



WARRNAMBOOL  
CITY COUNCIL

# Open Space Contributions Report

July 2026



### **Adopted by Council 3 August 2026**

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# Executive Summary

SGS Economics and Planning (SGS) was engaged to provide an independent analysis of open space contribution requirements for the City of Warrnambool (Council). In addressing this brief, this report considers:

- **Current policy:** including state and local planning scheme provisions, municipal policy and plans, and open space contributions rates in other local government areas.
- **Population, housing capacity, and development capacity:** an analysis of forecast population, dwellings, employment, and available developable land.
- **Current state of open space:** an analysis of the existing open space network and considerations of future focus areas..
- **Contribution rate:** based on the above data, development of a contribution rate for the municipality.
- **Implementation:** recommendations for how this contribution rate should be applied.

Councils in Victoria can raise development contributions for the provision of municipal open space through various methods. This project focuses on the levying ability under the Subdivision Act, which allows for the incorporation of municipal-wide or district/area-specific contribution rates into the Planning Scheme through amendments to the Schedule to Clause 53.01.

The Warrnambool Planning Scheme currently includes open space contributions under Clause 53.01. These are detailed in Table 1.

*Table 1. Schedule to Clause 53.01 Public Open Space Contributions and Subdivision*

| Type or location of subdivision                                                  | Amount of contribution for public open space                                                                                                                  |
|----------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Land within the North of the Merri River Structure Plan                          | 1.67%<br>Land/and or cash contribution requirements must be in accordance with the North of the Merri River Development Contributions Plan (September, 2011). |
| Land within the North Dennington Structure Plan area (excluding Dennington Rise) | 3% cash contribution in accordance with the North Dennington Development Contributions Plan (November, 2014).                                                 |

SGS has applied an inclusionary provision methodology to assess the appropriate open space contribution rate for the future, treating the municipality as a single community with a single public open space (POS) system. This means that all development across the municipality contributes to the cost of acquiring and developing the POS system on an equitable basis, regardless of the development life cycle. It applies regardless of whether the development is for residential or employment purposes, as all these land uses require access to the POS system. The network considers quantity, accessibility, quality, and ongoing reliability of land.

When considering the forecast population and dwelling capacity, net developable land (minus land zoned Rural Living and Low Density), and the application of the open space standard of 30sqm per capita, an open space contribution rate of 5.17% is reached for standard density development. A figure of 4.65% is indicated for Rural Living and Low Density Residential areas to ensure that all development across the municipality makes broadly the same contribution on a per dwelling basis, regardless of density.

As noted earlier, the Warrnambool Planning Scheme includes various site-specific contribution rates. These rates have been developed based on individual catchment assessments. It is not advised that these be altered. As such, it is recommended that the following changes be made to the Planning Scheme:

*Table 2. Recommended changes to Public Open Space Contributions and Subdivision*



| Type or location of subdivision                                                                            | Current amount of contribution for public open space              | Recommended amount of contribution for public open space |
|------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------|----------------------------------------------------------|
| Land within the North of the Merri River Structure Plan                                                    | 1.67%                                                             | No change                                                |
| Land within the North Dennington Structure Plan area (excluding Dennington Rise)                           | 3%                                                                | No change                                                |
| Land covered by the incorporated East of Aberline Precinct Structure Plan                                  | 3.81% (Draft for consultation at the time of writing this report) | No change                                                |
| All other employment and residential land (other than land zoned Rural Living and Low Density Residential) | Up to 5% (through the Subdivision Act)                            | 5.17%                                                    |
| Land zoned Rural Living and Low Density Residential                                                        | Up to 5% (through the Subdivision Act)                            | 4.65%                                                    |

For comparison, not for benchmarking against, this report includes a selection of recently adopted open space contribution rates. The recommended rate for the City of Warrnambool generally aligns with recent regional figures.

The SGS methodology has aimed to capture the nominal 'development capacity of the city'. If there is a significant change in the city's residential development capacity beyond what has been modelled in this analysis, the open space contribution should be reassessed.



# 1. Introduction

## 1.1 Background

The City of Warrnambool spans 120 square kilometres in Victoria's South West. It includes the Warrnambool City Centre, along with surrounding townships including Dennington, Allansford, Bushfield and Woodford. The City of Warrnambool is the principal service centre for south-western Victoria, and its economy generates output (total sales) of some \$5.9 billion annually, accounting for about 23.9% of the Great South Coast region's economic output. Major industries and services include healthcare and social assistance, retail, education and training, and construction and manufacturing.<sup>1</sup>

The population of the City of Warrnambool in 2024 was 35,406.<sup>2</sup> According to the Warrnambool Economic Development Strategy 2023-2028, the city has approximately 2,916 businesses and 18,518 local jobs. Industries that are driving employment in the local economy are Knowledge & Public Sector Industries (Health and Education), Primary Industries and Trade (Manufacturing, Construction, Utilities), and Population and Tourism Services (Retail Trade, Accommodation & Food Services, Personal Services).<sup>3</sup>

In 2014, Council adopted the Warrnambool Open Space Strategy 2014, which provided a planned approach for the provision of open space across the city. It has been some time since the development of this Strategy. As such, Council is developing a new Open Space Strategy to guide the improvement, acquisition, and development of open spaces, parks, and reserves across the municipality. The Strategy will outline principles, priorities, and actions that will inform Council's decision-making processes, future investment, and development contributions. A key component of this Strategy development is to review the public open space contributions.

### Open space contributions

Councils in Victoria can collect development contributions for the provision of municipal open space via three mechanisms:

1. Embed levies in a Development Contribution Plan (DCP) or Infrastructure Contribution Plan (ICP) made under Part 3AB and Part 3B of the Planning and Environment Act 1987.
2. Rely on the general power to levy development upon the creation of separate allotments under the Subdivision Act 1988.
3. Codify the levy power under the Subdivision Act by incorporating municipal-wide or district/area-specific contribution rates in the Planning Scheme by amending the Schedule to Clause 53.01 of the Planning Scheme.

Currently, Council is collecting open space contributions via all three methods applicable to specific land within the municipality.

### Subdivision Act

- Up to 5% in areas not covered by the provisions below

### Planning Scheme, Clause 53.01

- 1.67% Land within the North of the Merri River Structure Plan
- 3% Land within the North Dennington Structure Plan area (excluding Dennington Rise)
- Pending 3.81% Land covered by the incorporated East of Aberline Precinct Structure Plan (draft)

### Development contributions DCP/ICP or other development levy

- DCPO1 for North of the Merri River Development Contributions Plan
- DCPO2 for the North Dennington Growth Area (excluding Dennington Rise)
- Pending DCP for the East of Aberline Precinct Structure Plan (draft) 3.96%

Within the Warrnambool Planning Scheme, the Schedule to Clause 53.01 Public Open Space Contribution and Subdivision requires specific land areas to provide a contribution rate between 1.67% and 3%. Additionally, a contribution rate of 3.81% is proposed for the land covered by the Draft East of Aberline PSP. Beyond specific locations identified in the Scheme, all other land can be required to provide up to a 5% open space contribution, though this is subject to negotiation under the Subdivision Act 1988 (Table 3).

**1** Warrnambool City Council (2025), 2025-2029 Warrnambool City Council Plan – Accessed 20 October 2025 [https://www.warrnambool.vic.gov.au/sites/warrnambool.vic.gov.au/files/documents/council/about/planning%20and%20reporting/WC\\_C%20Plan%202021-2025%20final\\_0.pdf](https://www.warrnambool.vic.gov.au/sites/warrnambool.vic.gov.au/files/documents/council/about/planning%20and%20reporting/WC_C%20Plan%202021-2025%20final_0.pdf)

**2** State of Warrnambool Report, SGS Economics and Planning 2024.

**3** Warrnambool City Council (2023), Warrnambool Economic Development Strategy 2023-2028 – accessed 6 October 2025 <https://www.warrnambool.vic.gov.au/sites/warrnambool.vic.gov.au/files/documents/council/about/strategic%20plans/Warrnambool%20Economic%20Development%20Strategy.pdf>



Table 3. Schedule to Clause 53.01 Public Open Space Contributions and Subdivision

| Type or location of subdivision                                                  | Amount of contribution for public open space                                                                                                                                                                             |
|----------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Land within the North of the Merri River Structure Plan                          | 1.67%<br>Land/and or cash contribution requirements must be in accordance with the North of the Merri River Development Contributions Plan (May, 2024).                                                                  |
| Land within the North Dennington Structure Plan area (excluding Dennington Rise) | 3% cash contribution in accordance with the North Dennington Development Contributions Plan (November, 2014).                                                                                                            |
| Land covered by the incorporated East of Aberline Precinct Structure Plan        | 3.81% of Net Developable Area<br>Land and/or cash contributions must be in accordance with the incorporated East of Aberline Development Contributions Plan. (Draft for consultation at the time of writing this report) |

## 1.2 Defining Open Space

The Subdivision Act 1988 only allows Council to spend Public Open Space Contributions (collected under Clause 53.01 and any Schedules to it) on acquiring or enhancing public open space as defined by the Act.

Public Open Space is defined in Section 18A of the Subdivision Act of 1988 as:

Public open space means land set aside in a plan or land in a plan zoned or reserved under a planning scheme –

- For public recreation or public resort, or
- As parklands
- For similar purposes

This definition must be applied when determining how and where open space contributions are expended. For the purposes of this report, when discussing open space, the report refers to land in which the primary purpose is public resort or recreation and is zoned as per the planning scheme definition outlined above.

