MOORABOOL SHIRE RETAIL STRATEGY

2024

BACKGROUND REPORT

BY TIM NOTT WITH HANSEN PARTNERSHIP
FOR MOORABOOL SHIRE COUNCIL
JUNE 2024

Moorabool Shire Council

REPORT DATA

Version	Date	Approved By	Sent to
Draft	2 June 2023	TN	Liam Prescott, Moorabool Shire Council
Consult Draft	10 October 2023	TN	Liam Prescott, Moorabool Shire Council
Final	18 June 2024	TN	Liam Prescott, Moorabool Shire Council

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For the purposes of this Strategy, retail activity includes the sale of food, groceries and liquor, clothing, household goods, recreational and other goods, cafés, restaurants and take-away food outlets and selected services such as hair-dressers, beauty parlours and household goods repairs. It does not include pubs, clubs and hotels, automotive sales or showrooms where most of the income is from wholesale sales.

Front cover image: Moorabool Shire Council

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INTRODUCTION

This background report provides an information base, introduces key issues and aids in identifying policies that are most appropriate for the Moorabool community, both now and in the future.

The report provides support for the accompanying Retail Strategy actions and implementation plans.

The report provides:

- A summary of the relevant existing policy framework
- A description of the existing retail activity centre network and the hierarchy of activity centres as well as the population catchment of those centres
- The expected population growth in each catchment and what this could mean for demand for retail goods and services
- Options for delivery of a retail network that will best serve the future population

1.

EXISTING POLICY FRAMEWORK

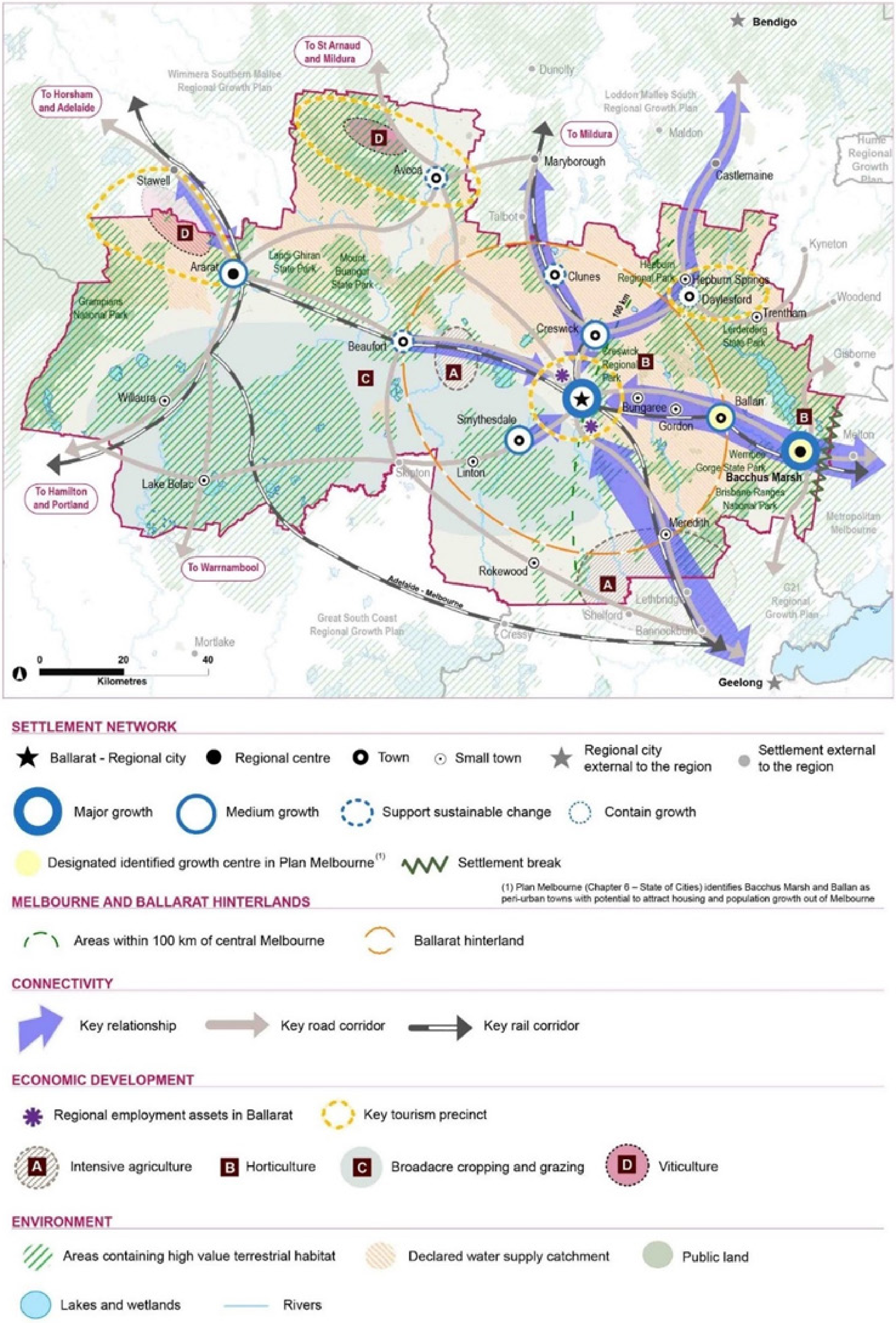
1. EXISTING POLICY FRAMEWORK

Key elements of the current policy framework relevant to the Retail Strategy are identified here.

1.1 General Land-Use Planning Policy

- Bacchus Marsh is recognised as a regional centre in Victoria's settlement system, where growth is to be encouraged, with the town to be a key service centre for this part of the Central Highlands region (Moorabool Planning Scheme, 11.01-1R – see Figure 1-1)
- Ballan is recognised as a local/sub-regional service centre with an opportunity to accommodate some growth

Figure 1-1: Central Highlands Regional Growth Plan



Source: Moorabool Planning Scheme, 11.01.1R

The State planning policy framework expects that retail, commercial, administrative, entertainment and cultural developments will be concentrated into a network of activity centres that are accessible to the community (see the box below). The previous municipal retail strategy (Macroplan Dimasi, 2015) has sensibly interpreted this to mean a network of centres organised in a hierarchy, with fewer, larger centres providing a wider range of activities and more smaller centres providing for day-to-day needs.

ACTIVITY CENTRES

Objective

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

Strategies

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.

Undertake strategic planning for the use and development of land in and around activity centres.

Give clear direction on preferred locations for investment.

Encourage a diversity of housing types at higher densities in and around activity centres.

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 Planning Policy Framework also has more specific strategies for retail development, including:

- Locate commercial facilities in existing or planned activity centres.
- Provide new convenience shopping facilities to provide for the needs of the local population in new residential areas and within, or immediately adjacent to, existing commercial centres.
- Provide small scale shopping opportunities that meet the needs of local residents and workers in convenient locations.
- Provide outlets of trade-related goods or services directly serving or ancillary to industry that have adequate on-site car parking.
- Create a network of mixed-use activity centres that are high quality, well designed and create a sense of place.
- Locate cinema based entertainment facilities within or on the periphery of existing or planned activity centres.

Existing local planning policy also identifies Bacchus Marsh and Ballan as the key municipal centres, whilst recognising the need for a range of lower order centres to meet local needs. A key reason for strong activity centres in Moorabool is to provide local jobs and reduce commuting, which imposes high costs on families and the community at large. The Planning Policy Framework advises to:

- Encourage a mix of commercial and residential land uses that complement the mixed-use function of activity centres.
- Reinforce the commercial hub role of Main Street through the intensification of a mix of retail, commercial and leisure land uses, within a walkable environment.
- Strengthen Grant Street as the secondary activity centre within Bacchus Marsh and the secondary location for complementary commercial land uses.
- Encourage civic and community uses on land west of Lord Street in the vicinity of the library and public hall.
- Encourage and facilitate the redevelopment and expansion of Darley Plaza as a modern, high amenity neighbourhood activity centre for local residents.
- Plan for an out-of-centre bulky goods retail (restricted retail) precinct in Bacchus Marsh, sufficient to accommodate the long term needs for such uses.
- Facilitate the relocation of home based business to commercial accommodation when demand arises.

In suburban metropolitan contexts, including Bacchus Marsh, State planning policy (DELWP, 2017) calls for 20 minute neighbourhoods, which are intended to encourage the concept of living locally, improving access to services and facilitating a more sustainable urban form. The hallmarks of 20-minute neighbourhoods are shown in the adjacent figure.

The local planning policy identifies a number of strategies to achieve the objectives outlined above, including the identification of a retail hierarchy, although this only applies to the centres in Bacchus Marsh and Ballan.

- Facilitate appropriate investment attraction and development of the core activity centres shown on the Bacchus Marsh Urban Growth Framework Plan and the Ballan Framework Plan in accordance with the following hierarchy:
- Major Activity Centre - Bacchus Marsh (Main Street)
- Neighbourhood Activity Centres – Ballan (Main Street), Darley Plaza, West Maddingley
- Local Activity Centres - Maddingley (Grant Street)
- Potential Activity Centres – Merrimu, Parwan Station
- Ensure that growth precinct planning delivers any new activity centres in the early stages. Ensure that new activity centres are co-located with community facilities.
- Encourage and facilitate the redevelopment and expansion of Darley Plaza as a modern, high amenity neighbourhood activity centre for local residents.
- Plan for an out-of-centre bulky goods retail (restricted retail) precinct in Bacchus Marsh, sufficient to accommodate the long term needs for such uses.
- Enhance the commercial centre streetscape as well as wider pedestrian movement, signs and landscaping.

In order to provide parity of consideration for all centres in the municipality, it would be an easy matter to extend the hierarchy to be universal, and this is discussed further in Section 2.

Figure 1-2: Hallmarks of 20-minute neighbourhoods

1.2 PLANNING FOR BACCHUS MARSH

Bacchus Marsh is a rapidly growing town on the outskirts of the western Melbourne growth corridor. The town has grown sufficiently to warrant two neighbourhood activity centres (Darley Plaza and Maddingley Village) in its suburbs as well as the main town centre.

Two existing growth areas (West Maddingley and Underbank) are at varying stages of development. The Urban Growth Framework has been developed by the Victorian Planning Authority (VPA) in conjunction with Council, and this guides the planning of Bacchus Marsh at a high level.

The Framework is shown in Figure 1-3. Three growth precincts have been identified for future urban growth to accommodate new residents over coming decades. One precinct is identified for non-residential (employment) purposes.

The VPA is currently preparing three Precinct Structure Plans (PSPs) around Bacchus Marsh – Merrimu, Parwan Station and Parwan Employment Precinct. Council is the responsible authority for the fourth growth precinct, Hopetoun Park North, where a Development Plan will be prepared. The shape and population capacity of the precincts will be affected by the location of the Eastern Link Road that will provide a north-south bypass of the Bacchus Marsh town centre and existing suburbs, connecting the Geelong Road to the Gisborne Road.

For this strategy, the following population capacities have been adopted for the growth precincts, based on population forecasts by .id consulting and preliminary planning work for Council and the VPA.

Table 1-1: Growth precinct areas - estimated population at full development

Growth Areas	Population at full development
Hopetoun Park North	1,800
Merrimu	20,160
Parwan Station	10,032*
All growth areas	32,742

Source: Urban Enterprise, 2023 (Hopetoun Park North); Moorabool Council, unpublished (Merrimu); HillPDA, 2021 (Parwan Station). * Recent indications from the VPA (2022) suggest that the population at Parwan Station could be up to 13,000.

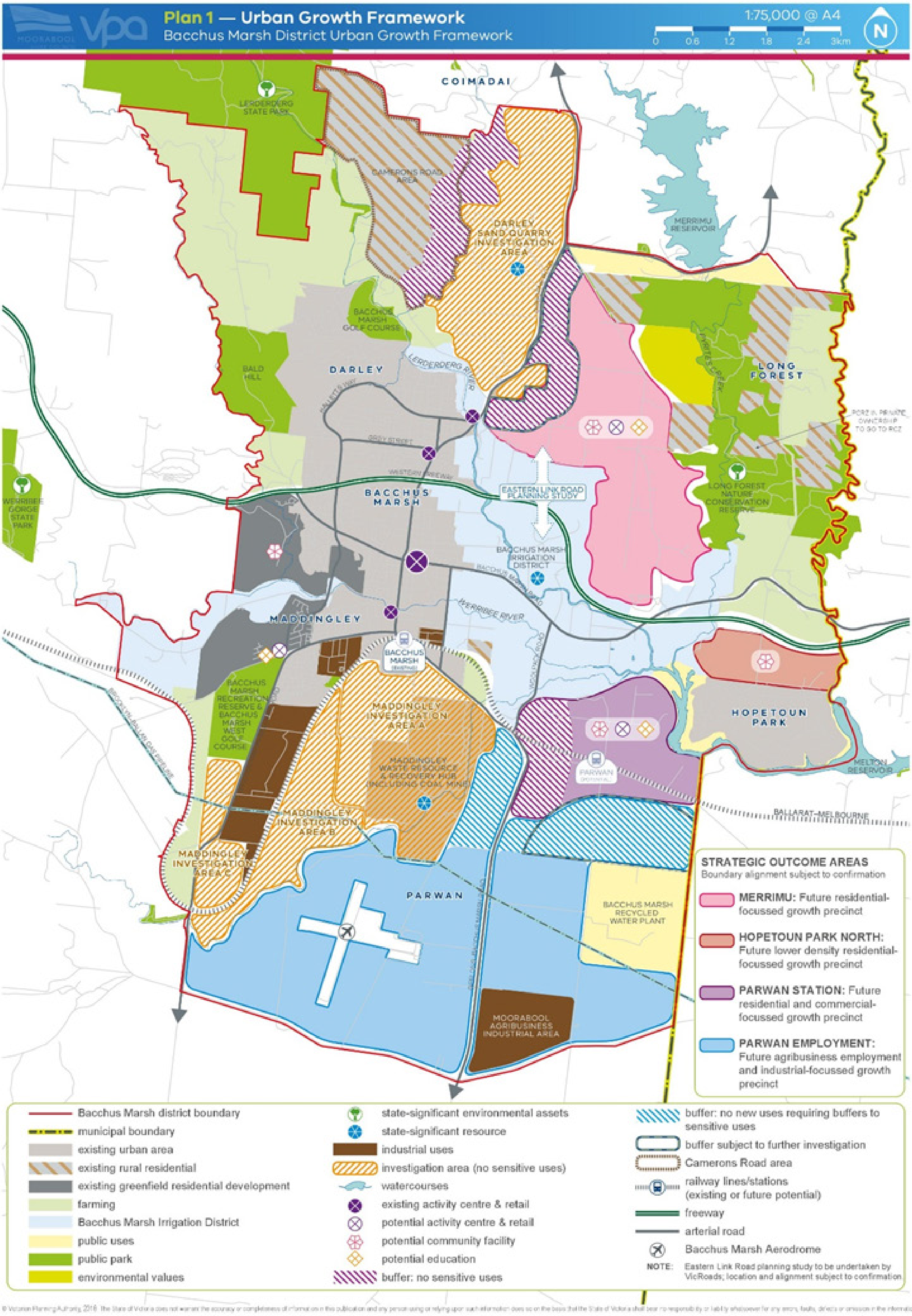
Strategic directions for Bacchus Marsh contained in the Municipal Planning Strategy (02.03-7) that are specifically retail related, include to:

- Strengthen the local economy to improve local employment opportunities, meet the needs of residents and reduce escape expenditure by:
  - Providing a diverse range of retail and community services particularly in Bacchus Marsh as an identified regional service centre.
  - Facilitating a bulky goods (restricted retail) precinct that is convenient to the Bacchus Marsh community and able to accommodate large footprint retail uses.
- Reinforce the role of Bacchus Marsh and Ballan as regional centres for employment, shopping, tourism, industry, business, and cultural services.

And relating to Bacchus Marsh as an Activity Centre (11.03-1L):

- Encourage and facilitate the redevelopment and expansion of Darley Plaza as a modern, high amenity neighbourhood activity centre for local residents.
- Encourage a mix of commercial and residential land uses that complement the mixed-use function of activity centres.
- Reinforce the commercial hub role of Main Street through the intensification of a mix of retail, commercial and leisure land uses, within a walkable environment.
- Strengthen Grant Street as the secondary activity centre within Bacchus Marsh and the secondary location for complementary commercial land uses.

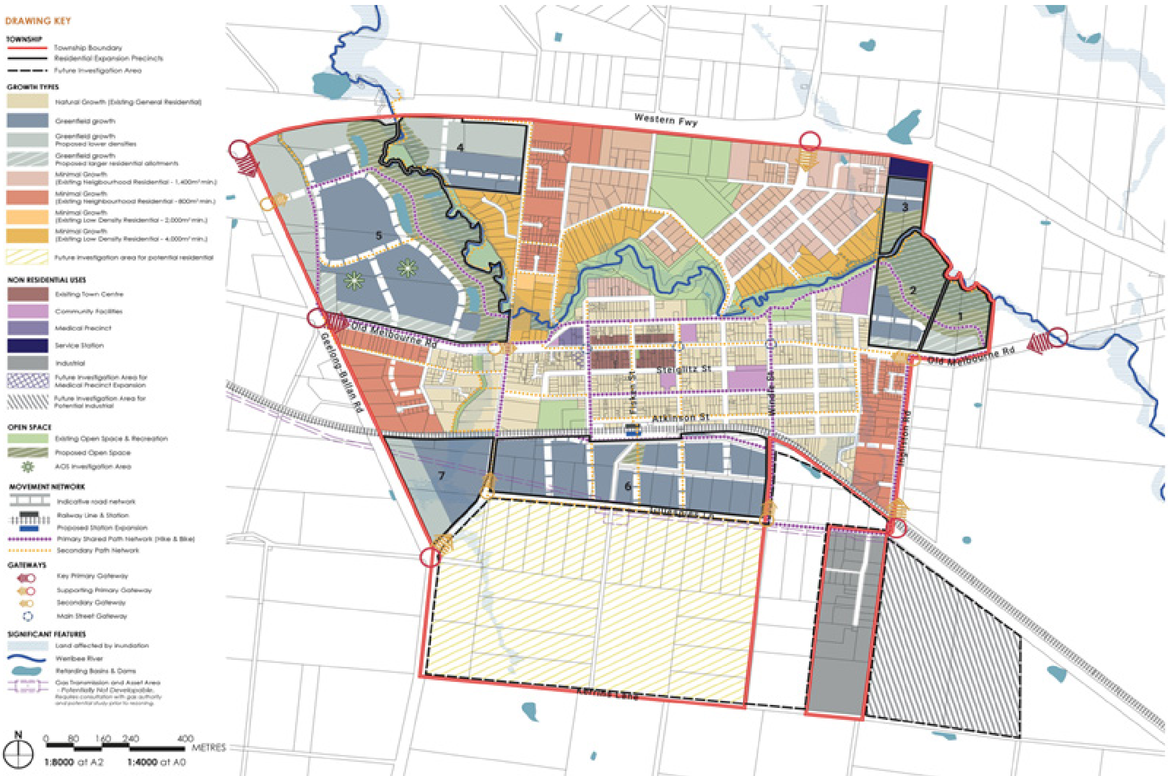
Figure 1-3: Bacchus Marsh Urban Growth Framework



1.3 PLANNING FOR BALLAN

Ballan is also expected to grow significantly from its current size and planning for growth is already well-advanced.

