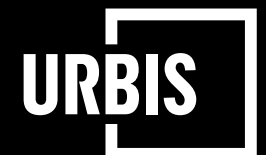




# A NEW ERA FOR NATIONAL CITY PLANNING

June 2016



# CITIES: A NATIONAL PRIORITY



**AUSTRALIA IS BLESSED TODAY WITH CITIES (MEANING THE URBAN AREAS OF AUSTRALIA) THAT ARE AMONG THE MOST LIVEABLE IN THE WORLD, BUT WHICH HAVE GROWN AS MUCH BY ACCIDENT AS BY PURPOSE. PLANNING AND DEVELOPING PROSPEROUS, SUSTAINABLE AND RESILIENT CITIES IS A NATIONAL PRIORITY.**

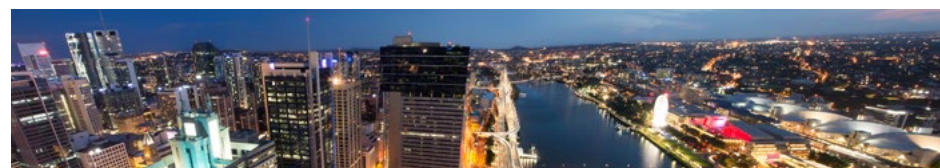
As the dominant focus of our wealth and wellbeing, ensuring great cities is vital to our future. Conversely, failing to plan properly for desired outcomes will result in declining economic, social and environmental standards – undermining our much envied quality of life.

Australian cities are among some of the fastest growing in the developed world. Megatrends of urbanisation and globalisation are propelling us to futures vastly different than today. Whether we like it or not, the complexity, speed and scale of change is hurtling us into uncharted territory.

The impact of these megatrends, married with increasingly grim projections on global carbon pollution, require us more than ever, to reconsider the effectiveness of how we plan our cities.

In September 2015, Prime Minister Turnbull through the creation of the Cities portfolio, reset expectations regarding the importance of cities.

The **'Capital I: Ideas for City Making'** concept was created as a thought leadership initiative with PIA to generate discussion about cities and how to plan them better. Our focus has been on gathering ideas to input into



the discussion on the role of the Federal Government in this space. The views and ideas arising from the forums have been summarised and presented in this document.

# THE CHALLENGE OF CHANGE



**AUSTRALIANS TODAY ARE AMONG THE MOST URBANISED PEOPLE IN THE WORLD, WITH OVER 70% OF THE POPULATION LIVING IN CITIES, AND 80% OF THE NATIONAL ECONOMY TAKING PLACE IN THEM. CITIES ARE RIGHTLY CONSIDERED 'CRADLES OF NATIONAL CREATIVITY, WEALTH AND INNOVATION'.**

## **Australian cities are undergoing profound change.**

Megatrends of urbanisation and globalisation, are propelling cities rapidly to futures vastly different than today. The complexity, speed and scale of change is challenging traditional models of planning and developing cities - presenting uncharted challenges relating to equity and access, social and economic engagement, cultural identity, homelessness, housing affordability, energy and resource use, economic growth and prosperity, biodiversity and ecological outcomes.

Developing new and better approaches to planning cities is essential to securing the future of our cities. Achieving prosperous, sustainable and resilient cities depends upon finding new and better ways to:

- Manage significant population growth for the long term benefit of cities and regions.
- Integrate ageing and increasingly culturally diverse populations.
- Fund the growing costs of building, maintaining and operating cities.
- Adapt and mitigate the impacts of climate extremes.

- Efficiently manage competing demands on depleted energy and water resources, together with the rising direct and indirect costs associated with waste management.
- Embracing the benefits of digital disruption and technological advances to pilot new approaches
- Address growing shortfalls in housing supply and declining housing affordability.
- Provide effectively for increasing socio-economic disadvantage.
- Foster inclusion and engagement for vulnerable individuals and groups.
- Create environments that contribute to reducing diseases such as diabetes and obesity.
- Prepare for and mitigate natural and man-made disasters.



# IDEAS FOR CITY MAKING



**'A SMART CITY NEEDS MORE THAN SMART TECHNOLOGY, IT NEEDS SMART PEOPLE. AND TO CREATE THE ENVIRONMENT THAT WILL ATTRACT THEM, YOU NEED TECHNOLOGICAL IMAGINATION AND ABOVE ALL SMART PLANNING'.**

**MALCOLM TURNBULL**

In September 2015, Prime Minister Turnbull, unexpectedly but pleasingly, reset expectations regarding the importance of cities. Placing cities on the Federal stage through the creation of a cities portfolio, has generated genuine excitement about whether this can be a watershed moment for a new era of innovation in city planning.

