

# **Metropolitan governance for the Australian city: The case for reform**

**Brendan Gleeson, Jago Dodson and Marcus Spiller**



**Urban Research Program**

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## Introduction: The case for reform

This issues paper raises and addresses the question of governance and management for Australia's principal urban regions. The paper reviews the planning and urban policy challenges facing Australia's major cities and argues the case for major reform of metropolitan governance. The paper does not present a comprehensive research base in support of its arguments, but we are confident that its main assertions can be verified in the scholarly and policy literatures. It is intended to provoke thought and debate about urban governance amongst scholars, policymakers, urban professionals and the general public.

Our premise is that serious urban governance failings will inhibit responses to manifest threats to national sustainability and security, especially global economic instability, climate change, resource insecurity and social inequity. A shift to stronger and more explicit metropolitan governance is no simple panacea for these complex threats, but we see it as a precondition for comprehensive policy response. As one of the world's most urbanised nations, Australia's well-being is closely tied to the functioning of its major cities and to the quality of their governance.

Our focus is the five largest capital cities that accommodate approximately two-thirds of Australia's national population. These capital cities have evolved in recent decades into large metropolitan regions with complex, overlapping and often haphazard governance arrangements. All suffer to varying degrees what might be termed a 'governance deficit', meaning an absence of clear and effective institutional arrangements for the planning of urban development and the coordination of urban services, including infrastructure.

This deficit takes two principal forms, both of which inhibit and erode the productivity, sustainability and liveability of Australia's cities. The first is a lack of planning insight and responsibility at the most appropriate governance level, the metropolitan region. To the extent that it exists (with episodic enthusiasm), metropolitan planning is undertaken in a fragmented way by a range of state agencies. It is further influenced by the activities of the many large private sector interests that now own and operate key elements of the urban system.

The second is a democratic deficit, meaning that there exists no responsible forum for the expression of collective planning will in metropolitan regions and that existing political oversight is too often marked by role confusion. For instance, there are times where state planning ministers find themselves involved in land development processes better left to local governments (especially development applications) and in metropolitan strategic issues that have little direct purchase on statewide portfolio responsibilities.

In the remainder of this issues paper we outline and review these two deficits before considering the prospects for an alternative metropolitan scale of governance for the Australian city.

## Planning deficit

The planning deficit in our cities is revealed in the complexity, fragmentation and underdevelopment of the mechanisms that guide urban development. As a result there are serious shortcomings in the conception, focus and ambition of urban management systems. The complex, multi-dimensional morphology (make-up) of cities is not fully recognised and addressed in planning strategies or, more generally, within urban services and infrastructure provision.

Most importantly, urban planning is failing to acknowledge and rectify the **structural** problems that have steadily worsened in our cities. Here we draw a distinction between the two principal dimensions of urban morphology: **urban form**, meaning the density and appearance of cities;

and **urban structure**, being the arrangement and functioning of land uses, infrastructure and major facilities. Matters of form can be broadly influenced through current governance mechanisms such as state planning policies, local residential codes and design guidelines. On the other hand, structural imperatives, such as the functioning and relationship of sub-regional centres, require integrated planning frameworks that apply at the metropolitan scale and which are buttressed by strong financing mechanisms.

There are few means for effecting structural planning in the contemporary Australian city. The *South East Queensland Infrastructure Plan 2009-26* is an exception. The Plan is innovative in that it outlines a strategy for metropolitan scale infrastructure enhancement that is closely linked to the land development blueprint for the same region (*South East Queensland Regional Plan 2009-31*). Its purchase and influence on the structure of urbanised southeast Queensland is weakened, however, by ‘institutional distance’. By this we mean, the plan’s disconnection from the patchwork of local authorities that govern urban development in the region.

The plan is also distanced from the many state and private sector agencies that design and deliver urban services and infrastructure. This institutional complexity and detachment will be increased when key elements of the state’s urban responsibilities (ports and motorways) are privatised in the near future. A great exception to this observation and prospect has been the significant improvements to coordination and planning of transport services in southeast Queensland through the establishment of the Translink Transit Authority. The Authority, established in 2004 and reorganized in 2008, has significantly improved network planning and service delivery through integrated governance of transport services. Its work and its accomplishments are suggestive of the wider prospects for effective metropolitan governance in southeast Queensland.

The Southeast Queensland Regional Plan (and its infrastructure corollary) is a ‘creature’ of state administration, not metropolitan governance. The one potential benefit of this is its ability to coordinate state spending generally in the southeast. And yet the patchy realisation of this potential strength is mirrored by the Plan’s need to compete for financing with other, usually dominant state fiscal responsibilities, especially health, education and policing. This is probably a difficult situation to change permanently given:

1. The overwhelming importance and difficulty of these portfolios which must absorb most of the focus and energy of state governments; and
2. The highly specified and spatially confined nature of metropolitan responsibilities and imperatives.

