Response to Sydney over the next 20 years:

A discussion paper

A submission on behalf of

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Introduction

We welcome the opportunity to provide comment on the Discussion Paper: Sydney Over the Next 20 Years. This submission arises from the discussions of staff and doctoral students at the Urban Research Centre at the University of Western Sydney.

At the outset we make five general statements about inadequacies in the structure and content of the discussion paper and thereby point to what we see as crucial underpinnings of a successful metropolitan strategy for Sydney. While some of the issues we raise are mentioned to a greater or lesser extent in the discussion paper, our view is they require enhanced treatment and more informed discussion than is presently provided. These comments are expanded in the more detailed discussions that follow.

1. The discussion paper fails to adequately acknowledge Sydney’s territorial range, its connections to its New South Wales hinterland and the networks it needs to build and nurture in its role as Australia's prime global city. A metropolitan plan for Sydney should embrace the concept of a city of cities within a large global city region which includes the pre-existing cities of Sydney, Newcastle and Wollongong and advances to city status the major regional centres of Parramatta, Liverpool and Penrith

2. Social inclusion is more than an aspiration for a modern city. Quality, proven research points to social inclusion, and therefore to the presence of social equity and justice, as a prime ingredient of an economically successful city, and as a prerequisite for a city’s long term social and environmental sustainability. Our view is that the discussion paper underscores the importance of policies for social inclusion and their role in effective urban planning.

3. Like the metropolitan strategies that precede it, the discussion paper fails to confront Sydney’s alarming jobs distribution problem. There is now mounting evidence that the pre-existing jobs targets are not being achieved. Moreover, plans and strategies for future jobs growth are poorly framed or not-yet developed. Those that are in place are invariably under-funded or suffer design and locational flaws. Without a successful jobs location and growth strategy, the provision of housing and infrastructure in Sydney will become increasingly expensive, inefficient and unsustainable, both socially and environmentally.
4. We believe there is now widespread confusion about the most desirable built forms for Sydney and their various density configurations. The discussion paper lacks clear direction on what built forms and density configurations should be pursued in Sydney, let alone evidence for the merits of particular pathways.

5. The discussion paper makes an inadequate assessment of what is required to better match Sydney’s built environment with its changing demographic composition, especially in relation to the ageing of Sydney’s population. Related, the discussion paper needs a broader, more informed, discussion of how to better align buildings, houses and public spaces with the mobility and access needs of all Sydney’s citizens.

6. The discussion paper is disturbingly silent about the multi-governance arrangements required to enact an effective planning strategy for Australia’s largest and most important city. Getting federal, state and local government cooperation and like-mindedness is crucial. So too are the integration of government and non-government sector aspirations for urban outcomes. There is much to be said and done in relation to multi-governance arrangements before a truly effective metropolitan strategy can be delivered.
Infrastructure and transport

The relationship between future land use and transport to facilitate that land use is a significant issue that any future Plan should address. The supply of adequate and affordable housing is inseparable from this relationship.

Travel within Sydney is dominated by car use with an average 11.5 million trips made by this mode on an average weekday. This compares with fewer than one million trips made on each of bus and train. Three and one half million shorter trips are made by active modes, primarily walking (BTS, 2011). The carriage of freight is similarly dominated by road. About 85% of all freight carried within Sydney is by road.

The dependence on car travel is driven the diversity of trip origins and destinations, the flexibility that car travel offers and a pricing regime that may not fully reflect usage costs. Even though there is evidence that trip making by car is reaching saturation levels on a ‘per household’ basis (BITRE, 2012), continued growth in household formation is likely to increase the absolute numbers of car trips made in Sydney’s urban areas to 2031.

While there are grounds for optimism that emissions from car use can be minimized, it is likely that the provision of road space will be unable to keep up with demand. The result is likely, on current trends, to be continued high levels of congestion in the peaks and a continuation of the trend to ‘peak spreading’.