## 1.3 Open space contribution principles

The open space contribution methodology applied in this report is based on an inclusionary provisions approach and the application of an open space standard. The inclusionary provision approach (which is further developed in Section 3) refers to the following principles:

- The municipality in question should be treated as one planning unit featuring one open space network.
- The local government area's (LGA) open space network should be established and maintained with reference to adequate:
  - quantity
  - accessibility/distribution
  - quality/level of service, and
  - reliability of ongoing service provision
- All development should contribute its fair share towards an adequate open space network for the planning unit, regardless of the development life cycle of the local government area; and
- All development that benefits directly or indirectly from the open space network should contribute regardless of land use type.

The open space standard refers to 3 hectares per 1,000 population or 30 square metres per person.

The following table defines the key terminology used throughout this report.

Table 4. Terminology

| Term                       | Definition                                                                                                                                                                                                                                                                                     |
|----------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Planning unit              | Unless otherwise specified, the Local Government Area (LGA) is the planning unit.                                                                                                                                                                                                              |
| Net Developable Area (NDA) | All land within the planning unit that is available for development, i.e. zoned for residential, most employment uses and recreational park zones (PPRZ). This excludes conservation land, arterial roads, railway corridors, and special uses such as golf courses and other restricted uses. |
| Standard density area      | All land within the NDA other than the Low Density Residential Zone, Rural Living Zone.                                                                                                                                                                                                        |
| Low density area           | Land within the Low Density Residential Zone or Rural Living Zone, including open space within that area.                                                                                                                                                                                      |

## 2. Policy context

The following section highlights key policies and/or directions that are important when considering open space contributions.

### 2.1 Victorian State Government

There is no adopted state government approach for calculating open space contributions. The State has a Plan for Victoria, an Open Space Strategy for Metropolitan Melbourne and several guidance documents to support councils in developing an open space strategy, including the recently released Guide for Open Space Strategies. However, these do not include a standardised approach to open space contributions. A summary of key state documents is provided below.

#### **Guide for Open Space Strategies, 2025**

The development of the Guide for Open Space Strategies (GOSS), prepared by the Department of Energy, Environment and Climate Action, delivers on one of the tasks within the enabling action 'modernise legislation, standards and guidelines' set out in Open Space for Everyone – Open Space Strategy for Metropolitan Melbourne (2021). It guides public open space managers in preparing local open space strategies to protect, optimise, and grow open space networks. The plan recommends including definitions of accessible and restricted or unencumbered open space to ensure they are not left exposed to adopting unsuitable land as a POS contribution.

The plan also highlights that the Department of Transport and Planning (DTP), which is accountable for the management of infrastructure contributions, including POS contributions, is currently reviewing the infrastructure contributions system to create a fairer system for property developers to contribute funding for local infrastructure, parks and services.

#### **Open Space for Everyone - Open Space Strategy for Metropolitan Melbourne 2021**

The metropolitan strategy focuses on improving access to and the quality of open spaces across Melbourne. While it is not applicable to the Warrnambool context, it has been included for consideration for how the metropolitan regions are considering open space.

Open Space for Everyone understands that open space is integral to the continuation of Melbourne as one of the world's most liveable cities. The strategy notes a range of benefits of open space, including:

- Improved community health and wellbeing
- Healthier Biodiversity
- Enhanced Climate Change Resilience
- Maximised Economic Benefits

Open Space for Everyone does not specify set locations of open space but understands the interconnected nature of a successful open space network. It is based on a range of principles, including fairness and equity, ensuring that everyone has "appropriate access to and use of a wide range of high-quality open spaces" (p.31).

#### **Plan for Victoria, 2025**

The plan is committed to carefully planning and preserving land for farming, agriculture and open space, including parks, reserves and other green public areas. The plan has a list of actions for delivery by the State Government.

The plan defines open space as land that provides outdoor recreation, leisure and/or environmental benefits and/or visual amenity, including parks, gardens, recreation reserves, nature reserves, town squares, land along rail lines and around stations and green areas at schools. It is noteworthy that this definition allows for a more expansive group of land categories to be considered open space by comparison with the definition included in the Subdivision Act.

Action 13 commits to the introduction of minimum standards and guidance for open space in established urban areas, with the goal of amending the Victoria Planning Provisions in the short term. That is, amending planning schemes to specify the types of open space that should be close to homes in established urban areas. Planning controls for activity centres and precincts will also be introduced to facilitate the setting of an open space requirement. The plan will also support initiatives for the shared use of open space at school grounds after hours.



## 2.2 Regional planning

There are several regional plans that refer to public open space for the southwestern region of Victoria.

### **Great South Coast Regional Growth Plan, 2014**

This plan was developed some time ago. The plan provides broad direction for land use and development in the region, and a more detailed planning framework for the region of Warrnambool. It depicts Warrnambool as the key hub for major growth within a connected network of cities and townships in the southwest.

In relation to open space, the plan recommends that open space is provided in urban growth areas on the outskirts of Warrnambool and that open space be designed to serve multiple uses. The plan also emphasises that there needs to be recognition that the role of open spaces can and should change with time, as demographics in the area change.

### **Great Ocean Road Regional Trails Strategy 2025 – 2035**

This Strategy was produced by the Great Ocean Road Coast and Parks Authority to guide the development and management of an integrated network of trails from Torquay to Port Fairy. In the Warrnambool area, the Strategy highlights the Foreshore Promenade and the Warrnambool to Port Fairy Rail Trail as key trails to be improved and promoted to encourage longer stays and boost local economies.

### **Eastern Maar Country Plan (2015)**

This plan articulates the Eastern Maar Peoples' vision for a future grounded in cultural identity, environmental stewardship, and community wellbeing. It outlines goals across land management, education, governance, and economic development. Key actions include establishing ranger programs, protecting cultural heritage, and pursuing co-management and decision-making authority of public lands in partnership with governments and agencies.

### **Barwon South West Regional Trails Master Plan (2009)**

This plan aims to establish a detailed master plan for the development of existing and proposed regional trails throughout the Barwon South West Region, comprising nine local government authorities, including the Warrnambool City Council.

This plan presents a regional vision to enhance trail connectivity across southwest Victoria, supporting active transport, tourism, and local health outcomes. It identifies priority trail projects and proposes a consistent design standard, interpretation signage, and environmental management practices.

## 2.3 Local Policy

The key policy considerations for open space contributions are Council's long-term vision for public open space, and specific directions and actions that are outlined in Council's Open Space Strategy and associated capital works programs.

### **Warrnambool Council Plan (2025-2029)**

This plan is a legislative document that is prepared every four years, following local government elections, and reviewed annually as part of the budget process. It identifies five key strategies and the measures to achieve them, including priorities for services, wellbeing, infrastructure, amenities, and business support.

### **Warrnambool 2040**

The Warrnambool 2040, finalised in 2025, outlines the community vision. It describes that, by 2040, Warrnambool's vast network of open space is valued, protected and enhanced and is recognised as vitally important for Warrnambool's residents and visitors.

### **Warrnambool Futures – long term land use plan**

The Strategy is currently being developed. This city-wide strategic land use plan will set a broad, integrated vision for the municipality to manage where and how future growth and development will take place. The Plan will address key issues such as employment, tourism, housing supply, infrastructure provision and environmental challenges holistically and strategically, in consultation with the communities of Warrnambool.

The Open Space Strategy should inform infrastructure provision possibilities in the Warrnambool Future Plan ahead of its scheduled completion in mid-2026.



## Asset Management Policy (2024)

This policy provides a framework for the sustainable management of Council's infrastructure assets. The policy ensures Council services are supported by well-documented and sustainably managed assets, with clear roles and responsibilities, effective risk management, compliance with regulations, and consideration of environmental impacts, including climate change. It promotes cross-department coordination and long-term financial planning to ensure infrastructure continues to meet community needs efficiently and responsibly. Open space is a key asset to which this policy is applied.

## Healthy Warrnambool Plan (2025-2029)

The Healthy Warrnambool Plan 2025-2029 outlines the city's principal health priorities and initiatives that will be implemented over the next four years, in alignment with the Victorian Health and Wellbeing Plan 2023-2027. Ensuring adequate access to open space addresses key health priorities, contributing to improved livability, increased physical activity, and enhanced resilience against the impacts of climate change.

## Active Warrnambool Strategy (2025-2035)

The Active Warrnambool Strategy offers the Warrnambool City Council a research-driven framework for planning, delivering, and managing sports and active recreation opportunities over the next ten years. It addresses demographic shifts, participation patterns, areas of population growth, and community aspirations to ensure that facilities and programs are inclusive, accessible, and sustainable. Guided by its core principles, the strategy strives to provide facilities and programs in convenient, easily accessible locations, offer a variety of activities that cater to the diverse needs and preferences of the community, and design facilities that are inclusive, safe, and accessible for everyone.

## Open Space Strategy 2014 (currently under review)

The 2014 Warrnambool Open Space Strategy aimed to establish a comprehensive framework to guide the planning and management of open space through to 2026. An internal Council review in 2024 found that there is a relatively high amount of public open space per resident, but that several issues exist. The strategy divided the municipality into 12 precincts and addressed the following attributes of each:

- Quantity – meet or exceed industry standards.
- Classifications – open space is classified by hierarchy (local, neighbourhood, municipal, regional). Across each of the hierarchy there are no size or accessibility standards.
- Accessibility – the accessibility standards is "Neighbourhood or above open space within 500 metres or local open space within 300 metres of 95% of properties in residential areas and an off-road trail within one kilometre of 95% of properties in residential areas."
- Functions of open space – Thirteen functions of open space are defined, including uses such as waterways, drainage and utility which are on encumbered land.
- Implementation – the Strategy included a range of recommendations. Of these, 11 have been completed, 25 are in progress, and 17 are pending (yet to start).