Some tension is apparent between land-use planning tasks and infrastructure planning. State governments face considerable political pressure to manage the rapid and convulsive growth faced by many Australian cities. In this context the provision of infrastructure organised around problem-oriented monumental engineering projects may offer a concrete alternative to the often incremental, messy and negotiated process of land-use allocation and urban structuring. This uneven relationship can be observed in South East Queensland between the regional land-use and infrastructure plans and in Melbourne between the metropolitan strategy and extraordinary transport infrastructure schemes, where until the recent (2009) release of the *Victoria Transport Plan*, there had been an entrenched pattern of separate plan making for transport (especially highways and freeways) and land use at the metropolitan level. Infrastructure delivery, however, is not in itself a solution to planning problems, especially those of institutional fragmentation, incomplete implementation and long-term urban re-structuring.

Such infrastructure plans may therefore improve the coordination of state spending in metropolitan areas, but they will very often fail to generate the consistent, strategically oriented long-term funding needed to address rapidly mounting structural problems, such as

inaccessibility, congestion, excessive energy use (and greenhouse emissions) and service shortfalls. State infrastructure plans for urban areas cannot easily mobilise the sorts of financing facilities that are available to metropolitan scale institutions, including special rates, bond issues and levies. These finance forms, if economically and financially viable, may form part of a broader development and funding strategy to improve both the funding of infrastructure and other structural improvements. They can also be used to send powerful economic signals in pursuit of more efficient and equitable development.

State infrastructure plans are also no substitute for comprehensive structural planning which must include the other spatial strategies that are needed to rationalise metropolitan development and functioning. These include, for example:

- A centres policy with supporting powers, such as land assembly;
- An economic strategy including employment and service planning;
- Funding/revenue/cost supplementation strategies and concessions to discourage/encourage different development forms; and
- Research and training to continuously inform and improve spatial strategy making.

Why is the inability of current urban governance mechanisms to effect structural planning an issue of great concern? The simplest answer is that our cities all display worsening structural imbalances that are compromising their basic functioning and sustainability. The most dynamic imbalance arises from the simultaneous overcentralisation of employment, civic opportunity and public investment and continuing haphazard dispersal of housing, commercial activity, and motorised travel. Overlain on this structural paradox are the highly centralised transport systems of Australian metropolitan regions. Their inability to provide for cross-metropolitan travel, including non-employment related trips, has for some decades been recognised as a serious defect in metropolitan structure.

These contrary trends largely explain the rising stresses, dislocations and inefficiencies experienced in Australian cities. Their depressive influence on urban efficiency surely also explains the growing stresses on resource systems (water, energy especially). The structural paradox also worsens urban social inequity and social stress. The continuing dislocation of housing and labour submarkets, together with the deepening inaccessibility of suburban areas by modes other than the motor car, is placing ever greater financial and lifestyle strains on many urban residents. The situation is especially acute in outer suburban zones which lack services and amenities, including public transport.

There is a stark social gradient to this mounting stress and vulnerability. Poorer and modest income communities are overrepresented in the metropolitan areas suffering locational disadvantage. The 'VAMPIRE' and 'VIPER' spatial analyses of the Urban Research Program demonstrate this inequity of urban vulnerability for all Australian cities (Dodson & Sipe, 2008). In this way, the failing structural make up of our cities emerges as a major issue for social equity and inclusion at the **national scale**.

The solution for this structural imbalance is closely managed dispersal of our metropolitan regions, based on the planning principle of **decentralised concentration**. This principle has long been advocated in Australian planning but rarely implemented with any will and therefore effectiveness. It guided the historical development of Canberra and has informed the planning of cities during periods of active metropolitan planning. 'Corridor planning' – exemplified in the 1968 Sydney Regional Outline Plan – provided a sound structural vision for metropolitan development during the 1970s that improved the functioning and equity of our capital cities. This planning legacy has, arguably, been squandered in many of our cities.

From the 1980s, structural planning gave way to an emphasis on urban form, notably density, in the context of deregulatory fervour, with deleterious consequences for metropolitan development and functioning. The long run market forces driving urban dispersal continued, but were largely unmanaged, whilst the centralisation of public investment and employment was maintained or even strengthened. As part of a vision for polycentric urbanism, the principle of **decentralised concentration** was restated in metropolitan plans during the 1990s and into the new millennium, but with little or no supporting policies or programs to capture new development in or shift activity to subregional centres.

Many of these plans have been criticised by commentators as resembling glossy marketing or public relations documents rather than serious exercises in metropolitan planning. Few if any of the plans emerging since the early-1990s have articulated substantive arguments for or against their policy programs. Contemporary approaches contrast with the lengthy and considered discussion presented in earlier Australian schemes such as the 1971 planning policies document prepared by the erstwhile Melbourne Metropolitan Board of Works (MMBW), or the National Capital Development Commission's measured articulation of *Tomorrow's Canberra* in 1970. A comprehensive corridor plan for metropolitan Perth was produced in 1970 by the Metropolitan Regional Planning Authority, a rare and arguably effective example of dedicated metropolitan governance in the Australian planning experience. This cursory observation indicates the need for dedicated independent planning authorities with permanent analytical capacity tend towards a more substantial treatment of planning problems and their solutions.