Figure 1-4: Ballan Framework Plan



The planning framework for Ballan envisages that the population of the town will grow to 11,000+ from its current level of around 2,700. The framework plan retains "the town centre core as the main commercial and retail precinct with supporting non-residential uses", with no other activity centres proposed. The framework plan shows a large area of land south of the railway line as a future residential investigation area.

Strategic directions for Ballan contained in the Municipal Planning Strategy (02.03-7) that are specifically retail related, include to:

- Strengthen the local economy to improve local employment opportunities, meet the needs of residents and reduce escape expenditure by:
  - Encourage commercial uses in Ballan oriented towards generating high activity, in combination with community facilities (including local level convenience retail facilities) within or proximal to the core.
  - Encourage the use of existing shops in the town centre of Ballan prior to the construction of new buildings on the fringe of the town centre.
- Reinforce the role of Bacchus Marsh and Ballan as regional centres for employment, shopping, tourism, industry, business, and cultural services

1.4 PLANNING FOR SMALL TOWNS

Strategic directions for small towns contained in the Municipal Planning Strategy (02.03-7) that are specifically retail related, include to:

- Support local business and encourage further development of industrial and agricultural businesses in small towns and settlements to generate activity and employment locally.

Gordon, the largest of the small towns, is expected to continue to see some limited growth as a result of infill subdivisions facilitated by connection to sewer. The town has a population of around 800 residents but also serves surrounding rural areas and small towns such as Mt Egerton. However, no recommendations are made for the location of retail and commercial activities, and direction should be provided, particularly as the town has a well-established Main Street with capacity to accommodate new activity.

The Moorabool Planning Scheme identifies the small towns with activity centres and in all cases expects that new retail and commercial development will be within the existing centres or adjacent to existing commercial activities:

- Blackwood, in proximity to existing commercial uses.
- Dunnstown, close to the main intersection.
- Elaine, in proximity to existing commercial uses.
- Greendale, in proximity to the existing hotel.
- Lal Lal, in proximity to the existing hotel.
- Mt Egerton, in proximity to the hall and former general store.
- Myrniong, in proximity to 'The Plough'.
- Wallace, in proximity to existing commercial or public buildings.

The development expectations for small towns in the municipality are further detailed in the Small Towns and Settlements Strategy (Moorabool Shire Council, 2016).

1.5 ECONOMIC DEVELOPMENT POLICY

Council's economic development strategy has recently been refreshed (Urban Enterprise, 2023). The Strategy recommends several themes and priority projects related to retail, including undertaking:

- Business Investment Attraction Prospectus
- Moorabool Retail Strategy
- Small Towns Placemaking and Activation Plan
- Bacchus Marsh Town Centre Improvement Program

These projects are intended to, "leverage population growth to facilitate economic development through attracting investment in key services, amenity and population-driven industry". The Strategy also has relevant themes related to activity centre development concerning the visitor economy, planning for sufficient commercial land and supporting local business associations.

1.6 EXISTING RETAIL STRATEGIES

Moorabool Shire Council – Retail Strategy 2041, Macroplan Dimasi for Council, March 2016

This retail strategy replaced the previous partial strategy for Council prepared by Essential Economics – a Strategy for retail business development in Bacchus Marsh town centre (2001). The Macroplan Dimasi retail strategy identifies Bacchus Marsh as the key centre for the municipality and recommends that Council focus on concentrating retail activity here. This requires identifying and planning for development sites, especially those that can accommodate larger footprint uses such as supermarkets and discount department stores. It also means improving access for residents and creating a "sense of place", improving amenity and developing a central focal point for the community.

The strategy points to the need for a wider range of services in and around the town centre as the local population grows. This includes a professional services precinct and an entertainment precinct. The strategy also recommends that out-of-centre retail development be allowed to accommodate neighbourhood activity centres in the growth areas (specifically in West Maddingley) and to enable provision of a bulky goods precinct for which there is insufficient space in the town centre.

Bacchus Marsh Strategic Bulky Goods Assessment, by Essential Economics for Council, November 2018

This report was undertaken as the 2016 Retail Strategy identified the need to find land for a bulky goods precinct outside the town centre. The assessment reviews the demand for bulky goods retailing in the Bacchus Marsh district and areas where such demand might be accommodated given the relevant planning policies and the presence of suitable sites. Demand for additional bulky goods (and ancillary) floorspace was estimated to reach 16,600 sqm by 2041. This floorspace is assumed to require a land area of up to 4.7 hectares.

The assessment reviewed a number of sites and concluded that, while all were imperfect, a location on Geelong-Bacchus Marsh Road near Fisken Street was preferred at the time.

Noting that recent work by Council and the VPA has investigated other locations, the current Retail Strategy process identifies a different preferred site.

1.7 KEY ISSUES FROM EXISTING POLICY

- Overall planning policy expects retailing to be located mainly in a network of activity centres, organised in a hierarchy to allow for efficient and equitable access.
- Bacchus Marsh is a rapidly growing town in Melbourne’s west, with growth areas forecast to house a population of 33,000 or more, with additional residents expected in existing suburbs. These new residents will require new retail activity centres to serve everyday needs and to act as community focal points. They will also need a stronger town centre that meets more of their needs for employment and complex services.
- Ballan is also forecast to grow substantially, placing new demands on the existing town centre to provide convenient and comprehensive services.
- The smaller settlements of the municipality are served by a variety of local and village activity centres which generally provide top-up retailing but are often more important as community focal points.
- The municipality generally relies on bulky goods and home-maker centres that are outside Moorabool – in Ballarat, Melton or beyond. As the population grows, there will be scope to deliver more of this type of retailing within the municipality, especially in Bacchus Marsh. A site for these kinds of activities needs to be agreed.

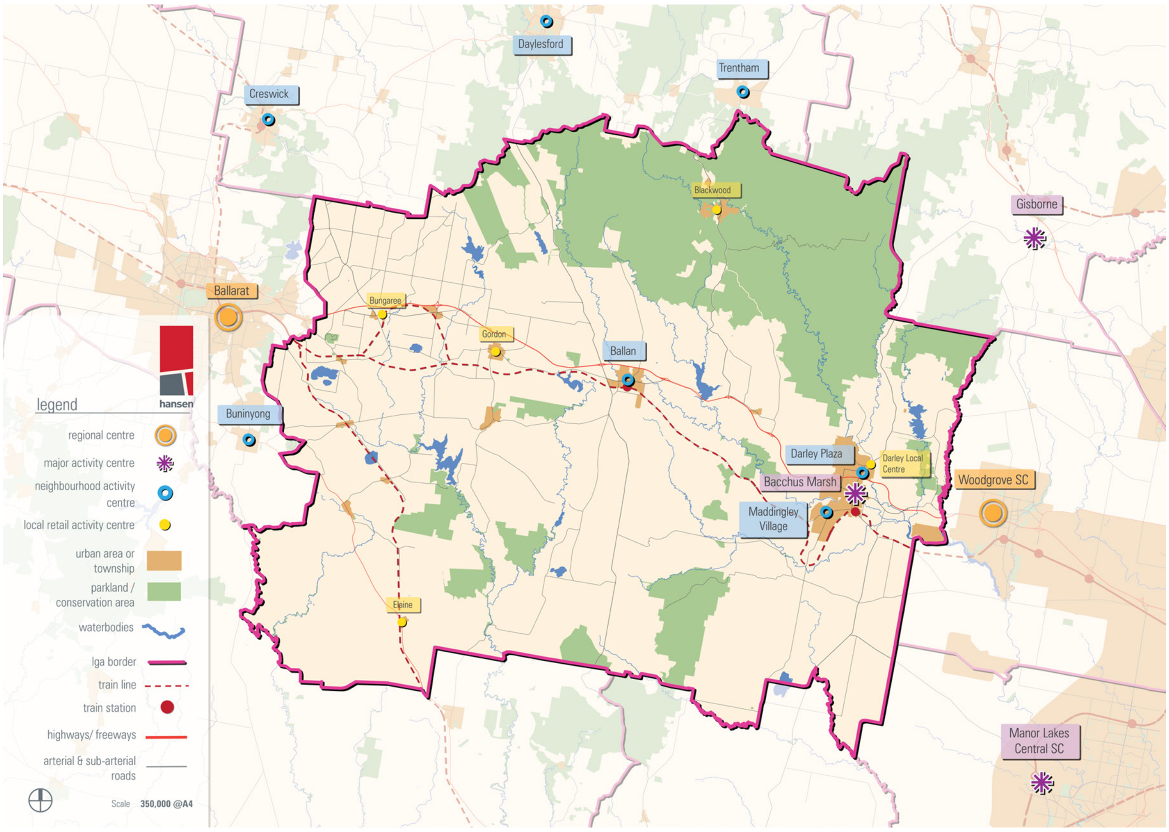
2.

ACTIVITY CENTRE NETWORK

2.1 EXISTING RETAIL ACTIVITY CENTRE NETWORK

The following map shows the centres that contain retail activity in the Moorabool Shire[1].

Figure 2-1: Moorabool existing retail activity centres



[1] Here "retail" activity is defined in the introduction to section 4 of this report. The definition excludes pubs and clubs which means that some village centres with only a hotel (Greendale, Myrniong, Wallace etc) are not listed.

The network of centres is organised, broadly, in a hierarchy: smaller, more numerous centres provide day-to-day goods and services to a small catchment; less numerous larger centres also provide more infrequent comparison goods and entertainment to a much larger catchment. The hierarchical arrangement of centres has several advantages for residents, traders and the wider community:

- Clustering services with a similar "reach" improves the viability of individual activities by increasing foot traffic and opportunities to share costs and marketing
- By placing services at the closest possible point to the consumer, travel costs are reduced and the sustainability of the urban system is improved
- Additions to the activity centre network can be made in a modular way so that current residents can be served without reducing the access to services of future residents

The hierarchy of centres in Moorabool conforms to a well-established standard, as set out in the following table.

Table 2-1: Retail activity centre hierarchy for Moorabool

Centre type	Key features	Typical population served	Centres serving Moorabool
Regional centre	Department stores and a wide range of comparison goods*, services and entertainment. Substantial and varied employment	150,000+	Ballarat Woodgrove
Major activity centre or large town centre	Discount department store or similar, large array of routine comparison goods and services; significant employment, including civic services	35,000 to 100,000	Bacchus Marsh
Neighbourhood activity centre or local town centre	Significant food and grocery provision and a selection of convenience goods and services as well as front-line medical and childcare services	4,000 to 11,000	Ballan, Darley Plaza, Maddingley Village
Local activity centre or village centre	Single general store or small collection of convenience goods stores or visitor outlets	1,000 to 4,000	Blackwood, Albert St (Darley), Grant Street (Maddingley) Elaine, Gordon, Bungaree, Mt Egerton
Homemaker centre/ bulky goods precinct	Collection of large outlets selling furniture, hardware, recreational goods and a wide range of goods	varies	Melton homemaker precinct, Wendouree homemakers centre

* Comparison goods include those for which shoppers often browse, including clothing, furniture, and recreational goods. Convenience goods and services comprise day-to-day purchases, including food and groceries, pharmacy, hairdressing and take-away food.

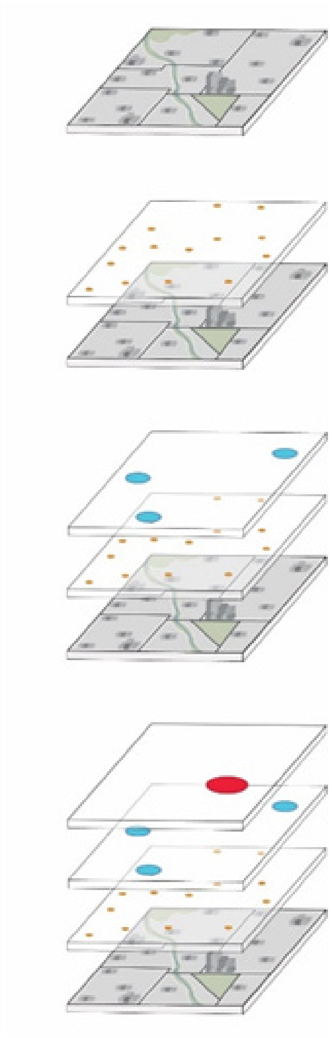
Everyone in the municipality is served by one or more of the three main levels in the retail hierarchy (see adjacent diagram). Each of the larger centres also delivers the same services as those in the smaller centres. There are no regional centres in Moorabool, although residents are served by the nearby regional centres of Ballarat and Woodgrove/Melton.

Local centres are useful in providing top-up groceries and services in areas that are beyond a comfortable walking distance to a larger centre. They also provide important focal points for villages and rural communities and can often provide visitor services in villages with a tourism role such as Blackwood or Gordon.

Some villages have previously had local retail centres, including Greenvale, Lal Lal, Mt Egerton, Myrniong and Wallace. While the retail function has disappeared, these villages are often left with a hotel, school or community hall to act as the local focal point.

Moorabool currently has no homemaker or bulky goods precinct, although it does have some larger format stores (car sales, automotive parts etc) around the Bacchus Marsh town centre.

The following sections describe the key activity centres in Moorabool.



Urban and rural area

Neighbourhood activity centres

Major activity centres

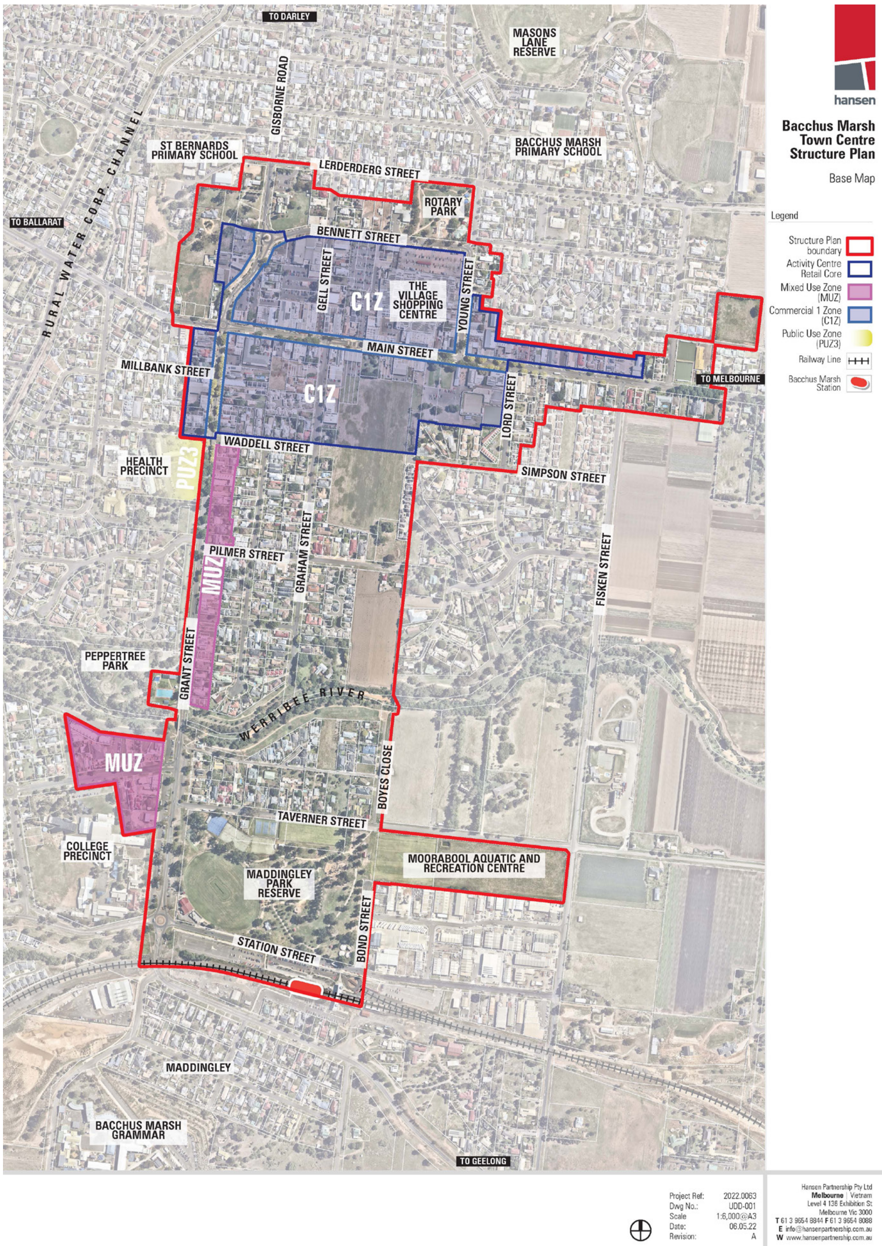
Regional centres

2.2 BACCHUS MARSH TOWN CENTRE

Bacchus Marsh town centre is a thriving retail, commercial and civic centre. It provides the closest full-line supermarket and significant comparison goods shopping for the eastern half of the Moorabool Shire and is by far the largest activity centre in the municipality.