## Sustainable Subdivisions Framework 2025

This is a voluntary framework that intends to see subdivision applications resulting in more sustainable design outcomes. Warrnambool City Council is one of the seven councils that share a Sustainable Subdivisions Advisor to advocate for more sustainable development outcomes in greenfield subdivisions. The framework describes that existing vegetation should be retained in new subdivision areas as much as possible and emphasizes the community and environmental benefits of public open space that is accessible by sustainable transport modes. The framework does not provide direction on collecting levies for subdivisions.

## 2.4 Contribution rates in other local government areas

Table 5 and Table 6 provide an overview of open space contribution rates in council areas across metropolitan Melbourne and Regional Victoria, respectively. The purpose of this inclusion is not to use these rates as a benchmark, but rather to consider whether the proposed rate for the City of Warrnambool is generally aligned with other similar areas.

While the contribution rates vary across councils, the general municipal-wide contribution rates gazetted over the last three years range from 5% to 8.68% in Metropolitan Melbourne, and 1% to 10% in regional Victoria.



Table 5. Schedule to Clause 53.01 in Metropolitan local government areas (as of October 2025)

| Planning Scheme          | Public open space contribution rate via Clause 53.01                                                                                                                                                                                                                                                                                                                        |                                                                                                                                            |
|--------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------|
| Merri-bek (2025)         | All areas (Pending planning Authority decision at the time of writing this report)                                                                                                                                                                                                                                                                                          | 8.68%                                                                                                                                      |
| Darebin (2025)           | The subdivision of land that creates 5 or more additional lots                                                                                                                                                                                                                                                                                                              | 5%                                                                                                                                         |
|                          | Preston Market Precinct (excluding 30A Cramer Street Preston, and 102 St Georges Road Preston)                                                                                                                                                                                                                                                                              | 10%                                                                                                                                        |
| Yarra (2024)             | All other land<br>* This does not apply to land in DPO5, DPO11 or DPO16                                                                                                                                                                                                                                                                                                     | 8.65%                                                                                                                                      |
| Glen Eira (2023)         | All subdivisions with the exception of Caulfield Village and the area generally south of Griffith Avenue and south of the existing electricity substation                                                                                                                                                                                                                   | 8.3%                                                                                                                                       |
| Monash (2023)            | All other land<br>*This does not apply to Land shown as CDZ2 on the planning scheme maps (PMP Printing Precinct Comprehensive Development Plan, June 2021)                                                                                                                                                                                                                  | 7.61%                                                                                                                                      |
| Greater Dandenong (2023) | Any subdivision of land or building intended to be used for residential purpose, except in areas specified in PS                                                                                                                                                                                                                                                            | 6.3%                                                                                                                                       |
|                          | Any subdivision of land or building intended to be used for industrial and/or commercial purpose, except in areas specified in PS                                                                                                                                                                                                                                           | 2%                                                                                                                                         |
| Merri-bek (2022)         | Various rates across suburbs                                                                                                                                                                                                                                                                                                                                                | 2.5% to 6.5%                                                                                                                               |
| Port Phillip (2018)      | All land in the municipality                                                                                                                                                                                                                                                                                                                                                | 5%                                                                                                                                         |
|                          | Fishermans Bend Urban Renewal Area                                                                                                                                                                                                                                                                                                                                          | 8%                                                                                                                                         |
| Maribyrnong (2018)       | Subdivisions of 10 lots or greater                                                                                                                                                                                                                                                                                                                                          | 5.7% where provided as a percentage of the site value of the land<br>5.7% or greater to the satisfaction of Council where provided as land |
|                          | All other land                                                                                                                                                                                                                                                                                                                                                              | 5.7%                                                                                                                                       |
| Moonee Valley (2018)     | Subdivisions of 10 lots or greater                                                                                                                                                                                                                                                                                                                                          | 5% where provided as a percentage of the site value of the land<br>5% or greater to the satisfaction of Council where provided as land     |
|                          | All other land                                                                                                                                                                                                                                                                                                                                                              | 5%                                                                                                                                         |
| Stonnington (2018)       | Any subdivision in the suburb of Glen Iris, Malvern, Malvern East, Toorak and Kooyong                                                                                                                                                                                                                                                                                       | 5%                                                                                                                                         |
|                          | Any subdivision in the suburb of Armadale, Prahran, Windsor and South Yarra                                                                                                                                                                                                                                                                                                 | 8%                                                                                                                                         |
|                          | Any subdivision of land situated at 590 Orrong Road & 4 Osment Street, Armadale (being Lot 1 TP 85387F, Vol 10279, Folio 503, Lot 1 TP079481Y, Vol 10279, Folio 505, Lot 1 TP079463B, Folio 500, Lot 1 TP085381T, Vol 10279, Folio 504, Lot 1 TP085377J, Vol 10279, Folio 497, Lot 1 TP079479K, Vol 10279, Folio 501 and Lot 1 TP805167, Vol 9917, Folio 065 ( "the Land" ) | 8%                                                                                                                                         |



Table 6. Schedule to Clause 53.01 in Regional local government areas (as of October 2025)

| Planning Scheme        | Public open space contribution rate via Clause 53.01                                                                        |                                                                                                            |
|------------------------|-----------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------|
| Baw Baw (2025)         | Land shown as a Residential Zone, Commercial Zone or Industrial Zone in Drouin, Longwarry, Trafalgar, Warragul and Yarragon | 7.4%                                                                                                       |
|                        | All other land                                                                                                              | 2.3%                                                                                                       |
| Greater Geelong (2025) | Waurm Ponds Creek Environs Subdivision                                                                                      | 10%                                                                                                        |
|                        | Armstrong Creek Urban Growth Area                                                                                           | 10% (unencumbered)                                                                                         |
|                        | The subdivision of land zoned for residential purposes                                                                      | 1 additional lot – none                                                                                    |
|                        |                                                                                                                             | 2 to 9 additional lots – 1% per additional lot, up to a maximum of 5%                                      |
|                        |                                                                                                                             | 10 or more lots on land zoned for residential purposes prior to August 31st 2007 – 5%                      |
|                        |                                                                                                                             | 10 or more lots on land zoned for residential purposes after August 31st 2007 – 10%                        |
|                        | Armstrong Creek Urban Growth Area – North East Industrial Precinct                                                          | 3.1% (unencumbered)                                                                                        |
|                        | Land shown as CDZ4 on the planning scheme                                                                                   | 10% (unencumbered)                                                                                         |
| Mansfield (2024)       | Yet to be gazetted Residential subdivision                                                                                  | 2-4 lots: 5% in line with the Subdivision Act, 1988<br>5-9 lots: 6%<br>10+ lots: 7.5%                      |
|                        | Yet to be gazetted Mixed Use, Commercial or Industrial                                                                      | 5%, in accordance with the Precinct Structure Planning Guidelines, prepared by the Growth Areas Authority. |
| Greater Bendigo (2023) | Residential subdivisions within the locality of Bendigo                                                                     | 2%                                                                                                         |
|                        | All other residential subdivisions                                                                                          | 5%                                                                                                         |
| Campaspe (2023)        | Subdivision of land within the General Residential Zone                                                                     | 5%                                                                                                         |
|                        | Land within the Echuca West precinct Urban Growth Zone (Schedule 1)                                                         | 9.36%                                                                                                      |