The result of these embedded yet contradictory urban trends is what the Australian scholar Clive Forster terms a 'parallel universe' problem, separating planning ambition (or rhetoric) from urban reality. On the one hand, there is a broad consensus amongst the current metropolitan plans on the nature of strategic ambition, which Forster summarises as the triumvirate: 'Containment, Consolidation and Centres'. He neatly captures the compact city vision that now informs all metropolitan strategies in Australia:

In 20-30 years time, if the plans come to fruition, our major cities will be characterised by limited suburban expansion, a strong multi-nuclear structure with high density housing around centres and transport corridors, and infill and densification throughout the current inner and middle suburbs. Residents will live closer to their work in largely self-contained suburban labour sheds, and will inhabit smaller, more energy efficient houses. The percentage of trips using public transport, walking or cycling will have doubled. Regeneration programs will have broken up large concentrations of disadvantage, and a diminished public housing sector will only house welfare dependent households in acute need. Other low-income households will be able to find affordable dwellings in accessible locations within consolidation developments (2006: 179).

The problem, to put it mildly, is that the reality of urban development and motivation contrasts starkly with this vision. Forster makes the point that this well intentioned vision of metropolitan sustainability is both:

1. Contested, by a range of commentators and interests who doubt its worth, its efficacy, or both; and
2. Challenged, even negated, by the structures of our cities which remain differentiated and dispersed rather than neatly multi-nucleated.

To this should be added a third failing: there exists few comprehensive policy or program mechanisms for the implementation of the compact city model, especially its structural features. Forster describes "two parallel urban universes: one occupied by metropolitan planning authorities and their containment-consolidation-centres consensus; the other by the realities of

the increasingly complex, dispersed, residentially differentiated suburban metropolitan areas most Australians live in” (2006: 180).

The closest any recent Australian metropolitan plan has come to a serious revisiting of decentralised concentration has been the recent Melbourne@5Million update to the 2001 Melbourne 2030 metropolitan strategy. A highlight of the updated scheme was the designation of six sites for new CBD-scale developments within the city’s middle and outer suburbs. Yet the update contains almost no analysis justifying the selection of centres or their functional linkages to surrounding sub-regions and transport links. There is little published evidence of any serious implementation program accompanying the updated scheme, save for the continuing \$290 million State Government commitment to the regeneration of one Central Activity District, Dandenong.

The planning deficit we describe above arises we believe from the lack of sustained and accountable metropolitan governance frameworks which have responsibility for creating and implementing workable strategies for urban development. It also reflects a relentless weakening of the knowledge and professional bases for planning and for the urban professions generally which has reduced their analytical scope and confidence. From the 1980s there has been a progressive withering of the influence of spatial and social scientific disciplines (notably urban economics and urban geography) on planning education and practice. Generations of planners and urban professionals have emerged with little comprehension of the significance of urban structure to basic city functioning and well-being. Moreover, as the community and governments have become more participative in planning processes, the scope of professional practice has tended to narrow, with far greater emphasis now being placed on negotiation, dispute resolution, development control and administrative process. These are morbid not healthy developments in professional practice and priority.

Road agencies have provided the only confident, but seriously flawed, structural ambition for cities. The prioritisation of mobility over accessibility has driven the development of costly new road infrastructure that has intensified dispersion, and therefore the urban structural imbalance, whilst also worsening car dependency and greenhouse emissions. Planning, which has long accepted the need to reprioritise accessibility over mobility, as well as the need to reduce car dependency, has stood somewhat helplessly on the sidelines of urban development. More recently, ‘infrastructure planning’ has supplanted to some extent the exclusive focus on road planning. This has improved prospects for a renewed focus on urban structure. Comprehensive urban planning, however, remains an aspiration in our cities.

The metropolitan governance deficit has profoundly reinforced the intellectual and professional narrowing of urban professions. Metropolitan regions are urban systems comprised of interlocking sub-markets, jurisdictions, programs, service networks and regulatory overlays. We cannot anticipate a comprehensive metropolitan planning approach when no governance or institutional responsibility exists at the system scale. Local governments have neither the coverage nor the scale needed to carry this responsibility, or to support the evidence based, comprehensive planning it necessitates.

State agencies – departments of planning, transport and community development – have fragmented responsibilities, limited powers and resources and extensive, statewide jurisdictions. Even if they had the needed qualities, it would be very difficult to make individual agencies accountable for effective planning and servicing at the metropolitan scale. State agencies are also subject to regular and often disruptive re-structuring that mitigates against the stability needed to support the steady long-term implementation of detailed plans. The occasional instances of innovation within state planning departments can often be lost in the next departmental reshuffle

or portfolio realignment. The problems with Sydney's transport system, now pressing matters of public concern, are emblematic of this institutional failure.

