



24 October 2025

Attn: Candace Canniffe – Planning Officer

The Chief Executive Officer  
Gladstone Regional Council  
PO Box 29, GLADSTONE QLD 4680

SUBMISSION ON DEVELOPMENT APPLICATION (COUNCIL REFERENCE:  
DA/54/2025) – DEVELOPMENT PERMIT FOR MATERIAL CHANGE OF USE FOR SHOP  
(SUPERMARKET)

Dear Candace,

We refer to the above application for a Development Permit for Material Change of Use for Shop (Supermarket) (**development application**) submitted by Kirkwood LFR Development Pty Ltd (ACN: 683 516 592) ATF Kirkwood LFR Development Trust (ABN: 92 966 344 969) (**Applicant**).

Region RE Limited hereby lodge this submission as the registered owner of land located at 550 Kirkwood Road, Kirkwood QLD 4680, formally described as Lot 901 on SP235957, being land that comprises the Kirkwood Shopping Centre and is located on the opposite side of the road to the land the subject of the Application.

Region RE Limited has significant concerns for the unacceptable impacts caused by the proposed development the subject of the Application. The proposed development:

- Is not of a type and scale appropriate for the prevailing nature of the area and the particular circumstances of the site and its surrounds;
- Will have unacceptable impacts on the Kirkwood Road Shopping Centre as well as others within the surrounding network of centres;
- Has not adequately demonstrated in its application material sufficient detail to support approval of the proposed development; and
- Is not envisaged by the Our Place Our Plan Gladstone Regional Council Planning Scheme 2017 (**Planning Scheme**).

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Furthermore, the applicant has not adequately demonstrated in the application material, relevant matters to support an approval of the proposed development.

Importantly, the proposed development does not comply with the relevant assessment benchmarks of the Planning Scheme, and there are no relevant matters to approve the proposed development despite the non-compliance. Accordingly, the proposed development should not be approved by Council.

## OUR UNDERSTANDING OF APPLICATION DETAILS AND ASSESSMENT PROGRESS

The subject site is located at Kirkwood Road, Kirkwood QLD 4680, formally described as Lot 2 on SP341685. The site is designated as follows under the Planning Scheme:

### Zone:

- Emerging Community Zone

### Overlays:

- Airport Environs Overlay
- Biodiversity Overlay
- Building Heights and Frontage Overlay
- Bushfire Hazard Overlay
- Flood Hazard Overlay
- Steep Land Overlay

The Town Planning Assessment states that the purpose of the development is to provide a Shop use located within the North Precinct of the Kirkwood Road Commercial Centre Code. The proposed development is intended to supplement for the delivery and attraction of the Kirkwood Road Commercial Centre Masterplan Large format retail and Showroom tenants, generating positive economic activity within Gladstone. Further, it is intended that the proposed Shop (Supermarket) will provide necessary competition for the local catchment area, offering job and economic growth opportunities and directly facilitate in regulating prices of goods for the benefit of the community in general.

Separate to the subject development application is an application seeking an Other Change for Preliminary Approval for Material Change of Use for Advertising Devices, Car Wash, Child Care Centre, Educational Establishment (Swim School), Food and Drink Outlet, Garden Centre, Hardware and Trade Supplies, Health Care Services,

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Indoor Sport and Recreation, Office, Service Station, Shop, Showroom, Veterinary Service and Large Format Retail (Activity Group) over 3 stages including a Variation Request to vary the effects of the Gladstone Regional Planning Scheme 2017 (version 2) for development in accordance with the provisions of the Kirkwood Road Commercial Centre Code (Council Reference: DA/1008/2024) on land located at Lot 1, 2 and 3 Kirkwood Road, Kirkwood QLD 4680, formally described as Lot 1, 2 and 3 on SP341685 (other change application).

## GROUPS OF SUBMISSION

The following sections state the grounds for refusal as well as relevant matters that are of concern to Region RE Limited for the continued successful operation of the approved use of their land.

The facts and circumstances in support of the grounds for refusal are provided in the sections below.