While some growth in road space is warranted, the primary task of the new Metro Strategy and Long Term Transport Master Plan should be to ensure more efficient use of existing road space. Certainly increased residential densities and the provision of jobs at public transport nodes will support an improvement in the mode split to bus and rail. Yet it is more likely that operational changes will serve to reduce pressure on the road system. Two broad strategies are offered to support this objective; (i) incremental real pricing increases in car use (including parking costs) and (ii) allocation of those funds to improve the density and frequency of the various bus networks within Sydney. In effect, the objective is to replace single occupant car trips with trips made on a significantly improved bus network.
None of the above requires commitments to expensive infrastructure such as the provision of tunnelled motorways, major augmentation of rail links or the provision of dedicated busways. Rather, the strategy is incremental in that price signals are sent to households with an increasingly expensive mode of transport becoming less attractive compared to more frequent, comfortable and cheaper bus operations.

These measures would require co-operation between federal and NSW governments, including attitudinal changes in their treasuries. As an illustration, increases in fuel excise (collected by the Commonwealth) are one means of raising funds for improved bus operations. An ‘urban congestion levy’ raised through this means would need to be hypothecated to the relevant state government and, in turn, by that government to improved bus operations.

On what would the funds be spent? The recently introduced ‘Metro’ bus system in Sydney provides an indication. Funds could be spent on more frequent operations (particularly during the peaks). More localised routes could operate as frequently operated loops and provide feeder services to the inter-metro routes. Interchange times would be reduced and bus occupancy levels would become more settled. Initially, more frequent bus routes would need to compete with traffic on arterials. In time, however, rising cost would become a deterrent to individual car use.

What of fixed rail? Sydney’s heavy rail system currently provides an efficient service between major origins and destinations, for example between Parramatta and the CBD. With increased densities around rail nodes there would be scope for increased patronage and a continued need for operational upgrades and maintenance. However, the expenditure of, say, $30 billion on augmentation of a fixed network focused on Sydney’s CBD is not seen as cost-effective. The same concern may well apply to the case of any new light rail networks, including the current proposal from Parramatta City Council.

The key in all of the above is flexibility, with returns accruing to expenditures which are affordable.

Three other issues relate to links between Sydney and the wider Greater Metropolitan Region. First, both the Metro Plan and Transport Plan need to recognize the links between Sydney (and the Central Coast) and the Lower Hunter and the Illawarra. Both plans should incorporate the latter two regions. Fast rail connections are unlikely to be warranted outside of the context of a dominant east coast route. Further, it is inefficient for large numbers of workers to make long commutes. The key is to ensure sufficient employment in Newcastle, the Central Coast and the Illawarra in order to obviate the need for expensive major upgrades to infrastructure or service frequencies.
Second, the issue of Sydney’s second airport needs to be resolved promptly. While Sydney Airports Corporation is reported as claiming that current airside access for Kingsford Smith Airport is adequate for the next fifty years, the same is not true of landside access to the airport. Significant congestion is already being felt on airport approaches. Congestion levels will become alarming within ten years. Badgery’s Creek has been available for at least a decade and a decision to proceed at that location should be revisited prior to consideration of a different site within the Sydney basin.

Lastly, the links between the location of new urban development and transport are obvious. No further ‘leap-frogged’ development (as is currently being contemplated by the Department of Planning) should proceed. Conversely, densities in inner suburban locations are currently high. Transport infrastructure to support the latter will prove expensive. There is, however, reasonable capacity on most networks in current middle-distance and peripheral suburbs. It is in these locations that housing and employment densities should be increased.

**Summary and implications**

- The relationship between future land use and transport to facilitate that land use is, together with the supply of adequate and affordable housing, a significant issue that any future Plan should address.

- The Plan should encompass the entire Sydney Greater Metropolitan Area, not just Sydney and the Central Coast, as is currently the case. The transport linkages within this broader area are significant and the interaction of various housing markets requires a broader consideration.

- A primary issue is the continued development, for employment in particular, of the Sydney CBD and North Sydney. Both locations are currently difficult and expensive to access and reflect land use decisions made in the nineteenth century and the growth of Sydney to that point.