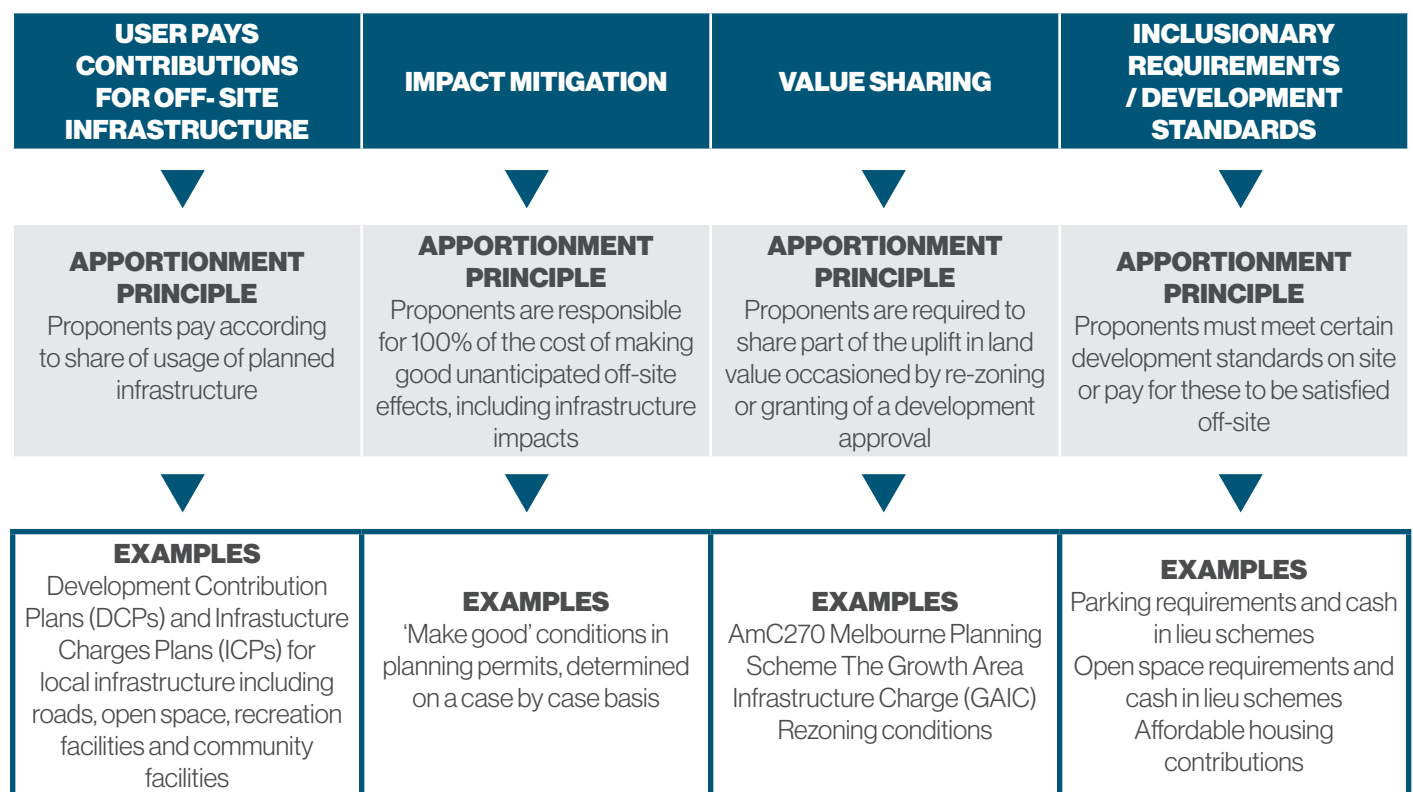
# 3. Open space contributions method

## 3.1 Public Open Space Contributions

In the absence of State Government guidance, a variety of methods for apportioning open space network costs across development have been applied by Victorian municipalities. These methodologies can be distinguished as four development contribution types, as summarised in Figure 1. Each development contribution type has its own justification and principles for fair apportionment.

The 'inclusionary requirements' approach, where development is expected to incorporate on-site, or pay for equivalent off-site provision, certain amenities or features (such as car parking, water sensitive urban design, renewable power generation, etc.), is identified as the most suitable contribution framework for collecting open space contributions in the City of Warrnambool.

Figure 1. Types of development contributions



Source: SGS Economics and Planning

### Inclusionary provisions

Inclusionary provisions are based on minimum acceptable development standards. The acceptable standard (whether it be open space or other amenities, as noted) may be provided off-site through a cash or in-kind contribution. By way of example, cash-in-lieu schemes have been operating for decades to fulfil car parking requirements.

Cash payments in lieu of provision of 5% (or more) of land for public open space upon subdivision approval is another example of the 'inclusionary standards' premise for requiring cash or in-kind contributions from a development proponent.

Under the inclusionary provisions approach, development is expected to provide sufficient open space to meet the demand generated by that development when considered as part of its host Planning Unit. In this way, successive developments will ultimately generate sufficient open space to meet the needs of the planned community. This differs from a User Pays model, such as a DCP, where contributions from successive developments are linked to the share of usage of new open space assets. This could mean that development occurring relatively late in the build-out cycle will make a lesser contribution per dwelling or equivalent compared to earlier development.

## 3.2 Appropriateness of the inclusionary provisions framework

The inclusionary requirements approach is founded on the principle that all development must provide or help pay for open space offering appropriate service levels. It is intended to ensure equitable access to open space across the whole municipality over time. Expressed another way, each successive unit of development should bring with it the resources required to supply the open space services it requires.

The inclusionary requirements approach itself may be applied in a variety of ways. The public open space contribution may be fixed having regard to a planned program of acquisition and works, or it can be determined by reference to a provisioning standard, which is a rate of public open space availability per capita.

The application of the inclusionary approach does not burden future development with the responsibility of overcoming pre-existing undersupplies in open space. It is not a means of catching up on inadequate open space provision that may have happened previously. Instead, it focuses on ensuring that all future development contributes to open space provision and helps meet a designated standard or service level of open space across the municipality. This means that future cumulative development will meet its open space requirement and will not exacerbate any pre-existing shortage of open space services into the long term. If development does not contribute to a designated provision standard, the municipality can be expected to be underserved in the future.

To reiterate, cost apportionment under the inclusionary provision framework is fundamentally different from the user-pays framework. This is because each development project must equip itself with its required quantum of open space according to the adopted planning standard rather than make a contribution based on share of usage of planned assets.

### The preferred approach

As noted above, there are a variety of ways that inclusionary provisions can be applied, either through a fixed program of works or a standards-based approach.

A standards-based approach is the SGS preferred method as it avoids the fraught issue of determining a long-term public open space acquisition and capital works program in the absence of funding certainty and changing community needs.

In developing a standards-based approach, the open space contribution expected for each successive unit of development is calculated on a whole planning unit basis. Within a metropolitan area, it is appropriate to treat an entire LGA as a single uniform planning unit. LGAs with regional and rural areas are still treated as a single planning unit, but their population density is non-uniform, which should be accounted for.

The City of Warrnambool is a non-uniform planning unit. People living in the LGA's low density areas will make use of local open space facilities and private open space within their properties, but as they are all located relatively close by to urban areas (generally within a 10-minute drive), it is anticipated that they will also use open space facilities located in urban areas (e.g. for organised sports).

To determine the land/equivalent cash contribution rate for the LGA to supply the amount of open space required to meet the 30sqm/capita standard (see Section 3.3) for the population based on dwelling capacity, the required open space is expressed as a percentage of all the LGA's NDA. Including developable land from low density areas into the LGA NDA has the effect of diluting the average population density, leading to an unrealistically low contribution rate.

To account for this effect, low density areas are quarantined for the calculation process. A contribution rate is calculated for those parts of the LGA which are developable at standard densities and this is then adjusted for application to low density and rural living areas (without this adjustment low density areas would pay more on account of their larger lot sizes). The result is that, on a per-dwelling basis, POS contributions are roughly equal across households regardless of whether they live in a standard-density or low-density area.



**Method in the delivery of a standards-based approach**

1. Decide on the Planning Unit and the population to be served by the open space network at the dwelling capacity
2. Calculate the Net developable Area (NDA) based on the appropriate land uses. If relevant, identify very low density and rural residential areas and their projected share of future population.
3. For the adopted Planning Unit, estimate the total amount of open space required to meet the needs of the Unit at the adopted dwelling capacity with reference to a provision standard for this infrastructure (30sqm per capita). If relevant, split the planning unit into standard density areas and low density areas.
4. Express the quantum of open space indicated at step (3) as a percentage of the aggregate area of all notionally developable lots in the Planning Unit, including:
  - all lots at dwelling capacity.
  - the quantum of existing POS (this honours the principle that the future POS requirement should be taken from the full pool of land available for development before the deduction of parkland and related requirements).
  - If relevant, calculate the land contribution rate applicable to the parts of the Planning Unit that accommodate standard density development.
5. Set the low density/ rural residential rate to achieve comparable \$ value contributions per dwelling as in areas of standard density development.

Source: SGS Economics and Planning, 2025

### 3.3 Open space provision standards – 30sqm

Setting provision standards is a crucial step in the inclusionary requirements approach. Open space planning standards help identify the designated standard of open space services required in an area. Sufficiency standards are commonly used to assess the required provision of a range of community infrastructure, such as childcare centres, hospitals, schools and libraries. Standards typically use a per capita or per household rate of provision.

Open space is no different from other community infrastructure in that its provision should be determined based on a sufficiency standard.

In relation to open space planning, open space provision and service levels are a combination of the quantity, proximity, and quality of open space. For the purposes of a public open space contributions policy, the quantum of open space per capita (30sqm per capita) is used as a standard for the quantum of open space services required by residents. The type of open space, its location and level of development should then be determined through further open space planning assessments.

It should be noted that the 30 sqm/capita quantum standard is used solely to generate an appropriate contribution rate at the Planning Unit (municipal wide) level. It is not, by itself, prescriptive of how the open space needs of any particular suburb, neighbourhood or town ought to be met.

The standard of 30 sqm/capita is a proxy for sufficiency of open space services available to the municipal community. The flow of recreational services available from a given network of open space will be determined not only by the quantum of land available for this purpose, but the level of its development (for example, the extent of development to host organised sports). Within reasonable limits, a smaller quantum of public open space may deliver the same flow of recreational services as a larger quantum of land if developed to a higher level. Meanwhile, adequate availability of open space in terms of meterage per capita need not signify an adequate level of recreational services, if the land in question is under-developed.

The funds generated from a contribution rate premised on a quantum standard of 30 sqm/capita (and the land values that attach to this) could be used to:

- acquire more land in areas lacking convenient access to public open space; and/or
- redevelop existing open space in such areas so that the level of open space service provision is adequate; and/or
- develop existing open space assets in areas where adequate land is available but where community needs remain unmet because these assets lack infrastructure and facilities.

Where a municipality has an adequate distribution of open space and sufficient land to meet or even exceed the quantum generated by the 30 sqm/capita rate, the use of this standard may nonetheless be warranted given that these land assets must be continuously developed to meet community recreational needs.