The governance shortfall we describe also reflects and reinforces a deepening democratic deficit in our cities. This manifests as:

- A conflicted political culture, characterised by strategic uncertainty and polarity;
- Administrative confusion (especially between strategic and statutory planning);
- Popular anxiety about growth and change;
- Defensive localism ('NIMBY-ism'); and
- Those limited but unfortunate circumstances of corruption and maladministration of land development and regulation.

## **Democratic deficit**

The democratic inadequacies of our current metropolitan governance systems (using that term advisedly) can be broadly grouped into two areas:

1. Compromised and risky governance structures; and
2. Disenfranchisement of the metropolitan community.

## **Compromise and risk**

Ideally, State Ministers for Planning and other urban functions should set the policies that guide the development of state-wide urban areas and of the settlement system generally. It is generally recognised that State Ministers for Planning should not be involved in the everyday development assessment or decision making processes that guide infrastructure development and the delivery of urban services (hydraulic services and also social and environmental programs). This detachment is necessary to avoid conflict of roles and to safeguard against more egregious governance failures, including corruption, nepotism and ad-hoc, reactive decision making that compromises policy objectives. Arguably, the unhealthy melding of urban development ambition with state political intent has brought planning into conflict and disrepute on a number of occasions.

Too often, however, the reverse situation characterises state political and administrative involvement in the cities. State policy frameworks remain underdeveloped, especially, but not only, on the issue of settlement system planning. Each Australian jurisdiction is marked by high degrees of metropolitan primacy, meaning metropolitan regions account for a dominant share of state populations and activity. In many states this imbalance is now producing stresses and contradictions that necessitate the need for thoroughgoing settlement system planning, possibly including a commitment to decentralisation as a policy setting. Arguably, however, state politicians and administrations have been diverted from these larger policy development tasks by their involvement in regulatory planning that is properly the task of responsible local and regional planning authorities.

There have been a number of occasions where State Ministers for Planning have exercised their legislative powers to intervene in development assessment processes that may better be left to independent authorities. This intervention helps to supercharge development debates at the metropolitan and local levels with unhelpful results for policy making and for policy consistency. It is becoming more common for communities to mobilise to organise demonstrations and advertising campaigns to vent their dismay with proposed changes to their neighbourhoods. In this politically charged environment, opposition parties obviously see opportunities to

differentiate themselves from the Government of the day, score points and build constituencies. Consequently, what should be a long term and consistent process of policy building for our cities can become subject to the erratic swings of the short term political cycle. Metropolitan planning should not be driven by reactive state political debate and ambition.

## **Metropolitan disenfranchisement**

Cities are human systems first, and built environments second. Too often the ‘built environment’ rubric is used inappropriately to describe and lead urban discussion and planning. This discussion should begin from the premise that our urban areas are social systems with a discernable and unique need for democratic recognition. Contemplation of the built environment is surely critical but should flow from and not precede this appreciation.

Our metropolitan regions are extensive but closely linked communities of mutual interest. The proper planning of urban regions requires complex allocation decisions that guide the pattern of private and public investment and service delivery. State and local government agencies must decide resource shares within and between the communities that comprise our metropolitan regions. All communities are linked by the imperative of regional allocation and planning.

And yet this compelling community of interest has no status or voice in the Australian government system. The closest moment of recognition is perhaps the episodic and highly differentiated attempts of state planning agencies to consult publicly during periods of metropolitan plan making. This in no way substitutes for adequate recognition and expression of the metropolitan democratic interest.

With the challenge of global warming, energy conservation and transformation of our spatial economies is now back at the top of the agenda. In the major cities stories and news items about planning are commonly on the front pages of daily papers. Melbourne has witnessed an especially vigorous debate about planning in recent years. The metropolitan strategy *Melbourne 2030* and its successor, *Melbourne@5Million*, are the focus of political debate. And yet, at a time of rising community interest in – indeed, anxiety about – urban development there are no institutions at the metropolitan level that can lead, capture and translate these debates to democratically supported planning.

It must tell us something that Australia’s major cities are amongst the few in the developed world without metropolitan governments. It is a major limitation of policy that a ‘nation of cities’ grants city regions no voice, no means for collective expression of content about planning, resource allocation and major strategic issues, such as population growth, economic development and sustainability targets. It is considered that the subordination of democratic expression explains the increasingly polarised and anguished debates that increasingly afflict our cities. The highly polarised debate around urban consolidation is a key example of the consequences of this failing.

State ambition for residential growth and compaction in metropolitan regions does not articulate well with local government politics. The situation is clearly worsened by a lack of regional level mechanisms for the implementation of the ideals expressed in the compact city model. The result is too often uncoordinated and highly differentiated responses to housing targets at the local level, with many failings of quality that antagonise local communities. Communities sense the ambiguity of leadership and responsibility at the regional level and the absence of implementation mechanisms. Disenchantment and cynicism regarding metropolitan planning thrive in this context.

