

Greater Geelong Amendment C393 – Retail Strategy

Ocean Grove population update, prepared by P. Schembri, City of Greater Geelong 26.11.2019

Introduction

The panel has directed Council (Further Direction – 1 November 2019) to:

“Provide commentary on proposed changes to the Retail Strategy and how these might be reconciled through this Amendment process. This includes commentary and any updates to the population forecasts, particularly for the Ocean Grove ‘sub-region’, the submitted anomalies in the transition from Tables 18 to 19, a revised Figure 14 and how it will address the submitted anomaly between this figure and the text immediate preceding it.”

This update provides a response to the population forecasting for the Ocean Grove sub-region.

C393 expert witness statements and submissions

Mr Szafraniec recommends that Table 3 in Section 2.4 of his evidence should replace Table 1 on page 12 of the Retail Strategy.

TABLE 3 POPULATION PROJECTIONS CITY OF GREATER GEELONG SUB-REGIONS, 2016-36

Sub-regions	2016	2021	2026	2031	2036	Growth (2016-36)		
						Change	% of change	Growth rate
Lara	15,326	16,931	18,539	20,338	22,242	6,916	6%	1.9%
Northern Geelong GA	1,097	1,095	1,104	3,376	14,112	13,015	11%	13.6%
Geelong (Corio Norlane)	40,641	41,794	42,975	44,205	45,471	4,830	4%	0.6%
Western Geelong GA	342	398	446	3,036	14,108	13,766	12%	20.4%
Geelong (Central)	111,857	117,374	121,940	126,415	131,315	19,458	17%	0.8%
Geelong (Armstrong Creek)	6,476	14,176	23,120	32,117	36,672	30,196	26%	9.1%
Leopold	12,119	13,712	15,331	16,914	18,673	6,554	6%	2.2%
Drysdale	12,668	14,394	16,188	18,136	20,097	7,430	6%	2.3%
Ocean Grove	18,402	19,636	20,823	22,255	24,051	5,648	5%	1.3%
NE Bellarine Pe	7,189	7,958	8,725	9,496	10,281	3,092	3%	1.8%
Remainder	11,013	11,285	11,782	12,620	14,477	3,465	3%	1.4%
Greater Geelong	237,129	258,753	280,975	308,909	351,499	114,370	100%	2.0%

AAGR = Average Annual Growth Rate

The table presents the sub-region ‘Ocean Grove’ which includes the township of Barwon Heads. The average annual growth rate for the sub-region for the period 2016-2036 is 1.3% giving a projected population at 2036 of 24,051.

The evidence statement on page 13 compares the total population projections with projections from the City of Greater Geelong Retail Strategy, 2019 Victoria in Future and id. Forecast. This information is presented in Table 4.

TABLE 4 GREATER GEELONG POPULATION PROJECTION COMPARISON, 2016 AND 2036

Population sources	2016	2036	Population growth (2016-36)	
			Change	AAGR
Geelong Retail Strategy (Updated data 2018)	237,129	351,499	114,370	2.0%
Geelong Retail Strategy (Original Sept 2016)	237,129	298,000	60,871	1.1%
Settlement Strategy (A - Long term historic)	239,000	307,400	68,400	1.3%
Settlement Strategy (B - Current official)	239,000	320,800	81,800	1.5%
Settlement Strategy (C - Strong Growth)	239,000	352,300	113,300	2.0%
Settlement Strategy (D - G21 Regional Growth Plan)	239,000	387,900	148,900	2.5%
Settlement Strategy (E - Growth Surge)	239,000	427,121	188,121	2.9%
id.forecast	239,531	361,014	121,483	2.1%
2019 Victoria in Future - DELWP	239,529	360,245	120,716	2.1%
Recent Growth	<i>Note different years used for recent growth data</i>			
ABS ERP (2006-11)	201,495	215,837	14,342	1.4%
ABS ERP (2011-16)	215,837	239,529	23,692	2.1%
ABS ERP (2016-18)	239,529	252,217	12,688	2.6%

AAGR = Average Annual Growth Rate

Mr Szafraniec on DAY 1 of the panel hearing presented this information and submitted a power-point document titled Economic Expert Evidence of Julian Szafraniec, dated 28/11/19. The document on slide 9 says (emphasis added in underline):