Similarly, the use of the 30 sqm/capita standard for the calculation of development contributions will be justified even in those municipalities where the need for additional land may be indicated but where opportunities to acquire such assets are highly constrained or entirely absent, such as in the case of some inner metropolitan suburbs. In these circumstances, the proceeds of the contribution would be applied to lift the flow of recreational services from the constrained stock of public open space, so that it operates at superior capacity.

There are no adopted state government open space provision standards. The Precinct Structure Plan (PSP) Guidelines call for 10% of net developable area for active and passive open space in growth areas. The 10% rate has not changed for some time. At an average greenfield density of 15 dwellings per hectare, as was common at the time for standard development, the 10% public open space requirement translated to approximately 27sqm per capita. While the standard has not changed, the density of PSPs has increased, with a current average density of 20 dwellings per hectare. At this level, public open space provision would reduce to 20sqm per capita, assuming the same average household size.

Historically, the Melbourne and Metropolitan Board of Works (MMBW) proposed a planning standard of 7.5 acres of open space for every 1,000 people, which translates to 30sqm per capita. This standard was incorporated into the Melbourne Metropolitan Planning Scheme in 1954.<sup>4</sup>

Until recently, open space provision in metropolitan Melbourne aligned with a 30sqm per capita standard. The VPA Metropolitan Open Space Network<sup>5</sup> report states that in 2017, the total metropolitan stock of open space was 23,723ha. This included Crown land, State land, Local Government land, and Public Authority land. It further states that local government owned some 12,719 ha, or 54%, of the total pool of open space across the metropolis. Local government-owned land is the best proxy for local parkland and playing fields in the VPA data. The VPA report also notes that the total open space provision per capita across the metropolitan area was 57.7sqm. 54% of this, or 30.9sqm per capita, can therefore be taken as an estimate of Council POS provision.

Furthermore, several metropolitan Melbourne councils have adopted provision standards that align with 30sqm per capita for the development of open space strategies.<sup>6</sup>

Feedback from Planning Panels Victoria through Monash Amendment C148 indicates a 30sqm standard should be supported by an implementation plan or program of works. SGS agrees with this. The open space standard of 30 sqm specifies the quantity of open space to be provided for calculating financial contributions. The deployment of the funds, however, should be guided by an open space strategy and a supporting capital works plan.

In some cases, acquiring land may not be possible or desirable. In this case, funds will need to be spent on improving access and the carrying capacity of existing open space to enable increased utilisation (e.g. hours of operation through lighting/alternative surfaces, improving the quality of infrastructure).



<sup>4</sup> Spiller M and Noesgaard J (2024) *Public open space contributions in Victoria: A preferred approach*, SGS Economics and Planning, accessed 3 April 2025. [https://sgsep.com.au/assets/main/Public-Open-Space-in-Victoria\\_A-preferred-approach.pdf](https://sgsep.com.au/assets/main/Public-Open-Space-in-Victoria_A-preferred-approach.pdf)

<sup>5</sup> VPA, 2017, *Metropolitan Open Space Network: Provision and Distribution*

<sup>6</sup> *Monash Open Space Strategy 2018 (30sqm moderate supply)*, *Cardinia Open Space Strategy 2023-33 (50sqm)*, *Frankston City Open Space Strategy 2016-36 (30.3sqm)*, *Darebin Open Space Strategy 2019 (30sqm)*, *Draft Mornington Peninsula Open Space Strategy 2025-40 (30sqm)*



# 4. Population and housing capacity

The following section provides an overview of the population and housing capacity for the City of Warrnambool.

## 4.1 Population and dwelling forecasts

To understand the future requirements for open space, the forecast population and dwelling capacity of the municipality are required. The current population and dwelling forecast, Victoria in Future 2023 (VIF2023) is limited to the year 2036. In addition, the forecast does not account for the population increase from the State's Plan for Victoria Housing Targets announced in 2024.

Table 7. Population projection for the City of Warrnambool

| Warrnambool (C)                | 2021   | 2026   | 2031   | 2036   | 2041 | 2046 | 2051 |
|--------------------------------|--------|--------|--------|--------|------|------|------|
| Victoria in Future (VIF, 2023) | 35,433 | 35,350 | 37,441 | 38,581 |      |      |      |

Source: Victoria in Future (VIF) population and household projections

The purpose of the Victorian Government Housing Targets is to articulate the proportion of additional housing required across each of the local government areas to reach the 2.24 million new homes needed across Victoria.

While the housing targets are set to 2051, they are inherently targets and are used to ensure there is adequate dwelling capacity within each local government area to reach the set targets. As noted by the State Government, "the targets will ensure that every planning scheme identifies enough realistic opportunities for new development to deliver the targeted number of homes".<sup>7</sup>

In the delivery of the housing targets, it is important that these areas plan for adequate essential infrastructure, including open space. Given this, for the purposes of understanding the open space contribution rate for the City of Warrnambool, the housing targets have been used to articulate the forecast dwelling capacity within the city.

The Victorian Government has set housing targets for the City of Warrnambool for an additional 7,200 new dwellings. As noted in Table 8, based on the number of dwellings in 2026, this will result in a total capacity of 24,273 dwellings across the City.



Table 8. Current dwellings and population vs housing capacity

|                   | 2026*  | Capacity with Housing Targets |
|-------------------|--------|-------------------------------|
| Dwelling capacity | 17,073 | 24,273 <sup>a</sup>           |
| Population        | 36,420 | 50,282 <sup>#</sup>           |

Source: SGS Economics and Planning, \*SGS SAM24 #based on forecast dwellings and SGS SAM24 2056 forecast household size. <sup>a</sup>Based on State Government Housing Targets

Based on dwelling capacity and a forecast household size, these dwellings could accommodate 50,282 people. This population capacity has been developed based on the adopted forecast household size of 2.07 people per dwelling. As noted in Table 9, this figure is slightly lower than both the forecast metropolitan average and the regional Victorian average household size. The declining household size is a continuation of a past trend in the Local Government Area (LGA).

Table 9. Average household size in Warrnambool, Regional Victoria and Greater Melbourne based on Occupied Dwellings

| Average Household Size | 2026 | 2056 |
|------------------------|------|------|
| City of Warrnambool    | 2.30 | 2.07 |
| Regional Victoria      | 2.34 | 2.26 |
| Greater Melbourne      | 2.60 | 2.52 |

Source: SGS Economics and Planning, SAM24 Occupied Private Dwellings

## 4.2 Demographics

In 2021, the City of Warrnambool had a median age of 42 years, 1 year younger than the Regional Victorian average of 43 years.<sup>8</sup> Analysis of the service age groups of in the City of Warrnambool in 2021, compared to Regional VIC, shows a similar proportion of people in the younger age groups (0 to 17 years) and a slightly lower proportion in the older age groups (65+ years). Overall, 21.3% of the population was aged 0-17, and 20.8% were aged 65 years and over, compared with 21.2% and 21.8% respectively for Regional VIC.<sup>9</sup>

However, the future forecast for the city, as noted in Table 10, shows a declining share of the population in the school-age and working-age cohorts, while the share of retirees will be increasing.<sup>10</sup> This is on par with regional Victorian trends.

Table 10. Population distribution by age group for 2026 and 2056

|                     | City of Warrnambool |       |        | Regional Victoria |       |        |
|---------------------|---------------------|-------|--------|-------------------|-------|--------|
|                     | 2026                | 2056  | Change | 2026              | 2056  | Change |
| School-age (0-17)   | 20.0%               | 16.9% | -3.0%  | 20.4%             | 17.6% | -2.7%  |
| Working age (18-65) | 55.8%               | 50.7% | -5.1%  | 54.8%             | 51.6% | -3.2%  |
| Retirees (65+)      | 24.2%               | 32.3% | +8.1%  | 24.8%             | 30.7% | +5.9%  |

Source: SGS Small Area Model (SAM), 2024

<sup>8</sup> ID.FORECAST BASED OF 2021 ABC CENSUS DATA, COMMUNITY PROFILE – POPULATION HIGHLIGHTS, ACCESSED ON 22 OCTOBER, 2025  
[HTTPS://PROFILE.ID.COM.AU/WARRNAMBOOL/HIGHLIGHTS](https://profile.id.com.au/warrnambool/highlights)

<sup>9</sup> SGS ECONOMICS AND PLANNING, SAM24, POPULATION PROJECTIONS

<sup>10</sup> IDEM



## 4.3 Warrnambool City workforce

Table 11 outlines the current and projected job market for the City of Warrnambool across four Broad Industry Categories (see Appendix A).

In 2026, it is estimated that the leading employment sector will be Population Services (such as retail, entertainment and other personal services), accounting for 37% of total employment, followed by Health and Education, accounting for 30%. Both sectors are expected to maintain their strong presence in the job market, with Population Services growing by 9% at an average annual rate of 0.3%, and Health and Education growing by 11% at an average annual rate of 0.4%. This will result in an additional 1,646 job opportunities by 2056.

The Traditional Industrial sector is expected to increase at a lower average annual growth rate of 0.1% to 2056, and the Knowledge Services sector, although forecasted to grow, is expected to maintain a similar market share.