What is missing is an intervening layer for the negotiation of state and local development ambitions at the regional level. And yet there exists no mechanism for consultation, clarification and leadership at the regional level. These critical ends cannot be met within the confines of municipal politics and government. Urban local government amalgamations in jurisdictions such as Queensland and Victoria have increased the scale and competencies of municipalities but not to the extent required by regional coordination. This means that urban frustration too often plays out at the state political level with deleterious consequences for planning and policy making at this level, as outlined earlier.

We turn now to two case studies of historical and contemporary governance in Australian metropolitan regions. These examinations aim to expose and reinforce the arguments made above as well as provide the context for our final discussion of a possible model for metropolitan governance in Australia.

### **Case study 1: The Melbourne and Metropolitan Board of Works (1891-1991)**

Melbourne shares with Perth the rare experience of dedicated metropolitan planning governance. Perth's Metropolitan Regional Planning Authority has evolved into the Western Australian Planning Commission; whilst Melbourne's planning body was largely dismantled in the mid-1980s.

Before 1991, Melbourne had a metropolitan governance structure that may be judged in hindsight imperfect, but which provided both a participatory forum for planning (based on municipal representation) and a strong basis for comprehensive planning. This structure no longer exists. Institutionally, Melbourne is now in a weaker position to forge a sustainable future than it was three decades ago.

Prior to the election of the Cain Labor Government in 1982, planning governance in Melbourne was dominated by a quasi independent authority, the Melbourne and Metropolitan Board of Works (MMBW). This body traced its origins to the Gold Rush period in the city's development.

The MMBW had something of a democratic mandate in its own right; until 1978, the Board comprised fifty four Commissioners, all delegated Councillors from the municipalities making up the metropolis at the time. After an Inquiry in 1977, the Board was restructured to comprise a full time Chair and six part-time members, four elected by Area Commissions or groupings of municipalities within the city and two State Government appointees.

The Board developed metropolitan strategy and an overarching development control scheme for Melbourne. In performing these functions, it operated at arm's length from the Government, though the State Minister (and Parliament more generally) ratified these documents with advice from other independent authorities such as the Town and Country Planning Board. The MMBW delegated some planning scheme powers to its constituent municipalities but retained development assessment responsibilities for matters of 'metropolitan significance', for example, land release at the urban fringe, key employment locations and the major waterway corridors.

The Planning Minister of the day was 'above the fray'; s/he was seen as the custodian of the processes set out in the Town and Country Planning Act and was rarely drawn into resolving individual development assessment issues. The state political reporters of the day had to look elsewhere for their stories.

Importantly, the MMBW also had responsibility for planning, financing and delivering 'city shaping' infrastructure, particularly trunk sewers, which determined where and when land could

be opened up for growth, and highways, which affected accessibility patterns and therefore location choices across the metropolis. In pursuing these responsibilities, the Board had its own rating powers and could issue infrastructure bonds.

The Board had many of the hallmarks of a ‘metropolitan government’ not unlike the current Greater London Authority (GLA). Just as the GLA made great strides in sustainability policy for London under the leadership of its mayor, Ken Livingstone, the Board established strong planning credentials during its tenure. While some might have been frustrated by the then seemingly slow response of planning authorities to the global energy crisis, hindsight tells us that some of Melbourne’s best planning was delivered under the auspices of the MMBW. These include protection of the Melbourne CBD as the metropolis’s pre-eminent social, economic and cultural hub, enforcement of a corridor structure in outward urban growth to define communities and maintain access to food production and recreational resources and development of an excellent network of metropolitan parks.

The Cain Government’s move to strip the MMBW of its planning powers and relocate these into a state department of planning seemed like a good idea at the time. It was intended to make *‘planning more accountable’*. In part, it was a reforming government’s decisive response to then recent land scandals involving the Housing Commission and efforts by some developers to convince the Board to approve a self-contained new town on Melbourne’s northern fringe, in a location at odds with the corridor plan.

This move set in train a polarisation in planning governance in Melbourne which now threatens to seriously compromise capacity to deliver the sustainable metropolis envisioned in metropolitan strategies. On the one hand, there has been an inexorable centralisation of planning power and influence in the state department of planning and therefore the Minister. For example, the formation of the Priority Development Panel enables the Minister to ‘call in’ a wide range of development applications, with advice from independent experts but with the Minister making the decisions. The Growth Areas Authority (GAA) was established in 2006. The GAA, ostensibly an independent and coordinating body, reports directly to the State Minister for Planning. Arguably, through the GAA, the Minister now effectively directs land release and infrastructure funding policy on Melbourne’s fringe. The GAA may not be effecting the widescale improvements to metropolitan governance we see as necessary.

At the same time, the last three decades have seen a strong thrust to establish councils as independent planning authorities, with power to create and maintain their own development control schemes in keeping with local community preferences. This was given particular emphasis during the Kennett Government’s incumbency (1992-99).

