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# As compact city planning rolls on, a look back: lessons from Sydney and Perth

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## Introduction

This paper outlines and compares the policy frameworks designed to encourage higher density urban renewal in Sydney and Perth since the mid-2000s. These policies underpin the ‘compact city’ model that has become urban planning orthodoxy world-wide (OECD 2012). Following an overview of the key policy settings adopted in the two cities (summarised in Appendix 1), the paper offers a high-level commentary on the key similarities and differences, and what these might mean for future compact city planning in Australia.<sup>1</sup>

With a new metropolitan planning body now operating in Sydney (the Greater Sydney Commission, or **GSC**), the timing seems opportune to reflect on the city’s experience with compact city planning, and the impact of governance and policy. Perth offers a useful counterpoint, as its metropolitan planning body has operated since 1960 (albeit with changes in name and structure). A comparison thus provides valuable insights into how this governance model aligns with compact city outcomes.

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<sup>1</sup> While the comparison and commentary in this paper is necessarily high-level, we note that this analysis draws on an extensive review of policies designed to encourage urban consolidation in Sydney and Perth, which is documented in detail in two working papers (Bunker 2015; Bunker & Troy 2016). In addition, see Bunker et al. 2017 for a more detailed discussion of the review methodology.

Reflecting on the past decade of compact city planning in Perth and Sydney, we identify two key shared challenges flowing from current policy frameworks. First, both cities have struggled to adequately integrate land-use and transport planning, for various political, financial and procedural reasons. Second, there is notable alignment in the evolution of the powers and relationships shaping the two cities, as state governments seek to strengthen their executive powers, and interact closely with lobby groups and corporations. These similarities prompt important questions about the potential for the compact city model to be implemented effectively and equitably under current policy settings.

### **The compact city model – a brief overview**

For most of the twentieth century, suburban expansion was the dominant Australian planning response to urban population growth (Freestone 1989). But as concerns over suburbia's ecological, economic and social sustainability grew towards century's end, Australian planning principles began to adjust. This shift aligned to some extent with international planning theorists advocating 'New Urbanism', a new urban form based around transit-oriented development with higher density housing (Calthorpe 1993; Duany et al. 2000).

This new planning model—'the compact city'—has generated ongoing academic debates (Troy 1996; Newman & Kenworthy 1999; Mees 2000; Jenks et al. 2002). Nonetheless, by the mid-2000s it dominated Australian urban policy (Bunker 2014), most notably in metropolitan strategies advocating urban renewal and higher density housing. A decade later, the model prevails, despite having proven difficult to implement.

These implementation challenges reflect the fact that compact city planning requires redevelopment of a dynamic urban landscape, originally built to reflect very

different economic, environmental and social drivers. Furthermore, Australian compact city policies are informed by the political philosophy of neoliberalism, which looks to the market to deliver the required redevelopment, albeit with some public facilitation (McGuirk 2005; Randolph & Tice 2014). To varying degrees, strategic planning in both cities has become increasingly aligned to this view of market-driven redevelopment (see Bunker et al. 2017 for more detailed discussion). This creates a tension, as it means renewal must be both financially viable and politically feasible. This tension remains under-examined in contemporary planning literature (Gleeson & Steele 2010; Gurran 2011), and is one focus of the research project from which this paper emerged.

### **Compact city planning in Sydney and Perth**

The evolution of Sydney's compact city policies might be described as 'initially reactive, then passive, then vigorously proactive' (Bunker 2015, p.2). While both sides of government have advocated the model, their often opportunistic methods have created a messy policy landscape. Perth's experience has been different, as its strategic planning governance model has produced more consistent compact city policies.

Undoubtedly, the cities' different planning outcomes are partly shaped by exogenous factors like population (see Table 1) and scale (the 2011 Census measured Greater Sydney at 1,236,774 ha, and Greater Perth at 641,786 ha). Geography is also influential, as Sydney's topography presents greater barriers to continued suburban expansion, while Perth is more isolated from other Australian population centres. But the cities' different planning outcomes also reflect the different political drivers shaping the two places, which are important to acknowledge and analyse.