Table 11. Employment Forecast in Warrnambool City by the Broad Industry Category by 2056

| Industry category      | 2026          | 2026 Market Share | 2056          | 2056 Market Share | Job Increase 26-56 | Job Growth 26-56 | AAGR 26-56   |
|------------------------|---------------|-------------------|---------------|-------------------|--------------------|------------------|--------------|
| Health and Education   | 6,079         | 30%               | 6,751         | 31.2%             | 672                | +11%             | +0.4%        |
| Knowledge Services     | 3,578         | 18%               | 3,852         | 17.8%             | 275                | +8%              | +0.2%        |
| Population Services    | 7,444         | 37%               | 8,081         | 37.4%             | 637                | +9%              | +0.3%        |
| Traditional Industrial | 2,883         | 14%               | 2,945         | 13.6%             | 62                 | 2%               | +0.1%        |
| <b>Total</b>           | <b>19,984</b> |                   | <b>21,630</b> |                   | <b>1,646</b>       | <b>+8%</b>       | <b>+0.3%</b> |

Source: SGS Small Area Model (SAM), 2024

## 4.4 Summary and implications for open space contributions

The number of dwellings in the City of Warrnambool will continue to increase, as will businesses and industries. In doing so, it is important that these dwellings and business establishments contribute to essential infrastructure, including open space. The City of Warrnambool's future will see significantly expanded demand for high-quality, diverse public open spaces.

With the increase in the number of older adults, it will be critical that these spaces are accessible and located within a walkable catchment area for residential dwellings.

Workers are also a key component of the City of Warrnambool community. Employment is expected to increase modestly across the city. Integrating open spaces within employment areas ensures that workers can enjoy the benefits of open space. Additionally, this integration enables employment precincts to capitalise on the economic and environmental benefits that open spaces offer.



# 5. Current state of open space in the City of Warrnambool

The following section provides an overview of the current state of open space in the City of Warrnambool. This considers quantity, quality and accessibility of open space. This is important in the consideration of where new and improved open spaces should be prioritised.

## 5.1 Quantity

There is currently 361.9ha of publicly accessible open space across the municipality which is forecast to increase to 410.4ha by 2046 based on planned new open space.<sup>11</sup> When the SGS open space standard of 30sqm is applied across the catchment, based on the current population and forecast population by 2046,, there is an adequate supply of public open space. If no additional open space is delivered following 2046, based on dwelling capacity and population of 50,282 the city will have 81.7sqm per capita.

Note, however, that exceedance of the land per capita standard does not mean the City of Warrnambool has adequate levels of open space service for its population. Adequacy in terms of service levels also requires attention to the accessibility and quality of the land dedicated to public open space, as well as the alignment between the development of open space and contemporary demographic needs.

Table 12. Quantity of Open Space across Warrnambool City Council

| Quantity of open space |       | Population |        | Open space sqm per capita |      |
|------------------------|-------|------------|--------|---------------------------|------|
| 2026                   | 2046  | 2026       | 2046   | 2026                      | 2046 |
| 361.9                  | 410.4 | 36,350     | 44,736 | 100                       | 91.7 |

## 5.2 Accessibility

Based on industry standards such as the Precinct Structure Planning Guidelines, open space should be located within a safe walkable distance of 400m of 95% of all residential dwellings. Based on accessibility across the municipality, approximately 72% of urban dwellings are within 400m of open space.

In an urban setting, residents should have access to open space within a 400-metre walking distance of their homes. However, in some rural settings, this requirement may not apply due to lower dwelling density and increased access to private open space.



The key urban areas with poor accessibility, where most dwellings are located outside the 400-meter catchment area for open spaces, are primarily the new growth areas such as Dennington and South East Hopkins.

When applying the 400m walkability catchment to commercial and industrial areas, approximately 46% of employment areas are within a 400m walking catchment from open space. Key gaps in the network include the South precinct, the central business district and the industrial estate in the North East.<sup>12</sup>

Higher order open spaces (district and regional) are destination spaces. This means that generally, people will drive to access this open space. When applying the accessibility standards for a 10-minute drive to a district open space and a 20-minute drive to a regional open space, all residential dwellings are within access.<sup>13</sup>

## 5.3 Quality

Warrnambool City Council is currently undertaking an asset condition review, and no data has been provided at the time of writing. However, observations from the Open Space Strategy work, which includes multiple site visits and consultations with the technical team and the community, indicate that generally, the quality of open space in Warrnambool is variable across the LGA. Certain spaces lack a defined function, and others lack proper landscaping and public furniture.

## 5.4 Summary and implications for open space contributions

The City of Warrnambool currently has a large supply of public open space however it is not well located with large areas not meeting the accessibility standards.

Of the existing open space, the quality of open space is variable and further investment will be needed to accommodate the changing demographics of the population and the city's expanding footprint.



<sup>12</sup> THE BUILDING FOOTPRINT DATA ASSESSED AGAINST THE ACCESSIBILITY CATCHMENTS IS FROM 2019 AND THEREFORE DOES NOT CAPTURE THE GROWTH THAT OCCURRED SINCE.

<sup>13</sup> SGS HAS NOT APPLIED THE STATE GOVERNMENT PSP GUIDELINE THAT HOUSEHOLDS SHOULD HAVE ACCESS TO AN ACTIVE OPEN SPACE WITHIN ONE KILOMETRE OF 95% OF ALL DWELLINGS. THIS STANDARD IS MORE APPROPRIATE IN A METROPOLITAN SETTING.

# 6. Net Developable Area

## 6.1 Calculating the Net Developable Area

The Net Developable Area (NDA) is the land available for development within a nominated Planning Unit. NDA is a commonly used metric throughout planning, including in developing Precinct Structure Plans (PSPs) when considering community infrastructure and open space.

When calculating NDA land, it is conventional to exclude the following: encumbered land (waterways, conservation land, flood-prone land), arterial roads, railway corridors, significant heritage, schools and community facilities.

For the purposes of this assessment, the NDA of the City of Warrnambool has been calculated through an analysis of land use zones. As per the above definition, relevant land zoned for residential and employment purposes has been included. In addition, consistent with PSP practice, the road network comprising of local roads, principal roads and significant municipal roads have all been included in the NDA calculation. Lastly, the existing public open space land has been included in the assessment. This ensures that the future open space contribution rate is not influenced by past contribution shortfalls (if they have occurred). Rather, the NDA considers the municipality as if it were 'blank' with no development.

This approach provides a robust understanding of the total land area across the adopted Planning Unit for the development of future residential or employment uses throughout the life of the municipality.

## 6.2 Net Developable Area for the City of Warrnambool

Included in the NDA for the open space contribution are lands suitable for development, whether residential, commercial, or industrial. Also included in the NDA are three areas that are not currently zoned for development, but that soon will be:

- Land within the North Dennington Structure Plan area;
- Land within the Eastern Activity Centre Precinct; and
- Land within the East of Aberline Precinct Structure Plan area (Amendment C217warr currently in consultation).

The specific zones included in the NDA are outlined in Table 13.

Table 13. Zones included in the Net Developable Area calculation

| Zone Code | Zone Description                            |
|-----------|---------------------------------------------|
| C1Z       | Commercial 1 Zone                           |
| C2Z       | Commercial 2 Zone                           |
| GRZ1      | General Residential Zone - Schedule 1       |
| LRDZ      | Low Density Residential Zone                |
| IN1Z      | Industrial 1 Zone                           |
| IN3Z      | Industrial 3 Zone                           |
| MUZ       | Mixed Use Zone                              |
| MUZ1      | Mixed Use Zone                              |
| MUZ2      | Mixed Use Zone                              |
| MUZ3      | Mixed Use Zone                              |
| NRZ1      | Neighbourhood Residential Zone - Schedule 1 |
| PPRZ      | Public Park and Recreation Zone             |
| RLZ       | Rural Living Zone                           |
| TZ        | Township Zone                               |