- *Geelong Retail Strategy modelling uses population projections updated in 2018*
- *Broadly consistent with:*
 - *Latest 2019 Victoria in Future*
 - *Id. Forecast (Council website)*
 - *Settlement Strategy – Scenario C*
- *Higher growth can still be managed through ‘soft caps’ policy implementation.*
- *However, if significant (x2+) additional growth is expected/occurs in one area within the strategy horizon period a modelling review may be more appropriate for that particular area.*

Mr Ganly in his evidence statement dated 18 October 2019 at paragraph 110 (page 35) says:

The population of the Ocean Grove sub-region used by SGS – incorporating Ocean Grove and Barwon Heads – had already reached 20,198 in 2018 (growing at an average rate of 5.1% per annum since 2015) and therefore well in advance of the forecast of 20,000 for 2021 adopted by SGS in Table 4 on page 63 of the Issues & Options Report.

The population forecast provided for Ocean Grove at Table 3 on page 12 of the Szafraniec Statement is even lower at 19,636 in 2021 (and with the population only reaching 24,051 by 2036).

In his written submissions on behalf of Shell Rd Developments, **Mr Bisset** says at paragraph 56:

Further, the proposed variations to Tables 5 and 7 of the Retail Strategy, proposed by way of Tables 19 and 20 in Mr Szafraniec’s evidence, is unreliable. Shell Road notes that:

- a) ...
- b) ...
- c) *the tables as proposed still fail to take into account up-to-date population data, at least in relation to Ocean Grove as accepted by Mr Szafraniec in his own evidence (as slide 9 of his visual presentation), floorspace demand ought to be reviewed where observed population growth is more than 2 times the estimated figure. This threshold has been met and surpassed by Ocean Grove – as demonstrated by Mr Ganly’s evidence, growth at Ocean Grove has reached over 3.5%*

over the past five years, being significantly more than double the 1.3% projected in the Retail Strategy.

Amendment C395 – City of Greater Geelong Settlement Strategy

The Amendment is currently being heard by the C395 Panel and a number of expert witness statements have been prepared in relation to lot supply, demographics and population. The Strategy adopts a municipal population growth rate of 2.5% per annum reaching 387,900 in 2036.

A **conclave statement** was prepared by experts: Dale Stokes, Jeremy Reynolds, Justin Ganly, Chris McNeill, Paul Shipp and Brian Haratsis. The statement made the following relevant findings:

- *The Settlement Strategy is based upon modelling which adopts current settlement boundaries and makes no recommendations about specific boundaries for proposed growth areas or existing townships.* [agreement by all experts]
- *Ocean Grove has approximately 2,800 zoned broad hectare lots remaining.* [agreement by Dale Stokes and Paul Shipp]
- *The Settlement Strategy fails to recognise the unique nature of the Bellarine housing market – and specifically at Ocean Grove – by, amongst other things, falsely assuming that these markets are substitutable elsewhere within Geelong.* [agreement by Justin Ganly and Paul Shipp]

Mr Ganly in his evidence statement dated 29 October 2019 prepared for Shell Road Developments presents the population for Ocean Grove:

Table 1—Ocean Grove population, 2001-2018

Source: Deep End Services; ABS

As at June	Population	Change	
	(No.)	(No.)	(%)
2001	10,839	-	-
2002	11,206	367	3.4%
2003	11,364	158	1.4%
2004	11,484	120	1.1%
2005	11,520	36	0.3%
2006	11,487	-33	-0.3%
2007	11,779	292	2.5%
2008	12,061	282	2.4%
2009	12,248	187	1.6%
2010	12,576	328	2.7%
2011	12,871	295	2.3%
2012	12,923	52	0.4%
2013	13,089	166	1.3%
2014	13,489	400	3.1%
2015	13,996	507	3.8%
2016	14,604	608	4.3%
2017	15,271	667	4.6%
2018	15,877	606	4.0%
Ave. 2001-06	-	130	1.2%
Ave. 2006-11	-	277	2.3%
Ave. 2011-16	-	347	2.6%
Ave. 2016-18	-	637	4.3%

The 2016 population of 14,604 compares favourably with Mr Szafraniec's evidence (excluding Barwon Heads).

Mr Shipp in his evidence statement dated 6 November 2019 prepared for Morgan and Griffin presents the population for Ocean Grove:

Population

55. Since the May 2019 report was prepared, Forecast ID released updated local population estimates for the City of Greater Geelong. These are summarised in Table 1. The estimates show that the population of Ocean Grove increased at an average rate of 3.2% per annum between 2012 and 2018.

