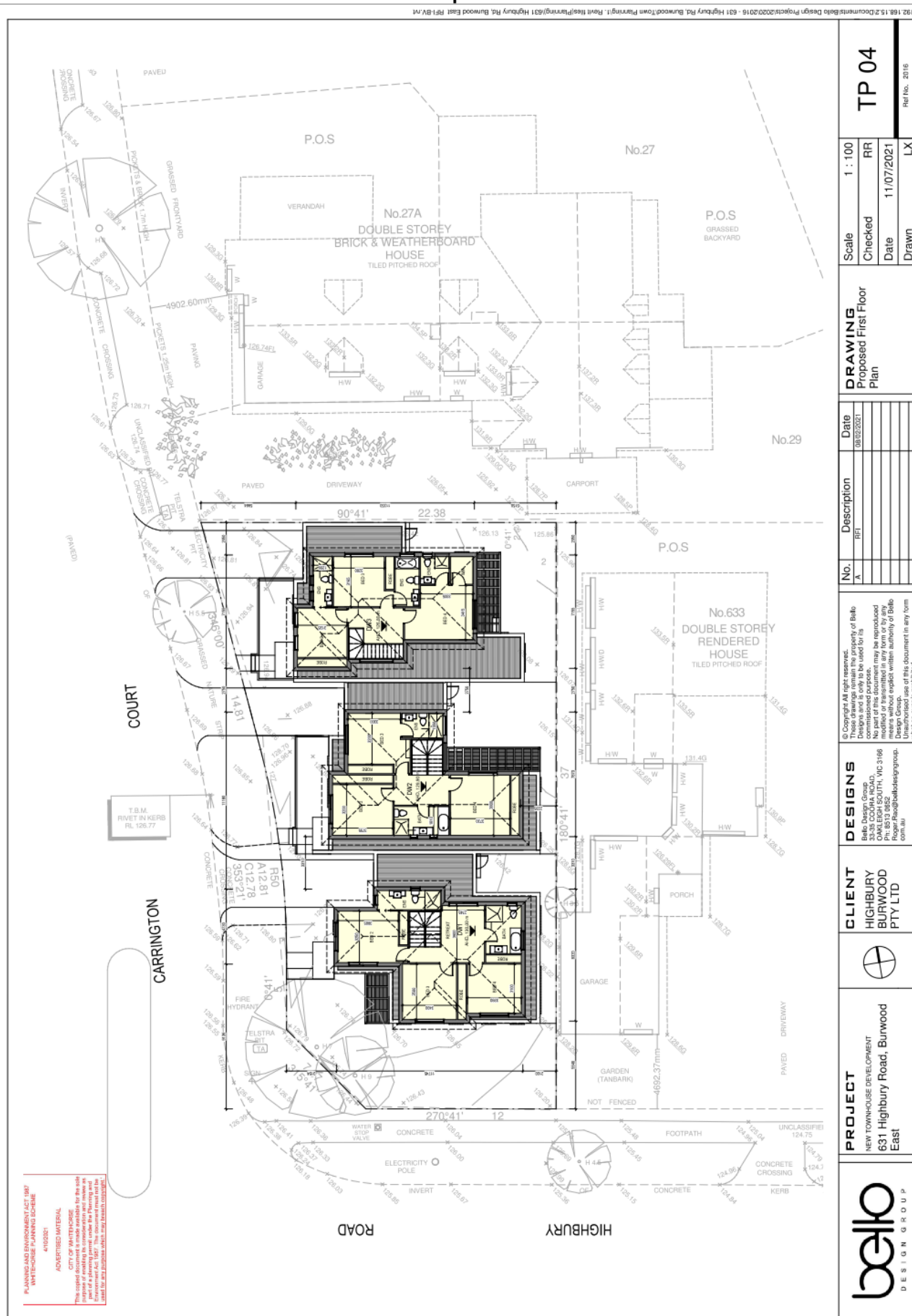
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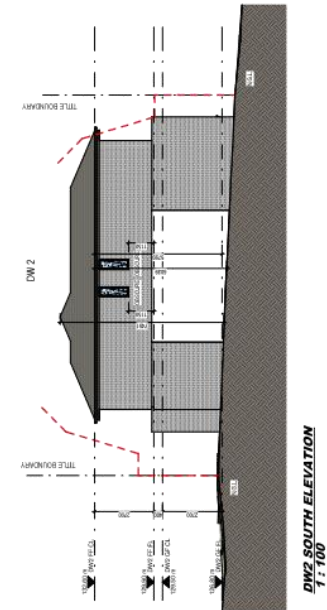
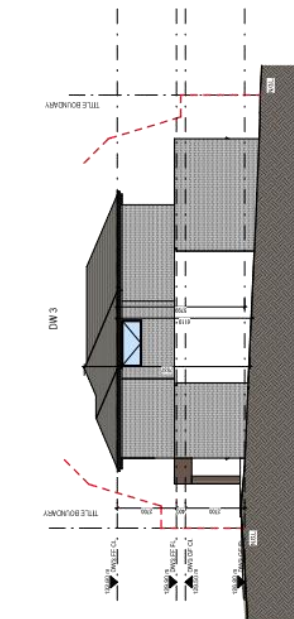
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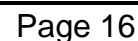


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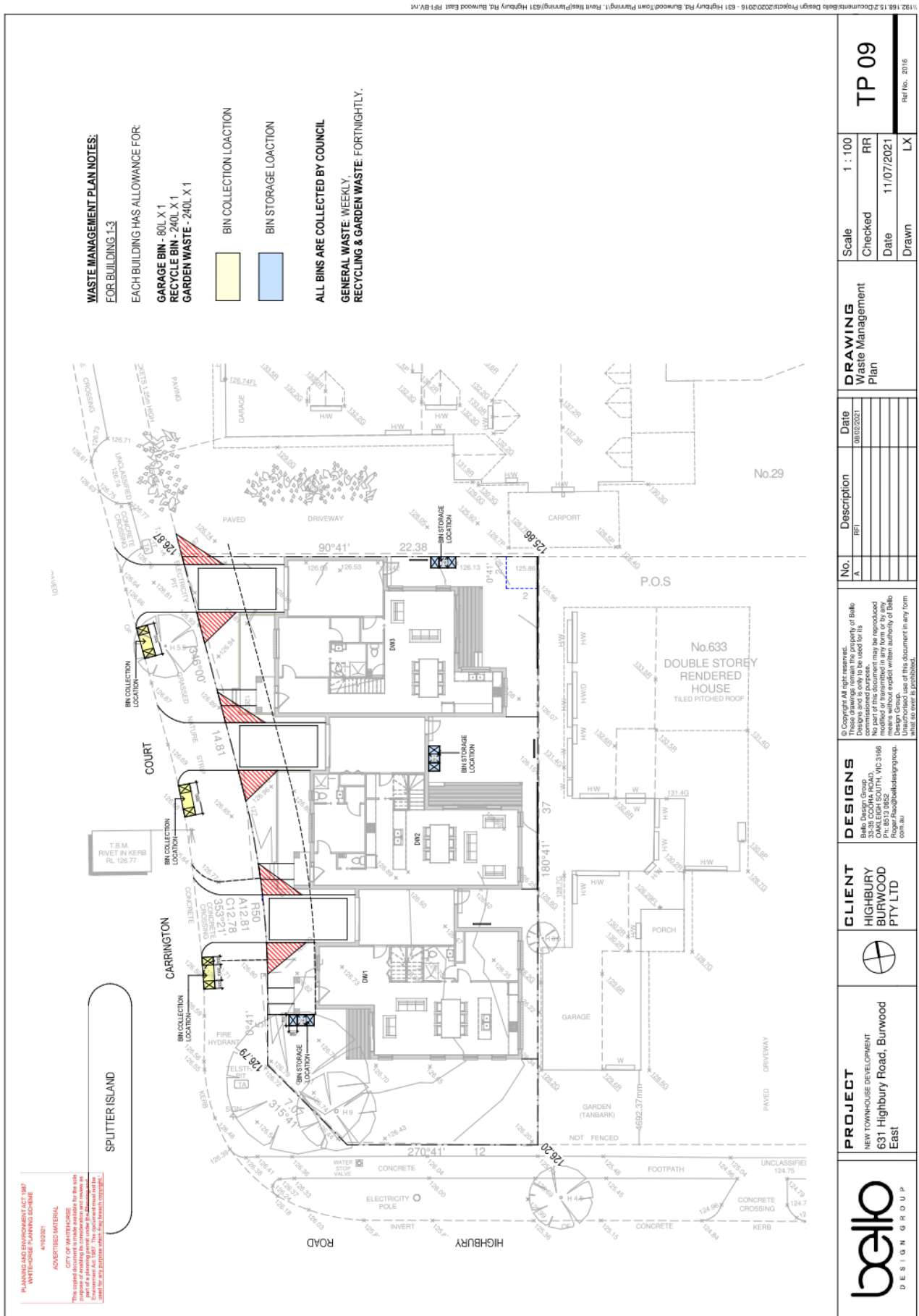


UT-97-168-19-2 (documents) Design Project 02/20/2019 - 631 Highway Rd, Bulwood East NSW 1511





11.2 – ATTACHMENT 1. WH/2020/1194 - Council Report A3 Plans



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Attachment 1    Attachment 1 - Plans

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**REAGAN | ASHMORE**  
DESIGN AND DRAFTING SERVICES



# 10 BOULTON ROAD, BLACKBURN SINGLE DWELLING ON A LOT

## TOWN PLANNING

### DRAWING INDEX

DRAWING No:	DRAWING:
TP 00	COVER PAGE
TP 01	EXISTING CONDITIONS
TP 02	DESIGN RESPONSE
TP 03	GROUND FLOOR PLAN
TP 04	EAST + NORTH ELEVATIONS
TP 05	WEST + SOUTH ELEVATIONS
TP 06	9AM - SHADOW DIAGRAMS
TP 07	12PM - SHADOW DIAGRAM
TP 08	3PM - SHADOW DIAGRAM



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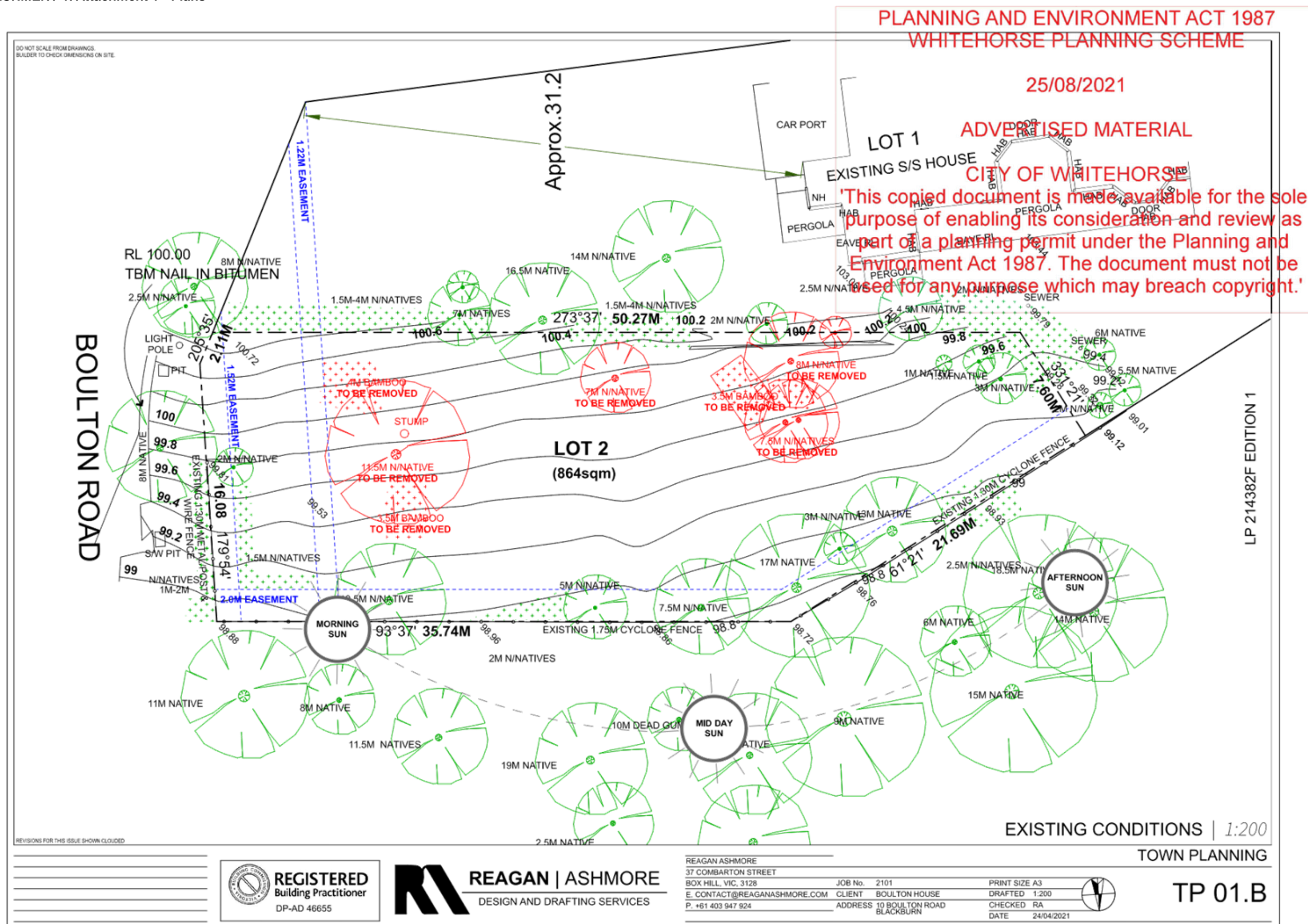
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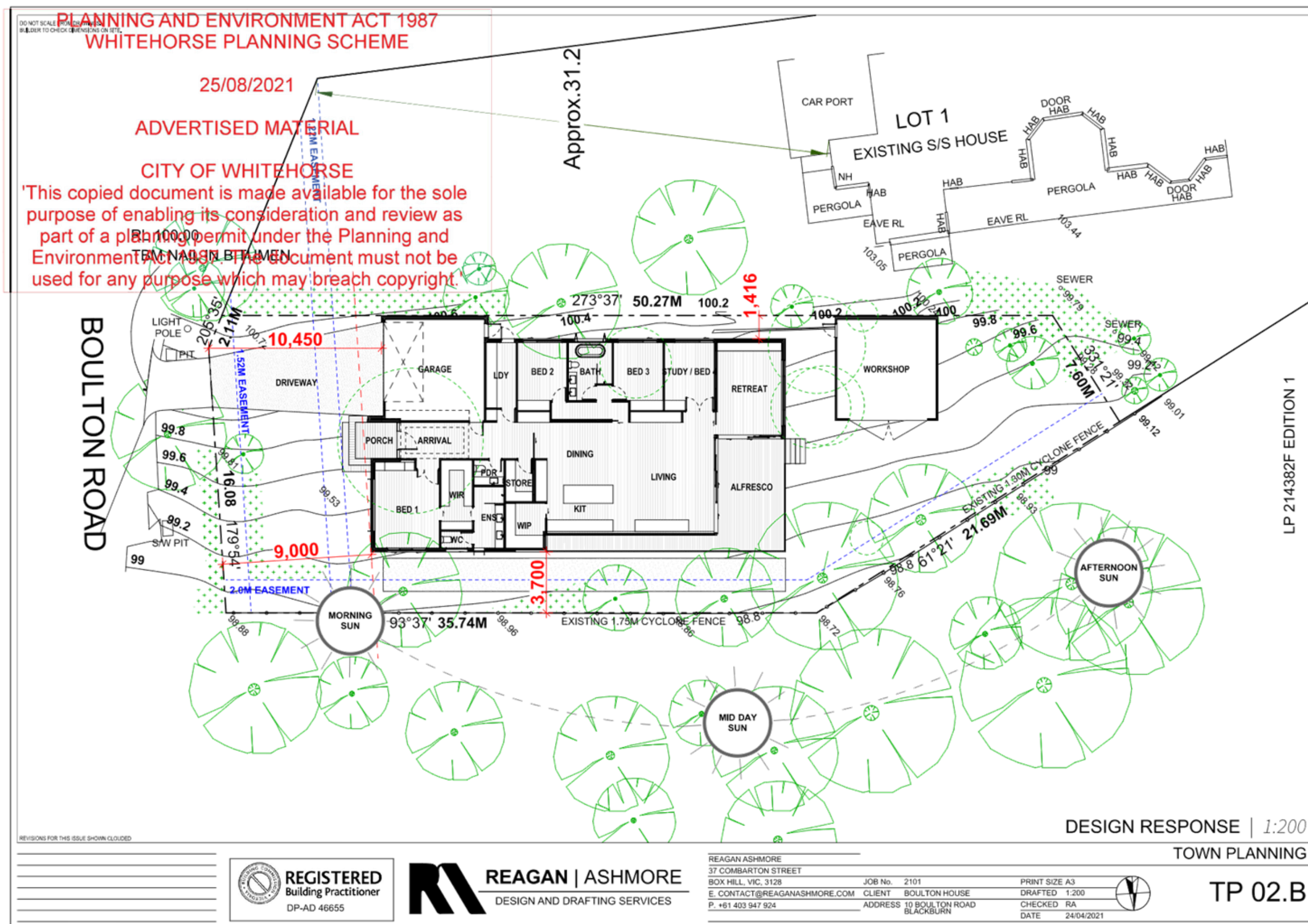
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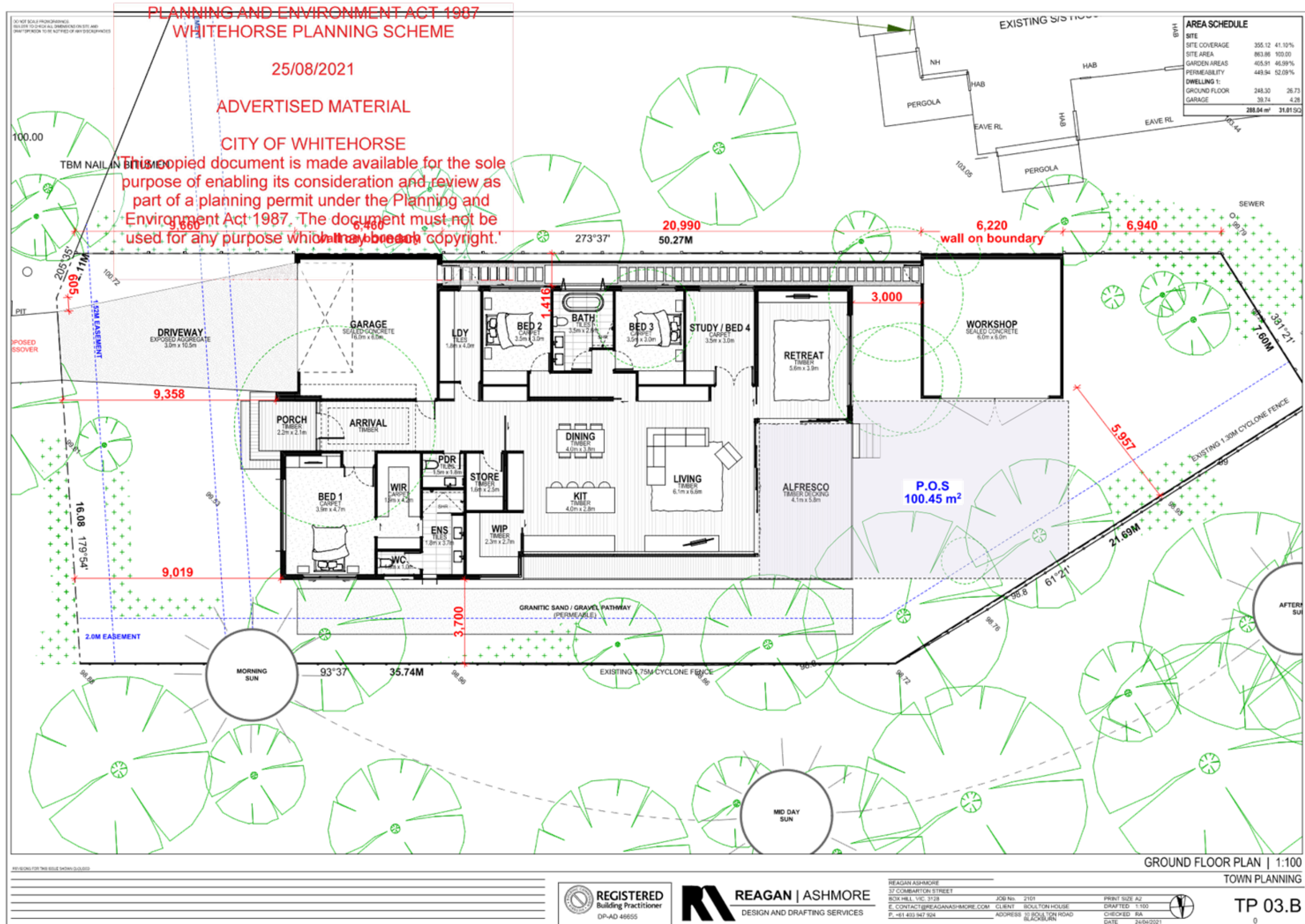




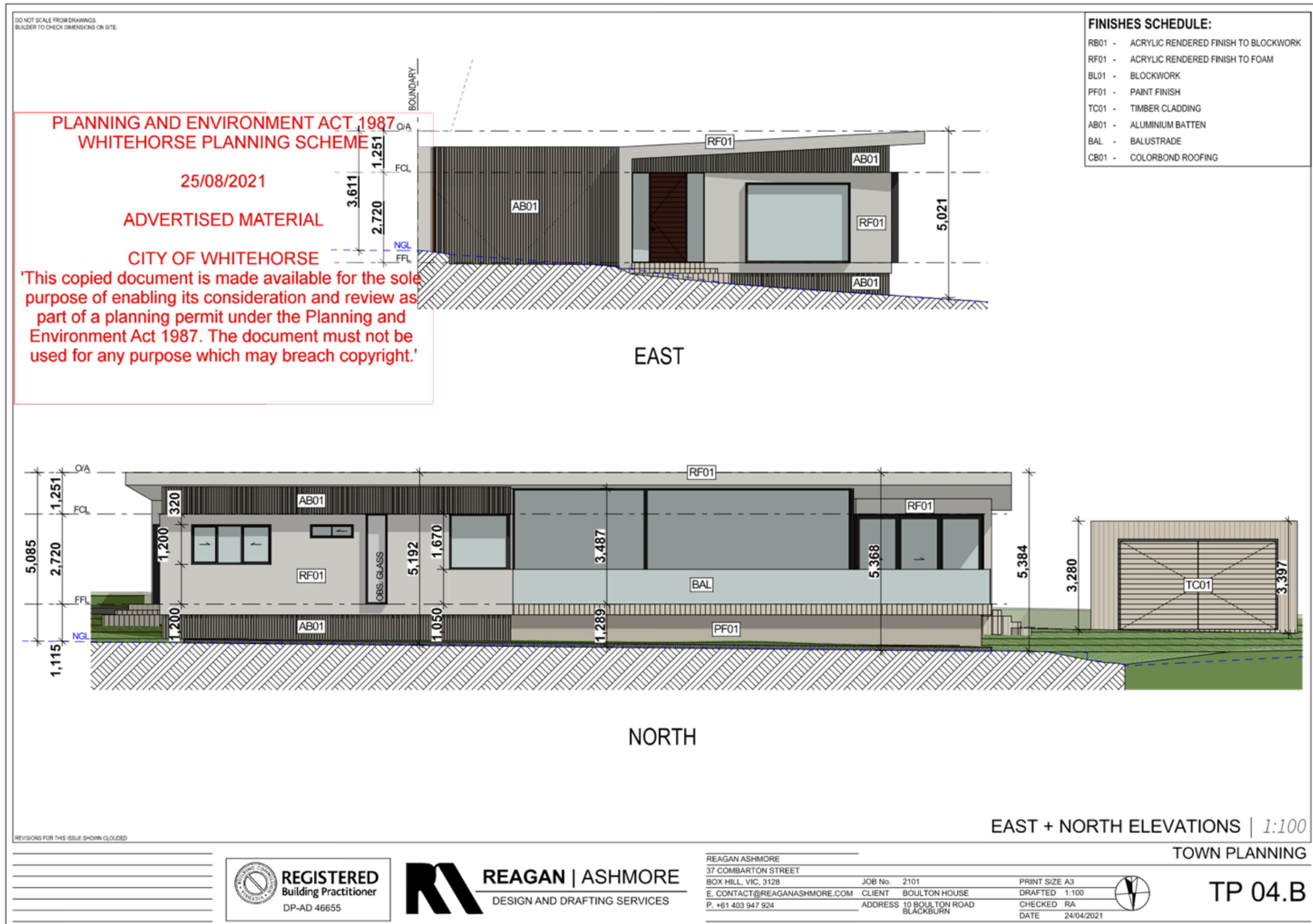




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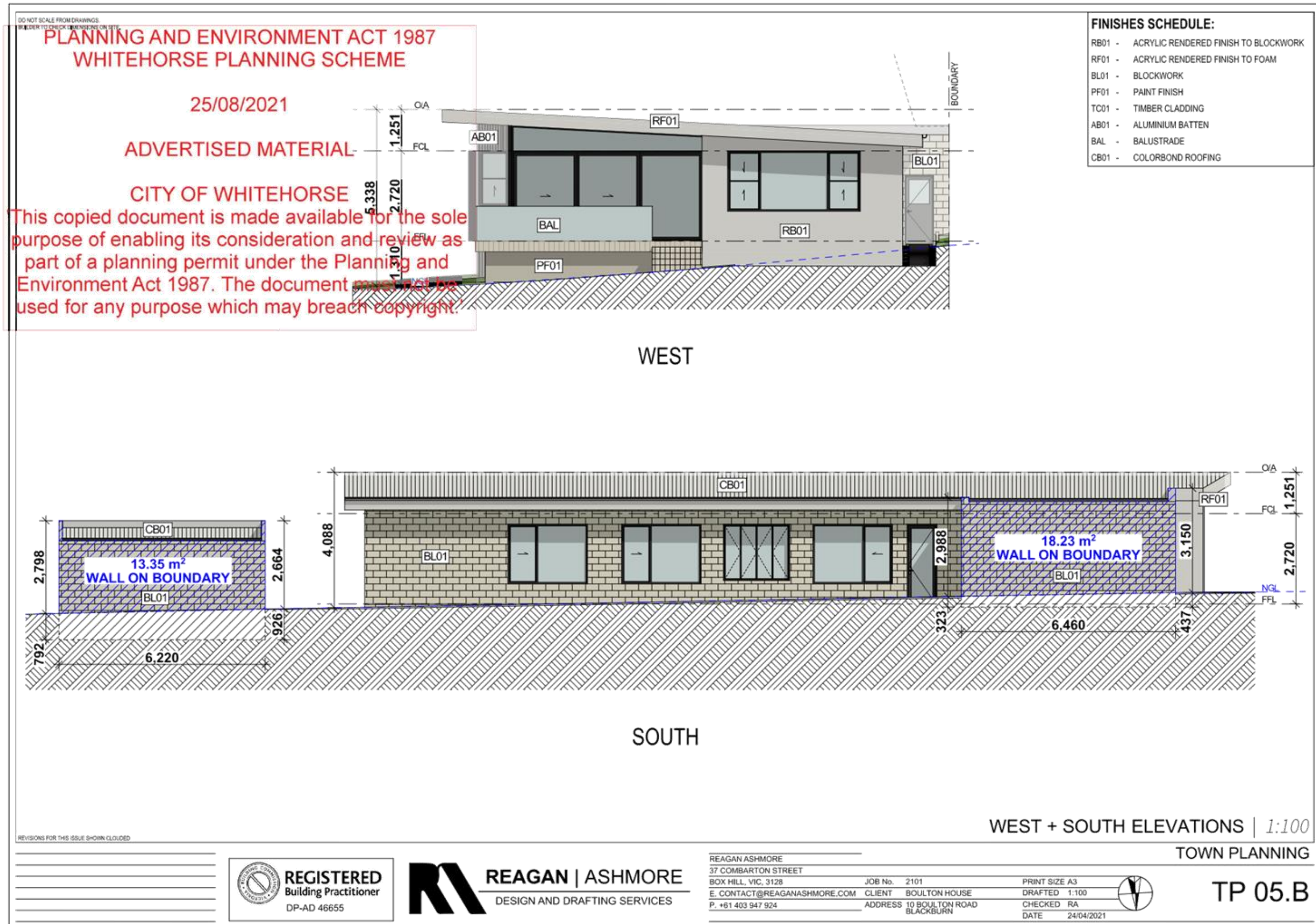