- The Plan should concentrate future employment, and links to that employment, on Parramatta, Penrith and Liverpool, together with other accessible major centres. Expenditures of the sums outlined above could more fruitfully be applied to connecting these centres with their commuter sheds.

- It could be argued that a better application of a lesser amount of funding would involve the development of a dense network of bus routes with higher levels of service than currently exist.
• Trip origins and destinations are widespread and diverse, with the result that single occupant vehicle travel is the preferred mode of travel for work and other trips.

• Additional pricing of car use and incremental constraints on parking would accompany the provision of high quality bus services. The former would enable funding of the latter but the two need to happen together in order to achieve some level of community acceptance.

• Further areal sprawl of residential development should continue to be discouraged, allowing for increased densities in current middle and peripheral suburbs. ‘Leap-frogged’ development should not be permitted.

• There is limited scope for increased densities in inner suburban locations.

• Household formation targets in the various sub-regions should reflect the above two points.
Economy and jobs

We note that the discussion paper fails to understand and plan for Sydney’s operation as a global city region. Acknowledging this role and function has important implications for how the city manages its land use options, infrastructure provisioning and international connections. In addition there needs to be heightened awareness that a successful global city region maintains a strong governance and regulatory regime. In this context we make the following three points.

First, a successful urban plan must provide the territorial fix that enhances economic and jobs outcomes. As quality of life and sustainability questions combine with questions of access to labour, infrastructure, supply chains and markets, territorial organisation could well have become the prime ingredient of a successful economy. Yet the discussion paper contains little in the way of economic strategy or jobs generation pathways, especially for Sydney’s job-deficit sub-regions.

Second, a priority of the revised strategy must be to ensure that jobs growth outcomes match population growth targets. We stress that the issues we raise elsewhere in respect of social inclusion, density targets, infrastructure provision and long term environmental sustainability parameters rely essentially on Sydney’s capacity to generate the required number of appropriate jobs in the right locations.

Here we draw attention to the Urban Research Centre’s Western Sydney Employment Study (www.uws.edu.au/urban) which provides an important set of understandings and potential strategies to underpin employment growth targets. The report focuses on the challenge of jobs creation. It notes that the 2005 target for a net additional 760,000 jobs for Sydney over a 25 years period translated to a target of 380,000 net additional jobs for Western Sydney. Yet modelling for the study showed that:

a. The targeted jobs growth could not come from the manufacturing sector; just as net growth in manufacturing jobs cannot be expected from an urban manufacturing base anywhere in the developed world.

b. Jobs growth in the sales and distribution sectors of the Western Sydney economy are more likely to be part-time and casual jobs than permanent, career jobs.

c. Prospects for higher skilled jobs growth for Western Sydney are poor, based on the region’s existing economic composition. Substantial reformation of the Western Sydney economy and its skills base are needed, and these must be seen as a core planning concern.
Third, as is acknowledged in regional economic development studies worldwide, we draw attention to the inseparable importance of infrastructure, urban structure and local assets in driving jobs growth. Local assets include labour skills, quality of life, access to innovation resources and so on. Infrastructure produces, especially, the connections that link workers’ home to jobs, and producers to suppliers and markets. Urban structure refers to the configurations of land use and urban activity that enable successful economic ventures to locate and prosper. Importantly, local assets, supportive infrastructure and effective urban structures in successful urban economies do not arise magically. Invariably, they are planned for, financed and regulated by coordinated government action, and nurtured by strong public-private partnerships.

Summary and implications

Sydney’s future as a successful global city region must be accompanied by enlivened urban planning strategies. These have been absent from recent planning documents for Sydney. Moreover, the nature and geographical composition of jobs growth in Sydney continually fails to meet expressed sub-regional jobs growth targets. Getting the growth and distribution of jobs right is fundamental to long-term social and environmental responsibility. To this end, a metropolitan planning strategy must:

- Contain purposeful, fully-funded plans to provide attractive jobs sites in Sydney’s major centres and in its specialist employment precincts. These programs must be supported by jobs generation initiatives across all levels of government and their agencies.