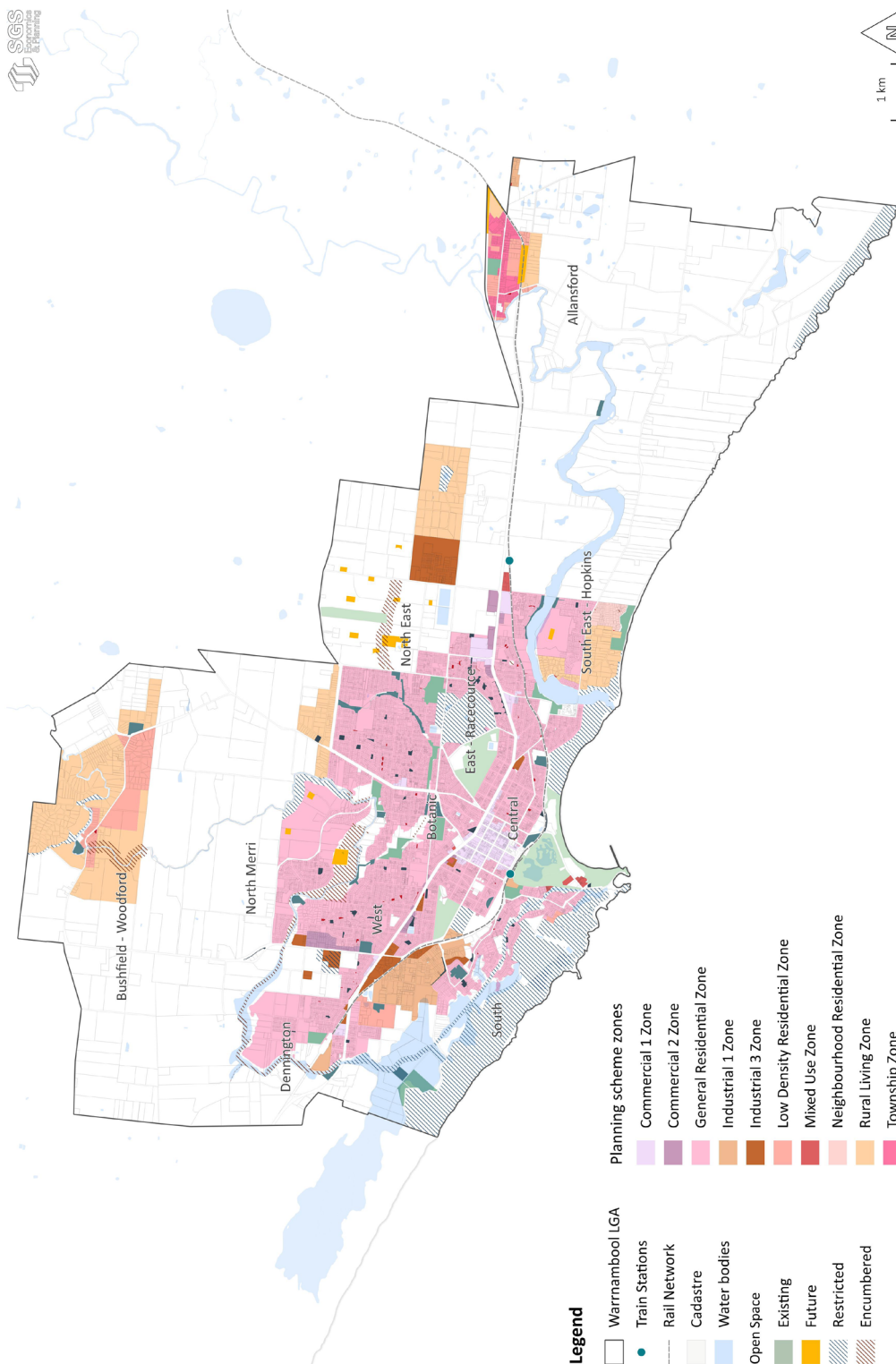
Table 14 outlines the zones excluded from the Net Developable Area calculation. These areas either have no or limited future residential or employment development, or very specialised developments that are assumed to have limited future growth or limited public open space triggers.

Table 14. Zones excluded from the Net Developable Area calculation

| Zone Code | Zone Description                                  | Rationale                                                                                                                                                                                                                 |
|-----------|---------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| FZ        | Farming Zone                                      | Prioritises agricultural land use and aims to restrict non-agricultural uses, including residential development.                                                                                                          |
| PCRZ      | Public Conservation and Resource Zone             | To protect and conserve the natural environment and natural processes for their historic, scientific, landscape, habitat or cultural values. Is not considered public open space and does not allow development to occur. |
| SUZ1      | Special Use Zone - Schedule 1                     | To allow for the efficient operation of the Warrnambool Racecourse and associated facilities, including the conduct of regular sporting and festival events.                                                              |
| SUZ2      | Special Use Zone - Schedule 2                     | To allow for the efficient operation of the Warrnambool Showgrounds for the enjoyment of the general public, including the conduct of regular festival events.                                                            |
| SUZ3      | Special Use Zone - Schedule 3                     | Serves as a transitional zone between industrial uses and sensitive land uses.                                                                                                                                            |
| TRZ1      | Transport Zone 1 - State Transport Infrastructure | Provides land for transport services and facilities.                                                                                                                                                                      |
| TRZ2      | Transport Zone 2 - Principal Road Network         |                                                                                                                                                                                                                           |
| TRZ3      | Transport Zone 3 - Significant Municipal Road     |                                                                                                                                                                                                                           |
| PUZ1      | Public Use Zone - Service And Utility             | Public land used for community services and facilities – not available for private development. Community/infrastructure uses.                                                                                            |
| PUZ2      | Public Use Zone - Education                       |                                                                                                                                                                                                                           |
| PUZ3      | Public Use Zone - Health And Community            |                                                                                                                                                                                                                           |
| PUZ5      | Public Use Zone - Cemetery/Crematorium            |                                                                                                                                                                                                                           |
| PUZ6      | Public Use Zone - Local Government                |                                                                                                                                                                                                                           |
| PUZ7      | Public Use Zone - Other Public Use                |                                                                                                                                                                                                                           |
| UFZ       | Urban Floodway Zone                               | Applies to mainstream flooding in urban areas where the primary function of the land is to convey active flood flows.                                                                                                     |

The Net Developable Area included in the calculations is spatially provided in Figure 2. This also includes Land within the North Dennington Structure Plan area, Land within the Eastern Activity Centre Precinct; and Land within the East of Aberline Precinct Structure Plan area (Amendment C217warr currently in consultation).





# 7. Open space contribution

## 7.1 Contribution for the City of Warrnambool

The open space contribution has been developed through the steps outlined in Table 15. The open space contribution assessment has been undertaken for the standard density areas in the first instance. As noted earlier in this report, those living in low density and rural residential areas should, in principle, be subject to a comparable \$ value contribution per dwelling as their counterparts in standard density areas, because they will be accessing the same open space network. Adjusting the standard density rate for differences in site area and land value between standard and low density development translates to a lower contribution rate for development in low density and rural living situations.

Through the application of this method, there is a strong justification for an open space contribution rate of 5.17 % (rounded to 5.2%) for standard density areas and 4.65% (4.7%) for low density and rural living areas.

Table 15. Summary of open space contribution steps

| Metric                                                                                                                        | Warrnambool LGA  | Low Density and Rural Living Zones | Standard density area |
|-------------------------------------------------------------------------------------------------------------------------------|------------------|------------------------------------|-----------------------|
| 1. Establish the open space standard                                                                                          | 30sqm per capita | 30sqm per capita                   | 30sqm per capita      |
| 2. Population capacity by at the nominal year (including housing targets)                                                     | 50,282 people    | 5,060 people                       | 45,229 people         |
| 3. Open Space Required for future population (population x 30sqm)                                                             | 1,508,670 sqm    | 151,813 sqm                        | 1,356,856 sqm         |
| 4. Net Developable Area (all land that could be developed in the period to the horizon year, plus existing public open space) | 36,887,571 sqm   | 10,638,810                         | 26,248,761            |
| 5. Open space contribution requirement from NDA (Open space required nominal population / Net Developable Area)               | 4.09%            | 1.43%                              | 5.17%                 |
| 6. Rate for low density, which adjusts the standard density rate to provide the same cash contribution per dwelling.          | -                | 4.65%                              | -                     |

Source: SGS Economics and Planning, 2025

### Step 1: Adoption of an appropriate open space standard.

As noted in Section 3.3, a standard of 30sqm per capita has been adopted.

### Step 2: Population capacity

The population capacity of the City of Warrnambool is calculated by multiplying the number of dwellings by the number of people that could be accommodated in those dwellings, based on an assumed average household size of 2.07 people per dwelling. Based on the Victorian State Government Housing Targets, the analysis uses a build-out capacity of 24,273 dwellings across the City of Warrnambool and a future resident population of 50,289.

Of the future population capacity, 45,229 will reside within a standard density area and 5,060 will reside within a low density area (Table 16).



Table 16. Population capacity

| Catchment                          | 2026          | Capacity      |
|------------------------------------|---------------|---------------|
| Standard Density Areas             | 32,266 people | 45,229 people |
| Low Density and Rural Living zones | 4,151 people  | 5,060 people  |
| Total population capacity          | 36,420 people | 50,289 people |

Source: State Government Housing Targets, 2024, SGS Small Area Model (SAM,02024)

### Step 3: Open space required for future population

The open space required to accommodate the needs of the population capacity is calculated by multiplying the population capacity by the open space provision standard (30sqm/capita). This results in a requirement of 1,356,856 sqm (135.6 ha) to meet the needs of the standard density areas' population.

This figure does not suggest that this amount of land must be provided; rather, it is used to understand the contribution rate, which can then be applied to additional land and/or improvements to service standards on newly acquired land and/or embellishments to existing land to increase open space service levels.

Table 17. Quantity of open space needed for the standard density area population

| Population capacity in standard density areas | Open Space Standard (sqm per capita) | Open Space requirement (sqm) |
|-----------------------------------------------|--------------------------------------|------------------------------|
| 45,229                                        | 30                                   | 1,356,856                    |

Source: SGS Economics and Planning

### Step 4: Net Developable Area

As noted in Section 6, the NDA is land that can be developed, including residentially zoned land, employment land, the local road network, and public parks and recreation areas. In the City of Warrnambool, the NDA for standard density areas is 2,625ha.

Table 18. Net Developable Area – Standard density areas

| Net Developable Area (ha) |
|---------------------------|
| 2,624.9                   |

Source: SGS Economics and Planning

### Step 5: Open space requirement from Net Developable Area

The contribution rate is calculated as a ratio of the open space requirement at the nominal year from the net developable area. In the case of the City of Warrnambool, this results in a contribution rate of 5.17% for all new development within the standard density area.

Table 19. Open space contribution rate – Standard density areas

| Developable land (sqm) | Population capacity | Open Space Benchmark (sqm per capita) | Open Space requirement (sqm) | Contribution Rate |
|------------------------|---------------------|---------------------------------------|------------------------------|-------------------|
| 26,248,761             | 45,229              | 30                                    | 1,356,856                    | 5.17%             |

Source: SGS Economics and Planning

### Step 6. Open space contribution adjustment for Low Density Residential and Rural Living Zones

As explained in Section 3.2, an adjustment is applied to the contribution rate determined for the standard density areas to calculate the rate for the low density areas. This adjustment is warranted on the principle that the \$value of contributions for open space should be broadly similar on a per dwelling basis, regardless of whether a development is located in a low or standard density area.

