

Our Ref: 0900659

Office: Melbourne

1 May 2013

Water Group
Essential Services Commission
Level 37
2 Lonsdale Street
Melbourne Vic 3000

Dear Sir/Madam

**RE: PROPOSED POOWONG LOCH NYORA SEWERAGE SCHEME
SUBMISISON ON BEHALF OF WALLIS WATSON (NYORA) PTY LTD
PROPERTY AT 379 NYORA-POOWONG ROAD & 1390 YANNATHAN ROAD, NYORA**

Beveridge Williams acts on behalf of Wallis Watson (Nyora) Pty Ltd who has contracted to purchase property at Nyora – Poowong Rd, Nyora (i.e. the Wallis Watson land). The land is 99.2 ha in area and is located to the immediate north of the township and has direct access to Yannathan Road and Nyora-Poowong Rd.

Over the past eight years Wallis Watson has actively engaged with Council and the Nyora community and undertaken technical assessments in support of a future residential subdivision on the site. These efforts have been undertaken in parallel with the development of Council's Nyora Structure Plan.

On 24 August 2011, South Gippsland Shire Council adopted the Nyora Structure Plan which supports the designation of a Residential 1 Zone over the entire Wallis Watson site. The Structure Plan is currently being considered as part of Amendment C72 to the South Gippsland Planning Scheme and the amendment is expected to be shortly adopted by Council.

Following the completion of the Structure Plan, our clients are eager to commence the rezoning of this land and subsequent development as soon as possible. The current plan provides for a 725 lot residential subdivision of the site.

The extent of future township growth areas identified in the Nyora Structure Plan was founded on statistical assessments of the anticipated population growth of the township. Whilst Nyora is categorised as a peri-urban area, the Structure Plan acknowledges that Nyora has developed into a commuter township due to the lack of commercial or community development within Nyora itself.

The Structure Plan adopted a conservative growth rate of 2.1% per annum due, in part, to the uncertainly with regards to the timing and delivery of the proposed reticulated sewerage system

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however the Structure Plan acknowledges that Nyora could experience considerable growth due its proximity to major urban centres such as Cranbourne, Narre Warren, Dandenong, Pakenham and metropolitan Melbourne particularly if reticulated sewerage is provided to the town.

A growth rate of 2.1% will generate a dwelling demand of 213 standard residential dwellings in the medium term. It is noted however that the Structure Plan acknowledges that this growth rate will be achieved even in the absence of reticulated sewerage.

A Residential Market Analysis of Nyora was prepared by Spade Consultants on behalf of our clients. Spade analysed a number of potential growth scenarios for the township and the analysis found that Nyora is likely to experience strong growth, if allowed to do so and in the event Nyora is able to present fully serviced land to the market, it is possible that land sales would occur at a level well above any of the scenarios presented because of the locational advantages of the township. A copy of this report is attached.

The Independent Panel which considered the Nyora Structure Plan identified the Wallis Watson land as suitable for future residential development and our clients remain committed to developing the site to its full potential. ***It is our client's intention to rezone the land and develop 725 residential allotments in Nyora as soon as possible.*** We therefore request that the commission have regard to the proposed yield on the Wallis Watson site in its forward planning and that the development of this land be included in the sewerage system connection cost estimates and calculations that it and South Gippsland Water are currently preparing. It is understood that the capital cost of the sewer scheme will be mitigated by the imposition of an Area Contribution on developed lots including the Wallis Watson site, so that the overall cost to the individual landholders in the existing areas could be substantially reduced from that currently proposed.

Apart from the obvious public health issues, delivery of a sewerage system to Nyora is a vital component to support the future growth of the town and to provide current residents with appropriate residential amenity levels as enjoyed by most other Victorians. We respectfully request the Emergency Services Commission and South Gippsland Water proceed with the program at the earliest possible opportunity.

Should you require to discuss this submission in more detail, please call the undersigned on 03 9528 6938.

Yours sincerely

BEVERIDGE WILLIAMS & CO PTY LTD

A handwritten signature in black ink, appearing to read 'Bernard Collins'.

BERNARD COLLINS

Senior Planner



CC Wallis Watson (Nyora) Pty Ltd
Philippe du plessis, South Gippsland Water
Craig Lyon, South Gippsland Shire Council

Enc Residential Market Analysis: Nyora



RESIDENTIAL MARKET ANALYSIS: NYORA

Prepared for Wallis Watson Nyora Pty Ltd

August 2010



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Disclaimer

It is important to recognize that the projections contained in this report simply reflect the assumptions made about future fertility, mortality, migration trends and household formation. While the assumptions are based on an objective assessment of demographic and other economic trends over the past decade and their likely future dynamics, there can be no certainty that they will be realized.