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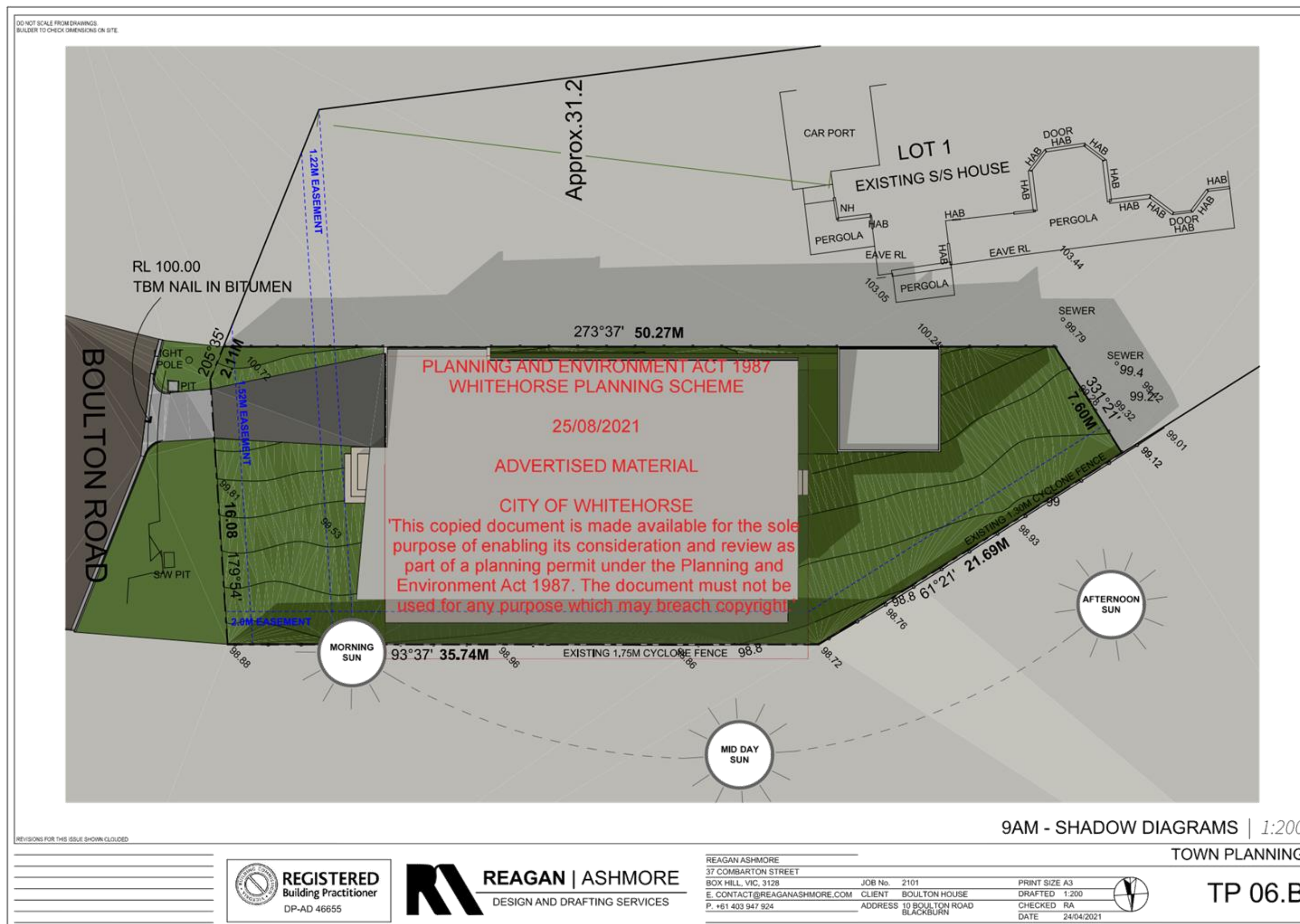




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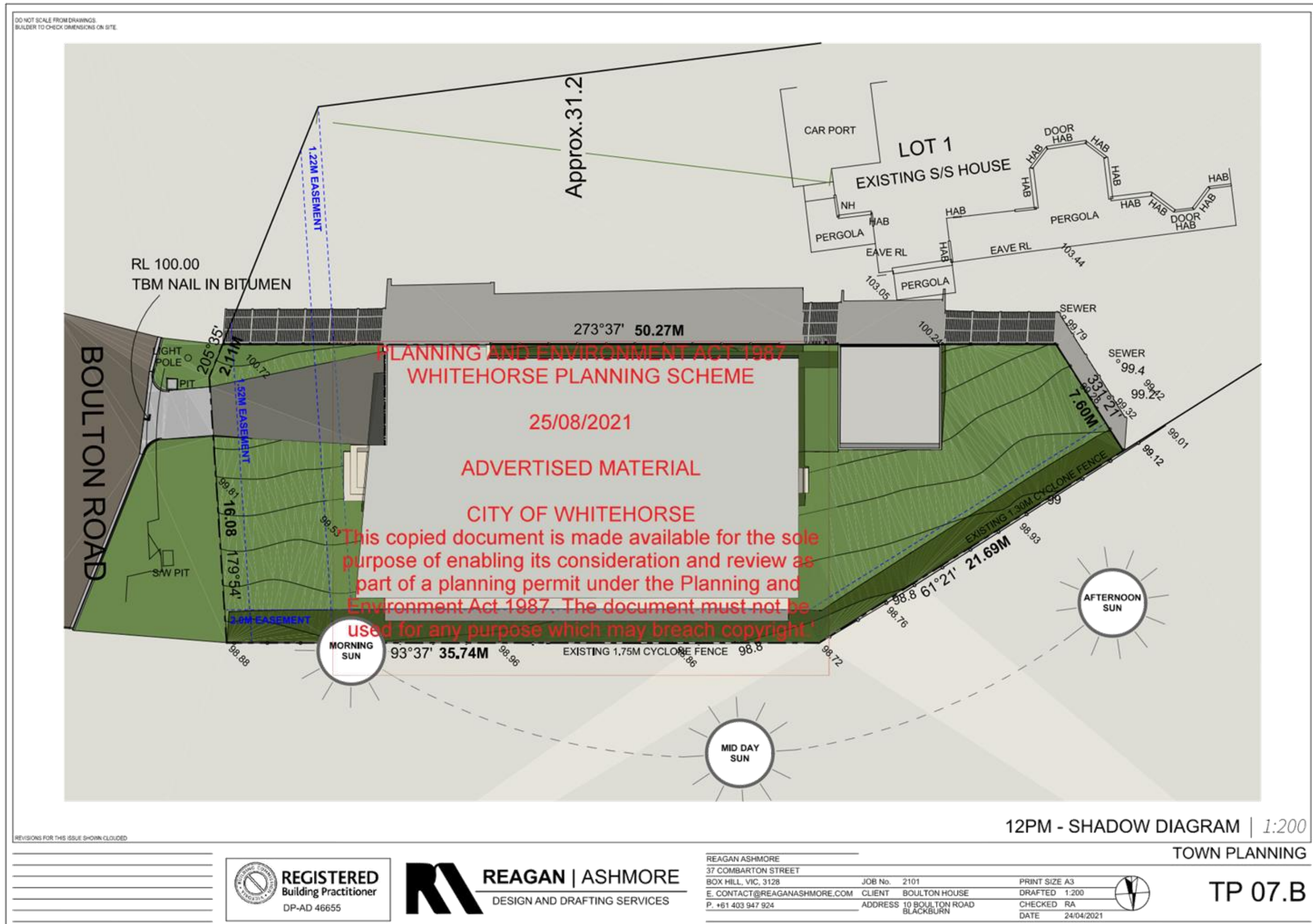




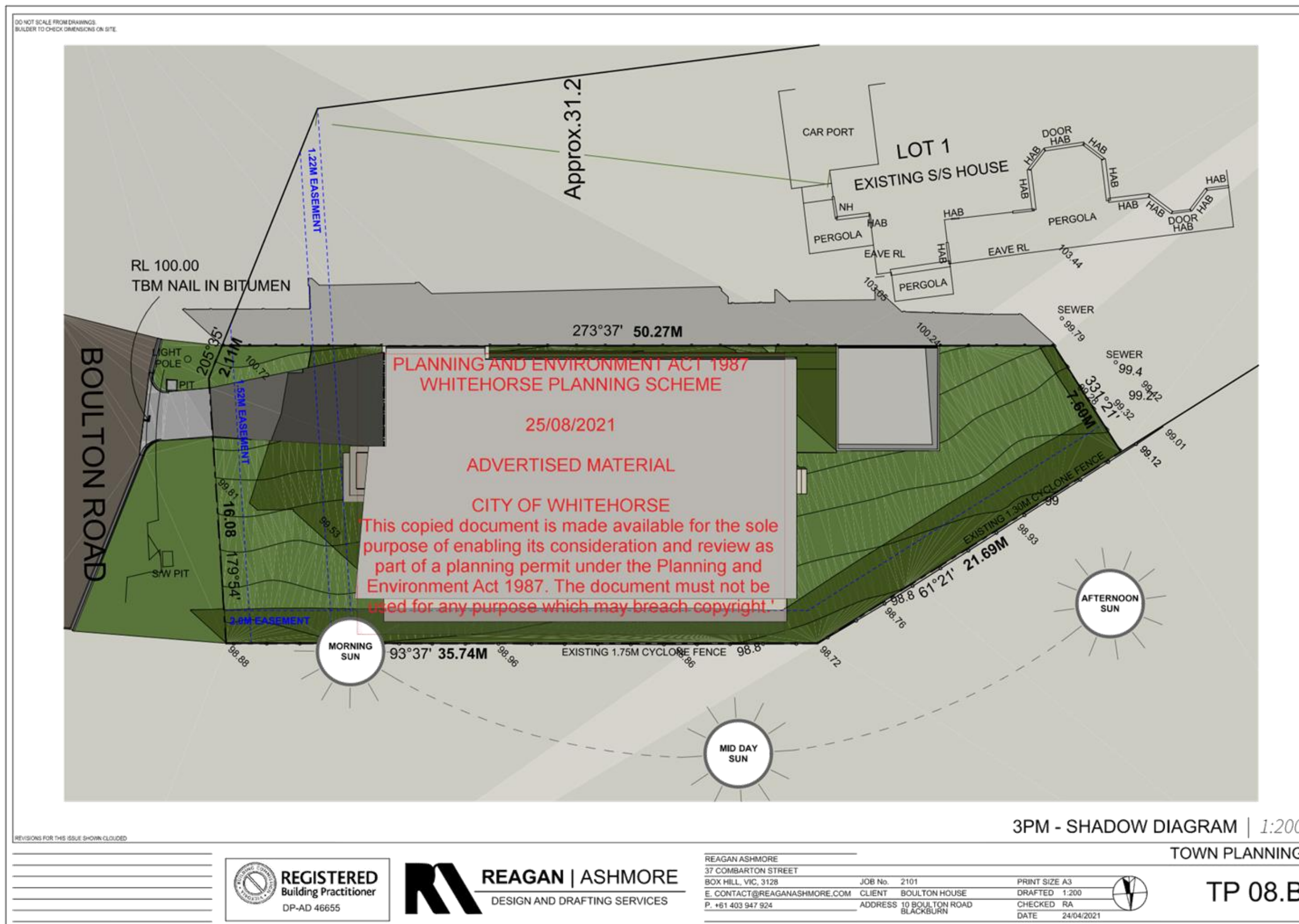




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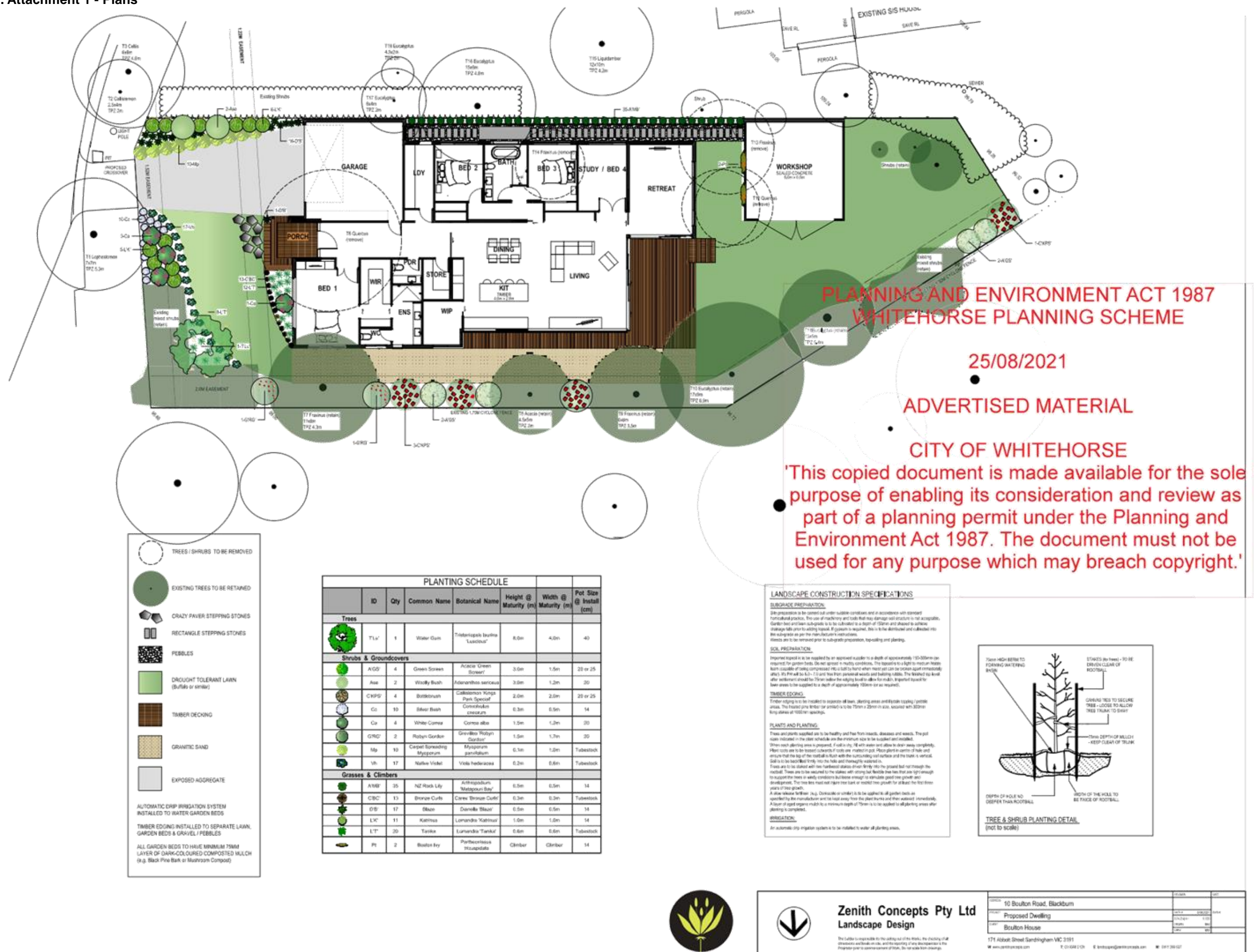








11.3 – ATTACHMENT 1. Attachment 1 - Plans





11.3 – ATTACHMENT 2. Sketch Plans Received after Notice



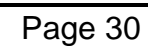
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## TOWN PLANNING

### DRAWING INDEX

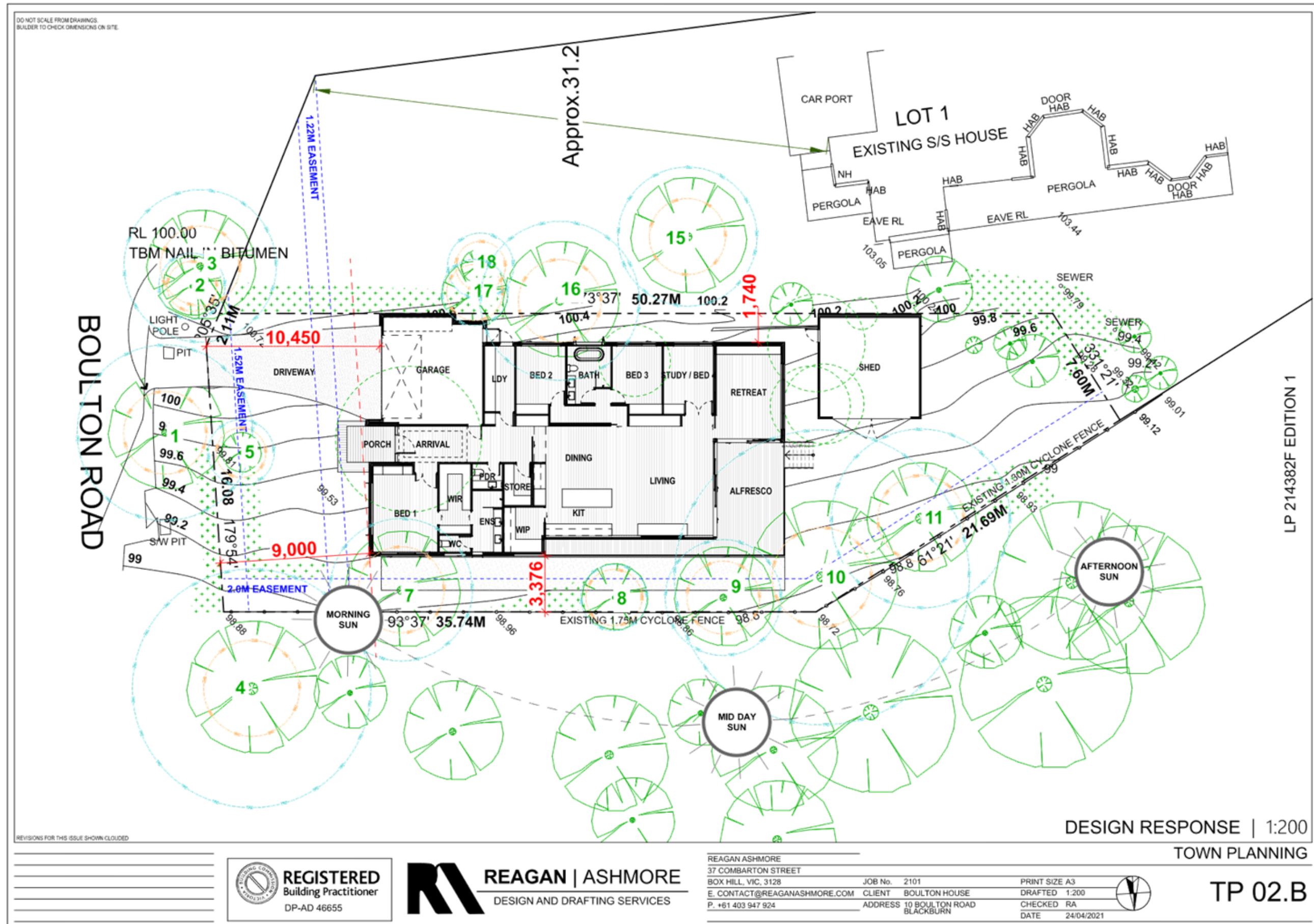
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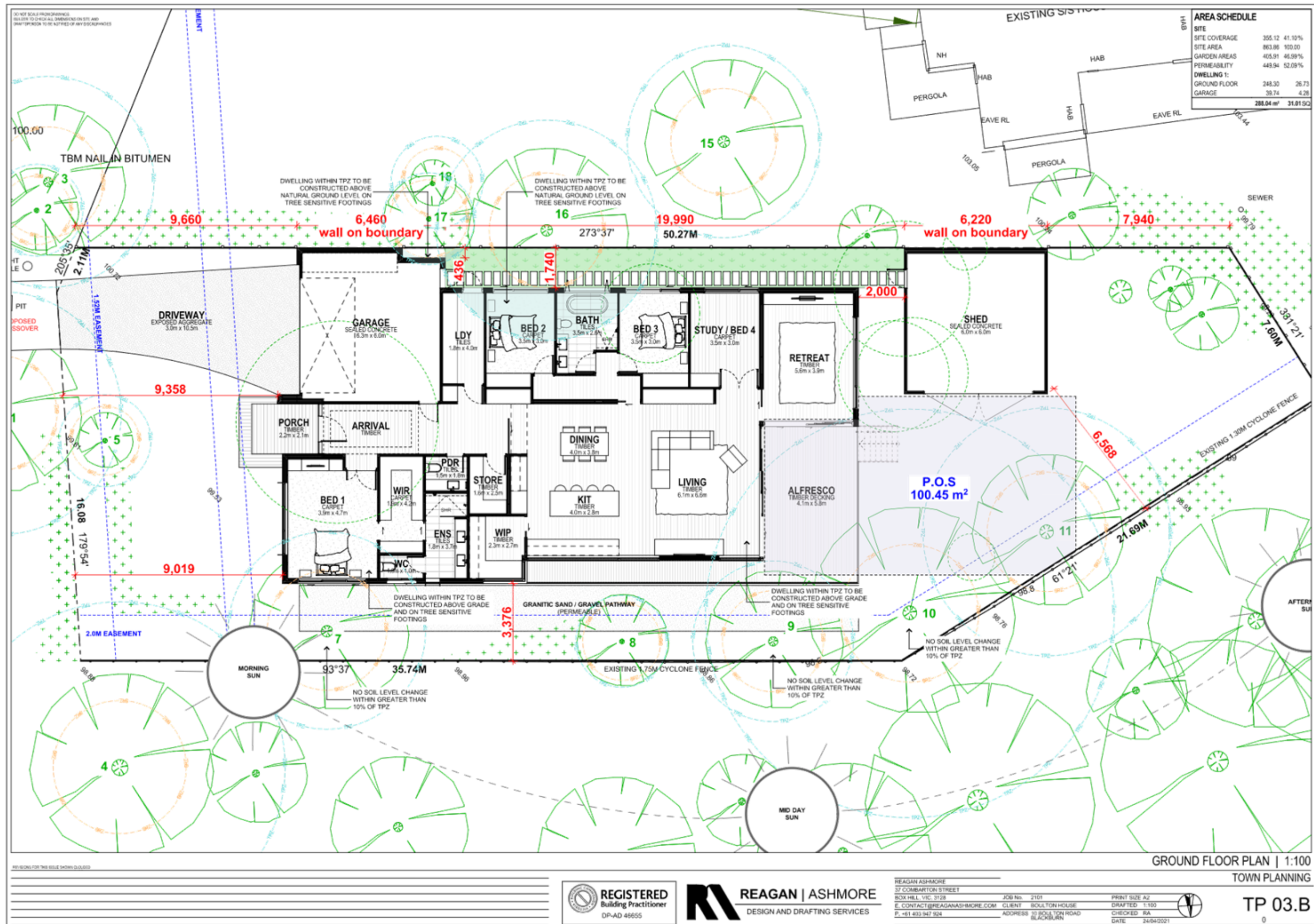


