Metropolitan Planning for Sydney: Patterns, Problems and Policies

Bill Randolph
City Futures Research Centre
Faculty of the Built Environment, UNSW
Objectives

• Review of key pressures on Sydney: Population, Housing, Polarisation

• Review of the development of Sydney Metropolitan Planning Strategy

• The 2006 Sydney Metropolitan Strategy

• Does Sydney need a Strategy?
Sydney: Local government boundaries and the urban area
Planning for population growth Sydney and beyond?

• Responding to the pressure of metropolitan growth

• Predicted growth of Sydney to 6 million by 2050? Where will they go – the Sydney Metro Region or beyond?

• Settlement growth plan – with infrastructure and planned economic dispersion to accompany it – guiding the market

• Key question of what infrastructure is needed and who will pay for it – government is keen to avoid commitments
Estimated Population Growth by LGA, 2001 to 2019

Estimated Increase in Population 2001-2019
- 50,000 or more
- 25,000 to 50,000
- 10,000 to 25,000
- 5,000 to 10,000
- Less than 5,000

Map showing population growth by Local Government Area (LGA) from 2001 to 2019 with color coding for estimated increase in population.
Social change and the drivers of urban development
Sydney: A shifting and dividing city?

- Impact of globalised labour markets in Sydney – increase in high paid higher order information rich jobs contrasts to a growth of part-time casualised and low paid service sector work
- Income polarisation has resulted both from labour market changes and more discriminatory welfare policies – ‘stretching’ society
- Housing markets – ‘sift and sort’ households by market capacity – greater social polarisation leads to more polarised housing markets, sorted by price and tenure. Increasing socio-spatial imbalances
- Continued pressure from population growth – natural increase and immigration policy. Pressure on fringe and for higher densities
- Demographic changes in household structure – smaller households, intergenerational wealth transfers, dual incomes, single parents…
- Social exclusion – areas of persistent disadvantage, associated with public and private housing – residualisation or marginalisation
Sydney: ‘Higher Order’ Knowledge-Based Employment

Source: GWSEDB (2002)

% of workforce in high order employment

- North Sydney
- Botany
- Burwood
- Sydney-Remainder
- Sydney- Inner
- Willoughby
- Lane Cove
- Sydney- Inner
- Concord
- Ryde
- Blacktown
- Auburn
- Parramatta
- Wollongong
- Campbelltown
- Camden
- Penrith
- Blue Mountains
- Blacktown
- Liverpool
- Bankstown
- Holroyd
- Hawkesbury
- Baulkham Hills
- Warringah
- Auburn
- Parramatta
- Leichhardt
- Woollahra
- Ku-ring-gai
- Botany
- Bankstown
- Liverpool
- Penrith
- Camden
- Willoughby
- Sydney- Inner
- Sydney- Remainder
- North Sydney

0 2 4 6 8 10 12 14 16 18 20
The Emergence of the Sydney’s “Global Arc”

Source: SGS Economics and Planning 2002
Polarisation of “knowledge” workforce...
Percentage of residents employed in Finance, Insurance, Property and Business by LGA, Sydney 2001

% of employed residents working in Finance, Insurance, Property & Business
- 30% or more
- 22.5% to 30%
- 20% to 22.5%
- 15% to 20%
- Less than 15%
Gentrification and the inner city…
Percentage point change in managers and professional workers in Sydney by LGA 1986-1996
The impact on household incomes...
Percentage point change in high income earners in Sydney by LGA 1991-2001
What’s been the impact on disadvantage?
Unemployment rate, Sydney LGAs 1971
The Suburban Shift in Unemployment:
Proportional change in 1971 and 2001 LGA unemployment rates compared to the Sydney average
Proportion of households earning over $2,000 per week, 2001

Proportion of Households Who Earn More than $2000 per week, 2001
- 30% or more
- 20% to 30%
- 10% to 20%
- Less than 10%