The adjustment is calculated taking into account the average square metre value and average lot size of properties in standard density areas and low density areas in the Warrnambool region, as reported by the Victorian Valuer General. With this adjustment, the open space contribution rate is calculated to be 4.65% for low density areas. The value of low density land in the region is typically lower on a per square metre basis compared to standard density areas, but the site areas of low density dwellings are much larger. Taking both these parameters into account the adjustment arrives at percentage of land area in low density areas which generates the same \$ value as 5.17% of average land value per dwelling in standard density areas.

For the purposes of this calculation, SGS applied Valuer General data for the wider Warrnambool region rather than just the municipality itself. This was necessary because of the limited number of reported sales for Warrnambool, particularly for low density lots. The calculation is unpacked in the following table. Across the Warrnambool region, comprising the municipalities of Glenelg, Moyne, Warrnambool, Corangamite and Colac-Otway, the average site value per dwelling for standard residential development was \$239,061 in 2024. Meanwhile, the average site value per dwelling for low density lots was \$265,435. Because the site value for low density lots is greater than for standard density lots, it follows that the contribution rate from these lower density lots should be lower if the goal is to have a \$ contribution of broadly the same value across these density types.

The contribution rate for standard residential was established at 5.17% as explained above. The ratio of land value for standard residential to land value for low density residential is 0.9 (\$239,061/\$265,435). The contribution rate for low density residential is therefore indicated by  $5.17\% \times 0.9 = 4.65\%$ . As shown in the table, application of a contribution rate of 4.65% to the higher valued low density lots would, on average, produce the same contribution per lot as the application of 5.17% to the lower valued standard residential lots (\$12,358 per lot or dwelling)

Table 20: Adjustment of standard residential contribution rate to produce an equivalent rate for low density residential

|                   | Average site area (sqm) | Average value per sqm | Average site value per dwelling | POS contribution rate | Nominal contribution per dwelling |
|-------------------|-------------------------|-----------------------|---------------------------------|-----------------------|-----------------------------------|
| Standard res lots | 717                     | 333.24                | \$239,061                       | 5.17%                 | \$12,358                          |
| Low density lots  | 2310                    | 114.89                | \$265,435                       | 4.65%                 | \$12,358                          |

Source: SGS Economics and Planning, data from Valuer General Victoria

## 7.2 Application of contribution rate

### Existing contribution rates

The contribution rate recommended in this Report considers the entire municipality as a single Planning Unit. It is noted that within the Warrnambool Planning Scheme, there are two site-specific open space contribution rates. These sites have undergone specific analysis to identify a rate that is applicable to individual sites. Given this, the new rate should not replace the specific site-based contribution rates.

Rather, additional rate should be included in the Planning Scheme as follows:

- General Residential, Neighbourhood Residential Zone, Township Zone, Mixed Use Zone, Commercial 1 Zone, Commercial 2 Zone, Industrial 1 Zone, and Industrial 3 Zone not elsewhere covered - 5.17%
- Low Density Residential Zone and Rural Living Zone not elsewhere covered - 4.65%

### Types of land

It is appropriate to apply the open space contribution rate across all commercial, industrial, and residential subdivisions within the standard density catchment. While residential land may drive a higher use of open space, employment land and employees should also have adequate access to quality open space to enjoy before, during, and after work hours.

Furthermore, non-residential uses are part of the wider community and should contribute to the infrastructure that supports that community. Industrial, commercial, and retail uses benefit directly and indirectly from quality open space provision.

Given this, the open space contribution rate should be applied across all uses within the identified pool of net developable land. By way of elaboration, this report recognises that Council public open space should be planned primarily with the residential population in mind, as residents will typically be the principal client group for this municipal service.

However, by not differentiating industrial, commercial and retail subdivision from residential subdivision the calculation method also recognises that these non-residential uses have the same requirement for access to Council public open space as residential uses. That is, non-residential uses must be supported with the provision of Council open space in the same way as residential uses are, notwithstanding that the visitation they generate to these assets may vary from their residential counterparts.

To illustrate, a worker in an industrial area may jog around a local sports oval once a week, whilst a local resident may do the same jog 5 times a week. Both require access to this service for their respective factories and homes to be deemed to be in a functional and sustainable neighbourhood. The indivisibilities in Council parkland provision mean that the facilities cannot generally be scaled in line with visitation.

By not differentiating non-residential uses, the calculation method applied in this report also recognises that:

- Industrial, commercial and retail uses are part of the wider Warrnambool community and single planning unit; they benefit from being in a City which is properly equipped with essential infrastructure, including Council public open space and have a responsibility to help provide this infrastructure.
- Except in those situations where land is likely to be permanently reserved for industrial purposes (such as areas of state significant or hazardous industries), all developable land in a city can be considered a candidate for the full spectrum of land uses if a sufficiently long term perspective – as is warranted here – is taken. Land subdivided for industrial or commercial uses may well transition to other uses in the future, as we have seen with former industrial areas in the inner suburbs of Melbourne and other regional cities in Victoria, for example. The process of subdivision may provide a one-off opportunity to secure a reasonable open space contribution to cater for the full spectrum of urban uses of the land in question.

### Collection and distribution of funds

Council will have opportunities over the next 20-30 years to obtain sites for new open space as well as funds to improve the quality and accessibility of existing open space. Council should develop an open space acquisition plan to support this. Where land cannot be acquired, or is not required, existing open space should be reviewed to identify opportunities to improve its quality, carrying capacity, and utilisation. This could include elements such as lighting, surface improvements, and additional infrastructure beyond the set park service hierarchy.

Funds collected through the open space contribution should be accounted for separately. Funds should be spent in alignment with the strategic directions outlined in the new Open Space Strategy, Open Space Acquisition Program, Asset Management Plans, and Capital Works Programs. The open space projects will vary over time, responding to changing community demands and strategic opportunities. Given this, the program of works should be regularly reviewed and evaluated.

### Value of updating the Planning Scheme

As noted earlier, Council can now receive up to 5% open space contribution rate from 'other' residential, commercial and industrial land. It is recommended that Council undertake a Planning Scheme Amendment to apply the rate for standard and low-density areas. This would result in the Council receiving a 3.4% (0.17/5.0) increase in contributions for subdivisions made in standard density areas. For example, if \$1 million was received through the 5% contribution rate, this would increase to \$1,034,000 under a 5.17% contribution rate. Meanwhile, contributions from low density development would decrease by 7% (0.35/5.0). For example, if \$500,000 was received through the 5% contribution rate, this would decrease to \$465,000 under a 4.65% contribution rate. However, based on conversations with Council, on average a 5% contribution rate is not being applied through the subdivision act due to the challenges that it poses.



# Appendix A: Broad Industry Category

Table 21. Broad Industry Category Breakdown

| Broad Industry Category | ANZSIC 1 Digit                                  | Industry Name                                     |
|-------------------------|-------------------------------------------------|---------------------------------------------------|
| Health and education    | Education and Training                          | Other Education                                   |
|                         |                                                 | School Education                                  |
|                         |                                                 | Tertiary Education                                |
|                         | Health Care and Social Assistance               | Hospitals                                         |
|                         |                                                 | Medical and Other Health Care Services            |
|                         |                                                 | Residential Care and Social Assistance Activities |
| Knowledge services      | Administrative and Support Services             | Administrative and Support Services               |
|                         | Financial and Insurance Services                | Financial and Insurance Services                  |
|                         | Information Media and Telecommunications        | Information Media and Telecommunications          |
|                         | Professional, Scientific and Technical Services | Professional, Scientific and Technical Services   |
|                         | Public Administration and Safety                | Defence                                           |
|                         |                                                 | Public Administration                             |
|                         |                                                 | Public Order, Safety and Regulatory Services      |
|                         | Rental, Hiring and Real Estate Services         | Property Operators and Real Estate Services       |
|                         |                                                 | Rental and Hiring Services (except Real Estate)   |
| Population services     | Accommodation and Food Services                 | Accommodation                                     |
|                         |                                                 | Food and Beverage Services                        |
|                         | Arts and Recreation Services                    | Arts and Recreation Services                      |
|                         | Construction                                    | Construction                                      |
|                         | Other Services                                  | Personal and Other Services                       |
|                         |                                                 | Repair and Maintenance                            |
|                         | Retail Trade                                    | Retail Trade                                      |
| Traditional Industrial  | Agriculture, Forestry and Fishing               | Agriculture, Forestry and Fishing                 |
|                         | Electricity, Gas, Water and Waste Services      | Electricity, Gas, Water and Waste Services        |
|                         | Manufacturing                                   | Chemicals manufacturing                           |
|                         |                                                 | Food product manufacturing                        |
|                         |                                                 | Heavy product and equipment manufacturing         |
|                         |                                                 | Light product and equipment manufacturing         |
|                         |                                                 | Materials manufacturing                           |
|                         |                                                 | Other product manufacturing                       |
|                         |                                                 | Wood products manufacturing                       |
|                         | Mining                                          | Mining                                            |
|                         | Transport, Postal and Warehousing               | Air and Space Transport                           |
|                         |                                                 | Other Transport                                   |
|                         |                                                 | Road, Rail and Water Transport                    |
|                         |                                                 | Warehousing and Storage Services                  |
|                         | Wholesale Trade                                 | Wholesale Trade                                   |