The centre is shown in the diagram below. This diagram is taken from the Bacchus Marsh Town Centre Structure Plan, which is currently being completed.

Figure 2-2: Bacchus Marsh Town Centre



The key features of the centre include:

- The core retail precinct comprising the Main Street traditional shopping strip, complemented by an enclosed mall – The Village – which accommodates supermarkets (Coles and ALDI) and a range of non-food outlets (The Reject Shop, UFS Pharmacy, Specsavers, Millers Fashion, Just Jeans etc), as well as a large group of fast food and dining establishments, some of which contribute to the main street
- Retail and commercial activity extends into side streets – Gell Street, Young Street and Graham Street – with a secondary retail precinct that extends along Grant Street to Maddingley Park
- Civic, legal, medical and cultural facilities form an important part of the town centre, adding to its draw and providing a wide range of services and employment

There are a variety of significant issues and opportunities for the centre:

- The centre has a low vacancy rate of only 2% of floorspace (June 2022). Generally, a vacancy rate of 5-6% is the benchmark for a balance between retail floorspace supply and demand across a town centre such as Bacchus Marsh. The low vacancy rate indicates a limited supply of space for retail and commercial activities compared with demand.
- The owners of the Village Shopping Centre have applied for a permit to expand its floorspace by 2,714 sqm, and this may ease the demand for floorspace somewhat. Other potential extensions of the main shopping precinct include an extension to the west of the Grant Street intersection, on the north side of Main Street; and development of the vacant land to the east of Graham Street, south of Main Street.
- Grant Street is a major link road between Geelong to the south, and Gisborne and the Calder Highway to the north. It carries significant truck traffic as well as providing the main access to the town centre from the suburbs of Maddingley to the south and Darley to the north. The road is congested, providing a disincentive for suburban residents and making parts of the centre unpleasant for pedestrians. The proposed Eastern Link Road currently being planned by Regional Roads Victoria would provide an alternate route for much of the truck traffic and other through traffic. However, while an alignment has been determined, construction will be some years in the future.

  In the meantime, the intersection between Main Street and Grant Street is proposed to be signalised and this would improve pedestrian safety and the pedestrian experience of the western end of the main shopping centre, although how it will affect congestion remains to be seen.
- Although Bacchus Marsh Town Centre is clearly the cultural and commercial heart of the district, the Council offices are located in a former school in Darley. Council is investigating returning a civic presence to the main street. The return of the Council's 200+ staff would inject new vibrancy and retail demand into the town centre.
- The closure of the Target store in the town centre during 2021 has significantly reduced the general non-food offering of the centre, although the space has not remained vacant.

The Bacchus Marsh town centre faces a unique competitive landscape. In comparison goods retailing, it competes with the internet and with the larger retail centres such as Woodgrove/Melton and Ballarat. For food and groceries and other convenience goods, it competes with those larger centres as well as the growing set of neighbourhood activity centres. Maddingley Village has recently opened with more centres planned as part of the urban growth precincts, as well as the popular roadside produce outlets in the irrigation district along Bacchus Marsh Road.

The town centre will need to respond to these ongoing competitive pressures by more strongly defining its roles. Those roles could include the following:

- The place for the widest range of retail goods and services in the Bacchus Marsh district
- The place to eat out and be entertained
- The centre for legal, financial, travel, property and business services
- The institutional heart of the emerging city of Bacchus Marsh
- A centre of cultural and visitor experiences

Some of these roles need further strengthening, especially the provision of entertainment and the development of cultural and visitor experiences. This includes ensuring that expansion of the town centre creates buildings and spaces that will attract residents and visitors.

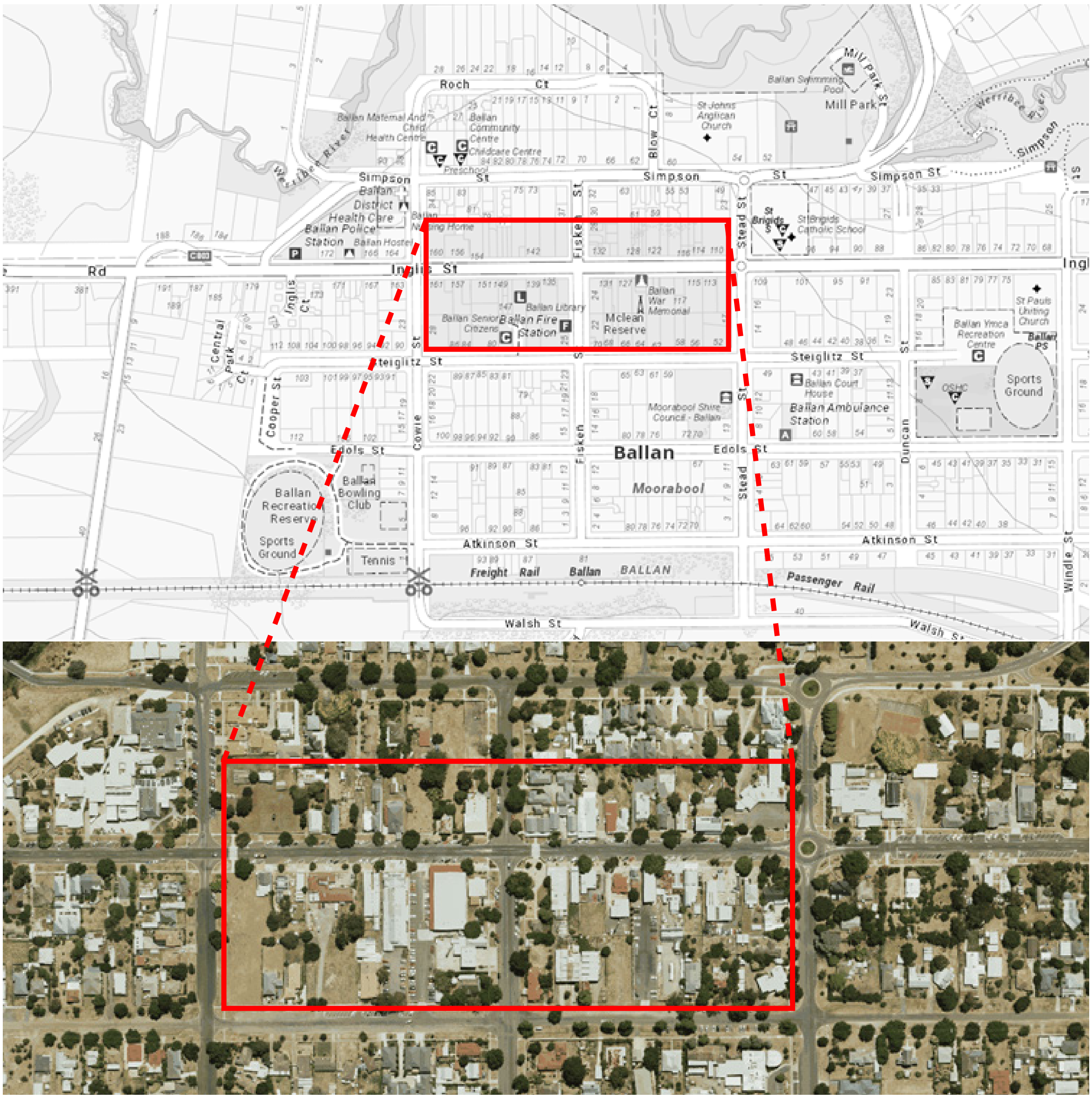
2.3 BALLAN TOWN CENTRE

Ballan town centre is the thriving centre of a growing town in the centre of Moorabool. In retail terms, it functions as a neighbourhood activity centre for the town and surrounding districts, but it has a broader community and commercial role, hosting health and community services and a variety of commercial and visitor services.

Key features of the centre include:

- The mid-sized IGA supermarket which provides a significant food and grocery outlet for the town and surrounds
- The health services precinct at the western end of the commercial centre, providing residential aged care and other facilities
- An attractive main street – Inglis Street – with a varied collection of buildings dating from the original settlement to the present
- Several significant parcels of vacant land, including two large parcels at the western end of the commercial precinct (each of the order of 3,000 sqm) and land fronting Steiglitz Street which is under-utilised (see Figure 2-3 below)
- The centre has a tourism role with a number of galleries, cafes and specialty shops, as well as a successful monthly farmers' market, that attract visitors from beyond the catchment, including travellers on the Western Freeway
- A new development on Fisken Street has extended the retail development off the main street, whilst also providing apartments above the shops, a progressive innovation in a country town where medium and high-density dwellings are few
- Even with this new development, the centre has a low vacancy rate of less than 3% and this is likely a result of the return to local stores during the COVID-19 pandemic and because the growing local population is increasing demand creates buildings and spaces that will attract residents and visitors.

Figure 2-3: Ballan Town Centre



Source: base map/photo from VicPlan

The Ballan & District Chamber of Commerce (2022) has recently released its five-year Strategic Plan. This plan has five key directions:

- Increase membership of the organisation
- Support and develop events and promotions
- Undertake digital marketing and communications
- Lobby for streetscape improvements
- Develop the tourism role of the town

While the organisation represents businesses across the district, much of its effort is focussed on the Ballan Town Centre.

Key issues for the Ballan town centre include:

- As the town's population grows, additional space will need to be found in the town centre to accommodate more substantial services, including, potentially, a larger supermarket or an equivalent service. While there are vacant lots, some redevelopment may be required as well as extensions to the Commercial Zone. As an indication, full line supermarkets (3,000+sqm) currently require sites about three times as large as the building area in order to accommodate the necessary car-parking and circulation. Site consolidation will be required, with efforts likely to focus on the vacant sites at the western end of the existing centre.
- With growth comes the challenge of retaining and enhancing the charm of the main street. This will involve retaining the various heritage buildings whilst ensuring that new buildings contribute positively to the streetscape.
- As the population of Ballan grows from less than 3,000 to more than 11,000 over the coming decades, many more residents will be travelling to the centre by car. This will generate substantial extra pressures on the access arrangements in and around the town centre, including roads, footpaths, cycleways, car-parking and intersection treatments. Emerging changes in transport technologies will have some impact on these demands (self-driving cars, transport as a service, new forms of mobility etc).
  The impact of car-parking on the town centre including the amount of space it consumes and its visual impact, may be reduced by catering to these emerging trends and by maximising opportunities for active transport. This would include providing dedicated cycleways and footpaths that connect Ballan's outer suburbs to its town centre.
- Because of its position on the Western Freeway, Ballan does cater for casual visitors and there are opportunities to increase visitation through the provision of additional facilities in the town centre, including tourism retailing such as galleries, specialty food and dining as well as events and accommodation.
- Expansion of the town centre may require redevelopment of surrounding residential properties. The preferred direction of expansion should be towards the train station, to provide public transport access to the key activity centre. Such expansion along Fisken Street may clash with the heritage buildings along the street. Other streets such as Cowie Street or Stead Street could provide the necessary commercial links.
- There may be potential as the town grows to develop new retail centres to service the population. The identified population capacity south of the railway line is around 5,700. This would be sufficient to support a small neighbourhood centre. Such a centre could reduce the viability of the town centre and would need to be introduced carefully in order to maximise the local provision of services to the Ballan community. It may also be possible to provide compatible commercial development around the train station.

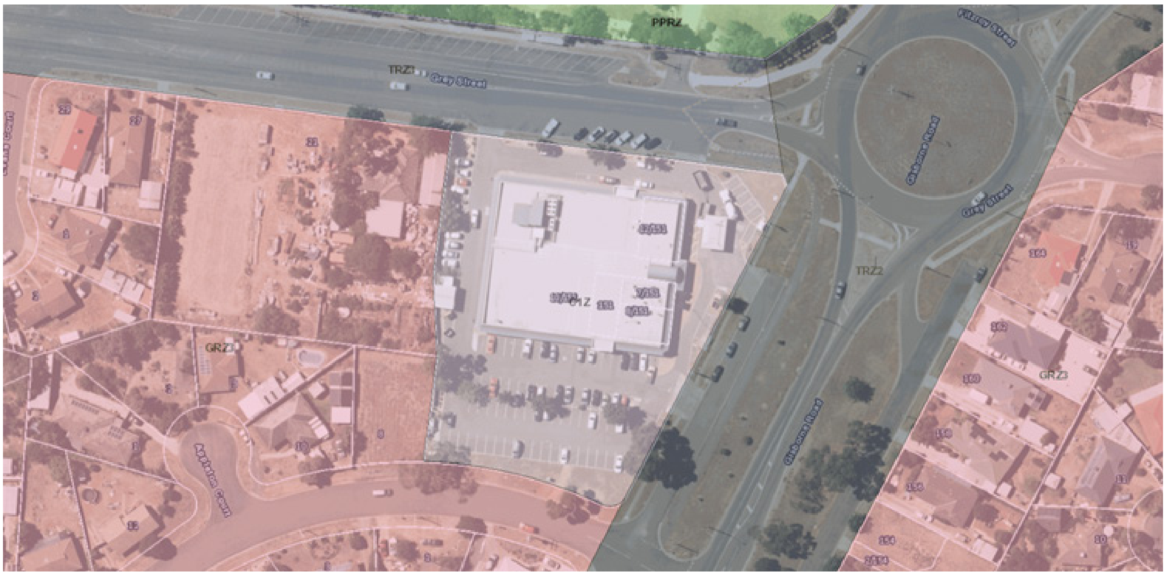
2.4 SUBURBAN NEIGHBOURHOOD ACTIVITY CENTRES

2.4.1 Darley Plaza

Darley Plaza was built as a single-owner hard-top centre and accommodates a mid-sized IGA supermarket and a small collection of specialty stores as well as a petrol station.

This small neighbourhood centre, shown below, services the suburb of Darley, the area of Bacchus Marsh north of the Western Freeway.

Figure 2-4: Darley Plaza (including land-use zoning)

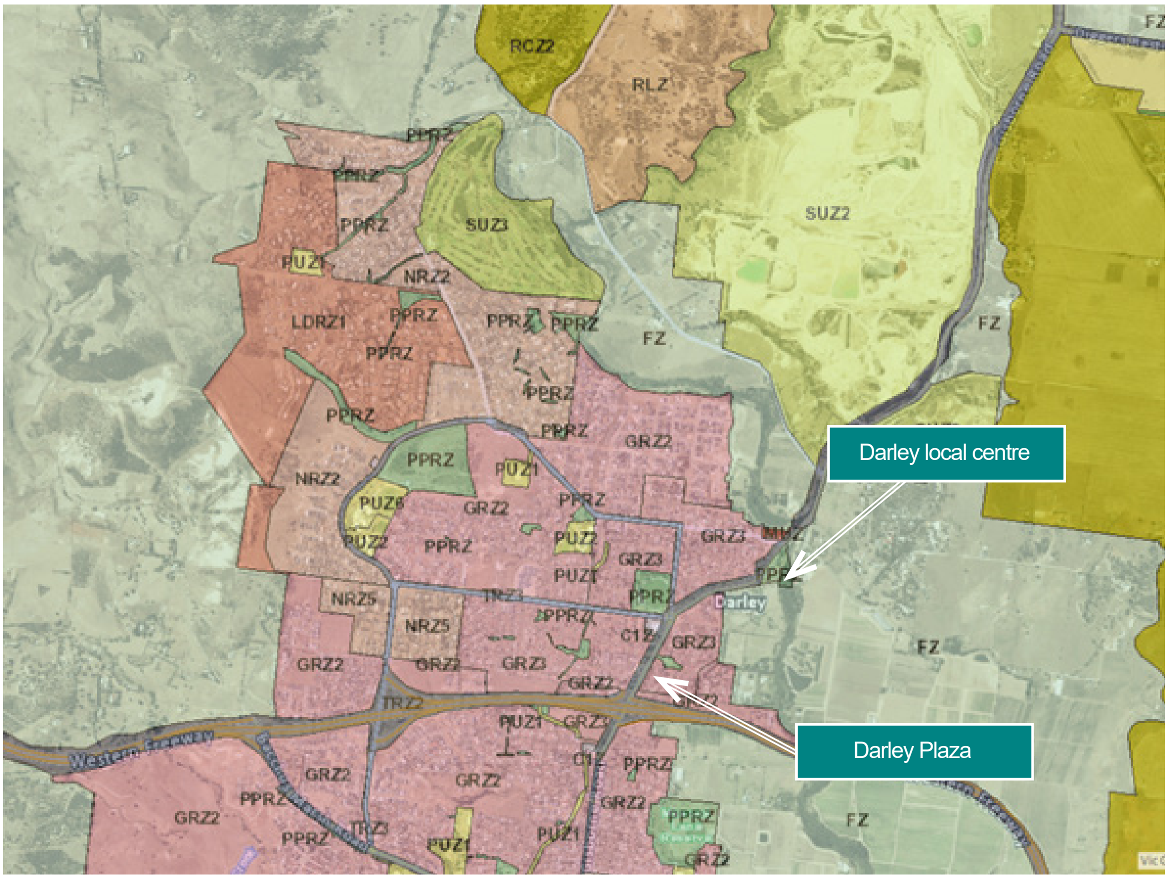


Source: VicPlan

Key issues for the centre include:

- Darley Plaza is a small neighbourhood centre, with a retail floorspace of approximately 1,810 sqm and a limited range of goods and services. The population of the Darley suburb is over 9,000 (2021) and this indicates the potential for a more substantial neighbourhood centre, although the services of Darley Plaza are supplemented by a local centre on the corner of Gisborne Road and Albert Street.
- The owner of Darley Plaza is currently developing a proposal to expand the centre on the existing site. Preliminary plans show an increase in the overall size of the centre to 3,763 sqm, including expanding the existing supermarket from 1,370 sqm to 2,630 sqm as well as providing a gym and office space.
- The location of Darley Plaza in relation to the suburb it serves is shown below. Whilst it is accessible to all who travel by car, it is not central to its catchment, being some 3.9 km from the north-western end of the suburb. There may be some scope for the provision of a further local centre to improve active transport access to services in the area. A permit for such a centre has been granted for a location on the corner of Halletts Way and Ramsey Crescent, although this has not yet been acted upon.