T1. OCEAN GROVE ESTIMATED RESIDENT POPULATION, 2012 TO 2018

YEAR (ENDING JUNE 30)	POPULATION	ANNUAL CHANGE
2012	13,052	
2013	13,175	123
2014	13,539	364
2015	14,009	470
2016	14,608	599
2017	15,215	607
2018	15,760	545
AAGR	3.2%	

Source: Forecast ID, ABS.

The 2016 population of 14,608 compares favourably with Mr Ganly's evidence.

A projected population is then provided:

T7. OCEAN GROVE PROJECTED DWELLING REQUIREMENTS (VIF2019 SCENARIOS)

SCENARIO 1 – 2.25%	2019	2021	2026	2031	2036	AAG
Population	15,818	16,538	18,484	20,659	23,090	2.25%
New population p.a		360	389	435	486	428
Household Size (VIF19)		2.5	2.5	2.4	2.4	
New permanent dwellings required p.a		144	156	181	203	178
Occupancy Rate	72%	72%	72%	72%	72%	
New unoccupied dwellings required		56	61	70	79	69
Total new dwellings required per annum		200	216	252	281	248
Scenario 2 – 2.75%	2019	2021	2026	2031	2036	AAG
Population	15,818	16,700	19,126	21,905	25,087	2.75%
New population p.a		441	485	556	636	545
Household Size (VIF19)		2.5	2.5	2.4	2.4	
New permanent dwellings required p.a		176	194	232	265	227
Occupancy Rate	72%	72%	72%	72%	72%	
New unoccupied dwellings required		69	75	90	103	88
Total new dwellings required per annum		245	270	322	368	316

Source: Urban Enterprise adopting Victoria in Future, 2019 growth rates. AAG = Average Annual Growth.

The projections (note: excluding Barwon Heads) are based on an increase in residential land supply beyond the existing Ocean Grove Settlement Boundary.

Victoria in Future 2019

Victoria in Future (VIF) is the official state government projection of population.

The lowest level that VIF project for population is the SA2 level. The Ocean Grove – Barwon Heads SA2 also contains part of the Armstrong Creek Urban Growth Area. Further advice from DELWP extracting out Armstrong Creek estimates (not official figures):

	2016	2036
Ocean Grove	13,700-15,500	19,800-20,600
Barwon Heads	4,300-4,500	5,200-5,400
Total	18,000-20,000	25,000-26,000

The total estimated Ocean Grove/ Barwon Heads 2036 population of 25,000-26,000 is generally consistent with Mr Szafraniec's Table 3 projection for the Ocean Grove sub-region of 24,051 at 2036.

Refer to Appendix 1.

id. Forecast

id Forecast is the City's official population statistics provider.

id provide population forecasts for the Small Areas of Ocean Grove and Barwon Heads:

	2016	2036
Ocean Grove	14,607	20,335
Barwon Heads	4,763	5,722
Total	19,370	26,057

This represents an average annual growth rate of 1.5% for the period 2016-2036.

The total estimated Ocean Grove/ Barwon Heads 2036 population of 26,057 is generally consistent with Mr Szafraniec's Table 3 projection for the Ocean Grove sub-region of 24,051 at 2036.

Refer to Appendix 2.

Conclusions

- Mr Szafraniec's population projections for the Ocean Grove sub-region, i.e. the average annual growth rate for the 2016-2036 period of 1.3% and a total 2036 population of 24,051, are understated but not significantly understated.
- The evidence finds the 2036 population will be approximately 26,000 with an average annual growth rate over the 2016-2036 year period of 1.5%.
- Alternatively, the evidence finds the 2036 population will be approximately 28,500 with an average annual growth rate over the 2019-2036 period of 1.88% (refer to Appendix 3).
- A rate of 1.5% or 1.88% is not double the rate forecast by Mr Szafraniec for the Strategy horizon period and a remodelling review is not required for the Ocean Grove sub-region.
- It is not appropriate to forecast Ocean Grove population out to 2036 beyond existing residential zoned land supply.