Spade Consultants Pty Ltd does not guarantee that this report is without flaw or is wholly appropriate for your particular purposes and therefore disclaims all liability for any error, loss or other consequence which may arise for you relying on any information in this Report.



i) EXECUTIVE SUMMARY

- a) Nyora is a rural township some 80 kilometres (direct) from the Melbourne Central Business District. With a population of approximately 550 the town is located 3 kilometres north of the South Gippsland Highway in the undulating foothills of the Strzelecki Ranges.
- b) Wallis Watson Nyora Pty Ltd controls approximately 99.27 hectares of land to the immediate north-east of the existing urban area which it wishes to develop for residential purposes.
- c) In the recent past, the population of Nyora has been relatively stable, though there a low density development adjacent to the statistical boundary of the township has seen an increase in the number of dwellings and in all likelihood residential population. State government projections suggest the population of the surrounding region will experience steady growth over the next decade and a half. The Pakenham area, approximately 40 kilometres by road, is expected to experience substantial growth.
- d) Peri-urban areas to Melbourne's west, north-west, north and east have experienced significant growth over the past decade or more based on their proximity to Melbourne, location on key transport corridors and reputation for offering an attractive rural lifestyle alternative to metropolitan living. The average rate of growth in such areas between 2004 and 2009 was 2.3% per annum. The growth rate of the actual urban areas contained within these broader peri-urban areas is likely to have been significantly higher.
- e) The local area of which Nyora is a part shares many of the same attributes to other peri-urban areas in as far as proximity to Melbourne, and in particular the significant employment areas around Dandenong and an emerging one at Pakenham. There is increasing evidence that the South Gippsland area has been 'discovered' with the emergence of a coffee and gallery culture. Such attributes are often the catalyst to a period of accelerated growth as opportunities are sought for alternative lifestyles.
- f) In the event Nyora is allowed to grow through the provision of new, fully-serviced, competitively priced, and well presented and planned, residential lots there is a strong likelihood that dwelling demand will respond to levels seen in similar peri-urban rural townships.
- g) Nyora's existing retail services are lacking in scale for a township such as Nyora. The issue has been previously identified in strategic planning work (Nyora Urban Design Framework July 2005) and recommendation made concerning the need to encourage additional retail development. It is probable that only an additional expansion of the retail catchment, through population growth, is likely to facilitate this outcome.



ii) **BACKGROUND, PURPOSE AND DIRECTION**

Wallis Watson Pty Ltd controls approximately 95 hectares of land north-east of Nyora, a rural township 80 kilometres (direct) south east of Melbourne. Wallis Watson Nyora Pty Ltd wishes to progress towards a residential development of the land.

Spade Consultants has been asked to consider and assess the following to potential for growth at Nyora in the context of broader urban and regional trends.

The report responds as follows:

- 1) Section 1 (Regional Context) establishes Nyora's regional context and economic profile
- 2) Section 2 (Site Description and Planning Context) identifies the subject land and explains its current planning context
- 3) Section 3 (Population Growth) assesses recent population growth and considers future population projections
- 4) Section 4 (Growth Trends in Peri-urban Areas) considers recent growth in rural townships within the broader orbit of the Melbourne metropolitan area
- 5) Section 5 (Growth Potential of Nyora) considers the potential for growth at Nyora in light of broader trends
- 6) Section 6 (Nyora's Commercial Infrastructure Deficit) considers the state of retail infrastructure in Nyora
- 7) Section 7 (Conclusion) provides some concluding remarks