Greater Sydney				
	2001	2011	Change	% Change
Population	3,997,321	4,429,034	431,713	10.8
Separate House	907,198	954,366	47,168	5.2
Attached (townhouse, terrace etc.)	162,329	204,046	41,717	25.7
Flats, Units, Apartments	343,544	431,538	87,994	25.6
Greater Perth				
	2001	2011	Change	% Change
Population	1,394,291	1,723,452	329,161	23.6
Separate House	414,333	512,391	98,058	23.7
Attached (townhouse, terrace etc.)	69,122	79,319	10,197	14.8
Flats, Units, Apartments	43,117	64,080	20,963	48.6

*Table 1: Changes in population and dwelling profile, 2001-2011 (ABS Census, using QuickStats dwelling categories)*

To compare the cities' experiences, we consider five elements of high density urban renewal policy: (i) historical precursors; (ii) metropolitan strategies; (iii) infrastructure planning; (iv) development corporations; and (v) planning reforms.

### ***Historical precursors***

In both cities, the emergence of higher density renewal policy can be traced back to the period of rapid post-WWII growth. Sydney's first tentative step was the introduction of strata title in 1961, a reactive legislative change prompted largely by lobbying from property interests seeking new ways to sell development products (Clark 2002; Easthope *et al.* 2013). An explosion of flat building followed (Cardew 1980; Troy *et al.*

2015), which together with widespread re-zoning raised suburban densities and marked the beginnings of urban consolidation.

The 1980s and 1990s saw more small policy steps. In the early 80s, duplexes—two dwellings on one block—were approved in most residential zones (Searle 2007). In 1997, the *State Environmental Planning Policy 53 Metropolitan Residential Development* required local councils to have a residential development strategy to produce urban consolidation. While most achieved this in the early 2000s, some strong local opposition—mostly on Sydney’s north shore—saw the policy repealed in 2011. Nonetheless, this halting trend from reactive to positive state engagement in urban consolidation paved the way for the compact city model to dominate recent metropolitan strategies.

Perth’s early steps towards the compact city model were more orderly, informed by a metropolitan planning structure established before most of its growth occurred. A detailed advisory plan was commissioned in the 1950s, with the Metropolitan Regional Planning Authority (**MRPA**) created in 1960 to administer a more binding scheme. Strata legislation followed in 1966, then more plans in 1970 and 1990, with the latter proposing urban containment to accompany suburban expansion.

The MRPA’s successor, the Western Australian Planning Commission (**WAPC**), emerged in 1995. It now plays a central role in shaping and implementing strategic metropolitan planning. Broadly speaking, this governance model has produced a more consistent approach to compact city planning than in other Australian cities, especially Sydney. This becomes apparent from a closer look at urban renewal policy in the two cities over the past decade, most notably the metropolitan strategies themselves.

### ***Metropolitan strategies***

In explicitly adopting the compact city model in 2005, Sydney's *City of Cities* (**2005 Plan**) followed the lead set by *Melbourne 2030* in 2002. Observers noted that the 2005 Plan also responded to strong developer lobbying (Searle 2006; Bunker 2007), as well as media pressure and public opinion. In particular, many proposals in the Property Council of Australia's (**PCA**) 2004 publication *Metro Strategy: A Property Industry Perspective* were incorporated into the 2005 Plan.

The 2005 Plan is visionary and detailed, outlining specific employment, housing and population targets for 2031 in carefully designed sub-regions, centres and corridors. It reflects the path dependency of metropolitan plans established in the post-WWII long boom, which had distant horizons and sought to shape growth by coordinating infrastructure provision and land zoning (Bunker 2012). It is also clearly informed by New Urbanist design principles, particularly the 'pedshed' concept (the walkable area around a transport node). In line with these principles, it proposed that 70 per cent of new dwellings be infill and redevelopment within the existing urban area, targeted in a systematically defined hierarchy of centres. In the event, however, the Global Financial Crisis (**GFC**) disrupted this proposed growth, as did difficulties in redeveloping brownfields.

The updated *Metropolitan Plan for 2036* (**2010 Plan**) set similar 70/30 infill/greenfield housing targets, but the change of government in 2011 left these targets also unfulfilled. Instead, they were replaced in the *Plan for a Growing Sydney* (**2014 Plan**) by different compact city strategies, most notably more forceful use of development corporations and delivery authorities. Renewal was encouraged through the designation of a smaller number of Priority Precincts to revitalise targeted existing

centres, with infrastructure delivered by government and renewal delivered by the private sector, facilitated by state development corporation UrbanGrowth NSW.