APPENDIX 1

From: Mitchell L Valentine (DELWP) [mailto:mitchell.valentine@delwp.vic.gov.au]

Sent: Monday, 18 November 2019 3:08 PM

To: Peter Schembri <PSchembri@geelongcity.vic.gov.au>

Cc: David Sykes (DELWP) <David.Sykes@delwp.vic.gov.au>

Subject: RE: Population forecast for Ocean Grove & Barwon Heads

Hi Peter,

Dave has asked me to answer this question.

Unfortunately, we can't provide you with an ERP figure for Ocean Grove and Barwon Heads for reasons:

1. The lowest level we project for population is the SA2 level, see figure 1 below, the SA2 of which *Ocean Grove - Barwon Heads SA2* groups Ocean Grove and Barwon Heads together, see table 1 below. We consequently cannot ERP figures for the two separately.
2. The other issue is that *Ocean Grove - Barwon Heads SA2* also contains part of Armstrong Creek, see figure 2 below, which drives a significant portion of the growth in the SA2. The *Ocean Grove - Barwon Heads SA2* change in population is therefore not altogether useful for estimating the change in the population between the two.

Having said all that, I have taken a stab at doing some back of the envelope estimates for you.

	2016	2036
Ocean Grove	13,700-15,500	19,800-20,600
Barwon Heads	4,300-4,500	5,200-5,400
Total	18,000-20,000	25,000-26,000

Please note there are some caveats to keep in mind when using these numbers:

1. These are back of the envelope estimates only and are not official population figures.
2. Ocean Grove and Barwon Heads were defined as their respective settlements and did not include the townships of Breamlea, Wallington and Connewarre.

Figure 1: Ocean Grove – Barwon Heads SA2 Boundaries

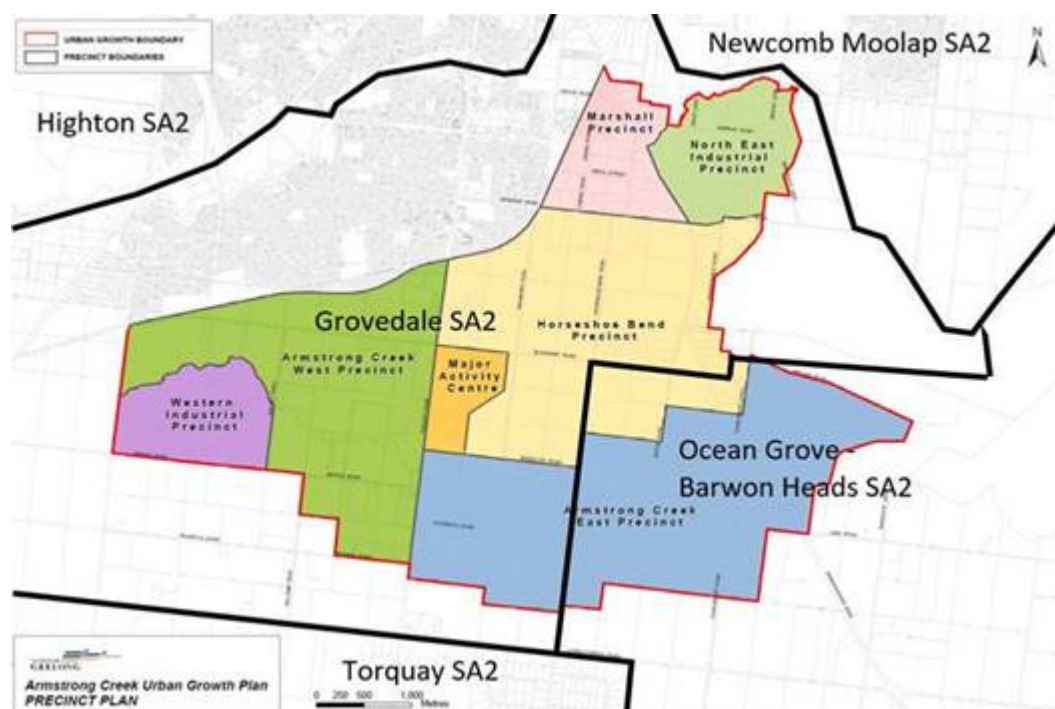


Table 1: Ocean Grove – Barwon Heads SA2 Data

Key Indicators: Population, Households and Dwellings						
	2016	2018*	2021	2026	2031	2036
Total Population	24,180	26,650	30,130	36,010	41,580	45,970
Total Households	9,390		11,720	14,080	16,430	18,470
Household size**	2.55		2.54	2.53	2.50	2.45
Total dwellings	11,620		14,510	17,430	20,350	22,870
Occupancy***	80.8%		80.8%	80.8%	80.8%	80.8%