### Inappropriate Expansion of Kirkwood Road Centre and Inconsistent Land Use

The Planning Scheme establishes a clear and concise strategic vision for the Kirkwood Road centre. The major shopping centre is clearly identified as being bounded on the corner of Kirkwood Road, Dixon Drive and Kahler Close and being characterised by an existing shopping centre, service station and food and drink outlet. The Planning Scheme acknowledges that any future expansion is to provide lower order retail and / or commercial uses which service the immediate and future Kirkwood community. The Planning Scheme clearly states that no further expansion of this centre is supported beyond the existing boundaries.

The development application proposes to establish an expansion of centre development beyond the existing boundaries of the Kirkwood Road centre to the western side of Kirkwood Road. This expansion is proposed in the form of disaggregated development comprising a standalone development application for a Shop (Supermarket) (the subject of this submission) and another change application for the preliminary approval for the Kirkwood Road Commercial Centre Masterplan and Code (Council Reference: DA/1008/2014).

Further, with consideration of the Kirkwood Road Commercial Centre Masterplan and Code put forward by the Applicant and another change application for the

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preliminary seeks to facilitate an integrated and coordinated approach to development of a Specialised Centre of a regional scale focused on providing showroom, bulky goods and large format retailing opportunities and supporting complementary uses. This development application is not lodged in accordance with the preliminary approval and therefore the assessment benchmarks of the Planning Scheme apply. The development application seeks to achieve piecemeal development to isolate inconsistent land uses from the broader intention of the site and Kirkwood Road Commercial Centre Masterplan and Code. Acknowledging the other change application's intent to establish a Specialised Centre, consideration to the strategic vision for a Specialised Centre in the strategic framework must be given. The Planning Scheme establishes a clear intent for a specialised centre, identifying that a specialised centre is to not comprise retailing that is regularly visited such as small shops (including supermarkets) and shopping centres. These land uses, which include Shop (Supermarket) are not supported in specialised centres in the highest component of the Planning Scheme.

### Peer Review of Economic Need Assessment

Urban Economics have carried out a peer review of the development application's submitted Need and Economic Impact Assessment which is included as **Attachment A** of this submission letter. As stated in the peer review, the development application has:

- Significantly overstated the trade area, most particularly for the Secondary South trade area which extends beyond 12km radially from the subject site. As a result, this serves to significantly overstate the trade area's need for additional supermarket floorspace.
- Used deficient population projections that cannot be relied upon.
- Adopted a different average annual population growth rate than the QGSO population projections anticipated growth rate with no justification provided for this assumption.
- Overstates the total level of expenditure by \$150 million or approximately 11% with no justification provided for this assumption.
- Mischaracterised the future supply of supermarket floorspace within the defined trade area and subsequently overstates the need for additional supermarket floorspace, including at the subject site.

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When accounting for the report's deficient assumptions including the removal of the Secondary West and Secondary South trade areas, utilising lower population growth rates which align with the QGSO 2023 edition projections and incorporating the approved supermarket supply which was omitted from the report, it is demonstrated that there is an existing gap of ~3,150m<sup>2</sup> of supermarket floorspace. This gap is sufficiently addressed by approved supply additions within the trade area. Therefore, the proposed Coles supermarket, if delivered by 2028 with existing approvals, would tip the balanced market into a scenario of oversupply in the order of 3,800–4,400m<sup>2</sup> of supermarket floorspace. This is representative of the supermarket floorspace the development application proposes.

Further, the economic impact assessment is inherently flawed by the overstatement of need, demand and retail expenditure potential of the trade area community. Urban Economics consider that the report overstates the trading performance of existing centres within the catchment, subsequently understating the level of impact from the proposed development on these centres. There is a very high likelihood that the overstatement of performance for the established Kirkwood Shopping Centre could be masking impacts in the order of 15–25%.

The Applicant has failed to provide a Need and Economic Impact Assessment that is prepared in accordance with the Community and Economic Needs Assessment Planning Scheme Policy within the Planning Scheme.