The '**Capital I: Ideas for City Making**' concept was initiated to gather views from leaders in city planning and development about the key issues impacting on cities, and the role of Federal Government can have in influencing better outcomes.

Roundtable discussions held in Perth, Melbourne, Sydney and Brisbane, attracted over 80 city leaders and planning influencers who enthusiastically endorsed the Prime Minister's decision to appoint a Federal Minister for Cities. These participants represent a broad range of organisations across public, private and non-government institutions, all coming together with the same goal of successfully shaping our future cities.

The forums were enthusiastic and energetic in the sharing of ideas – the passion and creativity of the participants was invigorating.

**This document summarises some of the key take outs arising from the forums.**



# A NATIONAL APPROACH



## **OVERALL, THE FORUMS HIGHLIGHTED CONSENSUS THAT A NATIONAL CITIES PLATFORM CREATES POSITIVE OPPORTUNITY TO DEVELOP MORE HOLISTIC, INTEGRATED AND INNOVATIVE APPROACHES TO PLANNING OUR URBAN AREAS.**

The absence of cities in federal policy-making to date is staggering. Australian cities are managed by complex interrelationships across all levels of government, with the Federal Government having massive influence through macro-policy in areas such as immigration, tax and infrastructure.

But of course, this is not new. Direct Federal Government involvement in cities has been pursued in the past with some great results, but unfortunately most initiatives have failed to endure changing political cycles.

So what is this role for the Federal Government? It is about vision, leadership and influence.

The Federal Government is ideally placed to promote overarching national perspectives focussed on addressing the bigger, longer term issues affecting all cities. It is about fostering collaborative actions across States and Territories, creating more unified commitment to addressing the biggest challenges. It's time for them to step into the breach to foster cross-portfolio policy coordination, focussed on better place based outcomes. Implementation is left to state and local government, avoiding adding additional layers to already over regulated processes.

The forums confirmed a strong desire to see the cities portfolio make an immediate and meaningful impact, and for involvement in national city planning 'sticking' for the longer term.

## **A NATIONAL APPROACH TO CITY PLANNING**

- Agriculture and Water Resources
- Cities
- Communication and the Arts
- Defence
- Education and training
- Employment
- Environment
- Finance
- Foreign Affairs
- Health
- Immigration
- Industry, Innovation and Science
- Infrastructure and Regional Development
- Social Services



# AUSTRALIA 2066



## A BIG COUNTRY NEEDS BIG VISION.

An 'Australia 2066' vision should be prepared providing an aspirational picture of our desired future. This vision should be deliberately provocative and far reaching, stimulating debate about the priorities, changes and hard decisions required to set us on the path to achieve desired outcomes.

A 2066 vision sets expectations of what our future cities and communities will be. Where diverse, healthy, mixed communities thrive in a clean, green post-carbon environment, benefitting from high quality built places. Where public transport and other non-vehicle movement modes have largely replace private vehicles. Where open and public spaces play are enhanced to play increasingly important roles in supporting the health and wellbeing of communities. Where renewable energy sources harnessed with new technologies have successfully transformed our cities into sustainable, highly energy efficient places.

The 2066 vision reinforces our importance in Asia and builds connections to the broader global

community. This global statement is in the context of migration, economy as well as how our cities retain a distinctly Australian character.

A 50 year term vision fosters national attention on defining Australia's future physical, social and economic goals, and the global positioning of the country.

# NATIONAL SETTLEMENT STRATEGY



## IT'S TIME FOR A NATIONAL SETTLEMENT STRATEGY.

Reflecting national demographic trends, migration policies, and economic-social development goals, the strategy provides a top down view of the long term desired settlement patterns and priorities across the nation. It facilitates attention on developing high level initiatives balancing population and job distribution through regional areas and across capital cities.

The settlement strategy gives direction on the physical extent, form and character of cities. It confirms limitations around the outward spread of the urban footprint, supplemented by definitive positions on adopting higher density environments through well planned urban renewal – accelerating transition of our urban forms from the horizontal to vertical. The strategy enshrines commitment to the protection and conservation of areas of national environmental, resource, agricultural or cultural significance. It provides the framework for a national green space masterplan.

A settlement strategy includes a capital cities coordination plan. Building on work of organisations such as the Council of Capital City Lord Mayors, the plan enables collaborative, as opposed to competitive relationships, to be built between our biggest cities. Such a plan strengthens interconnection between cities, promoting long-term planning and investment particularly around road, rail, airport, port, and energy sources.

# NATIONAL URBAN POLICY

## NATIONAL URBAN DEVELOPMENT POLICIES MUST BE ENDORSED AT THE FEDERAL LEVEL.

Much thinking has already occurred in this area, including the excellent work of previous governments, including the 'Our cities, our future' national urban policy for a 'productive, sustainable and liveable future'.