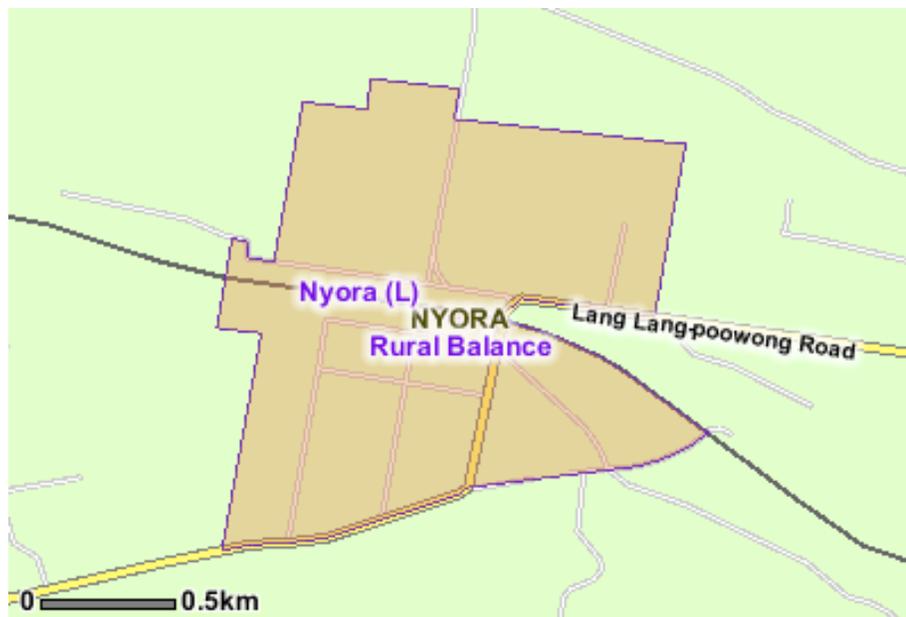


1. REGIONAL CONTEXT

Overview

- 1.1 Nyora is located 85 kilometres (direct) south east of the Melbourne Central Business District and approximately 32 kilometres south east of Pakenham. In this regard the township can be described as peri-urban. That is to say, while it remains undoubtedly rural in outlook and is likely to remain so, it is within the orbit of the Melbourne metropolitan area and subject to a variety of influences and factors that rural townships more distant from Melbourne are unlikely to experience.
- 1.2 The statistical classification 'Nyora Urban Centre' is identified at Map 1.1 and best captures the urban characteristics of the township. A second statistical classification, 'Nyora State Suburb' takes in a rural area of around 5-6 kilometres radii (more in some directions) but, due to the largely rural nature of the classification, loses the urban nature of the profile. The 'State Suburb' boundary does however contain a low density subdivision in the wedge of land east of the township between Lang Lang – Poowong road and the railway reserve that is not contained in the Nyora Urban Centre statistical boundary. It is estimated the subdivision presently contains some 25 dwellings. For the purposes of the analysis contained in this report, the Nyora Urban Centre data is used though it should be stressed that this measure may understate Nyora's true urban population by some 70-80 residents as well as potentially distort the age profile and other measureables.

Map 1.1: Nyora Urban Centre



Source: ABS



- 1.3 Nyora is located at the western edge of South Gippsland Shire, 14 kilometres from the junction of the South Gippsland and Bass Highways, 3 kilometres north of the South Gippsland Highway.

Map 1.2: South Gippsland Shire



- 1.4 The township of Nyora comprises approximately 550 residents, several retail establishments, a light industrial area, a primary school, recreational facilities and the Nyora Speedway, a vehicular rally and racing venue.
- 1.5 The town's railway station, which is now used as a community based heritage/tourist railway as well as its general store were used in the ABC TV program *Something In The Air*.
- 1.6 The town sits at the heart of a closely settled agricultural district where dairying is the key industry. In close proximity to Nyora are the towns of Lang Lang (in the neighbouring Cardinia Shire), Loch, Poowong and Korumburra which acts as a district service centre.

Socio-economic profile

- 1.7 Table 1.1 (following page) provides comparative socio-economic data between the 2001 and 2006 national census periods as well as the Victorian state average (where applicable) in 2006.



Table 1.1: Socio-economic profile

	Nyora				Victoria	
	2001		2006		2006	
	No.	%	No.	%	No.	%
<i>Population</i>	542		545		4,932,422	
<i>Age</i>						
0-4 years	41	7.90%	31	5.70%	305,941	6.20%
5-14 years	121	22.30%	103	18.90%	644,452	13.10%
15-24 years	63	11.60%	64	11.70%	673,893	13.70%
25-34 years	254	46.90%	234	42.90%	2,098,745	42.50%
55-64 years	34	6.30%	60	11.00%	534,486	10.80%
65 years and over	27	5.00%	53	9.70%	674,906	13.70%
<i>% of population born overseas</i>	61	11.30%	71	13%	1,173,201	23.80%
<i>Income</i>						
Median individual income			\$367		\$456	
Median household income			\$900		\$1,022	
Median family income			\$931		\$1,170	
<i>Family characteristics</i>						
Total families	142		156		1,294,387	
- total families with children	93	65.50%	71	45.50%	606,516	46.90%
- total families w/o children	33	23.20%	61	39.10%	464,895	35.90%
- one parent families	16	11.30%	24	15.40%	199,004	15.40%
- other families					23,972	1.90%
<i>Dwelling characteristics</i>						
- Total private dwellings	180		203		2,085,113	
- Occupied private dwellings	173		189		1,869,384	
- Separate house	173	100.00%	185	97.90%	1,429,127	76.50%
- Other	0	0.00%	4	2.10%	440,257	23.50%
- Median rent (\$/week)			\$150		\$185	
- Median housing loan repayment (\$/month)			\$1,001		\$1,252	
<i>Average household size</i>	3.1		2.9		2.6	
<i>Tenure type (Occupied private dwellings)</i>						
- Fully owned	49	28.30%	50	26.50%	648,924	34.70%
- Being purchased	102	59.00%	114	60.60%	634,800	34.00%
- Rented	15	8.70%	17	9.00%	447,074	23.90%
- Other	0	0.00%	0	0.00%	12,474	0.70%
- Not stated	7	4.00%	7	3.70%	126,114	6.70%