## Development Details and Design

The development application seeks to establish a Shop (Supermarket) with a total gross floor area (GFA) of 3,992m<sup>2</sup>. This application intends to seek a Shop land use and Supermarket land use activity only.

The development application material, including plans and supporting documents, do not clearly outline the premises for the development application (Part of Lot 2 on SP341685) or the intended sequencing of works needed to be able to commence the use by 2028 (as outlined in the Need and Economic Impact Assessment). The submitted site plan outlines the supermarket site and that other components on the plan are subject to separate application. The Serviceability Report and Traffic Impact Assessment identify that the services and access will be obtained from the arrangements established under the other change application. The other change application includes a Development Permit for Reconfiguring a Lot (2 into 5 and

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Road Reserve in 4 Stages) component. Reliance upon this other change application and the lack of information on sequencing of works results in piecemeal development.

Further, there are several issues with the development application material in relation to the proposal. These include:

- The development application material does not provide sufficient information for assessment or demonstrate architectural merit. Under the Kirkwood Road Commercial Centre Masterplan and Code the supermarket is intended to be positioned amongst other larger format retail buildings. These larger format retail buildings typically comprise a big box format. Therefore, the development application should include architectural interest and variation in the built form.
- The development application plans omit internal floor plans and layout that allow Council or the public to understand and assess the operational requirements for the development and how each component is intended to function. For example, there appears to be a solid wall with no openings between the supermarket, BOH and amenities components suggesting they will not function as an integrated supermarket but may result in multiple tenancies and land use activities. Additionally, the bin storage location is located away from a loading area and BOH area, suggesting waste will need to be transported across the loading area.

## SUMMARY

In accordance with Section 53(6) and Schedule 2 of the Planning Act 2016, this correspondence forms a properly made submission opposing the development application proposed over the site (Council Reference: DA/54/2025).

Region RE Limited have significant concerns for the unacceptable impacts caused by the development application. This submission sets out multiple grounds which support refusal of this development application. Importantly, the development application does not comply with the relevant assessment benchmarks of the Planning Scheme and there are no reasonable grounds to approve the proposed development despite the conflict. Accordingly, the development application should be refused by Council.

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Region RE Limited requests that these concerns are carefully considered in the assessment of the development application.

Yours sincerely,

A handwritten signature in black ink, appearing to be "Wayne Moodie", enclosed within a hand-drawn oval.

Wayne Moodie

General Manager - Major Tenants Partnerships and Projects

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# Supermarket Peer Review and Submission

KIRKWOOD ROAD,  
KIRKWOOD

Job No. 25071

October 2025

**Ue** urban  
economics

**Prepared on behalf of:**

*Region Group*

**Prepared by:**

*Joshua Binkley*

*Associate Director*

**Warranty**

This report has been based upon the most up to date readily available information at this point in time, as documented in this report. Urban Economics has applied due professional care and diligence in accordance with generally accepted standards of professional practice in undertaking the analysis contained in this report from these information sources. Urban Economics shall not be liable for damages arising from any errors or omissions which may be contained within these information sources.

As this report involves future market projections which can be affected by a number of unforeseen variables, they represent our best possible estimates at this point in time and no warranty is given that this particular set of projections will in fact eventuate

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Version No	Date of Issue	Prepared By	Approved By
1.0	15/10/2025	Joshua Binkley	Joshua Binkley

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# 1.0 Introduction

## 1.1 Background

Urban Economics has been commissioned by Region Group to review the Need and Economic Impact Assessment (NEIA) report prepared by Deep End Services (May 2025), which was submitted alongside a development application (DA/54/2025) for a full-line Coles supermarket in Kirkwood. The report was prepared on behalf of CADRE, which is also the owner and developer of the surrounding retail and commercial project known as the Kirkwood Road Commercial Centre (KRCC).