- Acknowledge the spatial bias in the Sydney global city regional economy. Jobs growth in Western Sydney, in particular, is insufficient in size and inadequately composed to meet the needs of one of the western world’s most dramatically growing urban populations.

- Align transport infrastructure and housing policies to support innovative, sustainable jobs growth across the Sydney global city region especially in the regional cities of Newcastle, Parramatta, Penrith, Liverpool and Wollongong.
Social Inclusion

Sub-regional social disadvantage appears to be worsening in Sydney. From 2001 to 2006 average weekly household incomes in Sydney’s richest council area, Ku-ring-gai, increased almost five times the average increase for those in the poorest, Fairfield. Widening regional differentials in income, educational attainment and employment status are observable in markedly different enclaves, each with distinct combinations of social exclusion, location inaccessibility and environmental blight.

Social exclusion refers to more than poverty or low income, but is used to describe what can happen when people or areas suffer from a combination of problems such as unemployment, poor skills, low income, bad housing, high crime, or lack of transport. These cumulative and reinforcing problems can prevent people from participating in mainstream activities and accessing the standards of living enjoyed by the rest of society. Conversely social inclusion describes the idealised situation whereby individuals are able to participate in society and share in its goods and services. A more concerted agenda would address equality in terms of equal opportunities, embrace a holistic approach to social reform and the framing of policies that remain compassionate to disadvantage. Such an agenda would also nurture social diversity and tolerance to minorities. It would be mindful of the links between housing, employment and transport policies as underpinning greater community sustainability, well-being and health. And rather than being an action to correct a residual social problem, a social inclusion agenda could act as the driver of urban renewal.

Previous metropolitan strategies have paid scant regard to the need for physical renewal or the need to address the social changes occurring in Sydney’s older established middle ring suburbs. The strategies have demonstrated little understanding of how links between housing, employment and transport policies affect social exclusion, and poor appreciation of the policy changes needed for urban regeneration. Urban disadvantage in Sydney is not confined to pockets in the inner city or in public housing estates, but is increasingly manifest across low-income, private-rental areas characterised by run-down housing, limited job and education opportunities and inadequate transport services.

An emphasis on planning for growth has meant insufficient consideration of the life experiences of the established population, equipped with a complex history and wide-ranging aspirations for the future. While economic growth provides resources and investment opportunities, an inequitable distribution of benefits adds to the socio-economic divide. In short, NSW government policies continue to struggle to acknowledge the links between land use policies, affordable housing, the need for more jobs and improved accessibility.
A loss of jobs from old industrial sub-regions and the failure to grow jobs in more accessible locations has made servicing journey-to-work needs by public transport extremely difficult. The result has been increased private vehicle travel, congestion, poorer local air quality and exacerbated transport disadvantage for those without access to a car. The dispersal of employment should be actively discouraged with jobs more concentrated in regional and major centres. The practice of replacing of industrial and commercial lands with residential development must cease.

Related, a focus on higher residential densities in centres and transport corridors, with little consideration of the socio-spatial implications of who will live in these apartments, and their employment needs, may well increase dependence of low-income households on a diminishing supply of low-cost private rental housing in inappropriate, ill-favoured locations. This would inevitably add to social segregation. An effective metropolitan planning strategy must not ignore the complex links between economic development, labour force participation and journeys-to-work, and their combined impact on social outcomes.

Unfortunately, planning in NSW is seen as a fragmented process undertaken by a range of agencies with different agendas, with unfortunate gaps between planning rhetoric and service delivery. However, more spatial awareness in policy analysis and the anchoring of social inclusion goals in relevant policies could deliver better policy settings and so avoid rising spatial polarisation. Certainly, the planning system cannot be singularly responsible for delivering good quality, affordable, universal housing, or appropriate jobs in accessible locations. Yet in the absence of good planning, the city will become even more divided. A fair city, with equality among its communities, should be a basic planning aspiration. Interventions should be more than in a redistributive sense, but in terms of equal opportunities, requiring a more holistic and co-ordinated approach to metropolitan planning, viewing all the resource mechanisms of society – social service policies, economic planning, fiscal measures, together with land use planning - as integral parts and inter-dependent on each other.

