



**PlanCom Consulting Pty Ltd**

**Julian Ardas - Director**

Phone: 02 9331 4336

Mobile: 0425 212 333

Postal Address: PO Box 411

Potts Point NSW 2011

Email: [julian@plancom.com.au](mailto:julian@plancom.com.au)

Website: [www.plancom.com.au](http://www.plancom.com.au)

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Metropolitan Strategy  
NSW Department of Planning  
GPO Box 39  
Sydney, NSW, 2001

Email: [metrostrategy@planning.nsw.gov.au](mailto:metrostrategy@planning.nsw.gov.au)

**Attention: Metropolitan Strategy Review Team**

**Metropolitan Strategy Review – Sydney Towards 2036  
Submission by PlanCom Consulting Pty Ltd**

Reference is made to the NSW Department of Planning's public exhibition of the Metropolitan Strategy Review – Sydney Towards 2036 document.

PlanCom Consulting Pty Ltd congratulates the Department of Planning for their efforts and welcomes the opportunity to review and comment on the Metropolitan Strategy Review.

The approach taken in providing comments has been to respond to the introductory section of the document and then the proposed directions. The following matters which warrant your further consideration have been identified:

**Comments on Introductory Section**

- P.5, 2<sup>nd</sup> column, 6<sup>th</sup> bullet point – By containing Sydney's urban footprint, is the Department of Planning proposing to restrict land releases to the north west and south west growth centres where strict sustainability criteria can be met? Or is something else being considered? If so this needs to be explicit.
- P.5, 2<sup>nd</sup> column, 3<sup>rd</sup> last bullet point – Fair access to housing, jobs, services and open space. What is meant by fair? Fair for who? Do you mean fair for the overall population that needs to access such facilities. Many areas of Sydney, particularly newer and outlying areas, do not have transport alternatives hence residents are reliant upon private motor vehicles and an available driver and/or very poorly serviced road based public transport. Furthermore, many disadvantaged people including the elderly, the disabled, newly arrived immigrants and young people who are reliant upon a driver and/or a private motor car do not enjoy "fair" access to such facilities. This can lead to social isolation, limited opportunities for personal and social

development and increase the likelihood and/or impact of anti-social behaviour by such groups.

- P.5, 2<sup>nd</sup> column, 2<sup>nd</sup> last bullet point – What is being done to connect centres? Where is the expanded and improved transport network? If you are referring to the Metropolitan Transport Strategy you are being misleading! The Metropolitan Transport Strategy contains many existing initiatives. The few new initiatives are most unlikely to be developed beyond a concept let alone be built and operational.
- P.5, 2<sup>nd</sup> column, last bullet point – What do you mean by stronger regions? Do you mean more self contained regions less reliant on the Sydney metropolitan area for jobs, goods and services? Or do you mean something else? Your current policy position is ambiguous and needs to be clearly articulated.
- P.6, 1<sup>st</sup> column, 1<sup>st</sup> bullet point – Variety of housing forms, affordable and serviced. How do you propose to promote, encourage or insist upon different housing types in all areas of Sydney, particularly in the more affluent and influential areas? Affordability is a critical issue for Sydney's existing and future inhabitants and innovative solutions urgently need to be implemented to provide flexibility for residential accommodation. For example we have the largest residential dwellings in the world yet household occupancy rates are very low. We should encourage multiple households to live in such homes. For example, why can't you turn a large home into a small apartment block or a communal house with multiple kitchens/living area for multiple households without making it cost prohibitive? Secondly we need to make redevelopment and/or mixed used development opportunities simpler in areas where there are older style three storey walk up residential apartment buildings near centres with non-road based public transport.
- P.6, 1<sup>st</sup> column, 2<sup>nd</sup> bullet point – How do you propose to reduce carbon emissions when people in many areas have to get into their cars for the most basic of services. Many people in middle ring and outlying areas spend one litre of fuel to buy one litre of milk! Children in these areas are reliant upon an adult to drive them to the most basic of activities! What climate change initiatives are being considered to overcome this problem?
- P.6, 1<sup>st</sup> column, 3<sup>rd</sup> and 4<sup>th</sup> bullet points – Planning can contribute to Sydney's economic value by making efficient use of land and infrastructure to reduce people's travel times and provide alternatives to private motor vehicle use. We are not achieving this important goal in Sydney and instead we are facing more congestion, noise and air pollution and disillusionment about a quality future life in Sydney. NSW Treasury needs to allocate much more money to public transport services. They need to revise their very biased Cost Benefit Analysis methodology to provide a more accurate representation for Wider Economic Benefits and consider the real economic life of public transport infrastructure, which is well beyond the 30 years timeframe used in Cost Benefit Analysis. The United Kingdom methodology is a much better example and should be adopted for NSW Treasury.
- P.6, 1<sup>st</sup> column, 5<sup>th</sup> bullet point – Reduced car reliance is only a dream for people who do not live near a railway station or a ferry stop. It is both

current and future fantasy and most Sydney residents know this. Also, many people in the middle and outer rings of Sydney have grown up in a car based lifestyle hence it is normal for them to use a car. Changing their behaviour is a difficult, costly and long term challenge.