Figure 2-4: Darley Plaza (including land-use zoning)



Source: VicPlan

2.4.2 Maddingley Village

The Maddingley Village neighbourhood centre has recently been constructed on the corner of McCormacks Road and O'Leary Way in the rapidly growing suburb of Maddingley to the south of Bacchus Marsh. This centre has an IGA supermarket of 2,186 sqm plus a number of smaller tenancies including a gym, child-care centre, swim school, dental clinic and various other food and service retailers. The centre also incorporates 30 townhouses. The total commercial floorspace of the new centre is 6,700 sqm.

Maddingley Village is a neighbourhood activity centre serving the Maddingley suburb and surrounding areas.

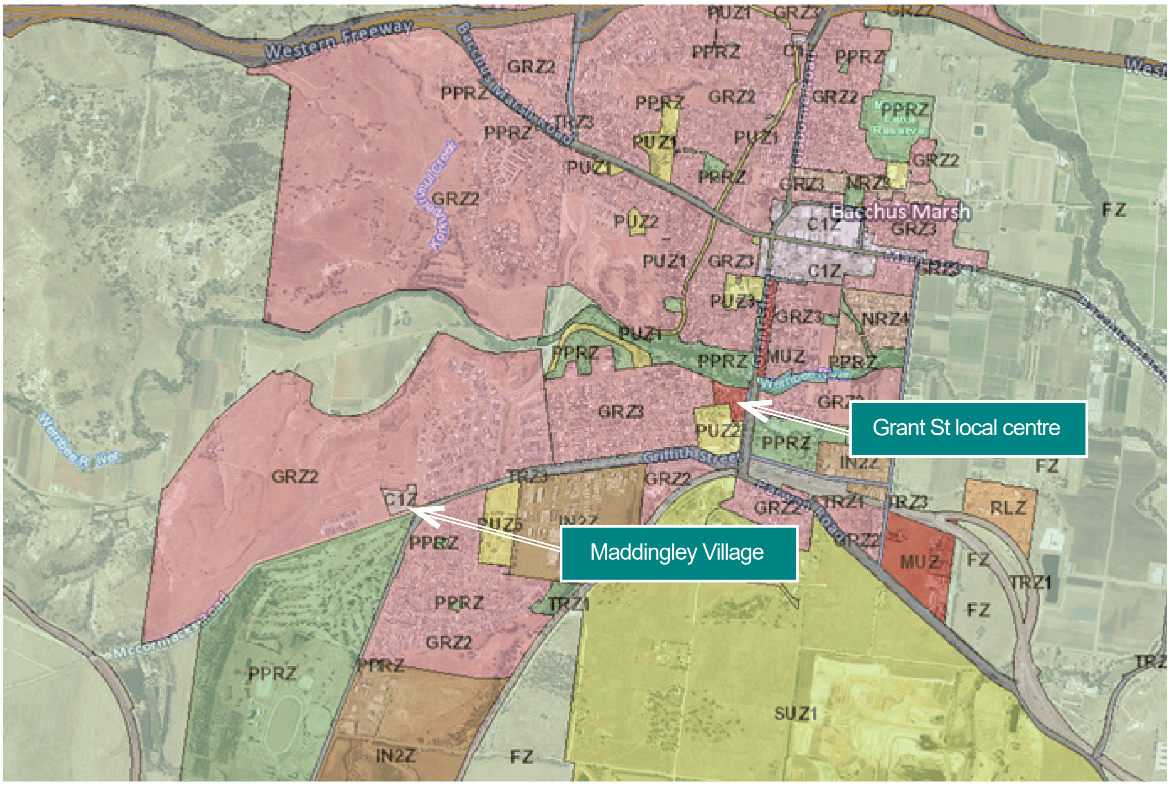
The population of Maddingley is currently around 5,500 and is expected to grow to around 6,300 at full development. The suburb is also served by a local centre located on Grant Street.

Figure 2-6: Maddingley Village

Source: empireproperties.com.au

A key issue for the centre will be the potential for competing activity centres at Underbank and elsewhere. However, Maddingley Village has the advantage of being the first of these neighbourhood centres in the south of Bacchus Marsh and has the opportunity to establish a strong customer loyalty.

Figure 2-7: Maddingley Village in context



Source: VicPlan

2.5 LOCAL CENTRES

In a suburban context, Moorabool's local centres provide services for residents who are beyond an easy walk to larger centres. In general, they provide outlets such as general stores, take-away food and hairdressing, as well as a collection of other activities that need a location but may not need to be in the town centres where rents are more expensive.

Bacchus Marsh has two local centres, each comprising a small selection of local shops and services:

- Grant Street, around the intersection with Labilliere Street
- Darley local centre, on Albert Street at the intersection of Gisborne Road

It is likely that new local centres will be required in order to improve accessibility to key services as the town of Bacchus Marsh expands. A new local centre has received a permit on Halletts Way, Darley.

2.6 SMALL TOWN CENTRES

Small town centres are the heart of many rural communities, providing the focal point and meeting places for the residents of small settlements and their surrounds. In Moorabool, a number of small town centres have lost their retail function and are left with community facilities and/or a hotel (Wallace, Myrniong etc.). Other centres retain some retail function, usually a general store and post office, as well as take-away food. The following centres are those with a retail function.

- **Blackwood** contains several stores including a general store/café and a coffee roaster as well as a hotel and community hall. The centre caters for residents and visitors to the forests of Lerderderg State Park and the Wombat State Forest, including attractions such as the Blackwood Mineral Springs and the nearby St Erth Garden Centre.
- **Bungaree** has no recognisable centre but non-residential activities, including a general store/petrol station, are distributed along the Bungaree-Wallace Road.
- **Elaine** hosts a collection of activities spread out along the Midland Highway including a general store/café, a farmgate shop and an artist's gallery outlet as well as a hotel, farm supplies and community facilities.
- **Gordon** has the largest of the village centres and it is clear that the centre was once significantly larger. The main street has activities clustered at either end, with the hotel, general store and police station at one end and the café, farmgate market and post office at the other. This attractive centre is not far from the Western Freeway and does cater to visitors passing through and on excursion from the nearby regional city of Ballarat.
- **Mt Egerton** developed as a mining township following the discovery of gold nearby in 1853. The general store in the centre of the township has recently reopened following a period of closure.

In addition to these traditional village centres, the two freeway service centres outside Ballan provide an equivalent retail service to local centres, with small general stores and fast-food outlets. These centres serve local residents as well as travellers on the Western Freeway.

Council is currently investigating the potential for residential growth in Bungaree and Wallace. Subject to the provision of sewerage services, this could increase the population of these villages to 2,000 residents each. There may be opportunity to provide a local centre or small neighbourhood centre if growth were to occur. While such facilities could go in either village, Wallace has a more recognisable centre. The scale of the facilities would depend on the level of population but could range from a significant local centre to a small neighbourhood centre, with a small supermarket and a variety of specialty stores. This kind of centre could also serve residents of Gordon and surrounding communities.

Depending on population growth and on tourist potential, there may be capacity for small local retail facilities at other village centres where none currently exist. Such demands may be felt at villages such as Greendale, Lal Lal or Myrniong, for example. Local centres comprising a general store or a few local shops are unlikely to disturb the retail hierarchy and, if viable, would improve services for rural and small town residents.

3.

RETAIL SUPPLY AND DEMAND

3. RETAIL SUPPLY AND DEMAND

The following assessment of retail supply and demand is intended to gauge the scope for additional retail floorspace given the spending of residents and visitors. The method used is as follows:

- Estimate retail floorspace using surveys of activity centres
- Estimate retail sales using industry data and information from SpendMapp (Geografia, 2022)
- Estimate spending of residents using information from MarketInfo (MDS Data Systems, various dates)
- Estimate spending of visitors using SpendMapp
- Compare sales and spending data to identify the amount of retail spending that flows out of the municipality and in which categories
- Using experience of retail forms, the activity centre hierarchy and other factors, estimate how much additional spending could be captured within Moorabool, if any
- Convert this additional spending to retail floorspace and identify the various types of retail activity that could be supported, if any

The information developed here is then used to help estimate future demand for retail floorspace, including the need for additional activity centres, given the growth in population and other changes in conditions affecting the local retail industry.

For the purposes of this report, retail activity comprises the following categories:

Food, groceries and liquor– supermarkets, general stores, liquor outlets, specialty food outlets (butchers, bakers, greengrocers etc)

Non-food goods, comprising

- **Clothing** – clothes, shoes, manchester
- **Household goods** – homeware, hardware, furniture, floor coverings, curtains and blinds, electronic goods etc
- **Recreational goods** – sporting goods, toys, bookshops, newsagents
- **Other goods** – chemists, florists, jewellers, second-hand goods etc

Food catering – cafes, restaurants and take-away food outlets

Retail services – hairdressers, beauty parlours, clothing and household goods repairs

3.1 RETAIL FLOORSPACE

Table 3-1 provides an estimate of retail floorspace in Moorabool's activity centres.

Table 3-1: Retail floorspace in Moorabool activity centres, June 2022

Location	Food groceries and liquor	Non-food goods	Food catering	Retail services	Total retailing	Share of total
Bacchus Marsh Town Centre	11,344	9,259	4,671	2,285	**27,559**	**71%**
Darley Neighbourhood Centre (Darley Plaza)	1,466	220	60	0	**1,746**	**5%**
Darley Local Centre (Albert St)	238	0	90	170	**498**	**1%**
Avenue of Honour	930		200		**1,130**	**3%**
Bacchus Marsh District*	14,142	9,499	5,021	2,455	**31,117**	**80%**
Ballan Town Centre	1,524	2,576	800	160	**5,060**	**13%**
Gordon	164	365	150	0	**679**	**2%**
Elaine	280	100	0	0	**380**	**1%**
Blackwood	150	0	233	0	**383**	**1%**
Other local centres*	710	0	400	0	**1,110**	**3%**
Moorabool Shire*	16,970	12,540	6,604	2,615	**38,729**	**100%**

Source: Tim Nott, surveys conducted June 2022

**Since the survey was conducted, the Maddingley Village shopping centre has opened as well as the general store in Mt Egerton. This has increased the total retail floorspace in the Shire to approximately 40,700 sqm.*

In June 2022, Moorabool had approximately 39,000 sqm of retail floorspace, 71% of which is in the Bacchus Marsh town centre.

The change in retail floorspace over recent years is instructive. The following table compares retail floorspace in Bacchus Marsh between 2008 and 2022.

Table 3-2: Change in retail floorspace, Bacchus Marsh town centre, 2008 to 2022

Activity	Floorspace in 2022	Floorspace in 2008	Change 2008 to 2022	Average annual rate of growth, 2008 to 2022
Food, groceries and liquor (FGL)	11,344	7,830	3,514	2.7%
Non-food goods	9,259	9,050	209	0.2%
Food catering	4,671	2,210	2,461	5.5%
Retail services	2,285	2,050	235	0.8%
Total retailing	**27,559**	**21,140**	**6,419**	**1.9%**

Source: Tim Nott

Note: the 2008 floorspace figures are from a survey undertaken by Tim Nott. They are consistent with the 2022 figures in categorisation and area covered.

The figures show that while the non-food floorspace in the town centre has grown hardly at all over the past 14 years, the food, groceries and liquor (FGL) and, especially, the food catering categories have grown strongly.

This is a common trend across the retail sector given the growing popularity of internet retailing, especially in non-food goods.

3.2 RETAIL SALES

An estimate of retail sales at each of the main centres is based here on industry standard sales data, varied to take account of local conditions. The estimate is compared, where possible, with the data on sales provided by SpendMapp (Geografia, 2022), which uses banking data to provide estimates of sales in various categories.

Table 3-3: Estimate of retail sales, Moorabool, 2021

	Food groceries and liquor	Non-food goods	Food catering	Retail services	Total retailing
			Floorspace (sqm)		
Bacchus Marsh Town Centre	11,344	9,259	4,671	2,285	27,559
Darley Plaza	1,466	220	60	0	1,746
Ballan Town Centre	1,524	2,576	800	160	5,060
Other Retailing	2,636	485	1,073	170	4,364
Total Shire	**16,970**	**12,540**	**6,604**	**2,615**	**38,729**
			Retail sales per sqm		
Bacchus Marsh Town Centre	$9,500	$4,800	$5,500	$4,500	$6,828
Darley Plaza	$9,200	$4,200	$5,500	$4,500	$8,443
Ballan Town Centre	$9,200	$4,200	$5,500	$4,500	$5,921
Other Retailing	$6,500	$4,200	$5,500	$4,500	$5,921
Total Shire	**$8,980**	**$4,640**	**$5,500**	**$4,500**	**$6,680**
			Retail sales, $m		
Bacchus Marsh Town Centre	$107.8	$44.4	$25.7	$10.3	$188.2
Darley Plaza	$13.5	$0.9	$0.3	$0.0	$14.7
Ballan Town Centre	$14.0	$10.8	$4.4	$0.7	$30.0
Other Retailing	$17.1	$2.0	$5.9	$0.8	$25.8
Total Shire	**$152.4**	**$58.2**	**$36.3**	**$11.8**	**$258.7**

Source: Tim Nott

Note: Figures are approximate. They do not correspond to figures in SpendMapp as the categories are not precisely aligned.

Moorabool stores have a total retail turnover of an estimated $259 million (in 2021).

3.3 RETAIL SPENDING

An estimate of retail spending by Moorabool residents is drawn from a variety of sources including Market Info (MDS Data Systems) and the ABS household expenditure survey.

Estimates are provided here for Moorabool Shire, the Bacchus Marsh District and Rest of Moorabool, including Ballan.

Table 3-4: Estimated retail sales, Moorabool, 2021

	Moorabool Shire		Bacchus Marsh and district		Rest of Moorabool		Greater Melbourne
Population, 2021	37,915		23,964		13,951		
	Annual spending per person ($)	Total spending ($m)	Annual spending per person ($)	Total spending ($m)	Annual spending per person ($)	Total Spending ($m)	Annual spending per person ($)
Food, groceries and liquor	$6,699	$254	$6,480	$155	$7,074	$99	$6,720
Non-food goods	$5,243	$199	$5,226	$125	$5,272	$74	$5,522
Food catering	$1,978	$75	$1,933	$46	$2,056	$29	$2,043
Retail services	$503	$19	$508	$12	$494	$7	$537
Total	**$14,423**	**$547**	**$14,147**	**$339**	**$14,896**	**$208**	**$14,822**

Source: Urban Enterprise 2019; Tim Nott

Total annual retail spending by Moorabool residents is estimated at $547 million in 2021. Not all this is spent locally. A portion is spent with internet retailers – some of which are local but most of which are located elsewhere, including overseas. Some is spent at larger shopping centres outside the municipality such as Ballarat, Woodgrove/Melton and the Melbourne CBD, which have a wider range of goods and services than the centres within Moorabool. Residents also shop where they work or travel for health, education, family or recreational purposes.

3.4 OVERALL RETAIL SUPPLY AND DEMAND

An estimate of the overall balance between retail supply and demand in Moorabool is provided in the following table.

Table 3-5: Retail supply and demand, Moorabool, 2021

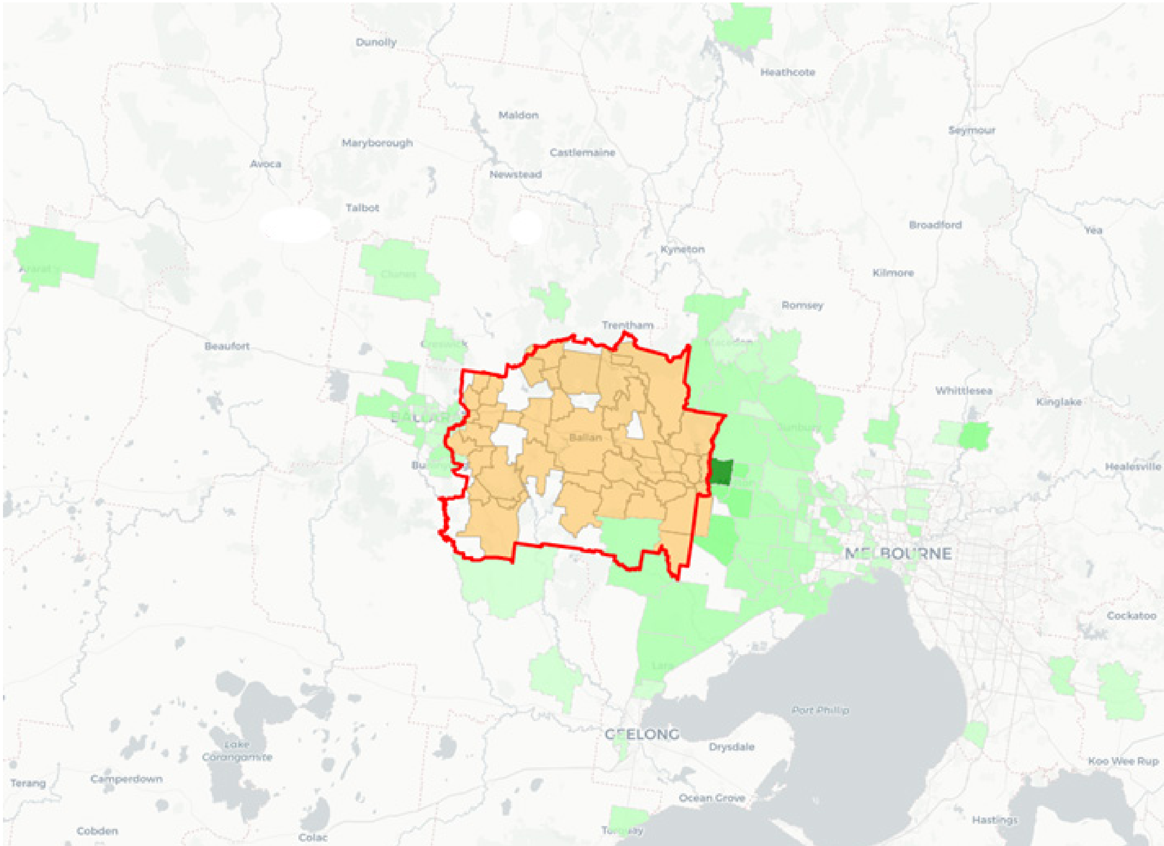
		Sales to visitors		Sales to residents	Total resident spending	Escape spending	
	Local sales	$m	%	$m	$m	$m	%
Food, groceries and liquor	$152	$31	20%	$122	$254	$132	52%
Non-food goods	$58	$11	19%	$47	$199	$152	76%
Food catering	$36	$17	46%	$20	$75	$55	74%
Retail services	$12	$5	41%	$7	$19	$12	64%
Total	**$259**	**$63**	**25%**	**$195**	**$547**	**$352**	**64%**

Source: Tim Nott

The table shows that visitors to the municipality contribute approximately 25% of local sales. This estimate is informed by data from SpendMapp (Geografia, 2022).