**Summary and implications**

A strongly articulated vision for Sydney requires an emphasis on social inclusion, rather than accepting inequality as the natural order of things. This requires that the metropolitan strategy undertake the following:

- Clarify the delineation of responsibilities between currently fragmented agencies and different levels of government in order to deliver joined-up government.
• Develop partnerships across different spheres of government, recognising that spatial issues and the well-being of communities are a shared responsibility.

• Renew the emphasis on ‘planning for place’, community development and social equity.

• Develop a funding model for the delivery of social and physical infrastructure recognising the nexus between population growth and service delivery in both new and established areas.

• Commit to a fairer allocation of scarce resources and investment capital.

• Invest not only in hard physical infrastructure and technology but in access to learning and higher-order job opportunities.

• Recognise that managing urban growth for sustainable outcomes for future generations requires significant urban financing innovation, a greater understanding of the spatial impacts of policies and new skills in sustainable urban management.

• Realign policies to combat poverty and social exclusion so that social inclusion goals are embedded in all relevant policies at all levels of government, integrated with implementation and budgetary decision-making, and reinforced through on-the-ground programs.

• Integrate housing, employment and transport policies to ensure they reinforce each other and thereby contribute to improved, enduring social outcomes.
Design and access issues

The discussion paper notes that the ratio of people over the age of 65 will increase from 12% to 16% by 2031 (from 511,000 to 899,000 people) in a Sydney population of 5.62 million. Yet while the paper acknowledges the need for “adapting to climate change” (page 7) it says little about adapting to an ageing population. Consideration of how to respond to shifting demographics should be included in the list of principles that guide planning.

In terms of housing size and design, mention is made in the discussion paper of housing design in relation to people with reduced mobility, and of energy and water efficiencies for new and renewed housing stock, but not as a strategy for creating new or amended housing stock for a rising number of older people.

Similarly, there is an absence of reference to demographic change in the paper’s discussion of infrastructure. Infrastructure planning not only needs direct consideration of the needs of a growing population, it needs sound planning for an ageing population. The needs of an ageing population go beyond disability access codes, which are necessary for access to public premises. There is also the need for access to the public domain in general. Furthermore, access codes should not only apply to new works; the creation of islands of accessibility in an otherwise inaccessible spatial environment is an inadequate response to a long history of discrimination against less mobile people.

We note the discussion paper’s objective that, “Older people should be able to choose to stay in their local neighbourhood as they age and participate in their local community and we need to plan for the needs of children and young people.” This statement acknowledges that past planning policies have left out these three groups. The challenge is to design environments and infrastructure that will generally meet the needs of people of all ages and abilities (ideally through the application of ‘universal design’ principles); but, at the same time, provide additional services and methods of access for those not catered to by mainstream designs (known as ‘specialized design’).

Governments recognise the cost effectiveness of ageing-in-place; that is, for people to age in their own homes rather than enter care facilities and supported accommodation. The advent of the Home and Community Care program is testament to this. Consequently home design must support this aim. Where homes do not facilitate ageing-in-place, state-funded home modifications can be provided through the Home and Community Care program. Modifications, however, are only possible where occupants are also homeowners. Older people in rental accommodation can be excluded from modifications because of landlord resistance.
If all new homes were designed with ageing-in-place in mind, expensive modifications could be avoided as could early or unnecessary entry into care settings. To this end, the Liveable Housing Design Guidelines were developed as a voluntary standard by the property and construction industry. As with many voluntary schemes, however, uptake is slow. The guidelines could be implemented at a local government level with the support of state planning policies. Given these guidelines are industry sourced, there should be little resistance to their inclusion in planning instruments, perhaps as an extension of the BASIX instrument.

**Summary and Implications**

- It is essential that older Australians be included in mainstream rather than separate planning policies.