While there is still an overall housing target outlined for 2031, the 2014 Plan offers a more pragmatic perspective than the visionary prognoses of the earlier plans. It identifies areas with housing capacity, but does not distinguish between greenfields and brownfields growth. It also focuses on testing development feasibility, as '[t]he private sector will only develop housing on rezoned sites where there is sufficient consumer demand for it, at a price that provides a return to the developer' (p. 66). As these changes suggest, Sydney's planning landscape shifted considerably from the idealistic (and arguably unrealistic) design-focussed ambitions of 2005, to the market-driven pragmatism of 2014. Interestingly, this balance now appears to have shifted again in the GSC's draft district plans of late 2016, which outline housing targets by LGA to 2021 (these plans will be finalised in late 2017).

Despite Perth's more orderly evolution towards compact city planning, its adoption of the model in the mid-2000s still involved a step change in policy and process. The approach was driven by the perceived need to publicly promote the model, and to engage the community in planning for it. The result was 2005's *Network City*, a metropolitan strategy produced through extensive consultation, including an interactive forum with 1100 participants. This comprehensive engagement was lauded, although some observers felt it was manipulated to ensure the government's proposals prevailed, including the compact city model (Albrechts 2006; Maginn 2007).

The central feature of *Network City* was the identification of 'activity centres' of concentrated residential and business development, connected by a network of 'activity corridors' with good public transport. Reactions were mixed, including 'clear resistance to planners' attempts to raise densities in keeping with Perth's lower density traditions'



(Curtis 2006, p. 176). *Network City* also lacked the necessary detail for implementation. For example, it proposed building 375,000 new dwellings by 2031, with 60 per cent infill (p. 17), but left state and local governments to determine distribution (p. 27). Much of this developmental work was never completed, again interrupted by the GFC and a change of government in 2008. But *Network City* nonetheless represented a significant shift to a more fluid planning approach emphasising transport connections and regular recalibration.

Next came 2010's *Directions 2031 – and beyond*. Importantly, it acknowledged that 'Network City differed from earlier plans in its focus on a connected network of activity centres with an expressed desire to accommodate a significant amount of growth within the existing built-up area' (p.v). *Directions 2031* maintained this approach, proposing a network of activity centres linked by 'movement networks' and supported by a 'green network' of open space (p. 33). In contrast to *Network City*, *Directions 31* contemplates long-term population predictions to 2050, and also sets medium-term targets to 2031. The latter include 328,000 new dwellings (p.8), with increased infill rates and average greenfields density (p.4).

The latest update is the 2015 draft strategy *Perth and Peel @ 3.5 million*. Additional short-term housing targets have also been produced, informed by the annual *Urban Growth Monitor* and *Delivering Directions 2031* tracking programs. Together these efforts constitute a more structured approach to compact city planning than Sydney's fitful policy evolution, and one which has largely eschewed the overtly market-driven approach of Sydney's 2014 Plan.

Nonetheless, property industry lobbying is also regular and robust in WA. The PCA enthusiastically endorsed the 'more consolidated, connected and prosperous city' (2015, p.3) outlined in *Perth and Peel @ 3.5M*, but questioned the pace and intensity of

progress – complaints Steele (2012, p.179) identifies as ‘hallmarks of the neoliberal agenda’. The Urban Development Industry Association (**UDIA**) was less keen, however, criticising the suburban expansion limits in line with its members’ greater interests in greenfield development (UDIA 2015). Time will tell whether these efforts will reshape the final plan (due in late 2016, but not yet released).

### ***Infrastructure planning***

However well planned, a more compact built form must be supported by improved transport infrastructure to meet amplified travel demands. While metropolitan strategies espouse the vision for a city’s development, infrastructure plans and funding allocations outline the tough decisions about translating the vision into practice. Unfortunately, transport planning has often been the compact city’s Achilles heel, and integration with strategic planning in Australia has been erratic (Dodson 2009; Fensham 2015).

