

Mr Michael Lennon
Chair
State Planning Commission
GPO Box 1815,
Adelaide SA 5001

Dear Michael,
SAIR refers to the State Planning Reforms and thanks the Planning Commission for the opportunity to provide feedback on the revised *draft Planning and Design Code (Code) Phase Three (Urban Areas)*.

As you are aware, SAIR advocates on behalf of the 110 owners representing 210 independent supermarkets stores which are branded Foodland, IGA and Friendly Grocer. This sector employs 11,000 people which also includes staff in the sector's major new wholesale distribution centre.

Indeed, it is understood that you appreciate, that SAIR is strongly in favour of retail development being located within existing activity centres and/ or within available vacant land that is zoned for these such purposes.

SAIR has written on several occasions about the negative impacts associated with shopping centres with supermarkets, specifically being located outside of centre zone and remain concerned that
"Proposals to substantially increase the level of zoned commercial land by substantial "over zoning" produce deleterious effects in terms of both market concentration, competition, and overall community benefit".

Extracts from Productivity Commission review of the Economic Structure and Performance of the Australian Retail Industry Supplementary, Angus Witherby. Director On behalf of the Retail Guild of Australia October 2011.

Notwithstanding this, SAIR is pleased with the direction the Commission is adopting of late with respect to the centre's hierarchy and the discussions we have had in relation to the need for additional detail around general provisions associated with 'out of centre' retail development.

The discussions with the department have been most productive and as such it is our recommendation that the table shown below is now appropriate to be implemented into the final version of the Planning and Design Code, Phase 3 (Urban Areas).

The application of this policy into the relevant zones within the Code will of course be critical and as such it is essential in our view that the extract below is applied to every Zone that is a non-Activity Centre Zone, and where the Deemed to Satisfy (DTS) trigger relating to gross leasable floor area (GLAm2) for shops or group of shops is proposed to be exceeded.

Out-of-Activity Centre Development

Assessment Provisions (AP)

Desired Outcome (DO)

Desired Outcome	
DO 1	The role of Activity Centres in contributing to the form and pattern of development and enabling equitable and convenient access to a range of shopping, administrative, cultural, entertainment and other facilities in a single trip is maintained and reinforced.

Performance Outcomes (PO) and Deemed-to-Satisfy (DTS) Criteria / Designated Performance Feature (DPF)

Performance Outcome	Deemed-to-Satisfy Criteria / Designated Performance Feature
<p>PO 1.1</p> <p>Non-residential development outside Activity Centres of a scale and type that does not diminish the role of Activity Centres:</p> <ul style="list-style-type: none">(a) as primary locations for shopping, administrative, cultural, entertainment and community services(b) as a focus for regular social and business gatherings	<p>DTS/DPF 1.1</p> <p>None are applicable.</p>
<p>PO 1.2</p> <p>Out-of-activity centre non-residential development complements Activity Centres through the provision of services and facilities:</p> <ul style="list-style-type: none">(a) that support the needs of local residents and workers, particularly in areas which are underserved by existing activity centres catchments(b) at the edge of Activities Centres where they cannot readily be accommodated within an existing Activity Centre to expand the range of services on offer and support the role of the Activity Centre.	<p>DTS/DPF 1.2</p> <p>None are applicable.</p>

In time, SAIR is still keen to see the Department and the Planning Commission invest in a metropolitan (in the first instance) retail catchment analysis to develop an accurate baseline of existing retail supply.

Our initial investigations indicate this would cost in the order of \$80-100K and take approximately 4-5 months to complete.

The advantage of this work would be to provide the Commission with a baseline of existing retail supply and to provide market intelligence as to where future retail needs are likely to be warranted.

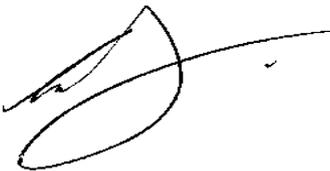
SAIR considers this a very modest outlay and starting point for such a valuable resource, which would provide critical and significant retail supply intelligence.

This work could also identify current vacancy rates in existing centres which, in light of COVID-19, would also be of great use.

Furthermore, SAIR supports further investigations and research into how a piece of work could be undertaken to define how that concept of a consistent and transparent sequential test for 'out of centre' proposals based on strategic fit, net community benefit and place quality, could practically be implemented within the overall structure that is established by the Code.

We look forward to the changes suggested, being adopted into the Planning & Design Code to ensure this policy achieves its intentions and helps support and grow our State's economy.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Colin Shearing', with a long horizontal flourish extending to the right.

Colin Shearing
Chief Executive Officer

17 December 2020