- P.6, 2nd column, 3rd bullet point – Increasing the population around public transport nodes should be Priority No.1. If you care to travel around the Sydney Rail Network you will notice many stations and shopping centres that have been neglected for way too long. In many instances their economic viability has been undermined by being within the catchment of large box retail developments. These small centres serviced by railway stations present fantastic opportunities for development and revitalisation. Development of these areas needs to be strongly encouraged through incentives and inducements. The Sydney Metropolitan Development Authority should focus its attention on these areas.
- P.7, Figure 2 – The figure is unclear and weak in certain areas:
  - In the 2<sup>nd</sup> row - Strengthen Economic Competitiveness, the benchmark column refers to the indicator “value added wealth” whereas the 2010 Metropolitan Strategy Review column uses the indicator “GDP”. It is not clear whether the same indicator is being compared.
  - In the 3<sup>rd</sup> row – Ensure Fairness, the 2010 Metropolitan Strategy Review column assumes the Metropolitan Transport Plan will improve access to services. This is most unlikely and pure political rhetoric, see earlier comments.

### **Comments on Proposed Directions**

#### ***Direction 1 – Planning for a growing population***

- It is vitally important that we take a serious approach towards regional policy and regional development. We must encourage employment and population to many of the highly attractive, affordable and liveable regions that exist within NSW.
- This needs to be done through the identification of economic clusters and areas with economic development opportunity. Incentives to attract jobs and people must be provided by all three levels of government. The Canberra model is a fantastic example (10,000 population in 1939 and a 350,000 population in 2010!). We can achieve similar results if we make an effort now and stay focussed.
- Given the emphasis the New South Wales government places upon Newcastle (N), Sydney (S), and Wollongong (W) someone could easily be confused that is what the acronym NSW means! This needs to change.

#### ***Direction 2 – Making Sydney climate change ready***

- We need to enforce higher density living and make redevelopment of older built up areas of the city less prohibitive.
- We need to make better use of existing local shopping centres. Particularly those serviced by non-road based public transport.
- The planning system can assist through more flexible zoning and development controls. It should take more of a sustainable and merit based approach rather than a prescriptive approach.

- Planning agreements, clever precinct contribution schemes and incentives should be encouraged and implemented at all times.
- Need to introduce sustainable planning instruments which encourage greater sustainable outcomes (eg low ecological footprints, highly self sufficient with utilities etc) and reward developers with development bonuses, such as increased floor space, more flexible land use opportunities etc.

### ***Direction 3 – Integrating land use with transport***

- In areas which are highly accessible to non-road based public transport we need higher density residential development to co-exist with a higher density of jobs.
- There needs to be a paradigm shift toward initiatives/incentives for employment creation rather than the existing developer lobby thrust of just encouraging residential development. Residential developers build homes for profit they do not create vibrant/sustainable communities.
- Ways to make the city better for pedestrians, cyclists and public transport users include: Cross subsidies from vehicle fuel sales to support these other transport modes, congestion charging, and tax benefits for public transport costs (eg tax deductions for employees and employers). These options also need Commonwealth government intervention and we now have the opportunity given their renewed interest in urban and regional planning.
- We need spatial equity with jobs throughout Sydney. Currently in Sydney the most and the best paying jobs are in the east (north and south of the CBD) yet residents live in the north, west and south.
- Enforce a minimum level of telecommuting on employers and impose fines where there is non-compliance (eg minimum two days per week for 30% of staff)
- Enforce flexible working hours and impose fines where there is non-compliance.
- Training programs for managers/directors to promote the benefits telecommuting and flexible working hours.

### ***Direction 4 – More jobs in the Sydney Region***

- The direction to provide a good supply of land for employment is antiquated and provides limited employment opportunities. Many transport/logistics industries are automated, they have large floor plates and create very few jobs (eg, a 20,000m<sup>2</sup> building may only require 20 staff). The focus needs to be to provide incentives to encourage job creation and increase the density of jobs in existing areas.
- Economic clusters must be encouraged and co-operation between and within economic sectors is vital.
- The proximity of jobs near living areas results in reduced travel time hence a greater work/life balance. This must be encouraged. This is not a new concept.
- Incentives need to be provided including reducing taxes, utility charges, council rates, payroll tax etc.