From 2005-2015, Sydney witnessed numerous transport and infrastructure plans emerge, which variously complemented and contradicted the metropolitan plans. The 2005 Plan was not partnered by a transport strategy, but required preparation of an infrastructure strategy. This *State Infrastructure Strategy* was issued in May 2006 as a rolling 10-year plan, followed by an *Urban Transport Statement*. The GFC disrupted these potentially productive links, however, prompting a Mini Budget that reprioritised projects and reallocated funding. The 2010 Plan was integrated with a new *Metropolitan Transport Plan*, but was not implemented before the 2011 election.

Similar disruptions and uncertainty continued under the new government. One of its first acts was to appoint Infrastructure NSW to prepare a 20-year *State Infrastructure Strategy*. This was released in October 2012, shortly after Transport NSW released the *Draft NSW Long Term Transport Master Plan*. A final *NSW Long*

*Term Transport Master Plan* emerged in December 2012. Problematically, the *State Infrastructure Strategy* emphasised road funding and construction of an underground CBD bus transit system, which was absent from the *Transport Master Plan*. This inconsistency prompted questions about how public transport would actually be delivered.

A 2014 *State Infrastructure Strategy Update* finally offered more clarity, allocating \$7B to rapid transit, with \$2.4B for urban roads – although funding was conditional on the sale of electricity infrastructure. Nonetheless, the 2014 Update does seem to have marked a shift towards more integrated transport planning. For example, while metropolitan plans had not adequately considered the public transport requirements of targeted high density redevelopment areas, the 2014 Update contains population density maps for 2011 and 2031. And since the Update's release, UrbanGrowth NSW has become involved in numerous 'urban activation precincts' based on rail corridors. For example, the new Waterloo redevelopment plan links social housing renewal with construction of a metro station. This points to closer coordination between key government departments, which bodes well for better high density renewal. But while this coordination was being prominently led by both the Premier and Treasurer, such efforts remain sensitive to economic and political circumstances (for example, the impact of Premier Baird's resignation in early 2017 remains to be seen).

Meanwhile, transport planning in Perth seems to be lagging. An important 2011 draft plan, *Public transport for Perth in 2031*, identified limited options for rail development, and suggested most new growth corridors be served by road-based rapid transit. It also recommended future public transport development be partly funded 'by the private sector, based on value transfer' (p. 7). Subsequently, two further transport plans emerged, but were never approved (see Bunker & Troy 2016).

Admittedly, this lack of progress is unusual. Perth's transport networks have expanded significantly in recent decades, most notably through the 'New MetroRail' project (completed in 2007), which cost \$1.6 billion and almost doubled the railway network. But a subsequent light rail proposal called Metro Area Express (MAX) encountered more difficulties, even though both the planning and transport departments were involved in its development. Despite being a 2013 election promise, the proposal was soon postponed, then replaced by a rapid bus service (at half the estimated cost), then postponed again, and eventually abandoned in June 2016.

Changing economic circumstances offer one explanation; while the state fully funded MetroRail, the end of the mining boom has hit government revenue, compounding GST grant cuts. But there are also political challenges, evident in politicians jostling publicly for priority of different transport projects (O'Flaherty & Weber 2016). Meanwhile, a new draft plan, *Transport@3.5M*, emerged in August 2016. It lacks funding details, however, and implementation may be affected by the election of a new state government in March 2017.

So while much transport policy work has occurred to facilitate Perth's compact city transition, implementation challenges persist. On the upside, this policy work has produced detailed planning data, which can inform different responses as financial and political realities change. But it remains unclear whether this distinctive planning culture will enable Perth to navigate the financial and political challenges ahead.

### ***Development corporations***

One way governments in both cities have addressed funding issues is by creating development corporations, which can circumvent established processes to facilitate urban change (Searle & Bunker 2010). For example, development corporations often have strong enabling powers to ensure cooperation by other state agencies, and can

develop and implement spatial plans. Compulsory purchase powers, normally limited to acquiring land for public purpose, may also allow these agencies to acquire land to sell on to private developers, thus facilitating land assembly.

Development corporations can thus operate outside the usual planning system (Searle 2005), at times provoking strong community and council opposition. Nonetheless, the model was championed during the 2009 Council of Australian Governments (**COAG**) reform process, which explored ways to streamline development processes and shift responsibility for development consent outside of formal democratic institutions.