Schedule 6.4 of the Gladstone Regional Council Planning Scheme 2017 outlines the requirements for undertaking a Community and economic need assessments. It is with regard to this planning scheme policy that this review has been undertaken. Particularly, the purpose and reasoning for this policy is noted which states:

*“The Gladstone region has long been characterised by periods of rapid population growth followed by more stable phases - placing fluctuating demands on the regions centres and residential housing supplies. Whilst this growth has occurred in preferred locations, this cycle has led to issues in both undersupply and oversupply of which the former Planning schemes have struggled to address. In response to this, the Strategic Framework seeks to protect the economic viability and long term function of existing and future centres as well as to ensure that residential development occurs in step with community need.*

*A community and economic needs assessment is the primary supporting document used to justify whether there is need for a particular proposed development and whether such a proposal will have any adverse impacts to the existing social, economic and urban fabric of the immediate and surrounding locality.”*

Region Group owns and manages some 100 convenience-based retail properties nationally and is the owner of the Kirkwood Shopping Centre opposite the subject site which includes a Woolworth’s supermarket, specialty stores, a service station and McDonald’s drive-thru outlet.

Urban Economics is an economic and market research consultancy based in South East Queensland. With more than 50 years’ experience of senior personnel and employing a multi-disciplined team with skills in economics, market research, geography, property development and real estate, Urban Economics is uniquely positioned to arm our clients with the insights and advice they need to add value to their land, property and development-related decisions. We have a passion for understanding how and why we live, work, play and learn within our urban environments.

## 1.2 Study Objectives and Approach

In undertaking the review and submission, Urban Economics has undertaken the following tasks:

- Gathered relevant planning document and application material;
- Reviewed the methodology and assumptions adopted by the report, including but not limited to:
  - Trade area adopted;
  - Population growth rates;
  - Demographic profile;
  - Retail expenditure modelling and growth;
  - Supply network and quantum of facilities including approvals within the surrounding network;
  - The demand supply gap; and
  - Impact modelling.
- Reviewed the proposed development relative to the planning framework and economic objectives and any other “relevant matters” for consideration;
- Assessed need for the proposed development and the mix of uses;
- Identified any further information required or gaps in the analysis undertaken which Council should ask of the applicant;
- Provided a series of recommendations and conclusions from an economic perspective including key issues and potential reasons for refusal.

## 2.0 Review of Need and Economic Impact Assessment

### 2.1 Trade Area Definition

Trade areas are theoretical constructs utilised by retail analysts and retailers to describe the area from which a retailer or shopping centre is likely to draw the majority of its trade. Five trade areas of interest have been defined for the proposed supermarket at the subject site, including one Primary Trade Area and four secondary areas including:

- Secondary South;
- Secondary East;
- Secondary North; and
- Secondary West.

In the first instance, Urban Economics considers the trade area to be significantly overstated, most particularly for the Secondary South trade area which extends beyond 12km radially from the subject site, towards the localities of Wurdong Heights, Benaraby, Boyne Island and Tannum Sands; which include competitive Coles and Woolworths supermarkets.

The proprietary Azira data illustrated within the report further supports this position, together with the weaker association of residents within other defined secondary trade areas, particularly those which have proximate and convenient access to alternative supermarket facilities.

Most particularly, residents of the Secondary West (Clinton) and Secondary North (Kin Kora, Sun Valley) areas would have a stronger propensity to undertake supermarket-based shopping within the established Gladstone Central activity centre which includes both Coles and Woolworths full-line supermarkets. These areas would also be limited in their association with the subject site, with actual and inferred barriers to access such as the Dawson Highway, Auckland Creek and the Moura-Gladstone coal rail system.

Overall, the defined trade areas are considered to be significantly overstated, which subsequently serves to significantly overstate the trade area's need for additional supermarket floorspace such as is contemplated within Chapter 5 of the report.

The defined trade areas also conflict with Schedule 6.4 of the Planning Scheme which outlines the *Community and economic needs assessment policy*.

## 2.2 Population Growth & Demographic Profile

Although the trade areas are significantly overstated, the population estimates outlined for these areas within the report are appropriate, aligning with ABS and Queensland Government Statisticians Office (QGSO) datasets.

Demographic characteristics of the trade area communities as outlined within the report also concord with the results of the 2021 Census.

Population projections provided within the report however, do not align with the QGSO population projections, or residential development trends within the area.