The following map illustrates broadly where the visitors' spending money in Moorabool come from (noting this is not just retail spending as defined here but includes a variety of services).

Figure 3-1: Origin of visitor spending in Moorabool (June 2021 to June 2022) - top 100 visitor suburbs



Source: Geografia, 2022

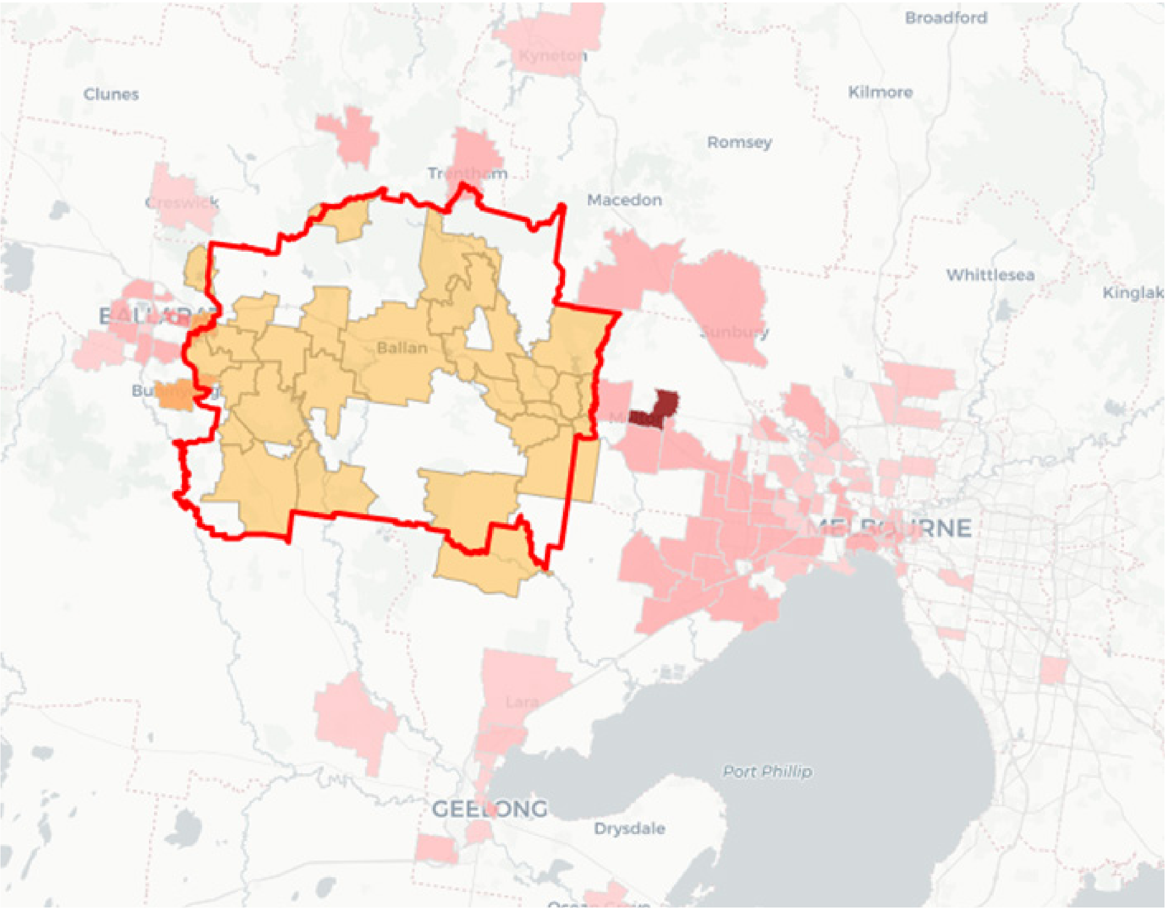
Note: Includes all consumer spending. The fawn coloured areas within Moorabool or intersecting with its boundary is the area to which visitor spending is directed. The green coloured areas are the areas from which the spending comes. The darker the shade of green, the higher the level of spending received.

Around 64% of spending by residents is spent either online or at shops outside Moorabool. Key external locations are shown in the Figure 3 2. This is a high level of escape spending but is understandable given:

- Moorabool has no regional activity centre, with residents travelling to Woodgrove/Melton and Ballarat for these services
- Large parts of the municipality are closer to major activity centres outside Moorabool, most prominently Ballarat (see subsequent sections of this report)
- Some parts of the municipality are served by neighbourhood activity centres (or centres that provide an extensive food and grocery service) that are outside Moorabool

In addition, retail development in Moorabool has not always kept pace with the rapid population growth in the municipality.

Figure 3-2: Escape spend distribution (Jan 2022 to Dec 2022) - top 100 escape suburbs



Source: Geografia, 2022

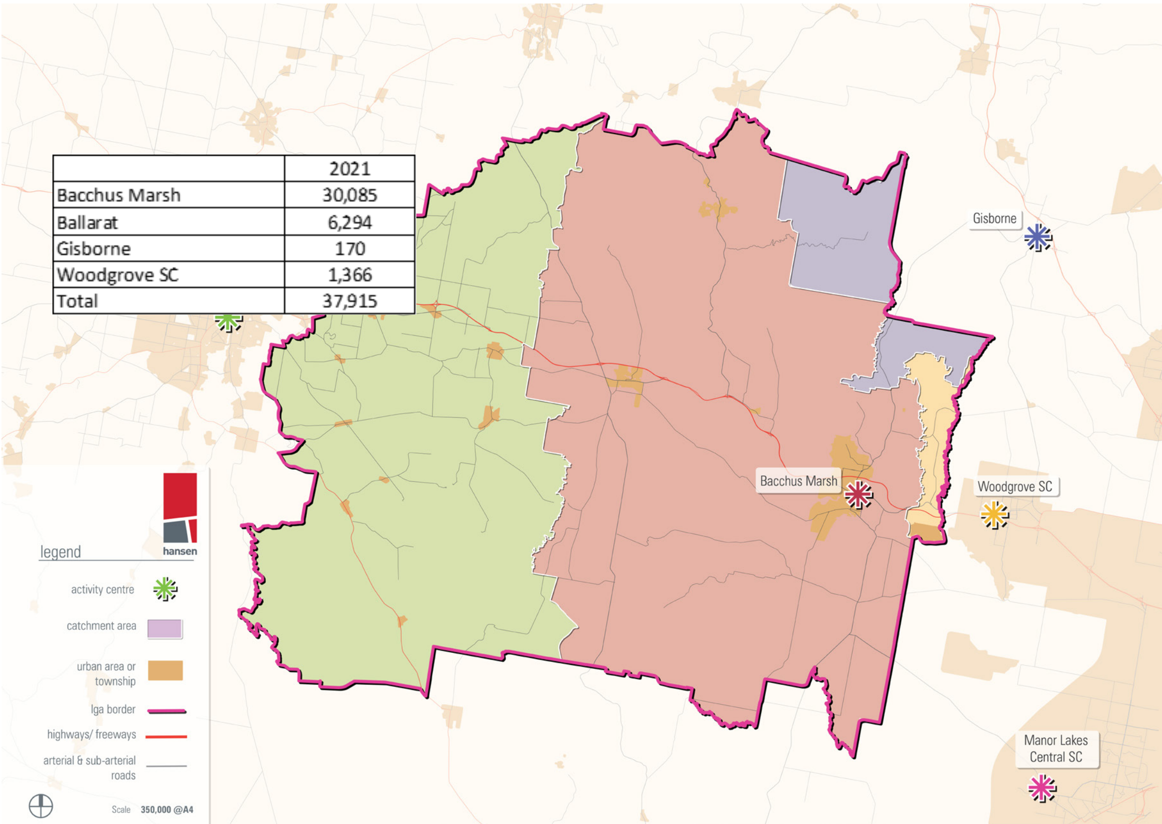
Note: Includes all consumer spending. Fawn coloured areas within Moorabool or intersecting with its boundary are the areas from which spending escapes. The pink coloured areas are the areas to which the spending escapes. The darker the shade of pink, the higher the level of spending received.

3.5 RETAIL CATCHMENTS

A review of the retail catchments of the activity centres in Moorabool demonstrate how parts of the municipality are served by external centres. In this case, the retail catchment for a centre is defined as the area for which the centre is the quickest to get to compared with other centres providing a similar or higher level of service. So, for example, at the major activity centre level of the retail hierarchy, residents are served by a set of centres that offer sub-regional retail services or higher, with complete and non-overlapping coverage of the municipality.

Figure 3-3 provides an approximation of the major activity centre catchments serving Moorabool. The catchments have been created from ABS mesh blocks, the smallest statistical geography for which resident population estimates are available.

Figure 3-3: Major activity centres and their catchment populations in Moorabool, 2021



	2021
Bacchus Marsh	30,085
Ballarat	6,294
Gisborne	170
Woodgrove SC	1,366
Total	37,915

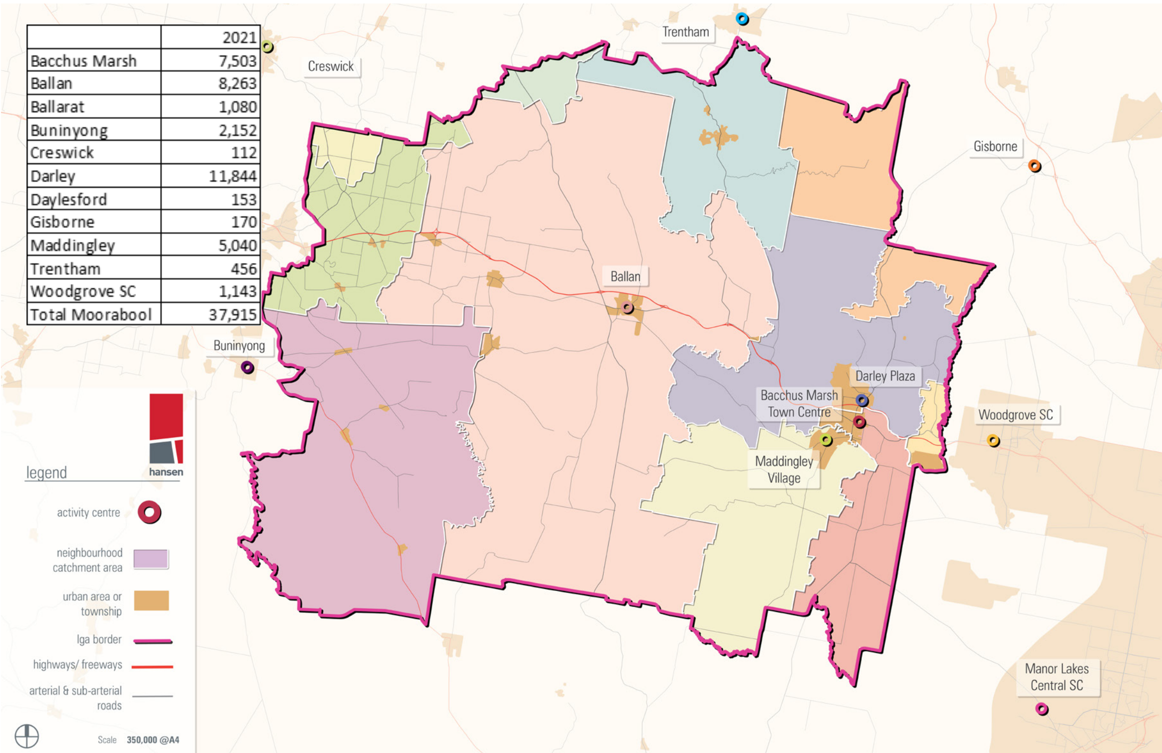
Source: Hansen Partnership; Tim Nott

Bacchus Marsh town centre is the closest major activity centre to approximately 30,100 Moorabool residents.

Another 7,800 residents, around 21% of the total, live closer to other major activity centres outside the municipality.

The following maps show the neighbourhood level catchments and catchment populations, relative to the closest neighbourhood level or higher centre. So that the later analysis is most useful, the Maddingley Village neighbourhood catchment has been included, even though the centre was not opened until 2023.

Figure 3-4: Neighbourhood retail catchments and their population in Moorabool, 2021



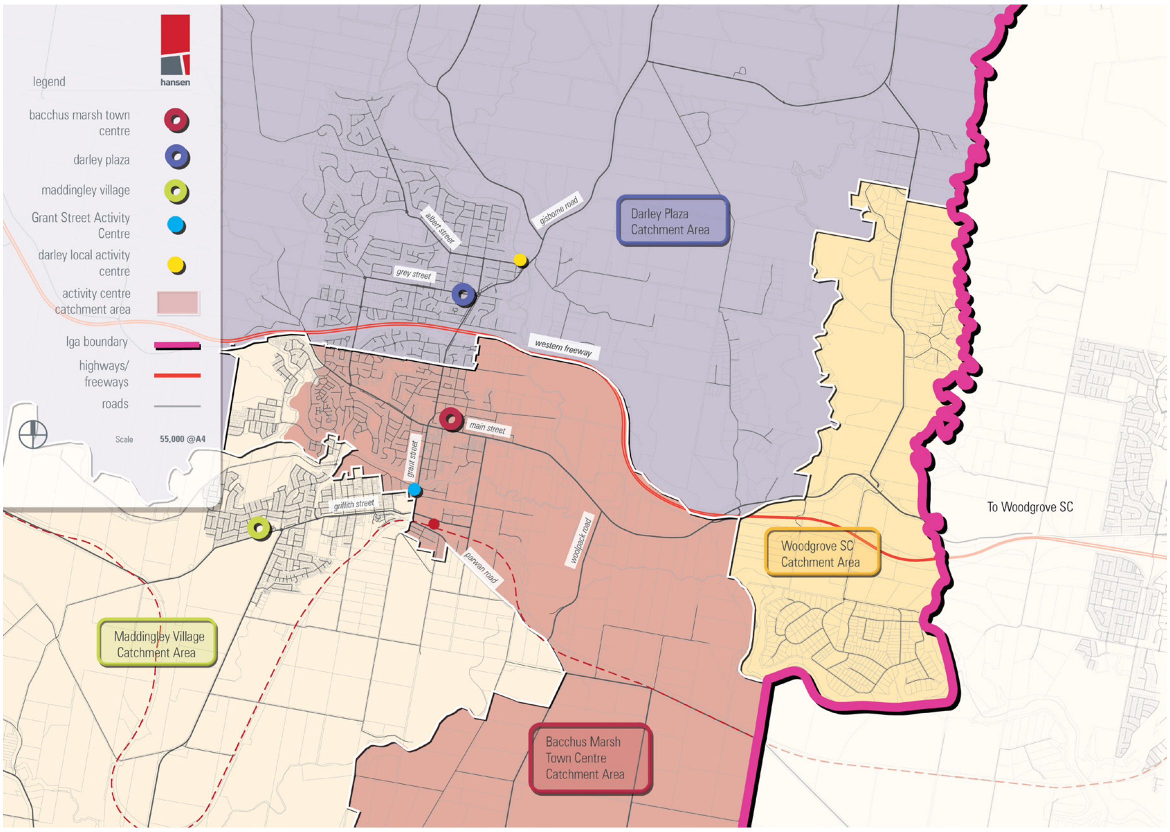
Source: Hansen Partnership; Tim Nott

See overleaf for more detail of the catchments around Bacchus Marsh.

Around 14% of residents are served by neighbourhood centres outside Moorabool.

The figure on the following page provides a close-up of the Bacchus Marsh district.

Figure 3-5: Neighbourhood catchments, Bacchus Marsh district, 2021



Source: Hansen Partnership; Tim Nott

Notes: Although it is a major activity centre, Bacchus Marsh town centre also has a neighbourhood catchment for which it is the closest centre providing neighbourhood level services such as a supermarket.

In order to assist later analysis, the neighbourhood catchment of Maddingley Village has been shown here, even though the centre was not opened until 2023.

Identification of the catchments for these centres does not imply that all residents do or should visit their nearest centre for the goods and services that they require. The SpendMapp data (Geografia, 2022) makes plain that residents travel to many centres and that visitors to the municipality also contribute a significant share of local retail turnover. The value in identifying the centre catchments in this way is that centre sizes can be planned to deliver the appropriate level of service depending on the catchment population. In this way, residents can choose to visit their nearest centre for the types of goods that they need, reducing their individual travel costs and improving the overall sustainability of urban development. Appropriately sized centres can also provide a more attractive community focal point for newly developing urban areas.

The catchment analysis can also identify gaps in the current level of provision. Darley Plaza, for example, provides a much smaller level of service than would normally be warranted by the numbers of people in its catchment. There are more than 11,000 residents for whom Darley Plaza is the closest neighbourhood centre. Normally this number of people would warrant a large supermarket of 3,000 sqm or more, plus a range of 10-20 specialty stores. If provided, this would deliver a more comprehensive service to Darley residents, allowing them to travel shorter distances to undertake grocery shopping and reducing congestion in the Bacchus Marsh town centre.

The catchment analysis can also provide an understanding of the demands on the network of centres as the population grows. Future population growth is one of the key influences on the retail development of the municipality and is one of the factors discussed in the following section.