Source: Australian Bureau of Statistics, National Census 2006



- 1.8 The socio economic data contained in Table 1.1 provides the following observations and conclusions:
- a) There was no material change in the population between 2001 and 2006.
 - b) There was a decrease in the number and proportion of residents aged 14 years and under and an increase in the proportion of residents aged 55 and over. While an ageing of the population of the population largely reflects broader community trends there is a potential impact on smaller urban areas such as Nyora in terms of the viability of childcare and educational services.
 - c) The proportion of residents born overseas (13% in 2006) is significantly lower than the state average (23.8%).
 - d) In all measures of income (median individual income, median household income and median family income) Nyora lags behind the state average by 10% or more.
 - e) The characteristics of family types is consistent with the state average, though there appears to have been a significant change in Nyora between 2001 and 2006 with a decrease in the number of families with children and an increase in the number of families without children. This data supports the decrease in the number of children as already noted.
 - f) Despite little to no change in population there was a significant increase in the number of dwellings recorded between 2001 and 2006. As may be expected in most rural and regional townships the overwhelming majority of residents live in detached dwellings.
 - g) On the basis of median rent and median housing loan repayment data (as at 2006) Nyora residents outlay significantly less than the state average.
 - h) The average household size has decreased from 3.1 to 2.9 between 2001 and 2006 but remains above the state average (2.6).
 - i) The proportion of housing that is rented is significantly lower than the state average, while the proportion of housing that is being purchased is significantly higher than the state average.
 - j) There are a number of conclusions that may be drawn from this data. These include:
 - A continuation in the decline of persons aged 15 and under may undermine the viability of existing educational and other facilities;
 - A continuation of growth in the number of persons aged 55 and over is likely to lead to extra demands for community facilities that support the elderly;
 - The higher than average number of persons that either own or are in the process of purchasing homes suggests a community where there is a relatively high level of permanency.

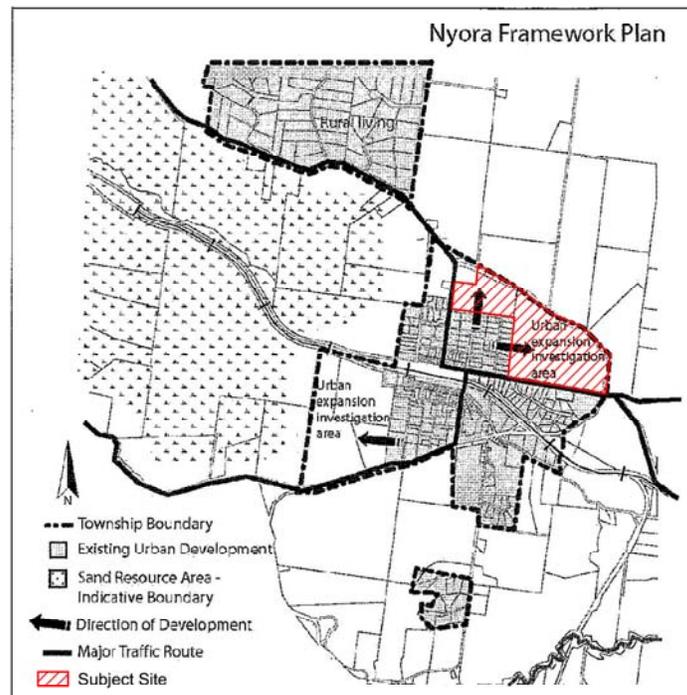


2. SITE DESCRIPTION AND PLANNING CONTEXT

Site description

- 2.1 Wallis Watson Pty Ltd controls in the order of 95 hectares to the north-east of the existing urban area as far as Glovers Road. The subject site is identified in the map below by red hatching and is identified as "Urban expansion investigation area".

Figure 2.1: The proposed development area



- 2.2 The subject site is currently in the Farm Zone.