Sydney has had several development corporations with different roles and powers. Two of the most significant have been City West Development Corporation (**CWDC**), created to redevelop Pyrmont-Ultimo in 1992, and UrbanGrowth NSW, created in 2013 (subsuming the successful greenfield development agency, Landcom (Gleeson & Coiacetto 2007)). These development corporations have a mixed scorecard on comprehensive renewal, with Pyrmont-Ultimo a telling example. CWDC engaged private enterprise to deliver the renewal, and weathered significant criticism for the outcomes, including poor building quality, limited affordable housing and poor local community engagement (Hillier & Searle 1995). One of CWDC's positive contributions was establishing City West Housing Pty Ltd (**CWH**) to provide affordable housing, using \$50m in Commonwealth grants and developer contributions. CWH now provides affordable housing across the City of Sydney, but ongoing public pressure was needed to ensure this public benefit was achieved.

More recently, the establishment of UrbanGrowth NSW represents an attempt to re-energise urban renewal in Sydney. To achieve this it engages in partnerships with government and developers on major redevelopment projects across the state.

Facilitating private investment is central to this effort, with UrbanGrowth NSW describing its primary objective as ‘enabling a thriving private sector development industry to deliver homes, workplaces, facilities and places needed for NSW citizens to enjoy a high quality of life’ (NSW Government, Premier & Cabinet 2013). It too has encountered political challenges, however (Saulwick 2017).

Development corporations have also been used to facilitate inner city renewal in Perth, beginning with the East Perth Redevelopment Authority (**EPRA**) in 1991. EPRA had broad powers, including the ability to grant itself development consent, with areas ‘normalised’ back into local government control after building was completed. This meant it could operate independent of other relevant agencies, including the WAPC. These powers made EPRA unique in Australia, and one of the most powerful agencies within the state bureaucracy.

As with UrbanGrowth NSW, a key objective of EPRA was to ‘[p]romote development which is viable and attractive for private investment’ (WA Parliament 1990, p. 7645). When first conceived EPRA was also intended to deliver significant state-owned housing, but this soon ceased to be central to its mission (Crawford 2003; Troy 2016). In 2001 the new government did direct EPRA to provide more affordable housing, but far less than initial targets required.

Because EPRA was empowered to acquire land at pre-redevelopment values, the uplift from renewal could be used to fund associated infrastructure projects. Indeed, initial government support was premised on EPRA representing no net drain on state finances. Its success saw the model rolled out elsewhere in Perth, including Subiaco, Midland and Armadale. In 2012 these renewal authorities were amalgamated into the Metropolitan Redevelopment Authority (**MRA**), which retained their powers and took on additional downtown infrastructure and renewal projects. The MRA is now highly

active, and its success in amalgamating land, creating new housing markets and attracting private investment has reshaped the delivery of planning in Perth.

### ***Planning system reforms***

Planning system reforms—ostensibly aimed at increasing certainty and efficiency in development assessment and decision-making—are frequent. Different processes across jurisdictions create complexity for developers, and governments worry that ‘red tape’ discourages investment (Gurran & Phibbs 2015). This issue is particularly relevant to higher density urban renewal, given its complexity and strategic importance. But the difficulties encountered with NSW’s reform attempts highlight the challenges of implementing planning reform as part of a package of compact city policies.

The 2005 reforms were among the most significant to date. A key element was the authorisation of the Minister of Planning to approve certain projects deemed to be of state significance (via a new Part 3A in the *Environmental Planning and Assessment Act* (1979)). The Minister’s decisions were not bound by the Act’s environmental assessment process, and if they contravened existing planning controls, these were amended to comply.

This ministerial power caused great controversy, and in 2011 the new government repealed Part 3A (Gurran & Phibbs 2014). It then launched new reforms, including a fast track approval process called ‘code assessable development’. The aim was to ensure adequate public consultation in the preparation of a long-term strategy for local areas, then to remove the right to object to complying development applications. Again there was strong community opposition, and the reforms stalled in late 2013 (Ruming & Davies 2014).

This outcome highlights another challenge in the implementation of compact city policies. While public opposition prevailed in 2013, the PCA has continued

campaigning for a more certain and efficient development approval system, and more reforms are now imminent. These pressures highlight ongoing tensions between the push by the private sector and state government for higher density redevelopment, and the desire of local councils and communities to maintain their neighbourhood's existing character.