4. FUTURE DEVELOPMENT

4. FUTURE DEVELOPMENT

There are many factors affecting the development of the retail industry and the scale of retail provision. These include:

- Population growth fuelling growing demand
- Change in real incomes
- Changes in the types of goods and services that are required or which can be provided
- Technological changes that affect the way retail goods and services are delivered, including the rise of internet shopping and the introduction of automated purchasing and stock control
- Changes in management and logistical techniques that alter the viability of stores of different sizes
- Changes in transport technologies and management that may significantly alter the area of car-parking required to support activity centres, with car parking often taking up substantial shares of activity centre space
- The capacity and willingness of developers to deliver viable property solutions in appropriate locations

These factors are explored in this section, with a forecast of demand for additional retail floorspace provided at the end. Given that there are so many factors affecting the retail development outcome, the forecast is given as a best estimate. However, the reader is reminded that retailing is a rapidly changing industry and that any forecast will need to be revisited regularly and policy adjusted accordingly.

4.1 POPULATION GROWTH

The population of Moorabool is growing rapidly in parts, especially around Bacchus Marsh and, to a lesser extent, around Ballan. More people, other things being equal, will generate more demand for shops. The scale and timing of the population growth will depend on a range of factors including the attractiveness of Moorabool compared with residential growth areas elsewhere on the western fringes of Melbourne. Forecasts for growth have been provided by .id consulting for Council and for the precinct structure plan (PSP) areas by the VPA. Each of these is somewhat uncertain, considering the changes induced by the response to the COVID-19 pandemic. Nevertheless, these sources, along with the latest population estimates from the Census of Population and Housing (ABS, 2022), form the basis of the forecasts in this report.

A forecast for catchment populations has been developed using the 2021 estimates identified in section 3.5 as a base. These have been projected forward to 2041 using the growth rates predicted by .id consulting (2022) which take into account the expected development of the various precinct structure plan areas as well as the growth expected in the Ballan Framework Plan. The growth rates have been applied to the relevant mesh blocks in each catchment area.

The population estimates have been further projected to 2061, which is assumed to be full development. The growth in this later period comes from completing the development of the precinct structure plan areas and assuming modest infill and rural growth elsewhere. In some cases, the number of people in growth precincts has been calculated from the number of houses expected. The following household sizes have been adopted, based on experience from elsewhere and considering the information provided by .id consulting, Council and the VPA:

- Hopetoun Park – 3 persons per household
- Merrimu and Parwan Station – 2.8 persons per household
- Ballan – 2.7 persons per household

The results are shown in the following table.

Table 4-1: Forecast population growth by retail catchment area, Moorabool, 2021 to 2061

Major Activity Centre	Major activity centre catchment populations (from within Moorabool)			Average annual growth rate	
	2021	2041	2061	2021 to 2041	2041 to 2061
Bacchus Marsh	30,085	55,425	76,421	3.1%	1.6%
Ballarat	6,294	7,015	7,750	0.5%	0.5%
Gisborne	170	187	207	0.5%	0.5%
Woodgrove SC	1,366	2,594	3,863	3.3%	2.0%
Total (Moorabool population within catchments)	**37,915**	**65,221**	**88,241**	**2.7%**	**1.5%**
Neighbourhood Activity Centre	**Neighbourhood catchment populations (from within Moorabool)**			**Average annual growth rate**	
	2021	**2041**	**2061**	**2021 to 2041**	**2041 to 2061**
Bacchus Marsh	7,503	17,876	23,265	4.4%	1.3%
Ballan	8,263	12,957	17,635	2.3%	1.6%
Ballarat	1,080	1,204	1,330	0.5%	0.5%
Buninyong	2,152	2,398	2,650	0.5%	0.5%
Creswick	112	125	138	0.5%	0.5%
Darley	11,844	21,182	32,291	2.9%	2.1%
Daylesford	153	170	188	0.5%	0.5%
Gisborne	170	187	207	0.5%	0.5%
Maddingley	5,040	6,257	6,363	1.1%	0.1%
Trentham	456	503	556	0.5%	0.5%
Woodgrove SC	1,143	2,361	3,619	3.7%	2.2%
Total (Moorabool population within catchments)	**37,915**	**65,221**	**88,241**	**2.7%**	**1.5%**

Source: Tim Nott

Note: See the maps in section 3.5 for the catchment areas. Catchment areas extend beyond the named suburb/town

This table shows:

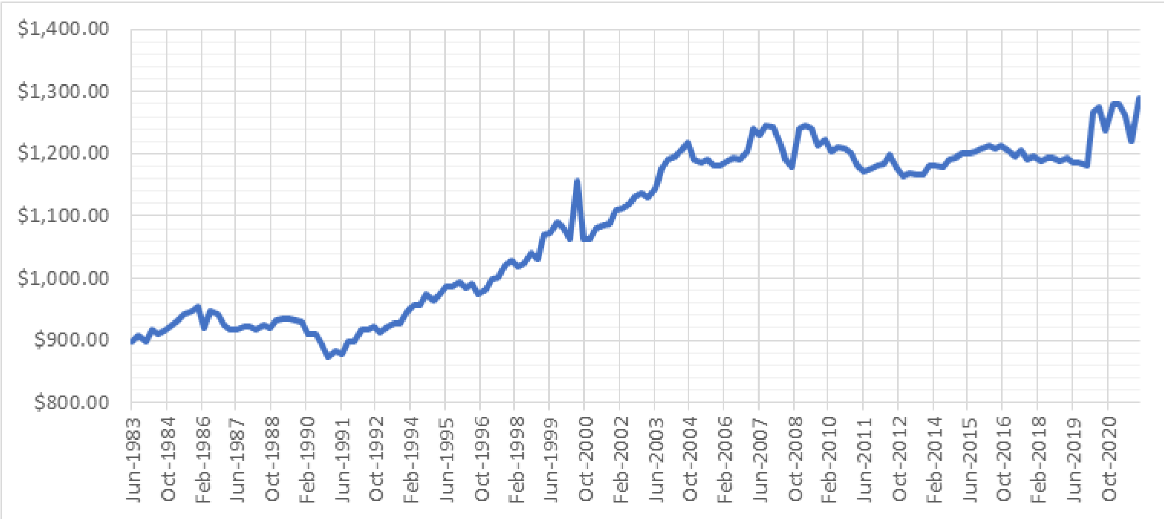
- The overall population of Moorabool is expected to grow from 37,915 in 2021 to 65,221 in 2041 and 88,241 by 2061.
- The population of the Bacchus Marsh town centre catchment is forecast to grow from 30,085 in 2021 to 77,421 in 2061. Considering the typical catchment populations outlined in Table 2 1, this is sufficient to support a very strong major activity centre but not sufficient for a regional centre.
- Several of the neighbourhood catchments are forecast to grow well beyond the typical population catchment of a single neighbourhood centre. These include the catchments of Bacchus Marsh and Darley which will contain PSP areas, as well as Ballan. This means that further neighbourhood centres are possible, even required, to serve these areas.

4.2 CHANGE IN RETAIL SPENDING

In preparing a forecast for retail demand, it is necessary to anticipate changes in retail spending. It has been customary in retail analysis to allow for real retail spending, that is spending after adjusting for inflation, to rise every year.

However, this assumption is no longer valid. Real change, i.e. adjusting for inflation, in retail spending per person is shown in the following chart.

Figure 4-1: Real monthly retail spending per person, Australia, Jun 1982 to Dec 2021

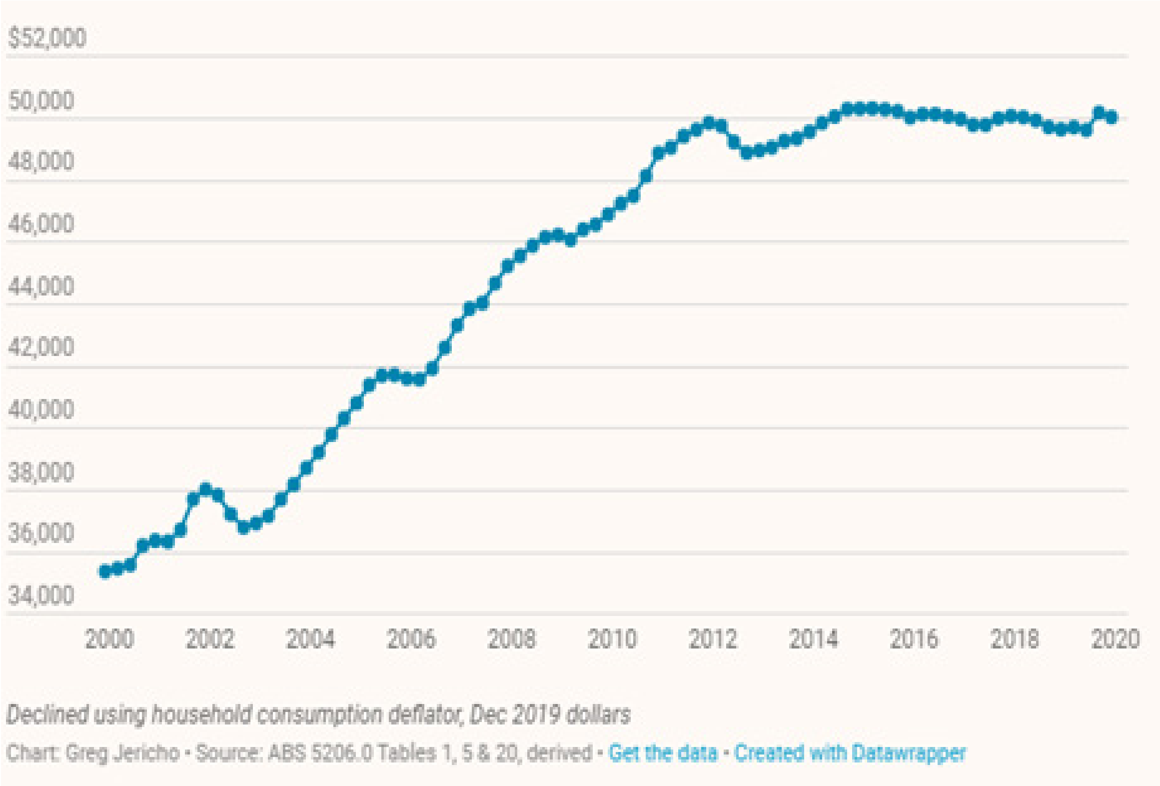


Source: ABS, 2022a and 2022b; Tim Nott (values in 2021 dollars)

The chart shows that there was no real growth in spending per person over the ten year period prior to the COVID-19 pandemic. This reflects several factors including:

- the stagnation of real disposable income, as shown in the adjacent chart (Note: National income has continued to grow during the period; higher shares have been diverted to housing and to company income.)
- The displacement of some retail goods by non-retail services with, for example, physical music media replaced by Spotify and the like; and DVDs by internet streaming services
- Food purchase has been replaced or supplemented for some households through the meal delivery services, with these increasing in popularity during the COVID years
- There is a trend in some parts of the community towards a more sustainable lifestyle, involving fewer commodities and more emphasis on recycling existing goods rather than purchasing new

Figure 4-2: Real household disposable income per person, 2000 to 2020



For these reasons, the forecast model used here does not assume that real retail spending per person will rise each year but that it will remain broadly at the same level as it was immediately prior to COVID-19 over the long term. In addition, in the absence of good data to the contrary, the balance of spending between the various retail categories is also assumed to remain the same.

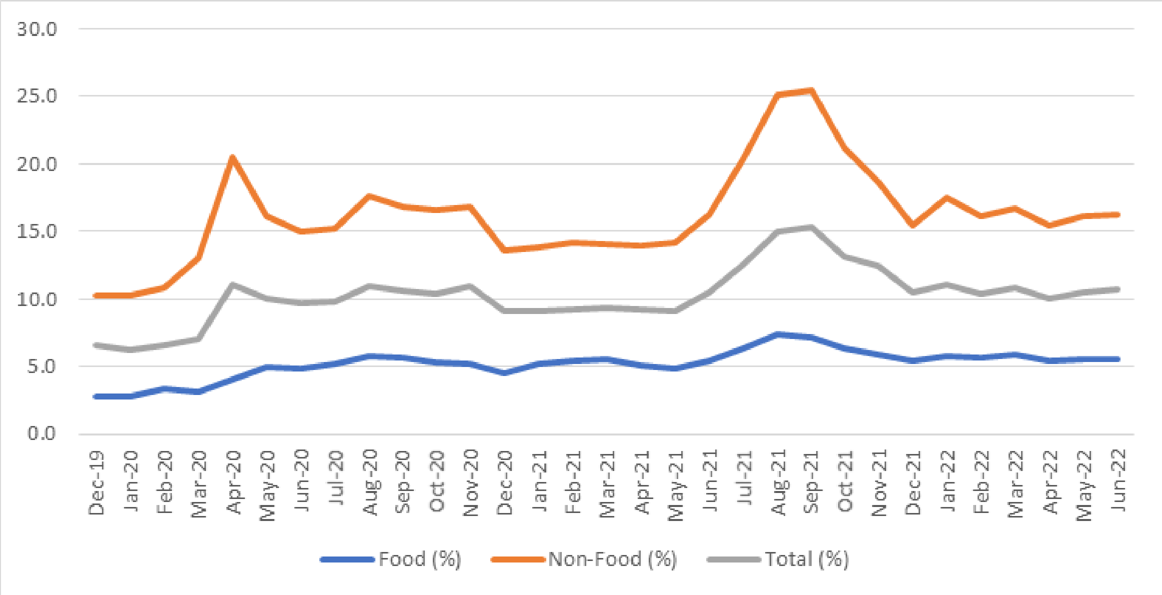
4.3 INTERNET RETAILING

Internet retailing has been one of the major disruptors of the retail industry in the post-second world war period. There has been a noticeable shift in the types of shops in activity centres, with fewer shops providing non-food goods because these have been better suited to online sales. Those non-food goods stores which have been displaced have been replaced to some extent by services and food catering outlets.

According to the ABS, in June 2022, online sales in Australia amounted to $3.6 billion (seasonally adjusted), up from $1.6 billion in December 2019, just prior to the COVID-19 pandemic. This constituted a growth in share from 6.6% to 10.7% of all retail spending over the period. However, the pandemic appears to have been a temporary interruption to an established rate of growth in the share of internet retailing that was already underway.

The share of total retail spending taken by internet spending has been growing at around 20% per year from December 2015 to June 2022. Many pundits have speculated about how high the share of retail spending via the internet will get. Several have suggested that around 24% of global retail sales will be via online channels in 2025, up from 20%-21% in 2022 (see Coppola, 2022; and Oberlo, 2022). The share held by internet retailing in Australia is somewhat lower than these global averages, as shown in the figure below.

Figure 4-3: Internet retailing as a share of all retail spending, Australia, Dec2019 to Jun2022



Source: ABS, 2022a

The experience during the pandemic shows that Australia can already deliver 25% of all non-food spending via ecommerce and more than 7% of food retailing. Although shares have dipped since those heights in September 2021, they appear to have resumed their previous rate of growth. And this is before the next wave of technological innovations that will normalise internet shopping, using artificial intelligence that remembers and predicts grocery orders; creation of online communities in which shopping is seemingly a by-product (the Metaverse, etc); continual improvements in order fulfillment through the use of AI and purpose-built fulfillment centres; and so on. In the end, there is no hard limit to the share of the market that internet retailing can capture.

The key factors in favour of real shops are:

- The experience of touching, trying on, smelling and seeing the goods; it is still difficult – yet – to reproduce the smell of freshly baked bread on the internet
- The opportunities to meet friends and neighbours in real life for casual conversations and community building
- Some people, older people especially, are not accustomed to internet shopping and may have difficulty in finding the goods and services they require

- For those who live close by, it may still be quicker and more convenient to access real shops than to go online
- Shops may be able to serve as face-to-face outlets and provide online order fulfillment – and this is happening in many supermarkets and other shops currently

The internet giants are working to overcome these factors and real-life retail activity centres may change beyond recognition within the lifetime of the forecast period contemplated here, that is, the period to 2061. Nevertheless, for the purposes of this modelling exercise, it has been assumed that the following rates of spending via the internet will occur by 2041 and be maintained until 2061:

- Food, groceries and liquor: 10%
- Non-food goods: 25%
- Food catering: 10%
- Retail services: 10%

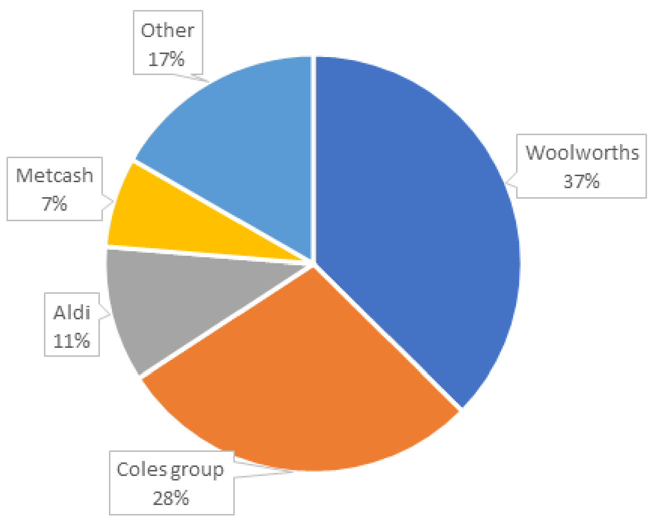
The reader should bear in mind the potential for wide variation in these numbers; and this factor should be a key area of study in future retail strategies. It should be noted that retail activity floorspace developed now could have a second life providing space for a wide variety of other activities in the future; and given alternative uses, the decline of real-life retailing need not necessarily mean the decline of the activity centre.

4.4 OTHER INDUSTRY CHANGES

Retailing is a dynamic industry. There are continual changes in the way the industry is organised – from the rise of single-owner shopping centres to the advent of big box "category killers"; from the introduction of point-of-sale ordering to the incredibly complex procurement and logistical infrastructure that has built up around supermarkets and department stores. This dynamism is driven by competition, by social trends, by the availability of new products and technologies, and by the skills of business owners and workers that make up 16% of the workforce in Moorabool.