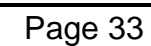
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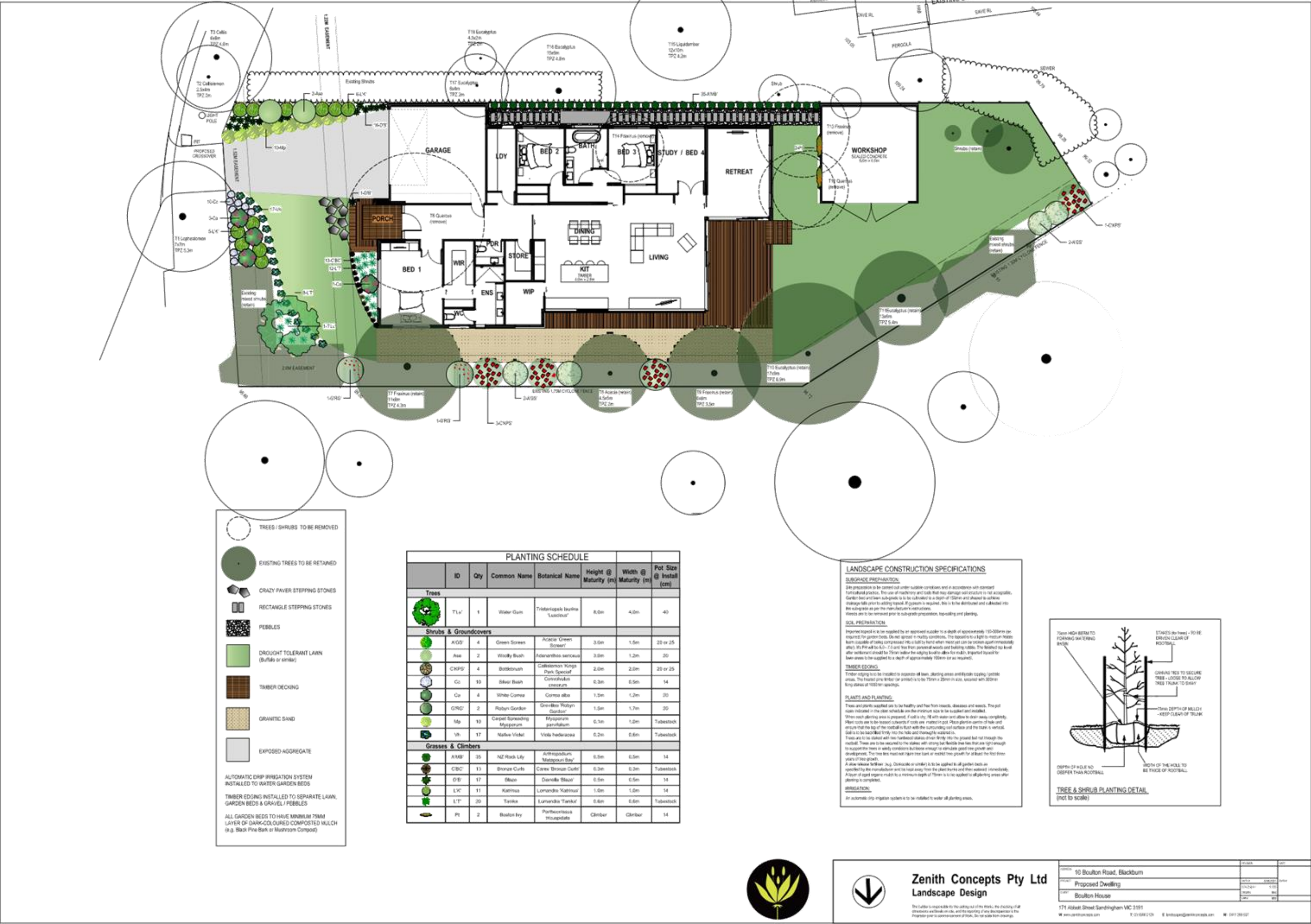




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## 11.4 Mont Albert Retail Sustainability Assessment

Attachment 1 Mont Albert Retail Assessment (25  
August 2021)



11.4 – ATTACHMENT 1. Mont Albert Retail Assessment (25 August 2021)

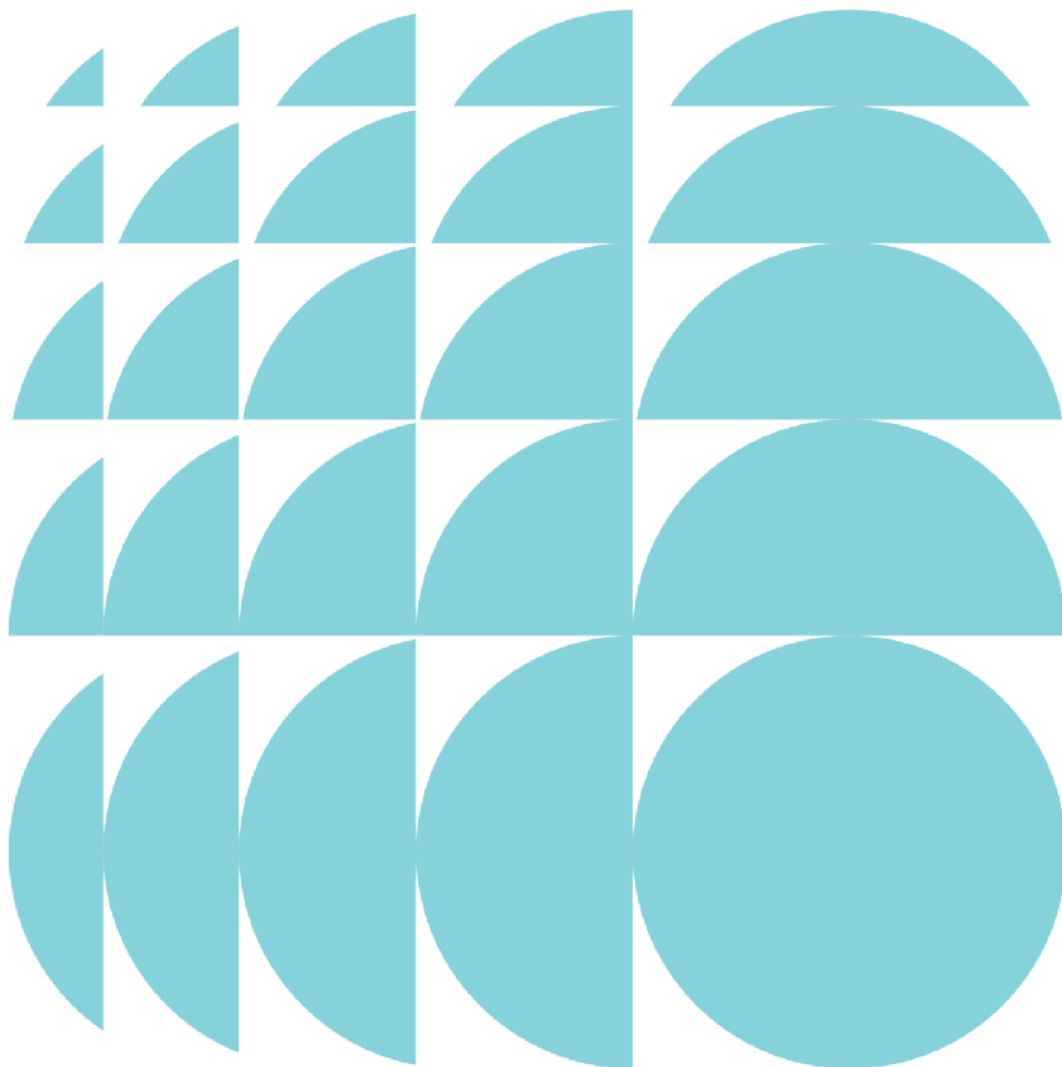
**ETHOS  
URBAN**

**Mont Albert Village**

**Retail Sustainability Assessment**

Prepared for HWL Ebsworth Lawyers

August 2021



**11.4 – ATTACHMENT 1. Mont Albert Retail Assessment (25 August 2021)**

*Authorship*

Report stage	Author	Date	Review	Date
Final report	Nick Brisbane	20 August 2021	Sean Stephens	25 August 2021

*Disclaimer*

Every effort has been made to ensure the accuracy of the material and the integrity of the analysis presented in this report. However, Ethos Urban Pty Ltd accepts no liability for any actions taken on the basis of report contents.

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***Our Reference: 3210136***

11.4 – ATTACHMENT 1. Mont Albert Retail Assessment (25 August 2021)

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## 11.4 – ATTACHMENT 1. Mont Albert Retail Assessment (25 August 2021)

### Mont Albert Village

#### Retail Sustainability Assessment

### Executive Summary

- 1 HWL Ebsworth Lawyers are acting on behalf of Whitehorse City Council in relation to the proposed rezoning of land at 1G Hamilton Street, Mont Albert (the Subject Site) to facilitate the development of a Woolworths supermarket in the order of 3,000m<sup>2</sup> to 4,000m<sup>2</sup>. It is understood the proposal may also involve a limited number of specialty stores. The Subject Site is currently in the Public Use Zone (Schedule 6) (PUZ6) of the Whitehorse Planning Scheme. To facilitate the development, the Subject Site will need to be in the C1Z.
- 2 Clause 22.06 of the Whitehorse Planning Scheme requires a Retail Sustainability Assessment (RSA) for an Amendment to the scheme that facilitates an expansion in shop floorspace of 3,000m<sup>2</sup> or more. This assessment addresses the need for the RSA, and assesses the demand and impact of the proposal.
- 3 The Development Site forms part of Mont Albert Village, identified as a Large Neighbourhood Centre in the *City of Whitehorse Retail Strategy Review (2010)*. A main-street style centre focussed along Hamilton Street, Mont Albert Village provides a range of local convenience retail and other facilities.
- 4 Mont Albert Village contains approximately 3,510m<sup>2</sup> of ground floor retail floorspace, including four vacancies totalling approximately 350m<sup>2</sup>. Accounting for other shopfront tenancies used for non-retail activities (e.g. offices), this represents a vacancy rate of 7% of floorspace and 9% of tenancies. This vacancy rate reflects a relatively healthy centre, particularly in the current environment when lockdowns associated with COVID-19 are occurring (at the time of writing this report, Victoria was in the sixth COVID-19 lockdown).
- 5 In regard to supermarket facilities, the centre contains a small and limited range Foodworks store of approximately 360m<sup>2</sup>. Approximately 440m<sup>2</sup> of floorspace is located on the Development Site comprising the Boulevard Café, Mislins Games and a vacant tenancy.
- 6 The proposed development of a full-line supermarket would support and enhance Mont Albert Village's role as a Large Neighbourhood Centre. A review of the Whitehorse Planning Scheme provides support for the proposed development as it would improve the level of local convenience retailing without undermining the wider activity centre hierarchy.
- 7 A review of the supply of supermarkets in the broader region illustrates that only a limited supply of supermarkets exists in the Main Trade Area (MTA). Coles Local in Surrey Hills is the only national brand supermarket, although represents a small format store accounting for only 1,280m<sup>2</sup> of floorspace. The Foodworks in Mont Albert is the other 'supermarket' (notwithstanding its very limited size) and is estimated to contain only 360m<sup>2</sup> of floorspace. In total, these two stores account for approximately 1,630m<sup>2</sup> of supermarket floorspace.
- 8 Residents are required to travel to centres beyond the MTA for their major supermarket shopping needs. The closest supermarkets to the MTA are in Box Hill Central (Coles and Woolworths), Balwyn (Woolworths), Mont Albert North (small-format Coles) and Box Hill South (ALDI).
- 9 A supermarket capacity assessment indicates the spending of MTA residents in 2021 is sufficient to support approximately 6,240m<sup>2</sup> of supermarket floorspace; this is approximately 4,600m<sup>2</sup> greater than the existing supply and indicates demand exists for additional supermarket floorspace in the MTA.
- 10 Proposed development can be supported. The proposed development would achieve retail sales in the order of \$41m and achieve a MTA market share of 11%. This is considered to be

#### 11.4 – ATTACHMENT 1. Mont Albert Retail Assessment (25 August 2021)

##### Mont Albert Village

##### *Retail Sustainability Assessment*

achievable and reflects the lack of easily accessible modern, full-line supermarkets in the local area.

- 11 Potential exists for the proposal to have positive impacts for Mont Albert Village retailers. The proposed development will constitute a significant change in the size and operation of the Village, with the proposed development forecast to almost triple the level of sales. The development of a full-line supermarket has the potential to attract around 1 million visits a year, a proportion of which may not have visited the Village previously. This provides an opportunity for local retailers and businesses to benefit from the significant increase in exposure to consumers. It will be important that connectivity between the proposed development, the balance of the Village and car parks is maximised.
- 12 The proposed development will not undermine the activity centre hierarchy. Competitive trading impacts are expected. However, these are not expected to be beyond the realm of normal competition or undermine the activity centre hierarchy. No centre is estimated to achieve an impact of greater than 10% on retail sales as a result of the proposal.
- 13 The development will lead to a reduction in retail spending escaping the MTA of approximately \$31m. This reflects the increased level of accessibility to supermarket shopping facilities for the local community.
- 14 The proposed development will have a positive impact on employment, with the development of a 3,600m<sup>2</sup> supermarket having the potential to support 180 jobs including full-time, part-time and casual positions.
- 15 Community passion exists relating to Mont Albert Village and it will be important that the proposed development considers the following:
  - Collaboration with the community (where and when possible).
  - Retention of the village 'feel and character.'
  - The surrounding heritage areas.
  - Access arrangements to the car park and supermarket so that it is integrated with the balance of the centre.
  - Any displaced retailers should there be speciality shops as tenants of the proposed development.
  - There are no lost car parks for traders.

## 11.4 – ATTACHMENT 1. Mont Albert Retail Assessment (25 August 2021)

### Mont Albert Village

#### Retail Sustainability Assessment

## Introduction

### Background

HWL Ebsworth Lawyers are acting on behalf of Whitehorse City Council in relation to the proposed rezoning of land at 1G Hamilton Street, Mont Albert (the Subject Site) to facilitate the development of a Woolworths supermarket in the order of 3,000m<sup>2</sup> to 4,000m<sup>2</sup>. It is understood the proposal may also involve a limited number of specialty stores.

The Subject Site is currently in the Public Use Zone (Schedule 6) (PUZ6) of the Whitehorse Planning Scheme. To facilitate the development, the Subject Site will need to be in the C1Z.

Clause 22.06 of the Whitehorse Planning Scheme requires a Retail Sustainability Assessment (RSA) for an Amendment to the scheme that facilitates an expansion in shop floorspace of 3,000m<sup>2</sup> or more. In response to this requirement, an assessment that addresses the need for the RSA as outlined in the Planning Scheme is required. In addition, opinions on the following are also sought, as outlined in the Letter of Instructions (dated 28 May 2021):

- The appropriateness of the proposal from an economic planning perspective.
- The Mont Albert Village and its Main Trade Area including:
  - The current (and proposed) retail mix
  - An overview and impact of current and future developments on future consumer demand
  - Current demographics and trends moving forward
  - Consumer needs and behaviours in light of the effect of the COVID19 pandemic
  - The impact of new retail floorspace on the hierarchy and role of activity centres in the City of Whitehorse
  - The extent to which the use and development meets the objectives and requirements of clauses 21.07 and 22.06.
- The impact on the proposal and operation of the Mont Albert Village centre of the following:
  - Construction of the grade separation associated with both Mont Albert Road and Union Road, and the combining of Surrey Hills and Mont Albert railway stations into one station located between to the current stations on the development and use of the Subject Site
  - The Suburban Rail Loop with stations at Box Hill and Burwood
  - The impacts of the COVID-19 pandemic in relation to the effects of low migration into the Box Hill area on the Mont Albert Neighbourhood Centre catchment; spending patterns, centre foot traffic and worker/student commuter traffic (particularly in relation to an increase in remote working and studying arrangements); and the unsuitability of the 2016 Census data as a standalone baseline
  - Any other matter deemed appropriate as identified through our research and investigations.

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## 11.4 – ATTACHMENT 1. Mont Albert Retail Assessment (25 August 2021)

### Mont Albert Village

#### *Retail Sustainability Assessment*

### **This Report**

This report contains the following chapters:

- Chapter 1: Context Analysis
- Chapter 2: Strategic Planning Context
- Chapter 3: Competitive Context
- Chapter 4: Trade Area Analysis
- Chapter 5: Retail Assessment
- Chapter 6: Other Considerations
- Chapter 7: Conclusions

### **Consultation**

In the preparation of this report consultation was undertaken with a number of stakeholders in Mont Albert Village. The purpose of this consultation is to provide background context for the proposed development, the operation of the Mont Albert Village and the potential implications of a number of proposals in proximity to Mont Albert Village on the operation of the centre. Where relevant, the findings of these discussions have been incorporated into the report commentary.

A list of those consulted is provided in the Appendix.

## 11.4 – ATTACHMENT 1. Mont Albert Retail Assessment (25 August 2021)

### Mont Albert Village

#### Retail Sustainability Assessment

## 1 Context Analysis

This Chapter provides an overview of the locational context, the Subject Site and Development Site, and the proposed development outcome.

### 1.1 Subject Site and Development Site

For the purpose of this assessment, the Subject Site refers Council owned land currently zoned Public Use Zone (PUZ). Key features of the Subject Site are as follows:

- **Land area:** Land area of 1,790m<sup>2</sup>.
- **Current use:** Currently used as a public car park containing 49 car parks. A 2-hour parking restriction currently applies to the site.
- **Frontages:** The Subject Site has frontages to both Hamilton Street and Mont Albert Road.

The Subject Site forms part of a broader Development Site, upon which the proposed supermarket will be developed. Key features of the Development Site are as follows:

- **Land area:** Land area of 4,370m<sup>2</sup>.
- **Land Use Zone:** Apart from the Subject Site, the balance of the Development Site is zoned Commercial 1 Zone (C1Z), the land use zone within the Whitehorse Planning Scheme that facilitates retail and activity centre development.
- **Current use:** In addition to the public car park which occupies the Subject Site, the Development Site includes a building with frontage to Mont Albert Road containing three retail tenancies including gaming store, café and a vacant tenancy. To the immediate east of the railway line is an automotive servicing business, and an art gallery.
- **Frontages:** The Development Site contains a 98-metre frontage to Mont Albert Road and a 15-metre frontage to Hamilton Street.





## 11.4 – ATTACHMENT 1. Mont Albert Retail Assessment (25 August 2021)

### Mont Albert Village

#### Retail Sustainability Assessment

It is understood potential exists for the property containing a two-storey brick building on the corner of Hamilton Street and Mont Albert Road to form part of the Development Site in the future subject to commercial negotiations between the landowner and Woolworths. For the purpose of this assessment, this land does not form part of the Development Site.

Both the Subject Site and the Development Site are shown in Figures 1.1 and 1.2.

**Figure 1.1: Subject Site and Development Site – Land Use Planning Zones**



Produced by Ethos Urban using MapInfo

## 11.4 – ATTACHMENT 1. Mont Albert Retail Assessment (25 August 2021)

### Mont Albert Village

#### Retail Sustainability Assessment

Figure 1.2: Subject Site and Development Site



Produced by Ethos Urban using MapInfo and Nearmap

### 1.2 Mont Albert Village

The Development Site forms part of Mont Albert Village, identified as a Large Neighbourhood Centre in the *City of Whitehorse Retail Strategy Review (2010)*. A main-street style centre focussed along Hamilton Street, Mont Albert Village provides a range of local convenience retail and other facilities.

Mont Albert Village contains approximately 3,510m<sup>2</sup> of ground floor retail floorspace, including four vacancies totalling approximately 350m<sup>2</sup>. Accounting for other shopfront tenancies used for non-retail activities (e.g. offices), this represents a vacancy rate of 7% of floorspace and 9% of tenancies. This vacancy rate reflects a relatively healthy centre, particularly in the current environment when lockdowns associated with COVID-19 are occurring (at the time of writing this report, Victoria was in the sixth COVID-19 lockdown).

In regard to supermarket facilities, the centre contains a small and limited range Foodworks store of approximately 360m<sup>2</sup>.

Approximately 440m<sup>2</sup> of floorspace is located on the Development Site comprising the Boulevard Café, Mislins Games and a vacant tenancy.

A key feature of Mont Albert Village is the local character, reinforced by the historical train station building at the northern edge of the centre. A Heritage Overlay applies to much of the centre, although does not directly impact the Development Site. Nevertheless, discussions with Council's heritage advisor indicate development of land adjacent to properties affected by a Heritage Overlay needs to have consideration to the features of the adjoining properties.

## 11.4 – ATTACHMENT 1. Mont Albert Retail Assessment (25 August 2021)

### Mont Albert Village

#### *Retail Sustainability Assessment*

It is understood the centre has historically under-performed in terms of sales and visitation levels. However, the onset of the COVID-19 pandemic and the associated lockdowns and restrictions on movement has reinforced the notion in the community of shopping locally.

Since the advent of COVID-19, food operators and those with an online presence in Mont Albert Village have traded reasonably well, although cafés and non-food retailers have been negatively impacted by the pandemic. Observations made during a field visit on 2 August 2021 undertaken before and after the lunchtime period, indicate a moderate level of visitation and activity throughout the centre.

A more detailed review of the tenancy mix and performance of Mont Albert Village is provided in Chapter 5.

The extent of Mont Albert Village and its relationship with the Subject and Development Sites is shown in Figures 1.1 and 1.2.

### 1.3 Proposed Development and Rezoning

Specific details of the proposed development are not yet known given the early stages of planning. However, it is understood that the proposal will involve the development of a full-line Woolworths supermarket, a BWS liquor store, limited speciality retail and basement car parks.

For the purpose of this assessment, it is assumed the following development will eventuate:

- Full-line supermarket in the order of 3,600m<sup>2</sup> including the BWS liquor store.
- Limited speciality retail in the order of 400m<sup>2</sup>.
- Basement car parking which replaces the current publicly available car parks at the Subject Site plus allowance for car parks associated with the supermarket.

Should the development proceed it is assumed 2024/25 will be the first full-year of trading. This takes into account potential timing associated with negotiations for the sale of the Subject Site, completion of the planning scheme amendment and construction of the development.

Currently, the Development Site accommodates approximately 440m<sup>2</sup> of retail floorspace consisting of three tenancies (The Boulevard Cafe, Mislms Games and a vacancy).

In effect, the proposed speciality retail floorspace (400m<sup>2</sup>) replaces the floorspace currently on this Development Site. However, it is likely the new specialty shops would trade at a higher level of sales given the improvement to amenity and exposure to Woolworths' customers.

### 1.4 Locational Context

Mont Albert Village is situated in a well-established residential area approximately 12km east of the Melbourne CBD. The suburb of Mont Albert comprises an affluent population reflected by above-average incomes and median house prices. The surrounding community comprises a slightly older population which is largely Caucasian, although comprises a growing Asian community.

Key local features relevant to the proposed development include the following:

- Accessibility to Mont Albert Village is largely via Mont Albert Road, an east-west connector road which connects with Elgar Road approximately 800m to the east and Burke Road approximately 4km to the west. The removal of the level crossing at Mont Albert will increase the level of accessibility to the centre. Connectivity to the centre in a north-south direction is restricted by the railway line and largely comprises local streets.

## 11.4 – ATTACHMENT 1. Mont Albert Retail Assessment (25 August 2021)

### Mont Albert Village

#### *Retail Sustainability Assessment*

- Mont Albert train station is located at the north end of Hamilton Street, although the station will be combined with the Surrey Hills station in the near future (refer Section 1.5)
- Box Hill is approximately 2km to the east and is identified as a Metropolitan Activity Centre in Plan Melbourne and which is undergoing significant development as well as comprising retail, commercial, health and education uses
- To the south-west of Mont Albert is the Surrey Hills centre, a neighbourhood centre that is anchored by a Coles Local supermarket.

An overview of key competing centres is provided in Chapter 3.

### 1.5 Major Projects

Three major infrastructure projects relevant to the future operation of Mont Albert Village are currently in planning. These include combining Mont Albert and Surrey Hills train stations, removal of level crossings at Mont Albert Road and Union Road, and the development of the Suburban Rail Loop connections at Box Hill.

A brief overview of these projects and the possible implications for Mont Albert Village Centre is provided below.

#### **Mont Albert Road and Union Road Grade Separation**

The State Government announced the fast-tracking of the level crossing removal at Mont Albert Road and Union Road in December 2020.

According to the Level Crossing Removal Project (LXRP) website, these two crossings accommodate approximately 22,000 vehicles crossings each day, with the boom gates going down for 40% of the morning peak period to accommodate 61 trains. Two fatalities and at least eight near-misses have occurred at these crossings since 2005.