### ***Direction 5 – Growing Sydney’s value***

- This can only be achieved through economic analysis, encouraging economic clusters, flexible planning and strong implementation programs.

### ***Direction 6 – Strengthening a City of Cities***

- Promote and enforce higher density living
- Discourage detached dwellings
- Encourage people wishing to live in detached dwellings to move to other regions in NSW.
- Flexible zonings around non-road based public transport nodes are vital.
- Vibrant centres require a variety of establishments, inhabitants with a range of skills and incomes, streets and the public domain must be active, vehicles need to be discouraged, a pedestrian focus is essential.

### ***Direction 7 – Meeting changing housing needs***

- Need flexibility to make better use of existing housing forms and encourage redevelopment opportunities. For example, multiple household use of large homes, simplify redevelopment opportunities for older style three storey walk up residential apartment blocks.
- Need for high density residential areas near good public transport (particularly non-road based) nodes and near high density employment areas.
- Must have a minimum level of public housing and essential workers housing spread throughout ALL areas of Sydney.

### ***Direction 8 – Balancing land uses on the city fringe***

- The north west and south west growth centres should be reduced in size and other greenfield development areas prohibited to ensure that ecologically endangered communities and critical habitats are not lost forever.
- Government policy needs to change. It needs to end greenfield development on the outskirts of Sydney and instead change its attention to a regional development policy to encourage people and employment to NSW regional centres. This needs to happen now!

### ***Direction 9 – Achieving Renewal***

- All politicians need to travel on Sydney’s extensive rail network and see all of the shopping centres that have been neglected for far too long. Urban renewal needs to be focussed on these areas.
- A major barrier to key services is greedy landlords. Due to prohibitive rents, it is very difficult to get small scale and very important services such as quality fishmongers, butchers, greengrocers, trades people and domestic services in many areas of Sydney. We need to allocate a minimum percentage of property to such activities at a reduced rental rate. The top up to the landlords should be from State Government.

### ***Direction 10 – Implementation***

- The key role of Sydney Metropolitan Development Authority should be to deliver the highest density of jobs per hectare that can possibly be achieved.
- Legislative and planning tools available to Sydney Metropolitan Development Authority should include land acquisition, powers to be the State Government's developer and negotiate innovative best for community solutions such as the ability of the private sector to lease property from the government and ensuring developments meet specified performance criteria.
- State government needs to have the political will to **really implement plans** instead of taking the easy, pathetic approach of simply creating media announcements to appease public opinion pollsters. This approach by the current government is so transparent to all of the voters of NSW. The public have had enough and all will be revealed at the election in March 2011.
- The Council of Australian Governments (COAG) national criteria for capital cities promoted by the Commonwealth Government should be adopted by the NSW Government and its relevant Departments immediately.
- The biggest issue for planning in NSW is that NSW Treasury needs to adopt a methodology of Cost Benefit Analysis which takes much greater account of Wider Economic Benefits for public transport projects and accept that the life cycle of an infrastructure asset is far greater than 30 years and generally more like 100 years. This approach has been adopted in the United Kingdom.

For example, the cancelled Sydney Metro Network Stage 2 (Central – Westmead) had a Benefit Cost Ratio of 1.3 under the NSW Treasury Guidelines (note that projects over 1.0 are considered viable).

Under the United Kingdom methodology the Sydney Metro Network Stage 2 (Central – Westmead) project had a Benefit Cost Ratio of 2.9.

(It is noteworthy that the London Cross Rail and Jubilee Line extensions had a Benefit Cost Ratio in the order of 1.8 under the United Kingdom Methodology. Under the NSW Treasury methodology they would have had a Benefit Cost Ratio of 0.79, which is less than 1.0 and not have been approved by NSW Treasury)!

### ***Direction 11 – What Else?***

- Encourage employment opportunities through providing incentives for full time/permanent job creation.
- The Metropolitan Plan should focus on property and infrastructure development.
- The 10 proposed actions are good initiatives. However the key issue needs to be about the delivery of projects that achieve outcomes specified in the Plan.

Should you wish to discuss any aspect of this submission please do not hesitate to contact me on Telephone number: 02 9331 4336 or Mobile number: 0425 212 333.

Best wishes.

Julian Ardas  
Director – PlanCom Consulting Pty Ltd