- Not all older Australians want to move to specialised and segregated housing developments. Ageing-in-place strategies reduce the reliance on aged care services and infrastructure, and maximise the health and well being of individuals.

- Designing for the lifespan includes young and old alike. This underpins the design features listed in the Liveable Housing Design Guidelines which are based on principles of universal design. The BASIX instrument offers a model for implementation of the guidelines.
Density and built form options

The 2005 and 2010 metropolitan strategies expressed a priority for protecting and enhancing the natural environment for current and future generations. Their common intention was to drive Sydney towards a compact, multi-centred city with jobs closer to residents and homes closer to transport. These moves would yield, among other things, the best urban form to minimise greenhouse gas emissions. The strategies also attempted to confine greenfield land release and urban development to the North West and South West Growth Centres; with planning for at least 70 per cent of Sydney’s new homes to be in existing urban areas. The strategies stated that basing future growth on such an urban renewal model would strengthen Sydney’s urban centres and help contain its urban footprint, with both seen as central to achieving a more efficient, sustainable city.

The discussion paper suggests that this pre-existing urban renewal strategy is now up for review. It makes statements regarding the provision of more housing to cater to continuing population growth demands (pages 6, 12-13), with the view to supplying the “right types of houses in places where people want to live.” Our concern is that such statements seem to be made without any contextual research or informed discussion regarding the physical capacity for the Greater Sydney metropolitan area to facilitate growth. Better framing questions might be: What are the physical (geological, environmental, agricultural etc) constraints to Sydney’s inward and outward expansion? If there are constraints, what impact might they have on future growth? How far (geographically) can Sydney grow with existing and proposed residential densities? Is there a population or housing limit to Sydney’s physical growth? What are the implications of various growth scenarios for Sydney’s future urban structure?

The federal government recently confirmed the importance of protecting natural systems from the impacts of human settlement and habitation, a role it says it shares with the states and territories. It states that one of the main issues it seeks to address is the impact on the environment from, and the vulnerability of the Australian environment to, continued population and economic growth, including loss of biodiversity, limits to water availability, impact of greenhouse gases and food security. Regrettably, no clear direction as to how this may be coordinated and implemented across the three levels of governments is provided by the federal government in its document or referred to by the state government in this discussion paper.

Within this context, the discussion paper’s statement that the state government should “clear the way” for further greenfield urban growth (page 13), is of concern.
Preceding the development of another metropolitan strategy should be an assessment of Sydney’s future urban development capacity. This should be undertaken in conjunction with the federal government, which has committed to providing leadership “to manage the many dimensions of change in population to ensure that our infrastructure, environment and communities (in the cities and regions) are able to absorb these changes (required to address current urban growth challenges), and to facilitate the building of communities in which all Australians can participate and feel connected” (reference available by request). In other words, a new metropolitan strategy for Sydney could evolve out of a federal-led national urban strategy that addresses population growth, regional responses to such growth, coordinated infrastructure provision and environmental protection.

By way of illustration, one of the “current focus” statements made in the discussion paper is to “balance development with the sustainable management of natural resources” (page 27). Rather than being hidden among a number of aims near the end of the document, it is suggested that addressing this issue at the beginning of the metro strategy process would help drive the direction of all aspects of the strategy, especially regarding population and housing growth and associated infrastructure provision.

**Summary and Implications**

The discussion document fails to establish an evidence-backed appraisal of Sydney’s growth directions and opportunities. Moreover, it fails to connect with the federal government’s recently developed directions for urban development in Australia. This is a lost opportunity for coordinated approaches to planning and funding liveable sustainable cities for the nation, including Sydney.

Our view is that the discussion paper would benefit from:

- Coordinated efforts with the federal government to further develop a national urban and regional cities program that contextualises and addresses population growth, regional responses to such growth, coordinated infrastructure provision and environmental protection.

- A capacity analysis (considering modelled future population and land demand projections) of the Sydney Metropolitan area considering environmental and infrastructure opportunities and constraints.
Multi-level governance issues

These comments relate to the importance of effective multi-level governance to achieve meaningful change in the delivery of the Sydney Metropolitan Plan.