3. POPULATION GROWTH

Measuring population growth

- 3.1 Specific population data that relates to the actual urban area of Nyora is limited to measurements of the Nyora Urban Centre data obtained by the Australian Bureau of Statistics (ABS) every five years when the national census is undertaken. As noted in Section 1 of this report, this data which is based on Usual Place of Residence information indicates that the urban population of Nyora in 2001 was 542 and in 2006, 545, an increase of just 3 between census periods.
- 3.2 South Gippsland Shire Council also publishes data compiled by id Consultants which is itself sourced from the 2006 National Census. The id Consultants data aggregates Nyora, Poowong, Poowong North and Loch along with the hinterland in between into one localised area.
- 3.3 In considering the growth potential of peri-urban townships such as Nyora, there is no 'right' way to model potential future demand. While demand models are often constructed based on historic trends this can only be undertaken where there is a history of growth and growth can only occur where it is allowed to occur. For example where there has been a limited supply of land for housing there will be little, or no, history of growth.

Melbourne's sphere of influence

- 3.4 In considering the future growth of Nyora, it appropriate to consider the broader region and comparable locations to gain an insight into recent growth and the direction of future growth.
- 3.5 Nyora now finds itself within the broader influence of a major metropolitan area. As Melbourne has continued to grow Nyora and the surrounding district has, and will continue to be, within the orbit of a raft of growth factors. At just 35 kilometres from the major growth area of Pakenham and 65 kilometres from the Dandenong major employment area, Nyora can no longer be thought of as a genuine 'rural' township.

Victoria In Future 2008

- 3.6 In response to population projections released by the Australian Bureau of Statistics (ABS) in September 2008, the Department of Planning and Community Development released VIF 2008 in December 2008.
- 3.7 VIF 2008 adopts the ABS projections for Victoria, but 'tweaks' various aspects, including a slightly higher allocation of persons to regional Victoria based in part on Victorian Government policy.
- 3.8 The smallest spatial level that the VIF 2008 projections address is that of Statistical Local Area (SLA). The following table contains a brief description of the



SLA's that are relevant in understanding the growth dynamics of the broader area of which Nyora is a part.

Table 3.1: Description of relevant Statistical Local Areas

Statistical Local Area	Area	Key townships
South Gippsland (S) - Central	Central area of Shire	Leongatha
South Gippsland (S) - East	Western area of Shire including Wilsons Promontory	Foster
South Gippsland (S) - West	Western area of Shire	Korumburra, Poowong, Loch, Nyora
Cardinia (S) - South	Southern, rural part of Shire	Koo Wee Rup, Lang Lang
Cardinia (S) - North	Northern and eastern area of Shire	Upper Beaconsfield, Bunyip
Cardinia (S) - Pakenham	Central area of Shire	Pakenham, Officer
Baw Baw (S) - Pt A	Eastern port of Shire	Trafalgar
Baw Baw (S) - Pt B East	Central area of Shire including northern hinterland	Yarragon
Baw Baw (S) - Pt B West	Western area of Shire	Warragul, Drouin

- 3.9 It is important to note that the VIF projections have regard for where growth opportunities are anticipated to be provided for. In other words, a projection in a largely rural SLA with little in the way of urban form and little expected to be provided over the life of the projection, will show little growth. A major growth area where there is considerable land already set aside for future urban growth will show a high level of growth occurring.
- 3.10 Table 3.2 (following page) provides a comparison of the VIF 2008 projections for the selected SLA's from 2009 to 2026 and the latest ABS estimates of actual population growth.
- 3.11 It is noticeable in comparing the projected population as illustrated in Table 3.2 and the estimated growth as published more recently by the Australian Bureau of Statistics that actual growth in the comparatively short time since the VIF 2008 projections were released is generally higher than anticipated. The singular exception is that of the Cardinia- Pakenham SLA where it is understood that planning delays may have inhibited the rate of growth.
- 3.12 The significance of the divergence between actual and projected (which is a national trend) should not be understated. Should population growth continue at a higher rate than anticipated the implications for land use planning and housing demand will be significant.



Table 3.2: Victoria In Future 2008 (VIF 2008) Population Projections

Estimated Residential Population	ABS		VIF 2008				
	2006	2009	2009	2011	2016	2021	2026
South Gippsland (S) - Central	12,800	13,432	13,055	13,241	13,875	14,493	15,119
South Gippsland (S) - East	5,836	5,913	5,865	5,893	5,971	6,021	6,088
South Gippsland (S) - West	8,036	8,431	8,262	8,411	8,864	9,317	9,816
Cardinia (S) - South	5,400	5,929	5,620	5,731	6,098	6,514	7,199
Cardinia (S) - North	24,683	25,631	25,162	25,561	26,187	26,830	27,383
Cardinia (S) - Pakenham	28,457	37,081	39,403	47,949	67,786	84,802	113,402
Baw Baw (S) - Pt A	4288	4705	4,586	4,805	5,230	5,554	5,894
Baw Baw (S) - Pt B East	4010	4184	4,034	4,066	4,234	4,387	4,487
Baw Baw (S) - Pt B West	30302	32436	31,886	33,019	36,341	39,770	43,388