** Population data only for 2018 ** Average persons/household *** Proportion of total dwellings occupied*

Figure 2: Armstrong Creek by SA2



Kind regards,

Mitchell Valentine | Analyst - Demography | Land Use & Population Research

Planning | Department of Environment, Land, Water & Planning

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E: mitchell.valentine@delwp.vic.gov.au P: 03 8683 0942

www.delwp.vic.gov.au | Victoria in Future 2015

From: Peter Schembri


Sent: Thursday, 14 November 2019 5:07 PM

To: 'david.sykes@delwp.vic.gov.au' <david.sykes@delwp.vic.gov.au>

Subject: Population forecast for Ocean Grove & Barwon Heads

Hi David,

I downloaded this from the VIF website:

VIFSA Barwon Heads-Portarlington District				Environment, Land, Water and Planning		
Source: Victoria in Future 2019						
Contact: David Sykes (DELWP) 03 8683 0936 david.sykes@delwp.vic.gov.au						
Key Indicators: Population, Households and Dwellings						
	2016	2018*	2021	2026	2031	2036
Total Population	46,380	50,350	56,400	65,310	73,350	79,660
Total Households	19,120		23,310	27,140	30,790	33,930
Household size**	2.40		2.40	2.38	2.36	2.32
Total dwellings	24,930		30,240	35,160	39,870	43,970
Occupancy***	76.7%		77.1%	77.2%	77.2%	77.2%
<i>*Population data only for 2018 **Average persons/household ***Proportion of total dwellings occupied</i>						

Are you able to give me a further breakdown of the total population @ 2016 and @ 2036 for the following areas:

- Ocean Grove
- Barwon Heads

If you can it would be much appreciated.

Regards

Peter Schembri

Senior Strategic Planner

City Development

Planning, Design & Development

City of Greater Geelong

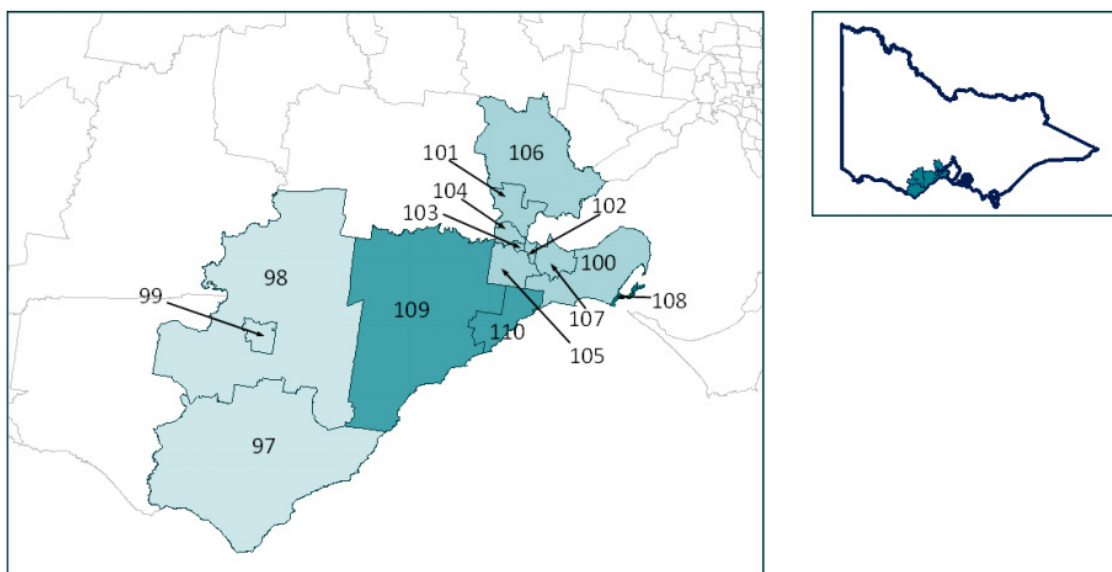
Victoria in Future Small Areas – Department of Environment, Land, Water and Planning (2015)

Victoria in Future Small Areas (VIFSA) – G21 (Geelong)