Multi-level governance refers to relations between actors and institutions across the public and private sectors. Multi-level governance acknowledges that there vertical dimensions of governance between different tiers of government such as federal, state and local, and that there are horizontal dimensions of governance including arrangements between institutions and agencies (government and non-government) in the delivery of various public services. All cities are embedded in multilevel spatial and institutional configurations.

We make comments across five broad themes concerning governance issues.

First, we emphasise the need for an integrated multi-level governance system to achieve planning goals. A crucial ingredient for ensuring the translation of metropolitan plans into on-the-ground action is the collective buy-in of a strategy’s vision across all levels of government and government departments as well as other stakeholders in the public and private sectors. While each tier of government and stakeholders will have a different role to play in the delivery of the plan, a shared commitment must be present. As illustration, sub-regional and municipal dwelling targets should be the result of genuine negotiation. Similarly, greater effort should be directed to coordinating the infrastructure priorities of the federal and NSW governments.

Second, we note that there is surprisingly little mention of the need for effective, coordinated governance other than a small paragraph on the bottom of page 5 which is orientated around accountability and transparency in terms of how the plan is delivered. While accountability is important, multi-level governance should be a prime planning lever rather than a simple matter of procedure.

As we note in the previous section, there is a peculiar absence of reference in the paper to the roles, responsibilities and documents of the federal government and its key urban planning agencies including Infrastructure Australia. We expect that plans for Australia’s major city would dovetail with the aspirations of a national urban policy and the infrastructure priorities of the federal government.

In respect of local councils, we note they are highlighted as having a ‘crucial’ role to play in the delivery of the plan. Yet only state and federal actions, especially through their institutional and financial powers, can empower local councils to deliver and achieve these objectives.
The discussion paper contains little direction on how state and federal governments plan to provide such an enabling context.

In this context, examining examples of best practice in governance from other countries in delivering urban plans and initiatives within a growth context would be a worthwhile initiative so as to provide a solid and coordinated governance foundation upon which Sydney’s plan can then be realised.

Third, we stress that multilevel governance also involves business and employer organisations, non-government organisations (including trade unions). These are all crucial agents that need to be enrolled in designing and implementing the planning strategy. For some stakeholders such as business and peak bodies, it may require them to act beyond their immediate interests or undertake independent research and analysis rather than simply make demands on public bodies.

Across the OECD it is widely accepted that the role of non-government stakeholders in the design and implementation of urban and regional strategies is a prerequisite to their success. Yet the discussion paper makes little mention of these stakeholders and their role in the delivery and implementation of the plan.

Fourth, we urge a more enlivened view of the potential of governance arrangements as a core planning device. The discussion paper is right to point to the need for accountability and transparency in terms of the agents responsible for delivering each element of a new metropolitan strategy. We note, however, that the delivery of the goals of a plan acknowledges the presence of a ‘shared responsibility’ (page 31). However, as we argue above, before there can be shared responsibility there must be shared vision and buy-in about the goals which can be delivered in an enabling, coordinated institutional and financial context.

Finally, we point to the need to see multilevel governance as more than forging coordination and interrelations between actors and institutions across multiple scales, as important as these are. There also needs to be shared visions across key strategy documents. To this end the government’s claim to establish close links between state infrastructure planning and the Sydney metropolitan plan is a commendable (though obvious) initiative. Yet there also needs to be a major audit of the opportunities to enliven and empower the metropolitan plan through examination of the otherwise separate strategies of the variety of government agencies with a view to enhancing the success of the plan through a vast platform of complementary government actions.
Summary and implications

A genuine engagement with integrated multi-level governance system as a prime planning lever would involve:

- Integration of the metropolitan planning strategy with federal urban planning agencies, in particular, those of Infrastructure Australia and Major Cities Unit.

- A collective buy-in about the purpose of the plan and its vision across all stakeholders and be expressed in key strategy documents.