Average Annual Growth (No.)	ABS		VIF2008				
	2006	2009	2009	2011	2016	2021	2026
South Gippsland (S) - Central		211		93	127	124	125
South Gippsland (S) - East		26		14	16	10	13
South Gippsland (S) - West		132		74	91	91	100
Cardinia (S) - South		176		56	73	83	137
Cardinia (S) - North		316		199	125	129	111
Cardinia (S) - Pakenham		2,875		4,273	3,967	3,403	5,720
Baw Baw (S) - Pt A		139		109	85	65	68
Baw Baw (S) - Pt B East		58		16	34	31	20
Baw Baw (S) - Pt B West		711		567	664	686	724

Average Annual Growth Rate (%)	ABS		VIF2008				
	2006	2009	2009	2011	2016	2021	2026
South Gippsland (S) - Central		1.62%		0.71%	0.94%	0.88%	0.85%
South Gippsland (S) - East		0.44%		0.24%	0.26%	0.17%	0.22%
South Gippsland (S) - West		1.61%		0.90%	1.05%	1.00%	1.05%
Cardinia (S) - South		3.16%		0.98%	1.25%	1.33%	2.02%
Cardinia (S) - North		1.26%		0.79%	0.49%	0.49%	0.41%
Cardinia (S) - Pakenham		9.22%		10.31%	7.17%	4.58%	5.98%
Baw Baw (S) - Pt A		3.14%		2.36%	1.71%	1.21%	1.20%
Baw Baw (S) - Pt B East		1.43%		0.40%	0.81%	0.71%	0.45%
Baw Baw (S) - Pt B West		2.29%		1.76%	1.94%	1.82%	1.76%

Source: ABS (Cat. No. 3218.0), DPCD (VIF 2008)



- 3.13 There are several observations and conclusions that can be drawn from the VIF projections as they relate to Melbourne's south east fringe and hinterland.
- 3.14 The first is the scale of growth that is expected to occur at Pakenham where annual population growth between 2009 and 2026 is projected to average 4,353.
- 3.15 The second is that in respect of Baw Baw Shire and South Gippsland Shire, it is evident that the rate of population growth is projected to be highest in the SLA that is closest to Melbourne. This issue is explored further in the next section of this report.

The validity of current projections

It should be noted that projecting future populations with a high degree of accuracy is almost impossible. Even relatively minor changes in immigration policy, net interstate and intrastate migration and changes in the fertility rate can have quite profound impacts. These, coupled with economic conditions as well as changing cultural norms shape future populations in way demographers cannot necessarily second guess.

It is possible that changing demographic and economic dynamics may materially alter the distribution of population growth in Victoria. For example, should high rates of population growth continue in Melbourne, it is conceivable that a substantial transfer of growth may occur to centres such as Nyora which are within commuting distance to Melbourne. Similarly it is not inconceivable that in response to capital city growth, federal or state government departments are instructed to transfer employees to regional cities. Again, a centre such as Nyora would likely be a direct beneficiary of such policies.



4. GROWTH TRENDS IN PERI-URBAN AREAS

- 4.1 Population growth in peri-urban areas – that is, the hinterland beyond the strict urban confines of a significant urban area – is a global phenomenon.
- 4.2 In some cases, such as around London, it has been specifically encouraged by way of a tight urban growth boundary around metropolitan London designed to ensure growth is shifted to designated growth nodes beyond the urban growth boundary.
- 4.3 In other cities, such as Melbourne, peri-urban growth has occurred regardless of the main centre's ability to expand spatially. Over the past 30 years, there has been a surge in growth in centres such as Wallan and Kilmore to Melbourne's north, Gisborne, Riddells Creek and Macedon along the Calder Highway corridor to Melbourne's north-west and Bacchus March to Melbourne's west. More recently, Warragul and Drouin to Melbourne's east have experienced a significant increase in population growth.
- 4.4 Peri-urban living attracts residents for a range of reasons, the majority of which are lifestyle based. An additional advantage is that of affordability with housing in regional and rural townships generally, though not always, more affordable than comparable housing in larger metropolitan areas.
- 4.5 A feature of peri-urban living is the preference of prospective residents for locations with what are regarded as attractive geographical features. This trend has been captured to some degree by the term "treechange". In essence, 'treechangers' generally prefer areas that are 'green' more often than not, well timbered and undulating or hilly. A location within 100 kilometres of the Melbourne Central Business District and preferably with high quality rail and road infrastructure are other key factors.
- 4.6 Based on these criteria it is not surprising that a number of townships to Melbourne's west, north-west, north and east have experienced relatively high population growth.
- 4.7 Perhaps just as surprising is that the rural townships of South Gippsland have not yet experienced similar levels of growth. It is important to note that, while coastal townships in the Bass Coast Shire have experienced relatively high population growth (and even higher dwelling growth), the drivers of the 'seachange' phenomenon are rather different to that of peri-urban growth.
- 4.8 Table 4.1 details recent population growth between 2004 and 2009 in a range of peri-urban SLA's. For clarification, the Macedon Ranges – Bal (SLA) includes Woodend, Gisborne and Macedon, the Mitchell – South (SLA) includes Wallan, Kilmore, Broadford and Wandong, while Golden Plains – South East (SLA), which is a peri-urban location to the immediate west of Geelong includes Bannockburn and Inverleigh.