More specifically, the report adopts average annual population growth rates in the order of 1.3% to 1.5% per annum for the defined trade areas between 2025 and 2046, whilst the referenced QGSO population projections anticipate growth rates in the order of 0.9% to 1.1% for SA2s enveloping the trade areas for this period. No justification is provided within the report for this significant assumption.

Similarly, the report has contemplated residential building approvals within these areas as an indicator of growth, and confusingly, attributes substantial growth within the very large Gladstone Hinterland SA2 which includes growth localities such as Calliope, to the defined Secondary South trade area.

Urban Economics contends therefore that the very large trade area has been defined within the report in order to conflate population growth trends and overstate the demand and need for a supermarket at the subject site. This is supported by the *Norling Report* referenced within the report which defines a retail catchment area population of 16,000 persons for Kirkwood and a total, cumulative retail floorspace of 10,000m<sup>2</sup> anticipated by 2046 for this community.

The population projections provided within the report are deficient and cannot be relied upon to make an informed decision regarding the proposed development.

## 2.3 Supermarket & Retail Expenditure

Sections 3.6 and 3.7 of the report outline the estimated per capita spending of trade area residents and the proportion of that growth directed to food and groceries, other food and liquor and the balance of retail expenditure.

These assumptions generally align with Urban Economics assessment of retail expenditure within these localities, which is drawn from actual expenditure data from residents as provided by Commbank iQ, the data source which has been adopted by leading retail analysts.

More particularly, the Commbank iQ data provides a direct measure of specific supermarket expenditure by residents, as opposed to broader food and grocery categories as presented within the report.

TABLE 1 provides Urban Economics’ analysis of per capita retail expenditure for trade area residents, including the proportion of this expenditure directed to supermarkets.

**TABLE 1: Average Retail Expenditure per Capita – 2024/25**

	Primary	Secondary North	Secondary East	Secondary South	Secondary West
Supermarket	\$5,273	\$5,238	\$5,082	\$5,617	\$5,000
<b>Total Retail</b>	<b>\$21,303</b>	<b>\$20,387</b>	<b>\$20,065</b>	<b>\$23,072</b>	<b>\$20,757</b>

Source: Urban Economics, Commbank iQ

Section 3.7 of the report outlines the assessed level of retail expenditure growth which is projected within the defined trade areas between 2025 and 2036. Table 4 of the report suggests that retail expenditure growth within this period would average 4.6% to 5.0% over this period, however no justification or methodology for this assessment is provided by the report.

More particularly, whilst it is understood that population growth would form part of this growth, albeit that this measure is itself significantly overstated as outlined above, there is no justification for real growth of the level outlined within the report which would support the outcomes of Table 4.

Growth in Australia’s gross domestic product (GDP) has increased just 2.3% annually on average in the decade to June 2025. Applying this broad metric to average population growth across the defined trade areas (0.9% per annum) for this period, suggests retail expenditure growth of just 3.2% per annum between 2025 and 2036, some 1.4 to 1.8 percentage points lower than provided within the report.

On this basis, Urban Economics measures a total retail expenditure base of the trade areas of \$820 million in 2036, indicating that the report overstates the total level of expenditure by \$150 million within Table 4 or approximately 11%.

This report’s analysis of retail expenditure growth is deficient and without justification of assumptions applied, cannot be relied upon to make an informed decision.

## 2.4 The Centres Network & Supply

The report sufficiently identifies the network of activity centres and supermarkets within the defined trade areas and the broader urban areas of Gladstone.

Relevantly, the report identifies that numerous other supermarket facilities are located *'just outside'* the defined catchment area, suggesting that there would be significant overlapping trade from these centres and stores.

However, the report is deficient in its assessment of proposed and approved supply within the defined trade areas and their likelihood of proceeding for the following reasons:

- the approved Glen Eden Village Shopping Centre would include a supermarket of 3,075m<sup>2</sup>. As noted within the report, the development's approval has a currency period which is current to June 2027 and should be considered as high potential supply.
- the Summit Shopping Centre (also proposed as the Woodland Estate Shopping Centre) is approved to include an 823m<sup>2</sup> convenience supermarket. The broader development's code for the neighbourhood centre also provides for a store of up to 1,400m<sup>2</sup>. This site is also an identified mixed-use centre within the Strategic Framework of the Planning Scheme and well-located to accommodate any additional supermarket need within the locality.