The removal of the Mont Albert Road level crossing will improve the centre's amenity with reduced congestion, particularly during peak periods. Reduced congestion will also make the centre more accessible, for both those travelling to the centre by car and on foot.

Early works are scheduled to commence late 2021 with major works occurring during 2022. Construction is scheduled to be completed by 2023. Although yet to be confirmed, it is understood potential exists for Mont Albert Road to be closed for a period of around two weeks for construction works.

It is anticipated trading at Mont Albert Village will to some extent be impacted negatively by the construction works, particularly for the period when Mont Albert Road is closed. Anecdotally, the experience from other level-crossing removal projects would indicate that while the period of construction will negatively impact some businesses, it will not impact the longer-term viability of the centre.

It is expected that the LXRP will provide support to traders as they have done with other projects including the following:

- Social media competitions with prizes sourced from local traders
- Seasonal promotional activities such as Easter egg hunts and festivals featuring local traders
- Trader profiles in community newsletters
- Trader directories featuring discounts and promotional offers

## 11.4 – ATTACHMENT 1. Mont Albert Retail Assessment (25 August 2021)

### Mont Albert Village

#### Retail Sustainability Assessment

- Partnering with local traders to supply goods and services for our project team.

Construction and the removal of the Mont Albert Road level crossing will occur prior to the opening of the proposed supermarket. In this regard, the opening of a new major retailer has the potential to provide a positive impetus to the Mont Albert Village traders after a period where their trading may have been impacted during the level crossing removal.

Once completed, the removal of the level crossing will improve accessibility to the centre and have a positive impact on amenity.

### A New Premium Station - Mont Albert and Surrey Hills Station

In combination with the level crossing removals, the State Government has also announced fast tracking of the development of a new premium station between Mont Albert and Surrey Hills. The project involves closing the existing Mont Albert and Surrey Hills stations, with a new station located in between and providing a separate entrance for both communities.

A comparison of the locations of the existing Mont Albert station entrance, located to the north of Mont Albert Village, and the planned new entrance located to the south of Mont Albert Road is shown in Figure 1.3. The distance between the existing and planned station entrances is approximately 400m.

**Figure 1.3: Planned New Mont Albert and Surrey Hills Station**



Source: LXRP

The relocation of the Mont Albert station has the potential to have a small negative impact on retail sales in the Mont Albert Village.

Although the local resident population rather than the presence of the train station is the main driver of retail sales in Mont Albert Village, the location of a station does generate some sales and visitation for local retailers.



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One of the 10 principles for Transport Orientated Development identified by the Urban Land Institute (2003) is “make retail development market driven, not transit driven”.

*“The most important considerations for retail development are location, market, and design; proximity to transit is not a prime consideration in most markets. Transit access can strengthen the retail market, but the market must be viable without the transit component”.* (Urban Land Institute, 10 Principles for Transit Orientated Development, 2003, p.14)

Analysis of Victorian Integrated Survey of Transport and Activity (VISTA) data for 2018 indicates ‘shopping’ is the main purpose of around 7% of train trips, illustrating the limited role train stations perform in supporting retail activity.

Commuters predominantly undertake convenience-oriented shopping (e.g. coffee/snacks, top-up supermarket shopping) during their commute. To this extent, it is likely cafés and food-related retailers that may be impacted to some extent, largely during peak periods. However, based on observations during a field visit in August 2021, it did not appear that any businesses in Mont Albert Village relied predominantly on commuters as their main source of sales.

An aspect of the station relocation and level-crossing removal projects that has the potential to contribute positively to Mont Albert Village is the relocation and re-purposing of the heritage station building.

It is understood some uncertainty exists regarding the eventual location and use of the station building. Representatives of the Mont Albert Traders Association have indicated a preference for relocating the station building to the northern end of Hamilton Street for use as a community centre, allowing it to be visible from Mont Albert Road to the south.

Mont Albert Village does not currently have a community centre and this type of development has the potential to add to the mix of uses and encourage people to spend more time in the centre.

An overview of the overall station relocation and grade separation projects for both Mont Albert and Surrey Hills is provided in Figure 1.4.

### Suburban Rail Loop

Suburban Rail Loop is a \$50 billion project that will eventually provide a rail link from Cheltenham in Melbourne’s south-east to the Melbourne Airport. Preliminary works for Stage 1 are currently underway. Stage 1 involves the development of six new stations: Cheltenham, Clayton, Monash, Glen Waverley, Burwood and Box Hill.

The new Box Hill Station, in conjunction with the existing station, will provide further support for Box Hill as a Metropolitan Activity Centre and is located approximately 2km to the east of Mont Albert Village.

While SRL will provide significant benefits for business in the vicinity of Box Hill, it is not anticipated to have a significant impact on the day-to-day operation of Mont Albert Village.

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Figure 1.4 Level Crossing and Station Project



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## 2 Strategic Planning Context

A review of key strategic planning documents has been undertaken to inform the economic analysis presented in this report. An overview of features of the key strategic planning policies relevant to this proposal is provided below.

### 2.1 Planning Policy Framework

An overview of the state-level planning policy identified in the Planning Policy Framework (PPF) relevant to the proposal and as outlined in the Whitehorse Planning Scheme is referenced below.

Clause VPP 11.03-1S Activity Centres is particularly relevant and seeks to achieve the objective of:

*“To encourage the concentration of major retail, residential, commercial, administrative, entertainment and cultural developments into activity centres that are highly accessible to the community.”*

Other strategies identified to achieve the above include:

- Build up activity centres as a focus for high-quality development, activity and living by developing a network of activity centres that:
  - Comprises a range of centres that differ in size and function.
  - Is a focus for business, shopping, working, leisure and community facilities.
  - Provides different types of housing, including forms of higher density housing.
  - Is connected by transport.
- Maximises choices in services, employment and social interaction.
- Support the role and function of each centre in the context of its classification, the policies for housing intensification, and development of the public transport network.
- Reduce the number of private motorised trips by concentrating activities that generate high numbers of (non-freight) trips in highly accessible activity centres.
- Improve access by walking, cycling and public transport to services and facilities.
- Support the continued growth and diversification of activity centres to give communities access to a wide range of goods and services, provide local employment and support local economies.
- Encourage economic activity and business synergies.
- Improve the social, economic and environmental performance and amenity of activity centres.

The proposed development of a full-line supermarket at Mont Albert Village is consistent with the above as it will improve the level of services provided to the community. The development will also reduce the number of private motorised trips as it provides a local opportunity for full-line supermarket and grocery shopping that is not currently available, and would support the identified role of the Mont Albert Village as a Large Neighbourhood Centre.

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### Mont Albert Village

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## 2.2 Local Planning Framework

Clause 21.07 *Economic Development* of the Whitehorse Planning Scheme provides an overview of the municipality's economic profile, including a description of the activity centre hierarchy. Box Hill is identified as a Metropolitan Activity Centre, as per Plan Melbourne, while the importance of Forrest Hill, Burwood Heights and Nunawading Megamile are also identified. It is noted that the municipality contains around 60 neighbourhood centres which serve various roles.

A range of objectives relating to economic development are identified. Those relevant to Mont Albert and the proposal include the following (refer Clause 21.07-3):

- To develop the Box Hill Metropolitan Activity Centre as the major focus for retail, commercial, health, transport, education and entertainment facilities in Melbourne's east.
- To ensure that all shopping centres and civic spaces are safe, attractive and are developed in accordance with their role.
- To facilitate the redevelopment of key sites in association with the community.
- To ensure additional retail floorspace allows for improved access to retail goods and services by members of the community and supports the planned role and function of the activity centre and its place in the retail hierarchy.
- To encourage innovation in retailing and promote new retail formats where it can be demonstrated that consumer trends are evolving.
- To ensure Activity Centre development encourages a more effective use of public transport and cycling modes of transport.

The planning scheme seeks to ensure any future development is cognisant of the role and function of centres, and identifies the following strategy to ensure the suitability of new retail development:

- Require the submission of Retail Sustainability Assessments as part of proposals for amendments to the Planning Scheme or changes to an approved plan for expansions of retail floor space in Activity Centres and Neighbourhood Activity Centres.

Clause 22.06 *Activity Centres* provides further details on the municipality's activity centres and the need for a Retail Sustainability Assessment (RSA). Key objectives identified in Clause 22.06 include the following:

- To ensure that land use and development in activity centres reinforce, and are appropriate to, the role of the centre.
- To ensure that each centre responds to the needs of the community.
- To ensure that new retail floorspace reflects retail demand and considers the impact on the retail hierarchy and the planned role and function of other activity centres.
- To maintain and enhance the role of activity centres as a community focus.
- To improve the appearance and amenity of all activity centres.

Mont Albert is identified as a Large Neighbourhood Centre in the Retail Strategy Review (2010); an overview of the Retail Strategy Review is provided in Section 2.3. With regard to neighbourhood centres, Clause 22.06 identifies the following policy:

- **Large neighbourhood centres continue to focus on providing convenience retailing with limited comparison retailing for the weekly shopping needs of the local community.** [bold added]

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### Mont Albert Village

#### Retail Sustainability Assessment

- Smaller neighbourhood centres continue to focus on providing limited convenience retailing.
- The redevelopment and renovation of existing buildings and shop fronts, and other works, be encouraged to improve the visual amenity and streetscape of these centres and respond to the character of surrounding areas.
- Office and residential uses be encouraged in appropriate centres where the retailing function is declining.
- Adjoining Neighbourhood Centres provide a supporting role to the Whitehorse Road MegaMile Activity Centre.

With regard to the above, the development of a full-line supermarket would support the policy relating to the provision of convenience retail in large neighbourhood centres. It is important that the development contributes to an improved “visual amenity and streetscape of these centres and respond to the character of surrounding areas”.

It is also policy that “an Amendment to the Planning Scheme or change to a strategic framework plan approved under the Planning Scheme to facilitate expansion in shop floorspace above 3,000m<sup>2</sup> of leasable floor area in an Activity Centre listed in Plan Melbourne (not a Metropolitan Activity Centre) or 2000m<sup>2</sup> leasable floor area in a Neighbourhood Centre must be accompanied by a Retail Sustainability Assessment (RSA)”. This assessment responds to the requirement for an RSA. Numerous details relating to key features of the RSA are outlined in Clause 22.06.

### 2.3 Retail Strategy Review (2010)

The *City of Whitehorse Retail Strategy Review* was undertaken by MacroPlan in 2010. The Retail Strategy Review is somewhat dated being 11-years old. However, it provides a framework for strategies relating to activity centre development including introducing the need for RSA for amendments to the Planning Scheme which were gazetted to the Whitehorse Planning Scheme via amendment C142.

The Retail Strategy Review identifies Neighbourhood Activity Centres (NACs) as playing “an important ‘community’ based role in servicing the every-day needs of residents who live within close proximity to the centre”. A hierarchy of NACs is provided whereby small NACs contain up between 100m<sup>2</sup> to 1,000m<sup>2</sup> of retail floorspace, medium NACs contains up to 2,500m<sup>2</sup> of retail floorspace and large NACs contain up to 10,000m<sup>2</sup> of retail floorspace.

While Mont Albert is defined as a large NAC in the Retail Strategy Review, no significant guidance on the future role or development of the centre is provided.

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### Mont Albert Village

#### Retail Sustainability Assessment

## 3 Competitive Context

Mont Albert Village largely services the surrounding local population, although does attract a share of its customers from further afield who may be attracted to the centre for its 'authentic charm' and/or its range of traders. For example, it is understood the Vinnies op-shop attracts customers from a relatively wide geographic area.

An overview of the key competitive centres for the proposed supermarket and Mont Albert Village is provided below.

### **Box Hill Central**

Located approximately 1.6km east of Mont Albert Village, the centre services a sub-regional catchment and is identified as a Metropolitan Activity Centre in Plan Melbourne. Providing easy access to catchment area residents, the centre is prominently located on Whitehorse Road, a major east-west connector road and developed around the Box Hill Station.

Retailing in Box Hill comprises two enclosed centres (in combination known as Box Hill Central) and street-based retailing. Combined, the two enclosed centres contain approximately 34,230m<sup>2</sup> of retail floorspace, including two supermarkets: a Coles (3,260m<sup>2</sup>) and a Woolworths (3,750m<sup>2</sup>). Box Hill Central is also characterised by a large range of dining options, underpinned by the diverse cultural demographic profile of the surrounding area. Box Hill also includes a considerable fresh food offering and a range of ethnic-based food retailers.

Another feature of the Box Hill centre is high-density residential development, in-line with the State and Local planning vision for the broader precinct. The centre is planned to undergo significant development over the coming decade. Vicinity, who own and operate Box Hill Central, have outlined a vision for the centre containing a re-mix of retail uses, commercial floorspace and residential apartments. A number of planning applications are currently awaiting decision.

### **Surrey Hills**

Located approximately 900m south-west of Mont Albert Village, the centre services a neighbourhood-level catchment. Located adjacent to the Surrey Hills Station and along Union Road, the centre stretches north to Montrose Street, south to Canterbury Road, east to Florence Road, and west to Norfolk Road; noting in the west commercial uses (industrial and large-format retail) form an almost contiguous link to the Canterbury commercial precinct.

The centre offers a range of retail, office, large-format, and industrial uses, with retail uses concentrated north of the rail line. Coles Local (1,280m<sup>2</sup>) is the only supermarket in the centre, with the balance of retail uses largely providing food catering (cafes, restaurants etc). Coles Local is a smaller format Coles supermarket that provides a focus on high-quality products aligned to the surrounding affluent catchment.

### **Box Hill South**

Located approximately 1.7km south-east of Mont Albert Village on Canterbury Road, the centre services a neighbourhood catchment.

While the majority of tenancies front Canterbury Road, the centre's major tenant and only supermarket is ALDI (1,600m<sup>2</sup>), located on Station Street. A number of Asian markets are located in the centre including Tat Tsing, Bear Asian Grocery, J&J Grocery World, and India at Home.

### **Balwyn**

Located approximately 2.2km north-west of Mont Albert Village on Whitehorse Road, the Balwyn centre is easily accessible to a broad neighbourhood catchment.



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### **Mont Albert Village**

#### *Retail Sustainability Assessment*

Anchored by a mid-sized although strong performing Woolworths supermarket (2,300m<sup>2</sup>), the centre also includes a range of non-retail tenancies.

### **Mont Albert North**

Located approximately 1.9km north of Mont Albert Village, the centre services a local catchment.

Anchored by a small Coles supermarket (1,420m<sup>2</sup>), the centre also includes a butcher, bakery, and a range of dining options. On the north-west corner of the centre is a substantial office/health development.

### **Canterbury, Maling Road**

Located approximately 2.1km west of Mont Albert Village, the centre stretches along Maling Road, south-west of the intersection with Canterbury Road and adjacent to the Canterbury Station. Maling Road does not include a supermarket but is renowned for its historic amenity.

### **Middle Camberwell**

Located approximately 3km to the north-west of the Subject Site, Middle Camberwell includes a recently constructed Coles supermarket (approximately 3,500m<sup>2</sup>) and a well-established Woolworths supermarket (approximately 2,600m<sup>2</sup>). A neighbourhood centre, Middle Camberwell contains approximately 7,300m<sup>2</sup> of retail floorspace.

### **Burwood Brickworks**

Burwood Brickworks open in 2019 and contains approximately 13,000m<sup>2</sup> of retail floorspace including a Woolworths (4,200m<sup>2</sup>) and a Dan Murphy's. The centre includes an entertainment precinct including a 6-screen Reading cinema.

### **Blackburn South**

Blackburn South, a neighbourhood centre located approximately 4km to the east of Mont Albert Village. The centre is anchored by a full-line Woolworth supermarket (3,700m<sup>2</sup>).

### **Forest Hill Chase**

Forest Hill Chase is a sub-regional shopping centre and entertainment precinct located 5.5km to the east and includes 52,270m<sup>2</sup> of retail floorspace including Big W, Target, Coles, Woolworths, Harris Scarfe and ALDI.

Table 3.1 provides an overview of the key competing centres for Mont Albert Village.

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**Table 3.1 Key Competing Centres**

Centre	Estimated Retail Floorspace	Supermarkets	Distance from Mont Albert Village
Surrey Hills	5,500m <sup>2</sup>	Coles Local	0.9km
Box Hill Central	34,229m <sup>2</sup>	Coles, Woolworths	1.6km
Box Hill South	4,500m <sup>2</sup>	ALDI	1.7km
Mont Albert North	4,500m <sup>2</sup>	Coles	1.9km
Maling Road, Canterbury	4,460m <sup>2</sup>	NA	2.1km
Balwyn	5,000m <sup>2</sup>	Woolworths	2.2km
Middle Camberwell (Riversdale Road)	7,300m <sup>2</sup>	Coles, Woolworths	2.8km
Blackburn South	5,971m <sup>2</sup>	Woolworths	4.0km
Burwood Brickworks	13,000m <sup>2</sup>	Woolworths	4.1km
Forrest Hill Chase	55,204m <sup>2</sup>	Coles, Woolworth, ALDI	5.5km

Source: Property Council of Australia, Shopping Centres Directory 2020; Ethos Urban;

With respect to supermarkets, Mont Albert Village has a small, limited range Foodworks of approximately 360m<sup>2</sup>, which includes a liquor section. Currently, local residents are required to travel elsewhere for the majority of their supermarket shopping needs.

Definitions of full-line supermarkets can vary and change as operators change their models and views on preferred floorspace requirements to suit consumer trends. However, for the purpose of this report, a full-line supermarket represents a store that offers the full-range of supermarket merchandise including fresh food, bakery, deli and associated liquor. Stores comprising 3,000m<sup>2</sup> or more broadly reflect full-line supermarkets.

Box Hill Central provides the closest full-line supermarkets with the Woolworth (3,260m<sup>2</sup>) and Coles (3,260m<sup>2</sup>). However, given the size of Box Hill Central and its location these supermarkets are not considered the most convenient for most Mont Albert residents.

While Coles Local is located in Surrey Hills, it is a small-format store (1,280m<sup>2</sup>) and the proposed Woolworths will provide a different and more expansive offer. Consequently, potential exists for the proposed Woolworths to attract customers from the Surrey Hills area.

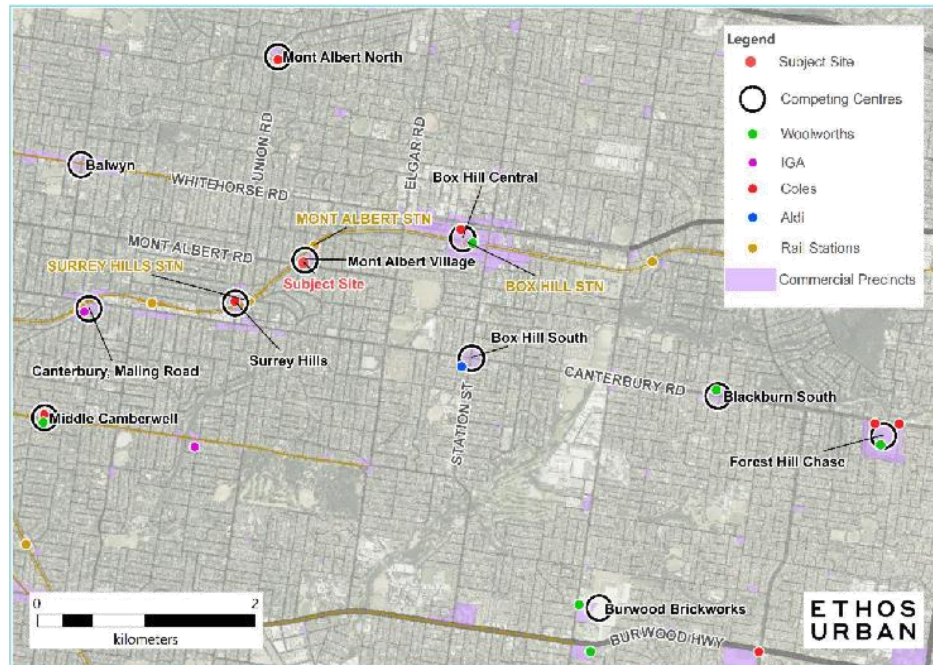
Having regard for the above competitive context, potential exists for the proposed Woolworths to capture a relatively high market share of spending from local residents.

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Figure 3.1: Competitive Context



Produced by Ethos Urban using MapInfo

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### 4 Trade Area Analysis

This Chapter provides a trade area analysis including defining a trade area for the proposed development and Mont Albert Village, and analysis of trade area population, demographics and retail spending.

#### 4.1 Trade Area Definition

A trade area describes the geographic area from which a centre will draw consistent and significant levels of patronage and sales. The trade area reflects the overall size of the market that is to be served, except for passing trade and other sales generated by non-trade area residents.

A trade area is defined with reference to several factors that typically influence the likely trading extent of any retail development. These factors include:

- The location, function and relative attractiveness of other shopping centres/outlets
- Local road network and accessibility of the site from the surrounding region
- The presence or otherwise of physical barriers such as major roads, railway lines, rivers, farmland etc
- Exposure to passing traffic
- Existing travel patterns such as travel to work.

The trade area for the Mont Albert Village is shown in Figure 4.1, which also shows the surrounding competitive context (refer Chapter 3). For analysis purposes the trade area includes:

- **Primary Trade Area (PTA)**, bound by Whitehorse Road in the north, Canterbury Road in the south, Union Road in the west, and Elgar Road and Surrey Drive in the east.
- **Secondary Trade Area North (STA-North)**, extends to Kenmare Street in the north, Narrak Road in the west, Elgar Road in the east, and Whitehorse Road in the south.
- **Secondary Trade Area South (STA-South)**, extends to Scottsdale Street and Shepherd Street in the south, Suffolk Road in the west, Monash Street the east, and Canterbury Road in the north.
- **Secondary Trade Area West (STA-West)**, extends to Clyde Street and Chatham Road in the west, the rail-line in the south, Whitehorse Road in the north, and Union Road in the east.

Combined, the above form the Main Trade Area (MTA) which represents the region in which the Mont Albert Village will generate a large proportion of sales.

While the MTA does not extend to the east of Elgar Road, it is expected that a small proportion of customers would come from beyond the MTA in the Box Hill area.

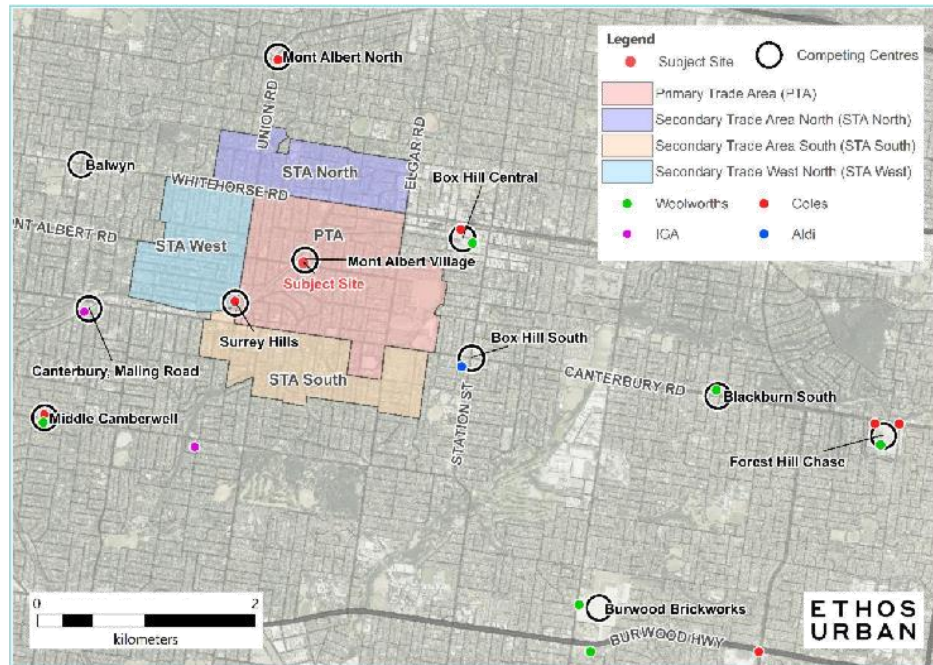


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Figure 4.1 Mont Albert Village Main Trade Area



Source: Ethos Urban

## 4.2 Population Trends and Forecasts

### Population Trends and Forecasts

Currently, the MTA has an estimated population of approximately 15,880 residents, including approximately 6,090 residents in the PTA and 9,790 residents in the STAs.

Recent population growth in the MTA has been focussed in the PTA and STA-South, with the PTA population increasing by approximately +40 persons per year and the STA-South by +40 persons per year between 2016 and 2021.

Moderate growth is expected for the MTA to 2035 when the population is forecast to reach approximately 18,000 residents, including approximately 6,790 residents in the PTA and 11,030 residents in the STAs.

Population trends and forecasts for the trade area are summarised in Table 4.1 and are based on analysis of projections prepared by the Department of Environment, Land, Water, and Planning in Victoria in Future 2019. Furthermore, the forecasts also take into consideration short-term impacts of COVID-19.