Table 4.1: Population in selected peri-urban areas (2004-2009)

	2004	2009p	2004-2009p(a)	2008r-2009p	
	no.	no.	%	no.	%
Moorabool (S) - Bacchus Marsh	16007	17670	2.0	436	2.5
Macedon Ranges (S) - Romsey	10908	11847	1.7	264	2.3
Macedon Ranges (S) Bal	19703	21255	1.5	557	2.7
Mitchell (S) - South	19668	22909	3.1	590	2.6
Golden Plains (S) - South-East	8610	10134	3.3	284	2.9
Baw Baw (S) - Pt B West	28918	32436	2.3	889	2.8
South Gippsland (S) - West	7869	8431	1.4	185	2.2

p = ABS estimate

(a) = average

Source: ABS

- 4.9 It is evident from the figures in Table 4.1 that population growth in other peri-urban SLA's including those to Melbourne's north and west as well as the most western SLA in Baw Baw Shire (which includes Warragul and Drouin) has been consistently higher than in South Gippsland Shire. It is also noticeable that recent growth (2008-09) has been considerably higher than the average growth recorded over the 2004 to 2009 period.
- 4.10 Peri-urban growth to Melbourne's west, north-west and north may be explained in part due the relative proximity of Melbourne's Central Business District as well as positive lifestyle benefits, attractive locations and scenery and high quality transport links. Growth to Melbourne's east, such as that recorded in the Baw Baw – West SLA enjoy the latter benefits though not necessarily the same proximity to central Melbourne.
- 4.11 The foothills of the Strzelecki Ranges, in which are located the townships of Nyora, Loch, Poowong and Korumburra provide a high level of visual amenity and therefore perceived lifestyle benefits to potential residents. The townships within the South Gippsland – West SLA are of a similar distance to Melbourne's eastern employment areas as the urban areas of Warragul and Drouin and enjoy a similar, though not quite equal, level of access by road to key Melbourne employment nodes. Where the South Gippsland area is disadvantaged compared with other peri-urban areas is in rail based access to Melbourne.
- 4.12 Even so, there is growing evidence that the townships in the foothills of the Strzelecki Ranges are increasingly recognized as attractive lifestyle destinations both to live and to visit. The township of Loch, on the South Gippsland Highway, which was bypassed in 2008, has emerged as a tourist destination with a focus on fine food, cafes and art galleries, and demonstrating all the hallmarks of the kind of shift in emphasis associated with emerging peri-urban locations.



5. GROWTH POTENTIAL AT NYORA

- 5.1 It is important to recognise that forecasting future population growth and dwelling demand in an area such as Nyora where there has been little history of regular provision of land supply is an imprecise science.
- 5.2 However, based on Nyora's proximity to key metropolitan employment nodes, its geographic setting in the undulating foothills of the Strzelecki Ranges it is considered that, if encouraged to grow, there is a strong likelihood that Nyora will begin to experience the kind of growth seen in other peri-urban townships.
- 5.3 The following table provides several potential growth scenarios:
- Scenario 1 applies a growth rate of 1.5% per annum which represents the lowest average growth rate of the peri-urban SLA's profiled in Table 4.1;
 - Scenario 2, applies a growth rate of 2.3% per annum which represents the average growth of the peri-urban SLA's profiled in Table 4.1;
 - Scenario 3, applies a growth rate of 3.3% which represents the highest average rate of growth of the peri-urban SLA's profiled in Table 4.1;
 - Scenario 4, represents a growth rate of 5% per annum, which is considered quite realistic in the event a significant, well serviced and competitively priced supply of land was provided at Nyora in the future.