Western Australia's planning system has generally encountered less controversy, perhaps because the WAPC's central role means it is perceived as more structured and less partisan. The WAPC advises the Minister of Planning on strategic planning, legislative needs and local planning schemes, and responds to Ministerial directions. The system thus seeks to holistically integrate the planning priorities of the incumbent government with the consistent implementation of existing strategies and local planning schemes.

Yet there is still regular rebalancing of the system. Planning reforms in 2005 both strengthened the WAPC's role and brought it more firmly under executive control, enabling the Minister to issue directions and access the WAPC's data. More vigorous reforms followed in 2008, which created the MRA and Development Assessment Panels (**DAPs**). In 2012, the COAG Reform Council found Perth's strategic planning systems generally compared favourably with other cities (COAG Reform Council 2012). Reforms continue nonetheless, including a recent proposal to review the WAPC and its Infrastructure Coordinating Committee. Meanwhile, Perth's DAPs are now attracting growing community resistance, as they are perceived to approve higher density proposals irrespective of local impact (Jestripek 2016).

Local council amalgamations can also be seen as part of the planning reform agenda, on the argument that bigger, better-resourced and more 'professional' councils can cope better with complex compact city planning decisions – or at least be less



susceptible to parochial local responses to renewal. For example, the 2014 *Directions 31* Report Card identified this reform as an important part of ‘responsibly managing urban growth’ (p.10). They have recently been pursued in both cities, prompting controversy and achieving mixed results. In Sydney, some councils accepted mergers, while others resisted with legal challenges. In Perth, the government eventually settled for optional amalgamation, which ultimately produced little change.

### **Key differences: how have the cities’ experiences diverged?**

Clearly, there are some significant variations in how Sydney and Perth have tackled the compact city challenge. So why the disparity? While obvious, some practical differences between the cities bear restating. As a smaller city, Perth has a less complex built form to rework, and fewer stakeholders to satisfy. Furthermore, implementation requires financial backing, and Perth has enjoyed a decade of fortuitous economic circumstances with the mining boom, while Sydney’s service-based economy suffered more from the GFC.

Yet politics inevitably shapes planning, and has also influenced outcomes. Sydney’s compact city policies – from strata laws to metropolitan strategies - have often been driven as much by political opportunism as long-term strategic planning. Long-term and systemic policies (most notably in transport planning) have suffered in implementation from a lack of realism or political purpose, making progress patchy and compromised. Meanwhile, Perth deserves credit for capitalising on its stronger tradition of land-use planning, particularly the pivotal role played by the WAPC (and predecessors) since long before the compact city became orthodoxy. With largely bipartisan support for the WAPC, Perth has avoided some of the dislocation caused in Sydney by successive governments reshaping metropolitan strategies to reflect their

political philosophy. Today, this means the institutions and processes are in place to more effectively ‘monitor and manage’ the compact city transition.

In both cities, however, power configurations continue to evolve, and financial realities always impose. In Sydney, the GSC is designed to reshape power relations by moderating politically-driven planning. Its responsibilities include managing housing and jobs targets, reviewing council LEPs, and determining rezoning proposals.

Meanwhile, a flourishing property market and the privatisation of electricity infrastructure have helped fund more integrated urban renewal and transport planning. Perth, however, is now grappling with public opposition to DAPs, and is being tested by the financial impacts of the mining slowdown. To succeed, its detailed land use planning must be capable of local implementation, and align with fully-funded transport planning.

### **Key similarities: how do the cities’ compact city experiences align?**

While the differences in Sydney and Perth are notable, some shared trends are also discernible, particularly in two key areas. First, both cities have had mixed success integrating transport and land-use planning, for political, financial and procedural reasons. Second, there are similarities in how the power relations underpinning compact city planning are being redefined, as state governments seek to strengthen their executive power, and interact closely with the development industry.

### ***Erratic transport planning undermines compact city outcomes***

Both cities have struggled to produce and implement the long-term, system-wide transport plans required to support successful compact city planning. Their experiences demonstrate how transport strategies—which need consistent support and sensible modification throughout their lengthy implementation—are vulnerable to changing

economic conditions and political priorities. Integration with strategic planning has also been erratic.