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**Table 4.1: Historical and Projected Population, Mont Albert MTA, 2016 to 2035**

	2016	2021	2025	2030	2035
<b>Population</b>					
<b>PTA</b>	<b>5,910</b>	<b>6,090</b>	<b>6,290</b>	<b>6,620</b>	<b>6,970</b>
STA-North	2,430	2,460	2,480	2,520	2,570
STA-West	3,620	3,660	3,790	4,010	4,240
STA-South	3,550	3,670	3,810	4,020	4,220
<b>Total STA</b>	<b>9,600</b>	<b>9,790</b>	<b>10,080</b>	<b>10,550</b>	<b>11,030</b>
<b>MTA</b>	<b>15,510</b>	<b>15,880</b>	<b>16,370</b>	<b>17,170</b>	<b>18,000</b>
<b>Annual Growth (no.)</b>					
<b>PTA</b>		<b>40</b>	<b>50</b>	<b>70</b>	<b>70</b>
STA-North		10	10	10	10
STA-West		10	30	40	50
STA-South		20	40	40	40
<b>Total STA</b>		<b>40</b>	<b>70</b>	<b>90</b>	<b>100</b>
<b>MTA</b>		<b>70</b>	<b>120</b>	<b>160</b>	<b>170</b>
<b>Annual Growth (%)</b>					
<b>PTA</b>		<b>0.6%</b>	<b>0.8%</b>	<b>1.0%</b>	<b>1.0%</b>
STA-North		0.2%	0.2%	0.3%	0.4%
STA-West		0.2%	0.9%	1.1%	1.1%
STA-South		0.7%	0.9%	1.1%	1.0%
<b>Total STA</b>		<b>0.4%</b>	<b>0.7%</b>	<b>0.9%</b>	<b>0.9%</b>
<b>MTA</b>		<b>0.5%</b>	<b>0.8%</b>	<b>1.0%</b>	<b>0.9%</b>

Source: ABS, Regional Population; DELWP, Victoria in Future 2019; Ethos Urban

### Impacts of COVID-19 on Population Forecasts

Victoria in Future 2019 projections were produced before the onset of the COVID-19 pandemic which has, and will have, an impact on population growth associated with the closing of international borders and restrictions on domestic movement. The impacts of COVID-19 on population growth will be felt most in areas that relied on international migration as a significant source of population growth.

The components of population growth in the SA2 of Surrey Hills (East) – Mont Albert and Surrey Hills (West) – Canterbury are shown in Figure 4.2. These two SA2s combine to form parts of the MTA. Box Hill SA2 is also shown which includes a small proportion of the PTA although is primarily shown as a point of comparison.

Surrey Hills (East) – Mont Albert, which is the main reference point for population growth in the MTA, is experiencing natural increase (i.e. more births than deaths). However, net internal migration is negative, meaning more people are leaving Surrey Hills (East) – Mont Albert than being attracted to the suburb. Net internal migration is being replaced at a rate of 1.1 by overseas migration. Effectively, the number of people leaving Mont Albert for other locations in Australia is being replaced by overseas migrants.

In Surrey Hills (West) – Surrey Hills, natural increase is negative, meaning more deaths than births and internal migration is being replaced by overseas migration at a rate of 1.6.

Box Hill is experiencing natural increase and a strong rate of net overseas migration, with overseas migrants replacing internal departures at a rate of 3.5.

On the basis of the analysis of the components of population change for Surrey Hills (East) – Mont Albert, COVID-19 is likely to have an impact on population growth in the MTA during the period when international borders are closed. However, the longevity of this impact is uncertain at present.

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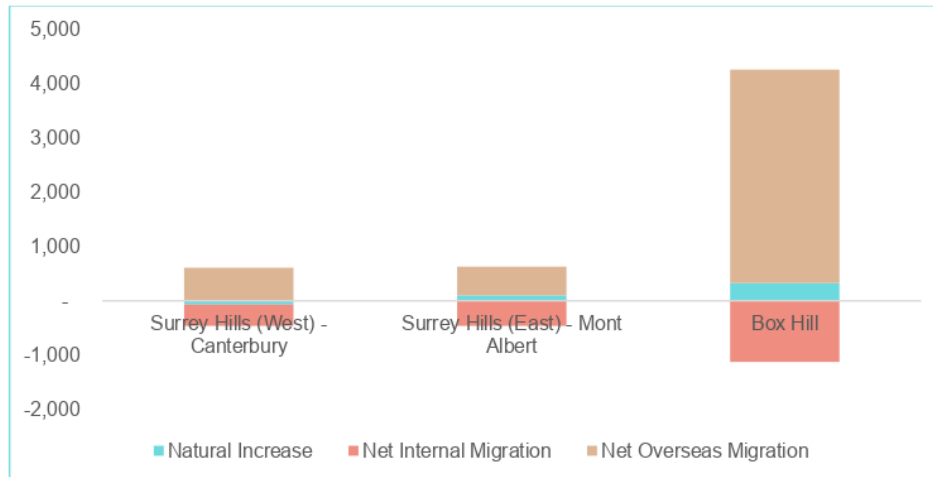
### Mont Albert Village

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The Centre for Population forecasts net international migration in Melbourne will be close to zero in 2022 (-2,600 persons) before returning to positive numbers in 2023 and beyond.

The population forecasts shown in Table 4.1 take into account assumptions relating to a lower level of population growth over the 2021 to 2023 period compared to *Victoria in Future 2019* to reflect these expected short-term COVID-19 impacts.

**Figure 4.2: Components of Population Change, 2016-20 (by SA2)**



Source: ABS

### 4.3 Demographic Characteristics

The socio-demographic profile of residents in the MTA are compared to City of Whitehorse and Greater Melbourne and are summarised in Table 4.2. The main observations are as follows:

- **Higher incomes.** Household incomes in the MTA (\$108,370) are significantly above the Greater Melbourne average (\$80,990), and City of Whitehorse (\$78,560). This reflects the affluent nature of the MTA population.
- **Older age profile.** The median age of MTA residents (40.0 years) is older than the City of Whitehorse average (38.1 years) and the Greater Melbourne average (36.3 years).
- **Low proportion of residents born in non-English speaking countries.** A relatively small proportion of MTA residents were born in non-English speaking countries (21.0%); compared to Greater Melbourne (28.1%) and City of Whitehorse (34.7%).
- **Couple families with children.** The MTA has a higher proportion of couple families with children households (40.8%) compared to City of Whitehorse (35.7%) and Greater Melbourne (35.5%). This is underpinned by older families.
- **High housing costs.** The median monthly mortgage repayment in the MTA (\$2,470) is significantly above the City of Whitehorse (\$1,670) and Greater Melbourne (\$1,860). Similarly, median weekly rent in the MTA (\$420) is also higher than the City of Whitehorse (\$380) and Greater Melbourne (\$360).
- **High share of homes owned outright.** In the MTA, a significantly higher share of dwellings are owned outright (41.4%) compared with City of Whitehorse (37.6%) and Greater Melbourne (31.4%).



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- **Semi-detached and townhouse dwellings.** Semi-detached and townhouse dwellings represent a substantial share of occupied dwelling supply in the MTA (30.0%), compared to the City of Whitehorse (23.9%) and Greater Melbourne (16.8%). This reflects the established nature of the MTA's property market and the three rail station precincts in the MTA where higher residential density is encouraged.

A spatial overview of the selected demographics within the MTA and adjoining areas including income, origin of birth, university attendance and age is shown in Figure 4.2. It is evident that Mont Albert and the MTA in general differs in its demographic profile to Box Hill to the east. Compared to Box Hill, the MTA reflects a largely Caucasian, older population with higher incomes, and less students.

In summary, the MTA's socio-demographic profile highlights the area's established and affluent population, with a high proportion of older families with children, semi-detached/townhouse dwellings, high housing costs, incomes and levels of home ownership.

Note: It is acknowledged that the demographic characteristics described in this Section refers to data from 2016, which is now five years old. At the time of writing (August 2021), this reflected the latest and best available demographic data. Information from the 2021 Census will not be available until mid-2022 or later.

Anecdotally, it is understood that demographic change in and around Mont Albert is occurring, with more younger families and a greater level of ethnic diversity. This is supported by the migration data shown in Figure 4.2 which shows natural increase is occurring in Mont Albert (more babies compared to deaths), and negative internal migration which is being replaced by positive overseas migration.

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Table 4.3 Socio-demographic Profile, Mont Albert Village MTA, 2016

Category	PTA	STA	MTA	City of Whitehorse	Greater Melbourne
<b><u>Income</u></b>					
Median individual income (annual)	\$42,400	\$44,920	\$43,910	\$32,270	\$35,100
Variation from Greater Melbourne median	20.8%	28.0%	25.1%	-8.1%	na
Median household income (annual)	\$103,910	\$111,360	\$108,370	\$78,560	\$80,990
Variation from Greater Melbourne median	28.3%	37.5%	33.8%	-3.0%	na
<b><u>Age Structure</u></b>					
Median Age (years)	38.9	40.7	40.0	38.1	36.3
<b><u>Country of Birth</u></b>					
Australia	69.9%	72.9%	71.8%	59.8%	65.0%
Other Major English Speaking Countries	7.2%	7.3%	7.3%	5.5%	6.9%
Other Overseas Born	22.9%	19.8%	21.0%	34.7%	28.1%
<b><u>Household Composition</u></b>					
	-	-	-	-	-
Couple family with no children	24.3%	22.3%	23.1%	23.8%	24.3%
Couple family with children	36.9%	43.2%	40.8%	35.7%	35.5%
Couple family – Total	61.2%	65.5%	63.9%	59.6%	59.8%
One parent family	8.4%	7.3%	7.7%	9.9%	10.7%
Other families	1.2%	1.0%	1.1%	1.4%	1.3%
Family Households – Total	70.9%	73.9%	72.7%	70.9%	71.8%
Lone person household	24.7%	23.3%	23.9%	23.9%	23.3%
Group Household	4.4%	2.8%	3.4%	5.2%	4.9%
<b><u>Dwelling Structure*</u></b>					
Separate house	57.3%	63.6%	61.2%	68.1%	68.1%
Semi-detached, townhouse etc.	29.3%	30.4%	30.0%	23.9%	16.8%
Flat, unit or apartment	13.4%	6.0%	8.8%	7.9%	14.7%
Other dwelling	0.0%	0.0%	0.0%	0.1%	0.3%
Occupancy rate	90.5%	91.1%	90.9%	91.6%	90.4%
Average household size	2.6	2.7	2.7	2.6	2.7
<b><u>Tenure Type*</u></b>					
	-	-	-	-	-
Owned outright	40.1%	42.3%	41.4%	37.6%	31.4%
Owned with a mortgage	28.7%	33.9%	31.8%	32.7%	37.1%
Rented	30.6%	21.9%	25.3%	28.3%	30.9%
Other tenure type	0.7%	2.0%	1.5%	1.4%	0.6%
<b><u>Housing Costs</u></b>					
	-	-	-	-	-
Median monthly mortgage repayment	\$2,350	\$2,580	\$2,470	\$1,670	\$1,860
Variation from Greater Melbourne median	26.3%	38.7%	32.8%	-10.2%	0.0%
Median weekly rents	\$410	\$420	\$420	\$380	\$360
Variation from Greater Melbourne median	13.9%	16.7%	16.7%	5.6%	0.0%

Source: ABS, Census of Population and Housing 2016

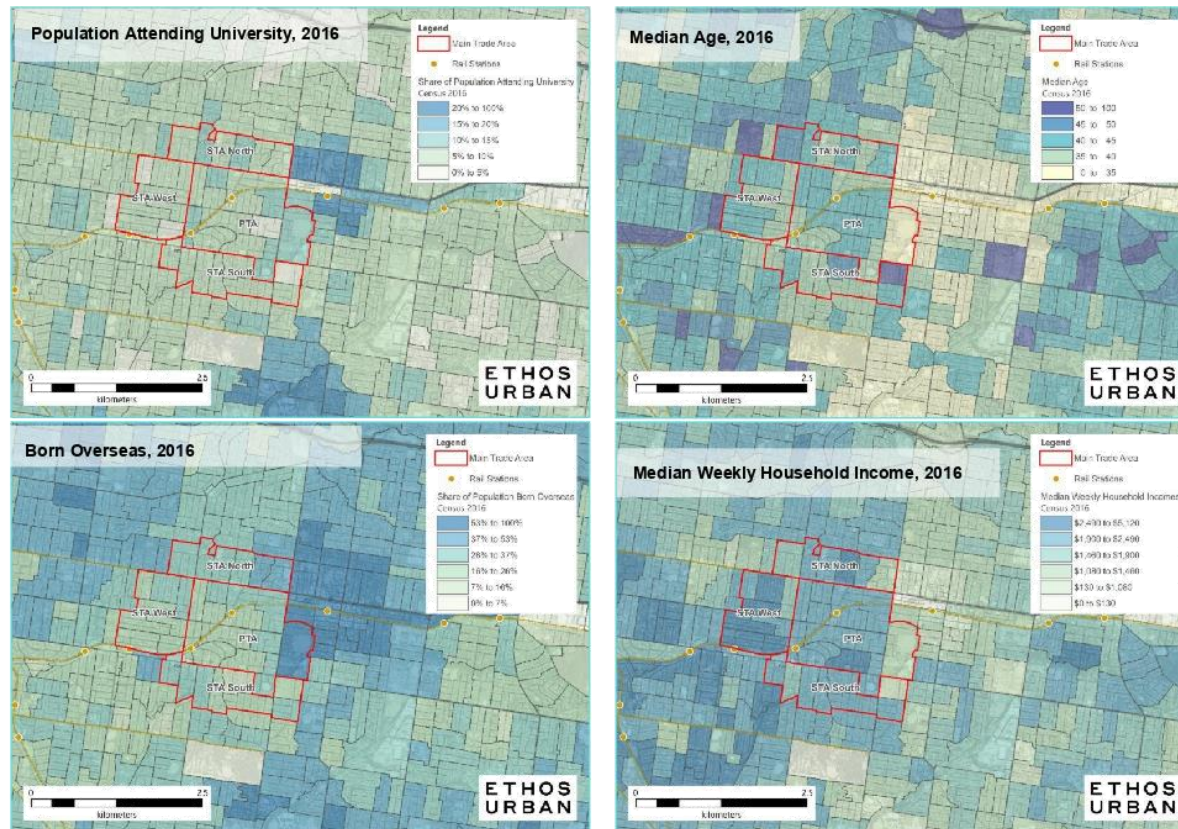
Note: \*Occupied Private Dwellings

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Figure 4.2: Demographic Characteristics, 2016



Source: ABS, Census of Population and Housing, 2016; MapInfo; Ethos Urban

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### 4.4 Retail Spending

Estimates of per capita retail spending by trade area residents has been prepared with reference to the *MarketInfo* retail spending model. *MarketInfo* is a micro-simulation model which uses data from the ABS Household Expenditure Survey (HES), the ABS 2016 Census of Population and Housing, ABS Australian National Accounts, and other relevant sources.

The retail spending data is presented in the following retail spending categories:

- **Food, Liquor and Groceries (FLG)**, including fresh food, groceries and take-home liquor. FLG is the most relevant retail category when assessing supermarket development.
- **Food Catering**, including cafes, restaurants and takeaway food
- **Non-Food**, including apparel, homewares, bulky merchandise and general merchandise and services.

Estimates of total retail spending between 2021 and 2035 are shown in Table 4.4 and have been calculated with reference to average per capita spending at a small area level (SA1) and population forecasts shown in Section 4.2.

In addition, the estimates include real growth in per capita spending, calculated with reference to historical growth rates in retail spending over the past 20 years as derived from ABS Australian National Accounts data.

Total retail spending by MTA residents is forecasted to increase from approximately \$290m in 2021 to \$377m in 2035, representing an increase of +\$87m over 14 years.

Total retail spending by PTA residents is forecasted to increase from approximately \$110m in 2021 to \$144m in 2035, representing an increase of +\$34m over 14 years.

Note, that all figures are expressed in constant 2021 dollars, and thus the effects of inflation are excluded.



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Table 4.4: MTA Retail Spending, 2021-2035 (2021 dollars)

Retail Category	2021	2025	2030	2035
<b>Primary Trade Area</b>				
FLG	\$39.0m	\$40.7m	\$43.5m	\$46.4m
Food Catering	\$15.6m	\$16.5m	\$17.8m	\$19.2m
Non-Food	\$55.5m	\$60.9m	\$69.2m	\$78.7m
<b>Total Retail</b>	<b>\$110.1m</b>	<b>\$118.1m</b>	<b>\$130.4m</b>	<b>\$144.3m</b>
<b>STA North</b>				
FLG	\$16.0m	\$16.3m	\$16.8m	\$17.4m
Food Catering	\$6.1m	\$6.3m	\$6.6m	\$6.9m
Non-Food	\$23.3m	\$25.0m	\$27.4m	\$30.2m
<b>Total Retail</b>	<b>\$45.5m</b>	<b>\$47.6m</b>	<b>\$50.8m</b>	<b>\$54.5m</b>
<b>STA South</b>				
FLG	\$23.2m	\$24.3m	\$26.0m	\$27.7m
Food Catering	\$8.5m	\$9.0m	\$9.7m	\$10.4m
Non-Food	\$32.2m	\$35.6m	\$40.6m	\$46.0m
<b>Total Retail</b>	<b>\$63.9m</b>	<b>\$68.9m</b>	<b>\$76.3m</b>	<b>\$84.1m</b>
<b>STA West</b>				
FLG	\$24.7m	\$25.8m	\$27.7m	\$29.7m
Food Catering	\$9.4m	\$10.0m	\$10.8m	\$11.7m
Non-Food	\$36.7m	\$40.4m	\$46.1m	\$52.7m
<b>Total Retail</b>	<b>\$70.8m</b>	<b>\$76.2m</b>	<b>\$84.7m</b>	<b>\$94.1m</b>
<b>Total Secondary Trade Area</b>				
FLG	\$63.9m	\$66.5m	\$70.6m	\$74.9m
Food Catering	\$24.1m	\$25.3m	\$27.1m	\$29.1m
Non-Food	\$92.2m	\$100.9m	\$114.1m	\$128.8m
<b>Total Retail</b>	<b>\$180.1m</b>	<b>\$192.7m</b>	<b>\$211.8m</b>	<b>\$232.7m</b>
<b>Main Trade Area</b>				
FLG	\$102.8m	\$107.2m	\$114.1m	\$121.3m
Food Catering	\$39.7m	\$41.7m	\$44.9m	\$48.2m
Non-Food	\$147.7m	\$161.9m	\$183.3m	\$207.5m
<b>Total Retail</b>	<b>\$290.2m</b>	<b>\$310.8m</b>	<b>\$342.2m</b>	<b>\$377.0m</b>

Source: MarketInfo; Ethos Urban

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## 5 Retail Assessment

This Chapter provides a retail assessment of Mont Albert Village, including estimated sales and market share, and an assessment of the impact of the proposed development on the balance of the Mont Albert Village and competing centres.

### 5.1 Mont Albert Village Centre Overview

While categorised as a 'Large Neighbourhood Centre' in local policy, in reality, Mont Albert Village currently serves a more local role. Compared to other larger neighbourhood centres in the City of Whitehorse anchored by major supermarkets, Mont Albert Village does not benefit from the custom attracted by a large national brand supermarket.

However, Mont Albert Village has its own 'charm' or character that is influenced by historical buildings and which is valued by the local community and traders. This also attracts customers from further afield, and any development at the Subject Site would benefit from complementing the existing Mont Albert Village character.

Based on a floorspace survey undertaken in August 2021 and information provided by Council, Mont Albert Village contains approximately 3,510m<sup>2</sup> of ground floor retail floorspace, including four vacancies totalling approximately 350m<sup>2</sup>. Accounting for other shopfront tenancies used for non-retail activities (e.g. offices), this represents a vacancy rate of 7% of floorspace and 9% of tenancies. This vacancy rate reflects a relatively healthy centre, particularly in the current environment when lockdowns associated with COVID-19 are occurring (at the time of writing this report, Victoria was in the sixth lockdown).

A small-format Foodworks store is the main FLG tenancy and occupies approximately 360m<sup>2</sup> of floorspace including groceries and a liquor section.

**Table 5.1: Mont Albert Village Retail Floorspace, August 2021**

Retail Category	Floorspace	Tenancies
Food, Liquor and Groceries (FLG)	820m <sup>2</sup>	5
Food Catering	690m <sup>2</sup>	7
Non-Food	2,000m <sup>2</sup>	21
<b>Total Occupied Retail</b>	<b>3,510m<sup>2</sup></b>	<b>33</b>
Vacant	350m <sup>2</sup>	4
Other shopfront tenancies	1,450m <sup>2</sup>	9
<b>Total Shopfront</b>	<b>5,310m<sup>2</sup></b>	<b>46</b>
<i>Vacancy rate</i>	6.6%	8.7%

Source: Ethos Urban

### 5.2 Mont Albert Village Estimated Sales and Market Share, 2021

Mont Albert Village generated retail sales of \$21m in 2021 (in constant 2021 dollars), reflecting an average of approximately \$5,900/m<sup>2</sup>. Sales have been estimated having regard for the tenancy mix (refer Table 5.1), general industry benchmarks for varying types of retailers and observations made during a field visit in August 2021.

Average sales of approximately \$5,900/m<sup>2</sup> represents a relatively strong performing small neighbourhood centre and reflects the limited vacancy rate. The sales estimate incorporates relatively strong performing food retailers (e.g. Foodworks, bakery, butcher, deli) who have

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performed well in light of a return to shopping locally driven by restrictions on movement due to COVID-19. Conversely, it also reflects a lower level of sales per square metre for non-food retailers.

The distribution of sales is outlined in Table 5.2 and assumes 60% of sales are derived from the PTA, 25% from the STA and 15% from beyond the MTA. On this basis, retailers in Mont Albert Village capture an estimated 6% of MTA retail spending (refer Section 4.4), including 11% of spending in the PTA and 3% in the STA. This level of market share reflects the limited scale of retail floorspace in the centre and the local role it serves.

**Table 5.2: Mont Albert Village – Estimated Sales and Market Share, 2021**

Category	Value	
Retail floorspace	3,510/m <sup>2</sup>	
Average sales	\$5,930/m <sup>2</sup>	
Estimated Sales	\$20.8m	
Distribution of Sales	%	\$
PTA	60.0%	\$12.5m
STA	25.0%	\$5.2m
MTA	85.0%	\$17.7m
Beyond	15.0%	\$3.1m
Market Share, 2021		
PTA	11%	
STA	3%	
MTA	6%	

Source: Ethos Urban

### 5.3 Implications of COVID-19 on Local Retailing

COVID-19 has had numerous impacts on the way we live, work, shop and socialise. Along with the health impacts, the various lockdowns and restrictions have impacted retailers in varying ways, depending on the specific retail sector and/or location.

With regard to local retailing, a combination of Working From Home (WFH), lockdowns and a desire to support local businesses during difficult times has meant many consumers have re-engaged with their local centres and reduced their share of spending to larger, and more distant centres. This has had positive impacts on trading levels of some retailers in Mont Albert Village, in particular food retailers including supermarkets and specialty food retailers (e.g. bakeries, butchers, delicatessens, fresh fruit and vegetable stores, etc).

However, some retail sectors have been severely negatively impacted including cafés and restaurants who have had limits imposed the amount of people they can accommodate and/or been made to provide takeaway services only.

Other retailers such as apparel retailers or retailers of goods that are also commonly sold online have been subject to competitive pressures over a longer period as the growth online retailing has been occurring for some time. COVID-19 has accelerated the growth in online retailers and has meant these types of retailers need to have both an online presence as well as a 'bricks and mortar store'.

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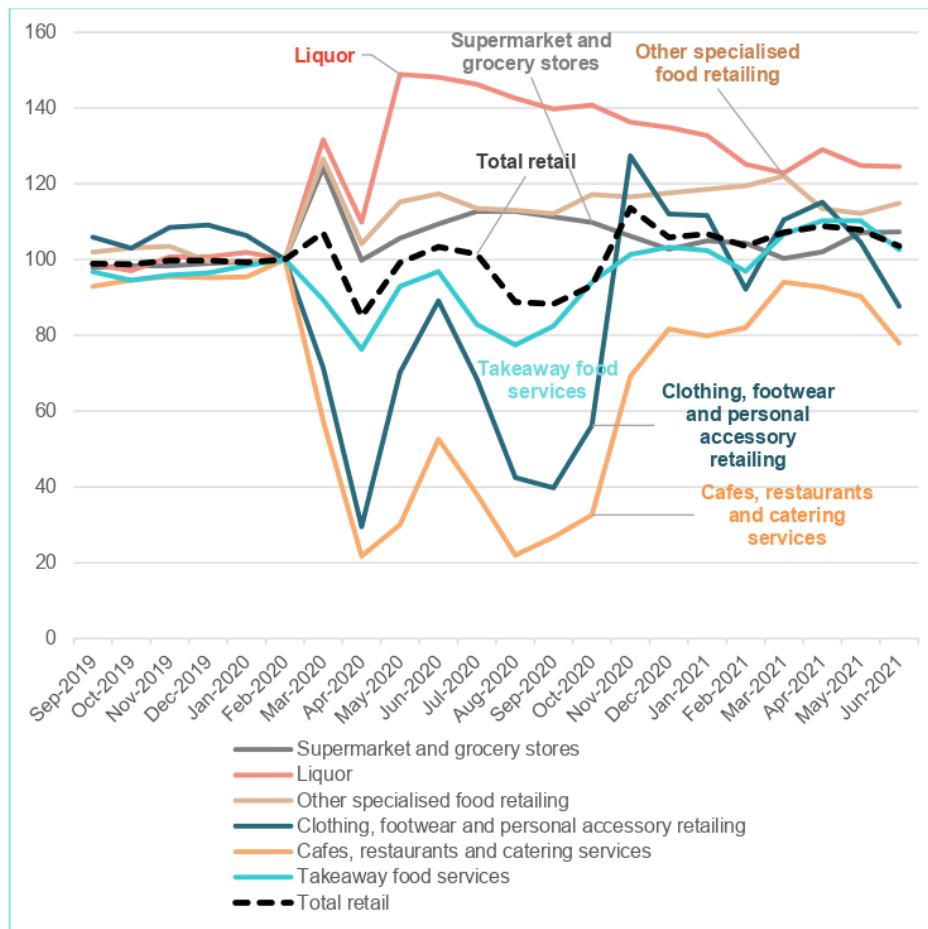
### Mont Albert Village

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Providing the incidence of 'lockdowns' subsides, the trend of consumers re-engaging with their local centres has potential to have a positive impact on local centres such as Mont Albert in the longer-term.