Overall, it is Urban Economics' view that the report mischaracterizes the future supply of supermarket floorspace within the defined trade area; and subsequently overstates the need for additional supermarket floorspace, including at the subject site.

## 2.5 Need Assessment

Notwithstanding the report's overstated trade areas, overly optimistic population projections, overstated retail expenditure growth and disregard for approved supply noted above; the report has utilised a valid approach in determining the gap in supermarket floorspace and potential need for additional floorspace over time.

Utilising this approach however in determining the supply/demand gap for floorspace is vastly different when accounting for the report's deficient assumptions. TABLE 2 recreates Table 6 of the report utilising less optimistic assumptions including:

- The removal of the Secondary West and Secondary South trade areas;
- Lower population growth rates which align with the QGSO 2023 edition projections; and
- Includes approved supermarket supply which is omitted from the report.

**TABLE 2: Supermarket Provision Analysis**

	Unit	2025	2028	2032	2036
<b>Supermarket floorspace demand</b>					
Population	no.	20,442	21,060	21,830	22,630
Regional Qld peer group average provision rate	sqm/1000 person	439	439	439	439
Catchment area demand for supermarket floorspace	sqm	8,974	9,245	9,583	9,935
<b>Supermarket floorspace supply</b>					
<b>Existing</b>					
Woolworths Kirkwood Shopping Centre	sqm	3,208	3,208	3,208	3,208
Drakes Sun Valley Road Marketplace	sqm	2,199	2,199	2,199	2,199
GA Local Grocer Avion Centre	sqm	420	420	420	420
Total existing supermarket floorspace	sqm	5,827	5,827	5,827	5,827
Existing supermarket provision rate	sqm/1000 person	285	277	267	257
Undersupply(-ve)/oversupply(+ve)	sqm	-3,147	-3,418	-3,756	-4,108
<b>Proposed</b>					
Coles Kirkwood Road	sqm	0	3,992	3,992	3,992
Glen Eden Village SC	sqm	0	3,075	3,075	3,075
The Summit NC	sqm	0	823	823	823
Total existing and proposed	sqm	5,827	13,717	13,717	13,717
Existing & supermarket provision rate	sqm/1000 person	285	651	628	606
<b>Undersupply(-ve)/oversupply(+ve)</b>	sq m	-3,147	<b>4,472</b>	<b>4,134</b>	<b>3,782</b>

Overall, it is demonstrated that there is an existing gap of ~3,150m<sup>2</sup> of supermarket floorspace within a more moderate catchment. This gap is sufficiently addressed by approved supply additions within the trade areas.

As outlined within TABLE 2 above, existing and current approved supply would represent a balanced market for supermarket floorspace throughout the projection period. The proposed Coles supermarket if delivered by 2028 with existing approvals would tip this balance into a scenario of oversupply in the order of 3,800-4,400m<sup>2</sup> of supermarket floorspace.

## 2.6 Economic Impact Assessment

The economic impact assessment of the report is inherently flawed by the overstatement of need, demand and retail expenditure potential of the trade area community.

Similarly, there is no supporting evidence provided within the report for the high proportion of non-resident expenditure at the proposed development (16% of trade area turnover), despite the extensive catchment area defined.

Urban Economics also considers that the report overstates the trading performance of existing centres within the catchment, subsequently understating the level of impact from the proposed development on these centres.

When considering that the estimated effect on the established Kirkwood Shopping Centre is in excess of 15%, which is significant, there is a very high likelihood that this overstatement of performance could be masking impacts in the order of 15-25%.

## 3.0 Conclusions and Recommendations

The Need and Economic Impact Assessment (NEIA) report prepared by Deep End Services for the proposed Coles supermarket at Kirkwood Road, Kirkwood is considered to significantly overstate the need for the proposed development at the subject site and significantly understate the impact that the proposed development would have on the surrounding network of centres.