Map showing the distribution of households earning over $2,000 per week across different regions, with varying shades indicating the proportion of households in each category.
The Impact on Income Relativities:
Proportional change in 1981 and 2001 LGA median household incomes compared to the Sydney median.
Spatial polarisation is intensifying...
Change in the Proportion of CDs that are Severely Disadvantaged by LGA, Sydney 1996-2001
Sydney’s social divide – the starting point for the Metro Strategy?  ABS Index of Social Disadvantage 2001

(Occupied Private Dwellings)

<table>
<thead>
<tr>
<th></th>
<th>1981</th>
<th>2001</th>
<th>Abs</th>
<th>%</th>
<th>PPC</th>
</tr>
</thead>
<tbody>
<tr>
<td>Own Outright</td>
<td>328,504</td>
<td>561,229</td>
<td>+232,725</td>
<td>+70.8%</td>
<td>+8.7</td>
</tr>
<tr>
<td></td>
<td>30.8%</td>
<td>39.5%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Buying</td>
<td>364,500</td>
<td>340,541</td>
<td>-23,959</td>
<td>-6.6%</td>
<td>-10.2</td>
</tr>
<tr>
<td></td>
<td>34.2%</td>
<td>24.0%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rent private</td>
<td>235,708</td>
<td>338,946</td>
<td>+103,238</td>
<td>+43.8%</td>
<td>+1.8</td>
</tr>
<tr>
<td></td>
<td>22.1%</td>
<td>23.9%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rent public</td>
<td>50,688</td>
<td>72,724</td>
<td>+22,036</td>
<td>+43.5%</td>
<td>+0.3</td>
</tr>
<tr>
<td></td>
<td>4.8%</td>
<td>5.1%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>1,065,081</td>
<td>1,429,673</td>
<td>+364,592</td>
<td>+34.2%</td>
<td>-</td>
</tr>
</tbody>
</table>
Sydney: Change in numbers of Dwellings Being Purchased 1981 – 2001 (Occupied Private Dwellings)
The Suburbanisation of the Private Rental Sector: Proportional change in 1971 and 2001 LGA private rental % compared to the Sydney average
### The Impact of Urban Consolidation - change in number of dwellings 1991 - 2001, Sydney, 2001

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Separate houses</td>
<td>907,195</td>
<td>63.1%</td>
<td>+83,474</td>
<td>10%</td>
</tr>
<tr>
<td>Semi detached dwellings</td>
<td>162,320</td>
<td>11.3%</td>
<td>+55,623</td>
<td>52%</td>
</tr>
<tr>
<td>Flat in block of less than 4 storeys</td>
<td>217,317</td>
<td>15.1%</td>
<td>+42,683</td>
<td>24%</td>
</tr>
<tr>
<td>Flat in a block of 4 or more storeys</td>
<td>120,452</td>
<td>8.4%</td>
<td>+37,613</td>
<td>45%</td>
</tr>
<tr>
<td>Total attached</td>
<td>500,089</td>
<td>34.8%</td>
<td>+135,919</td>
<td>37%</td>
</tr>
<tr>
<td>Total Occupied Private Dwellings</td>
<td>1,438,394</td>
<td>100.0%</td>
<td>+218,712</td>
<td>18%</td>
</tr>
</tbody>
</table>
The proportion of multi-unit dwellings dwellings by suburb
Sydney, 2001
Sydney: Percentage change in Separate Dwellings 1981 – 2001 (Occupied Private Dwellings)
Sydney: Percentage change in Higher Density Dwellings 1981 – 2001 (Occupied Private Dwellings)
Affordability – what’s the problem……

• House price to income – 1:4 in 1981 for median incomes, now 1:8
• Polarising employment opportunities – lower income left behind?
• Generation X/Y are not buying
• Commonwealth Rent Assistance – $2bn p.a. and rising?
• Stock of low cost rental accommodation is falling – despite CRA
• Stock of public housing is stalled/falling - 80,000 on the public housing waiting list in NSW
• Public housing in the red and no obvious way out – failure of the CSHA
• 150,000 affordable rental housing shortfall in Sydney in 1999 – 64% of low income private renters?
• Federal Government focus on the problems of First Home Owners
• No mention of affordable housing in the Metro Strategy Paper
• Failure of planning system to generate affordable housing
• BUT THERE IS NO CRISIS!
Sydney: Rapidly declining affordability for home buyers, but not for renters