A comparison of retail turnover for selected retail categories compared to turnover recorded in February 2020 is shown in Figure 5.1 and illustrates how the impacts of COVID-19 varying be retail sector.

**Figure 5.1: Index of Retail Turnover, Victoria (100 = February 2020)**



Source: ABS, Retail Trade, Australia; Ethos Urban

## 5.4 Estimated Sales of Proposed Development

### Estimated Supermarket Sales

An estimate of supermarket sales at the Development Site considers the following:

- The first full-year of trading for the proposed full-line supermarket operated by Woolworths will be 2024/25.



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#### Retail Sustainability Assessment

- Approximately 70% of FLG spending is directed to supermarkets.
- Supermarkets will capture a share of FLG spending directed to supermarkets (referred to as 'market share'). The assumed market shares are as follows:
  - PTA: 55%
  - STA North: 25%
  - STA West: 35%
  - STA South: 35%
  - Total STA: 33%
  - MTA: 41%

The above market shares reflect the level of accessibility of each trade area to the Development Site and the relative choice in supermarkets. In addition, the market shares reflect the notion that the proposed supermarket will be the only large, full-line modern supermarket in the surrounding region.

- Approximately 15% of supermarket sales will be captured from shoppers living beyond the MTA.
- Non-FLG items will account for approximately 5% of sales for the planned full-line supermarket.

Taking into account the above, it is estimated the proposed Woolworths could achieve sales in the order of \$38m in 2025, increasing to \$43m in 2035 in-line with population and spending growth. This level of sales is considered sufficient to support a full-line Woolworths store and reflects the proposition a store in this location would be the major supermarket shopping location for PTA residents, while also be a relatively attractive option for STA residents to undertake their weekly shopping requirements.

This level of sales would be sufficient to support a full-line store in the order of 3,600m<sup>2</sup>.

**Table 5.3: Estimated Supermarket Sales, 2025-2035 (2021 dollars)**

Year	Supermarket Sales
2025	\$38.2m
2026	\$38.7m
2027	\$39.2m
2028	\$39.7m
2029	\$40.2m
2030	\$40.7m
2031	\$41.2m
2032	\$41.7m
2033	\$42.3m
2034	\$42.8m
2035	\$43.3m

Source: Ethos Urban

## 11.4 – ATTACHMENT 1. Mont Albert Retail Assessment (25 August 2021)

### Mont Albert Village

#### Retail Sustainability Assessment

#### Total Estimated Sales

In addition to supermarket sales, the assumed 400m<sup>2</sup> of speciality floorspace will also generate retail sales. Assuming the speciality retail floorspace achieves average sales in the order of \$7,500/m<sup>2</sup>, the proposed development would achieve total sales in the order of \$41m in 2025. Assuming 85% of sales are derived from the MTA, this reflects a market share of 11% of all MTA resident retail spending.

**Table 5.4: Estimated Supermarket Sales, 2025 (2021 dollars)**

Category	2025
<b>Floorspace</b>	
Supermarket	3,600m <sup>2</sup>
Speciality retail	400m <sup>2</sup>
Total	4,000m <sup>2</sup>
<b>Average Sales</b>	
Supermarket	\$10,600/m <sup>2</sup>
Speciality retail	\$7,500/m <sup>2</sup>
Total	\$10,290/m <sup>2</sup>
<b>Total Sales</b>	
Supermarket	\$38.2m
Speciality retail	\$3.0m
Total	\$41.2m
% from MTA	85%
MTA Sales	\$35.0m
MTA Retail Spending	\$310.8m
MTA Market Share	11.3%

Source: Ethos Urban

### 5.5 Supermarket Capacity Assessment

A review of the supply of supermarkets in the broader region illustrates that only a limited supply of supermarkets exists in the MTA.

Coles Local in Surrey Hills is the only national brand supermarket, although represents a small format store accounting for only 1,280m<sup>2</sup> of floorspace. The Foodworks in Mont Albert is the other 'supermarket' (notwithstanding its very limited size) and is estimated to contain only 360m<sup>2</sup> of floorspace. In total, these two stores account for approximately 1,630m<sup>2</sup> of supermarket floorspace.

Residents are required to travel to centres beyond the MTA for their major supermarket shopping needs. The closest supermarkets to the MTA are in Box Hill Central (Coles and Woolworths), Balwyn (Woolworths), Mont Albert North (small-format Coles) and Box Hill South (ALDI).

A supermarket capacity assessment is shown in Table 5.5 which provides a theoretical assessment of supermarket demand. The assessment assumes that 70% of FLG spending by MTA residents can be retained locally – this assumption allows for 30% of supermarket spending to be directed to other supermarkets beyond the MTA.

Other assumptions in the analysis include 15% of supermarket sales could be captured from beyond the MTA, 5% of sales would be in non-FLG merchandise and the average sales of a supermarket in the MTA would be \$10,000/m<sup>2</sup> which reflects a relatively strong performing supermarket.

## 11.4 – ATTACHMENT 1. Mont Albert Retail Assessment (25 August 2021)

### Mont Albert Village

#### Retail Sustainability Assessment

Based on these assumptions, retail spending of MTA residents in 2021 is sufficient to support approximately 6,240m<sup>2</sup> of supermarket floorspace; this is approximately 4,600m<sup>2</sup> greater than the existing supply and indicates demand exists for additional supermarket floorspace in the MTA.

The development of additional supermarket floorspace at Mont Albert Village would reduce the extent to which MTA residents are required to travel to other centres for the supermarket shopping, which would in turn, reduce the amount of retail spending escaping the MTA.

**Table 5.5: MTA Supermarket Capacity Analysis, 2021**

Category	2021
MTA FLG Spending	\$102.8m
MTA FLG Spending Directed to Supermarkets (at 70% of FLG spending)	\$72.0m
Assumed retention	70%
MTA Supermarket FLG Spending Retained	\$50.4m
Total FLG Supermarket Sales (assuming 10% from beyond MTA)	\$59.3m
Total MTA Supermarket Sales Potential (assuming 5% in Non-FLG Sales)	\$62.4m
Assumed Average Sales	\$10,000/m <sup>2</sup>
Supportable Supermarket Floorspace	6,240m <sup>2</sup>
Current Supermarket Floorspace in MTA	1,640m <sup>2</sup>
Under/over supply	-4,600m <sup>2</sup>

Source: MarketInfo; Ethos Urban

In combination, the estimated sales outlined in Section 5.4 and the above supermarket capacity assessment indicate available demand for a full-line supermarket at the Development Site.

## 5.6 Impact of Proposal in Mont Albert Village Centre

### Impact on Floorspace and Role

Assuming the proposed development accommodates 4,000m<sup>2</sup> of retail floorspace, the total retail floorspace in the Mont Albert Village will increase from approximately 3,510m<sup>2</sup> in 2021 to approximately 7,070m<sup>2</sup> in 2025, representing a net increase of +3,560m<sup>2</sup> in retail floorspace.

Currently, it is estimated that approximately 440m<sup>2</sup> of retail floorspace is located on the Development Site comprising the Boulevard Café, Mislms Games and a vacant tenancy. In effect, the assumed 400m<sup>2</sup> of specialty retail floorspace replaces the existing retail tenancies on the site (including a vacant tenancy). On this basis, it is the impact of the proposed supermarket that is the most relevant to understanding the overall implications of the proposal.

**Table 5.6: Change in Retail Floorspace in Mont Albert**

Location	2021	2025	Change
Existing centre	3,510m <sup>2</sup>	3,070m <sup>2</sup>	-440m <sup>2</sup>
New development (assumed)	-	4,000m <sup>2</sup>	+4,000m <sup>2</sup>
<b>Total retail floorspace</b>	<b>3,510m<sup>2</sup></b>	<b>7,070m<sup>2</sup></b>	<b>+3,560m<sup>2</sup></b>

Source: Ethos Urban

As noted earlier, Mont Albert Village is identified as a Large Neighbourhood Centre; although is currently performing a role more akin to a Small Neighbourhood Centre. The addition of a full-line supermarket is consistent with its intended Large Neighbourhood Centre role in the activity centre hierarchy.

## 11.4 – ATTACHMENT 1. Mont Albert Retail Assessment (25 August 2021)

### Mont Albert Village

#### Retail Sustainability Assessment

#### **Impact on Visitation**

Supermarkets are visited more often than any other form of retailing in Australia. Consequently, they attract significant levels of patronage upon which other retailers and businesses benefit. For this reason, planning for activity centres will nearly always take into consideration the potential to accommodate 'anchor' tenants such as supermarkets.

A measure of Australia's preference for supermarkets is illustrated in recent results of the Roy Morgan survey of Australia's most trusted brands where Woolworths and Coles were ranked number 1 and 2, respectively (Roy Morgan, *It's official: Supermarkets are the most trusted brands in Australia*, February 2021).

Bakers Delight is an example of a speciality retail chain that has focussed on locating adjacent to major supermarkets. Although the supermarket also sells bread, the number of customers attracted to the supermarket provides significant exposure to Bakers Delight stores.

The addition of a full-line Woolworths supermarket will attract customers who may not have consistently shopped at Mont Albert Village, providing an opportunity for exposure to nearby businesses. Assuming an average basket size (or transaction value) of \$40, the proposed Woolworths is estimated to attract approximately one million transactions a year.

#### **Impact on Total Centre Sales and Market Share**

From both a centre size and sales perspective, the proposed development will have a considerable influence on Mont Albert Village.

In 2025, total centre sales without the proposed development are estimated at approximately \$22m and this compares to approximately \$61m in sales with the proposed development, representing an increase of +\$38m in sales. This represents almost three times (2.7) the amount of sales that would otherwise occur in the centre without the proposed development proceeding.

The market share of MTA retail spending is forecast to increase from 6% of MTA spending without the proposed development to 17% with the proposed development.

Both the increase in sales and market share reflect the extent to which Mont Albert Village will be an increased focus for retailing and activity in the local community.

An estimate of total centre sales without and with the proposed development is shown in Table 5.7.

The scenario without the development assumes existing traders will continue to capture a market share of 6% of MTA spending.

The scenario with the proposed development takes into account estimated sales for the proposed development (refer Section 5.4) and assumes existing traders in the Mont Albert Village (excluding those currently located on the Development Site) will continue to capture similar market shares to which they currently achieve.

This may be a conservative estimate as potential exists for traders in the wider centre to benefit from an uplift in sales associated with the additional visitation to the centre generated by the proposed supermarket (this assumes suitable connectivity exists between the supermarket, car parks and existing traders).



## 11.4 – ATTACHMENT 1. Mont Albert Retail Assessment (25 August 2021)

### Mont Albert Village

#### Retail Sustainability Assessment

**Table 5.7: Impact on Mont Albert Village Centre Sales, 2021-2030**

Category	2021	2025	2030
<u>No Development</u>			
Total centre sales	\$20.8m	\$22.3m	\$24.6m
MTA market share	6.1%	6.1%	6.1%
<u>With Development</u>			
Total centre sales		\$60.7m	\$65.4m
MTA market share		16.6%	16.3%
<u>Change</u>			
Total centre sales		+\$38.4m	+\$40.8m
MTA market share		+10.5%	+10.2%

Source: Ethos Urban

Note: Figures in constant 2021 dollars

## 5.7 Impact on Broader Activity Centre Hierarchy

### General Trading Impact

In broad terms, the competitive trading impacts arising from the proposed development will be due to the potential for retail spending of consumers to be diverted from alternative shopping destinations, primarily other supermarkets.

A retail impact assessment examines the potential competitive impact of a development proposal. However, it is important to appreciate that the actual impacts will depend to a large degree on the circumstances of individual businesses and their response to the introduction of competition.

For example, in the retail industry a common response of centres and retailers to new competition includes:

- Refurbishment and other improvements to facilities and presentation
- Re-investment and expansion of centres and stores
- Re-positioning a centre through changes in tenant mix and type (e.g. focussing on a key target market)
- Marketing and promotions activity, including enhanced price competition and use of customer loyalty programs to reach consumers.

A broad examination of the impact of the proposed development is provided in Table 5.8. This shows how the proposed development is expected to change the distribution of total retail spending by MTA residents.

## 11.4 – ATTACHMENT 1. Mont Albert Retail Assessment (25 August 2021)

### Mont Albert Village

#### Retail Sustainability Assessment

**Table 5.8: General Trading Impact, 2021-2035**

Category	2021	2025	2030	2035
Mont Albert Village sales from MTA	\$17.7m	\$51.6m	\$55.6m	\$60.0m
MTA spending	\$290.2m	\$310.8m	\$342.2m	\$377.0m
MTA spending available to other retailers	\$272.5m	\$259.2m	\$286.6m	\$317.1m
Change in MTA spending available to other retailers compared to 2021		-\$13.3m	+\$14.1m	+\$44.6m

Source: MarketInfo; Ethos Urban

Note: Figures in constant 2021 dollars

In 2021, MTA residents generate approximately \$290m of retail spending, of which approximately \$18m is directed to Mont Albert Village and \$272m is currently directed to a range of centres located both within and beyond the MTA.

Assuming the development occurs in 2025, an estimated \$52m in MTA retail spending – out of \$311m in spending by MTA residents – will be directed to the expanded Mont Albert Village. The balance of MTA retail spending, or \$259m will be available to all other retailers. In 2025, this level of MTA spending available to other retailers will be approximately -\$13m lower than current levels. It is likely this reduction in available spending will largely impact national-brand supermarkets, in particular Woolworths.

Due to population and spending growth, by 2030 the amount of MTA retail spending available to other retailers will have increased by +\$14m compared to the current 2021 level. This reflects a situation whereby retailers may experience a one-off trading impact upon the opening of the proposed development at Mont Albert Village before spending growth in the MTA returns sales at competing retailers to above 2021 levels.

Based on observations during visits and an understanding of the trading conditions of centres and supermarkets in the surrounding region, each competing centre/supermarket appears to be trading at viable levels that could withstand a limited one-off trading impact associated with the development of the proposed supermarket at Mont Albert.

### Centre Specific Impacts

The extent of retail trading impacts of any one retailer or centre associated with the introduction of new competition relies on the individual responses of each businesses (or centre). Therefore, estimating the specific trading impacts of development on specific retailers or centres is difficult. For this reason, any analysis of retail trading impacts should be viewed as indicative with the purpose of identifying the general nature of impacts and whether they appear reasonable or otherwise.

A summary of the estimated retail trading impacts of the proposed development on most relevant competing centres is provided in Table 5.9. The assessment takes into consideration the uplift in total sales at Mont Albert Village as shown in Table 5.7. The assessment of retail trading impacts has had regard for:

- Estimate of sales for identified centres in 2021.
- Estimated sales for identified centres in 2025, assuming the proposed development does not proceed.
- Estimate of the sales for each identified centre assuming the proposed development does proceed.

## 11.4 – ATTACHMENT 1. Mont Albert Retail Assessment (25 August 2021)

### Mont Albert Village

#### Retail Sustainability Assessment

These estimates take into account the share of the retail spending market each centre is estimated to capture and the extent to which each centre is likely to compete with the proposed development, noting centres with national brand full-line supermarkets are likely to compete to greater extent than centres anchored by smaller, limited range supermarkets.

The level of impact of all identified centres is not at a level which would undermine the viability of any centre or supermarkets. Centres which are expected to have the largest impact (in dollar terms) are the following:

- Box Hill, with an estimated impact of -\$8m (or -3%) in 2025.
- Balwyn, with an estimated impact of -\$6m (or -5%) in 2025.
- Middle Camberwell, with an estimated impact of -\$4m (or -5%) in 2025.
- Forest Hill Chase, with an estimated impact of -\$4m (or -1%) in 2025.
- Surrey Hills, with an estimated impact of -\$3m (or -9%) in 2025. It is noted that the Coles Local in Surrey Hills provides a different offer to that of a full-line Woolworths supermarket in Mont Albert and would continue to serve this role in the Surrey Hills community.

**Table 5.9: Impacts on Selected Centres, 2025**

Centre	Estimated Sales, 2021	Estimated Sales, 2025 (No Development)	Estimated Sales, 2025 (With Development)	Impact (\$)	Impact (%)
<b>MTA</b>					
Surrey Hills	\$37m	\$40m	\$36m	-\$3m	-9%
<b>Beyond MTA</b>					
Box Hill Central	\$275m	\$295m	\$286m	-\$8m	-3%
Balwyn	\$100m	\$107m	\$102m	-\$6m	-5%
Mont Albert North	\$35m	\$37m	\$36m	-\$1m	-3%
Box Hill South	\$30m	\$32m	\$30m	-\$2m	-7%
Maling Road, Canterbury	\$19m	\$20m	\$20m	\$0m	-2%
Blackburn South	\$63m	\$67m	\$64m	-\$3m	-4%
Burwood Brickworks	\$121m	\$130m	\$129m	-\$1m	-1%
Burwood Heights	\$56m	\$60m	\$60m	\$0m	-1%
Middle Camberwell (Riversdale Road)	\$70m	\$75m	\$71m	-\$4m	-5%
Forrest Hill Chase	\$300m	\$321m	\$318m	-\$4m	-1%

Source: MarketInfo; Ethos Urban

Note: Figures in constant 2021 dollars

### 5.8 Reduced Escape Spending

An assessment of the impact of the proposal on the level of retail spending escaping the MTA has been undertaken and is summarised in Table 5.10.

Currently, Mont Albert Village and Surrey Hills are the main retail centres in the MTA, with neither containing a full-line supermarket. Consequently, a significant amount of MTA retail spending escapes to other centres beyond the MTA that include full-line supermarkets.

## 11.4 – ATTACHMENT 1. Mont Albert Retail Assessment (25 August 2021)

### Mont Albert Village

#### Retail Sustainability Assessment

Therefore, the addition of a full-line supermarket to Mont Albert Village will lead to a reduction in escape spending. Currently, it is estimated that \$256m of \$290m of MTA retail spending escapes the MTA. By 2025, this level of escape spending will increase to \$274m assuming the development does not proceed.

Assuming the development does proceed, this will result in a reduction of MTA escape spending of \$31m to \$243m relative to the No Development scenario.

**Table 5.10: Impacts on Escape Spending, 2021-25**

Category	2021	2025 - No Development	2025 - With Development
MTA retail Spending	\$290.2m	\$310.8m	\$310.8m
MTA spending retained by Mont Albert Village and Surrey Hills	\$34.3m	\$36.8m	\$67.9m
MTA escape spending - \$m	\$255.9m	\$274.0m	\$242.9m
MTA escape spending - %	88%	88%	78%

Source: MarketInfo; Ethos Urban

Note: Figures in constant 2021 dollars



## 11.4 – ATTACHMENT 1. Mont Albert Retail Assessment (25 August 2021)

Mont Albert Village

Retail Sustainability Assessment

### 6 Other Considerations

Other matters worth consideration when assessing the merits of this proposal include the following:

- **Impact on Employment:** The proposed development will have a positive impact on employment. The development of a 3,600m<sup>2</sup> supermarket has the potential to support 180 jobs including full-time, part-time and casual positions.
- **Timing of proposal and infrastructure developments:** Over the next few years Mont Albert traders will be faced with a number of challenges associated with construction projects impacting normal patterns of trade. The potential closure of Mont Albert Road for the station/level-crossing removal is likely to have a negative impact of some extent. Other factors associated with these projects that impact consumer amenity will also impact traders.

The development site is located at the 'gateway' to the village and consideration of impacts during development of the proposal should be considered, particularly given the impacts the traders may also face as a result of the construction of the new station and level-crossing projects. This is in addition to the impacts faced by some traders associated with COVID-19.

- **Key considerations for the proposal:** During consultation a number of considerations were raised reading the proposal and works associated with the level-crossing removal and station development which include the following:
  - **Station building:** Potential for the heritage station building to be relocated to the end of Hamilton Street, so that it was visible from Mont Albert Road, for use as a community building. This would provide Mont Albert Village with a greater mix of uses and encourage people to spend more time in the centre.
  - **Collaboration:** Strong desire was expressed for proposed development to be a collective process involving the traders/community, Council and Woolworths (to the extent possible). A collaborative process involving the community is supported in Clause 21.07-3 of the Whitehorse Planning Scheme.
  - **Car park:** Issues involving the ownership of the land, and the contribution of traders were raised. This was not discussed at length during consultation as it is considered to be beyond the brief provided by the client.
  - **'Doing it right':** A view was expressed that the proposed development has the potential to provide positive benefits for Mont Albert Village and the community, providing "it is done right".

In order for the development to be 'done right' it will need to be cognisant of the character and heritage of the Village and surrounds; consider access arrangement to the car park and supermarket so that it is integrated with the balance of the centre; consider any displaced retailers should there be speciality shops as tenants; ensure there are no lost car parks for traders.

## 11.4 – ATTACHMENT 1. Mont Albert Retail Assessment (25 August 2021)

### Mont Albert Village

#### Retail Sustainability Assessment

## 7 Conclusions

The key conclusions derived from the research and analysis presented in this report are summarised below:

- 1 Policy support: The proposed development of a full-line supermarket would support and enhance Mont Albert Village's role as a Large Neighbourhood Centre. A review of the Whitehorse Planning Scheme provides support for the proposed development as it would improve the level of local convenience retailing without undermining the wider activity centre hierarchy.
- 2 Proposed development can be supported: The proposed development would achieve retail sales in the order of \$41m and achieve a MTA market share of 11%. This is considered to be achievable and reflects the lack of easily accessible modern, full-line supermarkets in the local area.
- 3 Potential to have positive impacts for Mont Albert Village retailers: The proposed development will constitute a significant change in the size and operation of the Village, with the proposed development forecast to almost triple the level of sales. The development of a full-line supermarket has the potential to attract around 1 million visits a year, a proportion of which may not have visited the Village previously. This provides an opportunity for local retailers and businesses to benefit from the significant increase in exposure to consumers. It will be important that connectivity between the proposed development, the balance of the Village and car parks is maximised.
- 4 The development will not undermine the activity centre hierarchy: Competitive trading impacts are expected. However, these are not expected to be beyond the realm of normal competition or undermine the activity centre hierarchy. No centre is estimated to achieve an impact of greater than 10% on retail sales as a result of the proposal.
- 5 Reduction in escape spending: The development will lead to a reduction in retail spending escaping the MTA of approximately \$31m. This reflects the increased level of accessibility to supermarket shopping facilities for the local community.
- 6 Generate local employment opportunities: The proposed development will have a positive impact on employment. The development of a 3,600m<sup>2</sup> supermarket has the potential to support 180 jobs including full-time, part-time and casual positions.
- 7 Importance of 'doing it right': Some community passion exists relating to Mont Albert Village and it will be important that the proposed development considers the following:
  - Collaboration with the community (where and when possible).
  - Retention of the village 'feel and character.'
  - The surrounding heritage areas.
  - Access arrangements to the car park and supermarket so that it is integrated with the balance of the centre.
  - Any displaced retailers should there be speciality shops as tenants of the proposed development.
  - There are no lost car parks for traders.

## 11.4 – ATTACHMENT 1. Mont Albert Retail Assessment (25 August 2021)

Mont Albert Village

*Retail Sustainability Assessment*

### Appendix

The stakeholders consulted with during this project are listed below.

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#### Stakeholder

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Deborah Shambrook, Coordinator Investment and Economic Development, City of Whitehorse

Allison Egan, Coordinator Strategic Planning, City of Whitehorse

Tony Peak, Manager Property and Leasing, City of Whitehorse

Ian Coleman, Heritage Advisor, City of Whitehorse

Councillor Amanda McNeill, City of Whitehorse

Councillor Blair Barker – City of Whitehorse

Councillor Tina Liu, City of Whitehorse

David Winter (Trader in Mont Albert Village)

Bruce Harvey (President Trader's Association)

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## 11.5 Whitehorse Asset Plan 2022-2032

Attachment 1 Whitehorse Asset Plan 2022-2032





WHITEHORSE  
CITY COUNCIL

**Whitehorse City Council**

**Asset Plan 2022-2032**

May 2022

**11.5 – ATTACHMENT 1. Whitehorse Asset Plan 2022-2032**

**Version History**

Version No.	Date	Modified By	Comments
0.1	18 <sup>th</sup> January 2022	Jonathon Merrett	Preliminary draft for initial review
0.2	18 <sup>th</sup> March 2022	Jonathon Merrett & Sumi Prabhakaran	Preliminary draft for AMSC review
0.3	5 <sup>th</sup> April 2022	Jonathon Merrett	Draft for AMSC review
0.4	29 <sup>th</sup> April 2022	Jonathon Merrett	Draft following AMSC Feedback
1.0	19 <sup>th</sup> May 2022	Jonathon Merrett	Finalised Plan for ELT
1.1	27 <sup>th</sup> May 2022	Jonathon Merrett	Finalised Plan for Council

**Document Approval Process**

Name	Version No.	Sign-off Type	Date
Asset Management Steering Committee (AMSC)	1.0	Endorsed	19 <sup>th</sup> May 2022
Executive Leadership Team (ELT)	1.0	Endorsed	24 <sup>th</sup> May 2022
Council	1.1	Adopted	TBC

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**11.5 – ATTACHMENT 1. Whitehorse Asset Plan 2022-2032**

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**Acknowledgement of Country**

Whitehorse City Council acknowledges the Wurundjeri Woi Wurrung people of the Kulin Nation as the traditional owners and custodians of this land and pays respect to their Elders past, present and emerging.