If approved, the proposed supermarket may result in an oversupply of supermarket floorspace within the locality, in the order of almost 4,500m<sup>2</sup>, impacting the vibrancy and vitality of existing centres within Gladstone.

The NEIA report does not provide sufficient evidence or rigour from which Council can make an informed decision regarding the proposed supermarket development, nor has it adequately addressed the requirements of the Community and economic need assessment planning scheme policy and as such, approval cannot be supported.

This scenario is also supported within the Planning Scheme which provides specific and direct intentions for the Kirkwood Road centre - *"The Kirkwood Road centre is bounded on the corner of Kirkwood Road, Dixon Drive and Kahler Close and is characterised by an existing shopping centre, service station and food and drink outlet. The site represents some development potential however any future expansion is to provide lower order retail and/or commercial uses which service the immediate and future Kirkwood community. No further expansion of this centre is supported beyond the existing boundaries."*

28 October 2025

**Attention: Candace Canniffe**

Planning Services

Gladstone Regional Council

101 Goondoon Street, Gladstone Central QLD 4680

**Letter of Objection**

**Part of Lot 2 on SP341685 – Kirkwood Road, Kirkwood QLD 4680**

**Application No. DA/54/2025**

Dear Candace,

Fawkner Property own Gladstone Centre Plaza shopping centre, located at the corner of Dawson Highway and Philip Street, West Gladstone, and Gladstone Square shopping centre, located at 184 Goondoon Street, Gladstone Central. The landholdings comprising these shopping centres are within the Centre zone (level 1) and Mixed use zone, respectively. Both landholdings are currently improved by shopping centre developments.

## Development Application Summary

It is understood that the development application for a material change of use for **shop (a supermarket with a proposed GFA of 3,992m<sup>2</sup>)** was lodged to Council on 17 July 2025. Council issued an Information Request on 6 August 2025. This Information Request identified other matters that Fawkner Property agree are important, however, it did not identify the critical issue of **need**.

The development application was made under the preliminary approval (including a variation approval) over the site. This preliminary approval contemplated primarily **large format retail** uses (including showroom, hardware and trade supplies, and garden centre), intending for this to be at least 70% of the GFA of all commercial activities on the site. The **shop** use was contemplated where less than 6,000m<sup>2</sup> of GFA across the entire site.

Relevantly, the preliminary approval includes a specific condition that prohibited the establishment of any shop use on the site until after 2 January 2020. On this basis, it is clear that even in this historic approval there was contemplation that the need for a shop use would not materialise until several years after the approval was granted (in 2017).

## Grounds for Objection

Fawkner Property wishes to **object** to proposed development of Part of Lot 2 on SP341685 along Kirkwood Road, Kirkwood as there is no **need** for the development. The key issues with the proposal are that:

- (a) The **Economic Impact Assessment (EIA)** has clear failures in the establishment of a defined catchment and the economic impacts.
- (b) There is **no economic need**, as the EIA incorrectly suggest that there is an economic need for the proposed development that couldn't otherwise be satisfied by existing suitably zoned land.
- (c) There is **no planning need**, as the land to the east within the Centre zone can comfortably accommodate the suggested undersupply of supermarket floorspace.

## Economic Need

The EIA prepared in support of the proposed development has clear failures, including the following:

- The Deep End Services trade area includes areas identified as secondary north and secondary west, which are in much closer proximity to the supermarkets at Gladstone Centre Plaza than the Kirkwood Road site. These areas should be excluded from the analysis of supermarket demand. The exclusion of the secondary north and secondary west sectors reduces the population by some 9,500 persons, reducing it from 28,799 to around 19,330 persons.
- Section 5.1 presents supermarket floorspace provisions across selected cities based on their urban area boundaries. These major cities, however, also serve substantial population levels in rural areas outside the urban areas. This analysis therefore conflates the amount of supermarket floor space supportable in these locations.
- Section 5.2 on page 23 includes a supermarket provision analysis. Key points to note include:
  - The secondary north and secondary west sectors, which are much closer located to other supermarkets, should be excluded from this analysis.
  - Relies on a very high supportable supermarket provision per 1,000 persons figure.
  - Further, the already approved supermarket at Glen Eden in the secondary east sector is not included as part of the analysis (refer page 19 – Section 4.2.3). Any EIA has to take into account approved developments when assessing need and demand and the assumption that it does not proceed is not justified.
  - Excluding the secondary north and secondary west sectors and including the Glen Eden supermarket (i.e. no change to the supportable supermarket provision per 1,000 persons figure) means that there is no shortage of supermarket floorspace within the trade area (there is a theoretically oversupply). Clearly, given approved