Property prices, rents and incomes Sept 1991 – Sept 2003, Sydney

Change in Median Sales Prices and Rents for Units and Houses in Sydney, Sept 91 to Jun 06
Declining affordability for median income households, Sydney 1981 - 2003

<table>
<thead>
<tr>
<th>Year</th>
<th>Median Price</th>
<th>Median Income</th>
<th>Price to Income Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Houses</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1981</td>
<td>$78,800</td>
<td>$17,151</td>
<td>4.6</td>
</tr>
<tr>
<td>2003</td>
<td>$470,000</td>
<td>$54,032</td>
<td>8.7</td>
</tr>
<tr>
<td><strong>Flats</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1981</td>
<td>$65,500</td>
<td>$17,151</td>
<td>3.8</td>
</tr>
<tr>
<td>2003</td>
<td>$360,000</td>
<td>$54,032</td>
<td>6.7</td>
</tr>
</tbody>
</table>
Median house prices by local government area, Sydney 2003
Percentage change in median house prices
1981 – 2003 Sydney
Suburban Polarisation and the emergence of the Aspirational new suburban fringe: Issues

- Post 1990s suburbs – low density – but more dense than some older suburbs (urban consolidation)

- Monoculturalism and the lack of housing choice or social mix

- Migration drivers – splitting the suburbs apart

- Fairfield and Camden examples

- Transportation problems
What kind of community is being created in the new suburbs?

- Is the McMansions image justified? Yes
- Social profiles of the new suburbs – very different from the fringe dwellers in the 1960s and 70s
- New house purchase has moved upmarket - established home buyers and families, not first time buyers (flats in older areas)
- MICKS – Middle Income Couples and Kids
- Monocultural – Lacking in housing choice?
- Where are the new suburbanites coming from? – the older suburbs
- And why do they buy here (Gwyther, 2003)?
  Security, safety, life style  
  Property values and asset accumulation  
  Economic decline in the older middle suburbs  
  Search for “common way of life” – white-flight?
Polarising Western Sydney: Dwelling profile by suburb age
Polarising Western Sydney: Tenure profile by suburb age
Polarising Western Sydney: Income and unemployment by suburb age

- Post-96
- 1980 - 96
- 1970 - 80
- 1945 - 70
- Pre-1945

- Below $400
- Over $2,000
- Unemployment Rate
Polarising Western Sydney: Country of origin, English language and divorced households
New suburbs vrs old suburbs: A profile of the new fringe communities, Western Sydney 2001

<table>
<thead>
<tr>
<th>Characteristics</th>
<th>Post-1996 suburbs</th>
<th>Pre-1945 suburbs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Separate houses</td>
<td>98%</td>
<td>62%</td>
</tr>
<tr>
<td>Semis/Flats</td>
<td>2%</td>
<td>37%</td>
</tr>
<tr>
<td>Buyers</td>
<td>55%</td>
<td>20%</td>
</tr>
<tr>
<td>Rent public</td>
<td>0%</td>
<td>8%</td>
</tr>
<tr>
<td>Couple + kids</td>
<td>57%</td>
<td>42%</td>
</tr>
<tr>
<td>Single people</td>
<td>9%</td>
<td>21%</td>
</tr>
<tr>
<td>Over 65 yrs</td>
<td>4%</td>
<td>12%</td>
</tr>
<tr>
<td>Born overseas</td>
<td>29%</td>
<td>42%</td>
</tr>
<tr>
<td>No vehicle</td>
<td>2%</td>
<td>16%</td>
</tr>
<tr>
<td>Income &lt;$400</td>
<td>6%</td>
<td>21%</td>
</tr>
</tbody>
</table>
70% of net migration gain to Camden came from Campbelltown and Liverpool (1996 – 2001)

Of these:
• 80% were in families with children (59% in Campbelltown)

• 75% were in households with incomes over $1,000 p.w. (c.f. 38% in Campbelltown)

Negative impacts on the areas left behind? – Less able to afford infrastructure upgrading?