We don't need to reinvent the wheel here, but we do need consensus on the principles to be embedded at all levels to positively harness urbanisation, mitigate negative externalities and promote a paradigm shift in the effectiveness of management of urban affairs.

Our forums identified a desire to see policies focusing on:

- **Accessibility** – ensuring access for everyone to daily needs within acceptable distances and travel time of home.
- **Affordability** – mandating provision of diverse and affordable housing.
- **Productivity** – prioritising employment generating and value adding initiatives.
- **Efficiency** – demonstrating optimum use of infrastructure and increasingly scarce energy sources.
- **Liveability** – creating high quality, denser urban environments meeting the needs of the community while promoting healthy ways of living.
- **Resilience** – ensuring development and planning decisions future proof cities and communities against natural disasters and changing climate.
- **Inclusiveness and creativity** – ensuring our cities cater for the needs of all people, foster social engagement and facilitate cultural expression.
- **Partnerships** – generating enhanced cooperation between government, communities and the private sector.





# CITY PERFORMANCE BENCHMARKS



## URBAN INDICATOR SYSTEMS NEED TO BE ADOPTED MEASURING PROGRESS TOWARDS ACHIEVEMENT OF AGREED GOALS.

Capitalising on an increasing ease of access to and depth of information available through 'big data', city performance benchmarks provide insights into social, economic and environmental factors not considered possible till now.

Adoption of research based quantitative and qualitative indicators of city performance enables evidence based assessment of progress towards agreed goals, and in providing a rationale based for prioritising further planning and investment. These benchmarks provide an undeniable measure of performance, replacing perception, politics or the annual Monocle or Mercer annual surveys.

The benchmarks and supporting research data are made available

through open sources, enabling creative contributions by the public and private sector to complex urban management issues.

A permanent urban analytical capacity would be created at the federal level, contributing to the ongoing review and development these benchmarks.

# REFORM PLANNING APPROVAL PROCESSES

## IT'S TIME TO UNIFY AND STREAMLINE NATIONAL PLANNING APPROVAL PROCESSES.

At least 50 different approaches are applied across Australia governing the use and development of land, creating uncertainties, duplications and inefficiencies. Emphasis must be placed in coming years to reforming national land use regulation to achieve more consistent and efficient systems.

The details of change can be debated, but any reform must consider adopting principles of :

- Broader and simpler land use controls, achieving reduction in the required number of approvals.
- Streamlined lodgement and assessment processes, with more professional as opposed to political decision forums.
- Performance based planning as opposed to prescription.
- Use of 3D and 5D modelling for development assessments

- Mandatory timeframes for inter-agency responses and planning approvals.
- Improved transparency and accountability for outcomes.

Most importantly, planning control reform enables the emphasis of planning, and more importantly planners, to shift from regulatory management to much needed strategy, partnerships and innovation.



# BETTER METROPOLITAN PLANNING

## WE NEED TO RAISE THE BAR ON THE QUALITY AND CONSISTENCY OF METROPOLITAN STRATEGIC PLANNING.

Metropolitan plans are the critical interface between national and state objectives and detailed local outcomes. It guides major changes to land use, built form, movement, and open space, defining the character of the city. It is where planning and infrastructure investment align.