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**11.5 – ATTACHMENT 1. Whitehorse Asset Plan 2022-2032**

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11.5 – ATTACHMENT 1. Whitehorse Asset Plan 2022-2032

## CEO's Overview

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As required under the *Local Government Act 2020*, the Asset Plan 2022-2032 is a key component in Council's integrated strategic planning and reporting framework. This Plan outlines our asset management approach to deliver on the Whitehorse Community Vision 2040 over the next 10 years. This Plan has been developed with input from the Whitehorse community through the Shaping Whitehorse community engagement process. This consultation resulted in the development of a set of guiding principles for sustainable financial and asset management decision making by Council.

This Asset Plan 2022-2032 provides for the ongoing delivery of quality services from our assets and the renewal and improvement of community facilities and infrastructure. It supports the management of all Council infrastructure to ensure that the operation, maintenance and renewal of Council assets is completed in a cost-effective manner, whilst providing a suitable level of service to our community over a 10-year period. The provisions of well managed infrastructure supports the liveability, amenity, and movability of the City making Whitehorse a great place to live.

To ensure our current service delivery is sustained, we need to be able to responsibly and prudently manage our ageing assets which were mainly constructed in the post-war infrastructure boom period. We also need to be able to respond to our other challenges with population growth, changing community demographics, significant cost increases, constrained revenue due to rate capping and climate change.

We have adopted a well-structured approach to the management of our assets to address the above challenges and ensure that we meet the service delivery needs of our community into the future in a sustainable and cost-effective way. Our asset management planning outcomes include a large Capital Works Program, which balances our significant challenges with service delivery from our assets, to ensure long term financial and environmental sustainability.

We will continue to be vigilant in monitoring our asset performance and funding requirements and continue to engage with our community to ensure that the required services are delivered in a sustainable manner over the long-term.

**Simon McMillan**  
Chief Executive Officer

## 11.5 – ATTACHMENT 1. Whitehorse Asset Plan 2022-2032

# 1.0 Introduction

## 1.1 Purpose of the Asset Plan

The purpose of this Asset Plan is to:

- Ensure that our assets support the themes and objectives in our Community Vision and Council Plan.
- Better inform the community on the assets under our custodianship, service levels and standards and financial capacity.
- Improve the effectiveness of asset management planning through a more engaged community.
- Embed asset management planning outcomes into our Integrated Strategic Planning and Reporting Framework.
- Demonstrate we will responsibly manage our assets to meet the service delivery needs of our community into the future in a sustainable and cost-effective way.

## 1.2 Strategic Context

Council operates in a complex legislative and policy environment that directly influences the way it does business. The principal legislation in Victoria governing the establishment and operation of Councils is the *Local Government Act 2020*. This Act requires all Councils to develop an integrated, longer-term, and transparent approach to planning organised around a 10 year community vision.

The delivery of services to the community is guided by the Community Vision, Council Plan, Financial Plan, strategies, and policies. These also drive Council's approach to asset management and this Asset Plan is an important part of the integrated planning and reporting framework, as illustrated in the following diagram.

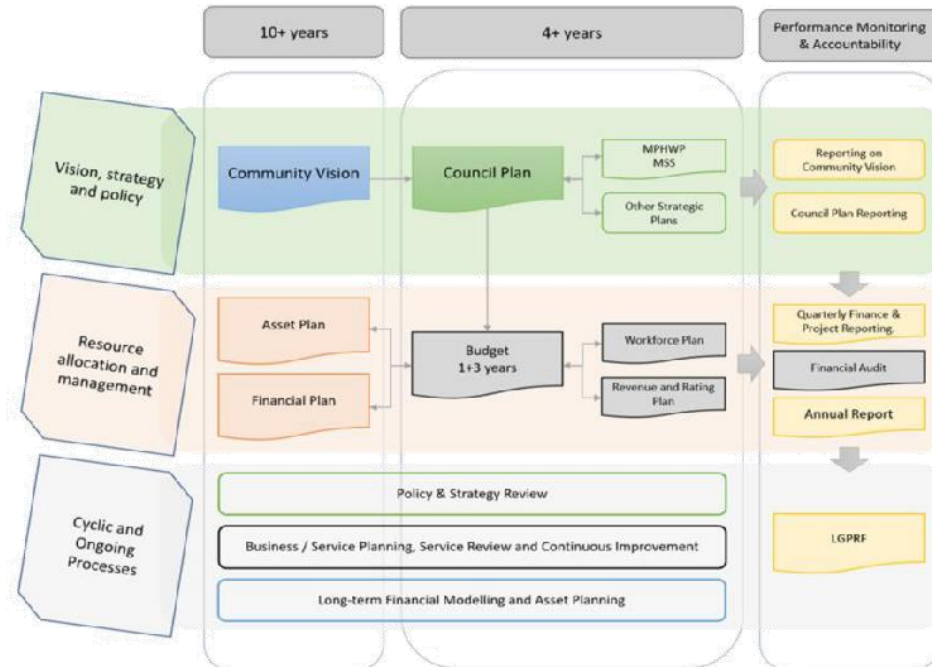


Figure 1-1: Integrated Planning and Reporting Framework

11.5 – ATTACHMENT 1. Whitehorse Asset Plan 2022-2032

Document	Strategic Purpose
<b>Community Vision</b>	The Whitehorse Community Vision 2040 provides a long-term aspirational view of the community's desired future.
<b>Council Plan</b>	The Council Plan describes Council's strategic directions and priorities for the next 4 years in the context of the Community Vision and other adopted strategies and plans.
<b>Financial Plan</b>	The Financial Plan provides a long-term view of the resources required and funding sources to deliver Council services, initiatives and capital works projects over the next 10 years.
<b>Asset Plan</b>	This Asset Plan, with a focus of over 10 years, provides an outlook of how Council plans to manage the community assets it owns or controls.

The Council Plan makes a commitment to outcomes and priority initiatives across several strategic objectives. Effective asset management supports the outcomes of the Council Plan and the delivery of sustainable services. Council recognises its stewardship role in appropriately managing the assets it has and aims to fulfil its obligations to future communities to provide sustainable assets and services.

This Asset Plan is intrinsically linked with the forecasts and projections outlined in Council's Financial Plan. Ongoing affordability and financial sustainability are Council's key objectives. The Financial Plan in combination with the Asset Plan supports Council in achieving this aim.

## 11.5 – ATTACHMENT 1. Whitehorse Asset Plan 2022-2032

# 2.0 Asset Plan Outcomes

## 2.1 Our Assets

Council's assets are valued at \$1.620 billion (excluding land) and represent a significant investment made over many generations. These assets provide for the social, environmental and economic values of the Whitehorse community. A land portfolio valued at \$2.628 billion (at 30 June 2021) comprises of freehold land, leasehold land, reserves and land under roads, underpins the infrastructure base.

The Asset Plan provides guidance on assets (excluding land), which are grouped into the following key asset classes:







	Asset Class	Quantity (2021 Annual Report)	Asset Value
	Buildings	364 Buildings	\$622,678,000
	Road Infrastructure Assets	606 km of roads 1232km of kerbing 1175 km of footpaths 32 km of laneways	\$529,238,000
	Drainage Assets	860 km of stormwater drains	\$294,761,000
	Open Space	690 hectares of Open Space 175 playgrounds 53 sports fields 76,000 street trees	\$130,145,000
	Plant & Fleet Assets	Passenger vehicles Major plant and machinery Minor plant and equipment	\$33,478,000
	IT Assets	Software and hardware	\$8,374,000
		<b>TOTAL</b>	<b>\$1,618,674,000</b>

Figure 2-1: Asset Values

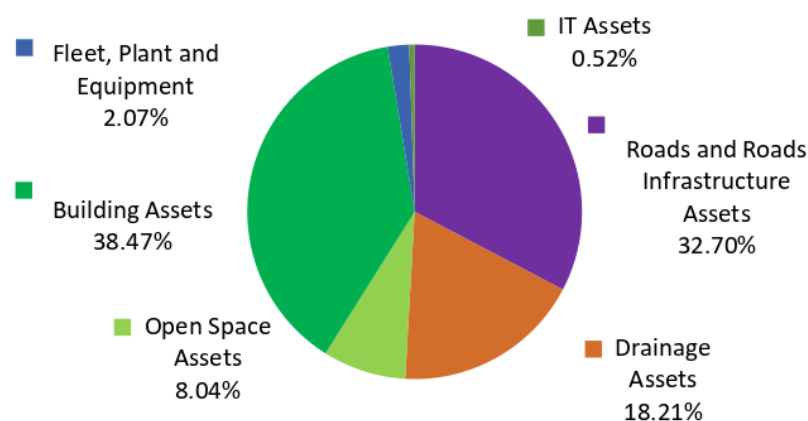


Figure 2-2: Asset Base Split by Asset Value



## 11.5 – ATTACHMENT 1. Whitehorse Asset Plan 2022-2032

### 2.2 Council's Role in Managing Community Assets

Council manages a large and diverse asset portfolio that supports the delivery of services to the community. The standard to which assets are managed and improved are a key consideration in the development of the Community Vision 2040 and Council Plan 2021 -2025.

Council's asset portfolio represents a significant investment, made over many generations. This portfolio provides the foundation for the social, environmental and economic values of the community. Stewardship of infrastructure is a core Council function and sound asset management is necessary to enable Council to meet its responsibilities to:

- Provide services to current and future generations
- Provide and maintain community infrastructure within the municipality; and
- Encourage and support the economic and social development of the area.

Council's objective is to provide services that are appropriate, accessible, responsive and sustainable to the community. Council's approach to asset management is to ensure that infrastructure assets are fit for purpose and support the services delivered. Assets also require ongoing management to relevant statutory / regulatory requirements and to ensure they remain safe and serviceable for public use.

This approach is achieved through the implementation of an Asset Management Framework which comprises an Asset Management Policy, Strategy, and individual Asset Management Plans for each asset class.

### 2.3 The Asset Management Framework

The diagram below shows the linkage between Council's strategic objectives and asset planning at the strategic, tactical, and operational levels. Council's asset management framework aims to ensure that a systematic approach to asset management delivers prudent and efficient outcomes to meet both community and asset management objectives.

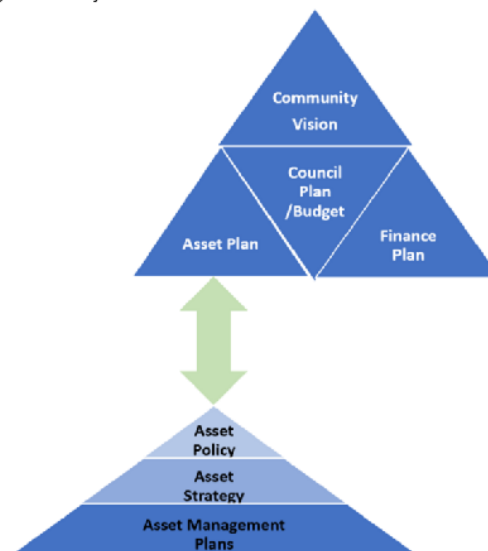


Figure 2-3: Linkages between Council's Key Strategic Plans and Our Asset Management Framework

11.5 – ATTACHMENT 1. Whitehorse Asset Plan 2022-2032

Document	Strategic Purpose
<b>Asset Management Policy</b>	The Asset Management Policy outlines the key principles that underpin asset management, including the objectives, responsibilities and actions required to implement the vision. It also identifies the strategic planning linkages that are associated with asset management.
<b>Asset Management Strategy</b>	The Asset Management Strategy outlines how Council will deliver the Asset Management Policy intentions. It provides the framework for the ongoing enhancement of asset management practices to deliver sustainable and effective services and achieve organisational objectives.
<b>Asset Plan</b>	The Asset Plan provides a 10 year outlook of how Council plans to manage the community assets it owns or controls. It includes outcomes from deliberative engagement with Shaping Whitehorse community panel to guide Council's asset decisions, needs and activities over the next 10 years.
<b>Asset Management Plans</b>	The Asset Management Plans provide detailed information on how Council intends to manage each asset class to meet the demands of the community into the future.

Council currently has Asset Management Plans for six key asset classes, as illustrated in the diagram below. The key outcomes of each Asset Management Plan have been summarised in this document.

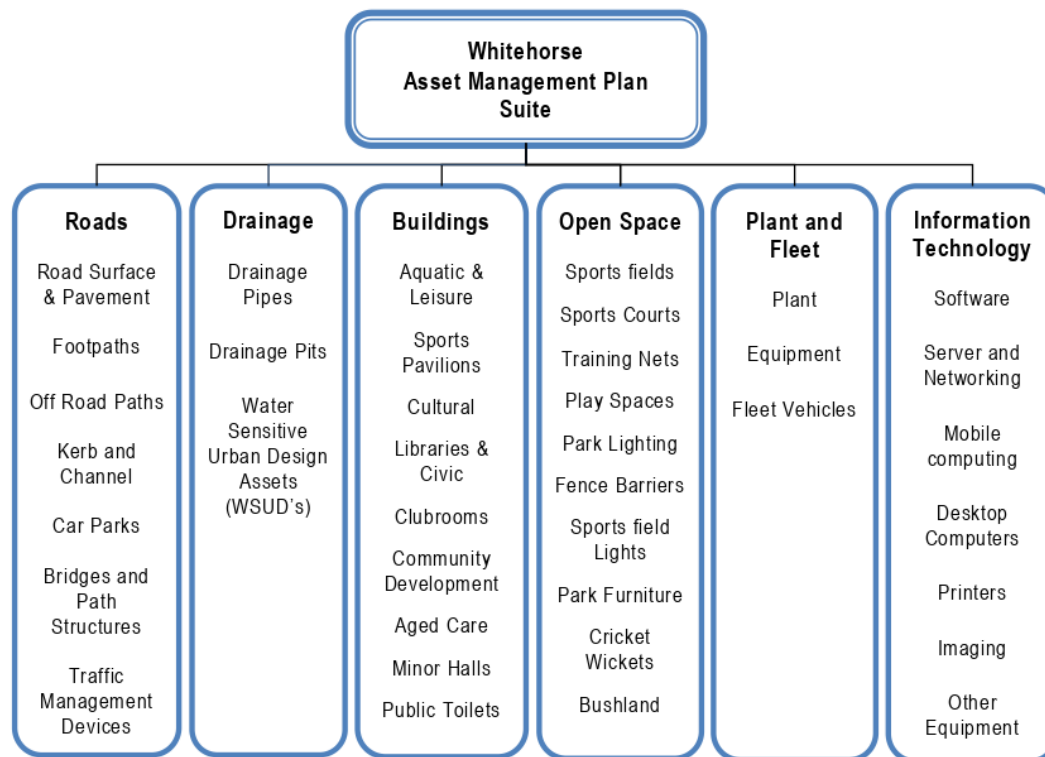


Figure 2-4: Asset Classes and Asset Management Plans

## 11.5 – ATTACHMENT 1. Whitehorse Asset Plan 2022-2032

### 2.4 Challenges and Choices



#### Population Growth

The first challenge besetting Whitehorse City Council over the next 10-20 years is the forecast rise in population growth and dwelling expansion. In 2020, the total population of the City was estimated at 182,171. It is expected to increase by 47,153 people to 229,324 by 2041, i.e.: a combined growth rate of 25%.

	2021	2026	2031	2036	2041
Population	185,300	198,791	210,027	220,039	229,324
Forecast change in population (5yrs)		13,491	11,236	10,012	9,285
Households	69,034	74,582	79,274	83,563	87,523
Average household size	2.62	2.61	2.59	2.58	2.57
Dwellings	72,653	78,588	83,591	88,157	92,347

Figure 2-5: Key population, households and dwelling forecasts 2021 - 2041

An increase in population will place additional pressure on Council's infrastructure and there will be a likely need for assets to be upgraded and expanded to cater for the new growth and changing needs.

<p><b>Population Growth Challenges</b></p> 	<ul style="list-style-type: none"> <li>As more apartments, units and townhouses are built, there is more roof cover catching water and therefore producing more water runoff that flows into Council's drainage network.</li> <li>With rainfall intensity predicted to increase due to impacts of climate change, the demand on the existing drainage network will be further exacerbated.</li> <li>As more high-density developments with smaller living spaces are constructed, a greater demand will be placed on council buildings for social recreation.</li> <li>The creation of smaller household yards and more density will place further demand on the use of existing open space for passive recreation as well as sporting grounds for organised sport.</li> </ul>
<p><b>Population Growth Choices</b></p> 	<p>Council's Financial Plan commitments are:</p> <ul style="list-style-type: none"> <li>Council will consider the diverse and changing needs of the community.</li> <li>Council will undertake cost / benefit analysis that considers financial, environmental and social sustainability outcomes, as well as other intangible community benefits.</li> <li>Council will take a future-focused approach to asset management decisions, including multi-use, low maintenance and adaptable assets.</li> <li>Council will work strategically and collaboratively with key stakeholders (local/state/federal/private) to share resources and assets.</li> </ul>

## 11.5 – ATTACHMENT 1. Whitehorse Asset Plan 2022-2032

### Ageing Infrastructure

Approximately 80% of Council's existing assets were originally constructed between 1940 to 1990 as rapid expansion occurred from inner Melbourne eastwards. The growth of the road pavement, drainage and building asset portfolio's (shown in the figure below) is indicative of the overall asset base.

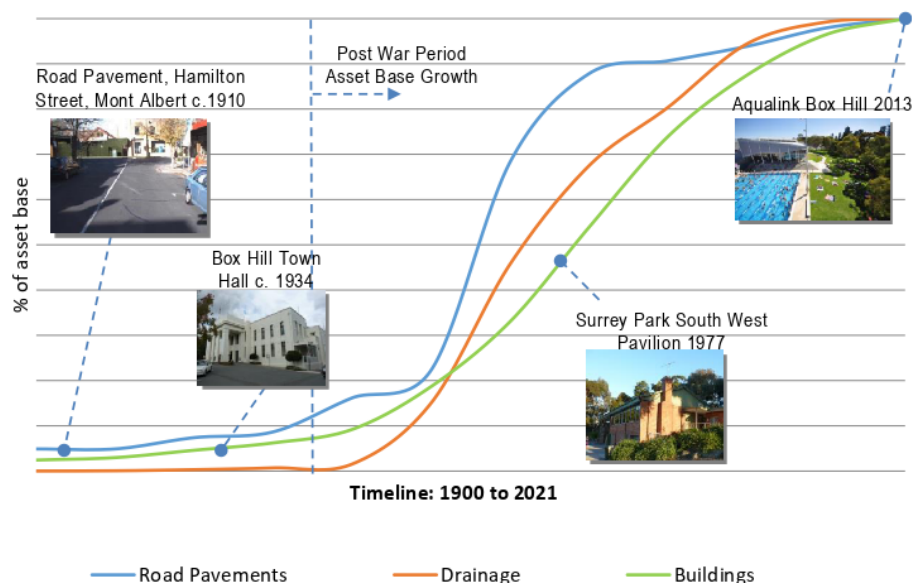


Figure 2-6: Construction history of Council Roads, Drainage and Building Asset Classes

An ageing infrastructure base will place additional pressure on Council's financial position.

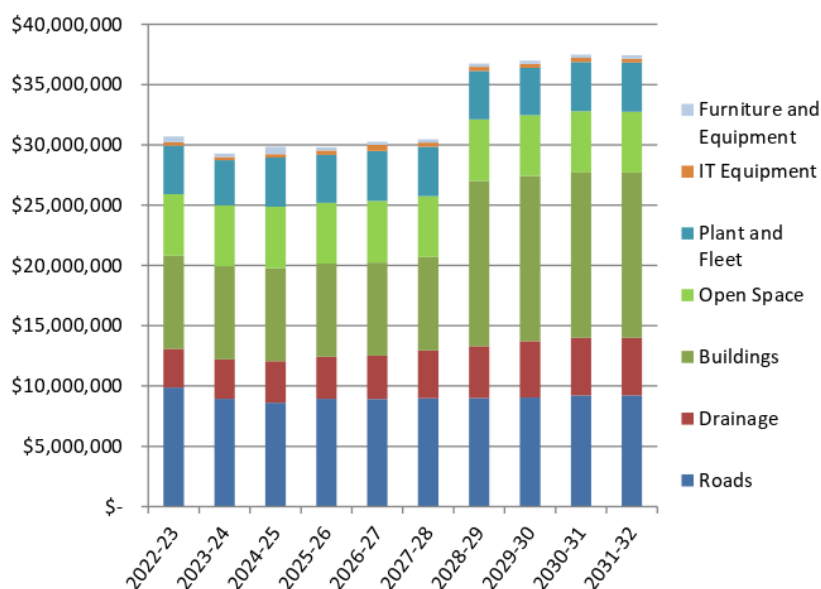


Figure 2-7: Aggregated forward renewal funding demand forecasts

11.5 – ATTACHMENT 1. Whitehorse Asset Plan 2022-2032

**Ageing Infrastructure  
Challenges**



- Many of these assets are now 60 to 80 years old and are due for replacement. In essence, the infrastructure boom in the post-war period is now followed by a subsequent capital works boom as many of those assets fall due for replacement or renewal around the same time.
- The 10 Year total for the renewal requirements of the six asset classes is currently listed at approx. \$344M, with an average required spend of \$34.4M p.a. This amount equates to 69% of Council's total capital works budget over the next ten years (\$495M).
- The challenge of maintaining ageing infrastructure places a financial obligation on Council that limits the amount of spare funding available to fund new projects. Therefore, Council will need to be selective in what projects are funded as the available funding resources are constrained.

**Ageing Infrastructure  
Choices**



The Asset Management Policy has the following commitments:

- To give priority to asset renewal (including upgrade as appropriate) when making capital investment decisions thereby ensuring Council's existing assets are properly managed to provide acceptable levels of service.
- To adopt a life-cycle asset management approach, incorporating life cycle costing into capital investment decisions.
- To develop effective and affordable preventative maintenance programs aimed at minimising life cycle costs and maximising the service potential of assets

Council's Financial Plan commitments are:

- Council intends to spend in the order of \$740 million to renew and improve community facilities and infrastructure over the next 10 years.
- Council is focused on long term sustainable financial planning and prioritises the renewal of existing assets.



## 11.5 – ATTACHMENT 1. Whitehorse Asset Plan 2022-2032

### Rate Capping

In 2015, the Victorian Government established the Fair Go Rates system to limit the amount by which Victorian councils can increase rates in a year without seeking additional approval. This has meant that Councils are unable to raise rates beyond the percentage that is set by the Minister for Local Government. This rate is determined by the Consumer Price Index (CPI) of the previous calendar year and advice from the Essential Services Commission (ESC).

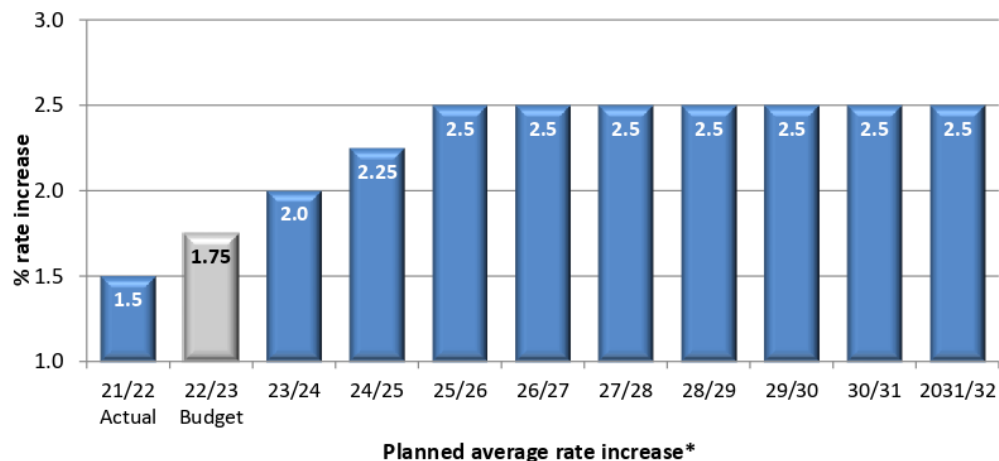


Figure 2-8: Forecast Rate Increases- Whitehorse Financial Plan 2022 – 2032

A rate income that is capped to the rate of CPI places a substantial challenge on Council's ability to sustainably fund its infrastructure commitments.

#### Rate Capping Challenges



- CPI is determined by the weighted average of prices of a basket of consumer goods and services, such as transportation, food, and medical care. It unfortunately does not account for the rise in infrastructure costs and construction materials such as concrete, bitumen, steel, rubber, timber, brick, plaster and so on. These expenses historically have risen much higher than standard inflation.
- The differential between rate increases and material cost increases would be a moot point if Council didn't have to replace anything or build anything new, however the reality is that Council assets have a limited lifespan and do require replacement when they have reached the end of their lifecycle.