Table 5.1: Nyora population growth scenarios (2011-2026)

	Growth rate (%)	Est. population (2011)	2016	2021	2026
Scenario 1	1.5	550	593	638	688
Scenario 2	2.3	550	616	690	774
Scenario 3	3.3	550	668	761	895
Scenario 4	5.0	550	702	896	1143

Source: Spade Consultants Pty Ltd

- 5.4 In Table 5.2, population growth forecasts outlined in the previous table are converted to dwelling requirement to demonstrate the kind of impact growth of this magnitude would have on dwelling demand.
- 5.5 In this model, Nyora's population at 2011 has been estimated at 550 residents, while it is assumed total dwellings number about 215. Average household size has been estimated at a consistent 2.68 persons per household which reflects the average number of residents to the total number of private dwellings (which includes unoccupied dwellings) in 2006.



Table 5.2: Nyora dwelling requirements (2011-2026)

	Growth rate (%)	Estimated population			Estimated Dwellings		
		2011	2026	Increase	2011	2026	Increase
Scenario 1	1.5	550	688	138	215	257	42
Scenario 2	2.3	550	774	224	215	288	73
Scenario 3	3.3	550	895	345	215	334	119
Scenario 4	5.0	550	1143	593	215	426	211

Source: Spade Consultants Pty Ltd

- 5.6 Ultimately, forecasts can only assess Nyora’s growth potential in the context of broader trends. Referring to past trends to calculate the demand for new dwellings has its limitations in areas where residential land has been constrained in the past or where significant constraints exist to the development of contemporary and high quality residential estates.
- 5.7 In this regard, this report adopts a view that, all things being equal, Nyora is likely to experience strong growth, if it is allowed to do so. Accordingly, this report adopts Scenarios 3 and 4 as the more likely outcomes of growth in Nyora in the lead up to the 2026 National Census.
- 5.8 Underpinning this view however is that sufficient land is available in which new residential options can be presented in a professional and well-presented manner. In other words future residential growth must be well planned, well serviced and competitively priced.
- 5.9 The final point – that relating to price – cannot be understated. In the event Nyora is able to present fully serviced land to the market at a keen price point, it is possible that land sales would occur at a level well above any of the scenarios presented in Table 5.2 above.

Beyond Nyora

- 5.10 It is important to note that Nyora cannot be considered in isolation from neighbouring townships, specifically Lang Lang, Loch, Poowong and Korumburra. The latter three, along with Nyora itself effectively comprise the South Gippsland – West SLA.
- 5.11 Lang Lang is located within the Cardinia – South SLA. Moreover, it is understood that Lang Lang’s longer term capacity to grow at a spatial level is restrained due to the underlying nature of the terrain and specifically due to flooding and drainage constraints. It is understood that Loch and Poowong similarly have limited spatial capacity for growth.
- 5.12 At present the majority of growth projected for the South Gippsland – West SLA is expected to be located at Korumburra.



6. NYORA'S COMMERCIAL INFRASTRUCTURE DEFICIT

- 6.1 The Nyora Urban Design Framework (July 2005) pointed to a number of emerging issues, several of which are repeated as follows:
- *A strong emphasis on maintaining a rural atmosphere;*
 - *The lack of commercial infrastructure, the need to plan for commercial expansion in the town centre for a future supermarket, food shops restaurant/meeting facilities, tourist accommodation.*
 - *The isolated, separate and disconnected nature of the newer rural residential areas;*
 - *Need to provide for population growth and future trends in the age profile (a younger community).*
- 6.2 Retention of the township's rural atmosphere and the need to ensure any future growth area is well connected to the central part of the township are not incompatible with a future spatial expansion of the township. These matters can be, and should be, addressed as part of the urban design of any future development.
- 6.3 Recent site visits to the township however indicate that the commercial (retail) infrastructure remains undersized for a township such as Nyora. While the reason may be partly explained by Nyora's location away from a main road (ie South Gippsland Highway) as well as its proximity to centres such as Lang Lang and Korumburra the commercial (retail) deficit the township experiences by comparison to other townships of similar size is noticeable. The Nyora Urban Design Framework (July 2005) recognised this issue as a key point to be addressed.
- 6.4 Given the issue remains much the same in 2010, it is impossible not to conclude that retail development and additional retail operations are presently considered unviable. This provides additional impetus for the need for additional expansion to the retail catchment by way of further population growth.



7. CONCLUSION

- 7.1 Melbourne's ongoing growth along with the western part of South Gippsland's proximity to several of Melbourne's key employment nodes as well as its attractive setting in the foothills of the Strzelecki Ranges is likely to see an increase in the demand for residential living opportunities in the area.
- 7.2 Nyora, as perhaps the most western and easily accessed (from Melbourne) of the South Gippsland townships stands realise a significant growth potential if there is a supply of serviced, well presented and planned and competitively priced residential lots available to the market.
- 7.3 Nyora's dearth of retail services has been previously recognized and additional retail development has been encouraged. It is probable that only an increase in the retail catchment is likely to result in additional retail development.