It is true that the market power of firms in some retail sectors is very strong. The following chart shows the market share of firms in the supermarket sector

Figure 4-4: Market share of supermarkets in Australia, 2022



Woolworths and Coles have around two thirds of the grocery market between them, although this share has been eroding as a result of the introduction of ALDI and the online grocery providers. This market power has enabled the supermarkets to keep the cost of produce relatively low and has ensured that the great majority of Australians have access to a wide variety of grocery products. Their market power has also enabled the large supermarket chains to determine the size of supermarkets that will minimise their costs and maximise their turnover. This influences the catchment size of single-supermarket neighbourhood activity centres and constrains the ability of many neighbourhood centres to meet the policy goal of the 20-minute city.

Until recently, the large supermarket operators have been pushing to increase the standard size of stores to 4,000 sqm and beyond. However, there are signs that a more tailored approach may be coming, with smaller, limited-offering stores in some locations, and increasing competition from the operators of smaller stores such as ALDI and IGA.

More widespread changes include:

- The possible introduction of automated checkouts which will reduce staff and store footprints. This kind of change has been trialled in the US and will likely be introduced throughout large stores in Australia within the forecast period (to 2061)
- The rise of “dark stores” or fulfilment centres for online sales. These may be located in existing stores or, more likely, will be on less expensive real estate in industrial areas
- The shift to more sustainable living is likely to be reflected in retail stores, with reduced packaging and more emphasis on energy efficiency in store design, as well as innovations including on-site food growing and production

4.5 OTHER CHANGES AFFECTING ACTIVITY CENTRES

Other changes affecting or likely to affect activity centres apart from those generated by the retail industry include:

- Sustainability and responses to climate change will feature heavily in the design of new centres and individual buildings. This may have consequences for access within centres; design of outdoor commercial spaces; higher buildings costs and lower running costs; and more. There will be pressure to retrofit existing centres and for buildings to become more effective in a warming environment.
- The growth of health and fitness as a commercial activity, including the increasing presence of gyms, fitness studios and allied health services may help to take up redundant retail space in activity centres.
- Similarly, the diversification of entertainment uses has increased demand for indoor and outdoor spaces which are required to host a changing array of activities from laser tag to escape rooms, rock climbing to virtual art installations.
- It seems likely that there will be substantial changes to the way private transport is organised over the next 20-30 years. Electric cars will undoubtedly become more prevalent, to be the majority over the next 20 years or less[2]. These will require charging infrastructure as part of the car-parking arrangements, changing the shape and land-requirement of car parks. In a further development, the introduction of self-driving vehicles will also drastically change the demand for parking. Experts are divided on when autonomous vehicles will become prevalent, with predictions ranging from 10 to 40 years from now. All major car companies are investing in autonomous vehicles so, again, it appears very likely to happen. The consequences of self-driving cars for urban development are unclear. In an optimistic view, autonomous vehicles will usher in the era of transport as a service, in which more vehicles will be shared, with proportionately fewer on the road. The ability to summon a vehicle as required will greatly reduce the need for parking spaces in crowded urban spaces. On the other hand, if individual car ownership remains the predominant model, then increasing population will simply generate

[2] Many car-producing countries have legislated to ban petrol and diesel cars already – Norway by 2025, Denmark, India and Germany by 2030; Britain in 2035 and China and France in 2040. It is almost inevitable that Australia will do the same.

more vehicles and more congestion. The potential consequences of these changes have yet to be fully thought through, although Infrastructure Victoria (2018) has made a start. For Moorabool's activity centres, the possible introduction of transport as a service via autonomous vehicles would greatly reduce the need for car-parking and will create more room for buildings, open space and for public and active transport infrastructure.

These issues point to the need for flexible building design that will allow a range of uses over the life of the building. The emerging trends and issues also highlight the need for activity centres to be attractive; to be beautiful, entertaining, exciting and accessible in order to draw people out of their homes and compete effectively with the internet.

4.6 FUTURE POTENTIAL DEVELOPMENTS

4.6.1 Bacchus Marsh Town Centre

As well as the proposed expansion of The Village shopping centre, two substantial vacant development sites exist in the town centre:

- A 7,800 sqm site to the west of Gisborne Road and north of Main Street. This site would need to be rezoned from General Residential 2 Zone to a Commercial zone if commercial and retail development were suitable.
- A vacant 1.9 ha site zoned Commercial 1 to the south of Main Street, between Council's library car park and Graham Street (the Provenzano land).

These possible developments would strengthen the town centre as a retail destination, although the sites may need to offer something different to the emerging neighbourhood centre network or the competing large centres to be truly attractive. This might include entertainment (cinema, theatre etc), market, boutiques, hotel accommodation or larger commercial offices, for example.

4.6.2 Darley Plaza

As noted earlier, the owner of Darley Plaza is currently developing a proposal to expand the centre on the existing site. Preliminary plans show an increase in the overall size of the centre to 3,763 sqm, including expanding the existing supermarket from 1,370 sqm to 2,630 sqm as well as providing a gym and office space.

This will improve the scale of the neighbourhood retailing service to Darley residents but the suburb could support an even higher level of provision. Some additional space may be provided in the existing Albert Street local centre and the approved but yet-to-be-developed local centre at Halletts Way.

4.6.3 Underbank Town Centre

A new neighbourhood centre is being proposed by Kataland Investments as part of the Underbank housing development. The proponent is seeking to rezone a 1 hectare site, including historic stable buildings, to Commercial 1 zone to allow development of a town centre with retailing and associated uses such as a medical centre. The location of the proposed centre is shown in Figure 4-5.

A retail needs assessment has been conducted for the proponent by Macroplan Dimasi (2017) which estimated demand for approximately 2,200 sqm of retail floorspace by 2026. This would include a supermarket of 1,500 to 1,700 sqm and a range of specialty shops including food catering outlets. This centre would be required to cater for a primary catchment area with around 4,400 residents by 2026.

There has been some delay to the development of the Underbank estate but a centre does appear to be required to cater for the anticipated population. The proposed centre would provide a retail service within walking distance for most of the residents of Underbank, which is otherwise rather disconnected from the main town by the presence of the Korkuperrimul Creek and Werribee River and their associated escarpments.

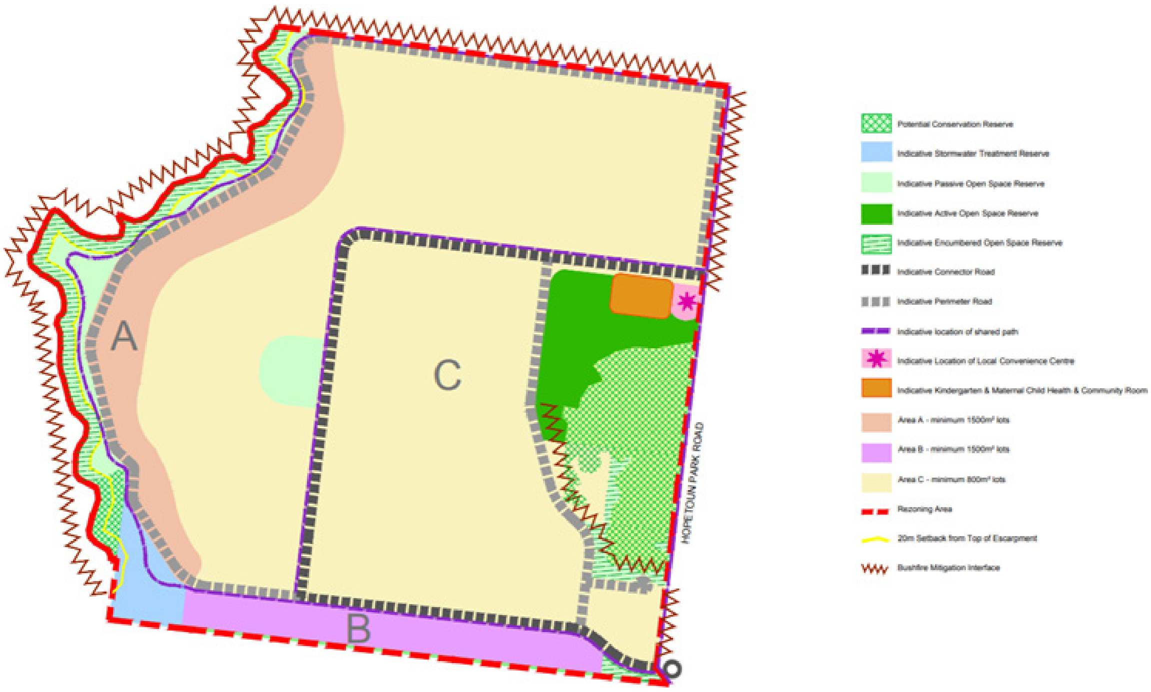
Figure 4-5: Location of proposed Underbank town centre

Source: Macroplan Dimasi, 2017

4.6.4 Hopetoun Park

The requested planning scheme amendment identifies a location for a local activity centre (local convenience centre) in Hopetoun Park North to service the expected population of 2700 residents in the Hopetoun Park area (see Figure 4-6). Macroplan (2023) has since identified demand for retail floorspace of approximately 540 sqm at this centre, comprising a small grocery store and one or two other retail specialty stores.

Figure 4-6: Hopetoun Park North Growth Area



Source: DB Consulting, September 2023

4.6.5 Parwan Station

The retail and economic assessment for the Parwan Station PSP (HillPDA, 2021) envisages a neighbourhood centre that grows over time:

- A small neighbourhood centre in 2041 with 2,400 sqm of retail floorspace and 800sqm of office space
- A larger neighbourhood centre by the time of full development with 5,600 sqm of retailing and 1,700sqm of office space

This was predicated on an ultimate population of just over 10,000. However, if a larger population is achieved – up to 13,000 according to the VPA (2022) – a more substantial retail provision may be required, potentially requiring two smaller neighbourhood centres, or one neighbourhood centre and one local centre to improve access to services.

In addition, the Parwan Station precinct has the potential, according to HillPDA (2021), to accommodate some of the demand for bulky goods floorspace to service the Bacchus Marsh district. This is expected to be 52,000 sqm at full development. The precinct includes an area which is a buffer to the Maddingley coal mine and cannot be used for sensitive uses such as housing but could be used for more dispersed retail uses. The buffer of 145 hectares would abut main roads and could be well placed to service the growing community in the PSP areas around Bacchus Marsh.

4.6.6 Merrimu

Merrimu PSP area, broadly to the northeast of the existing township, is a precinct of 1,230 hectares that has the potential to accommodate over 20,000 residents at full development, although the framework plan for the precinct has not yet been developed. At the time of writing, there is no detailed analysis of population or the retail supply and demand for the Merrimu precinct. However, there are likely to be three broad options for the activity centre network in the area:

A. One neighbourhood centre and two small neighbourhood centres that provide accessible services to residents,

B. Two neighbourhood centres, supplemented by local centres where necessary to provide accessible services

C. One large town centre, equivalent to Bacchus Marsh town centre to service the whole precinct, with possible local centres to provide accessible services

In addition, there may be capacity to accommodate some of the bulky goods floorspace for the district on accessible main road locations.

The following table provides some benefits and disbenefits of the various suggested network configurations.

Network configuration	Benefits	Disbenefits
Option A: one neighbourhood centre and two small neighbourhood centres	• Residents have good accessibility to food and groceries and other convenience goods • Potential to provide a wider range of services at the larger neighbourhood centre but unlikely to compete with Bacchus Marsh town centre • Best meets the 20 minute neighbourhood policies of government	• Privileges some parts of the precinct over others in terms of access to services. • Some potential for higher order retail spending to be lost to the municipality if Woodgrove/ Melton is easier and quicker to get to than Bacchus Marsh town centre
Option B: Two neighbourhood centres, supplemented by local centres where necessary	• Residents have good access to food and groceries and other convenience goods • Will not compete for sub-regional retail role with Bacchus Marsh town centre	• Given the shape of the precinct, some residents will remain beyond a short walk to a neighbourhood centre. • Increased potential for higher order retail spending to be lost to the municipality if Woodgrove/ Melton is easier and quicker to get to than Bacchus Marsh town centre
Option C: One large town centre, equivalent to Bacchus Marsh town centre to service the whole precinct, with possible local centres	• Reduced potential for higher order retail spending to be lost to the municipality	• Unlikely to meet the demands of the 20 minute neighbourhood as only part of the precinct will be well-serviced • Would compete for sub-regional status with Bacchus Marsh town centre, potentially leading to lower service level overall

To some extent, the most beneficial option will depend on the final population of the precinct and the location of major infrastructure elements such as the Eastern Link Road. Nevertheless, Option A would be preferred from an existing policy perspective.

4.7 FORECAST DEMAND

4.7.1 Overall Retail Demand

A modelling exercise has been undertaken to identify the likely demand for retail floorspace in the Shire as a whole and in the various catchment areas.

The overall demand for retail floorspace generated by the growing Shire population is shown in Table 4-2.

Table 4-2: Modelling retail floorspace demand, Moorabool Shire, 2021 to 2041

Year	Population	Food groceries and liquor	Non-food goods	Food catering	Retail services	Bulky goods	Total
		Retail spending per person ($)					
		$6,700	$3,300	$2,000	$500	$1,900	$14,400
	Population	Retail spending ($m)					
2021	37,915	$254.0	$125.1	$75.8	$19.0	$72.0	$546.0
2041	65,221	$437.0	$215.2	$130.4	$32.6	$123.9	$939.2
2061	88,241	$591.2	$291.2	$176.5	$44.1	$167.7	$1,270.7
		Share of retail spending in shops (%)					
2021		97%	88%	99%	99%	88%	94%
2041		90%	75%	90%	90%	75%	85%
2061		90%	75%	90%	90%	75%	85%
		Sales per square metre ($/sqm)					
		$9,500	$5,000	$5,500	$4,500	$3,800	$6,300
		Retail floorspace supported (sqm)					
2021		25,900	22,000	13,600	4,200	16,700	82,400
2041		41,400	32,300	21,300	6,500	24,500	126,000
2061		56,000	43,700	28,900	8,800	33,100	170,500

Source: Tim Nott

The model estimates that demand for retail floorspace will grow by 44,000 sqm over the 20 years from 2021 to 2041 and by a total of 88,000 sqm from 2021 to 2061. Total retail floorspace per person is anticipated to decline from 2.17 sqm in 2021 to 1.93 sqm per person by 2041 as a result of a growing share of demand satisfied through online sales and fulfillment of orders in warehouses rather than shops.

The model relies on several important assumptions, including

- real spending per person will remain the same over the forecast period (see section 4.2)
- real sales per square metre of floorspace will remain the same
- internet retail sales will stabilise at around 15% of the total (see section 4.3) and that these sales orders will increasingly be fulfilled from large efficient warehouses rather than from retail stores

These assumptions should be regularly reviewed in future retail forecasting for the municipality.

4.7.2 Retail Floorspace Supported in Moorabool

The demand for retail floorspace will be distributed across a wide range of activity centres, not all of which will be in the Shire. For the purposes of this strategy, a demand allocation model has been developed to assist in anticipating and planning the scale of growth in each activity centre. The model is based broadly on shares of spending required to support characteristic retail forms at each level of the hierarchy. This is designed to create viable centres that deliver the required service to catchment residents.

Table 4-3: Retail floorspace allocation, Moorabool, 2021 to 2061

Centre type	Food groceries and liquor	Non-food goods	Food catering	Retail services	Bulky goods	Total
Floorspace share (model)						
Neighbourhood and local	55%	10%	20%	40%	0%	25%
Major activity centre	30%	40%	40%	40%	20%	33%
Regional centre and beyond	15%	40%	40%	20%	20%	27%
Bulky goods centre	0%	10%	0%	0%	60%	15%
Total	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**
Floorspace allocation 2021						
Neighbourhood and local	14,200	2,200	2,700	1,700	0	20,800
Major activity centre	7,800	8,800	5,500	1,700	3,300	27,100
Regional centre and beyond	3,900	8,800	5,500	800	3,300	22,300
Bulky goods centre	0	0	0	0	0	0
Total	**25,900**	**22,000**	**13,700**	**4,200**	**16,600**	**82,400**
Floorspace allocation 2041						
Neighbourhood and local	22,800	3,200	4,300	2,600	0	32,900
Major activity centre	12,400	12,900	8,500	2,600	4,900	41,300
Regional centre and beyond	6,200	12,900	8,500	1,300	4,900	33,800
Bulky goods centre	0	3,200	0	0	14,700	17,900
Total	**41,400**	**32,200**	**21,300**	**6,500**	**24,500**	**125,900**
Floorspace allocation 2061						
Neighbourhood and local	30,800	4,400	5,800	3,500	0	44,500
Major activity centre	16,800	17,500	11,600	3,500	6,600	56,000
Regional centre and beyond	8,400	17,500	11,600	1,800	6,600	45,900
Bulky goods centre	0	4,400	0	0	19,900	24,300
Total	**56,000**	**43,800**	**29,000**	**8,800**	**33,100**	**170,700**

Source: Tim Nott

Notes: several rounding differences are apparent in the totals when compared with Table 4 2. These are insignificant to the overall results.

4.7.3 Growth in Retail Floorspace by Catchment Area

Using these results, the anticipated growth in retail floorspace at each level of the activity centre hierarchy has been allocated to the current catchments in Moorabool. This is shown in Table 4-4.

Table 4-4: Modelled growth of retail floorspace demand in Moorabool catchments, 2021 to 2061

Neighbourhood catchment area	Actual (sqm)	Modelled demand (sqm)			Growth (sqm)	
	2021	2021	2041	2061	Actual 2021 to forecast 2041	Actual 2021 to forecast 2061
Bacchus Marsh	28,700	25,500	44,100	60,200	15,400	31,500
Ballan	5,100	4,600	6,500	9,000	1,400	3,900
Darley	2,200	6,400	10,600	16,300	8,400	14,100
Maddingley	2,800	2,800	3,100	3,200	300	400
Other local centres	1,900	2,900	3,400	4,300	1,500	2,400
Total Moorabool	**40,700**	**42,200**	**67,700**	**93,000**	**27,000**	**52,300**
Potential bulky goods floorspace		12,200	17,900	24,300	17,900	24,300
Other floorspace supported outside Moorabool		28,000	40,300	53,400	-1,200	25,500
Total floorspace supported by Moorabool residents		**82,400**	**125,900**	**170,700**	**43,700**	**88,500**

Source: Tim Nott

Notes: for catchment areas see Figure 3-4 and Figure 3-5.