- Emphasis on the importance of ‘shared responsibility’ across all stakeholders.

- An enabling role for local councils.

- Insights from best practice examples of multi-level governance and strategic metropolitan planning, especially in other growth contexts.
Affordable Housing

Government policies do not address sufficiently the problems of affordable housing or the broader exclusionary forces within the housing market. There is no national housing policy framework in Australia. The Commonwealth–State Housing Agreement (CSHA) focuses on the fiscal politics of a very small public housing sector. Meanwhile, policies that influence housing outcomes in the areas of urban planning, transport and other infrastructure provision, taxation and monetary policy are implemented with scant regard for their housing impacts. In NSW, in particular, the 2005 Metropolitan Strategy and sub-regional plans treated ‘affordable housing’ as an urban capacity and numbers exercise, with the hope that markets would be able to respond; despite many years of observable market failure.

Complex demographic changes make the historical stereotype of the typical family unit redundant. Yet new housing supply is slow to respond. Dwelling sizes trending upwards, for example, have led to the mismatch between housing stock and population characteristics in many Sydney suburbs. Yet the specific housing needs of different family types and different life-cycle stages are inadequately recognised.

By way of elaboration, demand for multi-unit dwelling types in Sydney can be seen as split between investors and renters who prefer units (often strata-titled) due to their greater affordability and low maintenance; and owner occupiers who prefer a townhouse, villa or terrace, with value attached to private open space and other detached housing qualities offered by Torrens Title. However, this latter option is the least well developed. The point is that more attention to quality design and geographic availability of different forms of affordable housing can lead to greater community acceptance especially when accompanied by quality infrastructure and access to a full range of urban services.

We note the broad issue of affordability is affected by a host of factors ranging from local regulatory practices to macro-economic issues such as taxation policy. Of course, there are real supply-side barriers to housing development such as holding costs and infrastructure costs. Yet many researchers argue that the release of more land on the urban fringe is not the answer to the supply or the affordability problem, especially since greenfield development is only capable of producing a minority proportion of Sydney’s housing needs. Moreover, there is a growing public perception that rising petrol prices and poor public transport diminish the liveability of the suburbs in new release fringe areas.
Sydney’s growing wealth divide is also an issue. While there is rising concentration of housing assets in the hands of those aged over 40 years, taxation settings act as a disincentive to ‘trading down’ in the housing market. An over-reliance on land release for new housing construction won’t translate into demand if the price of housing is out of reach of low and middle-income households, if housing type is unsuitable, and if fringe locations are seen as unwise choices.

We note also the peculiar problems of the older middle suburbs of Sydney where private rental areas are exhibiting similar characteristics to public housing estates: low income profiles, high concentrations of young families and high rates of occupancy turnover. While governments are now dealing with the problems of public housing estates as centres of disadvantage, the private rental areas in the low income areas of Sydney are neglected. There is an urgent need for effective urban renewal programs and for complementary social interventions.

**Summary and implications**

The NSW Government should work in co-operation with the federal and local governments, the housing industry, academics and consumers to replace the State/Commonwealth Housing Agreement with a national affordable housing agreement in recognition that:

- Housing affordability must be considered as an issue of housing cost in conjunction with programs to stem income and employment inequality and deficiencies in local physical and social infrastructure.

- A more comprehensive understanding of supply and demand drivers is required in order to achieve the desired outcomes.

- The housing affordability issue requires a whole-of-government approach, with stronger flows of private investment into the supply of appropriate housing targeted at groups in most need.

- Both local and state agencies (such as Landcom) must address the provision of affordable housing (including rental housing) as part of their statutory obligations, and act as exemplars to the private sector, demonstrating a sound business case for incorporating affordable housing for both sale and rent within a range of developments.

- Land use planning on its own cannot fulfil affordable housing needs but should be viewed as a key mechanism to be integrated within a portfolio of targeted measures.

- While land supply is important, emphasis in sub-regional plans should be more on issues of the design and diversity of dwelling types and configurations especially in respect to access, appropriateness and affordability.
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