LGA_Code	LGA_Name	Map reference	VIFSA_Code	VIFSA_Name
21750	Colac-Otway (S)	97	VIFSA.21750.10	VIFSA Apollo Bay-Gellibrand District
		98	VIFSA.21750.20	VIFSA Beeac-Swan Marsh District
		99	VIFSA.21750.30	VIFSA Colac Town
22750	Greater Geelong (C)	100	VIFSA.22750.10	VIFSA Barwon Heads-Portarlington District
		101	VIFSA.22750.20	VIFSA Bell Park-Corio District
		102	VIFSA.22750.30	VIFSA Geelong Central District
		103	VIFSA.22750.40	VIFSA Geelong Newtown District
		104	VIFSA.22750.50	VIFSA Geelong West District
		105	VIFSA.22750.60	VIFSA Grovedale-Highton District
		106	VIFSA.22750.70	VIFSA Lara District
		107	VIFSA.22750.80	VIFSA Leopold-Newcomb District
26080	Queenscliffe (B)	108	VIFSA.26080.10	VIFSA Queenscliffe Borough
26490	Surf Coast (S)	109	VIFSA.26490.10	VIFSA Surf Coast Rural
		110	VIFSA.26490.20	VIFSA Torquay Town

Victoria in Future Small Areas (VIFSA) – G21 (Geelong)

(Map numbers refer to table on previous page)



Source:

https://www.planning.vic.gov.au/_data/assets/pdf_file/0025/424474/VIFSA_Definitions_new.pdf

APPENDIX 2



Ocean Grove

 Share
  Export

Population, households and dwellings

This summary shows the results of the forecasts for population, households and dwellings in the City of Greater Geelong. The period 2016 to 2026, as the short to medium term, is likely to be the most accurate and useful forecast information for immediate planning purposes.

It is important to look at the relationship between population and average household size. If the average household size is falling, then there will need to be growth in the number of households (and dwellings for them to live in) to maintain or grow the population.

Current area:						
Ocean Grove						reset 
Forecast population, households and dwellings export 						
Ocean Grove						
	Forecast year					
Summary	2016	2021	2026	2031	2036	2041
Population	14,607	16,633	18,230	19,447	20,335	21,316
Change in population (5yrs)	--	2,026	1,597	1,217	887	982
Average annual change	--	2.63%	1.85%	1.30%	0.90%	0.95%
Households	5,819	6,597	7,272	7,855	8,313	8,783
Average household size	2.48	2.49	2.47	2.44	2.41	2.39
Population in non private dwellings	177	222	259	293	323	323
Dwellings	7,429	8,420	9,284	10,027	10,612	11,212
Dwelling occupancy rate	78.33	78.35	78.33	78.34	78.34	78.34
Population and household forecasts, 2016 to 2041, prepared by id , the population experts, July 2019.						

Barwon Heads - Connewarre - Breamlea



 Export

Population, households and dwellings

 Share

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Current area:						
Barwon Heads - Connewarre - Breamlea						reset 
Forecast population, households and dwellings export 						
Barwon Heads - Connewarre - Breamlea						
	Forecast year					
Summary	2016	2021	2026	2031	2036	2041
Population	4,763	5,074	5,237	5,452	5,722	6,029
Change in population (5yrs)	--	311	163	215	270	307
Average annual change	--	1.27%	0.63%	0.81%	0.97%	1.05%
Households	1,845	2,010	2,113	2,234	2,355	2,479
Average household size	2.57	2.51	2.47	2.43	2.42	2.42
Population in non private dwellings	24	24	24	24	24	24
Dwellings	2,606	2,890	3,099	3,277	3,453	3,636
Dwelling occupancy rate	70.80	69.55	68.18	68.17	68.20	68.18
Population and household forecasts, 2016 to 2041, prepared by id , the population experts, July 2019.						

Source: <https://forecast.id.com.au/geelong/Population-households-dwellings?WebID=350>

APPENDIX 3Ocean Grove

2019 population (Paul Shipp Table 7/VIF 2019) = 15,818

Zoned broad hectare lots remaining (C395 conclave statement) = 2,800

Household size (Paul Shipp Table 7/VIF 2019) = 2.5

Population at 2036 = 15,818 + (2,800 x 2.5) = 22,818

Barwon Heads population (id Forecast) 2019 = 4,987 and 2036 = 5,722

Ocean Grove sub-region population at 2036 = 22,818 + 5,722 = 28,540 or 28,500

Average annual growth rate = 1.88%