Repeated in Bringelly and Marsden Park?
Building for environmental unsustainability?
Western Sydney’s new car-dependent fringe suburbs:
Travel to work by car, 2001
The Bus Desert
Travel to work by bus Sydney, 2001

Proportion of Persons Who Travel to Work by Bus

- 20% or more
- 15% to 20%
- 10% to 15%
- 5% to 10%
- Less than 5%
Middle Suburbs: Issues

1. Typically built between 1940 and 1970 – high proportions of low density fibro and medium density infill redevelopment, especially near town centres

2. Many of the problems of housing market outlined here have become concentrated in these areas – ageing housing, poor quality housing, low relative values, poor access, disadvantaged populations, poor urban amenity, public services deficit, etc.

3. Undergoing pressure for change – urban consolidation around town centres, major migrant reception areas, demographic transition.

4. Problems: Polarisation and disadvantage
   Private rental and medium density
   Affordable housing and housing stress
   Home ownership and an ageing population
   Marginal home ownership
   Stock condition and repair/renewal

5. Few policy levers or resources to manage and direct change in these areas?
The Most Disadvantaged Neighbourhoods
Census Collectors Districts with Severe Disadvantage by Proportion of Public Housing, Sydney, 2001
Planning for Stressed Suburbs: What to do?

A number of interconnected planning issues:

• Replacement or upgrading of private housing at the end of its life
• Approaches needed for poorly maintained stock – houses and flats
• Integration of land use, social planning and social interventions
• Improvement of local amenities and public space, especially around secondary retailing areas and under-utilised open space
• Provide housing and services to retain upwardly mobile residents
• Devise mechanisms to allow site assembly and integrated renewal strategies
• Address the long term problem of replacing strata-title flats – the new slums
• How can increased polarisation be avoided? Stop flat cramming?
• Develop planning strategies that link job market interventions to land use plans, including improved transport and access policies to link job-rich areas
• Provision of secure affordable housing to replace the worst of the private sector – stabilise churning neighbourhoods
Planning for Sydney – a long track record

Review of main plans

Review of Metro strategy

Conclusions and implications for the evidence?
The County of Cumberland Plan, 1951: Planning by Patterns
The Sydney Region Outline Plan, 1968: Planning by Boxes

Source: State Planning Authority Report, 1968
Major Growth Areas 2002: Structure Planning by Blobs
Sydney Metropolitan Strategy 2006

A strategy to sustainably manage growth to 2030

Recognises the complexity of Sydney

Sydney as Australia’s global city

Focus on urban management, not a plan

Governance issues – development corporations, legislative and regulation changes, infrastructure coordination

Accountability through outcomes measurement

NOT a single document – but a series of strategies, initiatives, legislative changes and programs
Sydney Metropolitan Strategy 2006

Key Principles:
  Sustainability
  Competitiveness
  Liveability

Key Challenges:
  Managing Urban Growth – new release (30%)
  Housing Communities and Urban Renewal – consolidation (70%)
  Economic growth and employment – Centres strategy
  Transport – land use and transport integration – rail returns?
  Airports, freight and ports – integrated system?
  Infrastructure provision and funding: Who pays? Who provides?
  Conserving natural resources – water (BASIX), energy, CO2, recycling
  Green Landscapes and Urban Greenspaces – recreation and
  Linking within the GMR
Metropolitan Strategy 2006 Basic Plan

1,100,000 more people
640,000 new homes
500,000 new jobs
28 year plan
5 cities
3 corridors
1 global city

NORTH SYDNEY
Sydney Airport
Bondi Junction
Bexley
Fairfield
Note.

PRINCIPAL CENTRE
Primary service and employment centre.

ECONOMIC CENTRE
Employment and retail services.