While Perth built significant transport infrastructure in the 2000s, it has suffered a recent stasis in transport planning. Particularly noteworthy is the abandoned MAX light rail proposal, which encountered political and financial obstacles despite a demonstrable effort to integrate land-use and transport planning. The most recent transport plan seems equally unlikely to prevail, for both financial and political reasons.

In Sydney, the GFC prompted cuts that emasculated and redirected public transport spending, and uncertainty followed for five years. Only now is some coherence re-emerging in strategic transport planning, but inconsistencies remain. For example, while Sydney's metropolitan strategies have sought to decentralise employment to secondary centres like Parramatta, transport plans still seek to provide quicker access to the CBD. Competition between road-based and rail-based transport strategies also continues, an issue which has long bedevilled Sydney's compact city planning efforts. It is therefore too soon to suggest a permanent shift towards integrated transport planning; rather, recent improvements may be simply the latest fluctuation in the ebb and flow of compact city implementation efforts.

### ***Shifting power relations: greater executive power and interaction with lobbyists***

In addition to these shared transport challenges, both cities have seen significant shifts in the power relations underpinning planning governance. One shared trend is the push for greater executive power, most clearly demonstrated by the increased use of development corporations. Perth's MRA and UrbanGrowth NSW are powerful mechanisms for circumventing normal planning processes, including their capacity to require cooperation from other state agencies. It is noteworthy that the majority of the

MRA's board members are Ministerial appointees, while the CEO of UrbanGrowth NSW is directly responsible to the Minister of Planning, meaning the same minister can both develop and approve redevelopment plans.

Planning reforms have also been used to increase executive power. In NSW, both sides of politics have sought more control over development proposals. While the public ultimately rejected the Part 3A reform, the amended legislation retains the similar concept of State Significant Development, albeit with more limited scope. In WA, planning governance by the WAPC (and predecessors) has long been accompanied by strong government control (Maginn & Foley 2014), but recent reforms have further strengthened Ministerial oversight.

Given these shifting power relations, it is interesting to contemplate the task facing the GSC, which takes on a similar role to the WAPC. While the WAPC is an important contributor to Perth's metropolitan planning framework, it is only one element of the more stable 'Perth model' (Foley & Williams 2016). It is questionable whether a new governance body alone can moderate Sydney's more contentious and opportunistic planning landscape.

At the same time, the GSC can be seen as part of a broader trend towards more professionalised decision-making in planning, including the introduction of assessment panels and local government amalgamations. This trend may be viewed as an overdue response to localised inadequacies, or a worrying diminution of local political power. To succeed, the GSC will need to ensure this professionalization results in better public outcomes, not simply a more complex planning system for the community to navigate. Importantly, the professionalization trend has been strongly supported by developer lobby groups like the PCA and UDIA, providing further evidence that governments listen carefully to their proposals (Gurran & Phibbs 2015). While these groups may

simply be good at anticipating key policy decisions, these alignments point to a close relationship between government policy and the development industry's stated agenda.

Yet while lobby groups can be influential, they do not always prevail, as NSW's failed 2013 planning reforms demonstrated. So while the market-led compact city model has become orthodoxy, its success remains subject to finding the right balance with existing community views on urban redevelopment.

### **The compact city's next decade: what does this review suggest are key challenges facing Sydney and Perth?**

This paper has outlined the evolution of compact city policies in Perth and Sydney, highlighting some important variations and similarities. These trends offer an insight into the challenges facing those tasked with the next decade of compact city planning in these cities. In particular, it is essential that public transport plans are better integrated, are actually implemented, and that community views are given fair consideration alongside private sector and government agendas. If not, the compact city model will likely encounter growing resistance in both cities, perceived as neither efficient nor equitable.

To help overcome these risks, both the GSC and the WAPC must ensure metropolitan planning can better cope with fluctuating economic and political circumstances. One solution may be to adapt metropolitan strategies—the flagships of strategic planning—to better enable implementation and recalibration. This does not mean abandoning long-term planning, which might explore scenarios rather than construct plans for implementation. Instead, it means more flexible short-term planning, and more prioritisation of crucial strategic locations. This may in turn allow strategic planning to resume its rightful place in Sydney as a key influence shaping future compact city redevelopment, and to reinforce its long-standing role in Perth.

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## Appendix 1: Key policy settings in Sydney and Perth