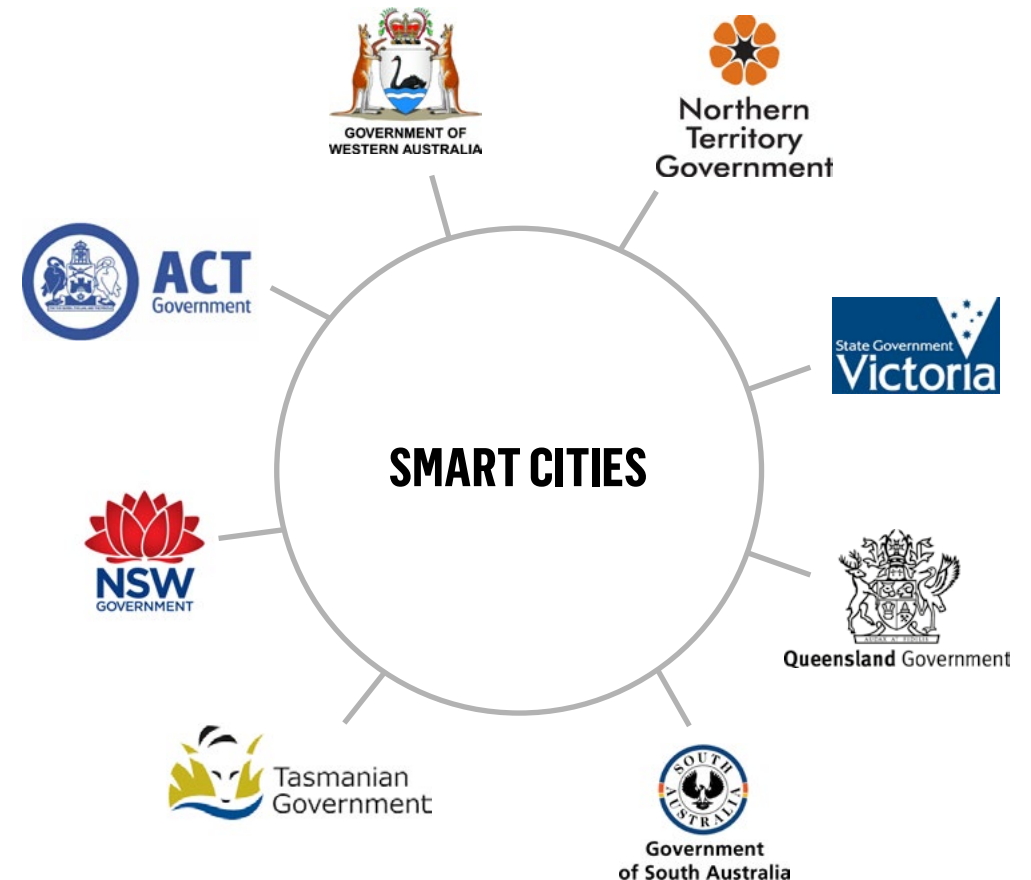
Unfortunately metropolitan strategic planning in Australia has a patchy reputation. Short lifespans, shifting goals affected by changes of government, insufficient research funding, lack of integration within and between government agencies, and absence of detailed delivery plans, have impacted the effectiveness of plans.

Increased funding for research and commitment of effort is needed to ensure that metropolitan strategic planning rises to a higher level. Ideally, bi-partisan processes are adopted

facilitating agreement to metropolitan objectives, with major initiatives and priorities resilient to changes of government.

While metropolitan plans must reflect the unique aspirations of each geography, common criteria for plans should be developed, including:

- Planning for growth over 15 and 30 year timeframes.
- Demonstrating alignment with national urban policies.
- Providing structured housing and employment lands release programs capable of meeting demands.
- Demonstrating appropriate balance between greenfield and infill development emphasis.
- Mapping of priorities for infrastructure and other investments with associated responsibilities and timeframes for delivery.





# VALUE CAPTURE



## **ESTABLISHING RATIONAL, FAIR AND TRANSPARENT STRUCTURES FOR CAPTURING VALUE FROM INFRASTRUCTURE INVESTMENT AND DEVELOPMENT IS A NATIONAL IMPERATIVE.**

Australia has yet to grasp the opportunity that effective value capture and developer contribution mechanisms bring to financing urban transformation. Planning and infrastructure investment decisions trigger seismic shifts in property economics, but often with little or no effective method to secure an appropriate financial return for the broader community.

Our research confirms that the most significant land value increase occurs at the time of announcement of the planning or infrastructure decision. Land owners and developers recognising the upside of change, leap on government planning decisions, driving spikes in land value from that moment. Fortunes are gained upon the press release.

However, announcements typically precede detailed work on the planning, consultation, approvals and value capture mechanisms accompanying projects. This places government in a reactive positive, often scrambling to recoup value from a decision after the genie has left the bottle. This sets off a complex and competitive process of endeavouring to claw back value through developer contribution schemes, voluntary agreements and various other mechanisms.

We can, and must be, better than this. This is where we can learn much from Singapore where long term infrastructure investment and value capture is an art form.

We must establish common approaches to sharing costs and benefits arising from planning decisions in a clearer, fairer and more effective way. The goal here is to set clear expectations

for state and local government, urban renewal authorities, property developers and the community, about value capture and developer contribution regimes that are in place at the time of the project decision.



# SMART CITIES



## IT IS EXCITING TIMES, WITH A SENSE OF BEING ON THE CUSP OF A NEW ERA OF BETTER NATIONAL PLANNING.

We commend the recent release of the Smart Cities Plan as a strong step in the right direction to achieve better national focus on cities. The focus on smart investment, smart policy and smart technology in the plan sets a strong framework for the detailed work required to bring these ideas to life.

We cannot leave the future of our cities to chance. We have the all the necessary attributes to ensure our future is prosperous, sustainable and resilient – but better city planning is needed to secure this.

The **‘Capital I: Ideas for City Making’** forums confirms there is much to be gained in a national approach to city planning, with the opportunity to chart urban patterns and national urban policies capable of managing progressive and dynamic urbanisation.





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