In this model, demand for retail floorspace has been allocated to each centre based on the share of the Shire's population in that centre's catchment and the total floorspace demand generated at the neighbourhood and local level of the hierarchy. Because of its larger role, Bacchus Marsh has a share of the demand from the major activity centre level as well as the neighbourhood level of the hierarchy. Maddingley Village neighbourhood centre was not opened until 2023 but has been included here to provide a clearer picture about the location of future growth.

Key points in this table are:

- The modelled retail floorspace in Moorabool is reasonably close to the actual retail floorspace as measured in surveys (within about 3%)
- The Bacchus Marsh catchment has significantly more actual floorspace than modelled. This is in part because of the under-provision of floorspace in the adjacent Darley area; that is, floorspace which could be provided in a neighbourhood centre in Darley is not present, with residents supporting an equivalent level of floorspace in the Bacchus Marsh town centre. In addition, floorspace in the Avenue of Honour does not rely solely on residents but attracts a significant number of visitors to the area.
- Growth in the Bacchus Marsh catchment is anticipated to generate a large share of the growth in retail floorspace. This will include the town centre but also new neighbourhood centres in the growing suburb of Underbank and the Parwan Station PSP area.
- The Darley catchment is also anticipated to grow significantly as a result of development of the Merrimu precinct.
- The potential bulky goods floorspace is also significant, although this will depend on the provision of a well-located precinct for large format retailers.

4.7.4 Comparing Planned Floorspace with Demand

Some of the anticipated demand will be satisfied through developments that are already planned.

The following table shows the expected growth in the developments highlighted in section 4.6.

Table 4-5: Retail development proposals by neighbourhood

Development proposal by neighbourhood		Proposed retail floorspace (sqm)		
Location	**Neighbourhood**	2021 to 2041	2041 to 2061	Total expected increase in supply
Bacchus Marsh	Addition to the Village	2,700	0	2,700
	Underbank	2,200	0	2,200
	Parwan Station	2,400	3,200	5,600
	Total Bacchus Marsh neighbourhood	**7,300**	**3,200**	**10,500**
Darley	Expansion of Darley Plaza	1,200	0	1,200
	Halletts Way local centre	500	0	500
	Total Darley Neighbourhood	**1,700**	**0**	**1,700**
Other Areas	Maddingley	0	0	0
	Hopetoun Park North	600	0	600
	Ballan	0	0	0
	Total retail floorspace proposed	***9,600***	***3,200***	***12,800***

Source: various documents provided by Moorabool Shire and the VPA

Table 4-6 on the following page provides a comparison of the existing and proposed supply of retail floorspace with the forecast demand.

The table shows:

- There is forecast to be a shortfall of around 17,000 sqm of retail floorspace in Moorabool by 2041, over and above the currently planned floorspace identified here. Around 8,000 sqm of this will be required in the Bacchus Marsh neighbourhood catchment, with most likely to be focused on the town centre.
- In the Darley catchment, after the proposed expansion of Darley Plaza, there will be a need for an additional 7,000 sqm of retail floorspace by 2041 and up to 13,000 sqm by 2061. This floorspace will be needed in the Merrimu PSP area and should support three new neighbourhood centres.
- With little further population growth forecast, the recently opened neighbourhood centre in Maddingley is expected to be sufficient, with only a little additional floorspace required over the forecast period.

- The Ballan catchment area is expected to require 1,000 to 2,000 sqm of additional retail space to serve new residents over the period to 2041. This will most likely be in the Ballan town centre, where there is some space to expand. In the longer term, a further 2,000 to 3,000 sqm will be required by 2061 and this may support the development of a small neighbourhood centre in the proposed growth areas to the south of the town.
- While there does appear to be a shortfall of retail floorspace in other catchment areas of the Shire apart from Bacchus Marsh and Ballan, the demand may be satisfied by the growth of centres outside Moorabool, in Ballarat, Hepburn and Melton municipalities. On the other hand, if growth in the small communities in the west of the Shire is sufficiently concentrated, this may support provision of further retailing.

Table 4-6: Shortfall in retail floorspace, Moorabool catchment areas, 2021 to 2061

Neighbourhood catchment area	Actual floorspace 2021	Modelled floorspace demand 2041	Growth required, 2021 to 2041	Proposed floorspace 2021 to 2041	Shortfall, 2021 to 2041	Modelled floorspace Demand by 2061	Growth required 2041 to 2061	Proposed floorspace 2041 to 2061	Total shortfall by 2061
Bacchus Marsh	28,700	44,100	15,400	7,300	8,100	60,100	16,000	3,200	20,900
Ballan	5,100	6,500	1,400	0	1,400	9,000	2,500	0	3,900
Darley	2,200	10,600	8,400	1,700	6,700	16,300	5,700	0	12,400
Maddingley	2,800	3,100	300	0	300	3,200	100	0	400
Other local centres	1,900	3,400	1,500	600	900	4,300	900	0	1,800
Total Moorabool (ex bulky goods)	**40,700**	**67,700**	**27,000**	**9,600**	**17,400**	**92,900**	**25,200**	**3,200**	**39,400**
Potential bulky goods floorspace	**12,200**	**17,900**			**17,900**	**24,300**	**6,400**	**0**	**24,300**

Source: Tim Nott

Notes: The modelled floorspace for the Bacchus Marsh neighbourhood catchment area comprises an allowance for demand for both neighbourhood retailing and for major activity centre retailing. This catchment area includes the Bacchus Marsh town centre, which acts as a neighbourhood centre for its immediate surrounds but also as a major activity centre for a much larger catchment.

Maddingley Village neighbourhood centre was not opened until 2023 but has been included here to provide a clearer picture about the location of future growth.

- Similarly, the demand for bulky goods floorspace may continue to be met outside the Shire. The provision of bulky goods retailing in Moorabool will depend on the designation and development of a site that is well-located to serve all the growing parts of the Bacchus Marsh district.

4.8 SUMMARY OF FORECAST REQUIREMENT FOR RETAIL DEVELOPMENT

The following table provides a summary of the forecast demand for retail space in Moorabool and notionally how it should be allocated to deliver a viable, fair and sustainable service to residents over the next period in the Shire's development.

Table 4-7: Forecast growth in retail floorspace by activity centre, Moorabool, 2021 to 2041 (sqm)

Location	Catchments and activity centres	Actual, 2021	Growth 2021 to 2041	Total by 2041	Growth 2041 to 2061	Total by 2061
Bacchus Marsh	Bacchus Marsh Town Centre	28,700	10,800	39,500	12,800	52,300
	Underbank neighbourhood centre	0	2,200	2,200	0	2,200
	Parwan Station neighbourhood centre	0	2,400	2,400	3,200	5,600
	Total Bacchus Marsh	**28,700**	**15,400**	**44,100**	**16,000**	**60,100**
Ballan	Ballan town centre	5,100	1,400	6,500	0	6,500
	South Ballan neighbourhood centre	0	0	0	2,500	2,500
	Total Ballan	**5,100**	**1,400**	**6,500**	**2,500**	**9,000**
Darley	Darley Plaza	2,200	1,200	3,400	0	3,400
	Halletts Way local centre	0	500	500	0	500
	Merrimu neighbourhood centre 1	0	4,500	4,500	1,500	6,000
	Merrimu neighbourhood centre 2	0	2,200	2,200	1,000	3,200
	Merrimu neighbourhood centre 3	0	0	0	3,200	3,200
	Total Darley	**2,200**	**8,400**	**10,600**	**5,700**	**16,300**
Maddingley	**Maddingley**	**2,800**	**300**	**3,100**	**100**	**3,200**
Other Moorabool	Possible neighbourhood centre at Wallace	0	1,500	1,500	900	2,400
	Local centres elsewhere	1,900	0	1,900	0	1,900
	Total other Moorabool	**1,900**	**1,500**	**3,400**	**900**	**4,300**
	Potential bulky goods floorspace	**0**	**17,900**	**17,900**	**6,400**	**24,300**
	Total Moorabool	**40,700**	**44,900**	**85,600**	**31,600**	**117,200**

Source: Tim Nott

Notes: Maddingley Village neighbourhood centre was not opened until 2023 but has been included here to provide a clearer picture about the location of future growth. Where the local population catchments are not yet known, the floorspace allocations to particular centres are notional, based on the population of the broader precinct. This is the case for the centres in the Merrimu PSP area; and the possible centre at Wallace, where additional population growth is not yet known.

4.9 PLANNING FOR ACTIVITY CENTRE GROWTH

Retail development is usually the largest single component of floorspace in activity centres but it is by no means the only component. In planning new and expanded centres, allowing for a range of activities beyond retailing is important to their success in serving the community. Activity centres with a wide range of activities can:

- Enable multi-purpose trips by residents, reducing their travel time and cost as well as reducing emissions
- Generate a larger set of employment activities, creating a more comprehensive local labour market
- Improve the viability of individual businesses by increasing foot traffic and reducing costs through sharing of infrastructure and marketing

Currently, the share of non-retail space in Bacchus Marsh and Ballan town centres is 60-70%, and this is typical of older, multi-functional town centres which have evolved over many years and incorporate many types of professional and civic activity. The share of non-retail space in newer, single-owner centres such as Darley Plaza is around 20%.

In planning for new activity centres, or the expansion of existing centres, unless there is known demand for particular types of non-retail space, it is common to allow:

- 30% of additional floorspace in neighbourhood centres to be for non-retail activity
- 50% of additional floorspace in major activity centres to be for non-retail activity

These ratios are useful in estimating how much land might be required to accommodate forecast development, especially for new centres. For existing centres, they can only provide a broad indication of how much additional space may be required for new activities.

4.9.1 Bacchus Marsh Town Centre

Table 4-8 identifies the notional requirement for land generated if the forecast demand for activity floorspace is to be satisfied in the town centre. Calculations in the table rest on a number of assumptions, including:

- Development is single storey.
- Development is efficient – that is, the size of lots used is commensurate with the size of the activity and there is no wasted space.
- The average car-parking rate is at the lower end of the range specified in the planning scheme, currently set at 3 spaces per 100 sqm for offices and 5 spaces per 100 sqm for supermarkets. This is in keeping with a developed town centre with extensive existing car-parking and where the Council is encouraging development.

Table 4-8: Notional land requirement for commercial activity in Bacchus Marsh town centre, 2021 to 2041

No	Item	Bacchus Marsh town centre	Notes
A	Retail floorspace growth	10,800	Modelled from population forecast
B	Non-retail share of total	50%	Estimated average for Major Activity Centres
C	Non-retail floorspace growth	10,800	C = A
D	Total floorspace growth	21,600	D = A + C
E	Car-parking rate (spaces/100sqm)	3	Estimated
F	Car parking space area	35	Estimated
G	Total parking area	22,700	G = D/100 x E x F
H	Building and parking area	44,300	H = D + G
I	Circulation and landscaping share of total	10%	Estimated
J	Circulation and landscaping	4,922	J = H * I
K	Area that needs to be found	49,222	K = H + J

Source: Tim Nott

Notionally, the land required for the expansion of activity in the town centre over the 20 years to 2041 is approximately 4.9 hectares. This is only an indication because the precise type of development to be accommodated – especially non-retail development – is not known. Nevertheless, the area of land actually required is likely to be between 3 hectares and 6 hectares.

The notional balance of supply and demand for land is shown in the table below.

Table 4-9: Notional balance of supply and demand for land, Bacchus Marsh town centre, 2021 to 2041

Item	Area (ha)
Notional demand for land	4.9
Supply of vacant land	
Expansion area for the Village SC	0.8
16 Graham St (C1Z half)	2.2
3 Graham St	0.4
Council site & Bowls Club next to library	1.6
Total supply	**5.0**
Supply less demand	**0.1**

Source: Tim Nott

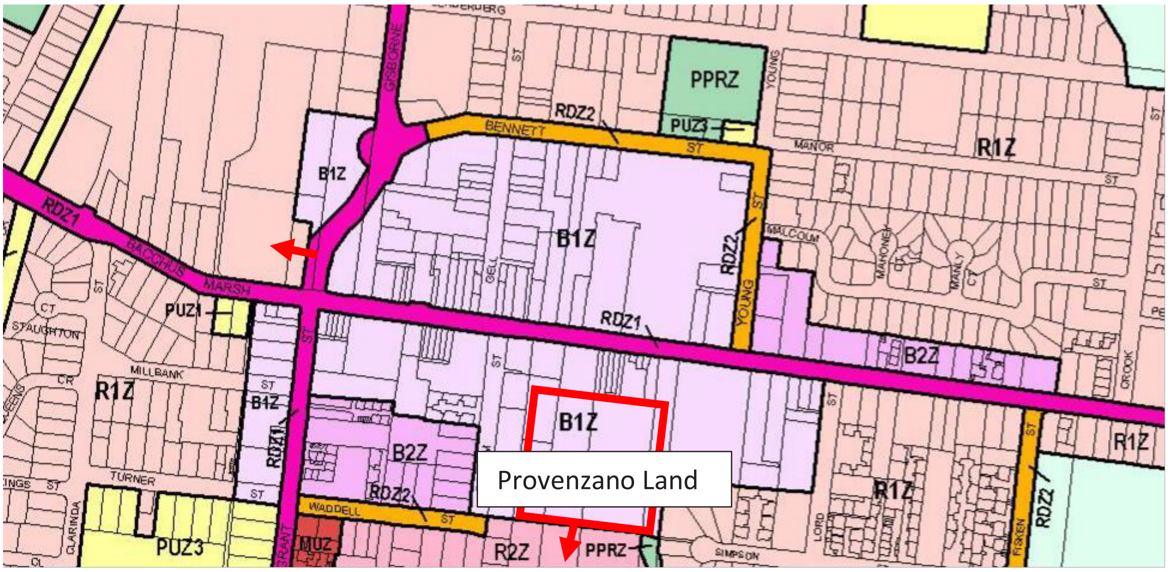
Note: Shown in this summary is the potential redevelopment of the bowling club site adjacent to the library which is currently being considered by Council and would add a further 0.6 hectares to the supply.

This table shows an approximate balance between the expected demand and the supply of land in the town centre over the period to 2041. However, these calculations do not take into account the potential for higher density housing in the Town Centre, which will be increasingly likely as the town develops. Higher density housing may not take up ground floor sites directly but will generate a greater requirement for car parking.

There are numerous ways of accommodating the requirement for additional land in the town centre including:

- Take-up of existing vacant buildings – although this currently at only 2% of the floorspace or around 1,500 sqm
- Improved efficiency in the use of existing commercial buildings by, for example, encouraging activities into more appropriately sized premises
- Redevelopment of existing buildings to make better use of sites; there may be potential, for example, to increase the number of floors that are allowed in town centre buildings
- Reduction in the car-parking requirement for individual new buildings and the provision of collective multi-storey car parking structures that have a smaller footprint
- Removal of the restrictions on shop development on land that was formerly zoned Business 2 at the eastern and western ends of the town centre (see Figure 4-7)
- Expansion of the Commercial 1 Zone to grow the extent of the town centre

Figure 4-7: Areas with shop floorspace cap in Bacchus Marsh Town Centre, formerly zoned B2



Source: Moorabool Planning Scheme (c.2000)

In the future development of the town centre, the Provenzano (see Figure 4-7) land will be the key to creating a compact, walkable and well-designed centre while providing sufficient space for expansion. Development of this site should provide better access to residents in the south of the town.

If further land is required for town centre activities beyond the existing zoned land, several parcels may be suitable for the extension of the town centre, subject to further investigation, including:

- Vacant land of 2.2 ha south of the extension of Waddell and Simpson Street (land which is also owned by the Provenzano family)
- 92-98 Main Street, a largely vacant parcel of 0.8 ha west of the intersection with Gisborne Road

These are indicated by arrows on Figure 4-7.

These parcels may well be required in the longer term, that is, beyond 2041, or if development rates are higher than forecast, or currently vacant land is not available for development.

Over the entire forecast period, from 2021 to 2061, the town centre may need to find 8 to 10 hectares of additional space for new activities.

4.9.2 Neighbourhood Activity Centre Growth

New neighbourhood activity centres will be required in the growth areas of the Bacchus Marsh district and, potentially, at Ballan South and Wallace if population growth supports them.

This section identifies broadly how much land should be set aside for these centres based on population in the catchment.

The modelling for this strategy indicates that the total retail floorspace required in a neighbourhood centre is 0.55 sqm per person in the catchment and 0.45 sqm per person in a small neighbourhood centre. Based on this and an assumption that non-retail space will account for 30% of the total building area, Table 4 10 identifies broadly how much land will be required for commercial activities in a neighbourhood centre, based on the catchment population.

Table 4-10: Estimate of commercial land required for new neighbourhood centres

Item	Neighbourhood Activity Centre	Small neighbourhood centre
Catchment population (no.)	10,000	6,000
Retail floorspace (sqm)	5,500	2,700
Non-retail share of total (%)	30%	30%
Non-retail floorspace (sqm)	2,400	1,200
Total floorspace (sqm)	7,900	3,900
Car-parking rate (spaces/100sqm)	5	5
Car parking space area (sqm)	35	35
Total parking area (sqm)	13,800	6,800
Circulation and landscaping share of total (%)	10%	10%
Circulation and landscaping (sqm)	2,400	1,200
Total area (sqm)	24,100	11,900
Land area per person	2.4	2.0

Source: Tim Nott

The land requirement for commercial activities and associated car-parking in neighbourhood centres is approximately 2.4 sqm for each person in the catchment and 2.0 sqm for a small neighbourhood centre. This estimate does not include an allowance for housing within the centre.

While this estimate for commercial activity space is a guide, each centre should be individually designed to make the most of its position and to allow for connections to landscape features and the road and trail network as well as to enable the provision of particular facilities and housing that may be required by the local community.

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