PLANNED BUSINESS CENTRE
Home to major companies and planned to become a major office centre.

ECONOMIC SUB-Centre
Employment and retail services.

major DECORATION
Major decoration.

NOTEWORTHY
Note worthy areas in relation to their heritage status.

North Sydney
Cronulla
Woollahra
North Sydney Growth Centre
Dawes Point
Westmead
Cronulla
North Ryde
Rouse Hill
Taree
Central Business District
Lakemba
Kogarah
Parramatta
Burwood
Liverpool
Glenmore Park
Canberra
Wollongong
Canterbury
Campbelltown
Thirroul
Newcastle
Gosford
Walton
Penrith
Braunstone
Castlereagh
Castle Hill
DOCS

FIGURE 1 THE METROPOLITAN STRATEGY MAP
Sydney Metropolitan Strategy 2006

Basic Driver - Population growth and economic change

4.9m in GMR to 7.4m in 2051 – 40,600 per year for 30 years
Av household size fallen from 4.7 ppd in 1971 to 2.7 ppd in 2001
Av floor area per dwelling increasing (16% 1987 – 1997 to 212m2)
Older population
500 houses per week needed for 30 years.

<table>
<thead>
<tr>
<th>Jobs</th>
<th>1971</th>
<th>2001</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manufacturing</td>
<td>28%</td>
<td>12%</td>
</tr>
<tr>
<td>Finance and Property</td>
<td>3%</td>
<td>21%</td>
</tr>
<tr>
<td>Retail/Wholesale</td>
<td>17%</td>
<td>20%</td>
</tr>
</tbody>
</table>

Is growth likely to continue at past rates?
Sydney Metropolitan Strategy 2006

New land releases:

- Bringelly and Riverstone
  - Starts in SW in 2007
  - 160,000 homes and 260,000 people
- New Urbanism principles
- Growth Centres Commission to act as development authority
- Series of Precincts
- Infrastructure: Road upgrades, heavy rail link through Glenfield, regional bus network, social and health services costing $7.8bn.
  - Paid for by Developer Contributions (75%) and Government (25%)
- Growth Centres Infrastructure Fund will manage the money
  - $25,000 to $65,000 per dwelling.
- No mention of affordable housing
Metropolitan Strategy 2006: New Release areas
160,000 new homes in 25 - 30 years
Metropolitan Strategy 2006: New Urbanism
Metropolitan Strategy 2006: Urban Renewal and concentration

The Centres and Corridors Policy

Announced seven centres in Sydney's west, 4 Regional Centres, 11 Major Centres, 6 Planned/Potential Major Centres and 3 Corridors for renewal, plus other Specialised Centres

The Regional Centres are North Sydney, Parramatta, Liverpool and Penrith

The Parramatta Road Task Force has been established to identify renewal opportunities along the Parramatta Road corridor.

Other corridors include the Hume Highway through Bankstown, Canterbury Road and the Central Business District (CBD) to Airport corridor.
Metropolitan Strategy 2006: Urban Renewal and concentration
418,000 new higher density dwelling in 25 – 30 years
87% increase on current totals
Metropolitan Strategy 2006: Urban Renewal and concentration
418,000 new higher density dwelling in 25 – 30 years
87% increase on current totals