In short, metropolitan governance was abolished, the instrumental role of the Minister was increased, and councils were, in one sense, invited to act with greater autonomy in planning matters. This proved to be a recipe for institutional paralysis. Upon its release in 2003, the technical content of *Melbourne 2030* strategy was lauded as leading practice by some observers. But it was not embraced by the metropolitan community as something born of its own democratic processes. Thus it was seen as an edict from ‘Spring Street’ (the geographic seat of the State Government in Melbourne) – something handed down by a remote sphere of governance which had no affinity with community aspirations.

When local councils with clear mandates to represent local interests were asked to make policies and decisions in line with the regional interests set out in *Melbourne 2030*, resistance was inevitable. Outright revolt was forestalled by protracted local planning processes supported by the State Government including the preparation of activity centre structure plans and urban design frameworks. But these merely papered over the inherent weakness in governance

arrangements; local governments were being asked to perform metropolitan functions. The result, as indicated by the Melbourne 2030 Expert Audit Group, is much slower progress on urban consolidation than what we need and what the Government had hoped for.

## **Case study 2: The Brisbane City Council (1924- ) & SEQ Regional Plan (2004- )**

At first inspection the recent case of Brisbane and South East Queensland (SEQ) appears to offer a positive governance narrative involving a new and widely supported spatial and infrastructure framework at the regional scale. This was developed from 2003 in response to the ever evident fragmentary pressures assailing Australia's fastest growing urban region, and public support for stronger planning coordination at the regional level. But there are some important weaknesses with the current model that bear contemplation. These include:

1. The Brisbane City Council's extraordinary institutional scale offering it unusual influence over wider regional development patterns and policy priorities, demonstrated most clearly in transport planning;
2. The growing tendency to resort to 'project led planning', meaning the increasing dominance of infrastructure schemes over planning schemes; and
3. The continuing absence of mechanisms to deliver the State Government's structural planning objectives, including its regional centres policy.

Metro-regional planning in SEQ is a recent phenomenon. In 2004 the Queensland government established a State Office of Urban Management tasked with preparing a regional plan to knit together the fraying development paths of the region's 18 local government authorities.

The SEQ Regional Planning process is partly reflective of an earlier phase in the region's history dating from 1924 when the Brisbane City Council (BCC) was established by a state administration to provide an overarching unitary authority for the then metropolitan region. It was formed through the amalgamation of two cities, six towns, and various parts of ten shires. The Brisbane model comprised 20 councillors (now 26) plus a directly elected Lord Mayor with a mix of formal and ceremonial powers. This unitary model contrasts with the Melbourne Metropolitan Board of Works framework which instituted a new tier of urban governance between the state and local governments. The MMBW did, not, however introduce a new electoral overlay, and is properly described as representational governance not government.

Through its various organs the BCC was initially responsible for town planning as well as water and sewerage works, electricity generation and distribution and tramways. The competence brought by this scale of government has been noted by some observers as producing a legacy of 'remarkably stable' government in Brisbane.

The BCC's contemporary role in regional planning is problematised by two factors. First, the scale of the BCC has enabled it to sometimes compete with and often lead state government urban decision-making processes. This is apparent in the recent development of the city's transport system where state sponsored busways and toll tunnels have been constructed at the instigation of the BCC. Second, the limits of the BCC's coordinating powers were exposed and intensified in the context of increasingly dispersed regional growth in the decades following World War Two. By the 1980s significant urban development had escaped the confines of Brisbane especially in the tourism and retirement zones of the Sunshine Coast and Gold Coast, the latter of which has outpaced Hobart and Canberra to become Australia's sixth largest city.

A voluntary regional growth management framework was instigated in 1990 in response both to increased recognition of the need for regional coordination and widespread community concern about development stresses. This produced a succession of regional growth management schemes. This voluntary arrangement proved ineffective, however, and from the late 1990s public anxieties were again voiced at the trajectory of the region's growth patterns.

In 2004 the State Government responded to the growth management pressure, including campaigns from media and public institutions, by establishing the OUM and initiating a process for the development of a blueprint regional plan. This agency, which uniquely included officers seconded from local government and from a variety of state functions, produced the 2005 *South East Queensland Regional Plan*, with statutory weight, and the subsequent *South East Queensland Infrastructure Plan*. State planning capacity was later relocated and concentrated within a Department of Infrastructure and Planning. The new regional planning framework has proven electorally popular although chronic growth pressure is again stirring civic disquiet. In 2010, the *Courier Mail* newspaper responded to rising public anxiety about planning and growth by reinitiating its earlier campaign series, *Our Future, Your Say*.