#### Rate Capping Choices



Council's Financial Plan commitments are:

- The working capital is expected to decrease over the next 10 years primarily reflecting a reduction in cash assets to fund the improvement of Council facilities and infrastructure through the Capital Works Program. Council has built up its cash reserves over recent years for this purpose rather than utilising borrowings. Council's working capital ratio is forecast to remain strong (greater than 100.0 per cent) throughout the 10-year period.
- Council uses the Victorian Auditor General's financial sustainability indicators to monitor financial sustainability

## 11.5 – ATTACHMENT 1. Whitehorse Asset Plan 2022-2032

	and aims to achieve an overall low risk rating over the period of the Financial Plan.
	<ul style="list-style-type: none"> <li>• Council will balance the community's needs and ensure that Council continues to be financially sustainable in the long term.</li> <li>• Council will maintain a strong cash position for financial sustainability.</li> <li>• Council will achieve efficiencies through targeted savings and an ongoing commitment to contain costs via the new Transformation process.</li> <li>• Council will provide a framework to deliver balanced budgets including sustainable annual underlying surpluses.</li> <li>• Council will raise and utilise funds in an ethical and equitable way.</li> </ul>

### Climate Change

The global impacts of climate change and the need to reduce greenhouse gas emissions is well documented and communicated by the Intergovernmental Panel on Climate Change.



The local impacts of climate change are not in isolation to this, where Council must consider these climate hazards when planning, building and maintaining its asset portfolio.

Local government has a legislative responsibility to ensure these climate risks are considered.

Legislation	Responsibilities in relation to Climate Change
<b>Local Government Act 2020</b>	Section 9 of the Act includes the overarching governance principle that "the economic, social and environmental sustainability of the municipal district, including mitigation and planning for climate change risks, is to be promoted."
<b>Climate Change Act 2017</b>	Section 17 requires councils to have regard to climate change in preparation of their municipal public health and wellbeing plans.

## 11.5 – ATTACHMENT 1. Whitehorse Asset Plan 2022-2032

In conjunction with the other identified challenges such as population growth, ageing infrastructure, and rate capping, Council must also consider the associated impacts of climate change into the future.

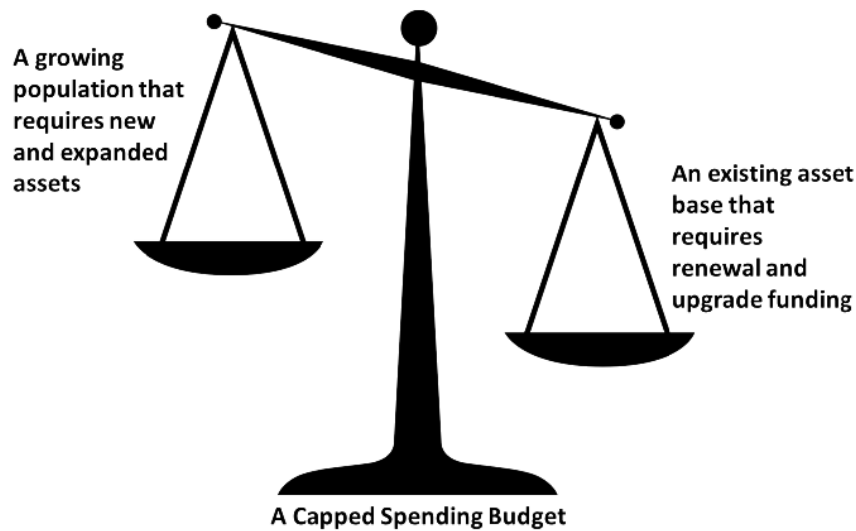
<p><b>Climate Change Challenges</b></p> 	<ul style="list-style-type: none"> <li>• Increase in average temperatures and solar radiation exacerbated with increased hard surface area from properties and infrastructure, impacting human health and wellbeing, local ecosystems.</li> <li>• Increase in intensity and frequency of extreme heat, impacting on the vulnerable communities and how they access and utilise Council assets.</li> <li>• Decrease in annual rainfall and more intense and frequent severe weather events (e.g. flash flooding and storm surges), impacting on the condition and current and future assets.</li> <li>• Decrease in canopy cover on private and public land, its contribution to the heat island effect, impacting community health and wellbeing, increasing dependence on heating and cooling of building assets and loss of local habitat and connectivity of flora and fauna.</li> <li>• Finding new and alternative technologies to ensure assets are constructed and maintained at low or zero emissions and/or enhances the current natural local environment.</li> </ul>
<p><b>Climate Change Choices</b></p> 	<ul style="list-style-type: none"> <li>• Include climate change risks (not limited to the above) into Asset Management Plans, including asset audits to improve on the assets' climate resilience, resource efficiency and functionality.</li> <li>• Consider wider application and functionality of Council assets to service, in particular the vulnerable communities during extreme weather events.</li> <li>• Ensure Council assets are designed, constructed and maintained with environmental sustainable design principles and climate change vulnerabilities addressed within the specifications.</li> <li>• Council to work strategically and collaboratively with key stakeholders (local/state/federal/private) to share resources and establish capacity building to integrate climate change mitigation, adaptation and systemic actions in Council's infrastructure planning.</li> </ul>

11.5 – ATTACHMENT 1. Whitehorse Asset Plan 2022-2032

**The Overall Challenge**

Therefore, the overall challenge for the management of Council's assets can be summarised in the statement below.

*"On one hand we have a growing population that requires new and expanded assets and on the other we have an existing asset base that requires renewal and upgrade funding; and only a limited budget to spend with in an ever changing environment."*









**Figure 2-9: Illustration from Shaping Whitehorse Community Panel Presentation, June 2021**

Council, in the foreseeable future, is faced with a delicate balancing act of addressing the asset demands from population growth and climate change while at the same time ensuring that the existing asset base is renewed to an appropriate level.

## 11.5 – ATTACHMENT 1. Whitehorse Asset Plan 2022-2032

### 2.5 State of Our Assets

As per our Asset Management Plans, the current overall performance of each asset class is listed below.

 <b>Building Assets</b>	<p>In 2020/21, 90% of buildings were at or above the desired condition level. Buildings are currently funded to sustainable levels and the asset portfolio has historically been well maintained. However future modelling predictions are pointing to a substantial increase in renewal funding for years 2026/27 to 2032/33 due to a large portion of buildings reaching the 40-60 year mark.</p>
 <b>Road Assets</b>	<p>In 2020/21, 98.5% of road seal assets are at or above the desired condition level. While roads have been determined to be in very good condition, over the long term the Pavement Condition Index (PCI) is deteriorating. In order to reverse this trend, a review of the level of service is required to determine what state of roads Whitehorse will accept into the future.</p>
 <b>Drainage Assets</b>	<p>Current renewal funding levels will need to be reviewed over time. Significant residential infrastructure growth (e.g., multiple townhouses, units on an original house block etc.) and the effects of climate change are anticipated to place a much higher demand on the capacity of the drainage network. Further analysis is required to determine the exact limitations of the network.</p>
 <b>Open Space Assets</b>	<p>Historically there has been under funding evident in the majority of Open Space asset types with a renewal funding shortfall of \$1.2 million p.a. identified. In 2020/21 77% of open space assets are at or above the desired condition level. Adopting the required funding levels will see a stabilisation in the levels of service i.e., condition, whereas current levels will see a drop in service delivery.</p>
 <b>Plant &amp; Fleet Assets</b>	<p>For fleet assets there is a projected increase in renewal funding requirements for passenger vehicles that is projected to require additional funding from the capital works program. We will need to investigate a range of options to lessen the financial impact. Meanwhile operations and maintenance expenditure has generally increased in line with CPI trends.</p>
 <b>IT Assets</b>	<p>Operations and maintenance expenditure is a major component of the overall expenditure of IT assets and has generally increased according to industry trends. Rolling asset replacement programs have previously fallen behind due to resource levels and financial constraints.</p>

Council will also continue to review and optimise its land portfolio to ensure its suitability and relevance for supporting infrastructure service delivery.

Service planning will be introduced to gain a better understanding of the current and future service delivery needs of the community. This will also include a more in-depth assessment of the assets required to deliver Council's services to ensure they meet the needs of the community, now and into the future.



## 11.5 – ATTACHMENT 1. Whitehorse Asset Plan 2022-2032

### 2.6 Guiding Principles and Priorities

#### Community Engagement and Guiding Principles

This Asset Plan has been developed in accordance with the deliberative community engagement requirements of the *Local Government Act 2020* and with Council's Community Engagement Policy, which was adopted in February 2021.

The following guiding principles have been developed in collaboration with the Whitehorse community through the Shaping Whitehorse community engagement process. This consultation was conducted via an online survey, pop up events, focus groups and a deliberative community panel. Council worked directly with the community panel to ensure their views and aspirations were considered in developing a set of guiding principles for the future financial and asset management decisions faced by Council.

The principles initially recommended by the community panel have been further refined by Council officers and Councillors as indicated in the table below and have been considered in the development of Council's Financial Plan and this Asset Plan.

10 Guiding Principles for Sustainable Financial and Asset Management Decisions	
Plan	Council is focused on long term sustainable financial planning and prioritises the renewal of existing assets
	Council will consider the diverse and changing needs of the community
	Council will undertake cost / benefit analysis that considers financial, environmental and social sustainability outcomes, as well as other intangible community benefits
	Council's approach to decision making should be evidence-based and assessed for ongoing improvement.
	Council will acknowledge the benefits of community contributions, including volunteerism and social enterprise.
Engage	Council will continue to involve the community in decision making and be transparent through improved communication and engagement
Implement	Council will take a future-focused approach to asset management decisions, including multi-use, low maintenance and adaptable assets
	Council will work strategically and collaboratively with key stakeholders (local/state/federal/private) to share resources and assets
	Council will raise and utilise funds in an ethical and equitable way
Report	Council will apply a systematic approach to measuring success and reporting on outcomes

Figure 2-10: WCC Financial and Asset Management Guiding Principles

#### Asset Investment Strategy

As custodians of community assets, Council will provide assets to enable a healthy, vibrant, prosperous and sustainable community. Council's commitment to being future-focused has highlighted the need to improve liveability, sustainability, resilience, promote social inclusion and strive for increased economic growth.

This will be enabled by using the above guiding principles in conjunction with the following asset management principles to guide asset investment strategy and achieve the strategic objectives:

- Continue to prioritise the renewal of ageing infrastructure
- Continue to optimise asset life and costs through timely and effective maintenance
- Continue to deliver appropriate levels of service
- Manage impacts of growth and land use changes
- Manage asset resilience to climate change impacts

## 11.5 – ATTACHMENT 1. Whitehorse Asset Plan 2022-2032

- Continue to comply and meet all relevant legislative requirements
- Provide long-term affordable and sustainable services.

Since 2013, Whitehorse City Council had made a foundational commitment to prioritise the renewal funding of its existing infrastructure base before allocating funds to any new, upgrade or expansion projects. The reason for this commitment is based on the logic that “one cannot afford to build new or expand or if they cannot afford to look after what they already own.”

As a result, the funding of renewal for existing assets has been allocated the highest priority in the annual Capital Works Program. Approximately 75% of our Capital Works Budget is spent towards renewal, whereas 25% is spent on upgrade, expansion, and new works.

This commitment ensures that Council’s existing asset base is managed responsibly and appropriately into the future.

### 2.7 Financial Integration

The integration of the Asset Plan and the Financial Plan is critical to ensure the resources required to manage assets to agreed levels of service are provided for, in a financially sustainable manner.

The Financial Plan addresses some significant cost challenges over the coming years, and balances this with disciplined cost management to ensure the continuation of Council’s strong financial sustainability into the future.

It ensures the provision of high-quality services and infrastructure into the medium and longer term by:

- Increasing Council’s commitment to sustainable asset renewal and maintenance of the community’s assets
- Ensuring that rate and fee increases are both manageable and sustainable
- Providing a framework to deliver balanced budgets with sustainable annual underlying surpluses.

#### Expenditure Categories

The next 10 years requires a significant investment in assets to ensure they are managed responsibly and appropriately. This investment in asset maintenance and renewal is to be balanced by investment in new and expanded assets to meet current and future demand across the municipality. The asset investments will be funded by a mix of rates, reserves and external funding sources including grants.

Spending on assets is categorised in the table below. Categorising expenditure in this way helps to plan and prioritise budgets and track how money is allocated to assets and services.

Expenditure Category	Expenditure Type	Activity	Description
Recurrent	NON-DISCRETIONARY	Maintenance	Ongoing routine work required to keep an asset performing at the required level of service.
		Operations	Recurrent expenditure that is continuously required to operate the assets for service delivery
Renewal	NON-DISCRETIONARY	Renewal	Returns the service potential or the life of the asset up to that which it had originally
Growth	DISCRETIONARY	Upgrade	Enhancements to an existing asset to provide a higher level of service or increase life to beyond its original life
		Expansion	Extends or expands an existing asset at the same standard as is currently enjoyed by residents, to a new group of users.
		New	Creates a new asset that provides a service that does not currently exist.

Figure 2-11: Asset Expenditure Categories

## 11.5 – ATTACHMENT 1. Whitehorse Asset Plan 2022-2032

### Capital Works Program

Council's Financial Plan has a funding provision in the order of \$740 million to renew and improve community facilities and infrastructure over the next 10 years.

Currently the Capital Works Program foreshadows the expenditure of \$495 million. These are focused on non-discretionary infrastructure renewal programs and a range of discretionary projects relating to upgrades and expansion of existing assets or construction of new assets.

The Asset Plan is based on current service levels, strategies and plans, whilst the Financial Plan represents an additional funding provision in the order of \$245 million, for major strategic projects that may be required to further improve the services delivered and meet the changing needs of Council's growing community base. Council will include the addition of major strategic projects into its Capital Works Program subject to a successful business case and the availability of external / internal funding.

The foreshadowed expenditure of the Capital Works Program indicates that 75% of projects relate to renewal programs (\$371 million). This allocation aligns with the principle of giving priority to asset renewal when making capital investment decisions, thereby ensuring existing assets are properly managed to provide acceptable levels of service.

The expenditure on discretionary projects is approximately \$124 million over 10 years (or \$12.4 million average per annum). It must be noted that for these discretionary projects, approximately \$75 million is funded by non-rate revenue, such as government grants and Council development reserves.

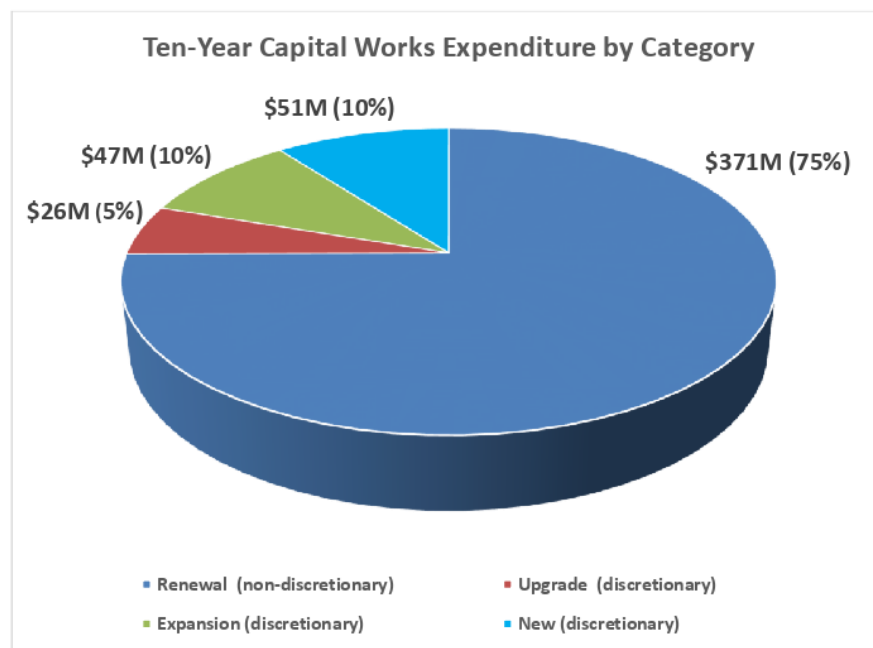


Figure 2-12: Ten Year Capital Works Expenditure by Category

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**11.5 – ATTACHMENT 1. Whitehorse Asset Plan 2022-2032**

Some of the key discretionary projects funded over the ten-year period include the redevelopment of:

- Whitehorse performing arts centre
- Sportlink Multi-Purpose Facility
- Morack Golf Course
- Sporting Pavilions (12 No.)
- Streetscape in the Box Hill Central Activities area
- Strategic Land Acquisitions for new Open Space.

Funds have been allocated to these discretionary projects to ensure:

- Adequate open space and active recreation facilities to cater to the needs of the increased population and medium density housing developments anticipated in our municipality.
- Expansion of sporting facilities to support greater female participation.
- Improved and equitable access to transport, pedestrian and shared path networks.
- Appropriate climate adaptation strategies to protect our assets.

## 11.5 – ATTACHMENT 1. Whitehorse Asset Plan 2022-2032

### 2.8 Financial Projections

The projected expenditure requirements for our Council's assets over the next 10 years have been determined based on the affordability assessments made in the Financial Plan and the projected costs from the six Asset Management Plans. These projections represent the investment that is required to maintain our existing levels of service. The costs represented include both capital and operational expenditure. Please note that this does not include \$5.8 M capital expenditure for Furniture & Fittings.

The following graph shows the planned expenditure across the assets as per the Capital Works Program over the next 10 years. Year 2022/23 includes the Whitehorse Performing Arts Centre project (\$47.9M).

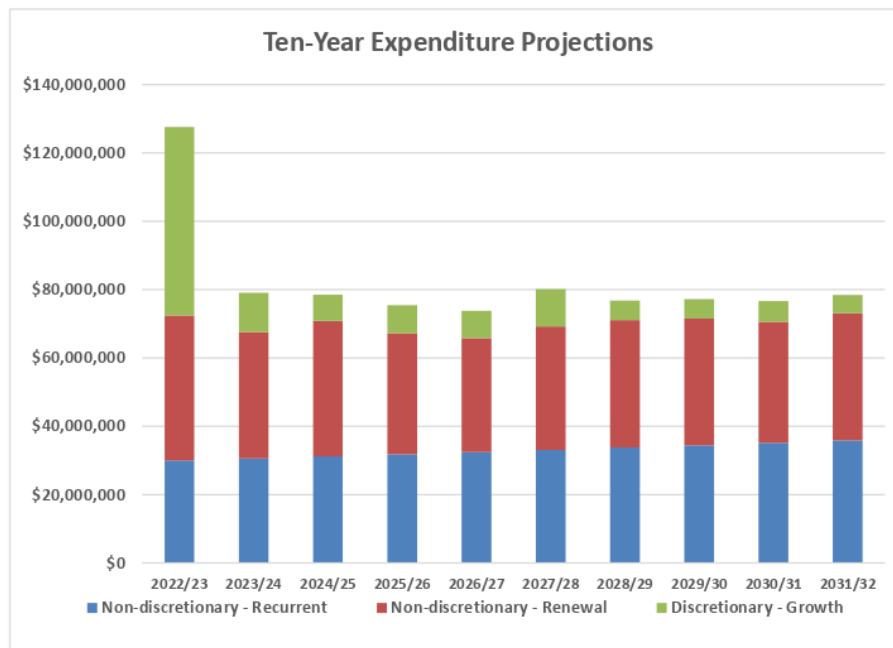


Figure 2-13: 10 Year Asset Expenditure Forecast

The following table summarises projected expenditure for the 6 major asset classes over the next 10 years. Please note that this does not include \$5.8M capital expenditure for Furniture & Fittings:

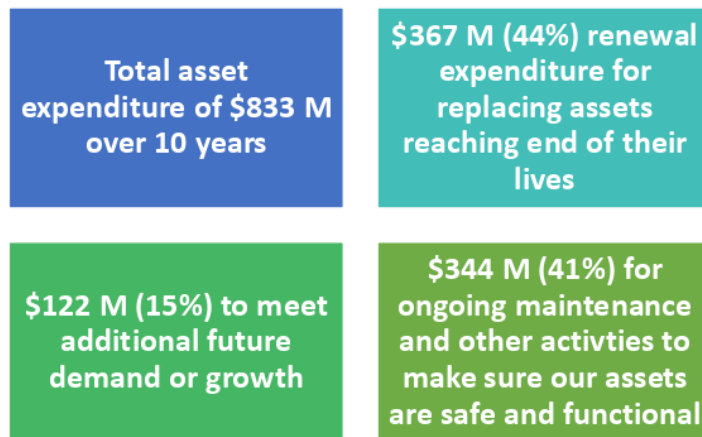
Asset Class	Recurrent (\$'000)	Renewal (\$'000)	Growth (\$'000)	Total (\$'000)
 Building Assets	\$64,289	\$98,050	\$59,160	\$221,499
 Road Infrastructure Assets	\$52,317	\$95,047	\$13,266	\$160,630
 Drainage Assets	\$14,499	\$43,623	\$3,685	\$61,807
 Open Space Assets	\$141,556	\$73,689	\$37,772	\$253,017
 Plant & Fleet Assets	\$31,119	\$43,446	\$60	\$74,625
 IT Assets	\$40,298	\$12,909	\$8,532	\$61,739
<b>Total</b>	<b>\$344,077</b>	<b>\$366,764</b>	<b>\$122,475</b>	<b>\$833,316</b>

Table 2-14: 10 Year Asset Expenditure Projections by Asset Class








## 11.5 – ATTACHMENT 1. Whitehorse Asset Plan 2022-2032

In summary Council has planned for:



**Figure 2-15: Summary 10 Year Asset Expenditure Projections**

The estimates included in this Asset Plan are for the projected asset costs cover the planned asset activities in the next 10 years. All renewal funding requirements identified for each asset class have been allocated in the Financial Plan and therefore no asset funding gap currently exists. However, funding projections are always subject to change for the following reasons.

Potential Factors	
	If there is an increase to the rate of asset deterioration
	If there is a change to the level of service required by the community
	If there is a major change to the cost of materials and services
	If there is a change to the amount of assets that Council decide to own
	If there are additional assets transferred from State or Federal Governments

**Figure 2-16: Potential factors affecting Funding Projections**

The cost projections for our assets will require vigilant monitoring and further analysis to always ensure that Council is funding the portfolio appropriately. Funding requirements may potentially change in the future to continue with the same level of service that is currently provided to the community and adjustments may be required to both this Asset Plan and the Financial Plan.

## 11.5 – ATTACHMENT 1. Whitehorse Asset Plan 2022-2032

### 2.9 Key Projects

As per the Capital Works Program for 2022-2032, the key projects for each asset class are listed below.

 <b>Building Assets</b>	Building Renewal Programs \$48.4M Redevelopment of the Whitehorse performing arts centre \$47.9M Sports Pavilion Upgrade Program \$45.4M Sportlink Multi-Purpose Facility Redevelopment \$5.7M
 <b>Road Assets</b>	Road Renewal Programs \$50.1M Footpath Renewal Program \$27.7M Multiple Streetscape Upgrades \$15.2M Box Hill Integrated Transport Strategy Implementation \$6.2M Pipetrack Shared Path Upgrades \$1.7M
 <b>Drainage Assets</b>	Stormwater Drainage Renewal Program \$35.5M Stormwater Drainage Upgrade Program \$4.6M Drainage Pit Lid Renewal Program \$2.4M Stormwater Management Infrastructure Renewal Program \$1M
 <b>Open Space Assets</b>	Strategic Land Acquisitions for new Open Space \$30M Sports Field Renewal Programs \$24.4M Play Space Renewal Program \$19.5M Park Furniture Renewal Program \$5.4M Elgar Park North East Sports Field Upgrades \$2.6M
 <b>Plant &amp; Fleet Assets</b>	Motor Vehicles Renewal Program \$20.8M Heavy Plant Renewal Program \$19.3M Minor Plant Renewal Program \$0.6M
 <b>IT Assets</b>	End User Device Renewal Program \$7.4M IT Infrastructure Upgrade Program \$4.5M Mobile Device Renewal Program \$2.3M IT Disaster Recovery Implementation (Hardware & Software) \$2.2M

## 11.5 – ATTACHMENT 1. Whitehorse Asset Plan 2022-2032

### 2.10 Financial Performance Indicators

#### Asset Management Financial Performance Indicators

In closing, the following performance measures demonstrate that over the next 10 years we are investing in our assets in a financially sustainable manner and ensuring that levels of service to the community are maintained. This is demonstrated by the total expenditure forecast over the 10 year period as per below.

	Measure	Target#	Forecast (Over 10 Year Period)
	Asset renewal funding ratio (proposed renewal budget over 10 years/forecast renewal budget over 10 years)	90% to 110%	106.4%
	Asset Sustainability Ratio (renewal funding vs depreciation)	90% to 110%	98.1%
	Asset Renewal and Upgrade Expenditure as a percentage of depreciation	>100%	105.0%
	Lifecycle cost indicator (proposed 10-year lifecycle financial plan/forecast 10-year lifecycle costs)	90% to 110%	102.7%
	Total capital expenditure over depreciation in Financial Plan	>1.5	1.99
	Infrastructure per head of municipal population	\$6468.41*	\$5179.50**
	Population density per length of road	303.15*	283.73**

Figure 2-17: Performance Indicators for the period 2022-2032

# Financial Targets sourced from Whitehorse Financial Plan and Local Government Victoria Asset Plan Guidance Document

\* Current comparative figures for similar Councils

\*\* Current statistic for Whitehorse City Council (does not include 10-year projections)

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