<table>
<thead>
<tr>
<th>Subregion</th>
<th>Local Government Area</th>
<th>New Dwellings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sydney City</td>
<td>Sydney City</td>
<td>55,000</td>
</tr>
<tr>
<td>Inner North</td>
<td>Lane Cove, North Sydney, Ryde, Willoughby, Hunters Hill, Mosman</td>
<td>30,000</td>
</tr>
<tr>
<td>Inner West</td>
<td>Ashfield, Burwood, Canada Bay, Leichhardt, Strathfield</td>
<td>30,000</td>
</tr>
<tr>
<td>South</td>
<td>Kogarah, Hurstville, Canterbury, Rockdale, Sutherland, Marrickville</td>
<td>35,000</td>
</tr>
<tr>
<td>East</td>
<td>Botany Bay, Randwick, Waverley, Woollahra</td>
<td>20,000</td>
</tr>
<tr>
<td>North East</td>
<td>Pittwater, Warringah, Manly</td>
<td>17,300**</td>
</tr>
<tr>
<td>North</td>
<td>Hornsby, Ku-ring-gai</td>
<td>21,000**</td>
</tr>
<tr>
<td>North West</td>
<td>Baulkham Hills, Blacktown, Blue Mountains, Hawkesbury, Penrith</td>
<td>60,000 existing</td>
</tr>
<tr>
<td>West Central</td>
<td>Auburn, Bankstown, Fairfield, Holroyd, Parramatta</td>
<td>95,500</td>
</tr>
<tr>
<td>South West</td>
<td>Wollondilly, Camden, Campbelltown, Liverpool</td>
<td>40,000 existing</td>
</tr>
<tr>
<td>Central Coast</td>
<td>Gosford, Wyong</td>
<td>35,000 existing</td>
</tr>
</tbody>
</table>
Spatial segmentation in the higher density market in Sydney:
Flats for DINKs and Empty Nesters

33% couple only
10% income <$400
44% income > $1500
42% fully owned
31% rental
36% overseas born
59% Managers/Professionals
3% adults unemployed
And Flats for Battlers......

43% families with kids
43% income <$400
3% income > $1500
70% rental
36% no car
80% overseas born
9% Managers/Professionals
24% adults unemployed
Sydney Metropolitan Strategy 2006

Who will develop and implement the details: Local Councils?

Does the Vision stack up against reality?

Will the funding stack up?

Will more consolidation work – public opposition?

What are the social outcomes – more polarisation or more liveability?

Greater housing stock imbalance – centres and suburbs?

Transport catch-up?

Will the market deliver?
### Three Metro Plan Housing Strategies Compared: An emerging orthodoxy

<table>
<thead>
<tr>
<th>Drivers</th>
<th>Melbourne (2002/3)</th>
<th>SEQ (2004/5)</th>
<th>Sydney (2005/6)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Popn growth, Smaller households, Older households Sustainability</td>
<td>Popn growth, Smaller households, Older households Sustainability Increased rental Polarisation</td>
<td>Popn growth, Smaller households, Older households Sustainability Migration Globalisation of Sydney</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Compact city Hierarchy of centres: <em>Urban Activity Centres Transport Orientated Development</em></td>
<td>Compact City Hierarchy of centres <em>Activity Centres Strategic Development Sites</em></td>
<td>Compact city Hierarchy of centres: <em>Global Sydney 4 Regional Centres 11-13 Major Centres Town Centres Villages Neighbourhood centres</em></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Dwellings targets</th>
<th>Melbourne (2002/3)</th>
<th>SEQ (2004/5)</th>
<th>Sydney (2005/6)</th>
</tr>
</thead>
<tbody>
<tr>
<td>550,000 by 2026</td>
<td>620,000 by 2030</td>
<td>640,000 by 2031</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Inc to 50% (244,00)</td>
<td>67% (426,000)</td>
<td>60-70% (445,000)</td>
<td></td>
</tr>
</tbody>
</table>
Three Metro Plan Housing Strategies Compared – The benefits of compact residential renewal

SEQ Daft Regional Plan

• Ensuring housing affordability
• Defined urban area – the ‘Urban Footprint’
• Recognises areas of social disadvantage (Affordable housing strategies)
• Integrating transport and housing – lowers environmental impacts and transport costs
• Promote sustainable neighbourhoods – better use of infrastructure, lower greenhouse emissions, lower water use
• Nine “Neighbourhood Principles”
  
  *Public transport*
  *Walkable neighbourhoods/cycling*
  *Reduced car dependence*
  *Range and variety of dwelling sizes*
  *Functional integration (homes, jobs, services, transport, recreation)*
  *Open space and parklands*
  *Strong sense of place through urban design*
  *Environmentally friendly development*