An equally substantive concern is the emerging tendency for infrastructure production to dominate land-use planning. There is doubtless an element of political appeal behind this tendency, which is not surprising given high and rising community expectations concerning the quality of urban services and liveability. The immediacy, manageability and monumentality of infrastructure provision offer tangible and timely results in contrast to the inevitably slower process of regional planning. The focus on major projects also constitutes a meaningful response to the infrastructure deficits that accumulated in the years preceding the current statutory growth framework. The major project response, however, places increasing pressure on the now accepted need to reduce the carbon intensity of urban development and to prioritise accessibility over mobility as an urban ambition.

In contrast to this approach stands regional planning, the gradual but relentless reshaping of land-use patterns which is essential to long term regional coherence and sustainability. Unlike a major projects stream, regional planning provides much less visible and immediate results. With large regional municipalities committed to major project solutions for chronic urban problems, such as traffic congestion, the resort to infrastructure delivery over spatial planning has become increasingly powerful and compelling. This may be attributable to the more nuanced and less easily marketable measures, such as demand management in transport, being much more difficult to implement as policy alternatives.

And yet, for all its superficial attractions, 'project led planning' threatens to worsen structural imbalances, antagonise local communities and defer the hard but necessary work of reshaping the land use pattern of SEQ to improve its basic functioning. The challenge of implementing the State Government's Transit Oriented Development program, a keystone of the regional plan, exemplifies the difficulties facing structural land use planning in the region.

Major infrastructure projects which affect the pattern of accessibility across an urban area can be deployed strategically to 'reshape' the pattern of urban development. This is one of the key challenges for infrastructure enhancements in SEQ, which must be prioritised to further the Government's strategic planning goal of decentralised concentration. Examples of this prioritisation being applied include the Springfield rail extension and the Gold Coast Rapid Transit Project. Arguably, a continuation of project led planning is likely to contribute to the overcentralisation of employment and transport networks in SEQ. Continuing central activity concentration in Brisbane's CBD for example, is generating further calls for the costly expansion and duplication of radial transport links. Therefore a key focus must be improving the linking of

public transport modes through coherent regional network planning, which will help to reduce the demand for roads.

## **A vision for change**

### **Renewing planning governance in Australia**

In the face of the deficits we describe above and considering their harmful impacts on city efficiency and equity, we believe the case for metropolitan governance is compelling. It is our recommendation that state governments work with the Commonwealth and with local governments to establish metropolitan governance frameworks that respond to and exploit the unique physical, social and environmental qualities of our capital city regions.

The Commonwealth should consider funding transition to metropolitan governance through the COAG framework, with incentive payments linked to progress benchmarked against a nationally agreed reform model. The Commonwealth should remain an active metropolitan partner once the Commissions are established. At the minimum it should commit to aligning its own employment, investment and development policies and programs with the objectives of the metropolitan Commissions.

Whilst it is necessary to fit governance structures to the particularities of each metropolitan context, there are, we believe, a number of imperatives and features which all governance structures must share. The most important universal imperative is the immediate need to improve structural planning in Australia's metropolitan regions and to urgently give meaningful effect to the goal of decentralised concentration. Allied to this is the requirement to vastly improve the planning and functioning of our long neglected public transport systems to ensure realisation of the mutually reinforcing goals of urban accessibility and equity. It should not be neglected that planned dispersion will create more economically efficient cities and provide a significant boost to regional productivity. This underscores the national importance of the metropolitan governance reform task.

Significant acceleration towards the vision of a compact city will require smarter approaches to urban design, particularly at the precinct level, as well as a rethink about the distribution of high density development at the level of urban structure. However, it is unlikely that we will simply design our way to a more sustainable and efficient urban structure or, just as importantly, to credibility with the metropolitan community. A precondition for meeting these objectives is a thorough reconstruction of planning governance in Australian cities.

What are the governance features that should generally inform the development and operation of metropolitan authorities? We believe that this question needs to be approached with the subsidiarity principle firmly in mind. We summarise in Table 1 our view of how the principle should be applied to the reorganisation of planning governance in Australia. In particular, it is vital that a metropolitan sphere of governance be created (in Melbourne's case reinstated), so that the inevitable tensions between neighbourhood self-interest and regional sustainability can be mediated in more constructive ways, without endangering sound long term plans for our metropolis.

Moreover, the interests of the States are likely to be better served if their governments can be freed to concentrate on the important state-wide issues, rather than being dragged into what are essentially local or regional matters. These include education, health, policing, industry policy, competitive taxation and regulatory regimes, national parks and Commonwealth-State relations.

## Establishing metropolitan commissions

A practical first step would be to establish in each city region a regional planning authority or Commission with clear responsibility for those places and issues which are of metropolitan significance, including:

- All the principal activity centres in the metropolis;
- All the public transport corridors which have major intensification potential;
- All the economic drivers including key employment nodes, including the CBD;
- The airport zone; and
- All development proposals above a threshold size or value.

Outside these areas and issues, local governments would have greater independent discretion than they have today to pursue localised planning solutions.