developments such as Glen Eden, any second supermarket at Kirkwood currently would be premature to any growth that is occurring within the area.

In summary, the EIA has clear failings that must be addressed to accurately identify the presence or absence of economic need. Based on my analysis of the EIA, there would be no economic need for the proposed development.

## Economic Impacts

The proposed development would have unreasonable economic impacts on existing and approved supermarket developments, as follows:

- The retail spending market on page 15 includes inflation. EIAs are typically prepared on a constant dollar basis, excluding inflation to assess impacts in the current dollars and to compare how a centre will trade in the future compared with its existing sales. This is a misleading aspect to sales levels over time.
- Table 8 details the projected trading impacts on competitive stores. The key issues with this analysis include:
  - A Kirkwood Road Shopping Centre anchored by Woolworths is projected to achieve a similar sales level in 2028 as it does in 2025. The 2028 figure, however, includes inflation. Excluding inflation, means the centre would be trading at a lower level as compared with now. This same issue would apply across a range of centres and inflation needs to be excluded from the analysis.
  - Further, the sales level projected for the Coles supermarket at just over \$10,000 a sq.m is significantly less than the trading levels for almost all other shopping centres in the surrounding region— particularly major supermarkets. This would appear to be an underestimate of the sales potential for the Coles store, meaning impacts are understated.
  - A higher Coles sales level would result in impacts of 20% or greater on Kirkwood Shopping Centre (in the very high impact category).
- Further, the analysis does not take into account the opening of the Glen Eden Shopping Centre. This approved development needs to be assumed and cumulative impacts from that development and the proposed Coles supermarket need to be presented.

In summary, the proposed development would have unreasonable adverse economic impacts on existing and approved supermarket developments within the defined catchment.

## Planning Need

There is no planning need for the proposed development for the following reasons:

- At the outset, as there is no economic need for the development it follows that there is no planning need either.

- Notwithstanding, the site is located within the Emerging community zone and whilst it benefits from a preliminary approval that contemplates commercial development, the proposed development is not explicitly consistent with the preliminary approval.
- Furthermore, within the Emerging community zone, the proposed development is impact assessable. Therefore, a balanced assessment is required that considered other relevant matters, including need.
- The suggested economic need in the EIA could comfortably be accommodated by the Centre zoned land to the east of the site. Within the Centre zone, the proposed development would be code assessable and explicitly envisaged.
- Specifically, there is a large undeveloped portion of this land that could be utilised for a supermarket development in the order of 4,000m<sup>2</sup>, if the need for it arose. This is a comparable size to the proposed development and aligns with the referenced 'Gap Analysis Report' that was prepared by Reel Planning as part of the planning scheme review process.

Relevantly, as there is no economic or planning need, it is also taken that there is no community need. The proposed development is not required to suitably service the existing or planned residential population within the defined catchment.

## Recommendation

It is recommended that the following actions be undertaken:

1. Council should commission an independent peer review of the EIA, in particular to address the abovementioned issues.
2. Council should investigate this critical issue via a further Information Request, to ensure that the development is not approved without proper assessment.
3. If the independent peer review of the EIA confirms the abovementioned issues, the development application should be refused on the basis that there is no need.

If you have any questions regarding this objection, please do not hesitate to contact the undersigned via email at [paul@fawknerproperty.com.au](mailto:paul@fawknerproperty.com.au).

Yours Sincerely,



Paul Morgan

Development Manager