It is essential that any such Commission be seen to have an independent, albeit subsidiary, mandate to that of the State Government. The MMBW structure from Melbourne is worth contemplating as a model for emulation. The MMBW's board included a mix of some members (a minority) appointed by the State and other members elected – directly or by electoral college – from regional local governments. Municipal election of members was organised through metropolitan sub-regions.

This **governance** model meets the tests of independence, accountability and representation without going so far as to impose another electoral layer on the Australian multi-level government system. There may not be sufficient community enthusiasm for another level of government at this time. The **representational governance** model we propose shares broad similarities with the structure and constitution of the Greater Vancouver Regional District (GVRD). The GVRD has been closely associated by critical commentary with the successful management of the Vancouver metropolitan region in recent years. This management has balanced targeted compact and transit oriented development with regional public transport planning and a high level of democratic legitimation. There is no immediate need for the application of other overseas models, such as metropolitan regional governments with directly elected mayors (e.g., London). The Commissions must work with local political leaders but will ultimately have superior planning and service coordination powers for matters properly decided at the regional level.

The Commissions would be staffed by professionals transferred from the current State departments of planning and other relevant urban agencies. Secondment from local government should also be contemplated. They could be funded by their own rate raising mechanisms. In some metropolitan cases, notably Sydney and Melbourne, such rating devices are already in force; for example, Melbourne's Metropolitan Improvement Fund.

In due course, the Commission could become a fully fledged metropolitan governance institution with responsibility for principal roads, public transport and major environmental assets, while local councils continue to provide local services. The State Parliament and its executive would remain the pre-eminent governance institution in each instance, retaining control of more than two thirds of current budget programs.

Special attention must be given to the establishment of regional participatory forums to address the democracy deficit identified earlier. The Commissions will nurture and lead popular debate at the regional level, and work with local governments to enhance neighbourhood and locality planning. Major urban stakeholders and partners, including environmental and social advocacy

groups, should be represented in Commissions structures, including its working and advisory groups.

Finally, educational institutions will need to play their part in reinventing our planning institutions. They will need to equip planners with the theoretical frameworks, analytical skills and capacity to give them the imagination required to reinvigorate the profession's original role as an agent of visionary change. It is especially necessary that the profession's capacity to comprehend and effect metropolitan structural planning is re-established. By providing a professional and institutional focal point for this ambition, the Commission's will greatly aid the cause of professional renewal in planning and in allied urban professions.

### Staged transition

Finally, transition to metropolitan governance could be staged rather than instituted in one reform package. With reference to Table 1 below, the suggested staged development approach would comprise:

**Stage 1:** Metropolitan planning authority with jurisdiction over the matters set out in the third row of Table 1, reporting to a forum or 'board' comprising delegates from councils plus state appointed members.

**Stage 2:** Metropolitan planning authority plus responsibility for planning and financing major roads, public transport, major open space, major water cycle infrastructure, and urban regeneration functions. This would include the assumption of separate taxing/bond raising powers.

**Table 1: Subsidiarity and planning governance**

Level	Examples of activities or decisions for this level
National level	<ul style="list-style-type: none"> <li>Improving national consistency of planning and building regulation</li> <li>Resolving cross-border issues such as water supply, ports and transport connections</li> <li>Environment, heritage issues of national significance</li> </ul>
State/Territory level	<ul style="list-style-type: none"> <li>Maintaining state-wide land use and development regulation system</li> <li>Maintaining administrative and judicial review processes</li> <li>Overseeing planning institutions</li> <li>Development planning and development determinations for sites or projects of state-wide significance</li> </ul>
Regional/metropolitan level	<ul style="list-style-type: none"> <li>Prioritising and investing in strategic infrastructure of metropolitan significance</li> <li>Designating major activity centres and facilitating development in these centres</li> <li>Designating and managing major transportation corridors</li> <li>Identifying and developing key economic strategies including employment nodes</li> <li>Formulating land release schedules in growth areas</li> <li>Protecting environmental and cultural assets of regional significance</li> <li>Maintaining efficient land supply for housing</li> </ul>
Local level	<ul style="list-style-type: none"> <li>Neighbourhood structure planning</li> <li>Regulating housing development and redevelopment within applicable State and regional guidelines</li> <li>Regulating development in all lower order activity centres</li> </ul>

## **Conclusion**

Australian cities face immense challenges in meeting the demands placed upon them by rapid population growth in the context of global economic ruptures and environmental stress. Australia's urban managers will need to act decisively to relieve the pressures and resolve the paradoxes that will flow from these forces. There are manifold technical solutions available to support the reshaping and restructuring of our cities. These tools and strategies will not, however, produce solutions to urban problems in the absence of sound and decisive governance arrangements. Good governance must guide and enact the planning of safe urban trajectories. Our present urban governance mechanisms are deeply compromised and under resourced and therefore cannot play this role. Cities are a lynchpin of the emerging national reform agenda. This program must include reconsideration of city governance. We hope this paper has assisted thinking and development in this crucial area of public policy.

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